



Advance Auto Parts

\$1,569,231 | 6.50% CAP

618 Hamlin Highway, Lake Ariel, PA 18427

- ✓ 2019 Store Sales Exceeded \$2.5M, Significantly Higher than the National Store Sales Average
- ✓ Occupancy Cost at this Site is 4.11%, Significantly Lower than the National Average for AAP
- ✓ Advance Auto Parts is an Investment Grade Tenant (BBB-)
- ✓ Excellent High Traffic Location in the Heart of Lake Ariel




Advance Auto Parts, Inc. is an American automotive aftermarket parts provider. Headquartered in Raleigh, North Carolina, it serves both professional installer and do-it-yourself (DIY) customers. Advance Auto Parts operates 4,912 stores and 150 Worldpac branches in the United States and Canada.



INVESTMENT OVERVIEW

ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA

\$1,569,231 | 6.50% CAP

 **\$102,000**
NOI

 **±7,000 SF**
BUILDING AREA

 **±1.85 ACRES**
LAND AREA

 **2006**
YR BUILT

 **100%**
OCCUPANCY

 **NET LEASE***
LEASE TYPE

* Landlord is responsible for Structure, Slab, and Foundation

- ✓ **6-Year Net lease** with minimal landlord responsibilities.
- ✓ **Advance Auto Parts (BBB-) operates 4,843 stores** and 168 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands
- ✓ **2019 reported store sales are north of \$2.5MM**, 45% higher than the national Advanced Auto Parts average
- ✓ **Occupancy cost at this site is 4.11%**, significantly lower than the nation average for Advanced Auto Parts
- ✓ High traffic location along Hamlin Highway and only **15 miles from Scranton**
- ✓ **Dense retail corridor surrounded by national tenants** including Dunkin, Rite Aid, The UPS Store, Tractor Supply, McDonald's, CVS, Best Buy, Verizon and KFC

SECURE NET LEASE

CONTACT FOR DETAILS

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PA BROKER OF RECORD
KENNETH BROWNELL
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FILE PHOTO

Advance Auto Parts



TENANT OVERVIEW

ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA



ADVANCE AUTO PARTS (shop.advanceautoparts.com)

LESSEE: ADVANCE STORES COMPANY, INCORPORATED

GUARANTOR: ADVANCE STORES COMPANY, INCORPORATED

Advance Auto Parts, Inc. (AAP), a Delaware Corporation, AAP was founded in 1929 in Virginia as Advance Stores Company, Inc. and operated as a retailer of general merchandise until the 1980s when the company narrowed its focus to automotive parts and accessories. From the 1980s to the present the company has grown significantly as a result of comparable store sales growth, new store openings, and strategic acquisitions. AAP was established 2001 in conjunction with the acquisition of Discount Auto Parts, Inc. AAP and its subsidiaries, is a leading specialty retailer of after-market automotive parts, accessories, batteries and maintenance items. AAP carries an extensive product line for cars, vans, sport utility vehicles and light trucks that serve both "do-it-yourself" (DIY) customers and commercial customers such as independent garages, service stations, and auto dealers through retail stores and the company website. Stores carry over 18,000 items, and have access to an additional assortment of 108,000 items offered for sameday or next-day delivery from either one of the company's 254 HUB stores or network of 22 Parts Delivered Quickly facilities. Additionally, customers have access to over 340,000 items by ordering directly from a store for delivery. The primary categories of product offered in stores include: parts (alternators, batteries, belts and hoses, chassis parts, clutches, engines and engine parts, ignition, lighting, radiators, starters, spark plugs and wires, transmissions and water pumps); accessories (floor mats, mirrors, vent shades, MP3 and cell phone accessories, and seat and steering wheel covers); chemicals (antifreeze, brake and power steering fluid, and freon); oil, transmission fluid and other automotive petroleum products; and other miscellaneous products. Since 2000, Advance Auto Parts has aggressively expanded commercial sales through a commercial delivery program that utilizes delivery fleet to deliver product from store locations to businesses.

\$9.7 B

REVENUE

BBB-

CREDIT RATING

AAP

STOCK TICKER



4,843

TOTAL LOCATIONS

FILE PHOTO



ADVANCE AUTO PARTS CEO TALKS SHIFTING VISION FOR NORTH HILLS HQ

Lauren Ohnesorge, July 17, 2020 (*Triangle Business Journal*)

That's according to CEO Tom Greco, who toured his new digs Thursday. Greco says the company is moving ahead full throttle with the new headquarters, despite the fact that the vast majority of the Raleigh operation is currently working from home.

The tower, which looms over Interstate 440, could start housing employees near the first of the year – that is if the pandemic situation allows its occupancy. Greco said his team is already planning how it can move forward in the new

Advance Auto Parts CEO Tom Greco *is navigating his company's future move to a new headquarters in North Hills.*

space safely.

"We're going to move back into the office in a way that's safe for our people, and that may mean not everybody is there five days a week," he said. "We're looking at which roles can be effectively done remotely."

And there are challenges. The headquarters was designed to foster person-to-person relationships. Its open environment was specifically conceptualized for collaboration. So the question is, how to create the environment he's envisioning in the "new normal" of Covid-19?

Greco said he still doesn't have all the answers. His team is working on its floor plan to ensure desks are adequately spaced apart and having conversations with the builder about enhanced airflow systems.

ADVANCE AUTO PARTS CALLS ON DIEHARD® FANS AND RACING FANS TO CREATE 'START YOUR ENGINES' VIDEOS TO HELP VIRTUALLY START THE INDIANAPOLIS 500

August 04, 2020 (*Business Wire*)

"DieHard batteries also have a storied history in racing built upon reliability and power. Advance and Carquest are the only auto parts retailers offering this legendary battery to customers in North America. Our Team Members and Independent Partners are thrilled to celebrate DieHard starting the majority of the Indy 500 field 50 years ago by empowering and mobilizing fans to voice the most celebrated command in racing."

DieHard has a long and rich history throughout motorsports, from IndyCar and

"Advance and DieHard are two iconic brands that motorists have trusted for decades to keep their vehicles running," said Jason McDonell, Executive Vice President and Chief Marketing Officer.

NASCAR to NHRA. While technology has evolved, in 1970, DieHard batteries were used to power cars entered into the Indy 500 by providing the 36-volt starting power necessary.

Advance acquired DieHard, one of the most trusted and recognized battery brands in the automotive industry, in December 2019. Visit www.advanceautoparts.com for more information about DieHard batteries that are available nationwide at Advance Auto Parts and Carquest branded stores.



CLICK HERE TO READ MORE



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LEASE OVERVIEW

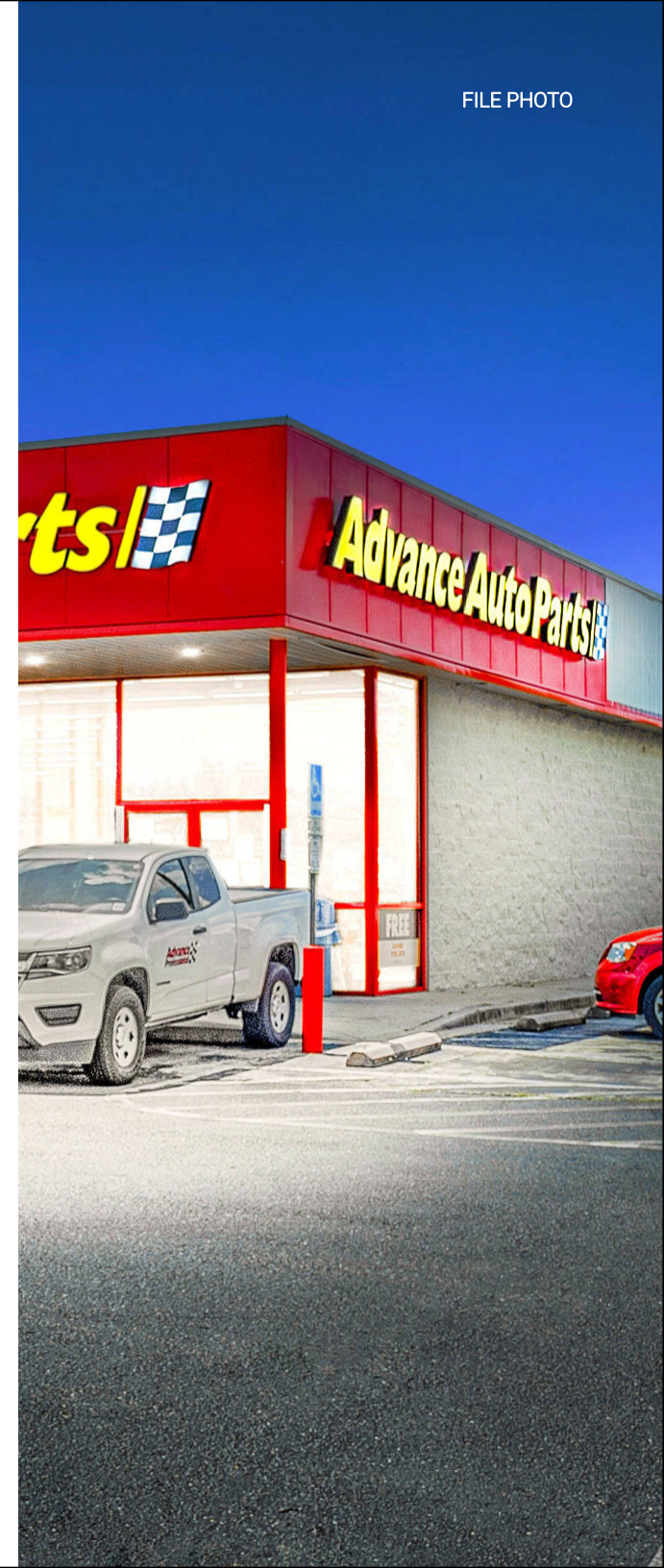
ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA

INITIAL LEASE TERM	20 Years
RENT COMMENCEMENT	1/1/2006
LEASE EXPIRATION	12/31/2026
LEASE TYPE	Net Lease*
2019 REPORTED STORE SALES	\$2,545,152
OCCUPANCY COST	4.01%
RENT INCREASES	There are variable rent increases in the option periods which are detailed below
ANNUAL RENT YRS 1-20	\$102,000
OPTION 1	\$113,750
OPTION 2	\$120,750
OPTION 3	\$127,750

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*Landlord is responsible for structure, slab, and foundation.

FILE PHOTO



EVERGREEN
ELEMENTARY
(541 STUDENTS)

EASTON TURNPIKE
± 4,112 VPD

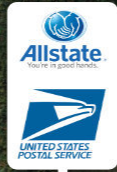


MOSS HOLLOW CREEK

191

PAUL KELLOGG'S
GARDEN CENTER

H&R BLOCK



LOCKLIN'S
BOTTLED GAS

CVS pharmacy

BTM FLOORING
Design, Custom and More Big Gallery

U-HAUL



DOLLAR GENERAL
SUBWAY ExxonMobil



JW JACK WILLIAMS
Tire & Auto Service Centers

HAMLIN HIGHWAY
± 10,240 VPD

590



Advance
Auto Parts
SUBJECT PROPERTY
618 HAMLIN HIGHWAY



196

MEIGS POND

SITE OVERVIEW

ADVANCE AUTO PARTS | LAKE ARIEL, PA



2006
YR BUILT



±7,000 SF
BUILDING AREA



±1.85 ACRES
LAND AREA

NEIGHBORING RETAILERS

NAPA Auto Parts

Weis Markets

Rite Aid

Dunkin' Donuts

CVS

Verizon

Valero

KFC

The UPS Store

U.S. Postal Service

Subway

Dollar General

Tractor Supply Co.

Sunoco

Exon Mobil

McDonald's

H&R Block

Allstate Insurance

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8 | SECURE NET LEASE

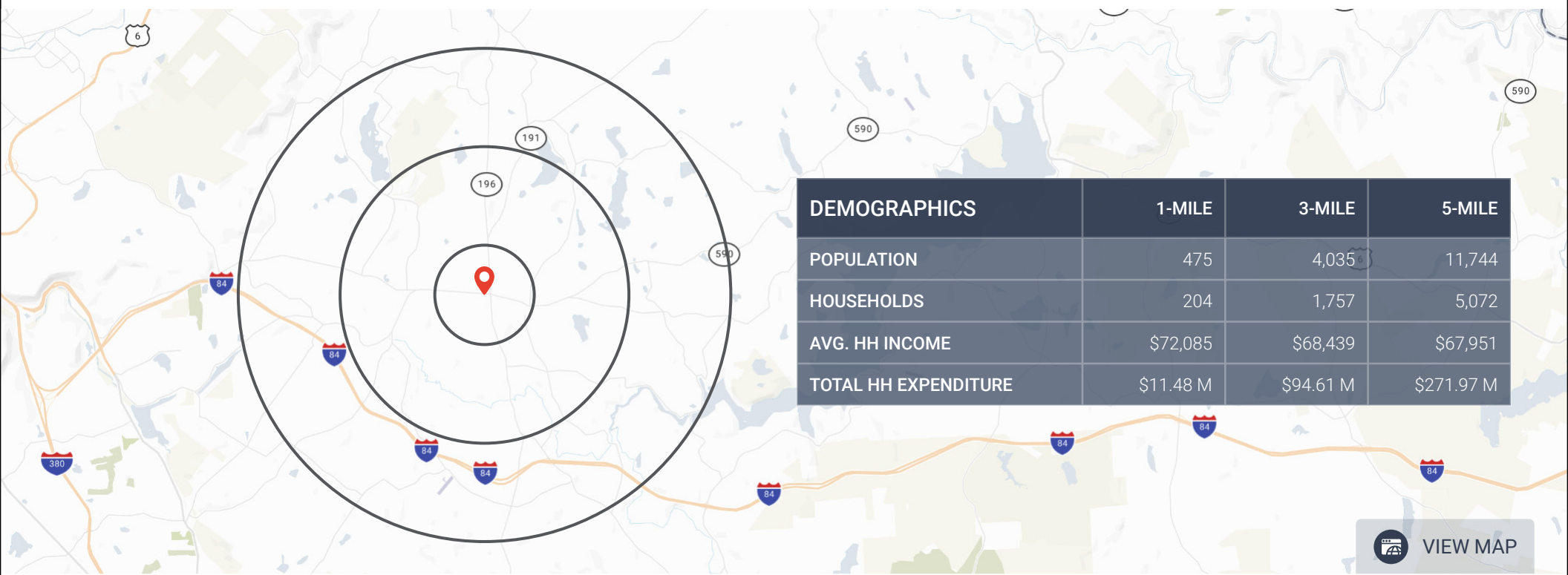


FILE PHOTO



LOCATION OVERVIEW

ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA



ECONOMIC DRIVER'S (# of Employees)

- Aramark (215,000)

Comcast (159,000)

Keystone Foods (110,000)

Universal Health Services (87,000)

Genesis HealthCare (68,700)
- Alcoa (60,000)

University of Pittsburgh Medical Center (53,171)

Rite Aid (53,100)

The PNC Financial Services Group (50,683)

Allied Universal (50,162)
- Healthcare Services Group (48,900)

Select Medical (47,596)

PPG Industries (47,300)

Kraft Heinz (41,000)

Penske Truck Leasing (36,000)

LOCATION OVERVIEW

ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA



LAKE ARIEL PENNSYLVANIA



12,655
POPULATION



\$46,026.00
MEDIAN HOUSEHOLD INCOME

Lake Ariel is a village in Lake Township, Wayne Count, Pennsylvania. Wayne County sits in the northeast corner of Pennsylvania, covering 763 square miles, and possessing all the natural beauty associated with the Pocono Mountains. The

It is located approximately 15 miles from Scranton, Pennsylvania, *the sixth largest city in Pennsylvania*. Scranton is the geographic and cultural *center of the Lackawanna River valley*.

only natural boundary is the Delaware River, carving its meandering path along the northeast border. From its northern boundary with the State of New York, Wayne County reaches 55 miles south to the center of the Pocono Mountains. This is the longest north-south span in the Commonwealth. This distance results in a diverse county with different needs and appeal. It is located approximately 15 miles from Scranton, Pennsylvania, the sixth largest city in Pennsylvania. Scranton is the geographic and cultural center of the Lackawanna River valley. Many of Scranton's

attractions celebrate its heritage as an industrial center in iron and coal production as well as its ethnic diversity. The Scranton Iron Furnaces and Lackawanna Steel Company seek to preserve the history of steam locomotives and production. Other historical points of interest include the Electric City Trolley Museum, the Lackawanna Coal Mine Tour at McDade Park, the Everhart Museum in Nay Aug Park and the Houdini Museum. Significant development is occurring in several downtown districts in the region's largest cities. Northeastern Pennsylvania enjoys a diversified economic base. This region continues to be extremely competitive and successful as a location for warehousing and distribution centers, back office call centers, medical and health related office facilities and processing centers, and food processing and distribution. Northeastern Pennsylvania's business base is overwhelmingly dominated by small businesses. The Pocono Mountains provide many recreational activities attracting visitors to our region.

28 M

THE POCONO MOUNTAINS PROVIDE MANY RECREATIONAL ACTIVITIES ATTRACTING OVER 28 MILLION VISITORS EACH YEAR.

FAME

SCRANTON'S CLAIM TO FAME IS THE FICTIONAL DUNDER MIFFLIN PAPER COMPANY, MAKING IT A MECCA FOR FANS OF "THE OFFICE."

MILLENNIALS CHOOSING TO BECOME NEW HOMEOWNERS IN SCRANTON

Peggy Lee, November 25, 2019 (*The News Station*)

A new study shows that people ages 25 to 34 are making the Electric City the place they call home.

Realtor.com says millennials have made Scranton the third most chosen city to buy a house in the country.

The City of Scranton may be seeing some extra green and it's not due to its moniker as the Electric City.

A study on Realtor.com shows that people ages 25 to 34 are choosing to buy homes in Scranton, ***making it the third most popular city in the country where millennials are becoming homeowners.***

One of those new homeowners is 32-year-old Kimberly Cline who just bought a house in West Scranton with her husband.

"My husband was working on Wall Street and now we both work from home, working so we realized we were paying four times our mortgage in Hoboken," said Cline.

Working with Paul Marcks, the president-elect of the Greater Scranton Board of Realtors, Cline says she found this home fit perfectly with what they needed.

"Housing costs, certainly and then the neighborhood as well because we have two big dogs and then now a little baby, so we go to the trail a lot, the Heritage Trail," said Cline.

THREE WAYS SCRANTON IS REBUILDING ITS LEGACY

NLC Staff , June 21, 2019 (*National League Of Cities*)

Scranton, Pennsylvania is known as "the Electric City," and in recent years, it has become a poster child for legacy cities and efforts of revitalization.

This is a city that reclaimed its history as an industrial center while honoring its diverse heritage in a few key ways.

Build on What You Were Built On

Scranton, named for the brothers who brought the first iron furnaces to what

Scranton has recently become home to a vibrant arts scene and a walkable downtown that boasts farmers' markets, industrial buildings turned trendy lofts, special events and festivals.

had been a small farm community, has roots as a powerhouse of industry, producing coal, iron, steel, locomotives and records.

The steel and locomotive industries demanded coal, and to feed that demand, coal miners began mining the Northern Anthracite Coal Field, and outside demand for coal led to more railroad lines in turn. The demand for labor across industry resulted in a cultural melting pot – early Irish and Welsh immigrants were followed by Italian and Eastern European, all of whom brought their own cultural, culinary and religious traditions.

Scranton continues to be a hub for transportation – it is located at the convergence of Interstates 81, 84, 380 and the Pennsylvania Turnpike Northeast Extension.



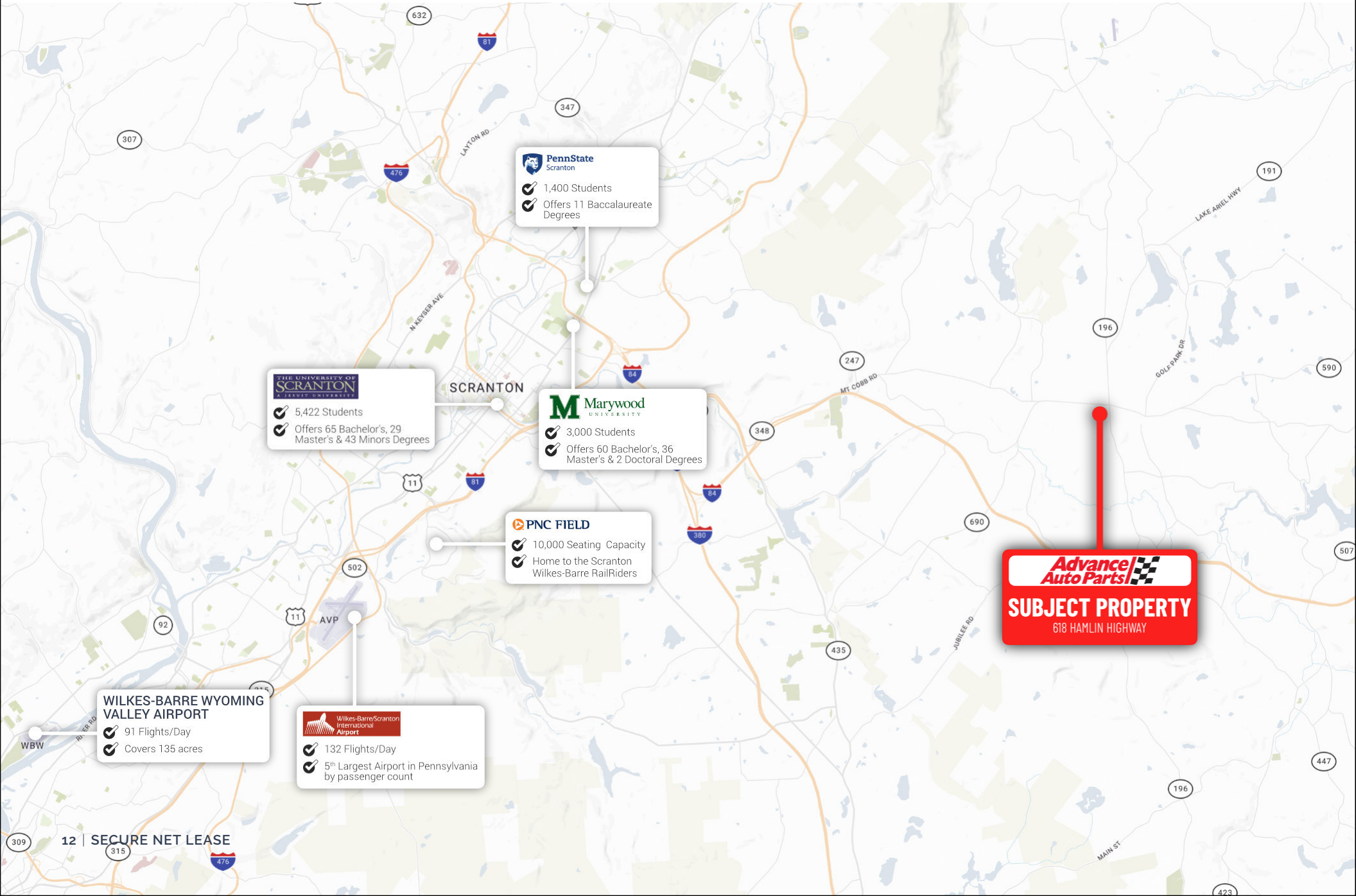
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METRO NAME

ADVANCE AUTO PARTS | LAKE ARIEL, PENNSYLVANIA



SECURE

NET LEASE

WE LOOK FORWARD TO HEARING FROM YOU

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