

Chase Bank Ground Lease

COPPELL, TX



OFFERING MEMORANDUM



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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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FINANCING

Existing Financing	
Loan Type	Free and Clear

FINANCIAL OVERVIEW

Location

134 North MacArthur
Coppell, TX 75019

Price	\$2,630,000
Down Payment	100% / \$2,630,000
Rentable Square Feet	30,778
CAP Rate	5.25%
Year Built	2008
Lot Size	0.707 Acres
Type of Ownership	Ground Lease

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Yr. 1-5 (11/4/08 - 10/31/13)	\$131,000.00	\$10,916.67
Yr. 6-10 (11/1/13 - 10/31/18)	\$138,000.00	\$11,500.00
Yr. 11-15 (11/1/18 - 10/31/23)	\$145,000.00	\$12,083.33
Yr. 16-20 (11/1/23 - 10/31/28)	\$153,000.00	\$12,750.00
Opt. 1: 11/1/28 - 10/31/33	\$168,300.00	\$14,025.00
Opt. 2: 11/1/33 - 10/31/38	\$185,130.00	\$15,427.50
Opt. 3: 11/1/38 - 10/31/43	\$203,643.00	\$16,970.25
Opt. 4: 11/1/43 - 10/31/48	\$224,007.00	\$18,667.25
Base Rent (\$4.48/SF)		\$138,000
Net Operating Income		\$138,000
Total Return		5.25% / \$138,000

Tenant Summary

Tenant Trade Name	Chase Bank
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate Guarantee
Lease Type	Ground Lease
Roof and Structure	Tenant Responsible
Lease Term	20 Years
Lease Commencement Date	May 1, 2008
Rent Commencement Date	November 4, 2008
Lease Expiration Date	October 31, 2028
Term Remaining on Lease	16 Years
Increases	Yes, Every 5 Years
Options	Four, Five -Year

TENANT OVERVIEW

Property Name	Chase Bank Ground Lease
Property Address	134 North MacArthur Boulevard
City, State Zip	Coppell, TX 75019
Property Type	Net Leased Bank
Rentable Square Feet	30,778
Tenant Trade Name	Chase Bank
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate Guarantee
Credit Rating	A
Rating Agency	Standard and Poor's
Stock Symbol	JPM
Net Worth	2.3 Trillion
Lease Commencement Date	May 1, 2008
Rent Commencement Date	November 4, 2008
Lease Expiration Date	October 31, 2028
Term Remaining on Lease	16 Years
Lease Type	Ground Lease
Roof and Structure	Tenant Responsible
Lease Term	20 Years
Increases	Every 5 Years
Options to Renew	Four Five-Year
Headquartered	New York, New York
Web Site	http://www.jpmorganchase.com
Years in the Business	213

PROPERTY DESCRIPTION

Chase Bank Ground Lease

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INVESTMENT OVERVIEW

Investment Highlights

- 20-Year Ground Lease with 16 Years Remaining
- Zero Landlord Responsibility
- S&P "A" Credit Tenant
- Rent Escalations Every Five Years
- Adjacent to CVS and Kroger Grocery Store
- Population Over 209,045 in a 5 Mile Radius
- Over 19 Percent Population Increase since 2000



Marcus & Millichap is proud to present a Chase Bank Ground Lease located in prestigious Coppel, Texas. Chase Bank signed a 20-year ground lease commencing in 2008. With zero landlord responsibility, the lease is guaranteed an "A" rated company by Standard & Poor's and located in a top tier suburb of Dallas/Fort Worth. This offering allows a passive investor the opportunity to acquire an investment-grade tenant on a long-term absolute net ground lease.

JPMorgan Chase & Company is one of the oldest financial institutions in the United States with a history dating back over 200 years. Currently, JPMorgan Chase is a leading global financial service firm with operations in more than 60 countries and more than 240,000 employees. The firm serves millions of consumers, small business with commercial banking, financial transaction processing, asset management and private equity. They are the leader in investment banking and handle many of the world's most prominent corporate, institutional and government clients under its JPMorgan, Chase and WaMu brands.

Located in Coppel, this investment-grade ground lease is situated on the northeast corner of East Sandy Lake and North MacArthur Boulevard, adjacent to CVS, Kroger and Papa John's. The city of Coppel is an affluent northern suburb of the Dallas/Fort Worth metroplex and is considered one of the major commuter cities in the area. The Dallas/Fort Worth metroplex is the largest metropolitan area in the South and the fourth-largest in the United States. The Dallas/Fort Worth International Airport is located 14 miles south of Coppel with easy access from the President George Bush Turnpike and Sam Rayburn Tollway, two major thoroughfares of the metroplex. The current population in a five-mile radius exceeds 209,045 people, with a population increase of more than 19 percent since 2000.

Overall, Chase Bank offers an investor the opportunity to acquire an investment-grade tenant on a long-term absolute net ground lease with zero landlord responsibility.

PROPERTY SUMMARY

The Offering

Property	Chase Bank Ground Lease
Property Address	134 North MacArthur Boulevard Coppell, TX 75019

Site Description

Year Built	2008
Rentable Square Feet	30,778
Lot Size	0.707 Acres
Type of Ownership	Ground Lease

PROPERTY PHOTOS



Chase Bank Ground Lease

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PROPERTY DESCRIPTION



Local Map



Regional Map



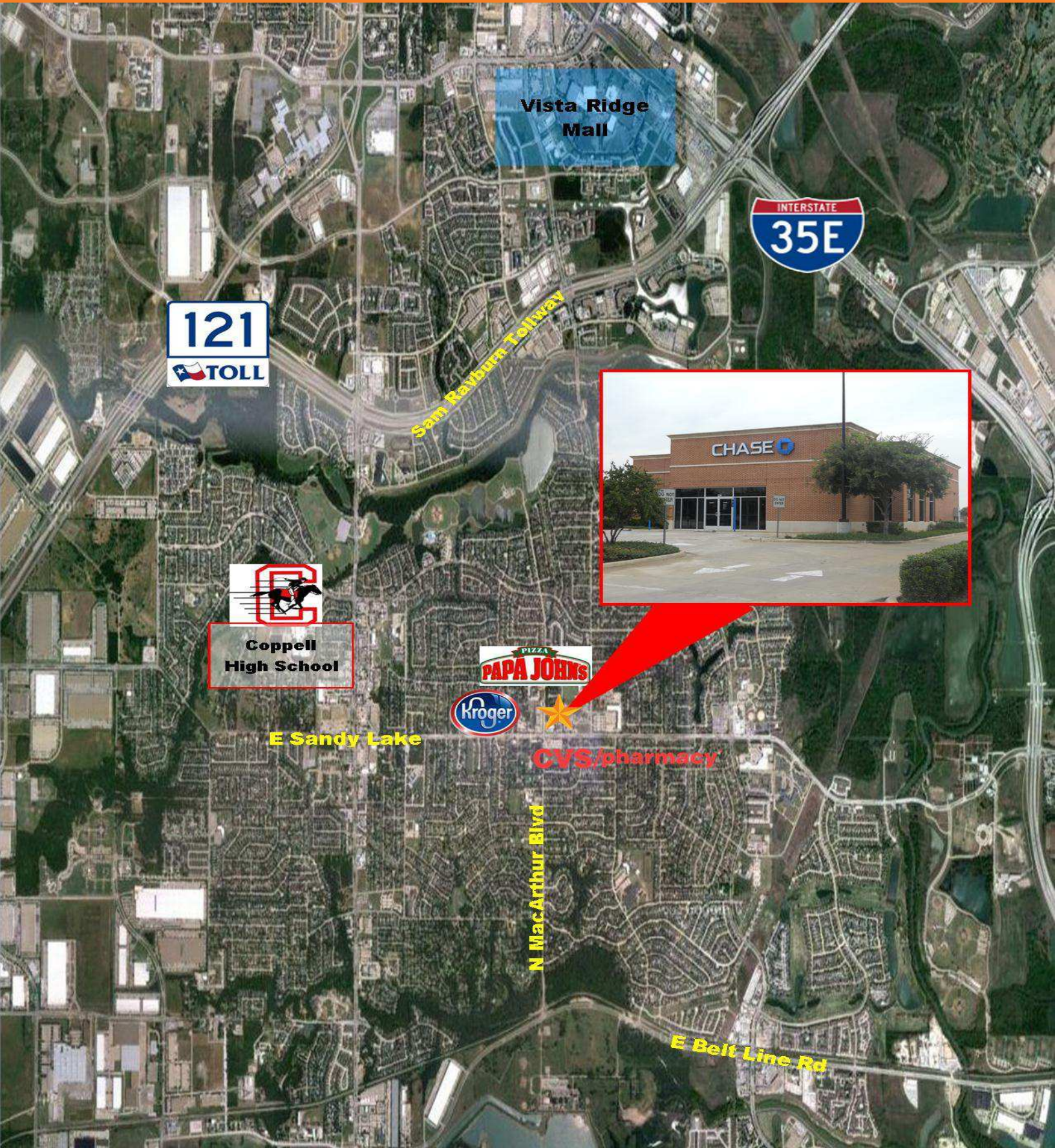
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PROPERTY DESCRIPTION



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DEMOGRAPHIC REPORT

	1 Mile	3 Miles	5 Miles
1990 Population	5,804	27,905	101,145
2000 Population	12,268	61,181	174,916
2010 Population	12,821	74,039	208,065
2011 Population	12,692	74,005	209,045
2016 Population	12,303	73,530	215,200
1990 Households	2,139	11,718	39,344
2000 Households	4,358	24,582	66,087
2010 Households	4,764	30,129	79,485
2011 Households	4,774	30,666	80,964
2016 Households	4,759	32,068	88,314
2011 Average Household Size	2.66	2.41	2.58
2011 Daytime Population	1,682	49,024	147,889
1990 Median Housing Value	\$110,275	\$114,281	\$98,291
2000 Median Housing Value	\$202,254	\$190,790	\$145,527
2000 Owner Occupied Housing Units	70.88%	51.94%	51.34%
2000 Renter Occupied Housing Units	26.37%	42.63%	43.88%
2000 Vacant	2.74%	5.42%	4.77%
2011 Owner Occupied Housing Units	67.77%	48.36%	48.12%
2011 Renter Occupied Housing Units	27.70%	46.43%	46.15%
2011 Vacant	4.54%	5.21%	5.72%
2016 Owner Occupied Housing Units	67.18%	46.81%	47.61%
2016 Renter Occupied Housing Units	28.17%	47.82%	46.55%
2016 Vacant	4.64%	5.35%	5.83%
\$ 0 - \$14,999	3.2%	4.7%	5.5%
\$ 15,000 - \$24,999	4.5%	6.6%	7.6%
\$ 25,000 - \$34,999	4.0%	8.5%	10.3%
\$ 35,000 - \$49,999	11.2%	14.8%	15.4%
\$ 50,000 - \$74,999	13.8%	18.9%	20.8%
\$ 75,000 - \$99,999	12.9%	11.2%	12.6%
\$100,000 - \$124,999	14.1%	10.2%	9.4%
\$125,000 - \$149,999	9.1%	7.2%	5.5%
\$150,000 - \$199,999	11.6%	8.3%	6.7%
\$200,000 - \$249,999	5.2%	3.5%	2.4%
\$250,000 +	10.4%	6.3%	3.9%
2011 Median Household Income	\$100,631	\$69,854	\$62,599
2011 Per Capita Income	\$47,786	\$40,623	\$32,176
2011 Average Household Income	\$127,997	\$98,074	\$82,557

Demographic data © 2010 by Experian/Applied Geographic Solutions.

SUMMARY REPORT

Geography: 5 Miles

Population

In 2011, the population in your selected geography was 209,045 . The population has changed by 19.51% since 2000. It is estimated that the population in your area will be 215,200 five years from now, which represents a change of 2.94% from the current year. The current population is 49.9% male and 50.1% female. The median age of the population in your area is 32.8 , compare this to the U.S. average which is 36.9. The population density in your area is 2,661.86 people per square mile.

Households

There are currently 80,964 households in your selected geography. The number of households has changed by 22.51% since 2000. It is estimated that the number of households in your area will be 88,314 five years from now, which represents a change of 9.08% from the current year. The average household size in your area is 2.58 persons.

Income

In 2011, the median household income for your selected geography is \$62,599 , compare this to the U.S. average which is currently \$53,620. The median household income for your area has changed by 0.28% since 2000. It is estimated that the median household income in your area will be \$64,620 five years from now, which represents a change of 3.23% from the current year.

The current year per capita income in your area is \$32,176 , compare this to the U.S. average, which is \$28,713. The current year average household income in your area is \$82,557 , compare this to the U.S. average which is \$73,458.

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 60.38% White, 9.80% African American, 0.55% Native American and 10.44% Asian/Pacific Islander. Compare these to U.S. averages which are: 72.40% White, 12.60% African American, 0.95% Native American and 4.93% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 26.11% of the current year population in your selected area. Compare this to the U.S. average of 16.90%.

Housing

The median housing value in your area was \$145,527 in 2000, compare this to the U.S. average of \$110,796 for the same year. In 2000, there were 35,631 owner occupied housing units in your area and there were 30,455 renter occupied housing units in your area. The median rent at the time was \$721 .

Employment

In 2011, there are 147,889 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 76.2% of employees are employed in white-collar occupations in this geography, and 23.8% are employed in blue-collar occupations. In 2011, unemployment in this area is 5.30% . In 2000, the median time traveled to work was 24.3 minutes.

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TRAFFIC COUNTS



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Two-way, average daily traffic volumes.



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