



NAIKeystone

OLEY ST. RETAIL CENTER "THE SHOPS AT ROC"

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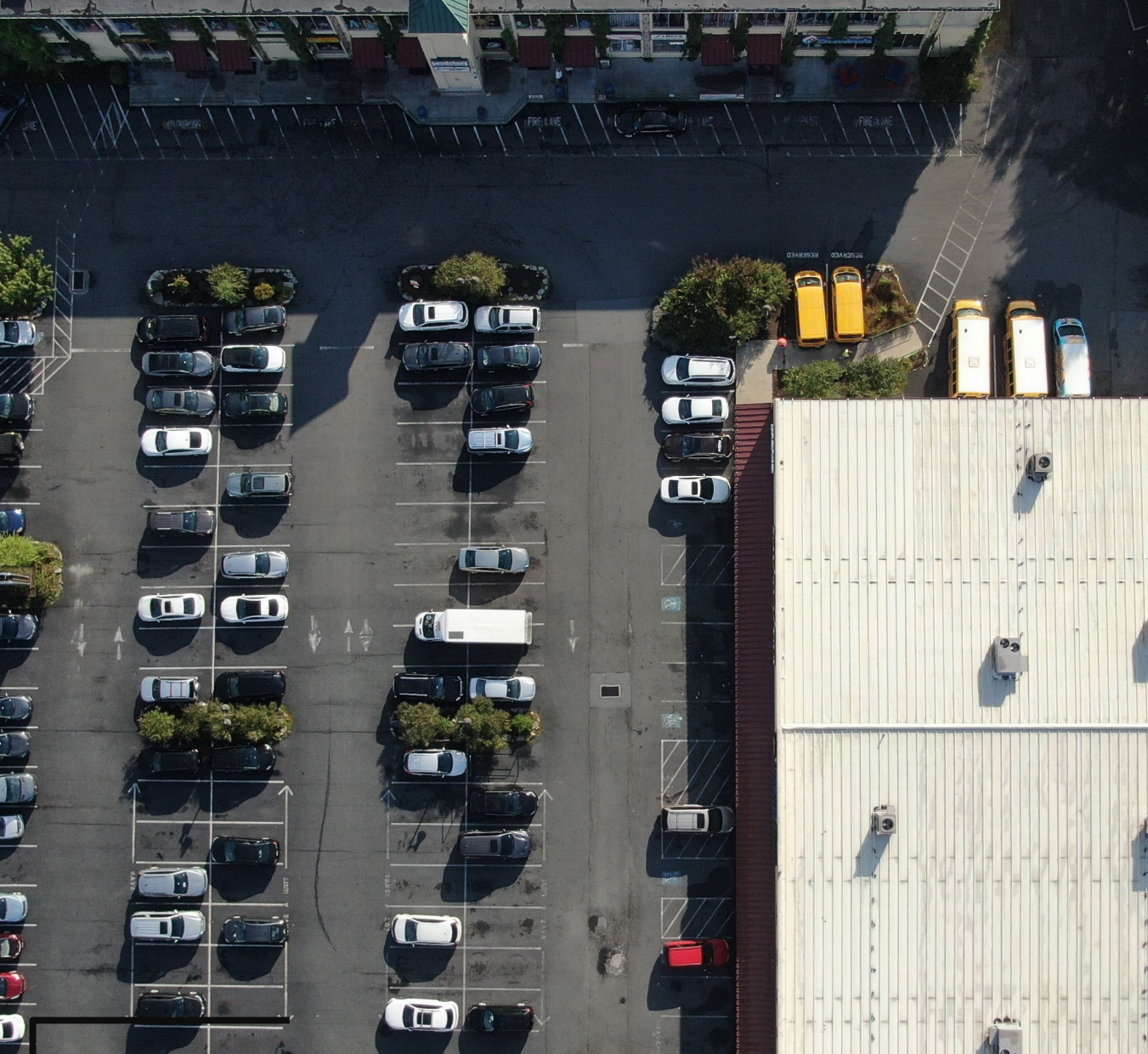
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OLEY ST. RETAIL CENTER

800-810 Oley St. & 626 N. 9th St.,
Reading, PA 19604



OLEY ST. RETAIL CENTER "SHOPS AT ROCK"

Class A Product - Fully Redeveloped in 2017

INVESTMENT OVERVIEW

NAI Keystone is pleased to present the Oley St. Retail Center, a.k.a. "Shops at Roc", located at 800-810 Oley St. & 626 N. 9th St., Reading, PA. The buildings have been operating as a neighborhood retail center for the last fifteen years with very stable tenancy. Located within a high density residential area, the center enjoys a strong pedestrian presence along with good parking for shopper convenience. The center is pivotal to providing critical retail options to North East Reading.

Building No. 8 was new built in 2011 and is anchored by Save-A-Lot Grocery Store, Building No. 4 and No 7 were originally built in 1932 as the Jackson Rope Factory that supplied high strength rope material for the U.S. Navy. No. 4 was complete renovated in 2010 which included all new mechanicals, roof, plumbing, electrical and windows. Bldg No. 7 was renovated in 1986 for Old Navy that occupied until approximately 2009, at which time it became El Canto Frutos Bakery which made additional improvements to the building and has operated there ever since.


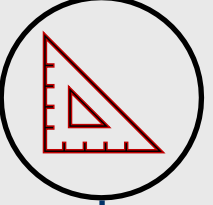
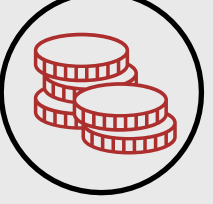
The property is ideally located within walking distance to the city center and surrounding amenities. The property is also conveniently located to several apartment complexes, urban residential homes, parks, universities, and colleges. This densely populated area lends itself to high occupancy rates for the subject property. The rents are currently below market, allowing a new investor a significant opportunity to increase net operating income. The majority of the existing tenants have occupied spaces with the center for ten to fifteen years.

The property offers strong and well diverse retail opportunities to the areas residential base, and as a result, is well occupied and positioned for stable growth. Due to the well managed and properly maintained service to the properties, the overall repair and maintenance budget and any future CapEx will be limited for the next ten years on average. It has a net rentable area of 80,286 SF, with a combined parcel size of 3.79 Acres. It consists of 11 retail units and 1 retail/bakery unit.

The Reading School District recently completed a new \$95 million High School one block away.

Important Note: As of April 2021, a solar panel array was installed on Building No. 4 at an investment of approximately \$560,000. The energy production of this array provides recovery electric credits to the property that average \$25,000 - \$40,000 annually.

INVESTMENT HIGHLIGHTS

PRIME LOCATION

- ▶ Convenient Access to Center City
- ▶ Walking Distance to Restaurants & Route 422
- ▶ 8 Minute Walk to Reading High School (approx. student body of 5,500)
- ▶ 3.5 Miles (9 mins) from Reading Regional Airport

RECENTLY UPDATED

- ▶ Renovated in 2009, 2010 and 2011
- ▶ All New Fire Alarm Systems
- ▶ All New Mechanical Systems
- ▶ Beautiful Features Incorporating Historic Features

STABILIZE RETAIL OPPORTUNITY

- ▶ Grocery Store Anchored Retail Center
- ▶ Long Term Tenants
- ▶ High Occupancy Rates
- ▶ Well Positioned in High Density Residential Neighborhood

PROPERTY MIX

Building Address	Bldg No.	No. of Units	Sq. Ft.	Avg Rent PSF
800 Oley St	8	3	23,976	\$14.95
810 Oley St	4	9	37,810	\$11.89
830 Oley St / 626 N. 9th St	7	1	18,500	\$4.93

PROPERTY OVERVIEW

OLEY ST. RETAIL CENTER

801 Oley St. & 626 N. 9th St., Reading, PA 19604

OFFERING PRICE

\$9,900,327

NET OPERATING INCOME

\$693,023

PROPERTY INFO

Neighborhood	Outlet Area MF
Parcel	12-5307-60-93-6975; 12-5307-60-93-8971
Location	Suburban
Zoning	CN – Commercial Neighborhood

BUILDING DESCRIPTION

Year Built / Renovated	2011 / 2009 / 1932
Type	Neighborhood Retail Center
Buildings	3
Stories	(1) One Story Bldg, (2) Two Story Bldgs

SCHOOL DISTRICT

Elementary	Tenth & Green El School	689 Students
Middle School	Northeast Middle School	956 Students
High School	Reading Senior High School	4,779 Students

COLLEGES

Reading Area Community College	1.5 Miles
Albright College	1.8 Miles
Alvernia University	3.4 Miles

COMM. UNITS

13

PARKING

179

LOT SIZES (AC)

3.79

NEW BUILD

2011

YEAR REBUILT

2010



**THIRD BUILDING, EL ENCANTO BAKERY AT
830 OLEY STREET | 626 N. 9TH STREET**



SECURITY
CAMERAS



NEW /STABLE
ROOFS



RARE CITY ON-
SITE PARKING

COMMON AREA AMENITIES

- Grocery Anchored Center
- On-Site Maintenance
- Security Monitors
- On-Site Parking

UNIT AMENITIES

- Proper Store Fronts
- Clean / Well Managed
- Fully Sprinkled
- Well Lighted
- Fully ADA Compliant
- 24 / 7 / 365 Operations

PROPERTY DETAILS

SITE DESCRIPTION

Units	13
Buildings	3
Stories	(1) One Story Bldg, (2) Two Story Bldgs
Year Built	2011 / 2009 / 1932
Rentable Square Feet (Retail/Flex)	80,286
Topography	Flat
Parking	179 Spaces
Density	High Density, Urban
Ownership	Fee Simple

MECHANICAL

HVAC	100% New/Updated
Wiring	100% New/Updated
Fire Protection	Fully Sprinklered

CONSTRUCTION

Foundation	Concrete, Masonry, Steel
Framing	Brick, Masonry, Hardwood Beams
Exterior	Brick & Masonry
Parking Surface	Asphalt
Roof	Bldg 4 EPDM 2010; Bldg 7 Rubber/Shingle (2006), Bldg 8 Standing Metal (2011)



OLEY ST. RETAIL CENTER

FINANCIAL ANALYSIS

RENT ROLL

TENANT	Bldg #	Unit	Sq. Ft.	Rate	Annual Rent	Mo. Rent	Cam\$/Yr	CAM/SF	Start Date	End Date	An. Rent Esc	Options to Renew	Notes
Save-a-Lot	8		15,552	\$13.37	\$207,867.96	\$17,322.33	\$52,568.00	\$3.38	8/15/2021	9/30/2031	2%*	(1) Five Yr	* 10% Rent Increase every 5 yrs. CAM incl \$30,200 property tax.
Space A - Daycare	4	A	4,747	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8/1/2013	9/30/2030			Rent included in Spaces H-J
Taqueria	4	B	2,613	\$18.67	\$48,792.55	\$4,066.05	\$3,300.00	\$1.26	10/1/2010	10/31/2046	3%	(1) Five Yr	Cam capped at 4% annually
Taqueria	4	C	1,260	\$0.00	\$0.00	\$0.00	\$3,085.20	\$2.45	10/1/2010	10/31/2046			Rent included in Unit B
Chinese Restaurant - Xi Dong	4	D	2,639	\$11.75	\$31,008.25	\$2,584.02	\$5,276.04	\$2.00	6/1/2011	5/31/2032	3%	Rolling 1 Yr	
Reading Barber Institute	4	E	3,360	\$12.03	\$40,420.80	\$3,368.40	\$6,717.60	\$2.00	8/1/2016	12/31/2030	3.5%	Rolling 1 Yr	In operation since 2007
Salon Dulce Perez	4	F	1,350	\$14.15	\$19,102.50	\$1,591.88	\$3,600.00	\$2.67	9/1/2024	8/31/2029	3%	Rolling 1 Yr	In operation since 2018
Multi Service	4	G1	1,300	\$16.00	\$20,799.36	\$1,733.28	\$3,420.00	\$2.63	6/1/2021	12/31/2029	3%	(2) Three Yr	
Dominos Pizza	4	G2	2,216	\$12.86	\$28,497.76	\$2,374.81	\$4,430.40	\$2.00	9/1/2020	8/31/2030	3%	(2) Five Yr	
Daycare	4	H-J	18,325	\$9.66	\$177,019.50	\$14,751.63	\$27,600.00	\$1.51	7/15/2010	9/30/2030	3%	Rolling 1 Yr	
El Canto Bakery Frutos	7		18,500	\$4.93	\$91,205.00	\$7,600.42	\$20,061.00	\$1.08	12/1/2009	12/31/2030	3%	Rolling 1 Yr	
Metro PCS	8		2,008	\$18.08	\$36,304.64	\$3,025.39	\$5,541.60	\$2.76	7/1/2011	6/30/2026	3%		
Super Dollar	8		6,416	\$13.41	\$86,038.56	\$7,169.88	\$19,301.40	\$3.01	6/1/2011	5/31/2036	3%	Rolling 1 Yr	

80,286 \$787,056.88 \$154,901.24

Solar SREC	\$12,000.00		
BillBoard	\$2,600.00		
Electric Recapture from Tenants	\$3,600.00		
Solar Electric Credit	\$12,000.00		Annual Avg Credit

\$30,200.00

Avg. recapture from Oversupply

OPERATING STATEMENT

Income	2025	PSF	2026 w 3% Increases	PSF
Retail				
Gross Rent	\$787,056.88	\$9.80	\$810,668.59	\$10.10
Reimbursements	\$154,901.24	\$1.93	\$159,548.28	\$1.99
All Other Income	\$30,200.00	\$0.38	\$31,106.00	\$0.39
Total EGI	\$972,158.12	\$12.11	\$1,001,322.86	\$12.47
	<u>2025 Income</u>		<u>2026 Income</u>	
Total EGI	\$972,158.12		\$1,001,322.86	
Expenses	<u>(\$299,491.38)</u>		<u>(\$308,299.95)</u>	
NOI	\$672,666.74		\$693,022.91	
			7% Cap Rate: \$9,900,327	

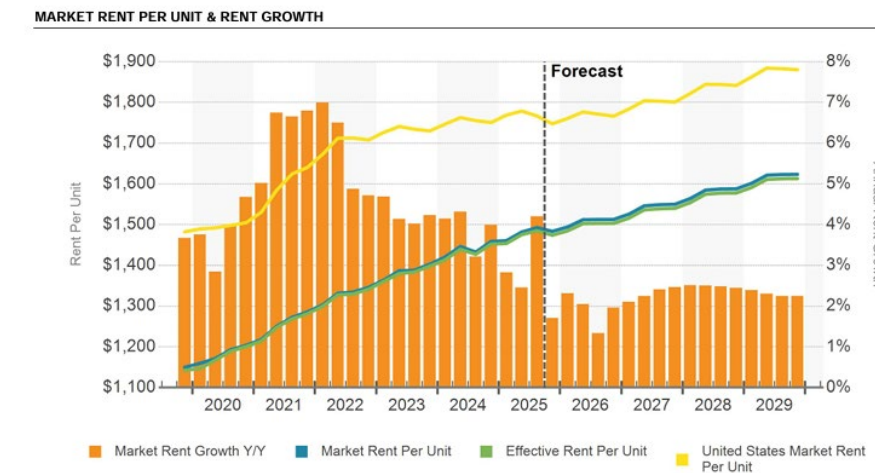
Expenses	2023	2024	Notes
Bank Service Charges	\$603	\$1,214	
Meals & Entertainment		\$802	
Credit Card Merchant Fees		\$1,627	
Management Fees	\$37,763	\$36,498	Incl. in-house Accounting
Outside Accounting Fees	\$1,800	\$1,872	
Legal Fees	\$0	\$10	
Licences & Permits	\$63	\$55	
Workers Comp Insurance	\$1,921	\$2,540	
Property Insurance	\$33,705	\$20,321	
Repairs & Maint.	\$20,167	\$52,119	Incl. TIA for commercial leases and roof re-sealing of seams
Landscaping / Snow Removal	\$9,429	\$10,220	
Supplies	\$7,124	\$2,227	
Elevator Service / Repairs	\$1,795	\$7,667	Three-year State Inspection in 2024
Alarm Systems	\$8,145	\$14,100	Includes Fire Alarm 5 yr extinguisher replacement
Maintenance Labor	\$3,084	\$2,211	
Landscaping Labor		\$6,000	One Time Allocation in 2024 for beautification project
Cleaning Labor	\$4,498	\$5,906	
Security Labor	\$6,785	\$7,053	Incl. parking enforcement labor. Discontinued.
Trash	\$32,515	\$24,600	
Utilities - Electric	\$6,619	\$7,087	
Utilities - Water / Sewer	\$0	\$0	Water Usage billed back to Tenants - direct pass through
Property Taxes	\$84,556	\$89,490	2025 Tax = \$95,732.93
Total	\$260,572	\$293,619	

MARKET LEADING DEMOGRAPHICS

Excellent Retail Fundamentals

The markets proximity to employment centers, residential, major highways, and the proposed train station with service directly to Philadelphia makes the properties a desirable place For Retail tenants.

MARKET RENTS & GROWTH



READING, PA

Total Households	112,940
Average Household Size	3.2
Median Household Income	\$61,057
Median Home Value	\$175,390
Median Year Built	1960
Average Rent	\$1,489
Population Density	488 Per Square Mile
Rent Increase (since 2019)	5.4%

READING, PA

AT A GLANCE

94,410
TOTAL POPULATION

2.2%
ANNUAL POPULATION GROWTH

32
MEDIAN AGE

\$49,249
AVERAGE HOUSEHOLD INCOME

117,117
TOTAL DAYTIME EMPLOYEES

MARKET OVERVIEW

Reading, PA

THE CITY OF READING, PA

Located in southeastern Pennsylvania on the Schuylkill River, Reading sits about halfway between Harrisburg and Philadelphia. Nicknamed the "Pretzel City" for its numerous local pretzel bakeries, Reading is home to an array of independent businesses, many of which line Penn Street in Downtown Reading and Penn Avenue in West Reading.

Among Reading's many vibrant attractions are the GoggleWorks Center for the Arts, Reading Public Museum, Mid-Atlantic Air Museum, the Pagoda, and FirstEnergy Stadium—home of the minor-league Reading Fightin Phils. Opportunities for outdoor adventure abound, with a host of scenic parks and more than 125 miles of biking and hiking trails in Greater Reading.

The population in this city has fluctuated over the years, showing a modest increase of approximately 12.5% since 2000. As of the most recent estimates, there are around 94,000 residents in Reading, and projections suggest a growth rate of about 1.89% over the next five years. The local economy has remained stable, with approximately 151,964 employees reported in the region in 2019.

STRATEGIC LOCATION



Located 3.5 Miles from the *Reading Regional Carl A. Spatz Field Airport* serving South-eastern Pennsylvania

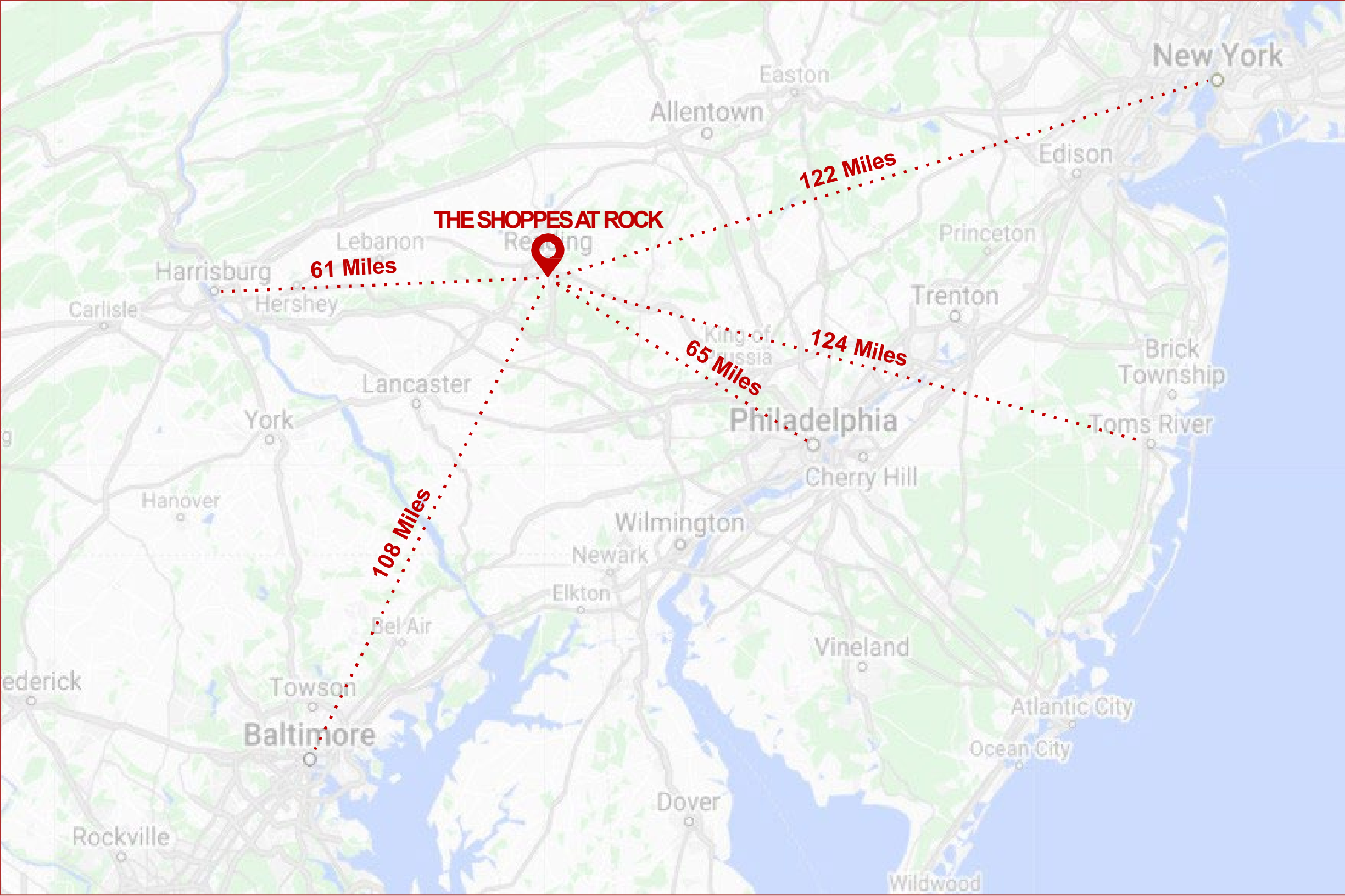


Apartments.com Gave Reading a Walkability Score of 78 - Very Walkable

ATTRACTIONS

A-
Overall Niche Diversity Grade for Reading, PA





READING, PA IN THE PRESS



Reading-to-Philadelphia Rail Proposal Gaining Steam

The idea to reconnect Berks County by rail with Philadelphia and other places in between is gaining steam.

For the full story: [Article](#)

Reading-to-Philly Rail Could Bring \$1B Boost to Region

First trains could be running by 2025.

For the full story: [Article](#)



Life in West Reading, Berks County

West Reading, home of Reading Hospital - Tower Health, is a thriving borough with walkable downtown that features shops, restaurants and boutiques.

For the full story: [Article](#)

Reading Campus

In 2021, Reading Hospital will become a 4-year regional campus of the College of Medicine and will begin training first-year medical students.

For the full story: [Article](#)



Alvernia College Breaks Ground on Reading College Town Project

For the full story: [Article](#)



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