



SUBJECT PROPERTY



OFFERING MEMORANDUM

ADVANCE AUTO PARTS

Kinston, NC

Marcus & Millichap

OFFERING SUMMARY



301 W Vernon Ave. Kinston, NC 28501

PRICE	\$1,266,000		
CAP Rate	6.00%		
NOI	\$75,948		
RENTABLE SQ FT.	7,000		
YEAR BUILT	2003		
LOT SIZE	0.74		
TENANT TRADE NAME	Advance Auto Parts		
LEASE GUARANTOR	Corporate		
LEASE TYPE	NN		
ROOF & STRUCTURE	Landlord		
RENT COMMENCEMENT DATE	November 2022		
LEASE EXPIRATION DATE	December 2032		
TERM REMAINING ON LEASE	10 Years		
INCREASES	10% Increase in 1st Option 7% Increase in 2nd Option		
OPTIONS	2, 5-Year Options		
BASE RENT	Years 1-10	\$75,948	
OPTION RENT	Years 11-15	(Option 1)	\$83,542
	Years 16-20	(Option 2)	\$89,390
TENANT RESPONSIBILITIES	Taxes, Insurance, Utilities HVAC (Repairs under \$500)		
LANDLORD RESPONSIBILITIES	Roof & Structure, Parking Lot, HVAC (Repairs equal to or greater than \$500 split 50/50)		



INVESTMENT HIGHLIGHTS

NEW 10 YEAR LEASE EXTENSION

- Advance Auto Parts exercised an early 10 year lease extension that commenced in Nov 2022 and expires in Dec 2032.
- The tenant has been operating successfully at this location for nearly 20 Years.
- There are 2, Five year options remaining with a 10% rent increase in option 1 and a 7% rent increase in option 2.
- Tenant is responsible for Taxes, Insurance, Utilities and HVAC repairs under \$500.
- Landlord is responsible for Roof & Structure, Parking Lot. HVAC repairs/replacement equal to or greater than \$500 will be split 50/50 with the tenant (Landlord Reimburses).

INVESTMENT GRADE TENANT

- Advance Auto Parts is a publicly traded (NYSE:AAP) Fortune 500 company with an investment grade credit rating of BBB-.
- They currently have over 6,290 stores in the U.S., Puerto Rico, Virgin Islands, and Canada.
- Advance Auto Parts has been in business for 88 years and has a current net worth of \$3.7 Billion.

LOCATED ON BUSY HWY 258 (29,000 VPD)

- The subject property is located on Hwy 258 (29,000 VPD) in Kinston, NC (Lenoir County).
- The store is well positioned in a retail corridor and is surrounded by numerous national retailers including Walmart, Lowe's Home Improvement, Food Lion, ALDI and more.
- The 5 Mile Population is 27,480 with an average household income of \$55,347.

KINSTON

- Kinston is the county seat of Lenoir County and is located in the coastal plains region of eastern North Carolina.
- Home to Lenoir Community College that has 2,693 students and 200 employees.
- Kinston is served by UNC Lenoir Health Care, a 261 bed hospital with over 100 physicians and 880 employees.
- Kinston Regional Jetport has one of the longest runways in the southeastern United States servicing 21,000 flight operations per year.
- National Retail in Kinston includes Walmart, Food Lion, Lowe's Home Improvement, Tractor Supply and more.





REPRESENTATIVE

AAP:NYSE

PUBLICALLY
TRADED

\$11.84 B

NET
WORTH

90

YEARS IN
BUSINESS

6,290+

STORES IN
47 STATES

RALEIGH, NC

HEADQUARTERS
LOCATION

Headquartered in Raleigh, NC., **Advance Auto Parts, Inc.**, the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers. Advance Auto Parts operates over 6,290 stores, over 127 Worldpac branches and serves approximately 1,250 independently owned CARQUEST branded stores in the United States, Puerto Rico, the U.S. Virgin Islands, and Canada. Employing approximately 74,000 Team Members, the company works hard to create an environment of honesty, integrity, mutual trust, and dedication. These values have remained the same since Advance Auto Parts founding in 1929. Advance Auto Parts operates stores that primarily offer auto parts such as alternators, batteries, belts and hoses, chassis parts, clutches, engines, and engine parts.



Hwy 58
13,000 VPD



KINSTON

McDonald's



Little Caesar's



First Citizens Bank



Hwy 258
29,000 VPD



FOOD LION TRUIST

belk



SHERWIN
WILLIAMS



KFC

Burger King
Wells Fargo



Bojangles

Advance
Auto Parts



Auto
Zone

O'Reilly
AUTO PARTS



Hwy 258
29,000 VPD



Kinston Regional Jetport

Arendell Parrott Academy
719 students

piggly wiggly
FAMILY DOLLAR
DG

FOOD LION **BIG LOTS!** **FAMILY DOLLAR** **DOLLAR TREE**
DG **piggly wiggly** **Roses** **Wendy's** **UNITED STATES POSTAL SERVICE**
PNC **boost mobile** **it's fashion** **TRUIST**

Falling Creek Golf Course Inc

Banks ES
486 students

pactiv evergreen
Food Supplier

Electrolux
Manufacturer

Smithfield
Meat procurement

Barnet Park
Bethel Christian Academy
400 students

barnet
intelligent materials
Manufacturer

FOOD LION **TRUIST**
belk **SHERWIN WILLIAMS** **DG**
TACO BELL **Pizza Hut** **KFC** **Burger King** **Wells Fargo**

UNC Lenoir Health Care

Kinston HS
632 students

Northeast ES
491 students

Kinston Country Club

Hwy 58
13,000 VPD

Hwy 258
29,000 VPD

Hwy 70
31,000 VPD

Rochelle MS
489 students

Advance Auto Parts

piggly wiggly **Dominos**
PAPA JOHN'S **Bojangles**
Little Caesars **McDonald's**

Kinston Rotary Dog Park

Exxon **MARATHON**
WAFFLE HOUSE

TSC **TRACTOR SUPPLY CO** **QUALITY INN & SUITES** **Hampton Inn**
FAMILY DOLLAR **SUBWAY** **Wendy's** **WAFFLE HOUSE** **McDonald's**

Walmart **LOWE'S** **ALDI** **DOLLAR TREE**
GameStop **GOODWILL** **Aaron's** **verizon** **CITITRENDS**
metro **SHOE DEPT. ENCORE** **SALLY BEAUTY** **H&R BLOCK** **Fairfield**
Starbucks **Arby's** **Wendy's** **Hardee's** **SUBWAY** **HARDEN'S** **Chick-fil-A** **COOK-OUT**
Ford **BUICK** **KIA** **Walgreens** **McDonald's**

LENOIR
COMMUNITY COLLEGE
2,693 students

DEMOGRAPHIC SUMMARY	1-MILE	3-MILE	5-MILE
POPULATION	7,189	20,229	27,480
AVG. HOUSEHOLD INCOME	\$40,911	\$53,266	\$55,347

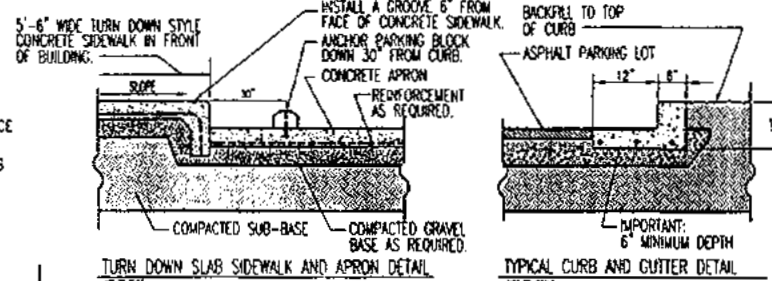
SITE PLAN

LANDSCAPING NOTE:

- CONTRACTOR SHALL COMPLY WITH ALL APPLICABLE CODES AND ORDINANCES REGARDING LANDSCAPING.
- CONTRACTOR SHALL INSTALL AN IRRIGATION SYSTEM SUFFICIENT TO MEET LOCAL JURISDICTIONAL REQUIREMENTS OR SHALL BE SUFFICIENT TO PROPERLY IRRIGATE THE LANDSCAPING AND GRASS AREAS LOCATED IN THE FRONT YARD AND SIDE YARD(S) ADJACENT TO THE PARKING LOT.
- GENERAL CONTRACTOR IS TO CLEAN ENTIRE SITE OF ALL CONSTRUCTION DEBRIS AND RAKE ENTIRE SITE.
- CONTRACTOR SHALL APPLY 2" OF LANDSCAPE GRADE TOP SOIL TO ENTIRE SITE, (INCLUDING ANY ADJACENT EASEMENTS, RIGHT-OF-WAY AREAS OR PROPERTY.) PLANT GRASS SEED AND SPREAD STRAW OVER ALL SEEDED AREAS.
- IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO ESTABLISH A HEALTHY STAND OF GRASS ON ALL SEEDED AREAS.
- IN THE EVENT OF PLANTING BEDS AND MULCH ARE REQUIRED, THE CONTRACTOR SHALL INSTALL BLACK FABRIC MESH UNDER THE MULCH TO PREVENT WEED GROWTH.
- CONTRACTOR SHALL BE RESPONSIBLE FOR THE WATERING AND THE MAINTENANCE OF ALL LANDSCAPED AREAS UNTIL THE LATER OF:
 - THIRTY (30) DAYS FOLLOWING THE PLANTING OF THE GRASS AND SHRUBS, OR
 - THE DATE THAT ADVANCE OPENS FOR BUSINESS TO THE PUBLIC.

NOTES TO GENERAL CONTRACTOR:

- PARKING LOT GRADING SHALL NOT EXCEED 5% CROSS SLOPE.
- PARKING SPACES ARE TO BE 10' X 20' UNLESS OTHERWISE NOTED.
- CONTRACTOR IS RESPONSIBLE FOR PROVIDING AND INSTALLING A MAILBOX ON SITE. MAILBOX MUST MEET ALL U.S. POST OFFICE REQUIREMENTS.
- CONTRACTOR SHALL ALSO INSTALL 4" VINYL ADDRESS NUMBERS ON FRONT WINDOWS AS DIRECTED BY ADVANCE AUTO PARTS CONSTRUCTION ADMINISTRATOR.
- CONTRACTOR IS TO STAKE LOCATION OF PYLON SIGN AND NOTIFY ADVANCE AUTO PARTS CONSTRUCTION ADMINISTRATOR FOR EARLIEST POSSIBLE INSTALLATION DATE.
- CONTRACTOR IS TO PRESSURE WASH THE ENTIRE PARKING LOT SURFACE AND FRONT SIDEWALK THE MORNING PRIOR TO STORE OPENING.
- DEVELOPER, CONTRACTOR AND ALL SUBCONTRACTORS SHALL COMPLY WITH ALL APPLICABLE CODES AND ORDINANCES GOVERNED BY STATE AND LOCAL JURISDICTION.
- DEVELOPER/ CONTRACTOR IS RESPONSIBLE FOR SETUP OF TEMPORARY POWER AND PAYMENT UNTIL TURNED OVER AND ACCEPTED BY ADVANCE AUTO PARTS.



LIGHT POLE AS REQUIRED. (TYPICAL OF 3)

6' HIGH TREATED WOOD DUMPSTER SCREEN, PRIME AND PAINT TO MATCH THE BUILDING. SEE DETAIL SHEET.

CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE WITH WWT STEEL REINFORCEMENT. APPLY (2) COATS OF H&C BLACK ACRYLIC STAIN TO MATCH THE PARKING LOT BEFORE STRIPPING.

PAINT GUIDE LINES ON THE PARKING LOT FOR TRUCKS TO LINE UP WITH LIFT. SEE DETAIL SHEET.

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

ANCHOR DOWN CONCRETE PARKING BLOCKS 42" FROM FACE OF BUILDING.

6" HIGH CONCRETE CURB AND GUTTER CONTINUED AROUND SITE BACKFILL TO TOP OF CURB.

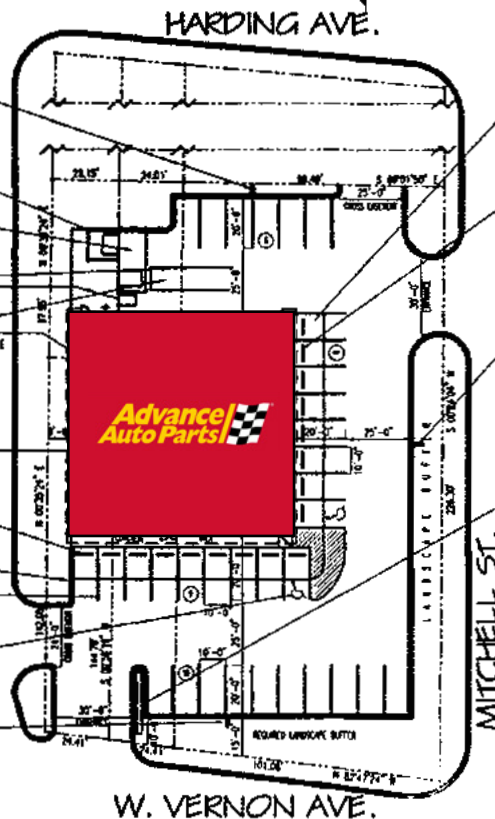
PARKING LINES 4" WIDE PAINTED WHITE. (TWO COATS OF SHERWIN WILLIAMS TRAFFIC MARKING PAINT.)

HANDICAP RAMP TO MEET ALL ADA AND LOCAL REQUIREMENTS.

LIGHT POLE AS REQUIRED. (TYPICAL OF 3)

SITE PLAN

1" = 30'-0"



12'-0" CONCRETE APRON IS TO BE FULL 4" THICK 4000 PSI CONCRETE WITH WWT STEEL REINFORCEMENT. APPLY (2) COATS OF H&C BLACK ACRYLIC STAIN ACCORDING TO MANUFACTURER'S SPECIFICATIONS TO MATCH THE PARKING LOT BEFORE STRIPPING.

ANCHOR DOWN CONCRETE PARKING BLOCKS 30" FROM FACE OF CURB.

INSTALL 25' HIGH STEEL LIGHT POLE ON A 30" HIGH 24" DIAMETER CONCRETE BASE W/ HAND RUBBED FINISH. SEE DETAIL SHEET FOR LIGHT POLE BASE DIMENSIONS. LIGHT POLE IS TO BE RED TO MATCH PWS/ABSC. ALL SITE LIGHTS ARE TO BE CONTROLLED BY A PHOTOCELL/ TIMECLOCK COMBINATION. PHOTOCELLS ARE TO BE EQUIPPED WITH A LIGHT LEVEL SLIDE ADJUSTMENT TO ADJUST SENSITIVITY. (TYPICAL OF 3)

ORDERING INFORMATION:

LIGHT POLES: HUBBELL MODEL /SSP4256G2PLM61
LITHONIA MODEL /SSS254COM19
LIGHT FIXTURES: HUBBELL /LWSA1000HFPBR-A4-L
LITHONIA /KVT100M5FTLTPSP04DBRLP

ROAD SIGN FURNISHED & INSTALLED BY ADVANCE. CONTRACTOR'S ELECTRICIAN IS TO PROVIDE A SEPARATE UNDERGROUND CIRCUIT FOR THE ROAD SIGN. THE CIRCUIT IS TO BE CONTROLLED BY A PHOTOCELL/ TIME CLOCK COMBINATION. THE PHOTOCELL IS TO BE EQUIPPED WITH A LIGHT LEVEL SLIDE ADJUSTMENT TO ADJUST THE SENSITIVITY. THE PHOTOCELL WILL ALLOW THE ROAD SIGN, BUILDING SIGN, SOFFIT LIGHTS, AND LIGHT BAR TO COME ON AT THE DESIRED LIGHT LEVEL AND THE TIME CLOCK WILL BE SET TO TURN ON AT 7am AND OFF AT 10pm. THE NUMBER OF CONTRACTORS USED WILL BE DETERMINED BY THE NUMBER OF CIRCUITS REQUIRED. THE CONTRACTOR IS TO REPAIR AFTER THE ROAD SIGN IS INSTALLED TO MAKE ALL OF THE NECESSARY CONNECTIONS AND INSTALL A WEATHERPROOF RECEPTACLE AT THE BASE OF THE POLE.

DATE: 04/24/2003
DRAWN BY: KSL/SHF

TENANT

EXHIBIT "B" DATE: 04/24/2003 SHEET 2 OF 16

SITE PLAN

14590 - KINSTON, NORTH CAROLINA (RELO)

Advance Auto Parts

DOWN BY: KS

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Marcus & Millichap

TAYLOR MCMINN

RETAIL GROUP

Dated:

Don McMinn
Marcus & Millichap
1100 Abernathy Road, NE, Suite 600
Atlanta, GA 30328

Phone: (678) 808-2762
Fax: (815) 550-1286
don.mcminn@marcusmillichap.com

Re: 301 W Vernon Ave – Kinston, NC 28501 (Advance Auto Parts)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$25,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$25,000 deposited at the expiration of the Inspection Period (\$50,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date

Existing Property Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within
10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation

Purchaser's Initials _____ Seller's Initials _____

(written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____