

OFFERING MEMORANDUM



PEPBOYS
=AUTO=

7750 S ORANGE BLOSSOM TRAIL | ORLANDO, FL

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



| CONTENTS

- 4 INVESTMENT HIGHLIGHTS
- 6 PROPERTY OVERVIEW
- 10 TENANT OVERVIEW
- 11 AREA OVERVIEW

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INVESTMENT HIGHLIGHTS

- **Pep Boys Supercenter** - This building is a ±23,000 square foot Supercenter that serves as a centralized location for retail and distribution
- **Cohesive Revenue Streams** - This store features an eCommerce proof service component as well as a large inventory of auto parts which complement each other and add to this stores profitability
- **Absolute NNN** - The tenant takes of all maintenance and costs making this investment completely hands-off
- **Annual Increases** - This lease features 1.5% annual increases which will continue to improve an already attractive returns
- **Strong Retail Corridor** - This location is just down the street from one of the largest malls in the US with almost ±1.7 million SF of space and over 290 retailers. Other surrounding tenants include Target, Home Depot, Chick-Fil-A, Best Buy, Olive Garden, Chipotle, Wells Fargo, and more.
- **Dense Growing market** - There is a population of approximately ±200,000 in a 5-mile radius that is set to grow almost 7.76% over the next 5 years
- **Strong Traffic Counts** - Over ±54,000 VPD travel on Orange Blossom Rd with ±24,000 VPD traveling just south on Sand Lake Rd





PROPERTY OVERVIEW



Property Name

Pep Boys



List Price

\$3,999,000



Year Built/Renovated

1990



Cap Rate

7.85%



Square Footage

±23,329

FINANCIAL ANALYSIS

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate	Increases
Current - 7/30/20	\$26,163.42	\$313,961.04	\$14.18	7.85%	1.5%
8/1/20 - 7/30/21	\$26,555.87	\$318,670.46	\$14.39	7.97%	1.5%
8/1/21 - 7/30/22	\$26,954.21	\$323,450.51	\$14.61	8.09%	1.5%
8/1/22 - 7/30/23	\$27,358.52	\$328,302.27	\$14.82	8.21%	1.5%
Option 1 8/1/23 - 7/30/24	\$27,768.90	\$333,226.80	\$15.05	8.33%	1.5%
8/1/24 - 7/30/25	\$28,185.43	\$338,225.21	\$15.27	8.46%	1.5%
8/1/25 - 7/30/26	\$28,608.22	\$343,298.58	\$15.50	8.58%	1.5%
8/1/26 - 7/30/27	\$29,037.34	\$348,448.06	\$15.73	8.71%	1.5%
8/1/27 - 7/30/28	\$29,472.90	\$353,674.78	\$15.97	8.84%	1.5%

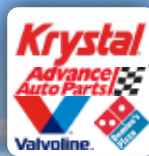
*Option 2, 3, 4 FMV Rent

TENANT SUMMARY

Tenant Trade Name	Pep Boys
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NNN
Roof & Structure	Tenant Responsible
Original Lease Term	15 Years
Rent Commencement Date	7/30/2008
Lease Expiration Date	7/30/2023
Term Remaining on Lease	±2.87 Years
Increases	1.5% Annual Increases
Gross Leasable Area (GLA)	±23,329 SF
Lot Size	±1.95 Acres (85,013 SF)



ORLANDO



S. ORANGE BLOSSOM TRL
± 54,000 VPD



Once upon a child **TARGET**
Marshall's

Panera
BREAD

THE FLORIDA MALL
FINISH LINE
Dillard's
The Style of Your Life.
GODIVA
OLD NAVY
NEW YORK & COMPANY
VICTORIA'S SECRET
FOREVER 21
ZARA
sears
AUTO CENTER
★ **macy's**
THINKGEEK
JOIN IN. GEEK OUT.

THE FLORIDA HOTEL
A CONFERENCE CENTER

FedEx Office DEPOT
MCKESSON

T-Mobile
theVitamin Shoppe

Red Lobster

chili's

Hukoo's
FAMILY FUN

Firestone
COMPLETE AUTO CARE

Southern
TECHNICAL COLLEGE

Little
New Orleans
Kitchen & Oyster Bar

Rainbow
dd's
DISCOUNTS
AT&T
Authorized Retailer
IHOP
RESTAURANT

OUTBACK
STEAKHOUSE
MacroBaby
The Baby Store with a Heart
Planet Learning

DOLLAR TREE

goodwill

Badcock
HOME FURNITURE
& more

ROSS
DRESS FOR LESS

Olive Garden
ITALIAN RESTAURANT

SAND LAKE RD
± 24,000 VPD

WELLS FARGO

IZZIBAN
SUSHI & BBQ
CHIPOTLE

S. ORANGE BLOSSOM TRL
± 54,000 VPD

U-HAUL

Walgreens

verizon

PEPBOYS

HOME
IMPROVEMENT
WAREHOUSE

TENANT OVERVIEW

Company Name	Pep Boys
Parent Company Trade Name	Icahn Enterprises, L.P.
Ownership	Private
No. of Locations	±1,900
Headquartered	Philadelphia, Pennsylvania
Website	www.pepboys.com
Year Founded	1921



TENANT SUMMARY

Philadelphia-based Pep Boys has operations in 47 US states and Puerto Rico. Major markets for the company include California, Florida, Pennsylvania, and Texas, home to nearly half of its stores. Pep Boys also has warehouses in California, Georgia, Texas, Indiana, New York, and Pennsylvania.

An automotive paradise for do-it-yourselfers, Pep Boys stock about 25,000 car parts and accessories, including tires, and combined, operate more than 7,500 service bays for vehicle repairs, inspections, and parts installations. It also offers credit and parts delivery to commercial customers, such as repair shops, fleet operators, schools, and municipalities. Founded in 1921 by Philadelphians Manny, Moe, and Jack, Pep Boys was acquired by billionaire investor Carl Icahn's Icahn Enterprises in February 2016.

In late 2015, Pep Boys found itself the target of a bidding war between Japanese tire company Bridgestone and activist investment firm Icahn Enterprises. After originally accepting an \$835 million offer from Bridgestone, the auto parts retailer eventually agreed to a \$1 billion-plus purchase by Icahn (which completed in February 2016). The investment firm plans to combine Pep Boys with the Auto-Plus chain, which it acquired earlier in 2015.



AREA OVERVIEW

ORLANDO, FL

Orlando, FL, located along the Sun Belt, is one of the most visited cities within the United States. It is the center of the Orlando metropolitan area and offers just about everything when it comes to entertainment. The city was originally nicknamed “The City Beautiful,” because of Lake Eola. In recent years, the city also received the nickname of “The Theme Park Capital of the World.” Orlando holds seven of the top theme parks in the world. In 2015, more than 66 million people visited Orlando. The city also holds beautiful, clean beaches. From theme parks and sunshine to continuously evolving dining scenes, Orlando is the only destination where you can enjoy it all together.

DEMOGRAPHICS

Population	1 Mile	3 Mile	5 Mile
2025 Projection	7,114	87,935	214,931
2020 Estimate	6,592	81,558	199,459
2010 Census	5,722	69,629	168,742
Growth % 2020-2025	7.92%	7.82%	7.76%
Growth % 2010-2020	15.20%	17.13%	18.20%

Households	1 Mile	3 Mile	5 Mile
2025 Projection	2,278	31,382	80,136
2020 Estimate	2,126	29,048	74,127
2010 Census	1,897	24,604	62,207
Growth % 2020-2025	7.15%	8.04%	8.11%
Growth % 2010-2020	12.07%	18.06%	19.16%

Income	1 Mile	3 Mile	5 Mile
2020 Est. Average Household Income	\$59,123	\$58,653	\$68,354



ORLANDO ATTRACTIONS

Orlando is best-known as home to the world's top theme parks and water parks including the four theme parks and two water parks at Walt Disney World Resort - Disney's Animal Kingdom, Blizzard Beach Water Park, Epcot, Disney's Hollywood Studios, Magic Kingdom, and Typhoon Lagoon; the two theme parks at Universal Orlando Resort - Islands of Adventure and Universal Studios Florida; three parks from SeaWorld Parks and Entertainment - SeaWorld Orlando, Aquatica - SeaWorld's Waterpark and Discovery Cove; and LEGOLAND Florida Resort. With a unique mix of legendary theme parks, water parks, spectacular museums, world-class entertainment and blockbuster rides and attractions, it would take about 67 days to visit all of the entertaining offerings in Orlando.

With approximately 450 hotels and more than 116,000 guest rooms - including 35 AAA Four Diamond and Forbes Travel Guide Four-Star award recipients - Orlando offers more lodging options than nearly any destination in the world. Accommodations range from luxury resorts and themed hotels to charming bed and breakfasts, economy hotels/motels and campgrounds. Vacation ownership units, private condominiums, and homes are also available.

ECONOMY

The Orlando area is a large industrial and hi-tech center. It is nationally recognized for their innovative techniques in digital media, aviation, aerospace, agricultural technology, and software design. The city holds over 150 international companies that represent 20 different countries. Orlando is also the 7th-largest research park in the country. Central Florida Research Park is home to over 120 companies that employ more than 8,500 people. It is also the hub of the nation's military simulation and training programs.

Lockheed Martin has a large manufacturing facility for missile systems, aeronautical craft, and other high-tech research. Many notable engineering firms work with the different branches of the U.S. Army to create innovative technology. The city is also a large home base for Darden Restaurants, Olive Garden, and LongHorn Steakhouse.

The film, television, and entertainment industry is another large sector for Orlando's economy. Universal Studios, Disney's Hollywood Studios, UCF College of Arts and Humanities, Full Sail University, and Florida Interactive Entertainment Academy are only a few studios and teaching programs that are located within Orlando. The gaming industry has also become an important part of the Orlando economy. Everything from film, show production, computer animation, video game design, and much more is taught and executed extensively in Orlando.

**150 INTERNATIONAL
COMPANIES**

**\$33 BILLION IN
TOURISM**

**7TH-LARGEST
RESEARCH PARK**





UNIVERSITY OF CENTRAL FLORIDA (UCF)

The University of Central Florida is a metropolitan public research university in Orlando. Founded in 1963, it holds the largest enrollment at a single campus. The university offers over 200 degrees within thirteen colleges. UCF has ten regional campuses in Central Florida with most of the student population located on the main campus. The university has made significant research contributions to engineering, optics, business administration, hospitality management, education, digital marketing, and simulation.

UCF was ranked the third-best “up and coming” national university, as well as, the 13th most innovative school. It was also ranked among the nation’s “Best Graduate Schools,” with most of their graduate programs receiving top-100 rankings within the nation. The student body keeps growing with 34% of accepted applicants being in the top 10% of their class and 72% being in the top quarter of their high school. More freshmen and transfer students applied to UCF during 2015 than any other public university in Florida. They also awarded more bachelor’s degree than any other public Florida University.†



± 69,000
STUDENTS



1963
YEAR FOUNDED



13 MILES
FROM DOWNTOWN ORLANDO

GETTING AROUND

ORLANDO INTERNATIONAL AIRPORT

Orlando's major airport is Orlando International Airport (MCO), located within 15-miles (24-kilometers) of the Orange County Convention Center and major attractions. With 38 scheduled airlines and two charters, MCO provides nonstop service to 76 destinations in the U.S. and 32 international cities. More than 35 million passengers use Orlando International Airport annually; making MCO the third busiest airport in the U.S. Orlando Sanford International Airport is located within 18-miles of Orlando city limits and 45 minutes from the Orange County Convention Center and major attractions.



±35M

PASSENGERS
SERVED ANNUALLY



±100

NON-STOP
DESTINATIONS
SERVICED



15 MILES

FROM SUBJECT PROPERTY

GROUND TRANSPORTATION

Major highway networks provide easy access for visitors to reach their destinations and for traveling in and around the Greater Orlando area. Primary roadways include Interstate 4, the Florida Turnpike (toll), Highway 528 (Beachline Expressway-toll), Highway 408 (East-West Expressway-toll), Highway 417 (Central Florida Greenway-toll) and State Road 429 (toll). Orlando's main train service is Amtrak, serving 29 Florida communities. The I-Ride Trolleys serve the popular International Drive Resort Area year-round.



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1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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