



**OFFERING MEMORANDUM**  
TRADE NET LEASE WITH CONFIDENCE

NEW YORK | CHICAGO | ATLANTA | TAMPA | SAN FRANCISCO



3016 W. PETERSON AVENUE, CHICAGO, IL

**ADVANCE AUTO PARTS**

RETAIL - AUTO PARTS

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by B Plus E NY LLC in compliance with all applicable fair housing and equal opportunity laws.



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## EXECUTIVE SUMMARY

## OFFERING PRICE

\$2,400,000

## CAP RATE

5.85%

## EXECUTIVE SUMMARY

TENANT	Advance Auto Parts
ADDRESS	3016 W. Peterson Avenue, Chicago, IL
ASKING PRICE	\$2,400,000
ASKING CAP RATE	5.85%
CREDIT RATING	S&P: BBB-
NOI	\$140,800
REMAINING LEASE TERM	+/- 9 Years
BUILDING SIZE	+/- 7,040 SF
LAND AC	+/- 0.43 AC
PARKING	+/- 19
YEAR BUILT	2013
PROPERTY TYPE	Retail; Auto Parts





## INVESTMENT HIGHLIGHTS

### HIGHLIGHTS

#### INVESTMENT GRADE CORPORATE LEASE

Advance Auto Parts has an investment grade credit rating of BBB- from Standard and Poor's and Baa2 from Moody's. The company's total 2018 revenue was \$9.5 billion and \$423 million in net income exemplifying their strong foothold in the auto parts market.

#### NET LEASE ASSET IN CORE MARKET

The subject property is located in the Chicago MSA which is home to over 9.5 million residents. Additionally, many of the on-market Advance Auto Parts locations are in tertiary markets, making this a rare investment opportunity.

#### DENSELY POPULATED AREA

There are 444,603 people within 3-miles of the property. Additionally, there are over 2 million residents living within a 10-mile radius of the subject property. In this area there is on average one vehicle per household, which totals an estimated 1 million vehicles within a 10-mile radius.

#### RECESSION PROOF INVESTMENT

Auto parts stores historically perform well in all phases of the market cycle due to unwavering demand credited to the 281.9 million vehicles on the road in the United States. On average American's drive 12,000 miles each year and spend 1.5% of their household income on car repairs for two vehicles.

#### STRONG SURROUNDING TENANT MIX

Notable surrounding tenants include: Walgreens, Bank of America, Starbucks, Target, T.J. Maxx, Chipotle Mexican Grill, and Potbelly Sandwich Shop.

#### HIGH TRAFFIC LOCATION WITH GREAT VISIBILITY

Site is located only 10-miles north of the Chicago loop and experiences daily traffic counts of 37,944 along W Peterson Ave and 29,589 along N Lincoln Ave.





## LEASE ANALYSIS

### ADVANCE AUTO

NOI	\$140,800
RPSF	\$20.00
LEASE COMMENCEMENT	March 1, 2013
LEASE TERM	15 Years
REMAINING LEASE TERM	9 Years
RENT INCREASE	In Options
RENEWAL OPTIONS	4 ; 5 Year
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	None

### RENT SCHEDULE

TERM	RENT	INCREASE
Base Term 3/1/2013 - 2/28/2028	\$140,800	N/A
Option 1	\$154,880	10%
Option 2	\$166,496	7.50%
Option 3	\$178,983	7.50%
Option 4	\$192,406	7.50%



## TENANT OVERVIEW

**ADVANCE AUTO PARTS** Founded in 1932 and headquartered in Roanoke, Virginia, Advance Auto Parts (NYSE: AAP) has become the #1 provider of automotive aftermarket parts in North America. AAP operates more than 6,300 stores under the Advance Auto Parts, Autopart International, Carquest, and Worldpac banners in the US and Canada. Serving both the do-it-yourself and professional installer markets AAP carries brand-name replacement parts, batteries, maintenance items, and automotive chemicals. Advanced Auto Parts works hard to create an environment of honesty, integrity, mutual trust, and dedication these values have not changed since 1932. Advanced Auto Parts plans to continue to implement a growth strategy by opening new stores and through strategic acquisitions. Through their extensive supply chain network AAP is able to provide same-day or next-day availability to their customers rivaling online business.



**NET SALES FY 2018**  
\$9.58 Billion



**NET INCOME FY 2018**  
\$423 Million



**MARKET CAP**  
11.1 Billion

### FINANCIAL OVERVIEW

NAME	Advance Auto Parts
OWNERSHIP	Public
TICKER	NYSE: AAP
CREDIT RATING	Moody's: Baa2
HEADQUARTERS	Roanoke, VA
EMPLOYEES	+/- 70,000
LOCATIONS	+/- 6,340
WEBSITE	<a href="http://www.advanceautoparts.com">www.advanceautoparts.com</a>





## LOCATION OVERVIEW

**CHICAGO**, located on the shores of Lake Michigan, Chicago is the third most populous city in the United States. The Chicago MSA has more than 10 million people inhabiting 77 distinct neighborhoods. The city is an international hub for finance, commerce, technology, and transportation. Chicago has the largest network of highways and railroads in the United States as well as one of the busiest airports in the world. In 2017, Chicago was the second most visited city in the United States drawing in 55 million domestic and international visitors. There are numerous colleges and universities in the area, headlining the list is University of Chicago, Northwestern University and the University of Illinois at Chicago. In addition to these universities, Chicago is home to some of America's most well known professional sports franchises such as the Bulls, Bears, Blackhawks, Cubs, and White Sox. Chicago has the third largest gross metropolitan product in the United States and its economy is consistently rated as one of the most balanced due to its high level of diversification. The city is a major

player in the world of banking and finance. The Chicago Stock Exchange, the Chicago Board Options Exchange and the Chicago Mercantile Exchange are all located in central business district of the city. In 2017, Chicago exchanges traded over one quadrillion dollars worth of derivatives. Manufacturing, printing, publishing, and food processing also are major components of the city's economy. Notable companies headquartered in the area include: Walgreens, Boeing, United Airlines, McDonald's, and Caterpillar. The metropolitan area has the third-largest labor pool in the United States with about 4.63 million workers.

**FORTUNE 500 COMPANIES :** Chicago is home to 33 Fortune 500 companies. This makes Chicago MSA the 2nd ranked city in the nation for Fortune 500 headquarters.

### CHICAGO BASED FORTUNE 500 COMPANIES

COMPANY	REVENUE	RANK
Walgreens Boot Alliance	\$118B	#19
Boeing	\$93B	#27
Archer Daniels Midland	\$60B	#48
United Holdings International	\$37B	#81
Allstate	\$38B	#79
Exelon	\$33B	#92
Kraft Heinz	\$26B	#114
Mondelez International	\$26B	#117
McDonald's	\$22B	#131
US Food Holdings	\$24B	#124

CHICAGO, IL



## SURROUNDING TENANT MAP





## AREA MAP

### POPULATION

1-MILE RADIUS : 58,207  
5-MILE RADIUS : 903,383  
10-MILE RADIUS: 2,194,634

LAKE MICHIGAN

DOWNTOWN CHICAGO

MATHER HIGH SCHOOL

MATHER PARK

N LINCOLN AVE +/- 29,589 VPD

**Advance  
Auto Parts**

**Walgreens**

**CHIPOTLE**  
MEXICAN GRILL

**POTBELLY**  
BAKERY & CAFE

W PETERSON AVE +/- 34,126 VPD





## DEMOGRAPHICS

### POPULATION

	1 MILE	5 MILES	10 MILES
2019 TOTAL POPULATION	58,207	903,383	2,194,634
AVERAGE AGE	37.90	37.60	37.70

### HOUSEHOLDS

	1 MILE	5 MILES	10 MILES
2019 TOTAL HOUSEHOLDS	19,094	368,035	896,353
MEDIAN HH INCOME	\$54,108	\$64,667	\$68,970
AVG HH SIZE	2.90	2.30	2.30
2019 AVG HH VEHICLES	1.00	1.00	1.00

### HOUSING

	1 MILE	5 MILES	10 MILES
MEDIAN HOME VALUE	\$323,735	\$325,554	\$330,795
MEDIAN YEAR BUILT	1951	1949	1955



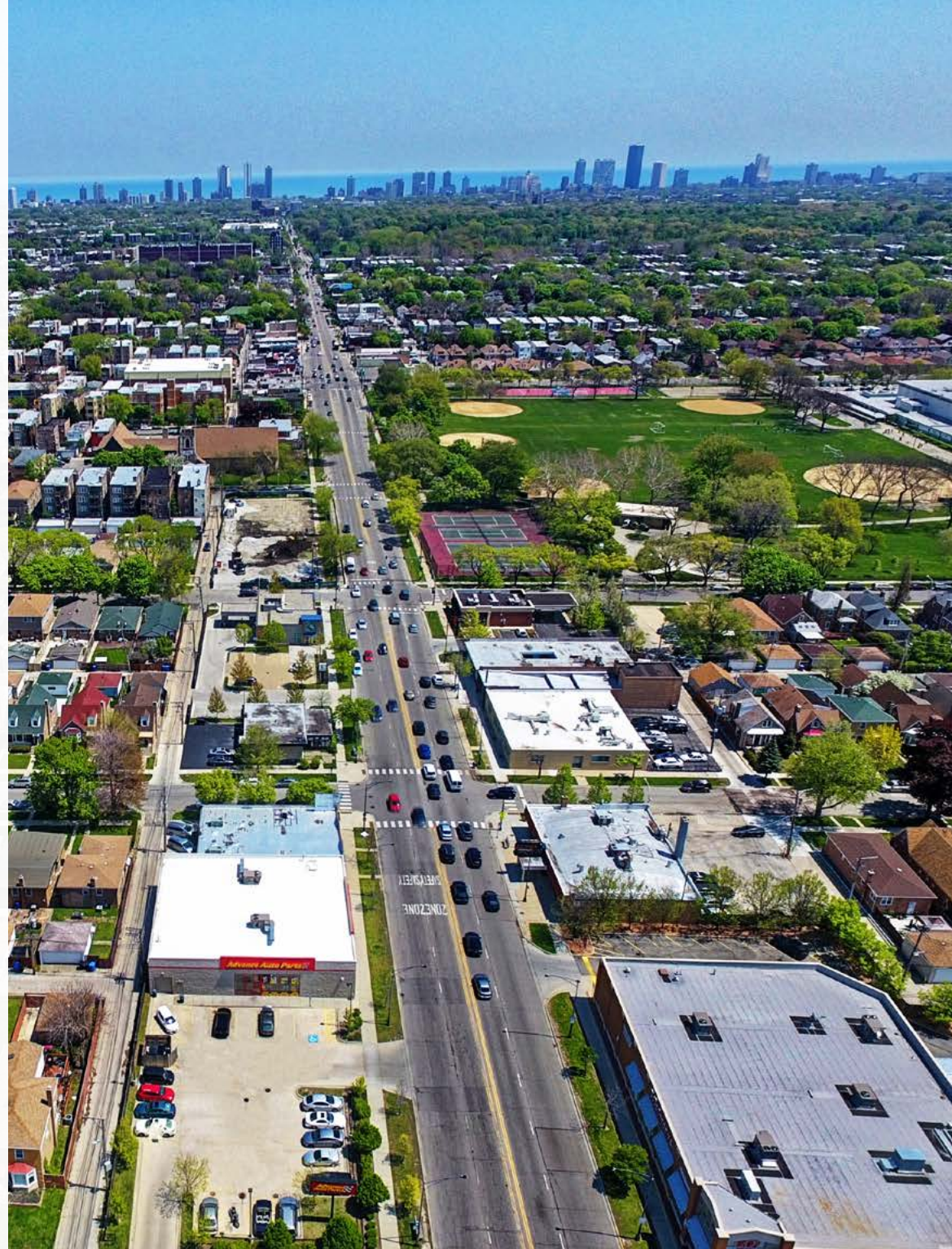


# B+E

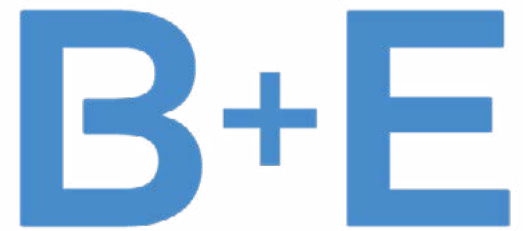
THIS IS OUR STORY

B+E is a modern investment brokerage firm, specializing in net lease real estate and 1031 exchanges. We help clients buy and sell single tenant real estate. Founded by deeply experienced brokers, B+E redefines trading through an intuitive end-to-end transaction platform comprising of user-friendly dashboards and an AI-driven exchange — all leveraging the largest data set in the net lease industry.

Complementing senior talent with exceptional technology, B+E's proprietary process affords greater speed, unrivaled transaction efficiencies, and stronger asset value. With offices in New York, Chicago, Tampa, and San Francisco, our brokers trade property for our clients across the US. B+E allows virtually anyone to confidently trade net lease real estate.







## **TRADE NET LEASE WITH CONFIDENCE**

New York | Chicago | Tampa | San Francisco

### **New York**

261 Madison Ave., 9th FLR,  
New York, NY 10016

### **Tampa**

2303 North Florida Ave.,  
Tampa, FL 33602

### **Chicago**

980 North Michigan Ave.,  
Chicago, IL 60611

### **San Francisco**

303 Sacramento St., 4thFLR  
San Francisco, CA 94111

ATLANTA Coming in Q2-2019

**646.770.0659**

A photograph of a 'Performance Auto Parts' store. The building has a white stone-textured facade and a red sign with yellow lettering that reads 'Performance Auto Parts' followed by a checkered flag icon. The store is located on a street corner with a clear blue sky in the background.