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# TIRE DISCOUNTERS

9150 MICHIGAN ROAD  
INDIANAPOLIS, IN 46268



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# EXECUTIVE OVERVIEW

**TireDiscounters**

## INVESTMENT HIGHLIGHTS

- » 20- year absolute NNN lease with zero management responsibilities – tenant pays for all expenses directly to appropriate authority
- » Corporate guarantee from Tire Discounters, Inc.
- » 2019 built to suit construction and Tire Discounter's newest prototype building, with 10 service bays
- » Fixed rental increases throughout the initial term and option periods – see page 4 for details
- » Tire Discounters is the fastest growing tire company in the Midwest, with over 1,100 employees and over 145 locations and counting
- » Centralized retail location in one of the most affluent neighborhoods in Indianapolis, with average household income of over \$100,000
- » Ideally positioned adjacent to the only Costco serving the immediate area and just down the street from Walmart, Home Depot, Target, Lowe's and Kohl's
- » Frontage to over 33,000 vehicles per day on Michigan Road and great visibility at the signalized intersection of 92nd Street and Michigan Road
- » 11.5 miles from downtown Indianapolis which is the 34th most populated city in the United States and which plays hosts to a handful of attractions such as Lucas Oil Stadium and Indianapolis Motor Speedway
- » Over 142,000 people within a 5-mile radius and 5% population growth expected over the next 5 years



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# FINANCIAL OVERVIEW

**TireDiscounters**



## INVESTMENT SUMMARY

|                       |             |
|-----------------------|-------------|
| » LIST PRICE          | \$3,533,000 |
| » YEAR BUILT          | 2019        |
| » CAP RATE (YEAR 1-5) | 5.75%       |
| » TOTAL BUILDING AREA | ±8,250 SF   |

## ANNUALIZED OPERATING DATA

| Lease Commence | Monthly Rent | Annual Rent  | Cap Rate |
|----------------|--------------|--------------|----------|
| Year 1-5       | \$16,931.01  | \$203,172.14 | 5.75%    |
| Year 6-10      | \$17,777.56  | \$213,330.75 | 6.04%    |
| Year 11-15     | \$18,666.44  | \$223,997.29 | 6.34%    |
| Year 16-20     | \$19,599.76  | \$235,197.15 | 6.66%    |
| Option 1       | \$20,579.75  | \$246,957.01 | 6.99%    |
| Option 2       | \$21,608.74  | \$259,304.86 | 7.34%    |
| Option 3       | \$22,689.18  | \$272,270.10 | 7.71%    |
| Option 4       | \$23,823.63  | \$285,883.61 | 8.09%    |

## TENANT SUMMARY

|                         |                                 |
|-------------------------|---------------------------------|
| Tenant Trade Name       | Tire Discounters                |
| Type of Ownership       | Fee Simple                      |
| Lease Guarantor         | Corporate Guarantee             |
| Lease Type              | Absolute NNN                    |
| Original Lease Term     | 20 Years                        |
| Rent Commencement Date  | Estimated June 15, 2019         |
| Lease Expiration Date   | 20 Years from Rent Commencement |
| Term Remaining on Lease | ±20 Years                       |
| Increase                | 5%, Every 5 Years               |
| Options                 | Four, 5-Year Options            |





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## TENANT OVERVIEW

|   |                                   |   |
|---|-----------------------------------|---|
| » <b>Company Name</b><br>Tire Discounters | » <b>Year Founded</b><br>1976     | » <b>Headquarters</b><br>Cincinnati, OH   |
| » <b>Ownership</b><br>Private             | » <b>Industry</b><br>Auto Service | » <b>Website</b><br><a href="http://www.TireDiscounters.com">www.Tire Discounters.com</a> |

***TireDiscounters***

Tire Discounters is an Ohio based corporation that began in 1976 with a single, one bay store. Since its founding, the company has remained under the leadership of the founder Chip Wood. With the continuous introduction of industry-leading innovations, Tire Discounters has been able to surpass 100 stores with 6 to 10 bays per store providing tires, wheels and auto services. It is now the nation's eighth largest independent tire retailer. The company takes great pride in offering an immense selection of tires, quality work, and great customer service. Tire Discounters helps customers purchase tires at competitive prices on all brand names without compromising on the dependability, durability or safety of their vehicles.

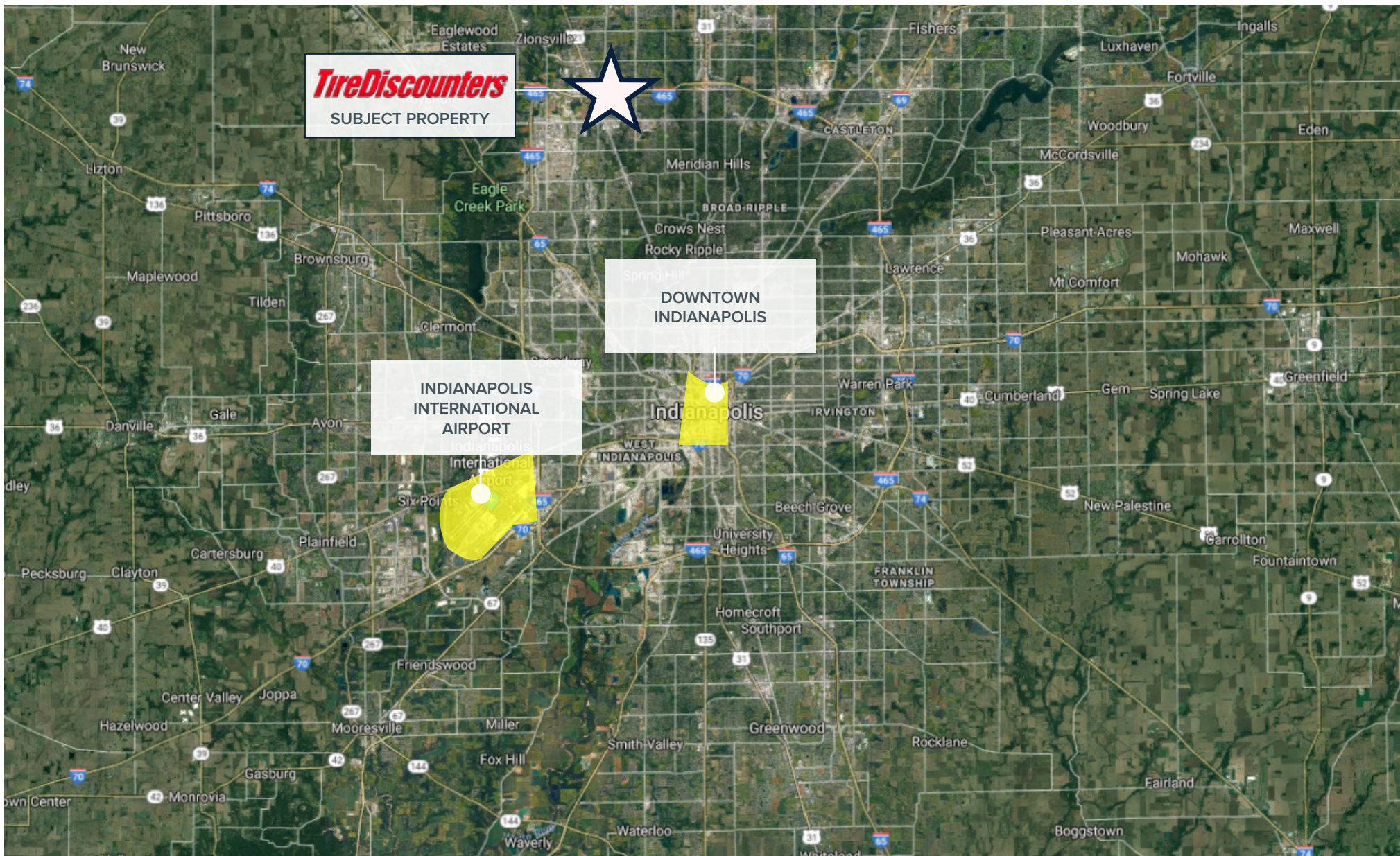














## AREA OVERVIEW

### INDIANAPOLIS, IN

Indianapolis is the capital and most populated city in Indiana. It is the economic and cultural center of the Indianapolis MSA, and is the 34th most populated MSA in the nation. The city covers 368 square miles, making it the 16th largest city in the US. The area is known for its one-of-a-kind culture with six distinct culture districts. Indianapolis stays true to its history and savors its historically significant neighborhoods. These districts include Broad Ripple Village, Canal and White River State Park, Fountain Square, Indiana Ave, Mass Ave, and Wholesale. Whether you are looking for sports, arts, dining, or excitement, Indianapolis has something for everyone.

### DEMOGRAPHICS

| POPULATION                         | 3 - MILE     | 5 - MILE     | 7 - MILE     |
|------------------------------------|--------------|--------------|--------------|
| 2010 Census                        | 48,247       | 130,486      | 253,849      |
| 2019 Estimate                      | 52,569       | 142,589      | 282,191      |
| 2024 Projection                    | 54,913       | 149,059      | 294,948      |
| <b>2019-2024 % Growth</b>          | <b>4.46%</b> | <b>4.54%</b> | <b>4.52%</b> |
| HOUSEHOLDS                         | 3 - MILE     | 5 - MILE     | 7 - MILE     |
| 2010 Census                        | 21,009       | 53,077       | 104,514      |
| 2019 Estimate                      | 22,515       | 57,243       | 115,204      |
| 2024 Projection                    | 23,399       | 59,583       | 120,146      |
| <b>2019-2024 % Growth</b>          | <b>3.93%</b> | <b>4.09%</b> | <b>4.29%</b> |
| INCOME                             | 3 - MILE     | 5 - MILE     | 7 - MILE     |
| 2019 Est. Average Household Income | \$93,881     | \$113,184    | \$109,371    |





## ECONOMIC SNAPSHOT

As of 2017, the three Fortune 500 companies in the area are Anthem, Inc, Eli Lilly, and Simon Property Group. Biotechnology, life science, and healthcare have played a major role in Indianapolis' economy. The North American headquarters for Roche Diagnostics and Dow AgroSciences are located in the city. Eli Lilly and Company have become the largest private employer in the city with over 11,000 workers.

The city is also home to the second largest FedEx Express hub in the world. Indianapolis' location and extensive highway make the city an important logistics center. Indianapolis International Airport is ranked the sixth busiest U.S. airport by air cargo transport.

The hospitality industry is also an increasingly vital sector for the area. Indianapolis is in its fourth year of record growth, generating \$4.9 billion dollars in the hospitality industry. Convention centers have also brought in profits with the Indiana Convention Center and Lucas Oil Stadium being two of the most popular sites for tourism.

## TOURISM

Tourism and hospitality is an increasingly vital sector of the Indianapolis economy. The Indiana Convention Center is connected to 12 hotels and 4,700 hotel rooms, the most of any U.S. convention center. Beyond the conventions, there are many other reasons for visitors to visit Indianapolis. The city is home to dozens of annual festivals and events showcasing and celebrating Indianapolis culture. Notable events include the "Month of May" (a series of celebrations leading to the Indianapolis 500), Circle City IN Pride, Indiana Black Expo, Indiana State Fair, and Historic Irvington Halloween Festival.

Indianapolis has a wide variety of museums and galleries which appeal to art lovers, car enthusiasts, sports fans, history buffs and people interested in science and technology. Some of the top-rated attractions in Indianapolis include the White River State Park, the NCAA Hall of Champions, the Soldiers' and Sailors' Monument, and the Indiana State Museum.

From the legendary Indianapolis 500 to the Pacers and the Colts, the city offers ample opportunities to view professional and amateur sporting events, take part in athletic events and visit sports museums. At the Indianapolis Motor Speedway and Hall Of Fame Museum, you can tour the famous track or visit the museum dedicated to automobiles and auto racing. Other sporty museums include the NCAA Hall of Champions. To get in on some of the action, visitors can head to SportZone which features six acres of indoor athletic facilities the whole family will enjoy.





## CONNECTIVITY

Indiana will soon be adding on an additional 235,000 SF onto the Indiana Convention Center, along with 1,400 + rooms that will be connected to the center with the two Hilton-affiliated branded towers. The convention center expansion will include a 50,000-square-foot ballroom (the state's largest), 30,000 square feet of meeting rooms, and 40,000 square feet of pre-function space. A new Signia Hilton tower will stand 38 stories tall, offering 814 rooms, a sleek addition to the city skyline, and expansive views of downtown from a top-level sky bar. This project is expected to be finished in late 2022.

### INDIANA CONVENTION CENTER



## URBAN EXPANSION

One of Indianapolis' attractions is the White River State Park which will soon be even more accessible by visitors and locals. A development plan for a 100-acre site is in the works. This site will sit just a short 10-minute walk away from the convention district and will be prepared to accommodate a mix of uses. The new Waterside Development will enhance the city's waterfront location. There will be more than 58 miles of the White River flowing through the city and connecting more than 60 points of interest with this new development.

### WATERSIDE DEVELOPMENT





## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Tire Discounters** located at **9150 Michigan Road | Indianapolis, IN 46268** ("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.

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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.

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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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