

 **STEPHEN F. AUSTIN**
STATE UNIVERSITY
NACOGDOCHES, TEXAS



POPEYES
CHICKEN & BISCUITS

WELLS
FARGO

**TACO
CASA**

**CASH
STORE**

SOUTHSIDE BANK

SUBWAY

**DOLLAR
GENERAL**

Martinsville St

Subject Property

**Advance
Auto Parts** 

**Windhill
Apartments**
264 Units

University Mall
191,356 SF of GLA

belk
Citi Trends

**HIBBETT
SPORTS**

Payless
SHOESOURCE

**Bath
& Body
Works**

Walmart
Neighborhood Market

Chevron

**Woodland
Trails**
72 Units

N University Dr
19,300 VPD

Offering Memorandum

ADVANCE AUTO PARTS (DARK)

Nacogdoches, TX

Marcus & Millichap

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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EAT·N

**Downtown
Nacogdoches**

**Windhill
Apartments**
172 Units

O'Reilly
AUTO PARTS

FAMILY
AR
The JALAPENO TREE
Mexican Restaurant

**Splash
Kingdom**

Loan Star
TITLE LOANER

Aaron's

U-HAUL

GOLD STAR Finance
Loans and Title Services

World Finance

Subject Property

**Advance
Auto Parts**

**DOLLAR
GENERAL**

SUBWAY

N University Dr
19,300 VPD

Martinsville St

description

PROPERTY DESCRIPTION

Investment Overview

Marcus & Millichap is pleased to present the opportunity to acquire an Advance Auto Parts in Nacogdoches, Texas. The property consists of a 7,000-square foot, freestanding building that sits on approximately 0.80 acres of land. Advance Auto Parts is currently dark; however, their current lease expires on 12/30/2020, so an investor can still collect approximately \$120,000 (\$6,624.67/month).

The property has excellent visibility on North University Drive, where combined traffic counts exceed 19,300 vehicles per day. Surrounding retailers in the immediate area include Walmart Neighborhood Center, Aaron's, Belk, Dollar General, Family Dollar, Taco Casa, Popeye's, Chicken Express, O'Reilly Auto Parts, and many more.

Advance Auto Parts is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. The company is the largest automotive aftermarket retailer in the United States based on sales and store count and has been on the Fortune 500 list since 2003. Advance operated 5,109 stores and 143 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands.

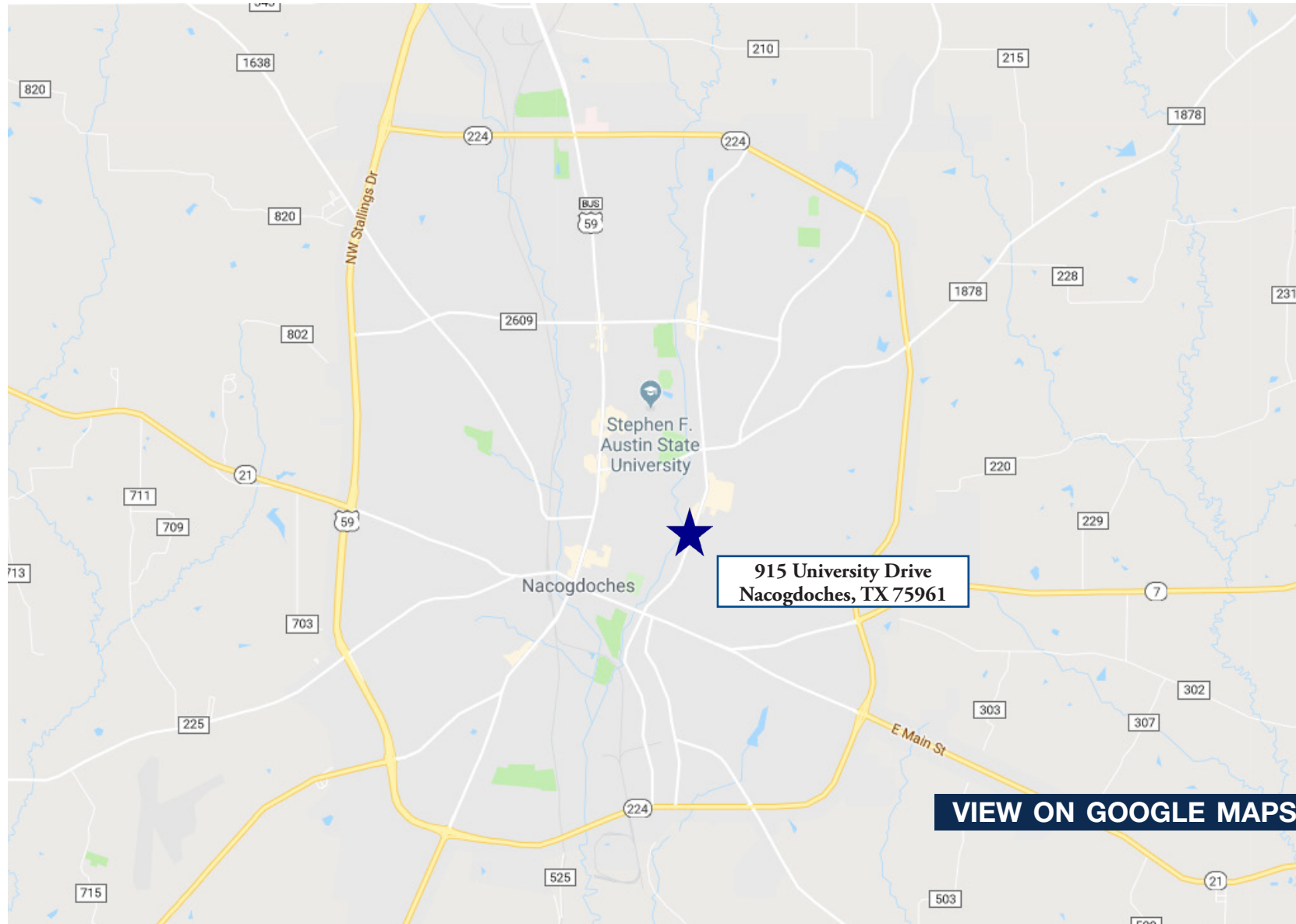
Nacogdoches is the county seat of Nacogdoches county and is located 140 miles northeast of Houston, 180 miles southeast of Dallas, and 90 miles southwest of Shreveport. Nacogdoches is also home to Stephen F. Austin State University (13,144 students enrolled).



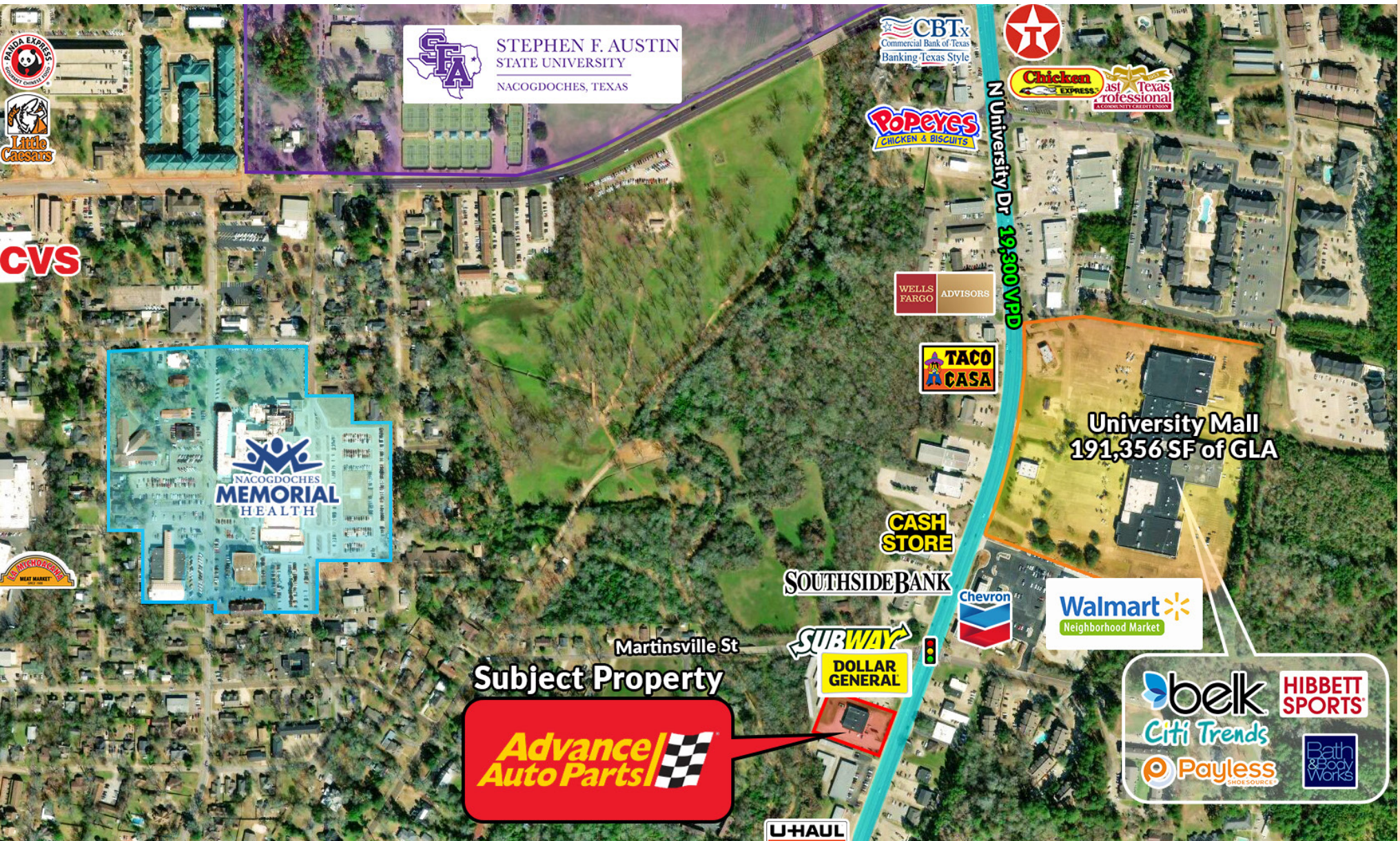
Investment Highlights

- Ideal Owner/User Opportunity or Potential for Redevelopment
- Priced Below Replacement Cost at Only \$122.81 per Square Foot
- Tenant is Responsible for Approximately \$120,000 in Future Rent Obligations
- Excellent Visibility on North University Drive, Where Traffic Counts Exceed 19,300 Vehicles per Day
- College Town - Near the Stephen F. Austin State University (13,144 Students Enrolled)
- Nearby 24-Hour Walmart Neighborhood Market was Built in 2016
- Surrounding Retailers in the Immediate Area Include Walmart Neighborhood Center, Aaron's, Belk, Dollar General, Family Dollar, Taco Casa, Popeye's, Chicken Express, O'Reilly Auto Parts, and Many More

Regional Map



Aerial Photo



EXECUTIVE
SUMMARY

PROPERTY
DESCRIPTION

FINANCIAL
ANALYSIS

MARKET
OVERVIEW

Splash Kingdom

FAMILY DOLLAR
THE JALAPENO TREE

Loan Star

Aaron's

U-HAUL

GOLD STAR Finance
Loans and The Services

World Finance

Subject Property

Advance Auto Parts

DOLLAR GENERAL

SUBWAY

N University Dr
19,300 VPD

Martinsville St

Downtown Nacogdoches



analysis

FINANCIAL ANALYSIS

Financial Overview

Location

915 University Drive,
Nacogdoches, TX 75961

Price	\$850,000
Rentable Square Feet	7,000
Price/SF	\$121.43
CAP Rate	9.35%
Year Built	2000
Lot Size	0.80 Acres
Type of Ownership	Fee Simple

Tenant Summary

Tenant Name	Advance Auto Parts
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Double Net
Roof and Structure	Landlord
Lease Term	20 Years
Rent Commencement Date	12/1/2000
Lease Expiration Date	12/30/2020
Term Remaining on Lease	1.7 Years

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Years 1 -20	\$79,496.04	\$6,624.67
Base Rent (\$11.36/SF)		\$79,496.04
Net Operating Income		\$79,496.04
Total Return		9.35% / \$79,496.04



Tenant Overview



Tenant Trade Name	Advance Auto Parts
Ownership	Public
Sales Volume	\$9.581 Billion (2018)
Credit Rating	BBB-
Rating Agency	S&P
Stock Symbol	AAP
Board	NYSE
Options to Terminate	No
Options to Purchase	No
First Right of Refusal	No
No. of Locations	5,109+
Headquartered	Raleigh, NC
Web Site	www.advanceautoparts.com
Years in the Business	86



Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. The company is the largest automotive aftermarket retailer in the United States based on sales and store count and has been on the Fortune 500 list since 2003.



overview

DEMOGRAPHIC OVERVIEW

Demographic Summary

Geography: 5 Miles

POPULATION	1-MILE	3-MILES	5-MILES
2000 Population	6,453	28,252	36,245
2010 Population	7,177	30,111	39,739
2018 Population	7,715	30,981	41,002
2023 Population	8,015	31,862	42,128
HOUSEHOLDS	1-MILE	3-MILES	5-MILES
2000 Households	1,642	10,505	13,332
2010 Households	1,944	10,925	14,370
2018 Households	2,302	11,442	15,050
2023 Households	2,470	11,967	15,687
2018 Average HH Size	2.04	2.31	2.40
2018 Daytime Population	22,696	50,235	57,495
INCOME	1-MILE	3-MILES	5-MILES
Median HH Income	\$24,828	\$31,058	\$35,142
Per Capita Income	\$16,275	\$20,091	\$20,648
Average HH Income	\$38,511	\$49,532	\$52,348

Population

In 2018, the population in your selected geography is 41,002. The population has changed by 13.12% since 2000. It is estimated that the population in your area will be 42,128 five years from now, which represents a change of 2.75% from the current year. The current population is 47.01% male and 52.99% female. The median age of the population in your area is 25.6, compare this to the entire US average which is 38.0. The population density in your area is 522.25 people per square mile.

Households

There are currently 15,050 households in your selected geography. The number of households has changed by 12.89% since 2000. It is estimated that the number of households in your area will be 15,687 five years from now, which represents a change of 4.23% from the current year. The average household size in your area is 2.40 persons.

Income

In 2018, the median household income for your selected geography is \$35,142, compare this to the entire US average which is currently \$58,754. The median household income for your area has changed by 43.83% since 2000. It is estimated that the median household income in your area will be \$43,839 five years from now, which represents a change of 24.75% from the current year.

The current year per capita income in your area is \$20,648, compare this to the entire US average, which is \$32,356. The current year average household income in your area is \$52,348, compare this to the entire US average which is \$84,609.

Race and Ethnicity

The current year racial makeup of your selected area is as follows: 57.85% White, 24.73% Black, 0.05% Native American and 2.18% Asian/Pacific Islander. Compare these to entire US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 22.93% of the current year population in your selected area. Compare this to the entire US average of 18.01%.

Housing

In 2000, there were 6,429 owner occupied housing units in your area and there were 6,902 renter occupied housing units in your area. The median rent at the time was \$403.

Employment

In 2018, there are 24,522 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 56.97% of employees are employed in white-collar occupations in this geography, and 42.79% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.89%. In 2000, the average time traveled to work was 16.6 minutes.

Demographic data © 2018 by Experian.



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about Brokerage services to prospective buyers, tenants, seller and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH – INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with provide opinions and advice to, and carry out the instructions of each party to the transaction;
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o That the owner will accept a price less than the written asking price;
 - o That the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o Any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interest of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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