

#1 RANKED WAWA IN JACKSONVILLE | 6 MILES FROM DOWNTOWN | DIRECT ACCESS TO I-95



OFFERING MEMORANDUM





5735 PHILIPS HWY,
JACKSONVILLE, FL 32216



BLAKE TAGMYER

Executive Director
+1 858 558 5670
Blake.Tagmyer@cushwake.com
License No. 01912759

BRANDON PRICE

Senior Director
+1 858 558 5673
Brandon.Price@cushwake.com
License No. 01822998

AMY THOMPSON

Brokerage Specialist
+1 858 546 5440
Amy.Thompson@cushwake.com
License No. 02214440

JIM MCALEESE

Design Lead
+1 305 533 2859
Jim.McAleese@cushwake.com

Broker of Record: Bang Realty-Naples, Inc | FL Lic. CQ1049201

01

OFFERING

02

FINANCIALS

03

TENANT

04

MARKET



12830 El Camino Real, Suite 100
San Diego, CA 92130
United States

01

The Offering
Investment Highlights
Executive Summary



Investment Highlights

THE OFFERING

THE OFFERING

Built in 2020, a 5,967 square foot free-standing Wawa convenience store with gas station (16 Fueling Positions and 12 Tesla Superchargers) situated on 1.95 acres. Wawa's 20-year lease expires in November of 2039, leaving approximately 15.50 years remaining on the initial lease term.

Price: \$5,263,157

Cap Rate: 4.75%

LEASE /TENANT

- » **#1 Ranked Wawa in Jacksonville:** With over 661,000 annual visitors, the subject convenience store is the top ranked Wawa in Jacksonville, the top 75th percentile in Florida, and the top 82nd percentile of stores nationally (Placer.ai)
- » **Absolute NNN Ground Lease:** Zero landlord responsibilities for operating or capital expenses
- » **Corporate Backed Long-Term Lease:** Wawa, Inc., signed a new 20-year lease in 2019 leaving approximately 15.50-years remaining on the firm lease term
- » **Attractive Rent Increases:** lease features 5% rent increases every 5 years in the primary term and options, providing a hedge against inflation.
- » **Investment Grade Credit:** Wawa is rated "BBB" investment grade by Fitch
- » **"Super Wawa" Format Wawa Open 24hrs with Tesla Superchargers:** 1.95-acre site with 16 fueling stations and 12 Tesla Superchargers
- » **Ranked #20 on the Forbes 2022 list of America's Largest Private Companies:** annual revenues exceed \$18.9 billion
- » **Wawa ranks as Pennsylvania's largest privately-owned company and the 7th largest convenience chain in the U.S:** 1,058 stores in 9 U.S. states with 294 stores in Florida alone

REAL ESTATE /AREA STRENGTHS

- » **Strategically Located at the Signalized Hard Corner Intersection Along Major Commuter Thoroughfare:** excellent exposure at the intersection of State Highway US-1 (Philips Hwy) and Bowden Road with combined daily traffic counts in excess of 51,000 vehicles.
- » **Direct Access to Interstate 95:** site benefits from direct on/off ramp access to Interstate-95 (142,000 VPD), the primary north-south interstate serving the entire East Coast of the U.S
- » **Located on US HWY 1:** Also known as Route 1, this 545-mile highway runs along the entire coast of Florida from the northern border and overseas to Key West
- » **Excellent Ingress and Egress Along Both Traffic Corridors:** Wawa benefits from its location at the signalized intersection allowing commuters easy access from all traffic patterns
- » **Prominent Retail Location with over 1.2M SF of Retail:** traffic generators in the immediate area include Publix Super Market, Walmart Supercenter, T.J. Maxx, L.A Fitness, Walgreens, Taco Bell, Dunkin', AutoZone, Wendy's, Chick-fil-A, McDonald's, and many others
- » **Densely Populated with Strong Growth:** over 72,000 residents within a three-mile radius and over 180,000 residents within a five-mile radius, which includes over 85,000 housing units
- » **More than \$3 Billion in Development Pipeline in Jacksonville:** 1 Riverside, the urban mixed-use project comprised of 271 luxury apartment units, Whole Foods Market and riverfront restaurant at the 18.84 AC site is one of many new developments. Additionally, the Four Seasons is expected to start construction later this year on the \$370 Million hotel and residences in downtown.



2020

Year Built



5,967 SF

Building Size



6 miles

to Jacksonville CBD



North West View



3-MILE RADIUS **72,255 POPULATION** **32,709 HOUSING UNITS**

51,000 COMBINED VPD

Executive Summary

THE OFFERING

The subject property is a **5,735 square foot Wawa** convenience store with gas-station (16 fueling stations and 12 Tesla Superchargers) **located in Jacksonville, Florida**. Jacksonville, which is part of the Jacksonville Metro Area, is the largest city by population in Florida with over **1,330,000 residents**. Wawa signed a **20-year lease**, which commenced in November 2019, leaving approximately **15.50-years remaining** on the tenant's initial lease term. The lease features extremely attractive **5% rent increases every 5 years** throughout the remaining primary term, and between each of the six, five-year renewal options. The Tenant is operating under a highly passive absolute NNN ground lease with zero landlord responsibilities for operating or capital expenses.

Wawa has a current "BBB" investment grade credit rating by Fitch and reported annual revenues of over \$18.9 billion in 2023. Wawa ranked #20 on Forbes 2023 list of America's Largest Private Companies and is Pennsylvania's largest privately-owned company. It is currently the 10th largest convenience chain in the U.S with approximately 1,000 stores in eight U.S States.

With over **661,000 annual visitors**, the subject convenience store is the **#1 ranked Wawa in Jacksonville**, the top **75th percentile** in Florida, and the top **82nd percentile of Wawa's nationally** (Placer.ai)

in the immediate area include Walmart Supercenter, Publix Supermarket, T.J. Maxx, L.A Fitness, Walgreens, CVS, Chick-fil-A, McDonald's, Dunkin', AutoZone and many others.

The immediate area provides a critical mass of both necessity and specialty retailers that serves Jacksonville's rapidly expanding I-95 corridor and the growing community. Jacksonville is seeing extensive residential and commercial development over the next few years, with over \$3 billion in the pipeline in downtown Jacksonville alone. This densely populated area is home to over 72,000 residents within a three-mile radius and over 180,000 residents within a five-mile radius, which includes over 85,000 housing units. These developments are having a ripple effect on the economy and will continue to generate more employment opportunities strengthening the local economy making Jacksonville one of the premier locations to live.

Located in one of the fastest-growing metros in the U.S, the subject property benefits from its location at the signalized intersection of US HWY 1 and Bowden Road. With combined daily traffic counts in excess of 51,000 vehicles, Wawa benefits from excellent ingress and egress along both traffic corridors allowing commuters easy access from all traffic patterns. The site also benefits from direct on/off ramp access to Interstate-95, the primary north-south interstate serving the entire East Coast, which experiences daily traffic in excess of 142,000 vehicles per day. The subject property is strategically positioned along US-HWY 1, the area's main retail and traffic corridor with over 1.2M SF of retail providing for strong tenant synergy promoting crossover shopping to the subject area. National/credit tenants



Site Overview

THE OFFERING

2020
YEAR BUILT

5,967 SF
BUILDING AREA

1.95 Acres
LAND AREA

**University Blvd,
Philips Hwy. &
2 points on Bowden**
ACCESS POINTS

8
MPD'S

16
FUELING POSITIONS/GAS PUMPS



Site Plan | 1.95 acres

THE OFFERING



South View



South East View



02

Financials
Lease & Pricing Summary





5735 PHILIPS HWY,
JACKSONVILLE, FL 32216

\$ **\$5,263,157**
PRICE

% **4.75%**
CAP RATE

2020
YEAR BUILT

5,967 SF
BUILDING SIZE

±1.95 AC
LOTE SIZE

Fee Simple
OWNERSHIP TYPE

LEASE SUMMARY

TENANT	Wawa Florida, LLC
GURANTOR	Wawa, Inc.
LEASE TYPE	Absolute NNN Ground Lease
LEASE TERM	20 Years
LEASE COMMENCEMENT	11/16/2019
LEASE EXPIRATION	11/30/2039
REMAINING LEASE TERM	15.50 Years
RENEWAL OPTIONS	6, 5-Year Options
RENT INCREASES	5% in Yr 11, 16 & Between Options
ROFR	No

RENT SCHEDULE

PERIOD	ANNUAL BASE RENT	MONTHLY BASE RENT
Current - 11/30/2029	\$250,000.00	\$20,833.33
12/1/2029 - 11/30/2034	\$262,500.00	\$21,875.00
12/1/2034 - 11/30/2039	\$275,625.00	\$22,968.75
Options 1 (5 Years)	\$289,406.25	\$24,117.19
Options 2 (5 Years)	\$303,876.56	\$25,323.05
Options 3 (5 Years)	\$319,070.36	\$26,589.20
Options 4 (5 Years)	\$335,070.39	\$27,922.53
Options 5 (5 Years)	\$351,775.11	\$29,314.59
Options 6 (5 Years)	\$369,363.86	\$30,780.32



03

Tenant
Tenant Overview





Tenant Overview

Founded in 1803 as a dairy operator, Wawa, Inc. operates more than 1,000 convenience stores, of which about 500 stores are in New Jersey and Pennsylvania with the balance spread through Delaware, Virginia, Maryland, Florida and Washington, D.C. New Wawa store openings are almost exclusively of the expanded “Super Wawa” format, which includes a larger footprint (generally 4,600 to 5,700 square-feet of retail space, compared with 3,000 or 3,600 for “legacy” stores) and typically 12-20 gas pumps. The company offers fuel at about 70 percent of its store base.

According to Wawa CEO Chris Gheysens, in the coming years Wawa plans to embark on “the most aggressive growth” in its history, aiming to essentially double its store count within the decade. The Delaware County-based convenience store will look to operate roughly 1,800 locations by 2030 — eventually opening up to 100 a year — and is rolling out additional locations in existing markets as well as new territories. Wawa already has 300 new sites under its control across its established territory, and the company has its eye on breaking into new states. For one, customers can look toward seeing new locations start to “fill in the market” between Virginia and Florida throughout the decade.

Historically, Wawa has strived to differentiate itself from traditional convenience stores in that food, beverages and customer experience, not fuel, are its main offerings. The company also offers a large selection of private-label products, including bottled water, candy, assorted nuts, yogurt, teas, cheese, and ice cream products. Its stores are generally open 24 hours, 365 days a year. Wawa is 41 percent owned by employees with the balance controlled by the founding family and management.

The company also supplies over 1,000 institutional customers such as schools, hospitals, restaurants and hotels. Wawa’s primary wholesaler is McLane Foodservice Distribution, but the company also has its own distribution center in Carney’s Point, NJ. In 2017, Wawa completed the construction of four new buildings on its 26-acre corporate campus. In December 2017, the company opened its first store in Washington, D.C., its largest to date, at 9,000 square feet. Beyond its focus on convenience and customer service, Wawa is also highly regarded for its commitment to the communities it serves. The company has a charitable arm called The Wawa Foundation, which provides funding for a variety of causes, including health and wellness, hunger relief, and environmental sustainability.



BBB “INVESTMENT GRADE”

Credit Rating (Fitch)



\$18.9 B

2023 Revenue



#20

on Forbes 2023 list of America’s Largest Private Companies



Serves more than

800M CUSTOMERS

Annually



10TH LARGEST

convenience chain in U.S.

04

Market

Area Overview
Area Demographics



JACKSONVILLE

Location Overview

Jacksonville is a city located in the state of Florida, United States. It is the largest city by population in Florida and the largest city by land area in the contiguous United States. The Jacksonville metro area has a current estimated population of over 1,330,000 residents.

Jacksonville is situated on the northeastern coast of Florida, along the St. Johns River. The city is known for its beautiful beaches, including Jacksonville Beach, Neptune Beach, and Atlantic Beach, which attract tourists and residents alike. Jacksonville also has a vibrant arts and culture scene, with numerous museums, theaters, and galleries to explore. The city is home to several professional sports teams, including the Jacksonville Jaguars (National Football League) and the Jacksonville Jumbo Shrimp (Minor League Baseball). Jacksonville also hosts the annual college football game known as the TaxSlayer Gator Bowl. Additionally, Jacksonville has a strong military presence and is home to the largest installation in Navy Region Southeast, Naval Air Station Jacksonville. The Naval base occupies more than 3,800 AC along the west bank of the St. Johns River,

Jacksonville is the most populous city in Florida and one of the fastest-growing cities in the United States. The economy in Jacksonville is diverse, with sectors such as finance, healthcare, logistics, manufacturing, and technology contributing to its growth. It serves as a major transportation and distribution hub due to its location, with the Port of Jacksonville being one of the busiest ports in the country. Jacksonville has also witnessed significant real estate development in recent years. New residential and commercial projects have been undertaken, contributing to the city's boom and providing housing options for the growing population. Downtown Jacksonville has also seen revitalization efforts, with new developments and investments aimed at making it a more vibrant and attractive area.

To accommodate the growing population and support economic development, Jacksonville has been investing in infrastructure improvements. This includes road expansions, bridge constructions, and upgrades to public transportation systems. These efforts aim to enhance connectivity within the city and improve the overall quality of life for residents.



1822
Founded



1,330,000
Population



DUVAL
County



\$83,933
Average Household Income
within 5 Miles



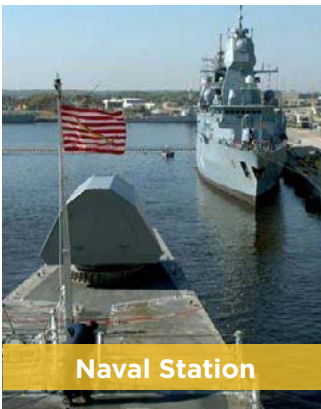
180,966
Population within 5 Miles



TIAA Bank Field (Jacksonville Jaguars)



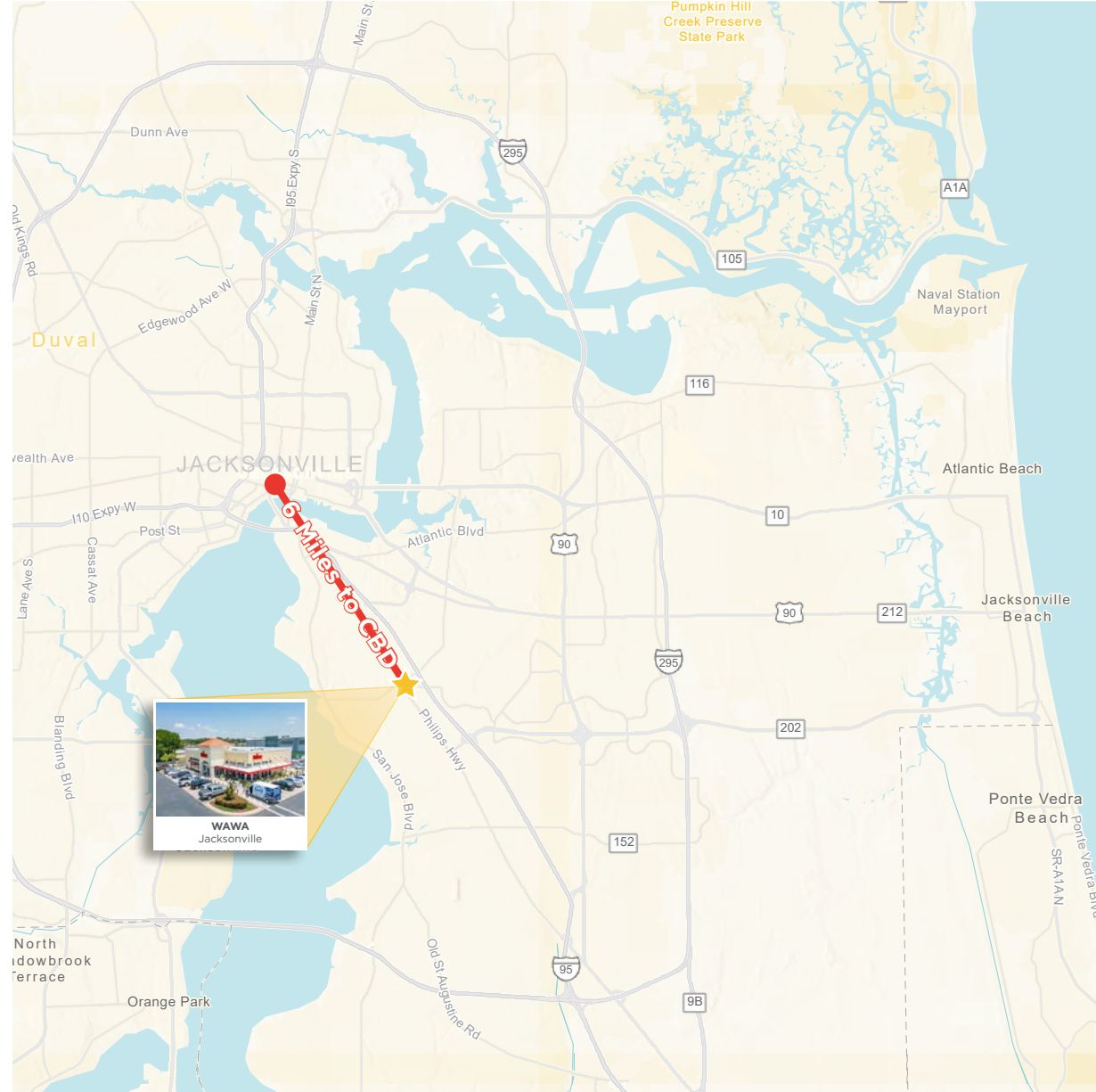
Jumbo Shrimp MLB Team



Naval Station



Port of Jacksonville



2023 DEMOGRAPHICS

2023 POPULATION	1 MILE	3 MILES	5 MILES	7 MILES
Total Population	7,581	72,255	180,966	375,943
Median Age	43.5	41.1	38.3	37.7
2023 HOUSING	1 MILE	3 MILES	5 MILES	7 MILES
Total Housing Units	3,496	32,709	85,207	176,750
Occupied Housing Units	91.1%	92.3%	91.3%	91.1%
Vacant Housing Units	8.9%	7.7%	8.7%	8.9%
2023 INCOME	1 MILE	3 MILES	5 MILES	7 MILES
Average Household Income	\$62,770	\$84,846	\$83,933	\$83,149

2028 DEMOGRAPHICS

2028 POPULATION	1 MILE	3 MILES	5 MILES	7 MILES
Total Population	7,588	73,512	187,390	385,131
Median Age	41.7	40.1	37.3	38.3
2028 HOUSING	1 MILE	3 MILES	5 MILES	7 MILES
Total Housing Units	3,192	33,270	86,168	183,430
Occupied Housing Units	90.7%	92.2%	91.7%	91.4%
Vacant Housing Units	9.3%	7.8%	8.3%	8.6%
2028 INCOME	1 MILE	3 MILES	5 MILES	7 MILES
Average Household Income	\$75,365	\$97,858	\$95,744	\$95,404

Statement of Confidentiality & Conditions

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors. The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.





Wawa[®]
JACKSONVILLE, FLORIDA

BLAKE TAGMYER

Executive Director
+1 858 558 5670

Blake.Tagmyer@cushwake.com

License No. 01912759

BRANDON PRICE

Senior Director
+1 858 558 5673

Brandon.Price@cushwake.com

License No. 01822998

AMY THOMPSON

Brokerage Specialist
+1 858 546 5440

Amy.Thompson@cushwake.com

License No. 02214440

JIM MCALEESE

Design Lead
+1 305 533 2859

Jim.McAleese@cushwake.com

