

EQUITY RETAIL BROKERS



VIEW AERIAL TOUR ►



OFFERING MEMORANDUM

Santander Bank | 12 Parkside Ave, Shillington, PA 19607

David Laiter | 484.482.2550
dlaiter@equityretailbrokers.com

Equity Retail Brokers
531 W. Germantown Pike, Suite 103
Plymouth Meeting, PA 19462
(office) 610.645.7700
equityretailbrokers.com

TABLE OF CONTENTS

12 Parkside Ave, Shillington, PA 19607

Executive Summary & Investment Highlights

Rent Schedule

Lease Summary

Property Overview

Tenant Summary

Site & Market Aerials

Location Overview

Subject Property Photos

Demographics

Confidentiality & Disclaimer

This report and any attachments to it contain information from Equity Retail Brokers, Inc. which is confidential and privileged. Some information may have been obtained from sources considered to be reliable, but Equity Retail Brokers, Inc. makes no representations and/or warranties, expressed or implied, as to the accuracy of the information. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility. Equity Retail Brokers, Inc is licensed in PA, NJ, & DE.



SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

EXECUTIVE SUMMARY

Equity Retail Brokers is pleased to offer qualified investors the opportunity to acquire the sale of a Santander Bank branch in Shillington, PA with nearly \$127 Million in deposits in 2021 (Source: FDIC). Shillington is an immediate suburb of the City of Reading located in Berks County, PA. This asset sits on approximately 1.28 acres, and has been operating very successfully as branch since February, 1997. Originally an office for Sovereign Bank, the control of this branch was transferred to Santander Bank after their acquisition of Sovereign in 2011.

Santander Bank has about 3.5 years of term remaining on an absolute NNN lease, leaving the landlord with no responsibilities for operating or maintaining, or capital expenses related to the property. There are currently two (2) additional 5-year options remaining with fair market value rental increases in each option period. The lease is backed by a corporate guarantee from Banco Santander, a publicly traded company headquartered in Boston, MA with an S&P 500 credit rating of A- and a Moody's rating of A2 (NYSE - SAN).

The subject property sits in Shillington, PA, which is about 4 miles Southeast of Downtown Reading, PA, a city that is the halfway point between the Lehigh Valley and Lancaster. This property sits on the pad site to Shillington Plaza, a Grocery Outlet anchored center featuring Dollar Tree, Domino's, and Wells Fargo, and Seidel Hyundai on pad sites. Just down the street is Lancaster Pike, a stretch of road that consists of retailers such as Sheetz, Wawa, Ollie's Outlet, Arby's, KFC, Fulton Bank, Dunkin', Walgreens, and Riverfront Credit Union. Across Revere Blvd is The Highlands at Wyomissing, a premier Senior Living facility with over 25 years of experience.



INVESTMENT HIGHLIGHTS

STRONG TENANT

- > Tenant: Santander Bank
- > S&P Credit Rating: A- | Moody's Credit Rating: A2
- > Corporate Guarantee

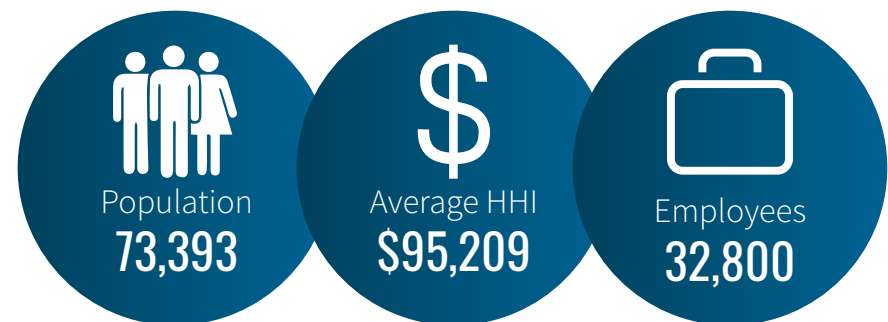
STABLE INCOME

- > Successful Branch - \$127 Million in 2021 deposits! (5th highest amongst Santander branches in Berks County)
- > Successful branch amongst all immediate bank branches
 - 10th Highest Deposits within a 5-mile radius (29 branches)
 - 9th Highest Deposits within a 3-mile radius (26 branches)
- > 20+ Year Operating History
- > Absolute NNN Lease – No Landlord Responsibilities

STRONG RETAIL LOCATION

- > Traffic Count: Revere Blvd: 12,345 ADT
- > Located on a pad site of Shillington Plaza

DEMOGRAPHIC OVERVIEW (3-MILE RADIUS)



SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

	YEAR	TERM	RENT (ANNUALLY)	RENT (MONTHLY)	RENT PSF
INITIAL TERM	1	2/13/1997	2/12/1998	Unknown	Unknown
	2	2/13/1998	2/12/1999	Unknown	Unknown
	3	2/13/1999	2/12/2000	Unknown	Unknown
	4	2/13/2000	2/12/2001	Unknown	Unknown
	5	2/13/2001	2/12/2002	Unknown	Unknown
	6	2/13/2002	2/12/2003	Unknown	Unknown
	7	2/13/2003	2/12/2004	Unknown	Unknown
	8	2/13/2004	2/12/2005	Unknown	Unknown
	9	2/13/2005	2/12/2006	Unknown	Unknown
	10	2/13/2006	2/28/2007	Unknown	Unknown
OPTION 1 (EXERCISED)	11	3/1/2007	2/28/2008	\$72,000	\$6,000
	12	3/1/2008	2/28/2009	\$72,000	\$6,000
	13	3/1/2009	2/28/2010	\$72,000	\$6,000
OPTION 2 (EXERCISED)	14	3/1/2010	2/28/2011	\$74,160	\$6,180
	15	3/1/2011	2/28/2012	\$74,160	\$6,180
	16	3/1/2012	2/28/2013	\$74,160	\$6,180
OPTION 3 (EXERCISED)	17	3/1/2013	2/28/2014	\$79,200	\$6,600
	18	3/1/2014	2/28/2015	\$79,200	\$6,600
	19	3/1/2015	2/28/2016	\$79,200	\$6,600
	20	3/1/2016	2/28/2017	\$79,200	\$6,600
	21	3/1/2017	2/28/2018	\$79,200	\$6,600
OPTION 4 (EXERCISED)	22	3/1/2018	2/28/2019	\$76,500	\$6,300
	23	3/1/2019	2/28/2020	\$76,500	\$6,300
	24	3/1/2020	2/28/2021	\$76,500	\$6,300
	25	3/1/2021	2/28/2022	\$76,500	\$6,300
	26	3/1/2022	2/28/2023	\$76,500	\$6,300
	27	3/1/2023	2/28/2024	\$76,500	\$6,300
	28	3/1/2024	2/28/2025	\$76,500	\$6,300
OPTION 5	29	3/1/2025	2/28/2026	FMV	FMV
	30	3/1/2026	2/28/2027	FMV	FMV
	31	3/1/2027	2/28/2028	FMV	FMV
	32	3/1/2028	2/28/2029	FMV	FMV
	33	3/1/2029	2/28/2030	FMV	FMV
OPTION 6	34	3/1/2030	2/28/2031	FMV	FMV
	35	3/1/2031	2/28/2032	FMV	FMV
	36	3/1/2032	2/28/2033	FMV	FMV
	37	3/1/2033	2/28/2034	FMV	FMV
	38	3/1/2034	2/28/2035	FMV	FMV

SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

PRICE	NET OPERATING INCOME	CAP RATE
\$995,000	\$76,500	7.68%

LEASE SUMMARY

TENANT	SANTANDER BANK
TYPE OF LEASE	Absolute NNN
INITIAL LEASE COMMENCEMENT	February 13, 1997
CURRENT LEASE EXPIRATION DATE	February 28, 2025
REMAINING TERM	3.5 Years
RENEWAL OPTIONS REMAINING	Two (2) 5 -Year Options
RENT INCREASES	FMV in Options
PROPERTY TAXES	Tenant
ROOF, STRUCTURE & PARKING LOT	Tenant
COMMON AREA MAINTENANCE	Tenant
INSURANCE	Tenant
UTILITIES	Tenant
REPAIRS & MAINTENANCE	Tenant
RIGHT OF FIRST REFUSAL	No
RIGHT TO TERMINATE	Subject to a fee of \$24,400 and twelve (12) months written notice, Santander has the right to terminate the lease at any time.



SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

PROPERTY OVERVIEW	
SALE PRICE	\$995,000
CAP RATE	7.68%
NOI	\$76,500
2021 DEPOSIT COUNT	\$126,911,000
ADDRESS	12 Parkside Ave, Shillington, PA 19607
BUILDING	Free Standing Bank
YEAR BUILT	1997
BUILDING SIZE	+/- 5,468 Sq. Ft.
DRIVE THRU LANES	3
LOT SIZE	+/- 1.28 Acres
ZONING	HC – Highway Commercial
PARKING	+/- 32 private spaces (5.85 spaces per 1,000 SF)
TRAFFIC COUNTS	Revere Blvd: 12,345 ADT Lancaster Pike: 12,398 ADT <small>Source: PA DOT 2017</small>
PROPERTY TAXES	\$24,628.18
TYPE OF OWNERSHIP	Fee Simple

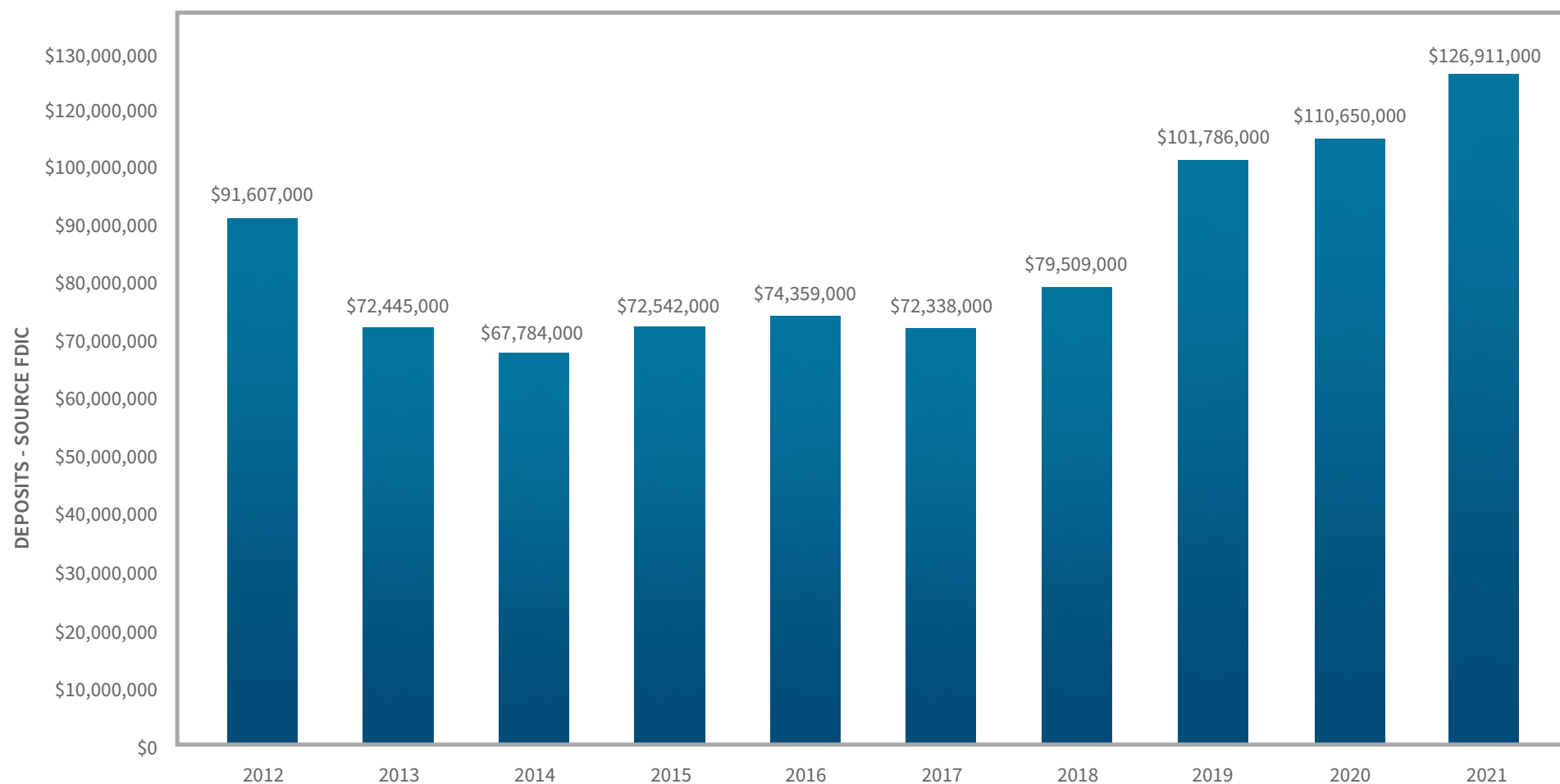
DEMOGRAPHICS	2021	1-MILE	3-MILE	5-MILE
Estimated Population (Projected 2024)		11,056 (11,073)	73,393 (73,790)	172,706 (172,914)
Estimated Average HH Income (Projected 2024)		\$100,618 (\$120,464)	\$95,209 (\$112,956)	\$76,819 (\$90,960)
Daytime Demographics		6,865	57,937	122,923
Demographic Source: Applied Geographic Solutions 2021				



SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
\$91,607,000	\$72,445,000	\$67,784,000	\$72,542,000	\$74,359,000	\$72,338,000	\$79,509,000	\$101,786,000	\$110,650,000	\$126,911,000

TEN YEAR HISTORY OF DEPOSITS 2012 TO 2021



SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

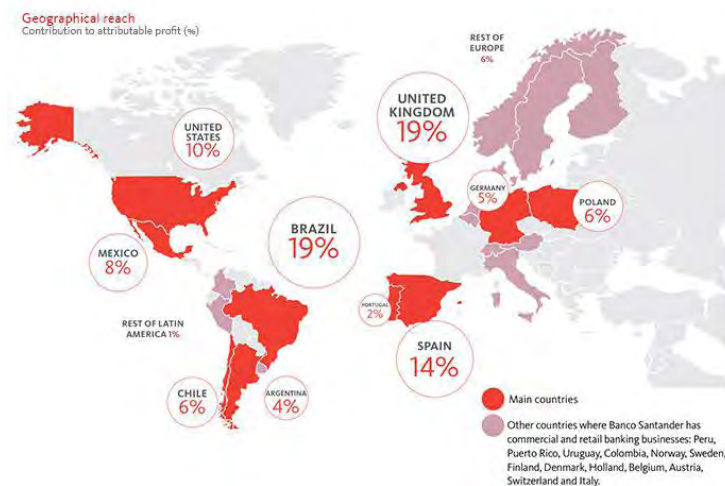
Santander Bank, N. A., formerly Sovereign Bank, is a wholly owned subsidiary of Spanish Santander Group. It is based in Boston and its principal market is the northeastern United States. It has \$54.7 billion in deposits, operates about 650 retail banking offices, over 2,000 ATMs, and employs approximately 9,800 people. It offers an array of financial services and products including retail banking, mortgages, corporate banking, cash management, credit card, capital markets, trust and wealth management, and insurance.

Santander Bank, N.A., was founded in 1902 as Sovereign Bank, a savings and loan in Wyomissing, Pennsylvania. The company's earliest customers were largely textile workers. Sovereign expanded rapidly during the savings and loan crisis of the 1980s and 1990s, acquiring numerous other banks. In 2000, Sovereign became the third-largest retail bank in the Boston area when it bought 278 New England branches from the newly merged FleetBoston Financial. This transaction was driven by a requirement from bank regulators that Fleet Bank and BankBoston divest 306 branches as a condition for merger.

Forty-five years before the founding of Sovereign Bank, its future parent was founded as Banco Santander on 15 May 1857, with the approval of Queen Isabel II of Spain. The bank grew and in the 1920s started to build a network of branches. In June 2006, Banco Santander purchased almost 20% of Sovereign Bank for US \$2.4 billion. As Banco Santander owned 25% of Sovereign, it had the right to buy the bank for \$40 per share for one year beginning in the middle of 2008. On June 1, 2006, Sovereign Bank purchased Independence Community Bank Corp. of Brooklyn, New York, for US \$3.6 billion in cash. Sovereign completed the transition process of Independence and S.I. Bank & Trust customers on September 9, 2006. Sovereign financed this merger through its partial sale to Spain's Banco Santander Central Hispano.

On October 13, 2008, Banco Santander purchased the remainder of Sovereign for US \$1.9 billion (1.4 billion euros). Sovereign Bank was severely affected by losses related to auto loans and stock in Fannie Mae and Freddie Mac. Banco Santander had previously seen a loss of over \$1 billion on its investment in Sovereign, when the latter's share price tumbled after being downgraded by Moody's in September 2008. On January 30, 2009, Banco Santander completed its acquisition of Sovereign Bank, for about \$2.51 per share. In August 2011,

the bank announced its plans to formally relocate its U.S. headquarters from Wyomissing, Pennsylvania, to Boston, Massachusetts, where its top executives had already been located for the previous few years. In late September 2011, the bank announced that it would officially change its name to "Santander" as part of its parent company's goal to create a global brand. The rebranding was completed on October 17, 2013.







SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

LOCATION OVERVIEW

Reading is a city in and the county seat of Berks County, Pennsylvania, United States. With a population of 87,575, it is the fifth-largest city in Pennsylvania. Located in the southeastern part of the state, it is the principal city of the Greater Reading Area, and is furthermore included in the Philadelphia-Reading-Camden PA-NJ-DE-MD Combined Statistical Area.

The city, which is approximately halfway between the state's most populous city, Philadelphia, and the state capital, Harrisburg (as well as about halfway between Allentown and Lancaster) is strategically situated along a major transportation route from Central to Eastern Pennsylvania, and lent its name to the now-defunct Reading Railroad, which transported anthracite coal from the Pennsylvania Coal Region to the eastern United States via the Port of Philadelphia. Reading Railroad is one of the four railroad properties in the classic United States version of the *Monopoly* board game.

Reading was one of the first localities where outlet shopping became a tourist industry. It has been known as "The Pretzel City", because of numerous local pretzel bakeries. Currently, Bachman, Dieffenbach, Tom Sturgis, and Unique Pretzel bakeries call the Reading area home.

According to the 2010 census, Reading has the highest share of citizens living in poverty in the nation.

In recent years, the Reading area has become a destination for cyclists. With more than 125 miles of trails in five major preserves, it is an International Mountain Bicycling Association Ride Center and held the Reading Radsport Festival on September 8–9, 2017.

In April 2017, it was announced that an indoor velodrome, or cycling track, will be built in Reading as the first of its kind on the East Coast and only the second in the entire country. Albright College and the World Cycling League formally announced plans April 6, 2017, to build the \$20 million, 2,500-seat facility, which will be called the National Velodrome and Events Center at Albright College. It will also serve as the Cycling League's world headquarters.



Reading is known for multiple sports franchises, all of which have a long history of success creating professional athletes at the highest levels.

- The Reading Fightin Phils, the Double-A minor league affiliate of the Philadelphia Phillies, who play at FirstEnergy Stadium.
- Reading United AC, USL League Two affiliate of the Philadelphia Union, are considered one of the top amateur soccer teams in the United States. The team most recently played in the first PDL Championship in team history in 2018. Over 110 alumni from the team have gone on to play soccer professionally.
- The open-wheel racing portion of Penske Racing had been based in Reading, Pennsylvania since 1973 with the cars, during the F1 and CART era, being constructed in Poole, Dorset, England as well as being the base for the F1 team. On October 31, 2005, Penske Racing announced after the 2006 IRL season, they would consolidate IRL and NASCAR operations at the team's Mooresville, North Carolina facility; with the flooding in Pennsylvania in 2006, the team's operations were moved to Mooresville earlier than expected. Penske Truck Leasing is still based in Reading.
- Reading played host to a stop on the PGA Tour, the Reading Open, in the late 1940s and early 1950s.

A few notable Reading natives include: Taylor Swift, Donyell Marshall (former Philadelphia 76ers forward), Betsy King (professional golfer – a member of the World Golf Hall of Fame), Lenny Moore (Baltimore Colts running back), Carl Furillo (Brooklyn Dodgers outfield).

SANTANDER BANK | 12 Parkside Ave, Shillington, PA 19607

LOCATION OVERVIEW, CONT

➤ Vibrant Economy: As of the 2018 Census, Berks County is estimated to have approximately 420,152 residents. Berks County ranks 9th in the State of Pennsylvania in this category.

➤ Top-5 Largest Employers in Berks Counties:

- East Penn Manufacturing Co, Inc.
- Berks County Government
- Tower Health
- Carpenter Technology Corp.
- Pennsylvania State Government

Reading developed during the 1740s when the inhabitants of northern Lancaster County sent several petitions requesting that a separate county be established. With the help of German immigrant Conrad Weiser, the county was formed on March 11, 1752, from parts of Chester County, Lancaster County, and Philadelphia County.

It was named after the English county in which William Penn's family home lay - Berkshire, which is often abbreviated to Berks. Berks County began much larger than it is today. The northwestern parts of the county went to the founding of Northumberland County in 1772 and Schuylkill County in 1811, when it reached its current size. In 2005, Berks County was added to the Delaware Valley Planning Area due to a fast-growing population and close proximity to the other communities.

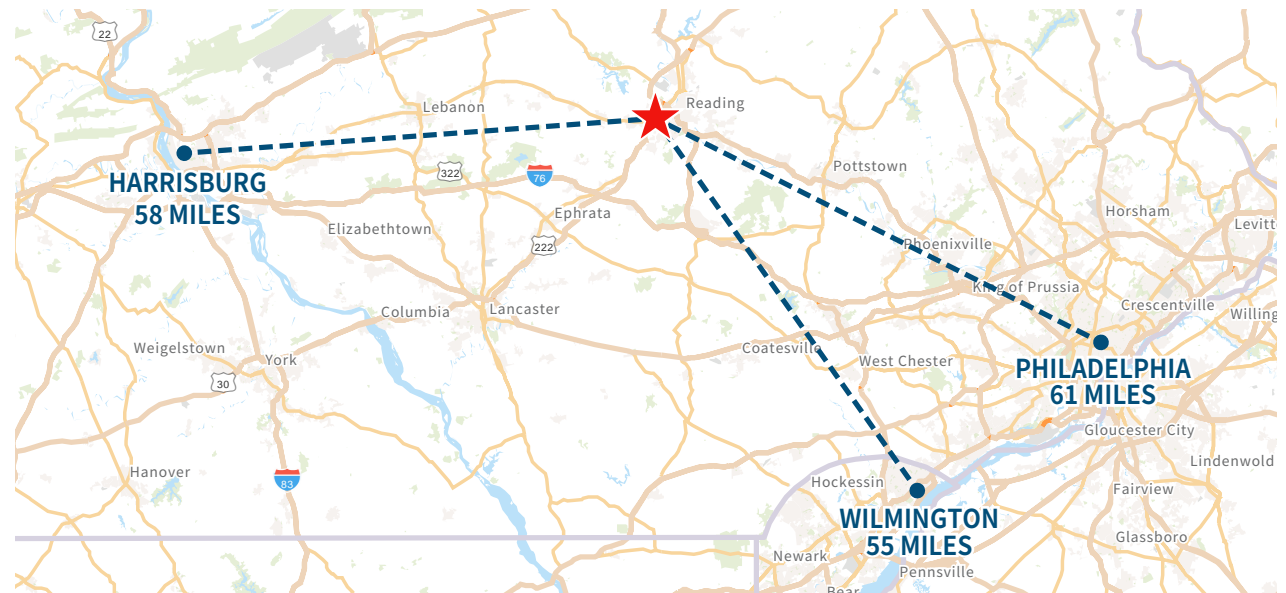
The United States Office of Management and Budget has designated Berks County as the Reading, PA Metropolitan Statistical Area (MSA). As of the 2010 U.S. Census the metropolitan area ranked 10th most populous in the State of Pennsylvania and the 128th most populous in the United States with a population of 413,491. Berks County is also a part of the larger Philadelphia-Reading-Camden, PA-NJ-DE-MD Combined Statistical Area (CSA), which combines the populations of Berks County as well as several counties around Philadelphia and in the states of Delaware, Maryland and New Jersey. The Combined Statistical Area is the largest in the State of Pennsylvania and 8th most populous in the United States with a population of 7,067,807.

Easy Access to Major Cities:

- Wilmington – 55 Miles South
- Harrisburg – 58 Miles West
- Philadelphia – 61 Miles Southeast

Transportation:

- Lehigh Valley International Airport – 1-hour drive
- Philadelphia International Airport – 1 hour and 12-minute drive
- Newark International Airport – 2 hours and 5-minute drive











DEMOGRAPHIC SUMMARY

2000-2010 Census, 2021 Estimates with 2026 Projections
Calculated using Weighted Block Centroid from Block Groups

12 Parkside Ave, Reading, PA 19607		1 Mile Radius	3 Mile Radius	5 Mile Radius
POPULATION	2021 Estimated Population	11,056	73,393	172,706
	2026 Projected Population	11,073	73,790	172,914
	2010 Census Population	10,746	71,081	167,268
	2000 Census Population	10,022	64,844	152,083
	Projected Annual Growth 2021 to 2026	-	0.1%	-
	Historical Annual Growth 2000 to 2021	0.5%	0.6%	0.6%
HOUSEHOLDS	2021 Median Age	43.0	41.7	36.7
	2021 Estimated Households	4,689	29,369	64,348
	2026 Projected Households	4,770	29,951	65,349
	2010 Census Households	4,591	28,586	62,636
	2000 Census Households	4,297	26,510	59,352
	Projected Annual Growth 2021 to 2026	0.3%	0.4%	0.3%
RACE & ETHNICITY	Historical Annual Growth 2000 to 2021	0.4%	0.5%	0.4%
	2021 Estimated White	84.7%	79.8%	62.8%
	2021 Estimated Black or African American	5.7%	7.9%	12.0%
	2021 Estimated Asian or Pacific Islander	2.6%	2.9%	2.1%
	2021 Estimated American Indian or Native Alaskan	0.2%	0.3%	0.6%
	2021 Estimated Other Races	6.8%	9.1%	22.5%
INCOME	2021 Estimated Hispanic	12.8%	16.5%	37.6%
	2021 Estimated Average Household Income	\$100,618	\$95,209	\$76,819
	2021 Estimated Median Household Income	\$79,263	\$74,381	\$59,970
EDUCATION (AGE 25+)	2021 Estimated Per Capita Income	\$42,709	\$38,292	\$28,791
	2021 Estimated Elementary (Grade Level 0 to 8)	1.9%	3.2%	7.7%
	2021 Estimated Some High School (Grade Level 9 to 11)	4.0%	5.1%	9.5%
	2021 Estimated High School Graduate	31.9%	31.2%	33.2%
	2021 Estimated Some College	18.0%	16.6%	16.4%
	2021 Estimated Associates Degree Only	10.1%	9.4%	8.1%
	2021 Estimated Bachelors Degree Only	20.9%	21.9%	16.2%
	2021 Estimated Graduate Degree	13.2%	12.7%	9.0%
BUSINESSES	2021 Estimated Total Businesses	354	2,865	5,619
	2021 Estimated Total Employees	3,163	32,800	62,511
	2021 Estimated Employee Population per Business	8.9	11.4	11.1
	2021 Estimated Residential Population per Business	31.3	25.6	30.7

This report was produced using data from private and government sources deemed to be reliable. The information herein is provided without representation or warranty.

CONFIDENTIALITY STATEMENT | DISCLAIMER
SANTANDER BANK | 12 PARKSIDE AVE, SHILLINGTON, PA 19607

The information contained in this Offering Memorandum is proprietary and strictly confidential. It is furnished solely for the purpose of review by a prospective purchaser of the subject property and is not to be used for any other purposes or made available to any person without the expressed written consent of the Seller or Equity Retail Brokers.

The information in this prospectus has been compiled from sources deemed to be reliable. However, neither the information nor the reliability of their sources are guaranteed by Equity Retail brokers or the Seller. Neither Equity Retail Brokers nor the Seller have verified, and will not verify, any of the information contained herein, nor has Equity Retail Brokers or the Seller conducted any investigation regarding the information contained herein. Neither Equity Retail Brokers nor the Seller makes any representation or warranty whatsoever regarding the accuracy or completeness of the information provided herein.

A prospective purchaser must make its own independent investigations, projections, and conclusions regarding the acquisition of the property without reliance on this or any other confidential information, written or verbal, from Equity Retail Brokers or the Seller. This Confidential Offering Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. This Confidential Offering Memorandum does not constitute an offer of security.

Prospective purchasers are recommended to seek professional advice. This includes legal, tax, environmental, engineering and other as deemed necessary relative to a purchase of this property. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility.

The Owner expressly reserves the right, at its sole discretion, to reject any offer to purchase the property or to terminate any negotiations with any party, at any time, with or without written notice. The Seller and Equity Retail Brokers reserve the right to negotiate with one or more prospective purchasers at any time.

Only a fully-executed Real Estate Purchase Agreement, approved by Seller, shall bind the property. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or the information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in a fully executed Real Estate Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or Equity Retail Brokers or any of their affiliates, officers, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Each prospective purchaser and/or broker proceeds at its own risk.

Equity Retail Brokers, Inc is licensed in PA, NJ, & DE.

AGENTS

David Laiter

Equity Retail Brokers, Inc.

531 W. Germantown Pike, Suite 103

Plymouth Meeting, PA 19462

Office 610.645.7700 x150

Fax 610.645.5454

dlaiter@equityretailbrokers.com

David Laiter is a licensed real estate salesperson in PA & NJ.