

EXECUTIVE SUMMARY



ADDRESS



LOT SIZE



CREDIT RATING



Pennsauken, NJ Philadelphia, PA MSA

MARKET



20 YEARS

TERM REMAINING



LEASE TYPE

THE OFFERING

Price	\$8,333,333
Cap	4.49%
Lot Size	1.8 Acres
Year Built	2020
Lease Type	NNN Ground Lease
Rent Commencement	Est. Jan 2021
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	\$374,550	
Years 6-10	\$412,005	10.00%
Years 11-15	\$453,206	10.00%
Years 16-20	\$498,526	10.00%
Option 1 (Years 21-25)	\$548,379	10.00%
Option 2 (Years 26-30)	\$603,217	10.00%
Option 3 (Years 31-35)	\$663,538	10.00%
Option 4 (Years 36-40)	\$729,892	10.00%
Option 5 (Years 41-45)	\$802,881	10.00%
Option 6 (Years 46-50)	\$883,169	10.00%

INVESTMENT HIGHLIGHTS

NEW 20-YEAR NNN GROUND LEASE HIGH TRAFFIC CORNER; 77,000+VPD INFILL PHILADELPHIA SUBURB PREFERRED 10%
INCREASE EVERY FIVE
YEARS

LARGE PARCEL- This facility is situated upon a 1.8 acre parcel which has excellent access for New Jersey. The location is immediately located next to a turnabout or "jug-handle," which allows for direct access to the site from the opposing direction. This location will feature a 4,570 square-foot building with six multi-product dispensers.

A DOMINANT BRAND IN THE MARKET- Within a 3-miles radius of the property there are 3 Wawa. New Jersey plays host to over 250 Wawa locations alone. Wawa is currently #2 on CSP Magazine's "Fuels 50" list which ranks convenience store brands by Market efficiency, 2nd only to Texas-based Buc-ee's.

FAVORABLE DEMOGRAPHICS: The Average Household Income (AHHI) currently is over \$84,000 and population within one-mile is 19,806 people.

PROXIMATE TO ECONOMIC DRIVERS: The property is only 5 ½ miles to "Downtown" or the Philadelphia Central Business District via the Ben Franklin Bridge. Route 38 is a commuter arterial which is at the second major interchange for traffic coming from Philadelphia that heads south.

MAJOR COMMUTER ROUTE: This site is situated on South Crescent Boulevard which boasts a strong count of 68,400 VPD. The immediate area is saturated with many different industrial uses; in fact, the property is located in a hot spot of production. According to ESRI, the manufacturing workforce in this zip code is 8.3%, with many of the surrounding zip codes performing above the state average as well. Pennsauken is home to Aluminum Shapes, which operates a 267,020 square meter aluminum facility and is North America's largest one-stop Aluminum Extrusion site. The goods produced at the site are used in products such as automotive brakes, bumpers and other light-weight parts across the globe.

INVESTMENT GRADE CREDIT – Shadow Rating of "BBB" by Fitch



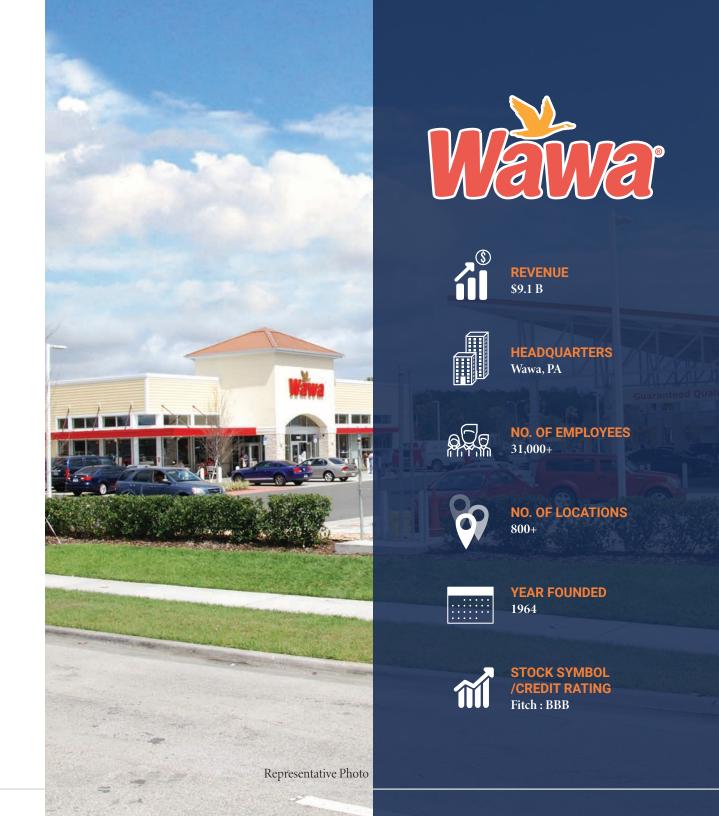


TENANT INFORMATION

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.











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 give Landlord written notice of the assignment or sublease within thirty (30) days thereafter, together with the name and address of the assignee or subtenant. 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 (\$50,000,000.00), Tenant shall be released and relieved from further liability
Restrictive Covenant	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. The term "convenience food store" means any store generally recognized by the retail food industry as being a convenience food store, including but not limited to, the type of store operated by Tenant, Sheetz, 7- Eleven, Turkey Hill, Hess, QuikCheck, Royal Farms, Circle K. Exxon-Mobil (On the Run), Race Trac, Gate or Hess Express. The term "coffee store" means a store primarily engaged in the sale of coffee and related coffee drinks, including without limitation, Starbucks, Seattle's Best, Einstein's, Caribou Cafe, Bucks County Coffee or Barnie's Coffee and Tea Company.
First Right of Refusal	None
Termination Rights	None
Right to Purchase	None

DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2024 Projection	19,697	162,428	552,107
2019 Estimate	19,806	162,184	543,458
2010 Census	19,999	162,754	524,218
2000 Census	20,772	165,349	508,445
Current Daytime Population	19,698	156,435	731,707

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
Population By Age			
2019 Estimate Total Population	19,806	162,184	543,458
Under 20	27.59%	28.16%	22.82%
20 to 34 Years	22.48%	22.63%	27.07%
35 to 39 Years	7.03%	6.84%	7.62%
40 to 49 Years	12.04%	12.16%	11.77%
50 to 64 Years	17.23%	17.70%	17.27%
Age 65+	13.61%	12.50%	13.49%
Median Age	34.94	34.45	35.08
Population 25+ by Education Level			
2019 Estimate Population Age 25+	12,981	104,854	383,169
Elementary (0-8)	5.03%	5.35%	4.26%
Some High School (9-11)	11.81%	12.00%	10.04%
High School Graduate (12)	31.41%	32.56%	29.14%
Some College (13-15)	20.94%	19.67%	15.05%
Associate Degree Only	6.15%	5.63%	5.14%
Bachelors Degree Only	16.10%	15.20%	19.98%
Graduate Degree	7.03%	7.41%	14.35%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2024 Projection	7,586	58,289	225,134
2019 Estimate	7,588	57,927	219,119
2010 Census	7,650	57,915	211,648
2000 Census	7,595	57,460	200,659

INCOME	1 MILE	3 MILES	5 MILES
2019 Housing Income			
\$150,000 or More	6.40%	8.73%	12.61%
\$100,000 - \$149,000	11.19%	12.55%	13.83%
\$75,000 - \$99,999	12.96%	12.52%	12.35%
\$50,000 - \$74,999	14.85%	15.44%	16.59%
\$35,000 - \$49,999	12.89%	10.99%	11.08%
Under \$35,000	41.69%	39.76%	33.57%
Average Household Income	\$65,697	\$70,068	\$84,784
Median Household Income	\$44,416	\$48,920	\$57,178
Per Capita Income	\$25,395	\$25,367	\$34,502

DEMOGRAPHIC SUMMARY

Geography: 5 Miles



POPULATION

In 2019, the population was 543,458. The population has changed by 6.89 percent since 2000. It is estimated that the population will be 552,107 five years from now, which represents a change of 1.59 percent from the current year. The current population is 48.95 percent male and 51.05 percent female. The median age of the population is 35.08, compared to the US average which is 38.08. The population density is 6,909.36 people per square mile.



HOUSEHOLDS

There are currently 219,119 households. The number of households has changed by 9.20 percent since 2000. It is estimated that the number of households will be 225,134 five years from now, which represents a change of 2.75 percent from the current year. The average household size is 2.42 persons.



INCOME

In 2019, the median household income was \$57,178, compared this to the US average which is currently \$60,811. The median household income has changed by 64.58 percent since 2000. It is estimated that the median household income will be \$65,308 five years from now, which represents a change of 14.22 percent from the current year.

The current year per capita income is \$34,502, compared to the US average, which is \$33,623. The current year average household income is \$84,784, compared to the US average which is \$87,636.



RACE AND ETHNICITY

The current year racial makeup area is as follows: 58.52 percent White, 17.91 percent Black, 0.05 percent Native American and 8.48 percent Asian/Pacific Islander, compared to US averages which are: 70.07 percent White, 12.87 percent Black, 0.19 percent Native American and 5.66 percent Asian/Pacific Islander. People of Hispanic origin are counted independently of race and make up 21.74 percent of the current year population, compared to the US average of 18.17 percent.



HOUSING

The median housing value was \$202,005 in 2019, compared to the US average of \$212,058. In 2000, there were 121,428 owner occupied housing units and there were 79,231 renter occupied housing units. The median rent at the time was \$508/month.



EMPLOYMENT

In 2019, there were 420,563 employees, this is also known as the daytime population. The 2000 Census revealed that 62.63 percent of employees are employed in white-collar occupations, and 37.22 percent are employed in blue-collar occupations. In 2019, unemployment in this area is 4.90 percent. In 2000, the average time traveled to work was 29 minutes.

PHIADELPHIA OVERVIEW

The Philadelphia metro encompasses 11 counties in four states: Philadelphia, Delaware, Bucks, Chester and Montgomery in Pennsylvania; Gloucester, Burlington, Camden and Salem counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland. The Delaware River bisects the metropolis from northeast to southwest and serves as the border between Pennsylvania and New Jersey. The Schuylkill River passes through the heart of Philadelphia, separating West Philadelphia from Center City. The Philadelphia metro contains approximately 6.1 million residents. Although the metro has more than 360 municipalities, few have more than 50,000 citizens. Philadelphia is the largest city with close to 1.6 million residents.

METRO HIGHLIGHTS



HIGHLY EDUCATED WORKFORCE

Philadelphia has one of the highest concentrations of institutions of higher learning in the nation, including the University of Pennsylvania, Temple University and Drexel University.



EXPANDING HEALTH-SCIENCES SECTOR

The metro is a significant pharmaceutical, medical and biosciences center. Major companies include Merck, GlaxoSmithKline and Johnson & Johnson.



TRANSPORTATION NETWORK

Interstate 95 connects Philadelphia to both New York City and Washington, D.C., and Interstate 76 links the region to Pittsburgh and Cleveland.



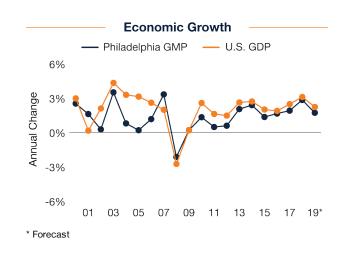
THE PHILADELPHIA ECONOMY

Drivers of the region's economy include pharmaceuticals, biotechnology, financial services, education, transportation logistics, advanced manufacturing and telecommunications.

The Philadelphia area is home to nine Fortune 500 companies that operate across a broad spectrum of industries, including AmerisourceBergen, Comcast and Aramark.

Philadelphia is headquarters of the Federal Reserve's Third District, which, along with the U.S. Mint, the Philadelphia Stock Exchange and companies such as Lincoln Financial Group and Vanguard, helps shape a formidable financial sector.

MAJOR AREA EMPLOYERS
University of Pennsylvania
Jefferson Health System
Merck & Co.
Drexel University
Temple University and Health System
Trinity Health Corp.
Comcast
Bank of America Corp.
Children's Hospital of Philadelphia
The Vanguard Group Inc.





SHARE OF 2018 TOTAL EMPLOYMENT





















PHILADELPHIA DEMOGRAPHICS

The metro is expected to add nearly 122,000 people over the next five years, which will result in the formation of nearly 70.000 households.

A median home price below the U.S. level has afforded 67 percent of households to own their homes, compared with 64 percent for the nation.

Roughly 35 percent of people age 25 and older hold a bachelor's degree; among those residents, 14 percent also have earned a graduate or professional degree.

2018 POPULATION BY AGE

6% 0-4 YEARS 19%

7% 20.24 YEAR 26%

27% 45-64 YEARS

15% 66+ YEARS

2018 POPULATION 6.1M GROWTH 2018-2023 2%







QUALITY OF LIFE

Philadelphia offers its residents an attractive package of economic, educational, cultural and recreational advantages. Its transformation from a manufacturing-based economy to one more reliant on information will continue to provide greater economic opportunities. In addition, the cost of living in Philadelphia is much less than in other major East Coast markets. Philadelphia provides both visitors and locals with a wide array of destinations. Art and science museums are plentiful, and the restaurant and nightclub scene is alive in the Center City area. The metro houses major professional sports teams, including the Eagles (NFL), 76ers (NBA), Phillies (MLB), Flyers (NHL) and Union (MLS) in addition to numerous golf courses, bike paths and water-related activities.

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

SPORTS











EDUCATION









ARTS& ENTERTAINMENT









^{*} Forecast

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