



RETAIL INVESTMENT OPPORTUNITY

# Tire Kingdom

923 3<sup>rd</sup> Street South, Jacksonville Beach, FL 32250

## OFFERING MEMORANDUM



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The Owner expressly reserves the right, at its sole discretion, to negotiate with the party(ies) it so chooses, and to reject any and/or all expressions of interest or offers to purchase the Property, and to terminate discussions with any buyer at any time, with or without notice. The Owner has no legal commitment nor obligation to any prospective buyer or any entity making a bid for the Property and would only be obligated as specifically stated in a fully executed purchase and sale agreement along with any related conditions or obligations having been met and/or waived.

Colliers International, serving as the exclusive sales broker to the owner, is pleased to present qualified investors the rare opportunity to acquire this single-tenant net-leased Tire Kingdom located in Jacksonville Beach, one of the most desirable submarkets within the Jacksonville, Florida MSA. The 5,760 square foot store sits on a 0.57-acre parcel located at the corner of 3rd Street (A1A), the primary retail corridor serving the Beaches, and 9th Avenue South, only two blocks away from the Atlantic Ocean. The site is surrounded by other national and leading regional brands, primarily in the retail or restaurant business, as well as a dense, affluent population base, consisting of single family residential, apartment buildings and several high-rise condominiums.

## Investment Highlights and Details

- Great 1031 candidate in the tax-free state of Florida
- Corporate, Absolute NNN lease with Tire Kingdom
- Captive audience for tenant's business with most residents traveling via personal transportation into the CBD or suburbs for work – Jacksonville is a major commuter town, being the largest city in the country based on land size
- Exceptional, high barrier to entry submarket commanding some of the highest rents in the entire Jacksonville MSA
- Located only two blocks from the Atlantic Ocean
- Major projects underway in close proximity to the subject include the regions second Whole Foods Market and a brand new Margaritaville Hotel/Resort
- Tenant has continued to pay rent throughout the recent pandemic with no assistance or relief from Landlord, demonstrating the strength of this location



## Pricing

- List Price: \$2,000,000
- Current NOI: \$126,000
- Cap Rate: 6.30%





## Property Information

Address	923 3rd Street South
City, State, Zip	Jacksonville Beach, FL 32250
Submarket	Beaches
Building Size	5,760± SF (Heated) per Duval County Property Appraiser
Year Built	1994
Land Size	0.57 Acres
Zoning	JC-1
Frontage	127' on 3rd Street South
Traffic count	38,000 AADT on 3rd Street (per FDOT, 2018)

## Lease Terms

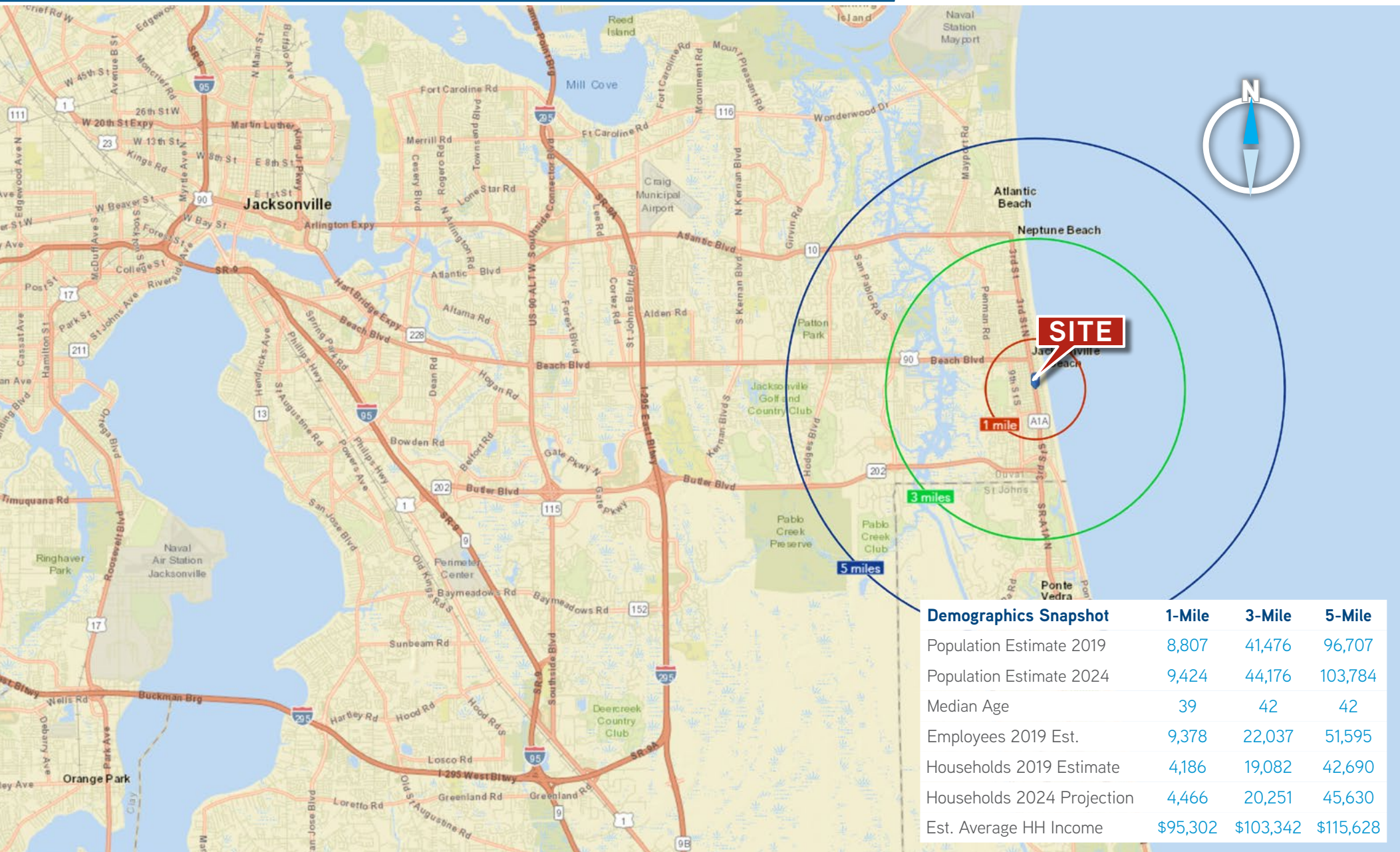
Tenant Name	Tire Kingdom, Inc.
Guarantor	Corporate
Initial Base Term	20 years
Lease Type	Absolute NNN
Lease Start	6/7/1994 Base Term ended in 2014 / Tenant now in second of four, 5-year options.
Lease Expiration	6/6/2022
Remaining Options to Renew	Two, 5-year options
Rental Rate Escalations	2% Annually beginning June 2022







# Demographic Snapshot



## Tire Kingdom

Tenant Trade Name:	<b>Tire Kingdom</b>
Ownership:	<b>Private Company</b>
Lease Guarantor:	<b>TBC Retail Group</b>
# of Locations (2018):	<b>&gt; 700 Locations (TBC Retail Group)</b>
Headquarters:	<b>Palm Beach Gardens, FL</b>
Web Site:	<b><a href="http://www.tirekingdom.com">www.tirekingdom.com</a></b>



Tire Kingdom is a large American tire store located primarily in the Southern part of the United States. In 2000, the brand was purchased by a subsidiary of TBC Corporation, owner of other notable brands including Big O Tires, Midas and NTB. For more than 60 years, TBC Corporation (TBC), one of North America's largest marketers of automotive replacement tires through a multi-channel strategy, has been a tire company ahead of the curve.

Through worldwide operations spanning wholesale, retail, and franchise, TBC provides customers best-in-class brands and automotive maintenance and repair services with the underlying mission to exceed customer expectations. TBC serves wholesale customers in the United States, Canada and Mexico through TBC Brands, NTW, TBC International, and TBC de Mexico. Additionally, TBC responds to the needs of consumers in search of total car care at more than 3,200 franchised and company-operated tire and automotive service centers under the brands NTB®, Tire Kingdom®, Big O Tires® and Midas®.





## Summary of Lease Terms

Tenant Trade Name:	Tire Kingdom
Initial Lease Term:	20 Years
Term Remaining:	5 Years
Renewal Options:	Two (2), Five (5) year options left
Lease Type:	Absolute NNN
Increases:	2% Annually beginning June 2022
Net Rentable Square Feet:	5,760± SF



## Rent Schedule

Start Date	End Date	Rent/SF	Monthly Base Rent	Term
6/7/2017	6/6/2020	\$20.83	\$10,000	Second Option Period Start
6/7/2020	6/6/2022	\$21.88	\$10,500	Second Option (Current Period)
6/7/2022	6/6/2023	\$22.31	\$10,710	Third Option
6/7/2023	6/6/2024	\$22.76	\$10,924	Third Option
6/6/2024	6/6/2025	\$23.21	\$11,143	Third Option
6/7/2025	6/6/2026	\$23.68	\$11,336	Third Option
6/7/2026	6/6/2027	\$24.15	\$11,593	Third Option
6/7/2027	6/6/2028	\$24.63	\$11,825	Fourth Option
6/7/2028	6/6/2029	\$25.13	\$12,061	Fourth Option
6/7/2029	6/6/2030	\$25.63	\$12,302	Fourth Option
6/7/2030	6/6/2031	\$26.14	\$12,548	Fourth Option
6/7/2031	6/6/2032	\$26.67	\$12,799	Fourth Option

\* Rent schedule includes the rents for the current period, as well as remaining option periods left (third and fourth)



# Jacksonville Overview

The Jacksonville Market MSA is the largest in the continental United States by area, covering around 875 square miles in the northeastern part of Florida, including Duval, Nassau, St Johns, Clay and Baker counties. Jacksonville is the largest city in the state based on population and growing.

Jacksonville has a vibrant economy with a diverse employment base. Companies are attracted to the area for several reasons: low cost of doing business, low cost of living, excellent quality of life, large and skilled employment base, growing population and strong infrastructure.

## JAX MSA Demographic Profile



**POPULATION**  
JAX MSA  
1,523,615



**MEDIAN HOUSEHOLD INCOME**  
JAX MSA  
\$56,587

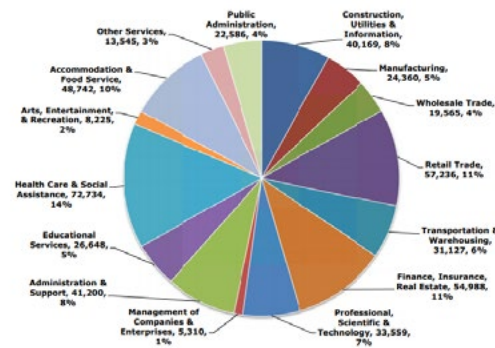


**MEDIAN AGE**  
JAX MSA  
38.6



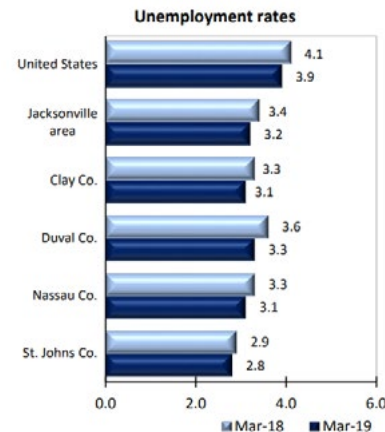
**HIGHER EDUCATION**  
Bachelor's Degree or Higher  
JAX MSA  
31%

## Employment Market Statistics



## Jacksonville Job Market

Unemployment rates for the Jacksonville area, selected area counties, and the nation



## Top Private Employers in Jacksonville MSA (and number of employees)

**BAPTIST HEALTH**  
10,500

**Bank of America**  
8,000

**Florida Blue**  
7,000

**MAYO CLINIC**  
6,000

**Southeastern Grocers**  
5,700

**citi**  
4,500

**CHASE**  
3,900

**CSX TRANSPORTATION**  
3,600

**UFHealth JACKSONVILLE**  
3,600

**WELLS FARGO**  
3,500

**amazon**  
3,000

**ST. VINCENT'S HEALTHCARE**  
3,000

**AT&T**  
2,600

**BLACK & KNIGHT FINANCIAL SERVICES**  
2,400

**ups**  
2,300

## Jacksonville Rankings

**#1**  
St. Johns County Healthiest in Florida  
University of Wisconsin June 2018

**#4**  
Florida Best Tax Climate in U.S.  
Tax Foundation March 2019

**#10**  
Jacksonville Hottest U.S. Housing Market  
Zillow/CBS News January 2019

**#4**  
Best City for Job Seekers  
Forbes December 2018

**#5**  
Fastest Growing City in America  
Forbes June 2018

**#2**  
Most Up-and-Coming City in America  
Time October 2017

**#1**  
Mayo #1 Hospital in the Nation  
US News August 2017

**#12**  
Best City for Young Professionals  
Forbes May 2017

**#7**  
Best Cities for Job Seekers  
Money May 2017

**#2**  
City to Invest in Housing  
Forbes April 2017

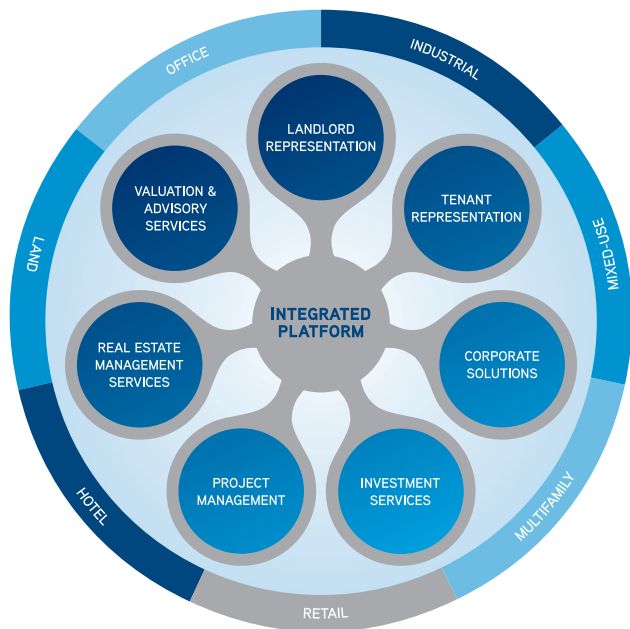
# About Colliers



Colliers International is a leader in global real estate services, defined by our spirit of enterprise. Through a culture of service excellence, and a shared sense of initiative, we have integrated the resources of real estate specialists worldwide to accelerate the success of our clients. Colliers International delivers real estate services globally through 17,000± specialized professionals in 68 countries. Colliers provides advice for clients on approximately \$127 billion in transactions annually and manages in two billion square feet with revenue reaching \$3.3 billion.

Colliers professionals bring an intimate knowledge of local, regional and global office markets to every real estate assignment. Our brokers are experts at identifying creative ways to match commercial property environments with our client's business needs. This depth of knowledge is built on years of cultivated relationships with tenants, landlords, investors, government agencies and lending institutions.

Whether you want to sell, relocate, renew, build, expand, or buy, Colliers real estate specialists have the market knowledge and industry relationships that can help you capitalize on market conditions and maximize value. By combining our core values with our market and negotiation expertise, we have established a proven formula for success that is evident in the volume of transactions we have completed.



**17,000+**  
BROKERS  
PROFESSIONALS  
AND STAFF



**\$3.3B**  
IN REVENUE



**2B**  
SF UNDER  
MANAGEMENT



**\$26B+**  
ASSETS UNDER  
MANAGEMENT



**68**  
COUNTRIES



**\$127B**  
TRANSACTION  
VALUE



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