



**Pep Boys**

94-35 Merrick Blvd | Jamaica, NY 11433

OFFERING MEMORANDUM

## LISTED BY

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REAL ESTATE INVESTMENT SERVICES

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# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- **Long-Term Occupancy** – Tenant has operated at this location for over 25 years, exercising 3 of their 4 renewal options in the process
- **No Landlord Responsibilities** – With an Absolute NNN Ground lease, there are no landlord responsibilities, providing a completely passive cash flow stream
- **Corporate Guaranty** – 1,000+ Locations in the US & Canada
- **Signalized Hard Corner** – Opportunity to purchase an asset located on a signalized hard corner in America's largest and most populous city
- **Covered Land Play** – The asset provides a completely passive cash-flow stream with significant upside and long-term redevelopment opportunities
- **Dominant Demographics** – The average household incomes are over \$100,000 within a 3-mile radius and over 615,000 people live within 3 miles of the property
- **High Traffic Counts** – Liberty Avenue sees traffic counts of over 20,000 vehicles daily, and Merrick Boulevard sees over 20,000 VPD

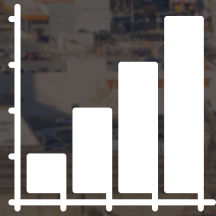


# FINANCIAL OVERVIEW



\$4,500,000

**LIST PRICE**



3.65%

**CAP RATE**



\$164,272

**NOI**



\$85.47

**PRICE / SF**

## | OFFERING SUMMARY

Tenant	Pep Boys
Property Address	94-35 Merrick Boulevard
Borough & County	Queens, New York
Year Built	1996
Building Size	±18,460 SF
Lot Size	±1.21 Acres

## LEASE SUMMARY

Lease Type	NNN Ground
Lease Guarantor	Pep Boys - Manny, Moe & Jack of Delaware, Inc
Roof and Structure Responsible	Tenant Responsible
Original Lease Term	15 Years
Lease Commencement Date	May 1996
Lease Expiration Date	November 2026
Lease Term Remaining	±5 Years
Increases	10% in Options
Options	One (1), Five (5) Year Options

## DEBT QUOTE

**Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.**

**PATRICK FLANAGAN**  
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**LTV: 65.00%**  
**INTEREST RANGE: 3.45% - 3.80%**  
**AMORTIZATION: 30**

# TENANT OVERVIEW

# PEP BOYS AUTO



» **Company Name**  
Pep Boys

» **Ownership**  
Public

» **Year Founded**  
1921

» **Industry**  
Auto Service

» **Headquarters**  
Philadelphia, PA

» **Revenue**  
\$4.76 Billion

» **Credit Rating (S&P)**  
**BB+**

Philadelphia-based Pep Boys has operations in 47 US states and Puerto Rico. Major markets for the company include California, Florida, Pennsylvania, and Texas, home to nearly half of its stores. Pep Boys also has warehouses in California, Georgia, Texas, Indiana, New York, and Pennsylvania. An automotive paradise for do-it-yourselfers, Pep Boys stock about 25,000 car parts and accessories, including tires, and combined, operate more than 7,500 service bays for vehicle repairs, inspections, and parts installations. It also offers credit and parts delivery to commercial customers, such as repair shops, fleet operators, schools, and municipalities. Founded in 1921 by Philadelphians Manny, Moe, and Jack, Pep Boys was acquired by billionaire investor Carl Icahn's Icahn Enterprises in February 2016.



Rainbow



Marshalls

BANK OF AMERICA



DOLLAR TREE

U-HAUL

ALAN THE MOBILE MECHANIC

JAMAICA AUTO BODY & SHOP

DEAL TIRE CENTER

POPEYES  
DUNKIN'



AUTO SHOP

MERRICK BLVD  
± 20,000 VPD

186TH ST  
± 12,000 VPD

LIBERTY AVE  
± 20,000 VPD





HILLSIDE SUPPORT FACILITY

MAJESTIK AUTO REPAIR

RWR COLLISION & TRANSPORT

DEAL TIRE CENTER



AUTO SHOP

LIBERTY AVE ± 20,000 VPD



186TH ST ± 12,000 VPD

*Pep Boys*

MERRICK BLVD ± 20,000 VPD

ALLSTAR AUTO BODY OF QUEENS

# AREA OVERVIEW

## QUEENS, NY

Queens is the easternmost and largest in area of the five boroughs of New York City, geographically adjacent to the borough of Brooklyn at the western end of Long Island. Queens County also is the second-most populous county in New York. Queens County is the fourth most densely populated county among New York City's boroughs, as well as in the United States. If each of New York City's boroughs were an independent city, Queens would be the nation's fourth most populous, after Los Angeles, Chicago, and Brooklyn. Queens is the most ethnically diverse urban area in the world, as residents often closely identify with their neighborhood rather than with the borough or city. The borough is a patchwork of dozens of unique neighborhoods, each with its own distinct identity.

Queens has the second-largest and most diversified economy of all the five boroughs of New York City, with evenly spread jobs across the health care, retail trade, manufacturing, construction, transportation, and film and television production sectors. No single industry dominates Queens. However, the airline industry is a key component of the borough's economy and serves as a major employer in the neighborhoods surrounding JFK and LaGuardia airports. The health care and social assistance industry is also a major employer in Queens and has been growing steadily in recent years. Two-thirds of all businesses in Queens employ between one and four people, meaning that small borough plays an essential role in the borough's economic vitality.

Queens has a variety of higher educational insitutions such as, St. John's University, Queens College in the CUNY system, LaGuardia Community College in the CUNY system, and the Vaughn College of Aeronautics and Technology, among others.

## DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2021 Estimate	103,182	655,085	1,520,304
2010 Census	94,538	632,652	1,469,146
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2021 Estimate	31,740	216,348	515,342
2010 Census	28,827	207,312	494,500
HH INCOME	1 - MILE	3 - MILE	5 - MILE
2021 Est Avg HH Income	\$80,429	\$100,636	\$99,094

# QUEENS VENUES



## BELMONT PARK

Belmont Park is a major thoroughbred horse racing facility in the northeastern United States, located in Elmont, New York, just east of the New York City limits. It was opened on May 4, 1905. It is operated by the non-profit New York Racing Association, as are Aqueduct and Saratoga Race Course.



## CITI FIELD

Citi Field is a baseball park located in Flushing Meadows-Corona Park in New York City. Completed in 2009, it is the home field of the New York Mets of the National League division of Major League Baseball.



## JFK AIRPORT

John F. Kennedy International Airport referred to as JFK is an international airport located in Jamaica, Queens, in the south-eastern portion of New York City. JFK has 6 operating airline terminals, 4 runways and 128 aircraft gates serve the terminals. In 2018, John F. Kennedy International Airport (JFK), handled more than 57.8 million passengers, reaching a new annual record. JFK is the 6th busiest airport in USA, the busiest international air passenger gateway in the United States, and the busiest airport in the New York City airport system.



## RESORTS WORLD CASINO

Resorts World Casino New York City is the only casino in New York City, offering over 6,000 slots and electronic table games to 10 million guests annually. This property provides an unparalleled gaming and entertainment experience while generating over \$2 billion for the State's education system.



## ARTHUR ASHE STADIUM

LaGuardia Airport, or LGA, is located on the northern edge of Queens in New York City. Together with JFK and Newark, LaGuardia is part of the largest airport system in the United States, second in the world for passenger traffic, and first for total flight operations. The comprehensive \$8 billion construction of a new LaGuardia Airport is taking place while keeping the existing airport fully operational on a site smaller than Central Park.



## LAGUARDIA AIRPORT

Constructed and opened in 1997, this stadium at the northern end of Flushing Meadows-Corona Park, replaced Louis Armstrong Stadium as the main tennis facility in the park and became the headquarters of the National Tennis Center. Built for \$254 million, the 23,000-seat stadium functions as the main arena for the U.S. Open. During the remainder of the year, the indoor and outdoor courts of the stadium are open to the public. Other annual events held at the center include the Eastern Wheelchair Tennis Championships and the Mayor's Cup high school tennis championships. Today, ten percent of Flushing Meadows-Corona Park is devoted to the sport of tennis.



## ST JOHNS UNIVERSITY

St. John's University is one of America's leading Catholic universities. St. John's offers more than 100 majors in the arts and sciences, business, education, pharmacy, the allied health professions, and theology. It has two convenient, fully-wired residential campuses. The 96-acre Queens campus is located in Jamaica, 16 miles from Staten Island, and features rolling lawns, handsome stone buildings, and magnificent new student residence halls offering the best in on-campus living. The 16.5-acre Staten Island campus combines compact charm with superb resources.



## UBS ARENA

UBS Arena is located at the historic Belmont Park in Elmont, Long Island. UBS Arena is a 745,000-square-foot, 17,250-seat hockey and entertainment facility. Opened on November 20, 2021, the arena is "built for hockey and made for music" — delivering fans some of the best sightlines in professional hockey in a space meant for hockey. It's home to the NHL's New York Islanders and host to more than 150 music and entertainment events each year. It'll aim to achieve carbon neutrality by 2024 and bring huge economic boosts to the surrounding area.

# NYC VENUES



## TIMES SQUARE

Times Square is a major commercial intersection, tourist destination, entertainment center, and neighborhood in the Midtown Manhattan section of New York City, at the junction of Broadway and Seventh Avenue. Nearly 380,000 pedestrians enter the heart of Times Square each day. On the busiest days, Times Square has pedestrian counts as high as 450,000.



## FINANCIAL DISTRICT

The Financial District of Lower Manhattan is a neighborhood located on the southern tip of Manhattan Island. The district comprises the offices and headquarters of many of the city's major financial institutions, including the New York Stock Exchange and the Federal Reserve Bank of New York.



## BOTANICAL GARDENS

Experience The New York Botanical Garden, New York's iconic living museum, educational institution, and cultural attraction. Established in 1891, it is located on a 250-acre (100 ha) site that contains a landscape with over one million living plants; the Enid A. Haupt Conservatory, a greenhouse containing several habitats; and the LuEsther T. Mertz Library, which contains one of the world's largest collections of botany-related texts. As of 2016, over a million people visit the New York Botanical Garden annually.



## CENTRAL PARK

Central Park is a visual masterpiece created by landscape designer Frederick Law Olmsted and architect Calvert Vaux. It has gone through major developments and restoration over time to carry on its initial purpose as an open-air oasis for a metropolitan city. No matter the season or reason for your visit, this national historic landmark is a setting for enjoying many pursuits. The Park consists of 843 acres and receives around 42 million visitors annually.



## 9/11 MEMORIAL

The 9/11 Memorial is a tribute of remembrance, honoring the 2,977 people killed in the terror attacks of September 11, 2001, at the World Trade Center site, near Shanksville, Pennsylvania, and at the Pentagon, as well as the six people killed in the World Trade Center bombing on February 26, 1993. The 9/11 Memorial is located at the site of the former World Trade Center complex and occupies approximately half of the 16-acre site. The Memorial's twin reflecting pools are each nearly an acre in size and feature the largest man-made waterfalls in North America.





**Key**

- Rush hour line extension
- Local service only
- All trains stop (local and express service)
- Free subway transfer
- Free out-of-system subway transfer (excluding single ride ticket)
- Normal service
- Additional express service
- Station Name
- Terminal
- Accessible station

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## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Pep Boys** located at **94-35 Merrick Blvd, Jamaica, NY 11433** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



# *Pep Boys*

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