



643 EAST WASHINGTON ST

OFFERING MEMORANDUM

New Castle, PA



Marcus & Millichap

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Property Overview

Property Information

Address	643 East Washington St. New Castle, PA 16101
Property Type	Single Tenant / Auto Parts
APN	04-029700
Lot Size	0.73 Acres

Financial Information

Asking Price	\$830,000
Price/SF	\$101.54
Current CAP Rate	7.70%
Current NOI	\$63,900
Occupancy	100%

Structure Information

Year Built	1993
GLA	8,174
Parking Spaces	32 (3.9/1,000sqft)
Ownership Type	Fee Simple



INVESTMENT OVERVIEW

Marcus & Millichap is proud to represent the opportunity to purchase a corporate Advance Auto Parts located in the City of New Castle, Pennsylvania. The property sits at 643 East Washington Street on the corner of Spruce Street. Washington Street is the major thoroughfare through the city of New Castle. New Castle serves as the county seat of Lawrence County which has a population of over 100,000 people.

The building was built in 1993 and the structure consists of 8,174 square feet rentable space and sits on a large lot of over 31,799 square feet. The lease with Advance Auto Parts runs through September 30, 2025 with three, five-year options. New Castle is located in the northwest section of Western Pennsylvania, approximately 90 miles South of Erie and 50 miles northwest of Pittsburgh.

The City owns several parks and an 18 hole golf course (Sylvan Heights), which accounts for various recreational activities. The Cascade Park Dance Pavilion is one of the largest dance halls in the area and host to many weddings, family and class reunions, and many ethnic festivals each year.



The City hosts the annual Cascade of Lights at Cascade Park every year. The City also holds several Friday night free concerts, the Farmers Market, the Fireworks Festival/Arts Festival, Back to the 50's Vintage Car Show, and is home to the 2014 Pennsylvania State Champion Boys Basketball Team.

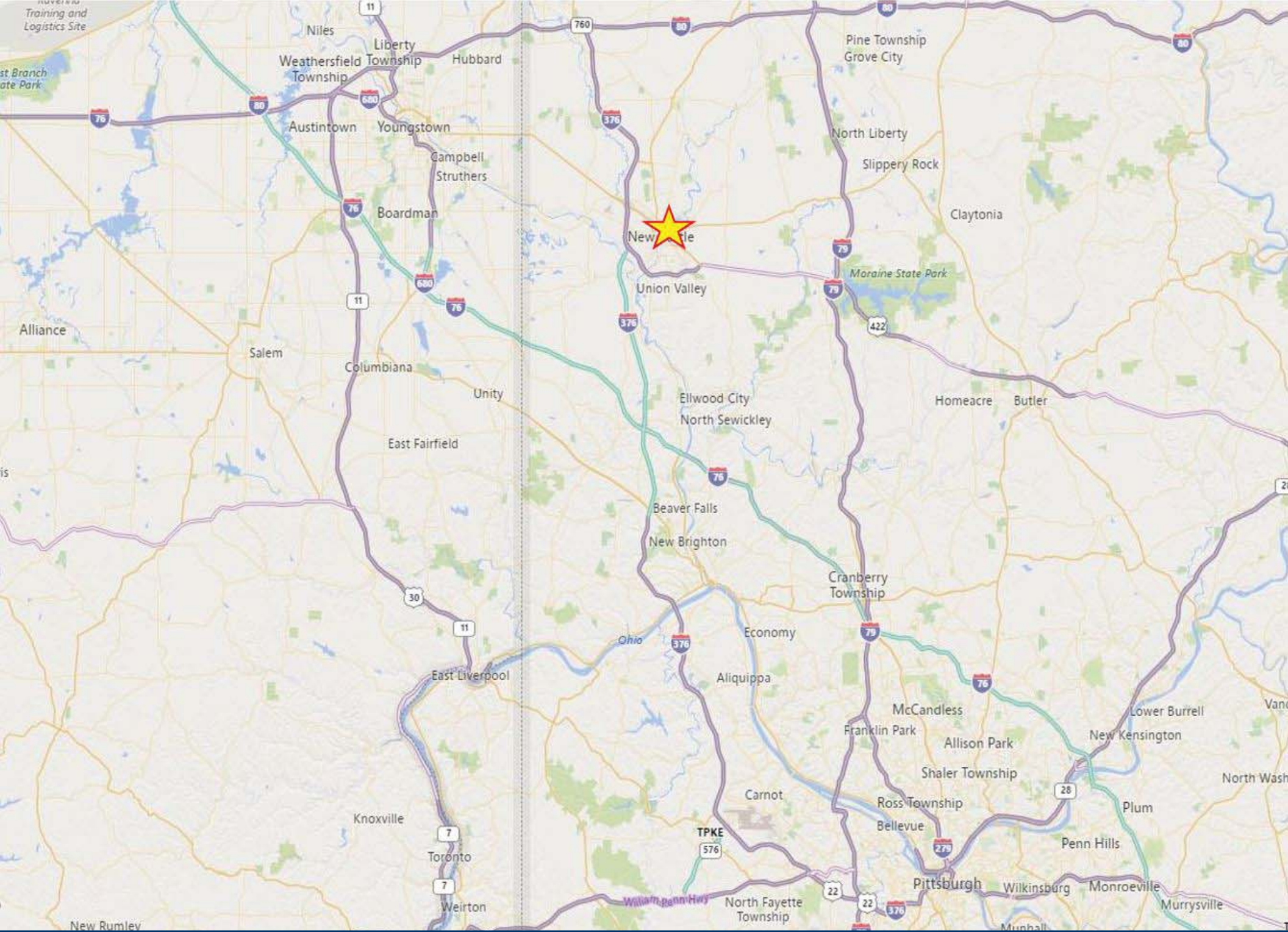


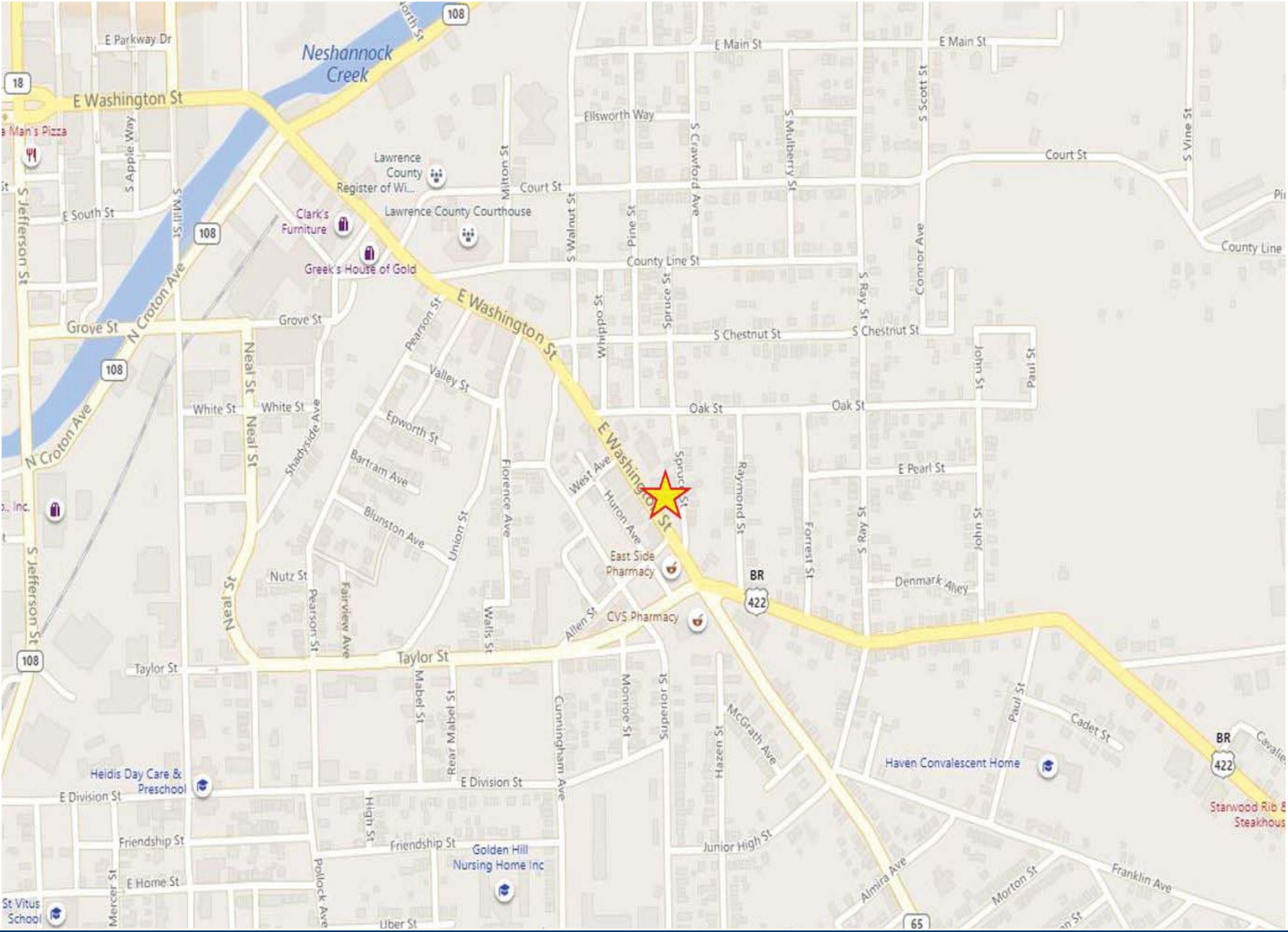
INVESTMENT HIGHLIGHTS

- Corporate Guaranteed Lease with Advance Auto Parts
- Advance Auto Parts has an Investment Grade Credit Rating from all three major rating agencies
- Large Corner Lot with Excellent Parking
- Located just 18 Miles from Youngstown, Ohio



- New Castle is located 50 Miles North of Pittsburgh, PA
- Excellent Visibility Along Washington Street with 9,000 VPD
- Located on the Pennsylvania/ Ohio Border
- Very Low Rent





OFFERING SUMMARY

THE OFFERING	
Property	Advance Auto Parts
Property Address	643 East Washington St, New Castle, PA
Price	\$830,000
Capitalization Rate	7.70%
Price/SF	\$101.54
PROPERTY DESCRIPTION	
Year Built / Renovated	1993
Gross Leasable Area	8,174SF
Zoning	C1
Type of Ownership	Fee Simple
Lot Size	0.73 Acres
ANNUALIZED OPERATING INFORMATION	
INCOME	\$63,900

LEASE HIGHLIGHTS	
Property Subtype	Net Leased Retail
Tenant	Advance Stores Company Incorporated
Guarantor	Corporate Guarantee
Lease Type	Modified NNN
Lease Commencement	4/23/2010
Lease Expiration	9/30/2025
Term Remaining on Lease (Years)	7
Renewal Options	Three 5-Year Options
Landlord Responsibility	See Page 9
Tenant Responsibility	See Page 9

LEASE SUMMARY				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current- 9/01/2025	\$63,900	\$5,325	\$7.81	7.70 %
Option 1	\$69,012	\$5,751	\$8.44	8.30 %
Option 2	\$74,532	\$6,211	\$9.11	8.98 %
Option 3	\$80,484	\$6,707	\$9.84	9.70 %



Lease Summary

LANDLORD RESPONSIBILITIES

Landlord shall be responsible, at its sole cost and expense, for the maintenance, repair and replacement to the slab, foundation, and structure of the premises, including repairing any cracks. Landlord shall also be responsible to all maintenance, repairs and replacement to the roof, HVAC, and parking area.

TENANT RESPONSIBILITIES

Tenant shall be responsible for ordinary wear and tear of interior of the leased premise. Tenant shall also keep the premises in a clean and neat condition and not permit accumulation of any trash, rubbish or garbage in or about any part of the premises.

TAXES

Tenant shall reimburse Landlord for all real estate taxes.

INSURANCE

Tenant shall, at its sole cost and expense, obtain and maintain property insurance and commercial general liability insurance (naming Landlord as additionally insured). Landlord shall maintain commercial general liability insurance (naming Tenant as additionally insured).

UTILITIES

Tenant shall pay all charges and deposits for all utility charges furnished to the premises, including water, electric, gas, cable and telecommunication services. Tenant shall arrange for the collection or disposal of trash.

ASSIGNMENT & SUBLETTING

Tenant may assign or sublet the lease without Landlord's consent but shall remain liable under the terms of the lease.

ESTOPPEL

Tenant shall have 30 Days from receipt of request to provide an executed estoppel.

ADVANCE AUTO PARTS, INC.



CREDIT RATING: B2

GENERAL INFORMATION

Address	5008 Airport Road, Roanoke, Virginia, 24012, United States
Phone	540-362-4911
Website	www.advanceauto.com

STORE BASE

Store Count	5,204
TTM Sales	\$9,486,311,000

KEY PERSONNEL

Director & Chief Executive Office	Thomas Greco
Chief Financial Officer & Executive Vice President	Thomas Okray

Advance Auto Parts (AAP) has taken the lead in the race to become the #1 provider of automotive aftermarket parts in North America. Serving both the do-it-yourself (DIY) and professional installer markets, AAP operates nearly 5,300 stores under the Advance Auto Parts, Autopart International (AI), Carquest, and Worldpac banners in the US and Canada. Its stores carry brand-name replacement parts, batteries, maintenance items, and automotive chemicals for individual car and truck owners. AAP's Carquest, AI, and Worldpac stores cater to commercial customers, including garages, service stations, and auto dealers. AAP acquired General Parts International in 2014.



FINANCIAL MARKETS

Stock Ticker	AAP
Current Price	\$99.51 as of 9/15/17
52 Week High/ Low	\$177.83 / \$82.21

Credit Rating Chart Comparison			Creditmell F&Dreports
Please note that our rating model is our own proprietary model and is not meant to align with other rating agency models. This comparison was compiled purely for informational purposes based on a representative sampling of ratings on various retailers.			
RATING	CREDIT QUALITY	EST. S&P	
A1	Excellent	AAA	
A2	Excellent	AA (+/-)	
B1	Good	A (+/-)	
B2	Good	BBB (+/-)	
C1	Satisfactory	BB(+/-)	
C2	Satisfactory	B+	
D1	Below Satisfactory	B	
D2	Below Satisfactory	B-	
E1	Poor	CCC+/CCC	
E2	Poor	CC	
F1	Critical	C	
F2	Critical	D	



47,287

Population within 5 Mile Radius



19,945

Households within 5 Mile Radius



\$58,599

Average Income within 5 Mile Radius

UNIT TYPE	1 MILE	3 MILES	5 MILES
2021 Projection Total Population	10,358	35,157	47,087
2016 Estimate Total Population	10,777	35,737	47,287
2010 Census Total Population	11,138	37,012	49,021
2000 Census Total Population	12,693	40,185	51,684

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2021 Projection Total Households	4,434	14,948	19,945
2016 Estimate Total Households	4,559	15,045	19,826
2010 Census Total Households	4,690	15,524	20,474
2000 Census Total Households	5,183	16,268	20,728

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2016 Estimate			
\$150,000 or More	1.5%	2.9%	4.5%
\$100,000 - \$149,000	4.3%	7.8%	9.8%
\$75,000 - \$99,999	6.9%	10.1%	10.8%
\$50,000 - \$74,999	15.2%	18.4%	18.4%
\$35,000 - \$49,999	14.6%	15.4%	15.1%
Under \$35,000	57.6%	45.4%	41.5%
Average Household Income	\$40,118	\$52,016	\$58,599
Median Household Income	\$28,370	\$39,179	\$43,181
Per Capita Income	\$17,581	\$22,161	\$24,769