



3105A CRANBERRY HIGHWAY, WAREHAM, MA (BOSTON MSA)





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## NET LEASE OPPORTUNITY IN WAREHAM, MASSACHUSETTS

CBRE's Net Lease Property Group is pleased to exclusively offer for sale the 6,784-square-foot Advance Auto Parts situated on 1.38 acres in Wareham, Massachusetts—a component of the Boston MSA (population: 4.9 million). Advance Auto Parts recently agreed to a 9.67-year early extension of their net lease which now has  $\pm 11.2$  years of term remaining. In addition, the lease features 7.50% rent increases every 5 years through the initial term and each of the three 5-year renewal options.

Built in 2006, Advance Auto Parts has a long operating history, built in customer base and boast average sales  $\pm 10\%$  above the chain average. The property is positioned with excellent access and visibility along Wareham's main commercial thoroughfare—Cranberry Highway (21,369 VPD)—where it is 46 miles southeast of Boston. Cranberry Highway (aka Route 6) also provides access to Buzzard's Bay, the Sagamore Bridge and Cape Cod. Advance Auto Parts is immediately adjacent to Anytime Fitness, Pizza Boy and Atlantic Home Medical Supplies, and is across from Scag's Transmissions and Starlight Motel (41 rooms). In addition, the Bay Point Club is directly behind the property.

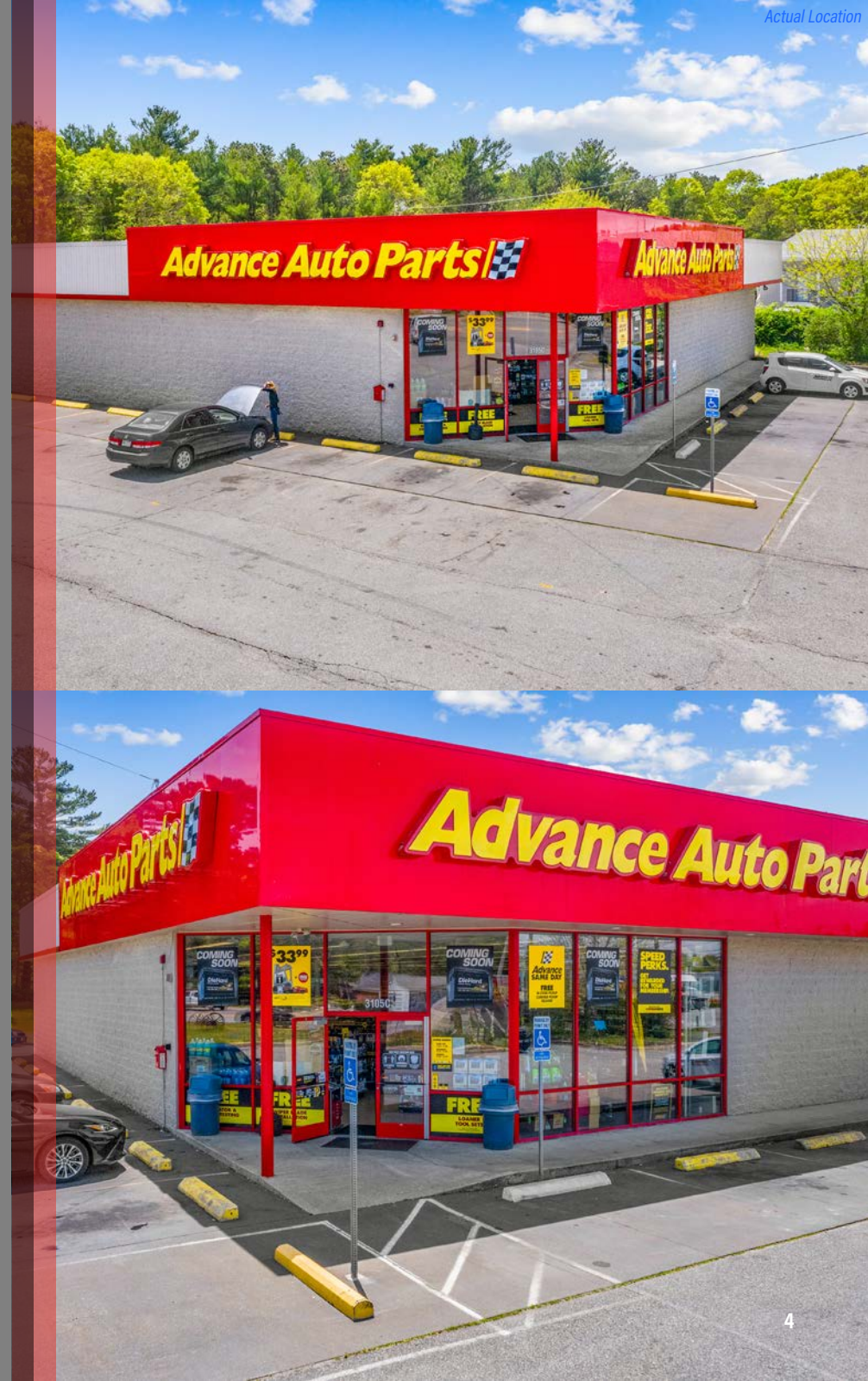
The site benefits from its location within Wareham's primary retail and commercial corridor with 1.7 MSF of retail, 1.7 MSF of industrial and 1,276 multifamily units within a 5-mile radius. Major retailers in the surrounding area include The Home Depot, Stop & Shop, Ocean State Job Lot, Tractor Supply Company, Harbor Freight Tools, Planet Fitness, Olympia Sports, The Salvation Army, Rosewood Motel, Sherwin-Williams Paint Store, Chili's Grill & Bar, CVS, Dollar Tree, Dollar General, Santander Bank, Eastern Bank, Rockland Trust, Midas, Meineke, Sunoco, McDonald's, Taco Bell, Wendy's, Subway and Dunkin', among others.

Wareham is home to the world's largest cranberry grower, A.D. Makepeace Company, which is notable for being the largest private property owner in eastern Massachusetts and for its environmentally-conscious real estate development. A.D. Makepeace Company is also the largest grower-owner of Ocean Spray Cranberries, Inc. and is continuing to expand its operations with a new 140-acre bog in Plymouth. Home to nearly 25% of the nation's cranberry supply, Massachusetts' cranberry industry is responsible for 5,500 jobs and an economic impact of over \$200 million.

Also known as "The Gateway to Cape Cod," Wareham is just a 40-minute drive from one of the world's most popular summer vacation destinations, Cape Cod. Wareham shares many of the same amenities as Cape Cod and boasts 54 miles of shoreline, less traffic and lower costs. The town recently launched a new tourism campaign called "It's Better Before the Bridges" that emphasize its own beaches, attractions and resources. While in Wareham, visitors and residents have convenient access to Onset Beach, Tobey Hospital (undergoing \$25M expansion), Water Wizz of Cape Cod (100,000 annual visitors) and a multitude of others.

In total, the property benefits from affluent demographics with a population of 19,589 and an average household income of \$91,719 within a 3-mile radius.

**Advance Auto Parts** Wareham, MA







## PROPERTY DESCRIPTION



PRICE  
**\$2,900,000**



CAP RATE  
**5.75%**



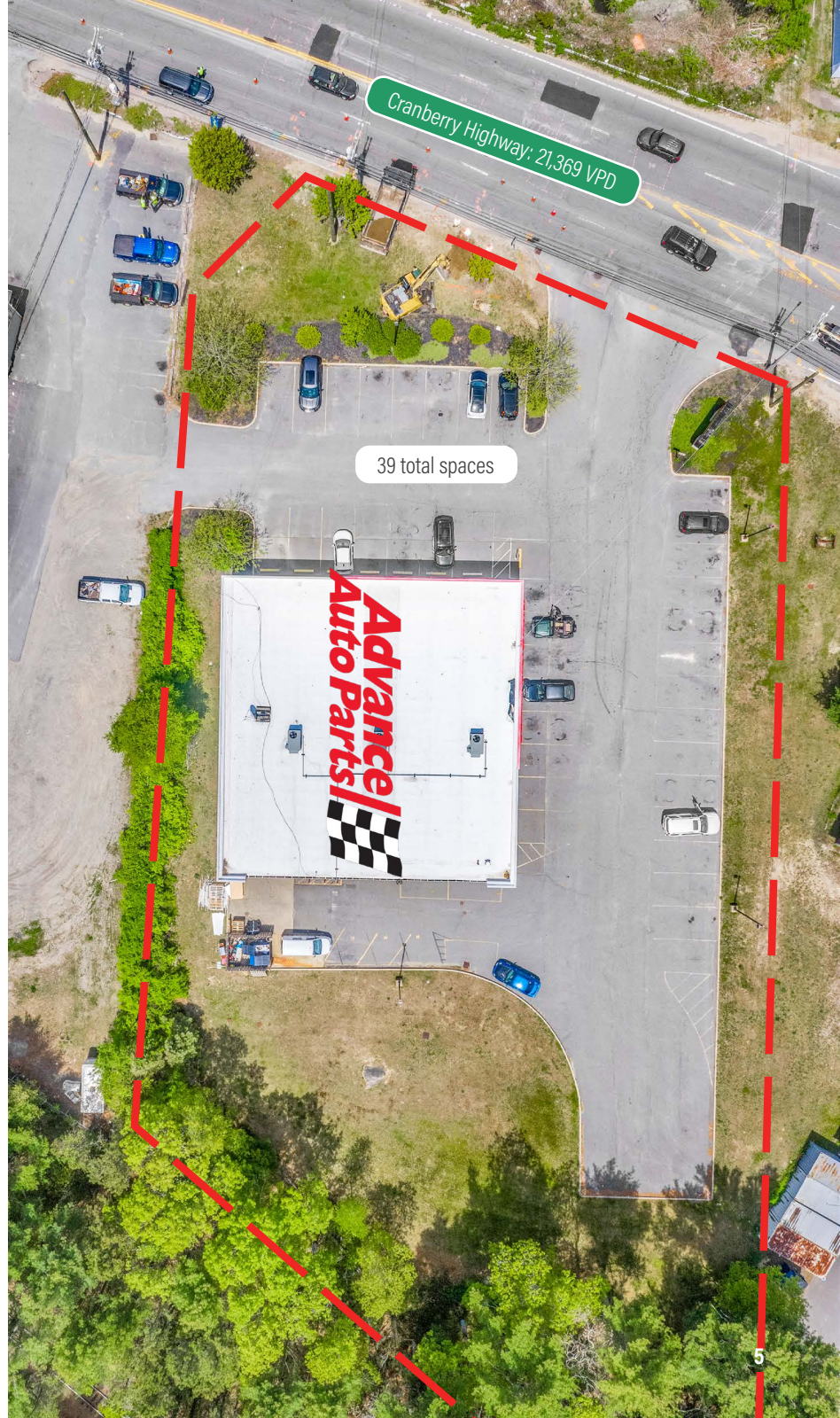
NOI  
**\$167,000**

## PROPERTY SUMMARY

<b>ADDRESS:</b>	3105A Cranberry Highway, Wareham, MA
<b>TENANT:</b>	Advance Auto Stores Company, Inc.
<b>BUILDING SIZE:</b>	6,784 square feet
<b>PARCEL SIZE:</b>	1.38 acres
<b>PARKING:</b>	39 spaces
<b>YEAR BUILT:</b>	2006

## DEMOGRAPHICS

	1 mile radius	3 mile radius	5 mile radius
<b>POPULATION:</b>	3,298	19,589	36,641
<b>AVERAGE HOUSEHOLD INCOME:</b>	\$86,961	\$91,719	\$93,152



# INVESTMENT HIGHLIGHTS



## ADVANCE STORES COMPANY, INC.

The Tenant under the lease is Advance Stores Company, Inc. (S&P: BBB-), a credit-rated subsidiary of Advance Auto Parts, Inc. Through its subsidiaries, Advance Auto Parts, Inc. operates as a specialty retailer of automotive aftermarket parts, accessories, batteries, and maintenance items. Advance Auto Parts reported TTM net sales of \$9.5B, TTM net income of \$388M and total assets of \$12.1B as of April 18, 2020. The company employs over 70,000 people and operates 4,877 stores.



## RECENTLY EXTENDED NET LEASE

Advance Auto Parts recently agreed to a 9.67-year early extension of their net lease which now has  $\pm 11.2$  years of term remaining.



## RENT ESCALATIONS

The lease features 7.50% rent increases every 5 years through the initial term and each of the three 5-year renewal options.



## HIGH-PERFORMING LOCATION

This location has consistently experienced sales  $\pm 10\%$  above the average store volume. The success of this location is evidenced by the recent 9.67 year lease extension.



## EXCELLENT ACCESS & VISIBILITY

The property is positioned with excellent access and visibility along Wareham's main commercial thoroughfare—Cranberry Highway (21,369 VPD)—where it is 46 miles southeast of Boston. Cranberry Highway (aka Route 6) also provides access to Buzzard's Bay, the Sagamore Bridge and Cape Cod.



## PRIMARY RETAIL & COMMERCIAL CORRIDOR

The site benefits from its location within Wareham's primary retail and commercial corridor with 1.7 MSF of retail, 1.7 MSF of industrial and 1,276 multifamily units within a 5-mile radius. Major retailers in the surrounding area include The Home Depot, Stop & Shop, Ocean State Job Lot, Tractor Supply Company, Harbor Freight Tools, Planet Fitness, Anytime Fitness, Olympia Sports, The Salvation Army, Rosewood Motel, Sherwin-Williams Paint Store, Chili's Grill & Bar, CVS, Dollar Tree, Dollar General, Santander Bank, Eastern Bank, Rockland Trust, Midas, Meineke, Sunoco, McDonald's, Taco Bell, Wendy's, Subway and Dunkin', among others.



## AFFLUENT DEMOGRAPHICS

In total, the property benefits from affluent demographics with a population of 19,589 and an average household income of \$91,719 within a 3-mile radius.



## WAREHAM | LOCAL ECONOMY

Wareham is home to the world's largest cranberry grower, A.D. Makepeace Company, which is notable for being the largest private property owner in eastern Massachusetts and for its environmentally-conscious real estate development. A.D. Makepeace Company is also the largest grower-owner of Ocean Spray Cranberries, Inc. and is continuing to expand its operations with a new 140-acre bog in Plymouth. Home to nearly 25% of the nation's cranberry supply, Massachusetts' cranberry industry is responsible for 5,500 jobs and an economic impact of over \$200 million.

Also known as "The Gateway to Cape Cod," Wareham is just a 40-minute drive from one of the world's most popular summer vacation destinations, Cape Cod. Wareham shares many of the same amenities as Cape Cod and boasts 54 miles of shoreline, less traffic and lower costs. The town recently launched a new tourism campaign called "It's Better Before the Bridges" that emphasize its own beaches, attractions and resources. While in Wareham, visitors and residents have convenient access to Onset Beach, Tobey Hospital (undergoing \$25M expansion), Water Wizz of Cape Cod (100,000 annual visitors) and a multitude of others.



## BOSTON, MA MSA

As the tenth-largest MSA in the U.S. (Population: 4.9 million) and the economic center of New England, the Greater Boston Region comprises the city of Boston and the surrounding cities and towns extending out to Interstate 495. Given the city's array of attractions, which include over 60 designated historic sites, 2,000 restaurants and 50 museums, it is no surprise that Boston ranks among the top 10 tourist attractions in the nation. The area, which is home to a variety of vibrant communities as well as an extensive public transit network and a number of world-class amenities, is also highly desirable place to live and is one of the wealthiest regions the world.







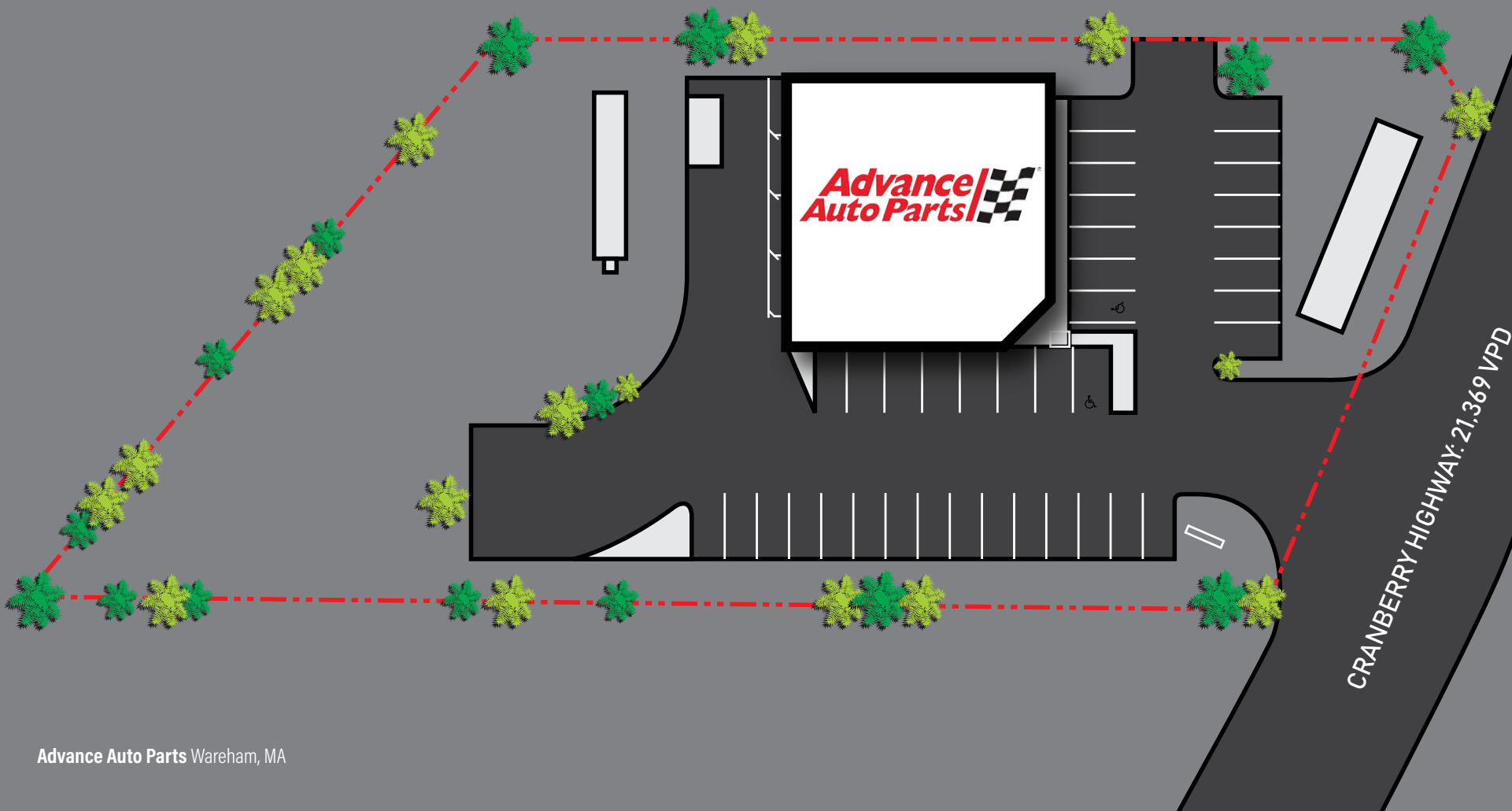




## LEASE SUMMARY

<b>TENANT:</b>	Advance Auto Stores Company, Inc.	
<b>ORIGINAL LEASE TERM:</b>	15 years	
<b>LEASE COMMENCEMENT:</b>	April 28, 2006	
<b>LEASE EXPIRATION:</b>	October 31, 2031	
<b>LEASE TERM REMAINING:</b>	±11.2 years	
<b>LEASE TYPE:</b>	NN (LL responsible for structure, tenant responsible for roof)	
<b>INITIAL TERM RENT:</b>	January 1, 2020 to October 31, 2025:	\$167,000
	November 1, 2025 to October 31, 2031:	\$179,525
<b>RENT INCREASES:</b>	7.50% every 5 years	
<b>REMAINING OPTIONS:</b>	Three 5-year options	
<b>OPTION RENT:</b>	Option 1:	\$192,989
	Option 2:	\$207,464
	Option 3:	\$223,023
<b>OPTION RENT INCREASES:</b>	7.50% in each option	
<b>TAXES:</b>	Tenant shall reimburse Landlord for all "Real Estate Taxes."	
<b>INSURANCE:</b>	<p>Tenant, at Tenant's sole cost and expense, shall obtain and maintain throughout the Term the following insurance policies: (i) property insurance covering the Leased Premises in an amount not less than the full replacement cost with such deductibles and retentions as determined by Tenant in its sole and absolute discretion; and (ii) a policy of commercial general liability insurance, which insurance shall stipulate limits of liability of not less than \$2,000,000 each occurrence, single limit bodily injury and/or property damage combined.</p> <p>*Tenant may self-insure if Tenant has a reported net worth of \$100M.</p> <p>Landlord shall maintain with respect to the Leased Premises a policy of commercial general liability insurance, which insurance shall stipulate limits of liability of not less than \$2,000,000 each occurrence, single limit bodily injury and/or property damage combined.</p>	
<b>REPAIRS &amp; MAINTENANCE:</b>	<p>Tenant shall, at its sole cost and expense, during the Term (i) maintain, repair and/or replace, in good condition, ordinary wear and tear excepted, each and every portion of the Leased Premises (including the roof, HVAC, and exterior of the building) except for any items the maintenance, repair or replacement of which are Landlord's responsibility below; and (ii) keep the Leased Premises in a reasonably clean and neat condition and not permit the accumulation of any trash, rubbish or garbage (except as accumulated in containers awaiting collection or disposal) in, on or about any part of the Leased Premises and arrange for collection or disposal of accumulated trash, rubbish and garbage from the Leased Premises.</p> <p>Landlord shall be responsible, at its sole cost and expense for any and all maintenance, repairs and/or replacements to the slab, foundation and structure of the Leased Premises.</p>	







## SURROUNDING USES







## TENANT OVERVIEW

Advance Auto Parts, Inc. (S&P: BBB-; NYSE: AAP), through its subsidiaries, operates as a specialty retailer of automotive aftermarket parts, accessories, batteries and maintenance items. The company was founded in 1932 and is based in Raleigh, NC. It operates in two segments: Advance Auto Parts (AAP), and Autopart International (AI). The AAP segment operates stores that offer brand-name and private-label automotive products. This segment also provides battery and wiper installation, battery charging, "check engine" light reading, electrical system testing, video clinics, loaner tool programs and oil and battery recycling services. In addition, AAP sells products online. The AI segment operates stores that offer replacement parts for domestic and imported cars and light trucks. AI serves customers in the Northeastern, Mid- Atlantic and Southeastern regions of the United States as well as warehouse distributors and jobbers across North America.

In January of 2014, Advance Auto Parts, Inc. completed the \$2B acquisition of General Parts International, which was the leading privately held distributor and supplier of original equipment and aftermarket replacement product for commercial markets, operating under the CARQUEST and WORLDPAK brands. The acquisition added 1,233 CARQUEST Stores and 103 WorldPac locations to the existing Advance Auto Stores portfolio. Advance Auto Parts reported TTM net sales of \$9.5B, TTM net income of \$388M and total assets of \$12.1B as of April 18, 2020. The company employs over 70,000 people and operates 4,877 stores.

The Tenant under the lease is Advance Stores Company, Inc. (S&P: BBB-), a credit-rated subsidiary of Advance Auto Parts, Inc.

## COMPANY OVERVIEW

<b>COMPANY NAME:</b>	Advance Auto Parts Inc.
<b>HEADQUARTERS:</b>	Raleigh, NC
<b>YEAR FOUNDED:</b>	1932
<b>NUMBER OF STORES:</b>	4,877
<b>NUMBER OF EMPLOYEES:</b>	70,000+
<b>TTM NET SALES:</b>	\$9.5B (as of 4/18/2020)
<b>TTM NET INCOME:</b>	\$388M (as of 4/18/2020)
<b>TOTAL ASSETS:</b>	\$12.1B (as of 4/18/2020)
<b>CREDIT RATING:</b>	BBB-





## AREA OVERVIEW

### WAREHAM, MA

Wareham is located in Plymouth County, Massachusetts and is a bedroom community to the Boston, MA Metropolitan Statistical Area (population: 4.9 million). The town encompasses 46.3 total square miles and is bordered by Marion, Rochester, Middleborough, Carver, Plymouth and Bourne. In addition to its concentrations in retail and restaurant, Wareham features a diversified economy that is driven by healthcare, social assistance and professional and technical services. The Wareham Redevelopment Authority is currently focused on four areas that will capitalize on the town's potential, including the Downtown Wareham Village Center, Onset Village, Wareham Industrial Parks and Route 6 & 28 Commercial Strips. Additionally, the town is the ideal destination for existing business and those seeking to invest in the area due to its favorable tax rates and business-friendly environment.

Wareham is home to the world's largest cranberry grower, A.D. Makepeace Company, which is notable for being the largest private property owner in eastern Massachusetts and for its environmentally-conscious real estate development. A.D. Makepeace Company is also the largest grower-owner of Ocean Spray Cranberries, Inc. and is continuing to expand its operations with a new 140-acre bog in Plymouth. Home to nearly 25% of the nation's cranberry supply, Massachusetts' cranberry industry is responsible for 5,500 jobs and an economic impact of over \$200 million.

Also known as "The Gateway to Cape Cod," Wareham is just a 40-minute drive from one of the world's most popular summer vacation destinations, Cape Cod. Wareham shares many of the same amenities as Cape Cod and boasts 54 miles of shoreline, less traffic and lower costs. The town recently launched a new tourism campaign called "It's Better Before the Bridges" that emphasize its own beaches, attractions and resources. While in Wareham, visitors and residents have convenient access to Onset Beach, Tobey Hospital (undergoing \$25M expansion), Water Wizz of Cape Cod (100,000 annual visitors) and a multitude of others.

### GREATER BOSTON REGION

As the tenth-largest MSA in the U.S. and the economic center of New England, the Greater Boston Region comprises the city of Boston and the surrounding cities and towns extending out to Interstate 495. Given the city's array of attractions, which include over 60 designated historic sites, 2,000 restaurants and 50 museums, it is no surprise that Boston ranks among the top 10 tourist attractions in the nation. Boston's tourism industry thrives year-round and welcomed over 22.7 million visitors in 2019. The area, which is home to a variety of vibrant communities as well as an extensive public transit network and a number of world-class amenities, is also highly desirable place to live and one of the wealthiest regions the world.

### Transportation

Greater Boston is served by an excellent highway system and convenient rail services that provide easy access to most destinations throughout New England. Major expressways and arterial roads surrounding and traversing Boston include Interstates 90, 93, 95 and 495 as well as MA-2, MA-3, MA-9, US-2 and US-20. The Greater Boston area is also served by an intricate subway system—more commonly known as "The T"—which reaches 133 stations and boasts annual ridership in excess of 352 million, as well as an extensive bus system, which travels along 177 routes. These buses serve almost 400,000 people per day, making the MBTA the seventh-busiest local bus agency in the country. In addition, the Port of Boston is the largest port in Massachusetts and handles over 11.5 million metric tons of cargo per year. Its principal cargo and handling facilities are located in the Boston neighborhoods of Charlestown, East Boston and South Boston. Boston's Logan International Airport, which serves almost 42.5 million passengers annually, is situated in East Boston just across Boston Harbor from the city's financial district. Logan is the largest airport in New England and facilitates access to almost everywhere—nationally and internationally.

**Advance Auto Parts** Wareham, MA





## AREA OVERVIEW (CONTINUED)

### History & Culture

One of the oldest cities in the U.S., Boston is rich with history and culture dating back to the Colonial Period. Among the area's most well-known attractions are the Freedom Trail, Boston Tea Party Museum, the Paul Revere House, Faneuil Hall, Boston Common, Boston Symphony Hall, the Museum of Fine Arts, the New England Aquarium, the John F. Kennedy Presidential Library and Museum, and many professional sports teams, which include the Red Sox, Celtics and Bruins.

### Education

Education is another thriving segment of Boston's economy; within the city limits are 10 colleges and universities, 6 technical schools, 4 art and music schools and 6 junior colleges. In towns and suburbs surrounding Boston, educational institutions include many prestigious secondary and boarding schools. A few of the notable universities located in Boston include: Boston University (Enrollment: 32,551), Boston College (Enrollment: 13,705), Harvard University (Enrollment: 22,000), Massachusetts Institute of Technology (Enrollment: 11,236), Northeastern University (Enrollment: 19,940), Suffolk University (Enrollment: 8,046), University of Massachusetts-Boston (Enrollment: 16,756), and Tufts University (Enrollment: 11,137). Boston's reputation as an intellectual and medical center is derived in large part from the teaching and research activities of more than 100 colleges and universities located in the Greater Boston Area, with more than 250,000 students attending college in Boston and Cambridge alone. According to Forbes, Boston ranks 14th among "The Best Places for Education" and 43rd among "The Best Places for Business and Careers."







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