

**OFFERING MEMORANDUM**

Single Tenant Best Buy | Investment-Grade Credit
Strong Pandemic Performer | Limited Competition

110 Marketplace Blvd. | Selinsgrove, PA



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REPRESENTATIVE IMAGE

INVESTMENT Summary

Best Buy | Selinsgrove, PA



The Offering



PROPERTY SUMMARY

Address	110 Marketplace Blvd. Selinsgrove, PA 17870
Price	\$4,951,000
Cap Rate	7.50%
NOI	\$371,300
Lease Type	Fee Simple: NN
Building Size	22,503 SF
Parcel Size	2.28 Acres
Year Built	2008
Tenant	Best Buy Stores, L.P.
Remaining Lease Term	3+ Years (Expiration: 1/31/2024)
Remaining Options	Three (3), Five (5) Year Options

JLL is pleased to exclusively offer the opportunity to acquire the single tenant property corporately leased to Best Buy (the “Property”) located within the retail condo of Monroe Marketplace; the grocery-anchored retail power center in Selinsgrove, PA. Best Buy currently has 3+ years left on its Lease after exercising the first of four extension options. Best Buy now has three (3), five (5) year options remaining, with the next option providing an excellent rental increase of over 12%. Best Buy (NYSE: BBY), boasting a BBB (S&P) investment grade credit rating, is the world’s largest multi-channel consumer electronics retailer. The Fortune 500 company has surpassed 2019’s total revenue, which solidifies three consecutive years of total sales/revenue growth for Best Buy.

Best Buy is strategically located off of N Susquehanna Trail (US Route 11-15), a major thoroughfare in the area home to 30,000 vehicles per day. It’s about a mile from the 750,000 SF Susquehanna Valley Mall, creating a synergistic relationship between the two Properties. Additionally, it is located within the market-dominant Monroe Marketplace, which is home to nationally recognized retailers such as Target, Giant, TJ Maxx, Kohl’s, Dick’s Sporting Goods, Ross, Michaels, PetSmart, LongHorn Steakhouse, Buffalo Wild Wings, Moe’s Southwest Grill, Red Robin, BB&T, Ulta Beauty, and Five Below helping further drive more consumers to the area. The Best Buy is within close proximity to two well-known Pennsylvania Universities; Bucknell and Susquehanna. The two universities combine to have more than 6,000 students and 600 faculty. This Best Buy has limited competition, as the next closest Best Buy is about 35 minutes away.

During the height of the pandemic, Best Buy had a very strong third quarter of 2020, including a 21% increase in domestic revenue and a 25% increase in international revenue, compared to this time last year. As of December 1, 2020, Best Buy operated over 1,230 stores and reported TTM total revenue of \$43.64 billion and TTM net income of \$1.6 billion.

Investment Highlights



Best Buy (NYSE: BBY), boasting a BBB (S&P) an investment grade credit rating, is the world's largest multi-channel consumer electronics retailer. The Fortune 500 company has surpassed 2019's total revenue, which solidifies three consecutive years of total sales/revenue growth for Best Buy.



Best Buy is a 10 to 15-minute drive from two Pennsylvania Universities; Bucknell and Susquehanna. The two universities combine to have more than 6,000 students and 600 faculty.



During the height of the pandemic, Best Buy had a very strong third quarter of 2020, including a 21% increase in domestic revenue and a 25% increase in international revenue, compared to this time last year.



Best Buy is strategically located off of N Susquehanna Trail (US Route 11-15), a major thoroughfare in the area home to 30,000 vehicles per day. It's about a mile from the 750,000 SF Susquehanna Valley Mall and about 35 miles from the next closest Best Buy.



Additionally, it is located within the market-dominant Monroe Marketplace, which is home to nationally recognized retailers such as Target, Giant, TJ Maxx, Kohl's, Dick's Sporting Goods, Ross, Michaels, PetSmart, LongHorn Steakhouse, Buffalo Wild Wings, Moe's Southwest Grill, Red Robin, BB&T, Ulta Beauty, and Five Below helping further drive more consumers to the area.





TENANT Summary

Best Buy | Selinsgrove, PA



Best Buy | Selinsgrove, PA

Best Buy Overview

Best Buy Co., Inc. (NYSE: BBY) operates as an e-commerce and physical retailer of consumer electronics primarily in the United States, Canada, and Mexico. The company is the world's largest multi-channel consumer electronics retailer. Founded in 1966, the company was initially formed as a store called Sound of Music, which specialized in audio. It later rebranded to Best Buy and introduced a focus in consumer electronics in 1983. It is now a Fortune 500 company, ranking 75th.

Best Buy is comprised of two reportable segments: domestic and international. Within the domestic segment, the company had a third quarter revenue of \$10.85 billion, which was a 21% increase year-over-year. A large part of that increase was due to comparable sales which grew 23% in the third quarter. Domestic online revenue had a 174% year-over-year increase, totaling \$3.82 billion in sales. International revenue saw a 25% increase year-over-year, totaling \$1 billion in sales.

As of December 1, 2020, Best Buy operated over 1,230 stores and reported TTM total revenue of \$43.64 billion and TTM net income of \$1.6 billion. The \$43.64 billion of total revenue is already more than 2019's number and solidifies three consecutive years of total sales/revenue growth for Best Buy. [bestbuy.com](https://www.bestbuy.com)

Company Overview

Ownership	Public – BBY (NYSE)
Credit Rating	BBB (S&P)
Headquarters	Richfield, MN
# of Locations	1,231
Year Founded	1966

Best Buy Accolades from its 3Q2020 Earnings Report

- Domestic revenue of \$10.85 billion, a 21% increase versus last year
- Comparable sales grew 22.6%
- Domestic online revenue of \$3.82 billion, a 173.7% increase Year-over-Year
- Online revenue, as a percentage of domestic revenue, increased to approximately 35.2%, more than doubling last year's 15.6%
- International revenue of \$1.0 billion, a 25.4% increase versus last year
- Fortune 500 company, ranking 75th



REPRESENTATIVE IMAGE

FINANCIAL Analysis

Best Buy | Selinsgrove, PA



Best Buy | Selinsgrove, PA

Lease Abstract



LEASE DETAIL

Address	110 Marketplace Blvd., Selinsgrove, PA 17870
Tenant	Best Buy Stores, L.P.
Building Size	22,503 SF
Parcel Size	2.28 Acres
Year Built	2008
Annual Rent	\$371,300
Lease Type	Fee Simple: NN
Roof & Structure	Landlord Responsibility
Rent Commencement	2/1/2009
Lease Expiration	1/31/2024
Remaining Lease Term	Three (3), Five (5) Year Options

RENT SCHEDULE

Description	Dates	Annual Rent	% Increase
Current Term (Years 11-15)	2/1/2019 - 1/31/2024	\$371,300	-
Option Term 2 (Years 16-20)	2/1/2024 - 1/31/2029	\$416,306	12.12%
Option Term 3 (Years 21-25)	2/1/2029 - 1/31/2034	\$438,809	5.41%
Option Term 4 (Years 26-30)	2/1/2034 - 1/31/2039	\$461,312	5.13%

LANDLORD RESPONSIBILITY DETAIL

Maintenance & Repairs	Landlord shall make all structural repairs to the Premises, whether interior or exterior, keep the Premises watertight, and shall repair, replace and maintain in good condition the exterior of the Premises without limitation the roof, roof membranes, walls, foundations, gutters, parking and drive areas, utility lines from the point of connection to the Premises to the main line, and downspouts.
Insurance	Landlord shall procure and maintain fire and extended coverage insurance and shall procure and maintain or cause the Condominium Association to procure and maintain public liability insurance coverage.

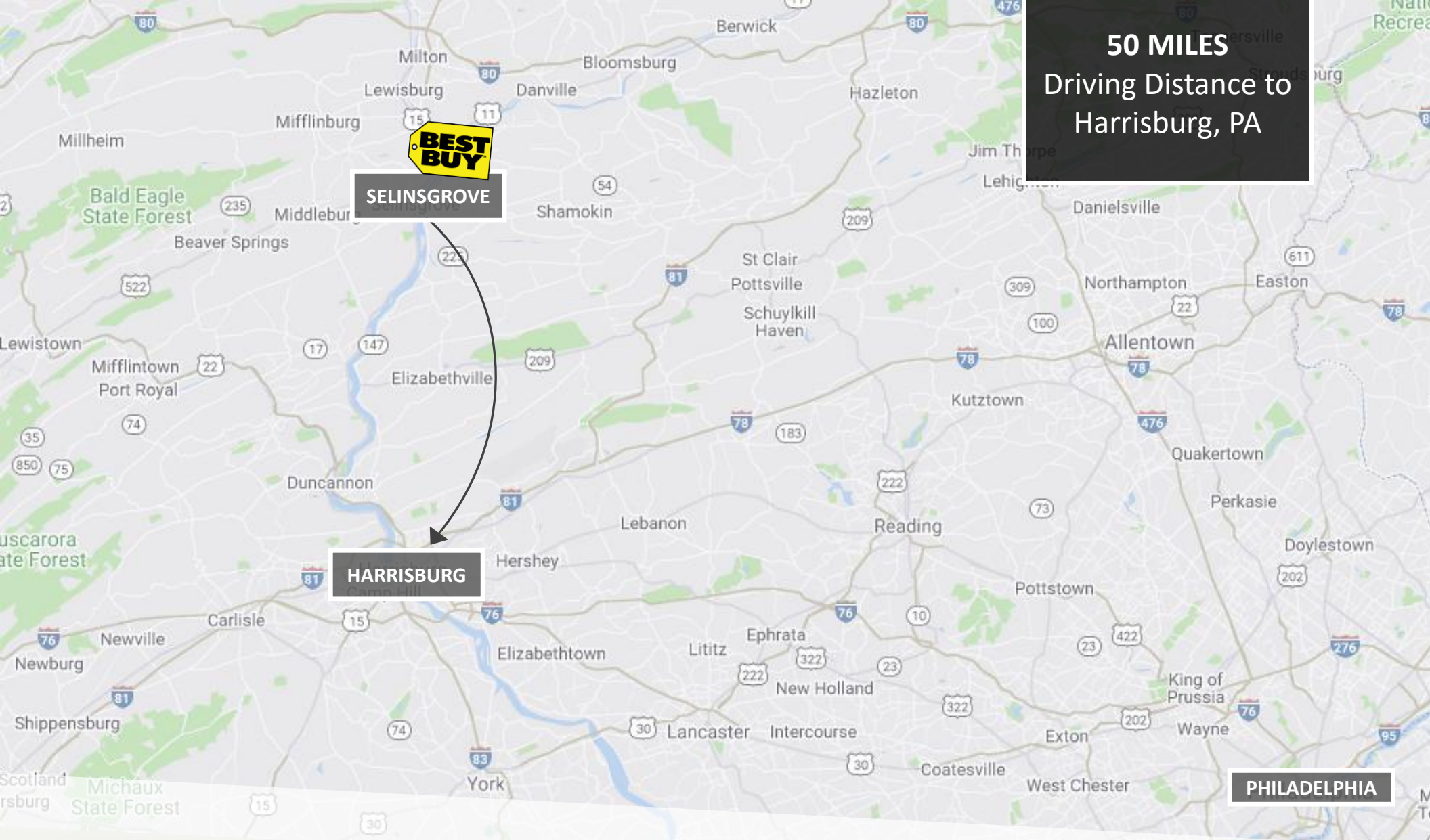
PRICE \$4,951,000

CAP RATE 7.50%

NOI \$371,300

TENANT RESPONSIBILITY DETAIL

Maintenance & Repairs	Tenant will perform all necessary non-structural interior repairs to the Premises, including repair or replacement of damaged or broken doors, windows and routine maintenance of the HVAC, plumbing, gas, electrical and similar systems which are located in the Premises.
Insurance	Tenant shall obtain and keep in force all insurance required per section 22 of the Lease, including but not limited to, general liability insurance.
Taxes	The Premises are separately assessed, Tenant shall pay all real estate taxes and installments and all installments of assessments.
Utilities	Tenant shall pay when due all bills for gas, water, electricity and other utilities used on the Premises.



LOCATION Overview

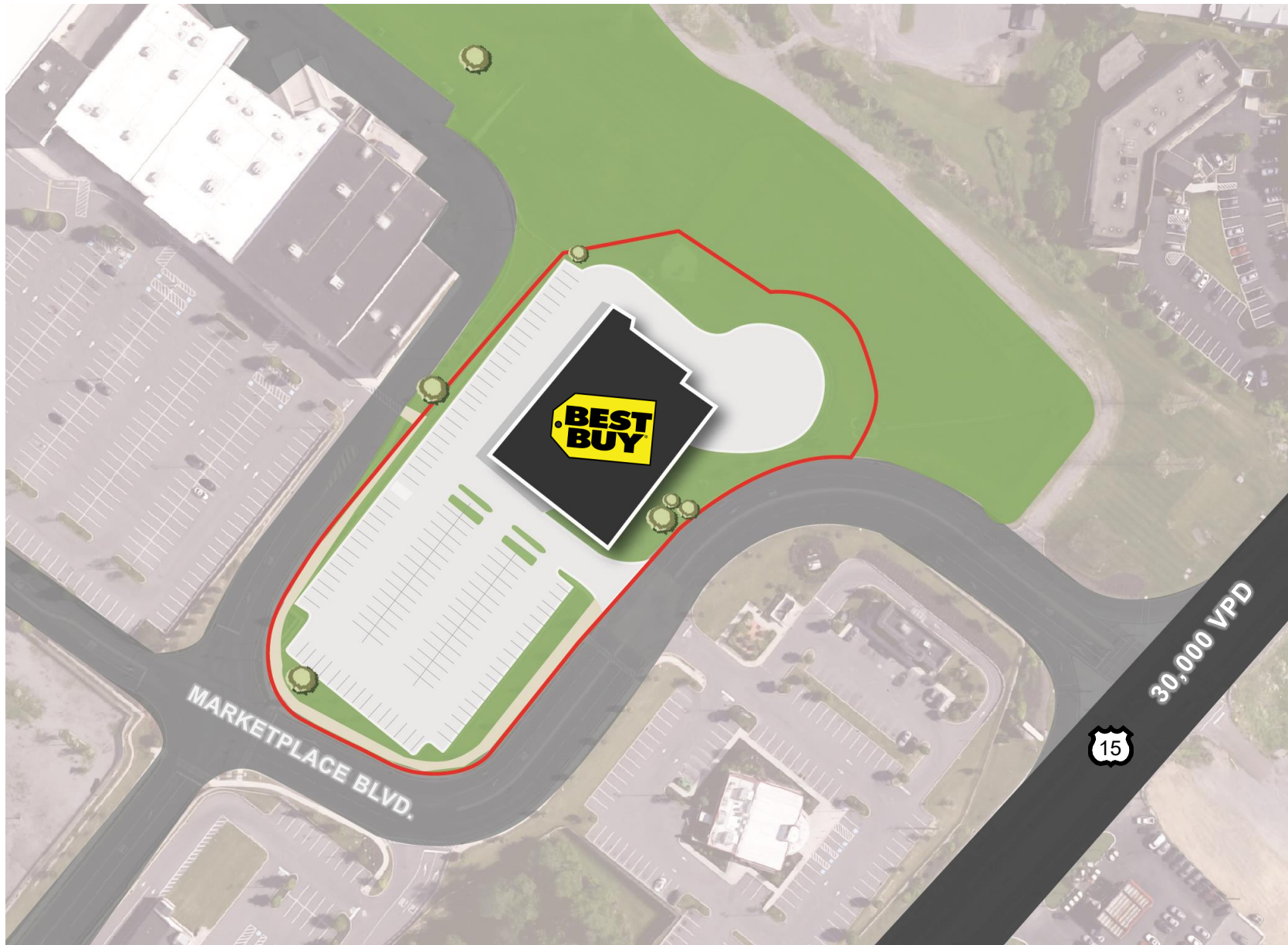
Best Buy | Selinsgrove, PA



Surrounding Retail & Amenities



Site Plan



Monroe Marketplace Site Plan

Kohl's
is also available for
purchase



Selinsgrove, PA | Snyder County

Selinsgrove is the largest borough in Snyder County. It is home to Susquehanna University, which is consistently recognized as one of the best liberal arts colleges in the Northeast by a number of college guidebooks and is home to over 2,300 students and 180 faculty. It is home to multiple parks as well as the Susquehanna Greenway, which will become the largest greenway in Pennsylvania, linking natural, cultural, historic and recreational resources along the 500-mile corridor which encompasses the entire length of the Susquehanna River.

Snyder County is located in the Middle Susquehanna River Valley in north-central Pennsylvania and adjoins Union County to the north, Northumberland County to the east, Juniata County to the south and Mifflin County to the west. The County is 30 miles north of Harrisburg, along the western shore of the Susquehanna River and is part of the Central Pennsylvania Appalachian Region. The communities of Sunbury, Williamsport and Lewistown are the major regional urban centers serving the area. Regional centers of Wilkes-Barre, Scranton and Harrisburg also influence the County. Coupled with its major transportation routes of U.S. Route 11/15 and 522, Snyder County's geographic location greatly contributes to its dynamic composition.

Demographics			
	5-Mile Radius	10-Mile Radius	15-Mile Radius
POPULATION			
2020 Estimate	34,155	69,961	134,117
2025 Projection	33,706	69,724	133,182
ESTIMATED HOUSEHOLD INCOME			
Average Household Income	\$67,627	\$73,615	\$71,057
Median Household Income	\$51,497	\$55,656	\$54,076
HOUSEHOLDS			
2020 Estimate	13,734	27,168	52,318
2025 Projection	13,573	27,137	52,058

(esri)



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