



HERRINGTON
REALTY, INC.

Herringtonrealty.com

251-510-2277



Wawa – Absolute NNN 20 Year
Ground lease

10040 Encounter Drive, Fairhope, AL 36532

Parcel Number: 05-46-01-02-0-000-001.510

Site is Currently Under Construction
(Representative Image)

Disclaimer

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Investment Sales Contacts

Tim Herrington
(251) 510-2277
Tim@herringtonrealty.net

Colby Herrington
(251) 490-6995
Colby@herringtonrealty.net

Parker Herrington
(251) 459-3208
Parker@herringtonrealty.net

Website:
<https://herringtonrealtyal.com>

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INVESTMENT OVERVIEW

Pricing:	\$4,056,603
Net Operating Income:	\$215,000
Cap Rate:	5.30%
Property Address:	10040 Encounter Drive, Fairhope, Alabama 36532
Total Land Area:	2.72 Acres
Year Built:	2024
Tenant:	Wawa, Inc.
Corporate Guaranty:	Yes
Lease Type:	Absolute NNN
Landlord Responsible:	None
Lease Term:	20 Years
Options:	6, 5-year
Increases:	2% in year 10 & 7% in year 16, 7% upon execution of option periods
Rent Start:	March 2025 or Opening Day
Rent End:	February 2045



Investment Summary

Herrington Realty is pleased to present an outstanding new construction opportunity—an Absolute NNN, 20 Year Wawa Ground Lease—located at one of the more highly desirable intersections in Baldwin County. This property boasts an exceptional position on the northeast corner of State Highway 181 and State Highway 104, directly across from the recently established Publix Supermarket and the new USA Medical Campus. It is also conveniently adjacent to a new 250-unit multifamily subdivision.

Benefiting from the remarkable development in the surrounding area and the city's recognition of this intersection as a prominent retail corridor, this property distinguishes itself as the most sought-after corner in all of Baldwin County.



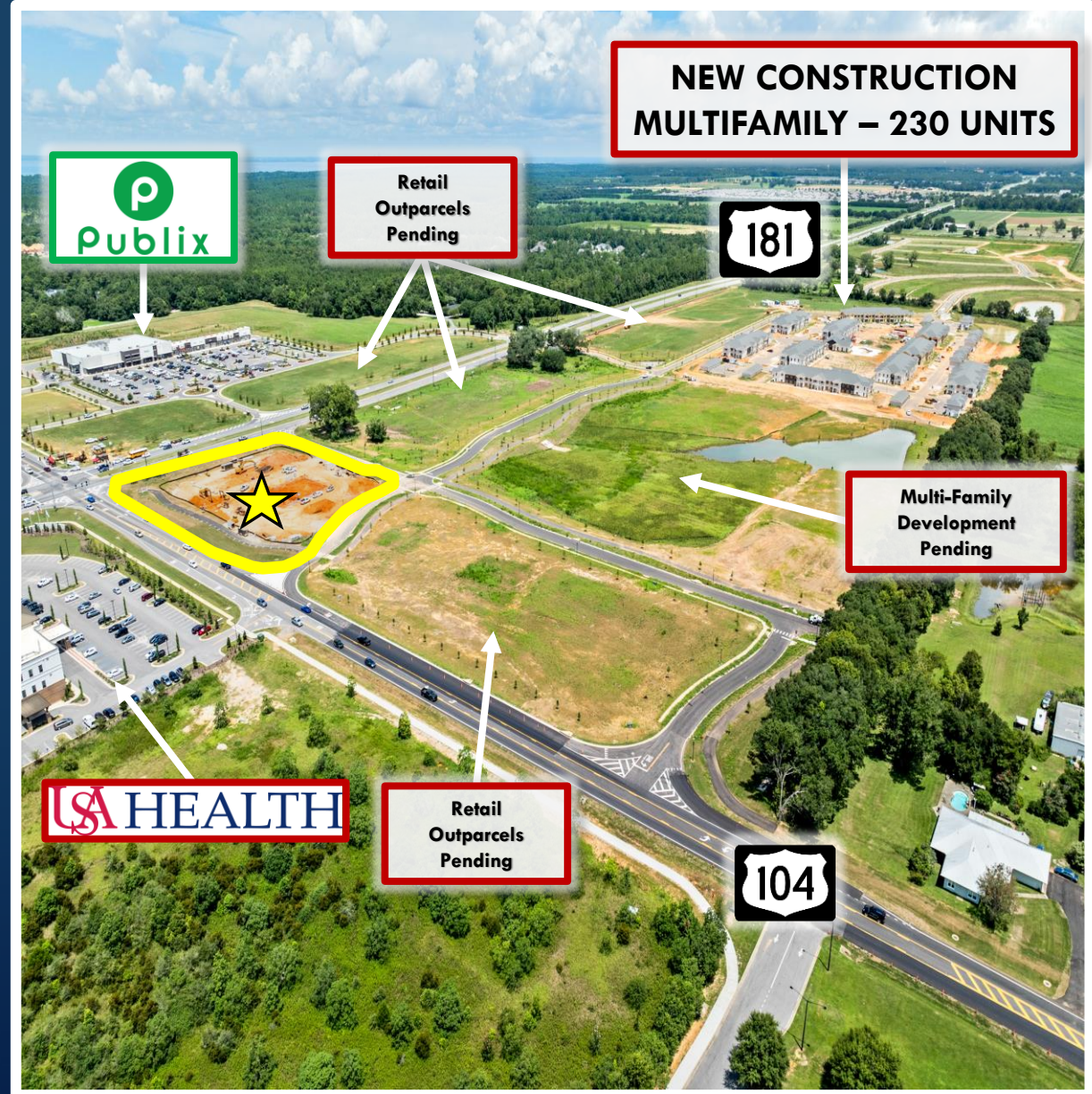
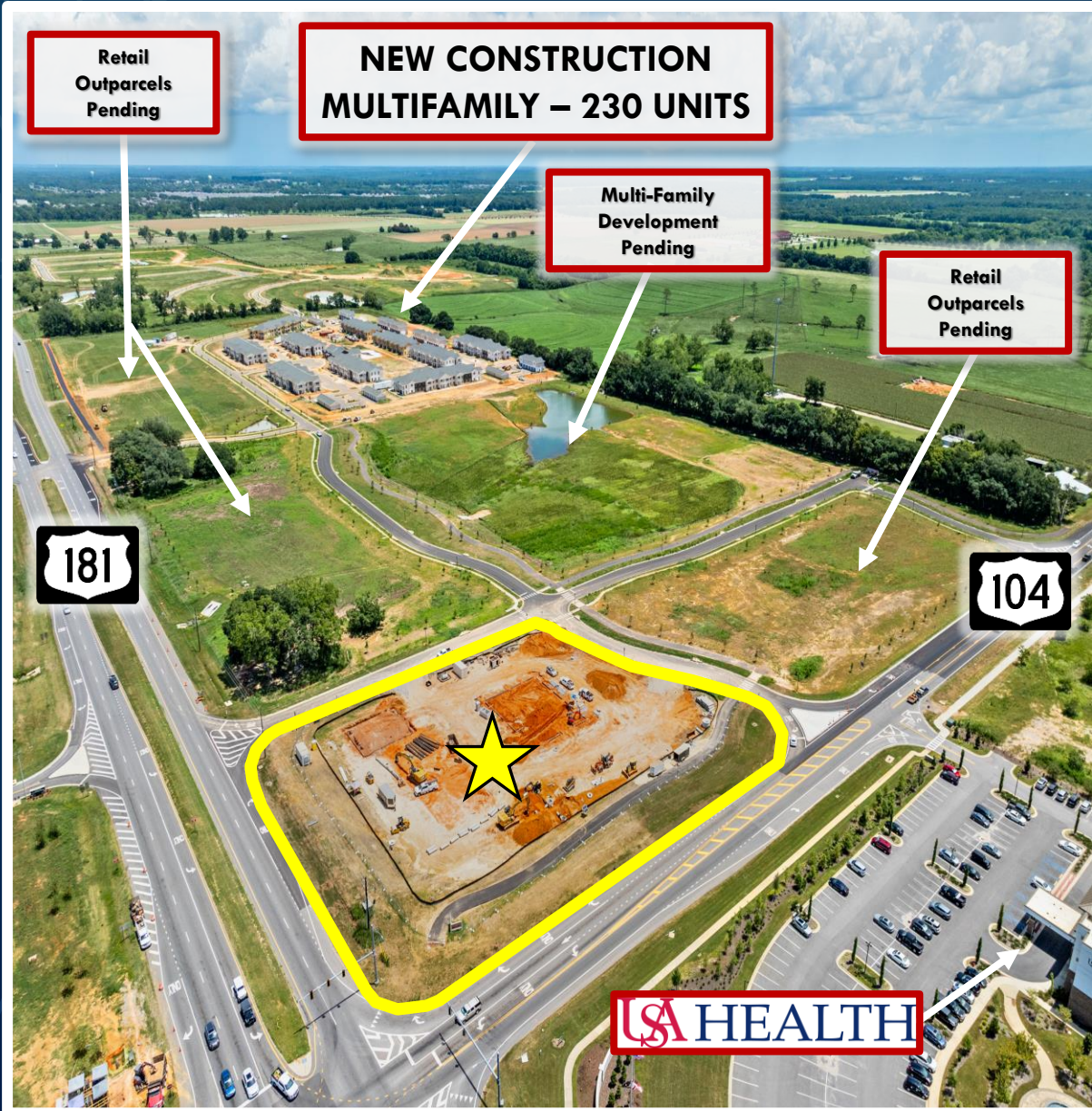
Investment Highlights

- Brand-New 20 Year Lease – Strong Commitment to Site with (6) 5 Year Options
- Zero Landlord Responsibilities
- Lease is Guaranteed by Wawa, Inc., an Investment Grade (Fitch: BBB), Nationally Recognized Brand With over 900+ Locations
- Located on the Hard Corner of the Increasingly Busy Intersection of Highway 181 and Highway 104 – Highway 181 was recently expanded to 4-lane to accommodate growing demand and traffic – 1000 VPD
- Located in one of the Fastest Growing Counties in the State of Alabama – Baldwin County

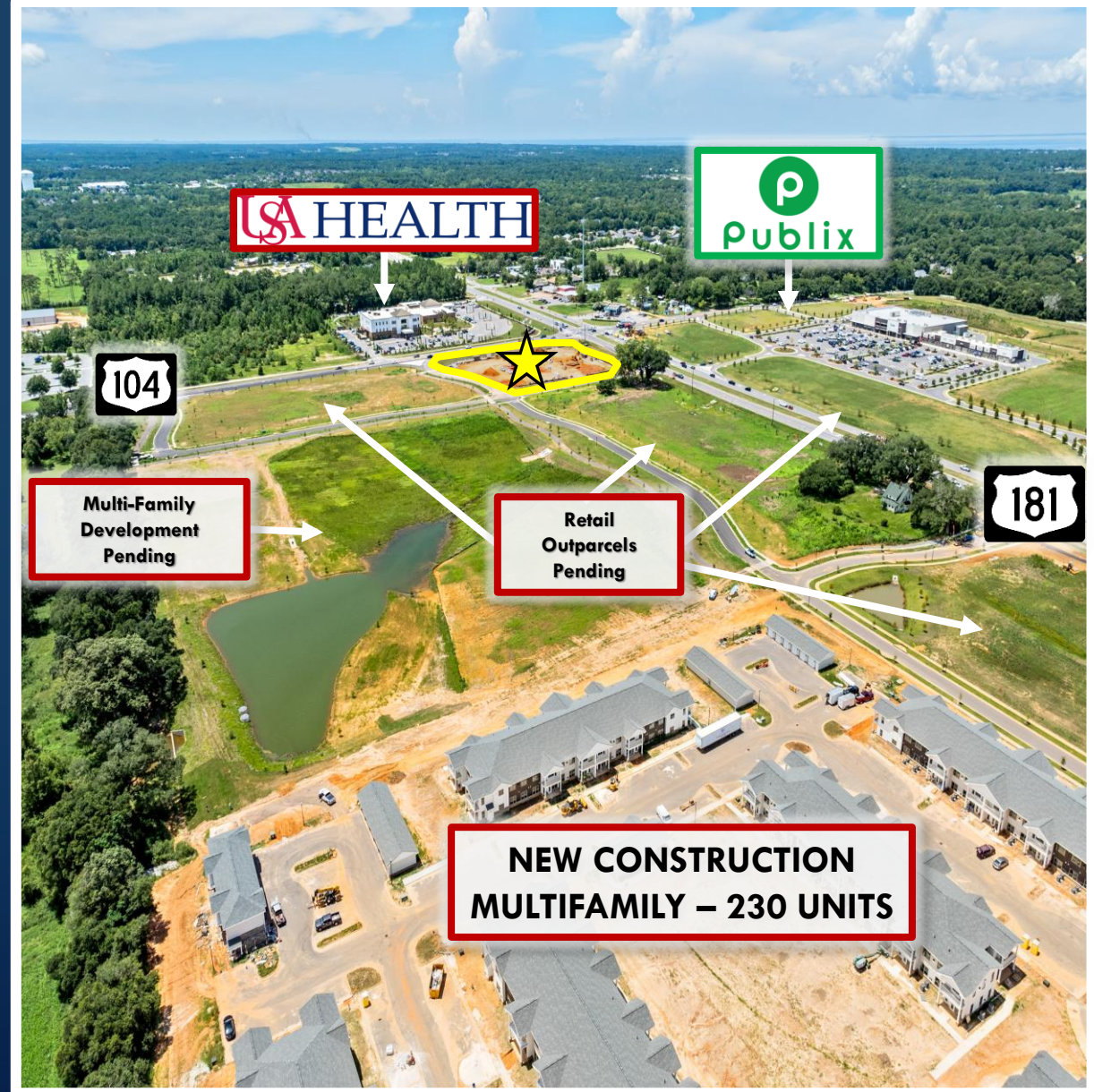
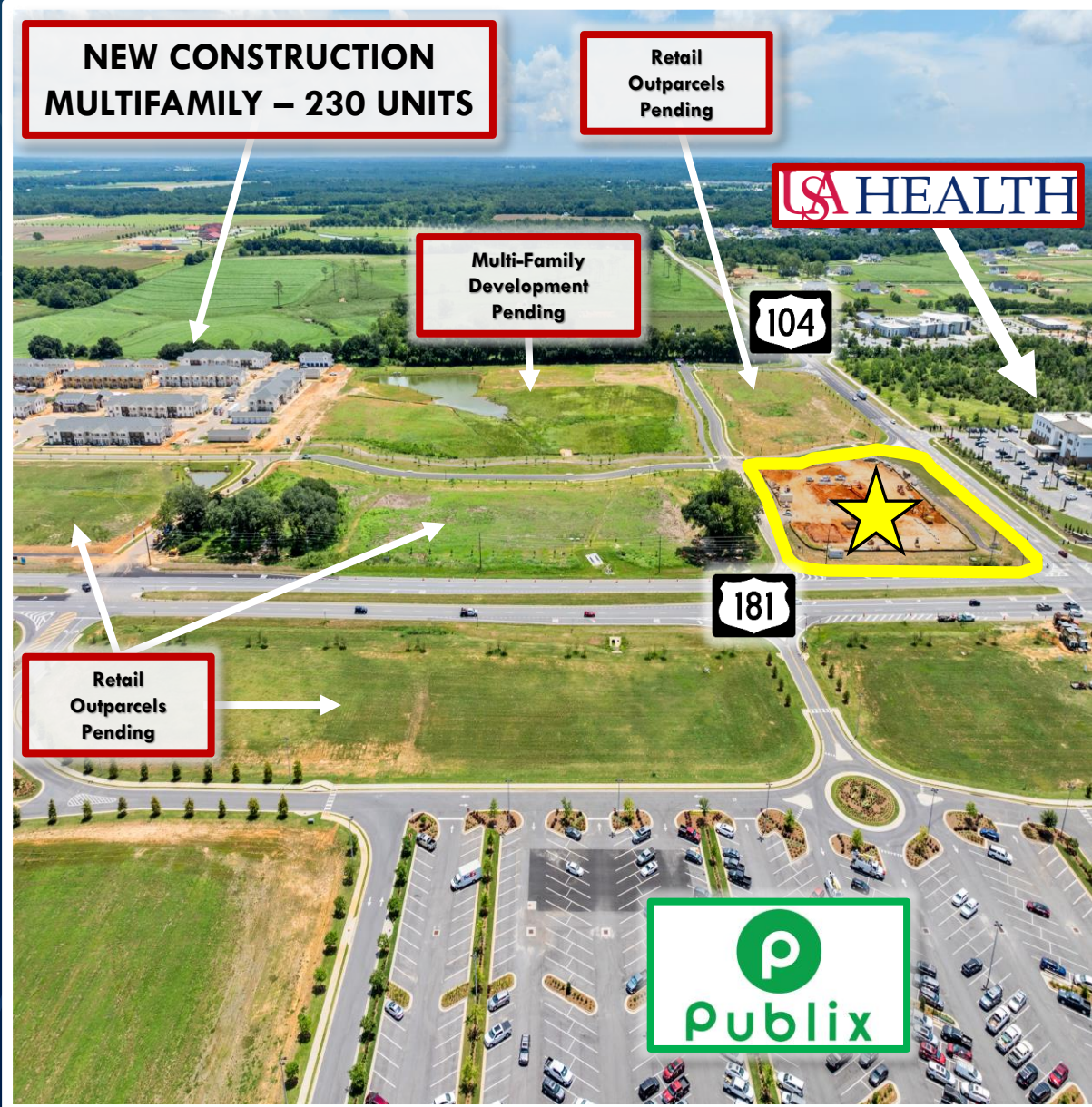
Rent Schedule

<u>Tenant</u>	<u>Lease Start</u>	<u>Lease End</u>	<u>Rent TL</u>	<u>Increases</u>	<u>Monthly Rent</u>	<u>Annual Rent</u>	<u>Options</u>
Wawa	March 2025 or Opening	February 2045	LY 1-10	-	\$17,083	\$215,000	6 (5-Year)
			LY 11-15	2%	\$18,279	\$219,350	
			LY 16 - 20	7%	\$19,558	\$234,705	
				7% Increase Each Option			

Property Photos



Property Photos



Tenant Overview

Wawa began its journey in 1964 as a small dairy farm in Wawa, Pennsylvania. It opened its first convenience store at the farm's site, offering dairy products and fresh foods. Recognizing the potential of the convenience store model, Wawa expanded its offerings and services to include fuel stations and made-to-order food. With a focus on customer service and quality, Wawa quickly gained popularity and grew into a regional powerhouse. Today, the company operates over 900 stores across the country and continues to thrive.

The success of Wawa stores can be attributed to their unwavering commitment to customer satisfaction, quality products, and community engagement. Their "built-to-order" specialty beverages, including their famous coffee, have garnered a dedicated following. Wawa's strong brand presence, combined with their emphasis on employee satisfaction and workplace culture, has resulted in a loyal customer base known as "Wawa fans." The company's continuous recognition for exceptional customer service, employee satisfaction, and workplace culture further demonstrates their achievements and sets them apart in the convenience store industry.



Tenant Information

Tenant: Wawa, Inc.

Website: Wawa.com

Company Type: Private

Established: 1964

Locations: 900+

Credit Rating: Fitch: BBB

2022 Revenue: \$13 Billion



New Construction Map Overview

- A. New Construction Publix Supermarket (Publix) – 6-8 retail outparcels
- B. New Construction USA Health Mapp Family Campus (USA Health Campus)
- C. New 252-unit multifamily subdivision – 6-8 retail outparcels
- D. Harvest Green Subdivision – 375 homes (Harvest Green)
- E. New St. Michael Catholic High School (St. Michael)
- F. North Hills Residential Development – 112 custom designed homes (North Hills)
- G. The Verandas – 112 lot village subdivision (The Verandas)
- H. Fairhope Motorcoach Resort – 57-Units (Fairhope Motorcoach Resort)
- I. Fairhope Landing – 75 Luxury RV/Tiny Home Development (Fairhope Landing)
- J. Fairhope Falls Residential Development – 318 lots (Fairhope Falls)
- K. The Reserve – 169 units luxury senior living (The Reserve)
- L. Gayfer Village – 16 commercial lots, 232 multi family units and 77 single family lots (Gayfer Village)
- M. New Construction Aldi (Aldi)
- N. Boardwalk Village - High-end retail development with hotel, restaurants, and residential condos (Fairhope East)
- O. Overland Development – 61-lot residential subdivision and 16 townhome apartments (Overland)
- P. Summer Lane – 15 Lot high-end subdivision (Summer Lane)
- Q. Polo Crossing Retail Center – 5 Spaces (Polo Crossing)
- R. Longbranch Subdivision – 28 lots (Longbranch)
- S. Carmel Park Flats Apartments – 242 units (Carmel Park Flats)
- T. Live Oaks Estates – 76 lot major subdivision

Information Subject to Change



Daphne

Winn-Dixie BIG LOTS! petsense
Goodwill piggy wiggly planet fitness
PNC SMOOTHIE KING Arby's
SHOE STATION SUBWAY Domino's

Thomas Hospital

Downtown Fairhope

Fairhope High School

Walmart+ ALDI MURPHY USA
AutoZone afc american family care URGENT CARE

Fairhope, Alabama

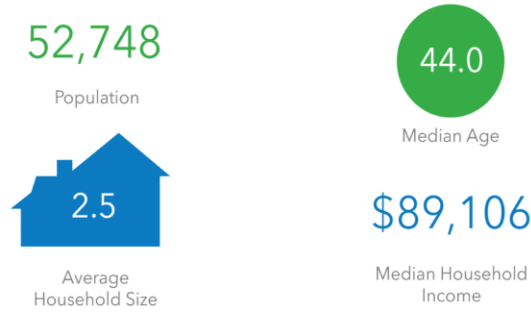
Fairhope is a city in Baldwin County, Alabama on the eastern shoreline of Mobile Bay. Baldwin County has been one of the fastest growing counties in the state over the past 10 years and during that growth for the overall county, Fairhope stands in a league of its own. Fairhope has become home to some of the most sought-after real estate in the entire state and has been the beacon for growth along the coast. Fairhope has reported population growth of over 55% since 2010, resulting in a population of over 24,000 people.

Baldwin County, home to Alabama's famous beaches, is in the southwestern part of Alabama on the Gulf Coast. According to the 2019 Census, the population exceeds 223,000 people. It is stated as the largest county in Alabama by area and is located on the eastern side of Mobile Bay. There has been a major shift in population on the gulf coast in the past few years as people are flocking to the beaches not just for the summer, but to live. Four of Alabama's 10 fastest-growing cities over the last decade and three of the top five are at or near the coast, showing the desire of Alabama residents to get closer to the coast. Two separate areas in Baldwin County have been designated as "Outstanding Alabama Water" by the Alabama Environmental Management Commission, which oversees the Alabama Department of Environmental Management, this recognition is considered the "highest environmental status" in the state. The pristine water on the coast of Alabama will continue to attract not only residents from around the state but also tourist from around the southeast for years to come.

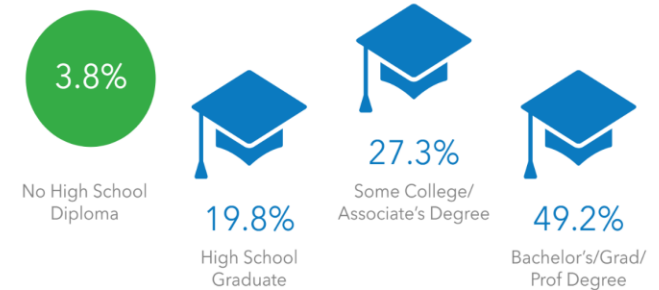
Key Facts

9867 State Highway 104, Fairhope, Alabama, 36532 2
Ring of 5 miles

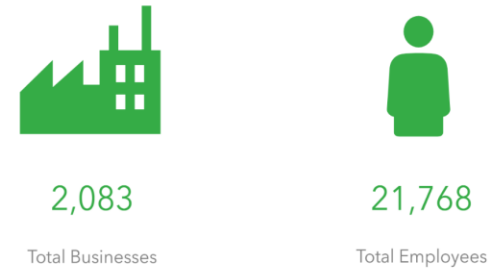
KEY FACTS



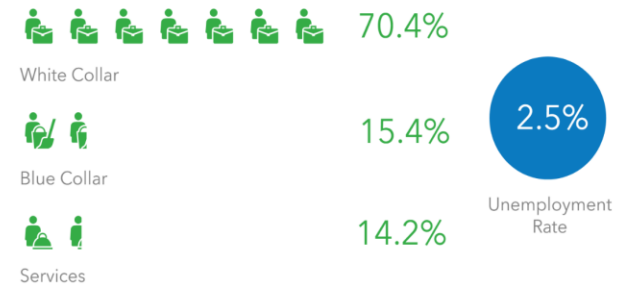
EDUCATION



BUSINESS



EMPLOYMENT



INCOME

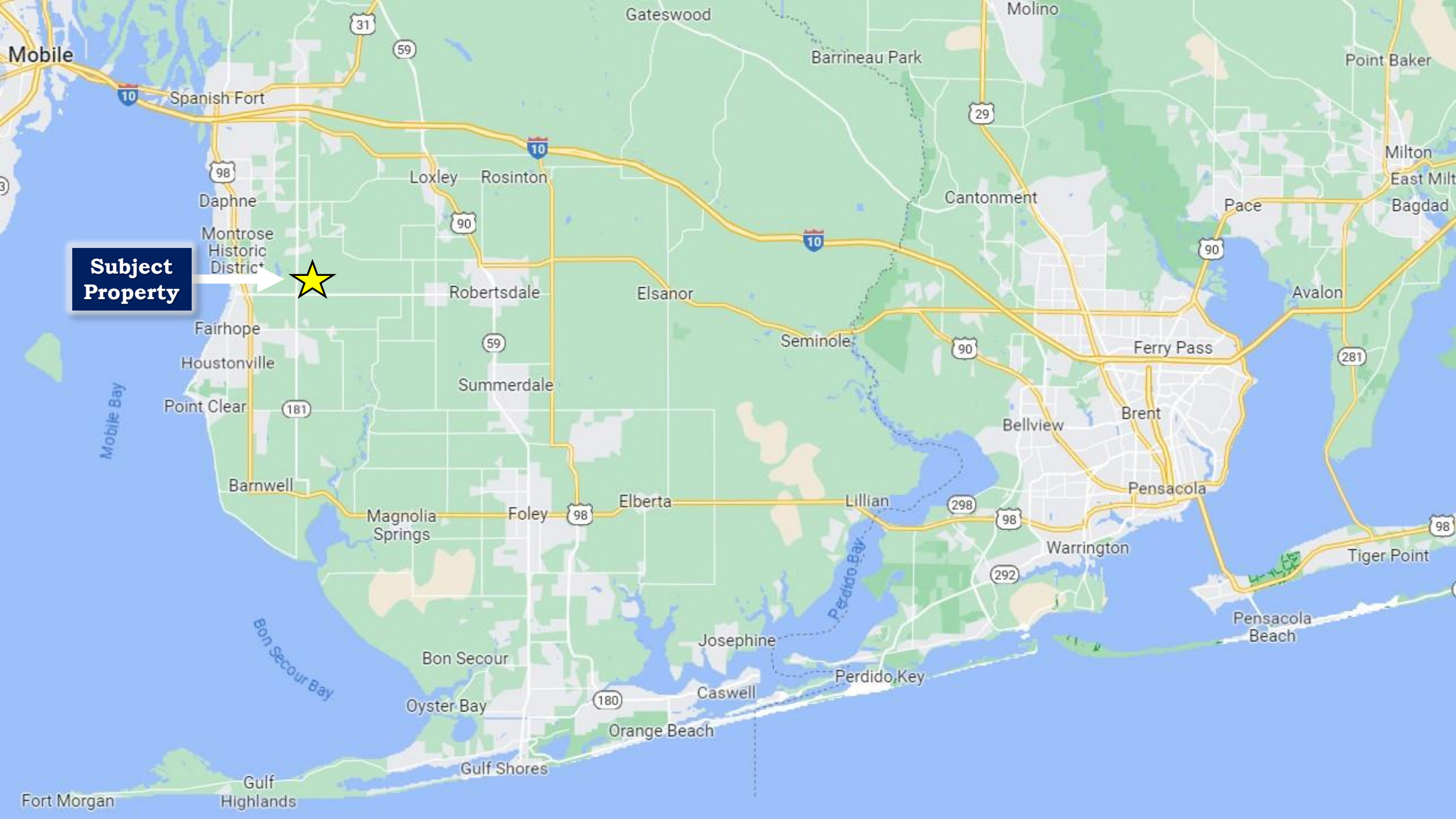


2024 Households by income (Esri)

The largest group: \$100,000 - \$149,999 (21.1%)
The smallest group: \$25,000 - \$34,999 (4.6%)

Indicator ▲	Value	Diff	
<\$15,000	7.7%	-1.0%	█
\$15,000 - \$24,999	8.0%	-0.8%	█
\$25,000 - \$34,999	4.6%	-1.3%	█
\$35,000 - \$49,999	8.5%	-1.7%	█
\$50,000 - \$74,999	12.5%	-3.7%	█
\$75,000 - \$99,999	13.7%	-1.1%	█
\$100,000 - \$149,999	21.1%	+2.9%	█
\$150,000 - \$199,999	9.5%	+1.5%	█
\$200,000+	14.3%	+5.1%	█

Bars show deviation from Baldwin County



**Subject
Property**



Montrose
Historic
District