

THE
Boulder



GROUP

NET LEASED INVESTMENT OFFERING



JCPenney
2175 S. Koeller Street
Oshkosh, WI 54902

CONFIDENTIAL OFFERING MEMORANDUM

www.bouldergroup.com

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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant net leased JCPenney property located in Oshkosh, Wisconsin. The 50,232 square foot JCPenney was built in 1996 and is benefitted by its location in the primary retail area of Oshkosh. In 2010 Oshkosh was voted by Business Week one of the “Best Places to Raise Your Kids”. Oshkosh is home to the University of Wisconsin – Oshkosh, the third largest university in the Wisconsin state system with 13,000 students.

JCPenney is located at the intersection of South Park Avenue and Koeller Street. Koeller Street, a major retail thoroughfare in the area, intersects with South Park Avenue. This intersection experiences traffic volumes of 21,000 vehicles daily. Highway 41 provides for over 270 feet of complete visibility of the western side of JCPenney with over 60,000 vehicles per day using this highway. The regional retail trade area is home to national retailers including Target, Wal-Mart Supercenter, Pick ‘n Save, Shopko, Best Buy, Staples and Office Max.

JCPenney’s original lease term was for 15 years and JCPenney recently exercised its first renewal option, taking the lease through July 2016. JCPenney has three five-year renewal options remaining. JCPenney is a publicly traded company on the New York Stock Exchange (JCP), with a market capitalization of \$5 Billion. JCPenney has a Standard & Poor’s rating of BB+.

INVESTMENT HIGHLIGHTS

- Publicly traded company (NYSE: JCP)
- Located near national retailers including Wal-Mart Supercenter, Target and Best Buy
- Positioned with over 270 feet of visibility along Highway 41
- Traffic volumes in excess of 60,000 on Highway 41
- Healthy rent to sales ratio
- JCPenney has been at this location for over 15 years
- Recently exercised option shows that JCPenney has desire to stay long term





PROPERTY OVERVIEW

| | |
|--------------------------|----------------------|
| Price: | \$3,747,027 |
| Cap Rate: | 9.25% |
| Net Operating Income: | \$346,600 |
| Renewal Options: | Three 5-year options |
| Lease Commencement Date: | August 1, 1996 |
| Lease Expiration Date: | July 31, 2016 |
| Tenant: | JCPenney |
| Year Built | 1996 |
| Lease Type: | NN |
| Rentable Square Feet: | 50,232 |
| Land Acreage: | 2.38 acres |

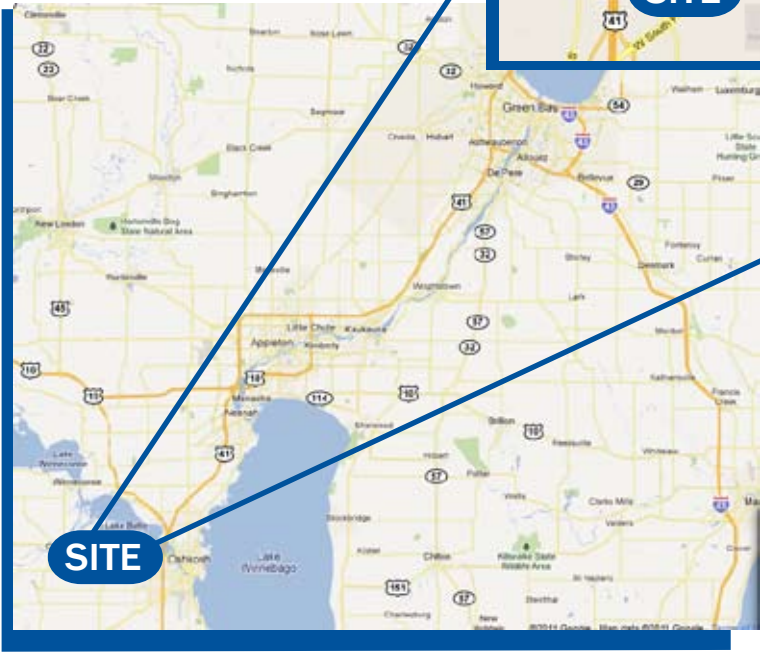
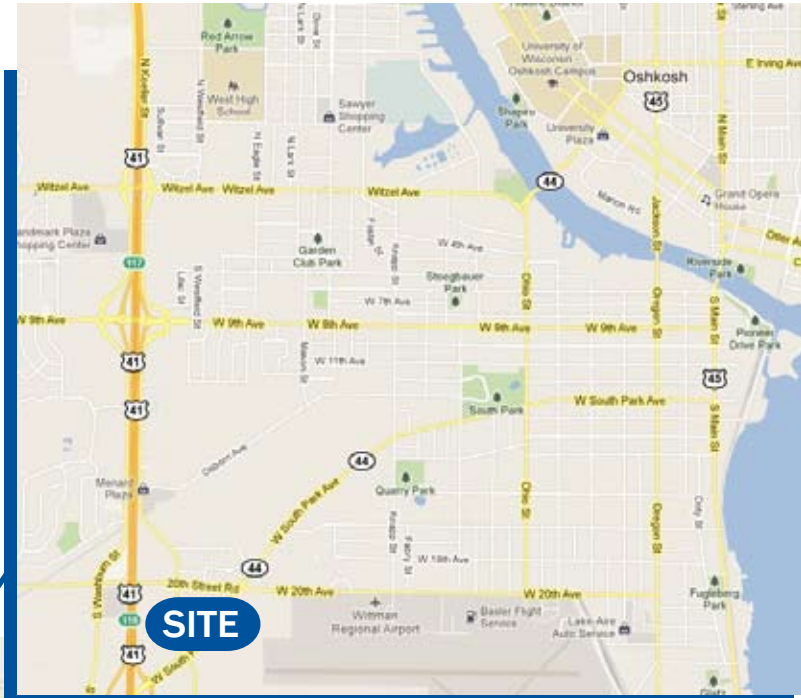
AERIAL



AERIAL



MAPS



TENANT PROFILE

J.C. Penney Company, Inc. (NYSE: JCP) is engaged in the retail industry. JCPenney is ranked 146 on the Fortune 500 and is headquartered in Plano, Texas, a suburb north of Dallas. The company operates 1,103 department stores in all 50 U.S. states and Puerto Rico. JCPenney also operates catalog sales merchant offices nationwide in many small markets. JCPenney occupies over 111 million square feet of space on a retail basis.

Most JCPenney stores are located in suburban shopping malls but in more recent years, the chain opened some standalone stores, including some next door to competitors. In addition to selling conventional merchandise, JCPenney stores often house several leased departments such as Sephora, Restaurants, optical, portrait studios and jewelry & watch repair. JCPenney also features discount outlet stores. Some of these were converted from regular JCPenney stores.

| | |
|---------------------------|------------------------------------------------------|
| Website: | www.jcpenny.com |
| Number of Locations: | 1,103 |
| Stock Symbol: | JCP : NYSE |
| Standard & Poor's Rating: | BB+ |
| Market Capitalization: | \$5 Billion |
| Employees: | 150,600 |
| 2010 Net Income: | \$389 Million |



DEMOGRAPHIC COMPARISON REPORT

| Population | 1-mile | 3-mile | 10-mile |
|--------------------------|---------------|---------------|----------------|
| Total Population | 41,371 | 69,432 | 90,109 |
| Total Households | 16,605 | 28,221 | 35,317 |
| | | | |
| Income | 1-mile | 3-mile | 10-mile |
| Median Household Income | \$49,197 | \$51,896 | \$53,993 |
| Average Household Income | \$57,862 | \$60,640 | \$61,856 |



LOCATION OVERVIEW



Oshkosh is located in Winnebago County in the state of Wisconsin. The population in Oshkosh at the 2010 census was 66,083. In 2010 Oshkosh was voted by Business Week one of the “Best Places to Raise Your Kids”. The city of Oshkosh is home to the University of Wisconsin – Oshkosh, the third largest university in the Wisconsin state system, and its 13,000 students.

The city of Oshkosh has an unemployment rate of 7.6%, well below the national average. This can be attributed to Oshkosh’s diversified workforce base. The largest private employers in Oshkosh include Oshkosh Corporation, Bemis, Aurora Medical Center and US Bank.

<http://www.ci.oshkosh.wi.us/>

The Experimental Aircraft Association (EAA) is an international organization of aviation enthusiasts based in Oshkosh, Wisconsin. Since its inception, it has grown internationally with over 160,000 members, and around 1,000 chapters in many countries. The EAA AirVenture Museum is located less than three-quarters of a mile away from the JCPenney location. The EAA AirVenture Museum is home to the world’s largest aviation event annually. The museum is open annually and boasts one of the most extensive collections over 250 historic airplanes.

<http://www.airventuremuseum.org/>

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The Outlet Shoppes at Oshkosh are located one mile away from the JCPenney location. The outlet mall features Nike Factory Store, Polo Ralph Lauren, Under Armour, Coach, Brooks Brothers and many others.

<http://horizongroup.com/our-centers/oshkosh/directory/default.aspx>



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