

# OFFERING MEMORANDUM

Downtown  
Dallas



Parkland  
Hospital

Inwood/Lovefield  
DART Station

Alta Maple  
Station Apartments

Subject Property

**Advance  
Auto Parts**

PIT PROS



Thomas J. Rusk  
Middle School

Inwood Road 46,530 VPD

## ADVANCE AUTO PARTS (DARK)

DALLAS, TX

Marcus & Millichap

# 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.

© 2020 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 of 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. Activity ID: ZAB0060325

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

**Marcus & Millichap**

OFFICES THROUGHOUT THE U.S. AND CANADA  
[www.marcusmillichap.com](http://www.marcusmillichap.com)



# NET LEASED DISCLAIMER



Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

SPECIAL COVID-19 NOTICE: All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA  
[www.marcusmillichap.com](http://www.marcusmillichap.com)





Parkland  
Hospital

CUBESMART  
self storage

zipcar

Church's  
Chicken

AutoZone

THE  
SALVATION  
ARMY

RaceTrac

Pizza  
Patron

CELESTIAL  
NEWSPAPERS

Boxing  
FITNESS

FUSIONPKG

Wendy's

MAPLE LANDING  
BAR • RESTAURANT • BOUTIQUE • BREWERY

MAPLEWOOD  
A PRIVATE SOCIAL CLUB

WINGS  
FOR WOMEN AND FAMILIES

SoCial. Pie  
CRAFT PIZZA & BEER

EAGLE  
HALL

Little  
Caesars

7-ELEVEN

SOI Brow  
Threading Salon

LOVE FIELD  
SELF STORAGE

UT Southwestern  
Medical Center.

**DART**  
Inwood/Lovefield  
DART Station

Subject Property

**Advance  
Auto Parts**

**PIT PROS**

Inwood Station Apartments  
347 Units

Thomas J. Rusk  
Middle School

Inwood Road  
46,530 VPD



# TABLE OF CONTENTS

**01**

EXECUTIVE SUMMARY // 6-7

**02**

PROPERTY DESCRIPTION // 8-9

**03**

FINANCIAL ANALYSIS // 10-11

**06**

MARKET OVERVIEW // 12-14

Marcus & Millichap

---



 **Dallas Love Field**  
16.7 Million  
Passengers per Year



**Thomas J. Rusk  
Middle School**

  
resource center

  
SONIC  
America's Drive-In

  
Jack  
in the box

  
Pulaski's  
DONUTS

  
TAKE 5  
OIL CHANGE

 **Allstate**  
You're in good hands.

**Inwood Road 46,530 VPD**

**Subject Property**

  
**Advance  
Auto Parts**

 **PIT PROS**



# ADVANCE AUTO PARTS (DARK)

2912 Inwood Rd, Dallas, TX 75235

Marcus & Millichap is pleased to present the opportunity to acquire a triple net leased Advance Auto Parts in Dallas, Texas. The property consists of a 6,800-square foot, freestanding building that sits on approximately 0.70 acres of land. There are approximately 11 years remaining on the current lease term, with a 10 percent rental escalation scheduled in the 11th of the year.

Although Advance Auto Parts has vacated the premises, they are still obligated for approximately \$1,844,000 in future rent obligations. At the asking price, an investor should be able to lower their basis in the property considerably, recapturing approximately 68 percent of their initial investment over the remaining lease term.

The property has excellent access and visibility on Inwood Road, where traffic counts exceed 44,465 vehicles per day. The area is extremely dense with more than 354,366 residents and a daytime population of 785,592 within a five-mile radius. There is an average household income of \$121,186 within the same radius. The subject property is across from Thomas J. Rusk Middle School and near newly developed apartments, like the 347-unit Inwood Station Apartments.

## INVESTMENT HIGHLIGHTS

**Tenant is Responsible for Approximately \$1,844,000 in Future Rent Obligations**

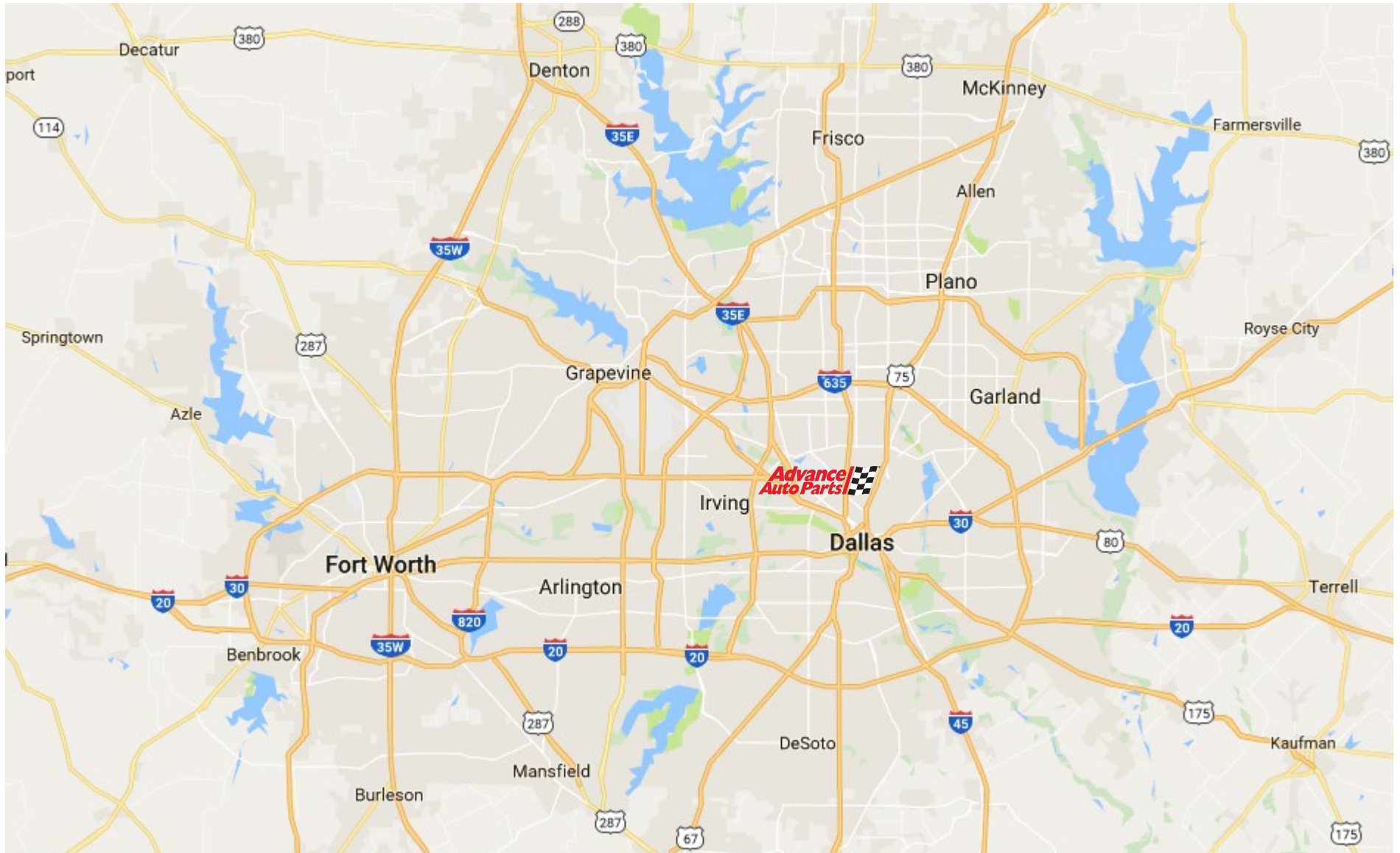
**Triple Net Lease with Approximately 11 Years Remaining**

**Excellent Access and Visibility on Inwood Road; Combined Traffic Counts Exceed 44,465 Vehicles per Day**

**More than 354,366 Residents and a Daytime Population of 785,592 Within a Five-Mile Radius**

**Highly Desirable Dallas Market**

## REGIONAL MAP // *Advance Auto Parts (Dark)*









## PRICING DETAILS // *Advance Auto Parts (Dark)*

LOCATION	
2912 Inwood Rd, Dallas, TX 75235	
Price	\$2,688,100
Rentable SF	6,800
Price/SF	\$395.31
CAP Rate	6.00%
Year Built	2016
Lot Size	0.70 Acres
Type of Ownership	Fee Simple

LEASE SUMMARY	
Tenant Name	Advance Auto Parts
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Triple-Net
Roof and Structure	Landlord
Lease Term	15 Years
Lease Commencement Date	6/1/2016
Rent Commencement Date	6/1/2016
Lease Expiration Date	5/31/2031
Term Remaining on Lease	11 Years
Increases	10% in Year 11

ANNUALIZED OPERATING INFORMATION		
YEAR	ANNUAL RENT	MONTHLY RENT
Years 1-10	\$161,285.00	\$13,440.42
Years 11-15	\$177,413.50	\$14,784.46
Base Rent (\$23.72/SF)		\$161,285
<b>Net Operating Income</b>		<b>\$161,285</b>
<b>Total Return</b>		<b>6.00% / \$161,285</b>





## TENANT OVERVIEW // *Advance Auto Parts (Dark)*



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	\$604,300,000
Credit Rating	BBB-
Rating Agency	S&P
Stock Symbol	AAP
Board	NYSE
Options to Terminate	No
Options to Purchase	No
First Right of Refusal	No
No. of Locations	4,931
Headquartered	Raleigh, North Carolina
Web Site	<a href="http://www.advanceautoparts.com">www.advanceautoparts.com</a>
Years in the Business	87





# DALLAS/ FORT WORTH TEXAS

---

POPULATION  
6,800,000





# *City Of* DALLAS

---

The Dallas-Fort Worth metroplex is the largest metro area in Texas and the fourth largest in the United States. The Metroplex led the nation in population growth over the last decade, adding approximately 1.3 million residents, making it home for more than 6.8 million residents and has one of the nation's strongest job markets. The Dallas-Fort Worth metroplex added approximately 132,000 residents from 2017 to 2018. Over the past eight years, Dallas-Fort Worth, the fourth-largest metro area in the country, has added more than 1 million people.

As of 2019, Dallas-Fort Worth is home to 24 Fortune 500 companies, including Exxon Mobil, AT&T, American Airlines, Southwest Airlines, Texas Instruments and Dean Foods. The large concentration of companies in the Metroplex has spurred job growth for years. According to the U.S. Bureau of Labor Statistics Dallas-Fort Worth ranked first in new job growth in 2019 with 120,700 new jobs— beating out New York for the top spot by 21,300 jobs.

# DEMOGRAPHIC SUMMARY

POPULATION	1 Mile	3 Miles	5 Miles
2000 Population	19,709	102,346	309,117
2010 Population	16,144	109,180	303,500
2018 Population	20,256	132,674	354,366
2023 Population	22,527	147,187	383,241
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2000 Households	7,542	43,617	119,775
2010 Households	7,495	51,852	129,618
2018 Households	9,520	65,296	155,568
2023 Households	10,859	74,603	172,729
2018 Average HH Size	2.07	1.99	2.17
2018 Daytime Population	51,902	315,481	785,592
HOUSING UNITS	1 Mile	3 Miles	5 Miles
Median HH Income	\$54,828	\$77,446	\$68,168
Per Capita Income	\$38,333	\$68,668	\$53,757
Average HH Income	\$80,632	\$137,531	\$121,186

## POPULATION

In 2018, the population in your selected geography is 354,366. The population has changed by 14.64% since 2000. It is estimated that the population in your area will be 383,241 five years from now, which represents a change of 8.15% from the current year. The current population is 52.57% male and 47.43% female. The median age of the population in your area is 33.4, compare this to the entire US average which is 38.1. The population density in your area is 4,512.45 people per square mile.

## HOUSEHOLDS

There are currently 155,568 households in your selected geography. The number of households has changed by 29.88% since 2000. It is estimated that the number of households in your area will be 172,729 five years from now, which represents a change of 11.03% from the current year. The average household size in your area is 2.17 persons.

## INCOME

In 2018, the median household income for your selected geography is \$68,168, compare this to the entire US average which is currently \$60,811. The median household income for your area has changed by 59.94% since 2000. It is estimated that the median household income in your area will be \$75,313 five years from now, which represents a change of 10.48% from the current year.

The current year per capita income in your area is \$53,757, compare this to the entire US average, which is \$33,623. The current year average household income in your area is \$121,186, compare this to the entire US average which is \$87,636.

## RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 65.11% White, 11.81% Black, 0.05% Native American and 4.30% Asian/Pacific Islander. Compare these to entire US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 38.59% of the current year population in your selected area. Compare this to the entire US average of 18.17%.

## HOUSING

In 2000, there were 46,228 owner occupied housing units in your area and there were 73,547 renter occupied housing units in your area. The median rent at the time was \$587.

## EMPLOYMENT

In 2018, there are 471,862 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 62.67% of employees are employed in white-collar occupations in this geography, and 37.41% are employed in blue-collar occupations. In 2018, unemployment in this area is 3.30%. In 2000, the average time traveled to work was 24.1 minutes.





# 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.

Marcus & Millichap

Broker Firm Name

9002994

License No.

tim.speck@marcusmillichap.com

Email Address

972-755-5200

Phone

Tim Speck

Designated Broker of Firm

432723

License No.

tim.speck@marcusmillichap.com

Email Address

972-755-5200

Phone

## EXCLUSIVELY LISTED BY

---

### KYLE VARNI

Associate

Dallas Office

Direct: (972) 755-5209 // Fax: (817) 484-0111

Kyle.Varni@marcusmillichap.com

License: TX 707940

### VINCENT KNIPP

Senior Managing Director Investments

Dallas Office

Direct: (972) 755-5205 // Fax: (817) 484-0111

Vincent.Knipp@marcusmillichap.com

License: TX 0579633

Marcus & Millichap