



**PICK 'N SAVE (Kroger Subsidiary – S&P BBB)**  
2518 West Washington Street  
West Bend, WI 53080 (Milwaukee MSA)

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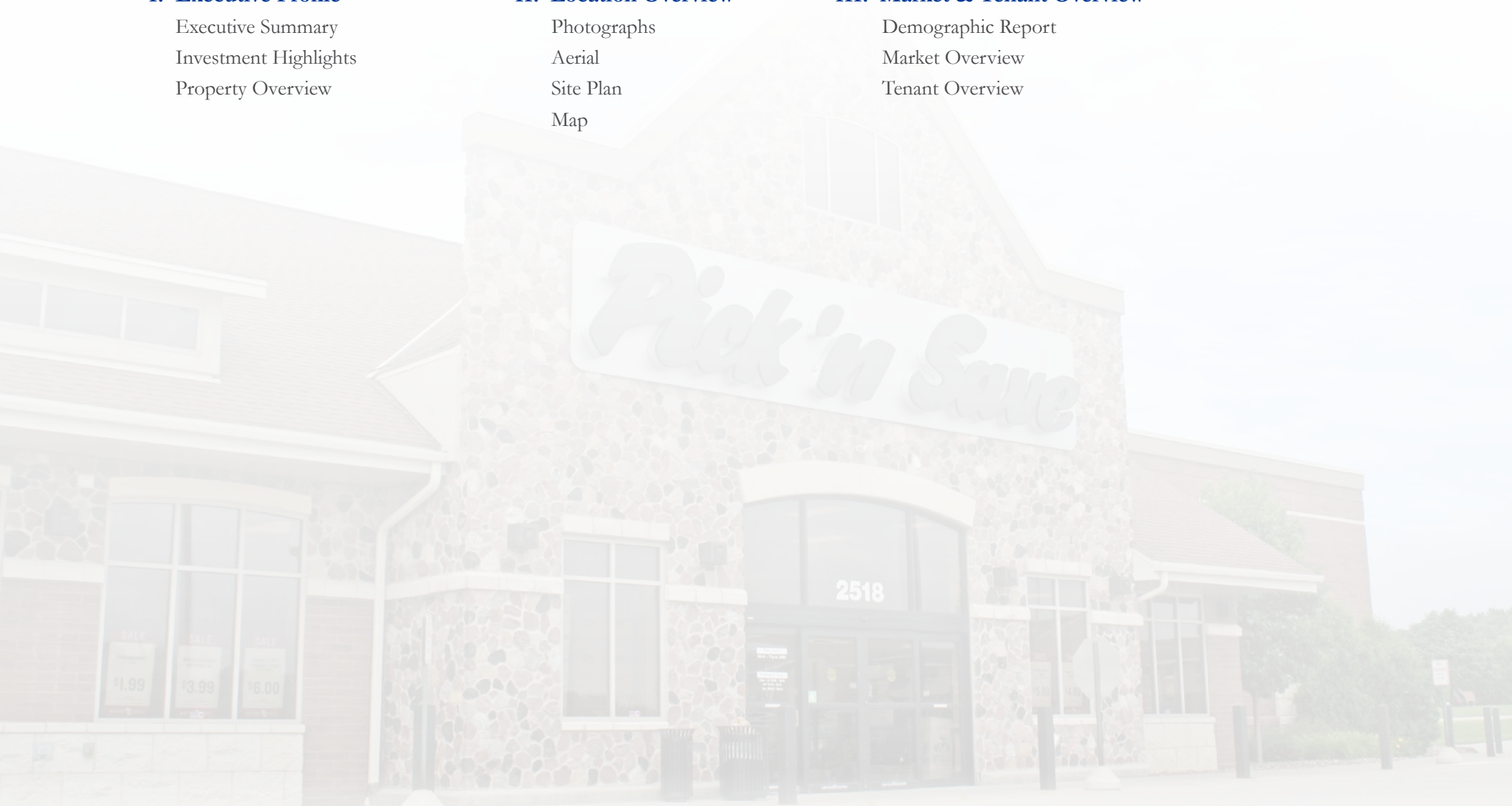
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**DISCLAIMER  
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

**EXECUTIVE  
SUMMARY:**

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Pick ‘n Save grocery store located within the Milwaukee MSA. Pick ‘n Save has operated in the immediate area since 1984, demonstrating the tenant’s commitment to the location and successful operating history. The property is strategically positioned along Washington Street and just off of US Route 45 which connects West Bend to Milwaukee. There are approximately 14 years remaining on the Pick ‘n Save lease which expires December 31, 2030. This triple net lease has rental escalations in the primary term and each four 5-year renewal option.

The 63,160 square foot Pick ‘n Save is strategically positioned along West Washington Street. West Washington Street is the primary east-west thoroughfare in the trade area and experiences traffic counts of 20,000 vehicles per day. US Route 45 is located immediately to the east of the Pick ‘n Save property and experiences traffic counts of 34,000 vehicles per day.

The Pick ‘n Save grocery store features an on-site pharmacy. The property is positioned near an Aurora Health Center which includes a clinic, vision center, laboratory, behavioral health center and pharmacy.

Pick ‘n Save is owned and operated by Roundy’s Supermarkets, Inc. throughout the state of Wisconsin. There are 93 Pick ‘n Save stores that employ approximately 10,000 employees. In addition to Pick ‘n Save, Roundy’s operates 68 other grocery stores through the Mariano’s, Copps and Metro Market flags. Roundy’s was acquired on December 18, 2015 by The Kroger Company, a publicly traded company on the New York Stock Exchange (KR).

A background image of a Pick 'n Save grocery store building with a stone facade and a large sign that says "Pick 'n Save".

## INVESTMENT HIGHLIGHTS:

### Investment Opportunity to Acquire a Grocery Store Leased to Wisconsin's Premier Grocer

- Pick 'n Save is the market share grocery leader in the Milwaukee MSA
- Pick 'n Save (Roundy's) was recently acquired by Kroger (S&P: BBB)

### Strong Operating History

- Pick 'n Save has operated in the immediate area since 1984
- Above average store sales (Approximately 22% higher than the average Roundy's location)

### Attractive Lease Structure

- Long term lease with approximately 14 years remaining
- Rental escalations in the primary term and each renewal option
- Minimal landlord responsibilities

### Modern Grocery Store Format

- Recent construction (2010)
- Abundant parking with over 260 parking spaces

### Strategic Location

- Located within the Milwaukee MSA
- Positioned along a primary east-west thoroughfare in a trade area which experiences traffic counts of 20,000 vehicles per day
- Immediate proximity to US Route 45, the main highway connecting West Bend to Milwaukee
- Average household income within five miles is approximately \$75,000

### Desirable Midwest Market

- Milwaukee is a desirable Midwest market with metropolitan population of approximately 1.6 million
- The Milwaukee metro is headquarters to eight Fortune 500 Companies: Johnson Controls (70), Northwestern Mutual (100), Manpower (144), Kohl's (145), Rockwell Automation (412), Harley-Davidson (432), WEC Energy (437) and Fiserv (492)

**PROPERTY  
OVERVIEW:**

Price:	\$18,945,000														
Cap Rate:	6.00%														
Net Operating Income:	\$1,136,678														
Rent Schedule:	<table> <thead> <tr> <th><u>NOI</u></th> <th><u>Escalation Date</u></th> </tr> </thead> <tbody> <tr> <td>\$1,136,677.50</td> <td></td> </tr> <tr> <td>\$1,201,630.50</td> <td>1/1/2021</td> </tr> <tr> <td>\$1,266,583.50</td> <td>1/1/2031 (Option 1)</td> </tr> <tr> <td>\$1,331,536.50</td> <td>1/1/2036 (Option 2)</td> </tr> <tr> <td>\$1,396,489.50</td> <td>1/1/2041 (Option 3)</td> </tr> <tr> <td>\$1,461,422.50</td> <td>1/1/2046 (Option 4)</td> </tr> </tbody> </table>	<u>NOI</u>	<u>Escalation Date</u>	\$1,136,677.50		\$1,201,630.50	1/1/2021	\$1,266,583.50	1/1/2031 (Option 1)	\$1,331,536.50	1/1/2036 (Option 2)	\$1,396,489.50	1/1/2041 (Option 3)	\$1,461,422.50	1/1/2046 (Option 4)
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\$1,461,422.50	1/1/2046 (Option 4)														
Rent Commencement Date:	January 9, 2010														
Lease Expiration Date:	December 31, 2030														
Renewal Options:	Four 5-Year														
Tenant:	Roundy's Supermarkets, Inc. (a wholly owned subsidiary of The Kroger Company – S&P BBB)														
Year Built:	2010														
Lease Type:	NNN (Structure Only)*														
Building Size:	63,160 SF														
Land Size:	6.25 Acres														

*\* If the lease ends within ten years of any roof repairs or replacement paid for by Tenant (which cost \$50,000 or more), Landlord will reimburse Tenant the unamortized portion of such cost based on a ten year straight line depreciation.*





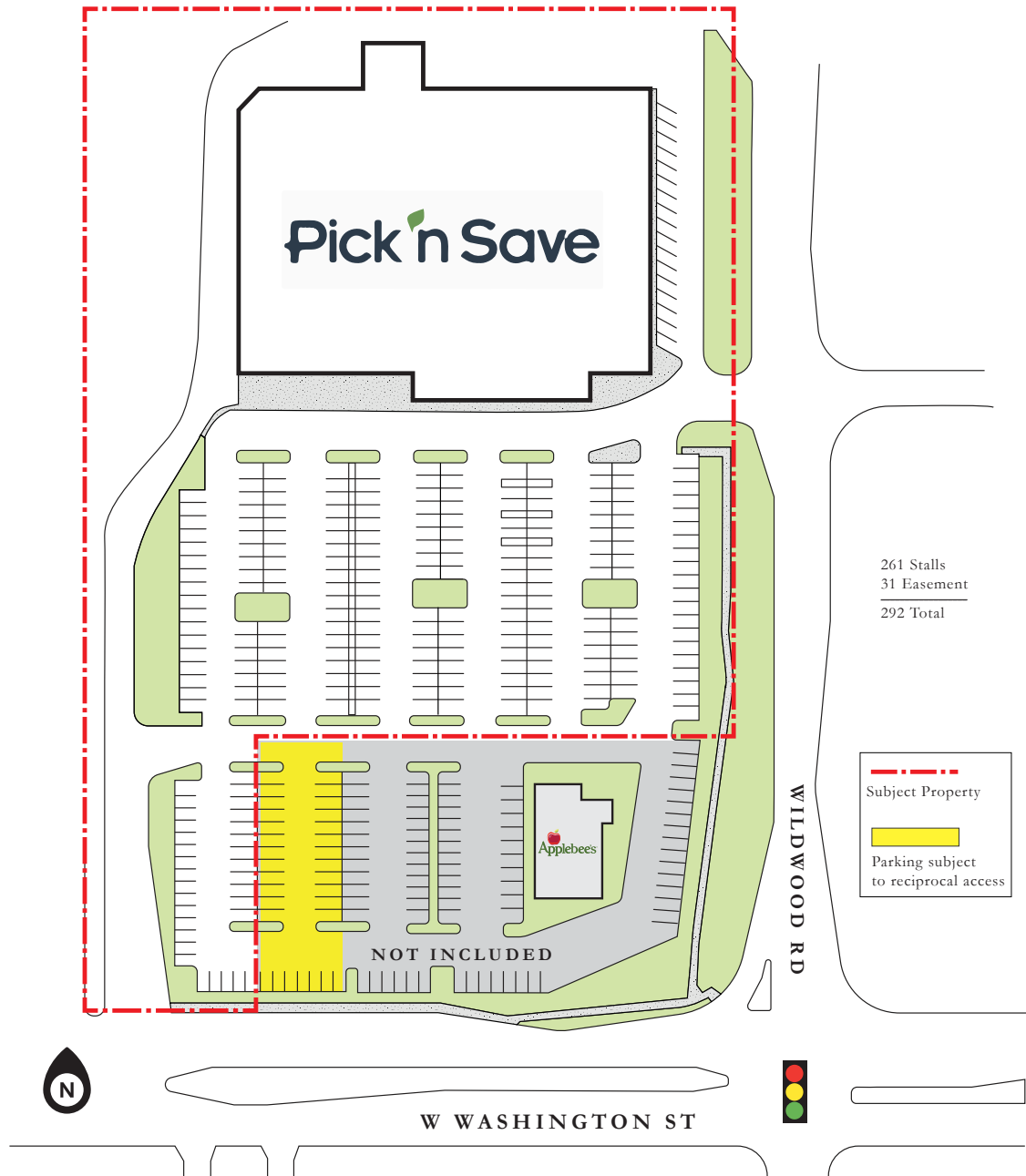




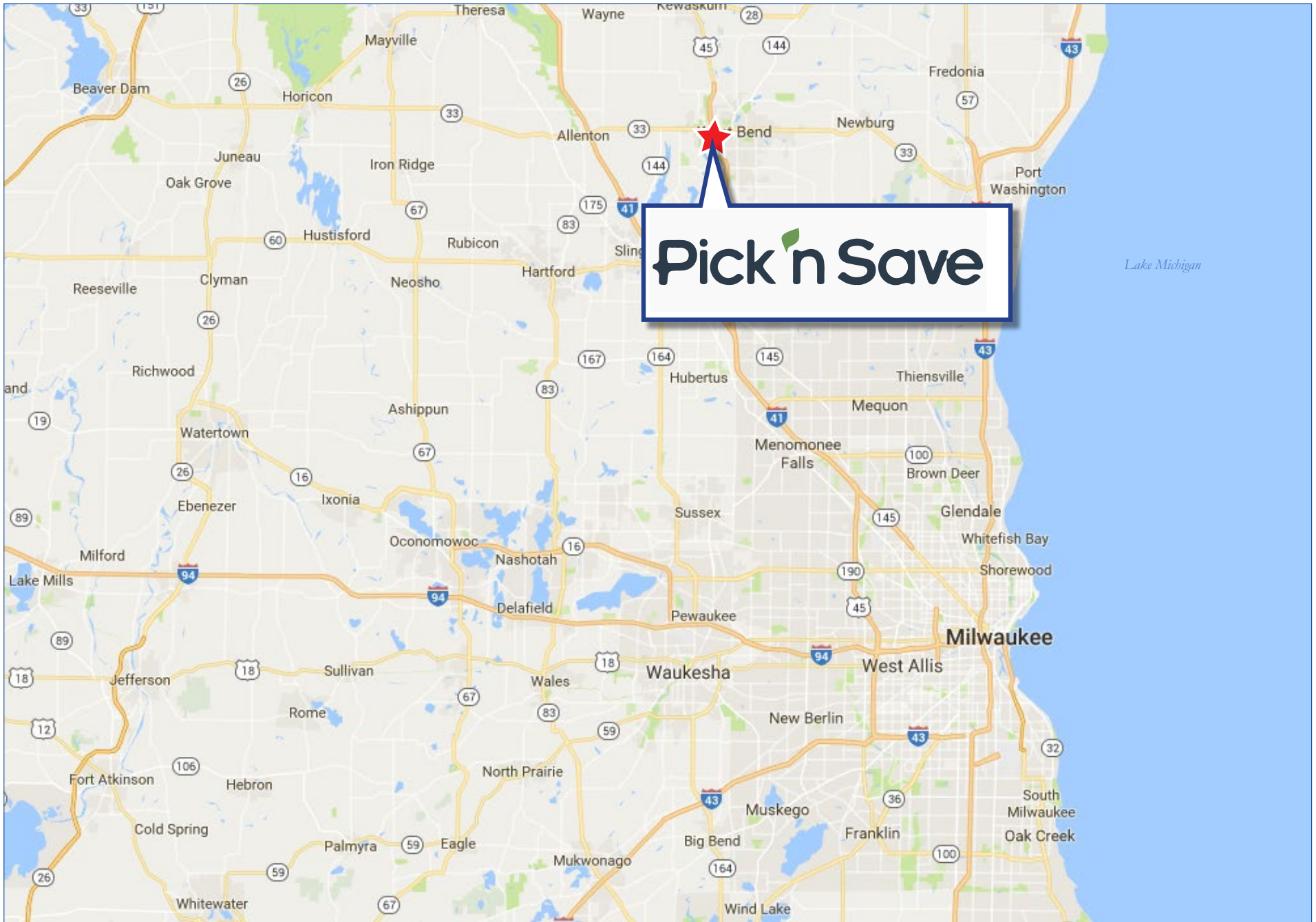
Representative Images













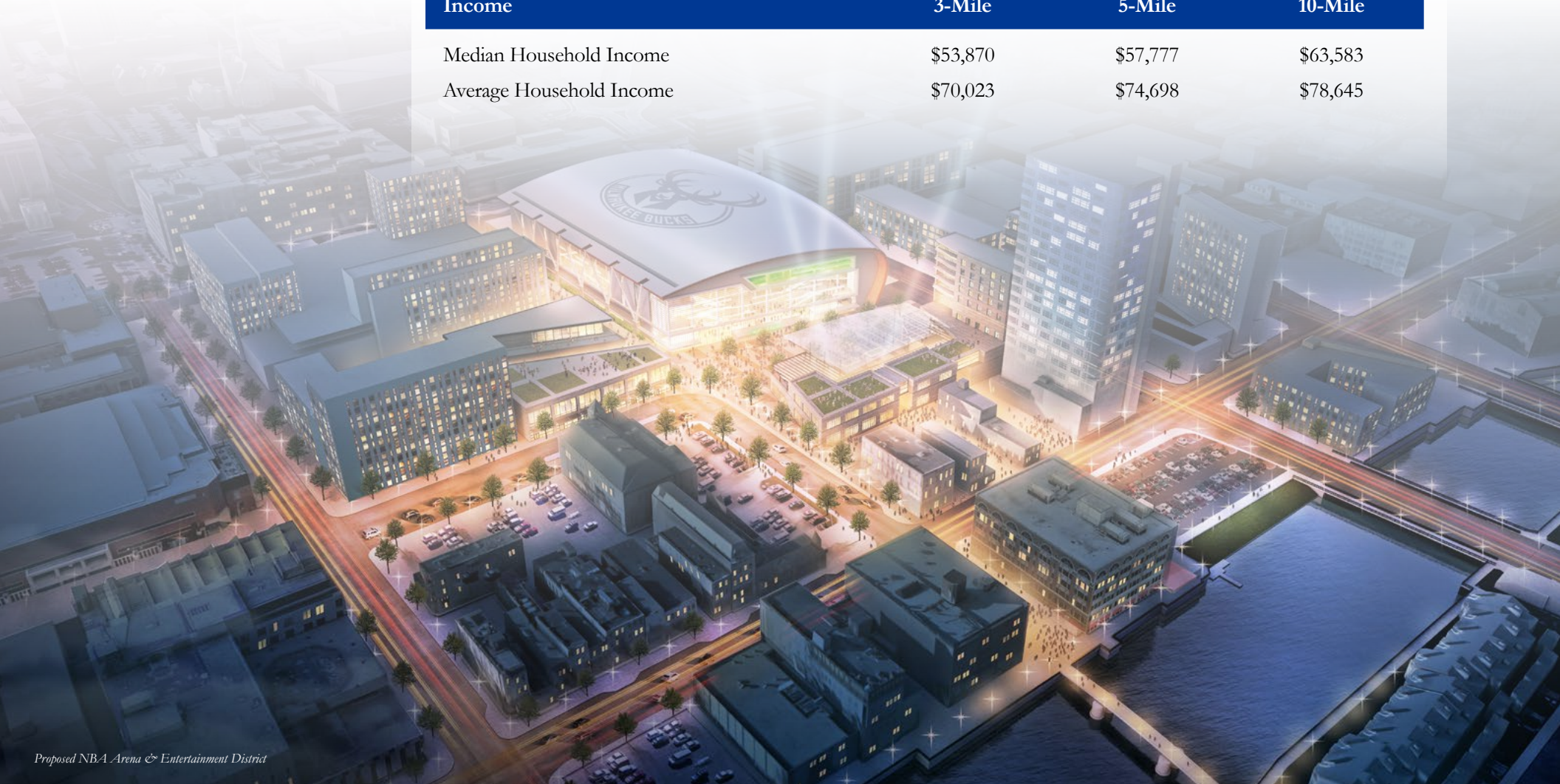
**DEMOGRAPHIC REPORT:**

Population	3-Mile	5-Mile	10-Mile
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Total Population	31,128	43,806	84,423
Total Households	12,887	17,640	33,452

Income	3-Mile	5-Mile	10-Mile
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Median Household Income	\$53,870	\$57,777	\$63,583
Average Household Income	\$70,023	\$74,698	\$78,645





**MARKET  
OVERVIEW:**

**West Bend**

West Bend, population 31,078 (2010 Census), is the county seat of Washington County, Wisconsin (part of the Milwaukee metropolitan area). Although many current residents of West Bend work in neighboring communities, the city's economy has been historically based in manufacturing and financial services. The West Bend Municipal Airport is a city owned, public use airport located just east of the central business district of West Bend.



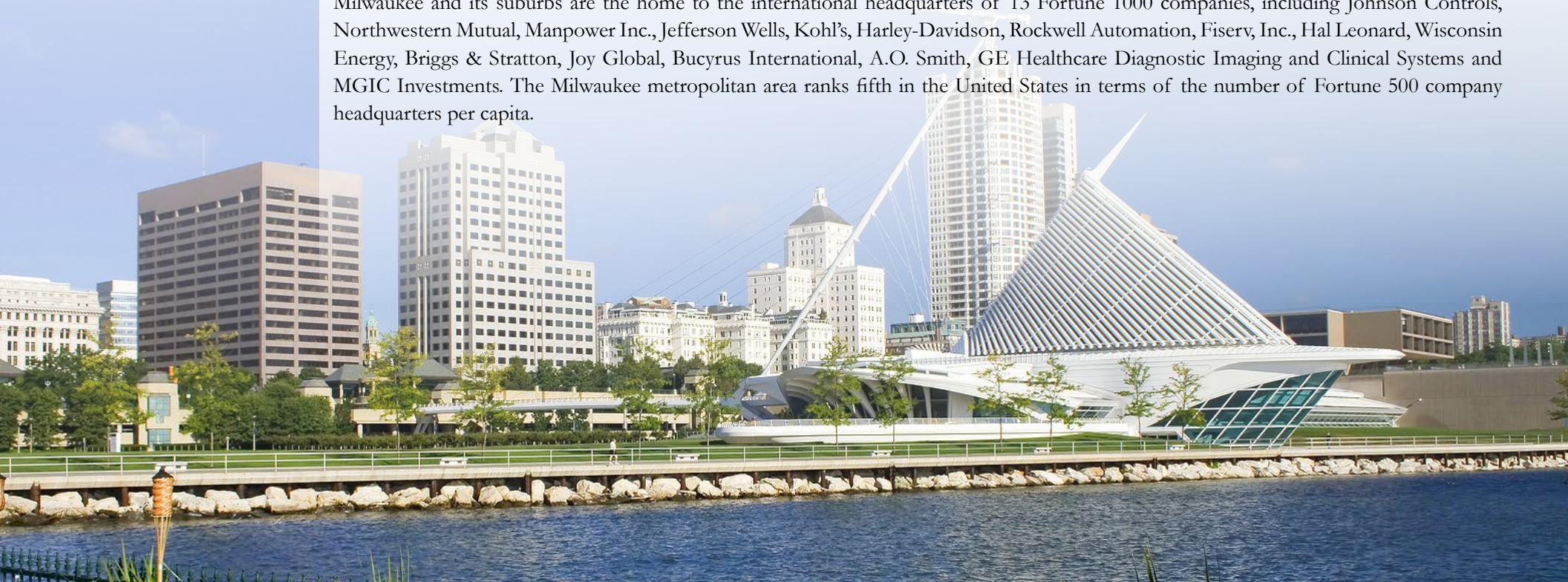
**Milwaukee MSA:**

**Overview**

Milwaukee is the largest city in Wisconsin, the 28th most populous city in the United States and comprises nearly one-third of the state's entire population. Milwaukee is located on the southwestern shore of Lake Michigan and has a population of 594,833 (2010 Census) with an MSA population of 1,751,316.

**Economy**

Milwaukee and its suburbs are the home to the international headquarters of 13 Fortune 1000 companies, including Johnson Controls, Northwestern Mutual, Manpower Inc., Jefferson Wells, Kohl's, Harley-Davidson, Rockwell Automation, Fiserv, Inc., Hal Leonard, Wisconsin Energy, Briggs & Stratton, Joy Global, Bucyrus International, A.O. Smith, GE Healthcare Diagnostic Imaging and Clinical Systems and MGIC Investments. The Milwaukee metropolitan area ranks fifth in the United States in terms of the number of Fortune 500 company headquarters per capita.





**MARKET  
OVERVIEW:**

**Location & Transit**

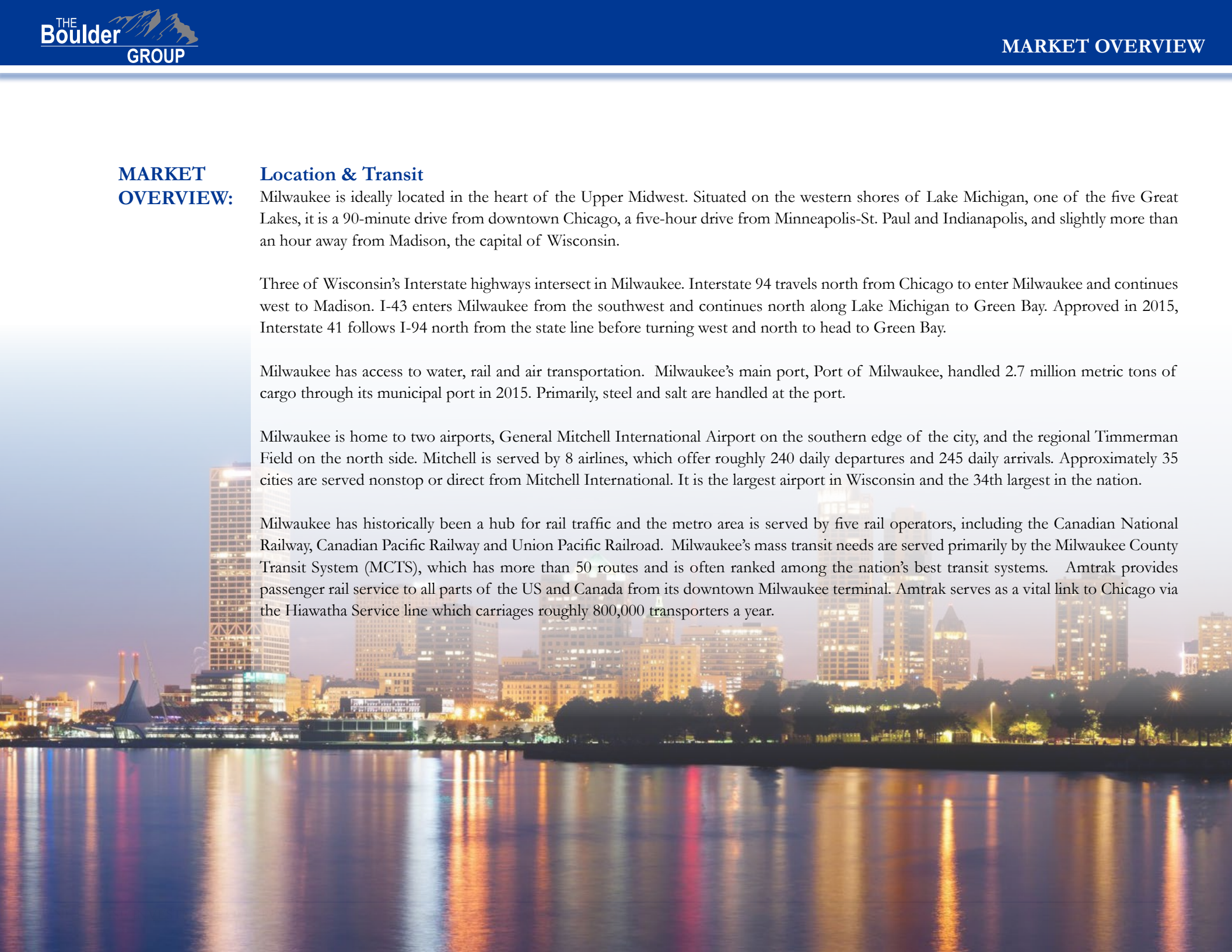
Milwaukee is ideally located in the heart of the Upper Midwest. Situated on the western shores of Lake Michigan, one of the five Great Lakes, it is a 90-minute drive from downtown Chicago, a five-hour drive from Minneapolis-St. Paul and Indianapolis, and slightly more than an hour away from Madison, the capital of Wisconsin.

Three of Wisconsin's Interstate highways intersect in Milwaukee. Interstate 94 travels north from Chicago to enter Milwaukee and continues west to Madison. I-43 enters Milwaukee from the southwest and continues north along Lake Michigan to Green Bay. Approved in 2015, Interstate 41 follows I-94 north from the state line before turning west and north to head to Green Bay.

Milwaukee has access to water, rail and air transportation. Milwaukee's main port, Port of Milwaukee, handled 2.7 million metric tons of cargo through its municipal port in 2015. Primarily, steel and salt are handled at the port.

Milwaukee is home to two airports, General Mitchell International Airport on the southern edge of the city, and the regional Timmerman Field on the north side. Mitchell is served by 8 airlines, which offer roughly 240 daily departures and 245 daily arrivals. Approximately 35 cities are served nonstop or direct from Mitchell International. It is the largest airport in Wisconsin and the 34th largest in the nation.

Milwaukee has historically been a hub for rail traffic and the metro area is served by five rail operators, including the Canadian National Railway, Canadian Pacific Railway and Union Pacific Railroad. Milwaukee's mass transit needs are served primarily by the Milwaukee County Transit System (MCTS), which has more than 50 routes and is often ranked among the nation's best transit systems. Amtrak provides passenger rail service to all parts of the US and Canada from its downtown Milwaukee terminal. Amtrak serves as a vital link to Chicago via the Hiawatha Service line which carries roughly 800,000 transporters a year.





**TENANT  
OVERVIEW:**

**Pick ‘n Save:**

The first Pick ‘n Save opened March 25, 1975 in Milwaukee, Wisconsin and today, 93 Pick ‘n Save stores and its 10,000 employees serve communities across Wisconsin. Current stores are filled with fresh products, restaurant quality prepared foods, full service counters, meal ideas, food and beverage pairings and more. Pick ‘n Save is the number one market share grocer in the Milwaukee MSA and is owned and operated by Roundy’s Supermarkets, Inc.

Website: [www.picknsave.com](http://www.picknsave.com)  
 Number of Locations: 93  
 Year Founded: 1975  
 Employees: Approximately 10,000  
 Owner/Operator: Roundy’s Supermarkets, Inc.



**Roundy’s Supermarkets, Inc:**

Roundy’s, a wholly owned subsidiary of The Kroger Company, is a supermarket chain with 161 stores and 97 pharmacies in Wisconsin and Illinois and is headquartered in Milwaukee. Roundy’s operates under the names “Pick ‘n Save” throughout Wisconsin, “Copp’s Food Center” in northern Wisconsin and the Madison area, “Metro Market” in the Milwaukee and Madison area, and “Mariano’s Fresh Market” in the Chicago metropolitan area. It is the number one market share grocer in the Milwaukee MSA, Madison MSA and has recently grown to number two in the Chicago MSA under its flagship names. Roundy’s Supermarket’s was acquired on December 18, 2015 by The Kroger Company, a publicly traded company on the New York Stock Exchange (KR). In 2009, Roundy’s Supermarkets, Inc. was named Outstanding Regional retailer by Progressive Grocer.

Website: [www.roundys.com](http://www.roundys.com)  
 Number of Locations: 161 stores / 97 pharmacies  
 Headquarters: Milwaukee, WI  
 Year Founded: 1872  
 Employees: Approximately 20,000



**TENANT  
OVERVIEW:**

**The Kroger Company (Kroger):**

Kroger was founded in 1883 in Cincinnati, Ohio and currently operates 2,778 grocery retail stores in 35 states under nearly two dozen banners. Their formats include supermarkets, price-impact warehouse stores, and multi-department stores, which are similar to supercenters, but offer an expanded variety of national brand appeal and general merchandise. Food stores are Kroger's primary business and account for approximately 94% of total company sales. Convenience stores (785), jewelry stores (323) and manufacturing facilities (38) contribute the remainder of total sales.

Kroger is the country's largest supermarket chain by revenue (\$109.83 billion for fiscal year 2015), second-largest general retailer (behind Walmart), and twenty-third largest company in the United States. Kroger is also the fifth largest retailer in the world.

Kroger is a publicly traded company on the New York Stock Exchange (KR). The company is investment grade rated with a Standard & Poor's rating of BBB

Website:	<a href="http://www.thekrogerco.com">www.thekrogerco.com</a>
Number of Locations:	2,778
Headquarters:	Cincinnati, OH
Stock Symbol:	KR : NYSE
Standard & Poor's Rating:	BBB
Market Capitalization:	\$109.83 Billion (2015)







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