

# SHEETZ GROUND LEASE

U.S. ROUTE 29 AND AIRPORT ROAD  
CHARLOTTESVILLE, VA



BRAND NEW, 15-YEAR GROUND LEASE | DOMINANT CHARLOTTESVILLE LOCATION WITH HIGH BARRIERS TO ENTRY

*Representative Photo*

## CONFIDENTIALITY + CONDITIONS

This Offering was prepared by Cushman & Wakefield | Thalhimer and has been reviewed by the Owner. It contains select information pertaining to the Project and does not purport to be all-inclusive or to contain all of the information which a prospective purchaser may desire. All financial projections are provided for general reference purposes only and are based on assumptions relating to the general economy, competition, and other factors beyond control and, therefore, are subject to material change or variation. An opportunity to inspect the Project will be made available to qualified prospective purchasers.

In this Offering, certain documents, including the leases and other materials, are described in summary form. The summaries do not purport to be complete nor, necessarily, accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to independently review all documents.

This Offering is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Project by Cushman & Wakefield | Thalhimer or Owner. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Project described herein.

Owner and Cushman & Wakefield | Thalhimer expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Project and/or to terminate discussions with any party at any time with or without notice. Owner shall have no legal commitment or obligation to any purchaser reviewing this Offering or making an offer to purchase the Project unless a written agreement for the purchase of the Project has been fully executed, delivered, and approved by Owner and any conditions to Owner's obligations thereunder have been satisfied or waived. Cushman & Wakefield | Thalhimer is not authorized to make any representations or agreements on behalf of Owner.

This Offering is the property of Cushman & Wakefield | Thalhimer and may be used only by parties approved by Cushman & Wakefield | Thalhimer. The Project is privately offered and, by accepting this Offering, the party in possession hereof agrees (i) to return it to Cushman & Wakefield | Thalhimer immediately upon request of Cushman & Wakefield | Thalhimer or Owner and (ii) that this Offering and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Cushman & Wakefield | Thalhimer and Owner.

The terms and conditions set forth above apply to this Offering in its entirety.

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SECTION N°

# 01. EXECUTIVE SUMMARY



# EXECUTIVE SUMMARY

Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale a brand-new absolute net ground lease Sheetz investment opportunity in the highly sought-after Charlottesville MSA. The Property is subject to a corporate 15-year lease term with seven (7), five (5) year renewal options. Sheetz is a family-owned fuel and convenience store operator with over 630 locations spanning six states and employing over 21,000 people. The Property, which is scheduled to be complete in 4Q2021 is well poised for long term success as it offers a convenient store with drive-thru, self-serve diesel and gas port, and a car wash in one of the most rapidly expanding submarkets in the Charlottesville MSA, Seminole Trail.

Located on the hard corner of U.S. Route 29 (Seminole Trail) and Airport Road, this ideal site sees a combined 50,000+ VPD in traffic and is located directly across the street from the 176-bed Sentara Martha Jefferson and less than a mile from the Charlottesville-Albemarle Airport (CHO). Additional demand drivers located within less than half a mile of the Property are nationally recognized retailers Target, Harris Teeter, Kohl's, PetSmart amongst many others. With limited development opportunity and a rapidly expanding population, the Property is ideally positioned to capture the outward growth of Charlottesville along its main retail corridor, U.S. Route 29 and support the 155,000+ daytime population within 10-miles of the site.

## PROPERTY

Route 29 & Airport Road  
Charlottesville, VA

## TENANT

Sheetz, Inc.

## LEASE STRUCTURE

Absolute NNN Ground Lease

## PRICE

\$5,700,000

## CAP RATE

4.82%

## ANNUAL RENT

\$275,000

## RENT ESCALATIONS

10% every five years in renewal options

## ACREAGE

± 2.353 acres

## ESTIMATED DELIVERY DATE

November 2021

## LEASE TERM

15 years

## RENEWAL OPTIONS

Seven (7), Five (5) Year Options





## INVESTMENT HIGHLIGHTS



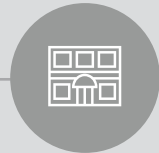
- Corporate, absolute NNN ground lease with zero landlord obligations
- New, 15-year lease in place with seven (7), 5-year renewal options
- 10% Rent Escalations in Each 5-Year Renewal Option



- Hard corner location in Charlottesville market with high barriers to entry
- Ideally situated at the signalized intersection of U.S. Route 29 and Airport Road in Charlottesville, which sees over 50,000 VPD
- Within ½ mile from major demand drivers Target, Harris Teeter, Kohl's, PetSmart
- Expanded trade area with limited public transportation and high commuter volume

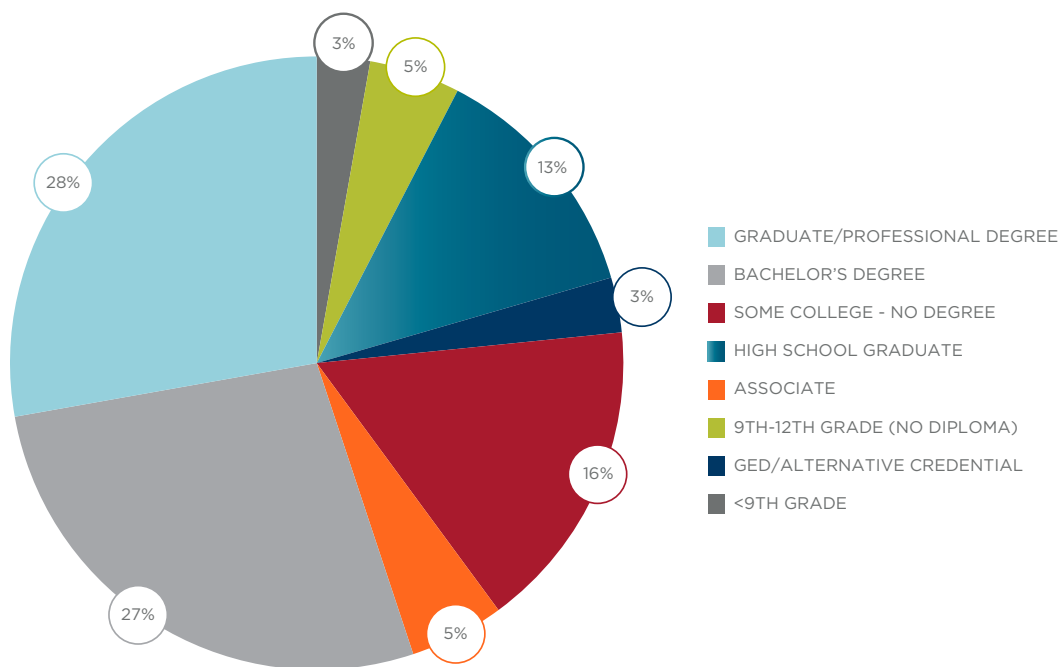


- Situated on Charlottesville's main commercial corridor, Seminole Trail (U.S. Route 29) directly across from Sentara Martha Jefferson, which has 1,600+ full time employees
- Close proximity to University of Virginia, one of the nation's premier higher education institutions
- Charlottesville boasts an unemployment rate of 4.2%, significantly lower than the national average of 5.9%



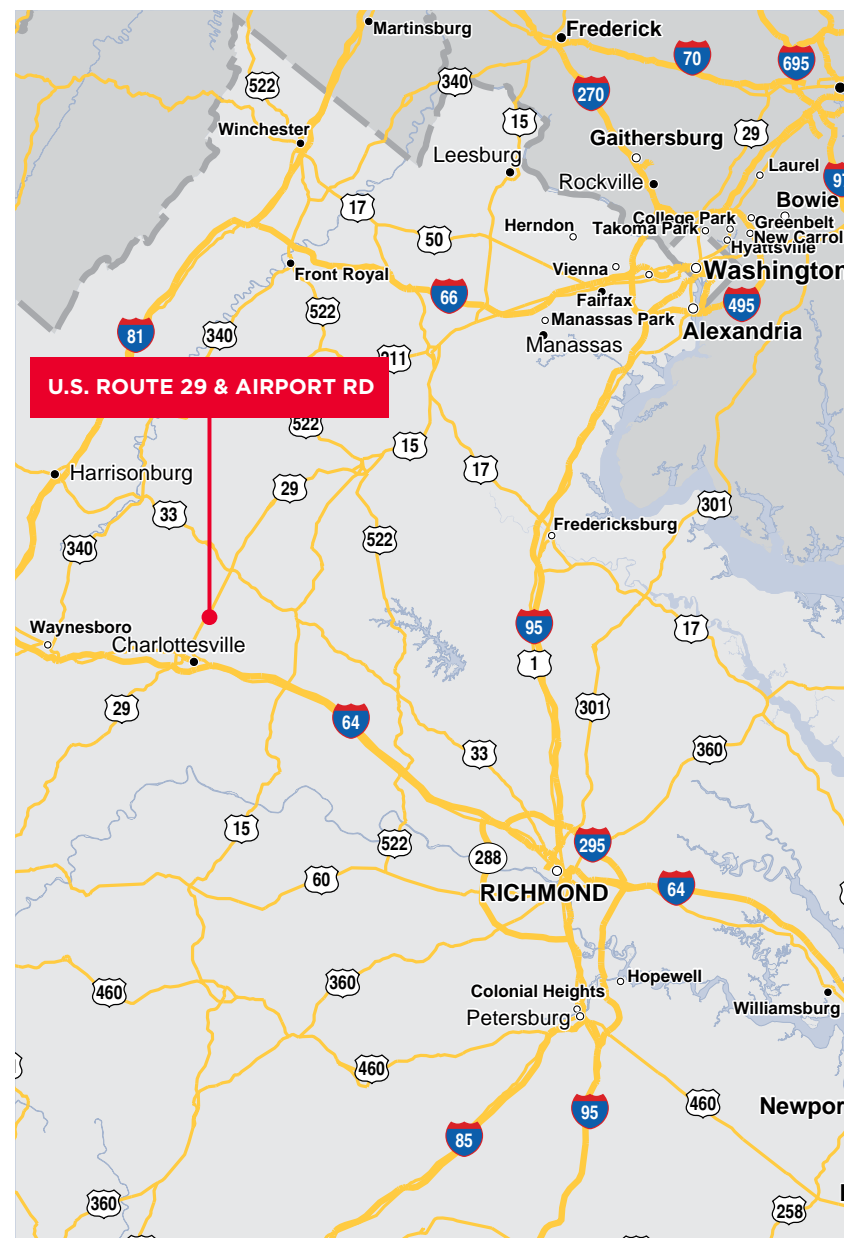
- Historically low retail vacancy rate, which now sits at under 4.5%
- 3,000+ households with 2 or more vehicles located within 5-miles of property
- 11,800+ multifamily units located within 10-miles of the Property
- 4,300+ hotel keys located within 10-miles of the property

# DEMOGRAPHICS

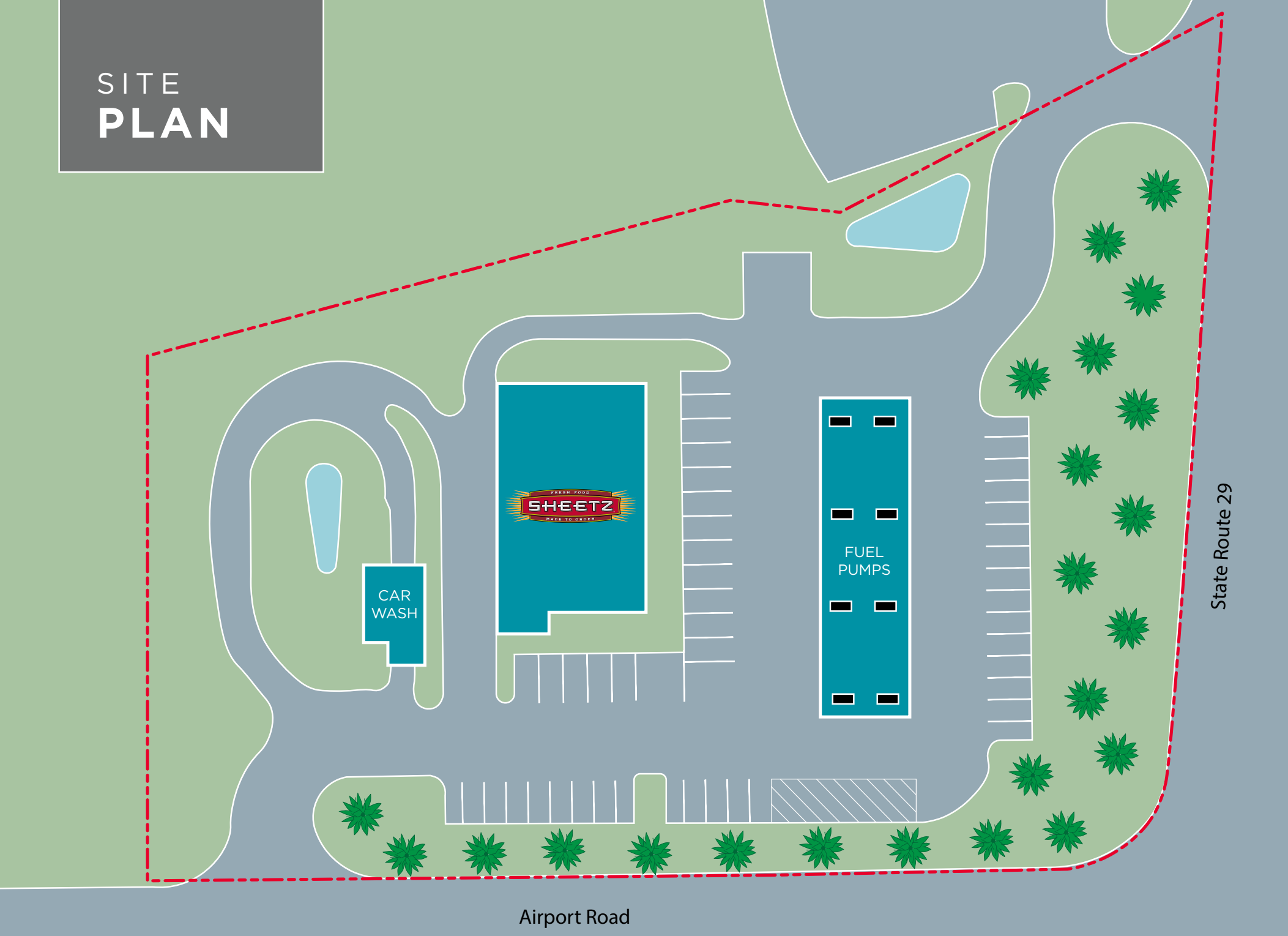


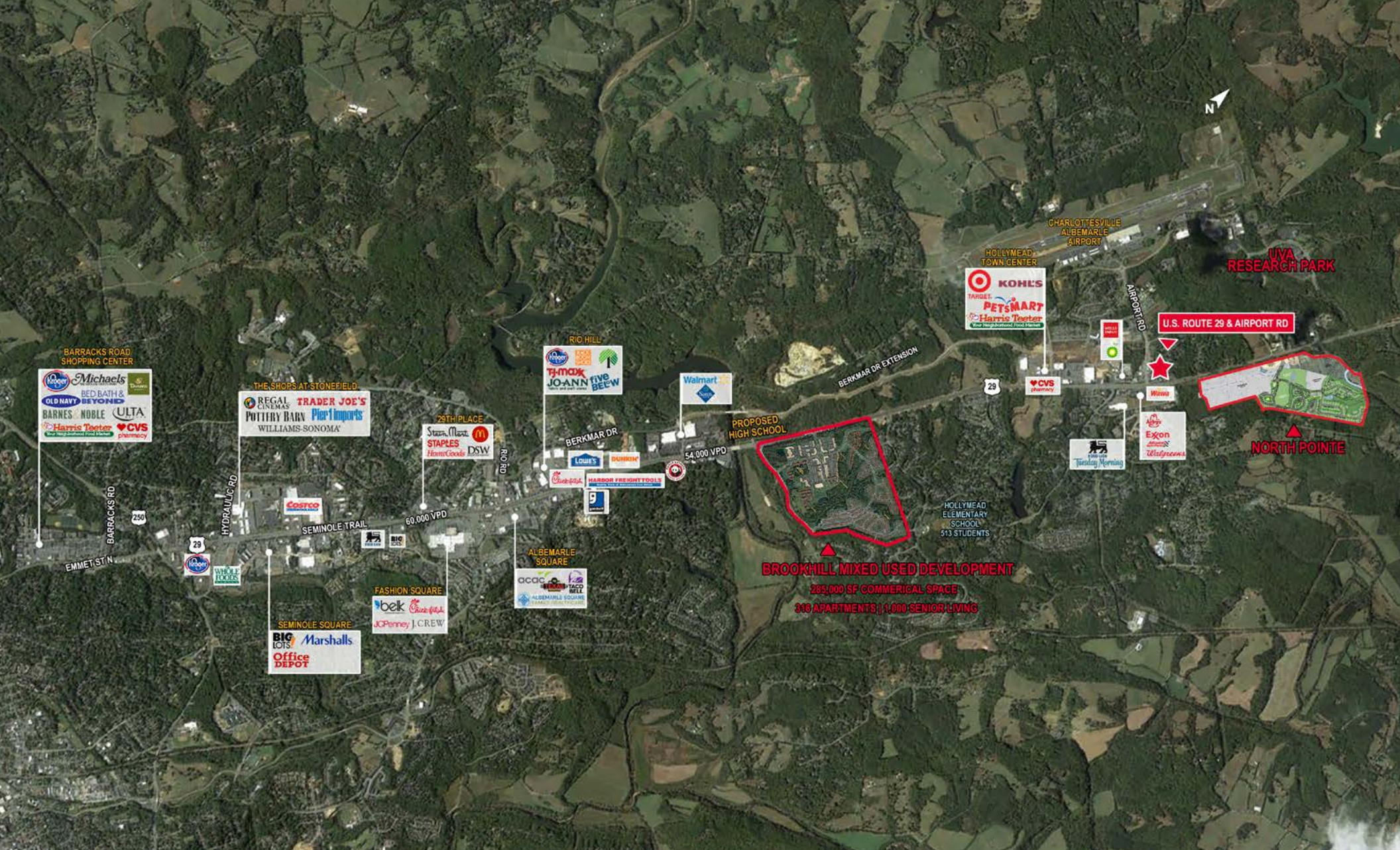
## DEMOGRAPHICS

	3 Miles	5 Miles	10 miles
2021 Population	13,565	31,744	135,477
5 Yr. Proj. Pop Growth	10.90%	7.10%	5.50%
Average HHI	\$114,128	\$110,968	\$105,008
Average Home Value	\$365,110	\$367,694	\$348,241
Median Age	42.9	42.7	34.5
% W/ Bachelor Degree	29.2%	27.4%	27.3%
% W/ Graduate Degree	27.6%	28.4%	27.8%



# SITE PLAN





## TRANSACTION GUIDELINES

Cushman & Wakefield | Thalhimer has been chosen to exclusively market the subject Sheetz located at U.S. Route 29 and Airport Road, Charlottesville, VA to qualified investors. The prospective purchaser will be chosen by the Seller under the advisement of Cushman & Wakefield | Thalhimer. Factors considered in the selection include but are not limited to i) price, ii) security of closing, iii) buyer financials, and iv) industry reputation.

SECTION N°

# 02. TENANT OVERVIEW





±2.353 ACRES

15 YEAR GROUND LEASE

## TENANT OVERVIEW

Sheetz is a gas station and convenience store that prioritizes the needs of its customers by providing “made-to-order” entrees, drinks, and groceries 24 hours a day. Since being founded in 1952, Sheetz now operates nearly 600 locations throughout six states: Ohio, Pennsylvania, Maryland, Virginia, West Virginia, and North Carolina. The family-owned business is committed to growth as they recently announced plans to open 50 new stores throughout Ohio by 2025. This move is just the beginning of Sheetz’s plan to expand their dominance throughout the region. The company employs over 20,000 employees and is consistently recognized as the gold standard in convenience retailing. In 2020, Sheetz ranked 67th on Forbes’ list of “America’s Largest Private Companies”. Additionally, Fortune listed Sheetz among its 100 “Best Companies to Work For” in 2021. This Sheetz’s business model caters to its customer’s busy lifestyles which has proven to be successful as their total revenue eclipsed \$6 Billion in 2020.

Sheetz separates itself from their competitors by utilizing cutting-edge technology that allows customers to order their food electronically through touchscreens. This simplified approach gives customers an efficient way to order and choose their desired entrée or beverage while on the go. Whether it is refueling your car or refreshing your body, Sheetz has everything one would need to keep their customers moving on to whatever comes next.

## CORPORATE HIGHLIGHTS

**\$6.2 BILLION** REVENUE

**20,716** EMPLOYEES

**ALTOONA, PA** HEADQUARTERS

**625** NUMBER OF LOCATIONS

**\$15.50** AVERAGE HOURLY WAGE - SIGNIFICANTLY HIGHER THAN COMPETITORS

# LEASE SUMMARY

## *SHEETZ*

<b>TENANT</b>	Sheetz, Inc
<b>ESTIMATED BUILDING SF</b>	6,077 SF
<b>PREMISES</b>	±2.353 acres
<b>LEASE TYPE</b>	Absolute NNN Ground Lease
<b>ROOF AND STRUCTURE</b>	Tenant Responsibility/Pays Directly
<b>REPAIRS AND MAINTENANCE</b>	Tenant Responsibility/Pays Directly
<b>PARKING LOT MAINTENANCE</b>	Tenant Responsibility/Pays Directly
<b>INSURANCE</b>	Tenant Responsibility/Pays Directly
<b>PROPERTY TAXES</b>	Tenant Responsibility/Pays Directly
<b>UTILITIES</b>	Tenant Responsibility/Pays Directly
<b>CURRENT LEASE TERM</b>	15 Years
<b>ANNUAL BASE RENT</b>	\$275,000
<b>ESTIMATED LEASE COMMENCEMENT</b>	November 2021
<b>ESTIMATED LEASE EXPIRATION</b>	November 2036
<b>RENEWAL OPTIONS</b>	Seven (7), 5-year automatic renewals unless terminated with 4 months notice from end of term
<b>RENEWAL OPTION PERIOD ESCALATIONS</b>	Renewal 1: \$302,500 Renewal 2: \$332,750 Renewal 3: \$366,025 Renewal 4: \$402,628 Renewal 5: \$442,890 Renewal 6: \$487,179 Renewal 7: \$535,897
<b>USE</b>	Occupy and operate the Demised Premises as a convenience store, operating twenty-four (24) hours per day and seven (7) days per week, with the self-service sale of gasoline, indoor and outdoor seating, a drive-through facility, automated car wash facility
<b>RIGHT OF FIRST REFUSAL</b>	If Landlord receives an acceptable bona fide offer to purchase the Demised Premises as a separate tract during the Term of this Lease which Landlord desires to accept, Landlord shall submit a written copy of such offer to Tenant, giving Tenant no less than fifteen (15) days following receipt of Landlord's written notice within which to elect to purchase the Demised Premises on the same terms contained in such offer

SECTION N°

03.

## LOCATION OVERVIEW



# LOCATION OVERVIEW

The Property is ideally located on the hard corner of U.S. Route 29 (Seminole Trail) and Airport Road, which sees a combine 50,000+ VPD and benefits from turn in access from both roads. Located less than 15 minutes from the University of Virginia, the Property sits on the main retail corridor of suburban Charlottesville and is ideally situated to capture the outward growth that the city has been recognizing.

## IDEAL EXPOSURE

- 3,000+ households have 2 or more vehicles within 5-miles of the property
- Nationally recognized retailers Target, Harris Teeter, Kohl's, PetSmart, and Food Lion are local demand drivers located within one half a mile from the property
- 176-bed Sentara Marth Jefferson Outpatient Center is located directly across U.S. Route 29, ideally catering to the 24-hour services provided by the property
- Proximate to Brookhill Town Center, North Pointe Residential Development and UVA Research Park

## PREMIER ACCESSIBILITY

- Strategically positioned to service the 155,000+ daytime population with 10-miles of the Property
- 7-miles from the University of Virginia located along the most densely occupied retail sector in the MSA
- Centrally situated in the heart of Charlottesville's outward expansion along its main retail sector



**50,000+**  
VPD OF DIRECT  
EXPOSURE



**380,000+**  
SF OF RETAIL WITHIN  
HALF A MILE



**7**  
MILES FROM UNIVERSITY  
OF VIRGINIA

WITHIN A 10-MILE RADIUS:



**9+ MSF**  
OF RETAIL



**11,800+**  
MULTI-FAMILY UNITS



**155,000+**  
DAYTIME POPULATION



**4,300+**  
HOTEL KEYS



SECTION N°

# 04. MARKET OVERVIEW



# MARKET OVERVIEW

## CHARLOTTESVILLE RETAIL SUBMARKET

Charlottesville is the anchor of central Virginia's diverse economy through its highly educated workforce and proximity to top-ranked University of Virginia. The region offers several desirable features for businesses looking to expand their operations including a modern regional airport, access to major highways and a business-friendly environment. Interstate 64 connects Charlottesville to several key destinations which gives the region easy access to over 50% of the nation's consumers. The subject property is conveniently located less than a mile away from the airport along a busy road that has traffic counts of just over 38,000 vehicles per day. Economic growth, fueled largely by the University of Virginia, has resulted in the expansion of Charlottesville's urban core. Over the past 10 years, Charlottesville's population grew by 11 percent and is consistently ranked one of the top cities to live in. The MSA borders the beautiful Blue Ridge Mountains which attracts visitors and new residents every year.

One of Charlottesville's major strengths is its highly educated workforce. Over a quarter of the population has a graduate degree or higher which helps drive the robust economy and attract new businesses. The city's largest employer is the University of Virginia which employs thousands of skilled professionals and is home to over 20,000 students. Charlottesville is a city with a lot of historical significance as three U.S. Presidents once called this beautiful city home. The region's rich history not only attracts visitors, but it also gives the city a lot of its character. The continued expansion of Charlottesville's trade areas in conjunction with its attractiveness to visitors provides several advantages for the subject property to be successful in this market.

### *Seminole Trail Retail Submarket*

**2.9+ MSF** - Total Retail Inventory

**4.9%** - Historic Vacancy Rate This Decade

**\$17.06 PSF NNN** - Current Asking Rents

### *Charlottesville Retail Market*

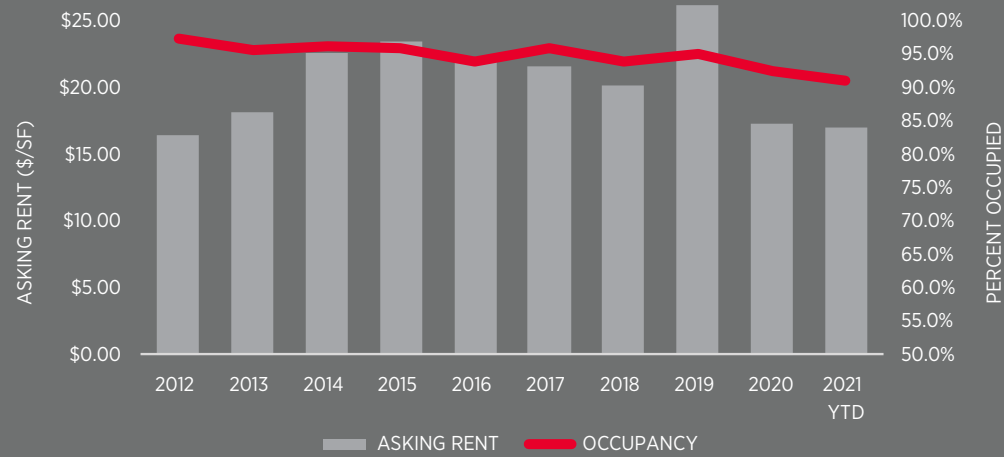
**10+ MSF** - Total Retail Inventory

**12%** - Population Growth from 2019 to 2020

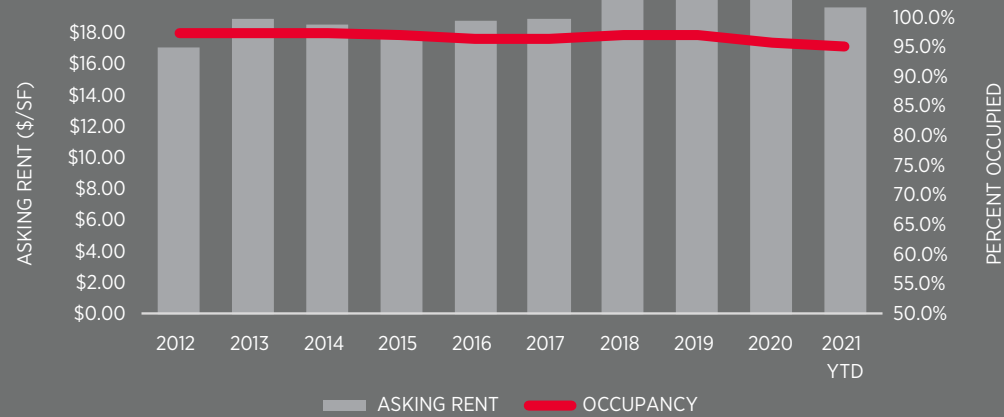
**4.8%** - Current Retail Vacancy Rate



### SEMINOLE TRAIL RENTS AND OCCUPANCY



### CHARLOTTESVILLE MSA RENTS AND OCCUPANCY



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CHARLOTTESVILLE, VA



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