

SLEEP NUMBER

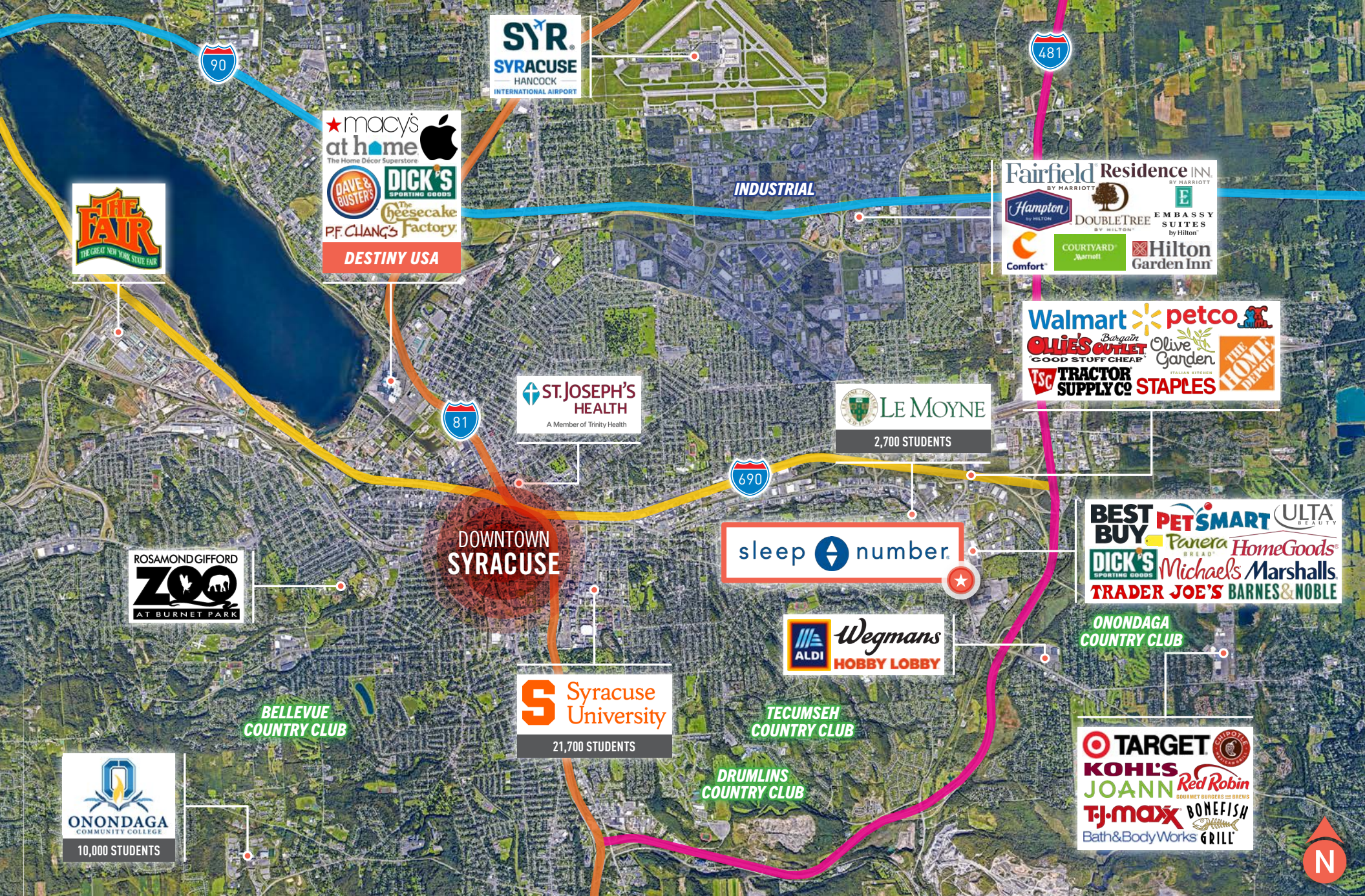
3485 ERIE BOULEVARD EAST, SYRACUSE, NEW YORK



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

3485 Erie Boulevard East, Syracuse, NY 13214

FINANCIAL SUMMARY

| | |
|---------------|--------------------|
| Price | \$3,648,000 |
| Cap Rate | 6.25% |
| Building Size | 3,000 SF |
| Net Cash Flow | 6.25% \$228,000 |
| Year Built | 2023 |
| Lot Size | 0.56 Acres |

LEASE SUMMARY

| | |
|------------------------------|---|
| Lease Type | Triple-Net (NNN) Lease |
| Tenant | Select Comfort Retail Corporation dba Sleep Number |
| Guarantor | Corporate |
| Est. Lease Commencement Date | February 2023 |
| Est. Lease Expiration Date | February 2033 |
| Lease Term | 10 Years |
| Rental Increases | 10% Every 5 Years |
| Renewal Options | 2, 5 Year Options |
| Right of First Refusal | None |

ANNUALIZED OPERATING DATA

| | | |
|------------------------|--------------------|-----------------|
| Lease Years | Annual Rent | Cap Rate |
| 1 - 5 | \$228,000.00 | 6.25% |
| 6 - 10 | \$250,800.00 | 6.88% |
| Renewal Options | Annual Rent | Cap Rate |
| Option 1 | \$275,880.00 | 7.56% |
| Option 2 | \$303,468.00 | 8.32% |

| | |
|-----------------------------|------------------------|
| Base Rent | \$228,000 |
| Net Operating Income | \$228,000 |
| Total Return | 6.25% \$228,000 |





17,500 CPD
ERIE BLVD E



**SHOPPINGTOWN MALL –
REDEVELOPMENT PLANNED**

New Redevelopment (“District East”) is Planned to Include Residential, a Movie Theater, Premium Grocer, Specialty Retail, and Offices. The Project will Also Include New Sidewalks, Bike Paths, Walking Trails, and Green Space.



sleep  number

17,500 CPD
ERIE BLVD E

N

Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Triple-Net (NNN) Lease with Corporate Guaranty (NASDAQ: SCSS)**
- » 10 Percent Rental Increases Every Five Years
- » **Brand New High-Quality 2023 Construction**
- » Relocation Store - Relocation from Successful Shoppingtown Mall Location
- » **171,005 Residents and 247,174 Daytime Employees within a Five-Mile Radius**
- » Dense Retail Corridor Location - Adjacent to Burlington, Michaels, DICK'S Sporting Goods, Dunkin' Donuts, and Starbucks. Nearby Retailers Include Trader Joe's, Walmart, The Home Depot, PetSmart, and Best Buy
- » **Excellent Visibility Along Erie Boulevard East (17,500+ Cars/Day)**
- » Average Household Income Exceeds \$99,000 in the Immediate Area
- » **Easy Freeway Access - One Mile Off the I-690 and Less Than One Mile Off the I-481**
- » Situated a Five-Minute Drive from Le Moyne College (2,700+ Students)



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

| | | | |
|--------------------|-------|--------|---------|
| 2027 Projection | 5,071 | 60,712 | 173,015 |
| 2022 Estimate | 5,046 | 60,337 | 171,005 |
| Growth 2022 – 2027 | 0.51% | 0.62% | 1.18% |

Daytime Population

| | | | |
|---------------|--------|--------|---------|
| 2022 Estimate | 13,488 | 75,585 | 247,174 |
|---------------|--------|--------|---------|

Households

| | | | |
|--------------------|-------|--------|--------|
| 2027 Projection | 1,953 | 25,589 | 69,518 |
| 2022 Estimate | 1,934 | 25,297 | 68,219 |
| Growth 2022 – 2027 | 1.00% | 1.15% | 1.90% |

Income

| | | | |
|------------------------------------|----------|----------|----------|
| 2022 Est. Average Household Income | \$99,256 | \$92,241 | \$73,075 |
| 2022 Est. Median Household Income | \$71,670 | \$62,319 | \$46,470 |
| 2022 Est. Per Capita Income | \$41,039 | \$39,416 | \$30,430 |



Tenant Overview



Sleep Number

NASDAQ: SCSS

Plymouth, Minnesota

675+

www.sleepnumber.com

Company

Stock Symbol

Headquarters

Locations

Website

Founded in 1987 and based in Minneapolis, Sleep Number (publicly traded and U.S. based) designs, manufactures, markets and supports a line of adjustable-firmness mattresses featuring air-chamber technology, branded the SLEEP NUMBER® bed, as well as bases and bedding accessories. SLEEP NUMBER® products are sold through its approximately 675 company-owned stores located across the United States in the 4,500-10,000 SF range; select bedding retailers; direct marketing operations; and online at www.sleepnumber.com.

Sleep Number is comprised of over 5,500 team members who are dedicated to

the company's mission of improving lives by individualizing sleep experiences. Sleep science and data are the foundation of the company's innovations. Sleep Number's award-winning 360 smart beds benefit from proprietary SleepIQ® technology - learning from nearly 8 billion hours of highly accurate sleep data - to provide effortless comfort and individualized sleep health insights. Sleep Number has improved nearly 13 million lives through creating higher quality sleep.

As of July 27, 2022, the Company's second-quarter net sales increased 13% versus the prior year, with year-to-date net sales increasing 2%.

Location Overview



Syracuse is a city in, and the county seat of, Onondaga County, New York. Home to 148,620 residents, Syracuse is the fifth-most populous city in the state. The gateway to the Finger Lakes region and centrally located in the heart of New York state, Syracuse is the economic and educational hub of Central New York. As an educational hub, the city is home to Syracuse University, SUNY Upstate Medical University, SUNY ESF, and Le Moyne College.

Syracuse is home to scenic outdoor parks, a vibrant food scene, and year-round festivals. Dining options in the city range from nationally acclaimed restaurants and local hidden gems to cozy coffee shops and alluring breweries and distilleries.

The city's festivals and events pay tribute to everything from classic cars to arts and crafts, worldly traditions to music from all genres, and live performances from Beethoven to Broadway. Syracuse is home to a burgeoning film and TV industry, showcasing the charm and fascination of Upstate New York.

Formerly a manufacturing center, Syracuse's top employers are now primarily in higher education, research, health care, and services. University Hill is Syracuse's fastest-growing neighborhood, fueled by expansions by Syracuse University and SUNY Upstate Medical University. The city is home to several distinct neighborhoods and business districts.

[exclusively listed by]

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