



# AUTOZONE GROUND LEASE

CHARLOTTE, NORTH CAROLINA

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$2,192,000 | 3.65% CAP RATE**

- » New 20-Year Absolute NNN Guaranteed Ground Lease to Corporate Tenant (NYSE: "AZO")
- » No Landlord Management
- » Scheduled Rental Increases in Primary Term and Options Periods to Hedge Against Inflation
- » High-Traffic Location in Densely Populated and Growing Area
- » Dynamic Retail Location Between Two Highly-Trafficked Thoroughfares – I-85 (156,000 AADT) and University City Boulevard (53,800 AADT)
- » Dense Five-Mile Population of 209,827 Residents and a Five-Mile AHHL of \$68,931 (Both Expected to Grow Significantly Within Next Five Years)
- » Central Location Near Large Retailers and Schools
  - » 1.5 Miles from University of North Carolina at Charlotte Campus (30,000+ Students and 3,000+ Faculty) and Surrounded by Several Other Schools
- » New 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.

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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>	217 Brookside Lane, Charlotte, NC 28262		
<b>PRICE</b>	<b>\$2,192,000</b>		
<b>CAP RATE</b>	<b>3.65%</b>		
<b>NOI</b>	\$80,000		
<b>TERM</b>	20 years		
<b>RENT COMMENCEMENT</b>	December 2021		
<b>LEASE EXPIRATION</b>	December 2041		
<b>RENTAL INCREASES</b>	7% rental increases in year 11, 20, and all option periods		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-10	\$80,000	3.65%
	11-20	\$85,600	3.91%
	Option 1 (21-25)	\$91,592	4.18%
	Option 2 (26-30)	\$98,003	4.47%
	Option 3 (31-35)	\$104,864	4.78%
	Option 4 (36-40)	\$112,204	5.12%
<b>YEAR BUILT</b>	2021		
<b>BUILDING SF</b>	7,380 SF		
<b>PARCEL SIZE</b>	0.91 acres (39,639 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 GUARANTEED GROUND LEASE TO NATIONAL TENANT

- » 20-year absolute NNN ground lease to AutoZone (NYSE: "AZO")
- » New 2021 construction featuring latest AutoZone store prototype
- » Absolute NNN ground lease requires no landlord management, ideal for an out of area investor
- » No landlord management, ideal for an out of area investor

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED AND GROWING AREA

- » Located at the intersection of Brookside Lane and North Tryon Street (61,300 AADT), a main north/south arterial and commuter corridor for Charlotte
- » Directly adjacent to Charlotte's Blue Line Light Rail (\$1.6B project running from I-485 to downtown Charlotte)
- » Dynamic retail location between two highly trafficked thoroughfares – I-85 (156,000 AADT) and University City Boulevard (53,800 AADT)
- » Dense five-mile population of 209,827 residents and five-mile AHHL of \$68,931 (both expected to grow significantly within next five years)
- » Surrounded by dense neighborhoods and student housing developments for University of North Carolina at Charlotte

## CENTRAL LOCATION NEAR LARGE RETAILERS AND COMMUNITY HUBS

- » 1.5 miles from University of North Carolina at Charlotte campus (30,000+ students and 3,000+ faculty) and surrounded by several other schools
- » Dynamic retail location surrounded by national tenants such as IKEA, Walmart Supercenter, Hobby Lobby, Ulta, Marshalls, Burlington, TJ Maxx, Home Depot, Target, TopGolf, and countless others
- » Two miles from the 150-acre, 2 million square foot Wells Fargo Customer Information Center (9,000+ employees)
- » One mile from Atrium Healthy University Center (130-bed acute care hospital)
- » Surrounded by numerous new developments including retail, residential/student housing, industrial, and schools, creating further traffic drivers for the site



FILE PHOTO



Interstate 85  
(156,000 AADT)

University City Boulevard  
(53,800 AADT)



Julius L. Chambers High School  
(2,017 students)

James Martin Middle School  
(725 students)



Allstate  
You're in good hands.

WELLS  
FARGO

Marshalls  
HOBBY  
LOBBY

Walmart  
Supercenter



Burlington  
coat factory  
T.J. maxx

AutoZone  
(under construction)

CIRCLE K



OUTBACK  
STEAKHOUSE



North Tryon Street  
(61,300 AADT)

golden  
corral



DISCOUNT  
TIRE



V & Three  
Luxury Apartments

Arcadia Student  
Living



DOWNTOWN  
CHARLOTTE

Interstate 85  
(156,000 AADT)



University City Boulevard  
(53,800 AADT)



V & Three  
Luxury Apartments

Newell Elementary School  
(844 students)

Arcadia Student  
Living



North Tryon Street  
(61,300 AADT)



400 Unit Apartment Complex  
(under construction)



29 / North Tryon Street  
(61,300 AADT)

University City Boulevard  
(53,800 AADT)

400 Unit Apartment Complex  
(under construction)

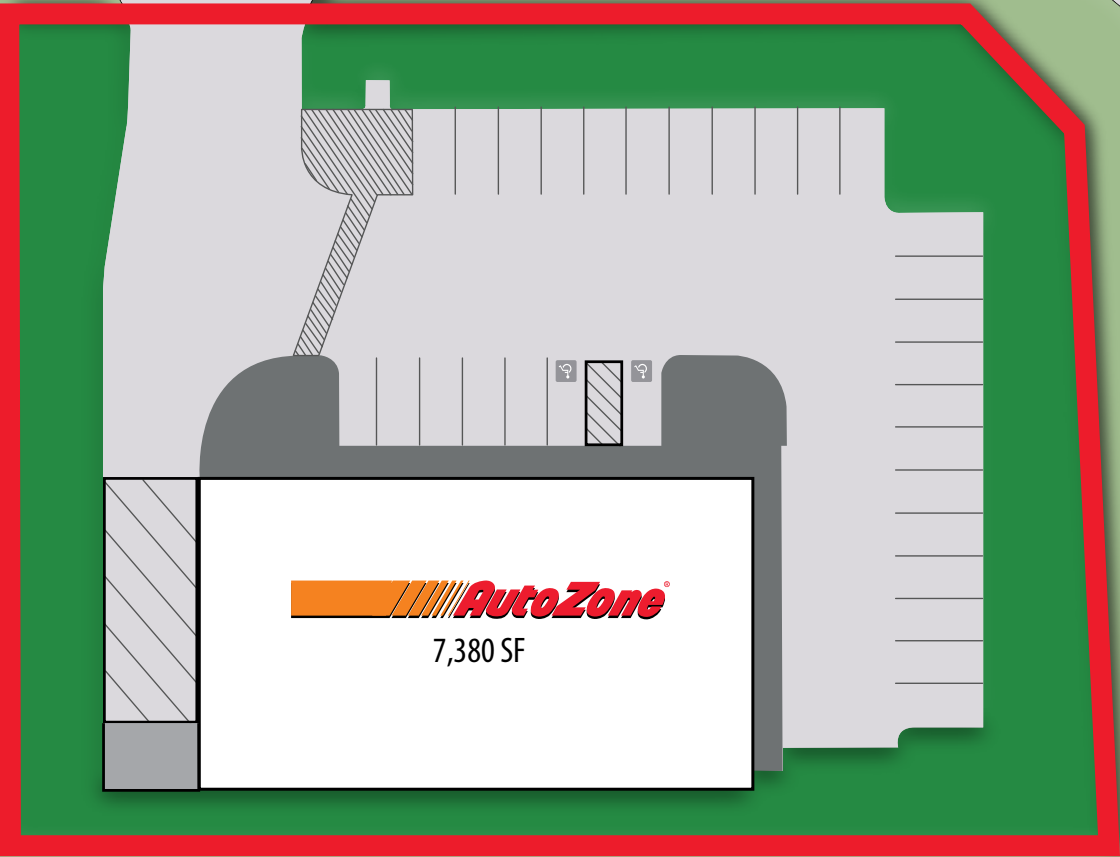
Arcadia Student  
Living

Newell Elementary School  
(844 students)



# SITE PLAN

BROOKSIDE LANE



NORTH TRYON STREET

LIGHT RAIL

# 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		
<b>GUARANTOR</b>	AutoZone, Inc.		
<b>ADDRESS</b>	<a href="#">217 Brookside Lane, Charlotte, NC 28262</a>		
<b>RENT COMMENCEMENT</b>	December 2021		
<b>LEASE EXPIRATION</b>	December 2041		
<b>RENEWAL OPTIONS</b>	Four (4) options of five (5) years		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-10 11-20 Option 1 (21-25) Option 2 (26-30) Option 3 (31-35) Option 4 (36-40)	<b>RENT</b> \$80,000 \$85,600 \$91,592 \$98,003 \$104,864 \$112,204	<b>RETURN</b> 3.65% 3.91% 4.18% 4.47% 4.78% 5.12%
<b>REAL ESTATE TAXES</b>	Tenant shall pay all real estate taxes directly.		
<b>INSURANCE</b>	Tenant is responsible for all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant is responsible for all maintenance costs.		
<b>MAINTENANCE BY LANDLORD</b>	None		
<b>RIGHT OF FIRST REFUSAL</b>	None		

# PROPERTY OVERVIEW

## LOCATION

The property is located at the intersection of Brookside Lane and North Tryon Street, a main north/south arterial and commuter corridor for Charlotte, which experiences a high traffic count of 61,300 vehicles per day. The AutoZone is also dynamically situated between two highly trafficked thoroughfares, I-85 (156,000 AADT) and University City Boulevard (53,800 AADT), and is strategically surrounded by national tenants such as IKEA, Walmart Supercenter, Hobby Lobby, Ulta, Marshalls, Burlington, TJ Maxx, Home Depot, Target, TopGolf, and countless others.

With a dense five-mile population of 209,827 residents and a five-mile AHHI of \$68,931 (both expected to grow significantly within next five years), the site benefits from dense neighborhoods and student housing developments for University of North Carolina at Charlotte. Located only 1.5 miles from University of North Carolina at Charlotte campus (30,000+ students and 3,000+ faculty), the site is surrounded by several other schools, providing major traffic drivers for the property. Moreover, the site is one mile from Atrium Healthy University Center, a 130-bed acute care hospital, and is also surrounded by numerous new developments including retail, residential/student housing, industrial, and schools, creating further traffic drivers for the site.

## ACCESS

Access from Brookside Lane

## TRAFFIC COUNTS

North Tryon Street:	61,300 AADT
University City Boulevard:	53,800 AADT
Interstate 85:	156,000 AADT

## PARKING

30 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2021

## NEAREST AIRPORT

Charlotte Douglas International Airport (CLT | 14 miles)



**30**  
PARKING  
STALLS



**2021**  
YEAR  
BUILT



**61K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
CHARLOTTE  
DOUGLAS  
INTERNATIONAL  
AIRPORT

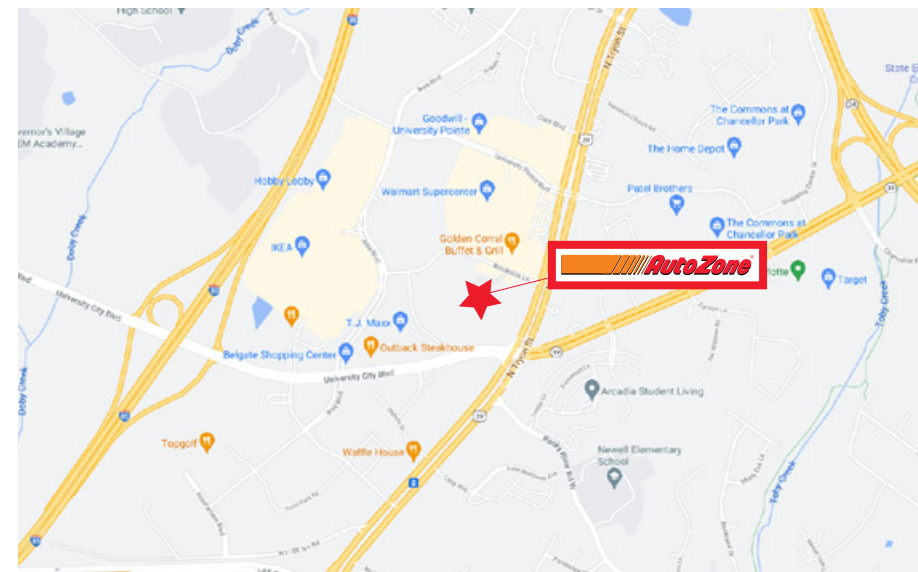
# AREA OVERVIEW

Charlotte is the largest city in North Carolina and the third fastest growing major city in the U.S. Charlotte has become a major U.S. financial center and the nation's second largest banking center, and the city is home to the corporate headquarters of Bank of America and the East Coast operations of Wells Fargo. In addition to its financial industry, Charlotte has a diverse business base; numerous companies from the foodstuffs, motor racing, energy, manufacturing, and trucking and freight transportation industries make Charlotte their home. Charlotte's strategic location midway between Atlanta, Georgia and North Carolina's Research Triangle attracts business and industry looking for an ideal site to locate, relocate, or expand. Additionally, based on U.S. Census data from 2005 to 2015, Charlotte tops the 50 largest U.S. cities as the millennial hub. With its distinctive neighborhoods, lower cost of living, trendy city center, abundance of arts and cultural options, and outdoor recreation opportunities, Charlotte is a magnet for young professionals. In fact, Charlotte is projected to have the highest rate of millennial growth in the nation, with more millennials moving to the Queen City than anywhere else in the world.

The Charlotte metropolitan area, also known as Metrolina, is a metropolitan area/region of North and South Carolina within and surrounding the city of Charlotte. Located in the Piedmont, it is the largest in the Carolinas, and the fourth largest metropolitan area in the Southeastern region of the United States behind Miami, Atlanta, and Tampa. Charlotte has six Fortune 500 companies and nine Fortune 1000 headquartered in its metropolitan area, including Bank of America, Lowe's, Duke Energy, Sonic Automotive, Coca-Cola Consolidated, and Domtar. The Charlotte metro area is home to one of the world's busiest airports, Charlotte Douglas International Airport, and is also the Carolinas' largest manufacturing region.

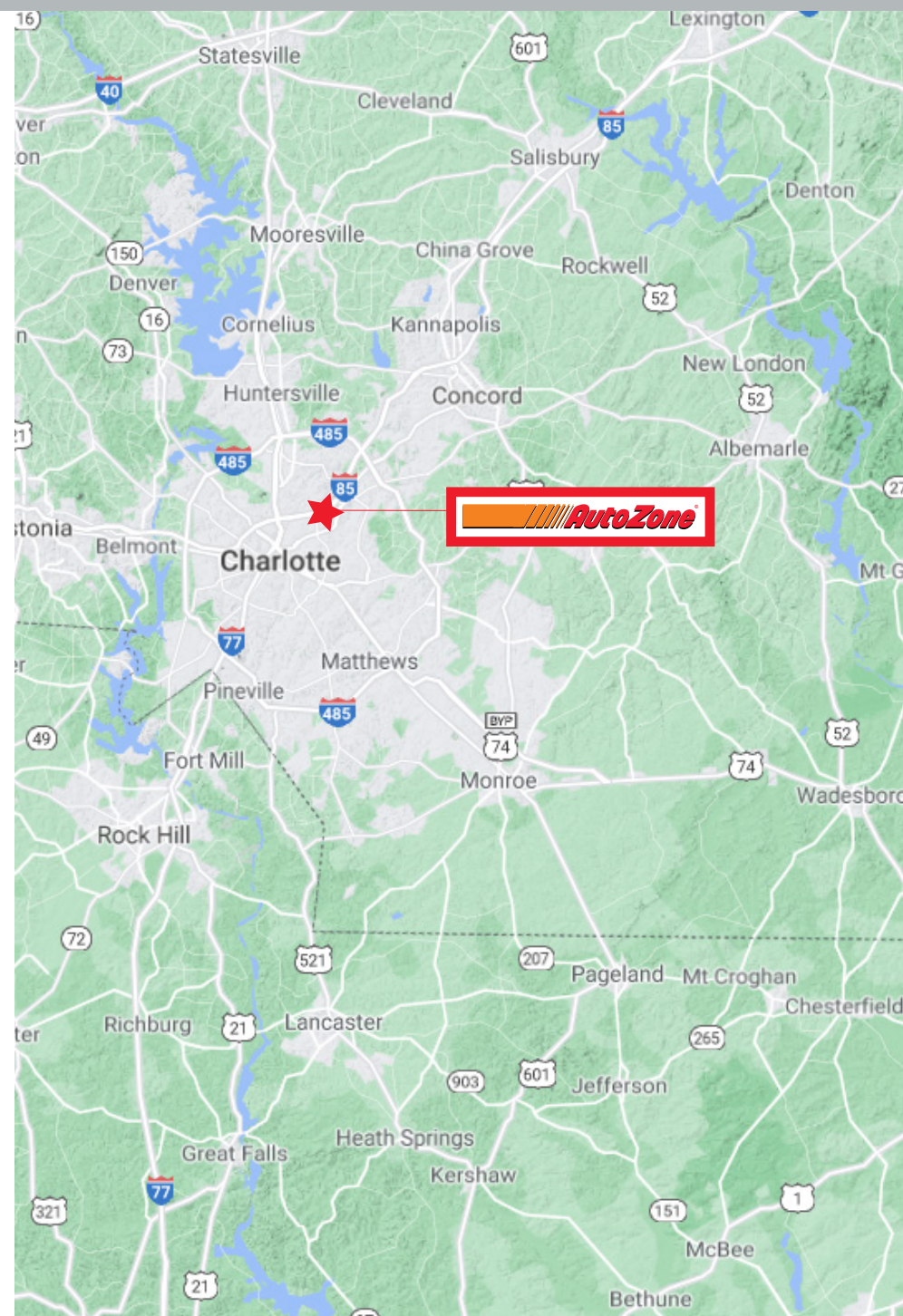
- » The Charlotte region is home to over 2.9 million people living in 16 counties in two different states: 12 counties in North Carolina and four in South Carolina.
- » Charlotte's cost of living is 96.2% of the national average, one of the lowest for cities of its size.
- » Within two hours' flight time or one day's delivery by motor freight, businesses in the Charlotte region can reach almost 60% of the population of the United States and more than 60% of the nation's industrial base.
- » More than 100 people move to the Charlotte region each day.
- » Charlotte was just ranked among the top 10 cities in the world for overall quality of life.

TOP EMPLOYERS IN CHARLOTTE MSA	# OF EMPLOYEES
ATRIUM HEALTH	35,700
WELLS FARGO	24,500
CHARLOTTE-MECKLENBURG SCHOOLS	18,495
WALMART	17,100
BANK OF AMERICA	15,000
NOVANT HEALTH	12,468
AMERICAN AIRLINES	11,000
FOOD LION	9,078
HARRIS TEETER	8,239
DUKE ENERGY	7,959



# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>4,096</b>	<b>81,981</b>	<b>209,877</b>
Households	1,674	30,897	79,381
Families	965	16,584	46,621
Average Household Size	2.41	2.53	2.58
Owner Occupied Housing Units	538	11,334	37,964
Renter Occupied Housing Units	1,136	19,563	41,417
Median Age	31.3	29.5	32.4
<b>Average Household Income</b>	<b>\$58,663</b>	<b>\$61,425</b>	<b>\$69,178</b>
2026 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>5,714</b>	<b>91,292</b>	<b>231,113</b>
Households	2,325	34,557	87,640
Families	1,358	18,448	51,281
Average Household Size	2.43	2.53	2.58
Owner Occupied Housing Units	571	12,166	41,353
Renter Occupied Housing Units	1,753	22,391	46,288
Median Age	32.1	29.7	32.8
<b>Average Household Income</b>	<b>\$75,140</b>	<b>\$70,474</b>	<b>\$79,176</b>



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