

OFFERING MEMORANDUM HUNTINGTON BANK

613 Beaver Valley Mall Blvd, Monaca, PA 15061



DANIEL H. KUKES
PRINCIPAL

dkukes@landmarkcres.com
(248) 488-2620

MAXWELL E. LIPPITT
ASSOCIATE

maxlippitt@landmarkcres.com
(248) 488-2620

KEVIN J. BAKER
PRINCIPAL

kbaker@landmarkcres.com
(248) 488-2620

JASON M. GREENSPAN
DIRECTOR

jgreenspan@landmarkcres.com
(248) 488-2620

CONTACT US

30500 Northwestern Hwy, Suite 200
Farmington Hills, MI 48334

Phone: (248) 488-2620

landmarkinvestmentsales.com

CONFIDENTIALITY DISCLAIMER

Landmark Commercial Real Estate Services, LLC ("BROKER") has been retained by the Owner to sell the 100% fee simple title of this asset. The Broker is the exclusive agent for the sale of this asset. The Broker has prepared the Property Information with information provided by the Owner, from sources deemed to be reliable. The Potential Purchaser will conduct its own due diligence of The Property, independently and without reliance upon BROKER of the Owner. Information furnished herein, the Offering Memorandum (the "OM") is intended solely for the Potential Purchaser and its affiliates ("Recipients") for its review of the acquisition of the Huntington Bank at 613 Beaver Valley Mall Blvd, Monaca, PA 15061 ("Property").

All information in the OM ("Confidential Information") shall be deemed confidential. Confidential Information shall not include any information which is generally available to the public or which becomes available to the Recipients on a non-confidential basis from a source that is or was under no obligation not to disclose such information.

In consideration of Broker and disclosure of the confidential information, the recipient shall not at any time, attempt in any manner to deal directly in any manner or circumvent Broker.

Unless otherwise agreed in writing or required by law, the Recipients will not use, disclose, or reveal any Confidential Information for any purpose other than in connection with the proposed transaction to any persons or entities other than those employees, officers, directors, bankers, advisors, representatives, or agents (collectively, "Representatives") who clearly need such access to perform their employment, fiduciary or contractual duties to the Recipient and to actively and directly participate in the evaluation of the Confidential Information. Additionally, Recipients shall not directly contact anyone directly associated with the Property without the express written consent of the Owner or Broker.

Recipients agree not to contact or initiate contact with the Tenants, at any time, either directly or indirectly. Unless such approval is specifically granted in written from the Owner or Broker.

This agreement shall be governed by the laws of the Michigan, and in any action brought to enforce the terms hereof, Recipients hereby irrevocably consents to jurisdiction and venue in the Circuit Court for the County of Oakland, State of Michigan, or the United States District Court, whichever the Owner may elect. The invalidity or unenforceability of any provision of this agreement as applied to a particular occurrence or circumstance shall not affect the validity of or enforceability of any of the other provisions of this agreement or the applicability of such provisions as the case may be. This agreement shall inure to the benefit of and may be enforced by the Owner and its successors and assigns and shall be binding on the Recipients, its officers, directors, partners, agents, members, representatives and successors in interest. If any portion of this agreement becomes the subject of litigation or arbitration, the prevailing party in such suit or proceeding shall be entitled to reimbursement for its reasonable costs, expenses and attorney's fees incurred, including those incurred in connection with any appeals. A copy of this agreement delivered by facsimile transmission shall be binding on both parties.



OFFERING SUMMARY

PROPERTY DETAILS

Address:	613 Beaver Valley Mall, Monaca, PA
Year Built:	2015
Land Area:	0.53 acre
Building Size:	1,978 SF
Investment Type:	Ground lease / absolute NNN investment

LEASE DETAILS

Tenant:	The Huntington National Bank
Guarantor:	N/A
Lease Type:	Ground lease
Landlord Responsibilities:	None
Rent Commencement:	8/1/2015
Lease Expiration:	7/31/2025
Rent Increases:	10% every 5 years

RENT SCHEDULE

Term	Monthly Rent	Annual Rent
Current – 7/31/2020	\$9,333.33	\$112,000
8/1/2020 – 7/31/2025	\$10,266.67	\$123,200
Option Periods		
8/1/2025 – 7/31/2030	\$11,293.33	\$135,520
8/1/2030 – 7/31/2035	\$12,422.67	\$149,072
8/1/2035 – 7/31/2040	\$13,667.92	\$163,979
8/1/2040 – 7/31/2045	\$15,031.42	\$180,377

PRICING

NOI:	\$123,200*
Cap Rate:	8.00%
Asking Price:	\$1,540,000

**Seller to provide gap rent at closing; pricing based off of 8/1/2020 renewal.*

INVESTMENT HIGHLIGHTS

GROUND LEASE WITH ZERO LANDLORD RESPONSIBILITIES

- The subject property operates as an absolute ground lease with zero landlord responsibilities.

NEW LEASE RENEWAL WITH RENT INCREASES

- The tenant just signed a new 5-year lease renewal demonstrating their commitment to this location.
- The lease has a scheduled 10% rent escalation every five years.

STRONG TENANT AND BRANCH DEPOSITS

- Huntington Bank is a Publicly Traded Company (NASDAQ: HBAN) with \$4.35B in annual revenue and 800 locations.
- As of June 2019, branch deposits were estimated at \$71,556,000 (Source: FDIC)

OUTPARCEL TO THE BEAVER VALLEY MALL

- The subject property sits as an outparcel to the Beaver Valley Mall (1,042,017 SF). Tenants include JCPenney, Books-A-Million, Rural King, and Boscov's
- Other tenants in the corridor include Walmart, Lowe's, Target, Kohls, Dick's, Five Below, PetSmart, Ollie's, National Tire and Battery
- Huntington Bank enjoys excellent exposure off of Brodhead Road – the main thoroughfare through the corridor (19,360 CPD), and sits adjacent to a new strip center development.

STRONG DEMOGRAPHICS

- The subject property enjoys over \$76,000 household income within a 3-mile radius.

VIEW SOUTHWEST



HUNTINGTON BANK



Huntington National Bank is a full-service banking provider primarily operating across a seven-state banking franchise of Ohio, Illinois, Indiana, Kentucky, Michigan, Pennsylvania, and West Virginia. Their “welcome” philosophy centers around deep relationship-building capabilities to best meet each customer’s specific needs. We serve our customers through a banking network of over 800 full-service branches, including 12 private client group offices, and over 1,400 ATM locations.

Huntington National Bank provides:

- Full service commercial, small business, and consumer banking services
- Mortgage banking services
- Treasuring management & foreign exchange services
- Equipment leasing
- Wealth & investment management services
- Trust services
- Brokerage services
- Customized insurance brokerage & service programs

LOCATIONS	TOTAL EMPLOYMENT
800	14,511

TENANT ENTITY:	The Huntington National Bank
NASDAQ:	HBAN
2017 REVENUE:	\$4.35B
2017 NET INCOME:	\$1.18B
2017 TOTAL ASSETS:	\$104.18B
CREDIT RATING:	A3 (Moody's)

VIEW NORTHEAST



A map of West Virginia and Pennsylvania. A red pin is placed in the northern part of Pennsylvania, near the border with West Virginia. A red callout box points to the pin and contains the text "HUNTINGTON BANK" and "MONACA, PA". The city of Pittsburgh is labeled in large, bold, black letters. The state names "WEST VIRGINIA" and "PENNSYLVANIA" are written vertically in large, bold, black letters. The map shows various towns, cities, and roads, including highways like I-76, I-79, and I-80.

[illegible]

MICRO AERIAL



PITTSBURGH MSA

POPULATION DENSITY

- Pittsburgh metropolitan population of **2,324,743** is the largest in both the Ohio Valley and Appalachia, the second-largest in Pennsylvania (behind Philadelphia), and the 27th-largest in the US.

TECHNOLOGICAL HUB

- Today, Google, Apple Inc., Bosch, Facebook, Uber, Nokia, Autodesk, Microsoft, and IBM are among **1,600 technology firms** generating **\$20.7B in annual Pittsburgh payrolls**. The area has served as the long-time federal agency headquarters for cyber defense, software engineering, robotics, energy research and the nuclear navy.

LOW UNEMPLOYMENT

- Pittsburgh, PA MSA has an unemployment rate of only **3.3%** matching the national rate as of September 2019.
- The median household income for the Pittsburgh, PA metro area is **\$58,521**.



3.30%

UNEMPLOYMENT RATE
(as of Sept. 2019)



2,324,743

PEOPLE
(Pittsburgh MSA)



\$58K

MED. HH INCOME
(Pittsburgh MSA)



Pittsburgh, PA



PPG Paints Arena, Home of the Pittsburgh Penguins

PITTSBURGH MSA

COLLEGES & UNIVERSITIES

- The area is home to **68 colleges and universities**, including Carnegie Mellon University (14,000 students) and the University of Pittsburgh (35,000 students).

FINANCIAL CENTER

- The nation's eight-largest bank (PNC Financial Services), eight Fortune 500 companies, while RAND, BNY Mellon, Nova, FedEx, Bayer, and NIOSH have regional bases that helped Pittsburgh become the **sixth-best area for the US job growth**.

TOP TIER HOSPITALS & MEDICAL CARE

- The University of Pittsburgh Medical Center (UPMC) is a **\$19B integrated global nonprofit health enterprise** that has 85,000 employees, 40 hospitals with more than 8,000 licensed beds, 600 clinical locations including outpatient sites and doctors' offices, a 3.4 million-member health insurance division, as well as commercial and international ventures
- It is considered a leading American health care provider, as its flagship facilities have ranked in U.S. News & World Report "Honor Roll" of the approximately 15 to 20 best hospitals in America for over 15 years.
- Other leading hospitals in the area include Allegheny Health Network (2,300 beds), and Excelsa Health (600 beds).



University of Pittsburgh Medical Center



PNC Financial Services Group World Headquarters

PITTSBURGH REGION



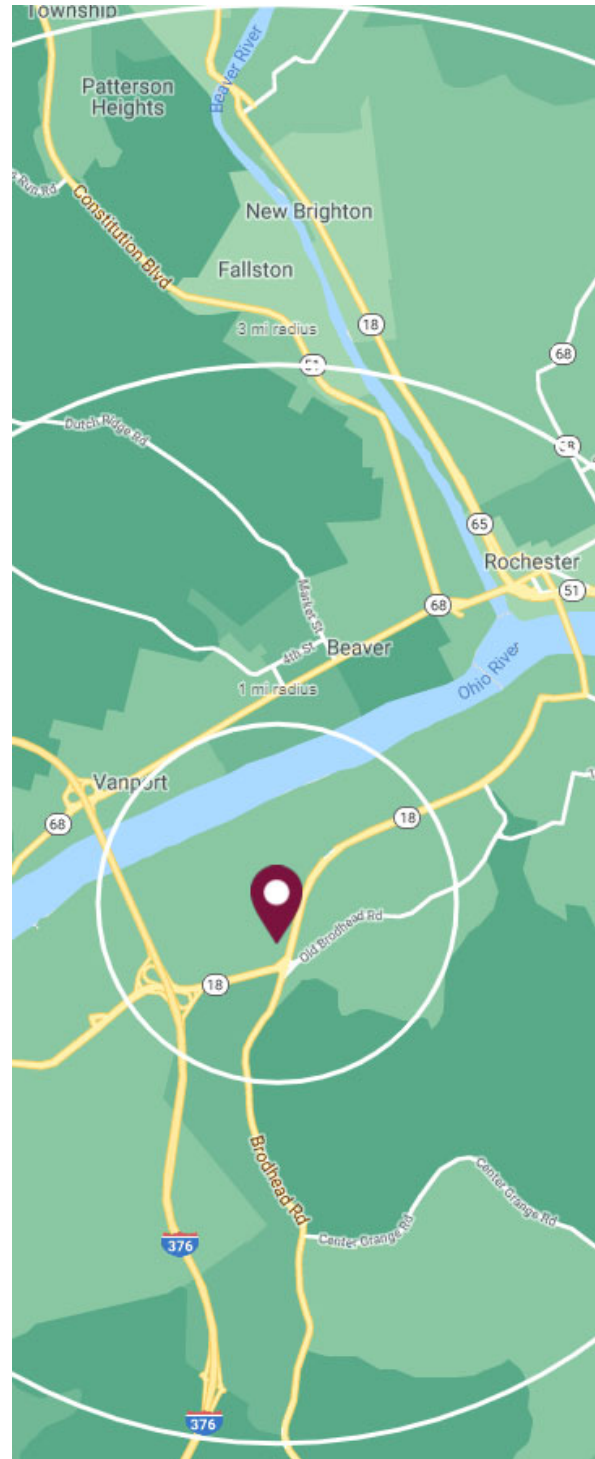
COMPANY

ANNUAL REVENUE (IN MILLIONS)

Kraft Heinz Co.	\$26,232
Highmark Health	\$18,300
The PNC Financial Services, Group, Inc.	\$16,329
UPMC Health System	\$15,600
PPG Industries, Inc.	\$14,750
United States Steel Corp.	\$12,250
Mylan NV	\$11,908
Alcoa, Corp.	\$11,652
Giant Eagle, Inc.	\$8,900

DEMOGRAPHICS

MONACA, PA



POPULATION

	1 MILE	3 MILE	5 MILE
2019 Estimated Population	2,801	29,275	61,855
2024 Projected Population	2,687	28,405	60,380
2010 Census Population	2,936	30,518	64,630
2000 Census Population	3,238	31,934	68,788
Projected Annual Growth 2019 to 2024	-0.8%	-0.6%	-0.5%
Historical Annual Growth 2000 to 2019	-0.7%	-0.4%	-0.5%

HOUSEHOLDS

2019 Estimated Households	1,303	13,372	27,883
2024 Projected Households	1,278	13,277	27,849
2010 Census Households	1,287	13,071	27,399
2000 Census Households	1,287	13,016	27,864
Projected Annual Growth 2019 to 2024	-0.4%	-0.1%	-
Historical Annual Growth 2000 to 2019	-	0.1%	-

RACE

2019 Est. White	93.2%	91.8%	89.1%
2019 Est. Black	3.7%	4.5%	7.1%
2019 Est. Asian or Pacific Islander	1.2%	0.9%	0.8%
2019 Est. American Indian or Alaska Native	-	-	0.1%
2019 Est. Other Races	1.9%	2.7%	2.9%

INCOME

2019 Est. Average Household Income	\$77,931	\$76,392	\$72,180
2019 Est. Median Household Income	\$64,594	\$61,204	\$59,047
2019 Est. Per Capita Income	\$36,394	\$35,082	\$32,819

BUSINESS

2019 Est. Total Businesses	125	1,686	2,652
2019 Est. Total Employees	1,901	17,637	26,418

OUR TEAM

**FOUNDED IN DETROIT. BUILT NATIONWIDE.
8 MILLION SQUARE FEET AND OVER \$1 BILLION SOLD**



DANIEL H. KUKES

PRINCIPAL | dkukes@landmarkcres.com

Daniel Kukes is a Principal and Co-Founder of Landmark Investment Sales. Daniel specializes in the sale of retail shopping centers, medical office, and single tenant net lease investment properties across all property types. He currently represents some of the nation's largest institutional real estate funds, private equity group, and high net worth investors in acquiring and listing investment properties all over the country. Since 2010, Daniel has closed deals totaling over 8,000,000 SF valued at over \$1,000,000,000. Daniel joined Landmark in 2009 as an Associate Broker. He began his real estate career at NAI Farbman where he focused on shopping center leasing and retail tenant representation. After five years at NAI Farbman, Daniel joined DAP Investments as a partner responsible for retail development, acquisitions and leasing. While there, he developed several single tenant and shopping center projects in Michigan and Illinois. Daniel is a graduate of Michigan State University with a Bachelor of Arts degree in Pre-Law & Society.



MAXWELL E. LIPPITT

ASSOCIATE | maxlippitt@landmarkcres.com

Maxwell Lippitt graduated from Michigan State University in 2016 with a Bachelor of Science degree in Economics. Max was an intern in Landmark's Investment Sales department during the summer of 2015. Upon graduating, Max became an associate broker at CBRE specializing in the disposition of single tenant medical, retail, and office properties. While at CBRE, Max researched, sourced, and tracked thousands of investment properties while building strong relationships with a wide variety of property owners all across the country. At Landmark, he will continue his growth as an Investment Sales Broker providing unique opportunities to buyers and sellers while offering exceptional service.



KEVIN J. BAKER

PRINCIPAL | kbaker@landmarkcres.com

Kevin Baker is a Principal and Co-Founder of Landmark Investment Sales. Kevin specializes in the sale of retail shopping centers and single tenant net lease investment properties across all property types. He currently represents some of the nation's largest institutional funds, private equity funds, and high net worth investors in listing investment properties all over the country. Since 2010, Kevin has closed deals totaling over 8,000,000 SF valued at over \$1,000,000,000. Prior to 2010, Kevin worked extensively at Landmark as a broker specializing in tenant representation and landlord representation completing in excess of 100 lease & sale transactions. Kevin joined Landmark in 2005 as a Sales Associate. Prior to Landmark, Kevin attended Michigan State University and University of Michigan-Dearborn where he studied finance. Kevin began his real estate career in 2001 when he founded Baker Real Estate Holdings, specializing in acquisition and management of a student housing portfolio at Michigan State University.



JASON GREENSPAN

DIRECTOR | jgreenspan@landmarkcres.com

Jason Greenspan graduated from the University of Michigan in 2012 with a Bachelor of Arts degree in Political Science and Sociology. Jason also received a Juris Doctor in 2015 from Michigan State University College of Law where he concentrated in business and corporations. He passed the Michigan Bar Examination in July 2015. Starting in 2011, and while in law school, Jason interned at Landmark Investment Sales identifying, sourcing, and underwriting investment grade properties. With law school behind him and six years of experience in real estate investment sales, Jason has participated in the closing of over \$150,000,000 and continues to source investment opportunities across the country. Jason specializes in the representation of buyers and sellers of institutional grade single tenant properties, high profile unanchored retail centers, grocery anchored centers, and power centers.