



OFFERING MEMORANDUM

SERVICE KING

73 Marway Cir | Rochester, NY 14624



ALPHA
REAL ESTATE ADVISORS

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EXECUTIVE SUMMARY

LIST PRICE	\$3,700,000
CAP RATE	6.60%
NOI	\$244,385
STREET ADDRESS	73 Marway Cir
CITY, STATE ZIP CODE	Rochester, NY 14624
YEAR BUILT	1988/2017 R
GLA	16,082 SF
LOT SIZE	1.48 AC

LEASE PERIOD	PERIOD BEGIN	PERIOD END	MONTHLY RENT	ANNUAL RENT	CAP RATE	RENT PSF
Base Term	1/1/22	12/31/22	\$20,365	\$244,385	6.60%	\$15.20
Base Term	1/1/23	12/31/23	\$20,875	\$250,494	6.77%	\$15.58
Base Term	1/1/24	12/31/24	\$21,396	\$256,757	6.94%	\$15.97
Base Term	1/1/25	12/31/25	\$21,931	\$263,176	7.11%	\$16.36
Base Term	1/1/26	12/31/26	\$22,480	\$269,755	7.29%	\$16.77
Base Term	1/1/27	12/31/27	\$23,042	\$276,499	7.47%	\$17.19
Base Term	1/1/28	12/31/28	\$23,618	\$283,411	7.66%	\$17.62
Base Term	1/1/29	12/31/29	\$24,208	\$290,497	7.85%	\$18.06
Base Term	1/1/30	12/31/30	\$24,813	\$297,759	8.05%	\$18.52
Base Term	1/1/31	12/31/31	\$25,434	\$305,203	8.25%	\$18.98



PROPERTY INFORMATION

TENANT	Service King
LEASE TYPE	NN
TYPE OF OWNERSHIP	Fee Simple
LEASE TERM REMAINING	10.5 Years
LEASE COMMENCEMENT	1/1/2017
LEASE EXPIRATION	12/31/2031
INCREASES	2.5% Annually
OPTIONS	(3) Three, 5 - Years
RE TAXES	Tenant Responsible
INSURANCE	Tenant Responsible
ROOF & STRUCTURE	Landlord Responsible

INVESTMENT HIGHLIGHTS

PROPERTY HIGHLIGHTS

- **Attractive Long-Term Lease** – Recently constructed 15-Year term with roughly 10.5 years remaining including Two (2), Five (5) Year Options
- **NN Lease Property** – Landlord has Minimal Responsibilities (Please contact broker for details)
- **Rare Annual Rent Increases** – Service King boasts 2.5% annual rent increases throughout the base term of the lease including the designated option periods
- **Paid Rent in Full** – Tenants have paid their respective rents in full at this location throughout the COVID-19 Pandemic giving way to strong store performance and long-term viability of the Operators' financial capacity.

LOCATION ATTRIBUTES

- **Growing Rochester Market** – This Service King is located in a developing area that is recognized as one of the top 10 best mid-sized cities for business according to 2021 article written by The Business Facilities Publication. It is also in close-proximity to popular locations near Rochester such as: Greater Rochester International Airport, University of Rochester, Rochester Institute of Technology, Susan B. Anthony Museum & a variety of national retail tenants
- **Healthy Traffic Counts** – Property is ideally positioned along the intersection of Buffalo Rd and Marway Cir that sees +/- 14,000 VPD.
- **Ideal Target Market**– Average household income ranging from roughly \$60,000 - 80,000 within a 3,5, and 10-mile radius falling in line with SK's preferred operational partners

TENANT OVERVIEW

- **Corporate Guarantee Lease** – The lease is guaranteed by Service King Paint & Body LLC
- **Top National Autp Repair Retailer** – Founded in 1976 with over 40 years in operations, Service King is one of the leading collision repair tenants with more than 345 sites nationwide.
- **Prominent Parent Company** - In addition to a minority ownership stake from The Carlyle Group, Service King was recently acquired in 2014 by the premier global investment firm, The Blackstone Group. Today, Blackstone is seen as a globally recognized multi-billion dollar investment firm that is assigned to investing on behalf of some of the largest pension funds, large institutions, and high net worth individuals.



TENANT OVERVIEW

Service King strives to be the collision repair operator of choice by providing a secure, fulfilling workplace that motivates our teammates to deliver safe, superior repairs with excellent customer service while ensuring sustainable, profitable growth and opportunity.

The Service King story begins more than 40 years ago in Dallas, Texas through the vision of Eddie Lennox, a young businessman and repair technician, who aimed to provide a different type of repair experience for customers. The business began inside a single body shop in West Dallas and through placing the customer at the center of the repair experience, Service King has steadily grown into the premier collision repair provider of choice across the U.S.



Richardson, TX
HEADQUARTERS



±345
LOCATIONS



±6,000
EMPLOYEES



\$1.0 B
REVENUE (2020)

SERVICE KING IN THE NEWS:

- [Consolidator Report](#)
- [Forecast: Expect More Private Equity Coming Into the Industry](#)
- [Service King Opens Two New Houston Locations](#)
- [Service King Launches Contactless Digital Scheduling Service](#)



PROPERTY PHOTOS



RETAIL MAP





MARKET OVERVIEW

Rochester, NY

Rochester is a city on Lake Ontario, in New York State. Old industrial buildings cluster near the Genesee River's High Falls. A vast collection of toys and dolls forms the core of the Strong National Museum of Play. Rochester combines small-town accessibility with big-city services. Amidst some of the most beautiful scenery in the United States, residents enjoy a housing market known for great bargains, short commute times, world-class cultural and entertainment offerings and a fast-growing innovation economy poised to thrive in the 21st century. From world-renowned attractions and historic museums to internationally recognized festivals, Rochester has everything a major metro city has to offer from a cultural standpoint with all the fun and beauty that comes with a four-season adventure destination.

ECONOMY

Rochester's economy benefits from many advantages, including an ample supply of fresh water from Lake Ontario and the pristine Finger Lakes, a central location among the population centers of the Northeastern United States and the innovative foundations laid by such firms as Kodak, Xerox and Bausch and Lomb. A host of colleges and universities, including the University of Rochester and the Rochester Institute of Technology, produce an educated workforce and generates cutting-edge research that drives the city's innovation and technology sectors. Rochester is emerging as the imaging, optics and photonics capital of the world and in 2015 the White House announced that new Integrated Photonics Institute for Manufacturing Innovation would be located in Rochester. Other growing industries include food-and-beverage manufacturing, biotechnology and green innovation.

Population	3-Mile	5-Mile	10-Mile
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2026 Projection	53,444	175,698	529,123
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2021 Census	53,642	176,487	530,847
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Households	3-Mile	5-Mile	10-Mile
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2021 Average Income	\$70,656	\$63,376	\$75,241
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2020 Median Income	\$57,223	\$46,803	\$56,159
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206,848
ROCHESTER, NY



+100
FAMILY-FRIENDLY
ATTRACTIONS

TOP EMPLOYERS



49,000+
WEGMAN'S FOOD MARKETS



16,000+
HRG GROUP

TRANSPORTATION

The Rochester Transit Center—located on Mortimer St. between North Clinton Ave. and St. Paul St—offers a comfortable hub for bus travelers starting at just \$1 a ride. The enclosed, climate-controlled transit center provides convenience, comfort, and safety for customers as well as visitors to downtown Rochester. The center's 30 bus bays accommodate 100 buses an hour, ensuring passengers are able to arrive on time to their destinations.

DISCLAIMERS AND AGREEMENT

Alpha Real Estate Advisors LLC ("AREA") has been retained as the exclusive listing broker to arrange the sale of the property identified herein above (the "Property").

Purpose and Intent. This Offering Memorandum ("Memorandum") has been prepared by the undersigned real estate professional, is provided in the normal course of his/her business, and is intended to express only his/her recommended listing, selling, or purchase price or a rental or lease consideration for the Property. This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, the Property, and has not been made for the purpose of submission as evidence of value to a court or administrative body. The disclosures herein are intended to supersede all prior written and oral communications and understandings regarding the Memorandum. You are advised to carefully read this Memorandum and review it with your legal and tax advisors.

Information Provided As An Opinion: The information in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. This Memorandum does not contain all the information that you may need or desire to evaluate the Property. All information in this Memorandum and any other written or oral communication transmitted to you in the course of your evaluation of the Property is presented "as is" without representation or warranty, express or implied, of any kind by AREA, Owner/Seller, or either's respective subsidiaries, agents, affiliates, members, officers, and/or employees. AREA assumes no responsibility for this Memorandum, and hereby disclaims any and all liability for representations, expressed or implied, contained in, or for omissions from, this Memorandum. This Memorandum is subject to prior placement, errors, omissions, changes, or withdrawal without notice and does not constitute a recommendation, suitability determination, or endorsement as to the Property's value by AREA or Owner/Seller. This Memorandum contains certain documents, which are described in summary form and do not purport to be complete or accurate descriptions of, nor do they constitute a legal analysis of, the full documents involved. All such summaries are qualified in their entirety by reference to such documents. All references to acreage(s), square footage(s), and other measurements are approximations. Neither AREA nor Owner/ Seller undertakes any responsibility or compulsion to update any of the information discussed herein. Any information and expressions of opinion herein contained are subject to change without notice. Neither the delivery of this Memorandum nor the purchase of the Property shall, under any circumstance(s), create an implication that there has been no change in the affairs of the Property since the date this Memorandum was created or provided to you.

By accepting this Memorandum, you agree that in determining the advisability of purchasing the Property, you shall not rely on this Memorandum or upon any other materials or information provided AREA or its brokers, but rather that you shall rely solely upon your own examination (including engineering and environmental inspections) and investigation of the Property at your own cost prior to purchasing the Property. An opportunity to inspect the Property will be made available to you upon written request. You acknowledge AREA is not acting as an attorney, tax advisor, surveyor, appraiser, structural engineer, and that you should consult such professionals.

This Memorandum is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make sure offer or solicitation. ALL INFORMATION CONTAINED HEREIN IS A STATEMENT OF OPINION. ANY RELIANCE ON THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

Forward-Looking Statements and Financial Projections. All statements herein, other than statements of historical fact, are statements that could be deemed "forward-looking" statements with respect to the anticipated future performance of the Property, including any financial projections, statements regarding future economic conditions or performance, and statements of belief and of assumptions underlying any of the foregoing. These projections and statements are provided for general reference purposes only and may involve known and unknown risks and various assumptions subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of AREA and/or Owner/ Seller, and which therefore are subject to material change and/or variation. Accordingly, there can be no assurance that such projections or forward-looking statements will be realized. Potential purchasers of the Property are cautioned that the actual results, performance, and/or achievements may vary materially from anticipated results, performance, and/or achievements. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections of forward-looking statements based thereon. YOU MAY NOT RELY UPON THE FINANCIAL PROJECTIONS, AS THEY ARE ILLUSTRATIVE ONLY.

COVID-19 Pandemic. The World Health Organization has characterized the outbreak of COVID-19 that is currently affecting many parts of the world, including the United States and NC, as a pandemic (the "Pandemic"). The Pandemic has negatively affected travel, commerce, and financial markets globally. While the potential future impact of the Pandemic cannot be quantified at this time, it is expected that the continued outbreak of COVID-19 could have an adverse impact on property values, including the value of the Property.

Owner's/Seller's Reserved Rights. Owner/Seller expressly reserves the right, at its sole discretion, to reject any or all expressions of interest and/or to terminate discussions with any party at any time with or without notice and for any reason. Owner/Seller shall have no legal commitment or obligation to any recipient of this Memorandum unless a written agreement for the purchase of the Property has been executed, delivered, and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or affirmatively waived. The Owner/Seller reserves the right to move forward with an acceptable offer on the Property prior to the call for offers deadline.

Confidentiality: The Property is privately offered, and your receipt of this Memorandum serves to evidence your agreement that: (i) this Memorandum is subject to the Confidentiality and Non-Circumvention Agreement you previously executed with AREA, (ii) this Memorandum is furnished to you for the sole purpose of evaluating your interest in the Property, (iii) you will return the Memorandum if requested to do so by AREA, (iv) you will not use any part of this Memorandum in a manner detrimental to Owner/Seller or AREA, and (v) you will not reproduce or disclose any portion of this Memorandum to anyone without the prior written authorization of AREA. These terms and conditions apply to this Memorandum and all documents and other information provided in connection herewith.



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