

OFFERING
MEMORANDUM

106-110 S. MAIN ST.
ROYAL OAK, MI.



JON KOUZA

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AQRE

A D V I S O R S

INVESTMENT OVERVIEW

106-110 S. Main St. Royal Oak, MI.

AQRE Advisors is pleased to present the opportunity to acquire Leo's Center located at 106 - 110 South Main Street in Royal Oak, Michigan ("Property"). The 11,620 SF multi-tenant building is situated on 0.16 acres of land and consists of a mix of local and regional tenants with long-term leases in place.

The subject Property provides stability with a weighted average lease term (WALT) of 8.6 years. This Property provides a rare opportunity to acquire a multi-tenant mixed-use building in the heart of Downtown Royal Oak, MI.

PROPERTY INFO



PROPERTY TYPE
Multi-tenant mixed-use



GLA
+/- 11,620 SF



YEAR RENOVATED
2002



LOT SIZE
+/- 0.16 AC



NOI
\$277,181



PRICE
\$3,823,188



CAP RATE
7.25%

SALE PRICE

\$3,823,188

\$/SF

~\$329.00

INVESTMENT HIGHLIGHTS

The Property is located in the heart of Downtown Royal Oak, an upscale, walkable community within Oakland County, Michigan.

Leo's Coney Island recently extended their lease through 2029; showing long-term commitment to the site.

The center is adjacent to Henry Ford Medical Center and Emagine Royal Oak, promoting higher vehicle and foot traffic.

Surrounding Retailers Include Emagine Royal Oak, Buffalo Wild Wings, Holiday Market, Starbucks, Chipotle, Henry Ford Health, Beaumont Urgent Care and many more.



FINANCIAL ANALYSIS



PRICE
\$3,823,188



CAP RATE
7.25%



TOTAL GROSS REVENUE
\$418,429



TOTAL EXPENSES
\$141,248

NOI
\$277,181

INCOME

Base Rent	\$318,862.92
CAM Reimbursement	\$24,916.44
Insurance Reimbursement	\$4,394.00
Tax Reimbursement	\$66,724.23
Utility Reimbursement	\$3,532.38
Total Gross Revenue	\$418,429.97

EXPENSES

Repairs & Maintenance	\$10,000.00
Cleaning Crew	\$10,400.00
Trash Removal	\$6,299.04
Contracts	\$7,692.18
Utilities	\$3,532.38
Insurance	\$4,394.00
Taxes	\$66,724.23
Management Fee	\$9,565.89
Vacancy Factor	\$20,921.50
Total Expenses	\$141,248.78

NET OPERATING INCOME

\$277,181.19



RENT ROLL 2022

Tenant	SF	% of GLA	Lease Start/End	Monthly Rent	Annual Rent	Rate/SF
Leo's Coney Island	3,615	31%	2/1/2003 7/31/2029	\$9,941.25	\$119,295.00	\$33.00
Yoga Shelter	2,250	19%	10/1/2018 4/30/2023	\$4,529.68	\$54,356.11	\$24.16
New Tenant	3,585	31%	3/1/2022 2/28/2032	\$7,761.00	\$93,132.00	\$25.98
Masala	2,170	19%	8/26/2021 8/31/2030	\$4,340.00	\$52,080.00	\$24.00
TOTALS	11,620	100%		\$25,980.93	\$311,770.92	\$26.29 AVG.



LOCATION OVERVIEW

106-110 S. MAIN ST. ROYAL OAK, MI.

The subject Property is located at the Southwest quadrant of South Main Steet and West Eleven Mile Road.

Henry Ford Health recently constructed and opened a brand new +/- 145,000 SF medical center +/- 450 ft. from the subject Property. The state-of-the-art facility opened mid 2021 and offers a variety of services including primary care, a variety of specialty care services, ambulatory surgery, and an urgent care Walk-In Clinic.

The City of Royal Oak is home to multiple new apartment and hotel developments including Billings Place, a five (5) story sixty-five (65) unit apartment building, Icon on Main, an eight (8) story Ninety-one (91) unit apartment and Hyatt Place Hotel, a five (5) story one hundred twenty-two (122) room hotel.

The subject Property has several parking options in close proximity including:

- 11-mile parking garage, constructed in May of 2019, features seven (7) levels of public parking with 580 spaces with two (2) hours free parking Monday through Saturday and free parking on Sundays and civic holidays.
- Center Steet Parking garage, completed in 2018, also feauting seven (7) levels of parking and 550 spaces.
- Main North Garage, a five (5) level parking garage with retail on the bottom floor. The parking garage has 92 spaces open to the public.



MARKET OVERVIEW

ROYAL OAK, MI.

- Royal Oak, MI. is centrally located in Oakland County with close proximity to I-696 and Woodward Ave. Royal Oak has an average household income of \$123,388 in a 1-mile radius (COSTAR). Additionally Royal Oak is home to +/- 356,265 residents within a 5-mile radius of the subject Property (COSTAR).
- Beaumont Hospital in Royal Oak (located 3.6 miles from the Subject Property) opened in 1955 as a 238-bed community hospital. Now the hospital has 1,131 beds and is the leading employer in the city of Royal Oak. The Hospital employees approximately 8,081 people with 2,095 physicians with total patient revenue of approximately \$5 Billion.
- Woodward Corners by Beaumont is a 117,000 SF commercial development located at the intersection of 13-mile Rd and Woodward Avenue in Royal Oak. The development features six (6) buildings with an excellent mix of restaurants and other retail opportunities. Current tenants include, Aspen Dental, Beaumont Urgent Care, Huntington Bank, Woodward Corners Market, and many more.
- The City of Royal Oak recently constructed a state-of-the-art 42,000 SF police station as well as a new 33,000 SF City Hall. The police station cost approximately \$19 million, while City Hall cost approximately \$12 million. The completion of both facilities showcases Royal Oak's continued effort towards improving the city in all facets.
- Baker College (located 0.4 miles from the subject Property) is Michigan's largest non-profit college as well as the states top private transfer school. The new 86,000 SF, seven (7) story campus located in downtown Royal Oak will accommodate 1,500 undergraduate and graduate students. The site will also include on-site parking. The \$51 million project will be completed for the fall semester of 2022.



DEMOGRAPHICS

106-110 S. MAIN ST. ROYAL OAK, MI.

*Data provided by CoStar 2021

	1 mile radius	3 mile radius	5 mile radius
Population	17,976	147,523	356,265
Median HH Income	\$123,388	\$93,165	\$82,929
Population Median Age	39.1	39.5	39.9
Households	8,950	66,295	153,070
Total Businesses	1,467	7,390	20,045

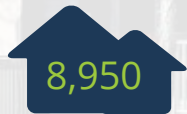
KEY FACTS



17,976
POPULATION

1.4K

TOTAL
BUSINESSES

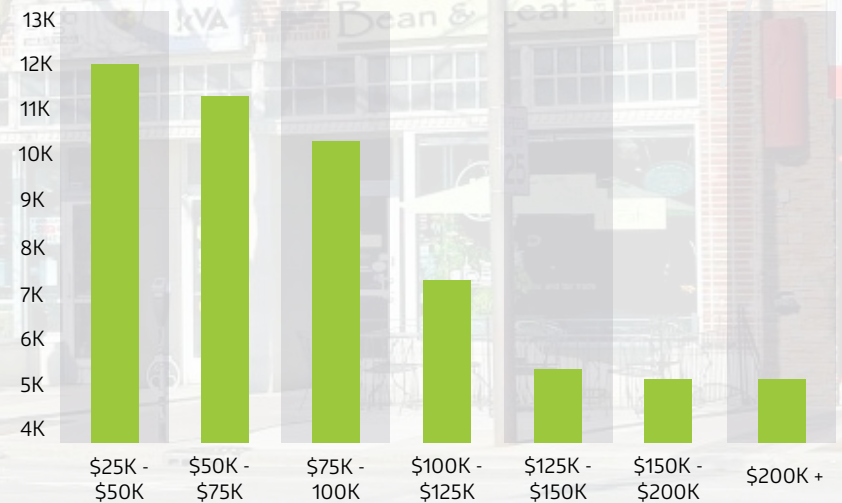


8,950
NUMBER OF
HOUSEHOLDS

\$123.3K
MEDIAN
INCOME

*BASED ON 1 MILE RADIUS

Household Income - 3 mile Households 2021



*Data provided by CoStar 2021



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AQRE
ADVISORS

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