

GROCERY STORE ABSOLUTE NNN

Investment Opportunity



1702 E. 38th Street

ERIE PENNSYLVANIA

ACTUAL SITE



EXCLUSIVELY MARKETED BY



DAVID WIRTH

Broker of Record

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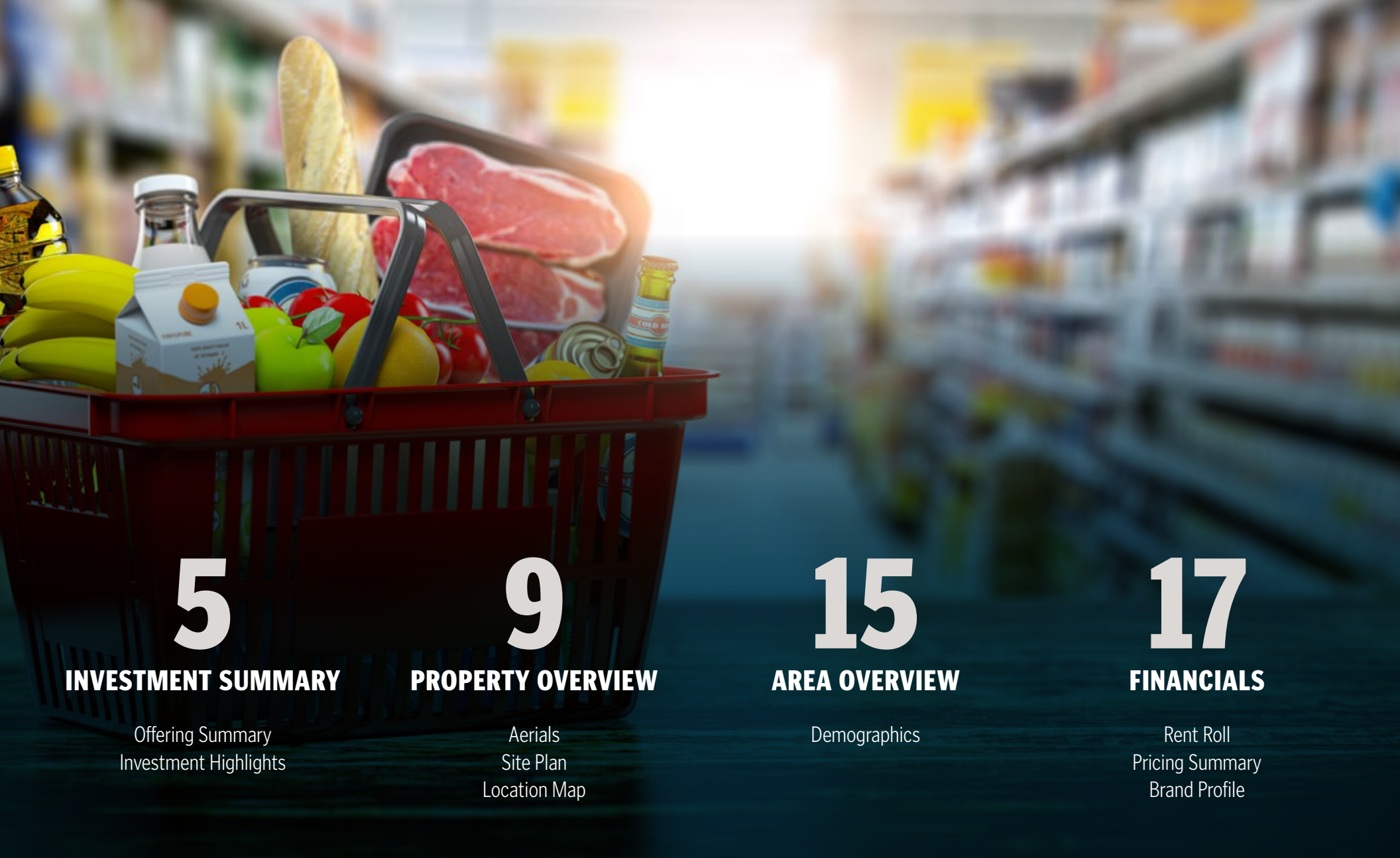
CONSULTANT

JEFF GATES

Senior Vice President

National Net Lease





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Pricing Summary
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PROPERTY PHOTO





SRS Real Estate Partners-Northeast, LLC is pleased to offer a remarkable investment opportunity to acquire the fee simple interest (land & building ownership) of the absolute NNN Grocery Store Tops Friendly Market property located in Erie, PA. The tenant, Tops Friendly Market, has occupied the site for over 28 years and currently has 6 years remaining on its lease, along with 10 (5-year) renewal options. During the initial renewal period, the rent will experience an immediate 24.5% increase, with subsequent annual increases of 1% throughout the lease's duration, growing NOI and hedging against inflation. The site enjoys robust, upward-trending sales exceeding \$375 per square foot, a strong indicator of continued occupancy. The lease structure is absolute NNN, relieving the landlord of any responsibilities, rendering it an ideal, hands-off investment opportunity. Tops Friendly Market, a well-known supermarket chain with 154 locations spanning New York, Vermont, and Pennsylvania, is investing \$6 million into its stores in Erie, PA. For this location, Tops has planned substantial enhancements, including new interior decor, energy-efficient lighting, the introduction of self-checkout stations, and expanded retail space to offer a wider selection of beer and wine options. The exterior will also undergo a fresh coat of paint and receive upgraded landscaping, further solidifying the property's appeal and long-term viability.

Tops Friendly Market is strategically located close to State Highway 290, connecting the I-90 to downtown Erie, averaging 15,300 vehicles daily. The site benefits from excellent visibility via significant street frontage on E 38th St (13,700 VPD) and a large pylon sign, providing ease and convenience for customers. Erie's strategic lakeside location, near major metropolitan areas like Buffalo, Cleveland, and Pittsburgh, positions it as a prime commerce hub with excellent transportation links. The city's diversified economy, spanning manufacturing, healthcare, education, and tourism, ensures economic resilience and stability. The 5-mile trade area is supported by more than 133,974 residents and \$69,469 average income, providing a direct consumer base from which to draw.

PROPERTY PHOTOS





OFFERING

Price	\$8,077,000
Net Operating Income	\$525,000
Cap Rate	6.50%
Guaranty	Corporate
Tenant	Tops Friendly Market
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	77,000 SF (Store 50,000 SF/Warehouse 27,000 SF)
Land Area	8.85 Acres
Property Address	1702 E. 38th Street Erie, Pennsylvania 16510
Year Built / Remodeled	1995
Parcel Number	18-051-0670-100.00
Ownership	Fee Simple (Land & Building Ownership)

Corporate Guaranteed Lease | 28+ Year Operating History | Options To Extend | 24.5% Rent Increase in 2029

- The property features a 77,000 SF grocery store that is ideally situated along a frequently traveled retail corridor
- 6 years remaining with 10 (5-year) option periods to extend
- 28+ year operating history in this building
- Tenant recently extended its lease an additional 11 years in 2018
- The lease features a 24.5% rent increase in 2029 at the beginning of its first option period and subsequent 1% annual increases, growing NOI and hedging against inflation
- Tops Friendly Market is a well-established supermarket chain with 154 locations across New York, Vermont, and Pennsylvania, known for its commitment to enhancing customer experience and investing in store improvements

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor

Direct Residential Consumer Base | Strong Demographics In 5-Mile Trade Area | Diverse Economy

- More than 133,974 residents and 86,397 employees support the trade area
- \$69,469 average household income
- Erie's economy is marked by diversification, with a robust presence in manufacturing, healthcare, education, and tourism. This diversity fosters economic resilience and stability

High Tenant Commitment | Substantial Improvements Planned

- Tops plans to invest \$6 million into its stores in Erie, PA
- For this location, Tops has planned substantial enhancements, including new interior decor, energy-efficient lighting, the introduction of self-checkout stations, and expanded retail space to offer a wider selection of beer and wine options
- The exterior will also undergo a fresh coat of paint and receive upgraded landscaping, further solidifying the property's appeal and long-term viability

Located Along E 38th St | State Highway 290 | Excellent Visibility & Access

- Located along E 38th St, a major commuter and retail thoroughfare averaging 13,700 vehicles passing by daily
- Situated just 1 mile southwest of State Highway 290 (15,300 VPD), the primary connector of the I-90 to downtown Erie
- Excellent visibility via 50,000 SF of street frontage and a large pylon sign

Strong National/Credit Tenant Presence | Retail Corridor

- Nearby national/credit tenants include Walmart Supercenter, Advance Auto Parts, Taco Bell, Papa Johns, Dollar General, Dollar Tree, and McDonald's
- Strong tenant synergy increases customer draw to the immediate trade area and promotes crossover store exposure for the site

LOCATION



Erie, Pennsylvania
Erie County
Erie MSA

ACCESS



Tops Road: 1 Access Point
Stanton Street: 1 Access Point

TRAFFIC COUNTS



E. 38th Street: 13,700 VPD
State Highway 290: 15,300 VPD
State Highway 5: 18,900 VPD

IMPROVEMENTS



There is approximately 77,000 SF of existing building area
(Store 50,000 SF & Warehouse 27,000 SF)

PARKING



There are approximately 524 parking spaces on the owned parcel.
The parking ratio is approximately 6.81 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 18-051-067.0-100.00
Acres: 8.85
Square Feet: 385,506

CONSTRUCTION



Year Built: 1995

ZONING



C-1 Local Commercial



HYUNDAI

FAMILY DOLLAR

DOLLAR TREE

RITE AID

UPMC HAMOT

15,300 VEHICLES PER DAY

AutoZone

McINNES ROLLED RINGS

ACE Hardware
Walmart Supercenter

STATE HIGHWAY 290

H&R BLOCK
FAMILY DOLLAR

Save a Lot
home OUTLET
CITITRENDS
AUTO PARTS

TOPS
Friendly Markets

13,700 VEHICLES PER DAY

E. 38TH ST.

STANTON ST.

JOANNA CONNELL ELEMENTARY



GIANT EAGLE PLAZA

Logos for various businesses located in the Giant Eagle Plaza area, including Giant Eagle, H&R Block, T, Sherwin-Williams, Quick Tag, Pet Supplies Plus, GameStop, Panera Bread, Wendy's, Security Window Treatments, Cutter's Choice, Arby's, Applebee's, and EISC.

15,300
VEHICLES PER DAY

STATE
HIGHWAY 290

Advance
Auto Parts

DOLLAR TREE

USPS.COM



DOLLAR GENERAL

TACO BELL



JO ANNA
CONNELL
ELEMENTARY

E. 38TH ST.

13,700
VEHICLES PER DAY

TOPS
Friendly Markets

STANTON ST.







TOPS
Friendly Markets

JO ANNA CONNELL
ELEMENTARY

13,700
VEHICLES PER DAY

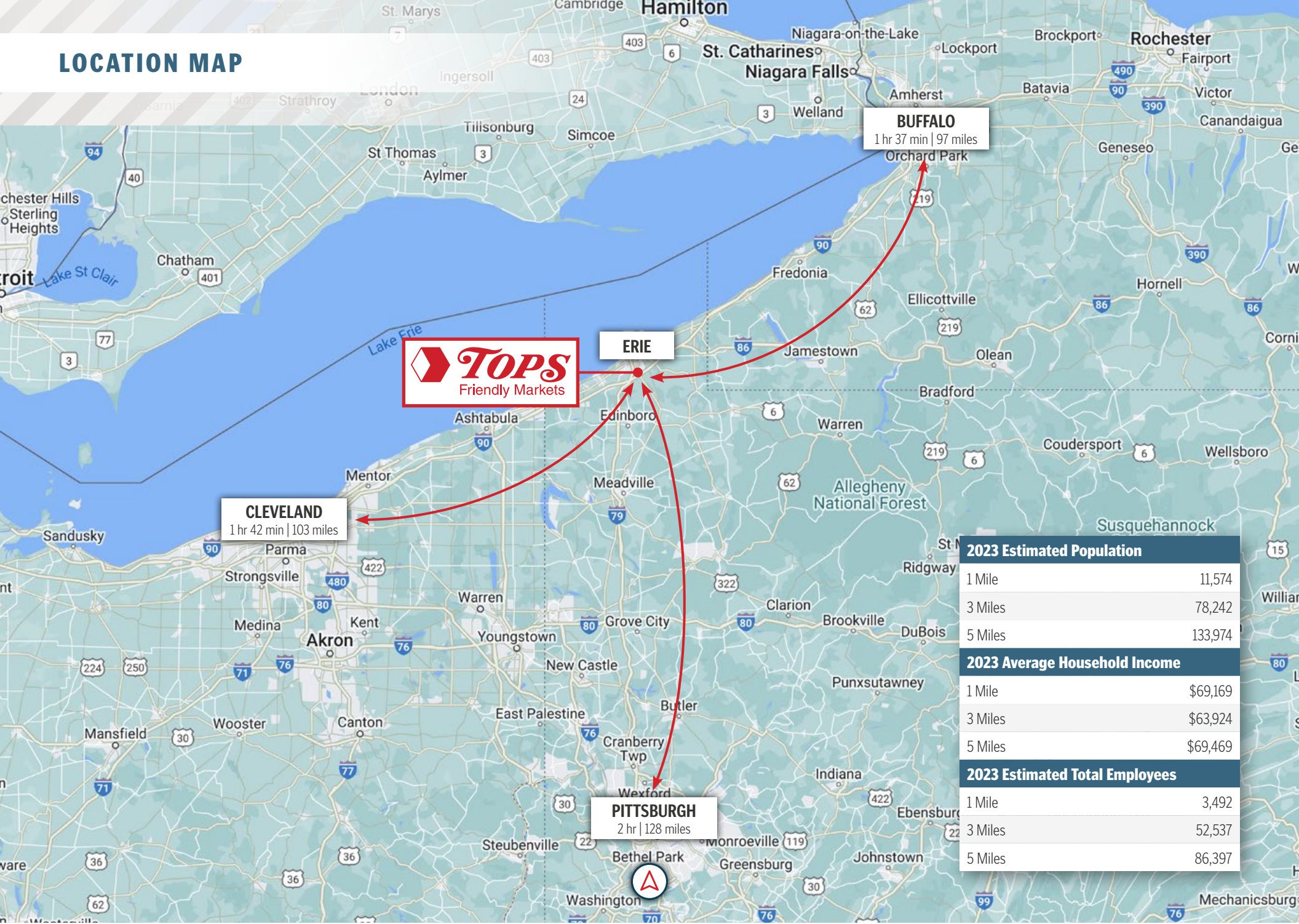
Marquette
SAVINGS BANK

Valerios

PYLON SIGN



LOCATION MAP



2023 Estimated Population	
1 Mile	11,574
3 Miles	78,242
5 Miles	133,974
2023 Average Household Income	
1 Mile	\$69,169
3 Miles	\$63,924
5 Miles	\$69,469
2023 Estimated Total Employees	
1 Mile	3,492
3 Miles	52,537
5 Miles	86,397



ERIE, PENNSYLVANIA

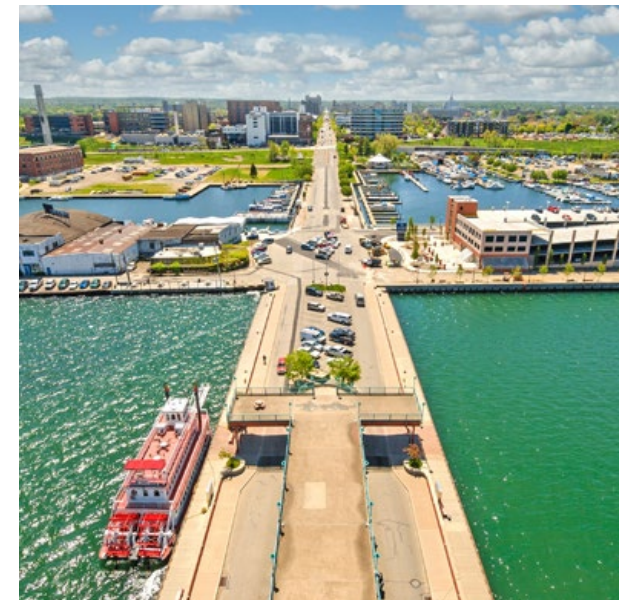
The Pennsylvania lake port city of Erie is located in the northwest corner of the state along the shore of the lake for which it is named, Lake Erie, a name which is derived from the Eriez Indian tribe. Situated about halfway between the cities of Cleveland, Ohio and Buffalo, N.Y. (to the both of which are about 95 miles away). The City of Erie, incorporated April 14, 1851, is the county seat of Erie County lying on the southern shore of Lake Erie in the northwest corner of Pennsylvania. The City occupies a land area of 19.37 squaremiles. The City of Erie is the 5th largest city in Pennsylvania with a population of 93,236 as of July 1, 2023.

The City of Erie is the fourth largest city in Pennsylvania, and is the primary hub of economic activity in northwest Pennsylvania. The Erie metro area is home to two Fortune 500 companies (Wabtec Corporation, and Erie Insurance Group), four universities, two major hospital networks, and a variety of other large scale industrial and service based businesses. The City has an emerging start-up business sector that has been facilitated by the addition of local programs such as the Erie Technology Incubator in association with Gannon University, and the Creative Business Accelerator in association with Bridgeway Capital, a local nonprofit organization. No longer reliant on heavy manufacturing, Erie today has begun to attract a more diverse mix of mid-sized industries. Small steel and plastic plants have emerged as driving forces in the city's economy, along with a robust service sector largely focused on tourism.

Erie is brimming with places of interest for both culture and recreation. One of the region's major cultural arts centers is the Warner Theatre. Commissioned by the Warner Brothers in 1929, the venue is home to several professional and amateur performing-arts groups, the most significant of which is the Erie Philharmonic, one of the oldest symphony orchestras in the country. The Erie Art Museum, housed in a former U.S. Customs House, features a wealth of changing art exhibits focusing largely on modern art and folk art. The Erie Children's Museum, geared towards visitors aged 2 to 12, offers a wide variety of interactive displays in the areas of science and the humanities. Presque Isle State Park boasts 7 miles of beaches and 11 miles of hiking trails, and offers cross-country skiing, ice-fishing, and ice-skating in winter. Annual events in the city include the Erie Summer Festival of the Arts, the Wine Country Harvest Festival, and "Celebrate Erie," a large urban arts and entertainment festival which takes place in mid-August.

AREA DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
Population			
2023 Estimated Population	11,574	78,242	133,974
2028 Projected Population	11,321	76,933	131,985
2010 Census Population	12,386	84,354	143,233
Households & Growth			
2023 Estimated Households	4,851	30,997	55,272
2028 Projected Households	4,826	30,964	55,305
2010 Census Households	4,892	32,138	56,987
Race & Ethnicity			
2023 Estimated White	71.04%	70.00%	75.49%
2023 Estimated Black or African American	15.25%	17.52%	13.59%
2023 Estimated Asian or Pacific Islander	5.40%	4.44%	3.64%
2023 Estimated American Indian or Native Alaskan	0.19%	0.24%	0.21%
2023 Estimated Other Races	3.23%	3.48%	2.94%
2023 Estimated Hispanic	7.92%	8.74%	7.44%
Income			
2023 Estimated Average Household Income	\$69,169	\$63,924	\$69,469
2023 Estimated Median Household Income	\$52,058	\$44,121	\$48,968
2023 Estimated Per Capita Income	\$28,812	\$25,741	\$28,910
Businesses & Employees			
2023 Estimated Total Businesses	258	2,457	4,612
2023 Estimated Total Employees	3,492	52,537	86,397



Tenant Name	Square Feet	LEASE TERM				RENTAL RATES					
		Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
Tops Friendly Markets	77,000	6/1/2018	4/30/2029	Current	-	\$43,750	\$0.57	\$525,000	\$6.82	Absolute NNN	10 (5-Year)

Yr 1 Option: \$653,880
 Yr 2 Option: \$660,420
 Yr 3 Option: \$666,960
 Yr 4 Option: \$673,632
 Yr 5 Option: \$680,364

1) Monthly rental amount during each of the remaining extension options, will increase by \$1,925 every 5 years. (at beginning of each remaining option period.)

FINANCIAL INFORMATION

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FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com



TOPS FRIENDLY MARKETS

topsmarkets.com

Company Type: Private

Locations: 149

Tops Friendly Markets Based in Williamsville, NY, Tops Markets currently operates 149 grocery stores in New York, Pennsylvania, and Vermont, including five that are run by franchisees. As the largest private, for-profit employer in Western New York, with over 14,000 associates, the company is dedicated to providing sustainably sourced, high-quality products, while helping its communities flourish via support for programs that eradicate hunger and disease, educate youth and reduce environmental waste and energy consumption.

Source: topsmarkets.com





THE EXCLUSIVE NATIONAL NET LEASE TEAM of SRS Real Estate Partners-Northeast, LLC

300+

TEAM
MEMBERS

25+

OFFICES

2K+

RETAIL
TRANSACTIONS

company-wide
in 2023

510+

CAPITAL MARKETS
PROPERTIES

SOLD
in 2023

\$2.2B+

CAPITAL MARKETS
TRANSACTION

VALUE
in 2023

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