



New 15-Year Advance Auto Parts – Relocation Store | Offering Memorandum

432 NJ 23, Franklin, NJ 07416

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- ♦ 14.5 Years Remain on NN Lease (Landlord responsible for roof and structure)
- ♦ Relocation from nearby smaller store
- ♦ 15 year roof warranty
- ♦ Investment Grade Credit: S&P Rated BBB-
- ♦ Rare base term rent increase – 10% after Year 10
- ♦ 3-5 Year Options (10% Increases at Each Option)
- ♦ 100% Block Construction – 2017
- ♦ Hard Corner Signalized Intersection
- ♦ Average Daily Traffic Count Exceeds 33,000 cars per day
- ♦ Located Along NJ-23 – Franklin’s main retail corridor
- ♦ 3.5 Miles from Crystal Springs Resort
- ♦ Next to Ballyowen Golf Club
- ♦ Nearby national retailers include Walmart, ShopRite, Starbucks, Chase Bank, Dollar Tree, Mavis Tires, McDonald’s, Burger King, Wendy’s, and TD Bank

The Offering

Property Address	432 NJ-23 Franklin, NJ 07416
Year Built	2017
Type of Ownership	Fee Simple

Rent Schedule

Years 1-10	\$172,225
Years 11-15	\$189,447
Years 16-20 (Option 1)	\$208,392
Years 21-25 (Option 2)	\$229,231
Years 26-30 (Option 3)	\$252,154

Site Description

Parcel Size	.55 AC
Rentable Square Feet	6,889

Building Description

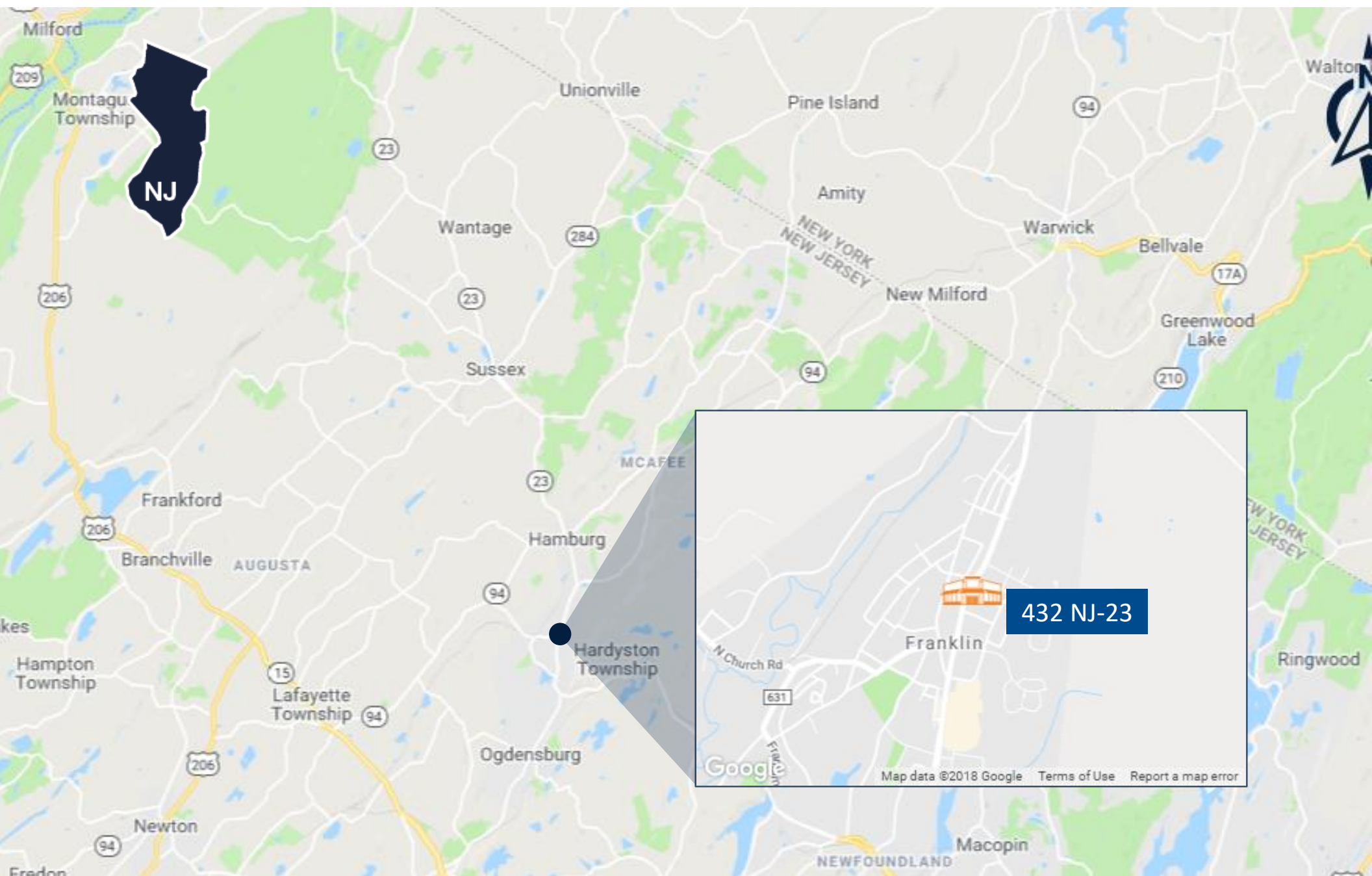
Number of Stories	1
Exterior	Concrete Block
Parking Surface	Asphalt
Spaces	18





Advance Auto Parts is a leading automotive aftermarket parts provider in North America. The Company's stores and branches offer a selection of brand name, original equipment manufacturer, and private label automotive replacement parts, accessories, batteries and maintenance items for domestic and imported cars, vans, sport utility vehicles and light and heavy duty trucks.

The Company serves its Professional and DIY customers through various channels ranging from traditional brick and mortar store locations to self-serving e-commerce sites. As of December 31, 2016, the Company operated 5,062 total stores and 127 branches. They are generally located in freestanding buildings with a heavy focus on serving "do-it-for-me," Commercial, and "do-it-yourself", or DIY, customers as well as independently-owned operators. These stores carry a wide variety of products serving an aftermarket auto part needs for both domestic and import vehicles.









OFFERING SUMMARY

Price	\$3,131,363
Cap Rate	5.50%
NOI	\$172,225
Rent/SF	\$25.00
Lease Term	15 Years
Lease Type	NN
Roof and Structure	Landlord Responsible
Lease Expiration Date	10/31/2032
Increases	10% after Year 10 & Every 5 Years Thereafter
Options	3-5 Year
Guarantor	Corporate

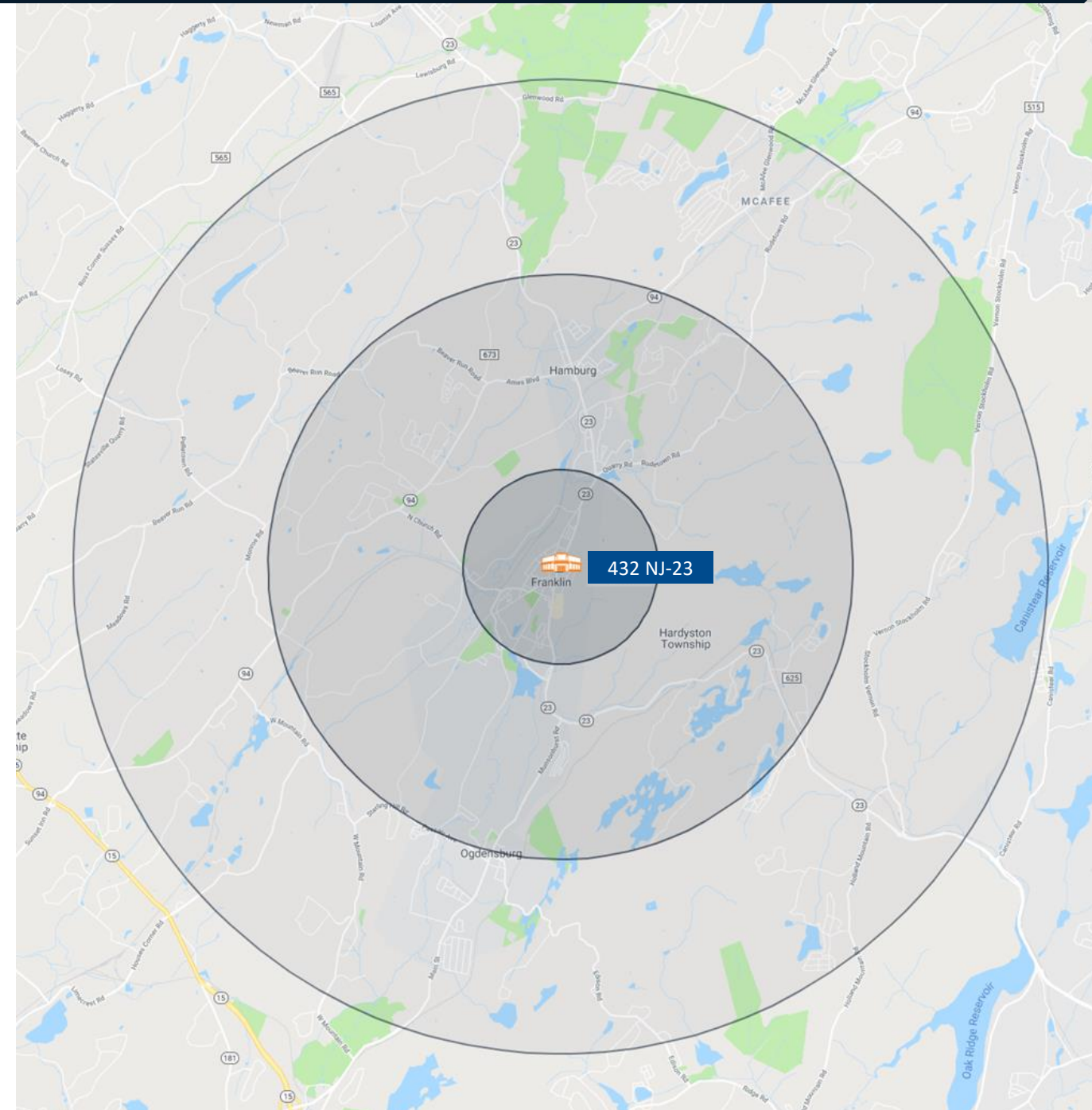


PROPERTY DETAIL

Square Footage	6,889 SF
Land Size	.55 Acres
Year Built	2017
Intersection	Route 23 & Mabie Street
Traffic Counts	Exceeds 33,000
Parking	18 Spaces

TENANT OVERVIEW

Tenant Trade Name	Advance Auto Parts, Inc.
Ticker Symbol	NYSE: APP
Credit Rating/Agency	BBB- / S&P
Net Revenue (2017)	\$9.4 Billion
Net Income (2017)	\$475 Million
Locations	5,200+
Headquarters	Roanoke, VA
Website	https://www.advanceautoparts.com/
Year Founded	1932



POPULATION

	1 Miles	3 Miles	5 Miles
2022 Projection	3,609	15,303	28,631
2017 Estimate	3,576	14,328	26,861
2010 Census	3,745	14,740	27,577
2000 Census	3,819	12,954	24,867

INCOME

Average	\$86,952	\$90,948	\$102,423
Median	\$66,451	\$71,980	\$79,606
Per Capita	\$33,908	\$36,548	\$38,470

HOUSEHOLDS

2022 Projection	1,416	6,203	10,878
2017 Estimate	1,392	5,753	10,081
2010 Census	1,466	5,948	10,387
2000 Census	1,431	4,940	8,894

HOUSING

2017	\$228,258	\$260,015	\$272,084
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EMPLOYMENT

2017 Daytime Population	3,990	12,568	21,792
2017 Unemployment	4.42%	5.29%	5.42%
2017 Median Time Traveled	39	43	43

RACE & ETHNICITY

White	90.03%	89.45%	90.93%
Native American	0.00%	0.01%	0.02%
African American	3.01%	3.19%	2.56%
Asian/Pacific Islander	2.08%	2.94%	2.58%

NORTHERN NEW JERSEY OVERVIEW

Northern New Jersey consists of Bergen, Hudson, Passaic, Essex, Morris and Union counties. The region contains roughly 4 million residents in more than 200 municipalities. Bergen county is home to roughly 1 million people, while Essex County, which includes the city of Newark, is at approximately 800,000 citizens. The region is bordered to the east by the Hudson River and New York City, to the south by Middlesex and Somerset counties, to the west by Warren and Sussex counties, and to the north by New York state. A large portion of the area is almost fully developed and densely populated. The region is a part of the New York metro and is linked to the city by the George Washington Bridge, the Lincoln Tunnel, the Holland Tunnel, several ferries and commuter rail tunnels.

METRO HIGHLIGHTS



DIVERSE INDUSTRIES

Pharmaceuticals, healthcare and finance are a few of the segments that contribute to the metro's economic base.



LARGE LABOR POOL

The region's diverse and highly skilled labor pool, as well as access to workers in other nearby metros, draws businesses.



UNIQUE ECONOMY

Northern New Jersey has its own economic drivers and is connected to New York City's robust economy.



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