



# ADVANCE AUTO PARTS

TONAWANDA, NEW YORK (BUFFALO MSA)

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# ADVANCE AUTO PARTS

TONAWANDA, NY

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ACTUAL SITE



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# PROPERTY ANALYSIS

*ADVANCE AUTO PARTS*

Marcus & Millichap

# OFFERING HIGHLIGHTS

## ADVANCE AUTO PARTS

2850 Sheridan Drive, Tonawanda, NY 14150

OFFERING PRICE

\$1,670,000

CAP RATE

7.85%

VITAL DATA	
Price	\$1,670,000
Cap Price	7.85%
Price/SF	\$238.57
Gross Leasable Area (GLA)	7,000 SF

# EXECUTIVE SUMMARY

## ADVANCE AUTO PARTS

2850 Sheridan Drive  
Tonawanda, NY 14150

ACTUAL SITE



## RENT SCHEDULE

Base Term	Annual Rent	Monthly Rent	CAP Rate
Current - 1/31/2021	\$131,097.00	\$10,924.75	7.85%

Option Terms	Annual Rent	Monthly Rent	CAP Rate
1st Option - 2/1/2021 - 1/31/2026	\$137,652.00	\$11,471.00	8.24%
2nd Option - 2/1/2026 - 1/31/2031	\$144,534.00	\$12,044.50	8.65%
3rd Option - 2/1/2031 - 1/31/2036	\$151,761.00	\$12,646.75	9.09%

## OFFERING SUMMARY

Offering Price	\$1,670,000
Cap Rate	7.85%
Current Annual Rent	\$131,097.00
Gross Leasable Area (GLA)	7,000 SF
Price/SF	\$238.57
Year Built	2006
Lot Size	0.78 Acres

## LEASE SUMMARY

Legal Tenant	Advance Stores Company, Incorporated
Lease Type	Double Net
Roof & Structure	Landlord Responsible
Ownership Interest	Fee Simple
Original Lease Term	15 Year
Rent Commencement Date	1/29/2006
Lease Expiration Date	1/31/2021
Remaining Lease Term	2 Years
Renewal Options	(3) 5 Year Options
Rent Increases	Yes, in Options
Sales Reporting	Yes, Annually
Percentage Rent	Yes
Option to Terminate	None
Option to Purchase	None
Right of First Refusal / First Offer	None

## DEMOGRAPHIC SUMMARY

	1 Mile	3 Miles	5 Miles
2017 Population	17,725	154,778	349,450
2022 Population Projection	17,498	154,039	345,203
2017 Households	7,702	65,541	148,096
2022 Households Projection	7,705	65,898	148,104
Average Household Income	\$57,596	\$68,182	\$64,849
Median Household Income	\$48,013	\$51,351	\$46,687

## INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership as its exclusive advisor, is pleased to market for sale Advance Auto Parts located in Tonawanda, New York (Buffalo MSA). The subject property is a 7,000 square-foot free-standing store situated on 0.78 acres. Developed in 2006, the location was built-to suit and is an all-brick prototypical store. Advance Auto Parts is leased to double net terms through January 2021, with over two years remaining on their original 15-year lease. Additionally, there are three, five-year renewal options with rent increases in each. Advance Auto Parts is an investment grade credit tenant rated “BBB-/ Stable” by Standard & Poor’s and currently operates over 5,000 locations with annual revenue in excess of \$9.3 Billion.

Situated off of Sheridan Dr., Advance Auto Parts receives excellent visibility to the 27,709 cars passing by each day. The property is less than 10 miles from Downtown Buffalo, and is a part of the Buffalo-Niagara Falls Metropolitan Statistical Area with a population of 1.1 million. The property is located with a primary retail trade area, with Boulevard Mall, a 902,000 square-foot enclosed shopping mall, less than one mile away from the property with over 95 stores and services. Major tenants in the mall include JCPenney, Michaels, Macy’s, & Dick’s Sporting Goods, Kay Jewelers, Loft, Men’s Wearhouse, and many more. The property is located in an extremely dense infill area with 17,725 residents within one mile and ideal average household income for typical auto parts stores of \$57,596. Additionally, there are 154,778 residents within three miles and 349,450 residents within five miles. Less than 8 miles away from the subject property is the Buffalo Niagara International Airport, the 3rd busiest airport in the state of New York, and the busiest outside of the New York City metropolitan area. The airport serves an average of 4.5 million passengers each year. Multiple other prominent retailers surround the property including TJ Maxx, HomeGoods, LA Fitness, DSW, BuyBuy Baby, Michaels, and many more.

## INVESTMENT HIGHLIGHTS

- ▶ Freestanding Advance Auto Parts in Tonawanda, New York (Buffalo MSA)
- ▶ 2+ Years Remaining on Original 15-Year Double-Net Lease
- ▶ 2006 Construction – All-Brick Prototypical Design
- ▶ Investment Grade Tenant with S&P “BBB-“ Credit Rating
- ▶ Extremely Dense Infill Location with 17,725 Residents & AHHI of \$57,596 AHHI within 1-Mi
- ▶ Three, Five-Year Year Renewal Options Remaining with Rent Increases in Each
- ▶ Double Net Lease – Minimal Landlord Responsibilities
- ▶ Less than 10 Miles from Downtown Buffalo, New York
- ▶ Dense Demographics: 154,778 Residents in 3-Mi, & 349,450 Residents within 5-Mi
- ▶ High Traffic Counts: 27,709 Cars per Day on Sheridan Dr.
- ▶ Part of the Buffalo-Niagara Falls Metropolitan Statistical Area with a Population of 1.1 Million
- ▶ Located within Primary Retail Trade Area; Less Than One Mile from Boulevard Mall with Over 95 Stores & Services
- ▶ Less Than 8 Miles Away from the Buffalo Niagara International Airport, the Busiest Airport in New York Outside of the New York City MSA Seeing an Average of 4.5 Million Passengers Yearly
- ▶ Surrounded by Multiple Prominent Retailers Including TJ Maxx, HomeGoods, LA Fitness, DSW, BuyBuy Baby, Michaels, and Many More



## TENANT OVERVIEW & PROPERTY DETAILS



Headquartered in Roanoke, Va., & founded in 1929, Advance Auto Parts, Inc., the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers. It operates stores that offer brand name, original equipment manufacturer, and private label automotive products. As of July 14, 2018, Advance operated 5,026 stores and 133 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. The Company also serves 1,219 independently owned Carquest branded stores across these locations in addition to Mexico and the Bahamas, Turks and Caicos, British Virgin Islands and Pacific Islands.

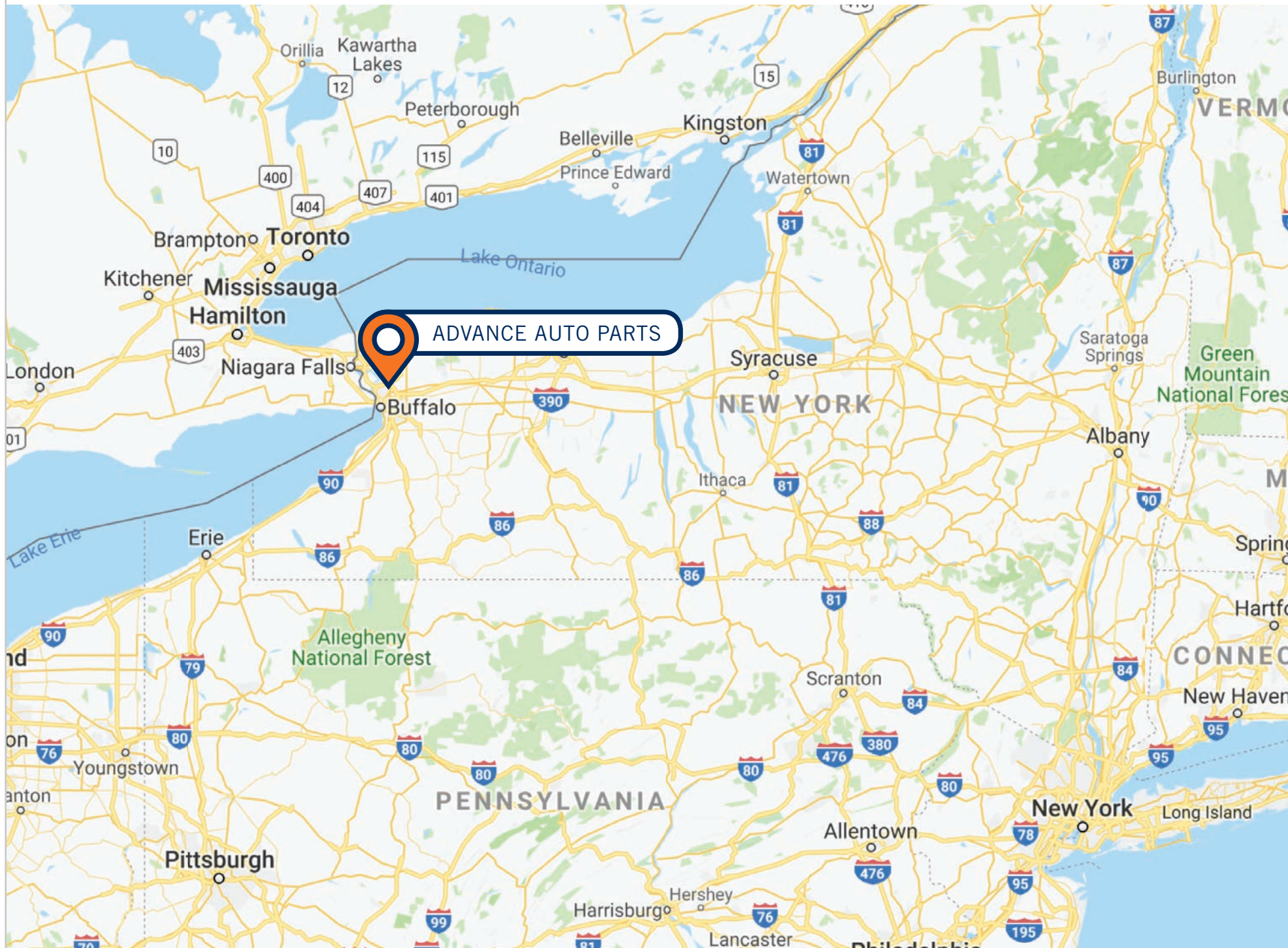
TENANT OVERVIEW	
Ownership	Public
Stock Symbol & Exchange	AAP & NYSE
Sales Volume (Revenue)	\$9.37B (FY 2017)
Net Income	\$475.51M (FY 2017)
Market Capitalization	\$12.382B
Credit Rating & Rating Agency	Baa2 (Moody's) and BBB- (S&P)
Fortune 500 Rank	#317 (2017)
Number of Locations	5,054
Headquarters	Roanoke, Virginia

THE OFFERING	
Tenant	Advance Auto Parts
Property Address	2850 Sheridan Dr Tonawanda, NY 14150
SITE DESCRIPTION	
Parking	39 Spaces Available
Topography	Level
PARCELS	
Number of Tax Parcels	One
Parcel Number(s)	146489 67.30-2-4.21
CONSTRUCTION	
Foundation	Concrete Slab
Framing	Steel
Exterior	Concrete Block
Parking Surface	Asphalt
Roof	Flat Rubber Composite
MECHANICAL	
HVAC	Roof Mounted
Fire Protection	To Code
Utilities	All Local Providers
ZONING	
PUD	Commercial
ACCESS POINTS	
The property is accessed by two curb cuts off of Sheridan Dr.	

## TENANT/LANDLORD RESPONSIBILITIES

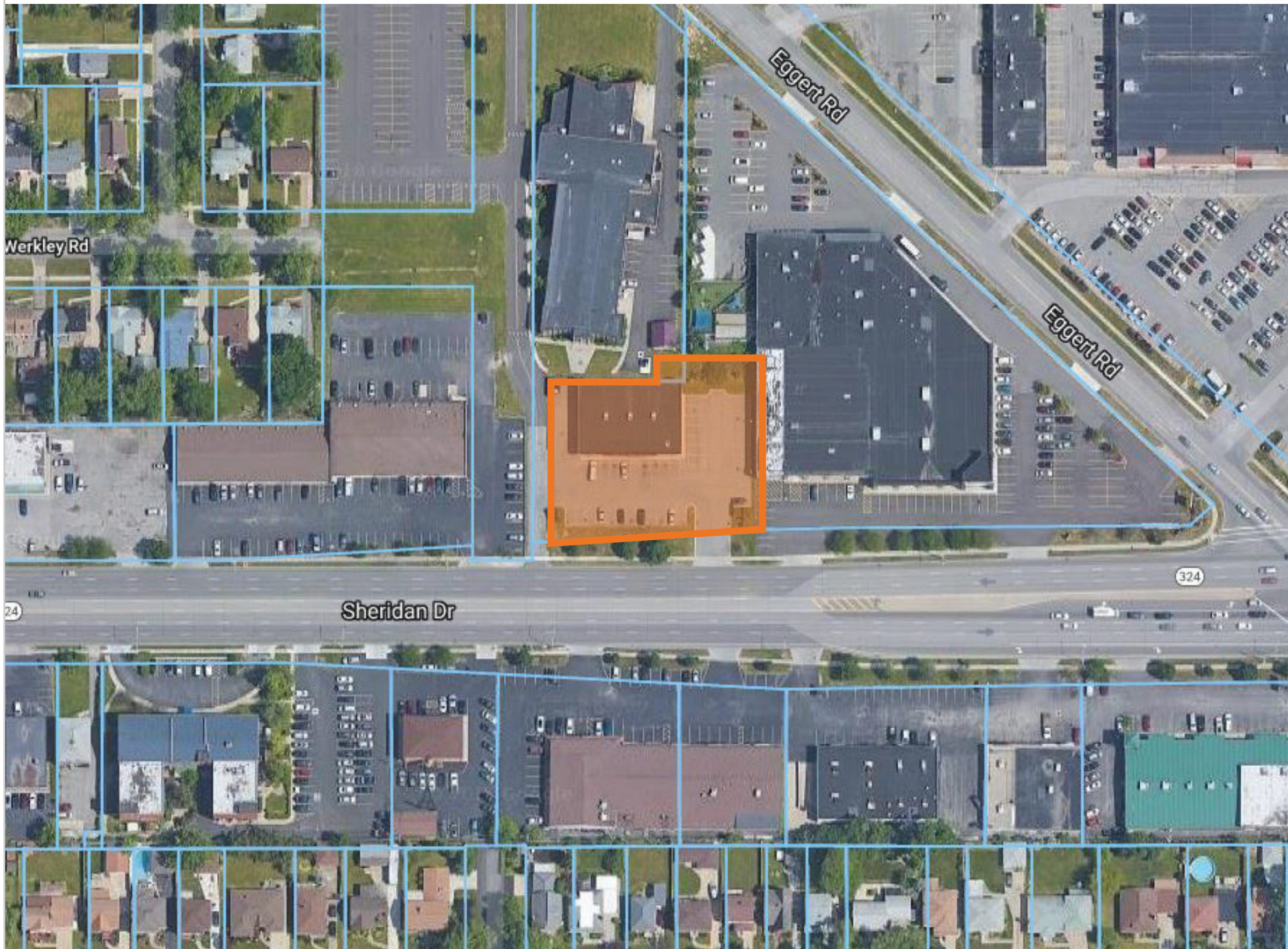
Roof Repairs & Replacement	Landlord Responsible
Structure - Foundation, Sub-Floor, Exterior Walls (Excluding Painting of Walls)	Landlord Responsible
Parking Lot, Driveway, Sidewalk, Curb Replacement	Landlord Responsible
Parking Lot Resurfacing/Overlay	Landlord Responsible
Parking Lot Striping & Sealcoating	Landlord Responsible
Sidewalk, Curb & Driveway Repair	Landlord Responsible
HVAC Replacement	Landlord Responsible
HVAC Repairs & Maintenance	Landlord Responsible
Utilities	Tenant Responsible
Real Estate Taxes	Tenant Reimburses Landlord
Property Insurance	Tenant Responsible
Liability Insurance	Landlord and Tenant Both Maintain Policies
Common Area Maintenance	Tenant Responsible
Landscaping & Lawncare	Tenant Responsible
Snow/Ice Removal & Salting	Tenant Responsible
Trash Removal / Dumpster	Tenant Responsible

# REGIONAL MAP





# PARCEL MAP





# RETAILER AERIAL







ACTUAL SITE



Marcus & Millichap

ACTUAL SITE





# MARKET OVERVIEW

***ADVANCE AUTO PARTS***

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# MARKET OVERVIEW

## BUFFALO OVERVIEW

Containing the popular tourist attraction Niagara Falls and located less than 100 miles from Toronto, the Buffalo metro consists of Erie and Niagara counties, with the city of Buffalo representing the county seat of Erie County. The metro generates a significant portion of revenue through tourism, while the economy also specializes in financial services, healthcare and retailing. The market lies within 500 miles of 40 percent of the U.S. population and a large portion of the Canadian market.



\* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



## METRO HIGHLIGHTS



### CENTRALIZED LOCATION

Three certified Foreign Trade Zones and a centralized location to major metropolitan areas provide a base of operations for manufacturing and logistics.



### ADVANCED MANUFACTURING BASE

No state income tax for manufacturing companies has supported a growing advanced manufacturing base, with over 63,000 skilled workers in the metro.



### WORLD-CLASS LIFE-SCIENCES RESEARCH

Roughly 15 percent of local graduates receive degrees in life sciences, making it the fourth-ranked metro on a per capita basis in the nation.



## ECONOMY

- Comprehensive healthcare systems companies Kaleida Health and Catholic Health employ nearly 20,000 people combined, underscoring the vast healthcare diagnostics and research employment base.
- M&T Bank, among the top 20 largest commercial banks in the nation, is headquartered in Buffalo. The firm employs more than 7,500 workers locally.
- The Buffalo Niagara Medical Campus, a 120-plus acre collaborative research park in downtown Buffalo, provides space for research and development for more than 75 companies in biotech and life sciences.
- The metro is the leading dairy producer in the state, while New York is the third largest dairy-producing state in the nation.

## DEMOGRAPHICS



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## DEMOGRAPHIC HIGHLIGHTS



349,450

POPULATION WITHIN 5 MILES



\$68,182

AVERAGE HOUSEHOLD INCOME  
IN 3-MILE RADIUS



2.41%

POPULATION GROWTH SINCE 2010  
IN 1-MILE RADIUS



2.90%

HOUSEHOLD GROWTH  
SINCE 2010 IN A 1-MILE RADIUS



POPULATION	1 MILE	3 MILES	5 MILES
<b>2017 Estimate</b> Total Population	17,725	154,778	349,450
<b>2022 Projection</b> Total Population	17,498	154,039	345,203
<b>2010 Census</b> Total Population	17,308	153,886	349,038
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
<b>2017 Estimate</b> Total Households	7,702	65,541	148,096
<b>2022 Projection</b> Total Households	7,705	65,898	148,104
<b>2010 Census</b> Total Households	7,485	64,896	147,510
<b>Growth 2017-2022</b> Total Households	0.04%	0.99%	0.40%
<b>Growth 2010-2017</b> Total Households	2.90%	0.99%	0.40%
<b>Owner Occupied</b> Total Households	5,846	42,552	87,176
<b>Renter Occupied</b> Total Households	1,856	22,988	60,920
HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
<b>2017 Estimate</b>			
\$150,000 or More	2.6%	6.3%	6.1%
\$125,000 - \$149,999	2.9%	4.3%	3.8%
\$100,000 - \$124,999	7.4%	7.6%	7.0%
\$75,000 - \$99,999	13.8%	13.4%	12.2%
\$50,000 - \$74,999	21.4%	19.5%	18.2%
\$35,000 - \$49,999	15.4%	14.4%	13.7%
\$25,000 - \$34,999	12.5%	10.4%	10.9%
\$15,000 - \$24,999	12.5%	11.5%	12.2%
\$10,000 - \$14,999	4.3%	5.0%	6.1%
\$0 - \$9,999	7.2%	7.6%	9.8%
<b>Average Household Income</b>	\$57,596	\$68,182	\$64,849
<b>Median Household Income</b>	\$48,013	\$51,351	\$46,687

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
<b>Population By Age</b>			
2017 Estimate Total Population	17,725	154,778	349,450
Age 20 - 24	6.7%	10.6%	9.1%
Age 25 - 34	15.8%	16.1%	15.4%
Age 35 - 44	10.3%	10.2%	10.6%
Age 45 - 54	12.6%	11.9%	12.2%
Age 55 - 64	13.8%	13.4%	13.2%
Age 65 - 74	8.4%	7.8%	7.9%
Age 75 - 84	6.5%	5.0%	4.9%
Age 85 +	4.1%	2.8%	2.8%
Median Age	40.2	36.0	36.3
<b>Population 25+ by Education Level</b>			
2017 Estimate Population Age 25+	12,651	104,102	234,168
Elementary (0-8)	1.7%	1.3%	2.0%
Some High School (9-11)	4.8%	4.8%	6.8%
High School Graduate (12)	28.7%	24.4%	26.6%
Associates Degree Only	12.0%	11.4%	10.8%
Bachelors Degree Only	18.7%	21.3%	18.6%
Graduate Degree	12.8%	17.7%	15.4%
Some College, No Degree	20.9%	18.5%	19.1%
<b>Population by Gender</b>			
2017 Estimate Total Population	17,725	154,778	349,450
Female Population	9,432	80,400	183,470
Male Population	8,293	74,378	165,980



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