



**Auto
Zone**

ATOKA, TN

OFFERING MEMORANDUM

MATTHEWS
REAL ESTATE INVESTMENT SERVICES

LISTED BY

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BROKER OF RECORD

LICENSE NO. 263667 (TN)

MATTHEWSTM
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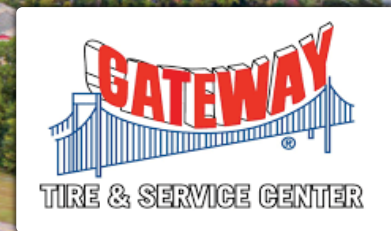
EXECUTIVE OVERVIEW

LEASE & LOCATION HIGHLIGHTS

- **Commitment to Location** – AutoZone has successfully operated at this location since 2003 and in 2020 the tenant extended the lease early for an additional 6 years showing their commitment to the site and market. There are currently ±12 years remaining on the base term. Additionally, there are Three, 5-year renewal options with a 5% rent increase in Option 1 and a 10% increase in Options 2 & 3.
- **Early Extension** – AutoZone just recently extended their lease 5-years early, further proving their commitment to the location and market
- **Fee Simple Investment** – Most AutoZone properties are subject to a ground lease whereas the owner is not able to depreciate the building. The subject property is offered as a fee simple investment and the owner of the property receives the benefit of depreciation.
- **Below Market Rent** – The subject property is paying just \$10.70 / SF. According to CoStar market rent is \$13.50 / SF
- **Cheap Price Point** – Price at just \$1.2M this is one of the cheapest AutoZone properties currently on market
- **Ideal Location** – AutoZone is strategically located along Highway 51 in the main retail pocket of Atoka. Traffic counts on Highway 51 exceed 17,400 vehicles daily
- **Income Tax-Free State** – Tennessee is one of 7 states without an income tax
- **Memphis Suburb** – Atoka is a northern suburb of Memphis with an average household income of \$88,000 annually, ideal for an automotive retailer such as AutoZone

TENANT HIGHLIGHTS

- **#1 Auto Parts Retail** – AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories with approximately 6,200 locations through the US, Mexico, Puerto Rico, and Brazil.
- **\$26 Billion Dollar Company** – AutoZone has a market cap of \$26 Billion dollars and has proven to be a pandemic resistant tenant
- **Investment Grade Credit Tenant** – AutoZone has an investment grade credit rating of BBB (S&P)



± 17,430 VPD





± 17,430 VPD





**MILLINGTON-MEMPHIS
AIRPORT**
± 7 MILES AWAY



MEMPHIS
± 22 MILES AWAY



\$1,266,055
LIST PRICE



\$69,000
NOI



±0.68 AC
LOT SIZE



5.45%
CAP RATE

BUILDING INFO

Address

11060 Hwy 51 S
Atoka, TN 38004

GLA of Building

± 6,450 SF

Lot Size

± 29,621 SF (± 0.68 AC)

TENANT SUMMARY

Tenant Name	AutoZone
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Roof and Structure	Landlord Responsible
Original Lease Term	15 Years
Rent Commencement	5/5/2003
Lease Expiration Date	12/31/2032
Term Remaining	±12 Years
Increases	5% in Options 1 & 10% in Options 2-3
Options	Three, Five (5) Year Options

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent	Cap Rate
Current - 12/31/2032	\$5,750	\$69,000	5.45%
Extension 1	\$6,000	\$72,000	5.69%
Extension 2	\$6,650	\$79,800	6.30%
Extension 3	\$7,300	\$87,600	6.92%

**Please contact a Barrington Capital
agent for financing options:**

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BARRINGTON CAPITAL
REAL ESTATE FINANCING SERVICES



LEADING RETAILER AND A LEADING DISTRIBUTOR OF AUTOMOTIVE REPLACEMENT PARTS AND ACCESSORIES IN THE U.S.

**±6,200
LOCATIONS**

**±90,000
EMPLOYEES**

**±11.2 B
REVENUE**



For more than 30 years, AutoZone has been committed to providing the best parts, prices, and customer service in the automotive aftermarket industry. To stay out of the no-driving zone, DIY car repairers with auto problems often enter the AutoZone. With more than 6,202 stores in the US and Puerto Rico, AutoZone is the nation's #1 auto parts chain. The company also operates 24 Interamerican Motor Corporation (parts distribution) branches in the US. AutoZone stores sell hard parts (alternators, engines, batteries), maintenance items (oil, antifreeze), accessories (car stereos, floor mats), and non-automotive merchandise under brand names, as well as under private labels. AutoZone's commercial sales program distributes parts and other products to garages, dealerships, and other businesses. [Click here to read about how AutoZone is dedicated to providing exceptional service to its customers and employees through COVID-19.](#)

ATOKA, TN

Atoka is a local government area with a town charter in Tipton County, Tennessee. Atoka is perfectly situated with a small town, community feel and quick access to the Memphis area. Being just north the Shelby County line provides Atokans with a comfortable lifestyle and all of the opportunities available in a major metropolitan area.

Atoka is served by the Tipton County school system and home to Atoka Elementary School – rated as a straight “A” elementary school in Tipton County for the past three years in a row. A quality education system, coupled with a dynamic faith community, outstanding parks and recreational opportunities and safe neighborhoods makes Atoka an ideal town for families and for business.

U.S. Route 51 passes through the western edge of the Town of Atoka, from Shelby County to the south and the town of Brighton to the north. The City of Munford meets the Town of Atoka city limits to the west and in the center of Highway 51. Highway 51 is the route south to Millington, the downtown area of Memphis. and north through Covington, Ripley, and Dyersburg.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 PROJECTION	2,291	15,561	28,521
2020 ESTIMATE	2,271	15,419	28,315
GROWTH 2020-2025	0.20%	0.20%	0.10%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 PROJECTION	795	5,359	9,845
2020 ESTIMATE	788	5,309	9,773
GROWTH 2020-2025	0.20%	0.20%	0.10%

INCOME	1-MILE	3-MILE	5-MILE
AVERAGE HOUSEHOLD INCOME	\$87,118	\$89,075	\$88,003



MEMPHIS, TN

Memphis, Tennessee is the largest city on the Mississippi River. Located within Shelby County, Memphis is a vibrant and historic city. It is the second largest city within Tennessee, and brings in a large amount of tourists because of its famous and historical landmarks. Being only 3 miles from Memphis, Arkansas, it is only a hop, skip, and a jump from the Arkansas/Tennessee boarder.

Known as the “Birthplace of Rock and Roll,” the city holds a significant amount of history within it’s borders. The residents of Memphis take pride in their city, and are usually known as “Memphians.” Although this town has a variety of entertainment to offer. The sports fans of the area love to cheer on the University of Memphis Tigers. As for professional teams, many cheer on the Memphis Grizzlies. The animal lovers enjoy the Memphis Zoo. Memphis has been the zoo’s home for over 100 years and has over 3,500 animals.





MUSIC-THEMED ATTRACTIONS

- Memphis, Home of the blues and Birthplace of Rock 'n' Roll has many must-see music-themed attractions including Beale Street Historic District, Blues Music hall of Fame, Center for Southern Folklore, Graceland (home of Elvis Presley and one of the most visited homes), Gibson Guitar Factory, Memphis Music Hall of Fame, Memphis Rock 'n' Soul Museum, St. Blues Guitar Workshop, Stax Museum of American Soul Music, Sun Studio, and the W.C. Handy home and Museum.

RESTAURANTS

- With approximately 100 barbecue restaurants alone, Memphis is also home to world-famous fine dining, rich soul food, and eclectic dining.

THEATERS AND SMALL THEATERS

- Memphis offers multiple choices when it comes to live entertainment, dance classical concerts and performance art. Of special note is the Orpheum Theatre, Playhouse on the Square, Circuit Playhouse, Theatre Memphis, Hattiloo Theatre, and FedExForum.

ART MUSEUMS

- Memphis is rich with arts, sculpture and painting exhibits offering pieces from Rodin to Renoir. Memphis also offers the Dixon Gallery and Gardens, Memphis Botanic Garden, Memphis Brooks Museum of Art, Metal Museum, Belz Museum of Asian and Judaic Art, and the Cotton Museum at the Memphis Cotton Exchange.

ECONOMY

Because Memphis has been such an important city for transportation and shipping, it is attractive to businesses, especially those producing goods shipped nationwide. **Three Fortune 500 companies, FedEx, AutoZone, and International Paper Co. call Memphis home. These significant businesses have brought a large manufacturing industry.**

Located on the Mississippi River, **Memphis is one of the largest metropolitan areas in the Southeast**, ranking 41st out of the top 75 according to a Department of Labor Release. Of the 40 metropolitan areas ahead of Memphis, only 12 are in the South. The city has historically been one of the largest shipping hubs in the Mid-South, dating back to the Civil War. As transportation methods developed, Memphis has continued to hold significance as a transportation hub. Now the city is home to the second largest cargo airport in the world, Memphis International Airport, and the world's busiest domestic airport with 3.9 million metric tonnes. Memphis International Airport and Memphis have had huge significance in the railroad industry. The city has the 3rd largest rail center in the U.S. behind Chicago and St. Louis. It is also one of only four U.S. cities with five Class 1 railroads.

Many of Memphis's residents are blue-collar, hard workers. The most common industries within this area are Transportation and Warehousing, Construction, and Manufacturing. Within those, the most common occupations are Material Moving, Construction, and Extraction. The unemployment rate has started to decrease with the overall household income increasing since early 2000.



Top City for Low
Cost of Living



#7 City for
Entrepreneurs



#5 Artistic City



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **AutoZone** located at **11060 TN-3, Atoka, TN 38004** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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