



SHEETZ GROUND LEASE

LEMONT FURNACE, PENNSYLVANIA

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM



\$2,887,000 | 4.85% CAP RATE

- » New 15-Year Absolute NNN Ground Lease with Rental Increases in Option Periods and Dedicated Drive-Thru
- » Sheetz Corporate Guaranty (628+ Locations Nationwide and Over \$7.5 Billion in Annual Revenue)
- » Sheetz is Investing a Significant Capital Contribution to Building Improvements Demonstrating Their Commitment to the Property
- » High-Visibility Location in a Well Populated and Growing Area
 - » 21,344 AADT at the Signalized Hard-Corner of U.S. Route 119/University Drive and Eberly Way
 - » 72,058 Residents Within a Ten-Mile Radius of the Property
- » New High-Quality Construction Featuring Convenience Restaurant, Drive-Thru, and Six (6) Canopied Fuel Pumps
- » Sheetz was Founded and Headquartered in Pennsylvania with Excellent Brand Loyalty

REPRESENTATIVE PHOTO



Cushman and Wakefield Inc. LIC. # 00616335

This property is listed in conjunction with Pennsylvania-licensed real estate broker Cushman & Wakefield, Inc.

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DEMOGRAPHIC PROFILE

Cushman & Wakefield ("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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**YURAS
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Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	2261 University Drive, Lemont Furnace, PA 15456		
PRICE	\$2,887,000		
CAP RATE	4.85% return		
NOI	\$140,000		
TERM	15 years		
RENT COMMENCEMENT	November 26, 2021		
LEASE EXPIRATION	November 30, 2036		
RENTAL INCREASES	10% rental increases in option periods		
	YEAR	RENT	RETURN
	1-15	\$140,000	4.85%
	16-20 (option 1)	\$154,000	5.34%
	21-25 (option 2)	\$169,400	5.87%
	26-30 (option 3)	\$186,400	6.46%
	31-35 (option 4)	\$204,974	7.10%
	36-40 (option 5)	\$225,471	7.81%
	41-45 (option 6)	\$248,019	8.59%
	46-50 (option 7)	\$272,820	9.45%
YEAR BUILT	2021		
BUILDING SF	6,077 SF		
PARCEL SIZE	2.90 acre (126,327 SF)		
LEASE TYPE	Absolute NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot.		

NEW 15-YEAR ABSOLUTE NNN GROUND LEASE TO CORPORATE SHEETZ

- » Absolute NNN ground lease requires no landlord management, ideal for an out of area investor
- » 10% rental increases in option periods, providing an excellent hedge against inflation
- » Sheetz is one of the largest privately owned chains of convenience stores in the U.S. with more than 600 locations and over \$7.5B in annual revenue
- » Sheetz is investing significant capital into the construction, providing a safe investment for passive investors

CENTRAL LOCATION IN WELL POPULATED AND GROWING AREA

- » Located at the signalized corner of University Drive and Eberly Way, with excellent visibility and access to 21,344 vehicles per day at the intersection
- » 72,058 residents live within a 10-mile radius of the property
- » Projected 10% average annual household income increase within one-mile of the site in the next five years, poising Lemont Furnace and Sheetz for concurrent growth

EXCELLENT VISIBILITY NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Beneficial proximity to Lemont Furnace's largest shopping centers, including Uniontown Mall and Fayette Crossing
- » Surrounded by a strong mix of local and national retailers, including Walmart Supercenter, Target, Lowe's, The Home Depot, TJ Maxx, Big Lots, and many more
- » Central location within the Laurel Highlands School District (2,973 students)
- » Less than three miles from the Fayette County Fair Grounds (100,000 annual attendees), which hosts one of the largest fairs in Pennsylvania
- » Gateway to Downtown Pittsburgh, the second-most populous city in Pennsylvania

NEW 2021 CONSTRUCTION TO TENANT'S LATEST PROTOTYPE

- » Location includes a freestanding restaurant with a drive-thru window and canopied gas pumps for added customer convenience
- » Upgraded construction with brick façade



REPRESENTATIVE PHOTO



Laurel Highlands
High School
(885 students)

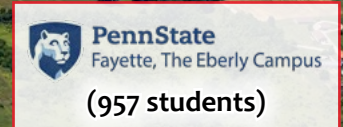
Marshall
Elementary School
(275 students)



INDUSTRIAL REGION



Eberly
Way



University Drive
(21,344 AADT)

INDUSTRIAL REGION




Fayette County
Fair Grounds

Joseph A. Hardy
Connellsville
Airport



University Drive
(21,344 AADT)





PennState
Fayette, The Eberly Campus
(957 students)



INDUSTRIAL REGION



SHEETZ
(Under Construction)



Eberly Way



Mount Braddock

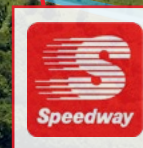


Shady Grove Park

INDUSTRIAL REGION



/University Drive
(21,344 AADT)



Eberly Way

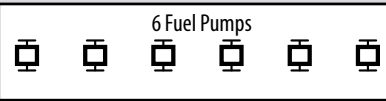


SITE PLAN

U.S. ROUTE 119/UNIVERSITY DRIVE



EBERLY WAY



DRIVE-THRU

DRIVE-THRU

TENANT SUMMARY



Sheetz, Inc., is one of the largest and fastest-growing privately-held convenience store chains in the country, with more than \$7 billion in annual sales and over 20,000 employees. Founded in 1952 in Altoona, Pennsylvania, and family owned, the company operates more than 600 stores across six states—Pennsylvania, Maryland, Virginia, West Virginia, Ohio and North Carolina—and anticipates a 5% net growth per year, opening approximately 350 new locations in the next 10 years. Stores, which also sell high-quality fuel at a discount, are open 24 hours a day, 365 days a week.

Sheetz currently ranks 56th on *Forbes* list of largest private companies in the U.S. In 2019, the company also was honored as one of the top three retailers in the U.S. convenience-store sector by Dunhumby, a leader in customer-data science.

Other accolades include:

- Best Regional Fast Food Chain (2020, 2019) *USA TODAY'S* 10 Best Reader's Choice travel awards
- America's Best Employers (2018) *Forbes*
- Best Workplaces in Retail (2018, 2019) *Fortune*
- Top 10 Best Workplaces in Retail™ (2015-2019) *Great Place to Work*
- 100 Best Companies to Work For (2015-2019) *Fortune*
- Best Employers for New Grads (2018, 2019) *Forbes*
- Best Employers for Women (2018) *Forbes*
- 100 Best Workplaces for Women (2016-2019) *Fortune*
- 100 Best Workplaces for Millennials (2016-2018) *Fortune*
- Convenience Store Chain of the Year (2017) *Convenience Store Decisions Group*

Sheetz has differentiated itself in the convenience-store industry by positioning itself as a destination for food and has garnered awards for its extensive menu of MADE-TO-ORDER (M-T-O®) and MADE-TO-GO® selections, which customers can order on unique touchscreen terminals. Sheetz also offers an Espresso Bar, with specialty coffee drinks made on real Italian espresso machines, a Smoothie Bar and Shweetz Bakery. Sheetz also offers indoor and outdoor restaurant-style seating. To accommodate such customer perks, plus larger-than-typical retail shopping space, Sheetz stores are approximately twice the size of most convenience stores.

Sheetz also is a committed community partner. In addition to its significant nationwide philanthropic efforts—Sheetz for Kids, Sheetz Art Project, Special Olympics and Scrip Program—the company and its employees contribute generously to youth-oriented organizations, sporting and arts events, and other community initiatives in the locations it serves. The real estate investment community recognizes Sheetz as a stable, long-term, low-risk tenant. It has set industry standards for food and has a 63-year track record of continued growth.

For more information, please visit www.sheetz.com

REVENUE	\$7.5B	# OF LOCATIONS	628+
OWNERSHIP	Private	WEBSITE	www.sheetz.com

LEASE ABSTRACT

TENANT	Sheetz, Inc.		
ADDRESS	2261 University Drive, Lemont Furnace, Pennsylvania 15456		
RENT COMMENCEMENT	November 26, 2021		
LEASE EXPIRATION	November 30, 2036		
RENEWAL OPTIONS	7 (seven) option periods of 5 (five) years each		
RENTAL INCREASES	YEAR 1-15 16-20 (option 1) 21-25 (option 2) 26-30 (option 3) 31-35 (option 4) 36-40 (option 5) 41-45 (option 6) 46-50 (option 7)	RENT \$140,000 \$154,000 \$169,400 \$186,400 \$204,974 \$225,471 \$248,019 \$272,820	RETURN 4.85% 5.34% 5.87% 6.46% 7.10% 7.81% 8.59% 9.45%
REAL ESTATE TAXES	Tenant shall pay all real estate taxes directly.		
INSURANCE	Tenant shall pay all insurance costs directly.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance to the property.		
UTILITIES	Tenant shall pay for all utilities.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	Tenant shall have fifteen (15) days from receipt of an acceptable offer in order to exercise it's Right of First Refusal.		

SHEETZ REPRESENTATIVE PHOTOS



PROPERTY OVERVIEW

LOCATION

The property is strategically located at the signalized hard-corner of U.S. Route 119/University Drive and Eberly Way, with excellent visibility and access to 21,344 vehicles per day at the intersection. A total of 72,058 residents live within a 10-mile radius of the property, with an average household income of \$72,915 within a one-mile radius. The site is also poised for significant future growth, with a projected 10% average annual household income increase within one-mile of the site in the next five years.

The property is centrally located near major employers and community hubs. The location features a beneficial proximity to Lemont Furnace's largest shopping centers, including Uniontown Mall and Fayette Crossing. The site is surrounded by a strong mix of local and national retailers, including Walmart Supercenter, Target, Lowe's, The Home Depot, TJ Maxx, Big Lots, and many more. The property is centrally located within the Laurel Highlands School District (2,973 students), serving the North and South Union Townships encompassing approximately 55 square miles. The Joseph A. Hardy Connellsville Airport resides less than two miles from the site and provides a convenient stopping place for tourism in the region. The Fayette County fairgrounds is located less than three miles from the site and ranks as one of the largest fairs in Pennsylvania (100,000 attendees). The site also serves as a common gateway to Downtown Pittsburgh, the second-most populous city in Pennsylvania.

ACCESS

Access from University Drive and Eberly Way

TRAFFIC COUNTS

U.S. Route 119/University Drive: 21,344 AADT

PARKING

41 parking stalls, including two (2) handicap stalls, including six (6) gas pumps

YEAR BUILT

2021

NEAREST AIRPORT

Joseph A. Hardy Connellsville Airport (VVS | 1.5 miles)



2021

YEAR
BUILT



22K

TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**

JOSEPH A. HARDY
CONNELLVILLE
AIRPORT

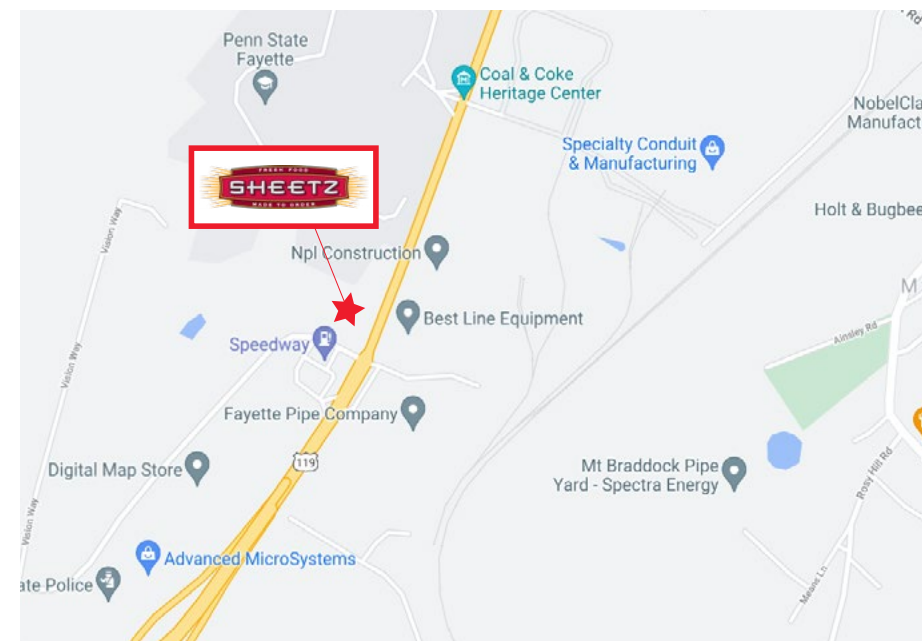
AREA OVERVIEW

Lemont Furnace is an unincorporated community within the North Union Township in Fayette County, Pennsylvania. Lemont Furnace offers residents a suburban rural mix feel, and most residents own their homes. North Union Township is in the center of Fayette County and has a population of 11,992 as of 2019 census estimates. The township is bounded on the North by Franklin and Dunbar Townships; on the East by Dunbar and Wharton Townships, on the South and Southwest by the City of Uniontown and the Township of South Union, and on the West by the Township of Menallen. Laurel Highlands School District is the main public-school district in the township and serves 2,793 students. Penn State Fayette, The Eberly Campus is a commonwealth campus of the Pennsylvania State University and located 50 miles southeast of Pittsburgh in Lemont Furnace, Pennsylvania. The campus serves students from the southwestern corner of Pennsylvania covering a five-county area that includes all or parts of Fayette, Greene, Somerset, Washington, and Westmoreland counties. Penn State Fayette combines the supportive learning environment of a small rural campus with direct access to the extensive resources and services of Penn State University. The campus also enrolls students from other states and maintains a small international student population.

Fayette County is located in southwestern Pennsylvania, adjacent to Maryland and West Virginia, and is a part of the Pittsburgh Metropolitan Statistical Area. Its county seat is in Uniontown and has a population of 129,274 as of 2019 census estimates. The southern border of Fayette County is also the southern border of Pennsylvania at both the Pennsylvania–Maryland state line (Mason–Dixon line) and the Pennsylvania–West Virginia state line. Fayette County is home to many historic sites, natural attractions, and recreational activities. The Morgantown Municipal Airport is accessible along Pennsylvania Route 43 and offers daily flights to Washington Dulles Airport (IAD) and Pittsburgh International Airport (PIT), accessing nearly 1,000 connecting flights to domestic and international destinations.

- » The largest universities in Fayette County are Laurel Business Institute (143 degrees awarded in 2019), Pennsylvania State University-Penn State Fayette- Eberly (119 degrees), and West Virginia Junior College-United Career Institute (55 degrees).
- » The Pennsylvania State Police is the largest internationally accredited law enforcement agency in the world.
- » Most residents own their home in Fayette County, with a homeownership rate of 74 percent.

MAJOR EMPLOYERS IN FAYETTE COUNTY, PA	# OF EMPLOYEES
OFFICE & ADMINISTRATIVE SUPPORT OCCUPATIONS	6,471
SALES & RELATED OCCUPATIONS	5,242
PRODUCT OCCUPATIONS	4,127
CONSTRUCTION & EXTRACTION OCCUPATIONS	4,066
MANAGEMENT OCCUPATIONS	3,691
TRANSPORTATION OCCUPATIONS	3,397
MATERIAL MOVING OCCUPATIONS	3,024
HEALTHCARE SUPPORT OCCUPATIONS	3,021
FOOD PREPARATION & SERVING OCCUPATIONS	2,959
HEALTH DIAGNOSING & TREATING PRACTITIONERS	2,829



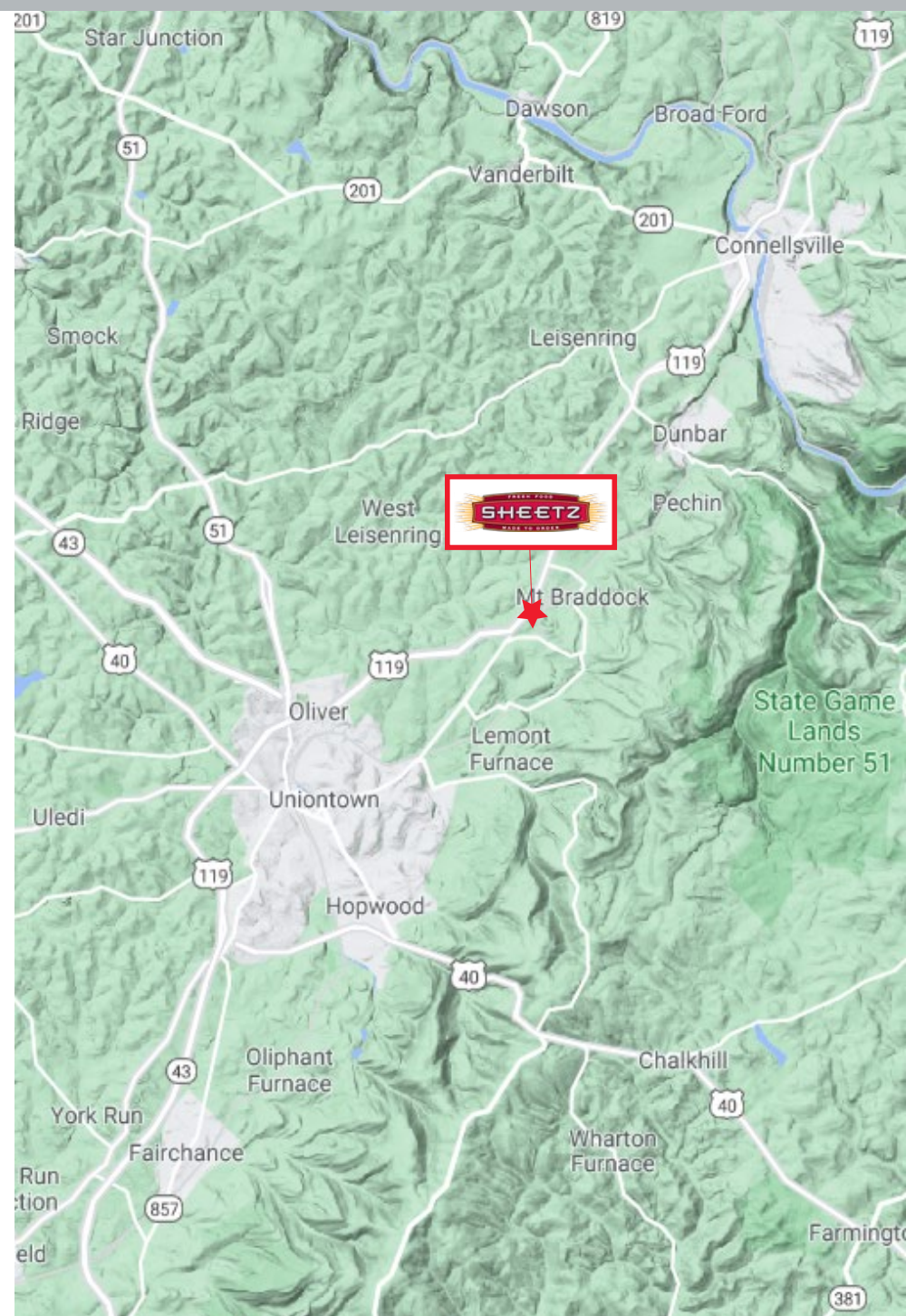
DEMOGRAPHIC PROFILE

2020 SUMMARY

	1 Mile	3 Miles	5 Miles
Population	652	6,906	25,405
Households	269	2,881	10,867
Families	185	1,950	6,645
Average Household Size	2.42	2.39	2.27
Owner Occupied Housing Units	219	2,330	7,440
Renter Occupied Housing Units	50	551	3,427
Median Age	46.9	47.9	45.9
Average Household Income	\$72,912	\$68,705	\$62,016

2025 ESTIMATE

	1 Mile	3 Miles	5 Miles
Population	637	6,706	24,461
Households	264	2,813	10,490
Families	180	1,896	6,383
Average Household Size	2.41	2.38	2.26
Owner Occupied Housing Units	215	2,274	7,170
Renter Occupied Housing Units	49	540	3,320
Median Age	48.8	49.7	47.4
Average Household Income	\$79,656	\$74,170	\$67,821



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