

Save-A-Lot  
Ashland, Ohio



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Offering Memorandum

Goodman Real Estate Services Group LLC  
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# Save-A-Lot

## Ashland, Ohio

### The Property - Investment Summary

Property	Save-A-Lot
Guarantor	Moran Foods, LLC
Type	Freestanding Single Tenant
Property Address	161 Center Street Ashland, Ohio 44805
Gross Leasable Area	22,102 Square Feet
Lot Size	1.48 Acres
Lease Type	NN
Roof Age	New 2012
Tenure at Site	18 Years
Next Renewal Date	March 23, 2019
Net Operating Income	\$112,941.24
CAP Rate	9.1%
Price	\$1,205,000
Price Per Square Foot	\$54.52



#### Investment Highlights

- Corporate Save-A-Lot Store (Moran Foods LLC)
- Attractive 9.1% Capitalization Rate
- Longevity of Tenancy in the Property - 18 Years
- Low \$54.52 per-square-foot Price, Considerably Below Current Replacement Cost
- Modern and Well-Maintained Building and Storefront
- New Roof 2012

#### Property Description

For sale to qualified investors is the 100% fee-simple interest in the freestanding, single-tenant, Save-a-lot grocery store located in Ashland, Ohio. A tenant since 1997, Save-a-lot has continually renewed this lease and has one more five-year option remaining. With roughly 4 years of guaranteed lease term remaining and a strong tenant-history in the property, this investment is being offered at an attractive 9.1% cap rate, resulting in a price of \$1,205,000. The property is NN-leased to Moran Foods LLC, the parent of Save-a-lot, and features a new roof from 2012. Additionally, Save-a-lot pays their own insurance and is responsible for their own common area maintenance, making this a hands-off asset for the investor. The property is located in the center of downtown Ashland just blocks from Ashland University, which has over 2,400 undergraduate students. Other retail tenants in the area include Walmart, Home Depot, Walgreen's Starbucks, Verizon, Shoe Department and others.

#### Ashland, Ohio

Ashland is a city in and the county seat of Ashland County, Ohio. The population was 20,362 at the 2010 census and it is the center of the Ashland Micropolitan Statistical Area. The city is located approximately half-way between Cleveland and Columbus, and has direct access to Interstate 71, connecting the north and south portions of the state. Ashland is known throughout the region as a center for higher education with its Ashland University and Ashland Theological Seminary.



Ashland University is a mid-sized, private, non-profit university. The university consists of a 135-acre main campus and several off-campus centers throughout central and northern Ohio. It was founded in 1878 and is affiliated with the Brethren Church. Judeo-Christian values are the foundation of the educational and social environment of the university. Today, the university offers nearly 70 undergraduate majors and nine pre-professional programs. The majors include actuarial science, toxicology/environmental science and entrepreneurship, which are unusual for an institution of its size. In addition, it offers most traditional liberal arts majors as well as a wide range of majors in business and education.

Save-A-Lot  
Ashland, Ohio

The Property - Property Photos



# Save-A-Lot

## Ashland, Ohio

The Property - 2016 NOI Budget

### INCOME

Occupancy: 100%

#### Base Rental Income

Tenant	Size (SF)	Annual Rent	PSF
Moran Foods LLC dba Save-A-Lot	22,102	\$112,941.24	\$5.11
<b>Total</b>	<b>22,102</b>	<b>\$112,941.24</b>	

#### Reimbursed Expenses

Property Taxes	\$11,384.46
Insurance	\$0.00
Common Area Maintenance	\$0.00
<b>Total</b>	<b>\$11,384.46</b>

**Effective Gross Income \$124,325.70**

### OPERATING EXPENSES

Property Taxes	\$11,384.46
Insurance (\$0.15 psf)	Tenant Pays Directly
Common Area Maintenance	Tenant Pays Directly
Capital Reserves (\$0.15)	\$3,315.30
<b>Total</b>	<b>\$14,699.76</b>

**Total Operating Expenses \$14,699.76**

**Net Operating Income (NOI) \$109,625.94**

**Price at 9.1% Cap Rate \$1,205,000.00**



# Save-A-Lot

## Ashland, Ohio

### Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery	Comments/Options
	Feet	Pro-rata	Begin	End	Begin	Annually	PSF	Type	
Moran Foods, LLC dba Save-A-Lot	22,102	100%	March 24, 1997	March 23, 2019	Current	\$112,941.24	\$9,411.77	NN	Tenant pays insurance directly, and reimburses landlord for property taxes annually with no caps on increases. Tenant performs all routine maintenance of building and parking lot, including parking lot lighting fixtures and striping. Landlord responsible for structural repairs, including the roof (new 2012) and parking lot resurfacing.  <b>Options:</b> One 5-year option; Option = \$124,622.13 annually.





Save-A-Lot is one of the leading discount grocery store chains in the United States and a wholly-owned subsidiary of Supervalu, Inc. (NYSE: SVU), which is a publicly traded fortune 100 company. Save-A-Lot stores are located in suburban, urban, and rural areas throughout the United States. There are currently over 1,300 Save-A-Lot grocery stores between Maine and California, comprising a combined 36 states. Due to the chain's success as the leader in the Supervalu family of stores and in its industry segment, recent plans have been announced to spin the company off and take it public possibly in 2016. This would afford the company more rapid expansion and allow it to tap into new markets such as Nevada.

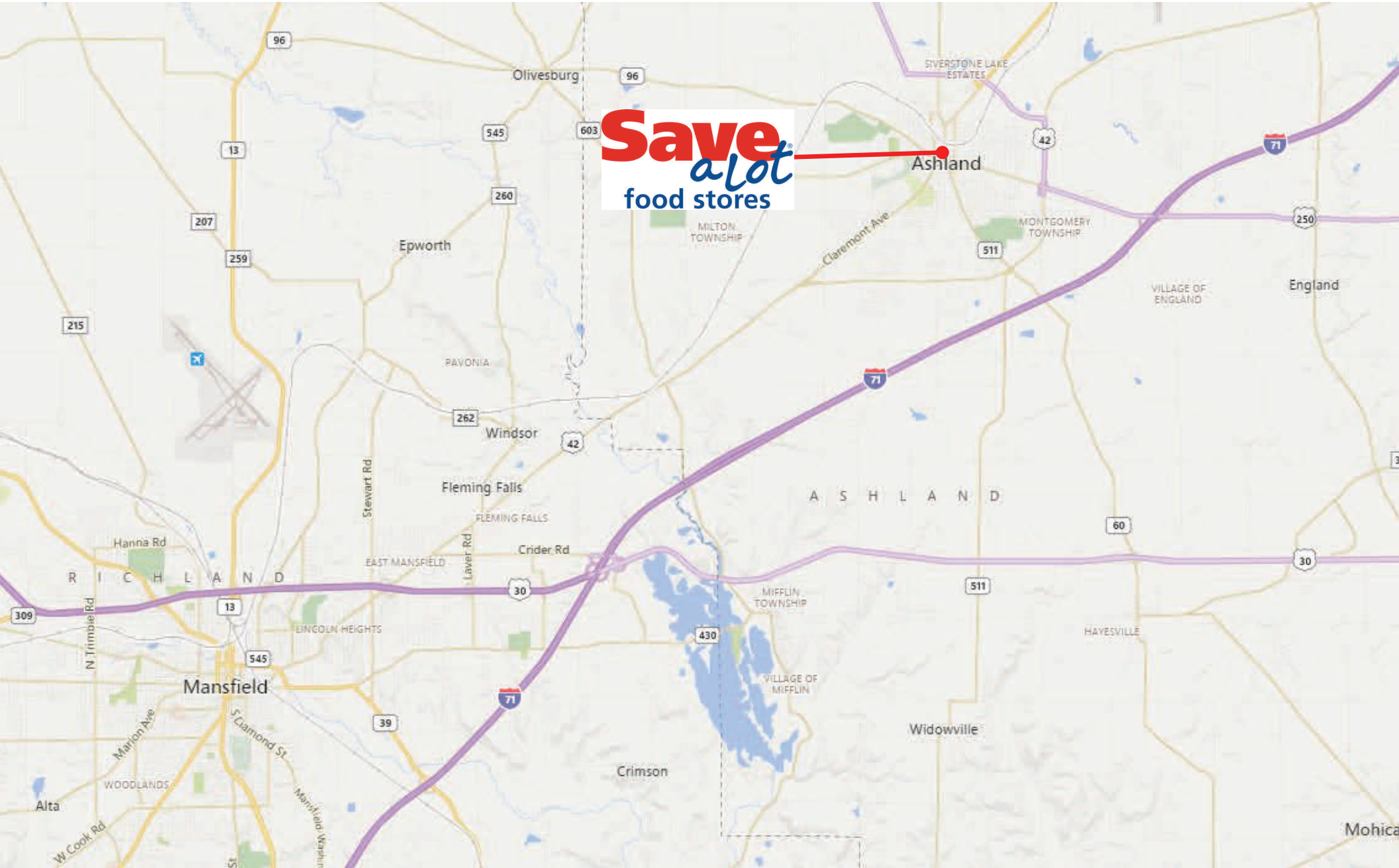
# Save-A-Lot Ashland, Ohio

Market Overview - Market Aerial



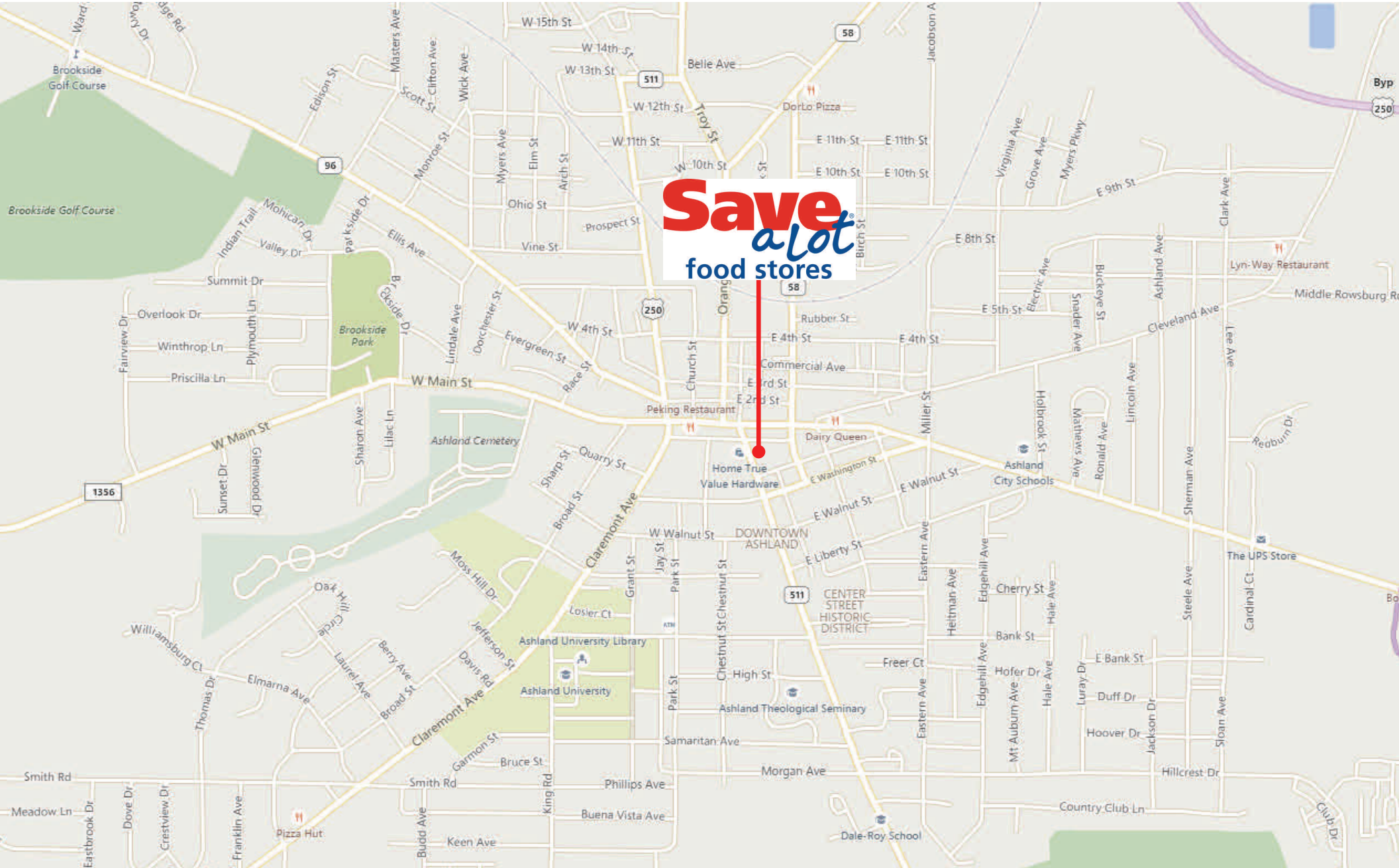
# Save-A-Lot Ashland, Ohio

Market Overview - Regional Map



# Save-A-Lot

## Ashland, Ohio



161 Center Street		1 Mile	3 Miles	5 Miles	7 Miles
Ashland, Ohio					
<b>POPULATION</b>	2015 Estimated Population	13,670	22,435	26,820	32,155
	2020 Projected Population	13,644	22,351	26,704	31,988
	2010 Census Population	13,352	22,257	26,756	32,198
	2000 Census Population	14,785	23,074	27,352	32,467
	Projected Annual Growth 2015 to 2020	-	-0.1%	-0.1%	-0.1%
	Historical Annual Growth 2000 to 2015	-0.5%	-0.2%	-0.1%	-0.1%
<b>HOUSEHOLDS</b>	2015 Estimated Households	5,222	9,012	10,723	12,737
	2020 Projected Households	5,331	9,176	10,912	12,950
	2010 Census Households	4,976	8,703	10,400	12,392
	2000 Census Households	5,551	8,923	10,467	12,265
	Projected Annual Growth 2015 to 2020	0.4%	0.4%	0.4%	0.3%
	Historical Annual Growth 2000 to 2015	-0.4%	0.1%	0.2%	0.3%
<b>AGE</b>	2015 Est. Population Under 10 Years	11.5%	11.0%	11.1%	11.4%
	2015 Est. Population 10 to 19 Years	15.9%	14.7%	14.6%	14.6%
	2015 Est. Population 20 to 29 Years	20.2%	16.7%	15.8%	14.8%
	2015 Est. Population 30 to 44 Years	15.7%	15.4%	15.6%	16.0%
	2015 Est. Population 45 to 59 Years	16.2%	17.5%	18.2%	18.8%
	2015 Est. Population 60 to 74 Years	13.0%	15.0%	15.3%	15.6%
	2015 Est. Population 75 Years or Over	7.5%	9.8%	9.5%	9.0%
	2015 Est. Median Age	33.8	38.2	38.6	38.8
<b>INCOME</b>	2015 Est. HH Income \$200,000 or More	0.9%	1.1%	1.2%	1.6%
	2015 Est. HH Income \$150,000 to \$199,999	1.0%	3.1%	3.3%	3.2%
	2015 Est. HH Income \$100,000 to \$149,999	5.4%	8.4%	9.0%	9.2%
	2015 Est. HH Income \$75,000 to \$99,999	8.5%	10.1%	10.7%	11.2%
	2015 Est. HH Income \$50,000 to \$74,999	19.9%	19.0%	19.2%	19.5%
	2015 Est. HH Income \$35,000 to \$49,999	18.7%	16.7%	16.4%	16.5%
	2015 Est. HH Income \$25,000 to \$34,999	12.1%	11.6%	11.8%	11.5%
	2015 Est. HH Income \$15,000 to \$24,999	14.0%	14.6%	14.2%	13.9%
	2015 Est. HH Income Under \$15,000	19.5%	15.4%	14.1%	13.3%
	2015 Est. Average Household Income	\$45,876	\$53,367	\$55,822	\$57,613
	2015 Est. Median Household Income	\$39,268	\$45,092	\$46,687	\$47,750
	2015 Est. Per Capita Income	\$18,067	\$21,858	\$22,678	\$23,122

161 Center Street		1 Mile	3 Miles	5 Miles	7 Miles
Ashland, Ohio					
<b>EDUCATION</b> (Adults 25 or Older)	2015 Est. Adult Population (25 Years or Over)	9,897	17,625	21,223	25,480
	2015 Est. Elementary (Grade Level 0 to 8)	5.0%	4.2%	4.5%	5.1%
	2015 Est. Some High School (Grade Level 9 to 11)	16.6%	14.2%	14.0%	14.2%
	2015 Est. High School Graduate	34.3%	31.9%	32.5%	33.2%
	2015 Est. Some College	14.1%	12.7%	12.9%	13.2%
	2015 Est. Associate Degree Only	4.7%	5.3%	5.5%	5.9%
	2015 Est. Bachelor Degree Only	10.5%	12.2%	12.2%	11.6%
	2015 Est. Graduate Degree	14.9%	19.4%	18.4%	16.8%
<b>HOUSING</b>	2015 Est. Total Housing Units	5,511	9,472	11,272	13,414
	2015 Est. Owner-Occupied	55.4%	61.4%	63.9%	66.2%
	2015 Est. Renter-Occupied	39.4%	33.8%	31.2%	28.8%
	2015 Est. Vacant Housing	5.2%	4.9%	4.9%	5.0%
<b>HOMES BUILT BY YEAR</b>	2010 Homes Built 2005 or later	2.1%	4.0%	4.6%	4.9%
	2010 Homes Built 2000 to 2004	3.3%	5.8%	5.7%	5.9%
	2010 Homes Built 1990 to 1999	7.5%	11.6%	12.3%	12.8%
	2010 Homes Built 1980 to 1989	7.9%	7.9%	8.5%	8.6%
	2010 Homes Built 1970 to 1979	11.2%	13.1%	13.1%	13.1%
	2010 Homes Built 1960 to 1969	12.2%	12.3%	12.4%	12.3%
	2010 Homes Built 1950 to 1959	17.1%	14.9%	14.2%	13.7%
	2010 Homes Built Before 1949	38.7%	30.4%	29.1%	28.8%
<b>HOME VALUES</b>	2010 Home Value \$1,000,000 or More	0.1%	0.4%	0.4%	0.5%
	2010 Home Value \$500,000 to \$999,999	0.9%	1.3%	1.3%	1.3%
	2010 Home Value \$400,000 to \$499,999	0.6%	1.1%	1.2%	1.3%
	2010 Home Value \$300,000 to \$399,999	1.4%	2.6%	2.8%	2.8%
	2010 Home Value \$200,000 to \$299,999	5.6%	10.8%	11.6%	12.7%
	2010 Home Value \$150,000 to \$199,999	8.4%	14.1%	15.6%	16.6%
	2010 Home Value \$100,000 to \$149,999	31.4%	30.5%	30.2%	29.9%
	2010 Home Value \$50,000 to \$99,999	43.7%	30.2%	27.9%	26.4%
	2010 Home Value \$25,000 to \$49,999	3.0%	2.3%	2.3%	2.2%
	2010 Home Value Under \$25,000	4.9%	6.7%	6.7%	6.3%
	2010 Median Home Value	\$103,340	\$120,937	\$124,271	\$127,531
2010 Median Rent	\$476	\$512	\$516	\$515	

161 Center Street		1 Mile	3 Miles	5 Miles	7 Miles
Ashland, Ohio					
<b>LABOR FORCE</b>	2015 Est. Labor Population Age 16 Years or Over	11,194	18,451	21,959	26,112
	2015 Est. Civilian Employed	56.3%	55.6%	56.1%	56.3%
	2015 Est. Civilian Unemployed	5.3%	4.4%	4.2%	4.0%
	2015 Est. in Armed Forces	-	-	-	-
	2015 Est. not in Labor Force	38.3%	40.0%	39.7%	39.6%
	2015 Labor Force Males	46.6%	46.4%	47.0%	47.5%
	2015 Labor Force Females	53.4%	53.6%	53.0%	52.5%
<b>OCCUPATION</b>	2010 Occupation: Population Age 16 Years or Over	5,665	9,522	11,644	13,970
	2010 Mgmt, Business, & Financial Operations	8.4%	11.5%	11.5%	11.8%
	2010 Professional, Related	19.7%	20.9%	19.8%	19.3%
	2010 Service	22.0%	20.1%	20.0%	19.6%
	2010 Sales, Office	23.6%	22.8%	22.8%	22.7%
	2010 Farming, Fishing, Forestry	0.2%	0.2%	0.2%	0.3%
	2010 Construction, Extraction, Maintenance	7.1%	6.4%	6.7%	7.0%
	2010 Production, Transport, Material Moving	19.0%	18.2%	18.9%	19.4%
	2010 White Collar Workers	51.7%	55.1%	54.1%	53.7%
2010 Blue Collar Workers	48.3%	44.9%	45.9%	46.3%	
<b>TRAVEL TIME</b>	2010 Travel to Work in 14 Minutes or Less	60.6%	58.1%	54.5%	50.1%
	2010 Travel to Work in 15 to 29 Minutes	18.9%	20.6%	23.6%	26.9%
	2010 Travel to Work in 30 to 59 Minutes	15.7%	15.7%	16.4%	17.3%
	2010 Travel to Work in 60 Minutes or More	4.8%	5.5%	5.6%	5.7%
	2010 Average Travel Time to Work	11.6	12.2	13.1	14.2
<b>CONSUMER EXPENDITURE</b>	2015 Est. Total Household Expenditure	\$215 M	\$411 M	\$503 M	\$611 M
	2015 Est. Apparel	\$7.42 M	\$14.2 M	\$17.4 M	\$21.1 M
	2015 Est. Contributions, Gifts	\$12.9 M	\$25.8 M	\$31.7 M	\$38.6 M
	2015 Est. Education, Reading	\$7.25 M	\$14.4 M	\$17.7 M	\$21.5 M
	2015 Est. Entertainment	\$11.8 M	\$22.7 M	\$27.9 M	\$33.9 M
	2015 Est. Food, Beverages, Tobacco	\$34.3 M	\$64.4 M	\$78.9 M	\$95.6 M
	2015 Est. Furnishings, Equipment	\$6.95 M	\$13.6 M	\$16.7 M	\$20.3 M
	2015 Est. Health Care, Insurance	\$19.9 M	\$37.5 M	\$45.8 M	\$55.5 M
	2015 Est. Household Operations, Shelter, Utilities	\$67.3 M	\$128 M	\$157 M	\$190 M
	2015 Est. Miscellaneous Expenses	\$3.29 M	\$6.21 M	\$7.60 M	\$9.20 M
	2015 Est. Personal Care	\$2.81 M	\$5.34 M	\$6.54 M	\$7.93 M
	2015 Est. Transportation	\$41.5 M	\$78.7 M	\$96.7 M	\$118 M