



OFFERING MEMORANDUM



FRESH THYME FARMERS MARKET - 2985 WASHTENAW AVE, YPSILANTI, MI

 **Newmark
Knight Frank**
NET LEASE CAPITAL MARKETS



2985 WASHTENAW AVE | YPSILANTI, MI



NET LEASE CAPITAL MARKETS

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This Confidential Offering Memorandum has been prepared exclusively by Newmark Knight Frank ("Newmark Knight Frank", "Agent") on behalf of Ownership, the ("Owners"), regarding the purchase of the property described herein as Fresh Thyme, Ypsilanti, MI. The materials and information contained in this Confidential Offering Memorandum do not purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent. If you have no further interest in the Property, please return the Confidential Offering Memorandum forthwith or delete the file.



INVESTMENT HIGHLIGHTS



DOMINANT MIDWESTERN GROCER | ESSENTIAL & RESILIENT RETAIL BUSINESS

Fresh Thyme Farmers Market is a dominant midwestern grocer with 73 locations across 11 states. The company, founded in 2012, is backed by an investment from Meijer Companies, Ltd, a privately-owned and family operated company with 245 stores. Meijer is guaranteeing the Lease at the subject property for the first five (5) years and is one of America's largest private companies, with more than 80,000 employees and approximately \$17.4 billion in sales for the year ending January 31, 2018.



LONG TERM COMMITMENT | BUILT-TO-SUIT | FIXED RENTAL INCREASES | PASSIVE NN LEASE

The property was built-to-suit for Fresh Thyme in 2016 with a fifteen (15) year NN lease with landlord responsibilities limited to roof (under warranty until 2036) and structure. With approximately 12.5 years of term remaining, four (4) five (5) year options to extend and 10% fixed rental increases every five (5) years, the property offers a secure long term income stream and a hedge against inflation ideal for both local and out-of-area investors.



STRONG STORE SALES | 5.8% INCREASE FROM 2018

Fresh Thyme's sales exceeded \$13M in the past 12 months (as of April 2020), an increase of 5.8% from 2018. The property's growing success is a testament to its long term viability and growing customer base within the Ypsilanti market.



SIGNALIZED HARD CORNER LOCATION | DOMINANT RETAIL TRADE AREA LOCATION

The subject property is strategically positioned on the hard corner at the 38,173 VPD intersection of Washtenaw Ave (24,221 VPD) and Golfside Rd (13,952 VPD), providing for strong visibility and easy accessibility. Fresh Thyme is centrally located in the trade area with nearby national retailers including Dollar General, Dollar Tree, T-Mobile, Domino's, Hertz, Enterprise, At Home, Wendy's, Taco Bell, Walgreens, O'Reilly, Save a Lot and others.



CLOSE PROXIMITY TO MAJOR YPSILANTI EMPLOYERS | AFFLUENT & DENSE DEMOGRAPHICS

Fresh Thyme is well positioned in the trade area, with major employment centers such as Eastern Michigan University (23,000 students), Washtenaw Community College (1,559 employees), and St. Joseph Mercy Ann Arbor Emergency Room & Hospital (537 beds). Within 5 miles of the subject property, there are 185,547 people, 73,552 households, with an average household income of \$85,782.





REPRESENTATIVE PHOTO



REPRESENTATIVE PHOTO



PRICE/CAP RATE

Price	\$9,541,281
Cap Rate	7.00%
Annual NOI	\$667,889.64

EXECUTIVE SUMMARY

Address	2985 Washtenaw Ave Ypsilanti, MI
Tenant / Guarantor	Fresh Thyme Farmers Market / Meijer Companies Ltd. (For the first 5 years)
Use	Retail
Acreage	3.32
Rentable Building Area (SF)	29,332
Expense Structure	NN
Rent Increases	10% every 5 years
Commencement Date	January 31, 2017
Primary Term Expiration	January 31, 2032
Option Periods	4 (5-Year)
Initial Term	15 Years (12.5 Years Remaining)
Ownership Interest	Fee Simple

AERIAL VIEW



EASTERN MICHIGAN UNIVERSITY
(23,000 STUDENTS)



CUETER CHRYSLER
JEEP DODGE RAM

WASHTENAW AVE (24,221 VPD)

GOLFSIDE RD (13,952 VPD)



AERIAL VIEW

ST JOSEPH MERCY HOSPITAL
(537 BEDS)

EASTERN MICHIGAN UNIVERSITY
(23,000 STUDENTS)

DOLLAR TREE

Save a lot

planet fitness

at home



WILD BILL'S
TOBACCO

WASHTENAW AVE (24,221 VPD)

FRESH THYME
FARMERS MARKET



GOLFSIDE RD (13,952 VPD)



THE INVESTMENT

LEASE ABSTRACT / PROPERTY DETAILS

LEASE ABSTRACT

Address	2985 Washtenaw Ave Ypsilanti, MI
Tenant Trade Name	Fresh Thyme Farmers Market
Tenant/Guarantor	Fresh Thyme Farmers Market / Meijer Companies Ltd. (For the first 5 years)
Commencement Date	January 31, 2017
Primary Term Expiration	January 31, 2032
Lease Term Remaining	12.5 Years
Option Periods	4 (5-Year) Options
Annual Rent (PSF)	\$667,889.64 (\$22.77/SF/Yr)
Rent Increases	10% every 5 years
Lease Structure	NN
Utilities	Tenant Responsibility
Taxes	Tenant Responsibility
Landlord Responsibilities	Roof & Structure
Insurance	Tenant Responsibility

PROPERTY DETAILS

Rentable Building Area	29,332
Acreage	3.32
Year Built	2016
APN	11-06-350-021

RENT SCHEDULE

	ANNUAL RENT	INCREASE %	CAP RATE %
Years 1-5 (Current) (1/31/17 - 1/31/22)	\$667,889.64	-	7.00%
Years 6-10 (2/1/22 - 1/31/27)	\$734,766.60	10%	7.70%
Years 11-15 (2/1/27 - 1/31/32)	\$808,096.56	10%	8.47%
Option 1 (2/1/32 - 1/31/37)	\$889,052.88	10%	9.32%
Option 2 (2/1/37 - 1/31/42)	\$977,928.84	10%	10.25%
Option 3 (2/1/42 - 1/31/47)	\$1,075,604.40	10%	11.27%
Option 4 (2/1/47 - 1/31/52)	\$1,183,252.80	10%	12.40%



FRESH THYME
FARMERS MARKET

Healthy For...
Healthy Value...

THANK YOU FOR SHOPPING AT
FRESH THYME
FARMERS MARKET

2985



LOCATION AND DEMOGRAPHICS

The city of Ypsilanti, Michigan is located approximately 35 miles west of Detroit and 11 miles east of Downtown Ann Arbor. The city is bounded to the north by Superior Township and on the west, south and east by Ypsilanti Township. The city of Ypsilanti sits along the Huron River, a major waterway in the Great Lakes region. While the city and Townships of Ypsilanti are administered autonomously, the total population of the township is approximately 53,362. Major economic engines in the township include Eastern Michigan University, Washtenaw Community College, and the (537 Bed) St Joseph Mercy Ann Arbor Emergency Room & Hospital.

- Washtenaw County is Home to Approx. 350,000 people

- University of Michigan (UM) has a total enrollment of 44,718 students
- Eastern Michigan University (EMU) has a total enrollment of 23,000 students

- Rankings Washtenaw County, MI

- #1 - Best Counties for Families in Michigan
- #1 - Best Counties to Live in Michigan
- #1 - Counties with the Best Public Schools in Michigan
 - Washtenaw International High School - #4 in Michigan
 - Skyline High School in Ann Arbor - #10 in Michigan

- Ypsilanti/Ann Arbor Major Employers

- 1) University of Michigan - 16,143 Employees
- 2) University of Michigan Medical Center - 12,000 Employees
- 3) Trinity Health - 5,304 Employees
- 4) Eastern Michigan University - 1,976 Employees
- 5) Washtenaw Community College - 1,559 Employees

Washtenaw County is home to a diverse, young, and highly skilled workforce. The county has an extensive educational workforce including major universities such as University of Michigan and Eastern Michigan University. Additionally, healthcare facilities such as UM Medical Center, Trinity Health and St Joseph Mercy Ann Arbor contribute significantly to the Washtenaw economy.

Sources: (Niche.com, Ypsilanti Economic Development, University of Michigan)

POPULATION	1 MI	3 MI	5 MI
2025 Projection	14,485	67,829	185,547
2020 Estimate	14,884	69,920	190,390
2010 Census	13,883	62,370	169,177
HOUSEHOLDS	1 MI	3 MI	5 MI
2025 Projection	6,887	29,105	73,552
2020 Estimate	7,041	29,899	75,338
2010 Census	6,588	27,086	68,354
2020 Avg. Household Income	\$60,765	\$80,316	\$85,782





YPSILANTI, MI



UNIVERSITY OF MICHIGAN



ST JOSEPH'S HOSPITAL



TENANT/GUARANTOR SYNOPSIS

Fresh Thyme Farmers Market

Fresh Thyme Farmers Market is a midwestern grocer with 73 locations across 11 states. The company is backed by an investment from Meijer Companies, Ltd. Meijer is a privately-owned and family operated company with 245 stores throughout MI, OH, IN, IL, KY, and WI. Meijer was ranked by Forbes as one of America's largest private companies, with more than 80,000 employees and approximately \$17.4 billion in sales for the year ending January 31, 2018.

Fresh Thyme market is a natural food marketplace, and is committed to providing organic and natural foods as well as clean label foods. The markets are laid out to provide an easy shopping experience. Each Fresh Thyme store provides a dedicated produce, bakery, and meats section. Each market is committed to providing quality authentic foods, and doing so at affordable prices.



YEAR FOUNDED
2012



COMPANY TYPE
Private



HEADQUARTERS
Downers Grove, IL



WEBSITE
www.freshthyme.com



LOCATIONS
73



EMPLOYEES
2,000





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For more information, please contact:

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