

ADVANCE AUTO PARTS

Exclusive Net Lease Offering

Representative Photo



OFFERING MEMORANDUM



3009 S Dauphin Island Pkwy
Mobile, AL 36605

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

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.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a

thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Table of Contents

Investment Highlights	4
Financial Analysis & Investment Summary	5
Concept Overview	6
Surrounding Area	7
Location Overview	8
Local Map	9
Regional Map	10
Demographics	11
Market Overview	12

Advance
Auto Parts 





Investment Highlights

Optimal Lease Structure

- ✓ Advance Stores Company, Inc. Guaranty | Wholly Owned Subsidiary of Advance Auto Parts, Inc.
- ✓ Absolutely Triple Net (NNN) Lease Structure
- ✓ Approximately 3 Years Remaining on the Lease

Compelling Location Fundamentals

- ✓ Dense Retail Corridor | Citi Trends, Regions, BBVA, Piggly Wiggly, Dollar General, CVS, Dollar Tree, O'Reilly Auto Parts, Little Caesar's, and McDonald's, And Many More.
- ✓ Strong Traffic Counts | South Dauphin Island Parkway | Main Traffic Artery in the Area | Average 23,000 Vehicles Per Day
- ✓ Close Proximity to Two Schools | BC Rain High School & Gilliard Elementary School | Total Enrollment of Nearly 1,500 Students
- ✓ Located Just Down the Street From Mobile Aeroplex at Brookley | Largest Industrial and Transportation Complex in the Area

Strong Brand, Exceptional Operator

- ✓ National Leader in the Automotive Aftermarket Parts Industry | Nearly 5,000 Stores in Operation Across 8 Countries and Territories
- ✓ Strong Performance Across Units | \$9.58 Billion in Annual Net Sales | More Than \$2.1 Million Increase Over Previous Year's Sales
- ✓ Seasoned Brand | Founded 88 Years Ago by Arthur Taubman | First Stores Opened in Roanoke, VA and Lynchburg, VA
- ✓ Commitment to Continued Growth and Success | Recently Invested Nearly \$200 Million in Both the Business Infrastructure and Tools for Their Team Members

Representative Photo



Representative Photo



Representative Photo



Financial Analysis & Investment Summary



PRICE: \$632,157 | CAP RATE: 8.00% | RENT: \$50,573

PROPERTY DESCRIPTION

Property	Advance Auto Parts
Property Address	3009 S Dauphin Island Parkway
City, State ZIP	Mobile, AL 36605
Building Size (SF)	7,855
Lot Size (Acres)	+/- 0.64
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$632,157
CAP Rate	8.00%
Annual Rent ¹	\$50,573

LEASE SUMMARY

Tenant	Discount Auto Parts, LLC
Guarantor	Advance Stores Company, Inc.
Lease Commencement	January 21, 2020
Lease Expiration ²	August 31, 2023
Lease Term Remaining	3 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible

¹Rent Based on March 2021 Rent Adjustment

²Tenant may terminate the lease prior to the expiration date. This termination shall occur nine months after notice of termination is provided to the landlord.

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Current Rent	\$62,826	\$5,236	-
3/1/2021 – 8/31/2021	\$50,573	\$4,214	-19.5%
9/1/2021-8/31/2022	\$50,573	\$4,214	-
9/1/2022 – 8/31/2023	\$50,573	\$4,214	-



Representative Photo



Concept Overview



“There's nothing we enjoy more than helping you wrench up, take control and master your machine.”

Advance Auto Parts, Inc. (NYSE: AAP) is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. As of July 13, 2019, Advance operated 4,912 stores and 150 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. The Company also serves 1,250 independently owned Carquest branded stores across these territories, in addition to Mexico, the Bahamas, Turks and Caicos and British Virgin Islands. The brand prides itself on not only being a one stop shop for all automotive aftermarket part needs, but also for the reliable advice that all of their employees provide to each and every customer walking through the door. No matter the level of comfort or expertise with automotive upgrades or repairs, Advance Auto Parts strives to provide a knowledgeable and enjoyable shopping experience for everyone who enters their stores.

Advance Auto Parts - At A Glance

# of Stores	4,912
# of Carquest Stores Served	1,250
# of Team Members	70,000+
Years in Operation	87
2018 Net Sales	\$9.58 Billion
Headquarters	Raleigh, NC
CEO	Thomas Greco
Countries & Territories Served	8



2018 Financial Summary





Surrounding Area

REGIONS

BBVA



McDonald's

CITITRENDS



DOLLAR GENERAL

Save time. Save money. Every day!



Gilliard
Elementary School



BC Rain High
School

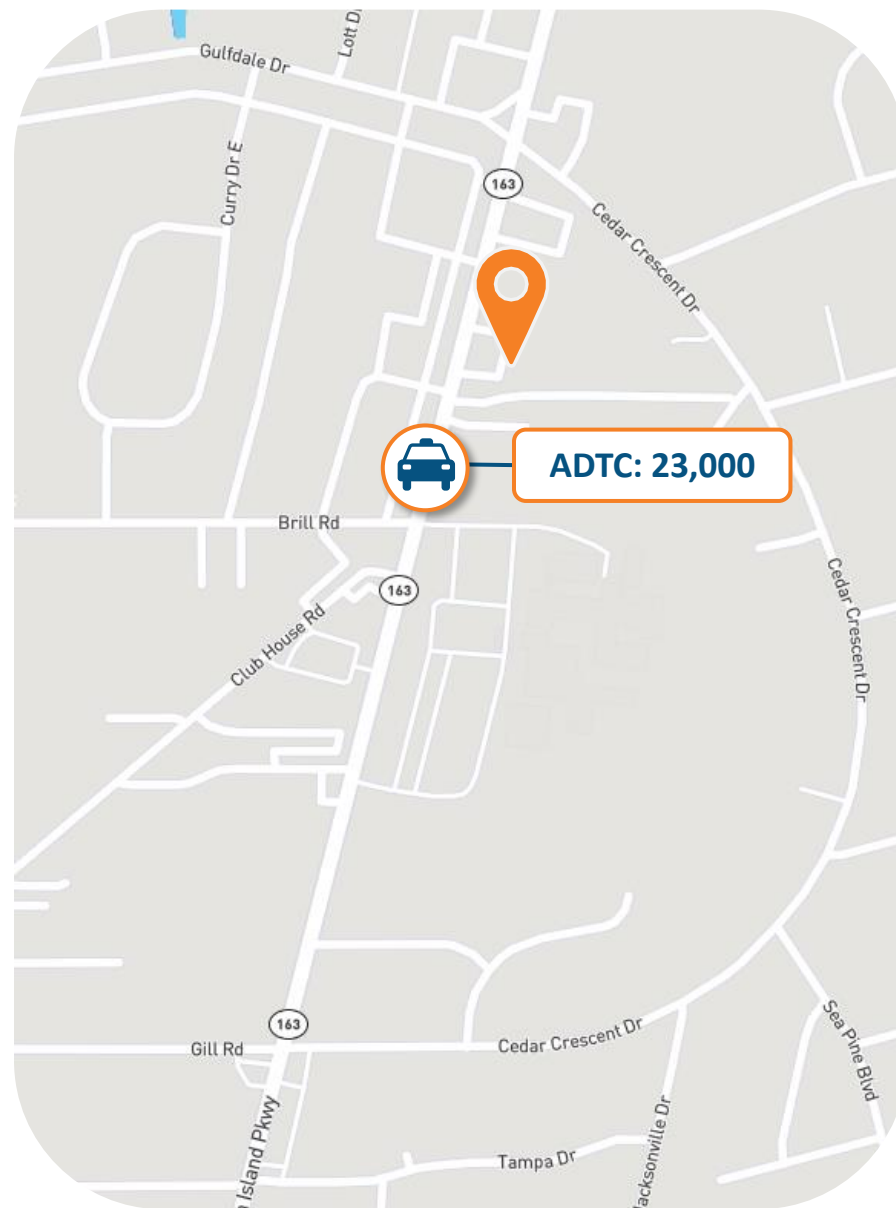


Location Overview

The subject investment property is situated on S Dauphin Island Parkway, which is one of the main traffic arteries in the city of Mobile. As such, there are, on average, approximately 23,000 vehicles that pass directly in front of the subject property each day. There are more approximately 56,000 individuals residing within a five-mile radius of the property and 234,500 individuals within a ten-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and hospitality accommodations all within close proximity of this property. Major national tenants include: Citi Trends, Regions, BBVA, Piggly Wiggly, Dollar General, CVS, Dollar Tree, O'Reilly Auto Parts, Little Caesar's, and McDonald's, as well as numerous other local and national retail and restaurant concepts. In addition to these restaurants and retail concepts, the subject property benefits from its close proximity to two schools: BC Rain High School and Gilliard Elementary School. Together these schools have a total enrollment of nearly 1,500 students. Another attraction to the immediate area is the Mobile Aeroplex at Brookley, which is an industrial complex located on the western shore of Mobile Bay. The Aeroplex is the largest industrial and transportation complex in the region, with approximately 70 companies employing about 3,600 people.

Mobile is the county seat of Mobile County as well as the third-most populous city in the U.S. state of Alabama. For those looking to start a business, Mobile has the right combination of low business costs, a skilled workforce in a right-to-work state, an unmatched infrastructure, favorable taxes and incentives, and a high quality of life in a beautiful coastal area. Mobile's growing business community counts on a strong, talented and dedicated workforce. Abundant education programs ensure local residents have the skills area employers need. Among the most recognized state-led workforce training programs in the country, AIDT offers comprehensive pre-employment selection and on-the-job training specific to a qualifying company's needs. In Mobile, AIDT operates the Alabama Aviation Training Center, AIDT Maritime Training Center and the Erich Heine Learning Center. Mobile is home to several colleges and universities. The largest is the University of South Alabama, with more than 16,000 students. Coastal Alabama Community College, Spring Hill College and University of Mobile are all privately run. There are also numerous community colleges, training centers and apprenticeship programs, including Bishop State Community College, Alabama Aviation Center and Coastal Alabama Community College. In the spring of 2016, a new 25,000 square-foot advanced manufacturing training facility was announced to help the Alabama Community College System meet employer needs for skilled workers.



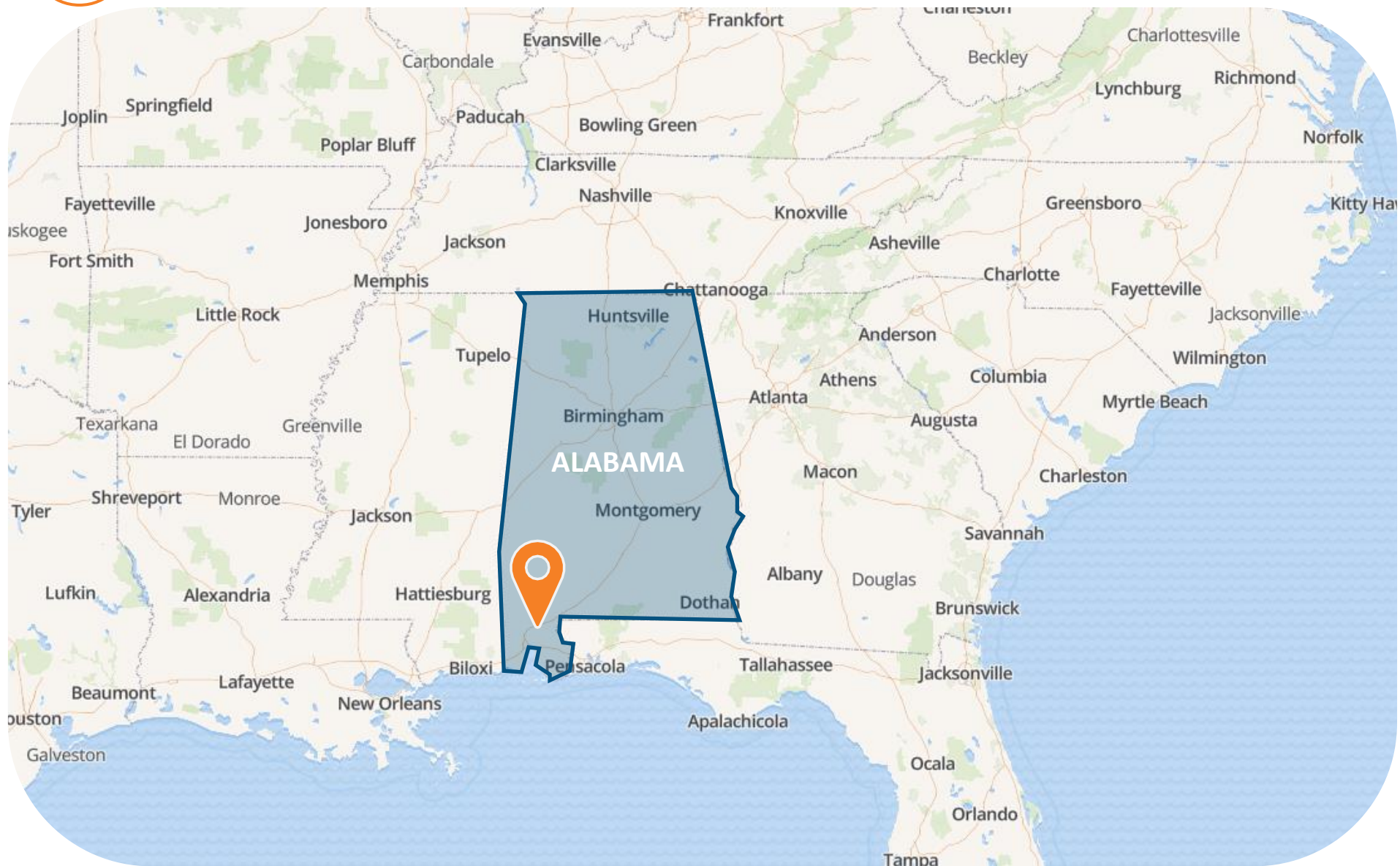


Local Map



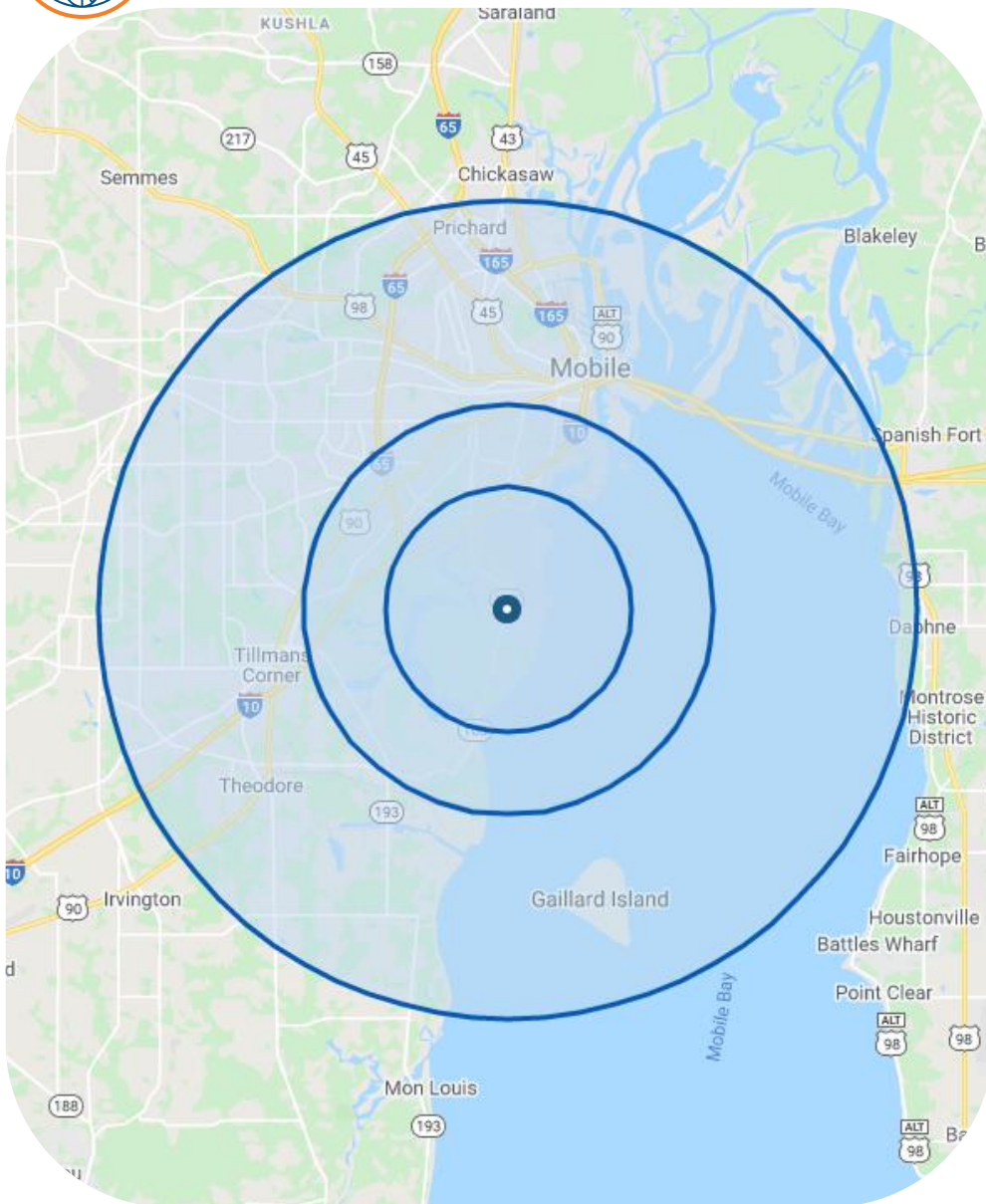


Regional Map





Demographics



POPULATION

	3 Miles	5 Miles	10 Miles
2025 Projection	16,665	56,130	234,808
2020 Estimate	16,978	56,310	234,458
2010 Census	18,006	58,072	237,851
2000 Census	19,316	61,688	247,853

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$53,735	\$56,970	\$63,916
Median	\$39,672	\$40,288	\$42,637
Per Capita	\$20,296	\$22,302	\$26,297

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2025 Projection	6,294	21,929	96,344
2020 Estimate	6,409	21,919	95,513
2010 Census	6,677	22,197	95,545
2000 Census	7,276	23,499	96,203

HOUSING

	3 Miles	5 Miles	10 Miles
2020	\$99,850	\$114,226	\$147,729

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2020 Daytime Population	14,260	56,492	276,947
2020 Unemployment	5.31%	5.69%	4.64%
2020 Median Time Traveled	26 Mins	24 Mins	24 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	32.17%	35.00%	47.39%
Native American	0.01%	0.05%	0.05%
African American	63.34%	61.04%	47.21%
Asian/Pacific Islander	0.77%	0.98%	2.03%



Market Overview

Mobile, AL



Mobile is the county seat of Mobile County as well as the third-most populous city in the U.S. state of Alabama. For those looking to start a business, Mobile has the right combination of low business costs, a skilled workforce in a right-to-work state, an unmatched infrastructure, favorable taxes and incentives, and a high quality of life in a beautiful coastal area. Mobile's growing business community counts on a strong, talented and dedicated workforce. Abundant education programs ensure local residents have the skills area employers need. Among the most recognized state-led workforce training programs in the country, AIDT offers comprehensive pre-employment selection and on-the-job training specific to a qualifying company's needs. In Mobile, AIDT operates the Alabama Aviation Training Center, AIDT Maritime Training Center and the Erich Heine Learning Center. Mobile is home to several colleges and universities. The largest is the University of South Alabama, with more than 16,000 students. Coastal Alabama Community College, Spring Hill College and University of Mobile are all privately run. There are also numerous community colleges, training centers and apprenticeship programs, including Bishop State Community College, Alabama Aviation Center and Coastal Alabama Community College. In the spring of 2016, a new 25,000 square-foot advanced manufacturing training facility was announced to help the Alabama Community College System meet employer needs for skilled workers.

Advance
Auto Parts 

Marcus & Millichap



EXCLUSIVE NET LEASE OFFERING



AL BROKER OF RECORD:

Eddie Greenhalgh

License: 00008-8298