



# PNC BANK – \$105M IN CONSUMER DEPOSITS!

878 W NORTON AVENUE, MUSKEGON, MI 49441

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

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## INVESTMENT SUMMARY

List Price:	\$1,642,883
Current NOI:	\$98,573.94 (Effective 12/1/2018)
Initial Cap Rate:	6.0%
Land Acreage:	0.75
Year Built	1970
Building Size:	3,540 SF
Price PSF:	\$464.09
Lease Type:	Ground
Lease Term:	5 Year Extension (6+ Years Currently)
Average NOI:	\$104,944.07
Average Cap Rate:	6.39% (Over Next 6 Years)

## INVESTMENT OFFERING

Fortis Net Lease is pleased to present this PNC Bank located at 878 W Norton Avenue in Muskegon, MI. The tenant recently agreed to extend the ground lease for another five years. There are no landlord responsibilities with a ground lease which makes this an ideal opportunity for a 1031 exchange buyer or a “passive” investor to own. The lease is corporately guaranteed by PNC Bank which is an investment grade tenant with a S&P rating “A”.

The subject property is highly visible and is strategically positioned on a Walmart out parcel. It is situated in a major retail corridor where the five mile population exceeds 92,000 residents. The one mile median home value exceeds \$92,000 and the average household income within five miles exceeds \$52,000. Surrounding retail tenants include: Home Depot, Walmart, AutoZone, Dollar Tree, Save a Lot, Family Dollar, Planet Fitness, Aldi and Walgreens. This investment will offer a new owner continued success due to the financial strength and the proven profitability of the tenant.



**PRICE** \$1,642,883



**CAP RATE** 6.0%



**LEASE TYPE** Ground



**TERM** 6+ Years



**RENT BUMPS** 2.5% Annually

## INVESTMENT HIGHLIGHTS

- PNC Recently Remodeled This Branch
- 2.5% Annual Rent Escalations
- **\$105+ Million in Deposits (Which Have Doubled In Last 5 Years)**
- Outparcel To A Walmart Supercenter
- PNC Bank, NA Guarantees the Lease (NYSE: PNC) - S&P Rating: “A”
- This Location Has Been an Operating Bank Branch Since 1968
- 5 Mile Population Exceeds 92,000 Residents
- 5 Mile Average Household Income Exceeds \$52,000

## FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$98,573	\$27.85
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$98,573	\$27.85

## PROPERTY SUMMARY

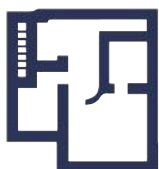
Year Built:	1970
Lot Size:	0.75 Acres
Parking Lot:	Asphalt
Parking Spaces:	26 Surface Spaces
Traffic Counts:	34,000 VPD at Intersection
Building Size:	3,540 SF
Zoning:	Commercial
Ownership:	Fee Simple

## LEASE SUMMARY

Tenant:	PNC Bank
Lease Type:	Ground
Primary Lease Term:	5 Year Extension
Annual Rent:	\$98,574
Rent PSF:	\$27.85
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	December 1, 2019
Lease Expiration Date:	November 30, 2024
Lease Term Remaining:	6+ Years
Rent Bumps:	2.50% Annual Rent Increases
Renewal Options:	None
Lease Guarantor:	PNC Bank, NA
Lease Guarantor Strength:	S&P Rating "A"
Tenant Website:	www.pnc.com



TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	ESCALATION DATE	RENT PER SF/YR
PNC Bank	3,540	12/1/2018	11/30/2019	\$98,574	100.0	12/1/2018	\$27.85
						12/1/2019	\$28.54
						12/1/2020	\$29.26
						12/1/2021	\$29.99
						12/1/2022	\$30.74
						12/1/2023	\$31.50
<b>Totals/Averages</b>	<b>3,540</b>			<b>\$98,574</b>			<b>\$27.85</b>



TOTAL SF  
3,540



TOTAL ANNUAL RENT  
\$98,574



OCCUPANCY RATE  
100%



AVERAGE RENT/SF  
\$27.85



NUMBER OF TENANTS  
1



## OVERVIEW

Company:	PNC Bank
Founded:	1845
Total Revenue:	\$16.329 Billion
Net Income:	\$5.4 Billion
Branches:	2,481 Locations
Headquarters:	Pittsburgh, Pennsylvania
Website:	www.pnc.com

## TENANT HIGHLIGHTS

- Ranked first-place in the J.D. Power 2017 National Bank Satisfaction Study, which provides a comprehensive view of retail customer experiences with all bank product lines and channels at the six largest national banks.
- Ranked No. 2 among superregional banks on FORTUNE magazine's list of the Most Admired Companies for 2018.
- PNC stock reached an all time-high share price in 2017. As of December 31, 2017, PNC's five-year annualized total shareholder return was 23 percent.

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	\$ INCREASE	% INCREASE
12/1/18-11/30/19	\$98,573.94	\$8,214.50		
12/1/19-11/30/20	\$101,038.29	\$8,419.86	\$2,464.35	2.50%
12/1/20-11/30/21	\$103,564.25	\$8,630.35	\$2,525.96	2.50%
12/1/21-11/30/22	\$106,153.35	\$8,846.11	\$2,589.10	2.50%
12/1/22-11/30/23	\$108,807.19	\$9,067.27	\$2,653.84	2.50%
12/1/23-11/30/24	\$111,527.37	\$9,293.95	\$2,720.18	2.50%

## COMPANY BACKGROUND

PNC Financial Services Group, Inc. (stylized as PNC) is a bank holding company and financial services corporation based in Pittsburgh. Its bank operates in 19 states and the District of Columbia with 2,481 branches and 9,051 ATMs. The company also provides financial services such as asset management, wealth management, estate planning, loan servicing, and information processing. PNC is ranked 9th on the list of largest banks in the United States by assets. It is the 5th largest bank by number of branches, 6th largest by deposits, and 4th largest in number of ATMs. The name "PNC" is derived from the initials of both of the bank's two predecessor companies: Pittsburgh National Corporation and Provident National Corporation, which merged in 1983.

For more than 160 years, we have been committed to supporting our customers, communities, employees and shareholders. At PNC, we are proud of our longstanding history of building strong communities that create financial opportunities for individuals, families and businesses. PNC also offers customers – from individuals and small businesses, to corporations and government entities – a wide range of products and services. No matter how simple or complicated your needs, we're sure to have the products, knowledge and resources necessary to help you meet your financial goals.

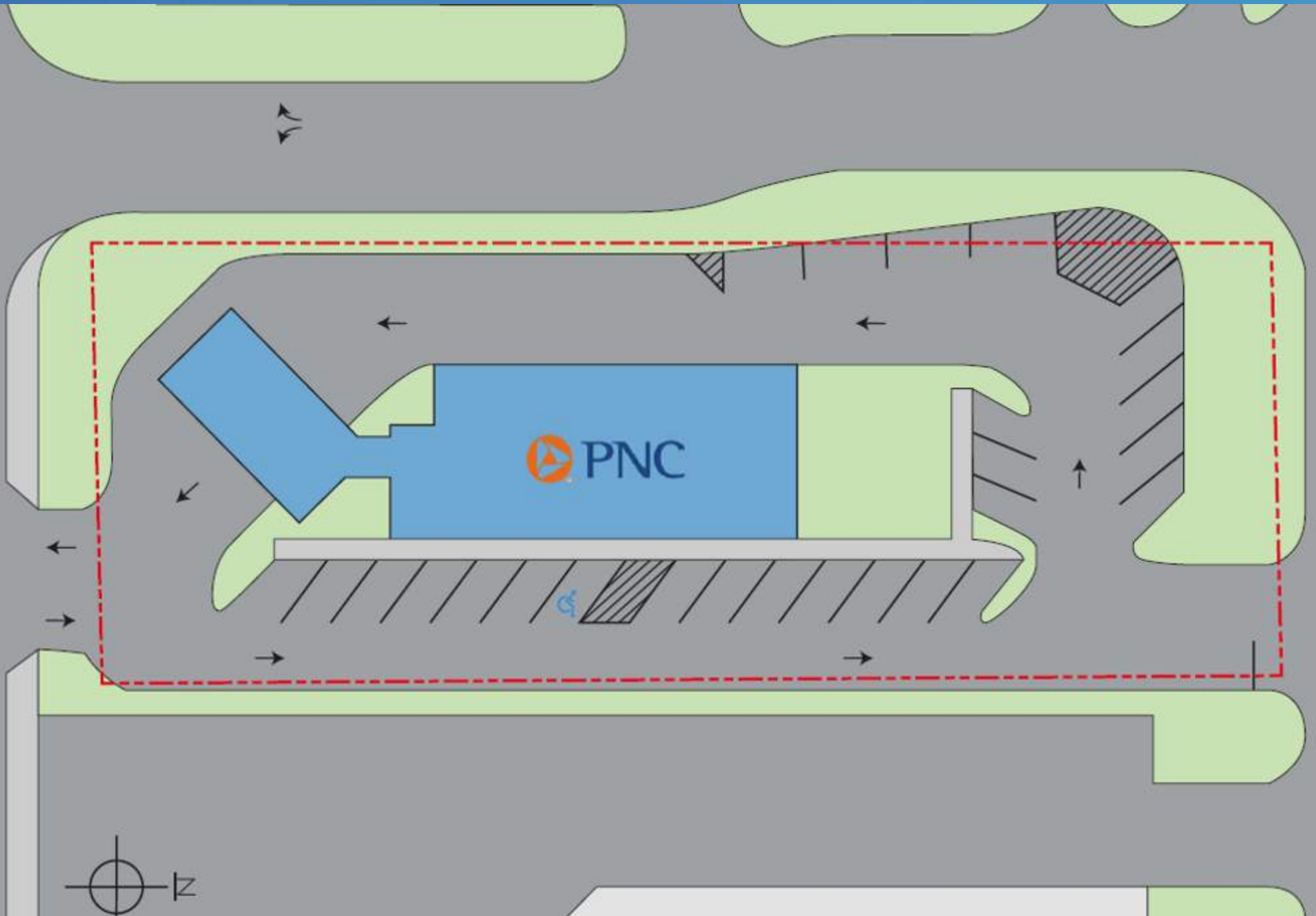


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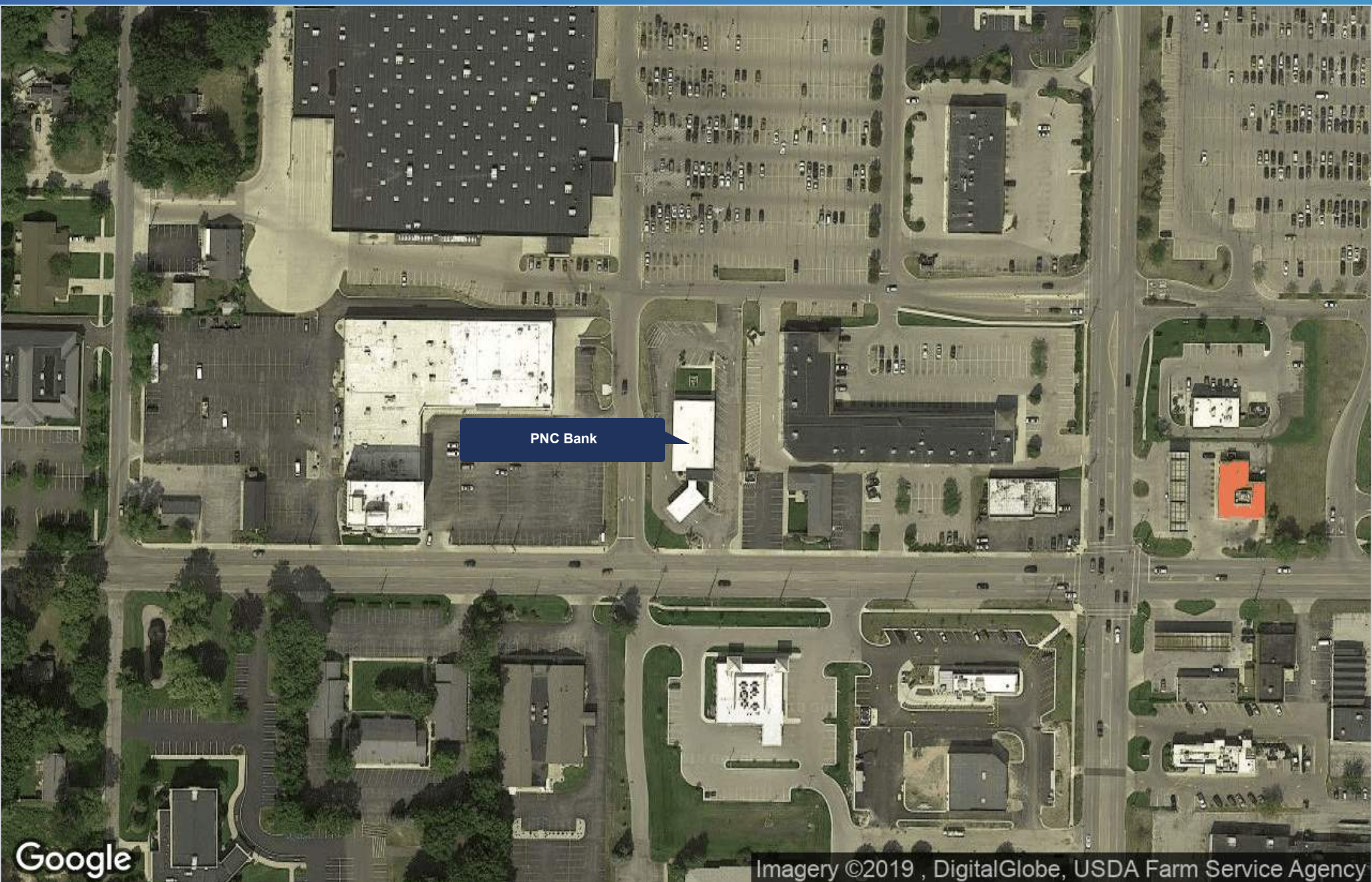
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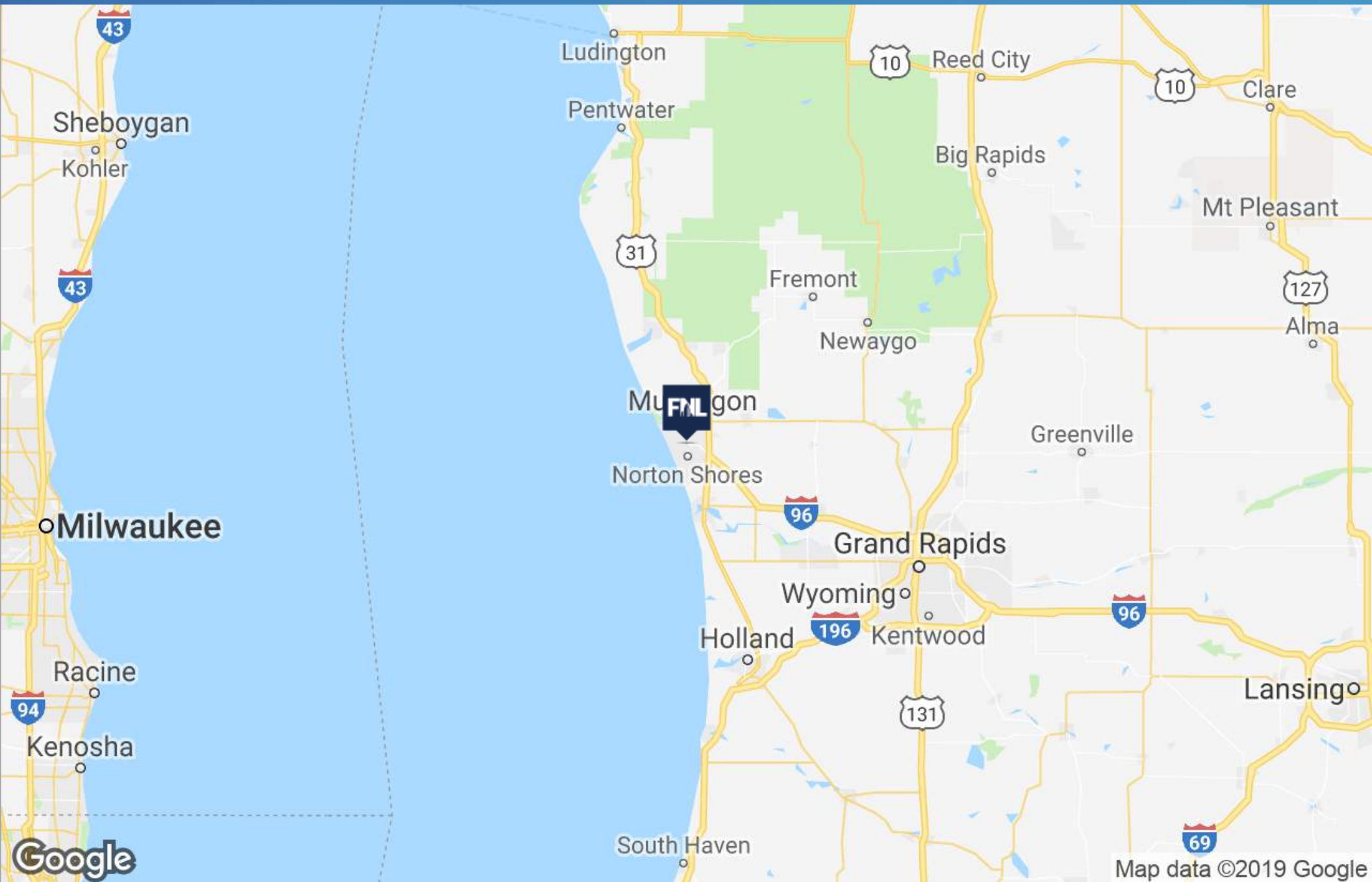


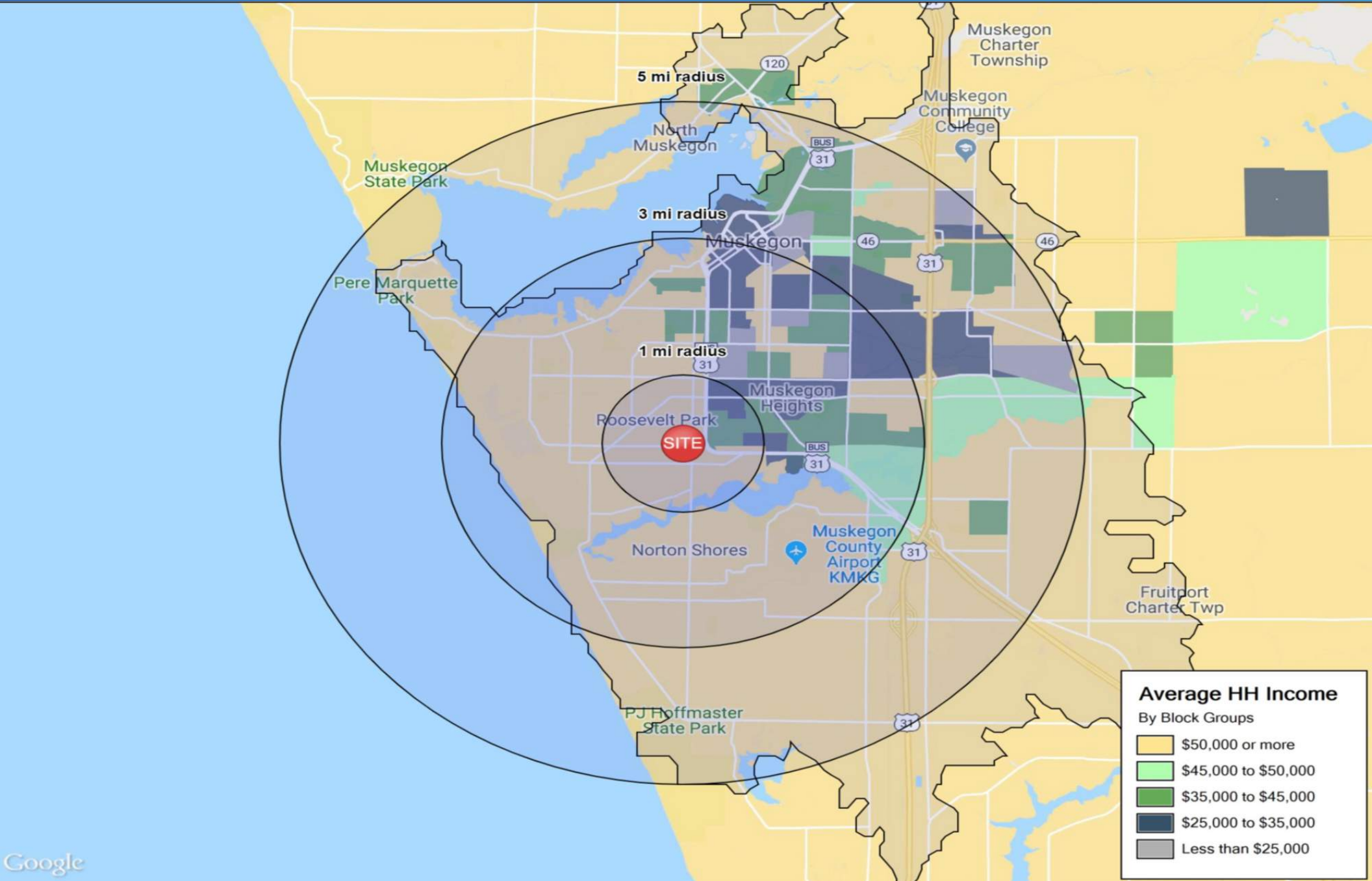


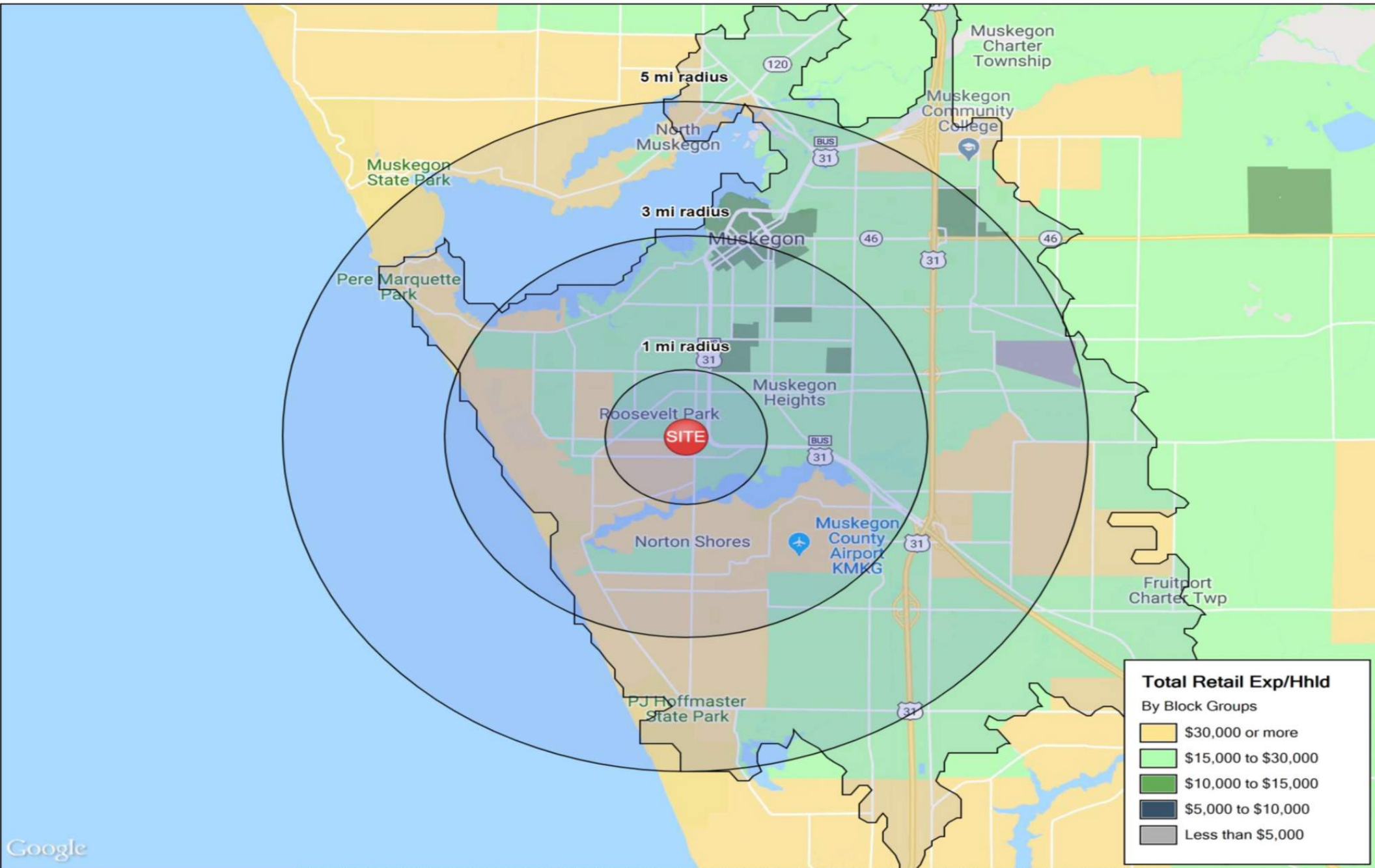


PNC Bank



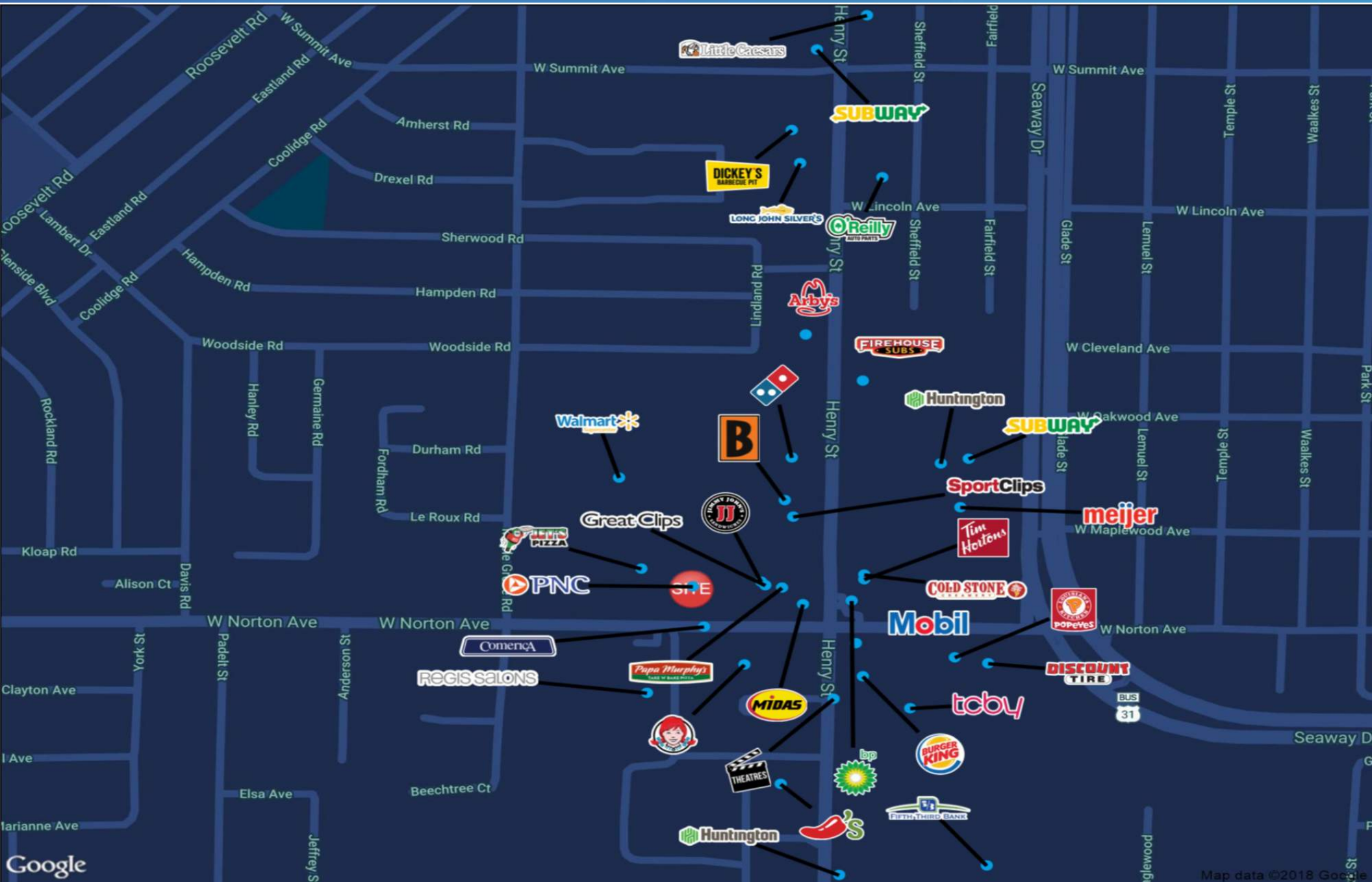




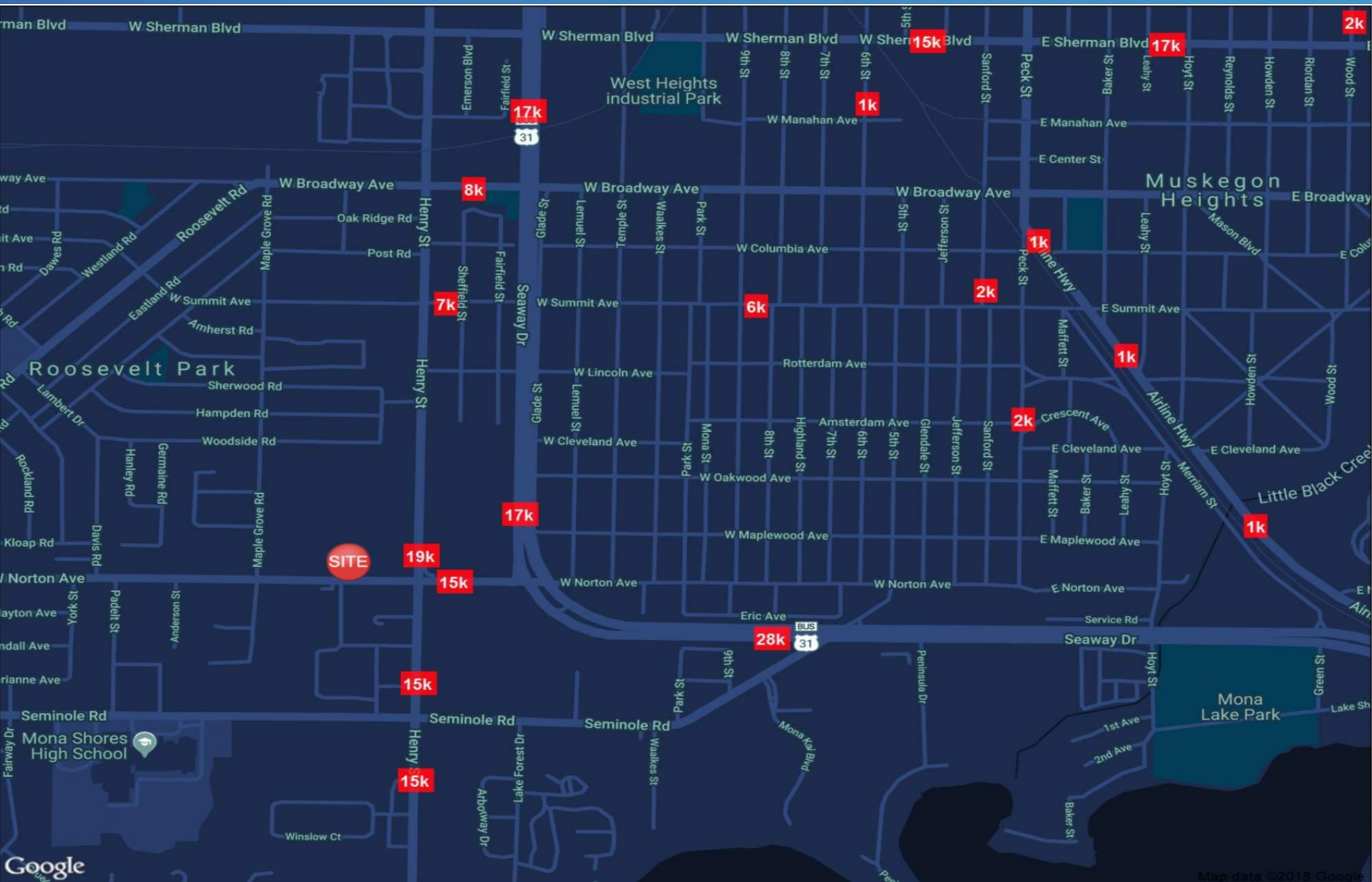


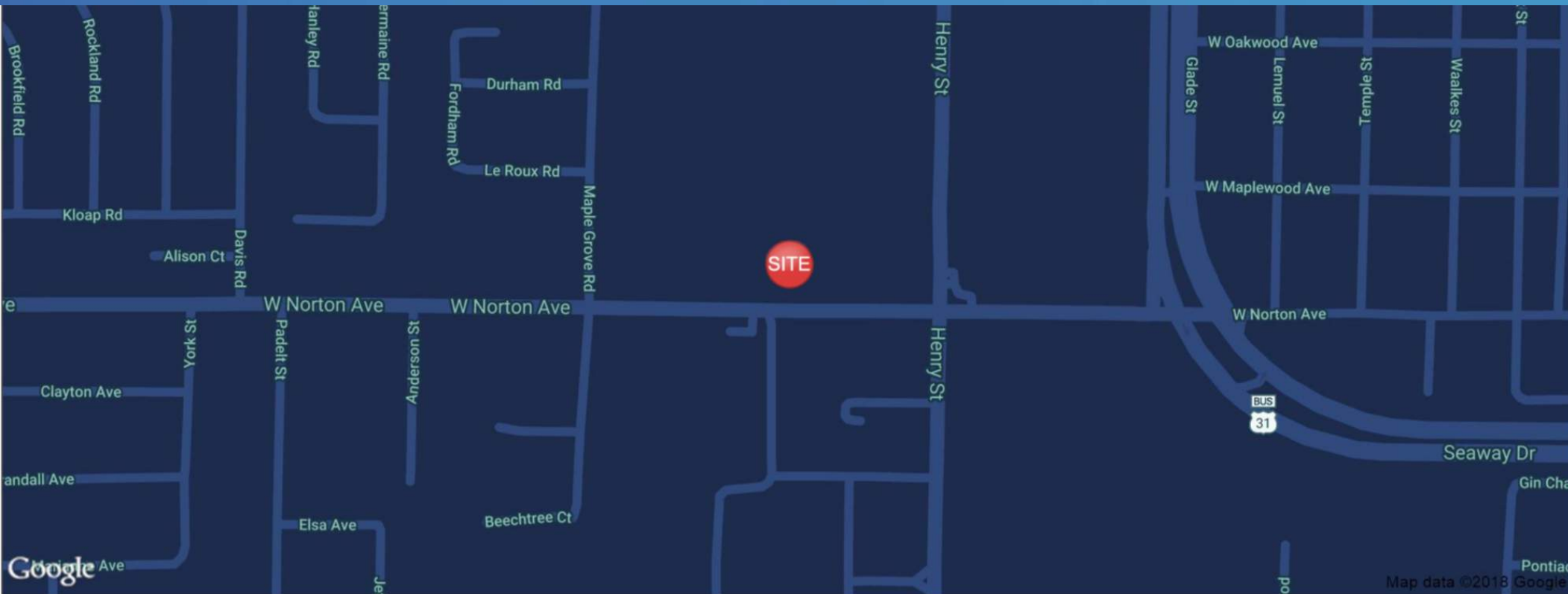






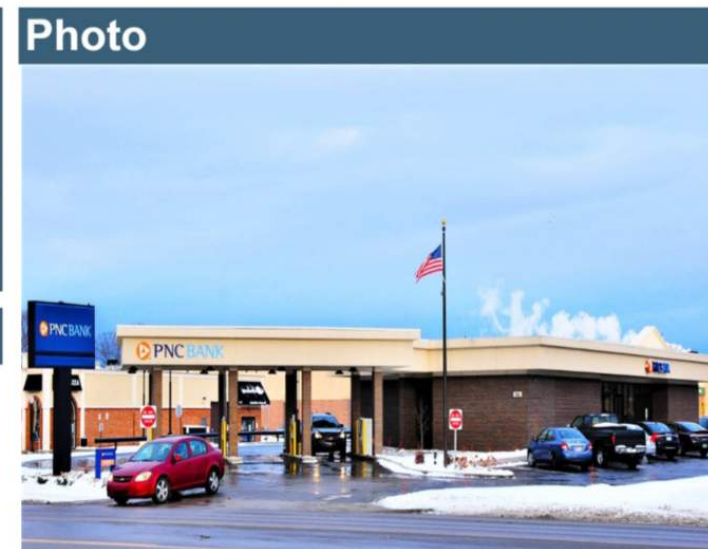
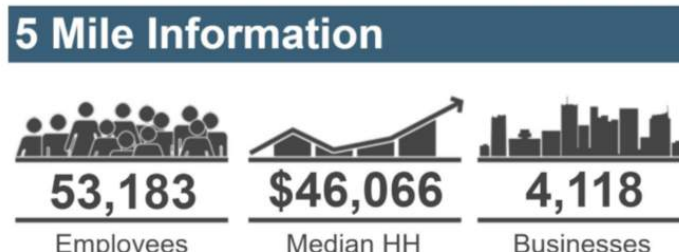






### Demographics

	1 mi radius	3 mi radius	5 mi radius
Population	9,315	53,306	91,690
Households	4,287	22,655	37,102
Population Median Age	39.8	38.0	38.0
5 Yr Pop Growth (Total%)	3.0%	4.0%	3.0%



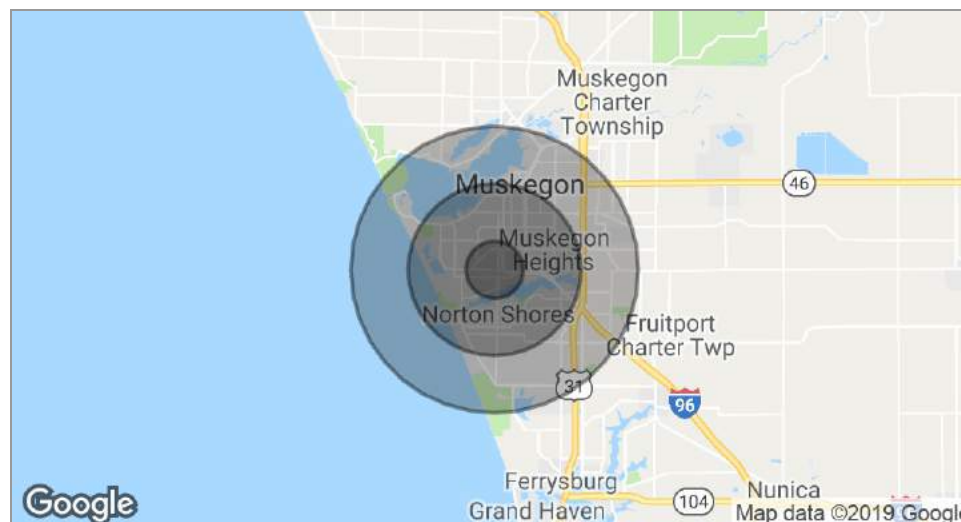




Muskegon, Michigan is a city on the shore of Lake Michigan. The city had a population of 38,401 at the time of the 2010 census and is the largest city on the eastern shores of Lake Michigan. The name “Muskegon” is derived from the Ottawa Indian term ‘Masquigon’ meaning “marshy river or swamp.” The primary industry in Muskegon is manufacturing, with major employers in the region including Alcoa-Howmet Castings (aerospace manufacturing), GE Aviation (turbine engine manufacturing), L3 Communications (armored vehicle manufacturing) and Kaydon Corp (precision bearings manufacturing). The main shopping hubs in the city are The Lakes Mall, built in 2001, and the shopping corridors of Apple Avenue, Sherman Boulevard, and Henry Street.

Muskegon is home to the Blue Lake Fine Arts Camp, and the Frauenthal Center for the Performing Arts. Festivals in the city include the Muskegon Film Festival in May, the Unity Christian Music Festival in August, and the Michigan Irish Music Festival in September, all of which draw numerous visitors to the city. Other attractions include PJ Hoffmaster State Park and Pere Marquette Beach, which feed into the outdoor recreation lifestyle inherent to Muskegon residents.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2018	9,032	52,915	92,097
Total Population 2023	9,115	53,371	92,934
Population Growth Rate	.92%	.86%	.91%
Average Age	39.10	38.70	39.10
Average Household Size	2.30	2.40	2.40
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	3,928	21,352	35,507
Average HH Income	\$49,135	\$51,243	\$52,800
Median Home Value	\$92,501	\$84,315	\$90,901





TOTAL SALES VOLUME

\$5.0B

PROPERTIES SOLD

2,200

BROKER & BUYER REACH

250K

STATES SOLD IN

40

*The FNL Team*

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