

WALNUT STREET
BUILDING FOR SALE

SHADYSIDE

5526 WALNUT STREET | PITTSBURGH, PA 15232

S E P H O R A

5526 WALNUT STREET
PITTSBURGH, PENNSYLVANIA

CBRE | OFFERING
MEMORANDUM

This valuation analysis or broker opinion of value is not an appraisal and has not been performed in accordance with the Uniform Standards of Professional Appraisal Practice. Neither you, nor any third parties, may rely on this analysis for any tax purposes, estate work, litigation, lending or any other matter other than your direct use in connection with a contemplated transaction.

TABLE OF CONTENTS

Tenant Overview.....

Financial Overview

Property Highlights

Financial Overview

Investment Overview

Property Summary.....

Property Photos

Local/Regional Map

Aerial Map

Location Overview

Demographics

Traffic Counts

HERKY POLLOCK
Executive Vice President
Northeast Director Retailer Services Group
+1 412 394 9840
herky.pollock@cbre.com



Financial Analysis

5526 WALNUT STREET | PITTSBURGH, PENNSYLVANIA

FINANCIAL OVERVIEW

5526 WALNUT STREET | PITTSBURGH, PA 15232

PRICE:	\$2,475,000
BUILDING SQUARE FOOTAGE:	8,400
TYPE OF OWNERSHIP:	Individual
TENANT:	Sephora
LEASE GUARANTOR:	DFS Group, L.P.
LEASE TYPE:	Lease Tenant responsible for increases in taxes and insurance over a base year.
LEASE TERM:	Two (2) years with one Five Year Option
TERM REMAINING ON LEASE:	2 Years 1 Month (currently in first option period)
ROOF AND STRUCTURE:	Landlord Responsible
LEASE EXPIRATION DATE:	1/31/2019
INCREASES:	Years 1 - 5: \$131,600 Years 6- 10: \$140,000 Option 1: \$154,000 Option 2: \$159,600
OPTIONS:	2 Five Year Options

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
CURRENT	\$154,000.00	\$12,883.33
2/1/2019 - 1/31/2024	\$159,000.00	\$13,300.000

PRICING IS BASED OFF RENTAL INCREASE BEGINNING 2/2014

PROPERTY HIGHLIGHTS



Sephora had been successfully operating in this location for over 18 years

Tenant is has exercised one of two five year options

Rental rate for second option is \$159,600 annually

Current annual rental rate is \$154,000

Second floor and basement space in addition to street level sales floor



LOCATION OVERVIEW

Shadyside, located in the East End of Pittsburgh, is just minutes from downtown. It is a strong demographic area with numerous world-renowned colleges, universities, entertainment venues, cultural activities and medical centers. The diverse and densely populated area is home to over 350,000 residents.

Walnut Street is the main retail center in Shadyside. Known for the vibrant mixture of local, regional and national retailers and restaurants, it is a shopping destination that Pittsburgh residents can't miss.

INVESTMENT OVERVIEW

In 2014, Shadyside was named the best neighborhood for millennials by Niche. It is a diverse community in the East End of Pittsburgh, only minutes from downtown Pittsburgh. This is a strong demographic area with over 350,000 people within 5 miles. The area is home to many world-renowned medical centers and universities including University of Pittsburgh, Carnegie Mellon University, Shadyside Hospital, Hillman Cancer Institute, West Penn Hospital, Magee-Women's Hospital, Presbyterian Hospital, Children's Hospital of Pittsburgh, Chatham University, Western Psychiatric Institute and Montefiore University Hospital among others. In addition to medical and educational offerings, the area is home to some of Pittsburgh's most popular cultural attractions. These include Phipps Conservatory and Botanical Gardens, Shenley Park, Carnegie Museums of Art and Natural History, Soldiers & Sailors Memorial Hall and Carnegie Library.

Walnut Street retail center of Shadyside. Known for its charm, Walnut Street is home to destination retailers and restaurants. These include Apple, Banana Republic, J. Crew, L'Occitane, Shady Grove, Coach, Gap, Starbucks, Francesca's, lululemon, Athleta, Williams Sonoma, Alex & Ani, Eyetique, Glassworks and many more.

In addition to shopping and dining, Walnut Street and Shadyside are home to local events and activities including The Jam on Walnut. An event held three times per year featuring live entertainment and street vendors draws over 15,000 people annually.



Property Summary

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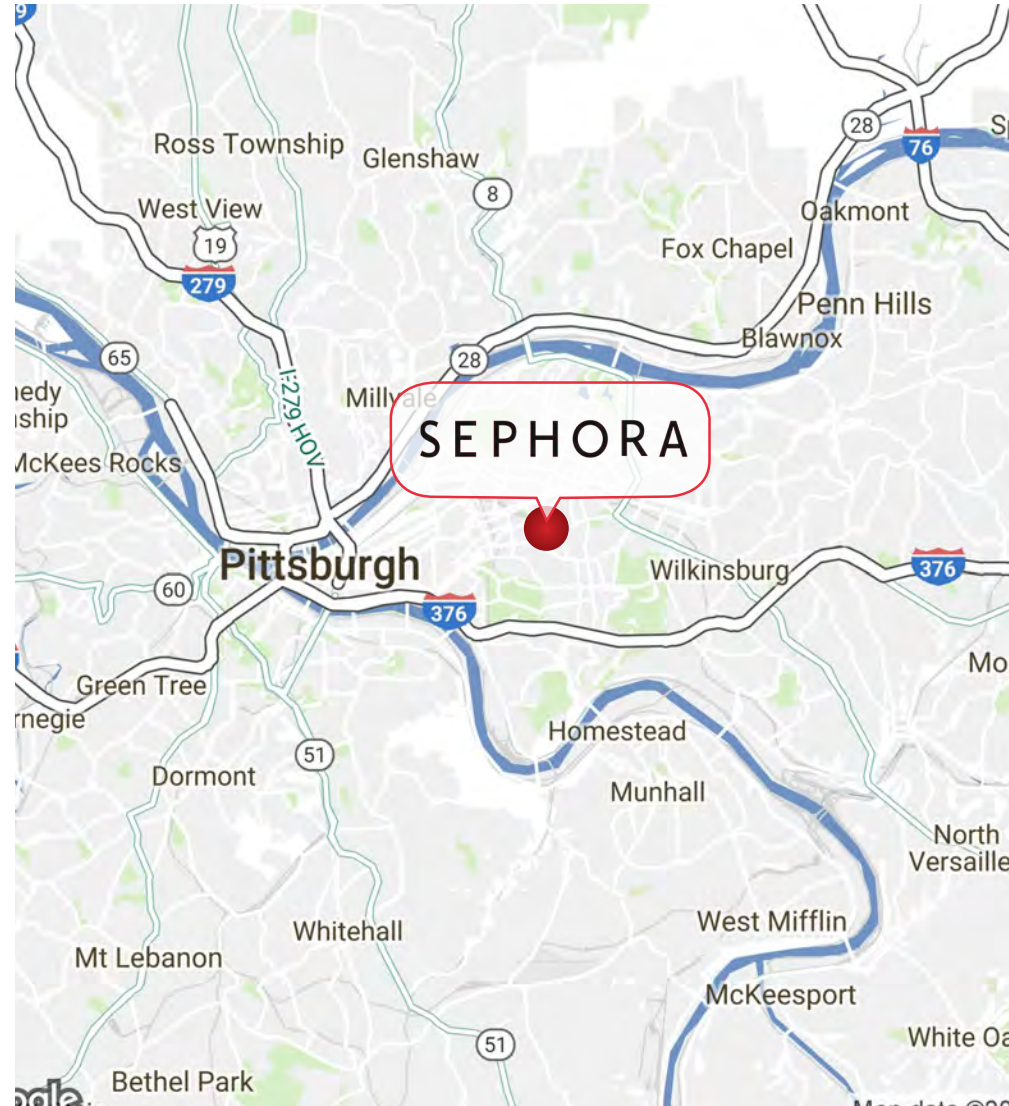
PROPERTY SUMMARY

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LOCAL MAP



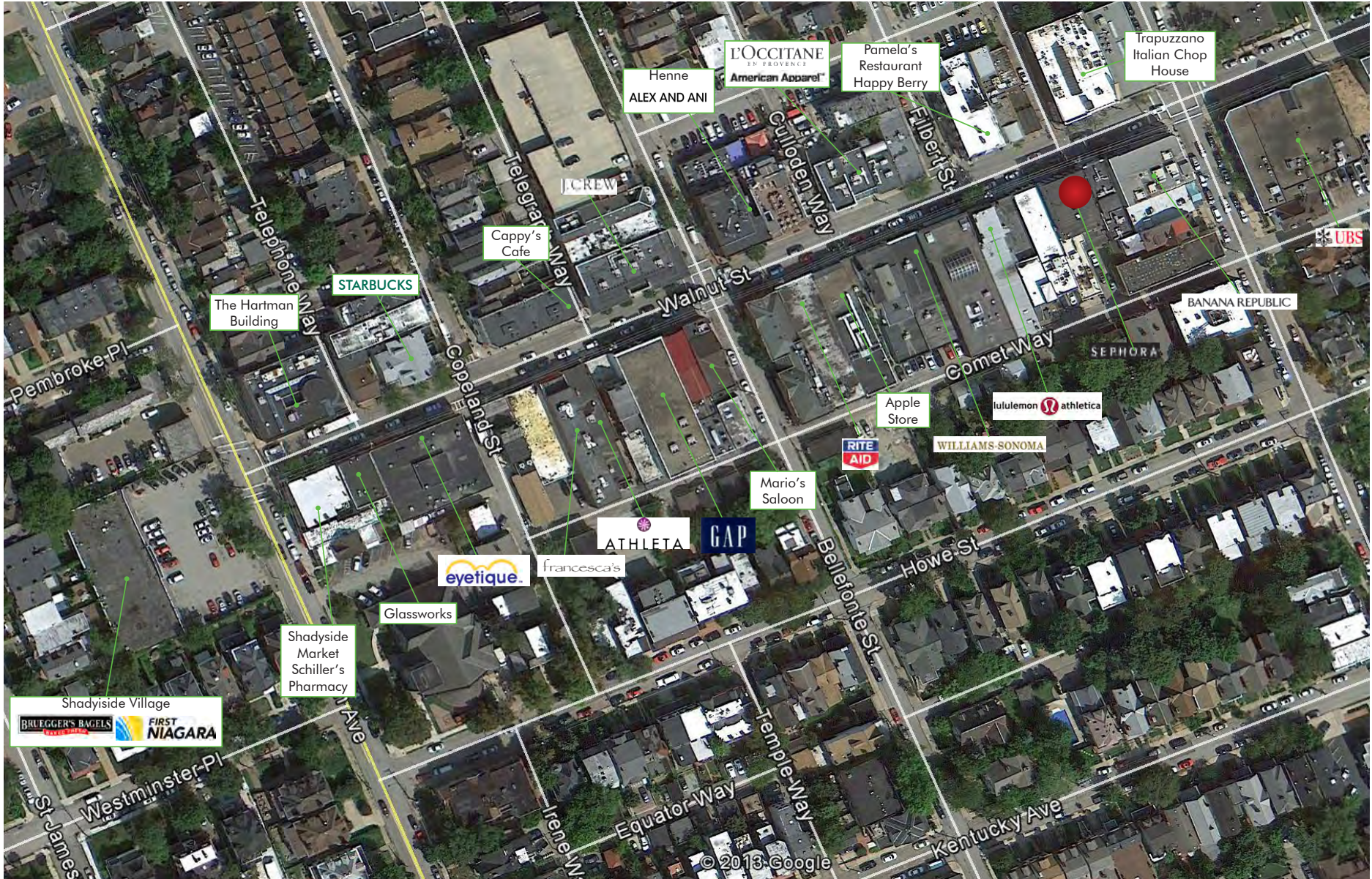
REGIONAL MAP



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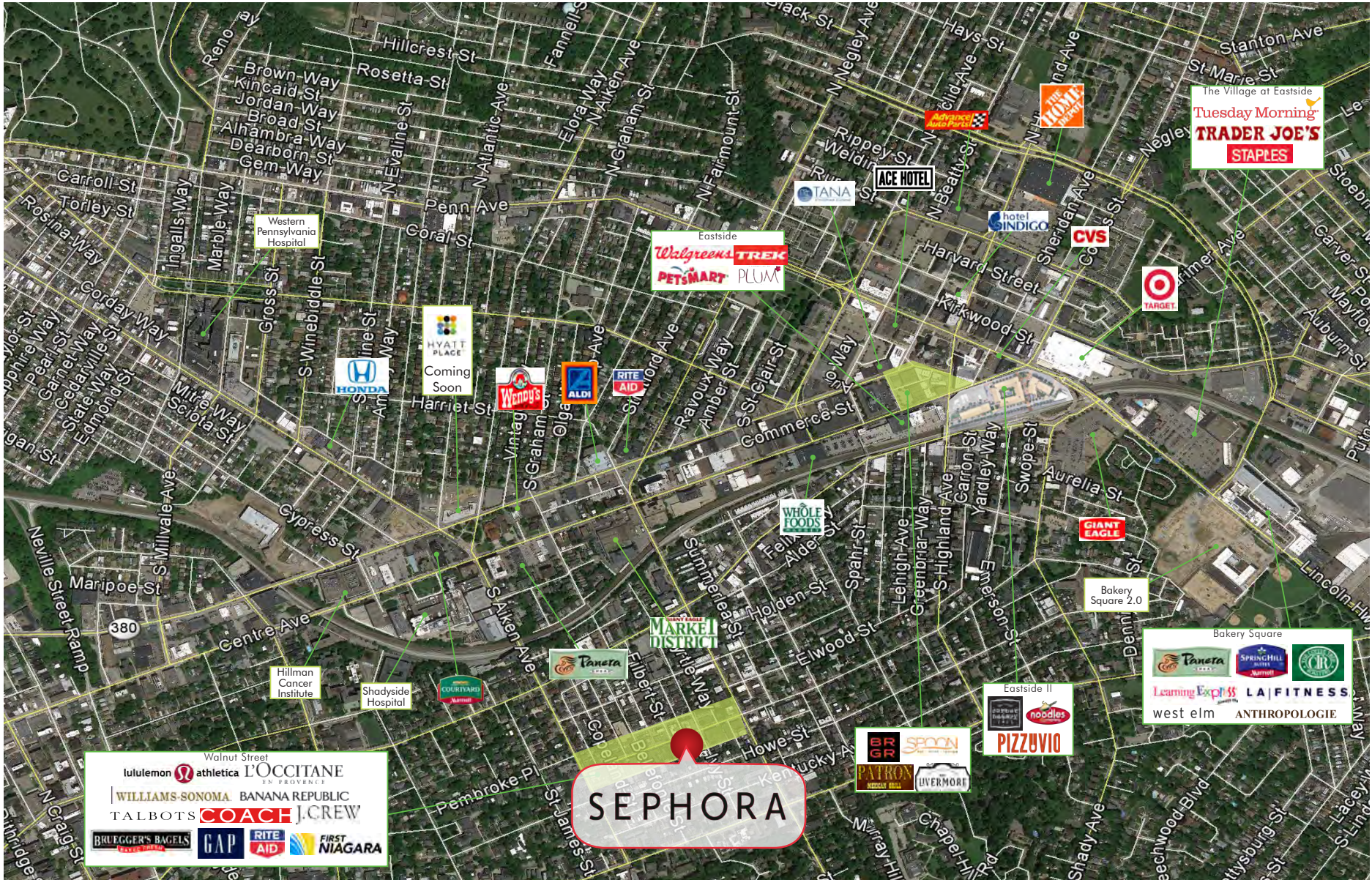
SURROUNDING RETAIL



PROPERTY SUMMARY

5526 WALNUT STREET | PITTSBURGH, PENNSYLVANIA

SURROUNDING MARKET



PROPERTY SUMMARY

5526 WALNUT STREET | PITTSBURGH, PENNSYLVANIA

POPULATION	1 MILE	3 MILE	5 MILE
2010 POPULATION	36,180	176,481	350,876
2016 EST. POPULATION	37,076	179,343	353,329
PROJECTED POPULATION (2021)	37,381	180,902	355,303
HISTORICAL ANNUAL GROWTH			
2010-2016	0.39%	0.26%	0.11%
PROJECTED ANNUAL GROWTH			
2016-2021	0.16%	0.17%	0.11%

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2010 HOUSEHOLDS	18,017	81,526	159,182
2016 EST. HOUSEHOLDS	18,436	83,180	161,138
PROJECTED HOUSEHOLDS (2021)	18,685	84,324	162,852
HISTORICAL ANNUAL GROWTH			
2010-2016	0.37%	0.32%	0.20%
PROJECTED ANNUAL GROWTH			
2016-2021	0.27%	0.27%	0.21%

HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
2016 EST. AVERAGE	\$87,361	\$64,383	\$61,244
2016 EST. MEDIAN	\$47,788	\$38,270	\$38,790

2016 POPULATION BY RACE	1 MILE	3 MILE	5 MILE
WHITE POPULATION	24,094	107,150	221,382
BLACK POPULATION	3,447	49,457	99,564
ASIAN POPULATION	7,954	15,453	18,437
PACIFIC ISLANDER POPULATION	12	56	106
AMERICAN INDIAN AND ALASKA NATIVE	78	401	788
OTHER RACE POPULATION	509	1,598	2,637
TWO OR MORE RACES POPULATION	982	5,229	10,415

2016 EST. HISPANIC OR LATINO POPULATION BY ORIGIN	1 MILE	3 MILE	5 MILE
HISPANIC OR LATINO	1,682	5,748	9,609
WHITE NON-HISPANIC	22,981	103,820	216,107

2016 ESTIMATED	1 MILE	3 MILE	5 MILE
GENDER (MALE/FEMALE)	50.5%/49.5%	47.7%/52.3%	47.9%/52.1%
MEDIAN AGE	29.0	32.7	35.9

TRAFFIC COUNTS			
WALNUT ST & FILBERT ST	AIKEN AVE & WALNUT ST	S NEGLEY AVE & WALNUT ST	FIFTH AVE & AIKEN AVE
3,011	11,538	8,851	17,646

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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CBRE PITTSBURGH

:: **HERKY POLLOCK**
Executive Vice President
Northeast Director Retailer Services Group
+1 412 394 9840
herky.pollock@cbre.com

:: **CBRE, Inc.**
600 Grant Street | Suite 4800
Pittsburgh, PA 15219
www.cbre.com/pittsburgh

CBRE