

OFFERING MEMORANDUM

AutoZone NNN Ground Lease | Very Low Rent | \$106K Avg HH Income



ACTUAL PHOTO

575 NEW RD, SOMERS POINT, NJ 08244

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Absolute Triple Net AutoZone Ground Lease located at 575 New Road in Somers Point, New Jersey. The freestanding single-tenant property consists of a 6,000 Square Foot building situated on a .93 Acre parcel of land.

The property is located on Route 9, a major North-South thoroughfare which provides great visibility to over 17,000 vehicles daily. The subject property is also a quick drive from Atlantic City, the seaside gaming and resort capital of the East Coast which sees over 27 million visitors a year, making it one of the most popular tourist destinations in the United States. Additionally, the property is located just minutes from the Garden State Parkway, New Jersey's largest highway system, and Stainton Memorial Causeway. Stainton Memorial Causeway is a major East-West throughfare which allows commuters to travel to Ocean City, the home to New Jersey's famous boardwalks and beaches. The immediate trade area is home to Walgreens, McDonalds, West Marine, PetSmart, Verizon, Dunkin, TD Bank, Big Lots and many others. Somers Point is also home to Shore Medical Center - the largest employer in Somers Point, with 1,500 Employees, 370 Physicians and 296 Beds; Atlantic Cape Community with 6,000+ Students; and Richard Stockton College of Education with 8,893 Students.

AutoZone executed a 15 Year Absolute NNN Ground Lease in 2015 and has just under 10 years remaining in its initial term with three five-year options to extend. The lease is a corporate guaranteed lease backed by AutoZone (NYSE:AZO).

AutoZone, Inc. is an American retailer of aftermarket automotive parts and accessories, the largest in the United States. Founded in 1979, AutoZone has over 6,400 stores across the United States, Mexico, Puerto Rico and Brazil. The company is based in Memphis, Tennessee.

INVESTMENT HIGHLIGHTS

- Credit Tenant | NYSE: AZO \$33B+ Market Cap
- Absolute NNN Ground Lease | No Landlord Responsibility
- Priced Below Replacement Cost | Large 6,000 SF Building on .93 Acres of Land
- Average Household Income Exceeds \$106,000 in a 3 Mile Radius
- Very Low Effective Rent of \$12.50 Per Sf | Rents Well Below Market
- Tenant Prohibited From Demolishing the Building at The End of the Lease
- Quick 20 Minute Drive from Atlantic City, the Seaside Gaming and Resort Capital of the East Coast Which Sees Over 27 Million Visitors a Year
- AutoZone is Considered an Essential Tenant

THE OFFERING

**AutoZone****575 New Road****Somers Point, New Jersey 08244**

PROPERTY DETAILS

Lot Size	40,511 SF (0.93 Acres)
Rentable Square Feet	6,000 SF
Price/SF	\$301.20
Year Built	2015

FINANCIAL OVERVIEW

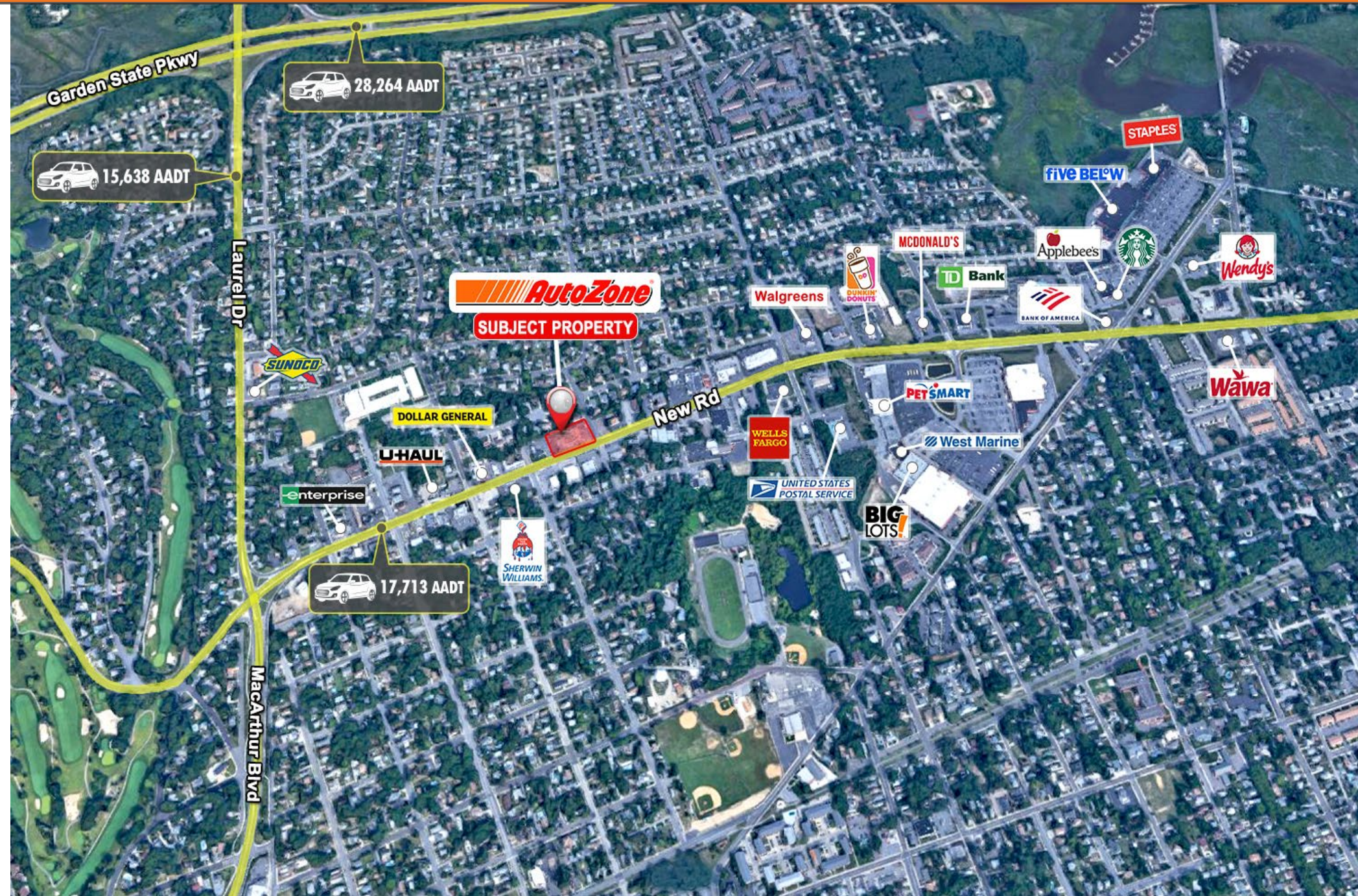
List Price	\$1,807,228
Down Payment	100% / \$1,807,228
Cap Rate	4.15%
Type of Ownership	Ground Lease

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
09/15/2015 - 09/30/2030	\$6,250	\$75,000
10/01/2030 - 09/30/2035 (Option 1)	\$6,875	\$82,500
10/01/2035 - 09/30/2040 (Option 2)	\$7,563	\$90,750
10/01/2040 - 09/30/2045 (Option 3)	\$8,319	\$99,825
Base Rent (\$12.50 / SF)		\$75,000
Net Operating Income		\$75,000.00
TOTAL ANNUAL RETURN	CAP 4.15%	\$75,000

LEASE ABSTRACT

Tenant Trade Name	Autozone
Tenant	Corporate
Ownership	Public (NYSE: AZO)
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	15 Years
Lease Commencement Date	09/15/2015
Rent Commencement Date	09/15/2015
Expiration Date of Base Term	09/30/2030
Increases	Flat for Remainder of Base Term and 10% Increase in Each Option Period
Options	Three Five-Year Options
Term Remaining on Lease	9+ Years
Property Type	Net Leased Auto Parts
Landlord Responsibility	None
Tenant Responsibility	All
Right to Demolish	No





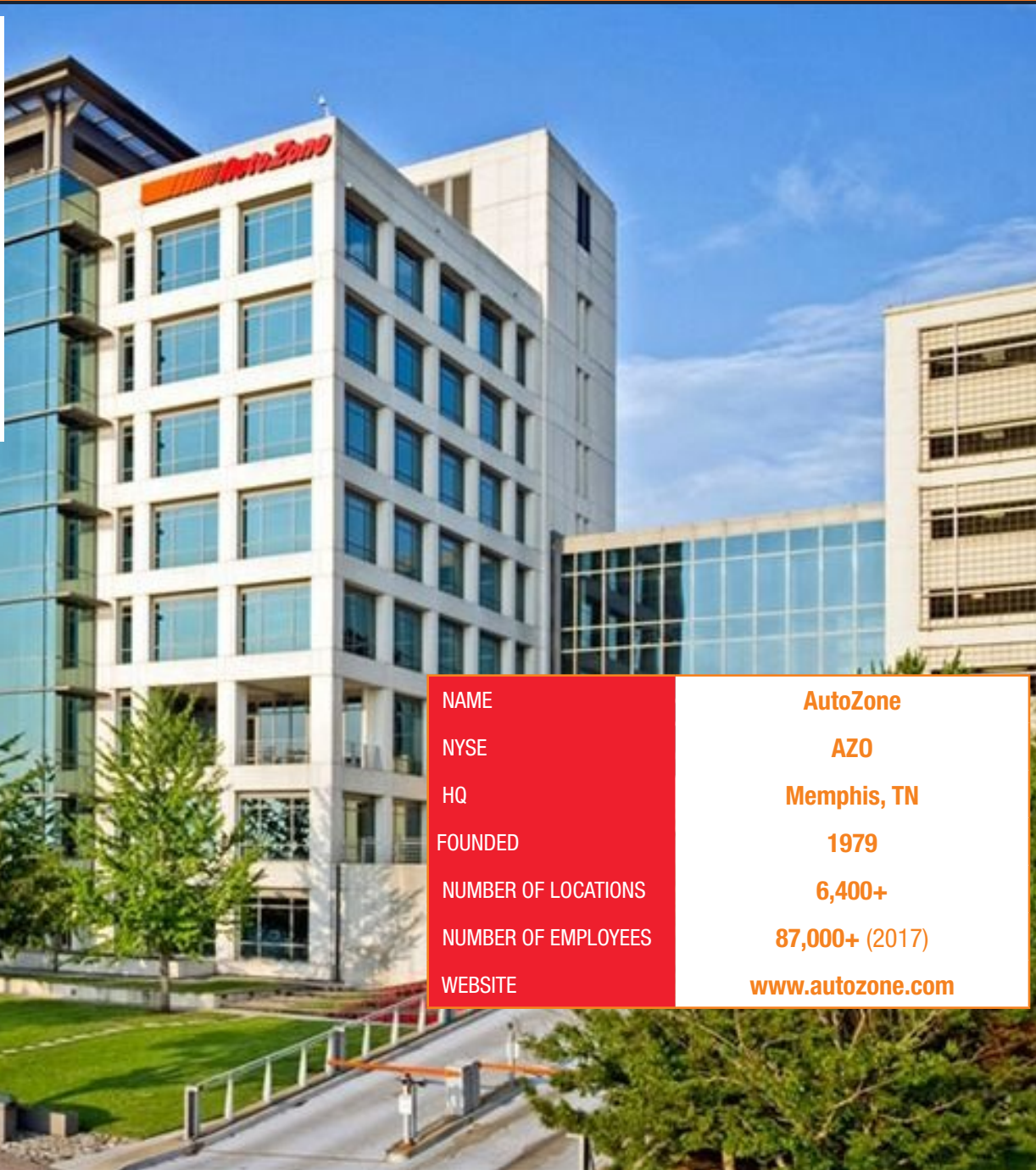


ABOUT

For more than 37 years, AutoZone has been committed to providing the best parts, prices and customer service in the automotive aftermarket industry. We have a rich culture and history of going the Extra Mile for our customers and our community.

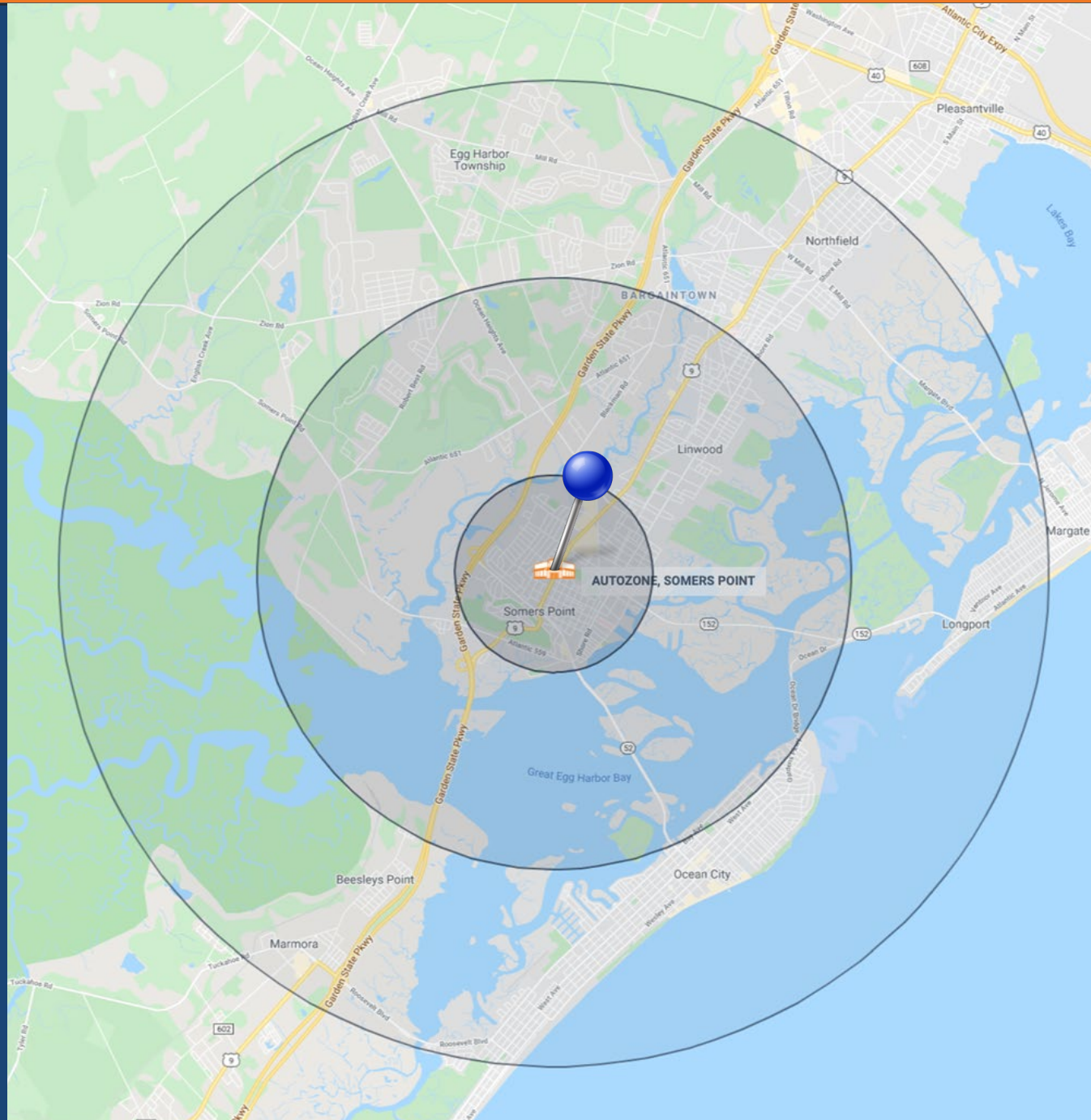
Today, AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories in the U.S.

Founded in 1979, AutoZone has over 6,400 stores across the United States, Mexico, Puerto Rico and Brazil. The company is based in Memphis, Tennessee.



NAME	AutoZone
NYSE	AZO
HQ	Memphis, TN
FOUNDED	1979
NUMBER OF LOCATIONS	6,400+
NUMBER OF EMPLOYEES	87,000+ (2017)
WEBSITE	www.autozone.com

	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	9,417	23,692	58,210
2020 Estimate	9,468	23,763	58,327
2010 Census	9,772	24,598	60,162
2000 Census	10,568	25,232	58,205
INCOME			
Average	\$78,077	\$106,774	\$114,381
Median	\$60,911	\$75,347	\$81,299
Per Capita	\$33,407	\$42,630	\$47,027
HOUSEHOLDS			
2025 Projection	4,032	9,477	23,922
2020 Estimate	4,049	9,481	23,937
2010 Census	4,144	9,715	24,452
2000 Census	4,409	9,853	24,008
HOUSING			
2020	\$239,073	\$256,439	\$284,854
EMPLOYMENT			
2020 Daytime Population	10,421	23,895	55,854
2020 Unemployment	5.53%	5.05%	4.78%
2020 Median Time Traveled	25	25	25
RACE & ETHNICITY			
White	76.31%	83.26%	84.56%
Native American	0.09%	0.04%	0.03%
African American	10.99%	6.77%	5.19%
Asian/Pacific Islander	3.56%	3.46%	4.62%



GEOGRAPHY: 5 MILE



POPULATION

In 2020, the population in your selected geography is 58,327. The population has changed by 0.21% since 2000. It is estimated that the population in your area will be 58,210.00 five years from now, which represents a change of -0.20% 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 47.15, compare this to the US average which is 38.21. The population density in your area is 741.66 people per square mile.



HOUSEHOLDS

There are currently 23,937 households in your selected geography. The number of households has changed by -0.30% since 2000. It is estimated that the number of households in your area will be 23,922 five years from now, which represents a change of -0.06% from the current year. The average household size in your area is 2.43 persons.



INCOME

In 2020, the median household income for your selected geography is \$81,299, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 63.74% since 2000. It is estimated that the median household income in your area will be \$92,990 five years from now, which represents a change of 14.38% from the current year.

The current year per capita income in your area is \$47,027, compare this to the US average, which is \$34,935. The current year average household income in your area is \$114,381, 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: 84.56% White, 5.19% Black, 0.03% Native American and 4.62% 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 8.02% 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 \$284,854 in 2020, compare this to the US average of \$221,068. In 2000, there were 17,605 owner occupied housing units in your area and there were 6,403 renter occupied housing units in your area. The median rent at the time was \$626.



EMPLOYMENT

In 2020, there are 27,252 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 61.04% of employees are employed in white-collar occupations in this geography, and 38.82% are employed in blue-collar occupations. In 2020, unemployment in this area is 4.78%. In 2000, the average time traveled to work was 25.00 minutes.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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