



SINGLE TENANT GROCER OPPORTUNITY

**BRAND NEW LOCATION | 15 YEAR INITIAL TERM | 10% RENTAL INCREASES
EVERY 5-YEARS | ALDI CORPORATE GUARANTY**

Reading, PA

Representative Image



CONTACTS

INVESTMENT SALES ADVISORY

COLIN BEHR

Managing Director

+1 215.896.4253

colin.behr@jll.com

CHRIS MUNLEY

Senior Managing Director

+1 609.610.1096

c.munley@jll.com

JIM GALBALLY

Senior Managing Director

+1 215.988.5551

james.galbally@jll.com

JAMES GRAF

Director

+1 484.576.0663

james.graf@jll.com

RJ MIRABILE

Real Estate Analyst

+1 215.680.4663

rj.mirabile@jll.com

DEBT & FINANCING

RYAN ADE

Senior Managing Director

+1 484.532.4207

ryan.ade@jll.com

MICHAEL PAGNIUCCI

Senior Director

+1 484.532.4172

michael.pagniucci@jll.com





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THE OPPORTUNITY

Jones Lang LaSalle Americas, Inc. (“JLL”) is pleased to exclusively offer qualified investors the opportunity to acquire a brand-new **ALDI grocery store (the “Property”)** in the densely populated Philadelphia suburb of Reading, PA. ALDI is prepared to commence operations at this location in June of 2023 and signed onto an initial 15-year lease with three (3) five (5) year options, demonstrating a strong commitment to the location. ALDI is a privately held corporation and a leading discount grocer in the U.S. who remains in an aggressive growth program.



\$376,216

NOI

\$7,757,031

ASKING PRICE

4.85%

CAP RATE

PROPERTY OVERVIEW

Address	1065 Woodland Rd., Reading PA 19610
Tenant	ALDI
Building Size	22,940 SF
Year Built/Renovated	2022
Lease Type	NN Fee Simple with an OEA Governing the Shopping Center*
Annual NOI	\$376,216
Rent PSF	\$16.40
Lease Commencement	06/03/2023
Lease Expiration	05/31/2038
Term Remaining	15 Years
Rental Increases	10% Every Five (5) Years
Remaining Options	Two (2) Five (5) Year Options & One (1) Four (4) Year – Eleven (11) Month Option

*See pertinent lease information section



IN DEMAND DISCOUNT GROCER WITH NEW LONG-TERM LEASE AND STORE PROTOTYPE

- Newly executed 15-year lease by ALDI
- ALDI Corporate Guaranty
- Attractive rental increases of 10% every five (5) year period
- \$16.40 PSF Rent
- Brand new roof
- New interior and exterior fit-outs and utilities
- Larger 22,000+ SF floor plate allowing extensive grocery offerings

15 YEARS
LEASE TERM

\$16.40
RENT PSF

22,940
SQUARE FEET



SIGNIFICANT INFILL MARKET PROVIDING OPPORTUNITY TO CAPTURE SURROUNDING DENSITY

- 116,500+ people living within a 3-mile radius of the Property
- Average HH income of \$67,895, gives ALDI the ability to capitalize on bargain shoppers combating higher priced goods

Radius	1 Mile	3 Mile	5 Mile
Population	7,547	116,592	203,324
Households	2,887	44,388	74,978
Average HH Income	\$95,350	\$67,895	\$73,205

116,500+
POPULATION
3-MILE RADIUS

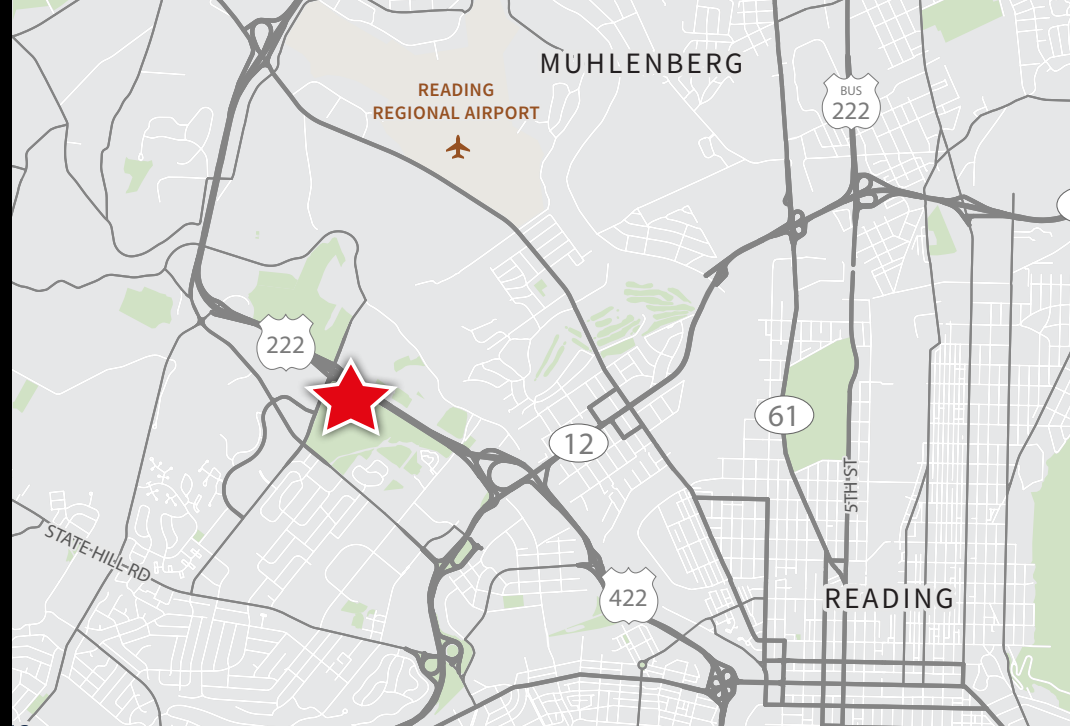
\$67,800+
AVERAGE HH INCOME
3-MILE RADIUS

EXCELLENT ACCESSIBILITY AND DIRECT CONNECTION TO MAJOR HIGHWAYS

- Ingress / Egress from both Woodland Rd and Berkshire Blvd
- 121 feet of frontage along Papermill Rd.
- 0.2 Miles to U.S. Route 422 (Warren St. Bypass)

17,000+ VPD
PAPERMILL ROAD

78,300+ VPD
U.S. ROUTE 422



PRIME LOCATION IN ESTABLISHED RETAIL CORRIDOR WITH SIGNIFICANT ECONOMIC DRIVERS

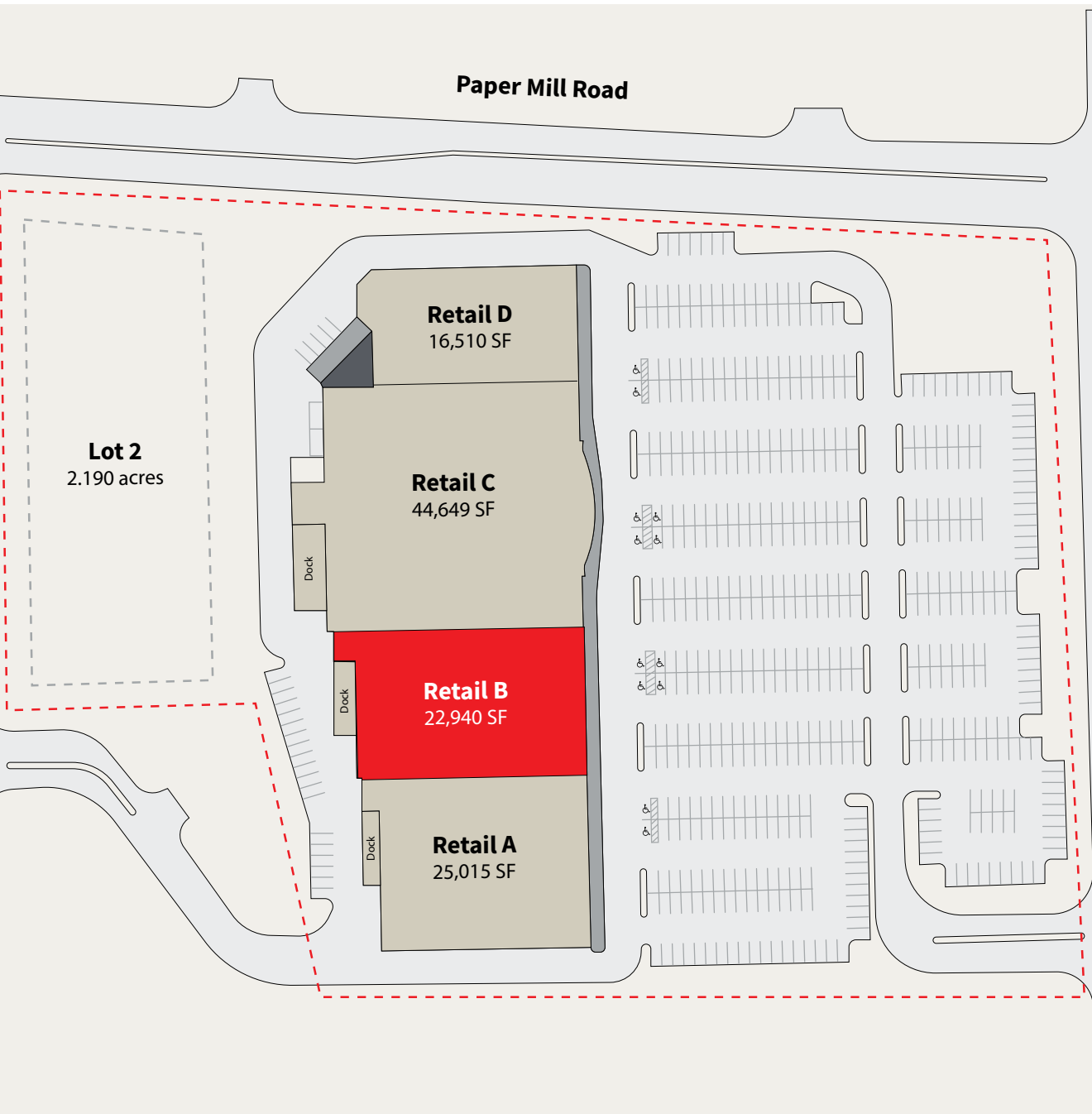




PROPERTY OVERVIEW



PROPERTY OVERVIEW



22,940 SF
BUILDING SIZE



0.56 ACRES
PARCEL SIZE



531
PARKING SPACES



ZONING DESCRIPTION

C-2 (Retail Commercial District)

It is the purpose of this district to provide an area for major retail development, such as shopping centers. Land and buildings in the C-2 District may be used for the following:

- Retail sales: Auto parts, beverages, food, furniture, gifts, hardware, jewelry, liquor, newspapers, office equipment, household supplies, sporting goods, and shopping center
- Health fitness center
- Business, professional, or governmental offices
- Financial institution
- Standard restaurant, carry-out restaurant or fast-food restaurant

CORPORATE OVERVIEW



In 1961 the Albrecht Family founded the world's first discount grocery store in Essen, Germany. 16 years later in 1976, the first U.S. ALDI store was opened in Iowa prior to the private company's acquisition of Trader Joe's. Today, ALDI has grown to more than 2,000 stores across 36 states with over 25,000 employees. Since 2017, the company has been in the midst of a \$3.40 billion capital spending plan that included adding about 900 new locations, targeting a store base of 2,500 by the end of 2022. In addition to opening stores, ALDI will increase access to online shopping options, expanding its Curbside Grocery Pickup partnership with Instacart from 1,200 stores to about 1,500 by the end of 2022.

CORPORATE PROFILE

Parent	ALDI Süd
Company Type	Private
Industry	Discount Supermarket Chain
Estimated 2021 Revenue	\$23.5 billion
# of Retail Locations	2,100+
Headquarters	Batavia, IL
Employees	25,000+
Company Website	Aldi.us





HIGHLIGHTS

- **Established and Expanding Industry Leader** – After steadily growing its footprint across the Eastern U.S. since it entered the country 40 years ago, ALDI has been aggressively expanding, currently emphasizing adding locations in AZ, CA, FL, and the Northeast. At its current pace, ALDI is on track to become the third-largest grocery retailer by store count by the end of 2022, trailing only Walmart and Kroger.
- **Strong historical and projected financials** – ALDI's estimated revenues increased to about \$23.5 billion in 2021, aided by the pandemic and new store growth. The Company is expected to continue to thrive in the post-pandemic environment, as consumers look for bargains to stretch budgets that have been hurt by record high inflation.
- **Unique and Sustainable Competitive Edge** – The typical ALDI store carries a limited assortment of about 1,400 items, 90% of which are sold under the exclusive ALDI private label brands. This, along with their no-frills store model, results in many cost-cutting measures. The Company claims to have a price point that is 20% lower than big-box discounters and up to 50% lower than traditional supermarkets.
- **Growth Opportunities** – In 2018, ALDI expanded its partnership with Instacart, making home delivery available from nearly all locations and expanding their curbside pickup. ALDI has also partnered with Instacart to enable electronic benefit transfer payments for online grocery pickup and delivery orders in the Supplemental Nutrition Assistance Program (SNAP).





FINANCIAL ANALYSIS



FINANCIAL OVERVIEW

LEASE ABSTRACT

Tenant	ALDI
Building Size	22,940 SF
Parcel Size	0.56 Acres
Zoning	C-2 (Retail Commercial District)
Year Built/Renovated	2022
Annual NOI	\$376,216
Rent PSF	\$16.40
Lease Type	NN Fee Simple with an OEA Governing the Shopping Center*
Roof	Landlord Responsibility
Structure	Landlord Responsibility
Rent Commencement	6/3/2023
Lease Expiration	5/31/2038
Remaining Options	Two (2) Five (5) Year Options & One (1) Four (4) Year – Eleven (11) Month Option
Rental Increases	10% Every Five (5) Years

*See pertinent lease information section

\$7,757,031
ASKING PRICE

\$376,216
NOI

4.85%
CAP RATE

RENT SCHEDULE

Description	Dates	Annual Rent	% Increase
Current Term (Years 1-5)	6/3/2023 – 5/31/2028	\$376,216	-
Current Term (Years 6-10)	6/3/2028 – 5/31/2033	\$413,838	10.00%
Current Term (Years 11-15)	6/3/2033 – 5/31/2038	\$455,221	10.00%
Option Term 1 (Years 16-20)	6/3/2038 – 5/31/2043	\$500,744	10.00%
Option Term 2 (Years 21-25)	6/3/2043 – 5/31/2048	\$550,818	10.00%
Option Term 3 (Years 25-29+)	6/3/2048 – 4/30/2053	\$605,900	10.00%

LEASE TERMS

TENANT RESPONSIBILITIES

MAINTENANCE AND REPAIRS

Tenant, at its sole cost and expense, will maintain, repair and replace as necessary to keep the same in good order, condition and repair, ordinary wear and tear excepted: (i) the interior non-structural elements of the Premises; (ii) the plate glass, doors, signage and canopy elements of the Premises storefront; (iii) all plumbing, wiring, pipes, conduits and other utility facilities serving the Premises from and after their points of connection with the meter for such utilities serving the Premises; (iv) Tenant's cart storage system; (v) the heating, ventilating, and air conditioning system exclusively serving the Premises (the "HVAC") to the extent located within or on the roof of the Premises; (vi) all refrigeration and freezer units and all lines and related equipment. (8.1, Pg. 12)

INSURANCE

(a) Tenant shall at all times during the Term keep in force a policy of commercial general liability insurance with a \$3,000,000 combined single limit on an occurrence basis, which may be through an endorsement on a blanket liability insurance policy, insuring against any and all damages and liability on account damages to property or injuries to or the death of persons arising out of or relating to Tenant's use of the Premises. Tenant's liability insurance shall: (i) name Landlord (and if Landlord requests, any mortgagee or beneficiary under a deed of trust) as an additional insured; and, (ii) include contractual liability insurance recognizing the liability assumed in this Lease, contain a cross-liability endorsement. (b) Tenant shall at all times during the Term maintain a "causes of loss -special form" policy of fire and casualty insurance, insuring Tenant's trade fixtures, equipment, inventory and other personal property located in the Premises ("Tenant's Property"). Such insurance shall be in the amount of the full replacement cost, and shall provide that the proceeds of any loss shall be payable in the manner provided for in this Lease. (c) To the extent required by Applicable Law, Tenant shall maintain, throughout the Term, worker's compensation or similar insurance in form and amounts required by law. (d) In addition, Tenant's contractors performing work on the Premises shall be required to maintain insurance reasonably acceptable to Landlord, including, but not limited to a policy of commercial general liability insurance with a \$2,000,000 combined single limit on an occurrence basis. (12.1, Pg. 15)

CAM

Commencing on the Commencement Date, Tenant shall pay to Landlord, as additional Rent, in equal monthly installments along with Base Rent, in advance, Tenant's estimated Common Area Charges (defined below). The term "Common Area Charges" means the Common Expenses (as defined in the OEA), other than those excluded pursuant to Section 7.5 below, charged to the Premises during the Term. Notwithstanding the size of the Premises, Tenant acknowledges that Common Expenses are calculated based on 24,574 square feet. Landlord reasonably estimates that Common Area Charges for the first full calendar year of the Term shall be \$1.80 per square foot of the Premises. (7.4, Pg. 10)

TAXES

From and after the Commencement Date and continuing throughout the remainder of the Term, Tenant shall pay before delinquency any and all Taxes that are assessed against the Premises. (13.2, Pg 18)

UTILITIES

From and after the Delivery Date, Tenant shall pay before delinquency all usage charges for water, sanitary sewer, gas, heat, air cooling, electricity, power, telephone and other utility services used by Tenant on the Premises during the Term, which services shall be separately metered at Landlord's expense (with the exception of any shared fire sprinkler system). (11.1, Pg. 15)

LANDLORD RESPONSIBILITIES

MAINTENANCE AND REPAIRS

Landlord shall, at its sole cost and expense, except as otherwise specifically provided herein, maintain and repair the following components of the Center and Premises in good and slightly condition consistent with other first-class shopping centers in the geographic vicinity of the Center: (i) the roof; roof membrane; roof drainage system including gutters and downspouts; provided, that, Tenant shall reimburse Landlord for all such costs related to the roof repairs of the Premises within 30 days of receipt of a detailed invoice from Landlord, as long as such costs are not replacement costs or costs of a capital nature and provided that no other roof costs of any type are included in Common Area Charges; (ii) exterior walls and surfaces; (iii) the foundation and floor slab and all other structural portions of the Premises (including structural components of the storefront); (iv) wiring, pipes, conduits and utility lines and systems not required to be maintained by Tenant under Section 8.1; (v) reserved; and all Common Signs. Landlord shall also repair any damage or defects (including, but not limited to, damage to Tenant's fixtures and improvements) caused by the intentional act or negligence of Landlord, its agents or contractors, or work improperly performed by any previous Landlord (8.2, Pg. 12)

TAXES

Landlord shall arrange for all bills for real estate taxes and assessments to be sent directly to tenant at tenant's address. (13.2, Pg. 18)

CAM

Landlord shall operate, repair, maintain and/or replace, or cause to be operated, repaired, maintained and/or replaced, all Common Areas in first class condition, free of impediments to easy and safe movement within the Common Areas ("Common Area Maintenance"). (7.3, Pg. 10)

INSURANCE

Landlord shall at all times during the Term keep in force a policy or policies of commercial general liability insurance with at least a \$5,000,000 combined single limit on an occurrence basis, which may be through an endorsement on a blanket liability insurance policy and/or maintained through primary and umbrella coverages. Landlord's liability insurance shall (i) name Tenant as an additional insured against any and all damages and liability on account of or arising out of injuries to or the death of persons, or for property damage caused by Landlord or its agents, contractors or employees, occurring in the Center on Landlord's Property outside of the Premises, and (ii) include contractual liability insurance recognizing the liability assumed in this Lease, contain a cross-liability endorsement. Landlord shall at all times during the Term maintain or cause to be maintained, a "causes of loss - special form" policy of fire and casualty insurance, insuring all improvements located in the Center (including but not limited to the permanent leasehold improvements made by Tenant, but excluding Tenant's Property, and may include coverage for loss of rents for a period of one year. Such insurance shall be in the amount of the full replacement cost (excluding foundations), and shall provide that the proceeds of any loss shall be payable in the manner provided for in this Lease. (12.2, Pg. 15 & 16)

UTILITIES

None.

LEASE TERMS

PERTINENT LEASE INFORMATION

GO DARK: LL RECAPTURE

If Tenant discontinues the use of the Premises for any reason, Tenant will continue to remain liable for the performance of the terms of this Lease and the payment of Rent and all other charges and sums payable hereunder. However, if after initially satisfying the Opening Covenant, Tenant fails to operate for 270 or more consecutive days, other than as a result of Force Majeure, alterations/remodeling/renovation of the Premises (including in connection with an assignment or sublease), condemnation or other circumstance beyond Tenant's reasonable control, then Landlord shall have the right, effective upon 30 days' prior Notice to Tenant, to terminate the Lease as Landlord's sole remedy; provided, however, if Tenant recommences operating in the Premises within such 30-day period, then Landlord's termination shall be null and void. Upon Landlord's exercise of such termination right and Tenant's vacating the Premises in accordance with the terms hereof, neither party shall have further liability or obligation for any matter thereafter arising. (4.6, Pg. 6 & 7)

OEA

(a) Tenant acknowledges that the Center is subject to that certain Declaration of Restrictions, Covenants, and Easements for Woodmill Commons Shopping Center dated November 30, 1996 and recorded in the official records of Berks County, Pennsylvania at Volume 2790, Page 1434 (the OEA). Landlord covenants, represents and/or warrants to Tenant that: (i) the OEA has not been modified, amended or terminated; (ii) the OEA is currently in full force and effect; (iii) to Landlord's actual knowledge as of the Effective Date, no default under the OEA exists beyond any applicable notice and cure period; and (iv) the OEA is, and shall remain, superior in lien to all mortgages and related liens affecting the Center and all other land which is encumbered by the OEA. This Lease is subject and subordinate to the OEA. Tenant shall comply with the terms and conditions of the OEA to the extent same affects the Premises, provided that Tenant shall not be obligated to expend any sums in connection with such compliance. Notwithstanding anything in this Lease to the contrary, in the event of any conflict or ambiguity existing between the OEA and this Lease, this Lease shall control as between Landlord and Tenant.(b) Landlord shall, during the Term: (i) perform and observe all of the terms, covenants, provisions and conditions of the OEA on Landlord's part to be performed and observed; (ii) defend, indemnify and hold harmless Tenant from and against any and all claims, costs, losses or damages of any nature arising out of or in connection with the enforcement of, or a claimed breach by, Landlord of any covenant, term, condition or provision of the OEA; and (iii) diligently enforce, at its sole expense, the covenants, agreements and obligations of the OEA. (c) Landlord shall not amend, or modify the OEA if such amendment or modification would diminish the rights or increase the obligations of Tenant thereunder or under this Lease, or would adversely affect Tenant's use or occupancy of the Premises or the conduct of Tenant's business therein, nor shall Landlord terminate the OEA. Whenever, pursuant to the OEA, the consent or approval of Landlord shall be required by or requested, and such consent or approval would diminish the rights or increase the obligations of Tenant thereunder or under this Lease, or could adversely affect Tenant's use or occupancy of the Premises, or the conduct of Tenant's business therein, such consent or approval shall not be granted without the prior written consent of Tenant, which consent may be withheld in its sole and absolute discretion. (d) Landlord shall obtain any third-party approvals required under the OEA for the performance of Landlord's Work (including, without limitation, Tenant's plans and signage, as applicable), Tenant's Work and the operation of Tenant's business in the Premises. Tenant shall have the right to assume, and rely on such assumption, that Landlord has obtained all consents and approvals required under the OEA prior to giving Landlord's consent or approval to anything required under this Lease, and Tenant shall have no obligation to request any consent or approval directly from any third party under the OEA, although Tenant shall, upon Landlord's request, cooperate with Landlord in obtaining any such consent or approval.* (6.5, Pg. 9 & 10)

**Please contact broker for more information regarding OEA documents*

PERTINENT LEASE INFORMATION

ASSIGNMENT AND SUBLETTING

Except as otherwise provided in Section 22.2 below, Tenant shall not assign this Lease, or sublet the Premises, or any portion thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Following any assignment made pursuant to this Section 22.1, Tenant shall remain liable for all of Tenant's obligations under this Lease. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right, without Landlord's consent, to assign this Lease or sublet all or any portion of the Premises: (i) to a parent, subsidiary or other affiliate of Tenant; (ii) to a corporation or other entity with which it may merge or consolidate; or (iii) in connection with the sale of all or a substantial portion of Tenant's assets. In the event of an assignment of the Lease pursuant to this Section 22.2, from and after the assignment, Tenant shall no longer be liable for Tenant's obligations hereunder so long as such assignment is to an entity with a tangible net worth of at least \$100,000,000. As a condition precedent to the effectiveness of any assignment, Tenant shall require the assignee to execute and deliver to Landlord an assignment and assumption agreement on a form reasonably acceptable to all parties. (22.1 & 22.2, Pg. 24)

EXCLUSIONS FROM COMMON AREA CHARGES

Notwithstanding anything in Section 7.4 to the contrary, the term Common Area Charges excludes: (i) costs of a capital nature (for purposes of this Lease, the term costs of a capital nature means the cost of any item the useful life of which exceeds 36 months), other than the amortized cost (amortized on a straight-line basis over the item's useful life [as determined according to GAAP]) of repaving (including mill and overlay) any access ways, driveways, parking lots, sidewalks and curbing ; (ii) the cost of parking lot repairs, re-sealing and re-striping made before the date that is 5 Lease Years after the Effective Date; (iii) depreciation of the Center, or any portion or component of the Center, or any equipment or other property (7.5, Pg. 10 & 11)

UTILITIES

From and after the Delivery Date, Tenant shall pay before delinquency all usage charges for water, sanitary sewer, gas, heat, air cooling, electricity, power, telephone and other utility services used by Tenant on the Premises during the Term, which services shall be separately metered at Landlord's expense (with the exception of any shared fire sprinkler system). (11.1, Pg. 15)



MARKET OVERVIEW



MARKET OVERVIEW

READING, PA

Reading, PA is a city recognized for its rich history with a population of more 95,000 people, making it the fourth largest city in Pennsylvania after Philadelphia, Pittsburg, and Allentown. Located in the Southeastern part of the state, Reading is supported by industries that include Retail, Manufacturing, Health Care, Education, and Government. Reading is situated halfway between Philadelphia and Harrisburg, lying along a major transportation route from Central to Eastern Pennsylvania. The city was one of the first localities to transform outlet shopping into a tourist industry, and continues to attract new residents due to a modest cost of living and low crime rates.



MARKET OVERVIEW

BERKS COUNTY

Berks County is a combination of rich farm country, industry, beautiful parks, entertainment, and esteemed educational institutions. It is the ninth largest county in Pennsylvania with a population greater than 429,000. Berks County is favorably located approximately 66 miles from Pennsylvania and 60 miles from Pennsylvania's capital, Harrisburg. The attractive economics of the County continue to expand, which is reflected in the county-wide average household income of 86,965, approximately 23% higher than the national average household income of \$70,824. Berks County is also part of the larger Philadelphia-Reading-Camden Combined Statistical Area (CSA). This CSA is the largest in the state of Pennsylvania and the 8th most populous in the United states, with a combined population of more than 7,067,807.



TOP EMPLOYERS





INVESTMENT SALES ADVISORY

COLIN BEHR

Managing Director

+1 215.896.4253

colin.behr@jll.com

CHRIS MUNLEY

Senior Managing Director

+1 609.610.1096

c.munley@jll.com

JIM GALBALLY

Senior Managing Director

+1 215.988.5551

james.galbally@jll.com

JAMES GRAF

Director

+1 484.576.0663

james.graf@jll.com

RJ MIRABILE

Real Estate Analyst

+1 215.680.4663

rj.mirabile@jll.com

DEBT & FINANCING

RYAN ADE

Senior Managing Director

+1 484.532.4207

ryan.ade@jll.com

MICHAEL PAGNIUCCI

Senior Director

+1 484.532.4172

michael.pagniucci@jll.com

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The recipient ("Recipient") agrees that (a) the Offering Memorandum and its contents are confidential information, except for such information contained in the Offering Memorandum, which is a matter of public record, or is provided from sources available to the public (b) the Recipient, the Recipient's employees, agents and consultants who have a valid need to know business reason to know such information (collectively, the "need to know parties") will hold and treat it in the strictest of confidence, and the Recipient and the need to know parties will not, directly or indirectly, disclose or permit anyone else to disclose its contents to any other person, firm, or entity without the prior written authorization of JLL and the Owner, (c) the Recipient and the need to know parties will not use or permit to be used this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner or JLL or for any purpose other than use in considering whether to purchase the property, and (d) recipient will notify each of the need to know parties of the terms of this agreement and will be responsible for breach of same by any of the need to know parties. The Recipient and the need to know parties agree to keep this Offering Memorandum and all confidential information contained herein permanently confidential and further agree to use this Offering Memorandum for the purpose set forth above. If the Recipient has no interest in the property, or if in the future the Recipient or owner discontinue such negotiations, the Recipient will return this Offering Memorandum to JLL.