



OFFERING MEMORANDUM



603 HIGHWAY 78 EAST | JASPER, AL 35501

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LISTED BY

ANDREW GROSS
SENIOR ASSOCIATE

DIR (214) 295 4511
MOB (435) 659 1404
andrew.gross@matthews.com
LIC # 01987860 (TX)

BROKER OF RECORD

KYLE MATTHEWS
LIC # 110253 (AL)



EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS



PROPERTY

- High-quality construction: Steel-framed with concrete block
- Minimal landlord responsibilities – Providing out-of-state investors with an incredible opportunity for passive income
- Tenant just signed brand new lease extension for an additional 5 Years, proving their commitment to this site
- Replaceable rent, the tenant paying just \$9.43 PSF
- Advance Auto Parts has operated successfully at this location for nearly two decades



LOCATION

- Huge Traffic Counts: Property is located on the main retail corridor, Highway 78, which sees over 30,000 ADT
- Jasper is home to the State of Alabama's newest High School: Jasper High School, a \$54.8 million brand new development completed in 2017 and just 2 miles from the subject property
- Growing retail area – Recently constructed Mattress Firm built next door to the subject property
- The subject property sits in the perfect retail location directly across the street from McDonald's, Walgreens, CVS and nearby retailers including Burger King, Circle K, Hobby Lobby, TJ Maxx, The Home Depot, AT&T, Chick-fil-A, and a Walmart Supercenter
- Located in a "Do-it-Yourself" city, fitting into the Advance Auto Parts prototypical market
- Average Household income in Advance Auto Parts "Sweet-Spot"



TENANT

- Investment Grade Credit Tenant | S&P Rated BBB-
- Market Cap of \$11.84 Billion
- 5,293 Stores Nationwide
- Fortune 500 Company



An aerial photograph of a commercial property, likely a car parts store, with a red tint overlay. The building is a long, single-story structure with a flat roof and a red sign that reads "Advance Auto Parts". Several cars are parked in the lot in front of the building. To the left of the building is a brick building with a small entrance. In the background, there are residential houses and a dense line of trees. The text "FINANCIAL OVERVIEW" is overlaid in large white letters across the center of the image.

FINANCIAL OVERVIEW



\$910,345
LIST PRICE



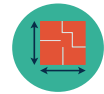
±7,000
GLA



7.25%
CAP RATE



±0.91 AC
LOT SIZE



\$66,000
NOI



2000
YEAR BUILT



TENANT SUMMARY

Tenant Name	Advance Auto Parts
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	10 Years
Rent Commencement Date	02/07/00
Lease Expiration Date	12/31/25
Term Remaining	7 Years
Increases	In Option Periods
Options	Two, 5-Year Options
Roof & Structure	Landlord Responsible

ANNUALIZED OPERATING SUMMARY

	ANNUAL
Option 1	\$73,920
Option 2	\$82,790
Option 3	\$92,725
Percentage Increase	12%



SURROUNDING TENANT MAP



TENANT OVERVIEW

An aerial photograph of a commercial property, likely a retail or industrial park. The scene is dominated by a large, paved parking lot in the foreground and middle ground. Several vehicles are parked, including a red pickup truck, a silver SUV, and a white sedan. To the left, there is a brick building with a white clock tower. To the right, there is a large, single-story building with a red sign that reads "Advance Auto Parts". The background shows a residential area with houses and a dense line of trees. The entire image has a reddish tint.



COMPANY NAME

Advance Auto Parts

OWNERSHIP

Public

YEAR FOUNDED

1929

INDUSTRY

Auto Service

HEADQUARTERS

Roanoke, VA

NO. OF EMPLOYEES

±74,000

TENANT OVERVIEW

Headquartered in Roanoke, VA., Advance Auto Parts, Inc., the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers. Advance Auto Parts operates over 5,185 stores, over 127 Worldpac branches and serves approximately 1,250 independently owned CARQUEST branded stores in the United States, Puerto Rico, the U.S. Virgin Islands and Canada. Employing approximately 74,000 Team Members, the company works hard to create an environment of honesty, integrity, mutual trust and dedication. These values have remained the same since Advance Auto Parts founding in 1929. Advance Auto Parts operates stores that primarily offer auto parts such as alternators, batteries, belts and hoses, chassis parts, clutches, engines and engine parts.

STRATEGY

AAP continues to expand its store network in both new and existing markets to grow its commercial and DIY customer base. In a move that created the largest automotive aftermarket parts provider in North America and surpassed rival AutoZone in sales, AAP acquired privately-held General Parts International, a distributor and supplier of original equipment and aftermarket replacement products for commercial markets operating under the CARQUEST and WORLDPAK brands. The company has also been moving into the commercial market in recent years. To better serve commercial customers, AAP has added more parts from key manufacturers to its inventory and expanded its workforce with parts professionals, delivery drivers, and sales representatives.

SALES & MARKETING

Advance Auto Parts builds its marketing and advertising campaigns around radio, television, direct marketing, mobile and social media, and local in-store marketing. Its “Speed Perks” customer loyalty campaign targets core DIY customers and emphasizes service. The company also employs Spanish-language television, radio, and outdoor ads to reach Latinos.

GEOGRAPHIC REACH

The auto parts chain has stores in all 50 states, as well as Puerto Rico, the US Virgin Islands, and Canada. Florida is the company’s largest market with more than 500 stores. North Carolina, New York, Ohio, Pennsylvania, and Georgia are also major markets for Advance Auto Parts, each home to more than 250 stores.

SURROUNDING AREA MAP



AREA OVERVIEW

A photograph of a street in a historic town, likely downtown. The street is lined with brick buildings, some of which are multi-story. Several cars are parked along the street. The image has a red tint and the text "AREA OVERVIEW" is overlaid in white.

JASPER, AL

Less than a 45-minute drive northwest of Birmingham, Alabama, the city of Jasper is a thriving retail hub and center of growing industrial development. Jasper's 14,000 residents enjoy a prosperous business climate and one of the top-ranked school systems in the state. Located in northwest Alabama, its proximity to recreation areas such as Lewis Smith Lake, Walker County Lake and the Black Warrior River make Jasper a prime spot for fishing and boating activities.

Jasper is known for hosting Foothills Festival, which is named for Jasper being at the base of the Appalachian Mountains. Drawing people from all over the state and surrounding areas to Jasper's downtown, Foothills Festival strives to provide a weekend that celebrates community and cultural heritage. Patrons of the event enjoy musical performances, food, shopping and entertainment.



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2023 Projection	14,637	22,261	24,257
2018 Estimate	14,226	21,350	23,301
2010 Census	13,730	19,943	21,863
Growth 2018-2023	2.89%	4.27%	4.10%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2023 Projection	3,311	4,880	5,381
2018 Estimate	3,229	4,707	5,196
2010 Census	3,139	4,494	4,975
Growth 2018-2023	2.54%	3.67%	3.56%

INCOME	1-MILE	3-MILE	5-MILE
2018 Average Household Income	\$44,813	\$48,676	\$49,032

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Advance Auto Parts** located in **603 Highway 78 East | Jasper, AL 35501** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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