

# OFFERING MEMORANDUM

## ADVANCE AUTO PARTS

1037 RIVERVIEW DRIVE, KALAMAZOO, MI 49048



EXCLUSIVELY  
LISTED BY:



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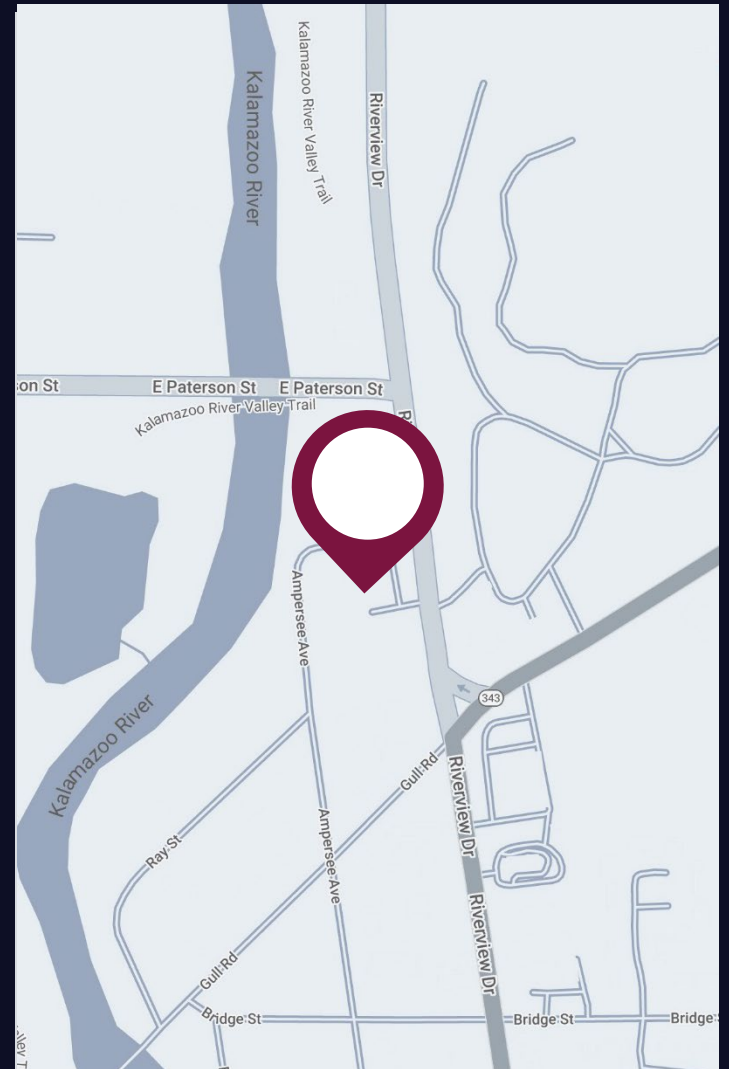
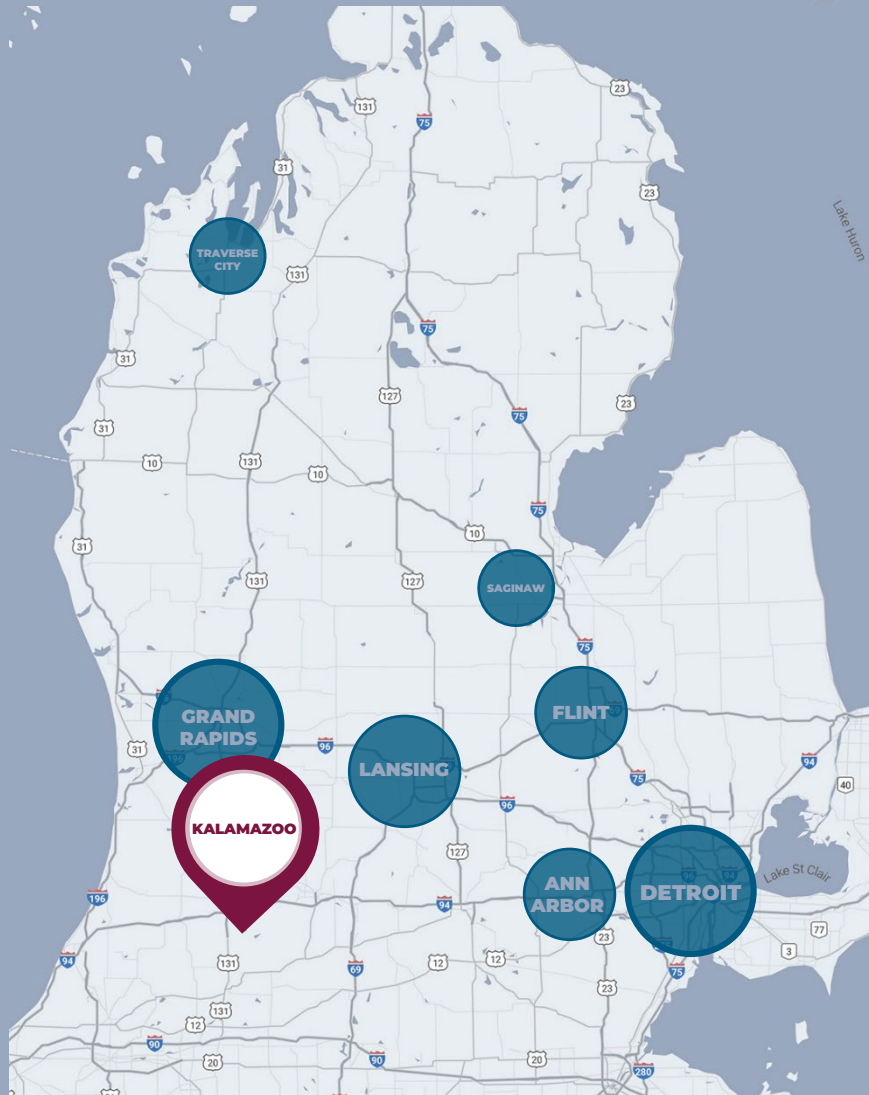


## PROPERTY SITE





## LOCATION MAP



## ADVANCE AUTO PARTS

1037 Riverview Drive  
Kalamazoo, MI 49048

# OFFERING SUMMARY

**ADDRESS:** 1037 Riverview Drive  
Kalamazoo, MI 49048

**YEAR BUILT:** 1998 | Renovated 2012

**RENTABLE SF:** 7,000 SF

**LAND AREA:** 0.74 AC

**PARCEL #:** 06-14-105-001



\$56,420

**NOI**

6.75%

**CAP**

\$835,851

**PRICE**

## RENT SCHEDULE

| YEARS  | MONTHLY | ANNUAL   | PSF     |
|--|---------|----------|---------|
| Current Term (Second Option):<br>1/1/2022 – 12/31/2024 | \$4,702 | \$56,420 | \$8.06  |
| OPTIONS  |         |          |         |
| Option 3:<br>1/1/2025 - 12/31/29                       | \$6,500 | \$78,000 | \$11.14 |
| Option 4:<br>1/1/2030 - 12/31/34                       | \$6,825 | \$81,900 | \$11.70 |

## OFFERING SUMMARY



**4,727**  
LOCATIONS

**\$493M**  
NET  
INCOME  
(2020)

**68,000**  
EMPLOYEES  
(2020)

### LEASE DETAILS

|   |   |
|---|---|
| TENANT:                                   | Advance Stores Company, Inc.              |
| GUARANTOR:                                | Advance Stores Company, Inc.              |
| ORIGINAL LEASE COMMENCEMENT:              | 1/14/1999                                 |
| ORIGINAL LEASE TERM:                      | 10 Years                                  |
| LEASE EXPIRATION<br>(SECOND OPTION TERM): | 12/31/2024                                |
| LEASE TYPE:                               | NN  |
| TERMINATION OPTION:                       | None                                      |
| RIGHT OF FIRST REFUSAL:                   | None                                      |
| TENANT RESPONSIBILITIES:                  | Taxes, Insurance, Common Area Maintenance |
| LANDLORD RESPONSIBILITIES:                | Roof, Structure, Parking Lot, HVAC        |
| SALES REPORTING:                          | Not Required                              |

## INVESTMENT HIGHLIGHTS

**CORPORATE GUARANTY** to Advance Auto Parts Inc (NYSE: AAP), one of the nation's largest and fastest growing automotive suppliers with 4,700+ locations and over 68,000 employees. Advance Auto reported record numbers in 2021 including:

- Full Year Net Sales Increases **8.80%** to \$11.0 Billion
- Comparable same store sales increased **10.70%**
- Operating Cash Flow increased **14.7%** to \$1.10 Billion.
- Returned over **\$1.0 Billion** in cash to shareholders

**3 MILES FROM WESTERN MICHIGAN UNIVERSITY – A USA TOP 100 UNIVERSITY WITH 21,000+ STUDENTS AND 6,000+ FACULTY**

**1 MILE FROM DOWNTOWN KALAMAZOO – KALAMAZOO IS THE FASTEST GROWING CITY IN MICHIGAN WITH A 11.7% POPULATION INCREASES SINCE 2010**

**1999 CONSTRUCTION – FULLY RENOVATED IN 2012**

### **LONG STANDING OPERATING HISTORY:**

- Tenant has been at this location since 1999 and has recently entered into their second option term. Tenant has 2 options remaining with 5% rent increases.

**NN LEASE – LANDLORD ONLY RESPONSIBLE FOR ROOF & STRUCTURE**

### **DEMOGRAPHICS:**

- Estimated 128,688 People within a 5-mile radius
- Estimated \$66,629 HH Income within a 5-mile radius

**CORPORATE  
GUARANTY**

**FULLY  
RENOVATED  
IN 2012**

3 MILES  
FROM  
**WESTERN  
MICHIGAN  
UNIVERSITY**

**STRONG  
DEMOGRAPHICS**

**LONG  
STANDING  
OPERATING  
HISTORY**



VIEW SOUTH



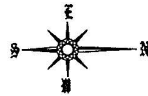


# SURVEY

## ADVANCE AUTO PARTS

1037 Riverview Drive  
Kalamazoo, MI 49048

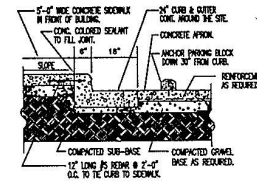
LANDSCAPING NOTE:  
GENERAL CONTRACTOR IS TO CLEAN ENTIRE SITE OF ALL CONSTRUCTION DEBRIS AND TO REPAIR DISTURBED AREAS. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO ESTABLISH A HEALTHY STAND OF GRASS ON THE ENTIRE SITE. APPLY 2" OF TOP SOIL, PLANT GRASS SEED & APPLY STRAW & WATER. GENERAL CONTRACTOR IS TO COMPLY W/ ALL APPLICABLE CODES & ORDINANCES REGARDING LANDSCAPING. CONTRACTOR IS TO CONTINUE TO CARE FOR THE GRASS UNTIL ADVANCE TAKES POSSESSION OF THE BUILDING. IF PLANTINGS AND MULCHING IS REQD, INSTALL BLACK FABRIC MESH UNDER MULCH TO PREVENT WEED GROWTH.



NOTE:  
PARKING LOT GRADING SHALL NOT EXCEED 5% CROSS SLOPE.

NOTE:  
CONTRACTOR IS RESPONSIBLE FOR PROMOTING AND INSTALLING A MAILBOX ON SITE. MAILBOX MUST MEET ALL U.S. POST OFFICE REQUIREMENTS.

NOTE:  
PARKING SPACES ARE TO BE 10' X 20' UNLESS NOTED OTHERWISE.



TYPICAL CURB AND GUTTER DETAIL

DASHED LINE INDICATES FASCOA OVERHANG.

CONCRETE PARKING BLOCKS 42" FROM SIDE OF BLDG.

12'-0" CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE W/WWF STL REINF. COAT THE CONCRETE W/ HAC BLACK ACRYLIC STAIN TO MATCH THE PARKING LOT.

6" CURB AND GUTTER ACROSS FRONT SIDEWALK AS SHOWN.

INSTALL 25' HIGH STEEL LIGHT POLE ON CONC. BASE WITH (2) 400 WATT METAL HALIDE FIXTURES. FIXTURES ARE TO BE 18'-10" BY LITHONIA, 17" SERIES - 175 400M RB 120 BEAM SPREAD. WIRE ALL LIGHTS THRU THE SAME TIME CLOCK W/ (1) SET OF TRIPPERS. (TYPICAL OF 3) HAND RUBBED CONC FINISH ON BASE. SEE DETAIL SHEET FOR LIGHT POLE BASE DIMENSIONS.

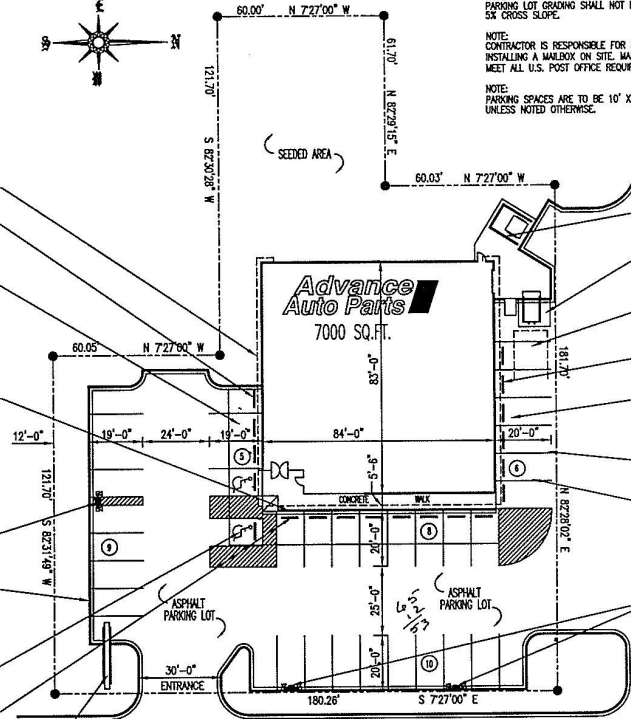
6" HIGH CONCRETE CURB & GUTTER CONT. AROUND SITE AS SHOWN ON DETAIL. BACK FILL TO TOP OF CURB.

12'-0" CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE W/WWF STL REINF. COAT THE CONCRETE W/ HAC BLACK ACRYLIC STAIN TO MATCH THE PARKING LOT.

CONCRETE PARKING BLOCKS 30" FROM FRONT OF BLDG.

ROAD SIGN FURN & INSTALLED BY ADVANCE. CONTRACTOR'S ELECTRICIAN IS TO PROVIDE UNDERGROUND CIRCUIT & WIRE THRU TIME CLOCK W/ (2) SETS OF TRIPPERS. CONTRACTOR'S ELECTRICIAN IS TO RETURN & MAKE ALL NECESSARY CONNECTIONS AFTER ROAD SIGN IS ERECTED. CONTRACTOR'S ELECTRICIAN IS TO INSTALL A WEATHERPROOF RECEPT AT BASE OF POLE.

SITE PLAN  
1" = 20'-0"



6' HIGH TREATED WOOD DUMPSTER SCREEN. PRIME AND PAINT TO MATCH THE BUILDING.

CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE W/WWF STL REINF. COAT THE CONCRETE W/ HAC BLACK ACRYLIC STAIN TO MATCH THE PARKING.

SURFACE UNDER TRAILER IS TO BE LEVEL SO THAT THE TRAILER BED WILL LINE UP WITH THE LIFT.

CONCRETE PARKING BLOCKS 30" FROM FACE OF CURB.

12'-0" CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE W/WWF STL REINF. COAT THE CONCRETE W/ HAC BLACK ACRYLIC STAIN TO MATCH THE PARKING LOT.

GUIDE LINES WILL BE PAINTED ON THE PARKING LOT FOR TRUCKS TO LINE UP WITH THE LIFT.

PARKING LINES 4" WIDE PAINTED YELLOW (TWO COATS OF SHERWIN WILLIAMS B2912 YELLOW, TRAFFIC MARKING PAINT.)

INSTALL 25' HIGH STEEL LIGHT POLE ON CONC. BASE WITH (2) 400 WATT METAL HALIDE FIXTURES. FIXTURES ARE TO BE 18'-10" BY LITHONIA, 17" SERIES - 175 400M RB 120 BEAM SPREAD. WIRE ALL LIGHTS THRU THE SAME TIME CLOCK W/ (1) SET OF TRIPPERS. (TYPICAL OF 3) HAND RUBBED CONC FINISH ON BASE. SEE DETAIL SHEET FOR LIGHT POLE BASE DIMENSIONS.

SCF JDM  
LANDLORD REVIEW

|                    |          |            |
|--------------------|----------|------------|
| EXHIBIT 10         | 6 AUG 98 | SHT 2 OF 1 |
| SITE PLAN          |          |            |
| KALAMAZOO, MI      |          |            |
| Advance Auto Parts |          | DRW WK     |

## TENANT PROFILE

|               |  |
|---------------|--|
| TENANT:       | ADVANCE AUTO PARTS   |
| FOUNDED:      | April 29, 1932   |
| HEADQUARTERS: | Raleigh, NC  |
| WEBSITE:      | <a href="http://www.AdvanceAutoParts.com">www.AdvanceAutoParts.com</a> |
| STOCK TICKER: | NYSE: AAP  |
| REVENUE:      | \$10.1B (2020)   |
| TOTAL ASSETS: | \$11.8B (2020)   |

**\$493M**

NET  
INCOME  
(2020)

**68,000**  
EMPLOYEES

(2020)

**4,727**

LOCATIONS

### ADVANCE AUTO PARTS



Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider. Headquartered in Raleigh, North Carolina, it serves both professional installer and do-it-yourself customers. As of October 9, 2021, Advance operated 4,727 stores and 234 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. The company also serves 1,325 independently owned Carquest branded stores across these locations in addition to Mexico and various Caribbean islands. The company's stores offer a broad selection of brand name, original equipment manufacturer (OEM) and private label automotive replacement parts, accessories, batteries and maintenance items for domestic and imported cars, vans, sport utility vehicles and light and heavy-duty trucks.





VIEW WEST



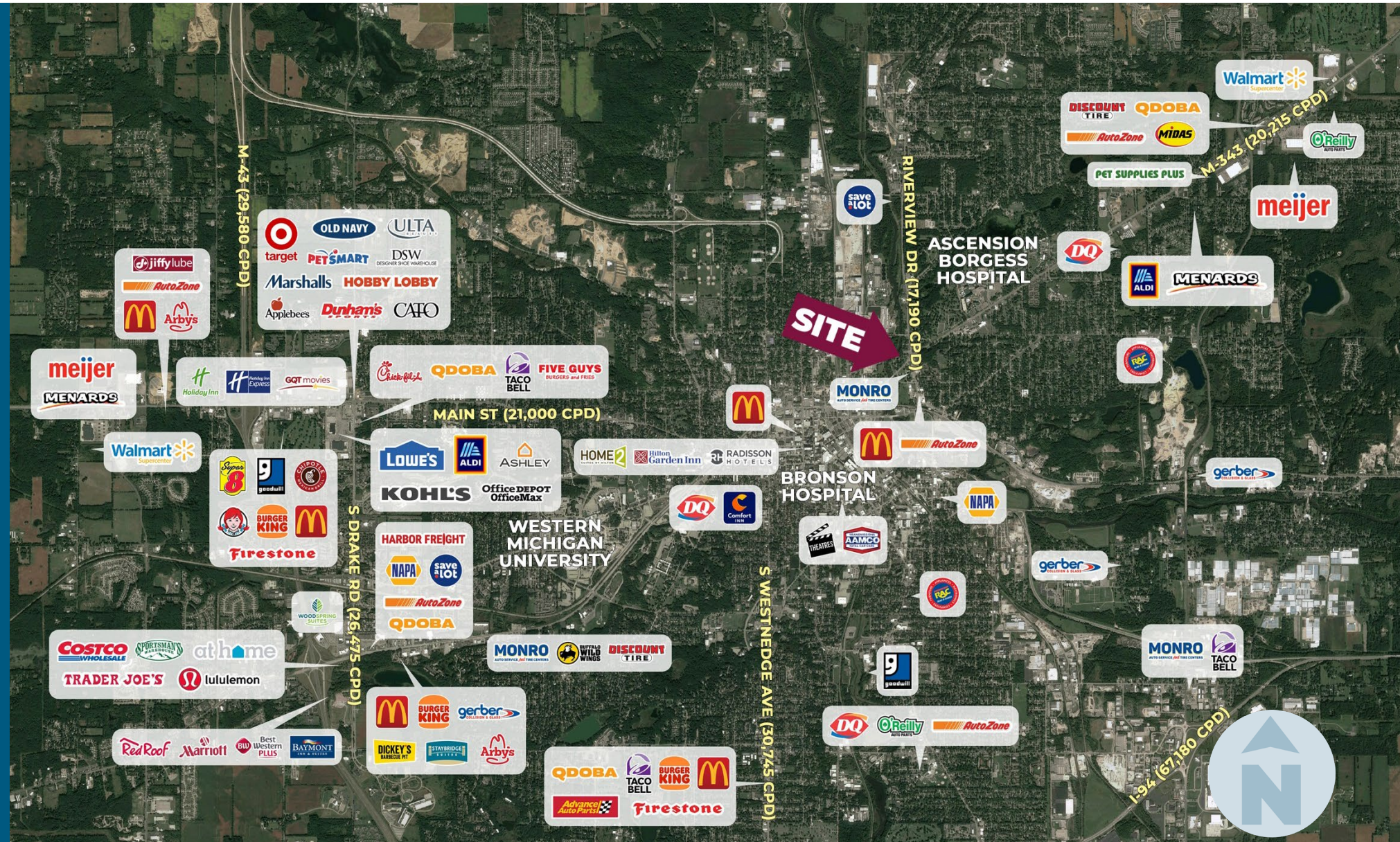


## MICRO AERIAL





# MACRO AERIAL





VIEW NORTH





## REPRESENTATIVE STORE PHOTOS





# MARKET OVERVIEW

## ABOUT KALAMAZOO

- Kalamazoo is a city in the southwest region of the U.S. state of Michigan. It is the county seat of Kalamazoo County. Kalamazoo is equidistant from Chicago and Detroit, each less than 150 miles away.

## KALAMAZOO LIFESTYLE

- One of Kalamazoo's most notable features is the Kalamazoo Mall, an outdoor pedestrian shopping mall. The city created the mall in 1959 by closing part of Burdick Street to auto traffic, although two of the mall's four blocks have been reopened to auto traffic since 1999.
- Kalamazoo has many local breweries and brewpubs that produce a variety of beer styles. One of the best-known is Bell's Brewery, established as the Kalamazoo Brewing Company in 1985 by Larry Bell.
- The Kalamazoo Valley Museum offers science, technology and history exhibits, plus a planetarium. American and European art form the core collection of the Kalamazoo Institute of Arts. To the south, the Air Zoo museum features vintage aircraft, flight simulators and rides. The multi-use Kalamazoo River Valley Trail runs through the city, linking parks and nearby communities.

## KALAMAZOO | MI





# MARKET OVERVIEW

## KALAMAZOO | MI

### EDUCATION – KALAMAZOO, MI

- Kalamazoo is home to **WESTERN MICHIGAN UNIVERSITY**. The college has four campuses in Kalamazoo, (West Campus, East Campus, Parkview Campus and Oakland Drive Campus) as well as several regional locations throughout Michigan and two in Florida. West Campus, located just west of downtown, has the largest concentration of university students, programs and school services. In 2005, Western Michigan ranked as the no. 2 wireless campus in the United States, per a national survey done by the Intel Corporation. In 2014, the WMU Homer Stryker School of Medicine (WMed) opened, welcoming an inaugural class of 54 students.
- Each May, **WMU** hosts the International Congress on Medieval Studies. Organized by the Medieval Institute's faculty and graduate students, the Congress brings some 3,000 professors and students from around the globe to present and discuss a variety of topics related to the Middle Ages.
- **KALAMAZOO COLLEGE**, a private liberal arts college founded in 1833, is located on a hill opposite WMU's original campus. Kalamazoo is also home to **KALAMAZOO VALLEY COMMUNITY COLLEGE** and **DAVENPORT UNIVERSITY**.



## TOP EMPLOYERS

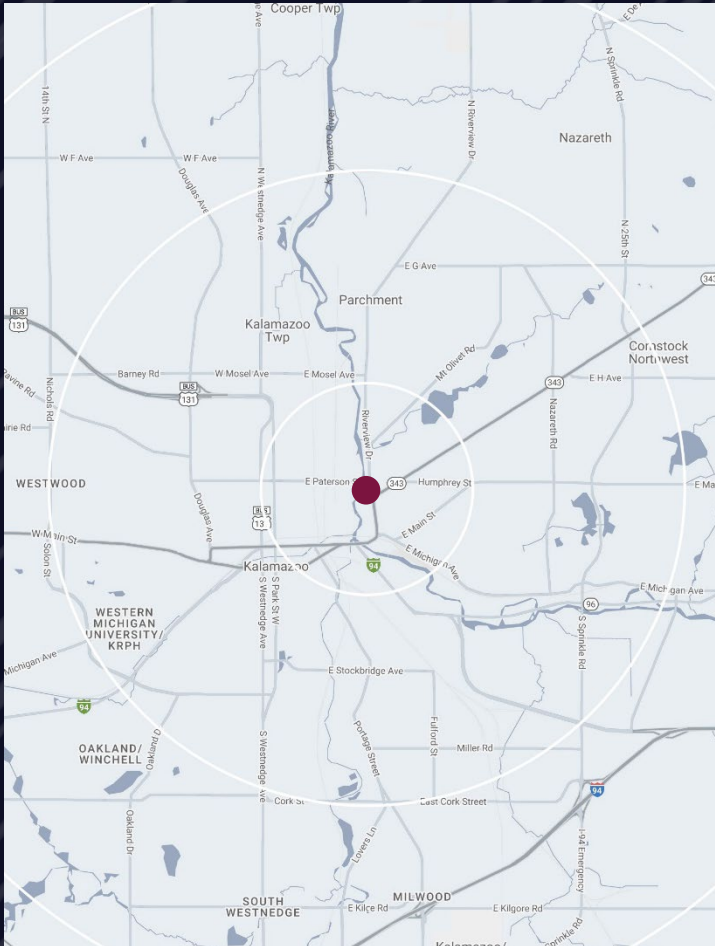
| COMPANY                        | # EMPLOYEES |
|--------------------------------|-------------|
| Western Michigan University    | 6,094       |
| Stryker                        | 4,000       |
| Borgess Medical Group          | 3,500       |
| Poch Staffing                  | 1,500       |
| Kalamazoo Valley Comm. College | 961         |
| Kalamazoo College              | 899         |
| Fabri-Kal                      | 800         |
| City of Kalamazoo              | 480         |
| CLS                            | 480         |
| Consumers Concrete             | 350         |

## KALAMAZOO





# DEMOGRAPHICS



## ADVANCE AUTO PARTS

1037 Riverview Drive  
Kalamazoo, MI 49048

# DEMOGRAPHICS

## POPULATION

|                                       | 1 MILE | 3 MILE | 5 MILE  |
|---------------------------------------|--------|--------|---------|
| 2021 Estimated Population             | 7,006  | 67,288 | 128,688 |
| 2026 Projected Population             | 7,190  | 68,080 | 130,679 |
| 2010 Census Population                | 7,278  | 67,111 | 128,420 |
| 2000 Census Population                | 7,395  | 68,180 | 127,394 |
| Projected Annual Growth 2021 to 2026  | 0.5%   | 0.2%   | 0.3%    |
| Historical Annual Growth 2000 to 2021 | -0.5%  | -0.1%  | -       |

## HOUSEHOLDS

|                                       | 1 MILE | 3 MILE | 5 MILE |
|---------------------------------------|--------|--------|--------|
| 2021 Estimated Households             | 2,619  | 25,863 | 53,717 |
| 2026 Projected Households             | 2,709  | 26,315 | 54,805 |
| 2010 Census Households                | 2,803  | 25,811 | 53,682 |
| 2000 Census Households                | 2,724  | 25,489 | 51,917 |
| Projected Annual Growth 2021 to 2026  | 0.7%   | 0.4%   | 0.4%   |
| Historical Annual Growth 2000 to 2021 | -0.6%  | -      | -      |

## RACE

|  | 1 MILE | 3 MILE | 5 MILE |
|--|--------|--------|--------|
| 2021 Est. White                            | 29.5%  | 53.8%  | 63.5%  |
| 2021 Est. Black                            | 52.5%  | 23.1%  | 17.9%  |
| 2021 Est. Asian or Pacific Islander        | 0.5%   | 8.9%   | 6.2%   |
| 2021 Est. American Indian or Alaska Native | 0.8%   | 0.7%   | 0.6%   |
| 2021 Est. Other Races                      | 16.7%  | 13.5%  | 11.9%  |

## INCOME

|                                    | 1 MILE   | 3 MILE   | 5 MILE   |
|------------------------------------|----------|----------|----------|
| 2021 Est. Average Household Income | \$49,438 | \$61,717 | \$66,629 |
| 2021 Est. Median Household Income  | \$40,150 | \$50,159 | \$53,331 |
| 2021 Est. Per Capita Income        | \$18,713 | \$24,673 | \$28,352 |

## BUSINESS

|                            | 1 MILE | 3 MILE | 5 MILE |
|----------------------------|--------|--------|--------|
| 2021 Est. Total Businesses | 570    | 2,535  | 4,679  |
| 2021 Est. Total Employees  | 10,228 | 36,263 | 64,682 |



## CONTACT US



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## CONFIDENTIALITY DISCLAIMER

Landmark Commercial Real Estate Services, LLC ("BROKER") has been retained by the Owner to sell the 100% fee simple title of this asset. The Broker is the exclusive agent for the sale of this asset. The Broker has prepared the Property Information with information provided by the Owner, from sources deemed to be reliable. The Potential Purchaser will conduct its own due diligence of The Property, independently and without reliance upon BROKER of the Owner. Information furnished herein, the Offering Memorandum (the "OM") is intended solely for the Potential Purchaser and its affiliates ("Recipients") for its review of the acquisition of the Advance Auto Parts at 1037 Riverview Drive, Kalamazoo, MI 49048 ("Property").

All information in the OM ("Confidential Information") shall be deemed confidential. Confidential Information shall not include any information which is generally available to the public or which becomes available to the Recipients on a non-confidential basis from a source that is or was under no obligation not to disclose such information.

In consideration of Broker and disclosure of the confidential information, the recipient shall not at any time, attempt in any manner to deal directly in any manner or circumvent Broker.

Unless otherwise agreed in writing or required by law, the Recipients will not use, disclose, or reveal any Confidential Information for any purpose other than in connection with the proposed transaction to any persons or entities other than those employees, officers, directors, bankers, advisors, representatives, or agents (collectively, "Representatives") who clearly need such access to perform their employment, fiduciary or contractual duties to the Recipient and to actively and directly participate in the evaluation of the Confidential Information. Additionally, Recipients shall not directly contact anyone directly associated with the Property without the express written consent of the Owner or Broker.

Recipients agree not to contact or initiate contact with the Tenants, at any time, either directly or indirectly. Unless such approval is specifically granted in written from the Owner or Broker.

This agreement shall be governed by the laws of the Michigan, and in any action brought to enforce the terms hereof, Recipients hereby irrevocably consents to jurisdiction and venue in the Circuit Court for the County of Oakland, State of Michigan, or the United States District Court, whichever the Owner may elect. The invalidity or unenforceability of any provision of this agreement as applied to a particular occurrence or circumstance shall not affect the validity of or enforceability of any of the other provisions of this agreement or the applicability of such provisions as the case may be. This agreement shall inure to the benefit of and may be enforced by the Owner and its successors and assigns and shall be binding on the Recipients, its officers, directors, partners, agents, members, representatives and successors in interest. If any portion of this agreement becomes the subject of litigation or arbitration, the prevailing party in such suit or proceeding shall be entitled to reimbursement for its reasonable costs, expenses and attorney's fees incurred, including those incurred in connection with any appeals. A copy of this agreement delivered by facsimile transmission shall be binding on both parties.

### Cooperating Broker Policy

Unless otherwise agreed in writing, neither Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with Recipient (the "Potential Purchaser"), or a related and/or affiliated party to such Recipient, attempting to act as a cooperating broker. In addition, neither the Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with, a cooperating broker representing the Recipient. The Recipient may elect to be have a cooperating broker represent them in the transaction at their own expense, unless otherwise agreed in writing by BROKER.