

SHERWIN-WILLIAMS

1023 WEST COLLEGE AVENUE, APPLETON, WISCONSIN



OFFERING MEMORANDUM

Marcus & Millichap



FOX RIVER MALL



DOWNTOWN
APPLETON



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Executive Summary

1023 West College Avenue, Appleton, WI 54914

FINANCIAL SUMMARY

Price	\$778,000
Cap Rate	5.85%
Building Size	4,300 SF
Net Cash Flow	5.85% \$45,488
Year Built/Remodeled	1967/2020
Lot Size	.22 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	The Sherwin-Williams Company
Guarantor	Corporate
Roof & Structure	Landlord Responsible
Lease Commencement Date	October 27, 1969
Lease Expiration Date	December 31, 2026
Lease Term Remaining	6 Years
Rental Increases	10% in Each Option
Renewal Options	3, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 12/31/2026	\$45,488.00	5.85%
Options	Annual Rent	Cap Rate
Option 1	\$50,036.80	6.43%
Option 2	\$55,040.48	7.07%
Option 3	\$60,544.53	7.78%

Base Rent	\$45,488
Net Operating Income	\$45,488
Total Return	5.85% \$45,488



LAWRENCE UNIVERSITY
APPLETON, WISCONSIN
1,440 STUDENTS

**DOWNTOWN
APPLETON**

Richmond Terrace

Walgreens

BOYS & GIRLS CLUBS
OF THE FOX VALLEY

Capital
CREDIT UNION
Doing Your Best. Every Day.

bp

THE SALVATION ARMY

10,800 CPD
N BADGER AVE

DOLLAR GENERAL

SHERWIN WILLIAMS

20,800 CPD
W COLLEGE AVE

Storage Sense

Fox Cities Title Co.



INDUSTRIAL



WILSON
MIDDLE SCHOOL
400 Students

20,800 CPD
W COLLEGE AVE



DOLLAR GENERAL



10,800 CPD
N BADGER AVE

Property Description



INVESTMENT HIGHLIGHTS

- » 6 Years Remaining on Lease with Corporate Guaranteed Lease with Sherwin-Williams
- » Recently Renovated in 2020
- » 150,325 Residents within a 5-Mile Radius
- » 10% Rental Increases in Each 5 Year Option Period
- » Adjacent to Downtown Appleton - 100+ Shops and Restaurants
- » Average Household Income Exceeds \$83,000 within 5 Miles of Subject Property
- » Excellent Visibility Along West College Avenue (20,800+ Cars/Day)
- » Strong Daytime Population - 178,920+ Employees in Surrounding Area
- » 1 Mile to Lawrence University (1,440+ Students)



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2025 Projection	13,220	90,528	154,296
2020 Estimate	13,267	89,648	150,325

Households

2025 Projection	5,702	38,310	64,221
2020 Estimate	5,681	37,661	62,069

Income

2020 Est. Average Household Income	\$59,582	\$74,809	\$83,440
2020 Est. Median Household Income	\$46,889	\$58,035	\$64,430
2020 Est. Per Capita Income	\$26,236	\$31,802	\$34,701



Tenant Overview



Cleveland, Ohio

NASDAQ: SHW

4,620+

1866

sherwin-williams.com

Headquarters

Stock Symbol

Locations

Founded

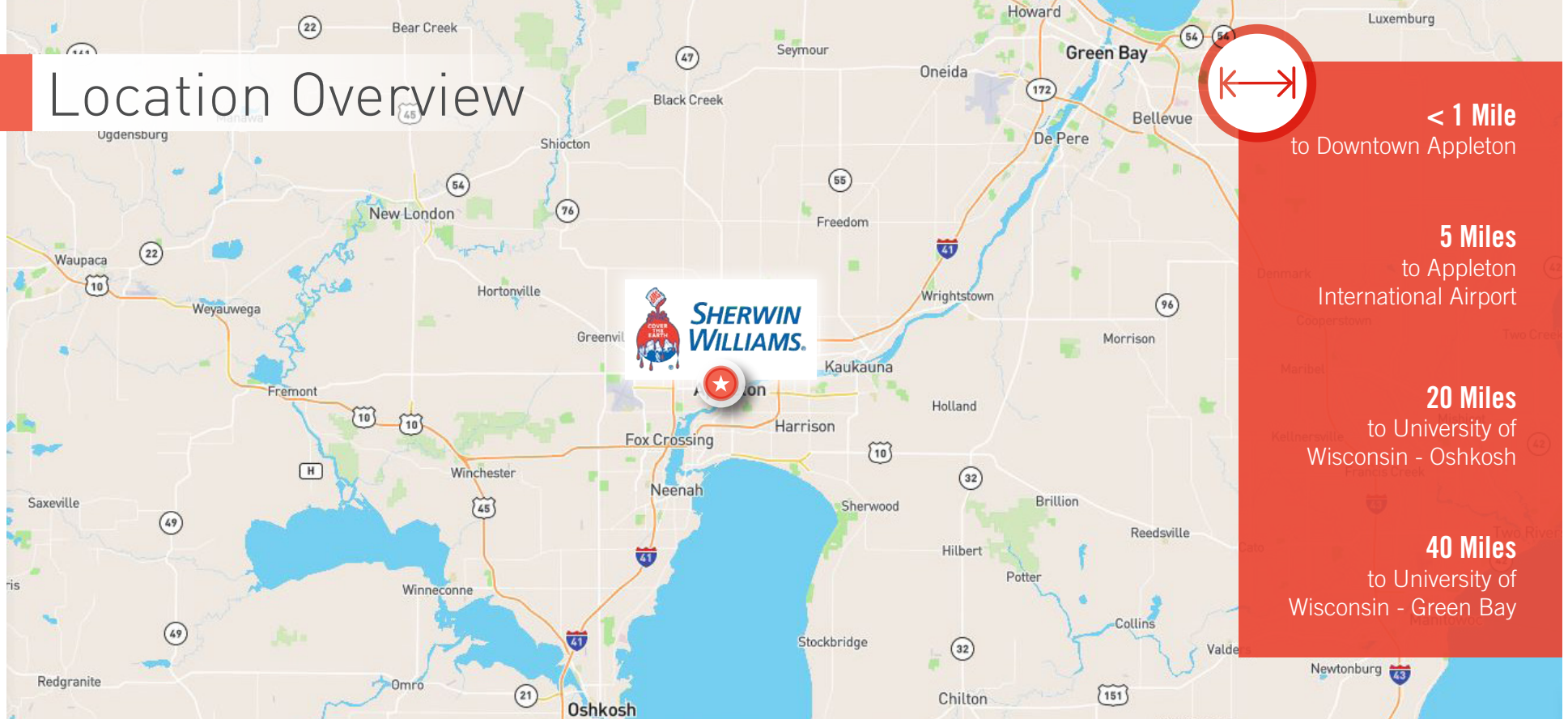
Website

The Sherwin-Williams Company was founded by Henry Sherwin and Edward Williams in 1866. A Fortune 500 company in the general building materials industry, Sherwin-Williams is a global leader in the manufacture, development, distribution and sale of paint, coatings and related products to professional, industrial, commercial and retail customers primarily in North and South America and Europe.

The Company manufactures products under well-known brands such as

Sherwin-Williams®, Dutch Boy®, HGTV HOME® by Sherwin-Williams, Krylon®, Minwax®, Thompson's® Water Seal® and many more. With global headquarters in Cleveland, Ohio, Sherwin-Williams® branded products are sold exclusively through more than 4,620 company operated stores and facilities, while the Company's other brands are sold through leading mass merchandisers, home centers, independent paint dealers, hardware stores, automotive retailers and industrial distributors.

Location Overview



Appleton spans Outagamie, Calumet, and Winnebago counties in the state of Wisconsin. One of the Fox Cities, it is situated on the Fox River, 30 miles southwest of Green Bay and 100 miles north of Milwaukee. The county seat of Outagamie County, the city's estimated population is 74,526 residents. Appleton is the principal city of the Appleton, Wisconsin Metropolitan Statistical Area, which is included in the Appleton-Oshkosh-Neenah, Wisconsin Combined Statistical Area.

Appleton serves as the heart of the Fox River Valley and is home to the Fox Cities Exhibition Center, Fox Cities Performing Arts Center, Fox River Mall, Neuroscience Group Field at Fox Cities Stadium, Appleton International Airport, and the Valley's two major hospitals: St. Elizabeth Hospital and ThedaCare Regional Medical Center-Appleton (better known as Appleton Medical Center). The city also hosts

numerous regional events such as its Flag Day parade, Memorial Day parade, Christmas parade, Oktoberfest, Mile of Music, and more.

The Fox Cities region is one of the largest, fastest growing urban centers in Wisconsin with a population of more than 300,000. With proximity to major markets such as Milwaukee, Chicago, and Minneapolis-St. Paul, businesses in the region can reach a larger customer base within a short shipping distance. The region is home to notable school systems, colleges and healthcare systems, and is known across the state as a shopping destination. The region is also home to a diverse economy represented by the paper, technology, manufacturing, retail, service and electronic industries. Major employers include ThedaCare, Affinity Health System, Kimberly-Clark corp., Thrivent Financial, and Expera Specialty Solutions Inc.

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

8 (a) The duty to provide brokerage services to you fairly and honestly.

9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.

10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.

12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).

14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).

16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.

17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).

30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____

39 _____

40 _____

41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

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