

# NEW RELOCATION BRANCH

Single Tenant Ground Lease Investment Opportunity



Investment Grade (S&P:A)



109 9th Street South

## NAPLES FLORIDA

ACTUAL SITE





## EXCLUSIVELY MARKETED BY



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## PROPERTY PHOTOS





# OFFERING SUMMARY



## OFFERING

Asking Price	\$5,000,000
Cap Rate	4.00%
Net Operating Income	\$199,000

## PROPERTY SPECIFICATIONS

Property Address	109 9th St S, Naples, FL 34102
Rentable Area	1,760 SF
Land Area	0.32 AC
Year Built / Remodeled	1954 / 2021
Tenant	PNC Bank
Guaranty	Corporate
Credit Rating	S&P: A
Lease Type	Absolute NNN (Ground Lease)
Landlord Responsibilities	None
Lease Term	15 Years
Increases	12% Every 5 Years
Options	3 (5-Year)
Rent Commencement	March 1 <sup>st</sup> , 2021
Lease Expiration	April 30 <sup>th</sup> , 2036



# RENT ROLL & INVESTMENT HIGHLIGHTS



TENANT NAME	SF	Lease Term				Rental Rates		
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	ANNUALLY	OPTIONS
<b>PNC Bank</b>	1,760	March 2021	April 2036	Current	-	\$16,583	\$199,000	3 (5-Year)
(Corporate Guaranty)				March 2026	12%	\$18,573	\$222,880	12% Increase Beg. of Each Option
				March 2031	12%	\$20,823	\$249,880	





## **New 15-Year Lease | Corporate Guaranteed | Investment Grade Tenant | Scheduled Rental Increases**

- Brand new 15-year lease with 3 (5-year) options to extend, demonstrating their long-term commitment to the site
- Corporate guaranteed lease by PNC Bank, NA., a nationally recognized bank with more than 2,400 branches and 15,000 ATMs across 37 states
- Investment grade tenant (S&P: A)
- The lease features 12% rental increases every five years and at the beginning of each option, generating NOI and hedging against inflation

## **Relocation Branch | Strong Deposits | Newly Remodeled**

- This site has relocated from the 5th Avenue PNC Wealth Management location in order to keep up with demand
- According to the FDIC this location has approximately \$128,975,000 in deposits as of June 2020, a 20% increase since 2015
- Brand new renovation that features state-of-the art bank features, new parking lot, exterior painting, signage, landscaping, and more

## **Strong Demographics Trade Area | Six-Figure Incomes | Naples Winter Wine Festival**

- More than 88,000 residents and 83,000 employees support the 5-mile trade area
- Residents within 1 mile of the subject property boast an extremely affluent average household income of \$129,261
- Naples is home to the largest wine auction in the world, Naples Winter Wine Festival

## **Hard Corner Intersection | Located on Tamiami Trail | Positioned Near Fifth Avenue | Excellent Visibility & Access**

- PNC Bank is strategically located at the hard corner intersection of 1st Avenue and Tamiami Trail, averaging more than 33,000 vehicles passing per day
- Tamiami Trail is a major North-South retail and commuter thoroughfare that travels from Brickell District of Downtown Miami to Tampa
- The asset is down the street from Fifth Avenue, the main street of Naples that features more than 30 restaurants and bars, high-end shops, art galleries, and more
- The site benefits from significant street frontage and multiple points of access, providing ease and convenience for customers

## **Sea Shell Redevelopment | Naples Residential Record**

- Subject property is directly across from the redevelopment of Sea Shell Motel, a mixed-use project that is scheduled to cost \$30,000,000
- The redevelopment will include a 10-unit multi-residential portion as well as an 8,400-square-foot retail development, see page 10 for more details
- In March 2021, Naples experienced the highest performing month on record over the last 13 years with 1,851 closed sales, \$1,582,474,997 in total sales volume, and 60,147 showing appointments

## **Absolute NNN (Ground Lease) | No State Income Tax | Zero Landlord Responsibilities**

- Tenant pays CAM, taxes, insurance, and maintains all aspects of the premises
- No landlord responsibilities
- Ideal management-free investment for a passive investor in a state with no state income tax



## BRAND PROFILE



### PNC BANK

**pnc.com**

**Company Type:** Public (NYSE: PNC)

**2020 Employees:** 49,549

**2020 Revenue:** \$16.90 Billion

**2020 Net Income:** \$7.52 Billion

**2020 Assets:** \$466.68 Billion

**2020 Equity:** \$54.01 Billion

**Credit Rating:** S&P: A-

The PNC Financial Services Group, Inc. is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. Segment operates a network of 2,400 branches and 15,000 ATMs in 37 states and the District of Columbia. The company was founded in 1922 and is headquartered in Pittsburgh, Pennsylvania.



# PROPERTY OVERVIEW



## Location



Naples, Florida  
Collier County

## Parking



There are approximately 12 parking spaces on the owned parcel.  
The parking ratio is approximately 6.81 stalls per 1,000 SF of leasable area.

## Access



9th Street: 1 Access Point  
1st Avenue S: 1 Access Point

## Parcel



Parcel Number: 19014840001  
Acres: 0.32  
Square Feet: 13,939 SF

## Traffic Counts



9th Street: 33,000 Vehicles Per Day  
Davis Boulevard: 34,000 Vehicles Per Day

## Construction



Year Built: 1954  
Year Renovated: 2021

## Improvements



There is approximately 1,760 SF of existing building area

## Zoning



D - Downtown

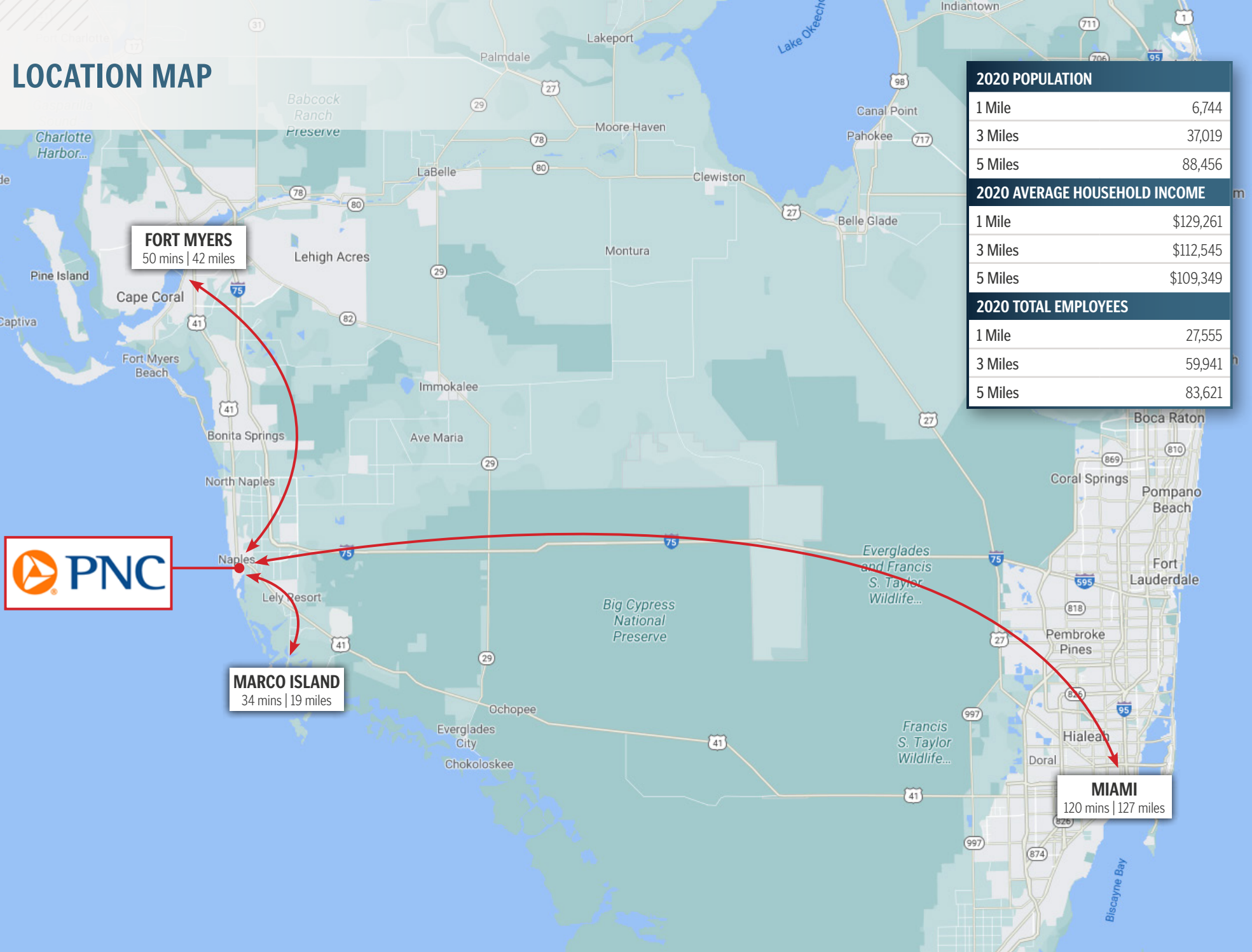


PROPERTY PHOTOS





## LOCATION MAP





# PROPERTY PHOTO

## 82 9th Street South - Sea Shell Motel Redevelopment

Site work, paving, new construction and renovation of a mixed-use development in Naples, Florida. Design plans call for the renovation of a 8,400-square-foot retail development; and for the construction of a 10-unit multi-residential development that is scheduled to cost \$30,000,000.



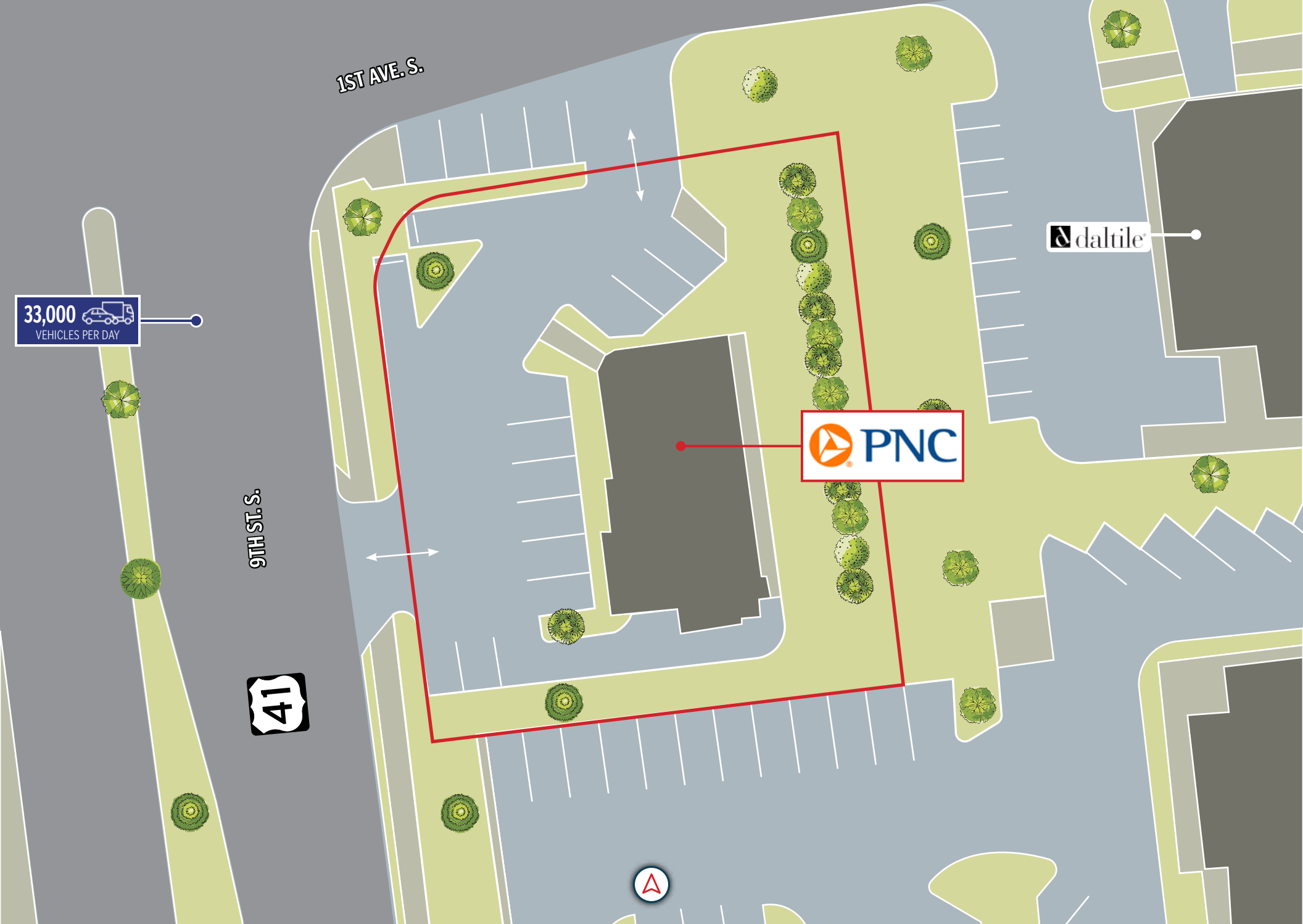














# AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
<b>POPULATION</b>			
2020 Estimated Population	6,744	37,019	88,456
2025 Projected Population	7,382	39,406	95,077
2020-2025 Annual Rate	1.82%	1.26%	1.45%
2020 Median Age	59.0	57.4	58.8
<b>HOUSEHOLDS &amp; GROWTH</b>			
2020 Estimated Households	3,518	17,882	42,802
2025 Projected Households	3,827	19,117	46,133
Projected Annual Growth 2020 to 2025	1.70%	1.34%	1.51%
<b>INCOME</b>			
2020 Estimated Average Household Income	\$129,261	\$112,545	\$109,349
2020 Estimated Median Household Income	\$74,953	\$63,804	\$67,113
<b>DAYTIME POPULATION</b>			
2020 Estimated Total Businesses	1,743	5,367	7,927
2020 Estimated Total Employees	27,555	59,941	83,621







### NAPLES, FLORIDA

Naples City is located on the Gulf of Mexico in Southwest Florida, and it is the cultural and activity center of Collier County. Naples along with the Everglades and Marco Island are known as the Paradise Coast. The City of Naples had a population of 22,069 as of July 1, 2020. Naples' economy is primarily based on tourism. The citrus industry is also a significant element of the region's economy. Naples is home to Arthrex, a medical equipment manufacturer and Neighborhood America, a technology company. Health Management Associates, a Fortune 1000 company is located just north of the Naples City limits. The county includes several industrial parks and numerous manufacturing firms.

The largest employers in the Naples are Health Management Associates, American Business Solutions, NCH Healthcare System, Naples Community Hospital Inc, Collier County, Florida School District, Collier County, Cc Naples Inc, Beasley Broadcast Group Inc, Allen Systems Group Inc, LC Tomarrie li, Classic Bentley Village Inc, Wilsonmiller Inc, Kraft Construction Company Inc, Moorings Park Foundation Inc, Classic Residence Management Inc, Neighborhood America and Arthrex.

The Naples Winter Wine Festival is a multi-day charity wine festival featuring celebrity chef-hosted dinners and an auction. The event has been held yearly in Naples, Florida since 2001. Since its inception, the Naples Children & Education Foundation, founders of the Naples Winter Wine Festival has raised nearly \$220 million for underprivileged and at-risk children in Collier County.

The local beach is considered to be one of the top beaches in the country. The beautiful beach situated on the Gulf of Mexico is very popular with tourists. Over 80 championship golf courses are located in the region. Fishing, boating and beach parties are very popular activities. Naples city is considered to be one of the prominent regions in the Southeast portion of the country for performing arts. Nearby Attractions in Naples are Corkscrew Swamps Sanctuary, Florida Panther National Wildlife Refuge, Ten Thousand Islands National Wildlife Refuge, Big Cypress National Preserve, Everglades National Park, Picayune Strand State Forest, Naples Zoo at Caribbean Gardens is a prestigious zoo, and Gallery Row offers numerous art galleries.





# NAPLES AREA REAL ESTATE ACTIVITY



## MARCH HOME SALES VOLUME FOR NAPLES HITS RECORD HIGH

Naples, Fla. (April 23, 2021) – Records were broken in March, but “don’t call Guinness just yet!” say broker analysts reviewing the March 2021 Market Report, released by the Naples Area Board of REALTORS® (NABOR®), which tracks home listings and sales within Collier County (excluding Marco Island). The analysts are a small contingency of leaders who represent the area’s top real estate brokerage firms and meet monthly at NABOR® to interpret area housing market statistics. The group’s analysis of activity last month confirmed that March broke records; but celebrations to commemorate the month’s record high statistics should be postponed because these broker analysts also agree that our market is probably not done breaking records for the year.

According to the report, March’s historic activity included 1,851 closed sales, \$1,582,474,997 in total sales volume, and 60,147 showing appointments. This makes March 2021 the highest performing month on record over the last 13 years (the span of time NABOR® has tracked key metrics reflecting the area’s housing market activity).

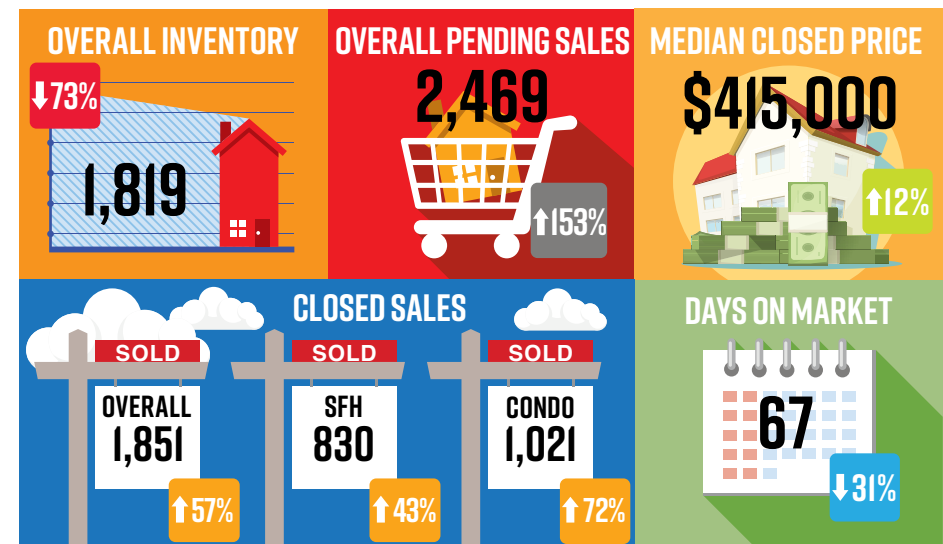
March was also the first month in several years where there were more reported price increases than decreases. Median closed prices in March increased 12.2 percent to \$415,000 (the highest median price increase month/month on record since 2008) from \$370,000 in March 2020. In March 2021, there were just 1,819 homes in inventory (the lowest it has been since 2014), which was a 73.2 percent decrease from 6,795 homes in inventory in March 2020. “Appreciation values have not increased dramatically in all price ranges,” said Molly Lane, Senior Vice President at William Raveis Real Estate. “Most of the high appreciation that’s driving median and average closed prices up in recent months is in the \$2 million and over market.”

Pending sales (homes under contract) activity in March also broke records, as seen in the 152.7 percent spike to 2,469 pending listings from 977 pending listings in March 2020. However, broker analysts were quick to remind each other that a high number of sales during the second half of the month last year were lost as we were in a pandemic lockdown. Despite last March’s COVID-19-related market anomaly, this March’s pending sales still eclipsed pending sales activity reported in any March over the last eight years.

“This is a challenging time for buyers in Naples,” said Brenda Fioretti, Broker Associate at Berkshire Hathaway HomeServices Florida Realty, “and why it’s extremely important they work with a local REALTOR® whose experience and expertise can guide them through the process.”

## NAPLES AREA REAL ESTATE ACTIVITY

March 2021 compared with March 2020 (percent reporting using rounded figures)



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PROPERTIES SOLD  
in 2020

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