

sleep  number

Outparcel to Target | Sleep Number (NASDAQ: SNBR)

380 E Waterfront Dr, Homestead, PA 15120



THE WATERFRONT

1.3 MILLION SF OPEN AIR REGIONAL CENTER





PROPERTY OVERVIEW

The SnyderCarlton Team is pleased to offer to qualified investors an opportunity to acquire a single tenant net leased investment occupied by Sleep Number corporate with over 8.5 lease years remaining located in Homestead PA, seven miles southeast of Downtown Pittsburgh. Positioned as an outparcel to the 1.3 million square foot superregional open air shopping mall ("The Waterfront"), the subject property comprises a 3,070 SF building on a 0.87-acre lot in an institutional quality retail destination with major anchor tenants such as Target, Costco, Chick Fil A, Giant Eagle Supermarket, Marshalls, TJ Maxx, Ross Dress for Less, Lowe's. This is an excellent opportunity to own a single tenant net leased asset, occupied by a publicly traded corporate tenant (NASDAQ: SNBR), located at a main entrance to the premier shopping destination for the region, with minimal landlord responsibilities.





INVESTMENT HIGHLIGHTS

- Corporate STNL Investment – Sleep Number (NASDAQ: SNBR)**
- Over 8.5 Lease Years Remaining – 2, 5 Year Options – 10% Rental Increases Every 5 Years
 - Inflation Hedge – 10% Rental Increases Every 5 Years Including Options (Next Increase: 4/1/2026)
 - Sleep Number – Over 650 Locations – 2021 Net Sales Of \$2.18 Billion
 - Minimal Landlord Responsibilities – Landlord Responsible for Roof & Structure Only
 - Excellent Site Fundamentals – 3,070 SF Building on 0.87-Acre Lot
- A+ Location – Outparcel to Waterfront Open Air Regional Center**
- At the Entrance to the 1.3 million SF mixed-use Waterfront Shopping Center
 - Outparcel Directly in Front of Target and Adjacent to Chick Fil A and McDonalds
 - Additional Surrounding Tenants: Chick Fil A, Lowes, Giant Eagle Supermarket, Marshalls, TJ Maxx, Ross Dress for Less, Costco, Dave & Buster’s, AMC Theater, McDonald’s, ALDI, Visionworks, PF Chang’s, Walgreens and More
 - Seven Miles Southeast of Downtown Pittsburg
 - Dense Infill Location – 328,400+ Residents within a 5 Mile Radius
 - High Income trade Area: Average Household Income Exceeds \$94,000 within 3 Mile Radius

Pricing Details

List Price	\$3,100,000
CAP Rate	5.25%
Annual Rent	\$162,710
Taxes	NNN
Insurance	NNN
CAM	NNN

Lease Abstract

Tenant	Sleep Number
Lease Start	March 18, 2021
Lease Expiration	March 31, 2031
Lease Term	10 Years
Term Remaining On Lease	8.5 Years
Base Rent	\$162,710
Rental Adjustments	4/1/2026: \$178,981
Option Periods	2 - 5 Year Options 10% Increases Each Option 4/1/2031: \$196,879.10 4/1/2036: \$216,567.01
Lease Type	NN Lease
Roof & Structure	Landlord Responsible





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PARCEL DETAILS

Market
Allegheny County
Pittsburgh MSA

Parcel No. (APN)
130-E-300-6

Building Size
3,070 SqFt

Lot Size
.87 Acres

Zoning
CG: Commercial General

The map displays a wide range of locations in the Pittsburgh area, including:

- Businesses:** Sleep Number (380 E Waterfront Dr, Homestead, PA), Target, Walmart, TJ Maxx, Petco, Giant Eagle, Dollar General, Home Depot, Lowe's, Costco, and many others.
- Educational Institutions:** Central Catholic High School, Taylor Allderice High School, Duquesne University, and several other schools.
- Cultural and Recreational:** Carnegie Museum of Art, Phipps Conservatory, Frick Park, and various museums.
- Healthcare:** UPMC (University of Pittsburgh Medical Center) locations.
- Transportation:** Major highways like I-19, I-279, and I-376 are shown.

A circular inset provides a closer look at the Sleep Number store, showing its brick building with blue awnings and the address: 380 E WATERFRONT DR, HOMESTEAD, PA.

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TENANT OVERVIEW

Corporate Profile

Sleep Number is an American manufacturer that makes the Sleep Number and Comfortaire beds, as well as foundations and bedding accessories. The company is based in Minneapolis, Minnesota. In addition to its Minnesota headquarters, Sleep Number has manufacturing and distribution facilities in South Carolina and Utah. As of June 2022, the company employed 5,500 people across the United States.

Sleep Number products are sold through 650 company-owned stores located across the United States; direct marketing operations; and online at sleepnumber.com.

COMPANY OVERVIEW

Type	Public
Traded as	Nasdaq: SNBR S&P 600 Component
Headquarters	Minneapolis, Minnesota, U.S.
Locations	650
Employees	5,500
Website	www.sleepnumber.com
Net Sales	\$2.18 Billion (2021)



LOCATION OVERVIEW

Pittsburgh is a city in the Commonwealth of Pennsylvania and the county seat of Allegheny County. A population of 310,000 residents lives within the city limits as of the 2020 US Census, making it the 68th-largest city in the U.S. and the second-most populous city in Pennsylvania, behind Philadelphia. The Pittsburgh metropolitan area is the anchor of Western Pennsylvania; its population of 2.37 million is the largest in both the Ohio Valley and Appalachia, the second-largest in Pennsylvania, and the 27th-largest in the U.S.

Located at the reunion of three rivers, Pittsburgh is also known as a bridge city with more than 446 bridges connecting the whole city. The place is also filled with family-friendly attractions and a delight for history buffs and art lovers, featuring some of the finest museums and art galleries. Aside from being artistic, the city has an everlasting food scene. Not to mention the charm of The Andy Warhol Museum, Phipps Conservatory and Botanical Gardens, and an enormous 77 acre Pittsburgh Zoo & PPG Aquarium. Pittsburgh is known for having more named neighborhoods than any American city. Ninety distinct communities collectively create the culture of Pittsburgh.



Population Pittsburgh MSA	Median Household Income	# of Employees
2.37M	\$62,638	1.17M

Source: World Population Review 2021 estimates

LOCATION OVERVIEW

Economy

The economy of Pittsburgh, is diversified, focused on services, medicine, higher education, tourism, banking, corporate headquarters and high technology. By far, the largest employment sector for the Pittsburgh area is in health, educational, and social services. Though heavy manufacturing continues to play a part, it employs only 12.3 percent of the work force. Research is now the third largest industry; the Pittsburgh area is home to 150 laboratories and over 7,500 scientists and engineers. Service, hospitality, and tourism jobs are growing fast as well, adding more than 10,000 jobs in these sectors since 1994.

Education is a major economic driver in the region. The largest single employer in education is the University of Pittsburgh, with 10,700 employees

Housing Development

In the 12-month period ending November 2021, the median list price of homes in Allegheny County was \$225,000, up 2.3 percent from the previous year, according to Realtor.com. When placed in historical perspective, the increase in home values is even more dramatic. In 2010, the median sales price in the county was \$121,000; that figure has jumped 54 percent since then. The rental market has seen that same robust performance. Zumper, a housing search Website, indicates that the median rent for a three-bedroom unit in Pittsburgh reached \$1,650 in December 2021.



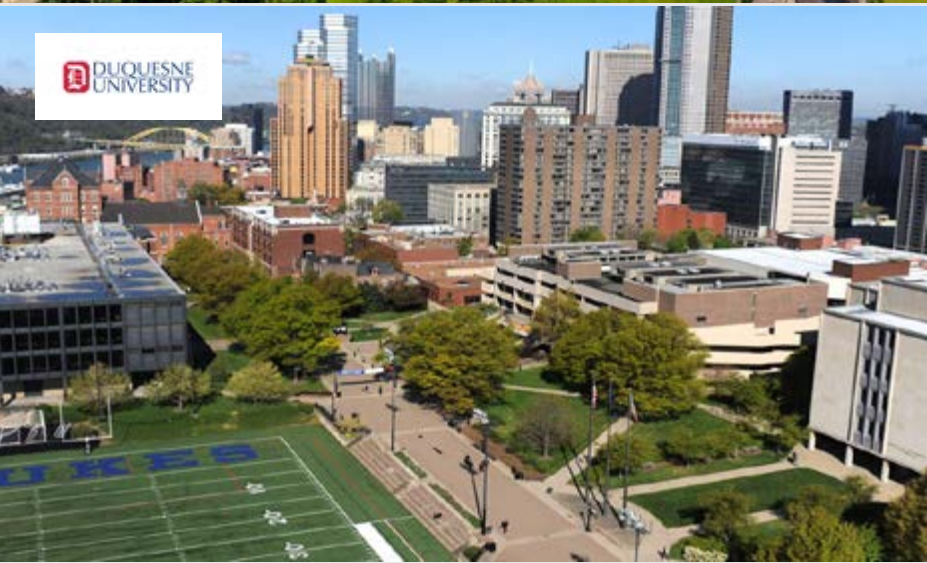
LOCATION OVERVIEW

Education

There are a total of 23 elementary schools, 7 middle schools, 4 high schools, 11 schools serving grades K-8, 5 schools serving grades 6-12, and 4 specialty schools. For higher education there are countless and qualified options. The University of Pittsburgh, Duquesne University, Carlow University, Point Park University, and Carnegie Mellon University are just a few universities located in the City of Pittsburgh.

The University of Pittsburgh is a top-ranked, public institution in Pennsylvania. Pitt is home to 16 schools and colleges that offer a breadth of high-quality undergraduate and graduate programs. Pitt contributes \$4.2 billion to communities throughout Pennsylvania. Pitt is ranked No. 19 on the U.S. News & World Report's 2021 list of Top Public Schools in the nation.

Duquesne University of the Holy Spirit is a private research university in Pittsburgh. Duquesne has over 9,300 graduate and undergraduate students within a self-contained 49-acre hilltop campus in Pittsburgh's Bluff neighborhood. The school maintains an associate campus in Rome and encompasses ten schools of study. The university hosts international students from more than 80 countries although most students—about 80%—are from Pennsylvania or the surrounding region.



LOCATION OVERVIEW

Entertainment

The Andy Warhol Museum: 7 floors and work from native Pittsburgher. Thousands of different types of works are housed here that include drawings, paintings, sculptures, photography and more.

Carnegie Science Center: Here you will find a planetarium. You will also find a World War 2 submarine and over 250 science exhibits.

Theatre Square: This is where you need to be if you are looking for some entertainment after the sun sets.

Station Square: Is where you will find some of the best concerts and dance floor. If you are looking for a good atmosphere and a great mixture of music, be sure go nowhere else.

The city has three major professional sports franchises, the Pirates, Steelers, and Penguins; while the University of Pittsburgh Panthers compete in a Division I Power Five conference, the highest level of collegiate athletics in the United States, in both football and basketball. Local universities Duquesne and Robert Morris also field Division I teams in men’s and women’s basketball and Division I FCS teams in football. Pittsburgh’s major teams have seen great success, with the MLB’s Pirates winning 5 World Series titles, the NHL’s Penguins winning 5 Stanley Cups, and the NFL’s Steelers winning a tied league record 6 Super Bowls.



LOCATION OVERVIEW

About Homestead

Homestead is a borough in Allegheny County, Pennsylvania, 7 miles southeast of downtown Pittsburgh and directly across the river from the city limit line. Homestead Borough is located off several major roadways, with connectivity to Route 376 on the west side of the Squirrel Hill tunnel,. Downtown Pittsburgh can also be easily accessed via Route 885/Second Avenue and the medical and technology centers of Oakland and Shadyside are just minutes away.

Though the steel mills may be gone, Homestead Borough is undergoing a renaissance, attracting new businesses and new residents to the historic downtown. At just 0.6 square miles, Homestead Borough is a major piece of the Steel Valley landscape. They are a diverse town. Young professionals, families, and seniors whose parents and grandparents worked in the Homestead Works Steel Mill all call each other neighbor.



The business district is just as diverse as the residents. With new retails shops, services, and restaurants opening all the time, downtown Homestead is alive with interesting things to see and do. The Waterfront Shopping Center offers a variety of retail and entertainment options. Outdoor adventurers including, bikers, hikers, and runners have easy access to the Great Allegheny Passage Bike Trail, experiencing some of the most beautiful outdoor space the Steel Valley has to offer.





Population

	1-Mile	3-Mile	5-Mile
Estimated Population (2021)	10,107	118,762	336,143
Projected Population (2026)	9,925	117,462	335,456



Households

	1-Mile	3-Mile	5-Mile
Estimated Households (2021)	4,921	55,268	115,075
Projected Households (2026)	4,849	54,905	155,748

POPULATION DENSITY

336,143 Residents
Within a 5-Mile Radius



Income

	1-Mile	3-Mile	5-Mile
Avg. Household Income (2021)	\$90,675	\$94,151	\$84,218
Median Household Income (2021)	\$54,598	\$59,857	\$54,367

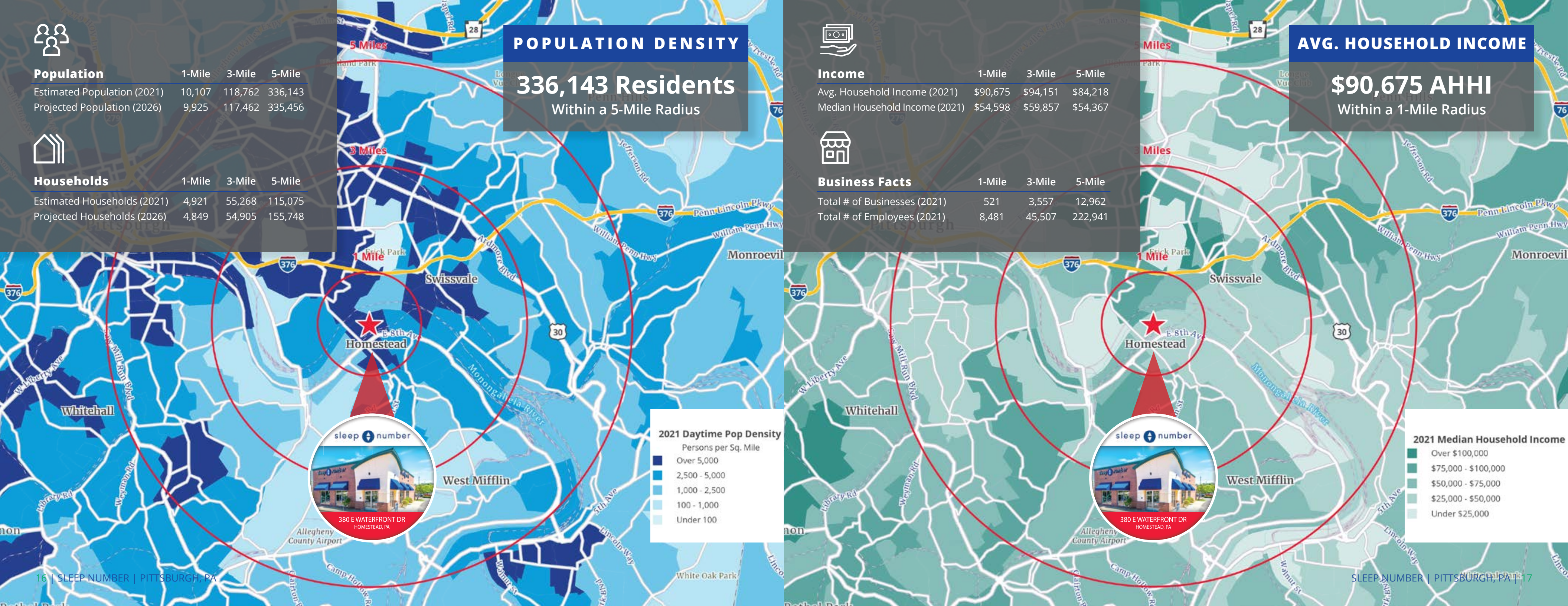


Business Facts

	1-Mile	3-Mile	5-Mile
Total # of Businesses (2021)	521	3,557	12,962
Total # of Employees (2021)	8,481	45,507	222,941

AVG. HOUSEHOLD INCOME

\$90,675 AHHI
Within a 1-Mile Radius



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- 2. You will hold it and treat it in the strictest of confidence; and
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