



NNN FIRST FEDERAL OF LAKEWOOD BANK BRANCH

AVON LAKE, OHIO



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PRESENTED BY  **GOODMAN INVESTMENT GROUP**



KYLE HARTUNG

DIRECTOR OF INVESTMENT SALES

kyle@goodmanrealestate.com

216.381.8200 x205

GOODMAN REAL ESTATE SERVICES GROUP LLC

25333 Cedar Road, Suite 305 | Cleveland, Ohio 44124

389 East Livingston Avenue | Columbus, Ohio 43215

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NNN FIRST FEDERAL OF LAKEWOOD BANK BRANCH AVON LAKE, OHIO



PROPERTY	NNN First Federal of Lakewood Branch
LEASE GUARANTOR	First Federal Savings & Loan Association of Lakewood, an Ohio Corp.
ADDRESS	32812 Walker Road, Avon Lake, Ohio 44012
DEAL TYPE	Stabilized with Recent Renewal and Annual CPI Increases
LEASE TYPE	Triple Net
MARKET	Cleveland - Elyria MSA
POPULATION	2,055,612
BUILDING SIZE	4,038 SF
LOT SIZE	0.94 Acres
PRIMARY TRAFFIC COUNT	18,989 VPD (20)
BRANCH DEPOSITS	2021 \$97.571 Million
RENT COMMENCEMENT	12-31-2014
LEASE EXPIRATION	12-31-2026
RENEWAL OPTIONS	Two 5-Year Options
NET OPERATING INCOME	\$100,010.95
CAP RATE	6.25%
PRICE	\$1,600,000

CPI Notes: 2021 CPI increase budgeted at 6% based on August 2020-August 2021 data. Actual NOI and sales price may fluctuate slightly based on actual CPI increase to be published in October 2021.

INVESTMENT HIGHLIGHTS

- **Annual CPI Increases with NO CAPS** – 2021 CPI INCREASE of 6%
- Single Tenant Net Lease – Ideal 1031 Exchange
- High \$97 Million Deposits at Location
- Corporate Guaranty by First Federal Savings & Loan Association of Lakewood with Over 20 Branch Locations
- Located in High Income Suburban Community of Avon Lake, Ohio
- Freestanding Corner Location with Drive-Thru
- Tenant Reimburses for All Property Expenses Including Repairs and Replacements

PROPERTY DESCRIPTION

For sale to qualified investors is the fee simple interest in the freestanding First Federal of Lakewood bank branch in Avon Lake, Ohio. The branch recently exercised one of three remaining five-year options giving them over 5 years of guaranteed term remaining. The lease is triple net including roof and structure, and is corporately guaranteed. The most unique aspect of this investment is the tenant's obligation to pay annual CPI increases with NO CAPS. In the current and projected future inflationary environment, this will increase cash flow and overall return on an annual basis by a considerable amount. (From September 2020 to September 2021 the increase was 6%). The branch features a drive-thru location on Walker Road in the heart of Avon Lake, and is surrounded by other retailers and businesses such as Walgreen's, Cleveland Clinic, Taco Bell, Goddard School, and more businesses serving this upscale community.



CLEVELAND, OHIO

Cleveland is a major city in the U.S. state of Ohio and the county seat of Cuyahoga County. Greater Cleveland is ranked as the 32nd largest metropolitan area in the U.S., with 2,055,612 people. The city is located on the southern shore of Lake Erie and was founded in 1796 near the mouth of the Cuyahoga River. It became a manufacturing center due to its location on both the river and lake shore, as well as being connected to numerous canals and railroad lines. As Cleveland continues to evolve and grow, the economy relies on diversified sectors such as manufacturing, financial services, healthcare, entertainment and biotechnology. Over the last 5 years, Cleveland has added over \$5 billion worth of new construction, including 1,500 hotel rooms, converting 1 million square feet of commercial space into 3,300 residential units and added 350,000 square feet of prime office space. The city is home to some of the best hospitals in the U.S., including The Cleveland Clinic, University Hospital and MetroHealth. Additionally, the city is home to Playhouse Square, the second largest performing arts center in the U.S. behind New York City's Lincoln Center.



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2021 ACTUAL

INCOME

Occupancy: 100%

BASE RENTAL INCOME

Tenant	Size (SF)	Annual Rent	PSF
First Federal of Lakewood	4,038	\$95,804.88	\$23.73
Total	4,038	\$95,804.88	

REIMBURSED EXPENSES

Landscaping		\$6,088.43	
Snow Removal		\$4,787.99	
Maintenance		\$15,692.46	
Insurance		\$1,211.40	
Property Taxes		\$23,577.12	
Management		\$4,206.07	
Total		\$55,563.47	

GROSS RENT	\$95,804.88
GROSS INCOME	\$151,368.35

OPERATING EXPENSES

Landscaping		\$6,088.43
Snow Removal		\$4,787.99
Maintenance		\$15,692.46
Insurance (\$0.30 psf)		\$1,211.40
Property Taxes		\$23,577.12
Total		\$51,357.40

TOTAL OPERATING EXPENSES	\$51,357.40
NET OPERATING INCOME	\$100,010.95
VALUE AT 6.25% CAP RATE	\$1,600,175.20



TENANT NAME	SQUARE FEET	PRO-RATA	LEASE TERM		RENTAL RATES		RECOVERY TYPE	COMMENTS/OPTIONS
			BEGIN	END	BEGIN	ANNUALLY		
First Federal Savings & Loan Association, an Ohio Corporation	4,038	100%	12-31-2014	12-31-2026	Current	\$95,804.88	NNN	<p>Tenant is leasing the property on a NNN basis and pays for or reimburses all expenses for the property.</p> <p>CPI Increases: Rent and management fee increases each year by the percent increase in CPI from September to September with no caps.</p> <p>Rent may not decrease.</p> <p>Options: Tenant has two (2) five-year options to renew with 120 days prior notice.</p> <p>Security deposit: \$13,796.50</p>





First Federal of Lakewood was founded in Lakewood, Ohio, in 1935, and is the largest independent mutual bank headquartered in Ohio. The company maintains their Lakewood headquarters branch and offices in addition to 20 bank branches throughout Northern Ohio. The bank thrives on making a difference in the communities it serves through local and regional partnerships with business owners, real estate investors, and entrepreneurs. As an independent mutual bank, they are able to make decisions to benefit their customers, not shareholders and they strive to consistently offer the highest quality financial products and services, while reinvesting resources into the local economy to help build a stronger community.



WEBSITE: WWW.FFL.NET



CLEVELAND REGIONAL HIGHLIGHTS

- The Cleveland Clinic consistently ranks in the Top 5 for Best Hospitals in the U.S., with 5.1 million patient visits per year.
- In the 2018 Fortune 500 ranking of the largest U.S. corporations, 8 companies are based in Northeast Ohio.
- According to the 2019 Census Estimate, Cleveland-Akron-Canton CSA has a population of 3,515,646 people. The area is also home to NBA, NFL, and MLB professional franchises.
- The RNC (Republican National Convention) was held in Cleveland at the end of July 2016, and was estimated to have generated over \$200 Million in direct spending.
- Case Western Reserve University & Cleveland State University reside in the heart of downtown Cleveland. Combined enrollment is over 28,000 students.
- Developers have rolled out an average of 1,000 new apartment units per year over the past 5 years in Cleveland. According to a recent National Rent Report by Zumper, Cleveland also ranked #1 of the top 100 Cities in terms of one-bedroom rent growth, showing the continuing demand.



TOP EMPLOYERS

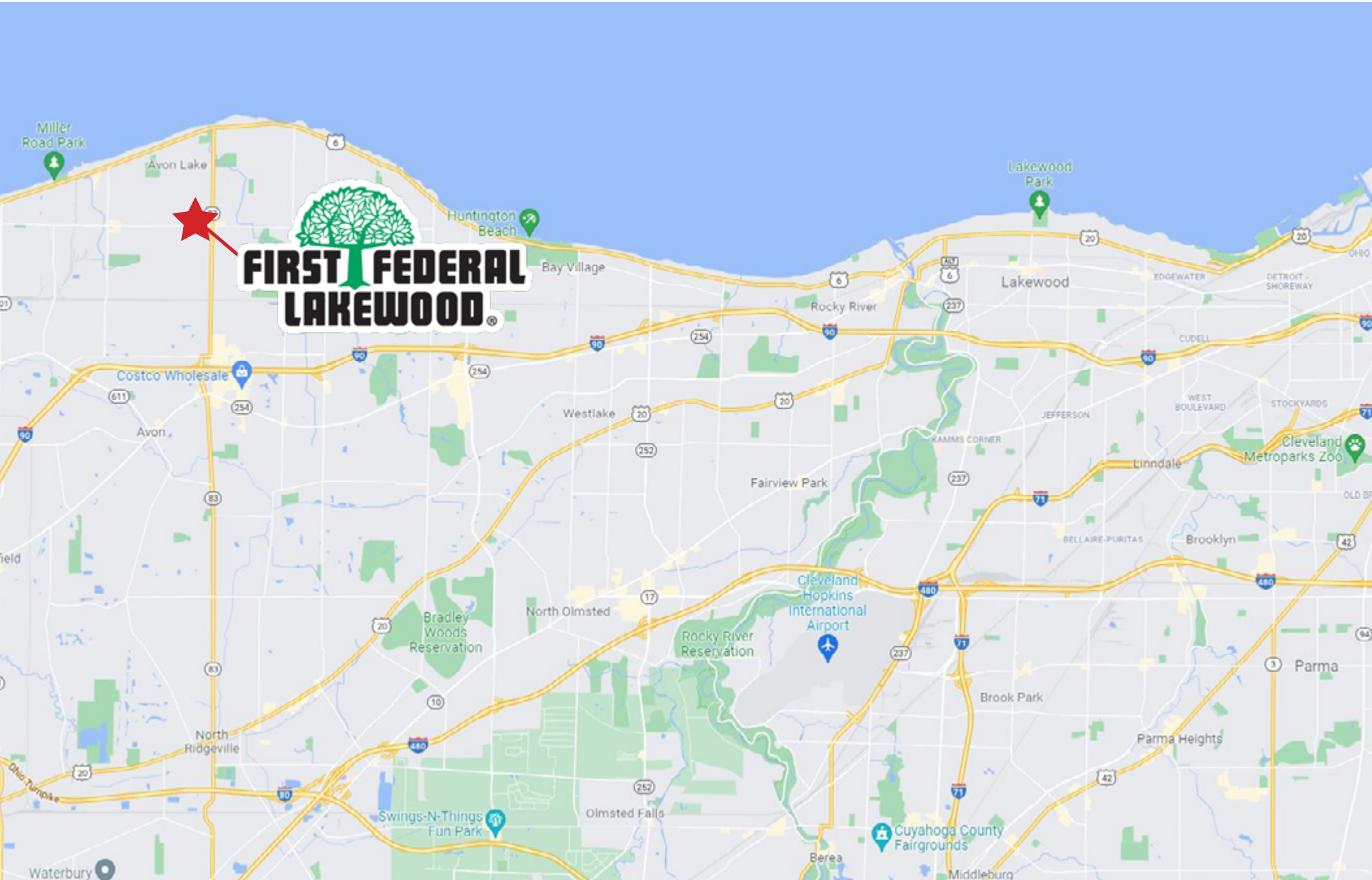
COMPANY	# OF EMPLOYEES
Cleveland Clinic	32,251
University Hospitals	14,518
Progressive Insurance	8,379
The MetroHealth System	5,823
Key Corp	4,812
Case Western Reserve University	4,512
Swagelok Co	4,186
Sherwin-Williams Co	3,430
Lincoln Electric Co	2,800
Nestle USA	2,298





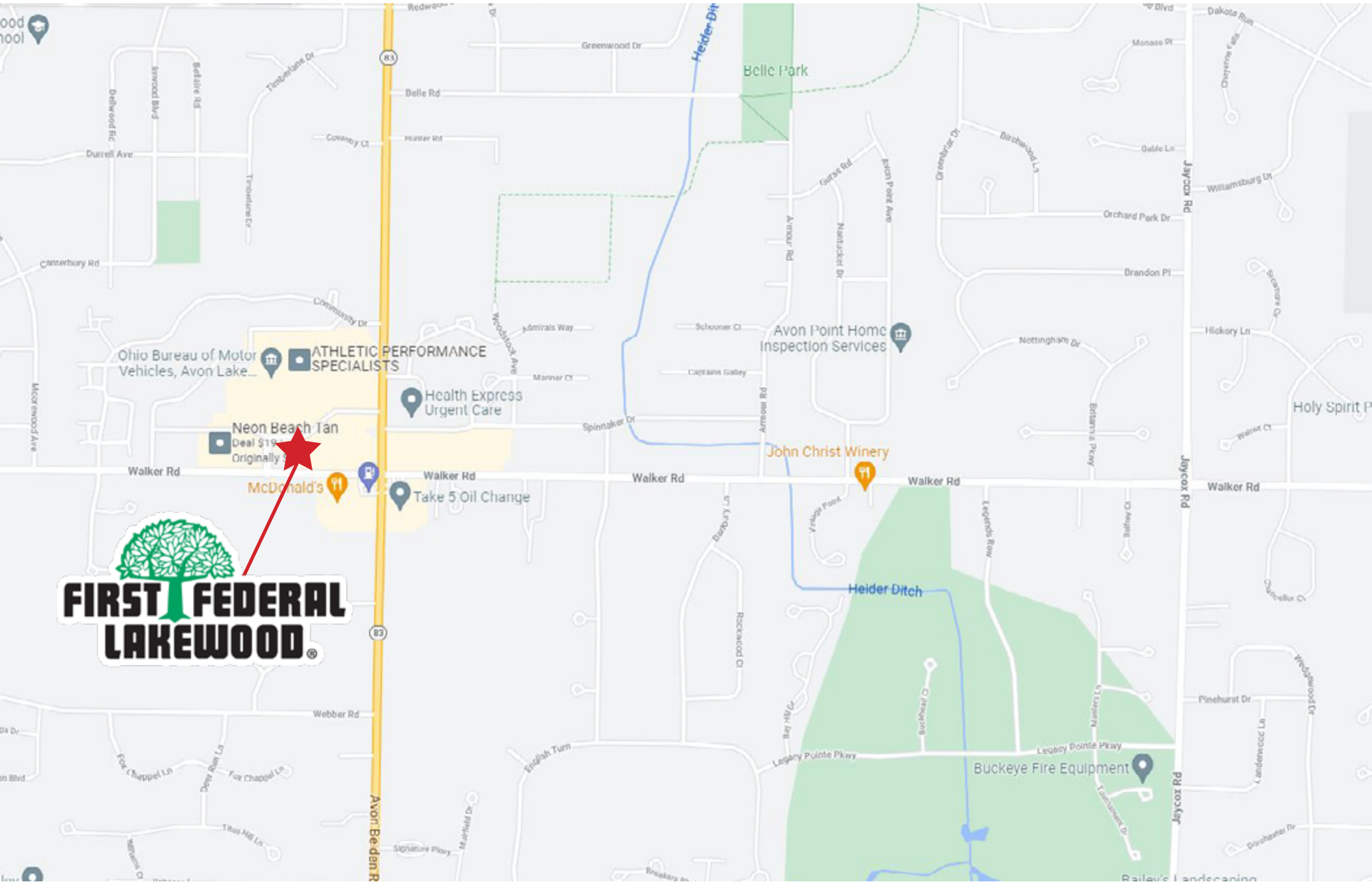


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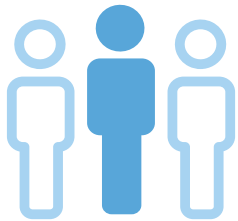




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5 MILE RADIUS DEMOGRAPHICS



74,838

Population



44

Median Age



2.55

Average
Household Size



\$116,248

Average
Household Income



\$45,455

Per Capita Income



1,879

Total Businesses



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	1 MILE	3 MILE	5 MILE	7 MILE
POPULATION				
Current Year Estimated Population	7,185	35,015	74,838	146,766
5 Year Projected Population	7,585	36,563	77,273	149,536
2010 Census Population	6,454	31,369	68,965	138,956
2000 Census Population	5,337	24,951	54,157	123,837
HOUSEHOLDS				
Current Year Estimated Households	2,788	14,119	28,966	57,873
5 Year Projected Households	2,946	14,770	29,895	58,915
2010 Census Households	2,503	12,616	26,703	54,828
2000 Census Households	1,894	9,348	20,138	46,643
AGE (2020)				
Est. Population Under 10 Years	9.9%	10.2%	10.3%	10.6%
Est. Population 10-19	14.0%	14.9%	14.9%	13.9%
Est. Population 20-30	13.7%	13.2%	13.1%	13.0%
Est. Population 30-44	13.0%	12.9%	13.2%	14.4%
Est. Population 45-59	21.7%	22.0%	22.2%	21.2%
Est. Population 60-74	20.1%	19.8%	19.3%	19.5%
Est. Population 75 Years or Over	7.6%	7.1%	6.9%	7.3%
INCOME (2020)				
Est. HH Inc \$200,000 or more	6.3%	11.2%	11.1%	7.8%
Est. HH Inc \$150,000 to \$199,999	10.3%	11.6%	13.2%	11.2%
Est. HH Inc \$100,000 to \$149,999	23.7%	21.0%	20.1%	18.4%
Est. HH Inc \$75,000 to \$99,999	13.1%	12.5%	13.5%	13.9%
Est. HH Inc \$50,000 to \$74,999	19.5%	16.1%	16.2%	16.9%
Est. HH Inc \$35,000 to \$49,999	9.9%	11.4%	10.8%	11.9%
Est. HH Inc \$25,000 to \$34,999	5.3%	5.4%	5.4%	7.0%
Est. HH Inc \$15,000 to \$24,999	6.4%	5.6%	5.1%	7.0%
Est. HH Inc Under \$15,000	5.4%	5.2%	4.8%	6.0%
Est. Average Household Income	\$102,800	\$112,837	\$116,248	\$102,811
Est. Median Household Income	\$80,808	\$86,476	\$88,359	\$77,049
Est. Per Capita Income	\$39,890	\$45,499	\$44,994	\$40,540