



Stop & Shop

(Single Tenant Triple Net Master Lease)

EXCLUSIVE OFFERING MEMORANDUM

Marcus & Millichap



OFFERING



MEMORANDUM



209 North Main Street, Andover, MA 01810

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Investment Highlights

PRICE: \$61,895,000 | CAP: 4.75% | RENT: \$2,940,000



About the Investment

- ✓ Long-Term Triple-Net (NNN) Master Lease with Stop & Shop
- ✓ Rare Ahold Delhaize Guaranty | One of the World's Largest Grocery Operators | 2019 Revenue was More Than \$78 Billion
- ✓ Approximately 16 Years Remaining on the Primary Term with Two, Ten-Year Options and Eight, Five-Year Options
- ✓ 5% Rental Escalations Every Five Years
- ✓ The Property has Been a Grocery Store Since the 1950's | When Market Basket's Last Option Period Expired in 2010, Stop & Shop Outbid Market Basket to Sign a New Lease at this Location

About the Location

- ✓ Notable Tenants in Surrounding Area Include Whole Foods, CVS, McDonald's, and Santander
- ✓ Dense Suburban Residential Area | Nearly 74,000 People in a Three Mile Radius
- ✓ Strong Traffic Counts of More Than 27,000 Vehicles Per Day
- ✓ Andover is one of the Most Desirable and High-End Bedroom Communities in the Greater Boston Area | Average Household Income of \$150,000
- ✓ The Property is Down the Road From the Prestigious Prep School Phillips Andover Academy

About the Tenant / Brand

- ✓ Stop & Shop is One of the Nation's Largest Leading Supermarket Chains
- ✓ Stop & Shop Operates Over 400 Locations with a Strong Presence in Massachusetts, Connecticut, New Hampshire, New Jersey, New York and Rhode Island
- ✓ Ahold Delhaize - One of the World's Largest Food Retail Groups, a Leader in Supermarkets and E-commerce
- ✓ Ahold Delhaize Employs more than 375,000 Associates at 6,600 stores in 11 countries
- ✓ Ahold's Brands Serve more than 50 Million Shoppers each week Throughout the World



Representative Photo



Financial Analysis

PRICE: \$61,895,000 | CAP: 4.75% | RENT: \$2,940,000



PROPERTY DESCRIPTION

Property	Stop & Shop
Property Address	209 North Main Street,
City, State, ZIP	Andover, MA 01810
Year Built	1959
Building Size	102,060 SF
Lot Size	+/- 17.30 Acres
Type of Ownership	Triple Net (NNN) Master Lease

THE OFFERING

Current Rent	\$2,940,000
CAP Rate	4.75%
Purchase Price	\$61,895,000
Price / SF	\$606.46
Rent / SF	\$28.81

LEASE SUMMARY

Property Type	Net Leased Grocery Store
Ownership	Public
Tenant / Guarantor	Koninklijke Ahold, N.V.
Original Lease Term	25 Years
Lease Commencement	November 1, 2011
Lease Expiration	November 30, 2036
Lease Term Remaining	16 Years
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	5.0% Every Five Years
Options to Renew	Two, Ten-Year & Eight, Five-Year Options

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Stop & Shop plaza located at 209 North Main Street in Andover, MA. The property consists of a shopping center with 17+ tenants anchored by Stop & Shop and Planet Fitness, however there is only one underlying master lease with Stop & Shop. The premises consists of approximately 102,060 square feet of building space and is situated on approximately 17.30 acres of land.

The property is subject to an original 25-year triple net (NNN) single tenant master lease that has approximately 16 years remaining. The rent is set to increase in November of 2021 to \$2,940,000 and will continue to increase by 5% every five years throughout the primary term and increases every five years during the two, ten-year options and eight, five-year option periods.

RENT SCHEDULE		
Lease Year	Annual Rent	Monthly Rent
12/1/2011 - 11/30/2021	\$2,800,000	\$233,333
12/1/2021 - 11/30/2026*	\$2,940,000	\$245,000
12/1/2026 - 11/30/2031	\$3,087,000	\$257,250
12/1/2031 - 11/30/2036	\$3,241,350	\$270,113
<u>Option Periods</u>		
First Extension (Years 1 - 5)	\$3,403,418	\$283,618
First Extension (Years 6 - 10)	\$3,573,588	\$297,799
Second Extension (Years 1 - 5)	\$3,752,268	\$312,689
Second Extension (Years 6 - 10)	\$3,939,881	\$328,323
Third Extension (5 Years)	\$4,136,875	\$344,740
Fourth Extension (5 Years)	\$4,343,719	\$361,977
Fifth Extension (5 Years)	\$4,560,905	\$380,075
Sixth Extension (5 Years)	\$4,788,950	\$399,079
Seventh Extension (5 Years)	\$5,028,398	\$419,033
Eighth Extension (5 Years)	\$5,279,818	\$439,985
Ninth Extension (5 Years)	\$5,543,808	\$461,984
Tenth Extension (5 Years)	\$5,820,999	\$485,083

* Seller shall credit the buyer the difference in rent from closing until 11/31/21



Tenant Overview



Company Profile

Stop & Shop Supermarket Company, known as Stop & Shop, is a chain of supermarkets/stores located in the northeastern United States. Stop & Shop's roots can be traced back to 1892, when Solomon and Jeanie Rabinovitz opened a grocery shop, called the "Greenie Store", at 134 Salem Street, in Boston's North End. They started small, back in 1914 when the Rabinowitz family opened a small grocery store in Somerville, MA. Four years later, they came up with the modern self-service supermarket and by 1947, the company had grown into a flourishing chain of 86 supermarkets. A real-life American dream come true.

Today, Stop & Shop has become a household name to customers and a leader in the retail grocery industry, pioneering the superstore concept that everyone loves. The company has more than 82,000 employees and operates 415 grocery stores. In 1995, Stop & Shop was acquired by the American branch of Dutch food giant Ahold Delhaize.

About Ahold Delhaize

Ahold Delhaize, is one of the world's largest food retail groups, a leader in supermarkets and e-commerce, and a company at the forefront of sustainable retailing. Its 21 local brands employ more than 380,000 associates at 7,000 stores in 11 countries, serving more than 54,000,000 customers per week! Formats include supermarkets, convenience stores, hypermarkets, online grocery, online non-food, drugstores, wine and liquor stores. Ahold Delhaize's international headquarters is in Zaandam, Netherlands, but Its brands are active in the United States, the Netherlands, Belgium, the Czech Republic, Germany, Greece, Luxembourg, Romania and Serbia. Ahold's brands serve more than 50 million shoppers each week throughout the world.





Complementary Tenants



Planet Fitness is an American franchisor and operator of fitness centers throughout the United States. The company has more than 2,000 locations and are one of the largest fitness club franchises by number of members and number of locations in the United States. It markets itself as a "Judgement Free Zone" that caters to novice and casual gym users and is reported to be the nation's fastest growing fitness center franchise. Founded in 1992, the company is based in Hampton, New Hampshire and has over 10 million members.



Citizens Financial Group, Inc. operates approximately 1,200 branches in 11 states across the New England, Mid-Atlantic, and Midwest regions, as well as through online, telephone, and mobile banking platforms; and maintains approximately 130 retail and commercial non-branch offices located in its banking footprint and in other states, and the District of Columbia. The company was formerly known as RBS Citizens Financial Group, Inc. and changed its name to Citizens Financial Group, Inc. in April 2014. Citizens Financial Group, Inc. was founded in 1828 and is headquartered in Providence, Rhode Island.



With more than 2,600 company-operated and franchised stores across 49 states, **Mattress Firm** has the largest geographic footprint in the United States among multi-brand mattress retailers. Founded in 1986, Houston-based Mattress Firm is the nation's leading specialty bedding retailer with over \$3.5 billion in pro forma sales prior to the acquisition. In September 2016, the company was acquired by Steinhoff International for \$3.8 billion, and Mattress Firm now operates as a subsidiary of Steinhoff.



The **Sherwin-Williams Company** develops, manufactures, distributes, and sells paints, coatings, and related products to professional, industrial, commercial, and retail customers throughout the globe. They are a Fortune 500 company and have revenues of more than \$17 Billion. With global headquarters in Cleveland, Ohio, Sherwin-Williams® branded products are sold exclusively through more than 4,758 company-operated stores and facilities.



Digital Federal Credit Union (DCU) is a credit union based in Marlborough, Massachusetts. DCU was chartered in October of 1979. Since then, DCU has been chosen as the credit union for more than 700 companies and organizations. It has over 600,000 members and is the largest credit union headquartered in New England as measured by assets, managing over US \$8 billion. DCU is regulated under the authority of the National Credit Union Administration (NCUA) of the US federal government. DCU has 17 full-service branches in Massachusetts and five full-service branches in New Hampshire, although it has members in all 50 U.S. states.



Sports Clips was created by Gordon Logan by opening its first location in Austin, Texas in 1993. Today, Sport Clips is proud to be the only national hair care franchise with locations in all 50 states in the U.S., with more than 1,860 open in the U.S. and Canada. At the heart of Sport Clips' culture is their values system, which was inspired by the same core values Coach Lou Holtz used to build championship football teams: "Do Your Best. Do What's Right. Treat Others the Way They Want to Be Treated." Gordon and his family put these values to action in 2013 when they pledged to donate \$1 million to Georgetown, Texas-area nonprofits, where Sport Clips, Inc. is based.



Dickey's Barbecue Pit is a true American success story. In 1941, Travis Dickey, a WWI veteran, opened the first Dickey's Barbecue Pit in Dallas, Texas. Dickey was a true Texas character blessed with the gift of gab and the love of authentic, slow-smoked barbecue. Today, the Dickey family still serves up the same quality barbecue recipes handed down for generations coupled with the same brand of southern hospitality, only on a much larger scale. Dickey's is the largest barbecue franchise in the country with 457 locations.



Location Overview



This trophy Stop & Shop property is located at 209 North Main Street in Andover, MA. The Town of Andover is a part of Essex County in northeastern Massachusetts, approximately 23 miles north of downtown Boston. Andover was originally settled in 1636 and incorporated as the Town of Andover in 1646. Today, Andover is known for their great school system, high average household incomes, and vibrant retail. Andover's unique combination of physical, economic, governmental and social attributes create a highly desirable community for residents, businesses, and visitors alike.

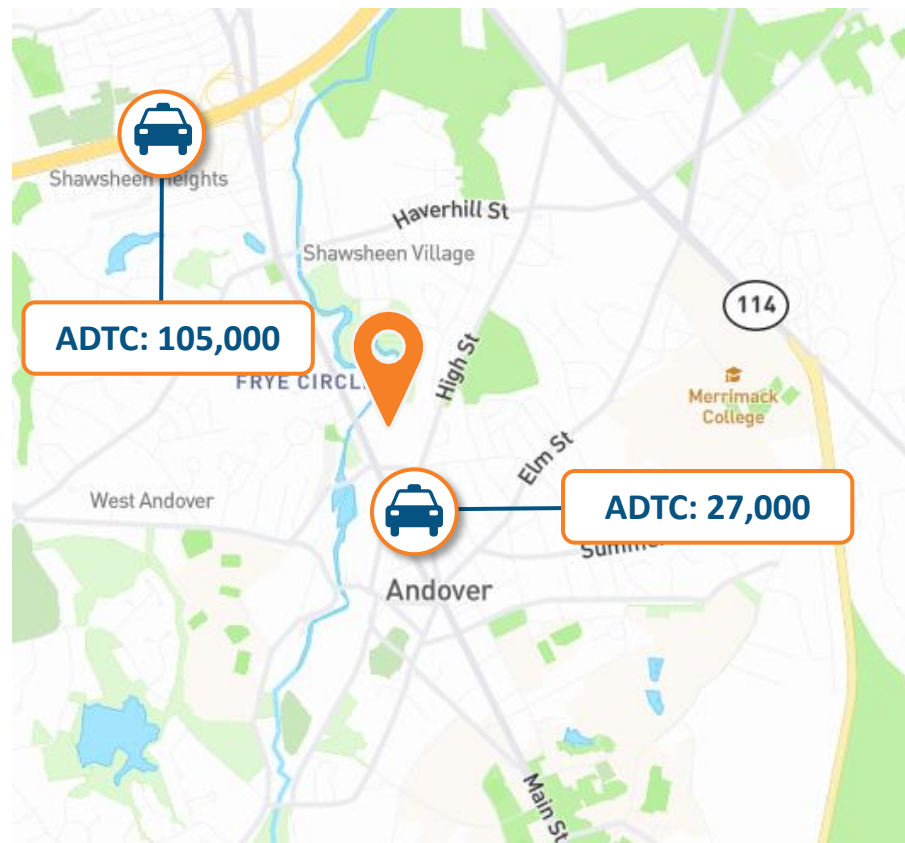
The property is situated just north of downtown Andover and is surrounded by a wide array of national, regional, and local tenants. The national tenants in the area include Whole Foods, CVS, McDonald's, Bank of America, TD Bank, Starbucks, Santander Bank, Bertucci's, Eastern Bank, Dunkin' Donuts, and many more. In addition, the property is less than a mile and a half from Andover High School with nearly 1,800 students and the highly regarded Phillips Academy High School with 1,150 students.

There are approximately 75,000 people residing within a three-mile radius of the property and more than 180,000 within a five-mile radius. In addition, within a one-mile radius the average household income is more than \$150,000, which is more than double the national average. In addition, the property is located off of North Main Street, which experiences an average traffic count of more than 27,000 per day and is located only one mile from Interstate-495, which has an average daily traffic count of approximately 105,000 vehicles.

Located just north of Boston, Andover has greatly benefitted from its close proximity to downtown Boston and acts as one of the largest bed-room communities in Essex County. Boston is the largest city in New England and the 23rd most populous city in the United States. Boston is also home to many colleges and universities that help make Boston an international center of higher education, including law, medicine, engineering, and business, and the city is considered to be a world leader in innovation and entrepreneurship with nearly 2,000 startups. Boston's economic base also includes finance, professional and business services, biotechnology, information technology, and government activities. Furthermore, Boston's Logan International Airport is located only 10 miles from the subject property and is the 17th busiest airports in the United States.

HIGHLIGHTS

- Notable Tenants in Surrounding Area Include Whole Foods, CVS, McDonald's, and Santander
- Heavy Residential Area | Nearly 75,000 People in a Three Mile Radius
- Strong Traffic Counts of More Than 27,000 Vehicles Per Day
- Andover is one of the Most Desirable and High-End Bedroom Communities in the Greater Boston Area | Average Household Income of More than \$150,000!







Aerial View





Property Photos





Property Photos





Property Photos





Property Photos



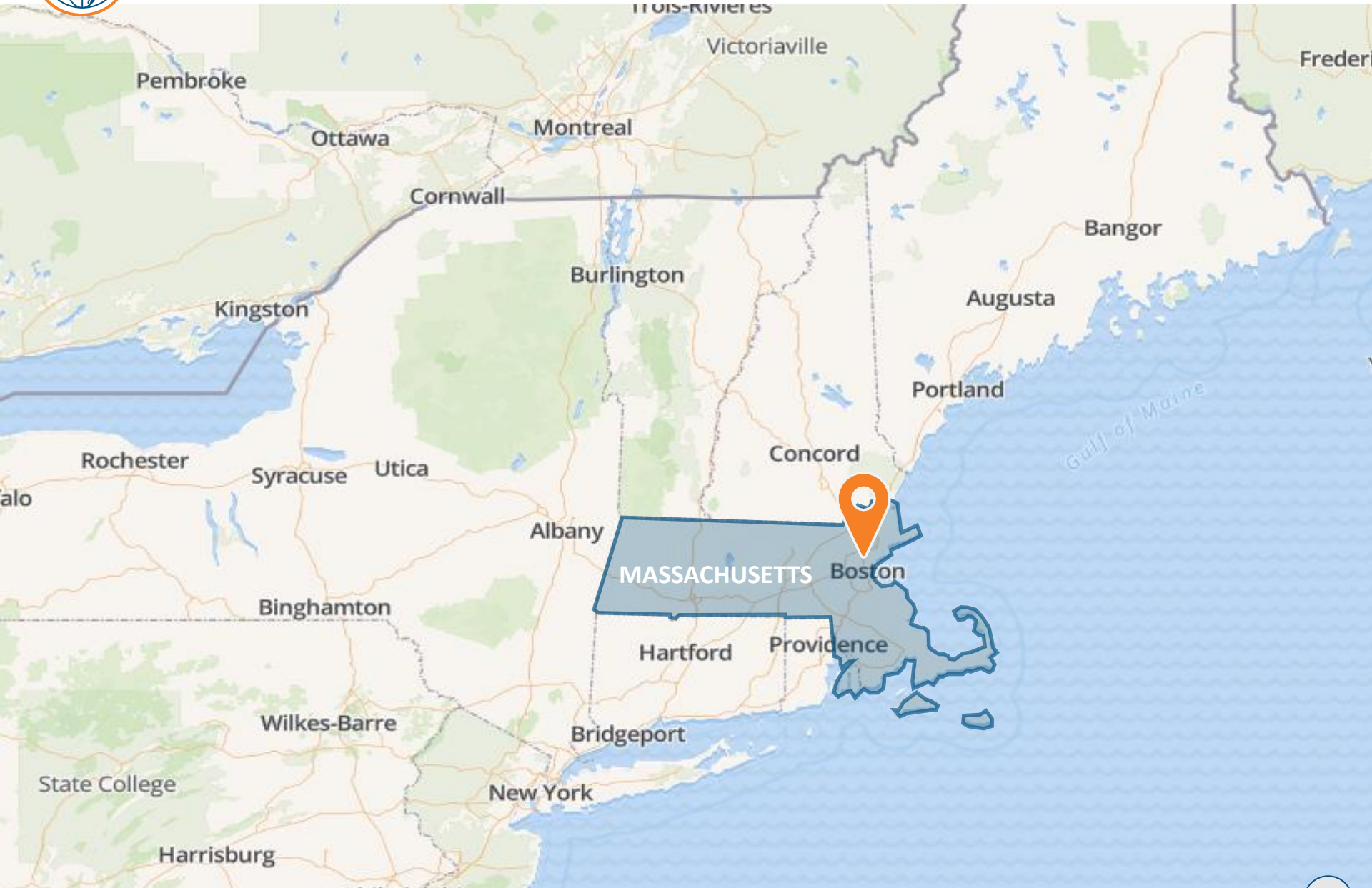


Surrounding Property Photos





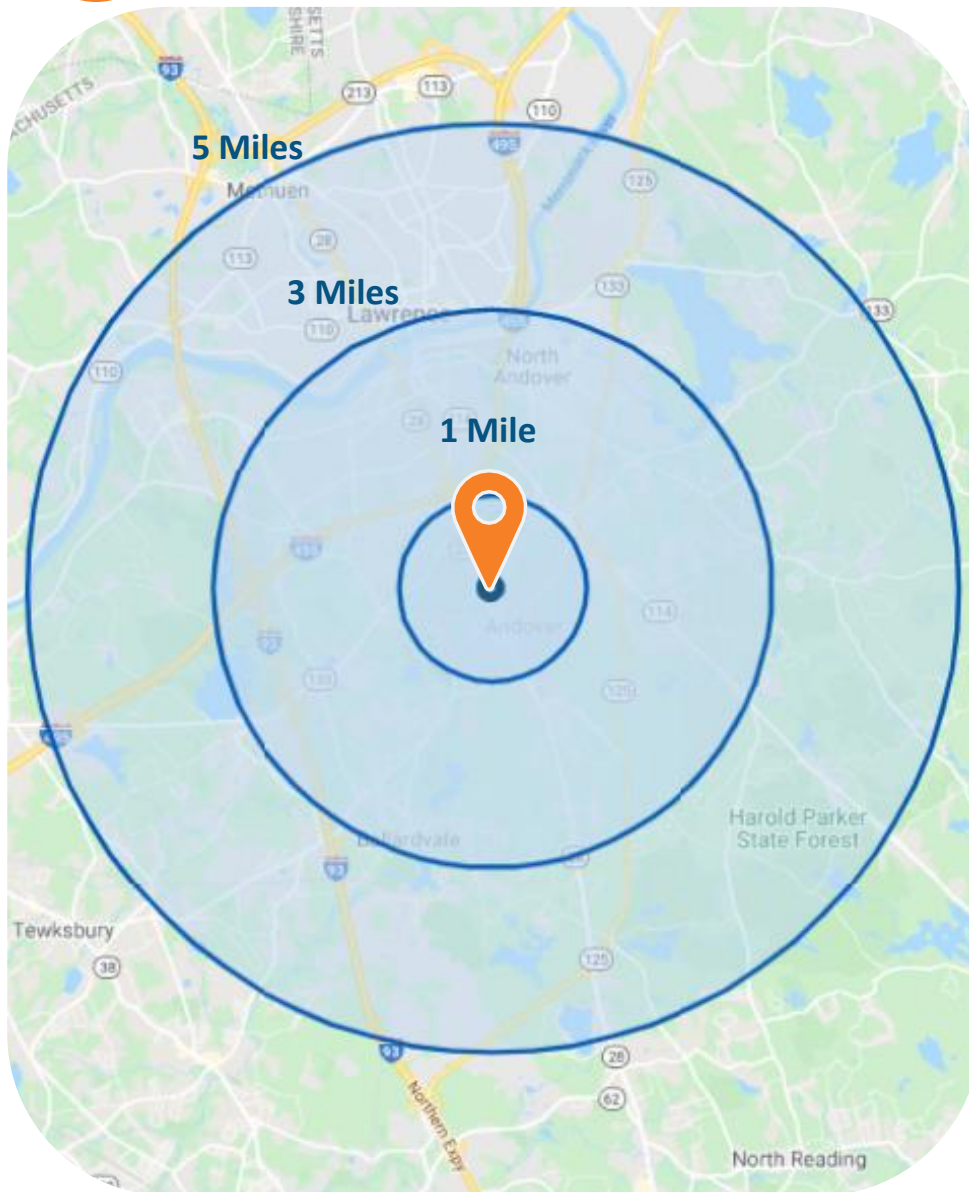
Regional Map





Demographics

Property Address: 209 North Main Street, Andover, MA 01810



	1 Mile	3 Miles	5 Miles
POPULATION			
2025 Projection	9,869	76,725	185,796
2020 Estimate	9,585	74,822	180,671
2010 Census	8,956	69,835	168,067
2000 Census	8,118	66,692	159,541
INCOME			
Average	\$149,573	\$125,215	\$110,348
Median	\$107,385	\$79,223	\$68,550
Per Capita	\$67,683	\$46,647	\$39,194
HOUSEHOLDS			
2025 Projection	4,385	28,394	65,649
2020 Estimate	4,255	27,633	63,707
2010 Census	3,897	25,477	58,555
2000 Census	3,808	24,508	56,498
HOUSING			
2020	\$506,592	\$451,973	\$423,581
EMPLOYMENT			
2020 Daytime Population	11,366	91,639	189,700
2020 Unemployment	1.24%	2.44%	2.79%
2020 Median Time Traveled	34 Mins	31 Mins	30 Mins
RACE & ETHNICITY			
White	83.75%	64.36%	59.66%
Native American	0.12%	0.05%	0.06%
African American	1.63%	4.75%	5.68%
Asian/Pacific Islander	9.62%	8.49%	5.98%



209 North Main Street, Andover, Massachusetts



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