

2920 JONES FRANKLIN ROAD
CARY, NC 27513



±3,450 SF BANK BRANCH



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EXECUTIVE SUMMARY



Property Features

- Asking Price: \$2,100,000
- Cap Rate: 11.5%
- Located at a hard, signalized corner
- 3,450 SF PNC bank branch on .90 acres
- Great visibility, exposure, signage, access
- Strong, national credit tenant
- Great location, 3 drive-thru lanes and ATM lane
- Ownership interest: fee simple absolute
- Strong demographics
- Lease expires May 31, 2023
- Built in 2007
- Very strong rents w/ NOI being \$243,145/annually, and \$628,124 in net rent over term of lease (31 months remaining assuming Nov 1, 2020 closing)
- PNC has vacated due to C19

On behalf of the owner, we are pleased to exclusively offer the opportunity to purchase 2920 Jones Franklin Road, located in booming Cary, NC (Raleigh MSA). The subject property is a 3,450 SF, free standing, single-story bank branch building leased to PNC Bank thru May 2023. The NOI is \$243,145/annually and there are NO landlord responsibilities. The building was a build-to-suit for PNC in 2007, and they have been the only tenant in the building. Being Ideally located at a hard corner gives the property great visibility, access, signage, and exposure. The fundamentals of the underlying real estate are excellent benefiting from being in a great location. The property would be ideal for any type of adaptive reuse as well. The barrier of entry into this market is high due to the lack of available sites, which provides long-term value for the property due to scarcity.



INVESTMENT OVERVIEW



NOI
\$243,145
Cap Rate
11.5%
Purchase Price
\$2,100,000

Single Tenant - PNC Bank

Location - 2920 Jones Franklin Road, Cary, NC

County - Wake County

Building Size - 3,450 SF

NOI - \$243,145

Annual Escalations - Rent flat thru end of lease term

Lease Renewal Options - PNC has stated they will not renew

Lease Structure - Absolute NNN (No Landlord Responsibilities)

Tenant History - Build to suit for PNC Bank

Zoning - MUOD

Year Built - 2007



TENANT PROFILE



PNC Financial Services Group, Inc. (NYSE: PNC) is one of the largest diversified financial services companies in the United States. With headquarters in Pittsburgh, Pennsylvania, the company has businesses engaged in retail banking, corporate and institutional banking, asset management and residential mortgage banking, providing products and services nationally across nineteen states and the District of Columbia. As of December 31, 2019, PNC reported Total Revenue of \$17.8 billion and a Net Income of \$5.42 billion.

PNC Bank, National Association (PNC Bank, N.A.) is the principal subsidiary and banking arm of PNC Financial Services Group, Inc. With over 2,450 branches and 15,000 ATM's, PNC is the 6th largest bank in the United States by total branches, the 6th largest bank by deposits, the 8th largest bank by total assets and the 4th largest bank off-premise ATM provider. PNC's Retail banking business segment provides deposit, lending, brokerage, investment management, and cash management services to consumer and small business customers within the company's primary geographic markets through the branch network, ATM's, call centers, online banking, and mobile channels.

PNC Bank, N.A. currently holds an investment grade credit rating of A/Stable from Standard and Poor's Global ratings.



**6th Largest
Bank in the US**

**54,400
Employees**

**15,000
ATM's**

**2,450+
Branches**

CORPORATION PROFILE

Parent Corporation	Financial Services Group, Inc.
Exchange	NYSE: PNC
Revenue	\$17.8 billion
Net Income	\$5.42 billion
Market Cap	\$41.26 billion (as of 5/16/2020)
Tenant	PNC Bank, N.A.
Credit Rating	A/Stable (S&P)
Headquarters	Pittsburgh, PA
Website	www.PNC.com

RETAIL AMENITIES MAP



MARKET OVERVIEW DEMOGRAPHICS



POPULATION	1-MILE	3-MILE	5-MILE
2000 Population	6,358	66,833	116,797
2010 Population	8,044	78,311	154,473
2018 Population	9,091	89,589	187,003
2023 Population	9,891	98,910	210,142
2000-2010 Annual Rate	2.38%	1.60%	2.84%
2010-2018 Annual Rate	1.49%	1.64%	2.34%
2018-2023 Annual Rate	1.70%	2.00%	2.36%
2018 Median Age	36.5	37.8	36.5
HOUSEHOLDS			
2000 Households	2,619	26,130	45,095
2010 Households	3,350	31,595	61,187
2018 Total Households	3,781	35,895	73,724
2023 Total Households	4,104	39,515	82,687
2000-2010 Annual Rate	2.49%	1.92%	3.10%
2010-2018 Annual Rate	1.48%	1.56%	2.29%
2018-2023 Annual Rate	1.65%	1.94%	2.32%
2018 Average Household Size	2.40	2.49	2.53
HOUSING			
2018 Total Housing Units	4,092	38,076	78,234
2018 Owner Occupied Housing Units	1,864	20,355	42,735
2018 Renter Occupied Housing Units	1,917	15,540	30,989
2018 Vacant Housing Units	311	2,181	4,510

MEDIAN HOUSEHOLD INCOME	1-MILE	3-MILE	5-MILE
2018 Median Household Income	\$66,537	\$84,826	\$87,736
2023 Median Household Income	\$72,514	\$90,743	\$93,465
2018-2023 Annual Rate	1.74%	1.36%	1.27%
AVERAGE HOUSEHOLD INCOME			
2018 Average Household Income	\$89,431	\$110,836	\$113,376
2023 Average Household Income	\$98,453	\$120,770	\$123,393
2018-2023 Annual Rate	1.94%	1.73%	1.71%
PER CAPITA INCOME			
2018 Per Capita Income	\$37,369	\$44,336	\$44,705
2023 Per Capita Income	\$40,951	\$48,169	\$48,548
2018-2023 Annual Rate	1.85%	1.67%	1.66%
EDUCATION			
Associate's Degree	9.5%	8.0%	7.5%
Bachelor's Degree	33.0%	36.2%	37.2%
Graduate/Professional Degree	21.2%	25.2%	26.5%
RACE/ETHNICITY			
White Alone	68.8%	67.0%	66.5%
Black Alone	10.3%	9.6%	9.8%
Hispanic Origin	11.8%	10.1%	8.2%
AGE			
18+	76.8%	75.3%	77.7%
55+	23.2%	24.7%	22.4%
EMPLOYMENT			
Total Employees	4,988	50,431	103,736

BANK BRANCH SALES COMPARABLES



LOCATION	PRICE	SALE DATE	CAP RATE	SF	PRICE/SF
2920 Jones Franklin Road (Subject Property)	\$2,100,000	TBD	11.5%	3,450	\$608.69
1960 Johnson Ferry Road Atlanta, GA	\$2,190,476	3/2019	5.25%	2,140	\$1,023.59
1100 Beaver Creek Drive Apex, NC	\$2,625,000	7/2018	5.62%	4,025	\$652.17
7109 O'Kelly Chapel Road Cary, NC	\$3,160,000	5/2018	4.50%	3,523	\$896.96
1640 Buford Highway Cummings, GA	\$3,390,000	2/2017	6.50%	3,776	\$897.78
999 High House Road Cary, NC	\$3,135,000	10/2019	7.25%	3,608	\$868.90
4535 Park Road Charlotte, NC	\$1,685,000	6/2017	5.10%	2,400	\$702.08
6611 Carmel Road Charlotte, NC	\$2,550,000	12/2019	7.00%	4,111	\$620.29
7815 N Kings Highway Myrtle Beach, NC	\$2,242,537	11/2019	6.14%	3,300	\$679.56
Average			5.92%	3,360	\$792.66



Consistently ranked as one of the Best Places to Live and Work in the country, Cary is a thriving community in the heart of the Triangle, just minutes from the Research Triangle Park. With over 150,000 residents, it is the second largest town in Wake County and the third largest municipality in the Triangle Area. Another study, of population growth between 2016-2017, shows Raleigh-Cary area as the 14th-fastest growing in the country. According to ESRI, 27518 is the wealthiest zip code in the Triangle. The Triangle Business Journal reported, "A comprehensive look at the top 25 wealthiest neighbourhoods reflects a region about to create thousands of millionaires in the coming years." The study covers net worth, household income, disposable income, home value and several other factors.

Downtown Cary is growing rapidly and in recent years has attracted many new businesses and young entrepreneurs with nearly \$500 million invested in improved infrastructures and resources. Home to several global and national companies like SAS Institute, MetLife, RIM, John Deere, Kellogg's, and Siemens, Cary's workforce is unrivalled and attracts top employers that seek the area's most educated citizens, including the 61.5% of adults with a bachelor's degree or higher and 24.5% of adults with Master's or Doctorate degrees.

Education is an important facet of the Cary community. Cary is part of Wake County Public Schools, a nationally ranked system that is comprised of four high schools, five middle schools and 17 elementary schools which is the 18th largest in the United States. The student to teacher ratio in Cary for public schools is 16:1, which is 10.9% greater than the North Carolina student to teacher ratio and 2% greater than the National student to teacher ratio. Additionally, Cary is less than 25 miles away from Duke University, N.C. State University, and the University of North Carolina at Chapel Hill. These universities, along with federal labs and contract research companies conduct more than \$2 billion annually in research and development.

Cary is also conveniently located within minutes of some of the world's best medical care including WakeMed Cary Hospital, UNC Hospitals, Rex Hospital and Duke University Medical Center.

CARY ACCOLADES



Cary has lowest total crime rate in the United States – Based upon data recently published in the FBI's annual Uniform Crime Report (UCR) and reviewed by the Town of Cary's Crime Analysis Unit, Cary, North Carolina has the lowest crime rate in America among municipalities with populations of 100,000-500,000



RALEIGH-DURHAM MARKET OVERVIEW



Raleigh is at the heart of **the Triangle, the fastest-growing metropolitan area in the Carolinas** and Downtown Raleigh is the urban center for this region. It provides businesses with a rich recruitment pool, relatively low costs and superb amenities. The city's unique character is evident in all of the different ways its residents and visitors Live. Work. Play. Within a 20 mile range of the Triangle there are over 855K workers, over 680K Residents and a 1,500,000 Daytime Population.

The Triangle is home to three R1 research Universities: North Carolina State University (Raleigh), Duke University (Durham) and University of North Carolina (Chapel Hill). These universities, along with federal labs and contract research companies conduct **more than \$2 billion annually in research and development.**

In addition to doctoral universities with the highest research activity, the Triangle is home to Research Triangle Park, (RTP), one of the leading high technology centers in the world. **RTP is home to more than 170 global companies, including IBM, Syngenta, RTI International, Credit Suisse, and Cisco,** that foster a culture of scientific advancement and competitive excellence. RTP drives the local economy and employs about 40,000 people with an average salary of \$73,000.

In the last four years alone, **startups in Raleigh have raised over \$420 million in angel and venture capital investment.** In addition, over the past six years, startup companies in Wake County have generated economic activity of over \$1.1 billion from IPOs and over \$12.3 billion in acquisitions. Raleigh has more than 140,000 square feet of collaborative workspace within innovation hubs like HQ Raleigh, ThinkHouse, Tech Incubator on Centennial Campus, Loading Dock, Industrious and The Nest, among others.



TRIANGLE HIGHER EDUCATION



1789

Founded

1ST

Public School
in US

TOP 5

University for 17
Years Running

#1

Pharmacy Program
in United States

#1

Medical School
Primary Care

#1

Best Value of all
US Universities

#2

Clinical Psychology
Program



1838

Founded

#1

Physicians
Assistant Program

#1

Nursing Program
(Bachelors)

84%

of graduates go on
to post-graduate
degrees

#2

Nursing Program
(Masters)



1887

Founded

#1

Advanced Analytics
MSA Program

#4

Nuclear Engineering
Program

#3

Veterinary Medicine
Program

#1

Largest University in
NC by enrollment

DISCLAIMER



This Offering Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner") to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and APG Advisors. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Offering Memorandum in any manner.

Neither the Owner or APG Advisors, nor any of their respective directors, officers, affiliates, or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Offering Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Offering Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner.

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