



Advance/ Auto Parts

**301 GEORGE WALLACE DR.
GADSDEN, ALABAMA 35903**

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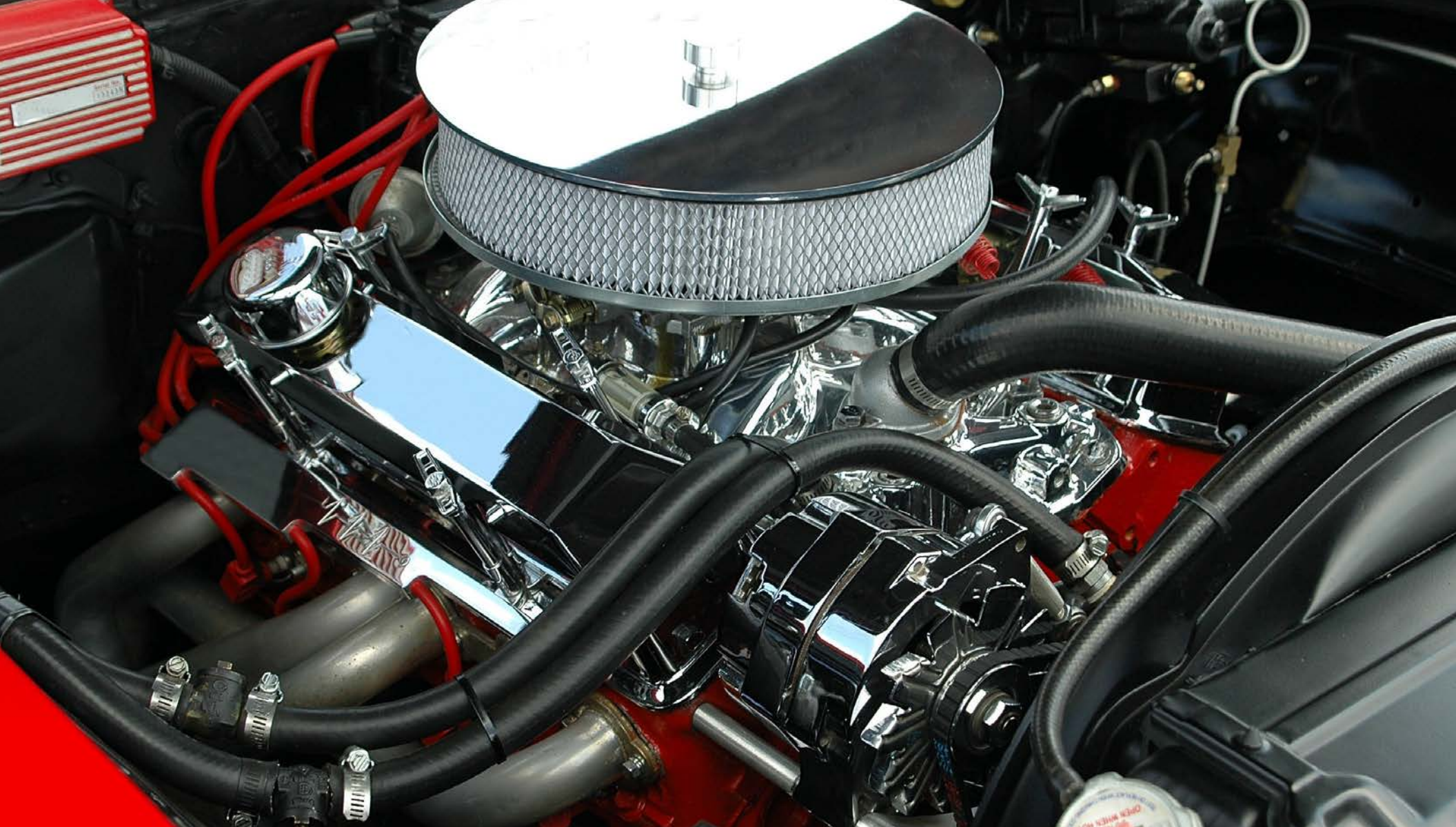
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I. Executive Summary



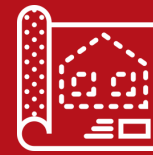
ASKING PRICE

\$865,000



CAP RATE

7.0%



PRICE PER SQUARE FOOT

\$107

The Offering:

CBRE Southfield is pleased to offer for sale the free-standing Advance Auto Parts in Gadsden, AL. This 8,075 square foot property is situated along the automotive corridor of George Wallace Drive.

Advance Auto Parts is on a newly extended 6.25-year NN lease as of November 2019. Advance Auto Parts had one and a half (1.5) years remaining on their original lease when they added an additional 5 more years of term to the lease. Advance Auto Parts continues to show commitment to the site, having been at this location for 25 years now.

Both by geographical and industry standards, the Tenant pays a highly below market rent of \$7.50 PSF. Within a 3-mile radius, the market rent PSF is \$14.34. On a national scale, average rent PSF for Advance Auto Parts is \$11.78.

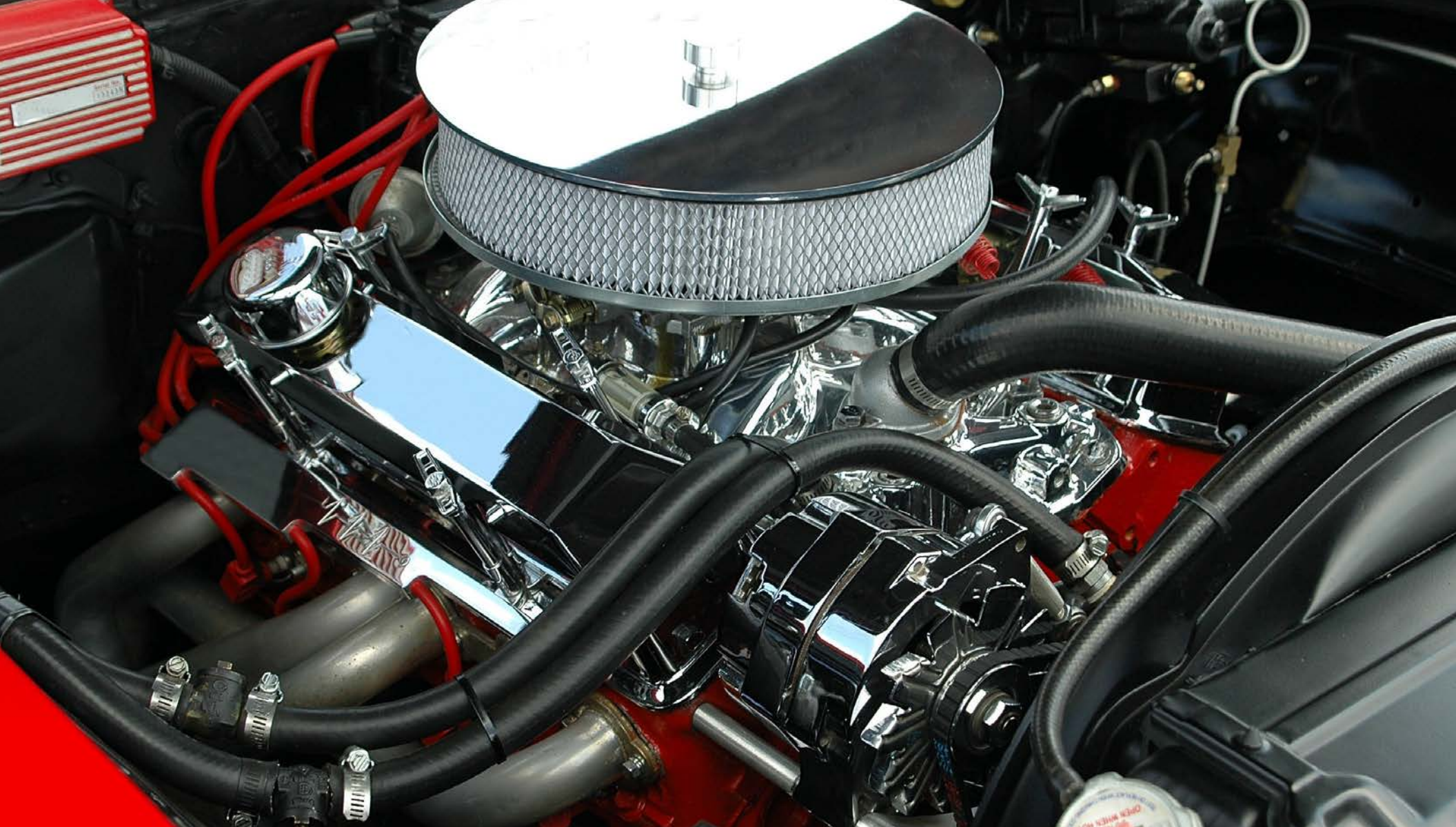
Landlord is only responsible for maintenance and repair of the structural walls and foundation, roof, parking, and sidewalks.

Investment Highlights:

- Tenant has recently extended lease early for a total of six (6) years of firm term showing a commitment to the site
- Tenant has been at this location for 25 years
- Below market rent (\$14.34 PSF within 3-mile radius) of \$7.50 PSF
- Below industry average rent (\$11.78 PSF average AAP rent nationally) of \$7.50 PSF
- Tenant opted to retain two (2) more option periods, each with ~6.5% rental escalations, in addition to their recent extension
- Located along the busy automotive corridor of George Wallace Drive and neighboring the busy intersection of E. Meighan and Lake Street seeing +/- 38,000 VPD
- Strong Investment Grade Tenant (Baa2)
- NN lease - minimal Landlord responsibilities

Property Facts:

PROPERTY ADDRESS	301 George Wallace Dr. Gadsden, Alabama 35903
TOTAL BUILDING AREA	8,075 SF
LAND AREA	1.07 Acres



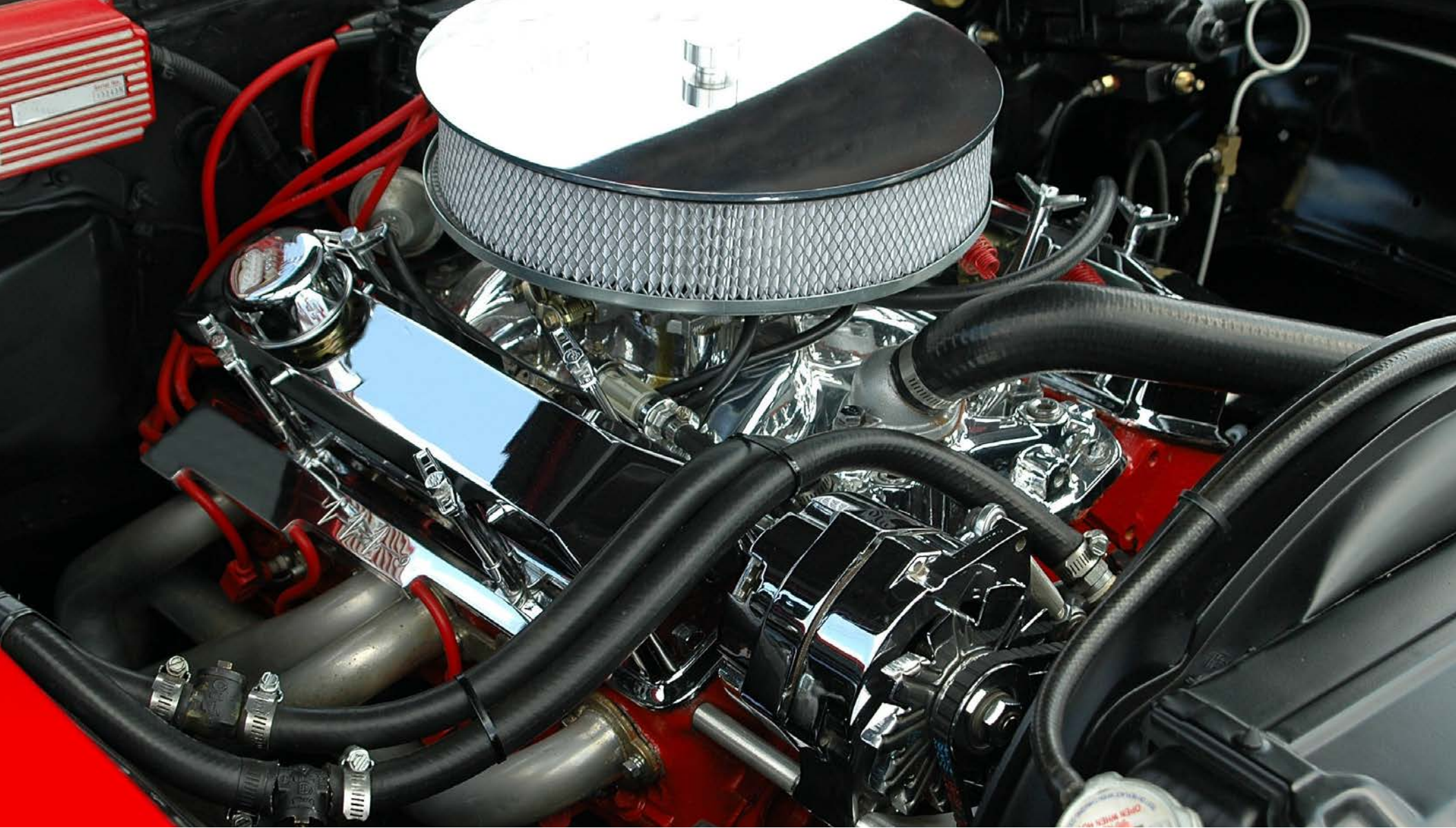
II. Financial Analysis

ADVANCE AUTO PARTS YEAR ONE CASH FLOW ESTIMATES

Price	\$865,000
Down Payment	\$216,250
Rentable Square Feet	8,075
Price per Square Foot	\$107
CAP Rate	7.00%

	Year One 1/2020 - 12/31/2020	Monthly	Per SF
Base Rent			
<i>Advance Auto Parts 6 Years</i>			
	\$60,562.56	\$5,046.88	\$7.50
Total Base Rent	\$60,562.56	\$5,046.88	\$7.50
Scheduled Base Rental Revenue	\$60,562.56	\$5,046.88	\$7.50
Expense Reimbursement Revenue			
Insurance	--	--	--
Common Area Maintenance	--	--	--
Real Estate Taxes	--	--	--
Total Expense Reimbursement Revenue	--	--	--
Gross Potential Income	\$60,562.56	\$5,046.88	\$7.50
Effective Gross Income	\$60,562.56	\$5,046.88	\$7.50
Operating Expense Estimates			
Insurance	--	--	--
Common Area Maintenance	--	--	--
Real Estate Taxes	--	--	--
Total Common Area Expenses	--	--	--
Management Fee	--	--	--
Replacement Reserve	--	--	--
Total Expenses	--	--	--
Net Operating Income	\$60,562.56	\$5,046.88	\$7.50

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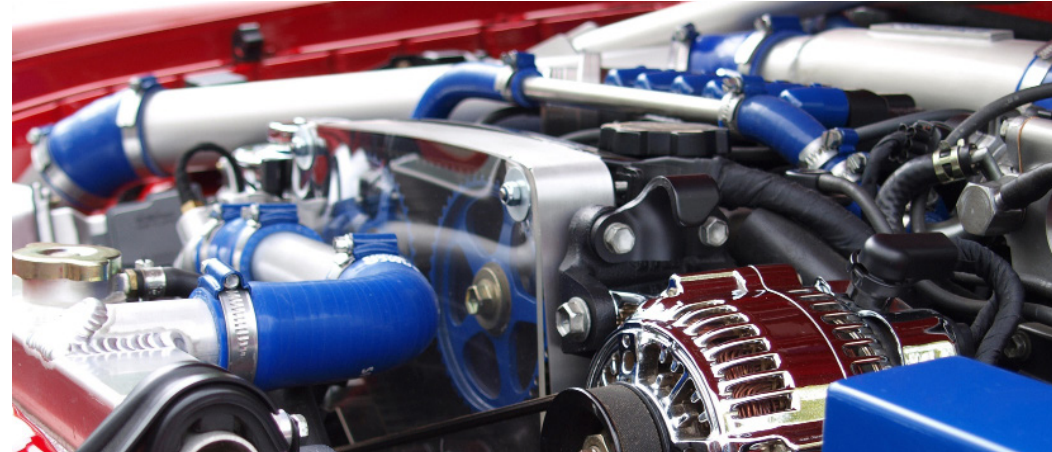
III. Location & Property Overview

Location Overview

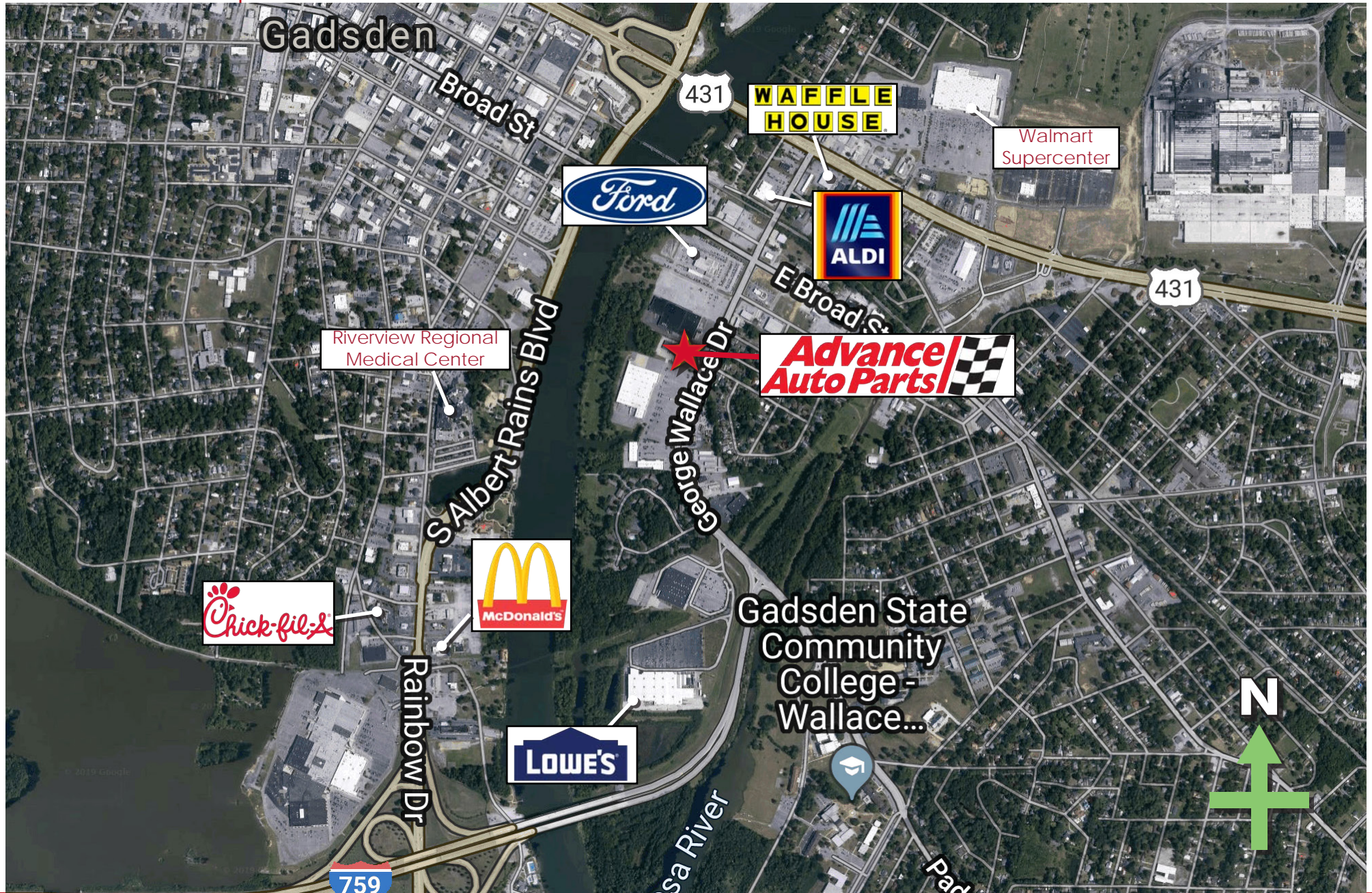
The subject property is located on George Wallace Drive in Gadsden, Alabama. Gadsden, AL is the primary city of the Gadsden Metropolitan Statistical Area, which has a population of 103,931. The subject property is located 0.3 miles from the busy intersection of E Meighan Blvd and Lake St, which sees +/- 38,000 VPD. Neighboring each other along the same corridor on which the subject property sits, there is an Express Oil Change & Tire Engineers, Quick Lane Tire and Auto Center, O'Reilly Auto Parts, Dollar General, ALDI, Walgreens and Verizon. There is a Walmart Supercenter about 0.7 miles northeast on the same road. Gadsden, AL is an hour drive to the heart of Birmingham, AL. It is a two-hour drive to the heart of Atlanta.

Location Highlights

- Newly-constructed \$12.5 million convention center, the Venue at Coosa Landing, next door
- Neighbors the busy intersection of E Meighan Blvd and Lake St, which sees +/-38,000 VPD
- Walmart Supercenter 0.7 miles down the road
- Located along automotive corridor: Express Oil Change & Tire Engineers, Quick Lane Tire and Auto Center, Kar-Tunes, and JET PEP neighboring the subject property
- Demographics ideal for the do-it-yourself customer
- One-hour drive to Birmingham, AL
- Two-hour drive to Atlanta, GA



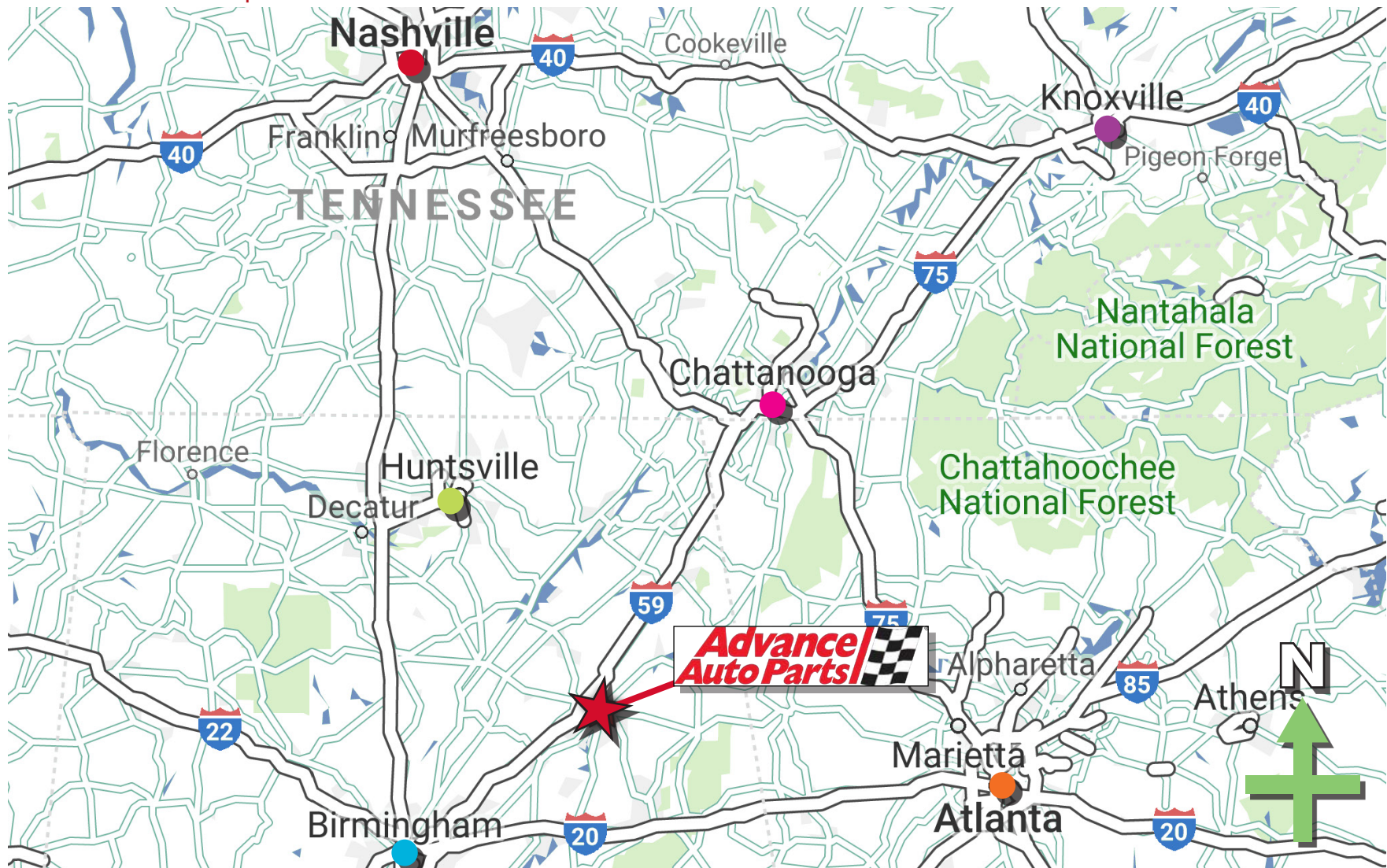
Location Aerial Map



1, 3, 5-Mile Radius Overview



Location Reference Map



Distance from 301 George Wallace Dr, Gadsden, AL to:


Birmingham, AL
62 Miles

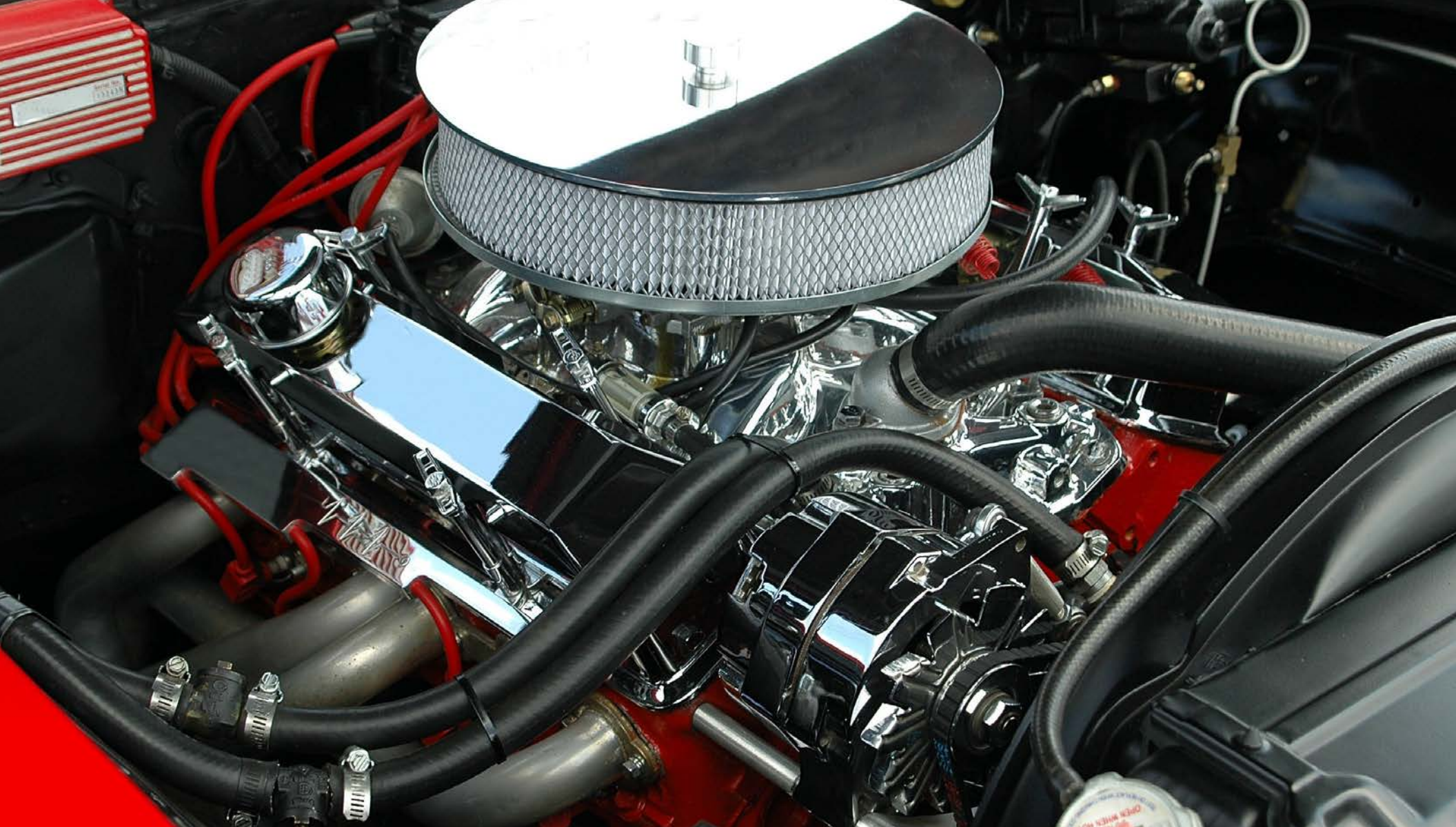

Atlanta, GA
118 Miles


Nashville, TN
201 Miles


Chattanooga, TN
96 Miles


Huntsville, AL
85 Miles


Knoxville, TN
201 Miles



IV. Tenant Overview

Lease Abstract - Advance Auto Parts

PROPERTY ADDRESS	301 George Wallace Dr, Gadsden, Alabama 35903
TENANT	Advance Stores Company, Inc.
GUARANTOR	Advance Stores Company, Inc.
LEASE TYPE	NN
RENT COMMENCEMENT DATE	March 2, 1994
EXPIRATION DATE	December 31, 2025
LEASE TERM	Six (6) years
YEAR ONE RENT	\$60,562.56
RENTAL ESCALATIONS	Flat Rate
RENTAL ABATEMENTS	None
PERCENTAGE RENT	None
RENEWAL OPTIONS	Two (2) Five (5) year renewal options, each with ~6.5% rental increases
OPTION TO PURCHASE	None
EARLY TERMINATION OPTION	None
RIGHT OF FIRST REFUSAL	None
ASSIGNMENT RIGHTS	Tenant may not assign or sublet the whole or any part of the leased premises without the prior written consent of the LL, which will not be reasonably withheld.
OPERATING COSTS	
REAL ESTATE TAXES	Tenant shall reimburse Landlord for all real estate taxes.
INSURANCE	Tenant at its sole cost and expense shall keep all the leased premises insured to the extent of its full replacement value against loss or damage by fire. Furthermore, Tenant shall maintain with respect to the leased premises a policy of public liability, naming Tenant and LL as insured, with limits of \$1,000,000 for any one person and \$1,000,000 for any one accident and property damage insurance limits of \$50,000 in companies authorized to do business in Alabama.
UTILITIES	Tenant shall procure for its own account and shall pay the cost of all utility charges, including water, electricity, heat, and sewer, used by Tenant in or at the leased premises.
TENANT MAINTENANCE, REPAIR, AND REPLACEMENT DUTIES	Tenant shall maintain and keep in good order and repair the leased premises, including the electrical, plumbing, and sewer systems as well as any and all interior non-structural maintenance. Tenant shall maintain and repair the HVAC system; however if, and as to the extent that there are major breakdowns in the system, the Tenant and Landlord will share equally the expenses of replacing the system with a new system or repairing the same.
LANDLORD MAINTENANCE, REPAIR, AND REPLACEMENT DUTIES	LL shall keep and maintain in good order and repair the roof, guttering and downspouts, the structural walls and foundations, the electrical wiring serving the leased premises, and the sanitary sewer serving the leased premises. LL shall maintain and repair the parking lot, the sidewalks, and all other areas of the leased premises that are not structurally a part of the building within 30 days after written notice from Tenant. In the event that such repairs are required as a result of negligence or willful act of Tenant, its customers, or employees, the cost shall be borne by Tenant.

Tenant Overview - Advance Auto Parts

Advance Auto Parts, Inc. is a leading automotive aftermarket parts retailer serving both professional installer and do-it-yourself customers. As of April 20, 2019, Advance Auto Parts, Inc. operated 4,931 stores and 146 WorldPac branches in the United States, Canada, Puerto Rico, and the U.S. Virgin Islands. The company also serves 1,238 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos and British Virgin 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.

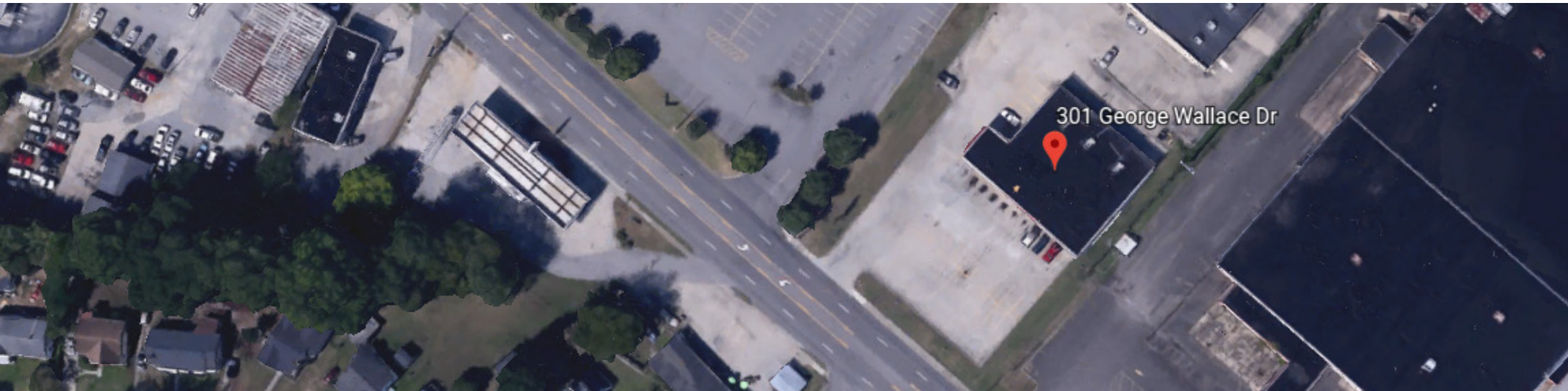
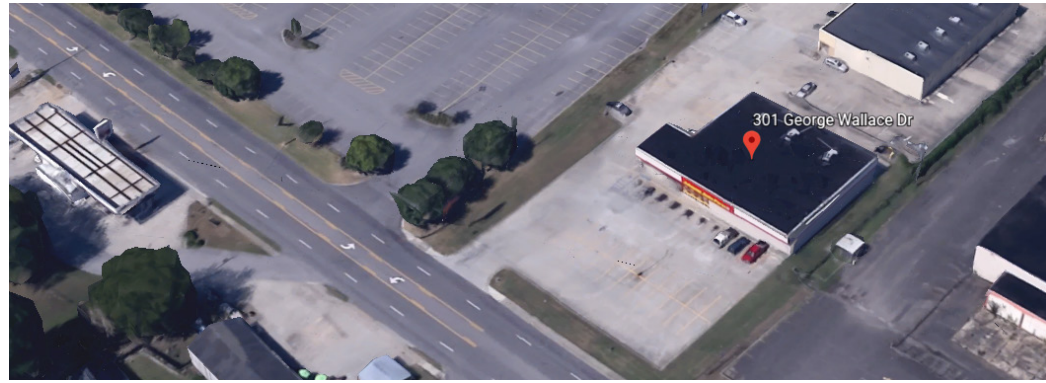
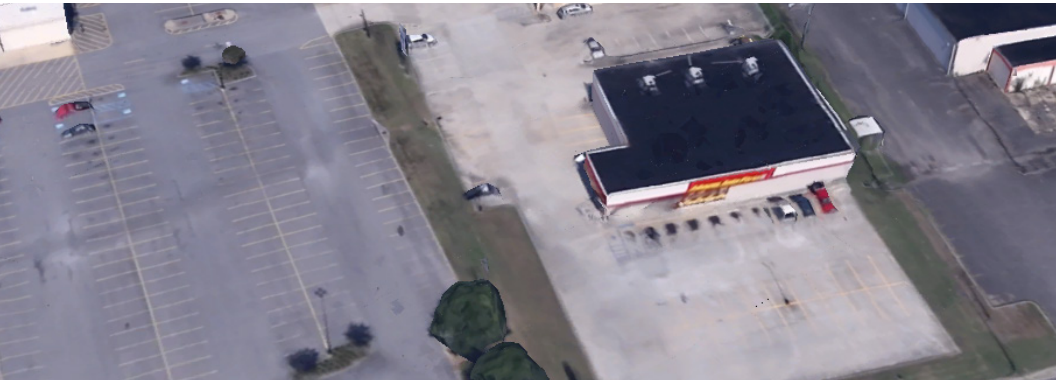
Advance Auto Parts had a 2018 Revenue of \$9.6 Billion with \$9.04 Billion in Total Assets. Nationally, Advance Auto Parts employees 70,000+ individuals, and their subsidiaries include Autopart International, Carquest, and WorldPac.

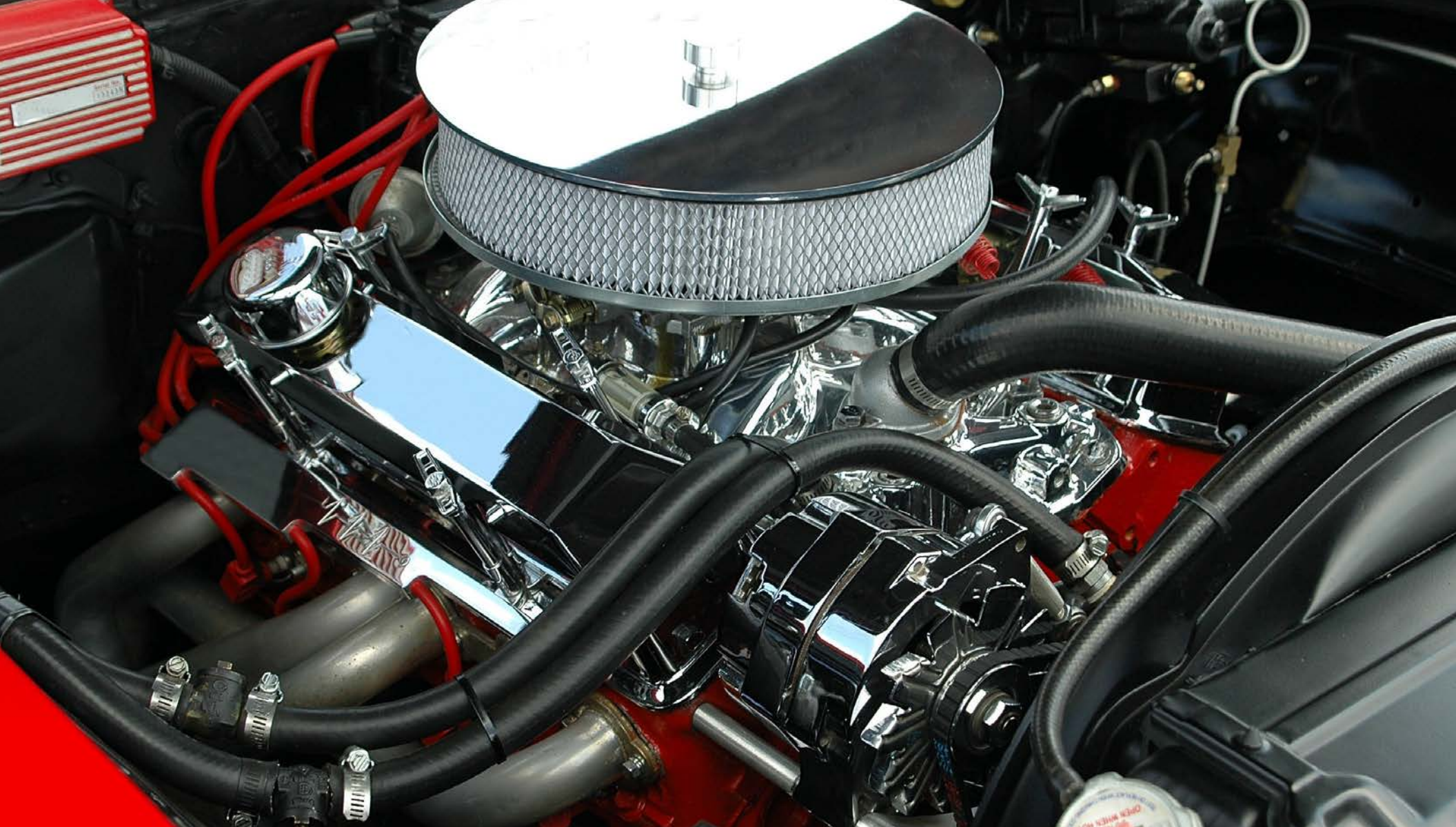
Advance Auto Parts, Inc. is owned primarily by institutional owners. Vanguard Group owns 10.25% and BlackRock Fund Advisors owns 5.18%.

Advance Auto Parts, Inc. is an investment grade stock, rated by Moody's as Baa2.



Property Photos

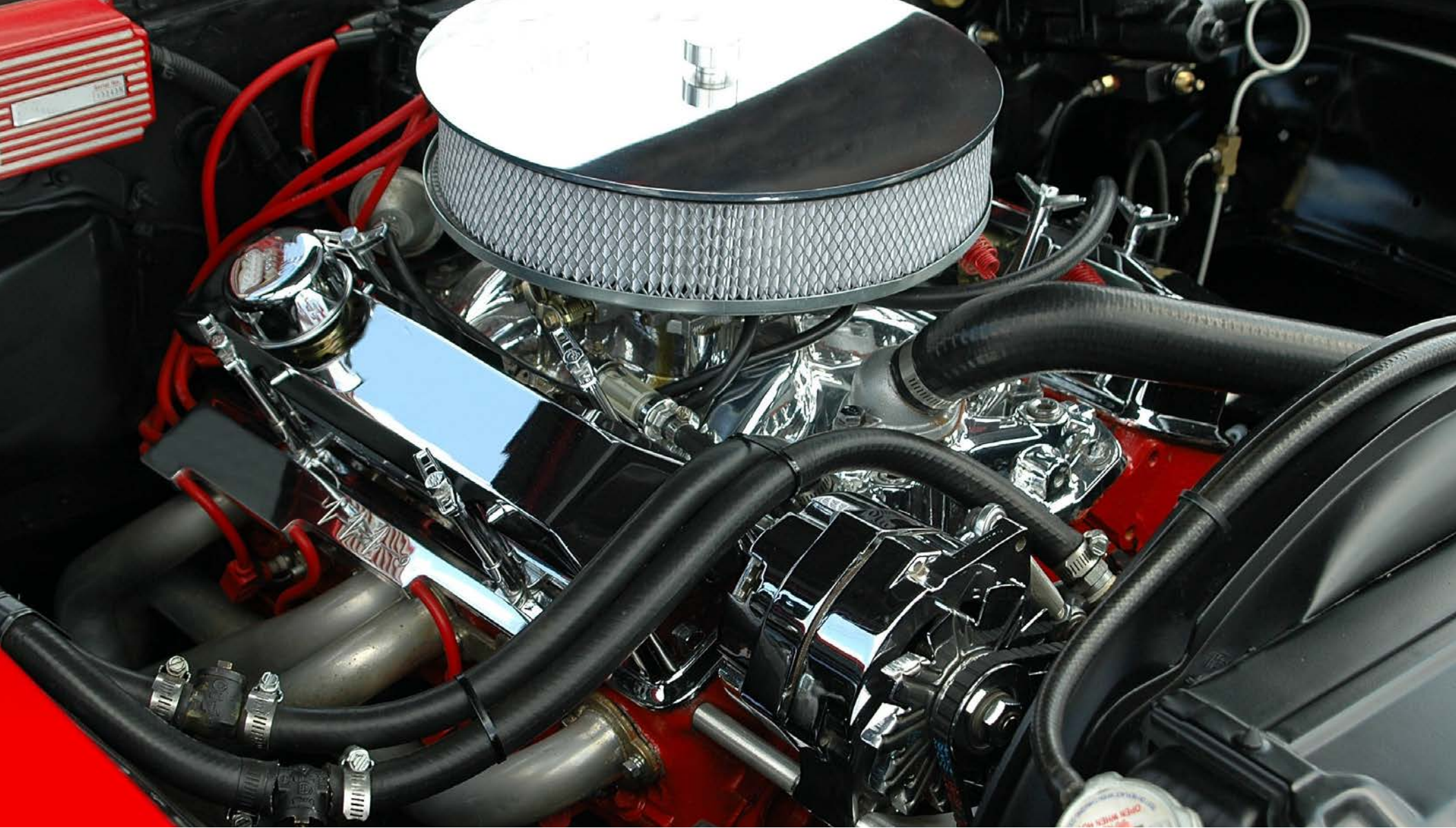




V. Comparables

Sales Comparables

Tenant Name & Address	Year Built	Building Size (SF)	Sale Date	Sales Price	Price/SF	Cap Rate	NOI	NOI/SF	Term Remaining (Years)
AAP 301 George Wallace Dr Gadsen, Alabama	1994	8,075	Subject Property	\$865,000	\$107.12	7.00%	\$60,563	\$7.50	6.25
AAP 590 N Courtenay Pky Merritt Island, FL	2004	7,000	On Market	\$1,802,000	\$257.43	6.65%	\$119,910	\$17.13	5.0
AAP 619 E State Fremont, OH	2004	6,429	On Market	\$771,000	\$119.93	7.00%	\$53,970	\$8.39	5.5
AAP 520 W Midland Ave Woodland Park, CO	2001	5,800	On Market	\$645,000	\$111.21	6.34%	\$40,893	\$7.05	8.5
AAP 8145 US Highway 2 Iron Mountain, MI	2004	7,000	On Market	\$1,234,060	\$176.29	6.75%	\$83,299	\$11.90	4.7
AAP 1348 Hwy 394 Blountville, TN	2004	7,000	On Market	\$1,513,735	\$216.25	6.45%	\$97,635	\$13.95	5.2
Comparable Averages					\$176	6.64%	\$79,141	\$11.68	5.8



VI. Market & Area Overview

Market & Area Overview

City of Gadsden:

Gadsden is a city in the U.S. state of Alabama, located on the Coosa river. The city is conveniently placed about 56 miles northeast of Birmingham, Alabama, and 90 miles southwest of Chattanooga, Tennessee. Gadsden has an estimated population of 35,157 according to the 2018 census. Gadsden is the most populous city in the Gadsden Metropolitan Statistical Area. The greater metropolitan area has a population of 103,931.

Gadsden, Alabama possesses a rich history dating back to its founding in 1825. John Riley, a European-American settler, established the city by building his house near two springs. This structure remains standing today, making it the oldest building in the city. By the turn of the 19th century, Gadsden capitalized on their proximity to the Coosa River. They became a major trade port for transferring goods via the river. Because of this, the city also developed into a hub for heavy industrial equipment and its manufacturing. Due to this growth, the city of Gadsden earned its spot as the second most important city in the state of Alabama for trade – second only to the Gulf Coast city of Mobile.

Today, the city of Gadsden boasts many attractions for its residents and visitors. The city is home to Noccualula Falls, a large-scale waterfall with an adjoining nature park. Downtown proper hosts a lively restaurant scene, several museums, and an abundance of places to shop. Gadsden is located in a humid sub-tropical climate with four distinct seasons, making for a wide array of options involving outdoor activities.

Etowah County:

Located in northeast Alabama, the 542 square mile Etowah county is one of America's largest industrial manufacturing centers. 19.3% of all members of the workforce in Etowah are employed in manufacturing roles. While Gadsden holds the title for most prominent city within Etowah, Rainbow City, Glencoe, Hokes Bluff, Sardis City, and Ridgeville are all worth noting for their high populations.



Market & Area Overview

Gadsden Metropolitan Statistical Area (MSA):

Gadsden Metropolitan Statistical Area is an area designated by the U.S. Office of Management and Budget used for statistical purposes by the United States Census Bureau and other government agencies. By 2020, the metropolitan area is projected to have a population of 110,581. Of all 917 metro areas in existence, Gadsden's ranks at 373 based on population. Of the metro areas in Alabama, Gadsden is ranked twelfth.



Largest Cities and Townships:

- Gadsden
- Atalla
- Boaz
- Glencoe
- Hokes Bluff
- Rainbow City
- Southside



Thirteen Major Highways:

I-59, I-759, US-11, US-278, US-411,
US-431, I-759, SR-77, SR-132, SR-179,
SR-205, SR-211, SR-291



One Airport:

Northeast Alabama Regional Airport





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