



\*REPRESENTATIVE PHOTO



OFFERING  
MEMORANDUM

## ADVANCE AUTO PARTS NET LEASED OFFERING

3817 SOUTH 31ST STREET TEMPLE, TX 76502

OFFERING MEMORANDUM  
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## DISCLAIMER & CONFIDENTIALITY

The material contained in this Investment Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of The Kase Group or Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Property Owner ("Owner") in connection with the sale of the Property is The Kase Group Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Investment Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to The Kase Group.

Neither The Kase Group Advisor nor the Owner or its affiliates make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future performance of the Property. This Offering Brochure may include certain statements and estimates by The Kase Group with respect to the projected future performance of the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, The Kase Group Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Investment Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement between it and Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or The Kase Group Advisor, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Investment Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.

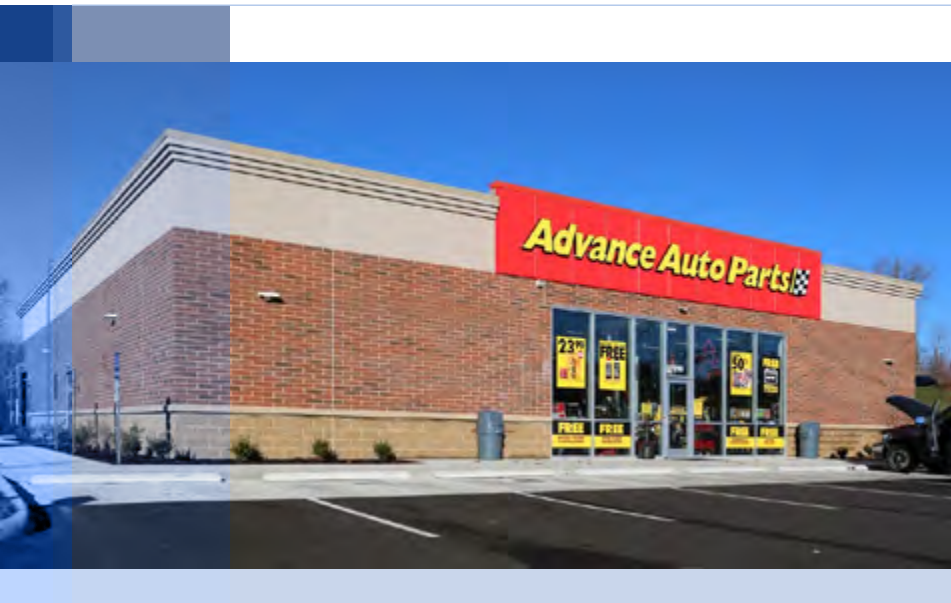


# TABLE OF CONTENTS

04	<b>INVESTMENT OVERVIEW</b>
05	<b>FINANCIAL SUMMARY</b>
06	<b>LEASE ABSTRACT</b>
07	<b>TENANT OVERVIEW</b>
08	<b>LOCATION AERIAL</b>
09	<b>REGIONAL OVERVIEW</b>
10	<b>DEMOGRAPHICS</b>
11	<b>AREA OVERVIEW</b>



# INVESTMENT OVERVIEW



The subject offering is a fee simple interest in a net leased Advance Auto Parts. The asset is located on a major commercial thoroughfare, surrounded by retailers including Little Caesars, Walgreens and Bank of America. Advance Auto is well situated in a Retail and Restaurant Hub Surrounded by Major Retailers Including Walmart Supercenter, Sam's Club, Temple Mall (Macy's, Dillard's, JC Penney), H-E-B, Kohl's, Beall's, Pier 1 Imports, Goodwill, Walgreens, CVS, Smashburger, Taco Bell, Dairy Queen, Chick-fil-A, Starbucks and Whataburger.. This is an ideal opportunity for a passive investor looking for a stable investment with minimal landlord responsibilities.

## INVESTMENT HIGHLIGHTS

NET LEASED OFFERING

100% FEE SIMPLE INTEREST

MINIMAL LANDLORD OBLIGATIONS

SCHEDULED INCREASES IN RENT AT OPTIONS

ADVANCE AUTO PARTS CORPORATE GUARANTY

SITUATED AMONG MAJOR NATIONAL RETAILERS

## OFFERING SPECIFICATIONS

PRICE \$1,186,207

CAP RATE 7.25%

NET OPERATING INCOME \$86,000

SQUARE FOOTAGE 11,340

LOT SIZE .93 AC

YEAR BUILT 1994

# FINANCIAL SUMMARY

## ADVANCE AUTO PARTS • NET LEASED OFFERING OFFERING

3817 SOUTH 31ST STREET TEMPLE, TX 76502

\$1,186,207 • 7.25%

### SUMMARY

TENANT NAME	ADVANCE AUTO PARTS
SQUARE FOOTAGE	11,340
LEASE START	8/4/2005
LEASE END	8/31/2025
ANNUAL RENT	\$86,000
OPTIONS	Four, 5-Year
INCREASES	5% In Options

### OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT	\$86,000	7.25%
OPTION 1	\$91,627	7.72%
OPTION 2	\$97,297	8.20%
OPTION 3	\$102,967	8.68%
OPTION 4	\$108,637	9.16%

# LEASE ABSTRACT

## BASIC TERMS

TENANT	ADVANCE AUTO PARTS
BUILDING SIZE	11,340 SF
LOT SIZE	0.93 AC
ADDRESS	3817 S. 31st St. Temple, TX
LEASE START	August 4, 2005
LEASE END	August 31, 2025
RENEWAL OPTIONS	Four, 5-Year
INCREASES	In option periods

## OBLIGATIONS

LANDLORD OBLIGATIONS	MINIMAL LANDLORD OBLIGATIONS
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## RENT SCHEDULE

PERIOD (YEARS)	MONTHLY RENT	ANNUAL RENT	RENT/SF
CURRENT	\$7,166	\$86,000.00	\$7.58
OPTION 1	\$7,635	\$91,627.00	\$8.07
OPTION 2	\$8,108	\$97,297.00	\$8.60
OPTION 3	\$8,580	\$102,967.00	\$9.07
OPTION 4	\$9,053	\$108,637.00	\$9.57



# TENANT OVERVIEW

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## ADVANCE AUTO PARTS

Advance Auto Parts, Inc. (Advance) is a leading automotive aftermarket parts provider headquartered in Raleigh, N.C., that serves both professional installer and do-it-yourself (DIY) customers. As of December 29, 2018, Advance operated 4,966 stores and 143 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. The company's stores and branches offer a broad selection of brand name, original equipment manufacturer (OEM) and private label automotive replacement parts, accessories, batteries and maintenance items for domestic and imported cars, vans, sport utility vehicles and light and heavy duty trucks.

Advance Auto Parts is the largest automotive aftermarket retailer in the United States based on sales and store count. The company premiered on the Fortune 500 list of companies in 2003 at No. 466 and has remained on the list since that time. As of June 2014, it was ranked at No. 1,412 on the Forbes magazine "World's Biggest Public Companies" list. Soon after, Advance Auto Parts was bumped to 2nd largest automotive aftermarket retailer by competitor, AutoZone, and has held that that position as of July 2018



**S&P RATED** CREDIT



**4,966** LOCATIONS



**70,000+** EMPLOYEES

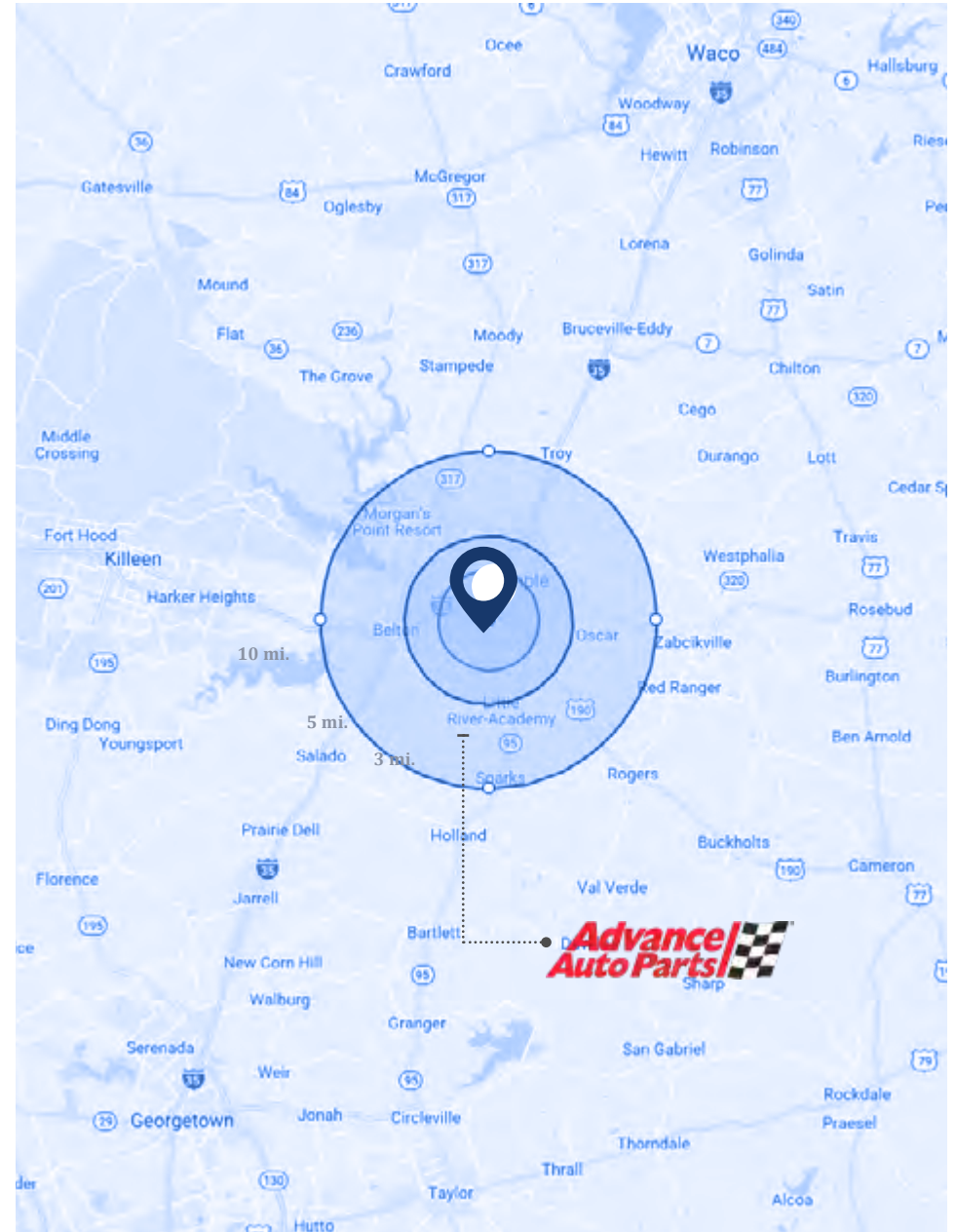


# LOCATION AERIAL

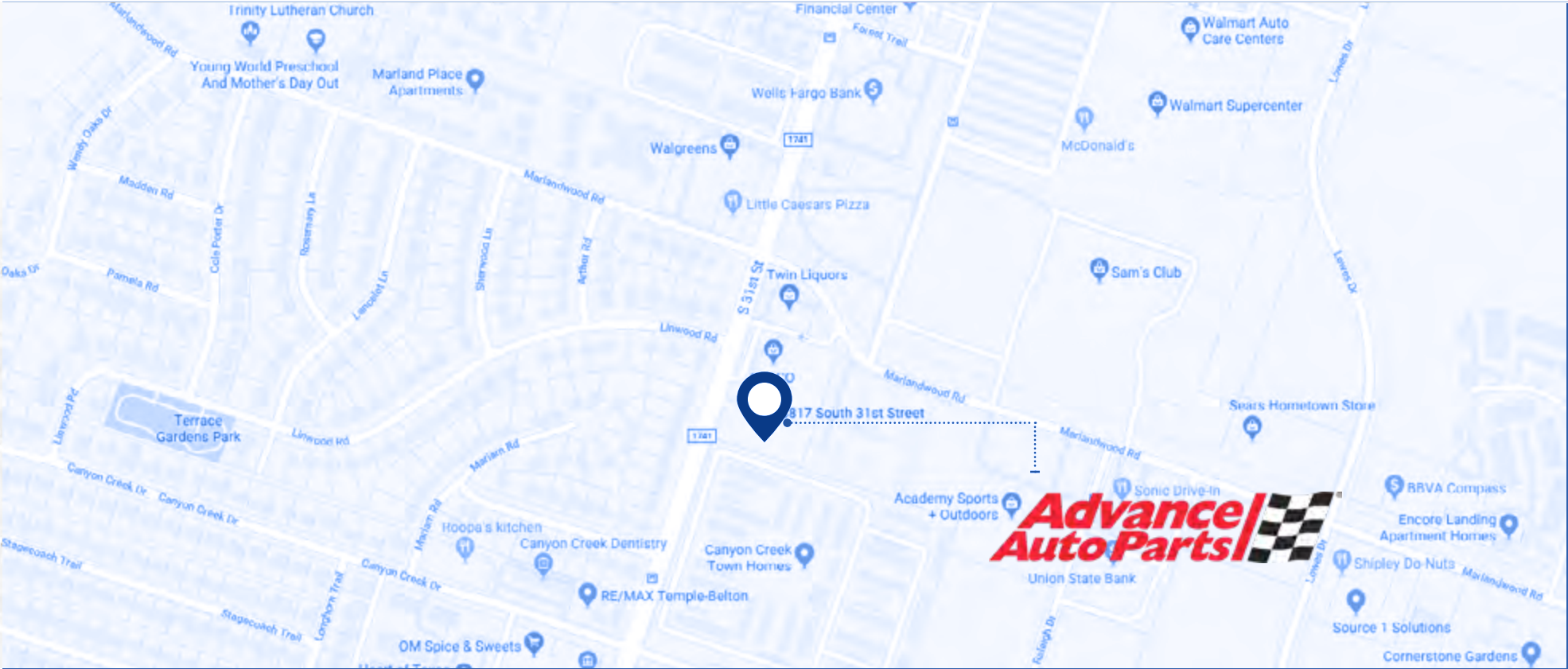




# REGIONAL OVERVIEW



# DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	42,307	74,767	125,812
TOTAL HOUSEHOLDS	16,944	29,310	47,273
AVERAGE HOUSEHOLD INCOME	\$64,532	\$64,762	\$72,686
AVERAGE AGE	37.40	36.80	36.60

# AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL HOUSEHOLDS	16,944	29,310	47,273
TOTAL POPULATION	42,307	74,767	125,812
PERSONS PER HOUSEHOLD	2.40	2.50	2.50
AVERAGE HOUSEHOLD INCOME	\$64,532	\$64,762	\$72,686
AVERAGE HOUSE VALUE	\$134,036	\$134,955	\$147,834
AVERAGE AGE	37.40	36.80	36.60
POPULATION WHITE	31,125	55,990	100,343
POPULATION BLACK	8,351	14,006	17,792
POPULATION AM. INDIAN & ALASKAN	328	613	1,128
POPULATION ASIAN	1,166	1,701	2,676
POPULATION HAWAIIAN & PACIFIC ISLAND	91	181	317
POPULATION OTHER	1,245	2,276	3,557

## TEMPLE, TEXAS

Temple is a city in Bell County, Texas, United States. As of 2016, the city has a population of 73,600 according to a US census estimate.

Located near the county seat of Belton, Temple lies in the region referred to as Central Texas and is a principal city in the Killeen–Temple–Fort Hood Metropolitan Statistical Area, which as of 2015 had a population of 450,051. Located off Interstate 35, Temple is 65 miles (105 km) north of Austin and 34 miles (55 km) south of Waco.

Temple has developed as a small city with a number of arts and retail amenities not typically associated with a smaller community. The primary economic drivers are the extensive medical community (mostly due to Baylor Scott & White Medical Center – Temple) and goods distribution based on its central location between the Dallas-Fort Worth, San Antonio, and Houston metropolitan areas, and proximity to larger neighbors Austin and Waco.





## 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.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at [www.trec.texas.gov](http://www.trec.texas.gov)



## OFFERING MEMORANDUM

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## NET LEASED OFFERING

3817 SOUTH 31ST STREET TEMPLE, TX 76502

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