

Actual Site



Indianapolis | Indiana



Offering Memorandum

Presented by the Patton | Wiles | Fuller Group of Marcus & Millichap



Indianapolis | Indiana

Exclusively Listed by the Patton | Wiles | Fuller Group
of Marcus & Millichap:

Dustin Javitch

First Vice President Investments
Net Leased Properties Group
Cleveland Office
P: (216) 264-2025
Dustin.Javitch@marcusmillichap.com
License: OH SAL.2012000193

Craig Fuller

Senior Managing Director
National Retail Group
Cleveland Office
P: (216) 264-2043
Craig.Fuller@marcusmillichap.com
License: OH SAL.2008001551

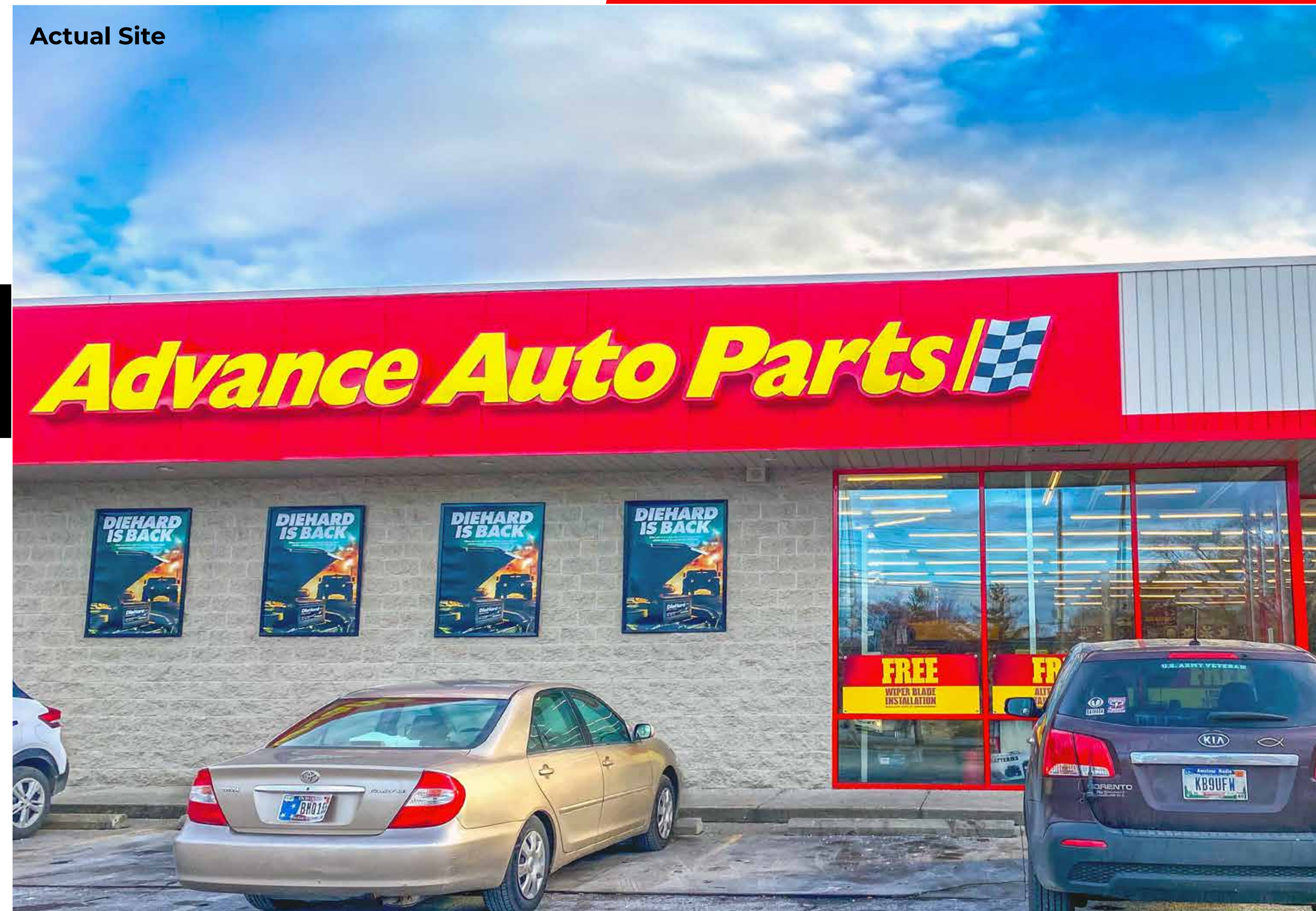
Erin Patton

Senior Managing Director
National Retail Group
Columbus Office
P: (614) 360-9035
Erin.Patton@marcusmillichap.com
License: OH SAL.2004010274

Scott Wiles

Senior Managing Director
National Retail Group
Cleveland Office
P: (216) 264-2026
Scott.Wiles@marcusmillichap.com
License: OH SAL.2005013197

Actual Site



Executive Summary

Offering Price

\$784,000

Cap Rate7.50%

Price/SF\$112.00

Current Annual Rent\$58,800

Gross Leasable Area7,000 SF

Year Built1999

Lot Size0.86 Acres



4105 E. Washington Street
Indianapolis | IN 46201



Lease Summary

Legal Tenant	Advance Auto Parts	Lease Expiration Date	12/31/2024
Lease Type	Double Net	Remaining Lease Term	4 Years
Roof & Structure	Landlord Responsible	Renewal Options	One, 5-Year
Ownership Interest	Fee Simple	Rent Increases	In the Renewal Options
Lease Guaranty Type	Corporate Guaranty	Sales Reporting	Yes, Annually
Guarantor Entity	Advance Stores Company, Inc	Right of First Refusal	None
Lease Commencement Date	December 22, 1998		

Rent Schedule

BASE TERM	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
-----------	-------------	--------------	---------	----------

Current - 12/31/2024	\$58,800	\$4,900	\$8.40	7.50%
----------------------	----------	---------	--------	-------

OPTION TERMS	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
--------------	-------------	--------------	---------	----------

Option #3 (5 Years)	\$82,082	\$6,840	\$11.73	10.47%
---------------------	----------	---------	---------	--------

Option #4 (5 Years)	\$87,828	\$7,319	\$12.55	11.20%
---------------------	----------	---------	---------	--------

Landlord/Tenant Responsibilities

Roof & Structure	Landlord Responsible
Parking Lot, Driveway, Sidewalk, Curb Replacement	Landlord Responsible
HVAC Repairs & Maintenance	Tenant Responsible
HVAC Repairs or Replacement (Over \$500)	Tenant and Landlord Equally Responsible
Real Estate Taxes	Tenant Reimburses
Property Insurance	Tenant Reimburses
Liability Insurance	Tenant Responsible
Common Area Maintenance	Tenant Responsible



Indianapolis | Indiana

Actual Site



Investment Highlights



- 7,000 Square Foot Advance Auto Parts in Indianapolis, IN
- Four Years Remaining on Recently Extended Lease
- Tenant Has Been Operating Successfully at This Location for Over 22 Years
- Cheap Rent in Place at \$8.40/SF
- Tenant is Operating Under a 5% Rent to Sales Ratio (Based on 2019 Sales Figures)
- Significant Rental Increase in the Next Renewal Option
- Tenant is Responsible for Taxes, Insurance, and Common Area Maintenance
- All-Brick Construction Building with Ample Parking
- Dense Infill Location | 18,037 Residents in 1-Mile Radius | 243,45 Residents in 5-Mile Radius
- Positioned Along E Washington Street with Easy Access & Visibility to 25,680 Cars per Day
- Located Three Miles from Downtown Indianapolis | Two Million Residents in the Indianapolis MSA
- Surrounding Retailers Include Save-A-Lot, CVS Pharmacy, O'Reilly Auto Parts, Wendy's, Taco Bell, Long John Silvers and Many More
- Advance Auto Parts is a Publicly Traded Company (NYSE:AAP) | Ranked #330 on Fortune 500 | Investment Grade Credit Rating of BBB-

5-MI
Demographics



243,457
Total Population



\$53,852
Average Household Income



5.1%
Population Growth Since 2010



99,959
Households



Parcel Map





Arsenal Technical
High School
2,000+ Students



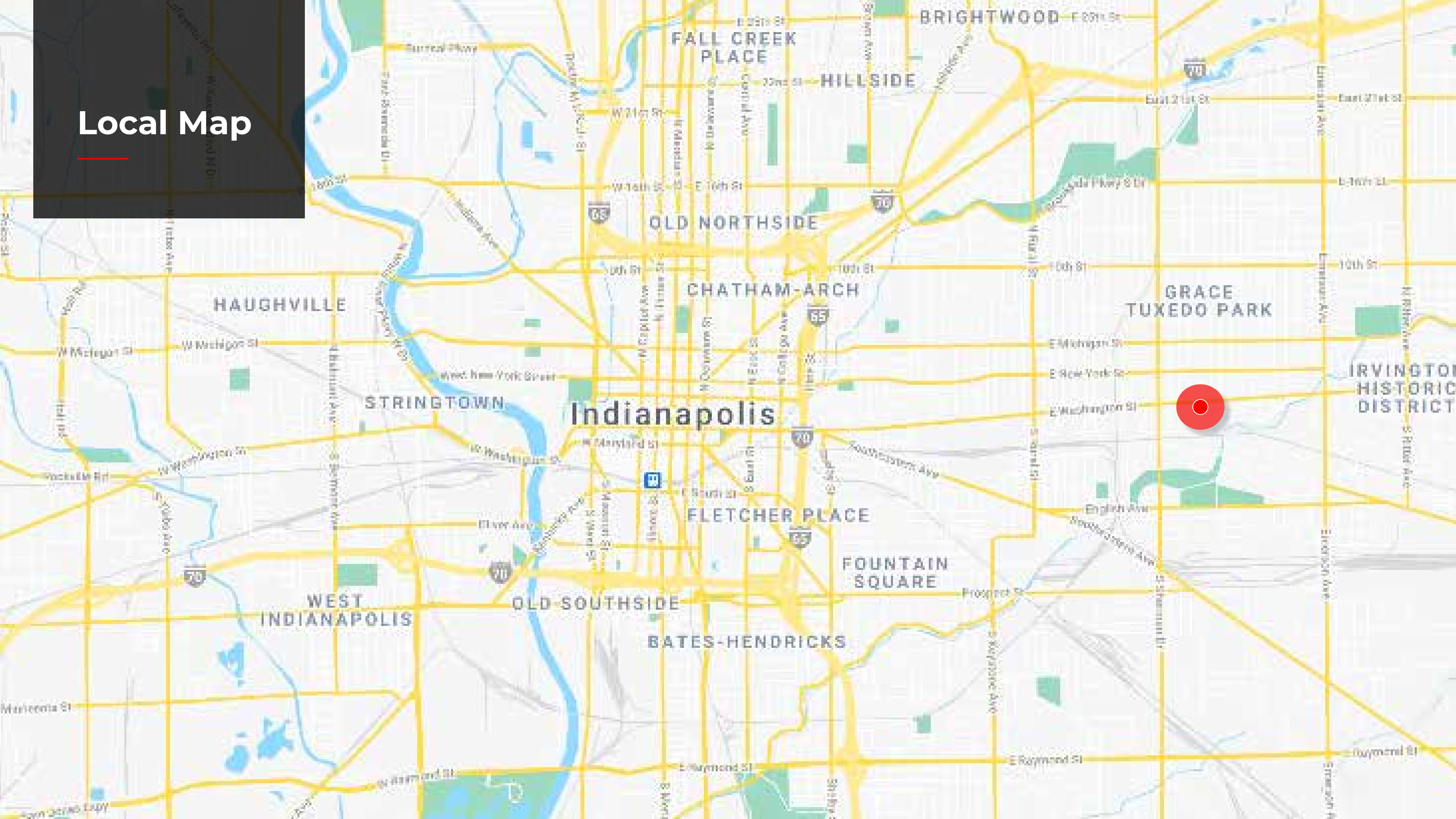
25,680 VPD - E. Washington St.



Thomas Carr Howe
High School
640+ Students

George W. Julian School
170+ Students

Local Map



Advance Auto Parts





Tenant Overview

Advance Auto Parts, Inc. provides automotive replacement parts, accessories, batteries, and maintenance items for domestic and imported cars, vans, sport utility vehicles, and light and heavy duty trucks. The company offers battery accessories; belts and hoses; brakes and brake pads; chassis and climate control parts; clutches and drive shafts; engines and engine parts; exhaust systems and parts; hub assemblies; ignition components and wires; radiators and cooling parts; starters and alternators; and steering and alignment parts. It also offers air conditioning chemicals and accessories; air fresheners; antifreeze and washer fluids; electrical wires and fuses; electronics; floor mats, seat covers, and interior accessories; hand and specialty tools; lighting products; performance parts; sealants, adhesives and compounds; tire repair accessories; vent shades, mirrors and exterior accessories;

washes, waxes and cleaning supplies; and wiper blades. In addition, the company offers air filters; fuel and oil additives; fuel filters; grease and lubricants; motor oils; oil filters; part cleaners and treatments; and transmission fluids for engine maintenance. Further, it offers battery and wiper installation; engine light scanning checking; electrical system testing; video clinic; oil and battery recycling; and loaner tool program services. Advance Auto Parts, Inc. operates its stores under the Advance Auto Parts, Autopart International, Carquest, and Worldpac brand names. As of December 28, 2019, it operated 4,877 stores and 160 branches in the United States, Puerto Rico, the U.S. Virgin Islands, and Canada; and served 1,253 independently owned Carquest branded stores in Mexico, the Bahamas, Turks and Caicos, and the British Virgin Islands. The company was founded in 1929 and is based in Raleigh, North Carolina.

BBB-
S&P Credit Rating

AAP
Stock: NYSE

\$9.9 BILLION
Annual Revenue

Public
Ownership

67,000
Employees

5,000+
Locations

\$3.549 Billion
Net Worth

\$486.896 Million
Net Income

Advance Auto Parts

Demographics

Population	1 MI	3MI	5MI
2020 Estimate Total Population	18,037	105,613	243,457
2025 Projection Total Population	17,805	105,309	243,444
2010 Census Total Population	17,350	100,794	231,620

Population 25+ by Education Level	1 MI	3MI	5MI
Total Population Age 25+	11,943	72,216	162,961
Grade K - 8	5.9%	4.9%	4.2%
Grade 9 - 12	18.5%	16.9%	14.7%
High School Graduate	33.1%	31.9%	33.2%
Associates Degree	6.3%	5.9%	6.4%
Bachelor's Degree	13.5%	14.4%	14.1%
Graduate Degree	4.4%	8.2%	7.8%
Some College, No Degree	15.9%	16.2%	18.3%
No Schooling Completed	2.4%	1.7%	1.4%

Population by Gender			
2019 Estimate Total Population	18,037	105,613	243,457
Female Population	8,781	51,624	123,159
Male Population	9,256	53,989	120,297

Households by Income	1 MI	3MI	5MI
2020 Estimate			
\$25,000 - \$34,999	13.2%	11.9%	11.9%
\$35,000 - \$49,999	14.5%	14.2%	14.9%
\$50,000 - \$74,999	18.3%	16.5%	17.4%
\$75,000 - \$99,999	8.4%	8.7%	9.0%
\$100,000 - \$124,999	3.7%	4.9%	5.1%
\$125,000 - \$149,999	1.5%	2.7%	2.7%
\$150,000 or More	3.2%	4.4%	4.3%

Average Household Income	\$46,569	\$53,634	\$53,852
Median Household Income	\$34,678	\$36,412	\$37,930

Households by Income	1 MI	3MI	5MI
Population By Age			
Age 15 - 19	5.3%	5.2%	6.0%
Age 20 - 24	6.1%	6.6%	7.7%
Age 25 - 34	16.2%	17.6%	17.0%
Age 35 - 44	14.1%	13.6%	12.5%
Age 45 - 54	13.6%	13.3%	12.7%
Age 55 - 64	12.5%	12.3%	12.0%
Age 65 - 74	6.2%	6.9%	7.3%
Age 75 - 84	2.8%	3.3%	3.7%
Age 85 +	0.9%	1.4%	1.6%

Households	1 MI	3MI	5MI
2020 Estimate Total Households	7,144	42,812	99,959
2025 Projection Total Households	7,093	43,234	101,108
2010 Census Total Households	6,901	40,502	94,620
2020 Owner Occupied Total Households	78.3%	80.7%	83.3%
2020 Renter Occupied Total Households	3,918	22,728	53,565



Indianapolis, Indiana

Location Overview

The Indianapolis metro houses the state capitol and is a growing tech hub. Situated in central Indiana, the market consists of 11 counties: Marion, Johnson, Hamilton, Boone, Hendricks, Morgan, Hancock, Shelby, Brown, Putnam and Madison. The metro lacks formidable development barriers, except for the several rivers and creeks that traverse the region. Marion County is home

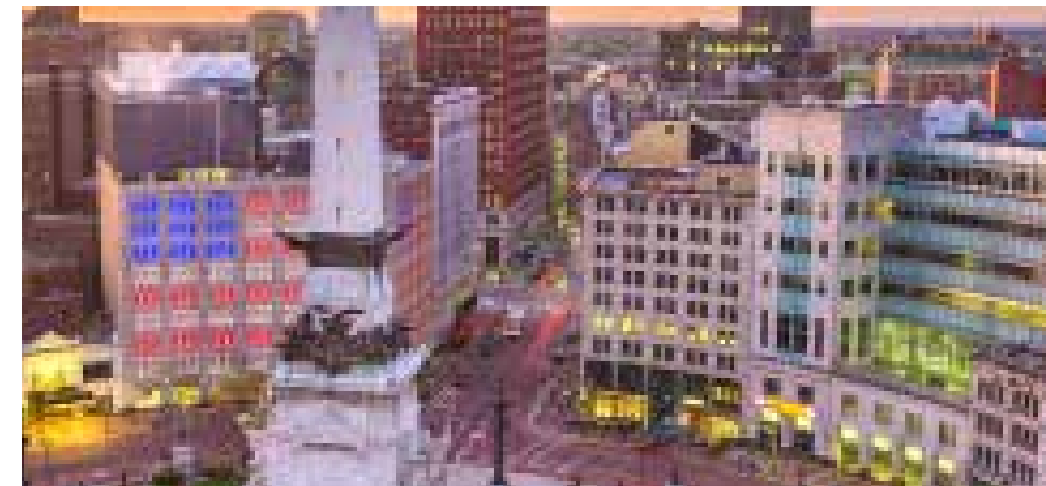
to Indianapolis, which contains a population of approximately 863,200 people. Fishers in Hamilton County is the second most populous with more than 93,300 residents. Most of the surrounding counties are rural, offering builders ample land for residential and commercial development. Population growth is primarily concentrated to the northern suburbs and west of the city.

Economy

- Indianapolis' economy has diversified from manufacturing into a variety of other industries, including a growing tech sector underpinned by Salesforce.com.
- The metro is one of the key health-sciences centers in the nation, anchored by several pharmaceutical and life-sciences companies, including Eli Lilly and Roche Diagnostics.
- A well-developed interstate network and accessibility to a large portion of the nation in one day by ground or air make the region a burgeoning logistics and distribution hub.
- Indianapolis hosts three Fortune 500 firms: Anthem, Eli Lilly and Simon Property Group.

Demographics

- The metro is expected to add almost 86,000 people through 2024, which will result in the formation of nearly 36,400 households, generating demand for housing.
- A median home price below the national level has produced a homeownership rate of 59 percent, which is slightly above the national rate of 57 percent.
- Roughly 33 percent of people age 25 and older hold bachelor's degrees; among those residents, 12 percent also have earned a graduate or professional degree.





Indianapolis | Indiana



Exclusively Listed By the Patton | Wiles | Fuller Group of Marcus & Millichap:

Dustin Javitch

First Vice President Investments
Net Leased Properties Group
Cleveland Office
P: (216) 264-2025
Dustin.Javitch@marcusmillichap.com
License: OH SAL.2012000193

Craig Fuller

Senior Managing Director
National Retail Group
Cleveland Office
P: (216) 264-2043
Craig.Fuller@marcusmillichap.com
License: OH SAL.2008001551

Erin Patton

Senior Managing Director
National Retail Group
Columbus Office
P: (614) 360-9035
Erin.Patton@marcusmillichap.com
License: OH SAL.2004010274

Scott Wiles

Senior Managing Director
National Retail Group
Cleveland Office
P: (216) 264-2026
Scott.Wiles@marcusmillichap.com
License: OH SAL.2005013197

Marcus & Millichap
PATTON | WILES | FULLER GROUP