



ADVANCE AUTO PARTS

605 E King St • Shippensburg, PA 17257

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ADVANCE AUTO PARTS
Shippensburg, PA
ACT ID ZAA0280215

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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.

Marcus & Millichap

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INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

OFFERING SUMMARY

Price	\$1,100,000
Net Operating Income	\$80,010
Capitalization Rate – Current	7.27%
Price / SF	\$157.14
Rent / SF	\$11.43
Lease Type	NN
Gross Leasable Area	7,000 SF
Year Built / Renovated	2000
Lot Size	0.94 acre(s)

FINANCING

Down Payment	All Cash
Net Cash Flow	7.27% / \$80,010
Cash on Cash Return	7.27%
Total Return	7.27% / \$80,010

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES*
State Systm of Higher Educ of	824
Beistle Company	370
Walmart	261
Wenger Feeds LLC	200
Lowes	158
Schreiber Foods Inc	150
Shippensburg University Studen	150
Best Line Equipment	128
Jlg Industries Inc	125
Giant 6061	115
Senior Care Inc	113
Wsync FM	110

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2018 Estimate Pop	9,228	19,507	27,024
2010 Census Pop	9,033	18,739	25,922
2018 Estimate HH	2,886	6,916	9,529
2010 Census HH	2,789	6,628	9,138
Median HH Income	\$32,911	\$46,816	\$52,578
Per Capita Income	\$18,346	\$23,044	\$23,733
Average HH Income	\$50,163	\$60,319	\$63,890

* # of Employees based on 5 mile radius



INVESTMENT OVERVIEW

Marcus & Millichap is pleased to exclusively list a STNL Advance Auto Parts at 605 E King Street in Shippensburg, PA.

Shippensburg is a borough in Cumberland and Franklin Counties in Pennsylvania. Shippensburg is the home of the Beistle Company, the oldest and largest manufacturer of decorations and party goods, which sells its distinctive honeycomb paper decorations worldwide. It is also the location of Pague and Fegan, the oldest continuously operated hardware store in Pennsylvania. In May 2012, Volvo Construction Equipment began a \$100 million expansion project to bring its American headquarters to Shippensburg. Shippensburg University of Pennsylvania, one of 14 universities of the Pennsylvania State System of Higher Education, is located just north of the borough limits in Shippensburg Township.

INVESTMENT HIGHLIGHTS

- Corporate Guarantee
- 5% Rental Increases at Options
- Has Been at Location for 19 Years
- 15,880 Traffic Count
- 1 Mile Away from Walmart Supercenter



Advance Auto Parts, Inc.


CREDIT RATING: B1
www.fdreports.com | www.creditintell.com | April 20, 2019

General Information

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

Key Personnel

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

Store Base

Store Count	5,077
TTM Sales	\$9,658,742,000

Financial Markets

Stock Ticker	AAP
Current Price	\$150.54 as of 6/12/19
52 Week High/Low	\$186.15 / \$131.49

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 5,200 stores under the Advance Auto Parts, Autopart International (AI), Carquest, and Worldpac banners in the US and Canada. Its stores carry brand-name and private-label 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.

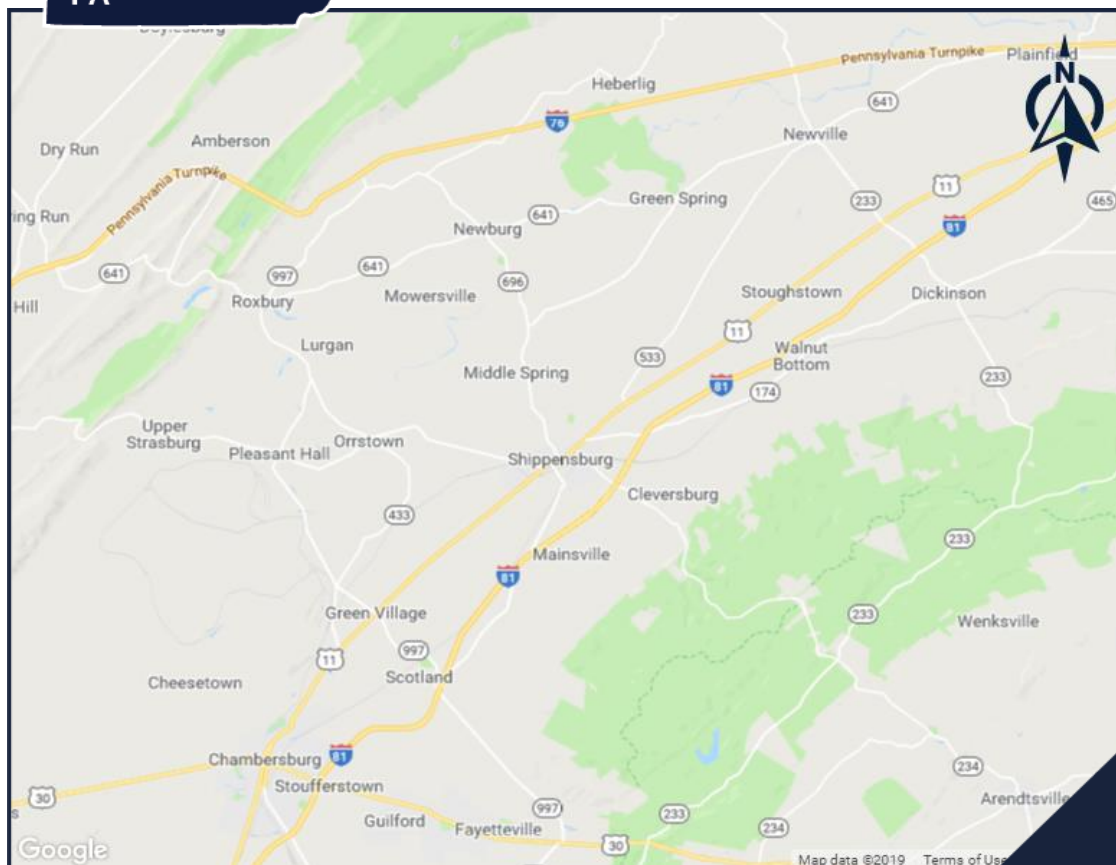
Fiscal Year Ended December 29, 2018

Credit Rating Chart Comparison Creditintell | 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

PA

605 E King St, Shippensburg, PA 17257

- Corporate Guarantee
- 5% Rental Increases at Options
- Has Been at Location for 19 Years
- 15,880 Traffic Count
- 1 Mile Away from Walmart Supercenter

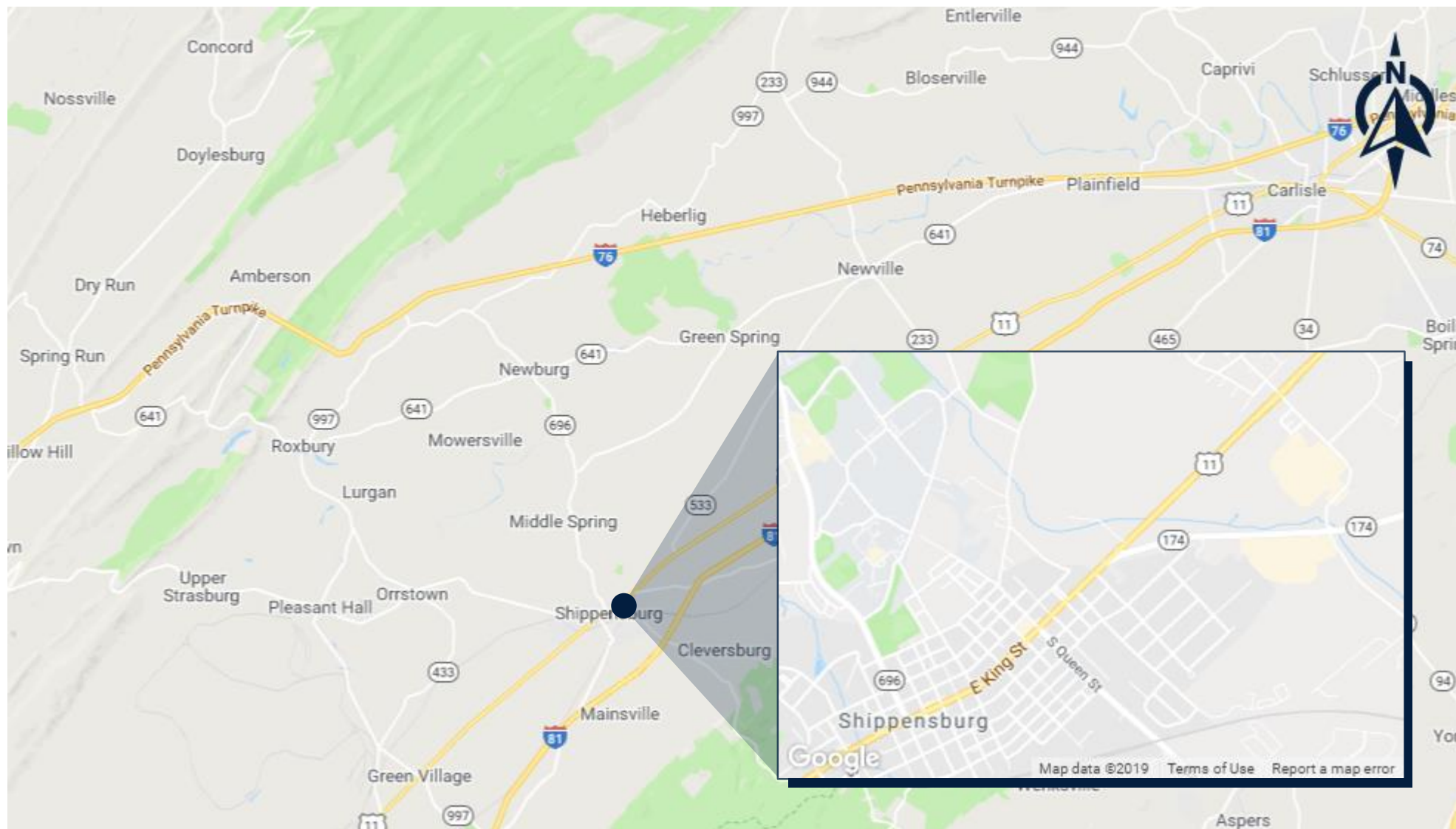
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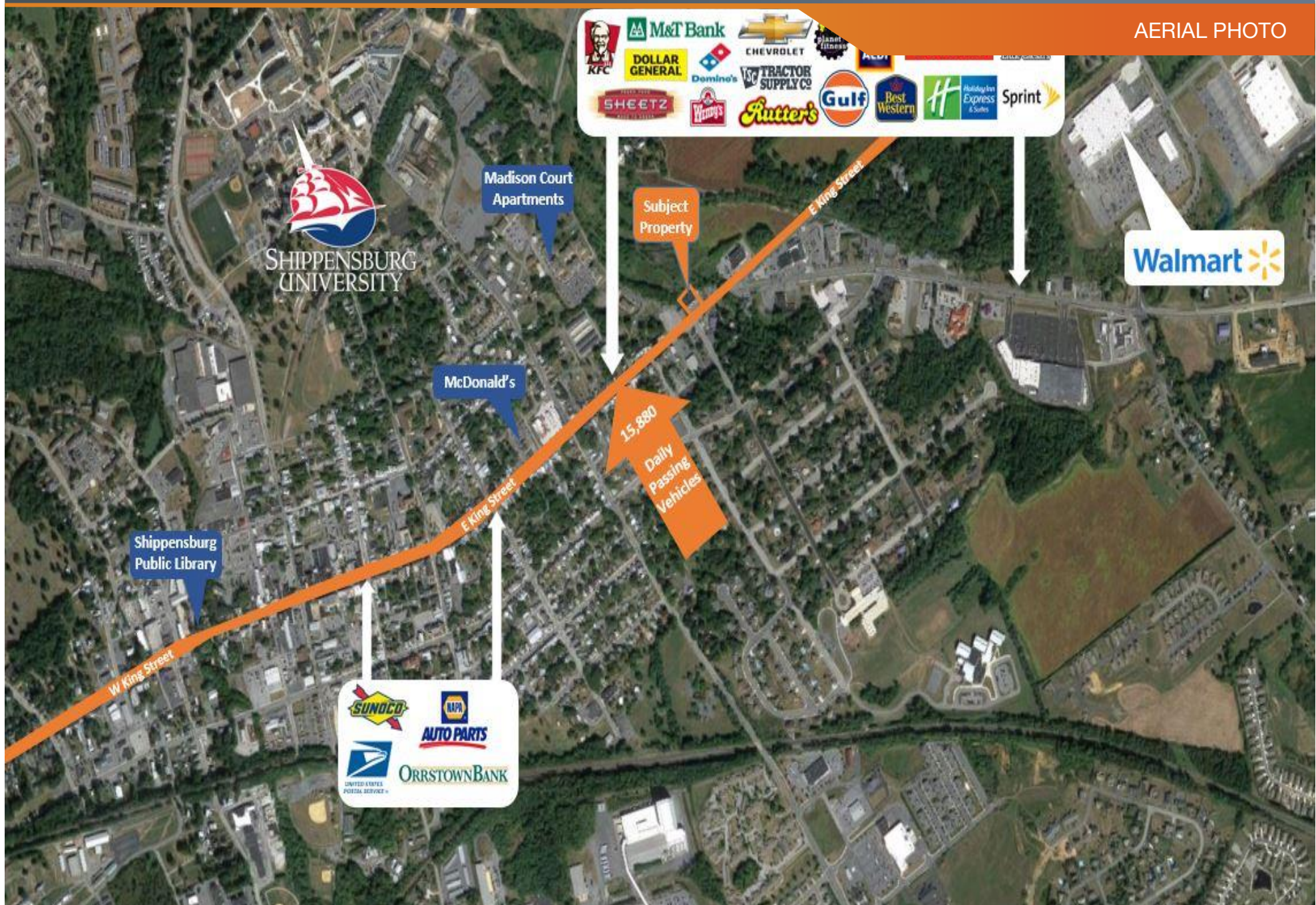
CLOSE PROXIMITY TO:



Schools

605 E King St, Shippensburg, PA 17257













FINANCIAL ANALYSIS



PROPERTY SUMMARY

THE OFFERING	
Property	Advance Auto Parts
Property Address	605 E King St Shippensburg, Pennsylvania 17257
Price	\$1,100,000
Capitalization Rate	7.27%
Price/SF	\$157.14

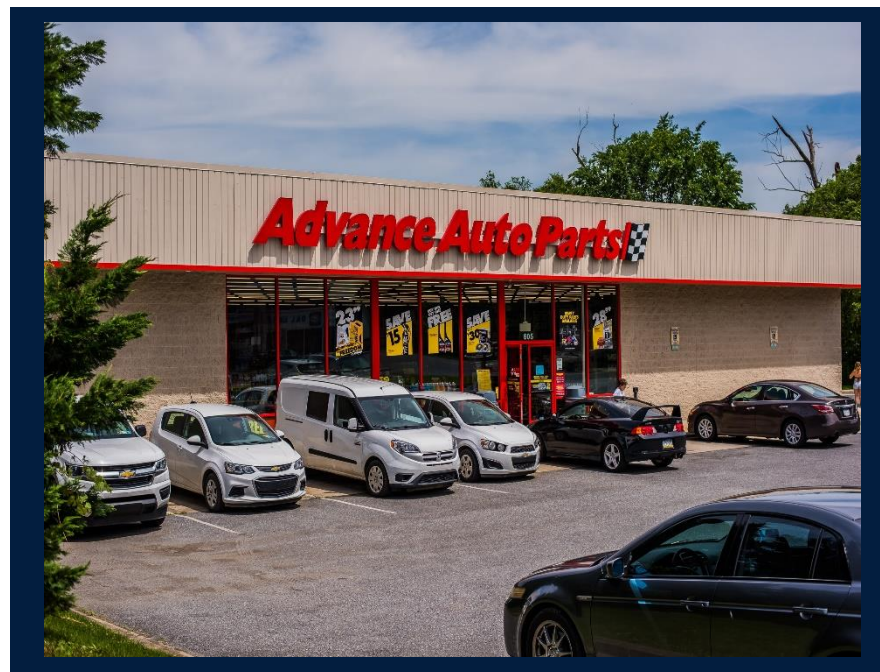
PROPERTY DESCRIPTION	
Year Built / Renovated	2000
Gross Leasable Area	7,000 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	0.94 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Auto Parts
Tenant	Advance Auto Parts
Rent Increases	5% At Option Periods
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	1/1/2001
Lease Expiration	12/31/2025
Lease Term	25
Term Remaining on Lease (Years)	6.6
Renewal Options	Two - (5) Year Options
Landlord Responsibility	Roof, Structure, Water & Sewer Lines
Tenant Responsibility	Taxes, Insurance & CAM
Right of First Refusal/Offer	No

ANNUALIZED OPERATING INFORMATION

INCOME	
Net Operating Income	\$80,010

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$80,010	\$6,668	\$11.43	7.27%
Option 1	\$84,000	\$7,000	\$12.00	7.64%
Option 2	\$91,000	\$7,583	\$13.00	8.27%



NOTES

MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues to the benefit of our clients.



**Closed 1,678
debt and equity
financings
in 2018**



**National platform
operating
within the firm's
brokerage
offices**



**\$6.24 billion
billion total
national
volume in 2018**



**Access to
more capital
sources than
any other firm
in the industry**

WHY MMCC?

**Optimum financing solutions
to enhance value**

**Our ability to enhance
buyer pool by expanding
finance options**

**Our ability to enhance
seller control**

- Through buyer qualification support
- Our ability to manage buyers finance expectations
- Ability to monitor and manage buyer/lender progress, insuring timely, predictable closings
- By relying on a world class set of debt/equity sources and presenting a tightly underwritten credit file

MARKET OVERVIEW



Created on June 2019

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	9,560	20,770	28,733
■ 2018 Estimate			
Total Population	9,228	19,507	27,024
■ 2010 Census			
Total Population	9,033	18,739	25,922
■ 2000 Census			
Total Population	8,096	15,676	21,700
■ Current Daytime Population			
2018 Estimate	13,557	23,758	27,229
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	3,056	7,534	10,360
■ 2018 Estimate			
Total Households	2,886	6,916	9,529
Average (Mean) Household Size	2.28	2.45	2.54
■ 2010 Census			
Total Households	2,789	6,628	9,138
■ 2000 Census			
Total Households	2,399	5,296	7,371
■ Occupied Units			
2023 Projection	3,056	7,534	10,360
2018 Estimate	3,091	7,416	10,149
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	3.01%	4.34%	4.90%
\$100,000 - \$149,000	7.63%	10.87%	11.99%
\$75,000 - \$99,999	8.97%	13.34%	14.78%
\$50,000 - \$74,999	14.90%	19.35%	20.20%
\$35,000 - \$49,999	13.61%	13.49%	13.42%
Under \$35,000	51.87%	38.60%	34.71%
Average Household Income	\$50,163	\$60,319	\$63,890
Median Household Income	\$32,911	\$46,816	\$52,578
Per Capita Income	\$18,346	\$23,044	\$23,733

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$47,110	\$58,629	\$62,203
■ Consumer Expenditure Top 10 Categories			
Housing	\$13,914	\$16,853	\$17,760
Shelter	\$8,476	\$9,975	\$10,432
Transportation	\$6,432	\$7,995	\$8,555
Food	\$4,806	\$5,635	\$5,895
Personal Insurance and Pensions	\$3,390	\$5,096	\$5,659
Utilities	\$3,013	\$3,715	\$3,946
Health Care	\$2,774	\$3,792	\$4,153
Entertainment	\$2,009	\$2,605	\$2,759
Education	\$1,784	\$1,907	\$1,996
Apparel	\$1,760	\$1,750	\$1,756
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	9,228	19,507	27,024
Under 20	30.72%	28.45%	28.26%
20 to 34 Years	41.55%	30.91%	27.18%
35 to 39 Years	3.18%	5.12%	5.43%
40 to 49 Years	6.07%	9.16%	10.16%
50 to 64 Years	8.76%	13.74%	15.70%
Age 65+	9.72%	12.63%	13.28%
Median Age	22.18	26.90	30.10
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	3,633	10,397	15,404
Elementary (0-8)	3.96%	3.91%	4.14%
Some High School (9-11)	13.63%	11.48%	10.90%
High School Graduate (12)	34.87%	39.91%	41.95%
Some College (13-15)	13.62%	14.05%	13.44%
Associate Degree Only	6.73%	6.31%	6.74%
Bachelors Degree Only	15.21%	13.57%	12.70%
Graduate Degree	11.56%	10.21%	9.45%

Source: © 2018 Experian



Population

In 2018, the population in your selected geography is 27,024. The population has changed by 24.53% since 2000. It is estimated that the population in your area will be 28,733.00 five years from now, which represents a change of 6.32% from the current year. The current population is 49.34% male and 50.66% female. The median age of the population in your area is 30.10, compare this to the US average which is 37.95. The population density in your area is 343.57 people per square mile.



Households

There are currently 9,529 households in your selected geography. The number of households has changed by 29.28% since 2000. It is estimated that the number of households in your area will be 10,360 five years from now, which represents a change of 8.72% from the current year. The average household size in your area is 2.54 persons.



Income

In 2018, the median household income for your selected geography is \$52,578, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 45.04% since 2000. It is estimated that the median household income in your area will be \$61,241 five years from now, which represents a change of 16.48% from the current year.

The current year per capita income in your area is \$23,733, compare this to the US average, which is \$32,356. The current year average household income in your area is \$63,890, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 91.76% White, 3.89% Black, 0.01% Native American and 1.38% Asian/Pacific Islander. Compare these to 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 2.96% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

The median housing value in your area was \$173,196 in 2018, compare this to the US average of \$201,842. In 2000, there were 4,938 owner occupied housing units in your area and there were 2,432 renter occupied housing units in your area. The median rent at the time was \$408.



Employment

In 2018, there are 7,450 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 50.20% of employees are employed in white-collar occupations in this geography, and 49.65% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.50%. In 2000, the average time traveled to work was 24.00 minutes.