

Offering Memorandum

# Tire Kingdom

West Palm Beach, FL



*Subject Property*

Marcus & Millichap



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# Marcus & Millichap

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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.





### Overview

2770 North Military Trail, West Palm Beach, FL 33409

<b>Price:</b>	\$2,000,000
<b>Cap Rate:</b>	6.00%
<b>Rentable Square Feet:</b>	6,300
<b>Annual Rent:</b>	\$120,000
<b>Price PSF:</b>	\$317.46
<b>Land Area:</b>	1.29 Acres
<b>Year Built:</b>	1985

### Lease Summary

<b>Tenant:</b>	Tire Kingdom
<b>Website:</b>	<a href="http://www.TireKingdom.com">www.TireKingdom.com</a>
<b>Lease Guarantor:</b>	Corporate
<b>Lease Type:</b>	NNN
<b>Lease Term:</b>	5 Years
<b>Option Periods:</b>	4, 5-Year Options
<b>Rent Increases:</b>	Every 5 Years Starting in 2nd Option
<b>Roof &amp; Structure:</b>	Landlord
<b>Commencement:</b>	7/1/2015
<b>Lease Expiration:</b>	6/30/2025

### Base Term

Base Term	Annual	Rent PSF	Cap Rate
Current–6/30/2025:	\$120,000	\$19.05	6.00%

### Option Periods

Option Periods	Annual	Rent PSF	Cap Rate
7/1/2025–6/30/2030:	\$120,000	\$19.05	6.00%
7/1/2030–6/30/2035:	\$130,000	\$20.63	6.50%
7/1/2035–6/30/2040:	\$140,000	\$22.22	7.00%
7/1/2040–6/30/2045:	\$150,000	\$23.81	7.50%

*Subject Property*



### NNN Lease & Investment Highlights

- Five-Year, Triple Net Lease with Four, Five-Year Renewal Options
- Rent Increases Every Five Years Throughout Option Periods
- Additional Land Behind Building for Building Expansion or Possible Additional Use
- Offered at a Six Percent Cap Rate at \$317.46 Per Square-Foot

### Located in a Busy Retail and High Traffic Area

- Thousands of Residential Units Located Less Than One Mile from Subject Property Providing Outstanding Base of Customers for Routine Automotive Services
- Adjacent to a Publix-Anchored Shopping Center
- Surrounding National Retailers Including Publix, Whole Foods Market, KFC, Lowes, Home Depot, McDonald's, Burger King, Dunkin Donuts, Starbucks, Chili's Grill & Bar, Chipotle, Wendy's, Wells Fargo, Ross, Burlington, Marshalls, TJ Maxx and Many More
- Exceptionally Located on North Military Trail Between Interstate 95 and the Florida Turnpike, Just Off Okeechobee Boulevard
- Less than Five Miles from Downtown West Palm Beach, Palm Beach Outlets and the Palm Beach International Airport



2770 North Military Trail  
West Palm Beach, FL 33409

*Subject Property*





## Subject Property

## TENANT SUMMARY



TBC Corporation is one of the nation's largest vertically integrated marketer of tires for the automotive replacement market. The TBC Retail Group brands include: Tire Kingdom, NTB, Big O Tire, and Midas stores. Together, there are more than 3,100 locations in 41 states, in addition to Washington DC, Alberta & British Columbia, Canada.

The Company's retail operations include Company-operated tire and automotive service centers under the "Tire Kingdom", and "National Tire & Battery" brands, and franchised stores under the "Big O Tires" brand. TBC markets on a wholesale basis to regional tire chains and distributors serving independent tire dealers throughout the United States, Canada, and Mexico. Through its Carroll Tire wholesale distribution centers, the Company also markets directly to independent tire dealers across the United States. Carroll Tire Company sells a wide variety of proprietary and national brands from 38 distribution centers.

The TBC Brands division represents thirteen proprietary brands of tires throughout North America, including Multi-Mile, Eldorado, Sumitomo, Harvest King, Power King, and Towmax, and specializes in passenger, commercial, farm, and specialty

tires. Each brand is produced by nationally recognized manufacturers and has a reputation for quality, safety and value. These brands are distributed to independent retailers and wholesalers throughout the United States, Canada and Mexico.

In 2005, TBC Corporation was purchased by Sumitomo Corporation of America, the largest subsidiary of Sumitomo Corporation, one of Japan's major integrated trading and investment business enterprises. TBC Corporation still functions as an independent company of SCOA providing the same services and products it has for many years.





Population  
Over 230,000  
Within Five  
Miles of  
Property

Florida's Turnpike  
72,800 AADT

North Military Trail  
40,500 AADT

INTERSTATE  
95

43,500 AADT

246,000 AADT

INTERSTATE  
95

Waterside Luxury  
Townhomes  
220 Units

Palm Club Village  
771 Units

Pine Ridge  
at  
Haverhill  
452 Units

Ponte Verde at Palm Beach  
400 Units

Tennis Tower  
Apartments  
306 Units

Azalea Village  
Apartments  
384 Units

Century Village  
Retirement Community  
7854 Units

Keiser University  
Flagship Campus

PALM BEACH  
Outlets

HAWTHORN  
Best Western  
ELEVEN  
Wendy's  
BEST BUY  
TARGET

Downtown  
West Palm Beach  
4.5 Miles →

Publix  
CHASE  
KFC  
POPEYES

WHOLE FOODS  
TJ-maxx  
PET SMART  
STARBUCKS  
RESTAURANT  
DSW

CHIPOTLE  
RED LOBSTER  
Chick-fil-A  
City of JULIANA FLATS  
Mattress BB&T  
Ashley HOMESTORE  
Hooters  
Bank of America  
RAMADA  
LA QUINTA

TIRE KINGDOM  
SERVICE • BRAKES • BATTERIES • MORE

PAPA JOHN'S

BB&T  
ZAXBY'S  
DUNKIN' DONUTS  
SalonCentric

LOWE'S

Quikrete

9  
goodwill

CVS

INFINITI  
TACO BELL  
Arby's  
BURGER KING  
FedEx  
MITSUBISHI  
FIREHOUSE SUBS  
BAER'S  
FOUNDED BY FIREMEN  
HUSTLER HOLLYWOOD

BMW  
BENTLEY  
ALDI  
Office DEPOT  
Denny's  
GameStop  
Chuck E. Cheese  
Pub Tropical  
Lamborghini  
Burlington  
WELLS FARGO  
HYUNDAI  
verizon

Okeechobee Boulevard

66,500 AADT

Palm Beach International  
Airport  
4.5 Miles ↓

TESLA  
LEXUS  
ExtraSpace Storage

BUFFALO WILD WINGS  
LAIFITNESS  
OneMain Financial  
Party City  
Marshall's  
McDonalds  
Bank of America  
petco

ROSS  
Sprint  
dd's  
YouFit  
DAVID'S  
BRIDAL  
T-Mobile  
chili's  
Rent-A-Center

Mercedes-Benz  
Ferrari

Chevrolet  
Audi  
Starbucks  
American Freight  
Furniture - Mattress  
Rooms To Go  
Staples  
Michaels





***Exceptionally Located Between  
I-95 and the Florida Turnpike***



***Dozens of Major National  
Retailers in the Immediate Area***



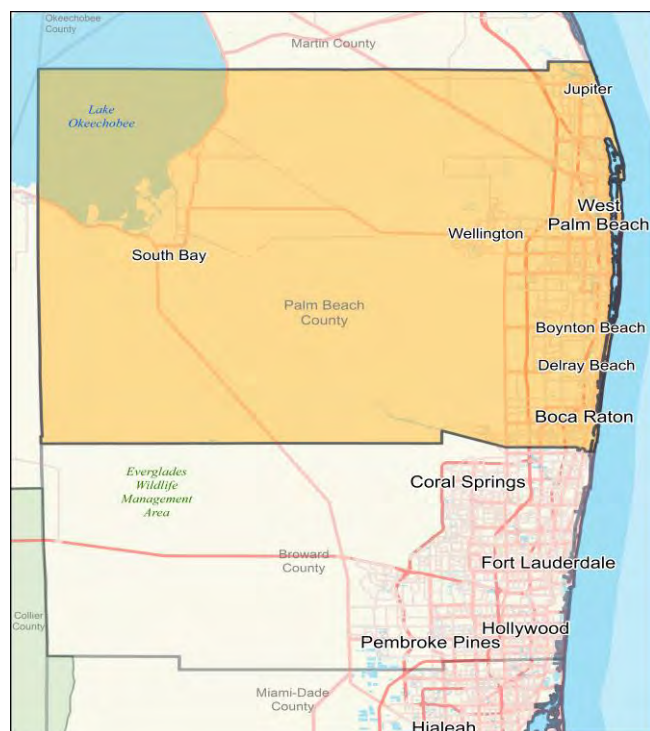
***Downtown, Palm Beach Outlets, and  
Palm Beach International Airport  
Located within Five Miles***



## PALM BEACH COUNTY

### OVERVIEW

Situated along the southeastern coast of Florida, Palm Beach County encompasses 47 miles of Atlantic coastline with extraordinary beaches and numerous golf courses that draw tourists and residents. The county is Florida's third most populous with 1.4 million people and is expected to add more than 97,000 citizens through 2023. West Palm Beach is the largest city, with 108,200 people. Other prominent municipalities include Boca Raton, Boynton Beach and Delray Beach. The northern portion of Everglades National Park is located within the metro.



### METRO HIGHLIGHTS



#### LARGE RETIREE POPULATION

Nearly a quarter of the local population base are residents age 65 and older who seek entertainment and leisure options.



#### FAVORABLE TAX STRUCTURE

West Palm Beach has no state income tax and has a low property tax rate, attracting additional residents to the metro.



#### STRONG JOB GROWTH

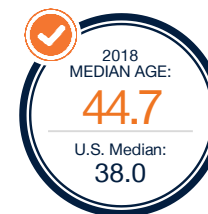
Job gains are pronounced, especially in the education and health services sectors, which are driven by the local population growth.



### ECONOMY

- Historically, the Palm Beach County economy benefited from an expanding population that supported strong growth in the real estate, construction and services-related sectors.
- Tourism plays an important role in the local economy, generating billions of dollars in revenue annually, including spending by cruise-ship passengers.
- Agriculture is also an important industry in the western portion of the region, where crops include winter vegetables, citrus, sugar cane and ornamental plants.
- As part of the Internet Coast, Palm Beach County has an established reputation for Internet infrastructure servicing South Florida and Latin American markets.

### DEMOGRAPHICS





## DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	14,122	91,549	219,626
2019 Population	15,069	98,600	236,819
2024 Population	15,173	100,433	241,113
2019 Male Population	6,949	46,678	115,314
2019 Female Population	8,120	51,923	121,505
2019 Median Age	39.4	36.7	36.9

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	0.5%	0.5%	0.4%
Asian	3.5%	3.1%	2.5%
Black	32.4%	39.1%	34.9%
Hawaiian/Pacific Islander	0.3%	0.1%	0.1%
White	54.3%	45.8%	50.8%
Other	5.7%	7.6%	7.7%
Multi-Race	3.3%	3.8%	3.6%
Hispanic Ethnicity	23.5%	28.4%	32.8%
Not of Hispanic Ethnicity	76.5%	71.6%	67.2%

HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2010 Avg Household Income	\$49,268	\$55,312	\$61,353
2019 Avg Household Income	\$53,408	\$59,458	\$67,533
2024 Avg Household Income	\$60,582	\$67,161	\$76,754
2010 Med. Household Income	\$35,407	\$38,639	\$39,692
2019 Med. Household Income	\$39,488	\$42,881	\$44,694
2024 Med. Household Income	\$43,317	\$46,973	\$49,901
2010 Per Capita Income	\$26,049	\$23,400	\$24,765
2019 Per Capita Income	\$28,134	\$25,193	\$27,366
2024 Per Capita Income	\$31,694	\$28,411	\$31,108

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	7,406	38,430	87,273
2019 Households	7,877	41,476	94,616
2024 Households	7,884	42,216	96,518



Click to View in  
Google Maps

Or in Google  
Street View





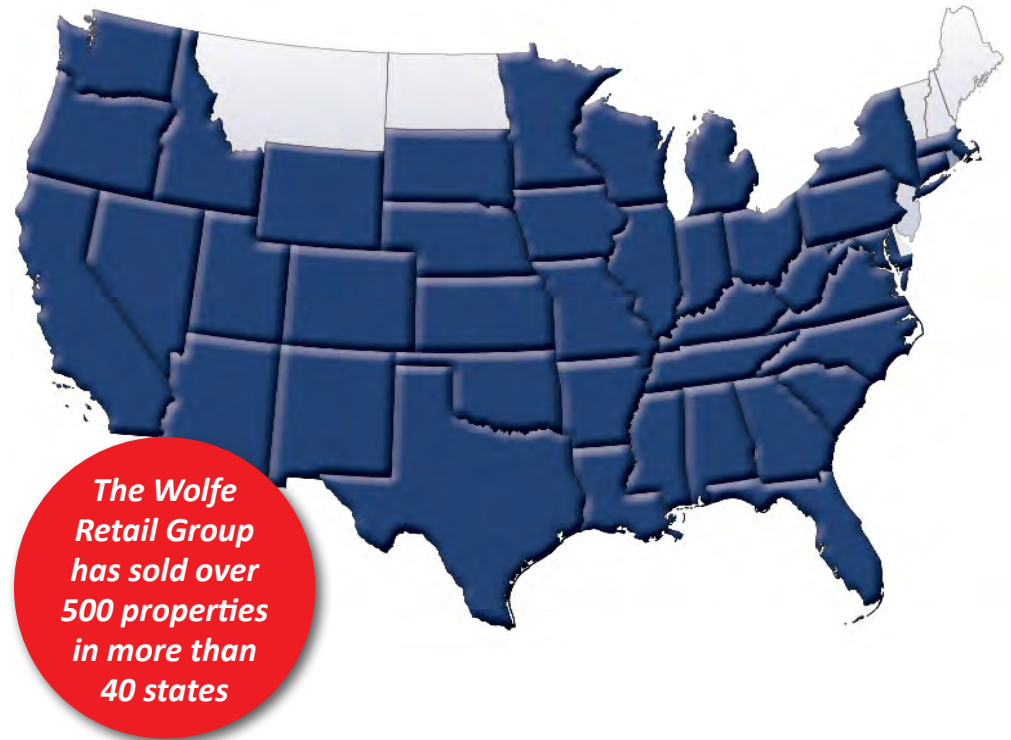
# Marcus & Millichap

## WOLFE RETAIL GROUP

The Wolfe Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling over 500 separate commercial properties with a market value exceeding \$1.45 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe Retail Group or to view all of our available listings, visit [www.WolfeRetailGroup.com](http://www.WolfeRetailGroup.com)



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*Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.*



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# Marcus & Millichap

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