

Marcus & Millichap



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# OFFERING MEMORANDUM

*Pep Boys | New 10-Year Extension | Income Tax Free State*

**6022 Gunn Hwy,  
Tampa, FL. 33625**



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*Pep Boys | New 10-Year Lease  
Extension | INCOME TAX FREE  
STATE  
Tampa, FL. 33625  
ACT ID ZAC0310063*

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Ryan Nee  
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# Investment Highlights

**PRICE: \$1,553,043 | CAP: 5.75% | RENT: \$89,300**

- *Newly Executed Lease Extension, 10-Year Double-Net (NN+) Lease*
- *Corporate Lease- Guaranteed by Pep Boys Parent Company Icahn Automotive Group LLC*
- *Landlord Responsibilities Limited to Roof and Structure*
- *Transferrable Roof Warranty in Place with 14-Years Remaining*
- *Eight Percent Escalations Each Five-Year Period*
- *Tenant Renewal Options: Three (3), Five-Year Options*
- *Features High-Visibility and Ease of Access*
- *Located at a Signalized intersection with Strong Traffic Counts*
- *Situated in the Citrus Park Sub-Community of Tampa*
- *Available For Purchase with adjacent 7-Eleven (See Assemblage Pricing Page 7)*
- *National Tenants in the Immediate Area include: 7-Eleven, Walmart, T-Mobile, Walgreens, Burger King, Dollar General, Autozone, Advance Auto Parts, CVS, Bank of America and Many More*

## About The Brand

- *Automotive Aftermarket Retail and Service Chain with 1,000+ locations*
- *9,000 Service Bays in Approximately 1,000 Locations*
- *Acquired by Icahn Automotive Group LLC in 2016*
- *Headquartered in Philadelphia, Pennsylvania*
- *NYSE Stock Symbol: PBY*



# Investment Summary

Marcus & Millichap is pleased to present this exclusive listing of a freestanding Pep Boys located at 6022 Gunn Hwy, Tampa, FL. Situated in the Citrus Park sub-market of Tampa, the surrounding corridors feature top-rated schools, quality housing and top living conditions for developing families. The site constructed originally in 2015 consists of 4,988 rentable square feet of building space and sits on an approximately 0.69 acre parcel of land. Pep Boys is subject to a newly executed lease extension with 10 years on the initial term. The starting base rent is \$89,300 with 8.0% increases each five-year period. There are three five-year tenant renewal options with 8.0% rental increases in each of the five-year option periods, extending the total possible lease term to 25 years.

## General Information

Founded: 1921

Website: <https://www.pepboys.com/>

Headquarters: Philadelphia, Pennsylvania

Number of Locations: 900+

## A History Of Where It Started

The Pep Boys story began in 1921, when four Navy buddies spotted an emerging market for auto supplies stores. Each of them chipped in \$200 to open the first Pep Boys location in Philadelphia, Pennsylvania.

Over the past decade, Pep Boys has focused on the development of service and tire centers within its existing markets as its primary growth strategy. Today, the company has expanded to include "Speed Shops" within its retail stores, catering to the growing number of car enthusiasts. In 2012, Pep Boys created a new service and retail customer experience referred to as "The Road Ahead," which features customer lounges and a diverse retail product assortment. Today, Pep Boys remains one of the most widely known aftermarket auto parts and service brands in the country.

Through more than 900 location in the U.S. and Puerto Rico, Pep Boys offers service, tires, auto parts, fleet services, and commercial parts services. In 2016, Pep Boys was acquired by Icahn Automotive Group LLC, which was formed by its parent, Icahn Enterprises L.P., to invest in and operate businesses involved in aftermarket parts distribution and service.



# Property Summary

## THE OFFERING

Property	Pep Boys   New 10-Year Lease
Property Address	6022 Gunn Hwy Tampa, FL 33625
Price	\$1,553,043
Capitalization Rate	5.75%
Price/SF	\$311.36

## PROPERTY DESCRIPTION

Year Built / Renovated	2015
Gross Leasable Area	4,988 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	0.69 Acres

## LEASE SUMMARY

Property Subtype	Net Leased Auto Service - Gas/Conv
Tenant	Pep Boys
Rent Increases	8% Each Five Year Period
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	July 29, 2015
Lease Expiration	January 31, 2031
Lease Term	16
Term Remaining on Lease (Years)	10.0
Renewal Options	Three Five-Year Options
Landlord Responsibility	Roof & Structure
Tenant Responsibility	Taxes, Insurance & Maintenance
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

### INCOME

Net Operating Income	\$89,300
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## RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$89,300	\$7,442	\$17.90	5.75%
Year 6	\$96,444	\$8,037	\$19.34	6.21%
Option 1	\$104,159	\$8,680	\$20.88	6.71%
Option 2	\$112,492	\$9,374	\$22.55	7.24%
Option 3	\$121,492	\$10,124	\$24.36	7.82%





# Assemblage Pricing

*Marcus & Millichap is pleased to present this assemblage opportunity located within the Citrus Park Sub-market of Tampa, FL. Renowned for strong schools, quality housing and year over year growth; the surrounding corridors have exhibited tremendous consistency throughout recent years. 7-Eleven and Pep Boys both recently extended their initial lease terms early showing strong commitment to each location from the respective tenants. Each respective property may be purchased individually or as an assemblage featuring premier frontage on Gunn Hwy and close proximity to the local Walmart.*

Property Name:	Address	Lot Size (Acres)	Net Operating Income (NOI)	Price	CAP Rate
7-Eleven Ground Lease (9-Year Lease Extension)	6016 Gunn Hwy, Tampa, FL	2.63 Acres	\$105,600	\$2,177,319	4.85% CAP
Pep Boys (10-Year Lease Extension)	6022 Gunn Hwy, Tampa, FL	0.69 Acres	\$89,300	\$1,553,043	5.75% CAP
Summary:		3.32 Acres	\$194,900	\$3,730,362	5.3% Blended CAP



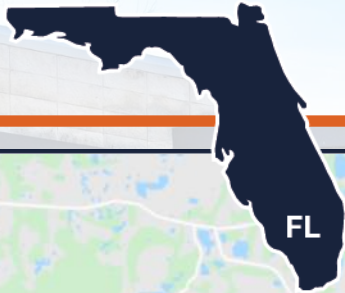


# Property Photos

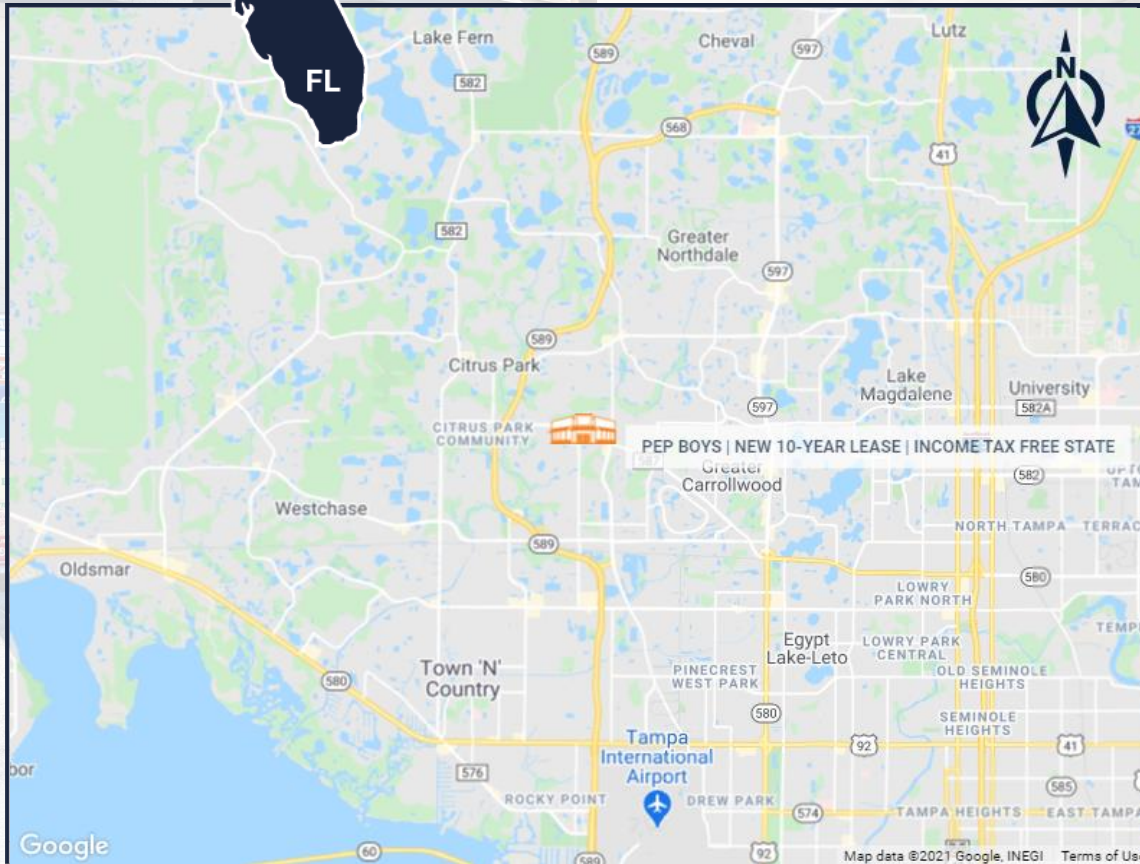




# Regional Map



6022 Gunn Hwy, Tampa, FL. 33625



CLOSE PROXIMITY TO:



Airport



Hospital



Downtown



Major Highway



Shopping Center

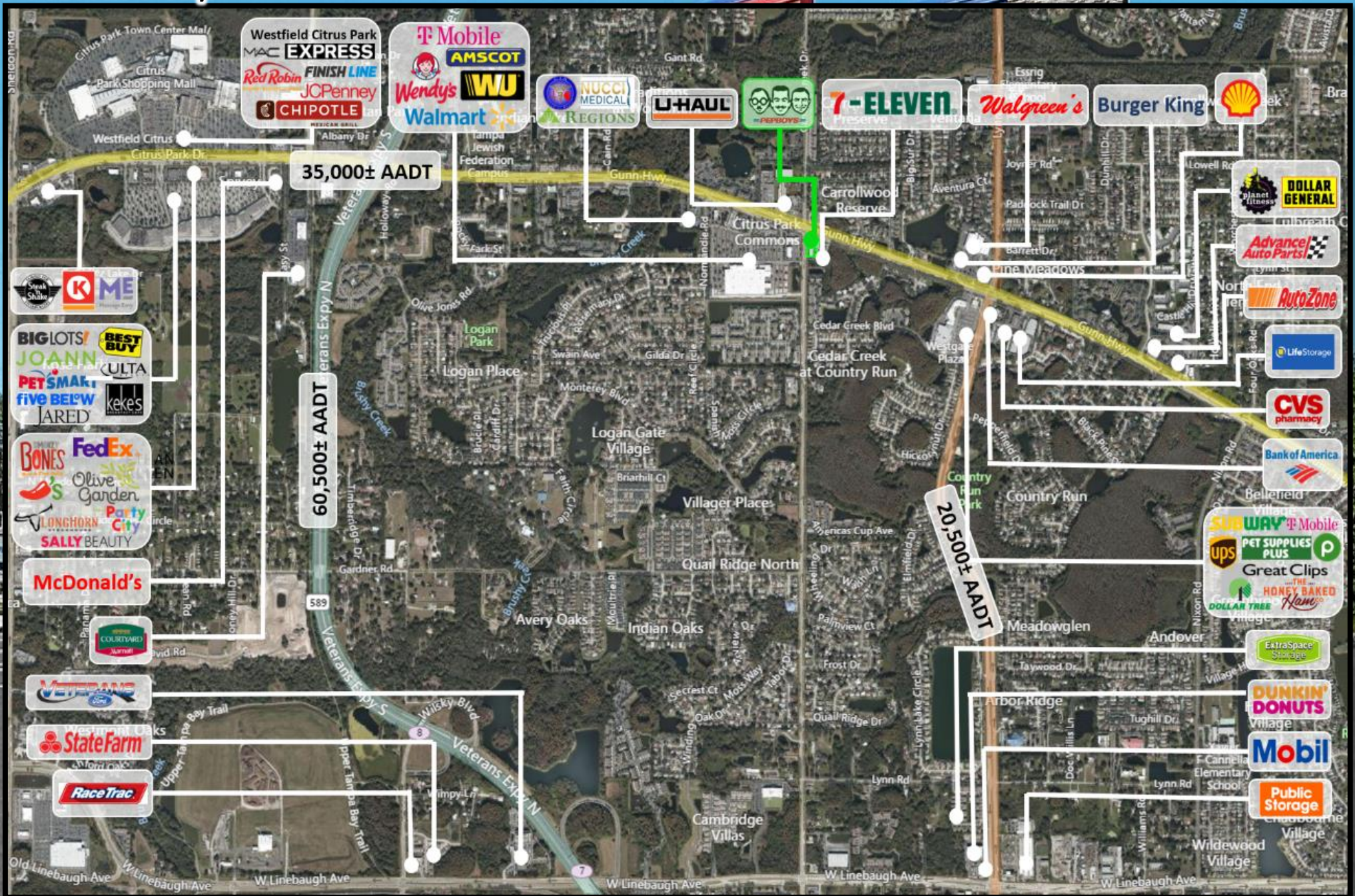
- Strong Demographics
- Proximity to Major Retailers
- Excellent Access and Visibility
- Strategic Location on Major Arterial Hwy
- Strong Residential, Industrial and Trade

*Situated on a hard-corner in Tampa, FL; the subject property caters to the local residents and tourists alike coming to enjoy the history and adventures that await throughout the city of Tampa.*





# Aerial Map





# Local Map





# Demographics

Created on February 2021

POPULATION	1 Miles	3 Miles	5 Miles
2025 Projection			
Total Population	18,973	103,187	260,058
2020 Estimate			
Total Population	17,735	97,941	248,945
2010 Census			
Total Population	15,094	85,636	221,507
2000 Census			
Total Population	12,613	78,432	196,018
Current Daytime Population			
2020 Estimate	8,988	89,125	226,302
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2025 Projection			
Total Households	7,047	41,341	102,655
2020 Estimate			
Total Households	6,584	39,038	97,772
Average (Mean) Household Size	2.69	2.51	2.54
2010 Census			
Total Households	5,596	33,844	86,198
2000 Census			
Total Households	4,721	30,186	76,218
Occupied Units			
2025 Projection	7,047	41,341	102,655
2020 Estimate	6,782	40,188	101,602
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2020 Estimate			
\$150,000 or More	6.35%	11.70%	11.98%
\$100,000 - \$149,000	13.79%	15.66%	14.45%
\$75,000 - \$99,999	14.01%	14.03%	13.05%
\$50,000 - \$74,999	24.13%	20.79%	19.68%
\$35,000 - \$49,999	14.39%	12.63%	13.89%
Under \$35,000	27.33%	25.20%	26.94%
Average Household Income	\$71,504	\$88,908	\$88,258
Median Household Income	\$58,134	\$64,258	\$60,699
Per Capita Income	\$26,544	\$35,464	\$34,708

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$71,462	\$76,081	\$73,952
Consumer Expenditure Top 10 Categories			
Housing	\$19,059	\$20,095	\$19,498
Transportation	\$13,912	\$14,805	\$14,432
Shelter	\$10,921	\$11,518	\$11,176
Food	\$7,943	\$8,279	\$8,061
Personal Insurance and Pensions	\$6,502	\$6,874	\$6,609
Health Care	\$4,846	\$5,308	\$5,134
Utilities	\$3,978	\$4,122	\$4,021
Entertainment	\$2,655	\$2,907	\$2,803
Household Furnishings and Equipment	\$1,978	\$2,106	\$2,036
Apparel	\$1,559	\$1,622	\$1,563
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2020 Estimate Total Population	17,735	97,941	248,945
Under 20	25.72%	22.46%	23.13%
20 to 34 Years	22.10%	19.48%	19.86%
35 to 39 Years	7.85%	7.22%	7.21%
40 to 49 Years	14.44%	14.21%	14.35%
50 to 64 Years	19.22%	21.28%	20.43%
Age 65+	10.66%	15.35%	15.02%
Median Age	36.37	40.62	39.86
Population 25+ by Education Level			
2020 Estimate Population Age 25+	12,124	70,749	177,774
Elementary (0-8)	2.62%	2.02%	2.68%
Some High School (9-11)	6.24%	5.25%	5.98%
High School Graduate (12)	29.59%	26.44%	27.55%
Some College (13-15)	20.73%	19.27%	18.61%
Associate Degree Only	11.19%	10.05%	9.66%
Bachelors Degree Only	19.32%	23.21%	22.18%
Graduate Degree	8.85%	12.66%	12.04%



# Demographics



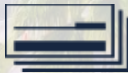
## Population

In 2020, the population in your selected geography is 17,735. The population has changed by 40.61% since 2000. It is estimated that the population in your area will be 18,973.00 five years from now, which represents a change of 6.98% from the current year. The current population is 47.83% male and 52.17% female. The median age of the population in your area is 36.37, compare this to the US average which is 38.21. The population density in your area is 5,651.36 people per square mile.



## Households

There are currently 6,584 households in your selected geography. The number of households has changed by 39.46% since 2000. It is estimated that the number of households in your area will be 7,047 five years from now, which represents a change of 7.03% from the current year. The average household size in your area is 2.69 persons.



## Income

In 2020, the median household income for your selected geography is \$58,134, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 9.29% since 2000. It is estimated that the median household income in your area will be \$66,062 five years from now, which represents a change of 13.64% from the current year.

The current year per capita income in your area is \$26,544, compare this to the US average, which is \$34,935. The current year average household income in your area is \$71,504, compare this to the US average which is \$90,941.



## Race and Ethnicity

The current year racial makeup of your selected area is as follows: 70.53% White, 10.47% Black, 0.05% Native American and 6.29% Asian/Pacific Islander. Compare these to US averages which are: 69.84% White, 12.88% Black, 0.20% Native American and 5.75% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 48.61% of the current year population in your selected area. Compare this to the US average of 18.38%.



## Housing

The median housing value in your area was \$227,765 in 2020, compare this to the US average of \$221,068. In 2000, there were 3,622 owner occupied housing units in your area and there were 1,099 renter occupied housing units in your area. The median rent at the time was \$664.



## Employment

In 2020, there are 2,394 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 75.19% of employees are employed in white-collar occupations in this geography, and 25.70% are employed in blue-collar occupations. In 2020, unemployment in this area is 3.36%. In 2000, the average time traveled to work was 29.00 minutes.



# About Tampa

*With its mix of historic architecture and modern landmarks, a culture infused with Cuban and Spanish flavors, vibrant business districts and beautiful waterways, Tampa is a wonderful place to work, play and unwind. Downtown is alive with urban parks, including the gorgeous Tampa Riverwalk, hip bars and innovative restaurants and amazing restorations of turn-of-the-century buildings.*

*For residents and visitors alike, there's no shortage of things to do in Tampa, whether it's paddling along the Hillsborough River, sampling tequila at a margarita festival, enjoying a pro football or hockey game, riding a thrill-coaster at Busch Gardens or attending an opera at the Straz Center*



*Tampa is known for being a great city for all ages and tastes, offering hotel accommodations that fit any budget and catering to everyone, including families, outdoor adventure seekers, and foodies and wine connoisseurs. Once known as a melting pot for all cultures and settlers, Tampa remains a welcoming place for those seeking fun, opportunity and a chance to try new things.*

*While it's only a short, 30-minute drive to the beaches, Tampa's real strengths lie in its city life. Ybor City, which was created around the Cuba cigar-rolling industry in the late 1800's, is now renowned as a hot nightlife spot, its old red brick buildings now filled with lively music, cocktails and late-night dancing. Downtown is now packed with young condo residents, and with them came a crop of new fusion-cuisine dining options, craft cocktail and beer bars, and regular festivals, concerts and events hosted in the well-kept Curtis Hixon Park.*

*Nearby Hyde park, an upscale shopping and dining district, there are boutique stores and national brands, as well as excellent restaurants and bars. But one of the great things about Tampa is you can venture outside of the urban, metro centers to find plenty to do off the beaten path. If you're into hiking, biking, paddling or bird-watching, hit one of the Tampa area's many parks and preserves, such as Hillsborough River State Park in Thonotosassa or Lettuce Lake Park in North Tampa.*





Marcus & Millichap

***EXCLUSIVE NET LEASE OFFERING***



***PEPBOYS***