

OFFERING MEMORANDUM



ADVANCE AUTO PARTS
NEDERLAND, TEXAS



SCHUCHERT
RETAIL GROUP



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RETAIL GROUP

EXCLUSIVELY LISTED BY:



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Advance Auto Parts





INVESTMENT SUMMARY



LIST PRICE
\$1,000,000



LOCATION
**1301 NEDERLAND AVENUE
NEDERLAND, TX 77627**



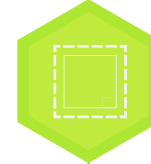
CAP RATE
7.28%



ANNUAL RENT
\$72,800.04



BUILDING SIZE
7,055 SQ. FT.



LAND AREA
0.94 ACRES



OWNERSHIP
FEE SIMPLE



LEASE TYPE
NN



TERM REMAINING
6.5 YEARS



LEASE EXPIRATION
12/31/2026



RENEWAL OPTIONS
2 - 5 YEAR



RENT INCREASES
AT OPTIONS



PARKING
53 SPACES



YEAR BUILT
2001



APN
**042750-000-
000100-00000-8**



TRAFFIC COUNTS
12,024 VPD

INVESTMENT HIGHLIGHTS

ADVANCE AUTO PARTS CORPORATE LEASE:

- 6.5 Years Remaining in the Current Term
- Tenant Recently Extended Their Lease for an Additional 5 Years
- Two (2) - Five (5) Year Options
- Long Term Operating History - 18+ Years
- High Quality Construction - Steel Framed with Concrete Block

NN LEASE | MINIMAL LANDLORD RESPONSIBILITIES:

- Landlord is Responsible for Roof, Structure, and Parking Lot
- Tenant is Responsible for Maintaining the HVAC System and Landlord/Tenant Shall Each be Responsible for 50% of the Cost Associated with any Major Breakdowns in the HVAC System



EXXON REFINERY EXPANSION:

- In 2019, Exxon Mobil Approved an Expansion at its Refinery in Beaumont that Could Make it the Largest in the Country
- Construction on a Third Crude Distillation Unit at the Refinery Began in January of 2019
- The Refinery Currently Processes 366,000 Barrels of Crude Oil per Day and Produces 2.8 Billion Gallons of Gasoline a Year
- The New Unit Would Bring That to Around 616,000 Barrels per Day, Likely Ranking Exxon's Refinery Ahead of Motiva Enterprises' Refinery in Port Arthur (Currently the Largest Nationwide)
- The Project is Expected to Create Up to 1,850 Jobs During Construction and Between 40 and 60 Permanent Jobs Once the Unit is Completed, Which is Expected by 2022
- Exxon Mobil Plans to Spend About \$1.3 Billion for the Current Refinery Expansion Underway

PROXIMITY TO OTHER MAJOR CITIES:

- Lake Charles, Louisiana | 63 Miles - 1 Hour: 6 Minute Drive
- Houston, Texas | 93 Miles - 1 Hour: 24 Minute Drive
- College Station, Texas | 186 Miles - 2 Hour: 50 Minute Drive
- Austin, Texas | 257 Miles - 3 Hour: 52 Minute Drive
- San Antonio, Texas | 288 Miles - 4 Hour: 17 Minute Drive

TRADE AREA DEMOGRAPHICS:

- 1-Mile Population = 10,120 Residents
- 1-Mile Average Household Income = \$70,012
- 3-Mile Population = 45,553 Residents
- 3-Mile Average Household Income = \$83,561
- 5-Mile Population = 66,515 Residents
- 5-Mile Average Household Income = \$79,947

TENANT:

- Advance Auto Parts (NYSE: AAP)
- Features Strong Investment Grade Credit (BBB) by Standard & Poor's
- 4,843 Stores Located in 49 States as of April 18, 2020
- Market Cap of \$9.70 Billion as of December 2019
- Ranked #330 on the Fortune 500 List



O'Reilly Auto Parts AutoZone
Wells Fargo Bank of America
Family Dollar Sherwin-Williams
Sonic DQ

Dollar General
Family Dollar
Walgreens Jack in the box
Sonic DQ

DOLLAR GENERAL

WELLS FARGO

Advance Auto Parts

CHASE CVS pharmacy
Walgreens H-E-B
Kentucky Fried Chicken TACO BELL Jack in the box

DOLLAR GENERAL
McDonald's Burger King

CHASE WELLS FARGO CIRCLE K
Walmart Supercenter FAMILY DOLLAR
CVS pharmacy Walgreens
SHERWIN-WILLIAMS TACO BELL McDonald's Jack in the box
SONIC Arby's

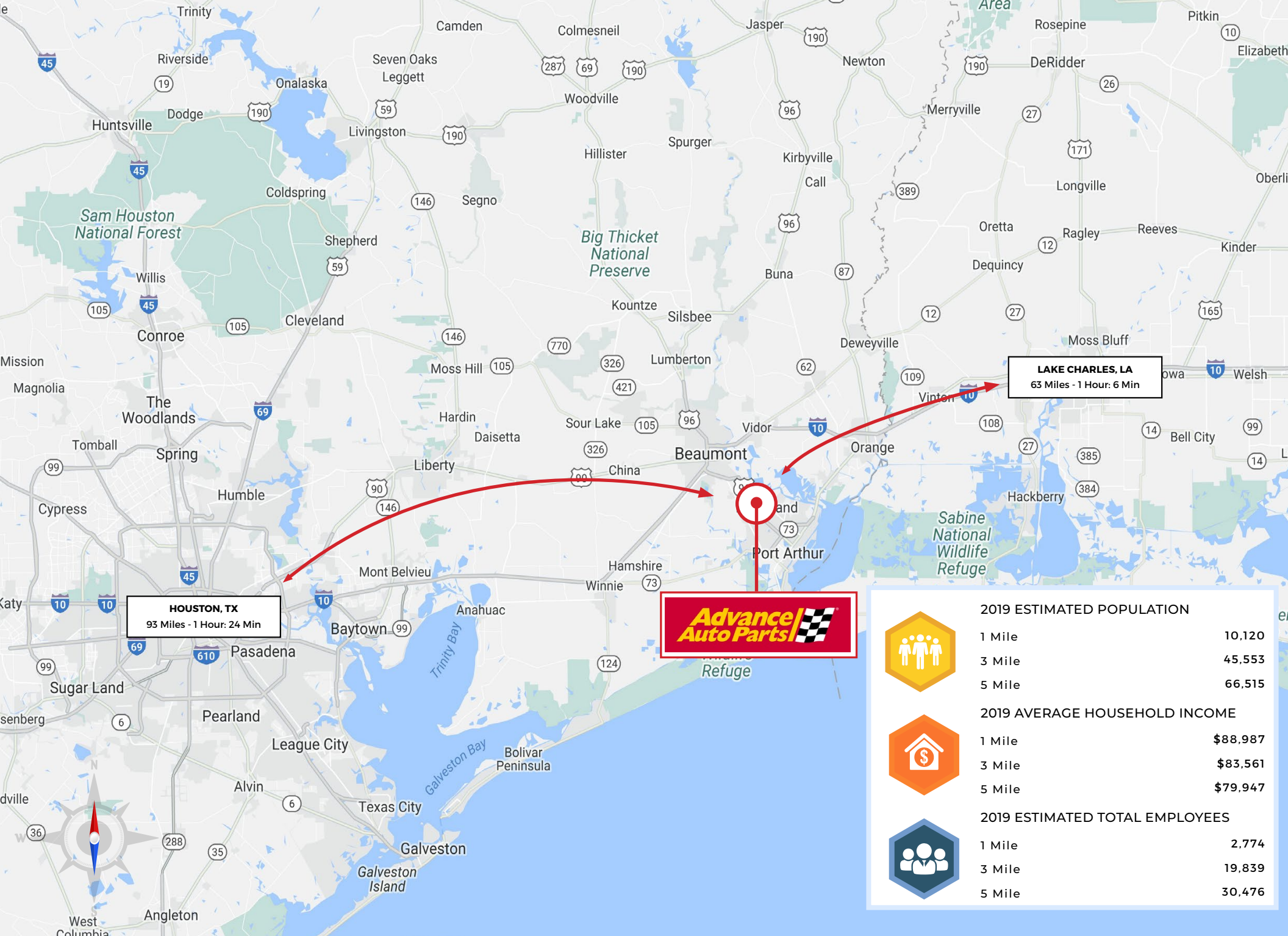
DOLLAR TREE CVS pharmacy
petco WILD WINGS Chick-fil-A

Target T.J. MAXX FAMILY DOLLAR
CVS pharmacy Luby's DICKY'S BARBECUE PIT
Starbucks CHAMPS HIBBETT SPORTS

TRACTOR SUPPLY CO

Walmart LOWE'S HARBOR FREIGHT TOOLS
Office DEPOT OfficeMax IHOP
SALT GRASS Cheddar's EQUIPE
McDonald's Jack in the box SONIC Academy

Firestone H-E-B
Burger King DOLLAR GENERAL



HOUSTON, TX
93 Miles - 1 Hour: 24 Min

LAKE CHARLES, LA
63 Miles - 1 Hour: 6 Min



2019 ESTIMATED POPULATION		
1 Mile		10,120
3 Mile		45,553
5 Mile		66,515
2019 AVERAGE HOUSEHOLD INCOME		
1 Mile		\$88,987
3 Mile		\$83,561
5 Mile		\$79,947
2019 ESTIMATED TOTAL EMPLOYEES		
1 Mile		2,774
3 Mile		19,839
5 Mile		30,476

AREA OVERVIEW



NEDERLAND, TEXAS

Nederland was officially placed on the map December 24, 1897. On that date, Robert Gilham, civil engineer, filed a certificate describing his finished survey of the town site. The name Nederland was given by its creator, Arthur Stilwell, owner of the Port Arthur Townsite Company. Mr. Stilwell, who constructed the new railroad from Kansas City to Lake Sabine, had chosen many of the names on the route to the railroad as a result of receiving financial backing for the project from Holland. He was hopeful of Nederland becoming a transplanted Dutch Settlement in Texas.

The first Hollander to arrive in Nederland was young George (Gatze) Rienstra. He arrived in late May or June in 1897 and chose what he considered the richest farm land in the barren uninhabited country. A vast prairie with neither a tree nor house in sight. His warranty deed for the purchase of the first land bought in Nederland was signed on July 17, 1897. This was for the purchase of 80 acres for \$800.00 cash and he was given lots 1, 2, 3 and in block 15 in the area designated for business.

In the late summer of 1897 the Port Arthur Land Company began construction of the Orange Hotel for the purpose of housing the immigrants that were being brought to the area. This hotel (built on the site where Bank of America now stands) was to furnish room and board at a reasonable rate while the newcomers were choosing their land and building their homes. The hotel was an attractive, well-constructed three-story building, consisting of 33 rooms. Besides the sleeping rooms, there was a combination dining and ball room and a library, which contained 1000 books. The hotel was painted a bright orange color in honor of the royal family of Holland.

While the Dutch were moving to Nederland, there were also people coming in from other parts of Texas and other sections of the United States. Many of the immigrants took temporary jobs on the railroad, working on the jetties at Sabine Pass or on farms in outlying areas. Those who were unable to adjust to the climate, the mosquitoes, and the lack of physical and material conveniences moved on to other towns or states, while some returned to Holland. Of those who remained most were engaged in rice farming, truck farming and dairy farming.

January 10, 1901 the Lucas gusher erupted at nearby Spindletop, seven miles to the north of Nederland thereby ushering in the petro-chemical age and establishing the economic base which accounted for Nederland's continual growth. The greatest impetus to Nederland's economy came in 1922 when Humphrey Oil Company located at nearby Smith's Bluff. In 1923 the Pure Oil Company took over and started building their refinery which is now Chevron Pipe-line Terminal.

The schools and churches kept pace with the business, farming and industrial communities in a steady wholesome growth. Nederland is still motivated by the same ideals, dreams, enthusiasm, and desire to achieve that existed in those early adventurous days.

AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILE	5 MILE
2019 Population	10,120	45,553	66,515
2024 Projected Population	9,663	43,862	64,105
2010 Population	10,464	43,795	64,522



HOUSEHOLD	1 MILE	3 MILE	5 MILE
2019 Households	4,327	19,400	25,903
2024 Households	4,285	19,341	25,783
2010 Households	4,287	17,715	23,865
Average Household Size	2.34	2.30	2.33



INCOME	1 MILE	3 MILE	5 MILE
Average Household Income	\$88,987	\$83,561	\$79,947
Median Household Income	\$71,033	\$65,374	\$62,584
Per Capita Income	\$38,047	\$35,809	\$32,438



HOUSING	1 MILE	3 MILE	5 MILE
2019 Housing Units	4,327	19,400	25,903
2019 Owner-Occupied Units	2,934	12,146	16,878
2019 Renter Occupied Housing Units	1,393	7,253	9,025



PLACE OF WORK	1 MILE	3 MILE	5 MILE
2019 Businesses	419	1,989	2,723
2019 Employees	2,774	19,839	30,476

TENANT OVERVIEW



STOCK
AAP



CREDIT RATING
BBB (S&P)



MARKET CAP
\$9.70 Billion



FORTUNE 500
#330



YEAR FOUNDED
1929



HEADQUARTERS
Raleigh, North Carolina



STORES
4,843



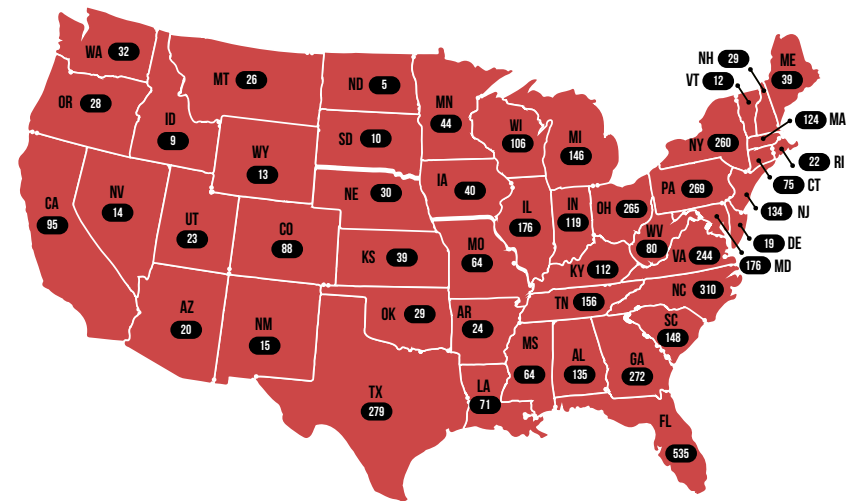
NO. EMPLOYEES
67,000

ABOUT

Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers. As of April 18, 2020, Advance operated 4,843 total stores and 168 Worldpac branches primarily under the trade names "Advance Auto Parts," "Autopart International," "Carquest" and "Worldpac." The Company also serves 1,258 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos, and British Virgin Islands. Advance Auto Parts, Inc. was founded in 1929 and is headquartered in Roanoke, Virginia.

4,843 STORES | **IN 49 STATES** | AS OF 04/18/2020

● STORES



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Advance Auto Parts located at 1301 Nederland Avenue, Nederland, TX 77627 ("Property"). This Offering Memorandum is intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property. The information and materials contained herein are selective and limited in nature, and neither Owner or Schuchert Retail Group purports this to be an all-inclusive report on the Property.

This Offering Memorandum contains select information pertaining to the Property and does not purport to be all-inclusive or contain all or part of the information which prospective purchasers may require to evaluate a purchase of the Property. The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable. However, Schuchert Retail Group has not and will not verify any of this information, nor has Schuchert Retail Group conducted any investigation regarding these matters. Schuchert Retail Group makes no guarantee, warranty or representation, express or implied, as to the truth, accuracy or completeness of any information provided and no legal commitments or obligations shall arise by reason of this Offering Memorandum or its contents. The information contained herein is not a substitute for a thorough due diligence investigation. All information is presented "as is" without representation or warranty of any kind. It is your responsibility to independently confirm its accuracy and completeness.

Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and its suitability for their needs. Prior to submitting an offer, prospective purchasers should consult with their own financial, legal, tax and construction advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

By receipt of this Offering Memorandum for the Property, you agree that:

- This Offering Memorandum and its contents are of a confidential nature.
- You will treat it in the strictest confidence.
- You will not disclose this Offering Memorandum or any of its contents to any other person or entity without the prior written authorization of the Owner or Schuchert Retail Group.
- You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner or Schuchert Retail Group.
- You will be responsible for making your own decisions.

Owner and Schuchert Retail Group expressly reserve the right, in its sole discretion, to: (i) reject any or all expressions of interest or offers to purchase the Property without providing any reason or (ii) to terminate any negotiations with any party, at any time, with or without notice. The Owner shall have no legal commitment or obligations to any recipient viewing this Offering Memorandum or making an offer to purchase the property unless and until a written agreement for the purchase of the property has been fully executed on terms acceptable to Owner and any and all conditions set by Owner have been fully satisfied or waived.

By accepting this Offering Memorandum you agree to release the Seller and Schuchert Retail Group of any and all liability and hold the parties harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of the Property.

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