



**NAPA AUTO PARTS**

607 N Rochester Rd • Clawson, MI 48017

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NAPA AUTO PARTS  
Clawson, MI  
ACT ID ZAB0290458

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# FINANCIAL ANALYSIS





## EXECUTIVE SUMMARY

## OFFERING SUMMARY

Price	\$929,032
Net Operating Income	\$72,000
Capitalization Rate – Current	7.75%
Price / SF	\$154.84
Rent / SF	\$12.00
Lease Type	NN
Gross Leasable Area	6,000 SF
Year Built / Renovated	1980
Lot Size	0.45 acre(s)

## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES*
Mahle Behr Mfg MGT Inc	12,600
Dph-Das LLC	7,695
Kmart Stores of Indiana Inc	5,057
Magneti Mrlli Cfap Suspensions	5,003
Johnson Perry & Associates	4,971
1-800-Hansons	4,000
Kmart	3,665
Avf Holdings I LLC	3,075
Avf Holdings II LLC	3,050
Ciber	2,900
Delphi	2,549
General Motors	2,225

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2020 Estimate Pop	10,998	102,123	307,583
2010 Census Pop	10,658	98,687	297,349
2020 Estimate HH	4,905	45,543	129,153
2010 Census HH	4,763	44,070	124,698
Median HH Income	\$63,042	\$71,666	\$75,538
Per Capita Income	\$35,760	\$41,535	\$43,269
Average HH Income	\$79,885	\$93,000	\$102,896

\* # of Employees based on 5 mile radius



## PROPERTY SUMMARY

THE OFFERING	
Property	NAPA Auto Parts
Property Address	607 N Rochester Rd Clawson, MI 48017
Price	\$929,032
Capitalization Rate	7.75%
Price/SF	\$154.84

PROPERTY DESCRIPTION	
Year Built / Renovated	1980
Gross Leasable Area	6,000 SF
Zoning	I-1
Type of Ownership	Fee Simple
Lot Size	0.45 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Auto Parts
Tenant	NAPA Auto Parts
Rent Increases	None
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	10/1/2009
Lease Expiration	5/31/2024
Lease Term	15
Term Remaining on Lease (Years)	3.6
Renewal Options	None
Landlord Responsibility	Roof & Structure
Tenant Responsibility	Taxes, CAM, Insurance
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

INCOME	
Net Operating Income	\$72,000

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$72,000	\$6,000	\$12.00	7.75%

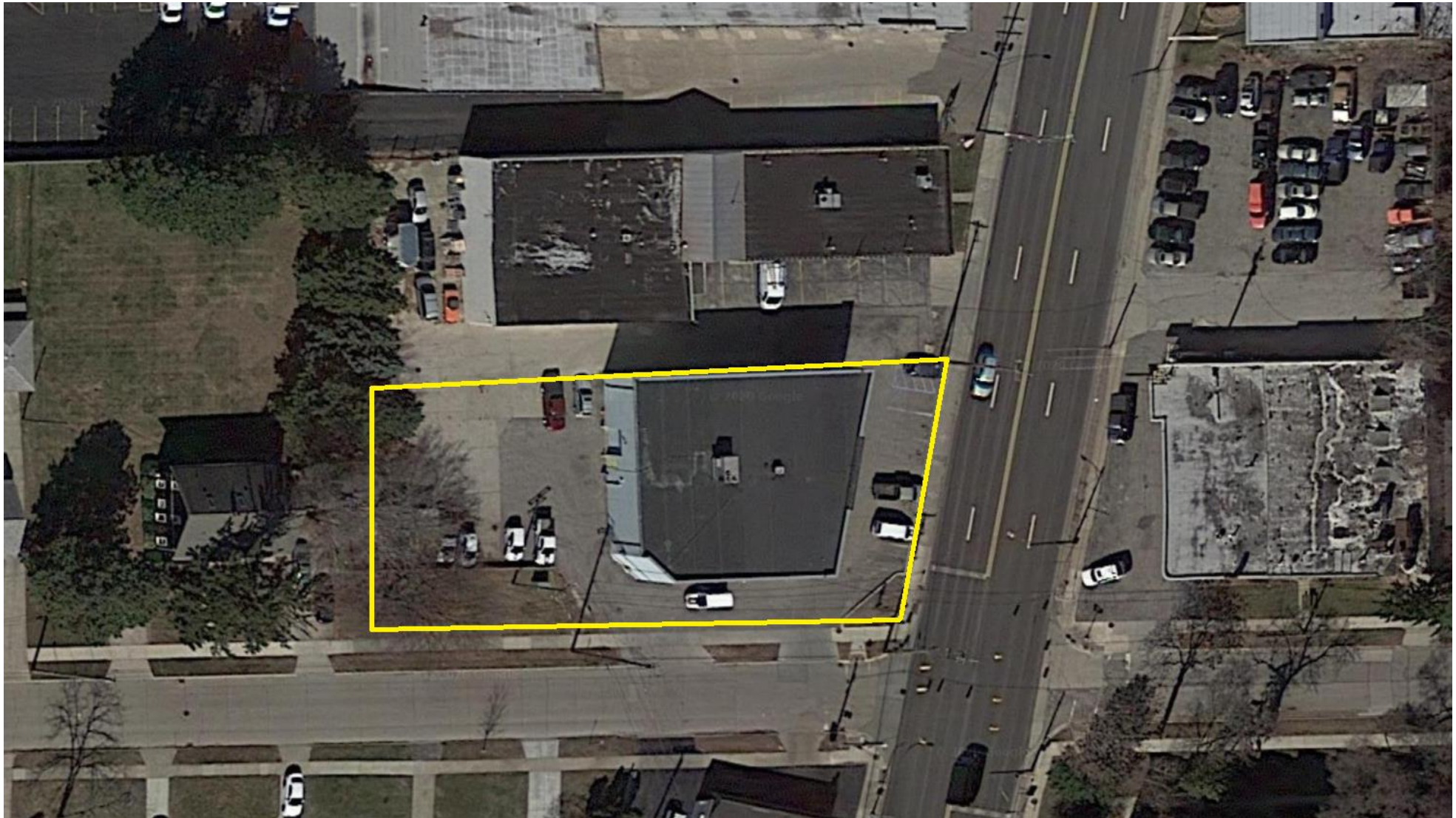


## NOTES









# INVESTMENT OVERVIEW





## INVESTMENT OVERVIEW

Marcus & Millichap is pleased to exclusively offer for sale the NAPA Auto Parts property located at 607 N Rochester Rd in Clawson, Michigan. The lease features a corporate guarantee from Genuine Parts Company, a Fortune 500 Company, ranked 24 years in a row. The property sits on 0.45 acres and contains 6,000 square feet of rentable building area. The tenant, NAPA Auto Parts, has been at the property since 2009 and has exercised two option periods which contained 10% and 9% increases respectively, showing commitment to the site. The corporately guaranteed NN lease structure provides for minimal landlord responsibilities. There have been significant property improvements made recently which include a new parking lot, HVAC systems, floors, bathrooms, facade, and replacement of the roof.

The subject property benefits from a densely populated neighborhood location which features over 4,900 households within a 1-mile radius. Traffic counts exceed 20,000 vehicles per day at this site. The property is situated less than a mile from Downtown Clawson, a close-knit community featuring several restaurants and shops. The site also benefits from proximity to Interstate-75, which sees over 125,000 vehicles per day. Additionally, the property is surrounded by several national retailers including a Walmart Supercenter, Meijer, Macy's, T.J. Maxx, Kohl's, Target, Best Buy, and more.

The location features excellent demographics and continues to increase, with over 307,000 people and an average household income of \$102,896 within a five-mile radius.

NAPA Auto Parts provides an investor an opportunity to acquire a corporately guaranteed net-leased asset with minimal landlord responsibilities, located in an infill market with excellent demographics.

## INVESTMENT HIGHLIGHTS

- Corporate Guarantee – Genuine Parts Company (Fortune 500, NYSE: GPC)
- Infill Market – Over 4,900 Households within a 1-Mile Radius
- Significant Property Improvements - Replacement of Roof and New Parking Lot
- Commitment to Site – Exercised Both Option Periods which contained 10% and 9% Rental Increases Respectively
- Strong Increasing Demographics – Over 307,000 people with an average HHI of \$102,896 within a five-mile radius
- Strong Traffic Counts – Over 20,000 Vehicles Per Day





## AUTOMOTIVE PARTS GROUP

65% OF TOTAL GPC NET SALES



**Website:** napaonline.com  
**Headquarters:** Atlanta, GA

### US:

- 56 NAPA Distribution Centers
- 15 Automotive Supply Facilities
- 5,906 NAPA AUTO PARTS stores (1,130 company-owned)
- 22 TRACTION Heavy Duty Parts stores (all company-owned)

### Canada:

- 13 Distribution Centers
- 712 NAPA and Heavy Vehicle Facilities (218 company-owned)
- 24 Altrom Canada Import Parts Facilities

### Mexico:

- 43 NAPA Mexico Facilities (25 company-owned)



**Website:** allianceautomotivegroup.eu  
**Headquarters:** London, England

### France:

- 16 Distribution Centers
- 1,057 Stores (266 company-owned)

### UK:

- 36 Distribution Centers
- 842 Stores (226 company-owned)

### Germany:

- 9 Distribution Centers
- 60 Stores (all company-owned)

### Poland:

- 210 Stores

### The Netherlands & Belgium:

- 8 Distribution Centers
- 195 Stores (133 company-owned)



**Website:** repco.com.au  
**Headquarters:** Melbourne, Australia

### Australasia:

- 12 Distribution Centers
- 434 AUTO PARTS Stores and Branches in Aus
- 119 AUTO PARTS Stores and Branches in NZ

## MAJOR PRODUCTS

- Automotive Replacement Parts
- Heavy Duty Parts
- Paint and Refinishing Supplies
- Tools and Equipment
- Automotive Accessories
- Farm and Marine Supplies



## INDUSTRIAL PARTS GROUP



35% OF TOTAL GPC NET SALES

**Website:** motionindustries.com  
**Headquarters:** Birmingham, AL  
**U.S., Canada & Mexico:**

- 15 Distribution Centers
- 506 Branches
- 45 Service Centers

**Website:** inencogroup.com.au  
**Headquarters:** Sydney, Aus  
**Australia, New Zealand, Indonesia & Singapore:**

- 8 Distribution Centers
- 184 Branches

## SERVICE CAPABILITIES

- 24/7/365 Product Delivery
- Repair and Fabrication
- Quality Processes (ISO)
- Technical Expertise
- Asset Repair Tracking
- Application and Design
- Inventory Management & Logistics
- Training Programs
- E-business Technologies
- Storeroom & Replenishment Tracking

## MAJOR PRODUCTS

- Bearings
- Mechanical & Electrical Power Transmission Products
- Industrial Automation
- Hydraulic and Industrial Hose
- Hydraulic and Pneumatic Components
- Industrial and Safety Supplies
- Material Handling Products



Sources: [genpt.com/pdfs/gpc\\_factsheet.pdf](https://genpt.com/pdfs/gpc_factsheet.pdf)



## NAPA AUTO PARTS



The National Automotive Parts Association (NAPA), better known as NAPA Auto Parts, was founded in 1925 as an American retailers' cooperative distributing automotive replacement parts, accessories and service items in North America. Carlyle Fraser, founder of Genuine Parts Company (GPC) in 1928, served as a key NAPA contributor in its early years. Genuine Parts Company began to acquire the other NAPA member companies, and in 2012 became the last remaining member of NAPA. The largest division of GPC, the Automotive Parts Group, distributes over 530,000 retail and commercial automotive aftermarket replacement parts throughout North America, France, the U.K., Germany, Poland, Australia and New Zealand. This extensive global automotive network serves approximately 6,000 NAPA Auto Parts stores in the U.S., 700 wholesalers in Canada, 41 stores in Mexico, approximately 2,000 automotive stores and outlets in Europe and 550 automotive locations in Australia and New Zealand. In North America alone, there are 69 distribution centers and 1,344 company-owned locations. The Company serves hundreds of thousands of customers from more than 3,100 operations in 10 countries and has more than 48,000 employees. Celebrating its 90th year of operations, GPC produced a record \$16.31 billion in revenues, representing a 6.3% increase from 2016. Additionally, 2017 marks the 85th year of increased revenues for Genuine Parts Company.

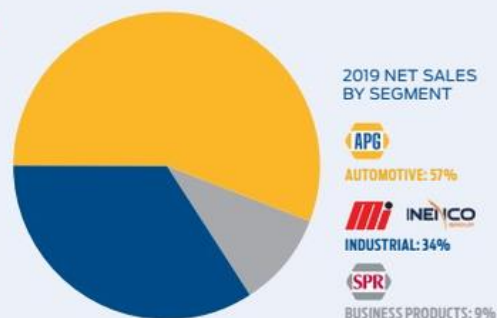
- GENUINE PARTS COMPANY IS A FORTUNE 500 COMPANY, RANKED 24 YEARS IN A ROW
- RANKED ON THE 2018 FORBES LIST AS ONE OF THE “WORLD’S BEST EMPLOYERS” AND ONE OF “AMERICA’S BESTEMPLOYERS” IN 2017
- GPC PRODUCED A RECORD \$16.31 BILLION IN REVENUES IN 2017, A 6.3% INCREASE FROM 2016
- THE AUTOMOTIVE PARTS GROUP BOASTS 53% OF GPC TOTAL NET SALES AT \$8.7 BILLION IN 2017, WITH 2018 ESTIMATED SALES AT \$10.5 BILLION
- MORE THAN 6,000 NAPA AUTO PARTS STORES AND 57 DISTRIBUTION CENTERS NATIONWIDE IN 45 STATES
- THE GLOBAL AUTOMOTIVE AFTERMARKET IS A \$200B INDUSTRY WITH 50% OF THE MARKET SHARE IN THE U.S.A.

Sources: [www.genpt.com/napa.html](http://www.genpt.com/napa.html)

**Genuine Parts Company**, founded in 1928, is a global service organization engaged in the distribution of automotive replacement parts, industrial parts and business products. The Company serves hundreds of thousands of customers from more than 3,600 operations and has approximately 55,000 employees.



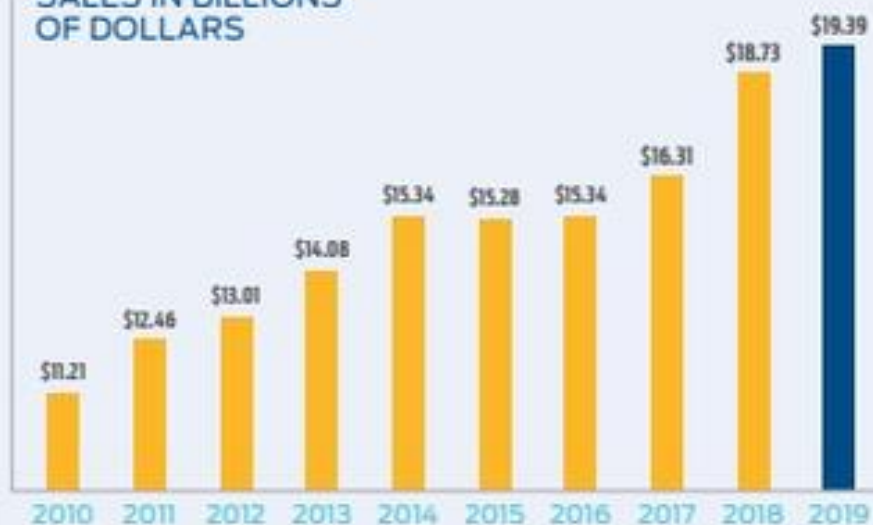
## FINANCIAL HIGHLIGHTS BY THE NUMBERS



## 2019 FINANCIAL HIGHLIGHTS



## SALES IN BILLIONS OF DOLLARS



## ADJUSTED DILUTED EARNINGS PER SHARE IN DOLLARS<sup>(1)</sup>



<sup>(1)</sup>A non-GAAP measure. See "Non-GAAP Financial Measures" in this report for more information and a reconciliation to GAAP.

<sup>(2)</sup>A non-GAAP measure derived from cash from operations of \$892 million less capital expenditures of \$298 million. Yield based on 12/31/19 stock price.

<sup>(3)</sup>A non-GAAP measure derived by dividing adjusted net income by beginning of year equity. See "Non-GAAP Financial Measures" in this report for more information on adjusted net income and a reconciliation to GAAP.

Sources: <https://www.proxydocs.com/branding/962110/2020/ar/II/>

# MARKET OVERVIEW





# CLAWSON

— MICHIGAN —

The City of Clawson is a small residential community located just north of Detroit and about one mile west of the Chrysler (I-75) expressway. This fully-developed community is 2.2 square miles in area and is bounded by the cities of Troy, Royal Oak, and Madison Heights. Clawson was incorporated as a home rule city in 1940. It is recognized as a progressive community with stable government and excellent services. Volunteers and service clubs play an active role in promoting the community throughout the year with various activities including one of the largest week-long 4th of July celebrations in Michigan.

The downtown area offers a variety of small shops and restaurants. Oakland Mall and the up-scale Somerset Place are just minutes away. Clawson combines small town amenities with convenient access to big city events. According to the most recent estimates, there are approximately 12,000 persons living in Clawson, a density of ten persons per acre. The city experienced its most significant growth during the years of 1950 through 1960. This is also the period during which a large portion of the city's existing housing was constructed.

Clawson combines the population-attracting factors of good affordable housing, a wide array of quality community services, and a desirable location in the metropolitan area with respect to nearby employment centers. In Clawson, as in most areas throughout the Detroit metropolitan area, property value has risen significantly in recent years. In 2005 the cost of houses in the city ranged from \$72,000 to \$265,000.

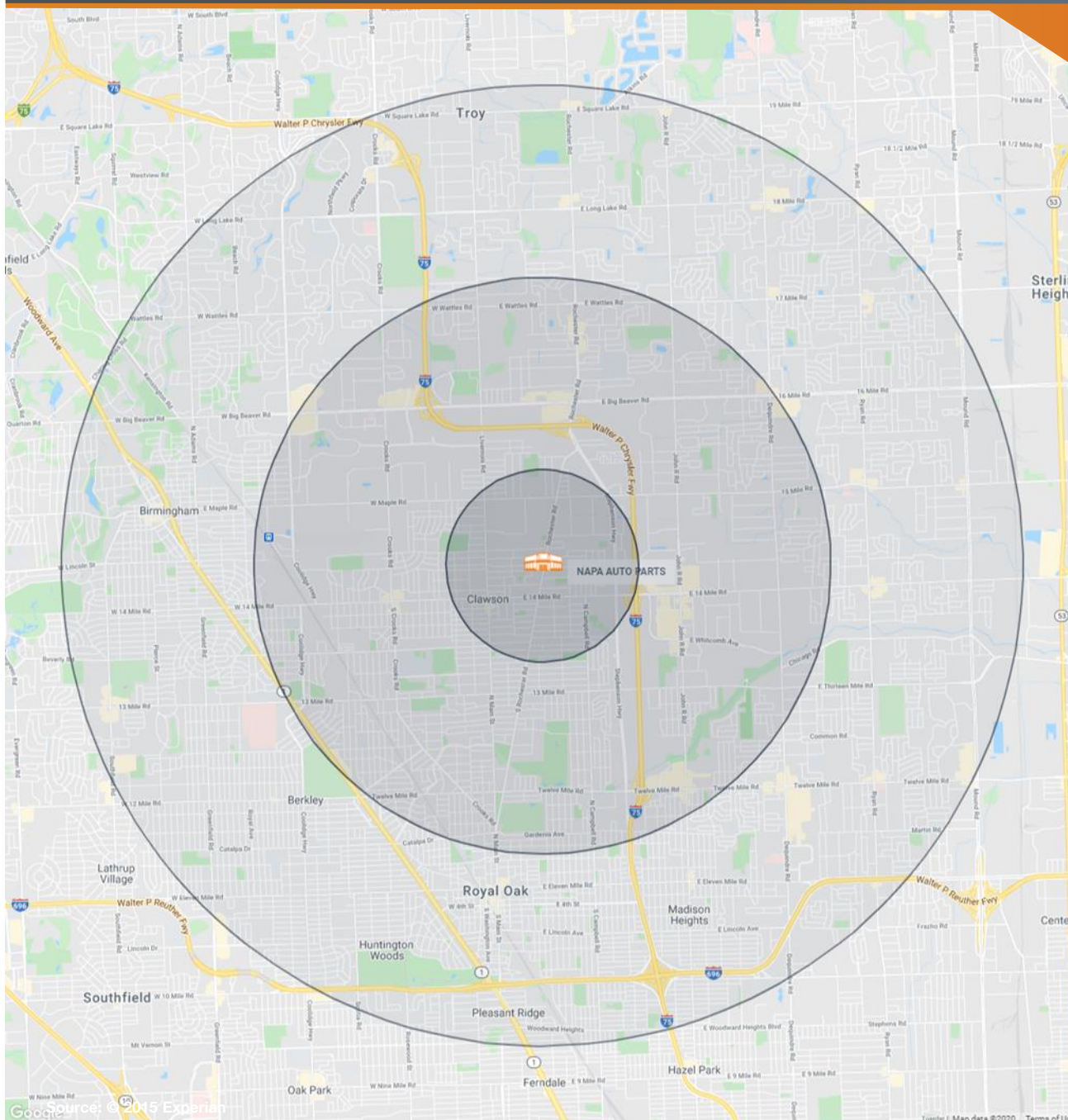
One of the nation's finest medical centers, William Beaumont Hospital, is located approximately two miles southwest of Clawson's city limits at Woodward and 13 Mile Rd. in the city of Royal Oak. Within Clawson, electric power is provided by Detroit Edison, telephone services provided by Ameritech, and natural gas is provided by Consumers Energy. Comcast and WOW provide cable television and internet service to the community. There are no state or interstate highways running through the City of Clawson. However, Interstate Highway 75 runs within one mile to the north and east of the city, and Woodward Avenue runs within two miles southwest of the city providing local residents and businesses with access to state and interstate road networks.



★ Designed by TownMapsUSA.com

Sources: [https://www.cityofclawson.com/your\\_community/community\\_facts.php](https://www.cityofclawson.com/your_community/community_facts.php)





CREATED ON OCTOBER 9, 2020

	1 Miles	3 Miles	5 Miles
<b>POPULATION</b>			
2025 Projection	11,035	102,739	309,509
2020 Estimate	10,998	102,123	307,583
2010 Census	10,658	98,687	297,349
2000 Census	11,706	100,054	303,355
<b>INCOME</b>			
Average	\$79,885	\$93,000	\$102,896
Median	\$63,042	\$71,666	\$75,538
Per Capita	\$35,760	\$41,535	\$43,269
<b>HOUSEHOLDS</b>			
2025 Projection	4,937	45,914	130,474
2020 Estimate	4,905	45,543	129,153
2010 Census	4,763	44,070	124,698
2000 Census	5,124	44,937	126,193
<b>HOUSING</b>			
2020	\$164,398	\$192,289	\$206,735
<b>EMPLOYMENT</b>			
2020 Daytime Population	17,846	140,438	358,800
2020 Unemployment	3.80%	3.53%	3.51%
2020 Median Time Traveled	26	26	26
<b>RACE &amp; ETHNICITY</b>			
White	89.47%	77.20%	78.46%
Native American	0.02%	0.03%	0.03%
African American	2.22%	4.82%	7.24%
Asian/Pacific Islander	4.95%	14.49%	10.90%

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