



OFFERING MEMORANDUM

PRESERVE
WEST
CAPITAL



Starbucks Anchored Retail Shops Building
Milford, OH | Cincinnati MSA

This property is listed in conjunction with Ohio-licensed real estate broker Equity Commercial Real Estate Solutions.

www.preservewestcapital.com



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Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

www.preservewestcapital.com

Putnam Daily

Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064

Lindsey Snider

Vice President
415.906.2887
lindsey@preservewc.com
CA RE License #01443387

Michael Maffia

Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

PROPERTY HIGHLIGHTS

Walmart
Supercenter



Starbucks
RAPID FIRED PIZZA
AMAZINGLY GOOD. AMAZINGLY FAST.
L-C Nails

TACO BELL
NOW OPEN

United
Dairy
Farmers

Chamber Dr

- New 100% Leased Starbucks-Anchored Retail Shops Building
 - “Internet-Resistant” Tenant Mix
 - All Tenants Signed 10-Year NNN Leases
 - Scheduled Rental Escalations in 100% of Leases
 - Both Starbucks and Rapid Fired Pizza are Open for Drive-Thru & Pick-Up/Delivery Business
- New, Highly-Functional 2019 Construction with Drive-Thru Component for Starbucks and Outdoor Patio for Rapid Fired Pizza
- Robust Co-Tenancy Outparcel to Super Walmart and Across from Rivers Edge at Milford Power Center Anchored by Target, and CineMark
 - Additional Anchor Tenants in Surrounding Area Include Kroger, Meijer & CVS
- Excellent Access and Visibility at I-275 Arterial Junction
 - 86,400 AADT
- Robust, Affluent Demographics within 5 Mile Radius
 - Population of 82,138
 - Average Household Income of \$109,877
- Cincinnati MSA Location with High Barriers to Entry
 - Ohio’s Largest MSA with Population of 2,190,209
 - MSA GDP Exceeds \$138 Billion
 - Among Fastest-Growing Regional Economies in the U.S.
- Approximately 16 Miles East of Downtown Cincinnati



Location

The property is located at 200-204 Chamber Drive in Milford, Ohio.

Lot Size

Approximately 1.62 acres or 70,349 square feet.

Improvements

A 6,557 square foot retail building demised into 3 retail suites.

Starbucks | 2,331 square feet

Rapid Fired Pizza | 2,320 square feet

LC Nails | 1,906 square feet

Parking

There is ample parking available on site.



PRICE

\$3,595,000

6.05% CAP Rate

Projected Gross Revenue

	YEAR 1	YEAR 10
Scheduled Base Rental Revenue	\$219,348	\$246,628
Expense Reimbursement Revenue	\$59,318	\$73,123
Total Potential Gross Revenue	\$278,666	\$319,751
Effective Gross Revenue	\$278,666	\$319,751

Annual Expenses

Common Area Maintenance	\$10,294	\$13,432
Insurance	\$3,147	\$4,107
Taxes	\$38,949	\$46,547
Management	\$8,918	\$11,635
Total Operating Expenses	\$61,308	\$75,721

	YEAR 1	YEAR 10
Net Operating Income	\$217,358	\$244,030

Note

The net income is an estimate and does not provide for all potential costs and expenses (i.e. maintenance, repair, etc.) that may be required of the owner. Any reserves set forth herein are merely estimates and not based on any experience, physical inspection, or prior knowledge. All prospective purchasers are strongly advised to make an independent investigation to determine their estimate of costs and expenses prior to entering into an agreement to purchase.



General Assumptions

Analysis Date	April 2021
Total Rentable Area	6,557 SF
Total Area for CAM Reimbursement Calculations	6,557 SF
General Inflation per Annum	3%
General Expense Growth per Annum	3%
Real Estate Tax Growth per Annum	2%
Management Fee	3% of EGR



	Year 1 Apr-2021 Mar-2022	Year 2 Apr-2022 Mar-2023	Year 3 Apr-2023 Mar-2024	Year 4 Apr-2024 Mar-2025	Year 5 Apr-2025 Mar-2026	Year 6 Apr-2026 Mar-2027	Year 7 Apr-2027 Mar-2028	Year 8 Apr-2028 Mar-2029	Year 9 Apr-2029 Mar-2030	Year 10 Apr-2030 Mar-2031
Net Rentable Area - Sq. Ft.	6,557									
Base Rental Revenue PSF/mo.	\$2.79	\$2.80	\$2.86	\$2.98	\$3.03	\$3.05	\$3.10	\$3.13	\$3.24	\$3.13
Total Operating Expenses PSF/yr.	\$9.35	\$9.57	\$9.80	\$10.03	\$10.27	\$10.51	\$10.76	\$11.02	\$11.28	\$11.55
Absorption & Turnover Vacancy %	-	-	-	-	-	-	-	-	-	-
General Vacancy %	-	-	-	-	-	-	-	-	-	-
Potential Gross Revenue										
Base Rental Revenue	219,348	220,630	225,184	234,613	238,511	239,899	243,953	246,207	254,613	246,628
Absorption & Turnover Vacancy	-	-	-	-	-	-	-	-	-	-
Scheduled Base Rental Revenue	219,348	220,630	225,184	234,613	238,511	239,899	243,953	246,207	254,613	246,628
Expense Reimbursement Revenue	59,318	60,706	62,132	63,591	65,084	66,615	68,182	69,789	71,436	73,123
Total Potential Gross Revenue	278,666	281,336	287,316	298,204	303,595	306,514	312,135	315,996	326,049	319,751
General Vacancy	-	-	-	-	-	-	-	-	-	-
Effective Gross Revenue	278,666	281,336	287,316	298,204	303,595	306,514	312,135	315,996	326,049	319,751
Operating Expenses										
CAM - \$1.57	10,294	10,603	10,921	11,249	11,587	11,934	12,292	12,661	13,041	13,432
Insurance - \$0.48	3,147	3,242	3,339	3,439	3,542	3,649	3,758	3,871	3,987	4,107
Taxes - \$5.94	38,949	39,728	40,522	41,333	42,159	43,002	43,862	44,740	45,634	46,547
Management - \$1.36	8,918	9,185	9,461	9,744	10,037	10,338	10,648	10,967	11,296	11,635
Total Operating Expenses	61,308	62,758	64,243	65,765	67,325	68,923	70,560	72,239	73,958	75,721
NET OPERATING INCOME	217,358	218,578	223,073	232,439	236,270	237,591	241,575	243,757	252,091	244,030
Leasing & Capital Costs										
Tenant Improvements	-	-	-	-	-	-	-	-	-	-
Leasing Commissions	-	-	-	-	-	-	-	-	-	-
Total Leasing & Capital Costs	-	-	-	-	-	-	-	-	-	-
Cash Flow Before Debt Service	217,358	218,578	223,073	232,439	236,270	237,591	241,575	243,757	252,091	244,030

RENT ROLL



Tenant	Sq. Ft.	Monthly Rent PSF	Annual Rent PSF	Current Annual Rent	Term	Rent Commence. Date	Lease Expiration Date	Rental Increase Date(s)	Rental Increase Amount(s)	Options	Lease Structure	End-of-Term Assumption
Starbucks	2,331	\$3.16	\$37.89	\$88,312	10 yrs	2/27/2019	2/26/2029	3/1/2024	\$97,143	4 @ 5 yrs Option 1: \$106,858 Option 2: \$117,548 Option 3: \$129,307 Option 4: \$142,229	NNN with tenant responsible for all taxes, insurance, and proportionate share of common area maintenance. Increases in controllable CAM costs are capped at 5% annually on a non-cumulative basis.	Option
LC Nails	1,906	\$2.66	\$31.96	\$60,922	10 yrs	4/1/2021	3/31/2031	4/1/2023 4/1/2025 4/1/2027 4/1/2029	\$63,432 \$65,969 \$68,608 \$71,352	2 @ 5 yrs Option 1: \$71,352 with 2% annual increases Option 1: \$77,234 with 2% annual increases	NNN with tenant responsible for all taxes, insurance, and proportionate share of common area maintenance.	Option
Rapid Fired Pizza	2,320	\$2.46	\$29.50	\$68,440	10 yrs	12/1/2019	11/30/2029	12/1/2020 12/1/2021 12/1/2022 12/1/2023 12/1/2024 12/1/2025 12/1/2026 12/1/2027 12/1/2028	\$69,689 \$70,963 \$72,262 \$73,587 \$74,939 \$76,318 \$77,724 \$79,158 \$80,622	2 @ 5 yrs Option 1: \$67,965 with 2% annual increases Option 2: \$75,039 with 2% annual increases	NNN with tenant responsible for all taxes, insurance, and proportionate share of common area maintenance. Tenant is responsible for an administrative fee equal to 10% of CAM. Increases in controllable CAM costs are capped at 5% annually on a non-cumulative basis.	Option

Leased	6,557	100%
Vacant	0	0%
TOTAL	6,557	100%



STARBUCKS COFFEE

Lessee: Starbucks Corporation
Tenant's Stock Symbol: NASDAQ: SBUX
No. of Locations: 30,000+
Website: www.starbucks.com

Starbucks

Starbucks is the leading roaster, marketer, and retailer of specialty coffee worldwide, selling handcrafted coffee, tea, and other beverages, fresh food items, and more. In addition, Starbucks operates the Seattle's Best Coffee, Teavana, Evolution Fresh, La Boulange, Ethos Water, and Starbucks Reserve brands. Starbucks has more than 30,000 stores in more than 75 countries and continues to grow, opening more than 1,900+ new stores between July 2018 and July 2019. Starbucks' success and market dominance can be attributed in part to their successful real estate expansion strategy; in the U.S., the company operates the majority of their locations. The company serves more than 90 million customers daily and has experienced consistent same store positive sales growth. In 2019, Starbucks was ranked #121 in the Fortune 500.

For the 2019 fiscal year, Starbucks reported revenue of \$26.5 billion and net income of \$3.6 billion. The company is rated Baa1 by Moody's & BBB+ by S&P.



Lessee: RFP Milford, LLC
No. of Locations: 37+
Website: www.rapidfiredpizza.com

Rapid Fired Pizza

Rapid Fired Pizza serves fresh, customizable pizzas cooked in just 180 seconds, specialty pizzas, and salads at more than 37 locations throughout Ohio, Indiana, Kentucky, South Carolina, and Texas. The company was founded by a team with more than 100 years combined franchising and restaurant experience with a focus on streamlined operations, clear training systems for employees, and a very strong focus on unit economics. The co-founders include Ray Wiley, co-founder of Hot Head Burritos with 30 years experience in restaurant operations, development, and construction with Skyline Chili, Subway, and Hot Head Burritos; Kelly Gray, who brings more than 15 years experience in commercial real estate leasing and site selection and has been named one of Dayton's 50 most influential women; Tim Tefs, who owns 10 subway restaurants and is a former owner and area developer for a full service sports bar chain; and Jim Savakinas, who has 25 years multi-unit fast casual and quick-serve restaurant experience. The brand has been designed to facilitate successful franchising with in-house demographic analysis, customer information gathering, graphic design, marketing, architectural design, and real estate leasing.

RFP Milford, LLC, the lease entity, is a franchise of Rapid Fired Pizza operated by Patrick Harder of Harder Restaurant Group. The franchisee operates eight other restaurants including six Rapid Fired Pizzas (four are located inside Kroger stores), an Eli's BBQ and a Guthrie's Chicken. Please visit their website at: www.hardercatering.com for more information.

L~C Nails

Lessee: Thearith Pay and Sreychan Mam

LC Nails

LC Nails is a nail salon local to the Cincinnati MSA. They currently operate two other locations in Portsmouth, OH and this will be their third salon. LC Nails provides specialized nail care and beauty services including manicure and pedicure treatments.

SITE PLAN

MILFORD PKWY



DRIVE THRU →

RAPID FIRED
PIZZA
AMAZINGLY GOOD. AMAZINGLY FAST.

L-C Nails



2,320 SF

1,906 SF

2,331 SF

CHAMBER DR

AERIAL

NORTHEAST VIEW






 LC Nails






 Office DEPOT






 HOMESWOOD SUITES

 Hilton



 by HILTON

 Planned

 100-Room Hotel



 TARGET®



 The Best Seat In Town



 GOURMET BURGERS & BEERS



 Old Country Store

INTERSTATE


 (72,240 AADT)

Rivers Edge Drive

Milford Pkwy (10,090 AADT)





 Health



 STAYBRIDGE SUITES

 Planned

 100-Room Hotel




 Wendy's



 verizon

Chamber Dr



 TACO BELL

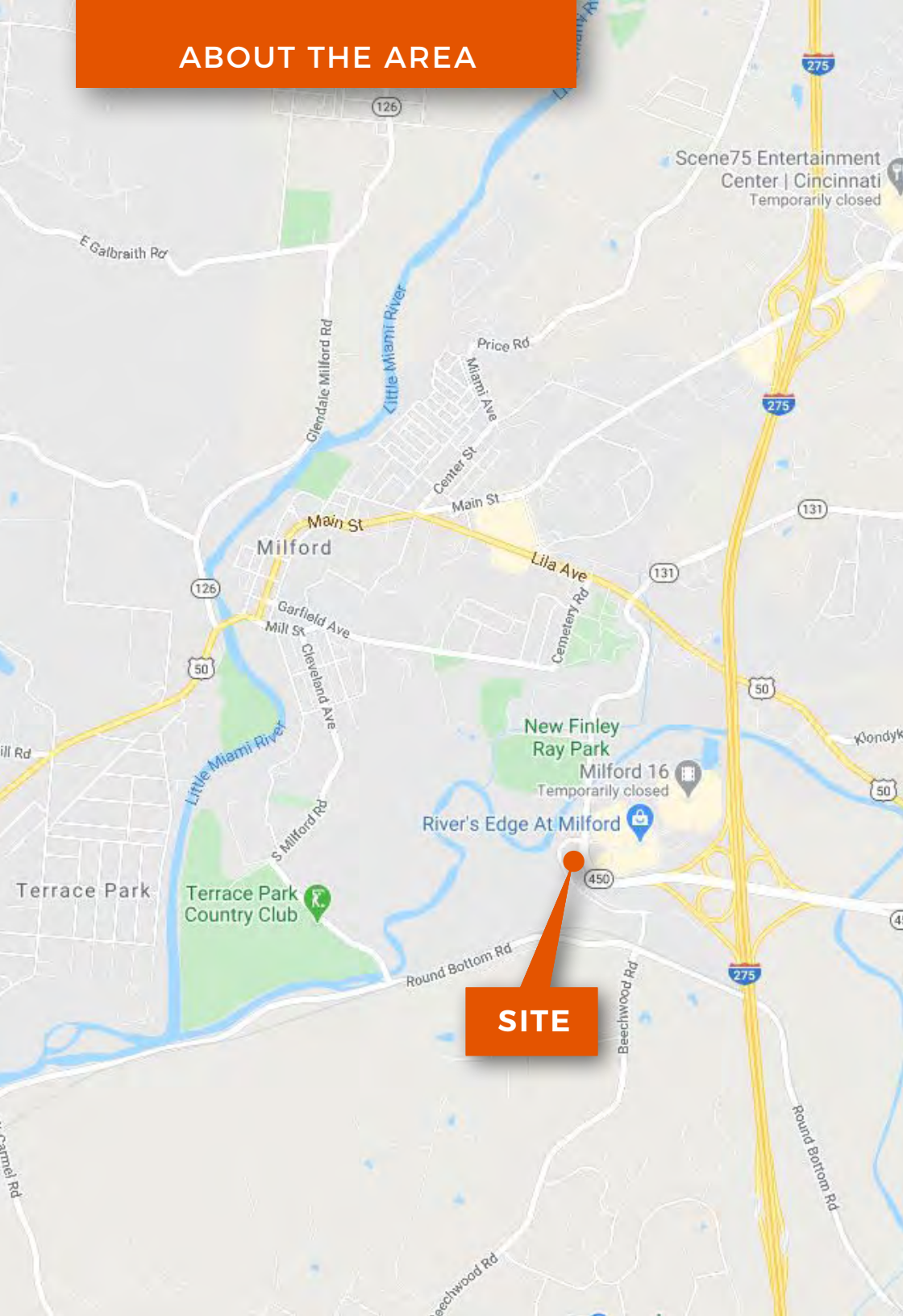
 NOW OPEN



 Walmart

 Supercenter

ABOUT THE AREA



Site Information

The subject property is an outparcel to a well-trafficked Walmart Supercenter and ideally located with excellent access and visibility along Chamber Drive (4,070 AADT) adjacent to the Milford Parkway (10,090 AADT) and I-275 arterial (72,240 AADT) junction. The property benefits from robust, affluent demographics within an established suburb of Cincinnati with a population of 82,138 and average household income of \$109,877 within a five mile radius.

The property benefits from a prominent retail location in close proximity to shopping centers, major retail tenants, and employers. Nearby shopping centers include River's Edge at Milford, featuring Target, PetSmart, and Dollar Tree; Regency Milford Center, anchored by Kroger and CVS; Romar Center, anchored by Lowe's Home Improvement; Delco Plaza Shopping Center, featuring Scene75 Entertainment Center; and Mulberry Square, anchored by Kroger. Other major retail tenants in the surrounding area include Meijer, Dollar General, The Home Depot, and more.



200 Chamber Dr | Milford, OH 45150



2019 POPULATION
82,138



AVG. HOME VALUE
\$299,761



AVG. HOUSEHOLD INCOME
\$109,877

Population Summary	1 Mile	3 Miles	5 Miles
2010 Total Population	2,592	26,813	79,028
2019 Total Population	2,834	28,032	82,138
2024 Total Population	2,959	28,753	83,958
2019-2024 Annual Rate	0.87%	0.51%	0.44%
Average Household Income			
2019	\$63,462	\$100,425	\$109,877
2024	\$71,570	\$109,598	\$120,788
Average Home Value			
2019	\$182,702	\$275,036	\$299,761
2024	\$208,640	\$298,983	\$327,463

Top Employers in Hamilton County	# of Employees
Kroger Company	15,668
Cincinnati Children's Hospital Medical Center	15,661
TriHealth Incorporated	12,500
UC Health	10,991
University of Cincinnati	10,798
Mercy Health	10,500
Procter & Gamble Company	10,000
General Electric	9,700
Fifth Third Bank	7,503
City of Cincinnati	6,671



Putnam Daily

Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064

Lindsey Snider

Vice President
415.906.2887
lindsey@preservewc.com
CA RE License #01443387

Michael Maffia

Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

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