

OFFERING
MEMORANDUM



ADVANCE AUTO PARTS
POQUOSON, VA

Marcus & Millichap

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NASA Langley Research Center
1,821 Employees

St. George Brewing Co.

Villas at Oxford Run
90 Units

Joint Base Langley-Eustis
6,025 Employees
\$2.9 billion in economic
impact and created
13,989 indirect jobs in 2018



Hunt Smile Design

Poquoson Auto Repair

Subject Property

**Advance
Auto Parts**

**DOLLAR
GENERAL**

WYTHE CREEK ROAD 13,000 VPD

FRONTLINE VAPES

ENDLESS TRAILS
HOOKAH

Valvoline





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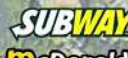
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Marcus & Millichap



Subject Property



WYTHE CREEK ROAD 13,000 VPD



Langley Federal Credit Union



FRONTLINE VAPES

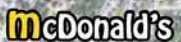
DOLLAR GENERAL



NASA Langley Research Center
1,821 Employees

NEWPORT NEWS, VA
POPULATION 179,611

Joint Base Langley-Eustis
6,025 Employees





ADVANCE AUTO PARTS

398 Wythe Creek Rd, Poquoson, VA 23662

Marcus & Millichap is pleased to present the opportunity to acquire an Advance Auto Parts in Poquoson, Virginia. The property consists of a 8,075-square foot, freestanding building that sits on approximately one acre of land. Reportedly, the roof was recently replaced in 2017 and includes a five-year warranty.

The property has excellent access and visibility on Wythe Creek Road. Surrounding retailers in the immediate area include Food Lion, Dollar General, Rite Aid, McDonald's, 7-Eleven, Wendy's, BB&T, Dollar Tree, and Wells Fargo, and many more. The property is in proximity to NASA Langley Research Center (1,821 employees) and Joint Base Langley-Eustis (6,025 employees). Joint Base Langley-Eustis generated \$2.9 billion in economic impact and created 13,989 indirect jobs in 2018.

INVESTMENT HIGHLIGHTS

Excellent Access and Visibility on Wythe Creek Road, Where Traffic Counts Exceed 13,000 VPD

Average Household Income of \$103,786 Within a 3-Mile Radius

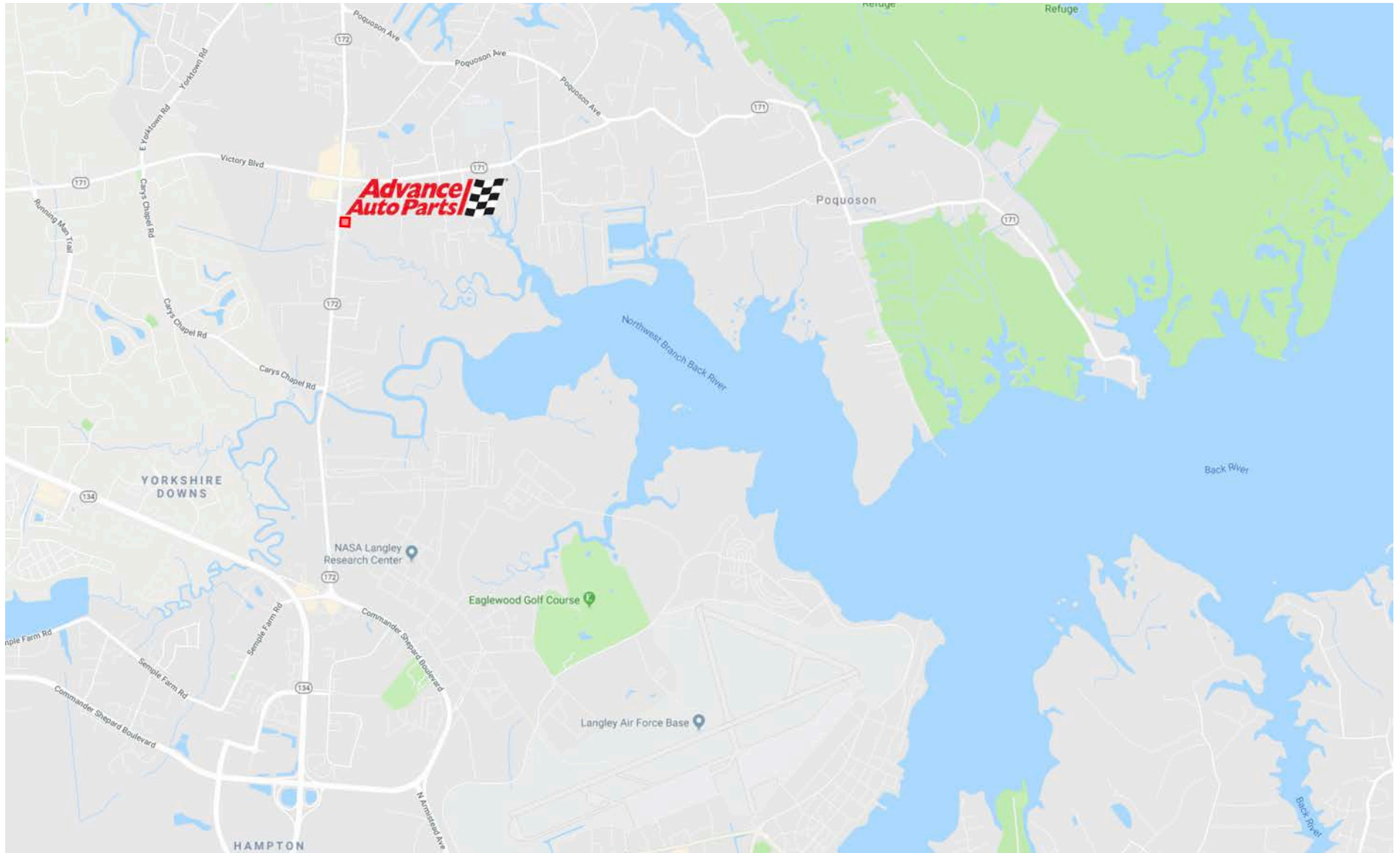
Roof was Recently Replaced in 2017 and Includes Five-Year Warranty

Proximity to NASA Langley Research Center (1,821 Employees) and Joint Base Langley-Eustis (6,025 Employees)

Joint Base Langley-Eustis Generated \$2.9 billion in Economic Impact and Created 13,989 Indirect Jobs in 2018

Large One Acre Parcel with Ample Parking

REGIONAL MAP // *Advance Auto Parts*



AERIAL // *Advance Auto Parts*



PRICING DETAILS // *Advance Auto Parts*

LOCATION	398 WYTHE CREEK RD, POQUOSON, VA 23662
Price	\$975,000
Rentable SF	8,075
Price/SF	\$120.75
CAP Rate	8.10%
Year Built/Renovated	1994/2017
Lot Size	1 Acres
Type of Ownership	Fee Simple
LEASE SUMMARY	
Tenant Name	Advance Auto Parts
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Double Net
Roof and Structure	Landlord
Lease Term	10 Years
Lease Commencement Date	8/26/1994
Rent Commencement Date	12/12/1994
Lease Expiration Date	12/12/2020
Term Remaining on Lease	1.4 Years
Options	Two, 5-Year
Increases	6% in Option

ANNUALIZED OPERATING INFORMATION		
YEAR	ANNUAL RENT	MONTHLY RENT
Years 1-10	\$74,693.76	\$6,224.48
Years 11-15	\$78,731.28	\$6,560.94
Years 16-20	\$75,000.00	\$6,250.00
Years 21-25	\$82,800.00	\$6,900.00
Years 26 -31	\$78,900.00	\$6,575.00
Years 32-36 (Option 1)	\$83,700.00	\$6,975.00
Years 37-41 (Option 2)	\$89,400.00	\$7,450.00
Base Rent (\$9.77/SF)		\$78,900.00
Net Operating Income		\$78,900.00
Total Return		8.10% / \$78,900.00



TENANT OVERVIEW // *Advance Auto Parts*



Advance Auto Parts is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. The company is the largest automotive aftermarket retailer in the United States based on sales and store count and has been on the Fortune 500 list since 2003. Advance operated 5,109 stores and 143 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands.

LEASE SUMMARY

Tenant Name	Advance Auto Parts
Ownership	Public
Sales Volume	\$9.6 Billion (2018)
Credit Rating	BBB-
Rating Agency	S&P
Stock Symbol	AAP
Board	NYSE
Options to Terminate	No
Options to Purchase	No
First Right of Refusal	Yes
No. of Locations	4,931
Headquartered	Raleigh, North Carolina
Web Site	https://www.advanceautoparts.com
Years in the Business	87

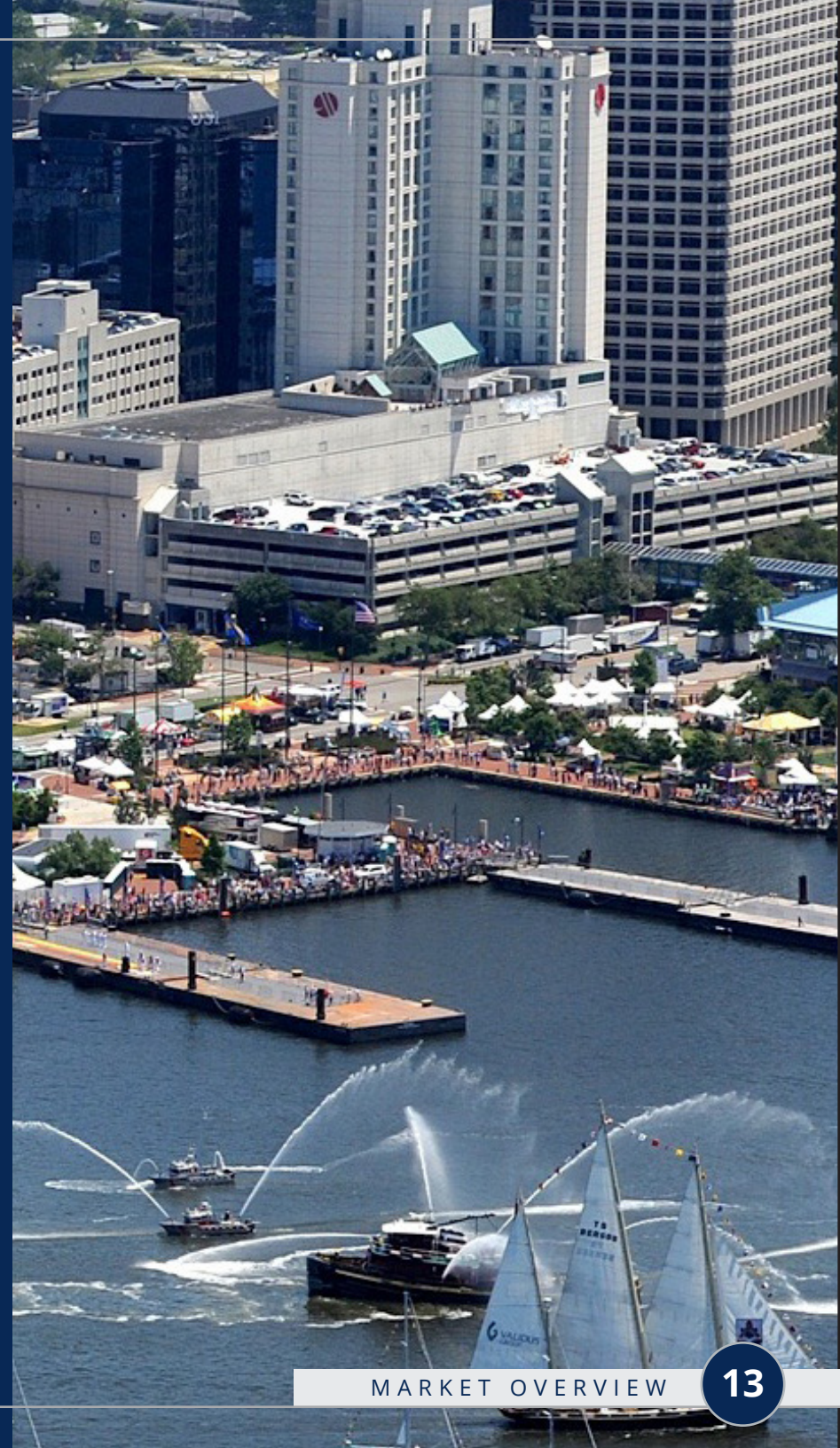


Virginia Beach- Newport News- Norfolk, VA-NC MSA

POPULATION
1,728,733

City Of POQUOSON

Poquoson is a city located on the Virginia Peninsula. The city is part of the Virginia Beach-Norfolk-Newport News, VA-NC MSA, also known as the Hampton Roads metropolitan area. The area is known for its large military presence, with the Joint Base Langley-Eustis generating \$2.9 billion in economic impact and creating 13,989 indirect jobs in 2018. The city is also home to the NASA Langley Research Center, which is the oldest of NASA's field centers. Poquoson has been featured as Bloomberg Business Week's "Best Affordable Suburb" in Virginia and CNBC's "10 Perfect Suburbs."



DEMOGRAPHIC SUMMARY

POPULATION	1 Mile	3 Miles	5 Miles
2000 Population	4,957	33,345	90,566
2010 Population	5,112	35,103	89,035
2018 Population	5,140	36,971	92,196
2023 Population	5,631	39,553	96,866
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2000 Households	1,791	10,909	30,992
2010 Households	1,957	12,906	34,733
2018 Households	1,960	13,497	35,520
2023 Households	2,144	14,587	37,716
2018 Average HH Size	2.61	2.75	2.57
2018 Daytime Population	4,545	27,076	92,177
HOUSING UNITS	1 Mile	3 Miles	5 Miles
Median HH Income	\$85,601	\$83,797	\$72,046
Per Capita Income	\$38,262	\$38,070	\$35,677
Average HH Income	\$99,943	\$103,786	\$92,035

POPULATION

In 2018, the population in your selected geography is 92,196. The population has changed by 1.80% since 2000. It is estimated that the population in your area will be 96,866 five years from now, which represents a change of 5.07% from the current year. The current population is 49.18% male and 50.82% female. The median age of the population in your area is 36.3, compare this to the entire US average which is 38.0. The population density in your area is 1,172.90 people per square mile.

HOUSEHOLDS

There are currently 35,520 households in your selected geography. The number of households has changed by 14.61% since 2000. It is estimated that the number of households in your area will be 37,716 five years from now, which represents a change of 6.18% from the current year. The average household size in your area is 2.57 persons.

INCOME

In 2018, the median household income for your selected geography is \$72,046, compare this to the entire US average which is currently \$58,754. The median household income for your area has changed by 39.85% since 2000. It is estimated that the median household income in your area will be \$80,421 five years from now, which represents a change of 11.62% from the current year.

The current year per capita income in your area is \$35,677, compare this to the entire US average, which is \$32,356. The current year average household income in your area is \$92,035, compare this to the entire US average which is \$84,609.

RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 64.91% White, 23.31% Black, 0.18% Native American and 4.99% Asian/Pacific Islander. Compare these to entire 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 6.21% of the current year population in your selected area. Compare this to the Entire US% average of 18.01%.

HOUSING

In 2000, there were 20,043 owner occupied housing units in your area and there were 10,949 renter occupied housing units in your area. The median rent at the time was \$590.

Employment

In 2018, there are 40,379 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 68.27% of employees are employed in white-collar occupations in this geography, and 31.70% are employed in blue-collar occupations. In 2018, unemployment in this area is 3.80%. In 2000, the average time traveled to work was 24.1 minutes.

Advance Auto Parts





INFORMATION ABOUT BROKERAGE SERVICES

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:
 - o That the owner will accept a price less than the written asking price;
 - o That the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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 interest 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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