



NEW MODIFIED NNN LEASE, 10% INCREASES EVERY 5 YEARS

ADVANCE AUTO PARTS

PALM BAY (SOUTHEAST OF ORLANDO), FLORIDA



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ADDRESS

3360 Bayside Lakes
Palm Bay, FL 32909

PRICE

\$3,419,000

CAP RATE

5.85%

NOI

\$200,000

FINANCIAL OVERVIEW

PRICE	\$3,419,000
CAP RATE	5.85%
GROSS LEASABLE AREA	6,912 SF
YEAR BUILT	2024
LOT SIZE	1.00 +/- Acres

Lease Summary

LEASE TYPE	Modified NNN
ROOF & STRUCTURE	Landlord Responsible for Structure Only
LEASE TERM	15 Years
RENT COMMENCEMENT	Est. December 2024/January 2025
INCREASES	10% Every Five Years, Including Options
OPTIONS	Three, 5-Year
OPTION TO TERMINATE	None
RIGHT OF FIRST REFUSAL	None

TERM	ANNUAL RENT	MONTHLY RENT
Year 1 - Year 5	\$200,000	\$16,667
Year 6 - Year 10	\$220,000	\$18,333
Year 11 - Year 15	\$242,000	\$20,167
Option 1	\$266,200	\$22,183
Option 2	\$292,820	\$24,402
Option 3	\$322,102	\$26,842



TENANT OVERVIEW

OWNERSHIP: PUBLIC
GUARANTOR: CORPORATE
TENANT: DISCOUNT AUTO PARTS, LLC

Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. As of April 20, 2024 Advance operated 4,777 stores and 320 Worldpac branches primarily within the United States, with additional locations in Canada, Puerto Rico and the U.S. Virgin Islands. The company also served 1,152 independently owned Carquest branded stores across these locations in addition to Mexico and various Caribbean islands.



HEADQUARTERED IN
RALEIGH,
NC



4,777
LOCATIONS



67,000
EMPLOYEES



FOUNDED IN
1932



PUBLICLY TRADED
COMPANY
NYSE:
AAP

Recent News

EXPONENTIAL GROWTH EXPECTED FOR
AUTOMOTIVE AFTERMARKET PARTS SERVICE MARKET
WITH COMPLETE SWOT ANALYSIS BY FORECAST
FROM 2024 TO 2031

August 1, 2024
www.openpr.com

ADVANCE AUTO PARTS PIVOTS STRATEGY TO
COMPETE WITH RIVALS

May 30, 2024
www.sharewise.com

LEASE SUMMARY

LANDLORD RESPONSIBILITIES

Landlord will be responsible only for structural repairs to the exterior shell, slab and foundation (not including maintenance items such as painting and power washing).

TENANT RESPONSIBILITIES

Tenant shall maintain, repair and replace the premises except for any items that are Landlord's responsibility.

TAXES

Tenant shall reimburse Landlord for all real estate taxes.

INSURANCE

Tenant shall, at its sole cost and expense, obtain and maintain property insurance and commercial general liability insurance, naming Landlord as additionally insured.

Landlord shall maintain commercial general liability insurance naming Tenant as additionally insured.

ASSIGNMENT & SUBLETTING

Tenant may assign or sublet the lease without Landlord's consent but shall remain liable under the terms of the lease. Tenant shall only be relieved of any liability should the assignee have a net worth greater than \$100,000,000.

NON-COMPETITION

Landlord shall ensure that no person or entity uses any portion of any land located within 1 mile that is now or hereafter owned or controlled, whether directly or indirectly, by Landlord, its successors, assigns or affiliates, for the purpose of the sale, display or rental of automotive parts, accessories, supplies, and/or maintenance items.

ESTOPPEL

Tenant has 30 days from receipt of request to provide an executed estoppel.



INVESTMENT *HIGHLIGHTS*

- 15-Year Modified NNN Lease, Landlord Responsible for Structure and Foundation
- 10% Increases Every 5 Years Beginning and in Each Option Period
- Corporate Guaranty (NYSE: AAP), 4,777+ Locations with \$11.3 Billion in Revenue
- Investment Grade Credit Tenant, Rated 'BBB-' by S&P
- Industry Leader, One of the Largest Aftermarket Auto Parts Providers in the U.S.
- Brand New Upgraded Block Architectural Design
- Serving Over 80,000 Residents in Rapidly Growing Trade Area
- In the Heart of Thousands of New Homes and Residential Subdivisions Under Construction
- Average Household Income Exceeds \$75,000 within 3 Miles
- Adjacent to High-Volume Publix Anchored Grocery Center
- Just West of I-95 with 56,580 Cars/Day, the Main North/South Highway on the East Coast
- Close Proximity to Florida's Space Coast which Attracts 2.5+ Million Visitors Annually
- Strong Daytime Population, Over 15,400 Employees in Primary Trade Area
- Palm Bay is a Bedroom Community for Engineers Employed by Space X and NASA
- Minutes to Florida Tech with Approximately 9,700 Students and Several K-12 Schools with 8,000+ Students
- 65 Miles Southeast of Orlando International Airport
- Tax Free State, No State Income Tax in Florida



 **SOUTHWEST PALM BAY**
5,071 HOMES

 **MALABAR COVE**
148 UNITS

 **WESTSIDE ELEMENTARY**
728 STUDENTS

 **BAYSIDE HIGH SCHOOL**
1,854 STUDENTS

 **BRIDGEWATER UNITS**

 **PINEAPPLE COVE**
1,027 STUDENTS

 **WALGREENS**
 **AutoZone**
 **Publix**  **CHASE**
 **MCDONALD'S**  **DUNKIN'**
 **PAPA JOHN'S**  **DOLLAR TREE**

 **BAYSIDE LAKES**
1,826 HOMES

 **ODYSSEY CHARTER ELEMENTARY**
1,847 STUDENTS

 **TURNER ELEMENTARY**
579 STUDENTS

 **SOUTHWEST MIDDLE**
920 STUDENTS

SUBJECT PROPERTY

 **COLUMBIA ELEMENTARY**
506 STUDENTS

 **ODYSSEY CHARTER JR HIGH**
1,847 STUDENTS

 **PARK AT PALM BAY**
234 UNITS

 **ISLA**
197 UNITS

 **PALM BREEZE**
264 UNITS





 **Eastern Florida STATE COLLEGE**
PALM BAY CAMPUS

 **Roses**
 **WINN-DIXIE**
 **OLLIE'S OUTLET**
GOOD STUFF CHEAP
 **DOLLAR TREE**
 **planet fitness**  **7-ELEVEN**
 **Rent-A-Center**
 **PNC BANK**

 **Walmart**
Supercenter  **THE HOME DEPOT**  **Publix**
 **SONIC**  **Chick-fil-A**
 **Wendy's**  **Arby's**  **TACO BELL**  **SHERWIN WILLIAMS**
 **SEVEN STARS**  **BREW**  **ups**  **TIRE KINGDOM**
SERVICE CENTERS

 **PORT MALABAR**
703 HOMES

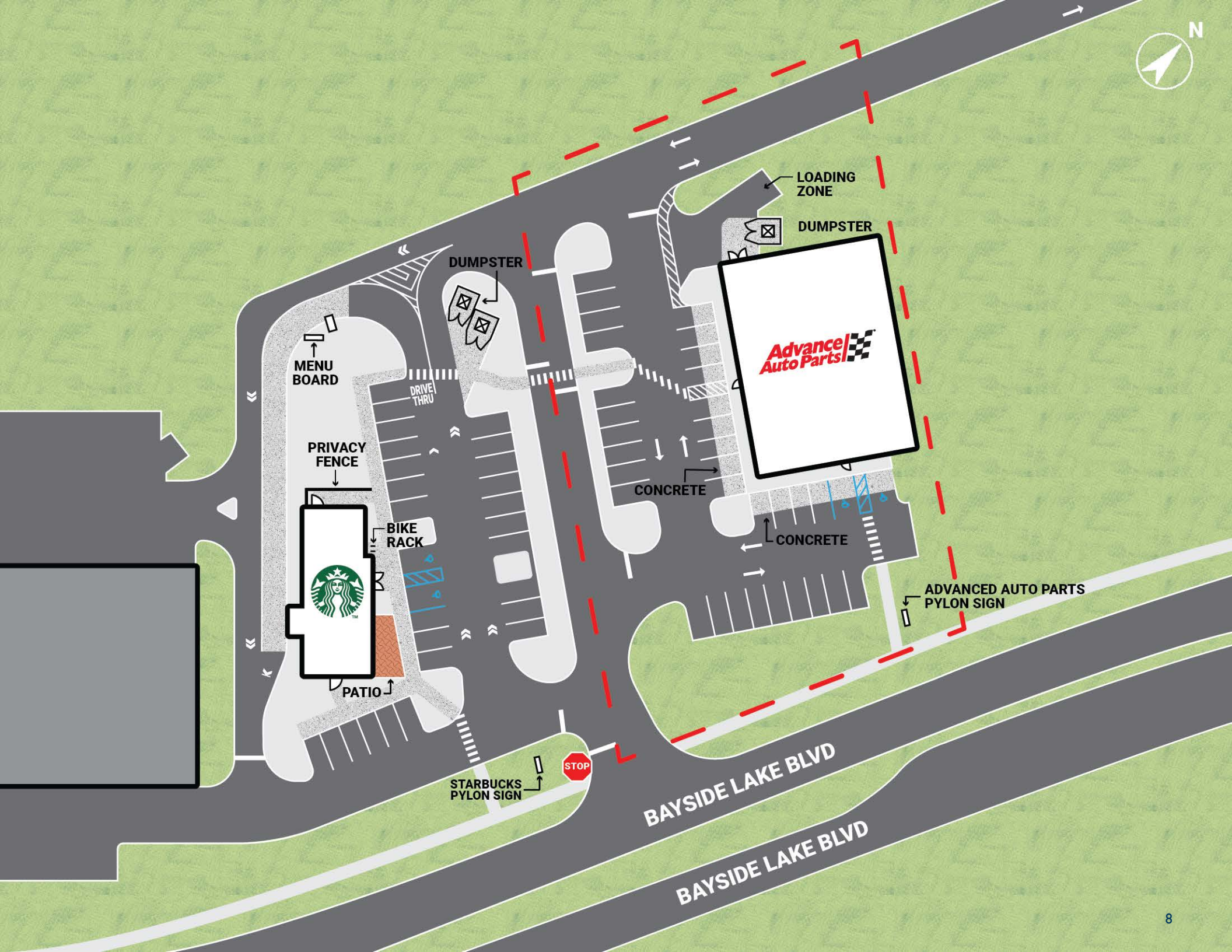
 **LOWE'S**
WALGREENS
WAFFLE HOUSE
BURGER KING  **7-ELEVEN**

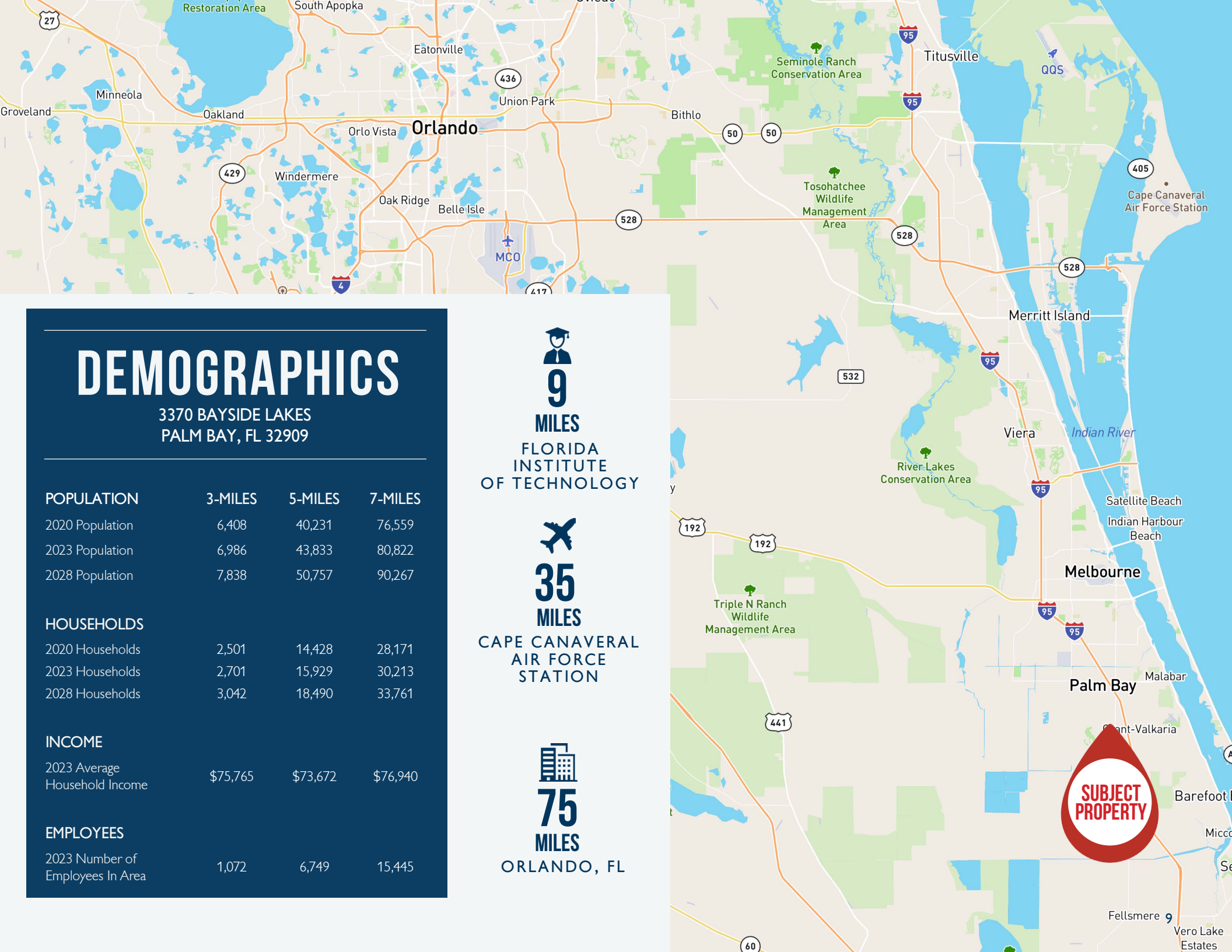
 **HARBOR FREIGHT TOOLS**
 **TEXAS GRILLS**
 **Comfort Inn**
MCDONALD'S
 **TD Bank**

 **ACE Hardware**

56,580 CARS/DAY

95





DEMOGRAPHICS

3370 BAYSIDE LAKES
PALM BAY, FL 32909

POPULATION

	3-MILES	5-MILES	7-MILES
2020 Population	6,408	40,231	76,559
2023 Population	6,986	43,833	80,822
2028 Population	7,838	50,757	90,267

HOUSEHOLDS

	3-MILES	5-MILES	7-MILES
2020 Households	2,501	14,428	28,171
2023 Households	2,701	15,929	30,213
2028 Households	3,042	18,490	33,761

INCOME

	3-MILES	5-MILES	7-MILES
2023 Average Household Income	\$75,765	\$73,672	\$76,940

EMPLOYEES

	3-MILES	5-MILES	7-MILES
2023 Number of Employees In Area	1,072	6,749	15,445



9

MILES
FLORIDA
INSTITUTE
OF TECHNOLOGY



35

MILES
CAPE CANAVERAL
AIR FORCE
STATION



75

MILES
ORLANDO, FL

SUBJECT
PROPERTY

CONFIDENTIALITY & DISCLAIMER

MARCUS & MILLICHAP HEREBY ADVISES ALL PROSPECTIVE PURCHASERS AS FOLLOWS:

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Any projections, opinions, assumptions or estimates used in this Offering Memorandum are for example only and do not represent the current or future performance of this property. The value of a net leased or retail property to a Buyer depends on factors that should be evaluated by a Buyer and their tax, financial and legal advisor(s). Buyer and their tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased or retail property to determine their satisfaction with the suitability of the property for their needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant(s). While a tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant(s) and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of the tenant(s) history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any lease, including the likelihood of locating a replacement tenant if a current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Offering Memorandum, you agree to release Marcus & Millichap Real Estate Investment Services, its affiliates or subsidiaries, or any agent and hold them harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.

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SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

O F F E R I N G M E M O R A N D U M

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