



ADVANCE AUTO PARTS

OFFERING MEMORANDUM

Altoona, PA

Marcus & Millichap

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Property Overview

Property Information

Address	621-31 Pleasant Valley Blvd. Altoona, PA 16602
Property Type	Single Tenant / Auto Parts
APN	01.08-11...-001.00-000
Lot Size	0.76 Acres

Financial Information

Asking Price	\$1,648,000
Price/SF	\$235.43
Current CAP Rate	6.75%
Current NOI	\$111,300
Occupancy	100%

Structure Information

Year Built	2004
GLA	7,000 SF
Parking Spaces	43 (6.14/1,000sqft)
Ownership Type	Fee Simple



INVESTMENT OVERVIEW

This investment offering represents the chance to purchase an Advance Auto Parts with just shy of 10 years of firm lease term remaining. The property is located at 621-631 Pleasant Valley Blvd., in the Town of Altoona Pennsylvania. The property sits on the signalized corner of Pleasant Valley and 7th Street and adjacent to the main grocery anchored center in the immediate trade area. The building sits in a dense infill location with over 50,000 residents within 3 miles and an average household income of over \$51,000. The existing lease term runs through March 31, 2029 and features two five years options with 10% Increases. Advance Auto has occupied this location since 2004 and has done consistently well. Check out this store's online reviews!

Altoona is located roughly 80 miles East of Pittsburgh, PA and was founded as major railroad town by the Pennsylvania Railroad in 1849. Since then Altoona has grown to be the 11th largest city in Pennsylvania. Altoona's centralized location along Interstate 99 has made it a vital retail hot spot for the Tri-City Region. The city's economic growth continues to attract major retailers such as Best Buy, The Home Depot, Dick's Sporting Goods, Sam's Club, and AMC Theatres which recently built a second location in Altoona.



In addition to the major retailers, Marriott International and Hilton have built four subsidiary hotels in Altoona to serve the influx of tourist from the Blair County Convention Center, an 18 hole golf course at Park Hills Golf Club, and a minor league baseball team the Altoona Curve.

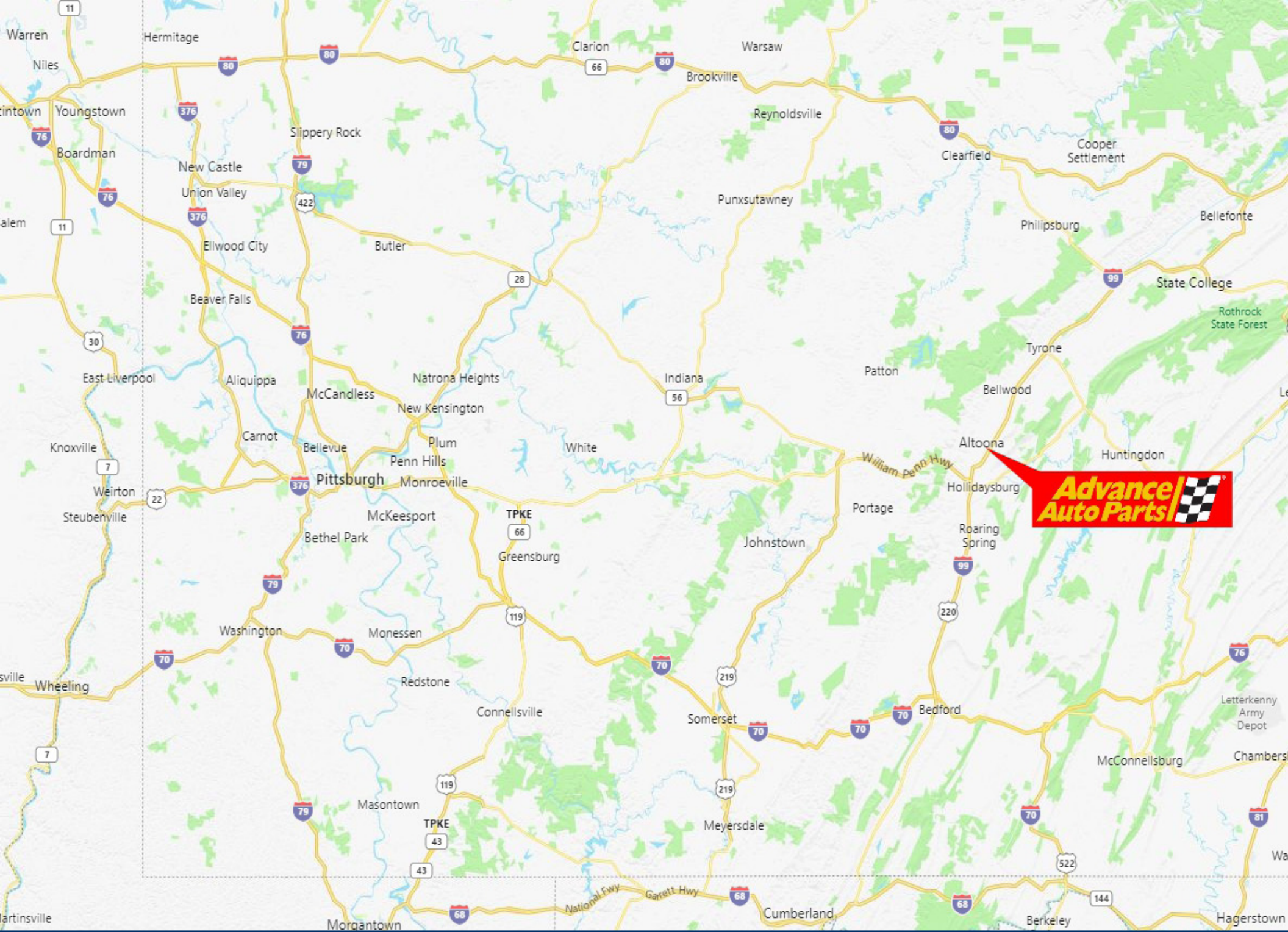


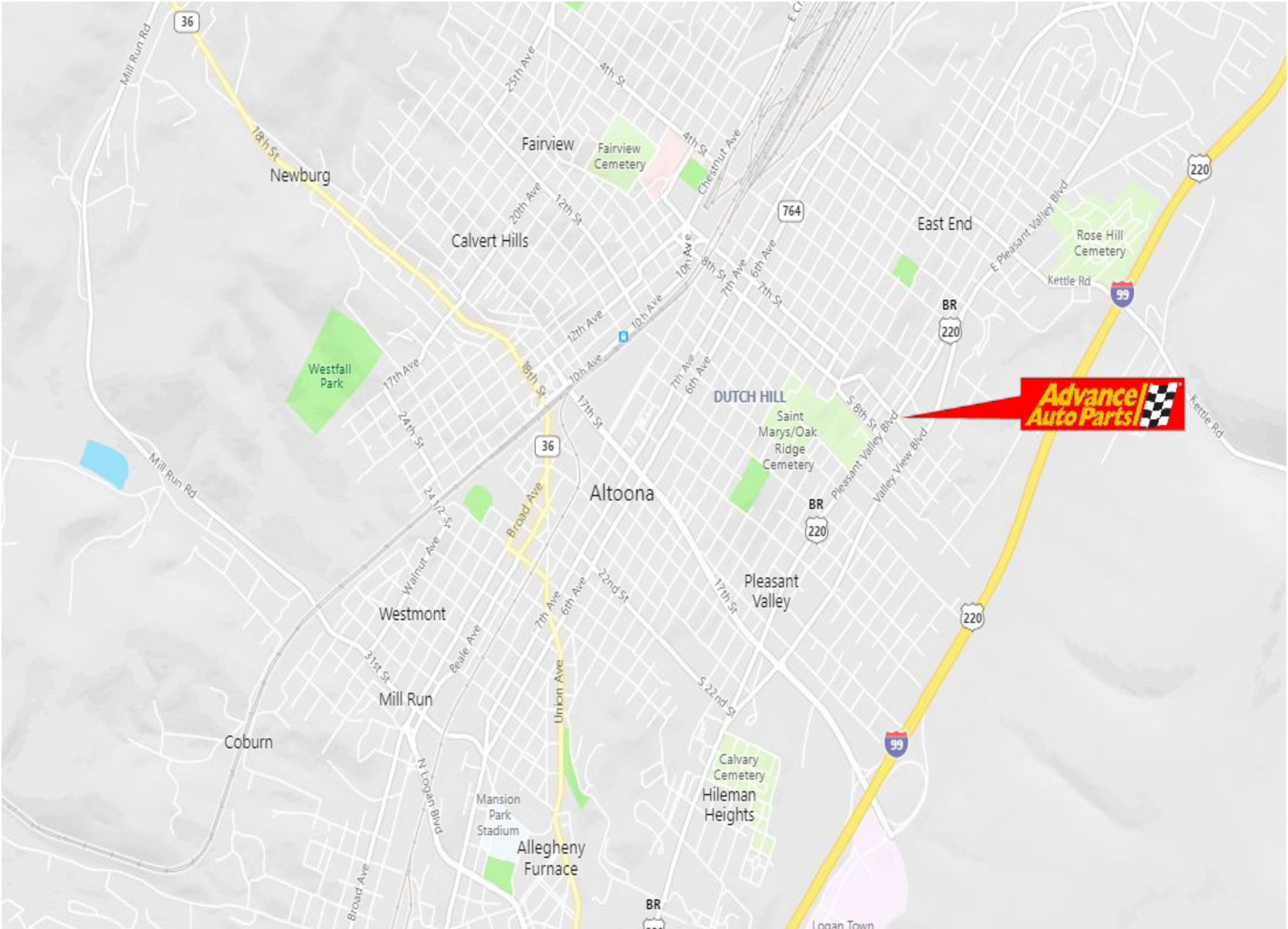
INVESTMENT HIGHLIGHTS

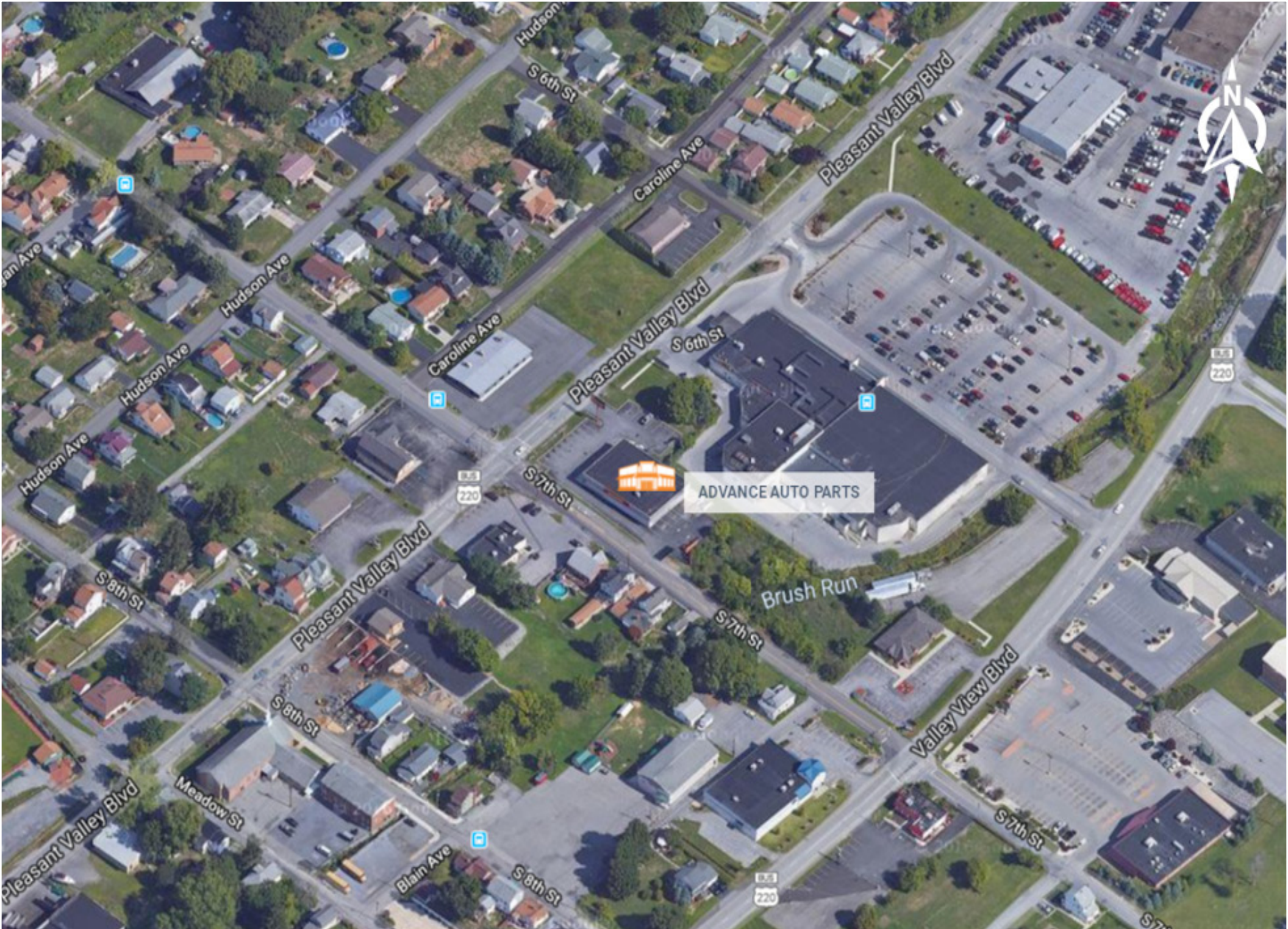
- Corporate Guaranteed Lease with Advance Auto Parts
- Advance Auto Parts has an Investment Grade Credit Rating from all three major rating agencies
- Large Corner Lot on a Signalized Intersection with Excellent Parking
- Just shy of 10 years of firm lease term with 2 five year options
- Over 50,000 residents within 3 miles
- Daytime Population Over 77,000



- Altoona is the 11th largest city in Pennsylvania
- Altoona is the primary retail and tourist draw in the Tri-City Region
- Excellent Visibility along Pleasant Valley Blvd (20,300 VPD) and South 7th Street (4,900 VPD)
- 2 Pylon Signs & 2 Parapet Signs
- Very successful store with 15 years of operating history
- Recent Lease Extension
- Low Rent







OFFERING SUMMARY

THE OFFERING	
Property	Advance Auto Parts
Property Address	621-31 Pleasant Valley Blvd. Altoona, PA 16602
Price	\$1,648,000
Capitalization Rate	6.75%
Price/SF	\$235.43
PROPERTY DESCRIPTION	
Year Built / Renovated	2004
Gross Leasable Area	7,000 SF
Type of Ownership	Fee Simple
Lot Size	0.76 Acres
ANNUALIZED OPERATING INFORMATION	
INCOME	\$111,300

LEASE HIGHLIGHTS	
Property Subtype	Net Leased Auto Parts
Tenant	Advance Auto Parts
Guarantor	Corporate Guarantee
Lease Type	Modified NNN
Lease Commencement	7/23/2003
Lease Expiration	3/31/2029
Term Remaining on Lease (Years)	10
Renewal Options	Two 5-Year Options
Landlord Responsibility	See Page 10
Tenant Responsibility	See Page 10

LEASE SUMMARY				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current- 3/31/2029	\$111,300	\$9,275	\$15.90	6.75%
Option 1	\$122,430	\$10,203	\$17.49	7.43%
Option 2	\$134,673	\$11,223	\$19.24	8.17%



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. Tenant may be relieved of liability if the transferee has a net worth equal to or greater than Advance Auto Parts Inc.

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	5,109
Revenue	\$9.6 Billion USD (2018)

FINANCIAL MARKETS

Stock Ticker	AAP
Current Price	\$170.19 as of 4/26/2019
52 Week High/ Low	\$186.15 / \$110.08

KEY PERSONNEL

Chief Executive Office	Thomas Greco
Chief Financial Officer	Jeffrey W. Sheppard

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.



66,996

Population within 5 Mile Radius



27,443

Households within 5 Mile Radius



\$58,092

Average Income within 5 Mile Radius

UNIT TYPE	1 MILE	3 MILES	5 MILES
2018 Estimate Total Population	11,534	50,630	66,996
2010 Census Total Population	12,286	50,565	67,750
2000 Census Total Population	13,267	53,768	70,386
Daytime Population 2018 Estimate	16,717	62,689	77,761

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2018 Estimate Total Households	4,948	20,516	27,443
2010 Census Total Households	5,102	21,010	28,034
2000 Census Total Households	5,411	21,719	28,328
Average (Mean) Household Size	2.37	2.35	2.36

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2018 Estimate			
\$150,000 or More	1.24%	3.09%	4.66%
\$100,000 - \$149,000	4.52%	7.11%	8.43%
\$75,000 - \$99,999	10.04%	10.30%	10.77%
\$50,000 - \$74,999	16.86%	17.69%	18.51%
\$35,000 - \$49,999	14.77%	14.85%	14.50%
Under \$35,000	52.58%	46.97%	43.13%
Average Household Income	\$43,188	\$51,106	\$58,092
Median Household Income	\$33,316	\$37,415	\$41,144
Per Capita Income	\$18,097	\$21,470	\$24,400