



**Wawa®**

**NORTH BRUNSWICK, NJ  
NEW YORK CITY METRO AREA**



# EXECUTIVE SUMMARY

1910 NJ-27,  
N. Brunswick NJ 08902

ADDRESS



New Brunswick, NJ  
New York, NY MSA

MARKET



1.92 Acres

LOT SIZE



20 YEARS

TERM REMAINING



CREDIT RATING



LEASE TYPE

## THE OFFERING

Price	\$5,800,000
Cap	4.48%
GLA	4,738 SF +/-
Lot Size	1.92 Acres
Year Built	2020
Lease Type	NNN Ground Lease
Rent Commencement	December 2020
Lease Expiration	20 Years
Increases	10% Every 5 Years
Options	Six; Five-Year Terms
Debt	Free & Clear

ANNUALIZED OPERATING DATA	ANNUAL RENT	% INCREASE
Years 1-5	\$260,000	
Years 6-10	\$286,000	10.00%
Years 11-15	\$314,600	10.00%
Years 16-20	\$346,060	10.00%
OPTION TERMS		
Years 21-25	\$380,666	10.00%
Years 26-30	\$418,733	10.00%
Years 31-35	\$460,606	10.00%
Years 36-40	\$506,666	10.00%
Years 41-45	\$557,333	10.00%
Years 46-50	\$613,066	10.00%

# INVESTMENT HIGHLIGHTS

**NEW 20-YEAR LEASE WITH STRUCTURED RENTAL INCREASES** – Brand new 20-year term NNN ground lease with 10 percent rental increases every five years during the base term and six, five-year option periods.

**EXISTING LEGACY STORE WITH ESTABLISHED CUSTOMER BASE AND STRONG SALES** – The Property was a Wawa convenience for over 20 years prior to being demolished and replaced with a newly constructed store with 12 gas pumps. The store reported very strong sales and averaged more than 191 thousand visits annually. One can expect sales and customer traffic to significantly increase with the addition of gasoline.

**HIGH TRAFFIC, SIGNALLED CORNER (37,170 VPD)** – Large 1.98-acre parcel positioned along Route 27 (22,414 VPD) at its signaled intersection with Cozzens Lane (14,756 VPD). Cozzens Lane serves as a strong feeder road to Route 1, a dense primary retail corridor one-mile southeast.

**STRATEGIC LOCAL POSITIONING** – The Tenant is strategically positioned between two other Wawa locations along Route 27, one three-miles south and one 2.8-miles north.

**PROXIMITY TO DAYTIME TRAFFIC GENERATORS** – Located within two miles of five area apartment and townhome communities as well as John Adams Elementary School (1.3 mi) and its 657 students. The apartment communities include Hempstead Gardens (0.6 mi; 276 units), Whitehall Gardens (1.5 mi; 384 units), Hidden Lake Apartments (1.3 mi; 513 units), Somerset Park Apartments (1.5 mi, 336 units) and Carriage Run Townhouses (1.8 mi; 160 units). The Tenant will benefit from close proximity to these local daytime traffic generators in addition to strong vehicular traffic.

**STRONG AND GROWING POPULATION DENSITY** – The Tenant is supported by a dense three-mile populations of 77,705. Since 2010, population has increased by more than three percent and is projected to grow an additional three percent in the next five years.

**BEST IN CLASS RETAILER** – Wawa, Inc. is a best-in-class tenant within the highly sought-after convenience sector and a tier one retailer that is both online and recession resistant. Wawa operates over 800 locations in the Mid-Atlantic and Florida and reported more than \$9.1 Billion in Annual Revenue.

**INVESTMENT GRADE CREDIT** – Shadow Rating of “BBB” by Fitch



Rare opportunity to purchase a **NEWLY CONSTRUCTED, 20 YEAR NNN GROUND LEASE WAWA** on a site that has **OPERATED AS A WAWA CONVENIENCE STORE** for more than 22 years in a **HIGH BARRIER TO ENTRY MARKET.**



DOWNTOWN NEW  
BRUNSWICK



Franklin Memorial  
Park

5 Miles to  
New Brunswick

COZZENS LANE - 14,756 VPD

  
**Wawa**

ROUTE 27 - 22,414 VPD

**WAWA SUCCESSFULLY OPERATED  
ON THIS SAME SITE IN A NON-GAS  
STORE FOR OVER 22 YEARS!**



## TENANT INFORMATION

Founded in 1803 as a dairy operator, Wawa, Inc. operates more than 838 convenience stores, of which about 200 stores are in New Jersey and Pennsylvania and the balance is spread through Delaware, Virginia, Maryland, Florida and Washington, D.C. New Wawa store openings are almost exclusively of the expanded “Super Wawa” format, which includes a larger footprint (generally 4,600 to 5,700 square feet of retail space, compared with 3,000 or 3,600 for “legacy” stores) and typically 12-20 gas pumps. The company offers fuel at about 70 percent of its store base.

Historically, Wawa has strived to differentiate itself from traditional convenience stores in that food, beverages and customer experience, not fuel, are its main offerings. The company also offers a large selection of private-label products, including bottled water, candy, assorted nuts, yogurt, teas, cheese, and ice cream products. Its stores are generally open 24 hours, 365 days a year. Wawa is 41 percent owned by employees with the balance controlled by the founding family and management.

The company also supplies over 1,000 institutional customers such as schools, hospitals, restaurants and hotels. Wawa’s primary wholesaler is McLane Foodservice Distribution, but the company also has its own distribution center in Carney’s Point, NJ. In 2017, Wawa completed the construction of four new buildings on its 26-acre corporate campus. In December 2017, the company opened its first store in Washington, D.C., its largest to date, at 9,000 square feet.



**REVENUE**  
\$9.1 B



**HEADQUARTERS**  
Wawa, PA



**NO. OF EMPLOYEES**  
31,000+



**NO. OF LOCATIONS**  
800+

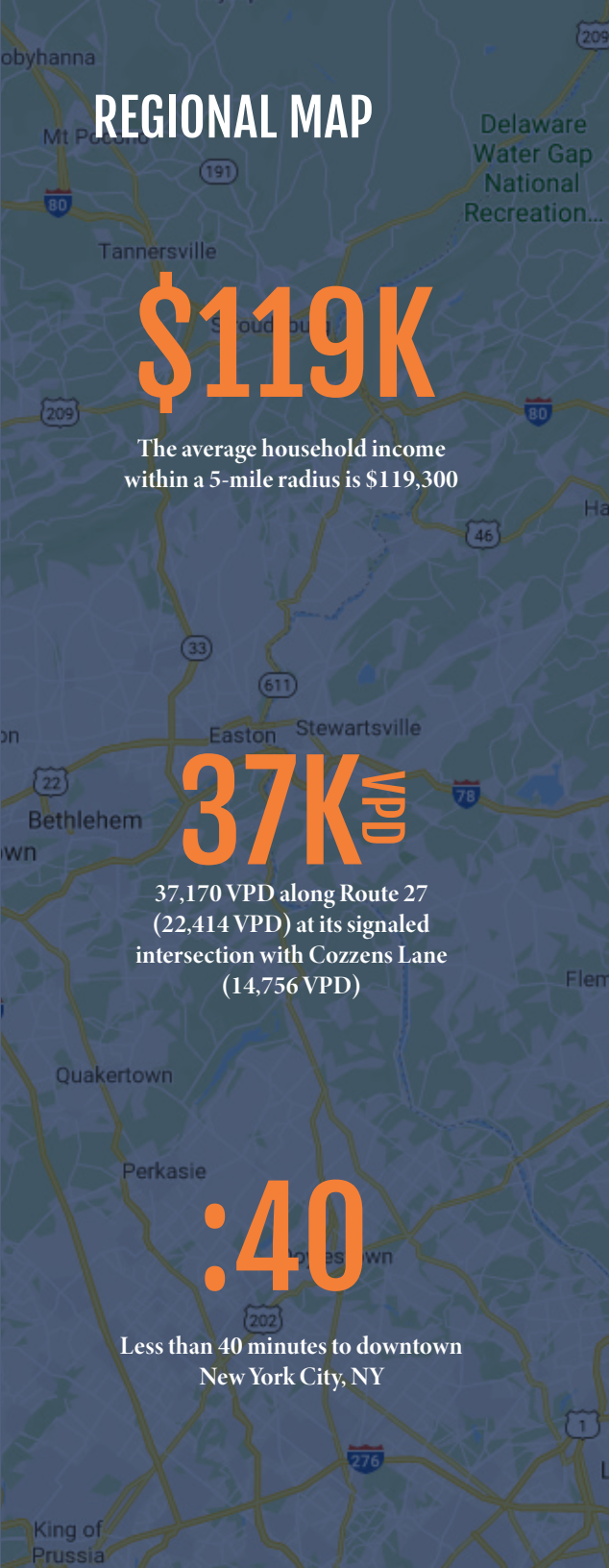


**YEAR FOUNDED**  
1964



**STOCK SYMBOL  
/CREDIT RATING**  
Fitch : BBB





# REGIONAL MAP

**\$119K**

The average household income within a 5-mile radius is \$119,300

**37K<sup>VPD</sup>**

37,170 VPD along Route 27 (22,414 VPD) at its signaled intersection with Cozzens Lane (14,756 VPD)

**:40**

Less than 40 minutes to downtown New York City, NY

Less than 40 minutes to downtown  
New York City, NY







←  
**1**  
ROUTE 1  
1.5 MILES AWAY

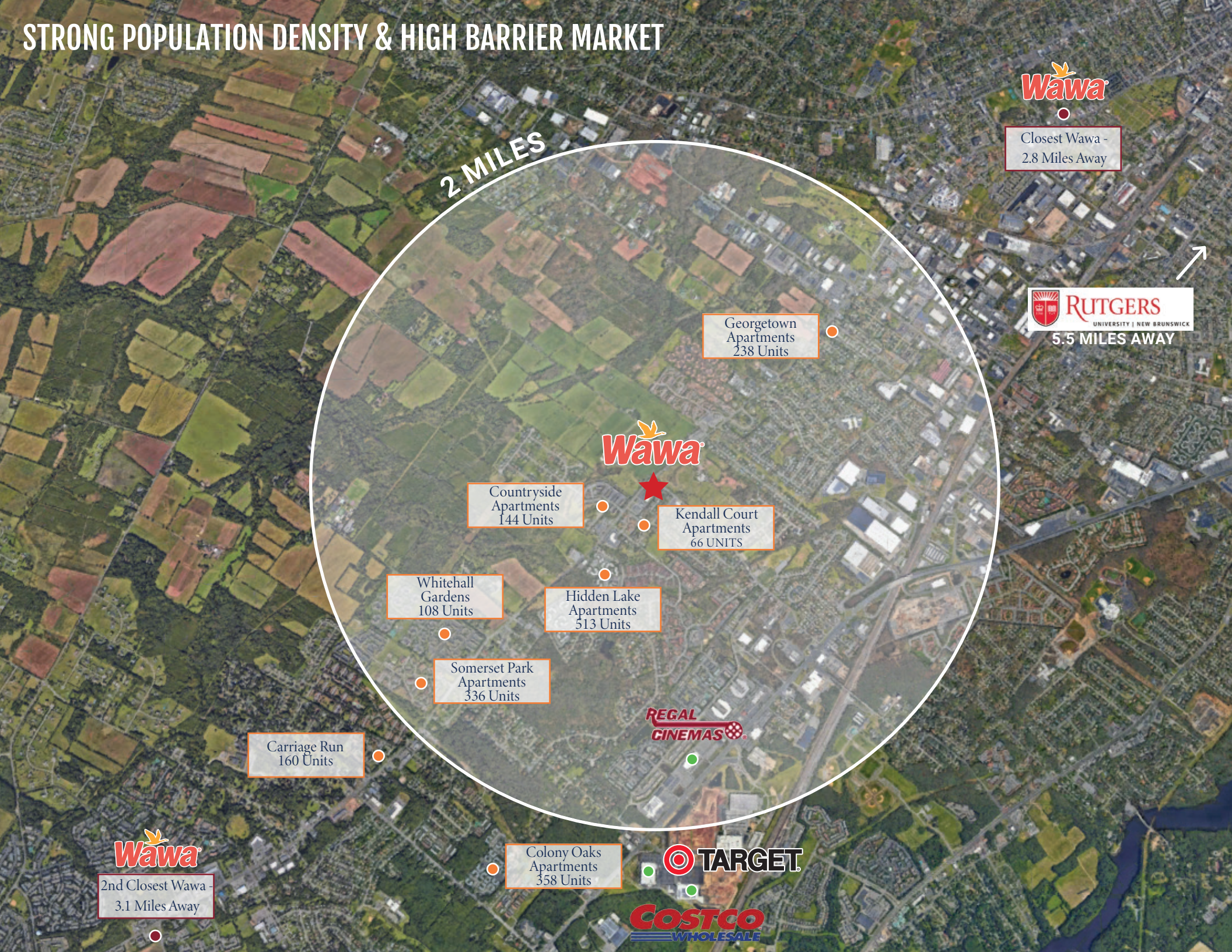
COZZENS LANE - 14,756 VPD

ROUTE 27 - 22,414 VPD

**WAWA SUCCESSFULLY OPERATED  
ON THIS SAME SITE IN A NON-GAS  
STORE FOR OVER 22 YEARS!**



# STRONG POPULATION DENSITY & HIGH BARRIER MARKET





# LEASE ABSTRACT

Guarantor	Wawa, Inc.
Notification Period to Exercise Options	180 Days
Landlord Obligations	None
Tenant Obligations	Tenant shall maintain the demised premises
Percentage Rent	None
Sales Reporting	None
Assignment & Subletting	Tenant may assign this Lease (in whole or in part and whether by operation of law or otherwise), mortgage or otherwise encumber this Lease (in whole or in part), or sublease all or any part of the Leased Premises without requiring Landlord's consent. Tenant shall remain liable. In the event that the assignee that takes over the business of Tenant at the Leased Premises (or its guarantor) is a national or regional operator of at least five (5) retail locations in the state of New Jersey after taking into account the acquisition of Tenant's store locations and if the net worth of the assignee (or its guarantor) is at least equal to Fifty Million Dollars (\$50,000,000), Tenant shall be released and relieved from further liability hereunder upon any assignment.
First Right of Refusal	None
Termination Rights	None
Right to Purchase	None
Restrictive Covenant	During the term of this Lease, and conditioned upon Tenant operating the Leased Premises in accordance with Tenant's Use, Landlord covenants not to permit any property that it may now own or hereafter acquire within a three (3) mile radius of the Leased Premises to be occupied or used for a convenience food store, coffee store, doughnut store, sandwich store, smoothie store, quick service restaurant, drug store, fuel dispensing facility or any combination of such uses.



# DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	8,083	79,789	216,581
2018 Estimate	7,943	77,705	210,983
2010 Census	7,726	74,857	202,533
2000 Census	8,137	65,016	177,790
Current Daytime Population	6,362	64,937	237,106

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
<u>Population By Age</u>			
2018 Estimate Total Population	7,943	77,705	210,983
Under 20	22.96%	25.84%	25.69%
20 to 34 Years	19.40%	21.60%	26.37%
35 to 39 Years	7.89%	8.47%	7.20%
40 to 49 Years	13.74%	14.06%	12.48%
50 to 64 Years	22.14%	18.58%	16.84%
Age 65+	13.88%	11.44%	11.43%
Median Age	39.84	36.48	33.63
<u>Population 25+ by Education Level</u>			
2018 Estimate Population Age 25+	5,709	53,073	133,506
Elementary (0-8)	1.12%	3.63%	6.05%
Some High School (9-11)	3.01%	5.25%	5.59%
High School Graduate (12)	16.37%	22.77%	22.12%
Some College (13-15)	14.92%	14.34%	13.45%
Associate Degree Only	5.39%	6.39%	5.70%
Bachelors Degree Only	34.76%	27.08%	25.93%
Graduate Degree	22.83%	19.31%	19.93%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection	3,152	28,123	71,884
2018 Estimate	3,101	27,441	69,889
2010 Census	2,982	26,148	66,211
2000 Census	3,254	23,588	60,600

INCOME	1 MILE	3 MILES	5 MILES
<u>2018 Housing Income</u>			
\$150,000 or More	31.35%	22.91%	23.70%
\$100,000 - \$149,000	21.74%	21.11%	20.01%
\$75,000 - \$99,999	14.02%	13.22%	11.70%
\$50,000 - \$74,999	11.92%	13.57%	13.26%
\$35,000 - \$49,999	10.01%	9.84%	9.64%
Under \$35,000	10.97%	19.37%	21.67%
Average Household Income	\$147,197	\$119,114	\$119,300
Median Household Income	\$105,886	\$88,695	\$86,562
Per Capita Income	\$57,493	\$42,311	\$40,445



# DEMOGRAPHIC SUMMARY

Geography: 5 Miles



## POPULATION

In 2019, the population was 210,983. The population has changed by 18.67% since 2000. It is estimated that the population will be 216,581.00 five years from now, which represents a change of 2.65% from the current year. The current population is 49.54% male and 50.46% female. The median age of the population is 33.63, compare this to the US average which is 38.08. The population density is 2,682.05 people per square mile.



## HOUSEHOLDS

There are currently 69,889 households. The number of households has changed by 15.33% since 2000. It is estimated that the number of households will be 71,884 five years from now, which represents a change of 2.85% from the current year. The average household size is 2.81 persons.



## INCOME

In 2019, the median household income was \$86,562, compare this to the US average which is currently \$60,811. The median household income has changed by 40.10% since 2000. It is estimated that the median household income will be \$98,369 five years from now, which represents a change of 13.64% from the current year.

The current year per capita income is \$40,445, compared to the US average, which is \$33,623. The current year average household income is \$119,300, compared to the US average which is \$87,636.



## RACE AND ETHNICITY

The current year racial makeup is as follows: 42.75% White, 18.49% Black, 0.03% Native American and 22.22% Asian/Pacific Islander, compared to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race and make up 25.79% of the current year population, compared to the US average of 18.17%.



## HOUSING

The median housing value was \$356,748 in 2019, compared to the US average of \$212,058. In 2000, there were 37,063 owner occupied housing units and there were 23,537 renter occupied housing units. The median rent at the time was \$810/month.



## EMPLOYMENT

In 2019, there were 96,316 employees, this is also known as the daytime population. The 2000 Census revealed that 70.50% of employees are employed in white-collar occupations in this geography, and 29.53% are employed in blue-collar occupations. In 2019, unemployment was 4.61%. In 2000, the average time traveled to work was 34 minutes.



# NEW YORK CITY OVERVIEW

New York City is the most populous city in the U.S., composed of the five boroughs of Manhattan, Brooklyn, Staten Island, Queens and the Bronx. Each borough is a separate county and they are spread out among the three islands of Long Island, Manhattan and Staten Island. Together they comprise more than 300 square miles of land and nearly 170 square miles of water. Hundreds of unique neighborhoods are contained within the boroughs. Overall, known for its finance, art, technology and education industries, the city draws many residents. Limited landmass, coupled with numerous high-wage industries and international residents, drive considerable real estate values and raise the cost of living.

## METRO HIGHLIGHTS



### HEAVILY POPULATED CITY CENTER

New York City is one of the most densely populated cities in the United States.



### GLOBAL BUSINESS AND COMMERCE

Wall Street is the world's financial capital, home to the NYSE and NASDAQ.



### HIGH MEDIAN HOUSEHOLD INCOME

The median household income in New York City is well above the U.S. median.

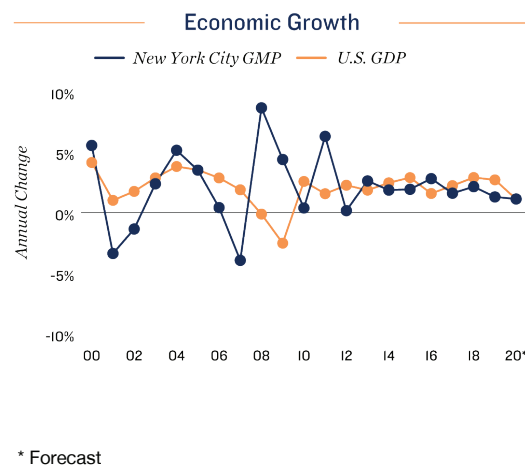




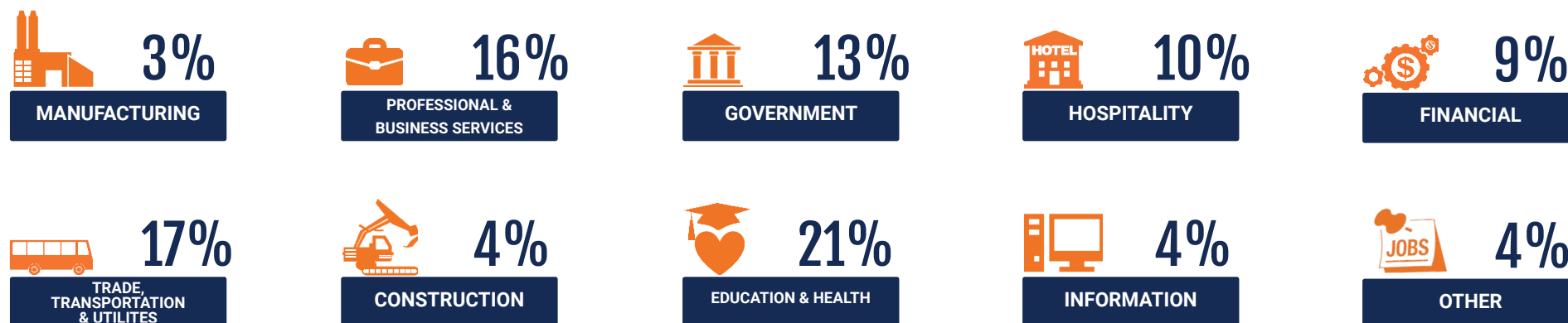
# THE NEW YORK CITY ECONOMY

The local economy is a center for commerce, art and entertainment, and international diplomacy. GMP for the New York City metro is higher than the GDP of many countries. New York City is home to more Fortune 500 companies than any other U.S. metro. Corporate headquarters for a variety of industries are located here, including TIAA, MetLife, American Express, Estee Lauder, Omnicom Group, Goldman Sachs Group and Pfizer.

MAJOR AREA EMPLOYERS
Verizon Communications Inc.
JPMorgan Chase & Co.
Northwell Health
Citigroup Inc.
PwC
American Airlines
Columbia University
Mount Sinai Health System
Morgan Stanley
Consolidated Edison



## SHARE OF 2019 TOTAL EMPLOYMENT





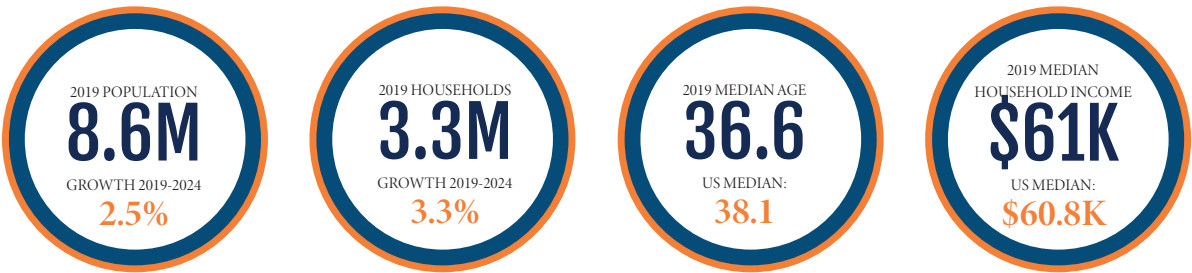
# NEW YORK CITY DEMOGRAPHICS

The five boroughs will add approximately 216,000 residents through 2024, fueled by domestic and international immigration.

The daytime population reached approximately 9 million people last year, exceeding the residential population as many commuters enter the city for work each day.

High home prices keep the homeownership level at approximately 30 percent, well below that of the U.S. rate, and provide a large pool of renters.

Approximately 36 percent of residents age 25 and older have at least a bachelor's degree, with 15 percent also holding a graduate or professional degree. This is well above the U.S. level and provides employers with a skilled labor pool.



## QUALITY OF LIFE

New York City provides an unparalleled lifestyle as an international a cultural center. The region has an abundance of entertainment venues when compared with other large metros. Four diverse seasons provide ample opportunities for outdoor enthusiasts to enjoy the local offerings. The region has public parks along with access to boating and hiking. New York City hosts various professional sports teams in baseball, football, hockey and basketball.

The city is a hub for international travelers, professionals and students with access to more than 130 public and private universities. The area's higher-education institutions are also fed from a number of private and public schools systems. Many college graduates find work in a variety of industries represented in the local economy, including international relations through the U.N., financial activities on Wall Street and entertainment on Broadway.

## SPORTS



## EDUCATION



## ARTS & ENTERTAINMENT



\* Forecast  
Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



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