NEW 20-YEAR GROUND LEASE ADJACENT TO TARGET | AFFLUENT PHILADELPHIA SUBURB

(I) CPSF

Contact the team

ZEB RIPPLE

zripple@capitalpacific.com

PH: 415.274.2702

CA DRE# 01242540

CHRIS KOSTANECKI

ck@capitalpacific.com

PH: 415.274.2701 CA DRE# 01002010

CHRIS PETERS

cpeters@capitalpacific.com

PH: 415.274.2703 CA DRE# 01339983

TREVOR MORSE

tmorse@capitalpacific.com

PH: 415.274.2714

CA DRE# 01996197

IN CONJUNCTION WITH NJ LICENSED BROKER:

David M. Dworkin

LLD Enterprises

David@LLDEnterprises.com

585-244-3575 x-301

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Investment Summary



PDQ

745 ROUTE 73 S, MARLTON, NJ 08053 \searrow

\$3,581,000

5.25%

PRICE

CAP

NOI:	\$188,000
LEASE TYPE:	GROUND LEASE (CORPORATE GUARANTY)
LEASE TERM:	20 YEARS
BUILDING SIZE:	2,900 SF
LAND AREA:	31,049 SF
YEAR BUILT:	2021 (Est. August 2021 Opening)

DRIVE-THRU ASSET LOCATED ON ROUTE 73 (54,328 VPD); LESS THAN 20 MILES FROM **PHILADELPHIA**



THE OFFERING

The offering is a new construction ground lease with PDQ that features a corporate guaranty, located in the Philadelphia suburb of Marlton, NJ. PDQ is anticipated to open its doors in August 2021, and will commence a 20-year lease that includes four, 5-year extension options and 10% rental escalations every five years throughout the primary term and option periods. The Marlton PDQ will be equipped with a dedicated drive-thru lane, and will benefit from its signalized intersection location on the corner of Route 73 and Ardsley Drive, providing ease of access in and out of the property. Marlton is a highly affluent suburb located less than 20 miles from downtown Philadelphia, featuring average household incomes that exceed \$140,000 within a 3-mile radius of the subject property.

THE RETAIL MARKET

The Marlton PDQ is strategically located on Route 73 and is adjacent both to a Target as well as a two-tenant pad that will feature Panda Express as well as another daily needs retail tenant. Route 73 is a north-south thoroughfare that serves as a main road providing access between Philadelphia and the southern part of the Jersey Shore. The subject property neighbors several office parks and open air shopping centers along Route 73, helping drive a robust daytime population. Surrounding retailers include Marshalls, Old Navy, Five Below, and Ulta Beauty.

HIGHLIGHTS

- Long-term, passive investment with built-in rent increases (Anticipated rent commencement: August 2021)
- The lease is backed by a corporate guaranty
- Located in an affluent suburb of Philadelphia (AHHI: \$140,000 + within a 3-mile radius)

DESIRABLE LOCATION

- Signalized intersection location; adjacent to Target
- Excellent street visibility along State Route 73 (54,328 VPD)
- Surrounded by a mix of office and retail uses significant daytime population customer base

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Income & Expense

Insurance

Total Operating Expenses

EQUALS NET OPERATING

PRICE		\$3,581,000
Capitalization Rate:		5.25%
Building Size (SF):		2,900
Lot Size (SF):		31,049
STABILIZED INCOME	PER SQUARE FOOT	
Scheduled Rent	\$6.05	\$188,000
Effective Gross Income	\$6.05	\$188,000
LESS	PER SQUARE FOOT	
Taxes	NNN	\$0.00

NNN

NNN

\$0.00

\$0.00

\$188,000

The building within the premises is approximately 2,900 square feet.





TENANT II	NFO	LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.	TE	RM	CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEAR RENT/FT
PDQ	31,049	1	5	\$188,000	\$15,667	\$188,000	\$0.50	\$6.05
Ground Lease		6	10		\$17,233	\$206,800	\$0.56	\$6.66
		11	15		\$18,957	\$227,480	\$0.61	\$7.33
		16	20		\$20,852	\$250,228	\$0.67	\$8.06
	Option 1	21	25		\$22,938	\$275,251	\$0.74	\$8.87
	Option 2	26	30		\$25,231	\$302,776	\$0.81	\$9.75
	Option 3	31	35		\$27,754	\$333,053	\$0.89	\$10.73
	Option 4	36	40		\$30,530	\$366,359	\$0.98	\$11.80
TOTALS:	31,049			\$188,000	\$15,667	\$188,000	\$0.50	\$6.05

The building within the premises is approximately 2,900 square feet.

Lease Abstract



RENT

BASE RENT

MONTHLY RENT	ANNUAL RENT
\$15,667	\$188,000
\$17,233	\$206,800
\$18,957	\$227,480
\$20,852	\$250,228
	\$15,667 \$17,233 \$18,957

OPTION RENTS

ENT
1
6
3
9
(

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISES & TERM

TENANTMVP MARLTON OPCO, LLC dba PDQLEASE GUARANTYCorporateLEASE TYPEGround LeaseLEASE TERM20 yearsRENT COMMENCEMENTAnticipated for August 2021OPTIONSFour 5-year options

EXPENSES

TAXES

Tenant shall pay for all real estate taxes directly to the taxing authority.

INSURANCE

Tenant agrees to maintain: (i) Commercial general liability insurance with minimum limits of \$5 million per occurrence; (ii) Property insurance covering full replacement cost of the improvements; (iii) Worker's compensation insurance and employer's liability insurance in the amount of \$1 million; and (iii) Automobile Liability Insurance for owned, hired and non-owned automobiles with limits no less than \$1 million for each accident for bodily injury and property damage.

UTILITIES

Tenant pays for all utilities directly to the provider.

CAM

Tenant shall pay its prorata share of the Annual Payment due per the terms of a separate Easements and Restrictions Agreement.

MAINTENANCE

Tenant shall maintain, repair and replace all interior and exterior, structural and non-structural portions of the premises, including roof and foundation.

ADDITIONAL LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

Tenant may assign the lease with Landlord's prior written consent, unless the lease is being assigned to an affiliate of the Tenant or any permitted franchisee. Tenant may sublease provided that the lease term of each sublease doesn't extend past the Expiration Date of the Term, unless Landlord consents in writing.

ESTOPPELS

Landlord and Tenant shall deliver an executed Estoppel within 30 days of request from the other party.

Site Plan



2,900 BUILDING SF



31,049 LAND SF

54,328 VPD

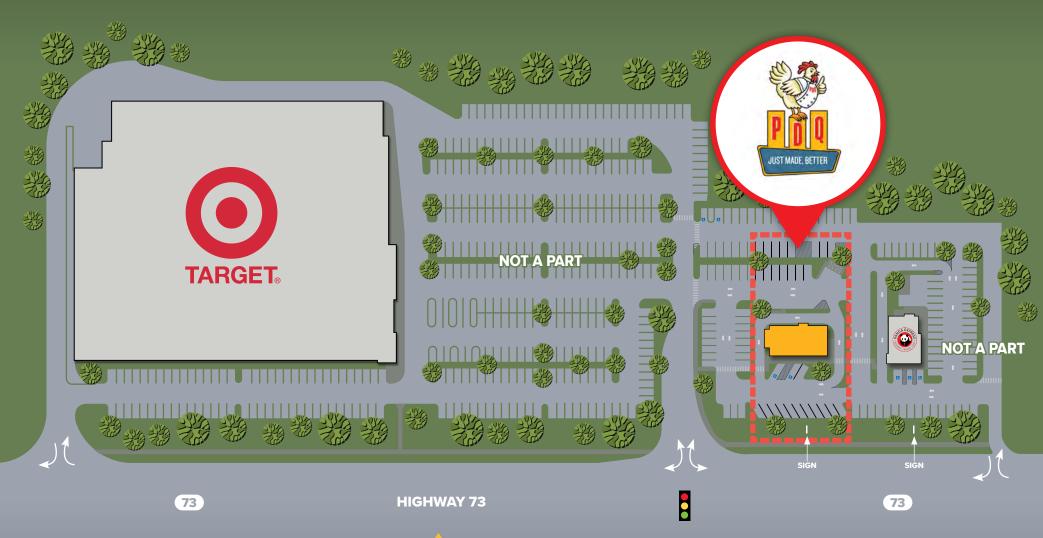


43 SPACES

ARDSLEY DRIVE







Tenant Overview DEDICATED TO REPRESENTATIVE PHOTO This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies

ABOUT PDQ

PDQ, also known as People Dedicated to Quality, is a private, fast casual chain based in Tampa, Florida. Founded in 2011 by Outback Steakhouse co-founder Bob Basham and Tampa Bay Buccaneers CFO Nick Reader, the two wanted to create a chain where people are the focus, and quality is the bottom line. The restaurant's focus on fresh, fast and affordable food has been widely popular allowing it to grow rapidly. The chain currently has 62 locations in Florida, New Jersey, New York, North Carolina and South Carolina.

The restaurant specializes in fresh, tasty food including their 100 percent natural, never frozen chicken which contains no added hormones or steroids; chicken tenders are hand-breaded in-house; their 11 sauces and dressings are made from scratch every day; salads are made to order; shakes are hand-spun; and cookies are fresh-baked in house daily.

Recently, PDQ launched its first-ever loyalty program, MyPDQ Points. This program can be used at all locations, and it allows quests to customize and save their PDQ orders, pay for an order in advance to skip the line, store PDQ gift cards, track points that have been accumulated, and redeem free items earned. MyPDQ can be utilized through the PDQ App and is an effective way to enhance the guest experience.

For more information visit: www.eatpdq.com



LOCATIONS IN





Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	8,642	61,738	156,264
2020	8,567	62,017	159,215
2025	8,504	62,641	160,408



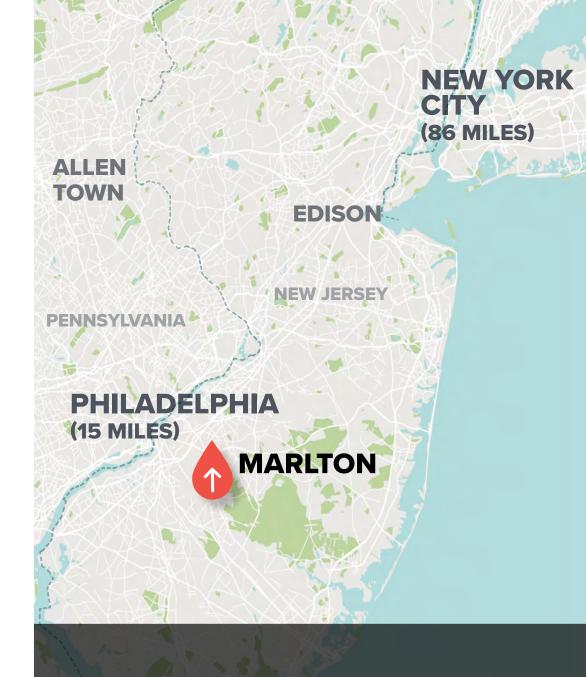
2020 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$125,818	\$140,725	\$128,985
Median	\$104,157	\$107,802	\$96,320

PHILADELPHIA MSA TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
University of Pennsylvania and Health System	41,676
Thomas Jefferson University and Jefferson Health	30,500
ACCU Staffing Services	27,530
Comcast Corp.	14,444
Tower Health	12,000

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THE AVERAGE HOUSEHOLD INCOMES **ARE OVER \$140K WITHIN A 3-MILE RADIUS OF THE PROPERTY**

Location Overview



MARLTON is a census designated place located within Evesham Township, in Burlington County, New Jersey. Marlton is a family-friendly suburb located 15 miles east of Philadelphia with a population of 10,133 residents.

6.1 MILLION

PHILADELPHIA MSA
POPULATION
(ESTIMATED)

PHILADELPHIA, the "City of Brotherly Love," is the sixth-most populous city in the United States and the most populous city in Pennsylvania. Philadelphia lies alongside the Delaware River, approximately 94 miles southwest of New York City.

The city is an economic and educational hub, containing the third-largest concentration of students on the east coast. It has more than 80 colleges, universities, and trade schools, including four nationally ranked research universities: The University of Pennsylvania, Temple University, Drexel University, and Thomas Jefferson University. Philadelphia is home to five Fortune 100 companies, and in 2019, Philadelphia had a GDP of approximately \$490 Billion.

Philadelphia is one of the oldest municipalities in the U.S. and is deeply tied to the founding of the United States. It was the site for numerous key historical events, including the signing of the Declaration of Independence and the U.S. Constitution.

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Contact us.

ZEB RIPPLE

zripple@capitalpacific.com PH: 415.274.2702 CA DRE# 01242540

CHRIS PETERS

cpeters@capitalpacific.com
PH: 415.274.2703
CA DRE# 01339983

IN CONJUNCTION WITH NJ LICENSED BROKER:

David M. Dworkin
LLD Enterprises
David@LLDEnterprises.com
585-244-3575 x-301

CHRIS KOSTANECKI

ck@capitalpacific.com
PH: 415.274.2701
CA DRE# 01002010

TREVOR MORSE

tmorse@capitalpacific.com PH: 415.274.2714 CA DRE# 01996197

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