



OFFERING MEMORANDUM



## Chase Bank Ground Lease Austin, TX

This property is listed in conjunction with Texas-licensed real estate broker Delta Commercial.

[www.preservewestcapital.com](http://www.preservewestcapital.com)



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## Disclaimer

MGM Capital Corp dba Preserve West Capital ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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## PROPERTY HIGHLIGHTS



- Long Term Absolute NNN Ground Lease to Chase (NYSE: JPM) with 7 Years Remaining
  - Investment Grade Tenant Rated Aa2 by Moody's and A+ by S&P
  - Lease Entity Reported \$2.82 Trillion in Assets as of June 30, 2020
  - Scheduled 10% Rental Escalations in 2021 and at Options
  - \$99.1 Million in Branch Deposits
- Highly Functional Footprint with 4 Drive-Thru ATM Components
- Prominent Retail Location Shadow-Anchored by Walgreens
  - Nearby Anchor Tenants Include Walmart Supercenter, Target, Costco, Sam's Club, Whole Foods, H-E-B Plus, and more
- Excellent Access and Visibility at Junction of Avery Ranch Boulevard & West Parmer Lane
  - Combined AADT of 53,149
  - Less than 2 Miles from TX-45 Junction – 75,488 AADT
- Robust Demographics in Surrounding Area
  - Total Population of 238,018 within 5 Mile Radius
  - Average Household Income of \$126,845 within 1 Mile of Site
- Austin is the Economic Heart of Central Texas
  - One of the Fastest Growing Metropolitan Areas in the U.S.
  - MSA GDP of \$146.8 Billion
- Approximately 23 Miles from Downtown Austin



## PRICE

**\$3,328,000**

**5.00% CAP Rate**

## Location

The property is located at 15004 Avery Ranch Boulevard in Austin, Texas.

## Lot Size

Approximately 1.216 acres or 52,969 square feet.

## Improvements

A 4,388 square foot building for **Chase** with four drive-thru ATM components.

*The improvements have been built and are owned by Tenant. Title to the improvements will vest in the landlord upon expiration of the lease.*

## Parking

There is ample parking available on site.

## Ground Lease

Leased to **JPMorgan Chase Bank, N.A.** for 20 years from a rent commencement date of September 28, 2007 through September 30, 2027 at a current annual rent of \$151,250, which shall increase by 10% to \$166,375 on October 1, 2022. There are four (4) five-year options to renew the lease. Rent is to increase by 10% in year 15 and at the start of each option period. The lease is net with tenant responsible for all taxes, insurance, and maintenance.

*The improvements have been built and are owned by the tenant. Upon expiration or termination of the lease, title to all such improvements shall become vested in the Landlord. The improvements are not for sale.*

## Annual Rent

Years	Annual Rent	Return
Years 1-5	\$125,000	n/a
Years 6-10	\$137,500	n/a
Years 11-15 (Current)	\$151,250	n/a
<b>Years 16-20 (Capitalized)</b>	<b>\$166,375</b>	<b>5.00%</b>
Years 21-25 (Option 1)	\$183,013	5.50%
Years 26-30 (Option 2)	\$201,314	6.05%
Years 31-35 (Option 3)	\$221,445	6.65%
Years 36-40 (Option 4)	\$243,590	7.32%

## Financing

This property will be delivered free and clear of permanent financing.





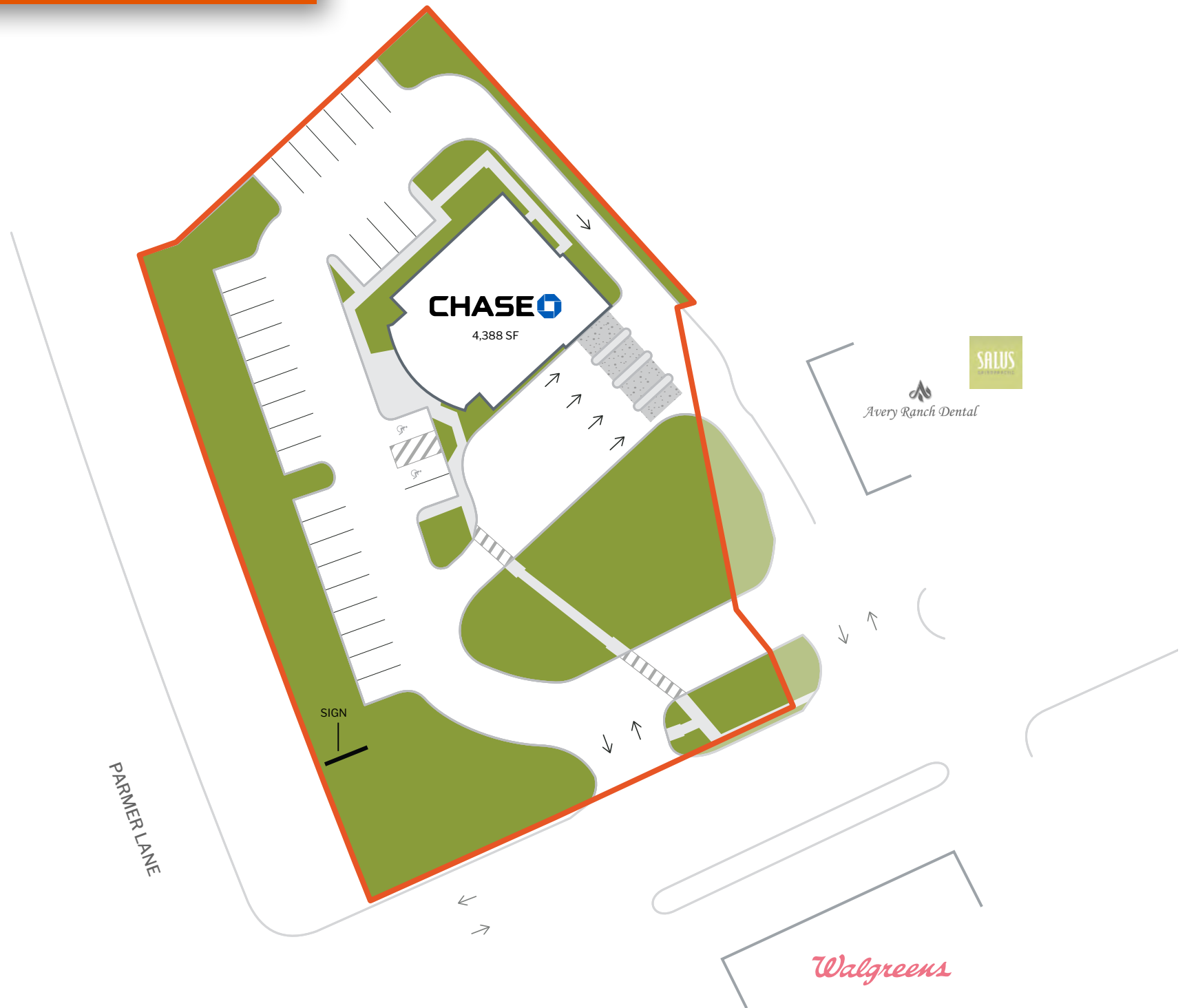
**JPMorgan Chase (NYSE: JPM)** is a leading global financial services firm with assets of \$3.2 trillion and operations worldwide; the company is the largest bank in the United States and seventh largest bank in the world by total assets. The company, headquartered in New York City, is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands.

As of June 30, 2020, JPMorgan Chase & Co reported assets under management of \$2.5 trillion. For the second quarter of 2020, the company reported revenue of \$33 billion, net income of \$4.69 billion, and total stockholder equity of \$264.5 billion.

As of June 30, 2020, JPMorgan Chase Bank, N.A., the lease entity and JPMorgan Chase's retail banking subsidiary reported total assets of \$2.82 trillion, total deposits of \$2.05 trillion, and second quarter net income of \$1.99 billion. As of June 30, 2019, this branch held deposits of \$99.1 million.

JPMorgan Chase & Co is rated A2 by Moody's and A- by S&P; JPMorgan Chase Bank, N.A., the lease entity, is rated Aa2 by Moody's and A+ by S&P.

# SITE PLAN





AERIAL

SOUTH VIEW



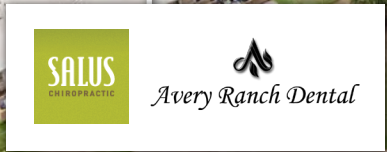
TSC Sports Complex  
Davis Spring Corporate Center

Kelly Reeves Athletic Complex



Avery Ranch Blvd (16,149 AADT)

W Parmer Ln (37,000 AADT)





AERIAL

NORTH VIEW

Walmart  
Supercenter



H-E-B



Vista Ridge  
High School

Breakaway  
Airport

Three Points

Ranch at  
Brushy Creek

Wilson Trace  
New Homes

Brushy Creek  
Sports Park

Brushy Creek  
Lake Park



Reserve at  
Avery Ranch

Casitas

Avery Ranch  
Golf Club

CHASE

SALUS  
CHIROPRACTIC

Avery Ranch Dental

W Parmer Ln (37,000 AADT)

Walgreens



## ABOUT THE AREA

**SITE**

## General Overview

Austin (population 947,890) is the capital of Texas and the seat of Travis County. It is the 11th most populous city in the U.S., the 4th most populous city in Texas, and the 2nd most populous state capital in the U.S. after Phoenix, Arizona. Austin is the cultural and economic center of the Austin-Round Rock metropolitan statistical area, which has a population of more than 2 million.

Austin benefits from a broad economic base as the 35th largest metropolitan economy in the U.S.. Numerous Fortune 500 companies are based in or maintain a significant presence in and around Austin, including Dell, Whole Foods Market, and ABM Industries, Amazon.com, ebay, Hewlett-Packard, Apple, Cisco, Google, IBM, Facebook, Intel, Oracle, Paypal, Samsung, Xerox, Texas Instruments, and 3M. The city is home to a booming tech sector that has earned it the nickname "Silicon Hills." The city is one of the top regions for venture capital and is home to more than 45 startup incubators, accelerators, and co-working spaces. Austin has also recently emerged as a hub for pharmaceutical and biotechnology companies, and was ranked by the Milken institute as the number 12 biotech and life science center in the U.S.. In addition, Austin benefits from a highly educated workforce with more than 20 colleges and universities in the greater Austin Area, including Texas Lutheran University, Texas State University, University of Texas at Austin, and many more.



**ABOUT THE AREA**

**SITE**

The map shows the Austin area with major highways (I-35, I-183, I-1) and local roads. The site is located near Cedar Park and Brushy Creek. Other labeled areas include Georgetown, Round Rock, Pflugerville, Daffan, Sunset Valley, and the Barton Creek Habitat Preserve. The Colorado River is also shown flowing through the region.

The subject property is prominently situated with excellent access and visibility at the intersection of Avery Ranch Boulevard (16,149 AADT) and West Parmer Lane (37,000 AADT) less than 2 miles from its junction with TX-45 (75,488 AADT). The site benefits from robust demographics with a total population of 238,018 within a 5 mile radius and average household income of \$126,845 within 1 mile of the site. The site benefits from robust educational attainment in the surrounding area, with approximately 66% of residents having earned a bachelor's degree or higher, more than twice the national average.

The property benefits from a prominent retail location in close proximity to shopping centers, employers, and other major retail tenants. The property is situated adjacent to Walgreens, and neighbors Avery Ranch Shopping Center, anchored by Comerica Bank and Dana Bazaar as well as The Shops at Avery Ranch, anchored by CVS. Other retail centers in the surrounding area include Parkline Shopping Center, featuring The Home Depot, H Mart, and Kohl's; Walden Park, anchored by Target and HomeGoods; The Hub, anchored by Sam's Club; Lakeline Plaza, with tenants including TJ Maxx, Total Wine & More, Best Buy, PetSmart, and more; The Homestead Center, featuring Pier 1 and Barnes & Noble; Lakeline Market, anchored by H-E-B Plus and Stein Mart; Lakeline Mall, featuring Macy's, Haverty's, Dillard's, and a farmer's market; The Parke, with tenants including Whole Foods Market, Cost Plus World Market, and Nordstrom Rack; and 1890 Ranch, anchored by Target and Natural Grocers. Other major tenants in the surrounding area include Walmart Supercenter, Costco, At Home, and more.





15004 Avery Ranch Blvd | Austin, TX 78717



2020 POPULATION

**238,018**



AVG. HOME VALUE

**\$363,009**



AVG. HOUSEHOLD INCOME

**\$126,845**

Population Summary	1 Mile	3 Miles	5 Miles
2010 Total Population	8,807	57,919	180,529
2020 Total Population	10,673	88,648	238,018
2025 Total Population	11,716	101,748	268,047
<b>2020-2025 Annual Rate</b>	<b>1.88%</b>	<b>2.79%</b>	<b>2.40%</b>
Average Household Income	1 Mile	3 Miles	5 Miles
2020	\$126,845	\$120,408	\$119,201
2025	\$134,996	\$130,219	\$129,360
Average Home Value	1 Mile	3 Miles	5 Miles
2020	\$363,009	\$337,666	\$325,998
2025	\$370,008	\$346,993	\$337,212

## Top Employers in Mansfield

## # of Employees

State Government	38,589
The University of Texas at Austin	27,426
City of Austin	14,471
H-E-B	13,901
Federal Government	13,400
Dell Computer Corporation	13,000
Austin Independent School District	11,098
St. David's Healthcare Partnership	10,665
Ascension Seton	10,513
Samsung Austin Semiconductor	8,935



*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

## Information About Brokerage Services

**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License

Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

### **If you choose to have a broker represent you,**

you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.







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PRESERVE  
WEST  
CAPITAL

