

# 100% OCCUPIED STRIP CENTER

NN Investment Opportunity

sleep  number.

**EYEGLASS** WORLD



14021 LUNAR DRIVE  
**JACKSONVILLE** FLORIDA

ACTUAL SITE



NATIONAL NET LEASE GROUP





EXCLUSIVELY MARKETING BY

Qualifying Broker: John Artope, SRS Real Estate Partners-Southeast, LLC |  
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Offering Summary

ASKING PRICE	\$4,875,000
CAP RATE	5.60%
NET OPERATING INCOME	\$273,000

Property Specifications

PROPERTY ADDRESS	14201 Lunar Dr. Jacksonville, FL 32218
RENTABLE AREA	6,500 SF
LAND AREA	1.21 Acres
YEAR BUILT	2019
TENANTS	Sleep Number, Eyeglass World
OCCUPANCY	100%
LEASE TYPE	NN
LANDLORD RESPONSIBILITIES	Roof, Structure & Parking Lot
INCREASES	10% Every 5 Years
OPTIONS	2 (5-Year)
PARCEL #	107618-1735

Suite #	Tenant Name	Size SF	Pro	Rent Monthly	Rent \$/SF/Mo	Rent Annual	Rent \$/SF/Yr	Pro	Rental Increases					Lease	Lease	Options Remaining	
			Rata (SF)					Rata (\$)	Increase Date	Inc.	Rent Monthly	Rent \$/SF/Mo	Rent Annual	Rent \$/SF/Yr	Start Date		End Date
1	National Vision, Inc. d/b/a Eyeglass World (Corporate)	3,500	54%	\$12,250	\$3.50	\$147,000	\$42.00	54%	Oct-24	10%	\$13,475	\$3.85	\$161,700	\$46.20	Sep-19	Sep-29	2 (5-Year)  Opt 1: \$177,870/Yr Opt 2: \$195,657/Yr
2	Sleep Number (Corporate)	3,000	46%	\$10,500	\$3.50	\$126,000	\$42.00	46%	Nov-24	10%	\$11,550	\$3.85	\$138,600	\$46.20	Oct-19	Oct-29	2 (5-Year)  Opt 1: \$152,460/Yr Opt 2: \$167,706/Yr
Total Occupied		6,500	100%	\$22,750	\$3.50	\$273,000	\$42.00	100%									
Total Vacant		0	0%	\$0		\$0		0%									
Total / Wtd. Avg:		6,500	100%	\$22,750	\$3.50	\$273,000	\$42.00	100%									

## Notes

1) Eyeglass World may terminate their lease at the end of the fifth Lease Year at no penalty if sales for the immediately preceding 12 months do not equal or exceed \$1,000,000.

Suite #	Tenant Name	Size SF	Pro	Prop. Taxes	Ins.	CAM	Mngmt.	Admin Fee	Reimbursement	Reimbursement	Notes
			Rata (SF)						PSF	Annual	
1	National Vision, Inc. d/b/a Eyeglass World	3,500	54%	Net	Net	Net	Net	10%	\$6.50	\$22,750	Tenant has a first calendar year cap on operating expenses of \$6.50/SF. Tenant's share of Controllable CAM (excludes snow removal and utilities) cannot increase more than 5% over previous calendar year. Tenant pays a 10% admin on CAM. Tenant pays management up to 5% of EGR, excluding admin.
2	Sleep Number	3,000	46%	Net	Net	Net	Net	0%	\$6.50	\$19,500	Tenant's share of Controllable CAM (excludes utilities) cannot increase more than 3% over previous year
Total Occupied		6,500	100%			Total Occupied			\$6.50	\$42,250	100%
Total Vacant		0	0%			Total Vacant			\$0.00	\$0	0%
Total / Wtd. Avg:		6,500	100%			Total Reimbursement			\$6.50	\$42,250	100%
						Total Operating Expenses			\$6.50	\$42,250	100%

OPERATING CASH FLOW	AUG. 2020
Potential Rental Revenue:	\$273,000
Reimbursement Revenue:	\$42,250
Effective Gross Revenue:	\$315,250
Less Expenses:	(\$42,250)
Net Operating Income:	\$273,000

OPERATING EXPENSES	IN-PLACE	PSF/YR
Taxes	\$16,250	\$2.50
Insurance	\$6,500	\$1.00
CAM	\$19,500	\$3.00
Total:	\$42,250	\$6.50

PRICING SUMMARY	
Price:	\$4,875,000
PSF:	\$730
NOI:	\$273,000
Cap Rate:	5.60%

NOTES
1) Taxes, Insurance, and CAM expenses are estimated per Eyeglass World lease.
2) CAM expenses include management and admin fees.
3) Analysis assumes no caps are being hit.







### Multi-Tenant Offering | 100% Occupied | Strong E-Commerce Resistant Tenant Lineup | Scheduled Rental Increases

- Opportunity to purchase a brand new two-tenant building at a combined 6,500 SF of retail space currently at 100% occupancy
- Both tenants have signed a brand new corporate guaranteed 10-year lease with 2 (5-year) options to extend, demonstrating their long-term commitment to site
- Corporate guarantees from Sleep Number (S&P: A-) with \$1.7B in revenue and National Vision, Inc. (Moody's: Ba3) with \$1.54B in revenue
- The leases feature attractive 10% rental increases every 5 years and at the beginning of each option, growing NOI and hedging against inflation

### NN Leases | Fee Simple Ownership | Limited Landlord Responsibilities

- Tenants reimburse for CAM, taxes, and insurance
- Landlord responsibilities limited to roof, structure & parking lot (20-year transferable roof warranty)
- Low-management investment for a passive investor

### River City Marketplace | Primary Retail Corridor | Jacksonville International Airport | Interstate 95 Interchange

- The subject property is located directly across from River City Marketplace, the largest shopping attraction in North Jacksonville with over 900,000 SF
- Strategically located on the corner of Airport Center Dr and Lunar Dr which allows direct access to I-95 and Jacksonville International Airport
- Nearby national/credit tenants include Chick-fil-A, Discount Tire, Walmart Supercenter, Starbucks, Chipotle, Taco Bell and more
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for this site

### Strong Demographics in 5-mile Trade Area

- More than 225,000 residents and 168,000 employees support the trade area
- \$77,721 average household income
- Population growth is expected to increase around 2% annually over the next five years in the property's trade area



**Location**

Located in  
Jacksonville, FL  
Duval County



**Access**

Lunar Drive  
1 Access Point

Skymarks Drive  
1 Access Point



**Traffic Counts**

Interstate 95  
86,000 Cars Per Day



**Improvements**

There is approximately 6,500 SF  
of existing building area



**Parking**

There are approximately  
56 parking spaces  
on the owned parcel.

The parking ratio is  
approximately 8.92 stalls per  
1,000 SF of leasable area.



**Parcel**

Parcel Number: 107618-1735

Acres: 1.21

Square Feet: 52,567 SF



**Year Built**

2019



**Zoning**

Commercial













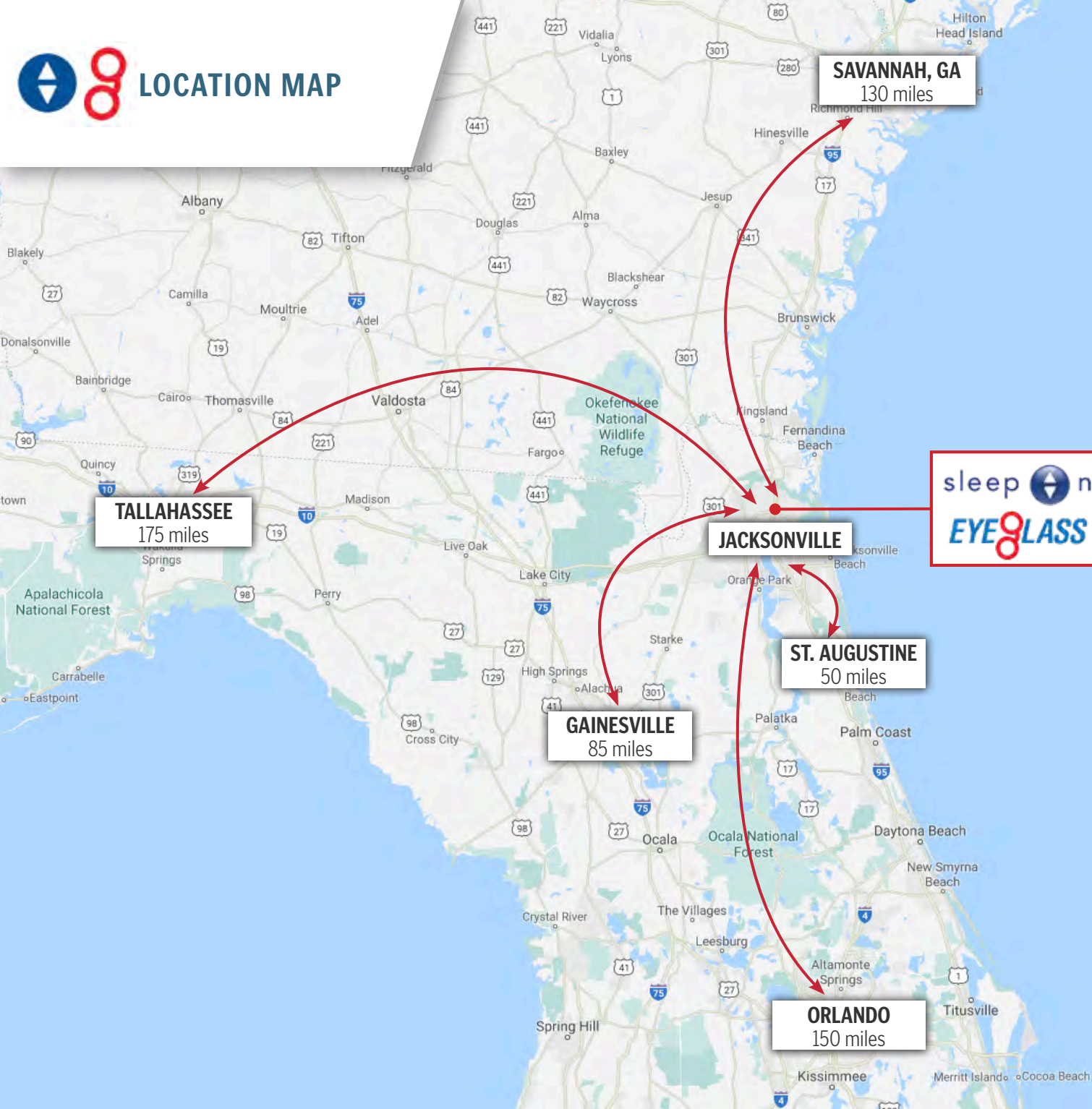
6,000  
CARS PER DAY

sleep  number  
EYEGLOSS WORLD









**2019 ESTIMATED POPULATION**

1 Mile	2,500
3 Mile	27,677
5 Mile	62,181

**2019 AVERAGE HOUSEHOLD INCOME**

1 Mile	\$60,759
3 Mile	\$73,128
5 Mile	\$73,830

**2019 ESTIMATED TOTAL EMPLOYEES**

1 Mile	6,055
3 Mile	15,189
5 Mile	26,535



## Jacksonville, Florida

Jacksonville, the largest city in Florida, is located in Duval County in the northeast corner of Florida, on the banks of the St. Johns River and adjacent to the Atlantic Ocean. It is the largest metropolitan area in northeast Florida and southeast Georgia. The city of Jacksonville is the largest city in Florida with a population of 925,142 as of July 1, 2019.

As with much of Florida, tourism is also important to the Jacksonville area. Jacksonville is home to a number of attractions including Jacksonville Landing, Jacksonville Riverwalks, Jacksonville Maritime Museum, Jacksonville Zoo and Gardens and St. Johns River Park or Friendship Park.

Jacksonville is the leading transportation and distribution hub in the state. However, the strength of the city's economy lies in its broad diversification. The area's economy is balanced among distribution, financial services, biomedical technology, consumer goods, information services, manufacturing, and other industries. More than 50,000 new jobs have been created by companies expanding or relocating in Jacksonville during the last five years. With a growing population, a strong economy, diverse cultural and recreational opportunities and abundant natural resources, Jacksonville continues to distinguish itself as one of the nation's most dynamic and progressive cities.

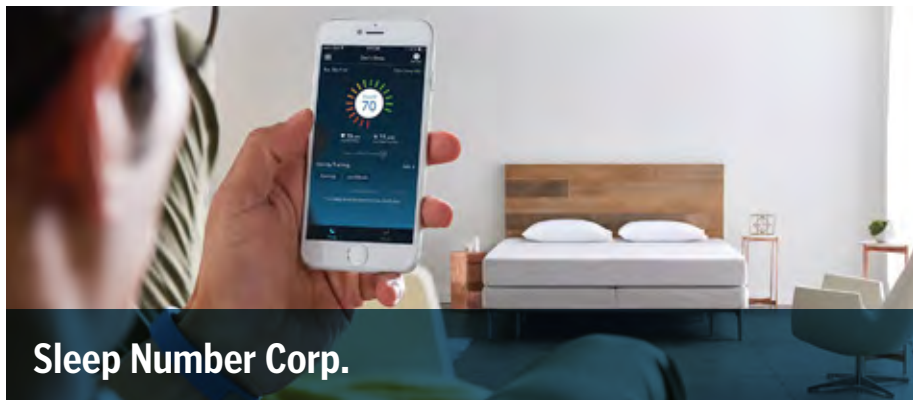
Jacksonville is home to many prominent corporations and organizations, including the headquarters of four Fortune 500 companies: CSX Corporation, Fidelity National Financial, Fidelity National Information Services and Southeastern Grocers. Interline Brands is based in Jacksonville and is currently owned by The Home Depot. The Florida East Coast Railway, Swisher International Group and the large short line railroad holding company RailAmerica are also based in Jacksonville.

Jacksonville's coastal location facilitates the Port of Jacksonville, Florida's third largest seaport and multiple military facilities. Jacksonville has the largest deep-water port in the South Atlantic, 14th largest in the U.S. and is the nation's leading port for automobile imports. Naval Air Station Jacksonville, Naval Station Mayport, Blount Island Command, as well as Naval Submarine Base Kings Bay located nearby, make the city the third largest military presence in the country behind Norfolk and San Diego.



	1 MILE	3 MILES	5 MILES
2019 Estimated Population	2,500	27,677	62,181
2024 Projected Population	2,855	30,219	67,591
2010 Census Population	1,717	22,722	51,792
Projected Annual Growth 2019 to 2024	2.69%	1.77%	1.68%
2019 Estimated Households	1,115	9,926	22,546
2024 Projected Households	1,280	10,810	24,454
2010 Census Households	747	8,224	18,926
Projected Annual Growth 2019 to 2024	2.80%	1.72%	1.64%
2019 Estimated Average Household Income	\$60,759	\$73,128	\$73,830
2019 Estimated Median Household Income	\$50,000	\$58,889	\$59,596
2019 Estimated Per Capita Income	\$25,048	\$26,669	\$26,694
2019 Estimated Total Businesses	392	1,039	1,942
2019 Estimated Total Employees	6,055	15,189	26,535





## Sleep Number Corp.

**Company Type:** Public (NASDAQ: SNBR)

**Credit Rating:** S&P (A-)

**2018 Employees:** 4,395

**2018 Revenue:** \$1.70 Billion

**Website:** sleepnumber.com

**Headquarters:** Minneapolis, MN



Sleep Number Corporation designs, manufactures, and markets a line of air bed mattresses. Sleep Number is proving the connection between quality sleep and health and wellbeing. The Company provides a variety of beds, bedding, pillows, mattress pads and layers, sheets, duvets, bed skirts, bases, furniture, bed accessories, and kids blankets. The company's 4,000 team members are improving lives with innovative sleep solutions. Sleep Number operates over 610 stores in 50 states.



## National Vision, Inc.

**Company Type:** Public (NASDAQ: EYE)

**Credit Rating:** Moody's (Ba3)

**2018 Employees:** 12,000

**2018 Revenue:** \$1.54 Billion

**Website:** nationalvision.com

**Headquarters:** Duluth, GA



National Vision is one of the largest optical retailers in the United States, with 1,100 brick and mortar locations in 44 states plus the District of Columbia and Puerto Rico. NVI has opened 50 stores in the past 10 years and has delivered 60 consecutive quarters of positive same store sales growth. In addition to its impressive store network, NVI operates a successful impressive store network, NVI operates 19 different websites selling contact lenses and eyeglasses to consumers. NVI is very bullish about it's future and has plans to open 75 new stores annually.





NATIONAL NET LEASE GROUP

**SRS NATIONAL NET LEASE GROUP IS THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM OF SRS REAL ESTATE PARTNERS.**

**275+**

**RETAIL  
PROFESSIONALS**

**25+**

**OFFICES**

**#1**

**LARGEST REAL ESTATE  
SERVICES FIRM**  
in North America  
exclusively dedicated to retail

**2100+**

**RETAIL  
TRANSACTIONS**  
in 2019  
company wide

**485**

**PROPERTIES  
SOLD**  
in 2019  
NNLG

**\$1.5B**

**TRANSACTION  
VALUE**  
in 2019  
NNLG

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.

\*Statistics are for 2019

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