

RELOCATION BRANCH



PROPERTY RENDERING



GROUND LEASE OPPORTUNITY

LEAD AGENTS



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DISCLAIMER

Horvath & Tremblay has been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than Horvath & Tremblay and we make no representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all references to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a buyer. Buyers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.

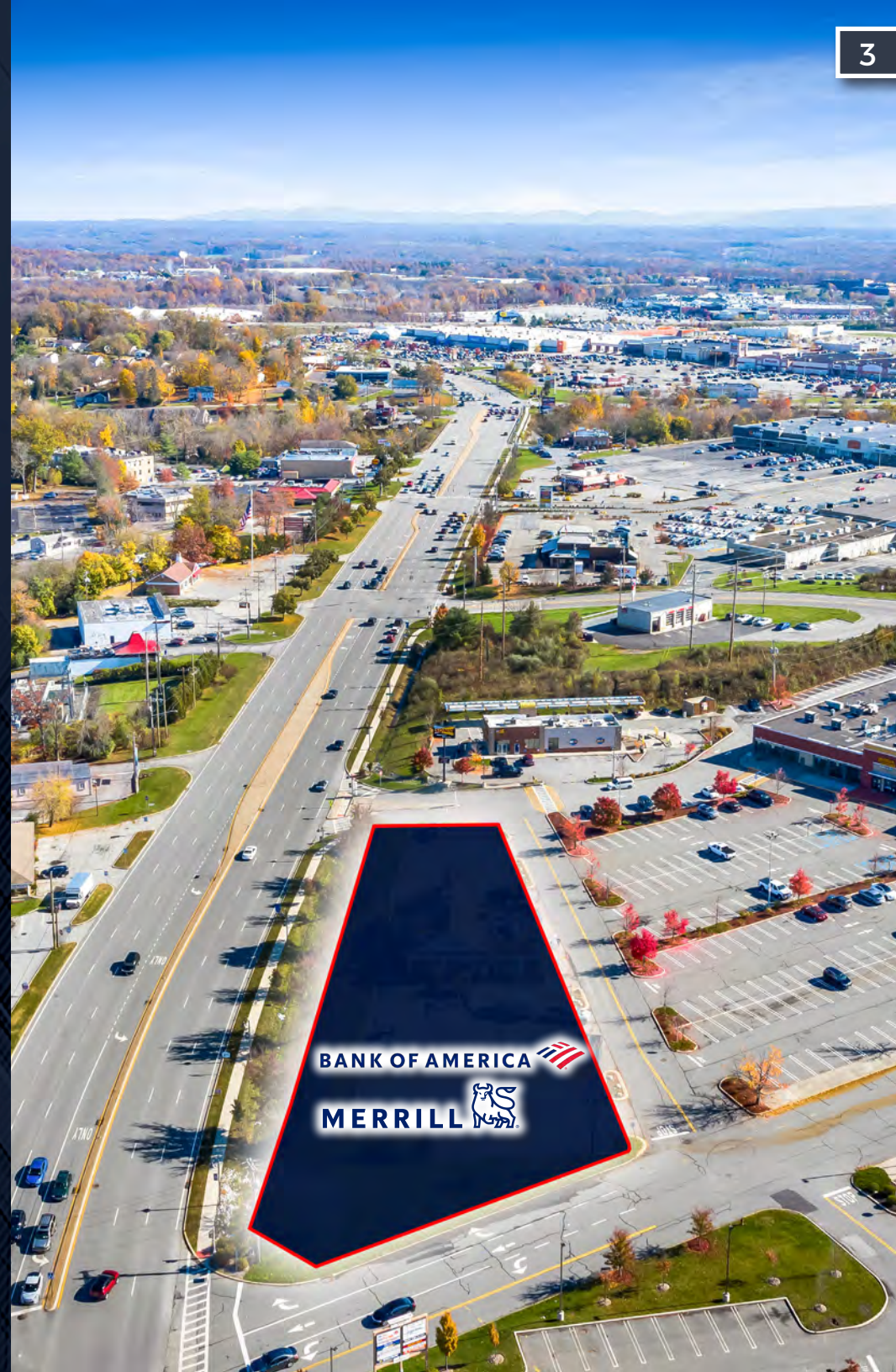


INVESTMENT HIGHLIGHTS

Horvath & Tremblay is pleased to present the exclusive opportunity to purchase a new construction Bank of America/Merrill ground lease located at 364 NY Route 211 East in Middletown, New York (the "Property"). The new construction retail branch will feature both Bank of America and Merrill (a division of Bank of America) and will consist of a 4,740 square foot building with two (2) dedicated drive through lanes on a 1.00-acre corner parcel. Bank of America/Merrill signed a new 15-year ground lease with three (3), five-year renewal options and rent increases of 10% every five years throughout the base term and option periods.

Bank of America/Merrill is situated on a corner parcel at the signalized intersection of New York State Route 211 and Schleman Road. The location is part of an exceptional trade area centered around the Route 211 State Highway 17/Interstate 84 junction, with numerous national tenants and retail centers drawing significant traffic to the area.

- **LONG-TERM LEASE:** Bank of America/Merrill has signed a new 15-Year Ground Lease with three, 5-year renewal options.
- **ATTRACTIVE RENT INCREASES:** The lease calls for 10% rental increases every five years through the current term and all three (3) option periods, providing the investor with an attractive increase in revenue and a hedge against inflation.
- **BEST-IN-CLASS CREDIT TENANT:** Bank of America, N.A. stands as one of the highest rated retail tenants in the net lease market and boasts a high investment-grade long-term credit rating of A- (S&P) and A2 (Moody's).
- **GROUND LEASE:** The Bank of America/Merrill lease is a ground lease (Absolute NNN) with the tenant responsible for all operating expenses, repairs, maintenance and replacements to the entire property (building and grounds).
- **EXCEPTIONAL BRANCH DEPOSITS:** As of 6/30/2020, the Bank of America Branch that is relocating to this parcel held an exceptional deposit base of \$281,735,000.
- **OUTSTANDING LOCATION:** Bank of America/Merrill is located at a signalized intersection with outstanding frontage and visibility along NY Route 211, a densely populated, heavily travelled retail corridor
- **STRONG DEMOGRAPHICS:** Over 63,800 people live within a 5-mile radius of the Property with an average household income of over \$116,500. An additional 42,000 people work within a 5-mile radius of the property.
- **HIGH TRAFFIC COUNTS:** More than 33,500 vehicles per day pass by the property along New York State Route 211.
- **RETAIL TRADE AREA:** Additional retailers bringing consumers to the immediate trade area include Price Chopper, ShopRite, ALDI, Hannaford, Walmart Supercenter, Target, Sam's Club, McDonald's, Panera Bread, Wendy's, Starbucks, Chipotle, Burger King, Kohl's, CVS, Walgreens, Home Depot, Lowe's, Staples, Chase Bank, Citizens Bank, M&T Bank, and many others.





PROPERTY RENDERING



\$5,647,000
LIST PRICE



4.25%
CAP RATE



\$240,000
NET OPERATING INCOME

364 NY-211 E | MIDDLETOWN, NY 10941

OWNERSHIP:	Ground Lease
BUILDING AREA:	4,740 SF
YEAR BUILT:	2020
LAND AREA:	1.00 Acres
GUARANTOR:	Corporate
ROOF & STRUCTURE:	Tenant Responsibility
RENT COMMENCEMENT DATE:	01/01/2021
LEASE EXPIRATION DATE:	12/31/2035
LEASE TERM REMAINING:	15 Years
RENEWAL OPTIONS:	3, 5-Year Options
DEPOSITS AT LOCATION:	\$281,735,000

Note: Deposits are for BofA's existing location 2-miles away on NY Route 211.



ANNUALIZED OPERATING DATA					
YEAR	START	END	TERM	RENT	% INC
1 - 5	01/01/2021 - 12/31/2025		CURRENT	\$240,000	
6 - 10	01/01/2026 - 12/31/2030			\$264,000	10.0%
11 - 15	01/01/2031 - 12/31/2035			\$290,400	10.0%
16 - 20	01/01/2036 - 12/31/2040		OPTION 1	\$351,384	21.0%
21 - 25	01/01/2041 - 12/31/2045		OPTION 2	\$386,522	10.0%
26 - 30	01/01/2046 - 12/31/2050		OPTION 3	\$425,174	10.0%

TENANT OVERVIEW

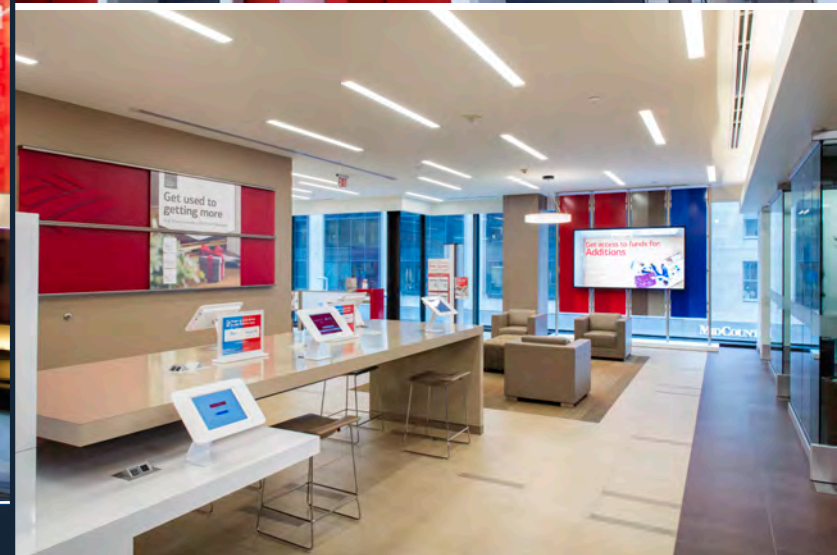
BANK OF AMERICA



Bank of America



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ABOUT THE TENANT

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 66 million consumer and small business clients with approximately 4,300 retail financial centers, including approximately 3,000 lending centers, 2,700 financial centers with a Consumer Investment Financial Solutions Advisor and approximately 2,100 business centers; approximately 16,900 ATMs; and award-winning digital banking with approximately 39 million active users, including approximately 30 million mobile users.

Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 3 million small business owners through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and approximately 35 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange.



TENANT OVERVIEW



ABOUT THE TENANT

Merrill, legally Merrill Lynch, Pierce, Fenner & Smith Incorporated and previously branded as Merrill Lynch, is an American investing and wealth management division of Bank of America. Along with BofA Securities, the investment banking arm, both firms engage in prime brokerage and broker-dealer activities. The firm is headquartered in New York City. Merrill employs over 14,000 financial advisors and manages \$2.3 trillion in client assets. The company also operates Merrill Edge, an electronic trading platform.

PERSONALIZED STRATEGIES – Merrill helps build a personalized strategy that starts with what matters most for the client and evolves as the client's needs and goals change.

HELPFUL PROFESSIONALS AND TOOLS – Merrill brings straightforward tools, access to Merrill professional expertise and knowledgeable advisors when the client wants to work one-on-one.

STRAIGHTFORWARD ADVICE & GUIDANCE – Merrill offers clear information about how the client's investments are doing and straightforward guidance on which investment solutions might best fit the client's needs.

WEALTH MANAGEMENT – Work one on one with a dedicated advisor team who will help the client build a comprehensive financial strategy and give the client recommendations to help grow and preserve the client's wealth.

GUIDED INVESTING – An investment advisory program aligned to the client's goals that's built, monitored and rebalanced by Merrill investment professionals plus the option to work one on one with an advisor.

MERRILL EDGE SELF-DIRECTED – A self-directed investing platform that streamlines investing, giving the client access to research and insights, step-by-step guidance and flexible tools.

Merrill has the most advisors on the Barron's Top 1,200 Financial Advisors list for the eleventh consecutive year – Barron's March 2019.



LOCATION OVERVIEW



LOCATION OVERVIEW - MIDDLETOWN, NEW YORK

Middletown is a city in Orange County, New York, United States. It lies in New York's Hudson Valley region, near the Wallkill River and the foothills of the Shawangunk Mountains. Middletown is situated between Port Jervis and Newburgh, New York. As of the 2019, the city had a population of approximately 30,000. Middletown falls within the Poughkeepsie-Newburgh-Middletown Metropolitan Statistical Area, which belongs to the larger New York-Newark-Bridgeport, NY-NJ-CT-PA Combined Statistical Area. Middletown's largest industries are Health Care & Social Assistance, Retail Trade, and Manufacturing. Mediacom Communications Corp, the Galleria at Crystal Run, SUNY Orange, Walmart, Touro College of Osteopathic Medicine, and the Times Herald-Record are major employers in Middletown. Middletown is the main business address for the newspaper Times Herald-Record and its owner, Local Media Group. Mediacom Communications Corp, a cable and other pay TV company, is headquartered outside the city in the Town of Wallkill. It is also a manufacturing location for Bell Flavors & Fragrances

The "Miracle Mile" shopping strip and Lloyd's Supermarket were developed in the late 1960s and two later shopping malls, all located at the eastern edge of town along Route 211, near Route 17 and Interstate 84. The Orange Plaza mall drew several of the downtown shops into it by the mid-1970s, weakening downtown. To the East across Route 17, the Galleria at Crystal Run opened in the early 1990s. A Super Wal-Mart replaced the Orange Plaza mall in 2001. Although the downtown is not the areas primary shopping/business district, there are still an abundance of municipal offices and the area remains home to an active downtown bar and restaurant scene.

Middletown has a solid transportation infrastructure. The city can be reached from New York City by bus and is located near the intersection of Interstate 84 and NY 17 (the future Interstate 86). State routes 17M and 211 run right through the city, and US 6 parallels I-84 to the south. The Middletown-Town of Wallkill station on Metro-North Railroad's Port Jervis line is located nearby, in the Town of Wallkill, and provides rail service to Port Jervis, other communities in Orange and Rockland Counties and Bergen County, NJ, Hoboken and New York City. Randall Airport is about 4 miles from the center of Middletown. Middletown offers a bus service, Middletown Transit, with four routes that connect at the bus station, located on Railroad Avenue, where passengers can connect to Coach USA and Short Line bus service. There is also a "Main Line" bus connecting to surrounding Orange County villages and another route connecting to areas such as Newburgh and Woodbury.

Middletown also has a significant Higher Education presence. SUNY Orange, previously known as Orange County Community College, is located in Middletown. Its campus includes the historic Webb Horton House (pictured), more commonly known as Morrison Hall. It also has a campus in Newburgh, and three satellite campuses, but the majority of buildings and students are in Middletown. A total of more than 6100 students attend SUNY Orange. In addition to credit classes, there are a wide variety of classes for lifelong learning. Touro College of Osteopathic Medicine opened a Middletown Campus, in 2014, located in the former Horton Hospital.

MIDDLETOWN | NY 7

	3 MILES	5 MILES	10 MILES
POPULATION			
2020 Estimate	46,766	63,847	126,955
2025 Projection	48,215	65,520	129,155
2010 Census	46,207	62,486	124,490
BUSINESS			
2020 Est. Total Business	2,749	3,459	5,895
2020 Est. Total Employees	30,043	37,093	58,961
HOUSEHOLDS			
2020 Estimate	17,910	24,300	47,239
2025 Projection	18,169	24,540	47,063
2010 Census	16,602	22,336	43,429
INCOME			
Average Household Income	\$84,144	\$88,417	\$95,623
Median Household Income	\$64,254	\$69,107	\$77,274



46,500+
PEOPLE WITHIN 3 MILES



33,500+
VEHICLES PER DAY
INT NY-211 & S LAKE SCOTCHTOWN RD



\$84,000+
AVERAGE HOUSEHOLD INCOME



MIDDLETOWN HIGH SCHOOL

ShopRite

DOLLAR GENERAL

POPEYES
LOUISIANA KITCHEN

CHASE

Pizza Hut

AutoZone

Hudson Valley
FEDERAL CREDIT UNION

AT&T

AMERICAN
CLEANERS

FRONTERA
Tacos & Tequila

ARMY
NATIONAL
GUARD

RAC Rent-A-Center

Ayo Fitness

golden
corral

MHV
MID-HUDSON VALLEY FEDERAL CREDIT UNION

SCHLEMAN ROAD

BANK OF AMERICA

MERRILL

211



33,500+ VPD

211

SONIC



SCHLEMAN ROAD







SCHLEMAN ROAD

