



Offering Memorandum

ADVANCE AUTO PARTS
4037 HEMPHILL STREET
FORT WORTH, TX 76115

Marcus & Millichap





HEMPHILL ST
13,000 CPD

SHOPPING CENTER
COMING SOON
NOW LEASING

DOWNTOWN FORT WORTH



HEMPHILL ST
13,000 CPD

FUTURE
RESIDENTIAL

FAMILY DOLLAR

Advance
Auto Parts

SHOPPING CENTER
COMING SOON
NOW LEASING



ADVANCE AUTO PARTS

4037 Hemphill Street
Fort Worth, TX 76115

FINANCIAL SUMMARY

Price	\$2,784,000
Down Payment	100% \$2,784,000
Cap Rate	5.65%
Building SF	10,000 SF
Net Cash Flow	5.65% \$157,292
Year Built	2017
Lot Size	1.14 Acres

LEASE SUMMARY

Lease Type	Triple-Net (NNN) Lease
Tenant	Advance Auto Parts
Roof & Parking Lot & HVAC	Tenant Responsible
Structure Only	Landlord Responsible
Lease Commencement Date	July 1, 2017
Lease Expiration Date	June 30, 2032
Lease Term Remaining	14 Years
Rental Increases	In Options
Renewal Options	4, 5 Year Options

ANNUALIZED OPERATING DATA

LEASE YEARS	ANNUAL RENT	CAP RATE
Current - 6/30/2032	\$157,292	5.65%
OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$165,157	5.93%
Option 2	\$173,414	6.23%
Option 3	\$182,085	6.54%
Option 4	\$191,189	6.87%

BASE RENT	\$157,292
Net Operating Income	\$157,292
Total Return	5.65% \$157,292





Advance Auto Parts (NYSE: AAP), headquartered in Roanoke, Va., AAP is the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers.

As of October 2018, Advance operated 4,981 company-operated stores, 139 Worldpac branches, and services approximately 1,229 independently owned Carquest branded stores in 49 states, Puerto Rico, the Virgin Islands and Canada. Advance employs approximately 74,000 Team Members.

AAP's strong financial profile allowed for an all-cash transaction for the acquisition of General Parts International, Inc. (GPII), a leading privately held distributor and supplier of original equipment and aftermarket replacement products for commercial markets operating under the CARQUEST and WORLD-PAC brands supports Advance's commitment to maintaining its investment grade ratings. The transaction created the largest automotive aftermarket parts provider in North America, with annual sales of over \$9.3 billion.

Headquarters	Raleigh, North Carolina
Stock Symbol	NYSE: AAP
Founded	1932
Locations	+/- 4,981
Website	www.advanceautoparts.com

INVESTMENT HIGHLIGHTS

- Triple-Net (NNN) Lease with 14 Years Remaining
- 295,905 Residents in 5-Mile Radius – Infill Fort Worth
- Rare 10,000 SF Hub Store
- Easy Freeway Access – Close Proximity to I-35 (169,000 Cars per Day)
- Minutes to Texas Christian University (10,500+ Enrolled)
- Strong Daytime Population – 402,750 Employees in Surrounding Area
- Adjacent to La Gran Plaza (200+ Stores)

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	21,035	114,966	294,555
2017 Estimate	22,271	117,769	295,905
Households	1-Mile	3-Miles	5-Miles
2022 Projections	5,824	37,536	107,040
2017 Estimate	5,768	37,034	103,493
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$40,006	\$58,403	\$64,344
2017 Est. Median Household Income	\$32,484	\$37,468	\$41,933
2017 Est. Per Capita Income	\$10,424	\$18,985	\$22,938

LOCATION OVERVIEW

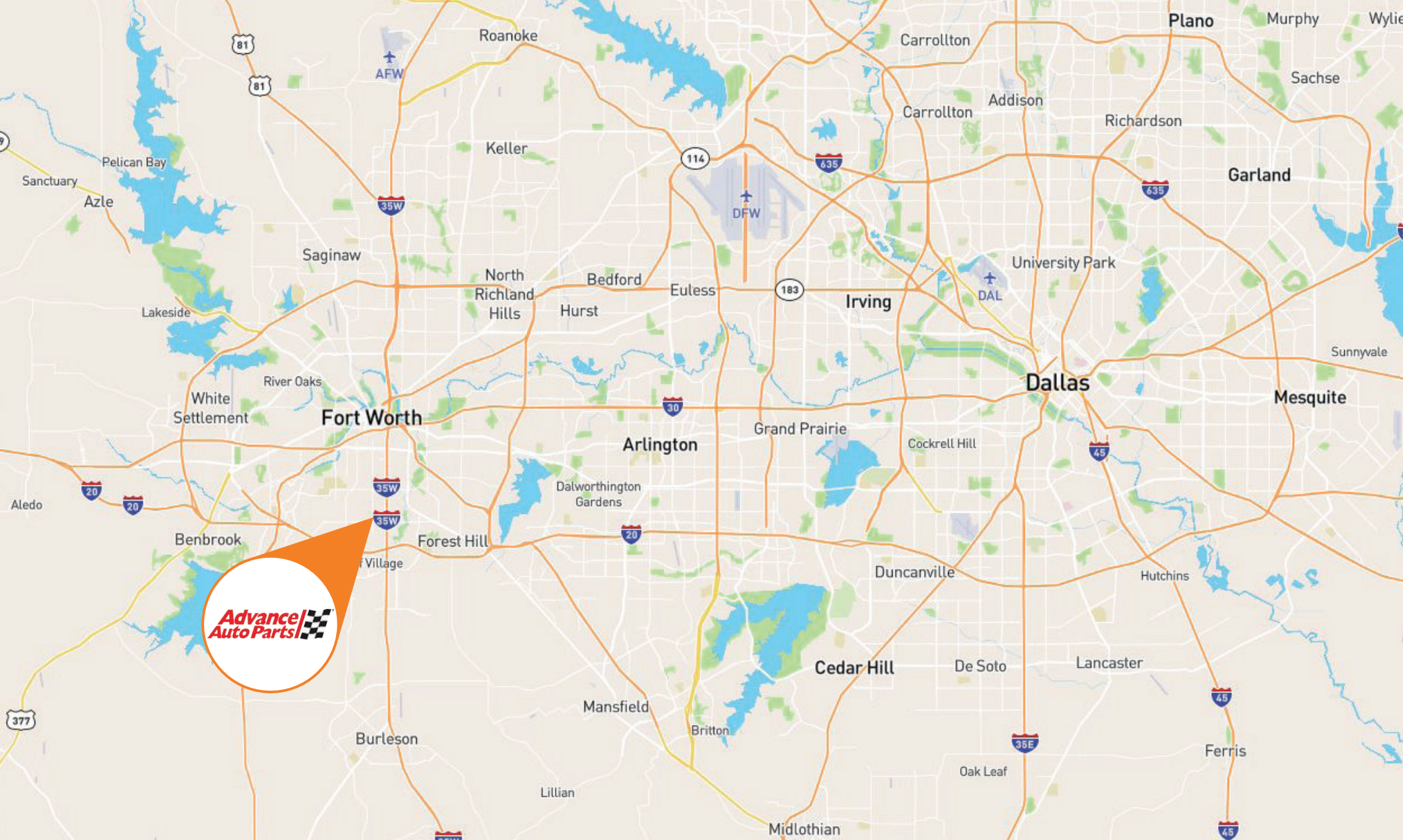
Fort Worth is the 16th-largest city in the United States of America and the fifth-largest city in the state of Texas. Located in North Central Texas, the city is a cultural gateway into the American West and covers nearly 350 square miles in Tarrant, Denton, Johnson, Parker, and Wise counties—serving as the seat for Tarrant County.

Fort Worth went from a sleepy outpost to a bustling town when it became a stop along the legendary Chisholm Trail, the dusty path on which millions of head of cattle were driven north to market. Fort Worth became the center of the cattle drives, and later, the ranching industry. Its location on the Old Chisholm Trail helped establish Fort Worth as a trading and cattle center and earned it the nickname “Cowtown”.

Fort Worth is home to the Kimbell Art Museum, considered to have one of the best collections in Texas, and housed in what is widely regarded as one of Texas’ foremost works of modern architecture. Also of note are the Modern Art Museum of Fort Worth and the Amon Carter Museum, the latter of which houses one of the most extensive collections of American art in the world, in a building designed by Philip Johnson. The city is also home to Texas Christian University, Texas Wesleyan University, Texas A&M University School of Law, and many multinational corporations including Bell Helicopter, Lockheed Martin, American Airlines, Radio Shack, and others.







**Advance
Auto Parts**

3 MILES
Texas Christian
University

6 MILES
Downtown
Fort Worth

19 MILES
AT&T Stadium
(Dallas Cowboys)

30 MILES
Dallas/Fort Worth
International Airport



11-2-2015

Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

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 as well as the Property Owner 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.

exclusively listed

Exclusively listed by:

Marcus & Millichap

JAMIE MEDRESS

Executive Managing Director

PHOENIX OFFICE

Tel: (602) 687-6778

Fax: (602) 687-6717

jmedress@marcusmillichap.com

MARK RUBLE

Senior Managing Director

PHOENIX OFFICE

Tel: (602) 687-6766

Fax: (602) 687-6710

mruble@marcusmillichap.com

CHRIS LIND

First Vice President

PHOENIX OFFICE

Tel: (602) 687-6780

Fax: (602) 687-6710

chris.lind@marcusmillichap.com

TIMOTHY SPECK

Broker of Record

DALLAS OFFICE

License: 432723

OFFICES NATIONWIDE

www.marcusmillichap.com