



# SHEETZ GROUND LEASE

WARREN, OHIO

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$2,906,000 | 4.75% CAP RATE**

- » New 15-Year Absolute NNN Ground Lease with Scheduled Rental Increases
  - » Sheetz Corporate Guaranty (634+ Locations Nationwide)
  - » Sheetz is Investing a Significant Capital Contribution to Building Improvements Demonstrating Their Commitment to the Property
- » High-Traffic Location in Densely Populated and Growing Cleveland Suburb
  - » Located Near the Signalized, Hard-Corner Intersection of East Market Street and North Road Northeast (52,702 AADT)
  - » 82,656 Residents Within a Five-Mile Radius of the Property
- » New 2022 High-Quality Construction Featuring a Freestanding C-Store, Drive-Thru, and Eight Canopied Fuel Pumps

FILE PHOTO



Cushman and Wakefield Inc. LIC. # 00616335

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

# TABLE OF CONTENTS



<b>INVESTMENT SUMMARY</b>	<b>1</b>
<b>AERIALS</b>	<b>2</b>
<b>SITE PLAN</b>	<b>6</b>
<b>TENANT SUMMARY</b>	<b>7</b>
<b>PROPERTY OVERVIEW</b>	<b>10</b>
<b>AREA OVERVIEW</b>	<b>11</b>
<b>DEMOGRAPHIC PROFILE</b>	<b>12</b>

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.

## LEAD BROKERS

### **RYAN FORSYTH**

*Executive Managing Director*  
415.413.3005  
ryan.forsyth@cushwake.com  
CA RE License #01716551

### **VINCENT AICALE**

*Executive Managing Director*  
415.690.5522  
vince.aicale@cushwake.com  
CA RE License #01728696

### **MICHAEL T. YURAS, CCIM**

*Vice Chairman*  
415.481.0788  
michael.yuras@cushwake.com  
CA RE License #01823291

### **SCOTT CROWLE**

*Executive Managing Director*  
415.604.4288  
scott.crowle@cushwake.com  
CA RE License #01318288

**YURAS  
AICALE  
FORSYTH  
CROWLE**

Leased Investment Team

[www.YAFteam.com](http://www.YAFteam.com)



# INVESTMENT SUMMARY

<b>ADDRESS</b>	At or near 3919, 3921, 4013 East Market Street, Warren, OH		
<b>PRICE</b>	<b>\$2,906,000</b>		
<b>CAP RATE</b>	<b>4.75%</b>		
<b>NOI</b>	\$138,000		
<b>TERM</b>	15 years		
<b>RENT COMMENCEMENT</b>	August 23, 2022 (estimated)		
<b>LEASE EXPIRATION</b>	August 31, 2037 (estimated)		
<b>RENTAL INCREASES</b>	10% rental increases in option periods		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-15	\$138,000	4.75%
	16-20 (option 1)	\$151,800	5.23%
	21-25 (option 2)	\$166,980	5.75%
	26-30 (option 3)	\$183,678	6.32%
	31-35 (option 4)	\$202,046	6.95%
	36-40 (option 5)	\$222,250	7.65%
	41-45 (option 6)	\$244,475	8.41%
	46-50 (option 7)	\$268,923	9.26%
<b>YEAR BUILT</b>	2022		
<b>BUILDING SF</b>	6,077 SF		
<b>PARCEL SIZE</b>	2.31 acres (100,624 SF)		
<b>LEASE TYPE</b>	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

- » New 15-year absolute NNN ground lease with 10 percent rental increases every option, providing an excellent hedge against inflation
- » Absolute NNN lease requires no landlord management, ideal for an out of area investor
- » Sheetz is one of the largest privately owned chains of convenience stores in the U.S.
- » Sheetz is investing significant capital into the construction, providing a safe investment for passive investors

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED AND GROWING CLEVELAND SUBURB

- » Located near the signalized, hard-corner intersection of East Market Street and North Road Northeast (52,702 AADT)
- » 82,656 residents within a five-mile radius of the property, establishing a large customer base for the site
- » Projected 11 percent average annual household income increase within five miles of the site in the next five years, poising Sheetz and the immediate trade area for significant concurrent growth
- » Surrounded by high-density single-family housing developments and large townhouse complexes

## CENTRAL LOCATION NEAR WARREN'S MOST PROMINENT COMMUNITY HUBS

- » Located in a dense retail corridor with nearby national brands such as Rite Aid, McDonald's, Burger King, Pizza Hut, Arby's, Dunkin', PNC Bank, Shell, and many more
- » One mile from Mercy Health - Saint Joseph Warren Hospital (127 beds, \$848M in total patient revenue)
- » Three miles from Eastwood Mall Complex, a 1.6 million SF shopping center featuring 50 stores and five anchor tenants (Bosco's, Dillard's, JCPenney, Macy's, Target)
- » Centrally located between Cleveland (385,282 population) and Pittsburgh (302,205 population)

## NEW 2022 CONSTRUCTION TO TENANT'S LATEST PROTOTYPE

- » Location includes a freestanding c-store, a drive-thru, and eight canopied gas pumps for added customer convenience
- » Large, 2.31-acre lot with ample parking available
- » Easy access location with multiple entry and exit routes







Eastwood Mall Complex

★ macy's Dillard's *Boscov's*

**TARGET** jcpenney

**BEST BUY** **THE HOME DEPOT** **KOHL'S**

**DOLLAR GENERAL** *Walgreens*

**HARBOR FREIGHT TOOLS**

Quality Tools at Ridiculously Low Prices



East Market Street  
(41,019 AADT)

State Route 82  
(11,816 AADT)

North Road Northeast  
(11,683 AADT)

Trumbull Country Club





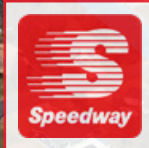
North Road Northeast  
(11,683 AADT)

Trumbull Country Club



82 State Route 82  
(11,816 AADT)

East Market Street  
(41,019 AADT)





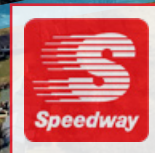


Trumbull Regional  
Medical Center

Trumbull Country  
Club



North Road Northeast  
(11,683 AADT)



East Market Street  
(41,019 AADT)

82 State Route 82  
(11,816 AADT)





Howland High School  
(820 students)



**82** State Route 82  
(11,816 AADT)



North Road Northeast  
(11,683 AADT)

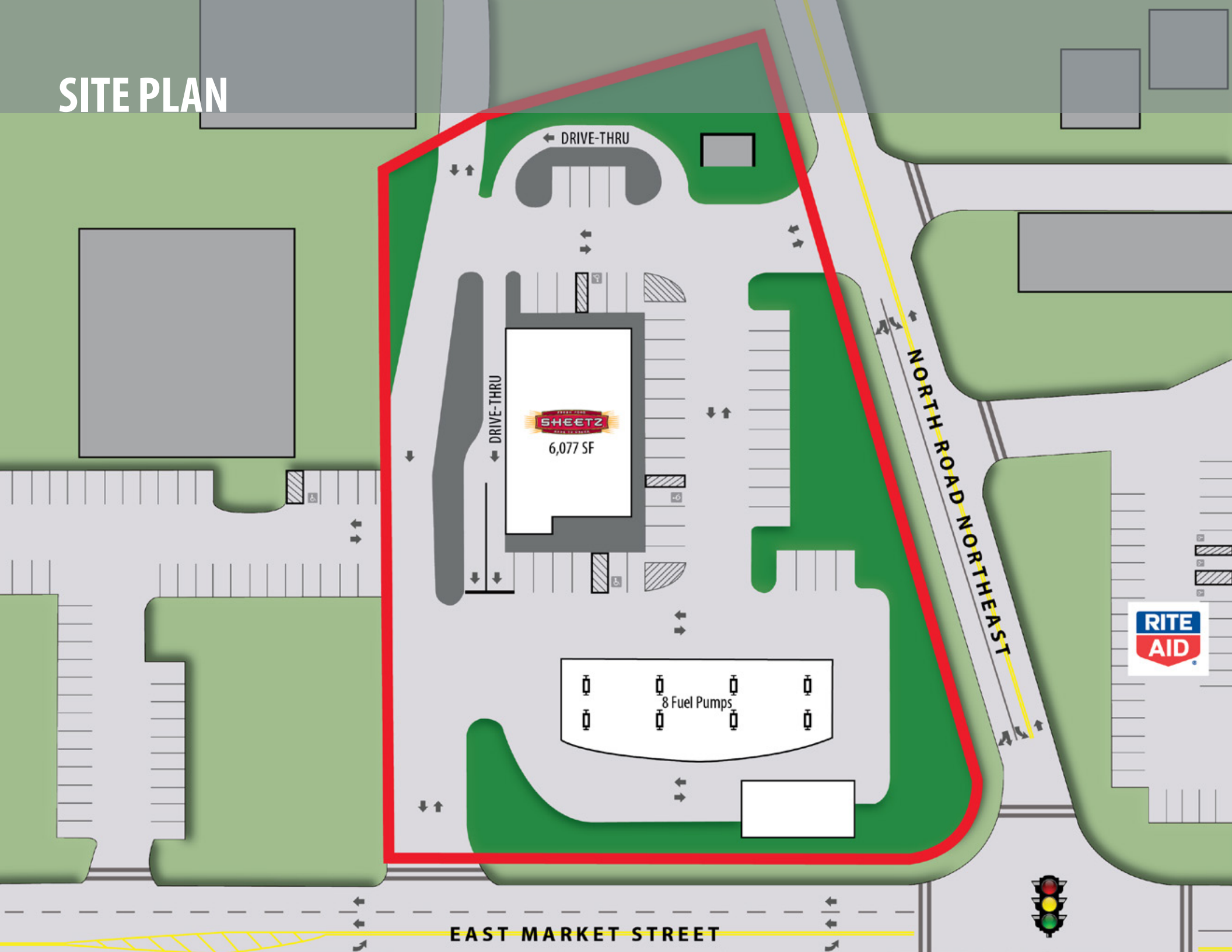


East Market Street  
(41,019 AADT)





# SITE PLAN





# 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 634 stores across six states—Pennsylvania, Maryland, Virginia, West Virginia, Ohio and North Carolina—and anticipates a 5 percent 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 Dunnhumby, 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](http://www.sheetz.com)

# LEASE ABSTRACT

<b>TENANT</b>	Sheetz, Inc.		
<b>ADDRESS</b>	<a href="#">At or near 3919, 3921, 4013 East Market Street, Warren, OH 44484</a>		
<b>RENT COMMENCEMENT</b>	August 23, 2022 (estimated)		
<b>LEASE EXPIRATION</b>	August 31, 2037 (estimated)		
<b>RENEWAL OPTIONS</b>	Seven (7) option periods of five (5) years each		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 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)	<b>RENT</b> \$138,000 \$151,800 \$166,980 \$183,678 \$202,046 \$222,250 \$244,475 \$268,923	<b>RETURN</b> 4.75% 5.23% 5.75% 6.32% 6.95% 7.65% 8.41% 9.26%
<b>REAL ESTATE TAXES</b>	Tenant shall pay all real estate taxes.		
<b>INSURANCE</b>	Tenant shall pay all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant shall keep, maintain, repair and replace all of Tenant's Improvements as appropriate, including without limitation by specification, the foundation, roof, exterior walls, structural portions, and exterior glass and windows of the building.		
<b>MAINTENANCE BY LANDLORD</b>	None		
<b>RIGHT OF FIRST REFUSAL</b>	Tenant shall have fifteen (15) days from receipt of an acceptable offer in order to exercise its Right of First Refusal.		

<b>REVENUE</b>	<b>\$7B+</b>	<b># OF LOCATIONS</b>	<b>634+</b>
<b>OWNERSHIP</b>	<b>Private</b>	<b>EMPLOYEES</b>	<b>20,000+</b>



# SHEETZ IN THE NEWS

*"We were fortunate in that we had a lot of things in test before [the pandemic] ever started," said [Joe] Sheetz, referring to the services for which the chain already had a technology "backbone" in place. "Under normal conditions, it might've taken two or three years to roll it out, or certainly some bit of time to make go, no go decisions. And when COVID hit, we decided offense was the best strategy, and we just blew it out the door."*

*As the chain has grown—it now has about 600 stores—they have "had to be more process driven," he said. "We learned a valuable lesson because we went significantly faster than we would've ever gone in normal times," he said. "We're probably a year ahead," if not more, from where they would have been operating under the traditional process. "I think we'll have 60 or 70 more stores than we have right now. We're picking growth up again as we speak."*

## SHEETZ STANDS ALONE ON 2020 BEST COMPANIES TO WORK FOR LIST

» [READ THE ARTICLE](#)

## SHEETZ NAMED "BEST REGIONAL FAST FOOD" BY USA TODAY 10BEST READERS' CHOICE AWARDS

» [READ THE ARTICLE](#)

## HOW SHEETZ IS SUCCEEDING IN 'THESE CRAZY TIMES'

» [READ THE ARTICLE](#)

## SHEETZ ADDS ANOTHER SITE TO ITS COLUMBUS MARKET PLANS

» [READ THE ARTICLE](#)

## AMERICA'S NEW FAVORITE RESTAURANTS ARE WAWA, SHEETZ AND 7-ELEVEN

» [READ THE ARTICLE](#)





# SHEETZ REPRESENTATIVE PHOTOS





# PROPERTY OVERVIEW

## LOCATION

This Sheetz is strategically located near the signalized hard-corner intersection of East Market Street and North Road Northeast (52,702 combined AADT). The site is located in a densely populated area in Warren, with 82,656 residents living within five miles of the property. The site is poised to grow along with the location, with a projected 11 percent average annual household income increase within five miles of the site in the next five years. The property is also surrounded by high-density, single family housing developments and large townhouse complexes, driving regular traffic to and from the location.

The property benefits from its central location near many of Warren's most prominent community hubs. The location is set in a dense retail corridor with nearby national brands such as Rite Aid, McDonald's, Burger King, Pizza Hut, Arby's, Dunkin', PNC Bank, Shell, and many more. The site is one mile from Mercy Health - Saint Joseph Warren Hospital, a 127-bed hospital which has experienced \$848M in total patient revenue. The property is also three miles from Eastwood Mall Complex, a 1.6 million SF shopping center featuring 50 stores and five anchor tenants (Boscov's, Dillard's, JCPenney, Macy's, Target). Additionally, the site is centrally located between Cleveland (385,282 population) and Pittsburgh (302,205 population), attracting significant amounts of commuter traffic directly to the property.

## ACCESS

Access from East Market Street and North Road Northeast

## TRAFFIC COUNTS

East Market Street: 41,019 AADT  
North Road Northeast: 11,683 AADT  
State Route 82: 11,816 AADT

## PARKING

44 parking stalls, including three (3) handicap stalls and eight (8) canopied gas pumps

## YEAR BUILT

2022

## NEAREST AIRPORT

Cleveland Hopkins International Airport (CLE | 64 miles)



**2022**  
YEAR  
BUILT



**41K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
CLEVELAND  
HOPKINS  
INTERNATIONAL  
AIRPORT



# AREA OVERVIEW

Warren is a city in and the county seat of Trumbull County, Ohio. The municipality is located in northeastern Ohio, approximately 14 miles northwest of Youngstown and 56 miles southeast of Cleveland. Warren is the second largest city in the Youngstown-Warren-Boardman, OH-PA Metropolitan Statistical Area, and anchors the northern part of the area. Major employers in Warren include Trumbull Memorial Hospital, St. Joseph Warren Hospital, the Tribune Chronicle, Seven Seventeen Credit Union, Hillside Rehabilitation Hospital, and Thomas Steel Strip. Warren's local economy has diversified to accommodate various industries, including light manufacturing, service, wholesale, and retail sales.

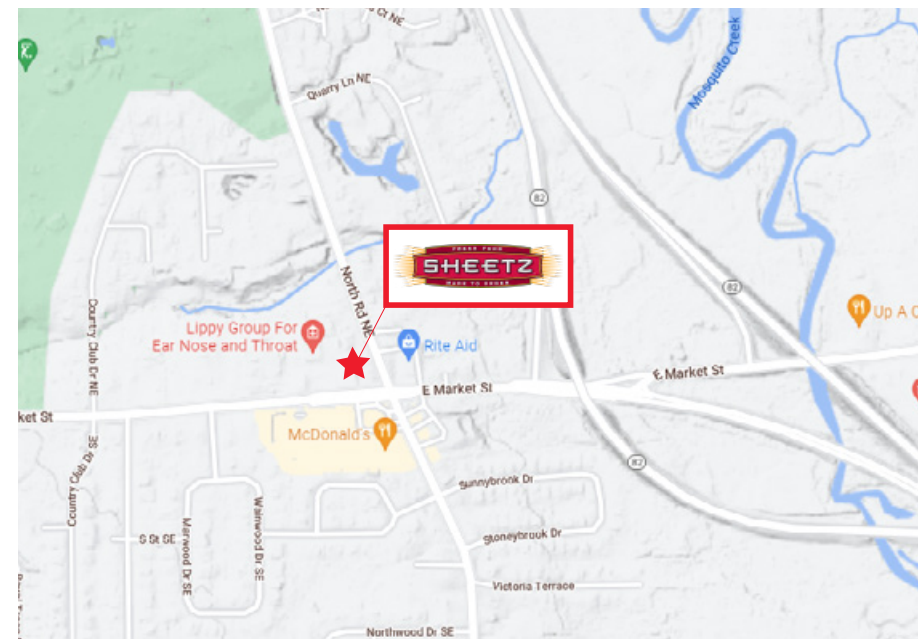
Trumbull County features a population of 201,977 residents and is included in the Youngstown-Warren-Boardman, OH-PA Metropolitan Statistical Area. Economic development is advancing rapidly in Trumbull County, with projects totaling \$175.4 million completed in the county in 2019, creating 1,070 new jobs and retaining another 114. New developments include TJX's HomeGoods regional distribution center and Panelmatic Inc.'s Brookfield Township expansion. In 2018, the Trumbull County chamber completed projects totaling \$104.4 million for nearly 1,100 jobs, including the expansion of Ellwood Engineered Castings in Hubbard Township. The chamber is now working on pending projects in the county that total \$251.7 million in investments, for a total of just over 1,000 jobs.

- » Warren is located midway between Cleveland and Pittsburgh, while ground shipping can reach New York City and Chicago overnight.
- » Warren holds several annual festivals and events year-round, earning it the nickname "Festival City." Major events include the African American Achiever's Association Festival, Italian Festival, and Greek Festival.
- » Trumbull County features 44,000 acres dedicated to outdoor recreational activities, including hunting, fishing, camping, boating, and golfing.

## LARGEST EMPLOYERS IN TRUMBULL COUNTY, OHIO

## # OF EMPLOYEES

GENERAL MOTORS CORPORATION	3,600
YOUNGSTOWN AIR RESERVE BASE	1,792
ALORICA	1,300
TRUMBULL COUNTY	1,280
WARREN CITY SCHOOL DISTRICT	810
AIM NATIONAL LEASE	750
DELPHI PACKARD	600
OHIO SECURITY SYSTEMS	600
ARCONIC-NILES INGOT AND MILL PRODUCTS	575
AVI FOOD SYSTEM	500

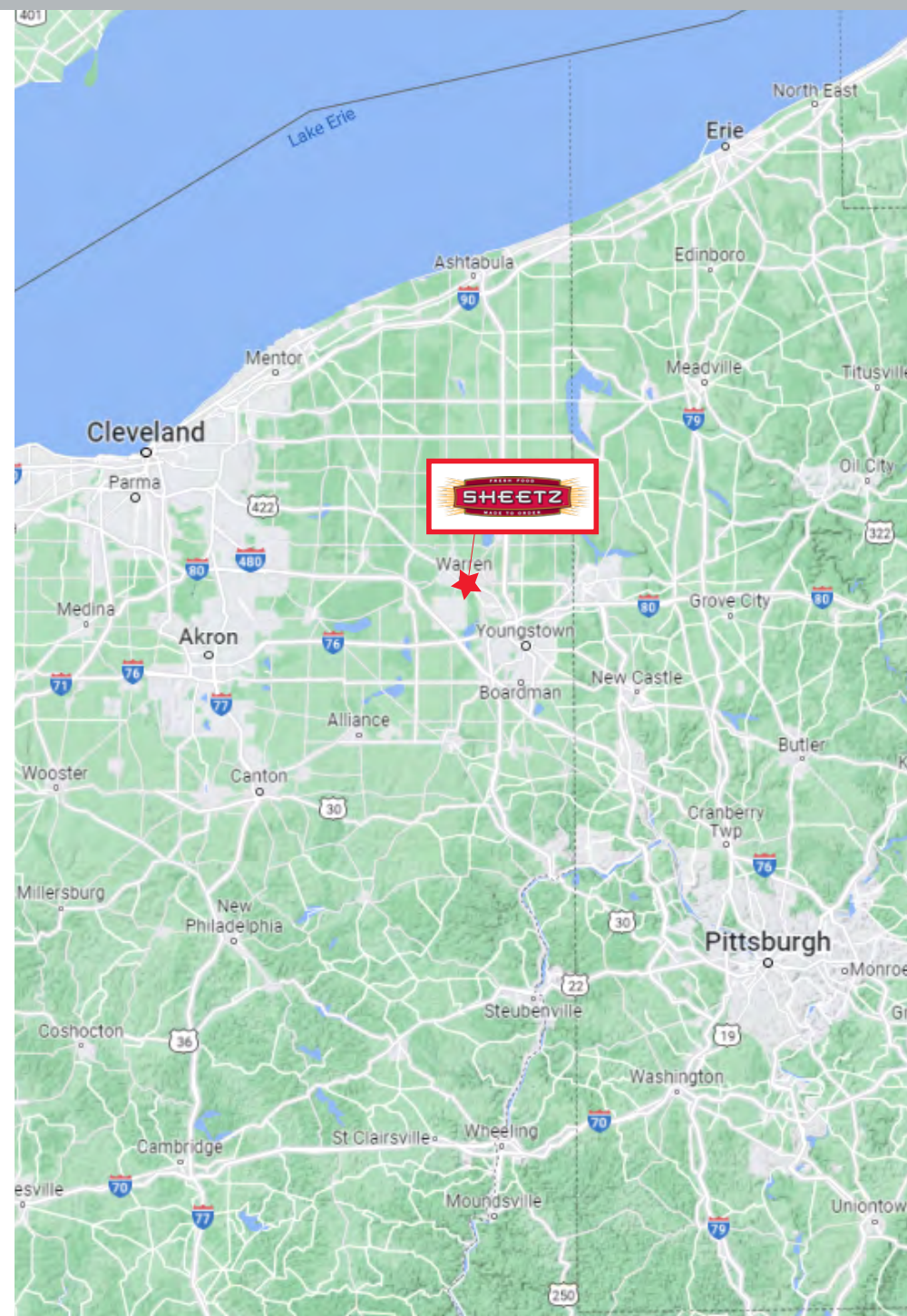




# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>4,053</b>	<b>41,316</b>	<b>82,656</b>
Households	1,940	18,317	36,102
Families	1,129	10,708	21,531
Average Household Size	2.08	2.20	2.24
Owner Occupied Housing Units	1,556	12,487	24,251
Renter Occupied Housing Units	384	5,830	11,850
Median Age	54.8	46.0	44.5
<b>Average Household Income</b>	<b>\$62,927</b>	<b>\$60,068</b>	<b>\$57,195</b>

FILE PHOTO





**YURAS  
AICALE  
FORSYTH  
CROWLE**

Leased Investment Team



## LEAD BROKERS

### **RYAN FORSYTH**

*Executive Managing Director*  
415.413.3005  
ryan.forsyth@cushwake.com  
CA RE License #01716551

### **VINCENT AICALE**

*Executive Managing Director*  
415.690.5522  
vince.aicale@cushwake.com  
CA RE License #01728696

### **MICHAEL T. YURAS, CCIM**

*Vice Chairman*  
415.481.0788  
michael.yuras@cushwake.com  
CA RE License #01823291

### **SCOTT CROWLE**

*Executive Managing Director*  
415.604.4288  
scott.crowle@cushwake.com  
CA RE License #01318288

**[www.YAFteam.com](http://www.YAFteam.com)**

Cushman and Wakefield Inc. LIC. # 00616335