



OFFERING MEMORANDUM

WELLS FARGO

540 PENN STREET | READING, PA 19602

Exclusively Marketed By:

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**WELLS
FARGO**

Listed in conjunction with Pennsylvania broker David B Zacharia
license RM422281 of DZ Net Lease Realty, LLC license RB067686

MIG MATYSEK INVESTMENT GROUP
COMMERCIAL REAL ESTATE ADVISORS

INVESTMENT SUMMARY

Tenant	Wells Fargo
Property Address	540 Penn St, Reading, PA 19602
Property Type	Single Tenant Retail
Price	\$1,020,000
Price/SF/Bldg	\$104.94
Net Operating Income (Current)	\$45,000
CAP Rate (Current)	4.41%
Net Operating Income (Sept 2017)	\$49,500
CAP Rate (Sept 2017)	4.85%
Lease Type	NN
Roof & Structure	Landlord Responsible
Lease Term Remaining	6.4 Years
Occupancy	100%
Building Size	9,720 SF
Land Size	3,484 SF
Year Built / Renovated	1900
APN	5307-83-80-2097

TRAFFIC COUNTS CARS PER DAY

Penn St	23,000
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INVESTMENT HIGHLIGHTS

- Single Tenant NN two story financial building leased to Wells Fargo
- Over Six years remain on existing lease with three 5 year options to continue leasing (21 year potential)
- Yield jumps significantly with rent bump in September 2017
- Lot size 3,485 sq.ft with building space of 9,720 sq ft
- Tenant invested \$625,000 into the building, demonstrating commitment to location



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RENT ROLL

Tenant	SF	% of GLA	Rent				Lease Dates		Increase Schedule	Lease Type	Renewal Options
			Monthly	PSF	Annual	PSF	Start	End			
Wells Fargo	9,720	100%	\$3,750.00	\$0.39	\$45,000	\$4.63	9/1/2012	8/31/2022	10% every 5 Yrs	NN	Three 5 Year Options
TOTAL	9,720	100%	\$3,750		\$45,000						

Note - NN Lease, Landlord responsible for foundations, exterior surfaces and paint, floors, roof, structure, replacement and repair of the major parts of the HVAC system



Tenant	# of Locations	Website	Description
	8,643	wellsfargo.com	<p>Wells Fargo & Company is an American multinational banking and financial services holding company which is headquartered in San Francisco, California, with "hubquarters" throughout the country. It is the largest bank in the world by market value. It is the fourth largest bank in the U.S. by assets and the largest bank by market capitalization. Wells Fargo is the second largest bank in deposits, home mortgage servicing, and debit cards. Wells Fargo ranked 10th among the Forbes Global 2000 (2015) and the 30th largest company in the United States, according to Fortune 500 (2015).</p>
			<p>In 2007 it was the only bank in the United States to be rated AAA by S&P, though its rating has since been lowered to AA- in light of the financial crisis of 2007–08. The firm's primary U.S. operating subsidiary is national bank Wells Fargo Bank, N.A., which designates its main office as Sioux Falls, South Dakota.</p>
			<p>Wells Fargo in its present form is a result of a merger between San Francisco-based Wells Fargo & Company and Minneapolis-based Norwest Corporation in 1998 and the subsequent 2008 acquisition of Charlotte based Wachovia. Following the mergers, the company transferred its headquarters to Wells Fargo's headquarters in San Francisco and merged its operating subsidiary with Wells Fargo's operating subsidiary in Sioux Falls.</p>
			<p>Wells Fargo is one of the "Big Four Banks" of the United States, along with JPMorgan Chase, Bank of America, and Citigroup—its main competitors. The company operates across 35 countries and has over 70 million customers globally. In 2012, it had more than 9,000 retail branches and over 12,000 automated teller machines in 39 states and the District of Columbia. In July, 2015, Wells Fargo became the world's largest bank by market capitalization, edging past ICBC.</p>
			<p>The company's Wealth, Brokerage and Retirement segment offers financial advisory, wealth management, brokerage, retirement, trust, and reinsurance services. As of February 25, 2015, it operated through approximately 8,700 locations and 12,500 ATMs & offices in 36 countries.</p>

LEASE ABSTRACT

TENANT INFORMATION

Tenant Name:	Wachovia Bank		
Address:	540 Penn Street, Reading, PA 92018		
Suite#:	540		
DBA Name:	Wells Fargo		
Building Size:	9,720 SF	Lot Size:	3,484 SF
Guarantor:	Lease is Silent		

DEPOSIT INFORMATION

Security Deposit: Lease is silent

TERM

Lease Commencement Date: 1-Sep-2012
Rent Commencement Date: 1-Sep-2012
Lease Expiration Date: 31-Aug-2022
Term: 120 months

BASE RENT AND PERCENTAGE RENT

Future Free Rent/Abatements: None
Base Rent: Key Provisions

	TERM	BEGIN	END	ANNUAL	MONTHLY	PSF	SQFT
Original Term		1-Sep-2012	31-Aug-2017	\$45,000.00	\$3,750.00	\$4.63	9,720 SF
Original Term		1-Sep-2017	31-Aug-2022	\$49,500.00	\$4,125.00	\$5.09	9,720 SF
Option Term 1		1-Sep-2022	31-Aug-2027	\$54,450.00	\$4,537.50	\$5.60	9,720 SF
Option Term 2		1-Sep-2027	31-Aug-2032	\$59,895.00	\$4,991.25	\$6.16	9,720 SF
Option Term 3		1-Sep-2032	31-Aug-2037	\$65,883.96	\$5,490.33	\$6.78	9,720 SF

Holding Over: In the event of holding over by Tenant without Landlord's written consent Tenant shall pay rent equal to (a) one hundred twenty percent (120%) of the applicable Minimum Rent plus (b) other sums due from time to time.(Sec 31)

RECOVERIES

Tenant Pro-Rata Share: 100.00%

Real Estate Taxes: In addition to the Minimum Rent commencing on the Rent Commencement Date Tenant shall pay directly to the taxing authority or entity Tenant's Pro-Rata Share of all Real Estate Taxes..(Sec. 7)

Common Area Maintenance / Operating Expenses: N/A(Sec. 2.3)

Administrative Fee: Lease is Silent

Management Fee: Lease is Silent

Insurance: Lease is Silent

Utilities: Tenant shall pay before delinquency, at its sole cost and expense, all charges for water, gas, heat, electricity, power, telephone service, sewer service charges, and sewer rentals charged to the Premises, and all other services or utilities used in, upon, or about the Premises by Tenant or any of its subtenants, licensees, or concessionaires from the Rent Commencement Date and throughout the Lease Term. Tenant shall, at its sole cost and expense, retain a service for collection of refuse and garbage.(Sec 13)

Additional Landlord Reimbursements: Lease is Silent

TENANT IMPROVEMENT

Future Tenant Improvements Allowance: None

TENANT OPTIONS

Renewal Option: Tenant has the right and privilege to extend the Lease for three (3) successive Extension Terms of five (5) years each by gives written notice of renewal to Landlord at least sixty (60) days prior to the end of the then-current term of any renewal option within the foregoing required notice period, Tenant's right to exercise such renewal option shall nevertheless continue until the earlier of (a) thirty (30) days after Landlord has given Tenant notice of Tenant's failure to exercise such renewal option (in which event Tenant may exercise such renewal option at any time until the expiration of such thirty (30) day period), or (b) the date within such thirty (30) day period in which Tenant exercises such renewal option or sends notice to Landlord that it does not intend to exercise such renewal option.(Sec 3.2)

Expansion Option: Lease is Silent

Right of First Offer/ First Refusal: N/A(Sec 10)

Early Termination / Tenant Kickout: Lease is Silent

LANDLORD OPTIONS

Early Termination / Landlord Kickout: Lease is Silent

OPERATING REQUIREMENTS

Continuous Operation / Go Dark: Tenant may cease operating at the Premises if Tenant continues to pay Minimum Rent and Additional Rent and continues to abide by the other terms of the Lease. (Sec. 8.2)

Co-Tenancy: N/A(Sec 26)

Hours of Operation: Lease is Silent

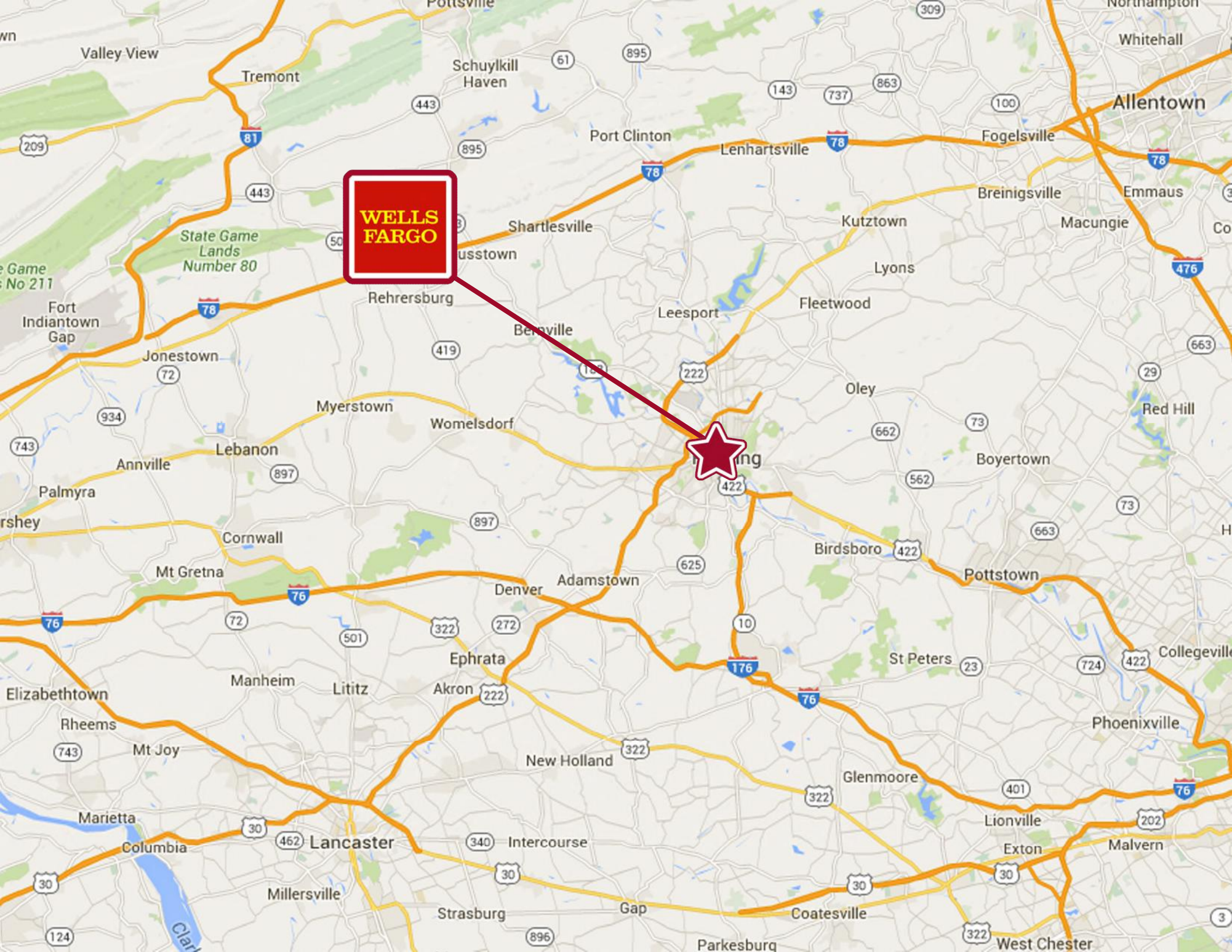
Reading, PA

Reading is the county seat of Berks County and with a population of 87,812 is the fifth-largest city in Pennsylvania. According to the 2010 census, Reading has the highest share of citizens living in poverty in the nation. Located in southeastern Pennsylvania, it is the principal city of the Greater Reading Area.

The Census reported that there were 30,113 households, out of which 33.7% had children under the age of 18 living with them, 34.4% were married couples living together, 20.2% had a female householder with no husband present, and 38.8% were non-families. 31.7% of all households were made up of individuals, and 12.4% had someone living alone who was 65 years of age or older. The average household size was 2.63 and the average family size was 3.33.

In the city the population was spread out, with 29.9% under the age of 18, 11.7% from 18 to 24, 28.9% from 25 to 44, 17.0% from 45 to 64, and 12.4% who were 65 years of age or older. The median age was 31 years. For every 100 females there were 93.3 males. For every 100 females age 18 and over, there were 88.5 males.

The median income for a household in the city was \$26,698, and the median income for a family was \$31,067. Males had a median income of \$28,114 versus \$21,993 for females. The per capita income for the city was \$13,086. 26.1% of the population and 22.3% of families were below the poverty line. 36.5% of those under the age of 18 and 15.6% of those 65 and older were living below the poverty line.



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Penn Street



Buttonwood Street

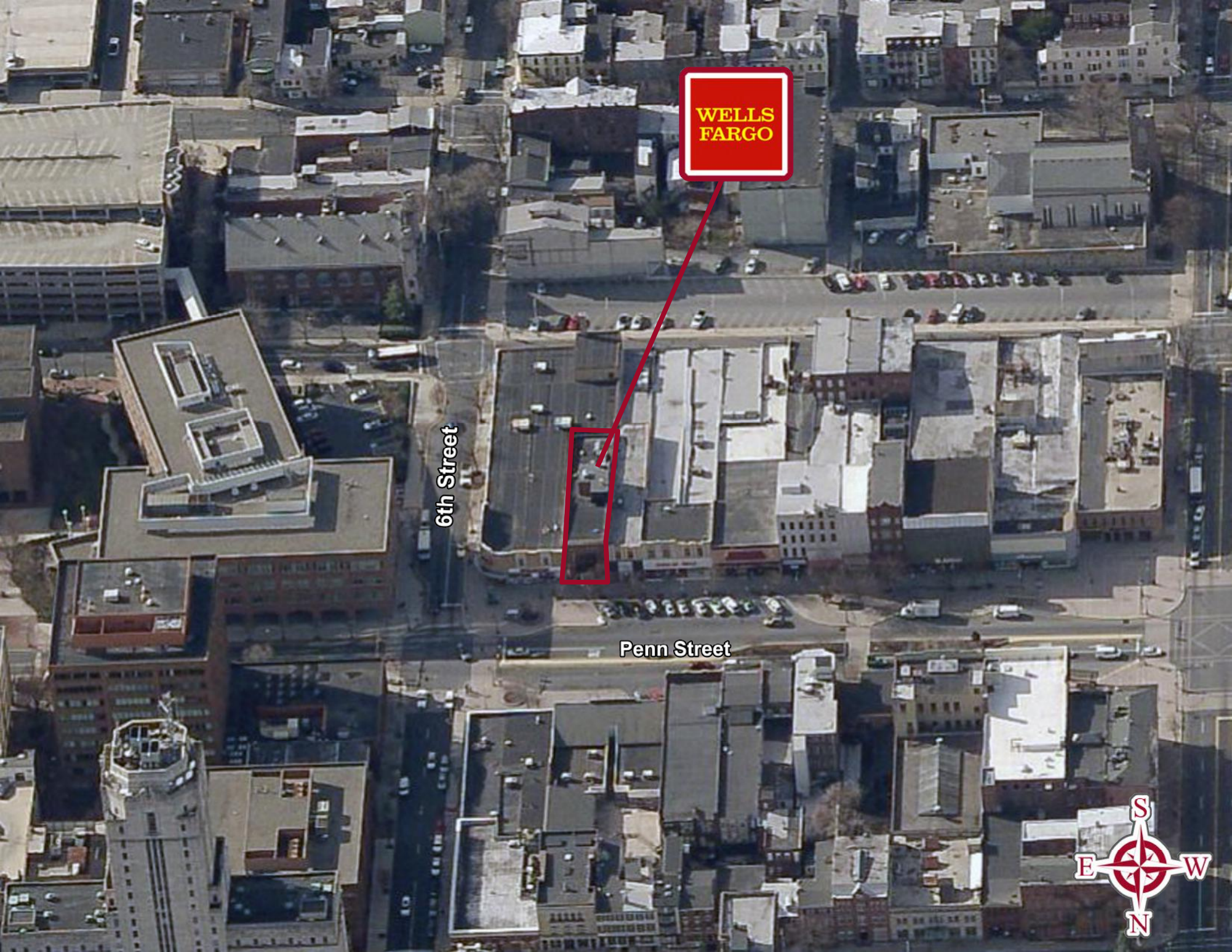


6th Street



8th Street





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6th Street

Penn Street



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Penn Street

6th Street



	1 mile	3 miles	5 miles
Population			
2000 Population	43,581	117,101	183,784
2010 Population	45,747	125,571	201,424
2015 Population	46,406	127,827	204,354
2020 Population	47,136	129,800	207,197
2000-2010 Annual Rate	0.49%	0.70%	0.92%
2010-2015 Annual Rate	0.27%	0.34%	0.28%
2015-2020 Annual Rate	0.3%	0.3%	0.3%
2015 Male Population	49.6%	48.4%	48.4%
2015 Female Population	50.4%	51.6%	51.6%
2015 Median Age	29.9	33.2	37.0
Median Age			
The median age in this area is 29.9, compared to U.S. median age of 37.9.			
Race and Hispanic Origin			
2015 White Alone	40.31%	56.03%	67.45%
2015 Black Alone	14.02%	10.58%	8.31%
2015 American Indian/Alaska Native Alone	1.1%	0.8%	0.6%
2015 Asian Alone	1.0%	1.5%	1.9%
2015 Pacific Islander Alone	0.1%	0.1%	0.1%
2015 Other Race	36.91%	25.62%	17.44%
2015 Two or More Races	6.5%	5.4%	4.3%
2015 Hispanic Origin (Any Race)	69.9%	49.5%	34.8%
Median Household Income			
2015 Median Household Income	\$23,107	\$36,089	\$45,778
2020 Median Household Income	\$25,783	\$40,105	\$52,415
2015-2020 Annual Rate	2.22%	2.13%	2.74%
Average Household Income			
2015 Average Household Income	\$32,850	\$50,227	\$61,762
2020 Average Household Income	\$36,747	\$56,625	\$69,741
2015-2020 Annual Rate	2.27%	2.43%	2.46%

CONFIDENTIALITY AGREEMENT & DISCLOSURE

This Offering Memorandum is confidential and is furnished to Prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Matysek Investment Group, the Seller's exclusive agent in connection with the sale of the Property. This Memorandum Contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material,

which may include engineering, environmental or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants, and other advisors.

The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations there under have been fully satisfied or waived.

The Seller is responsible for any commission due Matysek Investment Group in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other person, including Matysek Investment Group, is authorized to make any representation agreement on behalf of the Seller. This Memorandum remains the Property of the Seller and Matysek Investment Group and may be used only by parties approved by the Seller and Matysek Investment Group. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.



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CVS/pharmacy

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