



ACTUAL LOCATION

OFFERING MEMORANDUM



Single Tenant BJ's Wholesale Club

***Essential Retailer | Strong Pandemic Performer
Affluent Surrounding Area | Limited Competition***

16520 BALL PARK ROAD | BOWIE, MD

CONTENTS

Investment Summary 03

Tenant Overview 08

Financial Analysis 10

Location Overview 12

MARKETING ADVISORS

MARC MANDEL

Managing Director
Investment Sales Advisory
484.532.4212
marc.mandel@am.jll.com

STEVE SCHRENK

Director
Investment Sales Advisory
484.532.4213
steve.schrenk@am.jll.com



MARK POPOVICH

Senior Managing Director
Debt Advisory
412.222.2026
mark.popovich@am.jll.com

LOCAL MARKETING ADVISORS

BILL MOYLAN

Managing Director
Investment Sales Advisory
202.719.5651
bill.moylan@am.jll.com

JORDAN LEX

Senior Director
Investment Sales Advisory
202.533.2517
jordan.lex@am.jll.com

DANIEL NAUGHTON

Director
Investment Sales Advisory
202.777.2316
daniel.naughton@am.jll.com





INVESTMENT Summary

BJ's Wholesale Club | Bowie, MD



The Offering



JLL is pleased to exclusively offer the opportunity to acquire a single tenant property corporately leased to BJ's Wholesale Club (the "Property") in Bowie, MD. The BJ's Wholesale Club offering is inclusive of a BJ's Gas Station and has a NNN lease structure with zero landlord responsibilities, ideal for the passive investor. The offering includes an assumable loan with attractive debt, relieving buyers from the worry of seeking financing during the pandemic. With 1.5 years remaining on their original 20-year lease, BJ's Wholesale Club recently exercised three (3) consecutive five-year options to extend the term an additional fifteen (15) years, demonstrating commitment to this location. BJ's Wholesale Club currently has 16.5 years remaining on their Lease. BJ's Wholesale Club (NYSE: BJ), an essential retailer, is a membership-only warehouse club chain which operates on the U.S. East Coast as well as Michigan and Ohio. Year-over-year, the pandemic-proof grocery warehouse club has seen total revenues increase by 16% and membership fees increase by 11%.

BJ's Wholesale Club is located off of Robert Crain Highway (US-301), a major thoroughfare in the area and home to 61,550 vehicles per day. Additionally it is located within in close proximity to nationally recognized retailers such as Lowe's, The Home Depot, Walmart, Target, Giant, Kohl's, Big Lots, Chick-fil-A, AutoZone, Valvoline, Wendy's, Applebee's and Bob Evans, helping drive more consumers to the area. This BJ's Wholesale Club is strategically located twenty (20) miles south of Baltimore, twelve (12) miles northeast of Washington, D.C., and fifteen (15) miles west of Annapolis, with limited local competition. The nearest BJ's is over 9 miles away, the closest Costco is just under 10 miles away, while the nearest Sam's Club is over 22 miles away.

During the height of the pandemic, BJ's Wholesale Club had a very strong third quarter of fiscal 2020, with adjusted EBITDA increasing 57% year-over-year, operating income increasing 88% year-over-year, and digitally enabled sales growth increasing approximately 200% for the third quarter of 2020. BJ's Wholesale Club, in June of 2020, had their credit rating upgraded to 'Ba2' (Moody's) and 'BB-'(S&P). Additionally, S&P upgraded BJ's credit in December 2020 to 'BB', exemplifying the retailer's positive outlook moving forward.



Address	16520 Ball Park Road, Bowie, MD 20716
Price	\$31,150,000
Cap Rate	6.15%
NOI	\$1,916,000
Lease Type	Fee Simple: NNN
Building Size	108,532 SF
Parcel Size	11.43 Acres
Year Built	2002
Tenant	BJ's Wholesale Club, Inc.
Remaining Lease Term	16.5 Years (Expiration: 6/8/2037)
Remaining Options	One (1), Five (5) Year Option

Investment Highlights



BJ's Wholesale Club (NYSE: BJ), an essential retailer, is a membership-only warehouse club chain which operates on the U.S. East Coast as well as Michigan and Ohio. Year-over-year, the pandemic-proof grocery warehouse club has seen total revenues increase by 16% and membership fees increase by 11%.



During the height of the pandemic, BJ's Wholesale Club had a very strong third quarter of fiscal 2020, with adjusted EBITDA increasing 57% year-over-year, operating income increasing 88% year-over-year, and digitally enabled sales growth increasing approximately 200% for the third quarter of 2020.



The BJ's Wholesale Club offering is inclusive of a BJ's Tire Center and BJ's Gas Station and has a NNN lease structure with zero landlord responsibilities, ideal for the passive investor. BJ's Wholesale Club currently has 16.5 years remaining on their Lease after recently exercising three (3) consecutive five-year options, demonstrating commitment to this location.



BJ's Wholesale Club, in June of 2020, had their credit rating upgraded to 'Ba2' (Moody's) and 'BB-' (S&P). Additionally, S&P upgraded BJ's credit in December 2020 to 'BB', exemplifying the retailer's positive outlook moving forward.



The number of households within a 5-mile radius of the Property has grown over 5% since 2010, with the affluent population earning an average income of \$155,437 annually.



BJ's Wholesale Club is located off of Robert Crain Highway (US-301), a major thoroughfare in the area and home to 61,550 vehicles per day. Additionally it is located within in close proximity to nationally recognized retailers such as Lowe's, The Home Depot, Walmart, Target, Giant, Kohl's, Big Lots, Chick-fil-A, AutoZone, Valvoline, Wendy's, Applebee's and Bob Evans, helping drive more consumers to the area.

Loan Assumption & Abstract



LOAN ABSTRACT

The BJ's Wholesale Club includes existing debt that can be assumed. The loan, which terms are outlined below, encompasses the BJ's Wholesale Club, BJ's Gas Station and approximately 11.43 acres.

Lender: GSMS 2020-GC45

Monthly Debt Service (Interest Only Through 11/2021): \$57,077

Dated: October 31, 2019

Monthly Debt Service (Amortizing Starting 12/2021): \$85,239

Loan Amount: \$18,525,000

Amortization: 2-Years Interest Only, Followed By 30 Years

Interest Rate: 3.6973%

***Cash-on-Cash (IO):** 9.68%

Open Prepayment Date: August 6, 2029

***Cash-on-Cash (Amort):** 7.07%

Maturity Date: November 6, 2029

***Based on the \$31,150,000 asking price**

Defeasance: Following the Lockout Date which is 1/30/2022, Borrower may obtain the release of the Collateral from the Liens of the Loan Documents upon the payment to Lender of all sum then due under the Loan Documents and the delivery of Defeasance Collateral sufficient to provide payments on or prior to, and in any event as close as possible to, all successive Payment Dates in an amount sufficient to make all payments of interest and principal due hereunder, including the then outstanding Principal Indebtedness, on the first Payment Date in the Prepayment Period or such other Payment Date in the Prepayment Period as Borrower shall elect. Borrower must give Lender and each Rating Agency at least 15 Business Days (and not more than 60 days) prior written notice of any Defeasance, specifying the date on which the Defeasance is to occur.

Assumption: From and after the first anniversary of the Closing Date, the initial Borrower shall have the right to contemporaneously Transfer all of the Collateral to a Successor Borrower that will assume all of the obligations of Borrower hereunder and under other Loan Documents, subject to Lender's written consent. Borrower shall have paid Lender a non-refundable assumption fee of 0.5% of the Principal Indebtedness for the first assumption and 1.0% of the Principal Indebtedness for each subsequent assumption.

Surrounding Retail & Amenities





REPRESENTATIVE PHOTO

TENANT Overview

BJ's Wholesale Club | Bowie, MD



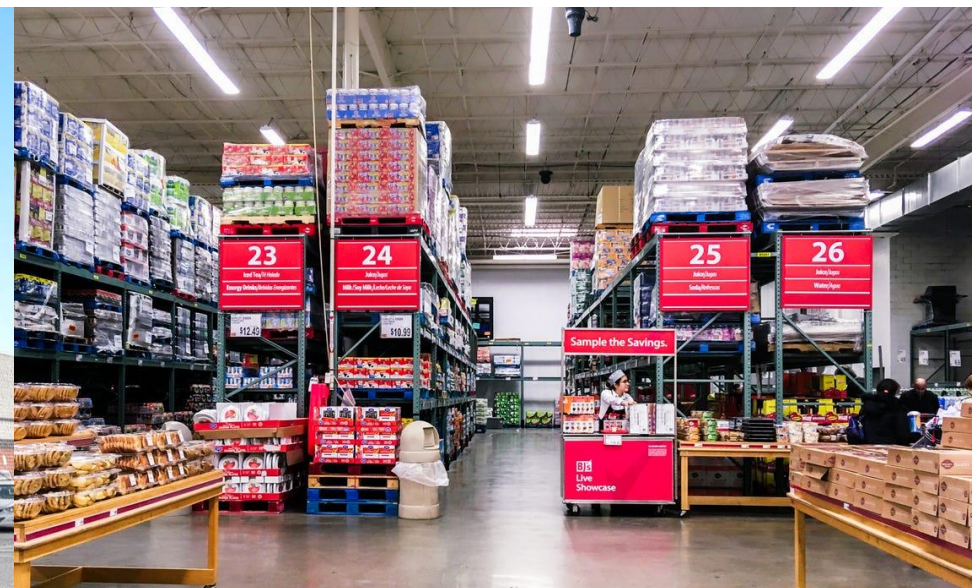
BJ's Wholesale Club Overview



BJ's Wholesale Club, Inc. (NYSE: BJ), commonly referred to simply as BJ's, is a membership-only warehouse club chain operating on the United States East Coast, as well as Michigan and Ohio. The company was ranked #245 on Fortune Magazine's 2019 listing of America's 500 largest public corporations. The Company provides a one-stop shopping destination filled with various brands, including its exclusive Wellsley Farms and Berkley Jensen brands. Food products, including canned, fresh and frozen items, account for over two-thirds of BJ's in-store sales. The remainder of the sales volume consists of general merchandise including apparel, household items, office equipment, small appliances and gas.

BJ's Wholesale Club introduced the warehouse club concept to the northeastern United States. Since the company was founded in 1984, it has expanded to become one of the nation's top three largest membership warehouse clubs in terms of total members boasting over five million paid members. As of November 2020, BJ's operated 219 BJ's clubs in seventeen states and employed approximately 26,000+ team members (both full and part time).

[bjs.com](https://www.bjs.com)



CORPORATE OVERVIEW

Ownership	Public – BJ (NYSE)
Credit Rating:	BB (S&P)
Headquarters:	Westborough, MA
# of Locations:	219
Year Founded:	1984

BJ'S WHOLESALE CLUB ACCOLADES FROM ITS 3Q2020 EARNINGS REPORT



- Membership fees increase by 11%
- Total revenues increased by 16% year-over-year
- Digitally enabled sales growth increased approximately 200%
- Operating Income increased 88% year-over-year
- Adjusted EBITDA increased 57% year-over-year



FINANCIAL Analysis

BJ's Wholesale Club | Bowie, MD



Lease Abstract



\$31,150,000

Asking Price

6.15%

Cap Rate

\$1,916,000

NOI

LEASE DETAIL

Address	16520 Ball Park Road, Bowie, MD 20716
Tenant	BJ's Wholesale Club, Inc.
Building Size	108,532 SF
Parcel Size	11.43 Acres
Year Built	2002
Annual Rent	\$1,916,000
Lease Type	Fee Simple: NNN
Roof & Structure	Tenant Responsibility
Rent Commencement	6/9/2002
Lease Expiration	6/8/2037
Remaining Options	One (1), Five (5) Year Option

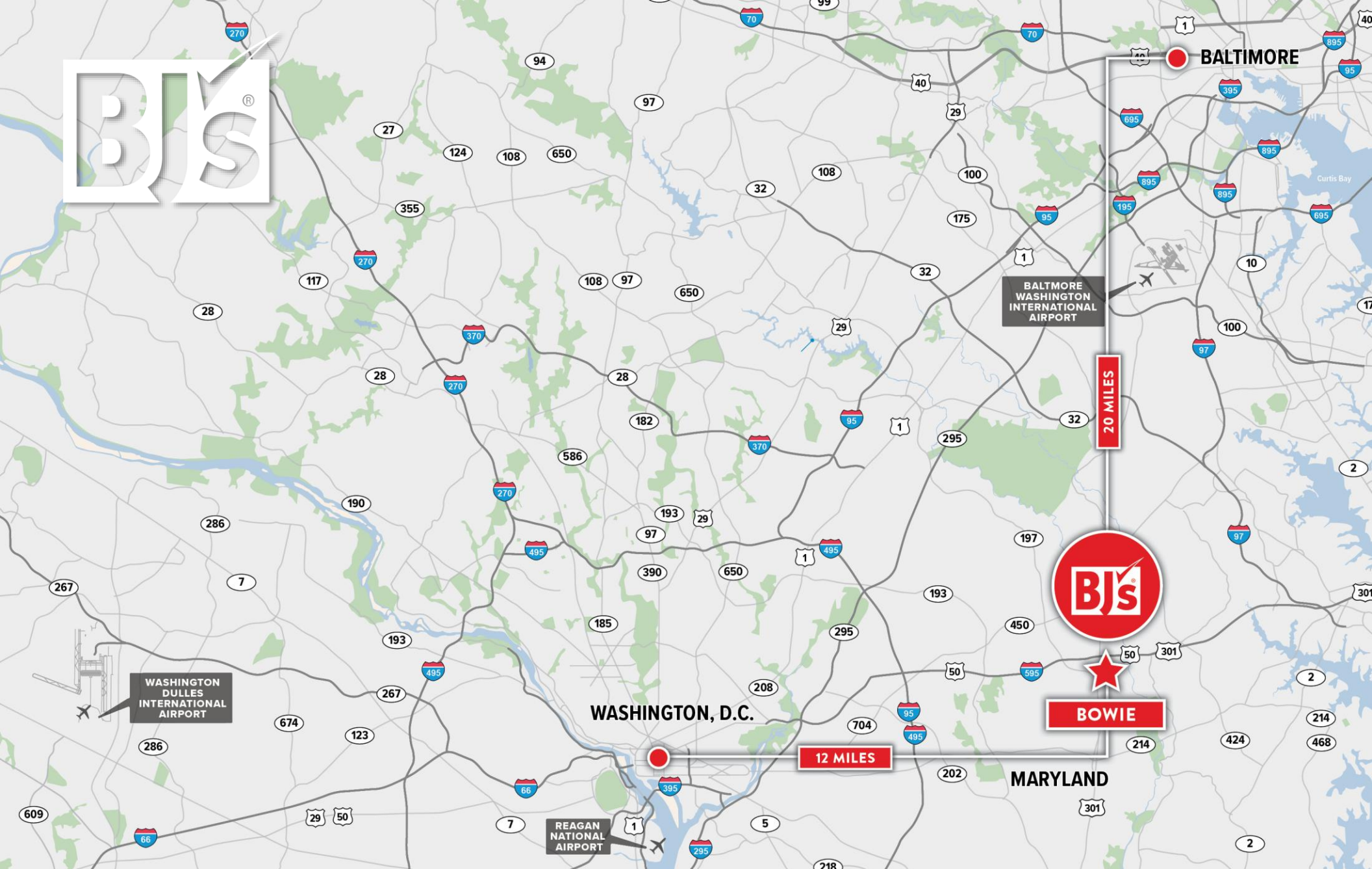


TENANT RESPONSIBILITY DETAIL

Maintenance & Repairs	Tenant shall maintain the Demised Premises, including without limitation, the building, its roof, structural components, mechanical systems, all glass and utility conduits, fixtures and equipment within the building, the parking areas and all other improvements on the lot.
Insurance	Tenant shall maintain at all times during the term of the Lease with respect to the Building; all-risk insurance and commercial general liability insurance.
Taxes	Tenant shall pay the real estate taxes allocable to the Demised Premises for each Tax Year included within the term of this Lease.
Utilities	Tenant shall pay directly to the proper authorities charged with the collection thereof all other utilities or services used or consumed on the Demised Premises, including without limitation, water and sewer use charges and taxes, if any.

RENT SCHEDULE

Description	Dates	Annual Rent
Current Term	11/1/2020 - 6/8/2037	\$1,916,000
Option Term 4	6/9/2037 - 6/8/2042	\$1,916,000



LOCATION Overview

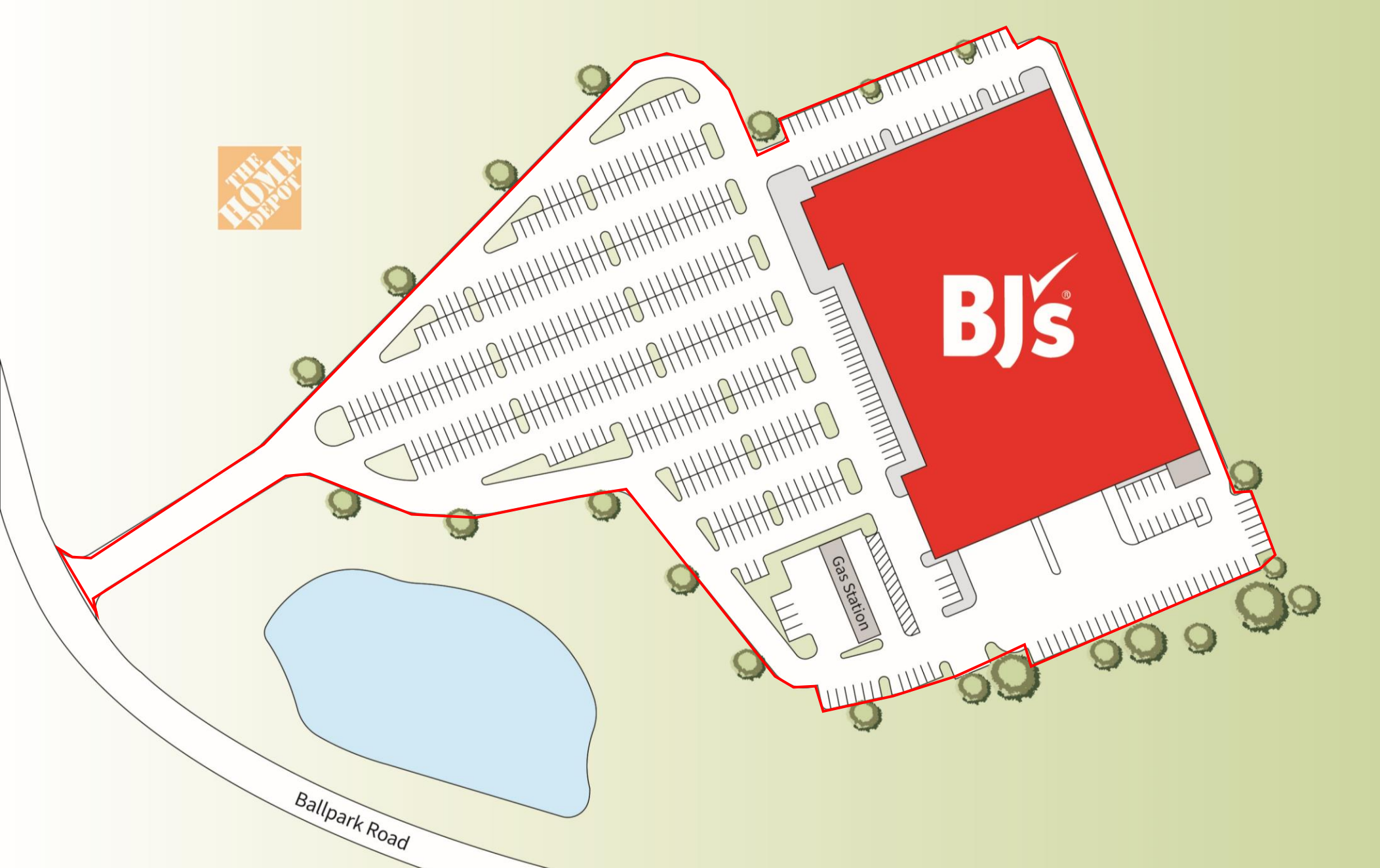
BJ's Wholesale Club | Bowie, MD



Surrounding Retail & Amenities



Site Plan



Bowie, Maryland

Bowie is strategically located within the highly regarded Baltimore/Washington corridor. The City of Bowie is a dynamic, vibrant, and diverse community offering an enviable suburban lifestyle with a high quality of life, a well-managed government, outstanding public services, and comprehensive educational opportunities. Bowie is the largest municipality in Prince George's County, 5th most populous city and the 3rd largest city by area in Maryland. Bowie is located approximately twenty miles south of Baltimore, twelve miles northeast of Washington, D.C., and fifteen miles west of Annapolis. Bowie originated as a railway stop in 1853 and has grown to be one of the largest and fast-growing cities in Maryland.

Bowie is also the home of the Radio and Television Museum, a cooperative venture between the Radio History Society and the City of Bowie Museums, and the Prince George's County Genealogical Society Library. In addition to its six museum sites, the City operates the Bowie Playhouse, and is the home of the Prince George's Stadium, home of the Bowie Baysox, a AA minor league affiliate of the Baltimore Orioles. In accordance with the redevelopments in Bowie, the city's motto is "growth, unity and progress."



#1 Best City to Raise a Family in Maryland
creditdonkey.com

One of the Country's Most Affordable Suburban Neighborhoods
Forbes

28th Best Place to Live in the United States
CNN Money

DEMOGRAPHICS			
	1 Mile	3 Miles	5 Miles
POPULATION			
2010 Census	5,980	37,689	86,834
2020 Estimate	5,955	38,974	91,485
2025 Projection	5,896	40,257	94,051
INCOME			
Average Household Income	\$122,114	\$137,656	\$155,437
Median Household Income	\$105,240	\$111,886	\$121,738
HOUSEHOLDS			
2010 Census	2,563	13,939	31,384
2020 Estimate	2,524	14,341	32,908
2025 Projection	2,492	14,748	33,757

(ESRI)



MARKETING ADVISORS

MARC MANDEL

Managing Director
Investment Sales Advisory
484.532.4212
marc.mandel@am.jll.com

STEVE SCHRENK

Director
Investment Sales Advisory
484.532.4213
steve.schrenk@am.jll.com

MARK POPOVICH

Senior Managing Director
Debt Advisory
412.222.2026
mark.popovich@am.jll.com

LOCAL MARKETING ADVISORS

BILL MOYLAN

Managing Director
Investment Sales Advisory
202.719.5651
bill.moylan@am.jll.com

JORDAN LEX

Senior Director
Investment Sales Advisory
202.533.2517
jordan.lex@am.jll.com

DANIEL NAUGHTON

Director
Investment Sales Advisory
202.777.2316
daniel.naughton@am.jll.com

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate ("JLL") 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 JLL, and neither Owner nor JLL, nor their respective equity holders, officers, directors, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference 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 purchaser, and JLL, its officers, directors, employees and agents disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.