M&T BANK (GROUND LEASE)

43 King Street

Northampton, MA 01060

URBAN INFILL LAND POSITION WITH INVESTMENT GRADE INCOME CARRY

ACTUAL PROPERTY

EXCLUSIVELY MARKETED BY

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ACTUAL PROPERTY

ON MARKET:
M&T BANK (GROUND LEASE) IN NORTHAMPTON, MASSACHUSETTS

INVESTMENT HIGHLIGHTS

- **Dense Mixed-Use Flexibility**
  CENTRAL BUSINESS ("CB") ZONING PERMITS A BROAD RANGE OF RETAIL, OFFICE, RESIDENTIAL, AND SERVICE USES UNDER NORTHAMPTON'S FORM-BASED CODE, SUPPORTING VERTICAL MIXED-USE DEVELOPMENT, ADAPTIVE REUSE, AND LONG-TERM RE-TENANTING FLEXIBILITY BEYOND CONVENTIONAL RETAIL ZONING. THE DESIGNATION IS INTENDED TO PROMOTE DENSITY WITHIN A WALKABLE URBAN CORE, ENHANCING LONG-TERM LAND OPTIONALITY.
- **Adjacent Mixed-Use Residential Redevelopment**
  THE NEIGHBORING FORMER COURTHOUSE PARCEL IS SLATED FOR MIXED-INCOME MULTIFAMILY REDEVELOPMENT WITH GROUND-FLOOR COMMERCIAL SPACE, INTRODUCING NEW RESIDENTIAL DENSITY AND ACTIVATION IMMEDIATELY ADJACENT TO THE PROPERTY. THIS INVESTMENT REINFORCES CORRIDOR MOMENTUM AND STRENGTHENS LONG-TERM RETAIL DEMAND, PEDESTRIAN TRAFFIC, AND LAND VALUE WITHIN THE CB DISTRICT.
- **Covered Land with Income Carry**
  ABSOLUTE NNN GROUND LEASE STRUCTURE WITH ZERO LANDLORD RESPONSIBILITIES PROVIDES DURABLE, PASSIVE INCOME WHILE PRESERVING FULL LONG-TERM CONTROL OF THE UNDERLYING LAND, AN INCREASINGLY RARE COMBINATION IN SUPPLY-CONSTRAINED URBAN MARKETS.
- **Below-Market Rent with Embedded Mark-to-Market Upside**
  IN-PLACE RENT OF $13.20/SF IS MATERIALLY BELOW PREVAILING MARKET RENTS FOR COMPARABLE RETAIL AND BANK GROUND LEASE PROPERTIES. THIS POSITIONING CREATES MEASURABLE RE-PRICING OPPORTUNITY AT LEASE ROLLOVER OR RE-TENANTING, SUPPORTING FUTURE NOI GROWTH BEYOND CURRENT LEVELS.
- **Strong Credit Tenancy**
  LEASED TO M&T BANK, A PUBLICLY TRADED, INVESTMENT-GRADE REGIONAL BANK (BBB+ / BAA1 / A). THE BRANCH REPORTS $36.5MM IN FDIC-INSURED DEPOSITS, DEMONSTRATING SUSTAINED LOCAL RELEVANCE AND OPERATING STABILITY.
- **Long-Term Control with Inflation Protection**
  4 YEARS REMAINING ON THE PRIMARY TERM PLUS ONE (1) FIVE-YEAR RENEWAL OPTION PROVIDE EXTENDED CONTROL OF THE SITE. CPI-U ESCALATIONS INTO THE OPTION PERIOD OFFER INFLATION-HEDGED INCOME DURING THE HOLD.
- **Purpose-Built Drive-Thru Configuration**
  DEDICATED DRIVE-THRU LANE AND 16 ON-SITE PARKING SPACES ENHANCE FUNCTIONAL UTILITY IN AN URBAN INFILL SETTING, SUPPORTING TENANT RETENTION, OPERATIONAL FLEXIBILITY, AND ALTERNATIVE SERVICE-ORIENTED USES IN THE FUTURE.
- **Premier Infill Positioning**
  41 FEET OF FRONTAGE ON KING STREET WITH TWO CURB CUTS IN THE HEART OF DOWNTOWN NORTHAMPTON. LOCATED ALONG A 21,641 VPD CORRIDOR WITH ADDITIONAL MAIN STREET EXPOSURE (12,576 VPD), PROVIDING STRONG VISIBILITY AND ACCESSIBILITY.
- **Proximity to Institutional & Lifestyle Anchors**
  SITUATED WITHIN WALKING DISTANCE OF SMITH COLLEGE, HOTEL NORTHAMPTON, HEALTHCARE PROVIDERS, AND A DIVERSE MIX OF BOUTIQUE AND NATIONAL RETAILERS. THE LOCATION BENEFITS FROM TOURISM, EDUCATION, HEALTHCARE EMPLOYMENT, AND A 95 WALK SCORE® ENVIRONMENT.
- **Proven 30-Year Operating History**
  THE TENANT HAS OPERATED AT THIS LOCATION SINCE 1995, EVIDENCING ENTRENCHED CONSUMER PATTERNS, LONG-TERM SITE VIABILITY, AND DURABLE BRANCH ECONOMICS.
- **Scarce Downtown Land Position**
  CONTROL OF A 0.34-ACRE PARCEL WITHIN NORTHAMPTON'S CENTRAL BUSINESS DISTRICT REPRESENTS A RARE OPPORTUNITY TO SECURE URBAN INFILL REAL ESTATE WITH BOTH CURRENT INCOME AND LONG-TERM REDEVELOPMENT FLEXIBILITY IN A MARKET WITH LIMITED NEW LAND SUPPLY.

ACTUAL PROPERTY

PROPERTY OVERVIEW

SAB Capital, is pleased to present the exclusive opportunity to acquire the M&T Bank Ground Lease located at 43 King Street in downtown Northampton, Massachusetts, a rare urban infill asset combining durable income with long-term redevelopment flexibility.

Positioned on a 0.34-acre parcel within Northampton's Central Business District, the property sits in the heart of one of Western Massachusetts' most walkable, supply-constrained downtown environments. The site benefits from strong frontage along King Street, multiple curb cuts, on-site parking, and a drive-thru configuration, an uncommon combination for an infill location of this caliber.

The property is currently improved with a 3,450 square foot masonry bank branch leased to M&T Bank under an absolute NNN ground lease structure, providing true passive income with zero landlord responsibilities. The tenant has operated at this location for nearly three decades, demonstrating long-term site viability and entrenched consumer behavior.

While the in-place tenancy provides stable income, the broader investment thesis is driven by the underlying real estate and its zoning flexibility. The Central Business designation is designed to support dense, walkable, mixed-use development and permits a broad spectrum of residential, retail, office, and service uses under Northampton's form-based code. This flexibility creates meaningful long-term optionality for vertical redevelopment, adaptive reuse, or strategic re-tenanting.

The site's positioning is further strengthened by planned mixed-income multifamily redevelopment at the adjacent former courthouse parcel, which is expected to introduce new residential density and ground-floor commercial activation immediately next door. This investment reinforces the city's commitment to downtown growth and enhances the long-term demand profile of the corridor.

The property's below-market rent profile also presents embedded re-pricing potential over time. Comparable retail and bank ground lease rents in similar infill environments exceed current in-place levels, providing future mark-to-market opportunity at lease rollover or re-tenanting. Opportunities to control well-located, developable parcels in established New England downtowns are limited. This offering provides both income durability and strategic flexibility, attributes rarely found together in today's market.

ACTUAL PROPERTY

FINANCIAL OVERVIEW

43 KING STRE
NORTHAMPTON, MA 0106

ACTUAL PROPERTY

OFFERING SUMMARY

ASKING PRICE	$1,140,000
PRICE/SQUARE FOOT	$330/SF
NET OPERATING INCOME	$45,549

LEASE SUMMARY

TENANT/GUARANTOR	M&T Bank
CREDIT RATING (S&P / MOODY'S)	BBB+ (S&P) | Baa1 (Moody's)
DEPOSITS (FDIC 2025)	$36,508,000
TOTAL SF	3,450 SF
LAND AREA	0.34 Acres | 14,841 SF
OWNERSHIP INTEREST	Ground Lease
LEASE TYPE	Absolute NNN
LANDLORD RESPONSIBILITY	None
NOI	$45,549
NOI/SF	$13.20/SF
RENTAL ESCALATIONS	CPI at Option*
LEASE COMMENCEMENT	July 25, 1995
LEASE EXPIRATION	July 31, 2030
LEASE TERM REMAINING	4 Years
RENEWAL OPTIONS	1; 5-Year

* If the option is exercised, rent is adjusted at the commencement of the option term based on the cumulative change in the Consumer Price Index (CPI) for All Urban Consumers (1967=100) for the Greater Springfield area, measured over the preceding five-year period.

PROPERTY SPECIFICATIONS

43 KING STRE
NORTHAMPTON, MA 0106

ADDRESS	43 King Street Northampton, MA 01060
OWNERSHIP INTEREST	Ground Lease
ZONING	Central Business Side Street (CB-SS)*
BUILDING SF	3,450 SF
LAND AREA	0.34 Acres | 14,841 SF
FRONTAGE	41’ on King Street w/ 2 Curb Cuts
YEAR BUILT	1995
PARKING LOT	16 Spaces
PARKING RATIO	4.64/1,000 SF
DRIVE THRU	1 Lane
CONSTRUCTION (IMPROVEMENTS)	Masonry
CEILING HEIGHTS	14’ to 18.75’
TRAFFIC COUNTS	21,641 VPD (King St) | 12,576 VPD (Main St)

* CB–SS is a form-based downtown district intended to support dense, walkable, mixed-use development. The district permits residential (including ground-floor residential), retail, office, and service uses, allows building heights up to 70 feet (step-backs required above 55’).

ACTUAL PROPERTY

ACTUAL PROPERTY

TENANT OVERVIEW

M&T Bank (NYSE: MTB) is a publicly traded, investment-grade regional financial institution headquartered in Buffalo, New York. Founded in 1856, M&T has operated for over 165 years and is widely regarded as one of the most conservatively managed banks in the United States. The company provides a full range of retail banking, commercial lending, mortgage, and wealth management services throughout the Northeast and Mid-Atlantic regions. M&T maintains strong investment-grade credit ratings (BBB+ from S&P, Baa1 from Moody's, and A from Fitch), reflecting disciplined underwriting, sound capitalization, and resilient performance across economic cycles.

ACTUAL PROPERTY

M&T Bank

OVERVIEW	
TENANT/GUARANTEE	Manufacturers and Traders Trust Company (M&T Bank)
TICKER SYMBOL	NYSE: MTB
FOUNDED	1856
HEADQUARTERS	Buffalo, NY
LOCATIONS	±950
MARKET CAPITALIZATION (2025)	$31–36 billion
REVENUE (2025)	$13.2 billion
CREDIT RATING	BBB+ (S&P) | Baa1 (Moody's) | A (Fitch)
WEBSITE	https://www.mtb.com/

ACTUAL PROPERTY

ABOUT NORTHAMPTON

Northampton, Massachusetts serves as the cultural, economic, and institutional anchor of Hampshire County and the broader Pioneer Valley region of Western Massachusetts. Located approximately 20 miles north of Springfield and 100 miles west of Boston, Northampton functions as a stable, education- and healthcare-driven urban center with limited land supply and strong barriers to entry within its historic downtown core.

Economic & Institutional Anchors

Northampton's economy is anchored by higher education, healthcare, tourism, and small business entrepreneurship. The city is home to Smith College, a nationally recognized liberal arts institution with approximately 2,500 students, which provides a stable employment base and consistent year-round demand for housing, retail, and services. The broader Five College Consortium, including the University of Massachusetts Amherst, Amherst College, Hampshire College, and Mount Holyoke College, further reinforces the region's economic resilience and demographic stability.

Healthcare is another primary economic driver, with Cooley Dickinson Hospital (a Mass General Brigham affiliate) serving as a major regional employer. The combination of education and healthcare ("eds and meds") creates a counter-cyclical employment base that has historically supported steady consumer activity and residential demand.

Downtown Core & Urban Character

Downtown Northampton is widely regarded as one of the most vibrant and walkable urban centers in Western Massachusetts. Characterized by historic architecture, boutique retail, independent restaurants, hospitality assets, and mixed-use buildings, the Central Business district benefits from:

- A 95 Walk Score® environment
- Strong pedestrian traffic
- Limited surface parking and constrained infill opportunities
- Active municipal support for density and mixed-use development

The city's form-based Central Business zoning is specifically intended to encourage vertical mixed-use and residential density within the downtown core, reinforcing long-term land value and redevelopment potential.

Residential Demand & Demographics

The Northampton trade area supports stable and affluent demographics:

- Approximately 48,900 residents within five miles
- Average household incomes exceeding $100,000 in the 3–5 mile rings
- A renter-heavy downtown demographic driven by students, young professionals, and healthcare employees

Recent and proposed multifamily developments, including mixed-income housing initiatives within the downtown core, reflect continued demand for walkable, amenitized residential product. Limited developable land within the urban core has supported sustained residential pricing and rent growth relative to surrounding suburban communities.

ABOUT NORTHAMPTON

Retail & Consumer Environment

Retail demand in Northampton is driven by a blend of local residents, college students, faculty, healthcare employees, and tourism. The downtown corridor along King Street benefits from:

- Over 21,000 vehicles per day
- Consistent foot traffic
- Institutional anchors
- Hospitality presence, including Hotel Northampton

The retail environment is primarily composed of service-oriented and experiential uses, reinforcing the corridor's resilience against e-commerce disruption.

Investment Context

Northampton represents a supply-constrained, institutionally anchored submarket with strong zoning support for density and adaptive reuse. Opportunities to acquire well-located parcels within the Central Business district are limited, particularly sites offering both in-place income and long-term redevelopment optionality.

As municipalities throughout Massachusetts continue to encourage housing production within walkable downtown cores, Northampton remains positioned as a stable and desirable urban market supported by education, healthcare, and tourism sectors that have historically demonstrated long-term resilience.

ACTUAL PROPERTY

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REDEVELOPMENT CATALYSTS

33 King Street Planned 92-Unit Residential Development

Immediately adjacent to the subject property, the city of Northampton has entered into a Provisional Development Agreement for the redevelopment of 33 King Street, the former Probate Court parcel, into a mixed-use, mixed-income residential community. The development team, consisting of The Community Builders, Inc. and Valley Community Development, was selected through a competitive municipal bid process and will reimagine the long-vacant parcel as a significant addition to the downtown core.

The proposed project includes:

- Two five-story buildings
- 92 residential units
- Income mix ranging from 30% to 120% of Area Median Income
- Approximately 2,500 square feet of ground-floor commercial space along King Street
- Structured site planning with natural amenity spaces
- On-site parking
- Preservation of public access to the Mass Central Rail Trail – Downtown Connector

The project is designed to align with Northampton's Central Business Core district design guidelines and will replace an underutilized structure with new energy-efficient housing. The development reflects the city's stated commitment to increasing residential density within the downtown core while strengthening commercial vitality along the King Street corridor.

Strategic Implications for 43 King Street

The planned addition of 92 residential units immediately adjacent to the property represents a direct demand catalyst. Increased residential density within walking distance will:

- Enhance pedestrian activity and daily foot traffic
- Strengthen demand for ground-floor commercial and service uses
- Support future rent growth potential
- Reinforce the long-term viability of mixed-use redevelopment within the CB district
- Increase underlying land value through corridor momentum
- The planned development will provide additional traffic and potential business growth for M&T Bank, strengthening the credit quality of the current tenancy for the remainder of the term

Municipal-backed infill housing projects of this scale are infrequent in downtown Northampton, particularly on parcels directly neighboring established commercial assets. The city's active involvement and selection of experienced housing developers further reduce execution risk and signal continued public-sector support for downtown density and investment.

In combination with Central Business zoning flexibility, the adjacent redevelopment materially enhances the long-term redevelopment and re-tenanting thesis for the subject property.

REDEVELOPMENT CATALYSTS

Downtown Momentum

Picture Main Street & Urban Corridor Enhancements

Northampton is investing in transformative public realm improvements designed to elevate the experience, safety, and economic vitality of its downtown core. The city's Picture Main Street initiative reflects a multi-year planning and engineering effort to modernize one of the region's most important urban streets, strengthen pedestrian and bicycle infrastructure, and promote a vibrant mixed-use downtown environment that supports retail, hospitality, residential, and cultural activity.

The project is rooted in extensive community engagement, traffic and safety studies, and design collaboration with national street-planning experts. Its goals include:

- Critical safety and infrastructure improvements to make Main Street safer for all users, including pedestrians, cyclists, and motorists.
- Enhanced accessibility and mobility, providing modern sidewalks, protected bike lanes, and high-visibility crossings that support a multimodal urban center.
- Vibrancy and economic sustainability, with a streetscape that invites outdoor dining, retail activation, and community interaction.
- Climate resiliency and sustainability, through a streetscape designed to manage evolving urban needs and long-term environmental considerations.

The Picture Main Street initiative advances the city's broader downtown objectives of creating a welcoming public realm, increasing residential density, and strengthening the economic performance of the urban core. Main Street serves as a primary commercial spine, historically and presently, connecting major cultural assets, heritage architecture, retail corridors, and pedestrian activity in the historic downtown district.

The initiative's emphasis on accessibility, safety, and economic activation dovetails with broader redevelopment projects in downtown, including the adjacent mixed-use housing development planned at 33 King Street, and reinforces Northampton's commitment to a walkable, amenity-rich urban environment. This convergence of public investment and private development momentum enhances the underlying demand drivers for commercial and residential real estate within the core, supporting long-term value for infill properties such as 43 King Street.

ACTUAL PROPERTY

INVESTMENT THESIS

Why This Is Not a Traditional Net Lease Investment

Control Infill Land in Downtown Northampton, with Income Attached

This offering exists because opportunities to control meaningful land positions in downtown Northampton are exceptionally limited.

43 King Street represents the ability to acquire a 0.34-acre parcel in the heart of a walkable, supply-constrained New England urban core, with income in place to offset carry during the hold period. The value proposition is not rooted in current yield metrics; it is rooted in land control, zoning flexibility, and long-term optionality within a municipality actively encouraging density and mixed-use redevelopment.

Covered Land in a Supply-Constrained Downtown

Downtown Northampton is largely built out. Surface parking lots and underutilized parcels rarely trade, and infill development sites with frontage, access, and parking are increasingly scarce. The subject property provides full control of a centrally located parcel along King Street, one of the area's primary commercial corridors, within walking distance of institutional anchors and hospitality assets.

The in-place tenancy functions as income carry while preserving control of the underlying dirt. This structure reduces holding costs while maintaining flexibility for future repositioning.

Central Business Zoning Supports Density

The property's Central Business zoning is intentionally structured to promote vertical mixed-use development within the urban core. The designation permits residential, retail, office, and service uses under Northampton's form-based code and encourages density along key corridors. This zoning framework materially enhances the site's long-term redevelopment potential relative to traditional retail-zoned properties.

The highest and best use over time is likely residential-led mixed-use development, a thesis directly aligned with municipal policy objectives and broader downtown growth initiatives.

ACTUAL PROPERTY

INVESTMENT THESIS

Why This Is Not a Traditional Net Lease Investment

Adjacent Multifamily Catalyst Reinforces Demand

Immediately adjacent to the property, the city has executed a provisional development agreement for the transformation of 33 King Street into a 92-unit mixed-income residential community with ground-floor commercial activation. This investment will introduce new residents and foot traffic directly next door, reinforcing corridor vitality and supporting long-term land appreciation.

Public-sector-supported residential infill of this scale materially reduces demand uncertainty and strengthens the redevelopment thesis.

Embedded Rent Repricing Opportunity

In-place rent is materially below prevailing market rent levels for comparable retail and bank properties. While the current tenancy provides stability, the rent profile reflects future mark-to-market opportunity at rollover or re-tenanting. Comparable retail rents within the submarket and bank metrics suggest meaningful upside relative to current income.

This embedded re-pricing dynamic creates asymmetry over a long-term hold.

Income Carry

The absolute NNN structure provides passive income with no landlord responsibility. CPI-based adjustments protect against inflation into the option period, if exercised. While the remaining lease term extends control of the site, it also preserves the ability to strategically time redevelopment or repositioning decisions based on market conditions.

The result is a rare combination of:

- Urban infill land control
- Income stability during the hold
- Zoning-enabled density
- Adjacent public and private investment
- Below-market rent positioning

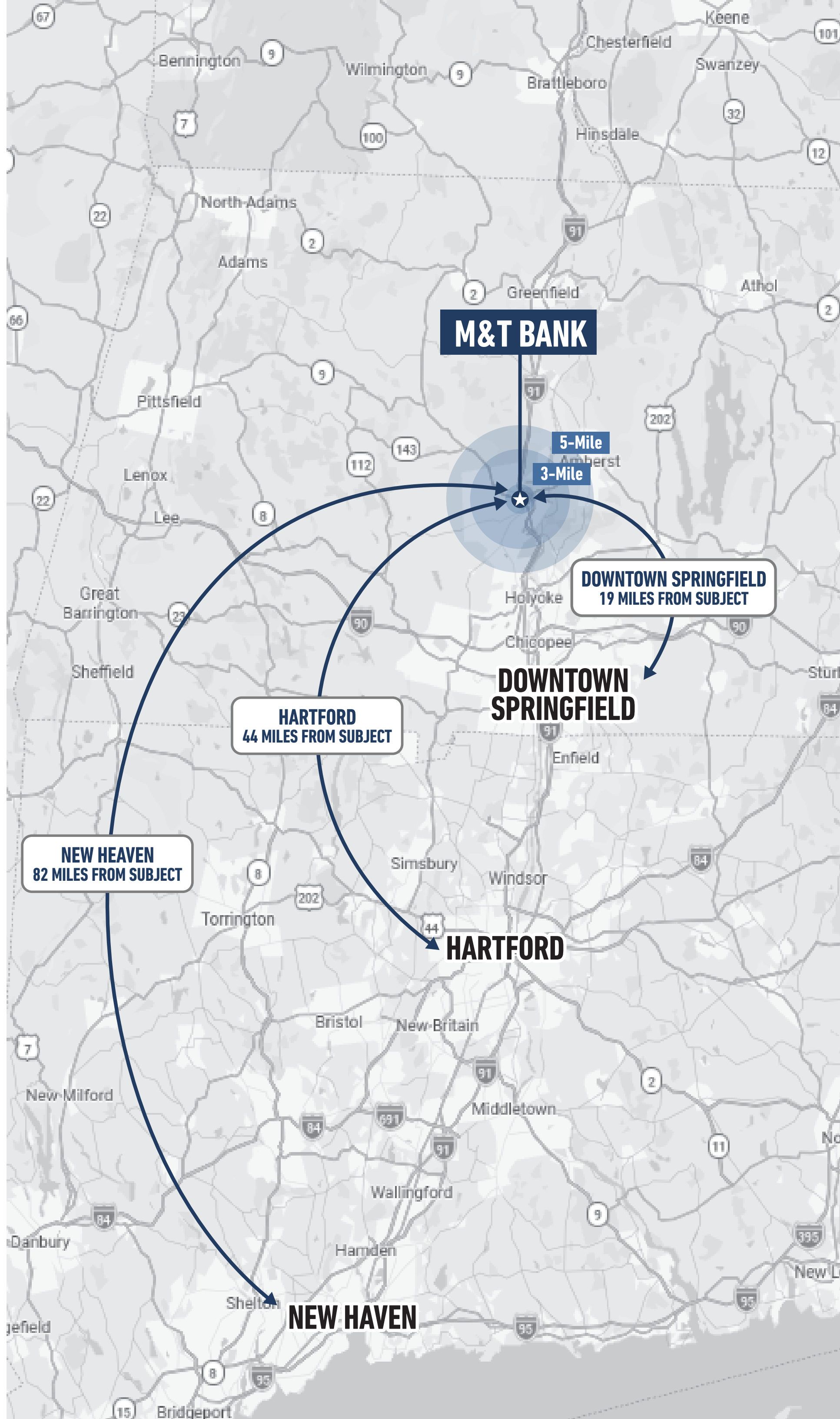
This is not a yield-driven acquisition. It is a strategic land acquisition with income attached, in a downtown market where long-term supply constraints and municipal policy direction favor density and mixed-use growth.

M&T BANK (GROUND LEASE) - *Northampton, Massachusetts*

M&T BANK (GROUND LEASE) - *Northampton, Massachusetts*

AREA DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
Population	13,471	24,350	48,896
GENERATIONS			
Generation Alpha	11.74%	11.66%	12.49%
Generation Z	26.83%	19.00%	14.77%
Millennials	20.01%	20.30%	18.54%
Generation X	19.05%	18.26%	18.32%
Baby Boomers	16.12%	23.14%	27.58%
Greatest Generations	6.24%	7.63%	8.31%
HOUSEHOLDS			
Households	5,571	10,903	22,074
Average Household Income	$101,170.63	$107,211.51	$111,112.73
Median Household Income	$72,277.95	$75,511.19	$79,716.43
HOUSING VALUE			
Median Home Price	$456,776.92	$394,856.75	$386,534.54
Owner Occupied	41.86%	52.01%	59.77%
Renter Occupied	58.14%	47.99%	40.23%
LABOR FORCE			
Employed	93.28%	94.45%	94.99%
Unemployed	6.72%	5.55%	5.01%
COMMUTE			
Drove alone	49.50%	57.61%	64.91%
Worked from home	22.75%	21.91%	19.85%
Walked	15.41%	9.65%	6.62%
Carpooled	5.68%	5.83%	4.37%
Public transportation	4.42%	3.23%	2.51%
Bicycle	1.74%	1.42%	1.40%
Other	0.50%	<0.5%	<0.5%



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ACTUAL PROPERTY

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