



# AUTOZONE GROUND LEASE

ORLANDO, FLORIDA

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$1,624,000 | 3.85% CAP RATE**

- » New 20-Year Absolute NNN Ground Lease to Corporate Tenant (NYSE: "AZO")
- » No Landlord Management
- » 8% Rental Increases in Initial Term and Option Periods
- » High-Traffic Location on Major Orlando Commercial Thoroughfare (32,984 AADT)
- » Strong Customer Base in Rapidly Growing Avalon Park Master Planned Community
  - » Prime Location at Entrance to 40-Acre Spring Isle Mixed Use Development
  - » 138,127 Residents Within Five Miles | High Average Household Income of \$112,181 Within One Mile
  - » Strategically Placed in Spring Isle, a New Mixed-Use Development to Also Feature Chase Bank, CareSpot, and Approximately 90 Housing Units (All Under Construction) Within Avalon Park
- » New Q2 2021 Construction

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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# INVESTMENT SUMMARY

|                          |  |             |               |
|--------------------------|--|-------------|---------------|
| <b>ADDRESS</b>           | Northwest Corner of Avalon Park Boulevard & Golden Isle Boulevard, Orlando, Florida 32828  |             |               |
| <b>PRICE</b>             | <b>\$1,624,000</b>   |             |               |
| <b>CAP RATE</b>          | <b>3.85%</b>   |             |               |
| <b>NOI</b>               | \$62,500   |             |               |
| <b>TERM</b>              | 20 years   |             |               |
| <b>RENT COMMENCEMENT</b> | July 1, 2021   |             |               |
| <b>LEASE EXPIRATION</b>  | July 31, 2041  |             |               |
| <b>RENTAL INCREASES</b>  | 8% rental increases in initial term and option periods   |             |               |
|                          | <b>YEAR</b>  | <b>RENT</b> | <b>RETURN</b> |
|                          | 1-7  | \$62,500    | 3.85%         |
|                          | 8-10   | \$67,500    | 4.16%         |
|                          | 11-15  | \$72,900    | 4.49%         |
|                          | 16-20  | \$78,732    | 4.85%         |
|                          | 21-25 (option 1)   | \$82,668    | 5.09%         |
|                          | 26-30 (option 2)   | \$86,802    | 5.35%         |
|                          | 31-35 (option 3)   | \$91,141    | 5.61%         |
|                          | 36-40 (option 4)   | \$95,698    | 5.89%         |
| <b>YEAR BUILT</b>        | 2021 (under construction)  |             |               |
| <b>BUILDING SF</b>       | ± 7,363 SF   |             |               |
| <b>PARCEL SIZE</b>       | .75 acres (32,516 SF)  |             |               |
| <b>LEASE TYPE</b>        | Absolute NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot |             |               |

## LONG-TERM ABSOLUTE NNN GROUND LEASE TO NATIONAL TENANT

- » 20-year absolute NNN ground lease to AutoZone (NYSE: "AZO")
- » 8% rental increases in initial term and option periods, providing an excellent hedge against inflation
- » Absolute NNN ground lease requires no landlord management, ideal for an out of area investor
- » Tenant is responsible for taxes, insurance, and all maintenance, including roof, structure, and parking lot

## HIGH-TRAFFIC LOCATION ON MAJOR ORLANDO COMMERCIAL THOROUGHFARE

- » Located near the signalized hard-corner of Avalon Park Boulevard and Golden Isle Boulevard, with excellent visibility and access to 32,984 vehicles per day
- » Avalon Park Boulevard is the main route through Avalon Park, an 1,860-acre walkable community with approximately 3,400 single-family units, 1,431 multi-family units, and more than half a million square feet of commercial space
- » The site is strategically placed in Spring Isle, a new mixed-use development to feature Chase Bank, CareSpot, and approximately 90 housing units
- » Within walking distance of Walmart Neighborhood Market, CareSpot (under construction), Chase Bank (under construction), McDonald's, Great Clips, 7-Eleven, Taco Bell, Pep Boys, Burger King, and more
- » Close proximity to several highly attended Orlando schools, including Timber Creek High School (3,476 students) and East River High School (2,043 students)

## STRONG CUSTOMER BASE IN RAPIDLY GROWING COMMUNITY

- » 138,127 residents live within a five-mile radius of the property, providing an extremely large customer base for the site
- » Located in an extremely affluent area, with a high average annual household income of \$112,181 within one mile of the property
- » Projected 14 percent average annual household income increase within one mile of the site in the next five years, poising CareSpot and Orlando for significant concurrent growth

## NEW 2021 CONSTRUCTION IN AN INCOME TAX-FREE STATE

- » High-quality construction expected to be completed in Q2 2021
- » Located in an income tax-free state



FILE PHOTO





ALSO AVAILABLE  
(Under Construction)  
**CareSpot**  
DOWNLOAD OM

K. Hovnanian At Spring Isle  
housing development - 90 units  
(under construction)

**CHASE**  
(Under Construction)



**AutoZone**  
(Under Construction)

Avalon Park Boulevard  
(30,439 AADT)

Golden Isle Boulevard  
(2,545 AADT)







Avalon  
Elementary School  
(933 students)



Timber Lakes  
Elementary School  
(921 students)

Timber Creek  
High School  
(3,476 students)

Town Center at Timber Springs



K. Hovnanian At Spring Isle  
housing development - 90 units  
(under construction)



Golden Isle Boulevard  
(2,545 AADT)

Avalon Park Boulevard  
(30,439 AADT)





Waterford Lakes Town Center



Walgreens

Avalon Park Boulevard  
(30,439 AADT)

Camelot  
Elementary School  
(700 students)

Castle Creek  
Elementary School  
(829 students)

ALSO AVAILABLE  
(Under Construction)

CareSpot  
DOWNLOAD OM

AutoZone  
(Under Construction)

K. Hovnanian At Spring Isle  
housing development - 90 units  
(under construction)

Golden Isle Boulevard  
(2,545 AADT)

CHASE  
(Under Construction)



TIRE CHOICE  
AUTO SERVICE CENTERS

PEPBOYS®





Corner Lake  
Middle School  
(2,043 students)

East River High School  
(2,043 students)



Golden Isle Boulevard  
(2,545 AADT)



K. Hovnanian At Spring Isle  
housing development - 90 units  
(under construction)



Avalon Park Boulevard  
(30,439 AADT)

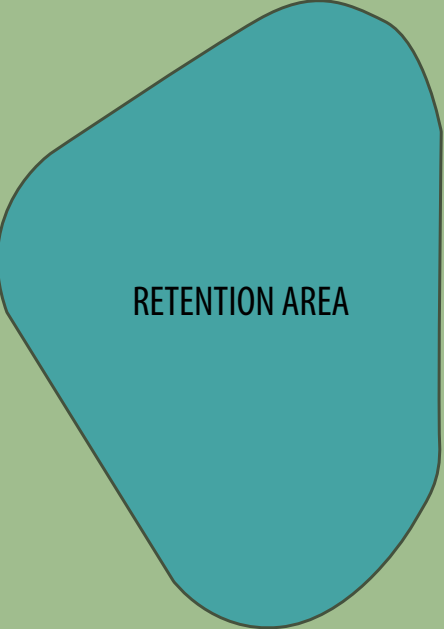





# SITE PLAN

NEW CONSTRUCTION

SPRING PALMS LOOP



RETENTION AREA



± 7,363 SF



CareSpot



CHASE

GOLDEN ISLE BOULEVARD

AVALON PARK SOUTH BOULEVARD





# TENANT SUMMARY



AutoZone, Inc. is the largest retailer and distributor of automotive replacement parts and accessories in the United States. As of August 25th, 2018, AutoZone operated 6,202 stores in the United States, Puerto Rico, Mexico, and Brazil. Founded in 1979, each AutoZone store carries an extensive product line for cars, sport utility vehicles, vans, and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products. AutoZone also sells automotive diagnostic and repair software through ALLDATA, diagnostic and repair information through alldatadiy.com, and auto and light truck parts and accessories through AutoZone.com. Many AutoZone stores have a commercial sales program that provides commercial credit and prompt delivery of parts and other products to local, regional, and national repair garages, dealers, service stations, and public sector accounts. IMC branches carry an extensive line of original equipment quality import replacement parts. AutoZone is traded on the New York Stock Exchange (NYSE: "AZO") and has been a fortune 500 company for the past 20 years.

For more information, please visit [www.autozone.com](http://www.autozone.com).

|                |                    |                       |                    |
|----------------|--------------------|-----------------------|--------------------|
| <b>TICKER</b>  | <b>NYSE: "AZO"</b> | <b># OF LOCATIONS</b> | <b>6,202</b>       |
| <b>REVENUE</b> | <b>\$11.2B</b>     | <b>HEADQUARTERS</b>   | <b>Memphis, TN</b> |

# LEASE ABSTRACT

|                                 |  |   |   |
|---------------------------------|--|---|---|
| <b>TENANT</b>                   | AutoZone Stores, LLC   |   |   |
| <b>ADDRESS</b>                  | <a href="#">Northwest Corner of Avalon Park Boulevard &amp; Golden Isle Boulevard, Orlando, FL</a>                           |   |   |
| <b>RENT COMMENCEMENT</b>        | July 1, 2021   |   |   |
| <b>LEASE EXPIRATION</b>         | July 31, 2041  |   |   |
| <b>RENEWAL OPTIONS</b>          | Four (4) five (5) year options   |   |   |
| <b>RENTAL INCREASES</b>         | <b>YEAR</b><br>1-7<br>8-10<br>11-15<br>16-20<br>21-25 (option 1)<br>26-30 (option 2)<br>31-35 (option 3)<br>36-40 (option 4) | <b>RENT</b><br>\$62,500<br>\$67,500<br>\$72,900<br>\$78,732<br>\$82,668<br>\$86,802<br>\$91,141<br>\$95,698 | <b>RETURN</b><br>3.85%<br>4.16%<br>4.49%<br>4.85%<br>5.09%<br>5.35%<br>5.61%<br>5.89% |
| <b>REAL ESTATE TAXES</b>        | Tenant shall pay all real estate taxes.  |   |   |
| <b>INSURANCE</b>                | Tenant shall pay all insurance costs.  |   |   |
| <b>REPAIR &amp; MAINTENANCE</b> | Tenant shall maintain the Demised Premises and all improvements there-on at Tenant's sole expense.                           |   |   |
| <b>MAINTENANCE BY LANDLORD</b>  | None   |   |   |
| <b>RIGHT OF FIRST REFUSAL</b>   | None   |   |   |



# PROPERTY OVERVIEW

## LOCATION

The property is strategically located at the signalized hard-corner of Avalon Park Boulevard and Golden Isle Drive, with excellent visibility and access to 32,984 vehicles per day. Avalon Park Boulevard is the main route through Avalon Park, an 1,860-acre walkable community with approximately 3,400 single-family units, 1,431 multi-family units, and more than half a million square feet of commercial space. The location is strategically placed in Spring Isle, a new mixed-use development to also feature Chase Bank (under construction), CareSpot (under construction), and approximately 90 housing units (under construction) within Avalon Park. The property is within walking distance of Town Center at Timber Springs—a shopping plaza anchored by Walmart Neighborhood Market—as well as 7-Eleven, Taco Bell, Pep Boys, Burger King, and more. The site also maintains a beneficial proximity to several highly attended Orlando schools, including Timber Creek High School (3,476 students) and East River High School (2,043 students).

The property is centrally located within a rapidly growing area and benefits from a strong customer base. The property is surrounded by residential neighborhoods, and future residential development is planned nearby. Currently, 138,127 residents live within a five-mile radius of the property. Between 2010 and 2018, the population grew by approximately 14 percent within five miles of the property and more than 18 percent within one mile. Current projections show a 14 percent average annual household income increase within one mile of the site in the next five years as well, poising CareSpot and Orlando for significant concurrent growth. Additionally, the surrounding community has affluent demographics, with a high average annual household income of \$112,181 within one mile of the property.

## ACCESS

Access from Avalon Park Boulevard and interparcel access from Golden Isle Drive

## TRAFFIC COUNTS

Avalon Park Boulevard: 30,439 AADT  
Golden Isle Boulevard: 2,545 AADT

## PARKING

24 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2021 (under construction)

## NEAREST AIRPORT

Orlando International Airport (MCO | 18 miles)



FILE PHOTO



**24**  
PARKING  
STALLS



**2021**  
YEAR  
BUILT



**32K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
ORLANDO  
INTERNATIONAL  
AIRPORT



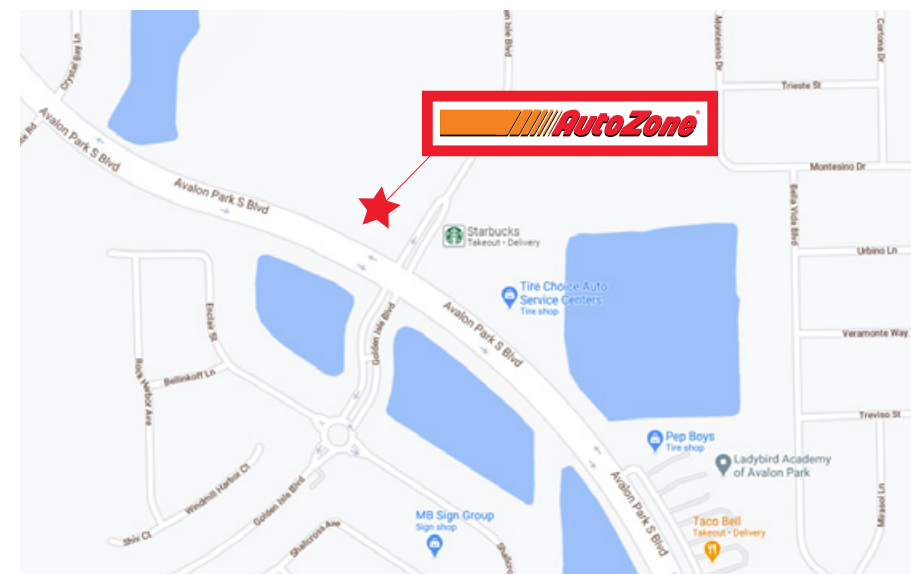
# AREA OVERVIEW

Avalon Park is an 1,860-acre neighborhood located in southeast Orange County, approximately 14 miles east of Downtown Orlando. Avalon Park is a walkable community that includes a mix of housing types, civic uses, office and commercial buildings, and a town center. The area includes approximately 3,400 single-family units, 1,431 multi-family units, and more than half a million square feet of commercial space. Avalon Park has 240 acres of wetlands, 400 acres of upland preserve, 250 acres of man-made lakes, walking and biking trails, and a pool with a cabana located in the center of each neighborhood village.

Orlando, population 285,713, is the fourth largest city in Florida and is the county seat of Orange County. With a population of 1.3 million, Orange County is the fifth most populated county in Florida. Its county seat is Orlando, and Orange County is the central county of the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), also known as Greater Orlando. By population, Greater Orlando is the third largest metropolitan area in Florida and the fifth largest in the southeastern United States, with a population of over 2.5 million. Greater Orlando is best known for its tourism industry, which attracts millions of visitors each year. Famous attractions include Walt Disney World, SeaWorld Orlando, and Universal Orlando. In recent years, Orlando's economy has greatly diversified from tourism, and the area is now considered a primary city for the modeling, simulation, and training (MS&T) industry. As a high-tech industrial hub, Orlando has the largest research park in Florida, Central Florida Research Park. Orlando is targeting the biotechnology and life sciences industries, with major new projects clustering in the Lake Nona Medical City, a 650-acre health and life sciences park. Orlando is also home to the University of Central Florida, the largest university in the United States by undergraduate enrollment, as well as the largest by total enrollment, with over 66,000 students.

- » The Central Florida Research Park (CFRP) is a research park abutting the main campus of the University of Central Florida (UCF) in Orlando, Florida, United States. CFRP is the largest research park in Florida, the fourth largest in the United States by number of companies, and the seventh largest in the United States by number of employees. CFRP is home to numerous centers hosted by the United States Department of Defense, UCF, and private corporations.
- » Serving over 22 million passengers annually, Orlando International Airport is the busiest airport in Florida and the 11th busiest airport in the U.S. by total passenger traffic.
- » Orlando is home to Walt Disney World Resort, which covers 27,258 acres, an area twice the size of Manhattan. The resort is the flagship destination of Disney's worldwide corporate enterprise and is the most visited vacation resort in the world, with an average attendance of over 54 million people annually. Additionally, Disney World is the largest employer in the Orlando MSA and the largest single-site employer in the U.S., with over 74,000 employees.

| MAJOR EMPLOYERS IN ORLANDO MSA             | # OF EMPLOYEES |
|--|----------------|
| WALT DISNEY WORLD RESORT                   | 74,000         |
| UNIVERSAL ORLANDO                          | 20,000         |
| ADVENTIST HEALTH SYSTEM / FLORIDA HOSPITAL | 19,304         |
| ORLANDO HEALTH                             | 15,174         |
| UNIVERSITY OF CENTRAL FLORIDA              | 12,733         |
| LOCKHEED MARTIN                            | 7,000          |
| WESTGATE RESORTS                           | 6,500          |
| SEAWORLD PARKS & ENTERTAINMENT             | 6,032          |
| DARDEN RESTAURANTS                         | 5,221          |
| SIEMENS                                    | 4,448          |





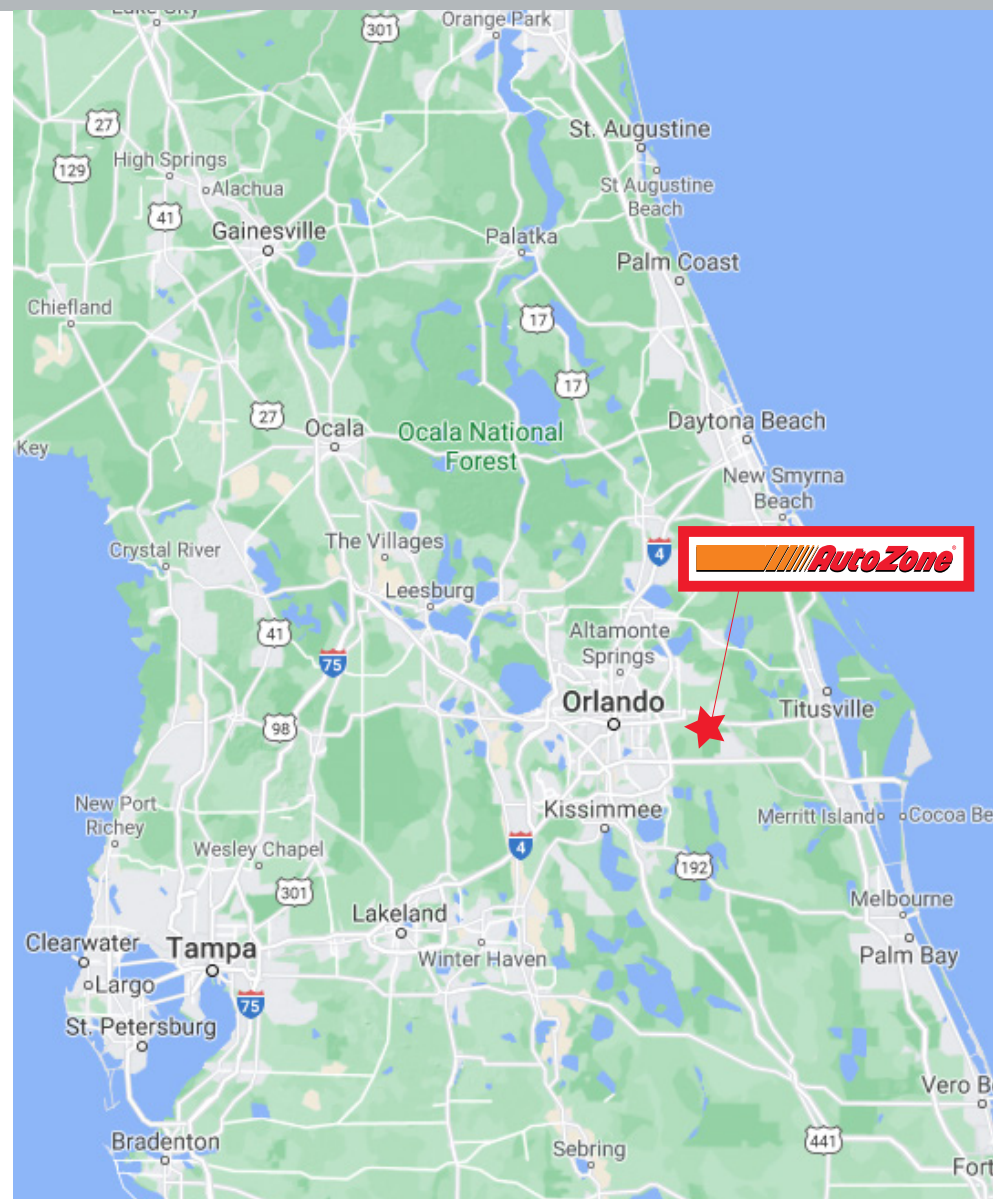
# DEMOGRAPHIC PROFILE

## 2020 SUMMARY

|                                 | 1 Mile           | 3 Miles         | 5 Miles         |
|---------------------------------|------------------|-----------------|-----------------|
| <b>Population</b>               | <b>11,340</b>    | <b>70,517</b>   | <b>138,127</b>  |
| Households                      | 3,384            | 23,943          | 45,141          |
| Families                        | 2,559            | 17,073          | 30,077          |
| Average Household Size          | 3.35             | 2.88            | 2.80            |
| Owner Occupied Housing Units    | 2,422            | 16,369          | 27,454          |
| Renter Occupied Housing Units   | 962              | 7,575           | 17,687          |
| Median Age                      | 32.5             | 33.3            | 30.8            |
| <b>Average Household Income</b> | <b>\$112,181</b> | <b>\$98,633</b> | <b>\$87,687</b> |

## 2025 ESTIMATE

|                                 | 1 Mile           | 3 Miles          | 5 Miles         |
|---------------------------------|------------------|------------------|-----------------|
| <b>Population</b>               | <b>12,113</b>    | <b>75,659</b>    | <b>148,191</b>  |
| Households                      | 3,598            | 25,648           | 48,523          |
| Families                        | 2,717            | 18,240           | 32,271          |
| Average Household Size          | 3.36             | 2.89             | 2.81            |
| Owner Occupied Housing Units    | 2,578            | 17,562           | 29,589          |
| Renter Occupied Housing Units   | 1,021            | 8,086            | 18,934          |
| Median Age                      | 33.3             | 34.4             | 31.8            |
| <b>Average Household Income</b> | <b>\$127,805</b> | <b>\$111,733</b> | <b>\$98,038</b> |



**AVERAGE HOUSEHOLD INCOME OF \$112,181**  
WITHIN ONE MILE



**POPULATION OF 138,127**  
WITHIN FIVE MILES



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