



**Advance  
Auto Parts** 

**7440 Broadway Ave  
Cleveland, OH 44105**

**OFFERING MEMORANDUM**

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## LISTED BY

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# INVESTMENT HIGHLIGHTS

- **Below Market Rent** - AAP is only paying \$12 PSF which is about 31% below the market average for Cleveland
- **Passive Investment** - The tenant takes care of the roof, parking lot, HVAC, taxes and insurance at this location making it ideal for out of state investors
- **Dense MSA** - There is a population of  $\pm 104,502$  in a 3-mile radius from this store
- **Do It Yourself Consumers** – This store is located in a market that supports high retail sales for auto parts which make these stores more profitable than those that rely on commercial sales
- **Investment Grade Credit Tenant** – The lease is corporately guaranteed by Advance Auto Parts which has a market cap of 9.6 Billion and a BBB- S&P Rating





2005  
YEAR BUILT



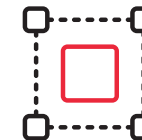
±7,000 SF  
GLA



\$1,097,000  
LIST PRICE



7.65%  
CAP RATE



±0.82 AC  
LOT SIZE

## TENANT SUMMARY

Lease Type	NN+
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Roof and Structure Responsible	Tenant Responsibility
Original Lease Term (Years)	15
Lease Commencement Date	3/28/05
Rent Commencement Date	8/1/19
Lease Expiration Date	8/31/24
Lease Term Remaining (Years)	±4.04 Years
Options	3, 5-Year Options

## ANNUALIZED OPERATING DATA

	MONTHLY RENT	ANNUAL RENT	RPSF	CAP RATE	INCREASES
Current - 8/31/2024	\$6,995.00	\$83,940.00	\$11.99	7.65%	-
Option 1 9/1/2024 - 8/31/2029	\$10,574.67	\$126,896.04	\$18.13	11.57%	5.0%
Option 2 9/1/2029 - 8/31/2034	\$11,103.40	\$133,240.84	\$19.03	12.15%	5.0%
Option 3 9/1/2034 - 8/31/2039	\$11,658.57	\$139,902.88	\$19.99	12.75%	5.0%

## DEBT QUOTE

*Please contact a Barrington Capital agent for financing options:*

**HUGH SEIFERT**  
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**COMPANY NAME**

Advance Auto Parts

**OWNERSHIP**

Public

**YEAR FOUNDED**

1929

**INDUSTRY**

Auto Service

**HEADQUARTERS**

Roanoke, VA

**NO. OF EMPLOYEES**

±74,000

**CREDIT RATING**

BBB- (S&P)

**TOTAL NET SALES**

\$9.7 Billion (2019)

**TENANT OVERVIEW**

Headquartered in Roanoke, VA., Advance Auto Parts, Inc., the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers. Advance Auto Parts operates over 4,843 stores, over 168 Worldpac branches and 1,258 independently owned CARQUEST branded stores in the United States, Puerto Rico, the U.S. Virgin Islands and Canada. Employing approximately 74,000 Team Members, the company works hard to create an environment of honesty, integrity, mutual trust and dedication. These values have remained the same since Advance Auto Parts founding in 1929. Advance Auto Parts operates stores that primarily offer auto parts such as alternators, batteries, belts and hoses, chassis parts, clutches, engines and engine parts.

**STRATEGY**

AAP continues to expand its store network in both new and existing markets to grow its commercial and DIY customer base. In a move that created the largest automotive aftermarket parts provider in North America and surpassed rival AutoZone in sales, AAP acquired privately-held General Parts International, a distributor and supplier of original equipment and aftermarket replacement products for commercial markets operating under the CARQUEST and WORLDPAK brands. The company has also been moving into the commercial market in recent years. To better serve commercial customers, AAP has added more parts from key manufacturers to its inventory and expanded its workforce with parts professionals, delivery drivers, and sales representatives.

**SALES & MARKETING**

Advance Auto Parts builds its marketing and advertising campaigns around radio, television, direct marketing, mobile and social media, and local in-store marketing. Its "Speed Perks" customer loyalty campaign targets core DIY customers and emphasizes service. The company also employs Spanish-language television, radio, and outdoor ads to reach Latinos.

**GEOGRAPHIC REACH**

The auto parts chain has stores in all 50 states, as well as Puerto Rico, the US Virgin Islands, and Canada. Florida is the company's largest market with more than 500 stores. North Carolina, New York, Ohio, Pennsylvania, and Georgia are also major markets for Advance Auto Parts, each home to more than 250 stores.

**Thermal**  
processing



BROADWAY EATZ



SOUTH HIGH 



**STELLA WALSH**  
RECREATION CENTER

BROADWAY AVE  
± 17,300 VPD



# CLEVELAND



BROADWAY AVE  
± 17,300 VPD



## AREA OVERVIEW

# CLEVELAND

OHIO

The Greater Cleveland area, located on the southern shore of Lake Erie, continues to be one of the preferred locations in the State of Ohio. Greater Cleveland's population encompasses a five-county area, which is home to 2.76 million residents. Located in Cuyahoga County, the largest in Ohio with a population of 1,280,122, Cleveland is the 29th largest Metropolitan area in the United States. The average per capita income (according to recent data from Moody's Economy.com) is estimated to be \$48,468 – approximately the same as the national average. Total employment stands at 1.39 million workers.

## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	12,553	102,282	322,011
2020 Estimate	12,983	104,502	326,352
2010 Census	14,694	113,349	343,758
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	5,103	42,877	138,821
2020 Estimate	5,270	43,638	139,734
2010 Census	5,934	46,737	143,936
HOUSEHOLD INCOME	1-MILE	3-MILE	5-MILE
Average Household Income	\$35,996	\$39,270	\$57,398



3.1M  
CLEVELAND MSA  
POPULATION



175,066+  
CITY LABOR  
FORCE



\$430 Million  
IN BUSINESSES &  
REAL ESTATE VENTURES



\$134B  
GROSS METRO  
PRODUCT



Five Fortune 500  
COMPANY CORPORATE  
HEADQUARTERS



14.05M  
CONVENTION AND  
LEISURE VISITORS



# CITY OF CLEVELAND



## UNIVERSITIES

- 1 CLEVELAND STATE UNIVERSITY
- 2 CASE WESTERN RESERVE UNIVERSITY
- 3 CUYAHOGA COMMUNITY COLLEGE



## SHOPPING

- 4 TOWER CITY CENTER
- 5 OLD ARCADE
- 6 STEELYARD COMMONS



## KEY ATTRACTIONS & EVENTS

- 7 ROCK & ROLL HALL OF FAME
- 8 CHILDREN'S MUSEUM OF CLEVELAND
- 9 JACK CLEVELAND CASINO
- 10 PLAYHOUSE SQUARE
- 11 THE CLEVELAND ORCHESTRA
- 12 GREAT LAKES BREWING COMPANY
- 13 WEST SIDE MARKET
- 14 CLEVELAND BOTANICAL GARDEN
- 15 CLEVELAND INTERNATIONAL FILM FESTIVAL
- 16 FIRSTENERGY STADIUM
- 17 PROGRESSIVE FIELD
- 18 CLEVELAND NATIONAL AIR SHOW
- 19 CHRISTMAS STORY HOUSE & MUSEUM

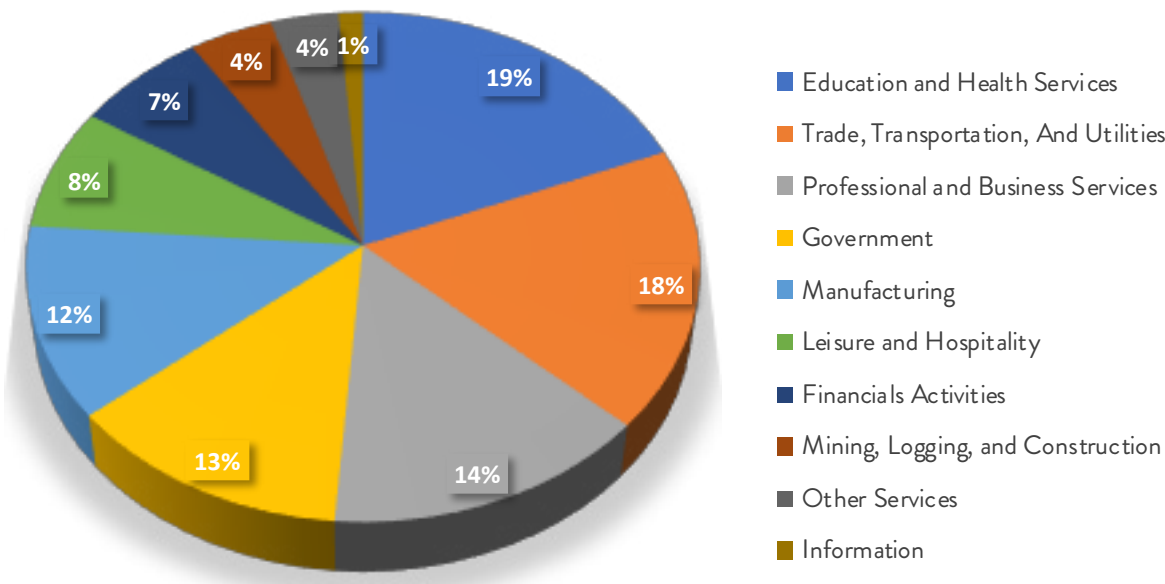


# CLEVELAND ECONOMY

The Cleveland Clinic is the largest private employer in the city of Cleveland and the state of Ohio, with a workforce of over 50,000. It carries the distinction as being among America’s best hospitals with top ratings. Cleveland’s healthcare sector also includes University Hospitals of Cleveland, MetroHealth medical center, and Medical Mutual of Ohio. Cleveland is also noted in the fields of biotechnology and fuel cell research, led by Case Western Reserve University, the Cleveland Clinic, and University Hospitals of Cleveland. The city is among the top recipients of investment for biotech start-ups and research.

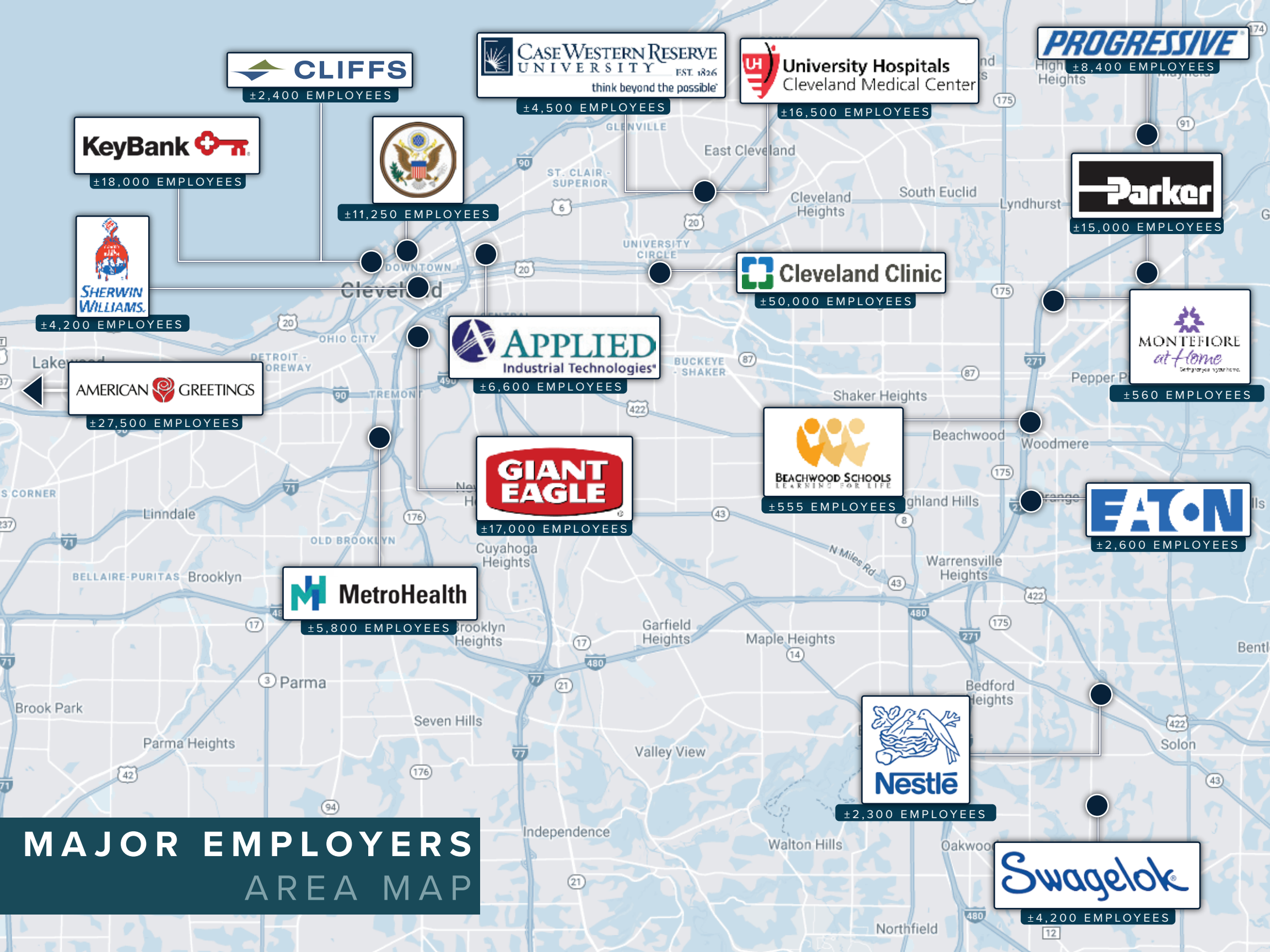
Cleveland is home to a diversified group of employers built on the foundation of a city that inspires growth, innovation, and passion. For decades, major employers located in Cleveland have taken advantage of the strong demographics, abundant resources, and strategic advantages that come as a result of setting up shop in Cleveland. There is a growing list of companies who are thriving, and there’s an endless supply of possibility for any company looking for the right place to expand, relocate or start-up. The city is also home to the corporate headquarters of many large companies.

## EMPLOYMENT BY SECTOR



## MAJOR EMPLOYERS

EMPLOYER	# EMPLOYEES
Cleveland Clinic	50,000
American Greetings	27,500
KeyBank	18,000
Giant Eagle	17,000
University Hospitals	16,500
Parker	15,000
US Federal Government	11,250
Progressive	8,400
Applied Industrial Technologies	6,600
MetroHealth	5,800
Case Western Reserve University	4,500
Sherwin Williams	4,200
Swagelock	4,200
Eaton	2,600
Cliffs	2,400
Nestle	2,300
Montefiore at Home	560
Beachwood School	555



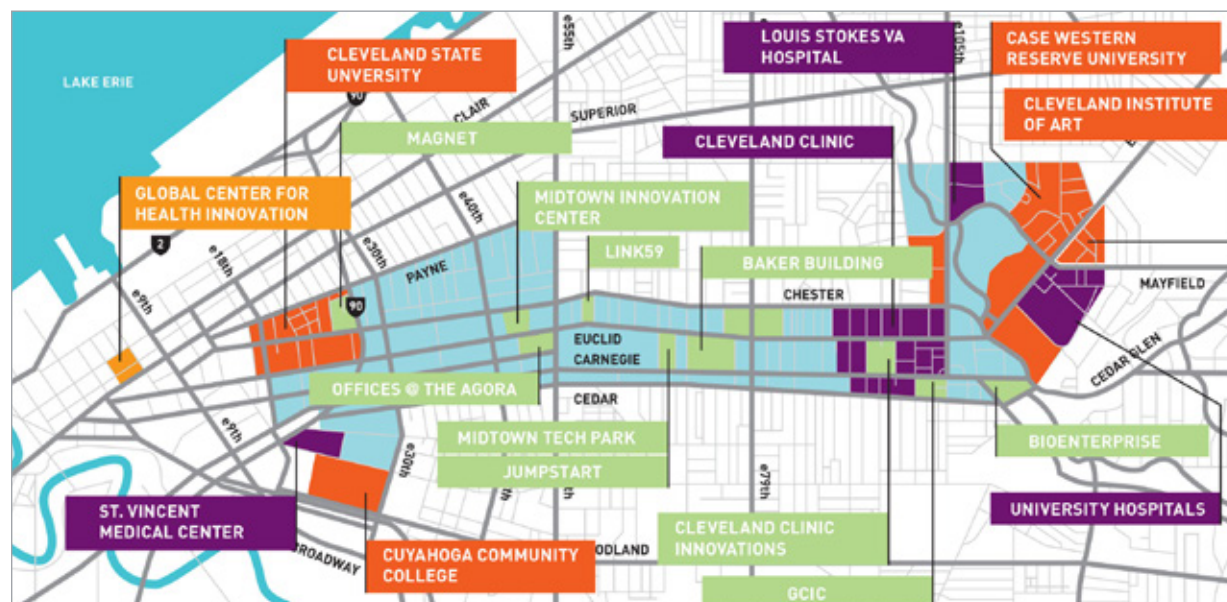
# MAJOR EMPLOYERS AREA MAP

# HEALTHCARE SECTOR

HEALTHCARE IS ONE OF THE **STRONGEST** SECTORS IN NORTHEAST OHIO'S ECONOMY.

Not only is Cleveland a hotspot for medical innovation, but is also home to the Cleveland Clinic, ranked as one of the nation's top hospitals by U.S. News & World Report. Here you'll also find one of the nation's top research and teaching medical schools, Case Western Reserve University School of Medicine. Case Western was recently listed as a Best Medical School in the Research and Primary Care categories by US News Rankings, providing a foundation of expert health care professionals.

Cleveland's Health-Tech Corridor (commonly referred to as HTC), is a prime location for biomedical, healthcare and technology companies looking to take advantage of close proximity to four world-class healthcare institutions including the Cleveland Clinic and University Hospitals, six business incubators, four academic centers, and more than 170 high-tech and health-tech companies engaged in the business of innovation.



**#4** IN MIDWEST FOR ATTRACTING  
BIOMEDICAL INVESTMENTS

**+700** BIOMEDICAL COMPANIES IN  
THE AREA

**+5,000** POSITIONS IN BIOTECH  
COMPANIES

**\$243M** IN NEW CAPITAL  
EXPENDITURES SINCE 2012

## ADVANCED MATERIALS & MANUFACTURING SECTOR

There's a whole supply of resources to go around. Cleveland provides a variety of services from small business paints and coatings to headquarter offices. The recent focus on growth and innovation combined with a strong push for economic development in Cleveland have been major forces in the rebounding of the Manufacturing Industry in Northeast Ohio; making it a renowned center for steel and metals production that accounts for a large portion of the overall national output.

Two Cleveland colleges provide substantive career training programs for students in the area; Ohio Technical College and Cuyahoga Community College, whose Manufacturing Technology Center is one of the largest of its kind in the U.S. Ohio Technical College offers more than a dozen automotive-related hands-on training programs, from manufacturing, to repair or restoration.



*Sherwin Williams Headquarters*

**2<sup>ND</sup>** LARGEST STATE OF EMPLOYMENT  
IN MACHINERY MANUFACTURING

**7<sup>TH</sup>** OF ALL METROS WITH OVER  
16,000 WORKERS

**200%** MORE METAL PRODUCTION  
& FABRICATION THAN THE  
NATIONAL AVG IN NORTHEAST  
OHIO

## FOOD INDUSTRY SECTOR

The food and agriculture industry is among Ohio's top industries with a trained food manufacturing and production workforce of more than 23,000 and the world's second largest fresh water supply sourced directly from Lake Erie. Combine that with Ohio's additional research, processing, warehousing and distributing resources, and it's no wonder so many food and beverage manufacturers are drawn to our region. According to a Team NEO report, food manufacturing was a \$3.02 billion industry in Northeast Ohio in 2018 and is positioned for further growth.

The West Side Market is Cleveland's oldest publicly owned market with origins of the land dating back to 1840. Since its humble beginnings, the Market has seen steady growth over years and years and serves as a pillar for the Food Industry in Cleveland. Today, the city-owned market is home to over 100 vendors of great ethnic diversity; a culmination of everything Cleveland values; success, innovation, culture and superior quality of products and experiences.



**+370** FOOD PROCESSING  
AND MANUFACTURING  
ESTABLISHMENTS IN NORTHEAST  
OHIO

**\$124B** AGRIBUSINESS IN OHIO  
CONTRIBUTES \$124 BILLION TO  
THE STATE'S ECONOMY

**29%** FOOD AND BEVERAGE  
MANUFACTURING EMPLOYMENT  
GROWTH IN CLEVELAND (2007-  
2018)

## FINANCIAL SERVICES SECTOR

Perfectly primed for growth, the Financial Services industry in Cleveland has quick access to more than half of North America due to its central location between New York City, Chicago, and Toronto.

With regional bank headquarters and a branch of the Federal Reserve, Cleveland offers an ideal business environment for banking and finance. A corporate-friendly tax structure and low cost of doing business are only a plus to the abundance of young, educated, and skilled employees that stem from the area's colleges and universities. The up-and-coming revival of downtown Cleveland provides the perfect opportunity to find cutting-edge office space right at the heart of the city surrounded by the right atmosphere and lifestyle for the hustle and bustle of the finance industry.



**2<sup>ND</sup>** DOWNTOWN CLEVELAND IS THE  
2<sup>ND</sup> LARGEST CONCENTRATION OF  
CORPORATE HEADQUARTER JOBS  
IN THE US

**42%** OF DOWNTOWN CLEVELAND  
RESIDENTS HOLD A 4 YEAR OR  
ADVANCED DEGREE

**3<sup>RD</sup>** MOST AFFORDABLE OFFICE  
MARKET IN THE US

12

PROPERTIES UNDER  
CONSTRUCTION

1,737

UNITS UNDER  
CONSTRUCTION

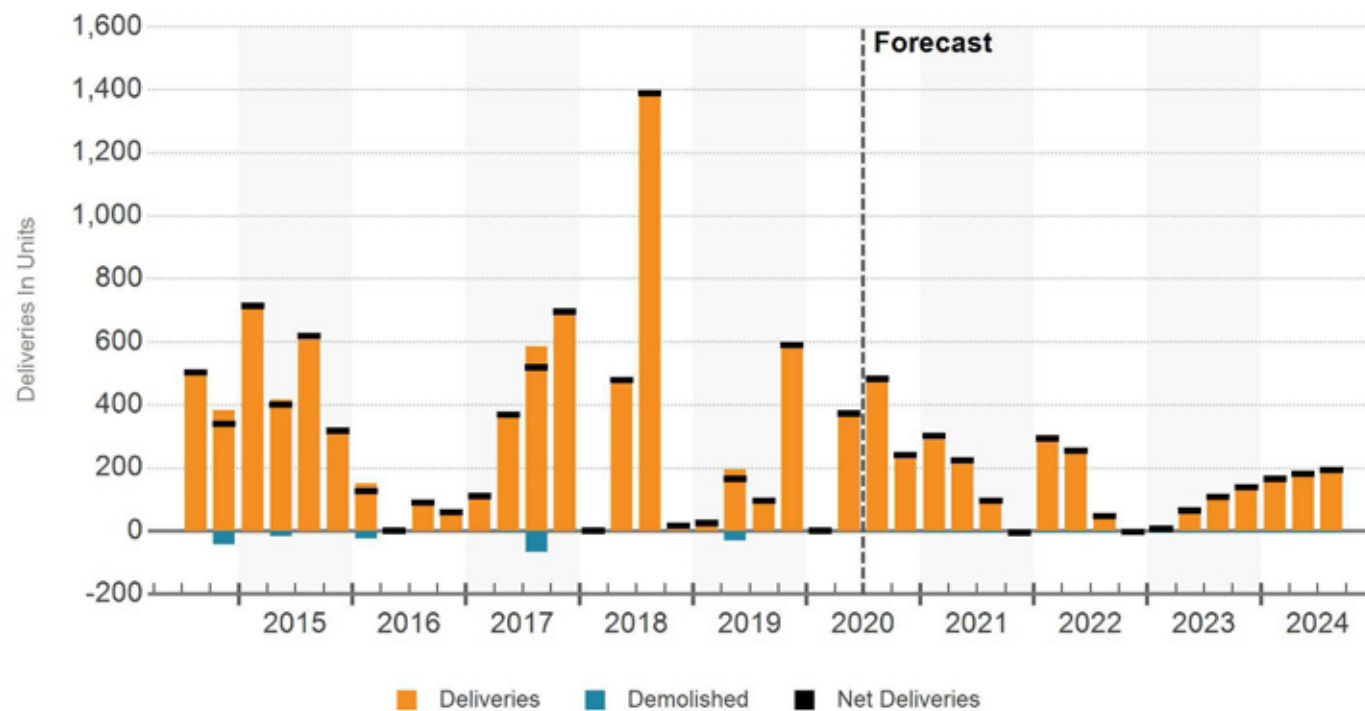
1.4%

PERCENT OF  
INVENTORY

145

AVERAGE NUMBER  
OF UNITS

## DELIVERIES & DEMOLITIONS



Source: CoStar

1,340

12 MO. DELIVERED  
UNITS

1,529

12 MO. ABSORPTION  
UNITS

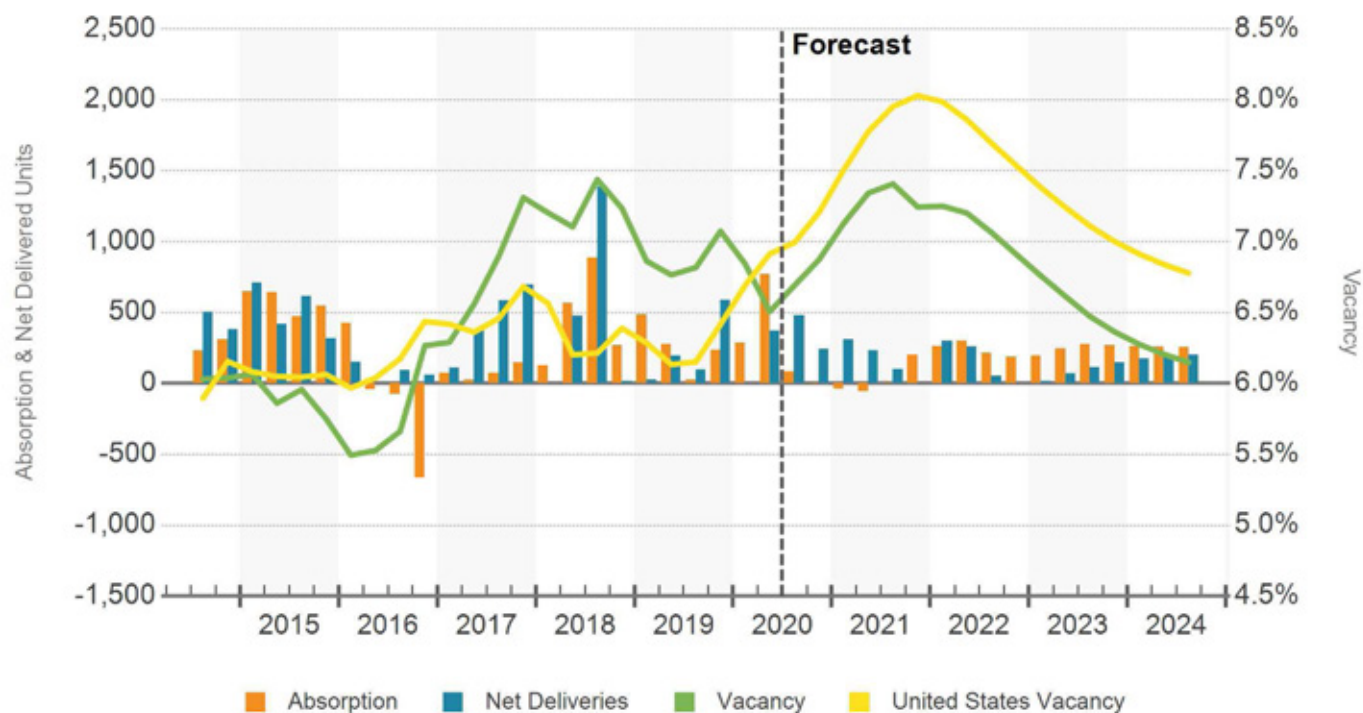
6.6%

VACANCY  
RATE

1.7%

12 MO. ASKING  
RENT GROWTH

## ABSORPTION, NET DELIVERIES & VACANCY



Source: CoStar

# CLEVELAND CULTURE

For those who love watching from the sidelines, Cleveland is one of the few proud cities that host three major professional sports teams; the Cleveland Browns (NFL), the Cleveland Indians (MLB) and the Cleveland Cavaliers (NBA). All three sports facilities are conveniently located Downtown and are easily accessible.

Round out the perfect Saturday night by catching a show at the second-largest theater district outside of Broadway, strolling the Rock & Roll Hall of Fame or marveling the masterpieces housed at The Cleveland Museum of Art. From Broadway productions at Playhouse Square to the sounds of one of the “Big Five” orchestras of the United States, the pulse of arts and culture in Cleveland is strong enough to rival any city.

Travel and eat your way around the world without ever stepping foot outside of Cleveland. With dozens of ethnic, arts and street festivals taking place year-round, locals and visitors alike can experience enough music, food, and culture to feel like a seasoned traveler. The 11-day Cleveland International Film Festival screens more than 200 new independent films while the Cleveland Asian Festival features free performances, demonstrations, vendors and restaurants. In Cleveland, you can have it all.





# CLEVELAND STATE UNIVERSITY



## CLEVELAND STATE UNIVERSITY

### *SUBJECT PROPERTY IS DIRECTLY ACROSS FROM CSU*

Founded in 1964, Cleveland State University is a public research institution with 17,000-plus students, 10 colleges and schools and more than 175 academic programs.

According to the Brookings Institution, CSU is No. 18 in the U.S. among public universities that fulfill a critical dual mission: providing upward mobility and conducting impactful research. CSU is the only Ohio university in the top tier of the Brookings list.



## ENROLLMENT

- ±17,000 Students
- ±511 Academic Staff
- ±1,000 Administrative Staff
- 120,000+ Graduates (80% percent live in the area)



## QUICK FACTS

- Established in 1964
- For the 2017-2018 academic year, CSU welcomed the largest freshman class in its history, with 2,000 first-year students
- Campus has more than 85 acres, 40-plus buildings (largest footprint in downtown Cleveland)



## RANKINGS

- One of America's Best Colleges and Universities
- No. 1 in the nation for increases in research expenditures



## CASE WESTERN RESERVE UNIVERSITY

“Case,” a private research university established in 1826 and based in Cleveland’s University Circle neighborhood, serves over 5,000 undergraduate students and over 6,500 graduate and professional students. Case has 16 Nobel Laureates among current and former faculty and alumni and is ranked the 1st overall university in Ohio. The medical school, affiliated with the Cleveland Clinic, is ranked 24th nationally.



### ENROLLMENT

- ±5,150 Undergraduate Students
- ±6,674 Graduate and Professional Students
- ±3,098 Full and Part-Time Staff



### QUICK FACTS

- Established in 1826
- Accredited since 1913 by the Higher Learning Commission
- More than more than 110,000 Alumni
- The campus has 267 acres located in Cleveland’s University Circle, and a 400-acre farm located in Hunting Valley, Ohio



### RANKINGS

- 1<sup>st</sup> in Ohio
- 13<sup>th</sup> for commercialization of Research
- 32<sup>nd</sup> Most Innovative
- 40<sup>th</sup> Among National Universities |



## CUYAHOGA COMMUNITY COLLEGE

Cuyahoga Community College (Tri-C) opened in 1963 as Ohio's first community college and remains Ohio's oldest and largest public community college. For more than 50 years Tri-C has provided high quality, affordable education and programs to more than 900,000 members of the community.

Each semester Tri-C offers more than 1,000 credit courses in more than 200 career and technical programs and liberal arts curricula. Tri-C also grants Short-Term Certificates, Certificates of Proficiency and Post-Degree Professional Certificates. More than 600 non-credit workforce and professional development courses are offered each year.



### ENROLLMENT

- ±50,000 Credit and Non-credit Students
- More Than 3,500 High School Students Enrolled in Classes



### QUICK FACTS

- Established 1963
- Lowest Tuition in Ohio
- Tri-C is Accredited through the Higher Learning Commission
- Tri-C offers more than 1,000 Credit Courses in ore than 200 Career and Technical Programs and Liberal Arts Curricula



### RANKINGS

- 25<sup>th</sup> in the Nation in Conferring Associate Degrees
- Leader College of Distinction
- 6th Among all Colleges in the Nation, and No. 1 in Ohio, in Awarding Associate Degrees in Nursing

# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Advance Auto Parts** located at **7440 Broadway Avenue, Cleveland, OH 44105** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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.



Advance Auto Parts

Advance Auto Parts

**7440 Broadway Ave  
Cleveland, OH**

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**LISTED BY**

**SIMON ASSAF**

**SENIOR ASSOCIATE**

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**BROKER OF RECORD**

Kyle Matthews

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**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES