

VERIZON

1216 W HIGH AVENUE, NEW PHILADELPHIA, OHIO



OFFERING MEMORANDUM

Marcus & Millichap

The
Ernest Warther
Museum & Gardens



verizon



NEW TOWNE MALL



KENT STATE
UNIVERSITY
TUSCARAWAS
2,090 STUDENTS

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Executive Summary

1216 W High Avenue, New Philadelphia, OH 44663

FINANCIAL SUMMARY

Price	\$1,990,000
Cap Rate	6.70%
Building SF	3,000 SF
Net Cash Flow	6.70% \$133,416
Year Built	2020
Land/Lot Size	.64 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease*
Tenant	Cellular Sales of Knoxville, Inc.
Guarantor	Cellular Sales of Ohio LLC
Roof & Structure	Landlord Responsible
Lease Commencement Date	February 6, 2020
Lease Expiration Date	February 28, 2030
Lease Term Remaining	10 Years
Rental Increases	10% Every 5 Years
Renewal Options	2, 5 Year Options

*20 Year Roof Warranty

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 2/28/2025	\$133,416.00	6.70%
3/1/2025 - 2/28/2030	\$146,757.60	7.37%
Options	Annual Rent	Cap Rate
Option 1	\$161,433.36	8.11%
Option 2	\$177,576.70	8.92%

Base Rent	\$133,416
Net Operating Income	\$133,416
Total Return	6.70% \$133,416





SCHOENBRUNN
INN & CONFERENCE CENTER

Rural King
America's Farm and Home Store

Holiday Inn Express

Jersey Mike's
Starbucks
CHIPOTLE
MEXICAN GRILL
T-Mobile

Travelodge

Denny's

El San Jose
MEXICAN
RESTAURANT
AUTHENTIC MEXICAN CUISINE

verizon

20,600 CPD
W HIGH AVE

Sprint

Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Lease with Verizon - 2020 Construction**
- » 10% Rental Increases Every 5 Years
- » **Tenant is the Largest Verizon Retailer in the United States - 700+ Locations**
- » 71,172 Residents within a 10-Mile Radius
- » **Situated in New Philadelphia's Primary Retail Corridor** - Walmart Supercenter, Menard's, ALDI, Rural King, Big Lots, Planet Fitness, and More
- » Average Household Income Exceeds 67K in Surrounding Area
- » **Excellent Visibility Along New Philadelphia's Main Thoroughfare - 20,600+ Cars/Day**
- » 4 Miles from Kent State University's Tuscarawas Campus (2,090 Students)
- » **Located Immediately Off the I-77, a Major Connector for the State of Ohio**
- » New Philadelphia is Conveniently Located Between Cleveland (83 Miles), Pittsburgh (94 Miles), and Columbus (111 Miles)



DEMOGRAPHICS

3-miles

5-miles

10-miles

Population

2024 Projection	27,972	37,174	70,469
2019 Estimate	28,408	37,701	71,172

Households

2024 Projection	11,820	15,565	28,877
2019 Estimate	11,932	15,690	28,996

Income

2019 Est. Average Household Income	\$65,179	\$67,875	\$67,215
2019 Est. Median Household Income	\$53,312	\$55,936	\$55,567
2019 Est. Per Capita Income	\$27,618	\$28,537	\$27,571



Tenant Overview



Basking Ridge, New Jersey

Headquarters

NASDAQ: VZ

Stock Symbol

2,330+

Locations

www.verizonwireless.com

Website

Verizon is the largest wireless telecommunications provider in the United States. The company offers the largest 4G LTE network in America and the nation's largest high-speed 3G network. For residential customers, Verizon FiOS is America's largest 100% fiber-optic network to the home, providing the nation's fastest, most consistent and most reliable Internet service, as well as TV with the best picture quality. For large businesses, Verizon is a global IP leader, operating one of the worlds' most connected public Internet backbone networks, delivering solutions that let customers securely connect, communicate and collaborate

around the globe. Verizon operates a national 4G LTE network covering 98% of the U.S. population and is currently developing a 5G network.

Recognized as the largest Verizon wireless retailer in the United States, Cellular Sales was founded in Knoxville, TN in 1993 by University of Tennessee graduates, Dane and Meg Scism. The company employs over 4,600 people and is currently 550 locations strong and growing. The Knoxville area is home to 17 of Cellular Sales' Verizon Wireless retail locations, from Harriman in the west to Jefferson City and Newport in the east.

Lease Summary

LESSEE'S OBLIGATIONS

Lessee shall, at Lessee's expense and throughout the Term, keep in clean, sanitary and safe condition the Leased Premises, and except for the repairs Lessor is specifically obligated to make pursuant to the terms of this Lease, make all necessary repairs to the Building. Including, but not limited to, the exterior and interior doors, windows, ceiling tiles, fixtures, carpets and floor coverings, interior and exterior wall surfaces and coverings, plumbing systems and fixtures from the point of entry into the building and the monitoring of any fire suppression system in the Building. In addition, Lessee shall, at Lessee's expense, and throughout the term, be responsible for maintaining the Leased Premises, including, but not limited to, the landscaping, landscape irrigation system, grass mowing, site lighting, trash removal and cleaning of the sidewalks and parking lot, including trash, debris, ice and snow.

LESSOR'S OBLIGATIONS

Lessor shall, at Lessor's expense and throughout the Term, keep in good repair, maintain and replace, when and if necessary, all structural components of the Building including, but not limited to, the foundations, exterior walls, load bearing walls and columns, subfloors, floors (but not including carpet or tile or other floor covering), the roof, including roof membrane and any other interior damage caused by roof leaks, stairways, under slab and exterior plumbing, site utilities servicing the premises, and window and door frames and the inspections and repairs to any fire suppression system in the Building. Lessee will use reasonable efforts to report to Lessor any defective condition known to or discovered by Lessee that Lessor is required to repair. Lessor will commence any repair or replacement promptly after Lessor is aware of, by notice from Lessee or otherwise, the need for any such repair. Notwithstanding the foregoing, Lessee shall reimburse Lessor for repairs to, but not the replacement of, the roof membrane.

TAXES

Lessee shall pay, as additional rent, the Real Estate Taxes assessed against the Leased Premises for the period commencing on the Rent Commencement Date and ending on the last day of the Term. The term "Real Estate Taxes" shall mean any and all real property and/or ad valorem taxes, general, special or extraordinary assessments, maintenance fees, municipal utility district or other public, quasi-public or private fees, charges or assessments and any other taxes, now or hereafter applicable to the Leased Premises, but excluding any inheritance, estate, succession, transfer, gift, franchise, corporation, income, or profit tax, or capital levy that is or may be imposed on Lessor.

INSURANCE

Lessee agrees to procure and maintain during the Term, at its sole cost, the following insurance coverages; Commercial General Liability, Owned Property, Workers' Compensation and Employer's Liability.
Lessor agrees to procure and maintain during the Term, with Lessee reimbursing such costs as Additional Rent, the following insurance coverages: Building Insurance, Commercial General Liability (optional), Loss of Rents (optional), Earth movement, terrorism and flood insurance (optional).

UTILITIES

All utilities serving the Leased Premises shall be separately metered and Lessee shall pay directly to the utility service providers all costs for utilities consumed on the Leased Premises including without limitation electricity, water, gas and sewer.

ASSIGNMENT & SUBLET

Lessee may not sublease the Leased Premises or any portion thereof nor assign this Lease, nor transfer (by sale, assignment, operation of law or other disposition except for a guarantor hereof) any or all of the ownership interest of Lessee so as to result in a change in the effective voting control of Lessee by the person or persons owning a majority of said interest on the Signature Date of this Lease, without first obtaining Lessor's written consent. Consent to one Transfer shall not be construed as a consent to any subsequent Transfer. Notwithstanding a Transfer, Lessee shall not be relieved of liability hereunder nor shall the Guarantor be relieved of its liability under the Guaranty.



Location Overview



New Philadelphia is the county seat of Tuscarawas County, Ohio, and is the county's largest city with a population of over 17,000. As its name suggests, the city is laid out in the same grid style as Philadelphia, Pennsylvania. Even the primary streets - High Avenue and Broadway - are named after two original main streets in Philadelphia. Today, the city has a thriving main street with many original buildings serving as home to locally owned businesses and shops.

In 1804, the town of New Philadelphia was founded, and was inhabited by travelers and settlers from the east. With the construction of the Ohio-Erie Canal, New Philadelphia became a marketing center for agricultural products and the canal provided water power for mills. The coming of railroads led to coal mining and, eventually, to steel and manufacturing.

The New Philadelphia public school district and Tuscarawas Central Catholic high school are among the highest test scoring school systems in the state, all while spending less per student than the rest of the nation. In addition, Buckeye Career Center provides vocational and college prep education curriculum that combines lab instruction with real on the job training. Graduates of every school system in New Philadelphia can pursue two or four year college degrees at Kent State Tuscarawas in many academic and professional fields.

New Philadelphia is a principal city in the New Philadelphia-Dover, OH Micropolitan Statistical Area, which includes all of Tuscarawas County, as well as the southern regions of Northeast Ohio. The New Philadelphia/Dover area ranked #20 in Economic Strength in the 2019 Policom Micropolitan Economic Rankings.

[exclusively listed by]

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