



Advance Auto Parts

## Offering Memorandum

976 W. 4th St.

Mansfield, OH 44906



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**ILLUMINATE**  
REAL ESTATE

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- Recently executed, early 5-year lease extension providing ~8.1 years of term
- Long, successful operating history of 30 years (including current term)
- Located just a half mile from US-30
- New GAF roof installed in April 2016 comes with 20-year manufacturer's warranty
- 2 new Lennox HVAC RTU's installed in May 2018
- Parking lot resealed and striped in September 2018
- Combined 24,000+ vehicles per day at closest intersection
- Located directly across from Arlin Football Field (14,000 seats) and 1 mile from Mansfield Senior High School with over 900 students
- Investment Grade Tenant (NYSE: AAP | BBB-)
- Solid density with over 43,424 people within a 3-mile radius and Average HH incomes in excess of \$53,898 within same
- Pride of ownership – same owner since AAP's inception at this location
- Immediate tenants within the market include: CVS Pharmacy, Chase Bank, Hobby Lobby, Kroger, Taco Bell, Arby's, Dollar General, Walmart Supercenter, Walgreens, Mid-Ohio Educational Services Center and STARTEK to name a few

# INVESTMENT OVERVIEW



**PRICE**  
**\$1,140,000**



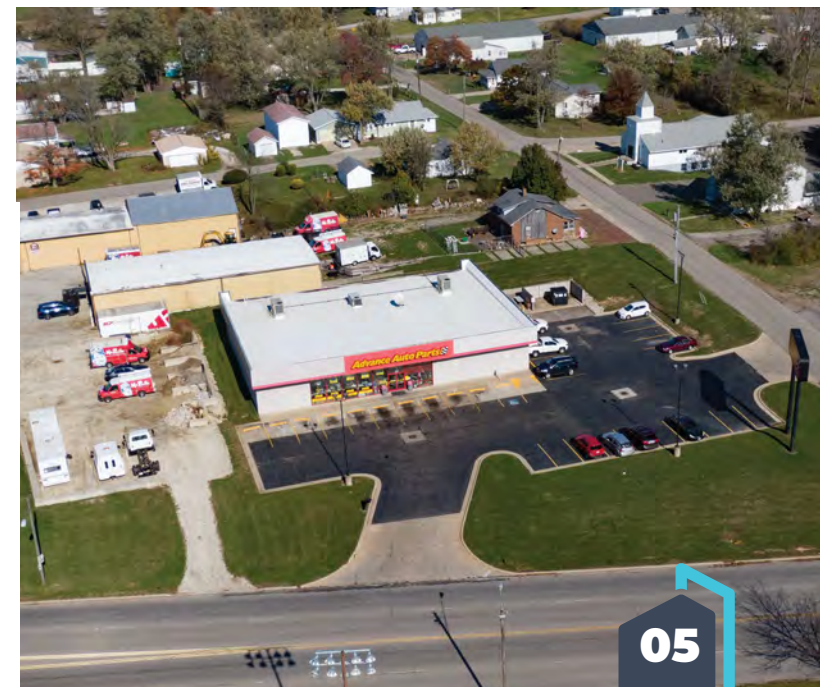
**CAP RATE**  
**7.40%**



**NOI**  
**\$84,240**

**Advance Auto Parts 976 W. 4th St. | Mansfield, OH | 44906**

Original Lease Commencement:	July 11, 1997
Current Lease Expiration:	December 31, 2027
Initial Lease Term:	10-years
Renewal Options:	(2) 5-year renewal options with increases
Lease Structure:	NN
Landlord Responsibility:	Roof, Structure, Parking Lot, 1/2 HVAC expenses over \$500
Tenant Responsibility:	CAM, Taxes, Insurance, HVAC expenses up to \$500 + 1/2 HVAC expenses over \$500
Lease Guarantor:	Advance Stores Company, Incorporated
Ownership:	Fee Simple (Land and Building)
Building Size:	7,000 square feet
Land Size:	0.79 acres
Parking Spaces:	31
Year Built:	1997
Parcel ID:	027-04-016-14-000 & 027-04-062-03-000 (Richland County)



## PROPERTY OVERVIEW

Illuminate Real Estate is pleased to present this seasoned 7,000 sf, freestanding Advance Auto Parts located in Mansfield OH. The subject property was built in 1997 and with their most recent, early 5-year lease extension, the tenant boasts what will be a 30-year operating history at this location. This proven location benefits from a “per square foot” rent that is well below the average throughout the Advance store network. The lease is Advance Auto’s prototypical double-net form. Recent capital improvements incorporated by ownership includes: New GAF roof installed in April 2016, 2 new HVAC RTU’s in May 2018 and resealing/stripping the parking lot in September 2018.

The subject property is conveniently located on highly trafficked W. 4th street whose intersection just a few hundred feet from the site at Trimble Rd. produce traffic counts of over 24,000 vehicles per day. Directly across from the property sits Arlin Field, home to the Mansfield Tigers with a capacity of 14,000. Mansfield Senior High School and it’s 900+ students are located just a mile from the subject property. CVS pharmacy is located across the street at 4th and Trimble. StarTek, a customer engagement business employs 650 workers and is located immediately east of the Advance. Mansfield is the county seat of Richland County and is located just 1 hour north of Columbus. The market maintains solid density with over 43,424 people within a 3-mile radius of the site with average HH incomes in excess of \$53,898. Immediate area tenants include: Kroger, Walmart Supercenter, Chase Bank, CVS Pharmacy, Walgreens Pharmacy and countless others.



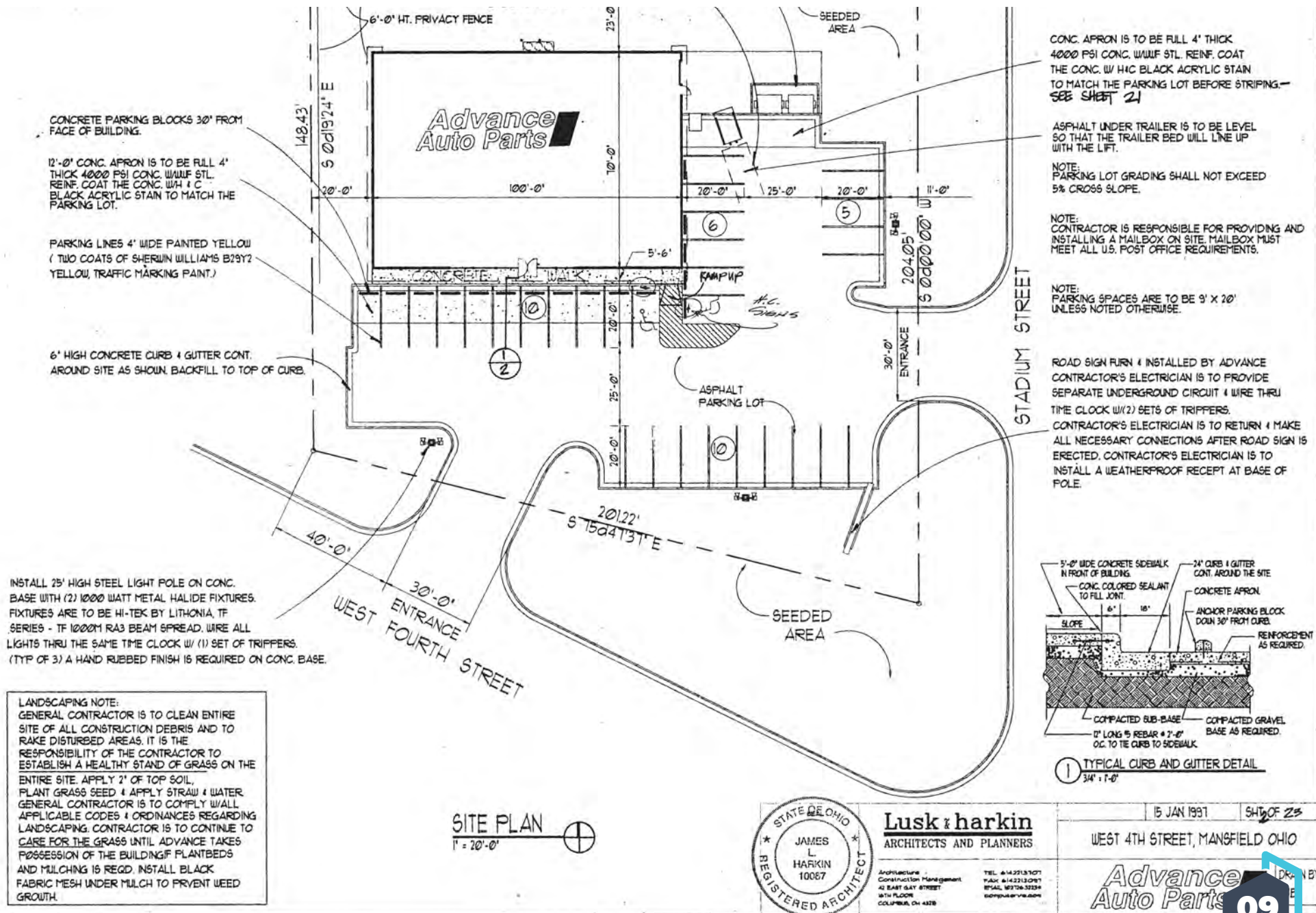
**BUILDING PHOTO**



# TRADE MAP



# SITE PLAN



# TENANT OVERVIEW

## ABOUT ADVANCE AUTO PARTS

Advance Auto Parts are a leading automotive aftermarket parts provider in North America, serving both professional installers, or "Professional", and "do-it-yourself", or DIY, customers as well as independently-owned operators. Their 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. As of December 31, 2016, the end of their 2016 fiscal year, or 2016, they operated 5,062 total stores and 127 branches primarily under the trade names "Advance Auto Parts", "Autopart International", "Carquest" and "Worldpac".

They were founded in 1929 as Advance Stores Company, Incorporated and operated as a retailer of general merchandise until the 1980s. During the 1980s, they began targeting the sale of automotive parts and accessories to DIY customers. They began their professional delivery program in 1996 and have steadily increased their sales to Professional customers since 2000. They have grown significantly as a result of comparable store sales growth, new store openings and strategic acquisitions. Their parent company, Advance Auto Parts, Inc., a Delaware corporation, was incorporated in 2001 in conjunction with the acquisition of Discount Auto Parts, Inc.

Their most recent strategic acquisition was on January 2, 2014 when they acquired GPI. GPI, formerly a privately held company, was a leading distributor and supplier of original equipment and aftermarket automotive replacement products for professional markets operating under the Carquest and Worldpac names. As of the acquisition date, GPI operated 1,233 Carquest stores and 103 Worldpac branches located in 45 states and Canada and serviced approximately 1,400 independently owned Carquest stores. The acquisition allowed them to expand our geographic presence, Professional capabilities and overall scale to better serve our customers.



## STOCK INFORMATION (JANUARY 2018)

Ticker Symbol (NYSE)	AAP
Price	\$111.96
52 Week High	\$177.50
52 Week Low Market	\$78.81
Cap. (Mil)	\$7.21B

## KEY FUNDAMENTALS

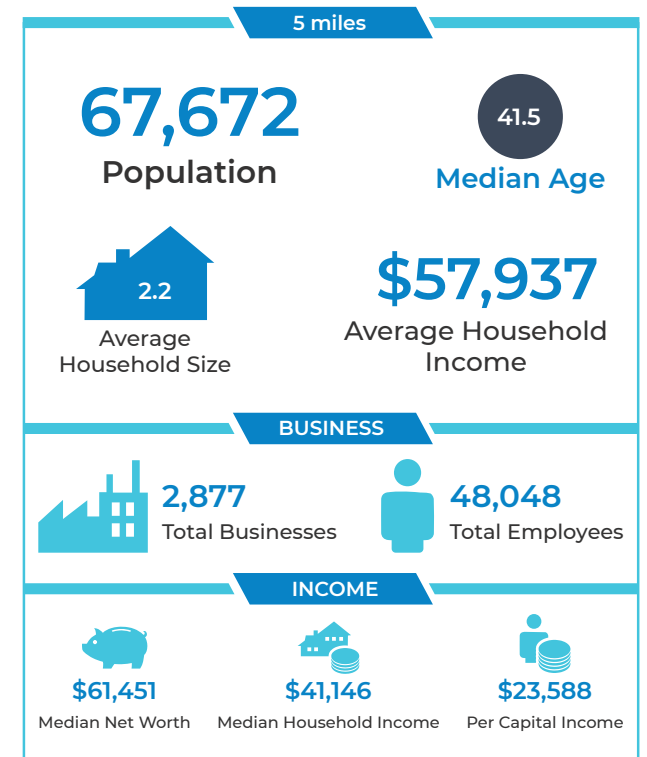
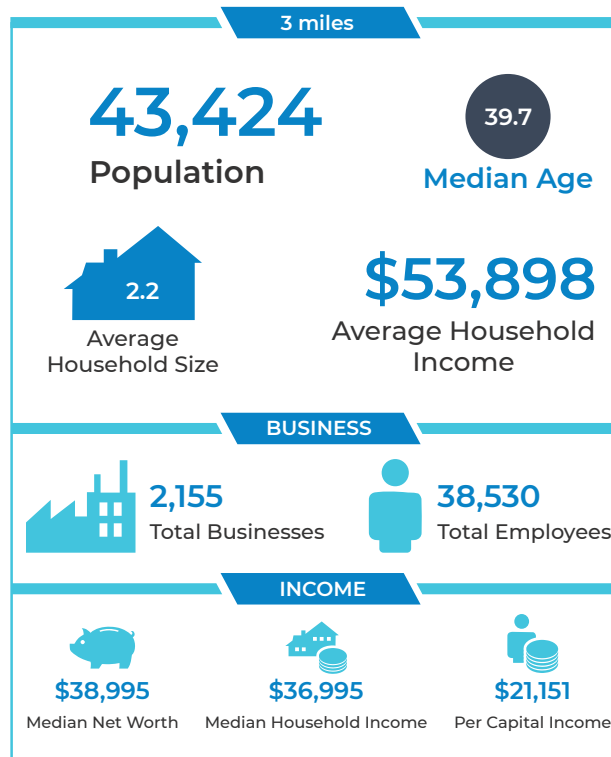
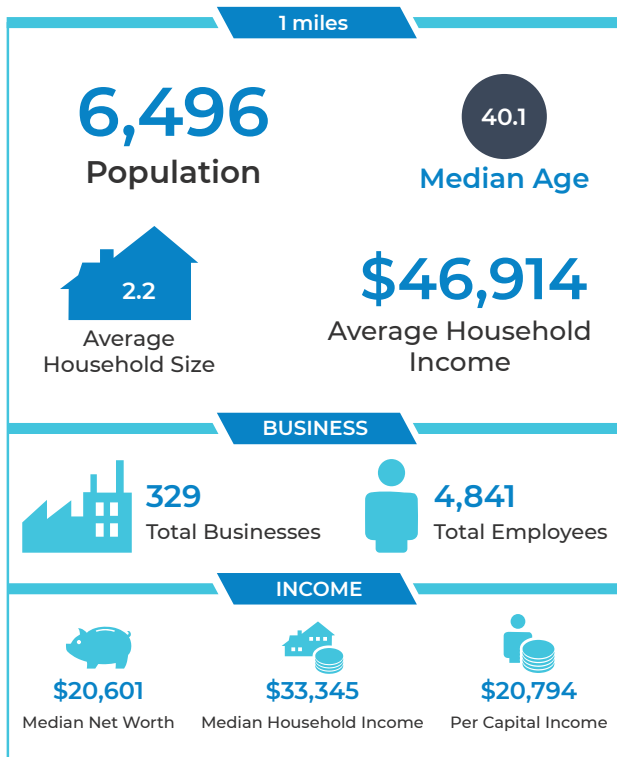
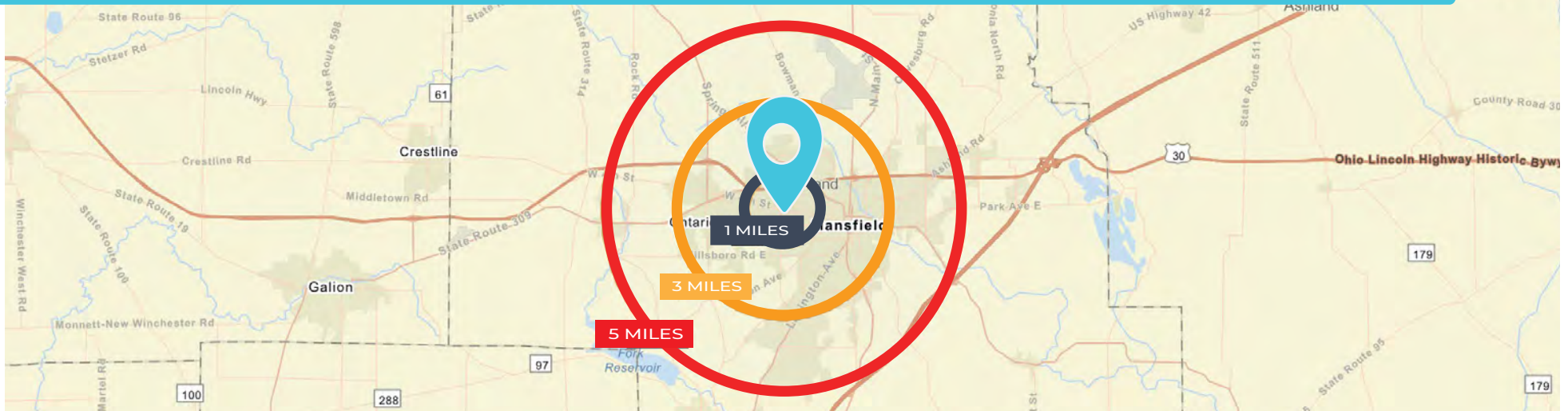
P/E Ratio	20.56
Earnings per share	\$4.77
Enterprise Value	\$1.07B

- Guidance. For fiscal 2017, management expects to open 75 to 85 stores (including WorldPac), hire more than 15,000 employees (increasing its labor force by 20%), achieve comparable store sales of 2%, and generate at least \$400.0 million in free cash flow.
- Store Development AAP continued the integration of Carquest stores. As of December 31, 2016 the Company has completed 333 Carquest consolidations and 282 Carquest conversions.
- Capital Expenditures totaled \$259.6 million for the fiscal year ended December 31, 2016, which represented a 10.6% increase compared to \$234.7 million during the prior year. Expenditures included investments in supply chain, IT upgrades, store development, maintenance and GPI integration outlays. (Advance Auto Parts)

# REGIONAL MAP



# DEMOGRAPHICS



# MARKET OVERVIEW



Mansfield is a city in and the county seat of Richland County, Ohio, United States. Located midway between Columbus and Cleveland via Interstate 71. The city lies approximately 65 miles northeast of Columbus, 65 miles southwest of Cleveland and 91 miles southeast of Toledo. The city's economy has diversified into a service economy, including retailing, education, and healthcare sectors. The 2010 Census showed that the city had a total population of 47,821, making it Ohio's nineteenth largest city.

Mansfield's official nickname is "The Fun Center of Ohio". It is the largest city in the Mid-Ohio region of the state, the north-central region which is generally considered to extend from Marion, Delaware, Knox, Morrow, Crawford, Ashland and Richland counties in the south, to the Firelands area south of Sandusky in the north. Mansfield is also known as the "Carousel Capital of Ohio," "Danger City," "The Queen of Ohio," and "Racing Capital of Ohio".

Anchored by the Richland Carousel District, downtown Mansfield is home to a number of attractions and arts venues. Concert events in the downtown Brickyard venue have drawn crowds numbering over 5,000 people. Mansfield, in partnership with local and national partners, is addressing blight and economic stagnation in the city center. The Renaissance Performing Arts Association at home in the historic Renaissance Theatre annually presents and produces Broadway-style productions, classical music, comedy, arts education programs, concerts, lectures, and family events to more than 50,000 people. The Renaissance Performing Arts is home of the Mansfield Symphony Orchestra. Downtown is also home to two ballet companies, NEOS Ballet Theatre and Richland Academy Dance Ensemble who both perform and offer community dance opportunities in downtown. Mid-Ohio Opera offers performances of full opera and smaller concerts.

Source: [https://en.wikipedia.org/wiki/Mansfield,\\_Ohio](https://en.wikipedia.org/wiki/Mansfield,_Ohio)



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