

OFFERING
MEMORANDUM

Representative Photo

NEW LEASE 7 YEAR EXTENSION



Mature Location with Built in Customer Base | 63% Rent Increase In Option Period

ADVANCE AUTO PARTS

Anderson, Indiana (Indianapolis MSA)

Marcus & Millichap

THE PATEL GROUP

NON - ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2018 Marcus & Millichap. All rights reserved.

NON - ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

***ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.***

Marcus & Millichap
THE PATEL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com

TENANT PROFILE // *ADVANCE AUTO PARTS*

Advanced Auto Parts was founded in 1929 and is headquartered in Roanoke, Virginia. Their operation consists of 4,781 Advance Auto Parts branded stores and are generally located in freestanding buildings with a heavy focus on serving “do-it-for-me”, commercial, and “do-it-yourself”, customers as well as independently-owned operators. These stores carry a wide variety of products serving an aftermarket auto part needs for both domestic and import vehicles.

Advance Auto Parts plans to open and operate stores in both large, densely-populated markets and small, less densely-populated areas. Advance Auto which consists of “Advance Auto Parts,” “Carquest,” and “Worldpac” have increased their store count significantly. Growing from 2,872 stores in 2005 to 4,781 locations in 2019. They intend to continue to increase the number of their stores and expand the markets they serve as part of their growth strategy.



PROPERTY AERIAL // ADVANCE AUTO PARTS



INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the exclusive listing for the Advance Auto Parts located at 923 East 38th Street in Anderson, Indiana. The property consists of 7,000 square feet of building space and is situated on roughly 1.058 ± acres of land. The property is located on East 38th Street with over 18,000 vehicles per day and is near Columbus Avenue with 28,600 vehicles per day.

Advance Auto Parts has operated at this location since 2003. The tenant recently extended the double-net lease seven (7)-years leaving two (2), five (5)-year options remaining. Advance Auto Parts currently pays \$60,880 in annual rent and is scheduled to increase before each option.

There are multiple schools in the area with a combined total enrollment over 6,800. The Advance Auto Parts is located near multiple national tenants such as: Walmart Supercenter, Lowe's, Starbucks, Walgreens, Planet Fitness, ALDI and more. There is also St. Vincent Regional Hospital with 1,410 employees and Community Hospital Anderson with over 1,980 employees. The property is also located near Harrah's Hoosier Park Racing and Casino which has over 172,000 square feet of gaming and racing space. Overall, the local market consists of over 87,000 residents with an AHHI in excess of \$58,000 within a seven (7)-mile radius of the property.

INVESTMENT HIGHLIGHTS

Recent Lease Extension | 7-Years Remaining on the Double Net (NN) Lease | 63% Rent Increase in Option Period

Mature Location with Built in Customer Base | 2003 Construction | Prime Positioning to Serve its Target Market

Excellent Visibility with Prominent Signage on East 38th St with Over 18,000 VPD

Near St. Vincent Regional Hospital with 1,410 Employees & Community Hospital Anderson with 1,980+ Employees

Near Multiple National Tenants: Walmart, Lowe's, Kohl's, Starbucks, Walgreens and More

Near Hoosier Park Racing & Casino Over 172,000 SF of Gaming and Racing

87,000+ Residents | \$58,000 AHHI | 81,000+ Employees | within 7-Mile Radius

PRICING DETAILS // *ADVANCE AUTO PARTS*

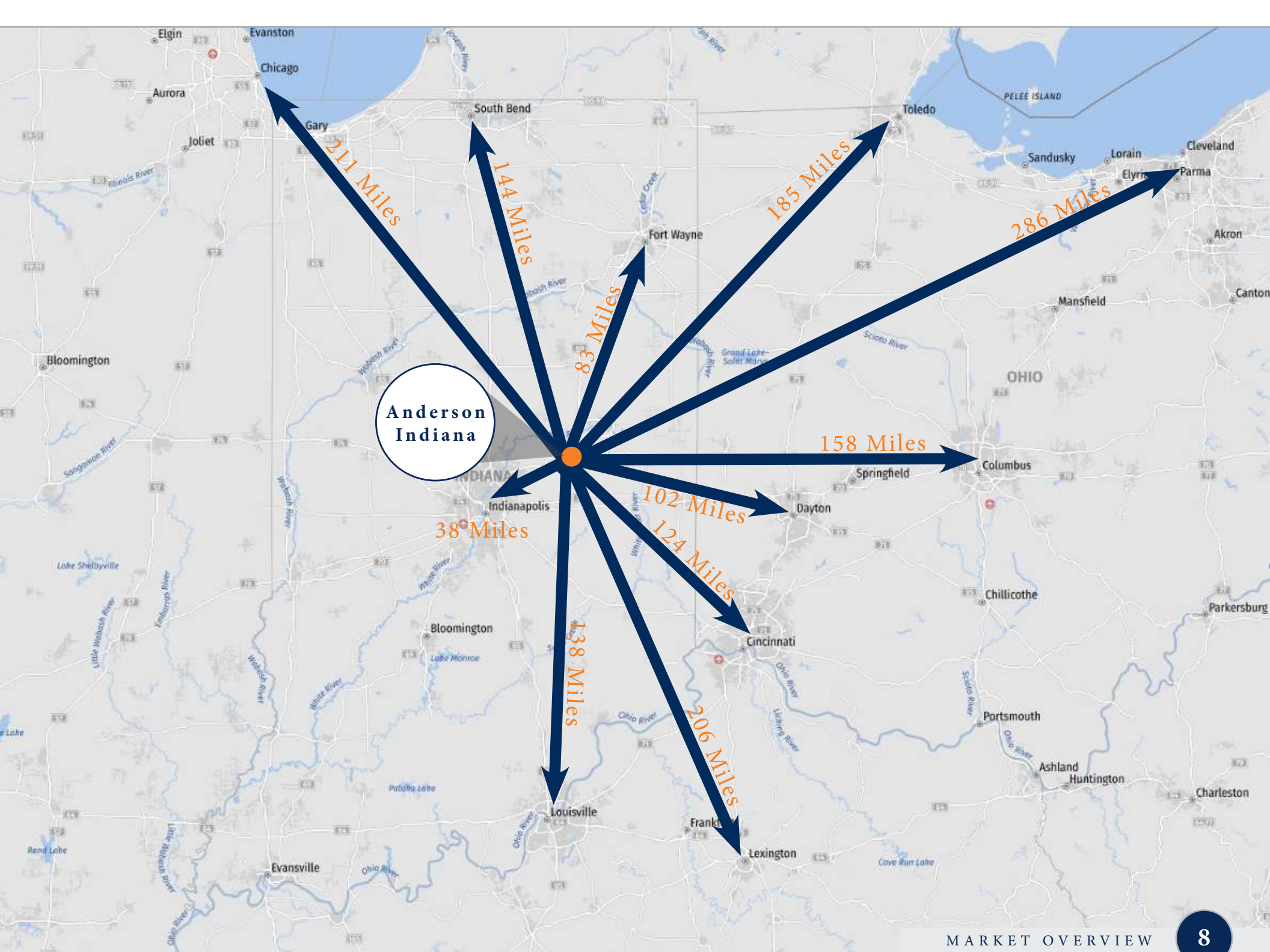
THE OFFERING	
Tenant	Advance Auto Parts
Property Address	923 East 38th Street, Anderson, Indiana 46013
Price	\$800,000
Cap Rate	7.61%
Net Operating Income	\$60,880
PROPERTY DESCRIPTION	
Year Built	2003
Gross Leasable Area	7,000 SF
Zoning	Retail
Type of Ownership	Fee Simple
Lot Size	1.058 +/- Acres
LEASE SUMMARY	
Property Subtype	Net Leased Auto Parts
Guarantor	Corporate
Lease Type	Double-Net (NN)
Lease Commencement	December 13, 2002
Lease Expiration	June 30, 2027
Initial Lease Term	Fifteen (15)-Years
Term Remaining on Lease	Seven (7)-Years
Renewal Options (180 Day Notice)	Two (2), Five (5) Year Options
Rent Increases	Before Each Option
Right of First Refusal/Offer	No

LEASE SUMMARY			
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF
Current - June 31, 2027	\$60,880	\$5,073	\$8.70
Option 1 July 1, 2027 - June 30, 2032	\$99,240	\$8,270	\$14.18
Option 2 July 1, 2032 - June 30, 2037	\$102,732	\$8,561	\$14.68

Sales Comparisons // *ADVANCE AUTO PARTS*

SOLD PROPERTIES	PRICE	CAP RATE	RENT	GLA	LEASE TERM
★ Advance Auto Parts // 923 East 38th Street, Anderson, IN	\$800,000	7.61%	\$60,880	7,000	5
1 Advance Auto Parts // 927 Highway 82 West Winona, MS	\$1,600,000	7.25%	\$111,784	7,000	3
2 Advance Auto Parts // 1144 Grand Caillou Rd Houma, LA	\$1,572,208	7.11%	\$116,000	6,125	5
3 Advance Auto Parts // 972 US-82 Greenwood, MS	\$1,558,384	7.45%	\$116,100	6,972	3
4 Advance Auto Parts // 4483 Columbia Rd Martinez, GA	\$1,434,000	7.25%	\$103,965	8,075	5
5 Advance Auto Parts // 625 S Congress Blvd Smithville, TN	\$1,343,000	7.50%	\$100,725	7,000	3
6 Advance Auto Parts // 6395 Hiram Douglasville Hwy Powder Springs, GA	\$1,191,000	7.00%	\$83,370	7,000	4
Averages:	\$1,449,765	7.26%	\$105,324	7,029	4

ON-MARKET PROPERTIES	PRICE	CAP RATE	RENT	GLA	LEASE TERM
1 Advance Auto Parts // 205 Grande Heights Dr, Carry, NC	\$2,220,000	7.00%	\$155,400	7,000	5
2 Advance Auto Parts // 605 E King St Shippensburg, PA	\$1,000,000	7.27%	\$72,700	7,000	5
3 Advance Auto Parts // 603 Highway 78 E Jasper, AL	\$910,345	6.95%	\$63,269	7,000	7
4 Advance Auto Parts // 10630 Dunbarton Blvd Barnwell, SC	\$786,207	7.48%	\$58,808	6,000	5
5 Advance Auto Parts // 301 N Main St Mount Pleasant, TN	\$400,000	7.23%	\$28,920	6,060	5
Averages:	\$1,063,310	7.19%	\$75,819	6,612	5





INDIANAPOLIS

MSA

POPULATION

2.2M |  5.9%

Current 2018 Est. 2018-2023 Est.

INDIANAPOLIS

MSA

The Indianapolis metro houses the state capitol and is a growing tech hub. Situated in central Indiana, the market consists of 11 counties: Marion, Johnson, Hamilton, Boone, Hendricks, Morgan, Hancock, Shelby, Brown, Putnam and Madison. The metro lacks formidable development barriers, except for the several rivers and creeks that traverse the region. Marion County is home to Indianapolis, which contains a population of approximately 861,000 people. Carmel in Hamilton County is the second most populous with more than 92,000 residents. Most of the surrounding counties are rural, offering builders ample land for residential and commercial development. Population growth is primarily concentrated to the northern suburbs and west of the city.

ECONOMY

- Indianapolis' economy has diversified from manufacturing into a variety of other industries, including a growing tech sector underpinned by Salesforce.com.
- The metro is one of the key health-sciences centers in the nation, anchored by several pharmaceutical and life-sciences companies, including Eli Lilly and Roche Diagnostics.
- The metro is accessible to a large portion of the nation in one day by ground or air, making the region a burgeoning logistics and distribution hub.
- Annual GMP growth rate tops the national level, a trend that is set to persist next year.

QUALITY OF LIFE

Indianapolis offers residents many big-city amenities in an affordable, small-town atmosphere. The city is home to several high-profile auto races, including the Indianapolis 500 and Brickyard 400. Races are hosted at the Indianapolis Motor Speedway and the Lucas Oil Raceway at Indianapolis. The metro has two major league sports teams: the Indianapolis Colts (NFL) and the Indiana Pacers (NBA). The area also has a vibrant cultural and arts scene, with more than 200 art galleries and dealers, the Indianapolis Symphony Orchestra and a variety of museums, including the Eiteljorg Museum of American Indians and Western Art. Additionally, the Children's Museum of Indianapolis is one of the largest children's museums in the world.

Major Area Employers within the Indianapolis MSA

#	Employer
1	Eli Lilly & Co.
2	Indiana University Health
3	Calumet Specialty Products
4	Simon Property Group
5	Cummins, Inc.
6	The Kroger Co.
7	IUPUI
8	FedEx
9	Roche Diagnostics
10	The Finish Line



IUPUI

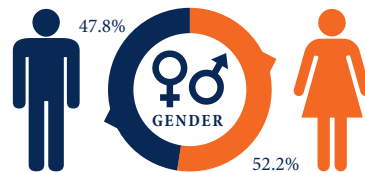


BUTLER



DEMOGRAPHICS // *ADVANCE AUTO PARTS*

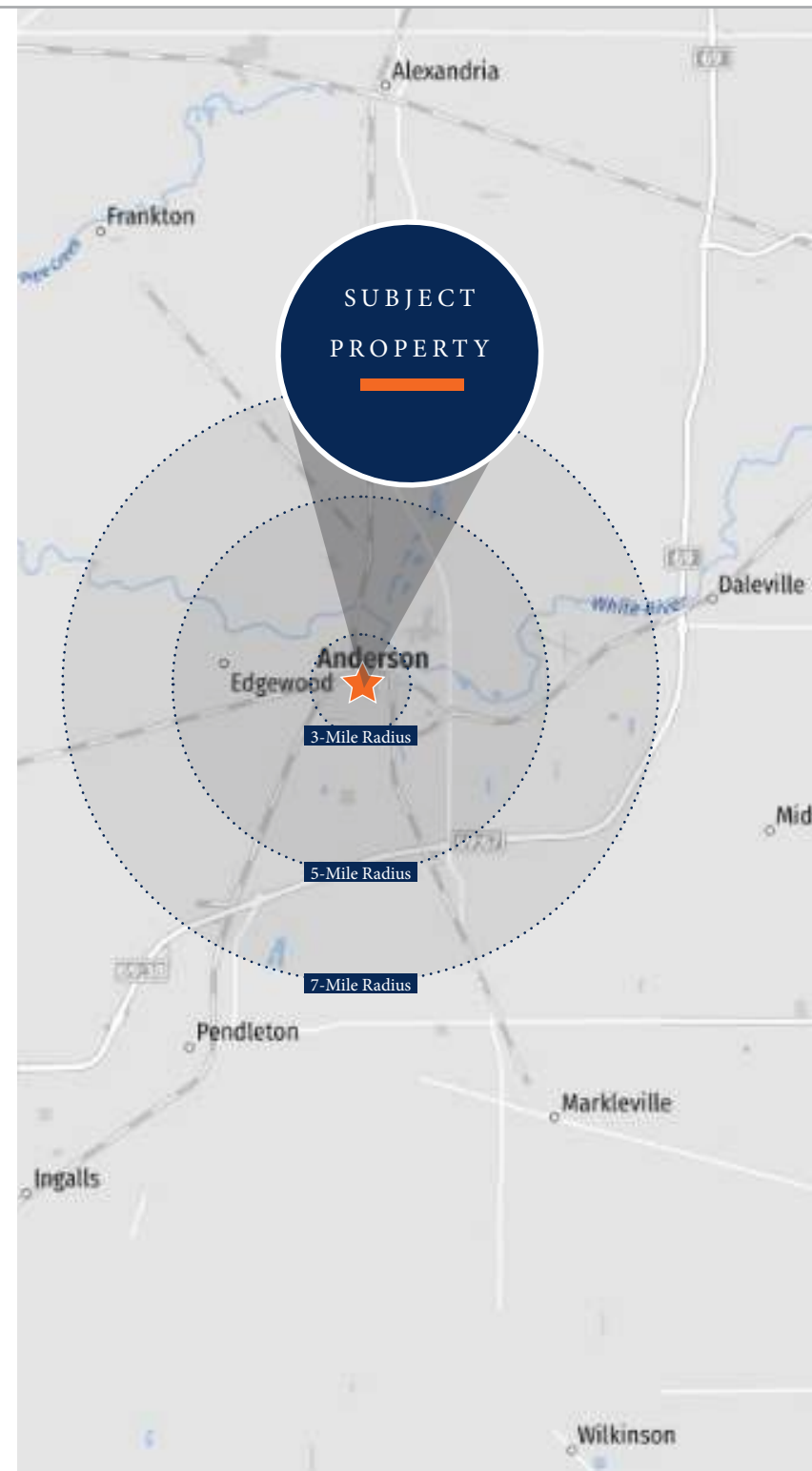
 **87,059**
Total Population Within 7-Mile Radius



 **\$58,285**
Average Household Income within
7-Miles Radius

 **81,033**
Daytime Population within 7-Mile
Radius

 **35,845**
Total Households in 7-Mile Radius



POPULATION	3 Mile	5 Miles	7 Miles
2018 Estimate			
Total Population	45,252	71,347	87,059
2010 Census			
Total Population	45,938	72,514	88,417
2000 Census			
Total Population	48,185	76,722	92,684
Daytime Population			
2018 Estimate	46,022	66,464	81,033
HOUSEHOLDS	3 Mile	5 Miles	7 Miles
2023 Projection			
Total Households	18,900	29,599	35,940
2018 Estimate			
Total Households	18,943	29,602	35,845
Average (Mean) Household Size	2.3	2.33	2.36
2010 Census			
Total Households	19,313	30,200	36,539
Occupied Units			
2018 Estimate	22,903	34,792	41,573
HOUSE HOLDS BY INCOME	3 Mile	5 Miles	7 Miles
2018 Estimate			
\$150,000 or More	1.90%	3.08%	3.55%
\$100,000 - \$149,000	5.72%	8.53%	9.69%
\$75,000 - \$99,999	8.90%	11.16%	11.81%
\$50,000 - \$74,999	18.22%	19.91%	20.88%
\$35,000 - \$49,999	17.05%	16.40%	16.09%
Under \$35,000	48.20%	40.91%	37.98%
Average Household Income	\$46,704	\$55,211	\$58,285
Median Household Income	\$36,366	\$43,179	\$46,248
Per Capita Income	\$19,914	\$23,274	\$24,322

HOUSEHOLD EXPENDITURE	3 Mile	5 Miles	7 Miles
Total Average Household Retail Expenditure	\$54,595	\$62,077	\$64,705
Consumer Expenditure Top 10 Categories			
Housing	\$14,516	\$16,207	\$16,768
Transportation	\$9,789	\$11,225	\$11,717
Shelter	\$8,291	\$9,202	\$9,501
Food	\$5,839	\$6,579	\$6,850
Personal Insurance and Pensions	\$4,847	\$6,012	\$6,415
Health Care	\$4,179	\$4,833	\$5,049
Utilities	\$3,375	\$3,703	\$3,816
Entertainment	\$2,350	\$2,766	\$2,916
Cash Contributions	\$1,476	\$1,739	\$1,823
Household Furnishings and Equipment	\$1,365	\$1,606	\$1,689
POPULATION PROFILE	3 Mile	5 Miles	7 Miles
Population By Age			
2018 Estimate Total Population	45,252	71,347	87,059
Under 20	24.63%	23.77%	23.78%
20 to 34 Years	21.41%	19.49%	18.72%
35 to 39 Years	6.12%	5.90%	5.91%
40 to 49 Years	12.14%	12.08%	12.24%
50 to 64 Years	18.79%	20.10%	20.46%
Age 65+	16.92%	18.67%	18.91%
Median Age	38.22	40.74	41.38
Population 25+ by Education Level			
2018 Estimate Population Age 25+	30,621	49,517	60,704
Elementary (0-8)	2.92%	2.51%	2.33%
Some High School (9-11)	11.40%	9.81%	9.07%
High School Graduate (12)	41.97%	39.34%	39.01%
Some College (13-15)	20.84%	21.42%	21.73%
Associate Degree Only	8.16%	8.41%	8.49%
Bachelors Degree Only	9.45%	11.88%	12.56%
Graduate Degree	4.29%	5.78%	5.98%

Marcus & Millichap

THE PATEL GROUP

DARPAN PATEL

First Vice President, Investments
Net Leased Properties Group
Cincinnati Office

Direct: (513) 878-7723

Darpan.Patel@marcusmillichap.com

License: OH SAL 2012000748

MATTHEW JOHNSON

Net Leased Retail Group

GAGE WIETHORN

Net Leased Retail Group

FRANK SIMCIC

Retail Properties Group

G. SAL RAMUNDO

Office and Industrial Group

SAM ELYASSAKI

Director of Operations

Broker of Record: Josh Caruana