



# ADVANCE AUTO PARTS (HUB STORE)

GULFPORT, MISSISSIPPI

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

**\$3,648,000 | 5.25% CAP RATE**

- » 10-Year Corporate Guaranteed Net Lease with Scheduled Rental Increases (NYSE: "AAP")
- » Rare Super Hub Store Location
  - » Serves as a Retail Store that Also Stocks and Distributes Inventory for Regional Advance Auto Parts Locations as Well
- » High-Traffic, Growing Gulfport Location
  - » Population of 63,614 Within Five Miles of the Property
  - » High-Visibility Location Along U.S. Route 49/25th Avenue (42,000 AADT)
- » Central Location Near Major Employers, Retailers, and Community Hubs
  - » Location Surrounded by a Strong Mix of Local and National Retailers, Including Walmart Supercenter, AT&T, Lowes, National Auto Sales Circle K, O'Reilly Auto Parts, Burger King, Popeyes and Many More

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>	2911 25th Avenue, Gulfport, MS 39501		
<b>PRICE</b>	<b>\$3,648,000</b>		
<b>CAP RATE</b>	<b>5.25% return</b>		
<b>NOI</b>	\$191,500		
<b>TERM</b>	10 years		
<b>RENT COMMENCEMENT</b>	September 16, 2021		
<b>LEASE EXPIRATION</b>	September 30, 2031		
<b>RENTAL INCREASES</b>	7.5% rental increases every five years during options		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-10	\$191,500	5.25%
	11-15 (Option 1)	\$205,862	5.64%
	16-20 (Option 2)	\$221,302	6.07%
	21-25 (Option 3)	\$237,900	6.52%
<b>YEAR BUILT</b>	2021		
<b>BUILDING SF</b>	11,000 SF		
<b>PARCEL SIZE</b>	.94 acres (40,946 SF)		
<b>LEASE TYPE</b>	Net, with tenant responsible for all taxes, insurance and maintenance, excluding structure		

## NEW 10-YEAR CORPORATE GUARANTEED NET LEASE WITH SCHEDULED RENTAL INCREASES

- » 10-year, corporate guaranteed lease to investment grade tenant rated “BBB-” by S&P and “Baa2” by Moody’s
- » 7.5% rental increases in option periods, providing an excellent hedge against inflation
- » Advance Auto Parts operates over 6,500 stores in the U.S., Puerto Rico, the Virgin Islands, and Canada
- » Advance Auto Parts has grown from 2,872 stores in 2005 to 6,500+ locations in 2021
- » \$10.1 billion generated in 2020 revenue

## RARE STRATEGIC SUPER HUB STORE LOCATION

- » Location serves as a retail store that also distributes and stocks inventory for regional Advance Auto Parts locations
- » Larger inventory with wider variety, featuring 15,000 additional stock-keeping units not offered in other stores
- » One of only 420+ hub stores – strategic location

## HIGH-VISIBILITY AND GROWING LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » High-traffic location along U.S. Route 49/25th Avenue, which experiences a traffic count of 42,000 vehicles per day
- » Excellent location next to a major commuter corridor, with close proximity to single-family developments
- » Population of 63,614 within five miles of the property, providing a large customer base for the site
- » Location surrounded by a strong mix of local and national retailers, including Walmart Supercenter, AT&T, Lowes, National Auto Sales Circle K, O’Reilly Auto Parts, Burger King, Popeyes and many more
- » Beneficial proximity to major Gulfport tourist attractions, including Mississippi Aquarium and Island View Casino Resort
- » Projected nine percent average annual household income increase within five miles of the site in the next five years



FILE PHOTO



GULFPORT HARBOR



Jones Park



Blazin' Cajun Seafood

28th Street  
(9,400 AADT)



25th Avenue  
(42,000 AADT)



Advance Auto Parts  
(Under Construction)

Bazarrian Park





MISSISSIPPI CITY

GULFPORT HARBOR



Captain Al's

Ben's Deli

Bridal and Formal  
Boutique House and Tux

28th Street  
(9,400 AADT)



Bazarian Park

25th Avenue  
(42,000 AADT)



Blazin' Cajun  
Seafood





Gulfport-Biloxi  
International Airport

Crossroads Center

**Belk**

**PET SMART**

**TJ-maxx**

**FIVE BELOW**

**Walmart**  
Supercenter

**BURGER KING**

**Arby's**

**McDonald's**

**ihop**

**Waffle House**

**Lowe's**

**Goodwill**

Bazarrian Park

**O'Reilly AUTO PARTS**  
PROFESSIONAL PARTS PEOPLE

Blazin' Cajun  
Seafood

**at&t**

**Advance Auto Parts**  
(Under Construction)

**CIRCLE K**

28th Street  
(9,400 AADT)

**49**  
125th Avenue  
(42,000 AADT)

**GULFPORT PREMIUM OUTLETS**  
A SIMON CENTER

**Applebee's**  
GRILL & BAR

**Wendy's**

**FAMILY DOLLAR**  
my family, my family dollar.

# SITE PLAN

30TH STREET

SIGN

**Advance/  
Auto Parts**

11,000 SF

U.S. HIGHWAY 49/25TH AVENUE

# TENANT SUMMARY



Advance Stores Company, Inc., the major subsidiary of Advance Auto Parts, Inc. (NYSE: "AAP"), wholesales and retails automotive parts and maintenance items. In the retail segment, its stores offer a selection of brand name and proprietary automotive products for domestic and imported cars, and light trucks. These stores carry between 16,000 and 21,000 stock keeping units. Advance Auto Parts, Inc. is the largest North American retailer of automotive aftermarket parts, accessories, batteries, and maintenance items, primarily operating within the United States. Headquartered in Roanoke, Virginia, Advance Auto Parts, Inc. serves both the do-it-yourself and professional installer markets.

The company operates over 6,500 stores, over 100 Worldpac branches, and serves approximately 1,300 independently owned Carquest branded stores in the United States, Puerto Rico, the Virgin Islands, and Canada. It employs approximately 74,000 people. For the fiscal year ended December 31, 2020, Advance Auto Parts, Inc. reported revenue of \$10.1 billion, up from \$9.6 billion in 2018.

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

<b>TICKER</b>	<b>NYSE: "AAP"</b>	<b>LOCATIONS</b>	<b>6,500</b>
<b># OF EMPLOYEES</b>	<b>74,000</b>	<b>HEADQUARTERS</b>	<b>Irvine, CA</b>

# LEASE ABSTRACT

<b>TENANT</b>	Advance Stores Company, Incorporated		
<b>GUARANTOR</b>	Advance Stores Company, Incorporated		
<b>ADDRESS</b>	<a href="#">2911 25th Avenue, Gulfport, MS 39501</a>		
<b>RENT COMMENCEMENT</b>	September 16, 2021		
<b>LEASE EXPIRATION</b>	September 30, 2031		
<b>RENEWAL OPTIONS</b>	Three (3) five (5) year options		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3)	<b>RENT</b> \$191,500 \$205,862 \$221,302 \$237,900	<b>RETURN</b> 5.25% 5.64% 6.07% 6.52%
<b>REAL ESTATE TAXES</b>	Tenant shall reimburse Landlord for all real estate taxes.		
<b>INSURANCE</b>	Tenant shall, at its sole cost and expense, obtain and maintain property insurance covering the Leased Premises in an amount not less than the full replacement cost thereof, with such deductibles and retentions as determined by Tenant in its sole and absolute discretion.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant shall maintain each and every portion of the Leased Premises, including the roof and HVAC, except for the slab, foundation, and structure.		
<b>UTILITIES</b>	Tenant agrees to pay the charges and all required deposits for all utility services furnished to and used by Tenant in the Leased Premises.		
<b>MAINTENANCE BY LANDLORD</b>	Landlord is responsible for maintaining the slab, foundation, and structure of the Leased Premises.		
<b>RIGHT OF FIRST REFUSAL</b>	None		

# PROPERTY OVERVIEW

## LOCATION

The property features a high-traffic location near U.S. Route 49/25th Avenue, which experiences a traffic count of 42,000 vehicles per day. The site is located in a greatly populated area, with a population of 63,614 within five miles of the location, providing an extremely large customer base for the site. The location benefits from its setting in a growing and affluent area, with a projected nine percent average annual household income increase within five miles of the site in the next five years. The property also features an excellent location in a major commuter corridor, with close proximity to several high-density single-family developments.

Visibility is increased by the property's location near large employers, retailers, and community hubs. The site is surrounded by a strong mix of local and national retailers, including Walmart Supercenter, AT&T, Lowes, National Auto Sales Circle K, O'Reilly Auto Parts, Burger King, Popeyes, and many more. The site is also located near major Gulfport tourist attractions including Mississippi Aquarium and Island View Casino Resort.

## ACCESS

Access from U.S. Route 49/25th Avenue and 30th Street

## TRAFFIC COUNTS

U.S. Route 49/25th Avenue: 42,000 AADT  
28th Street: 9,400 AADT

## PARKING

37 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2021

## NEAREST INTERNATIONAL AIRPORT

Gulfport-Biloxi International Airport (GPT | 2 miles)



**37**  
PARKING  
STALLS



**2021**  
YEAR BUILT



**42K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
GULFPORT-BILOXI  
INTERNATIONAL  
AIRPORT

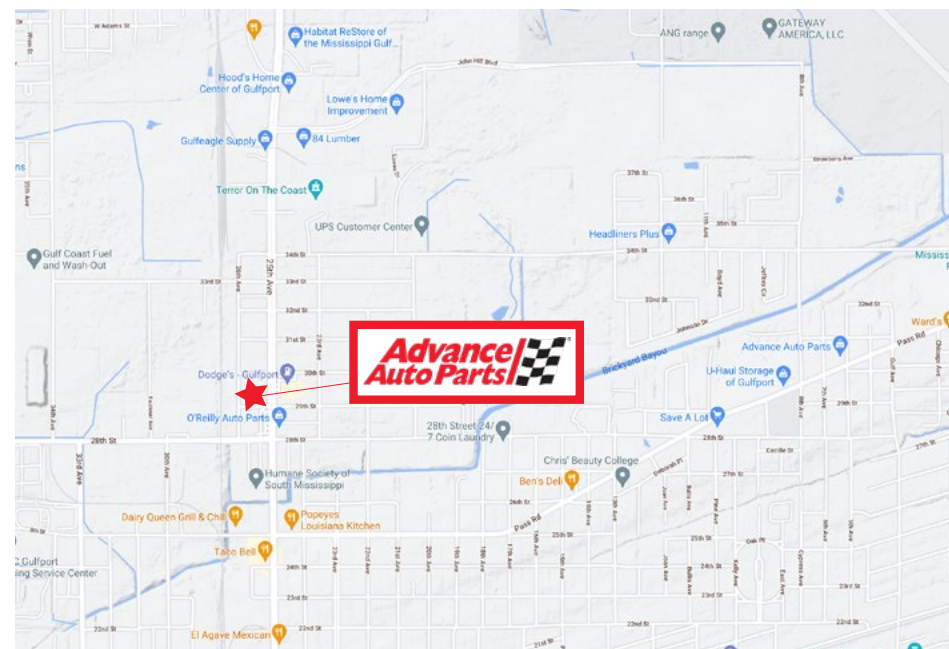
# AREA OVERVIEW

Gulfport is the second-largest city in Mississippi after the state capital, Jackson, located in Harrison County. As of 2019 Gulfport is home to 71,705 residents with a median age of 35 and property value of \$120,00. Gulfport is a thriving residential community with a strong mercantile center. There are historic neighborhoods and home sites, as well as diverse shopping opportunities and several motels scattered throughout to accommodate golfing, gambling, and water-sport tourism. Gulfport is also home to the Island View Casino, one of twelve casinos on the Mississippi Gulf Coast. With approximately 6.7 miles of white sand beaches along the Gulf of Mexico, Gulfport has become a tourism destination, due in large part to Mississippi's coast casinos.

Harrison County is located in Mississippi and is the second-most populous county in Mississippi. As of the 2010 census, the population was 187,105. Its county seats are Biloxi and Gulfport. In 2018, Harrison County, MS had a population of 203,000 people with a median age of 36. Between 2017 and 2018 the population of Harrison County grew 1.06 percent and its median household income grew by 1.97 percent. In 2018, total outbound Mississippi trade was \$198B. This is expected to increase 66.9% to \$331B by 2045. The U.S. Coast Guard operates nine boats out of the port of Gulfport, four of which are Patrol Boats. The Gulfport station has 110 members which include Active, Reserve, and Coast Guard Auxiliary.

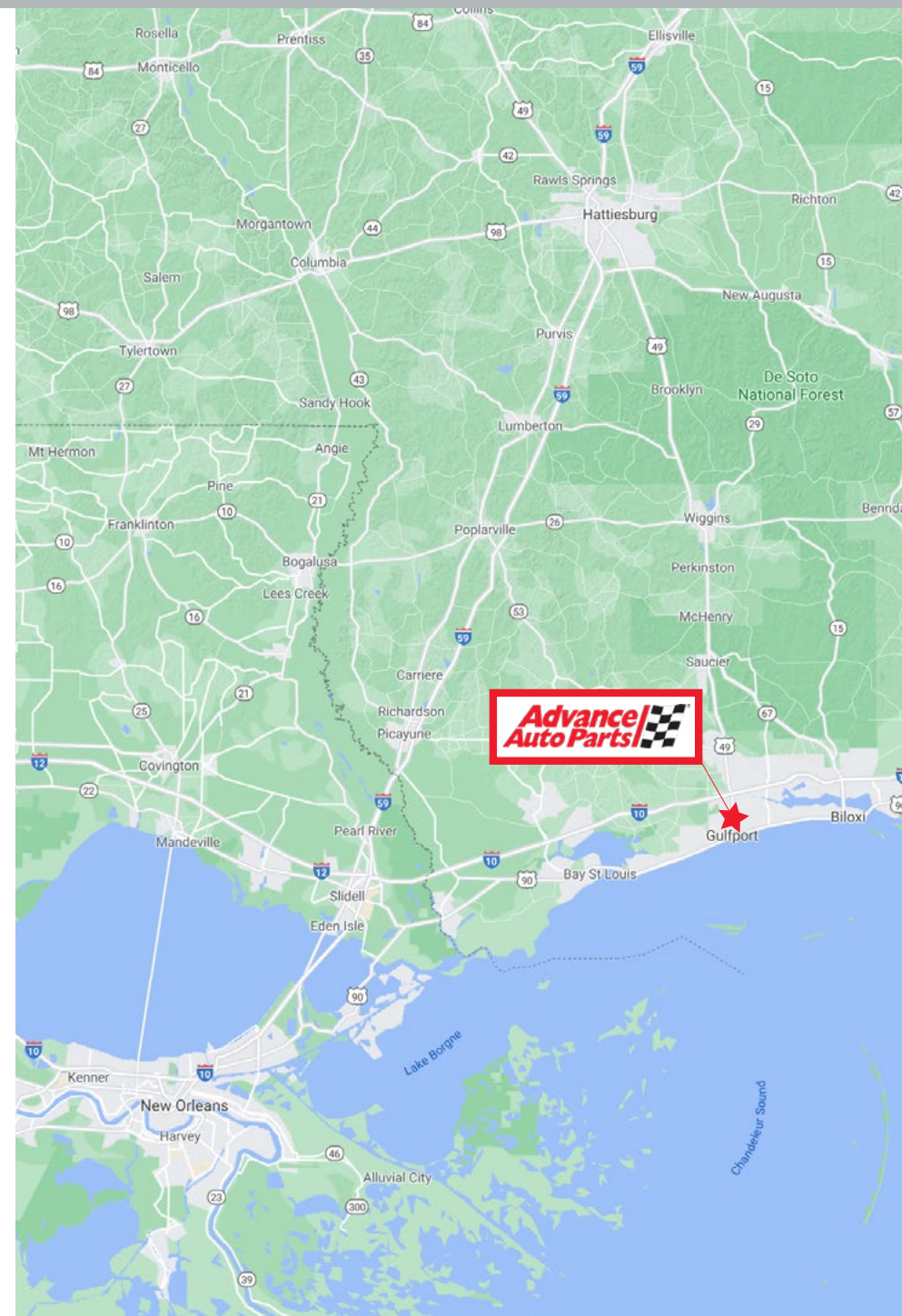
- » Along with Biloxi, Gulfport is the other county seat of Harrison County and the larger of the two principal cities of the Gulfport-Biloxi, Mississippi Metropolitan Statistical Area.
- » Gulfport, Mississippi is the chief port in the state, with access to the Gulf of Mexico through a ship channel.
- » Tourism accounts for over 25% of Gulfport's total economy and the center is positioned to increase tourist knowledge of Gulfport's many activities and growing family attractions.

LARGEST EMPLOYERS IN JACKSON COUNTY, FL	# OF EMPLOYEES
HEALTHCARE & SOCIAL ASSISTANCE	4,143
ACCOMMODATION & FOOD SERVICES	3,255
ARTS, ENTERTAINMENT & RECREATION	2,408
RETAIL TRADE	3,881
PUBLIC ADMINISTRATION	1,995
CONSTRUCTION	1,880
EDUCATION SERVICES	1,707
TRANSPORTATION & WAREHOUSING	1,395
ADMINISTRATIVE & SUPPORT	1,261
OTHER SERVICES, EXCEPT PUBLIC ADMINISTRATION	1,401



# DEMOGRAPHIC PROFILE

2020 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>3,514</b>	<b>29,129</b>	<b>63,614</b>
Households	1,450	11,235	24,706
Families	771	6,708	15,478
Average Household Size	2.38	2.50	2.50
Owner Occupied Housing Units	420	4,576	12,477
Renter Occupied Housing Units	1,030	6,660	12,229
Median Age	33.8	34.8	36.8
<b>Average Household Income</b>	<b>\$27,736</b>	<b>\$41,314</b>	<b>\$59,320</b>
2025 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>3,606</b>	<b>29,804</b>	<b>65,605</b>
Households	1,492	11,503	25,522
Families	784	6,812	15,857
Average Household Size	2.37	2.50	2.50
Owner Occupied Housing Units	419	4,638	12,832
Renter Occupied Housing Units	1,073	6,864	12,690
Median Age	33.3	35.6	37.5
<b>Average Household Income</b>	<b>\$29,809</b>	<b>\$44,447</b>	<b>\$64,693</b>



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