



**CUSHMAN &  
WAKEFIELD**



**GRANT STREET  
ASSOCIATES, INC.**

# **SHARPSVILLE PLAZA**

62 EAST SHENANGO STREET  
SHARPSVILLE, PA 16150



**CONFIDENTIAL OFFERING MEMORANDUM**

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## Executive Summary

Cushman & Wakefield | Grant Street Associates, Inc., on behalf of Sharpsville Center, a Pennsylvania Partnership, as its exclusive advisor, is pleased to present for sale the fee simple interest in 62 East Shenango Street, Sharpsville, Pennsylvania. This impressive 31,818 square foot retail neighborhood center located in the commercial district of Sharpsville, offers over 130 parking spaces on 3.96 acres. Sharpsville is one of several communities located within the Shenango Valley Metro area, which boasts access to multiple higher education institutions, superior healthcare facilities, and a myriad of outdoor activities. This includes the Shenango River Lake Recreation Area attractions which are located only four minutes from the center.

Located in Southwestern Mercer County, the Property is uniquely positioned to service the local community as well as patrons across the Ohio border. The property is only 17 miles from Youngstown Ohio, and quick 70 mile commute to downtown Pittsburgh. As the property is only 3 miles from Hermitage, it has fantastic access to major thoroughfares as it is situated only a few miles from the juncture of Interstate 80 and 376, as well as PA Route 18 and US Route 62. Sharpsville is uniquely located between major markets of Erie, Cleveland, Akron, and Pittsburgh.

## OFFERING FEATURES:

<b>Total Size:</b>	<b>31,818 SF</b>
<b>Total Leased:</b>	<b>79 %</b>
<b>Rental Income:</b>	<b>\$172,396</b> (updated 2019 Income Statement)
<b>NOI:</b>	<b>\$93,265</b> (updated 2019 Income Statement)

This well insulated property provides an investor with the peace of mind to achieve significant positive cashflow from longstanding professional tenants that enjoy the ability to pull clientele from both Pennsylvania and Ohio. This property is currently 79% leased to 9 long-standing tenants and a timely opportunity exists to renew and extend several tenants at higher rates and fill the remaining vacancy of the property.

3.96  
ACRES



79%  
CURRENT OCCUPANCY



130  
PARKING SPACES



31,818 SF  
TOTAL RENTABLE AREA



9 TENANTS  
CURRENTLY OCCUPYING 79%



\$93,265  
2019 NET OPERATING INCOME



HIGHWAY ACCESS

3 MILES TO HERMITAGE  
AND MINUTES TO I-80, 376, RT 18, & US RT 60





## BUILDING SPECIFICATIONS

<b>ADDRESS</b>	62 East Shanango Street, Sharpsville, PA
<b>PROPERTY TYPE</b>	Neighborhood Retail Plaza
<b>OWNER OF RECORD</b>	Sharpsville Center
<b>TAX ID</b>	72-811-001 72-132-001-001-008 72-811-009
<b>LAND AREA</b>	3.96 acres
<b>BUILDING SIZE</b>	32,294 SF
<b>PERCENT LEASED</b>	79% Leased
<b>YEAR BUILT</b>	1974-1979 with continued renovations and modernizations
<b>ZONING</b>	Commercial District

TAX PARCEL INFORMATION

PARCEL ID	ACRES	ASSESSED VALUE
72-811-001	3.57	\$264,200
72-132-001-001-008	0.3	\$1,050
72-811-009	.09	\$62,400
<b>TOTAL</b>		<b>\$327,650</b>

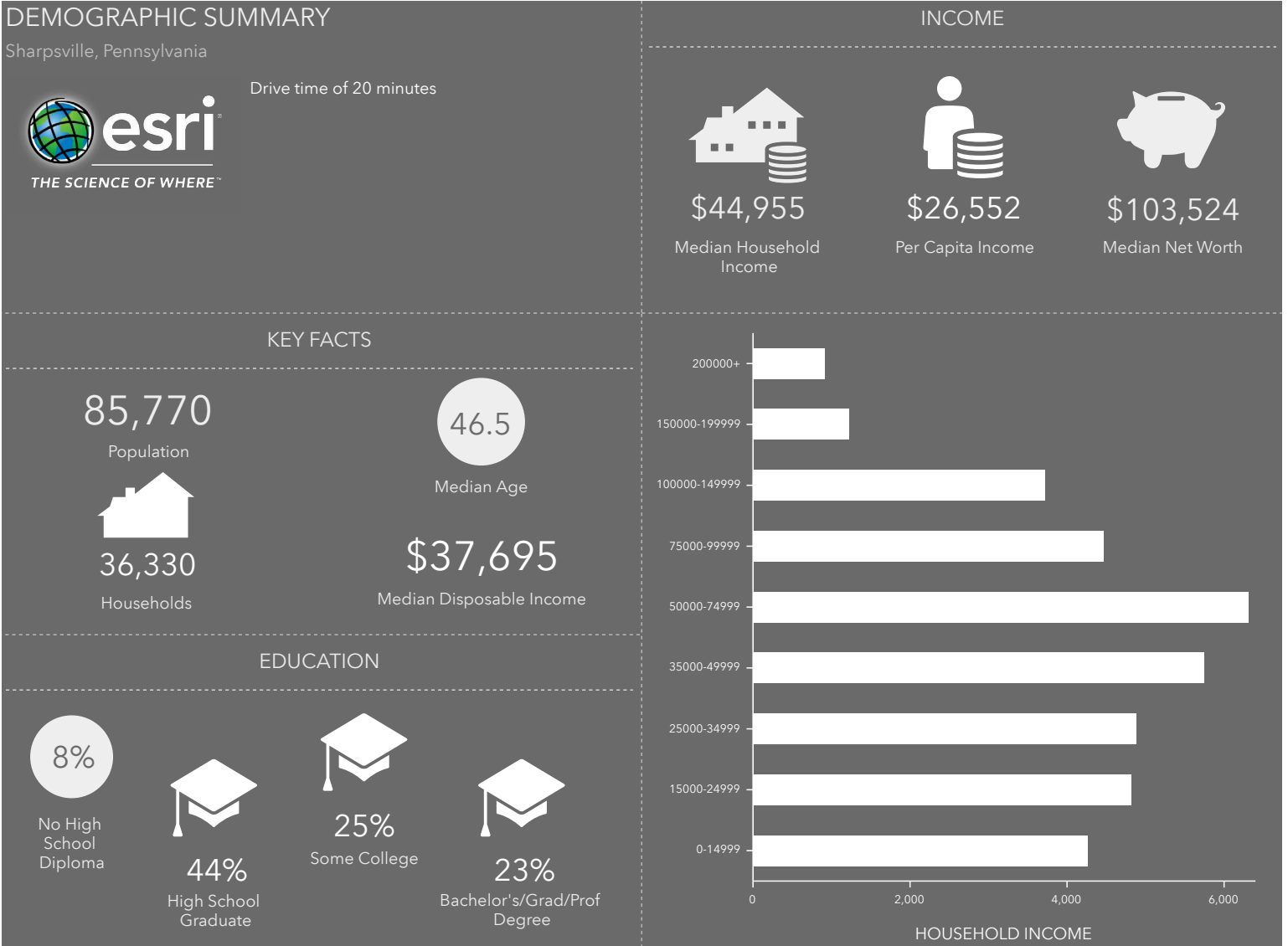


# Traffic Counts





# Demographic Summary



# Consumer Spending

2020 Annual Spending (\$000s)	3 Mile	5 Mile	10 Mile
<b>Total Specified Consumer Spending</b>	<b>\$231,849</b>	<b>\$424,798</b>	<b>\$781,920</b>
<b>Total Apparel</b>	<b>\$13,233</b>	<b>\$24,630</b>	<b>\$44,294</b>
Women's Apparel	5,281	9,775	17,697
Men's Apparel	2,784	5,160	9,465
Girl's Apparel	992	1,866	3,264
Boy's Apparel	662	1,252	2,197
Infant Apparel	587	1,097	1,921
Footwear	2,925	5,480	9,750
<b>Total Entertainment &amp; Hobbies</b>	<b>\$20,360</b>	<b>\$36,996</b>	<b>\$67,025</b>
Entertainment	2,815	5,212	9,678
Audio & Visual Equipment/Service	10,028	18,238	32,160
Reading Materials	1,049	1,877	3,456
Pets, Toys, & Hobbies	6,467	11,669	21,732
Personal Items	16,052	29,854	57,243
<b>Total Food and Alcohol</b>	<b>\$68,572</b>	<b>\$124,686</b>	<b>\$224,225</b>
Food At Home	40,498	74,426	132,640
Food Away From Home	23,741	42,537	77,374
Alcoholic Beverages	4,333	7,724	14,211
<b>Total Household</b>	<b>\$30,708</b>	<b>\$56,391</b>	<b>\$105,913</b>
House Maintenance & Repair	7,000	13,082	25,095
Household Equip & Furnishings	12,621	23,172	43,292
Household Operations	8,645	15,773	29,195
Housing Costs	2,442	4,364	8,331
<b>Total Transportation/Maint.</b>	<b>\$55,278</b>	<b>\$102,232</b>	<b>\$190,512</b>
Vehicle Purchases	21,971	41,491	80,508
Gasoline	19,162	35,318	65,273
Vehicle Expenses	1,511	2,768	4,888
Transportation	4,836	8,469	14,077
Automotive Repair & Maintenance	7,798	14,186	25,766
<b>Total Health Care</b>	<b>\$15,246</b>	<b>\$27,758</b>	<b>\$51,579</b>
Medical Services	8,072	14,628	27,442
Prescription Drugs	5,793	10,608	19,537
Medical Supplies	1,380	2,522	4,600
<b>Total Education/Day Care</b>	<b>\$12,401</b>	<b>\$22,250</b>	<b>\$41,129</b>
Education	8,025	14,512	26,802
Fees & Admissions	4,375	7,738	14,327





# 62 EAST SHENANGO STREET

Sharpsville, PA 16150

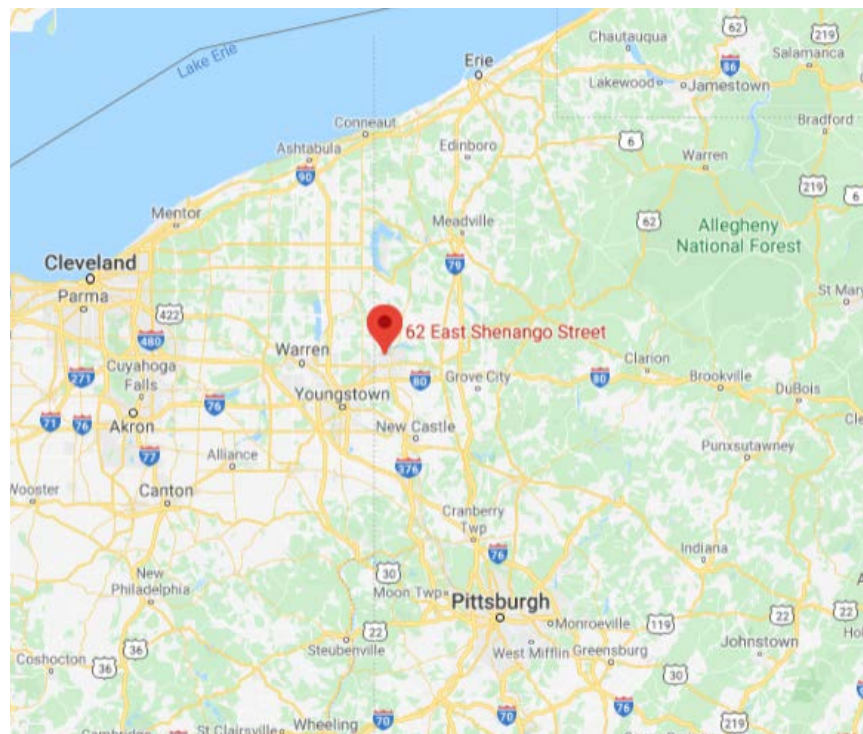
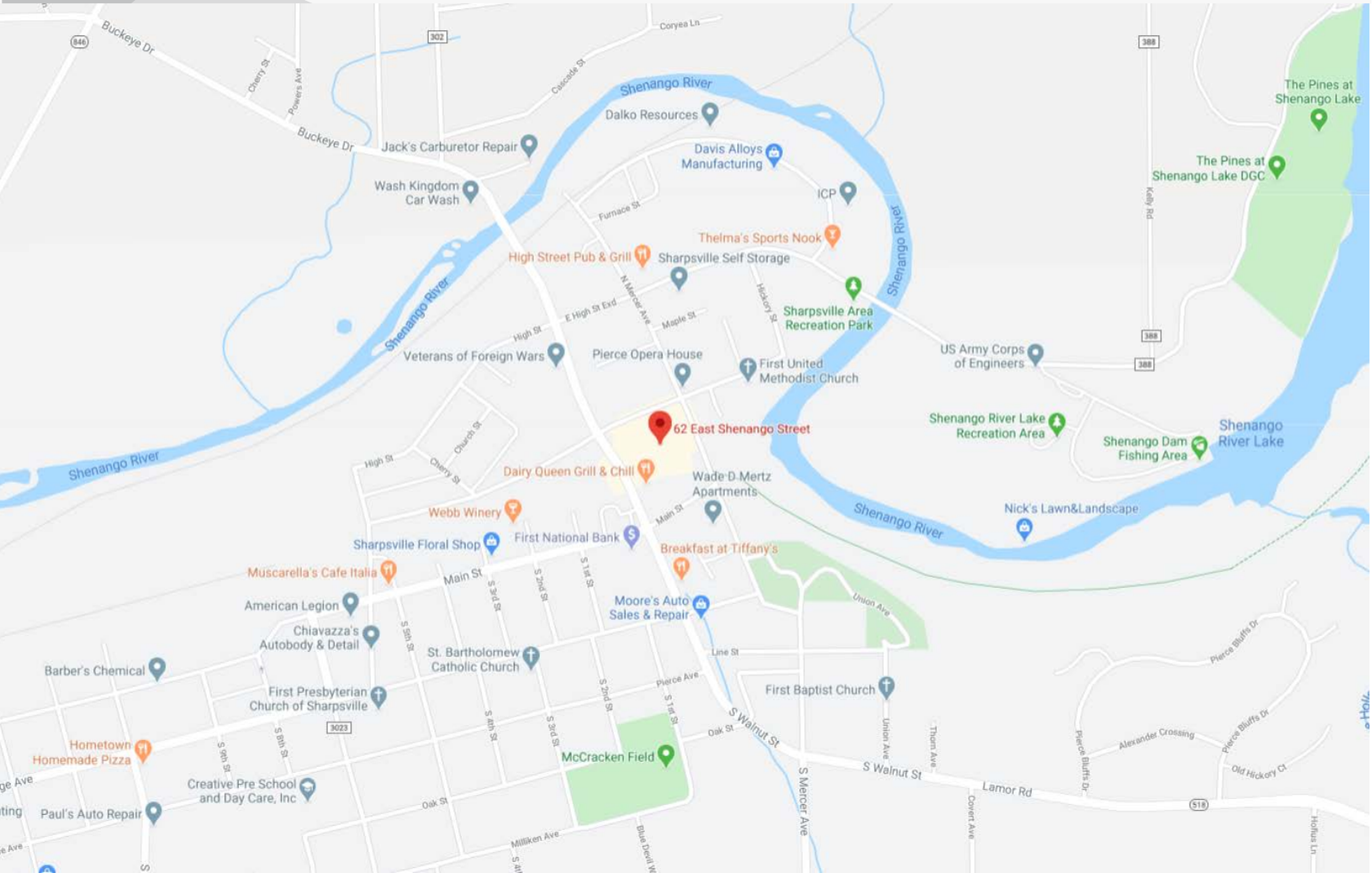
INVESTMENT OPPORTUNITY



# 62 EAST SHENANGO STREET

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# INVESTMENT OPPORTUNITY



# Mercer County Retail Market Overview

Mercer County, which sits about 60 miles north of Pittsburgh and 60 miles south of Erie, has 4.8msf of retail inventory, comprised of 611 existing buildings. There is currently no new retail under construction, and the 12 month absorption is 49,000 SF. The retail market in Mercer County is extremely tight, with a vacancy rate of 1.1%. Market rents for retail are about \$9.50/SF, and market sales price for retail buildings is around \$100/SF. The retail properties are largely clustered around Grove City and Hermitage corridors.

## Hermitage Area Retail:

Hermitage has a bustling retail corridor, largely situated along Route 62 and Route 18. It's crown jewels are the Wal Mart Super Center, Shenango Valley Mall, Home Depot, Lowes, Tractor Supply and Hermitage Square. There are 181 existing buildings making up 3msf of retail inventory. Hermitage makes up 63% of all retail inventory in Mercer County. 12 month net is 34,000 SF. There are 8 retail buildings for sale, totaling 574,000 SF. The Hermitage retail market is not as tight as Mercer County as a whole, with the vacancy rate currently at 9.2%. Rents are substantially higher though, with market rents coming in at \$11.15/SF. The market sales price for retail buildings is \$108/SF, which is down substantially from last quarter.



62 E Shenango St

Allessandra's Dance Academy  
Lock, Stock & Barrel  
Pacillo Chiropractic  
Mehler insurance  
Great Depths Seafood  
Lori Rollinson's Hair Boutique  
Webb Winery



Buhl Farm Golf Course  
& Buhl Park

Montrose GM  
Northstar Power Sports



Shenango Valley Mall



Thunder Harley Davidson



# Pittsburgh Retail Market Overview

Many retailers, especially restaurants, have stopped or delayed rental payments. Some national stores, such as Pittsburgh based Dick's Sporting Goods, have said they will not continue to pay rent during this period. Landlords, for the most part, are trying to work with Tenants to defer rental payments or set up alternative arrangements. If the pandemic recedes quickly and everyone can resume their normal lives, a two to three month rent deferral may be enough to survive.

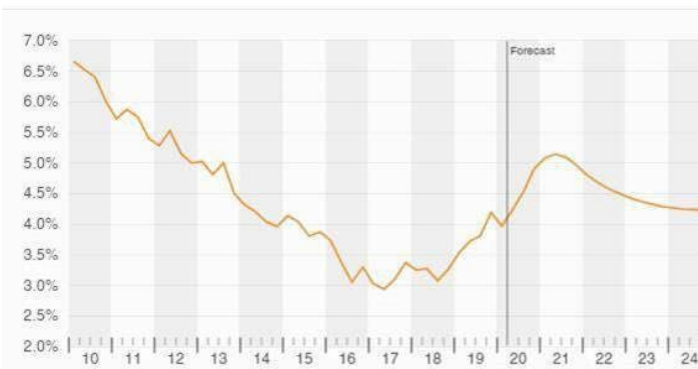
Assuming life returns to normal in the not too distant future, Pittsburgh is well poised to rebound. The market is not over retailled in comparison to some other cities around the country. Our well documented food scene will undoubtedly take a hit as several restaurants will close, however those that survive may face less competition. Vacancy rates for retail space will go up and lease rates will undoubtedly take a hit - how much is yet to be determined. Because Pittsburgh's vacancy rate has been very low over the last few years, the anticipated increase in vacancy should not be as high as other US markets.

INVENTORY SF <b>154M</b> <span style="color:red">-0.3%</span> Prior Period 155M	UNDER CONSTRUCTION SF <b>179K</b> <span style="color:red">-28.2%</span> Prior Period 250K	12 MO NET ABSORPTION SF <b>(1.3M)</b> <span style="color:red">-143.9%</span> Prior Period (519K)	VACANCY RATE <b>4.2%</b> <span style="color:red">+0.5%</span> Prior Period 3.7%	MARKET RENT/SF <b>\$14.44</b> <span style="color:green">+0.5%</span> Prior Period \$14.38	MARKET SALE PRICE/SF <b>\$127</b> <span style="color:red">-0.5%</span> Prior Period \$128	MARKET CAP RATE <b>7.8%</b> <span style="color:green">+0.2%</span> Prior Period 7.6%
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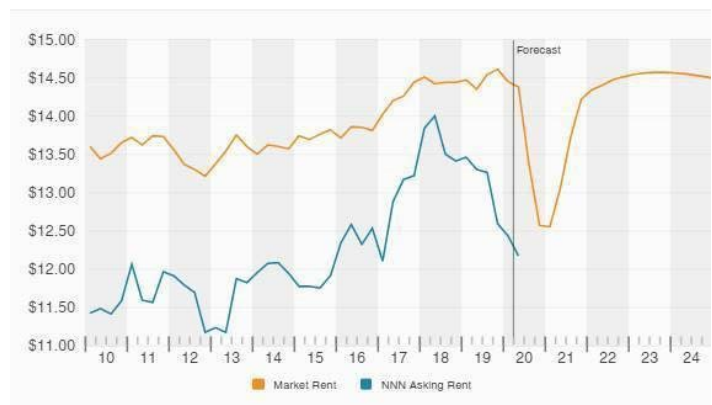
  

Availability		Inventory		Sales Past Year		Demand	
Vacant SF	6.4M ↓	Existing Buildings	15,622 ↓	Asking Price Per SF	\$108 ↓	12 Mo Net Absorp % of Inventory	-0.8% ↓
Sublet SF	85.7K ↓	Under Construction Avg SF	9K ↓	Sale to Asking Price Differential	-10.3% ↓	12 Mo Leased SF	1.6M ↓
Availability Rate	6.1% ↓	12 Mo Demolished SF	863K ↓	Sales Volume	\$412M ↓	Months on Market	13.7 ↓
Available SF	9.4M ↓	12 Mo Occupancy % at Delivery	73.2% ↓	Properties Sold	527 ↓	Months to Lease	6.9 ↓
Available Asking Rent/SF	\$12.17 ↓	12 Mo Construction Starts SF	271K ↓	Months to Sale	14.1 ↑	Months Vacant	10.3 ↓
Occupancy Rate	95.8% ↓	12 Mo Delivered SF	340K ↓	For Sale Listings	467 ↓	24 Mo Lease Renewal Rate	83.6%
Percent Leased Rate	96.0% ↓	12 Mo Avg Delivered SF	7.9K ↓	Total For Sale SF	4.3M ↓	Population Growth 5 Yrs	-0.6%

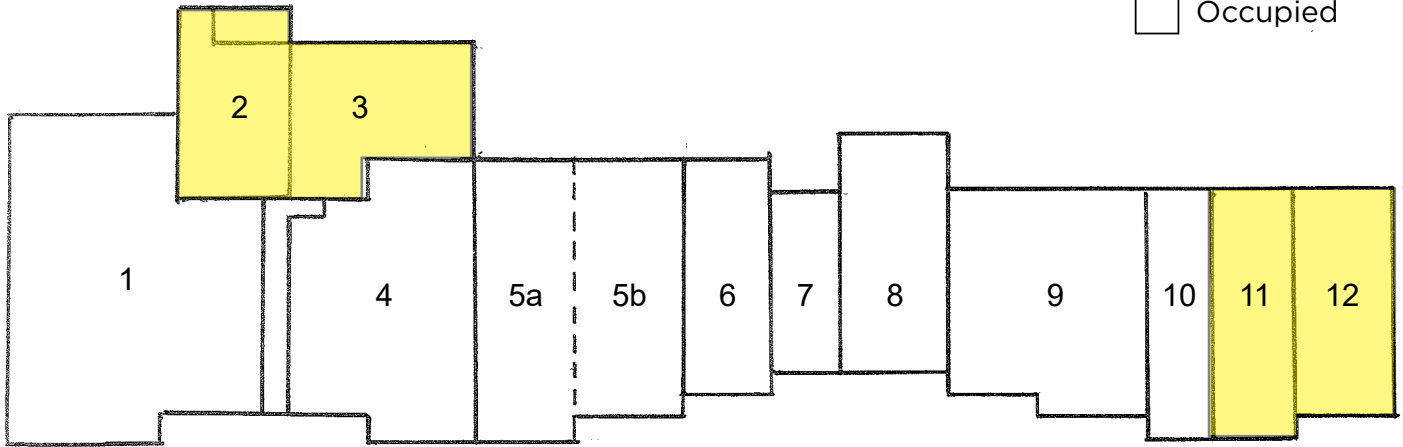
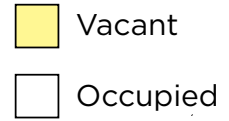
Vacancy Rate



Market Rent & NNN Asking Rent Per SF



# Tenants



- 1. United States Post Office: 4,532 SF
- 2. Vacant: 1,643 SF
- 3. Vacant: 2,520 SF
- 4. Lock Stock & Barrel: 3,777 SF
- 5a. Allesandra’s Dance Academy: Occupying 1,800 SF of 1993 total
- 5b. Pacillo Chiropractic: 2,218 SF
- 6. Mehler Insurance: 1,965 SF
- 7. Great Depths Seafood: 1,380 SF
- 8. DiLorenzo’s Bakery: 2,220 SF
- 9. DiLorenzo’s Deli and Catering: 4,306 SF
- 10. Lori Rollinson’s Hair Boutique: 1,398 SF
- 11. Vacant: 1,562 SF
- 12. Vacant: 1,824 SF

**Plaza total SF is 31,818 which includes 480 SF of shared space**





## CASH FLOW ASSUMPTIONS

### Revenue Items:

1. Rent/Rent Growth: Utilized conservative base rents with all renewals and future leasing in projections. Increased rent in 2024 to reflect USPO renewal.

### 2. Occupancy:

Decreased vacancy in 2021 to reflect leasing of 1,824 SF endcap but giving back adjacent UPMC space of 1,562 SF. Decreased vacancy in 2023 to reflect the leasing of the former New Horizons space at 1,643 SF. Decreased vacancy in 2026 to reflect leasing of the former UPMC space of 1,562 SF.

### 3. Expense Recoveries:

Calculated at 14% of gross operating expenses per year.

#### Operating Expenses:

- Expense Growth: Increased 2.5% per year
- Real Estate Taxes: Increase in 2027 to reflect projected new assessment valuation
- Leasing and Capital Costs:
  - Capital Reserves: Utilized \$.25 per square foot
  - Tenant Improvements: utilized \$.11-\$.22 per square foot throughout the proforma for most renewals and new deals

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