

OCALA



College of Central Florida



Gaitway Plaza



Shady Oaks Shopping Center



WALMART SUPERCENTER



SW College Rd (45,500 AADT)



CHASE BANK GROUND LEASE | S&P: A+

PRIME CENTRAL FLORIDA RETAIL LOCATION | OCALA, FLORIDA
ABSOLUTE NNN | FIXED RENTAL INCREASES

CBRE, Inc. | Licensed Real Estate Broker

CBRE

Capital Markets | Net Lease Properties

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CBRE, Inc. | Licensed Real Estate Broker

NEW DERBY APARTMENTS

(304 units)

(74,500 AADT)

(45,500 AADT)

SW College Rd

CHASE

OLLIE'S Bargain OUTLET
GOOD STUFF CHEAP

1

INVESTMENT SUMMARY

Site Plan
Investment Highlights

2

AREA OVERVIEW

Statistics
Maps

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OCALA

Economic Drivers
Quality of Life

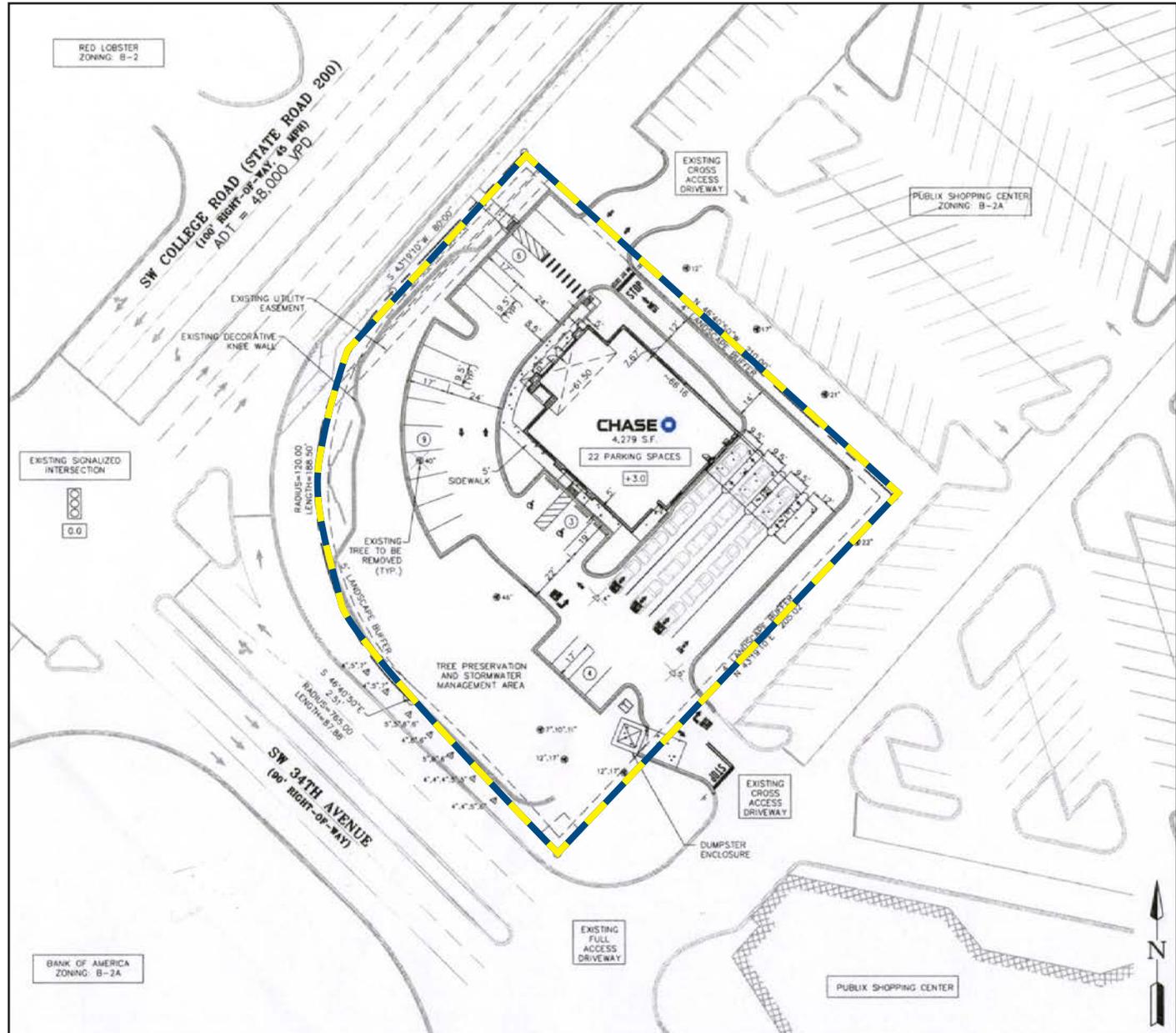
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TENANT DESCRIPTION

Aerial Map
Tenant Description



PROPOSED SITE PLAN





PRICE:	\$3,438,800
ANNUAL RENT:	\$177,100
CAP RATE:	5.15%
	<i>(Pricing reflects a 70 bps discount due to no construction of branch yet, however JP Morgan Chase is 100% obligated to entire lease term)</i>
ADDRESS:	3394 SW College Road, Ocala, FL 34474
TENANT:	JP Morgan Chase Bank N.A.
S&P RATING	A+
RENTAL INCREASES:	10% every 5 years
LEASE TERM:	13 years remaining on a 20-year lease
OPTIONS:	(4) 5-year options
RENT COMMENCEMENT:	May 10, 2012
LANDLORD OBLIGATIONS:	None – Absolute NNN
EXISTING FINANCING:	None
BUILDING SIZE:	4,279 SF (to be constructed)
LAND SIZE:	0.90± acres

CBRE is pleased to present this long term absolute NNN fee simple ground lease with JPMorgan Chase. JP Morgan Chase is the largest bank in the United States and boasts an S&P rating of A+ with a stable outlook. There are 13 years remaining on a 20 year lease with fixed rental increases of 10% every 5 years including options. There are no landlord management obligations or expenses. The property is at the signalized intersection and out parcel to the 87K SF Shoppes at Paddock Park and located directly on the primary east/west arterial in Ocala. This location is the retail “hub” in the Ocala market with 490K SF Paddock Mall directly adjacent to the site and most national retailers in the immediate vicinity.

Chase has not yet built the planned 4,279 SF bank branch, however they are obligated to all lease obligations for the entire 20 years. **Pricing reflects a 70 bps discount due to the building not being built yet.**

Nearby bank deposits: Bank of America: \$108M
Regions Bank: \$70M
Wells Fargo: \$67M

investment highlights

- Long term absolute NNN Ground Lease with JPMorgan Chase Bank
- **Pricing reflects a 70 bps discount due to tenant not yet constructing the branch, however Chase is fully obligated for the entire term of the lease and location is a prime retail site.**
- JPMorgan Chase is the largest bank in the US and holds one of the highest credit ratings available by S&P: A+ | stable
- Fixed rental increases of 10% every 5 years
- No landlord management obligations
- Prime Central Florida retail location
- High traffic signalized intersection on primary retail corridor
- No debt to assume
- FLORIDA HAS NO STATE INCOME TAX

2 SALE COMPS

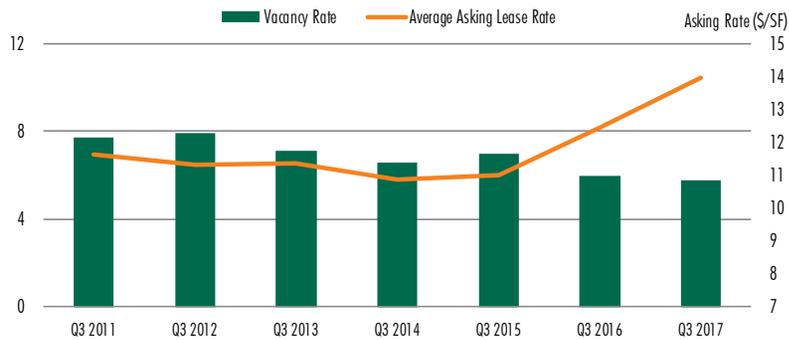
PROPERTY	STATUS/DATE CLOSED	TENANT	CREDIT	LOCATION	PRICE	CAP RATE	REMAINING TERM
	December 2016	SunTrust		3501 Vandenberg Way Estero, FL	\$5,000,000	4.38%	11.6 years
	June 2016	Chase Bank	A+	8285 W. Sunrise Blvd. Plantation, FL	\$5,600,000	4.54%	15 years
	August 2016	PNC Bank		4244 Roswell Road Marietta, GA	\$5,674,000	4.25%	20 years
	May 2016	TD Bank	AA-	801 W. 49th Street Hialeah, FL	\$8,845,400	4.85%	11 years
	July 2016	Chase Bank		22203 Interstate 10 Frontage Road San Antonio, TX	\$4,115,000	4.50%	16 years
	November 2016	TD Bank	AA-	6601 S. Dixie Hwy. Miami, FL	\$9,351,230	4.47%	17 years

Ocala, FL



*Arrows indicate change from previous year

Marion County Total Vacancy vs. Average Direct Asking Lease Rate (NNN)



Source: CBRE Research, Q3 2017.

Ocala’s economy is still in expansion mode following the recession. The metro is witnessing strong employment growth, ahead of the national pace and while median household income remains low, the cost of living is also low making the market affordable. The largest industry in the market is the health services sector driven by a demographic profile that shows population growth is two-times greater for residents aged 65 and older compared to overall population growth.

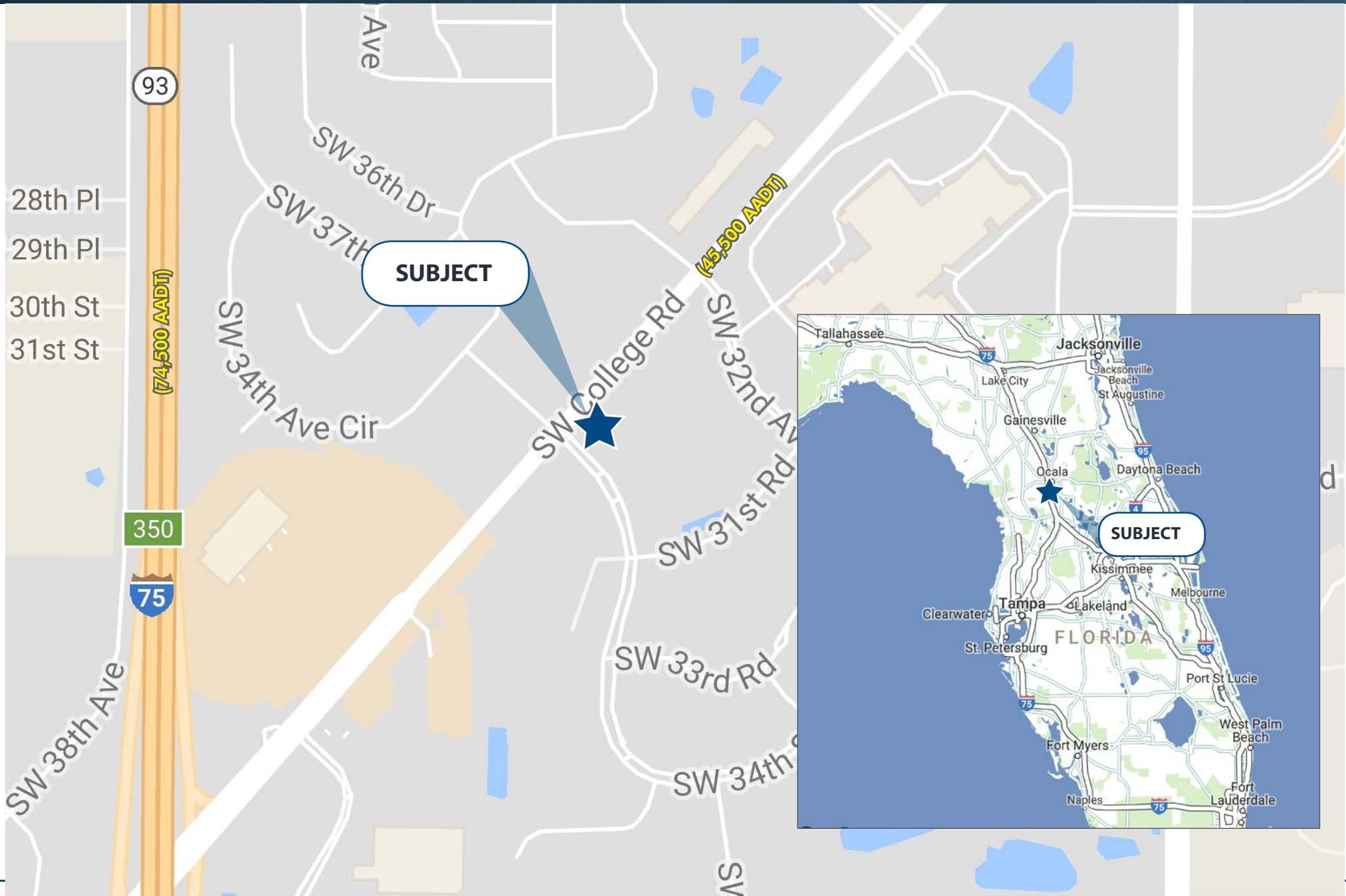
Over the past two years, Ocala’s retail leasing market has steadily improved markedly. Vacancy is below 6.0%, over 200 bps improvement from the high point witnessed at the start of 2011. The

DEMOGRAPHICS:	1-Mile	3-Mile	5-Mile
2017 Population	4,348	28,143	65,286
2022 Population	4,452	29,204	68,094
Percent Pop Change: 2010 to 2017	0.45%	0.76%	0.76%
Percent Pop Change: 2017 to 2022	0.47%	0.74%	0.85%
Percent HH Change: 2010 to 2017	0.10%	0.42%	0.52%
2017 Average Household Income	\$63,493	\$61,426	\$64,981
Average Household Size	2.19	2.34	2.32
Daytime Employment (Total Employees)	10,752	37,571	65,041

average asking lease rate has strengthened as well, nearing \$14.00 per sq. ft. Steady leasing activity, indicated by positive net absorption and limited construction deliveries, is anticipated to continue, which will bolster these fundamentals for the overall Ocala retail market.

Investment sales occurring over the past year show strong interest from both private and institutional buyers. Free standing, triple net property sales to-date in 2017 indicate pricing of \$440 per sq. ft. with an average capitalization rate below 6.00%. Cap rates for retail properties have held steady over the past two years and average around 6.5%.

4 AREA OVERVIEW - LOCAL MAP





Logistics & Distribution

Ocala's central location leaves it perfectly situated to play a major role in logistics and distribution activity throughout the Southeast. This strategic location is why many top companies call Ocala and Marion County Home:

- FedEx Ground
- National Parts Depot
- Frito Lay
- R+L Carriers
- Cheney Brothers
- CARQUEST
- ClosetMaid
- Auto Zone
- Chewy.com
- Kmart



Food Processing

Ocala's access to abundant resources and ideal location have resulted in its ranking as a top 5 food processor in the nation. Several major brands call the Ocala area home:

- Queen of America Honey
- Signature Brands
- DeConna Ice Cream
- Country Meats
- US Food Service



Aerospace

Home to major international aerospace players such as Lockheed Martin, Marion County is poised to become a major hub for aerospace manufacturing and services.



LARGE SCALE PORTS
FIVE
WITHIN A FIVE
HOUR DRIVE



CSX
HOME TO
CLASS I
CSX RAIL

Source: Ocala/Marion County Chamber & Economic Partnership

\$5.6 MILLION
TO BE INVESTED IN
NEW TERMINAL
AT OCALA INTERNATIONAL AIRPORT

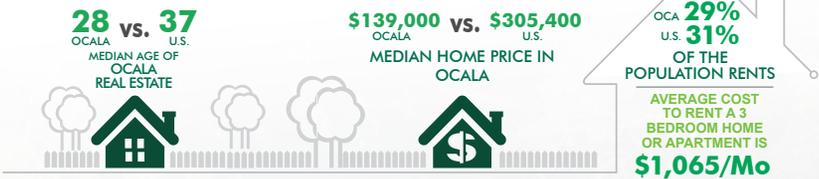
Source: Ocala/Marion County Chamber & Economic Partnership & Enterprise Florida

FLORIDA
#1
AMONG STATES FOR
AEROSPACE
MANUFACTURING
ATTRACTIVENESS

HOME TO
JUMBOLAIR
RESIDENTIAL
AVIATION COMMUNITY

\$67K
AEROSPACE
WORKER
AVERAGE ANNUAL WAGE

A STRONG HOUSING MARKET



Source: Sperling's Best Places & Florida Realtors



233 DAYS OF SUNSHINE

72°F AVERAGE TEMP

\$4 BILLION EQUINE INDUSTRY

DUBBED **HORSE CAPITAL** OF THE WORLD WITH **900 HORSE FARMS**

20 CHAMPIONSHIP GOLF COURSES

LARGEST SAND PINE SCRUB FOREST IN THE WORLD | OCALA NATIONAL FOREST

Source: Sperling's Best Places & Explore Ocala

PARKS & RECREATION



An Outdoor Enthusiast's Playground

Activities & Parks

Silver Springs State Park
Ocala National Forest
Over 2,400 acres of park lands

Golfing

Candler Hills Golf & Country Club
Trilogy Golf Club Ocala Preserve
Juliette Falls
Stone Creek
Eagle Ridge Golf Club

Shopping

The Market of Marion
Paddock Mall
Historic Village Shops of Dunnellon
Ocala Historic Downtown Square

HEALTHCARE



World-Class Health Care

Munroe Regional Medical Center

Timber Ridge Rehabilitation and Nursing Center

Ocala Regional Medical Center

West Marion County Hospital

Kindred Hospital

University of Florida Health

HealthSouth Rehabilitation Hospital

EDUCATION



Home to Top-Rated Schools in Florida

College of Central Florida

Taylor College

Rasmussen College

Beacon College

Saint Leo University

Webster University

Access to talent in other Florida top-rated schools:

University of Florida

University of Central Florida

University of South Florida

Source: Sperling's Best Places & Explore Ocala

NORTHEAST

OCALA



Gaitway Plaza

Shady Oaks Shopping Center



WALMART SUPERCENTER



College of Central Florida



SW College Rd (45,500 AADT)

CHASE

S&P Rated: A+ / stable

www.chase.com

JPMorgan Chase is one of the largest financial services firms in the US, the company has more than 5,000 bank branches in some two dozen states (and growing) and is also among the nation's top mortgage lenders and credit card issuers. Active in some 60 countries, it also boasts formidable investment banking and asset management operations. The company's subsidiaries include the prestigious JPMorgan Private Bank and institutional investment manager JPMorgan Asset Management (with some \$1.5 trillion in assets under supervision). In 2008 JPMorgan Chase bought Bear Stearns and followed that up with Washington Mutual (WaMu).



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By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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