

SINGLE TENANT

Investment Opportunity



3619 SOUTH ZAPATA HIGHWAY
LAREDO TEXAS





EXCLUSIVELY MARKETING BY

Broker of Record: Will Majors – TX License #508128

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CONTENTS

5

INVESTMENT SUMMARY

Offering Summary | Investment Highlights

9

PROPERTY OVERVIEW

Aerials | Site Plan | Location Map

16

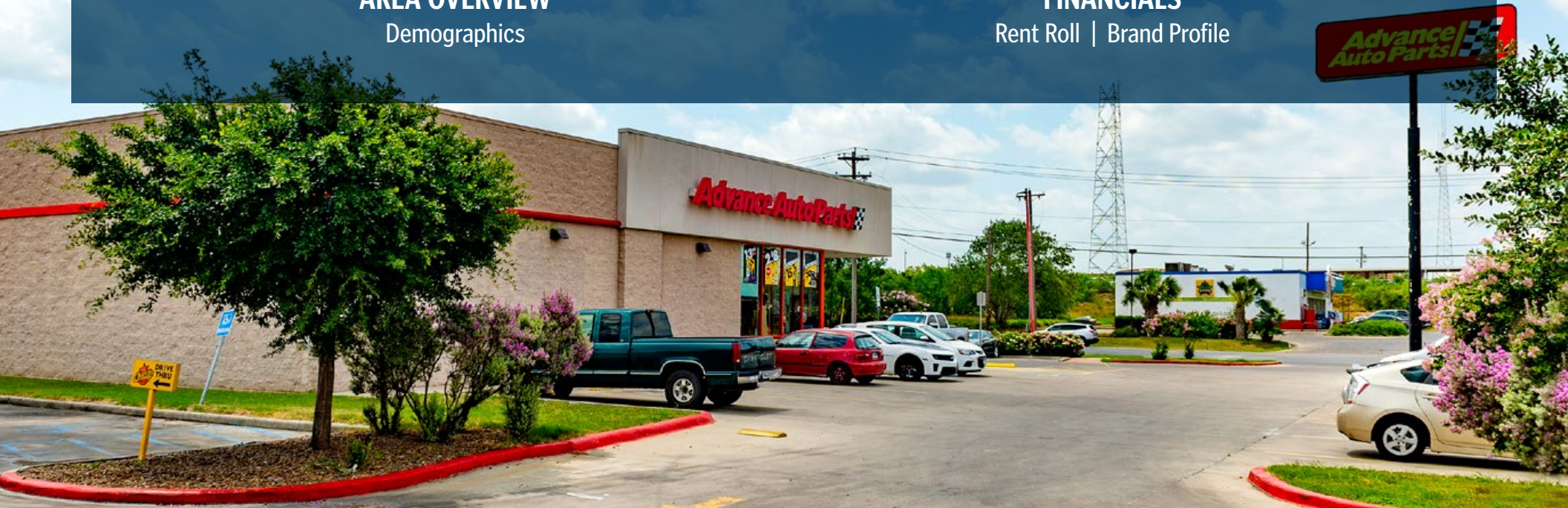
AREA OVERVIEW

Demographics

18

FINANCIALS

Rent Roll | Brand Profile







INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a NNN leased, freestanding, Advance Auto Parts investment property located in Laredo, Texas. The tenant, Advance Stores Company Inc., recently extended their lease, and now has 10 years remaining with 3 (5-year) options to extend, demonstrating their commitment to the site. The lease features a 10% rental increase at the beginning of the first option period and 5% rental increases at the beginning of the second and third option periods, growing NOI and hedging against inflation. The lease is NNN with landlord responsibilities limited to slab, foundation, and structure, making it an ideal, low-management investment opportunity for an out of state investor.

Advance Auto Parts is strategically situated at the signalized, hard corner intersection of South Zapata Highway and Lomas Del Sur Boulevard with a combined 32,300 vehicles passing by daily. The site also features a large pylon sign, providing increased visibility for the subject property, and multiple access points, providing ease and convenience for customers. Nearby national/credit tenants include a 24-hour Walmart Supercenter, H-E-B Grocery, Dollar Tree, Burger King, and more, increasing consumer traffic to the trade area. The 5-mile trade area is supported by over 157,000 residents with an average household income of more than \$46,000.



PROPERTY PHOTOS





OFFERING SUMMARY



Parcel Map

ACTUAL SITE

Offering

PRICING	\$2,185,000
NET OPERATING INCOME	\$125,650
CAP RATE	5.75%
GUARANTY	Corporate (S&P: BBB-)
TENANT	Advance Stores Company Inc.
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	Slab, Foundation, and Structure

Property Specifications

RENTABLE AREA	7,000 SF
LAND AREA	0.89 Acres
PROPERTY ADDRESS	3619 S. Zapata Highway, Laredo, TX 78046
YEAR BUILT	2007
PARCEL NUMBER	346915
OWNERSHIP	Fee Simple (Land & Building)



Recently Extended Lease | 10 Years Remaining | Options To Extend | Corporate Guaranteed

- Recently extended lease - 10 years remaining with 3 (5-year) options to extend
- 10% rental increase at the beginning of the first option period and 5% rental increases at the beginning of the second and third option periods
- Investment grade tenant (S&P: BBB)

NNN Lease | Fee Simple Interest | Limited Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- Landlord responsibilities limited to slab, foundation, and structure
- Ideal, low-management investment for an out-of-state, passive investor

Signalized Hard Corner Intersection | Large Pylon Sign | Convenient Access

- Strategically situated at the signalized, hard corner intersection of South Zapata Highway and Lomas Del Sur Boulevard with a combined 32,300 vehicles passing by daily
- Large pylon sign increases visibility to the site
- Convenient access from both adjacent roads

Nearby National/Credit Tenants | Adjacent To Hotel Promotes Crossover Shopping

- Nearby national/credit tenants include a 24-hour Walmart Supercenter, H-E-B Grocery, Dollar Tree, Burger King, and more
- Adjacent to Rodeway Inn, providing a direct consumer base to draw from
- Increases consumer traffic and promotes crossover shopping

Healthy Demographics In 5-mile Trade Area

- More than 157,000 residents and 36,000 employees support the trade area
- Over \$46,000 average household income

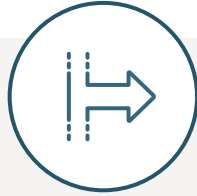


PROPERTY OVERVIEW



Location

Located in
Webb County



Access

Lomas Del Sur Boulevard
2 Access Points

S. Zapata Highway/
U.S. Highway 83
1 Access Point



Traffic Counts

S. Zapata Highway/
U.S. Highway 83
29,000 Cars Per Day



Improvements

There is approximately
7,000 SF of existing
building area



Parking

There are approximately
36 parking spaces
on the owned parcel.

The parking ratio is
approximately 5.43 stalls per
1,000 SF of leasable area.



Parcel

Parcel Number: 346915
Acres: 0.89
Square Feet: 38,768 SF



Year Built

2007



Zoning

B4: Highway Commercial



FLOWN AERIAL





LYNDON B. JOHNSON
HIGH SCHOOL

PEREZ
ELEMENTARY

(24-HOUR LOCATION)

Walmart
Supercenter

SUBWAY

WING STOP

peter piper
pizza

BURGER
KING

FAMILY DOLLAR

LAREDO COLLEGE
SOUTH CAMPUS

EXXON

ARNDT
ELEMENTARY
SCHOOL

Edley's

DANNY'S
Restaurant

WHATABURGER

Little Caesars

DOLLAR
TREE

metro
by F-Mobile

3,300
CARS PER DAY

LOMAS DEL SUR BOULEVARD



S. ZAPATA HIGHWAY

Max's
Margaritas

RODEWAY
INN
CHOICE

Advance
Auto Parts

Church's
Chicken

29,000
CARS PER DAY

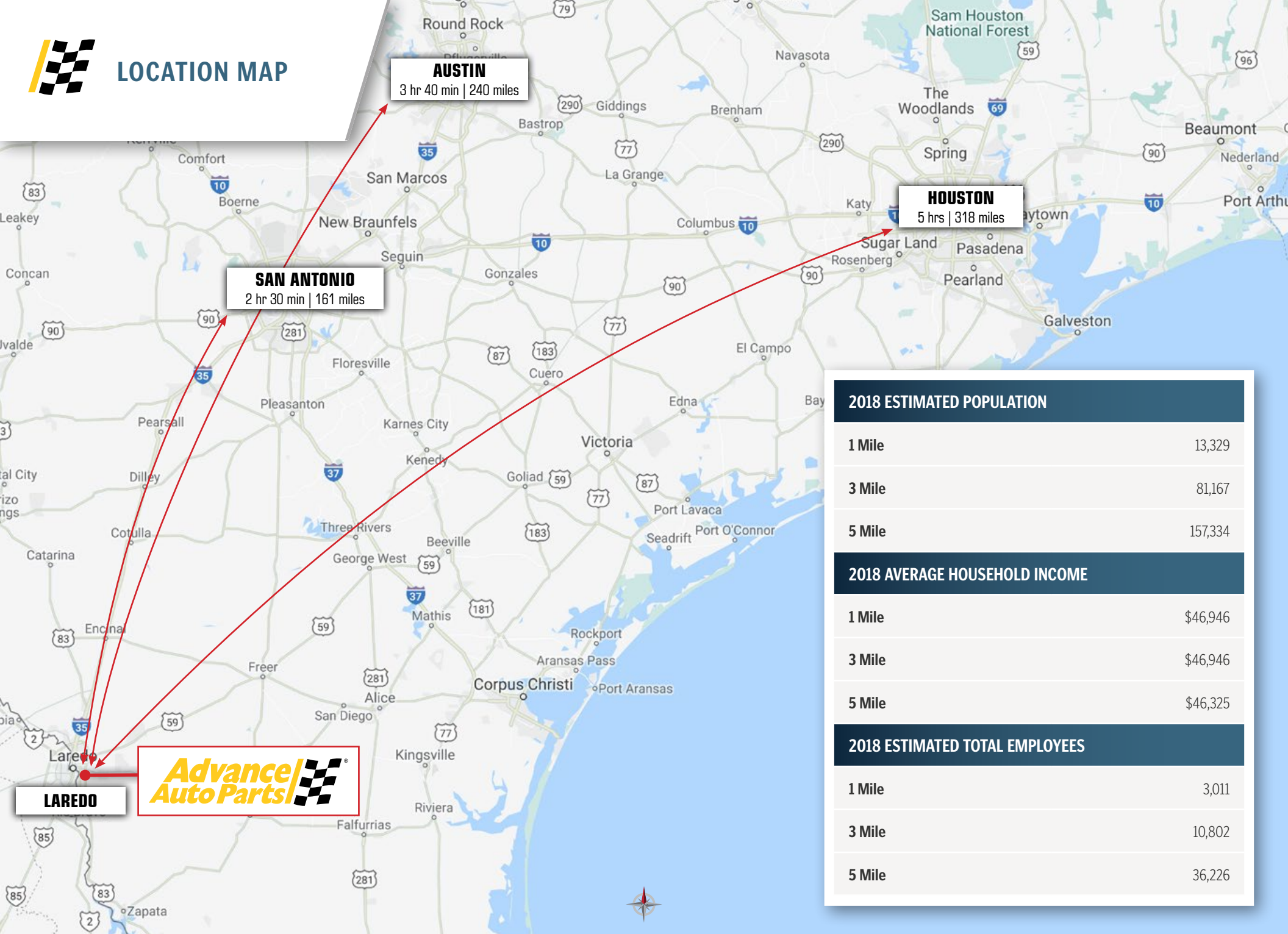








LOCATION MAP



2018 ESTIMATED POPULATION

1 Mile	13,329
3 Mile	81,167
5 Mile	157,334

2018 AVERAGE HOUSEHOLD INCOME

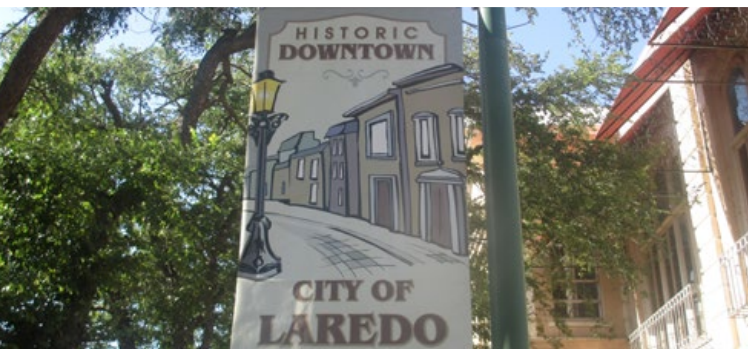
1 Mile	\$46,946
3 Mile	\$46,946
5 Mile	\$46,325

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile	3,011
3 Mile	10,802
5 Mile	36,226



AREA OVERVIEW



Laredo, Texas

Laredo is a city in and the county seat of Webb County, Texas, United States, on the north bank of the Rio Grande in South Texas, across from Nuevo Laredo, Tamaulipas, Mexico. The City of Laredo is the 10th largest city in Texas with a population of 268,976 as of July 1, 2018. Laredo ranks in the upper quartile for Population Density and the lower quartile for Diversity Index when compared to the other cities, towns and Census Designated Places (CDPs) in Texas.

Laredo has four South Texas banking institutions: Falcon International Bank, International Bank of Commerce, BBVA Compass, and Texas Community Bank. Laredo is the largest inland port in the United States, and Nuevo Laredo the largest in Latin America. This is due to their respective locations, served by Interstate Highway 35 / Mexican Federal Highway 85, the effects of the North American Free Trade Agreement (NAFTA), dozens of twin assembly plants on the Mexican side, and dozens of import export agencies to expedite trade. In January 2014, the Laredo customs district processed “\$20 billion in two-way trade with Mexico”, about half that for the entire US with Mexico for the month. Laredo is a shopping destination for Mexican shoppers from Northern Mexico. In 2015 the San Antonio Express-News reported the number of Mexican shoppers has declined due to drug war-related violence in Nuevo Laredo.

Laredo College is a two-campus institution which offers two-year Associate’s degrees. The main campus is at the western end of downtown Laredo near the Rio Grande, on the site of the former Fort McIntosh. This fort played a major role in the development of Laredo, as it protected the community from Indian raids in its early history. Several of the old buildings at the fort were converted into classrooms, but after renovation programs nearly all of the campus structures are now modern. The smaller, newer second campus, Laredo College South Campus, is in south Laredo along U. S. Route 83.

Laredo is served by the Laredo International Airport. Daily flights are available to Houston (George Bush Intercontinental Airport) and to Dallas-Fort Worth International Airport. Tri-weekly flights to Las Vegas, Nevada are available. After Laredo Air Force Base closed in the mid-1970s, the federal government handed over the old air force base and property to the City of Laredo for a new municipal airport. From the mid-1970s until the mid-1990s, the airport used a small terminal for passenger airline service and several old hangars for air cargo and private aircraft. A new state-of-the art passenger terminal was built along the then newly constructed Loop 20 to accommodate larger jets and to increase passenger air travel through Laredo. Expansion of air cargo facilities, taxiways and aprons, air cargo carriers such as DHL, FedEx, UPS, BAX, and others have responded by adding commercial air cargo jet services. Laredo also has two medical helipads, at Laredo Medical Center and Doctor’s Hospital.



AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2018 Estimated Population	13329	81167	157334
2023 Projected Population	14629	88656	169345
2010 Census Population	11370	69133	140005
Projected Annual Growth 2018 to 2023	1.88%	1.78%	1.48%
Historical Annual Growth 2010 to 2018	1.95%	1.96%	1.42%
2018 Estimated Households	3055	19145	40473
2023 Projected Households	3352	20855	43390
2010 Census Households	2610	16434	36382
Projected Annual Growth 2018 to 2023	1.87%	1.73%	1.40%
Historical Annual Growth 2010 to 2018	1.93%	1.87%	1.30%
2018 Estimated White	90.49%	81.59%	78.48%
2018 Estimated Black or African American	0.58%	0.55%	0.53%
2018 Estimated Asian or Pacific Islander	0.03%	0.13%	0.30%
2018 Estimated American Indian or Native Alaskan	0.29%	0.56%	0.49%
2018 Estimated Other Races	14.04%	12.00%	10.60%
2018 Estimated Hispanic	97.71%	97.97%	97.44%
2018 Estimated Average Household Income	\$46,946	\$48,916	\$46,325
2018 Estimated Median Household Income	\$35,644	\$37,460	\$35,139
2018 Estimated Per Capita Income	\$10,760	\$11,571	\$12,113
2018 Estimated Total Businesses	172	832	2785
2018 Estimated Total Employees	3011	10802	36226





RENT ROLL

Lease Term						Rental Rates					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	Incr.	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Advance Stores Company Inc. (Corporate Guaranty)	7,000	Sept 2007	April 2029	Current	-	\$10,471	\$1.50	\$125,650	\$17.95	NNN	3 (5-Year)
		(est.)									

FINANCIAL INFORMATION

Price	\$2,185,000
Net Operating Income	\$125,650
Cap Rate	5.75%
Lease Type	NNN

PROPERTY SPECIFICATIONS

Year Built	2007
Rentable Area	7,000 SF
Land Area	0.89 Acres
Address	3619 S. Zapata Highway, Laredo, TX 78046



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.



BRAND PROFILE



COMPANY TYPE

Public (NYSE: AAP)

2018 EMPLOYEES

70,000

2018 REVENUE

\$9.58 B

2018 NET INCOME

\$423.85 M

2018 ASSETS

\$9.04 B

2018 EQUITY

\$3.55 B

CREDIT RATING

S&P: BBB-

Advance Auto Parts advanceautoparts.com

Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. As of April 20, 2019, Advance operated 4,931 stores and 146 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. The Company also serves 1,231 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos, British Virgin Islands and Pacific Islands. Advance Auto Parts, Inc. was founded in 1929 and is headquartered in Roanoke, Virginia.



SRS NATIONAL NET LEASE GROUP IS THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM OF SRS REAL ESTATE PARTNERS.

275+

**RETAIL
PROFESSIONALS**

25+

OFFICES

#1

**LARGEST REAL ESTATE
SERVICES FIRM**
in North America
exclusively dedicated to retail

1500+

RETAIL LISTINGS
in 2018

2.6B

**TRANSACTION
VALUE**
in 2018

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.

*Statistics are for 2018

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