



## Offering Memorandum

NAPA AUTO PARTS | 6.4% CAP RATE





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# EXECUTIVE SUMMARY

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## OFFER HIGHLIGHTS

Bull Realty is pleased to offer FOR SALE this absolute NNN corporate guaranteed NAPA Auto Parts location in Lithonia (Atlanta MSA), GA. NAPA is owned by Atlanta based Genuine Parts Company and has over 17,000 locations in the US and abroad. This retail location is on a signalized 4-lane intersection with easy access to I-20. This is a busy daytime crossroads for the mix of residential and commercial travelers with over 56K residents in a three-mile area.

The recently renovated retail portion of the store reflects NAPA's initiative to "grow" the retail side of their business along with the already robust wholesale business, whereby they provide OEM parts to national tire retailers, auto repair shops and auto dealers. This facility is also one of 3 metro Atlanta NAPA locations that offers a machine shop for specialized engine repairs.

This NNN lease has almost 7 years remaining with four 5 year options. There is a 7.5% increase in rent every 5 years. The property is located on an oversized 7+ acre parcel of land that is zoned M (Industrial).

Offered for sale at \$2,160,000

- Strong Atlanta based wholesale/retail auto parts retailer with over 16K NAPA Auto Parts locations nationwide
- 6.4% CAP NNN lease with no landlord responsibilities
- 7.5% rent increases every five years with four 5 year renewal options
- 7+ years remain on initial lease term
- First rent increase begins March 2019
- Rent/SF is less than \$15
- Recent remodeling of interior retail sales area to new store prototype
- Located on signalized corner on oversized 7+ acre parcel
- Corporate guaranteed by NYSE traded Genuine Parts Company (GPC)
- Atlanta MSA location in DeKalb County close to I-20
- One of 3 metro Atlanta locations with machine shops
- Three mile population of over 56K

## DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
Total Households:	3,246	21,775	50,164
Total Population:	8,308	56,818	136,902
Average HH Income:	\$42,378	\$50,891	\$59,689

## AREA OVERVIEW

Lithonia, GA is located east of downtown Atlanta in DeKalb County, one of Georgia's most populated counties with a population of over 700,000. DeKalb County is known for its ethnic and international diversity with over 64 languages spoken. It has several large employers including Emory University, the Centers for Disease Control, Children's Healthcare of Atlanta, DeKalb County Government, and the DeKalb Farmer's Market.

The subject property is located just outside Atlanta's perimeter, I-285, and is close to many attractions including Stone Mountain Park, Stonecrest Mall and Panola Mountain State Park. Lithonia is the easternmost town in DeKalb County, next to nearby Rockdale County, whose county seat is Conyers. The Lithonia and Conyers area, due to proximity to a large labor force, have many major and diverse employers including Acuity Lighting (formerly Lithonia Lighting), Air Products & Chemicals, Bio-Lab, AT&T, Vulcan Materials, and several auto dealerships and more.

Atlanta's Hartsfield Jackson International Airport is located 10 miles from the subject property. The Atlanta MSA consists of 29 counties with a population of over 6.4 million. Major companies such as Delta Air Lines, Chic-Fil-A, Equifax, United Parcel Service, Cox Enterprises, Southern Company, State Farm, Turner Broadcasting, Coca-Cola and Mercedes USA are headquartered in metro Atlanta. In addition, Atlanta has become an incubator for many emerging businesses and private equity firms. Due to tax credit opportunities offered, major movie studios have also expanded into the Atlanta MSA.

# FINANCIAL OVERVIEW

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## PROPERTY & LEASE INFORMATION

Subject Property:	Single Tenant
Property Location:	7227 Covington Hwy Lithonia, GA 30058
County:	DeKalb
Price:	\$2,160,000.00
Rentable SF:	9,378 SF
Price/SF:	\$230.33
Current Income:	\$138,147.11
Cap Rate:	6.4%
Rent/SF/YR:	\$14.73
Year Built:	1996
Site Size:	7.15 Acres
Zoning:	M (Industrial)
Type Of Ownership:	Fee Simple

## LEASE SUMMARY

Tenant Trade Name:	NAPA
Tenant Name:	Genuine Parts Company
Lease Type:	Triple Net Lease
Lease Guarantor:	Genuine Parts Company
Lease Commencement:	March 1, 2014
Lease Expiration:	August 31, 2024
Renewal Options:	Four 5 year options
Rent Increases:	7.5% every five years

## RENT SCHEDULE

Term	Dates	Monthly Rent	Annual Rent	Increase
Initial	3/1/2014-2/28/2019	\$11,512.26	\$138,147.11	n/a
Initial	3/1/2019-2/29/2024	\$12,375.68	\$148,508.14	7.5%
Initial	3/1/2024-8/31/2024	\$13,303.85	\$159,646.25	7.5%
Option 1	9/1/2024-2/28/2029	\$13,303.85	\$159,646.25	0%
Option 1	3/1/2029-8/31/2029	\$14,301.64	\$171,619.72	7.5%
Option 2	9/1/2029-2/28/2034	\$14,301.64	\$171,619.72	0%
Option 2	3/1/2034-8/31/2034	\$15,374.27	\$184,491.20	7.5%
Option 3	9/1/2034-2/28/2039	\$15,374.27	\$184,491.20	0%
Option 3	3/1/2039-8/31/2039	\$16,527.34	\$198,328.04	7.5%
Option 4	9/1/2039-2/28/2044	\$16,527.34	\$198,328.04	0%
Option 4	3/1/2044-8/31/2044	\$17,766.89	\$213,202.65	7.5%

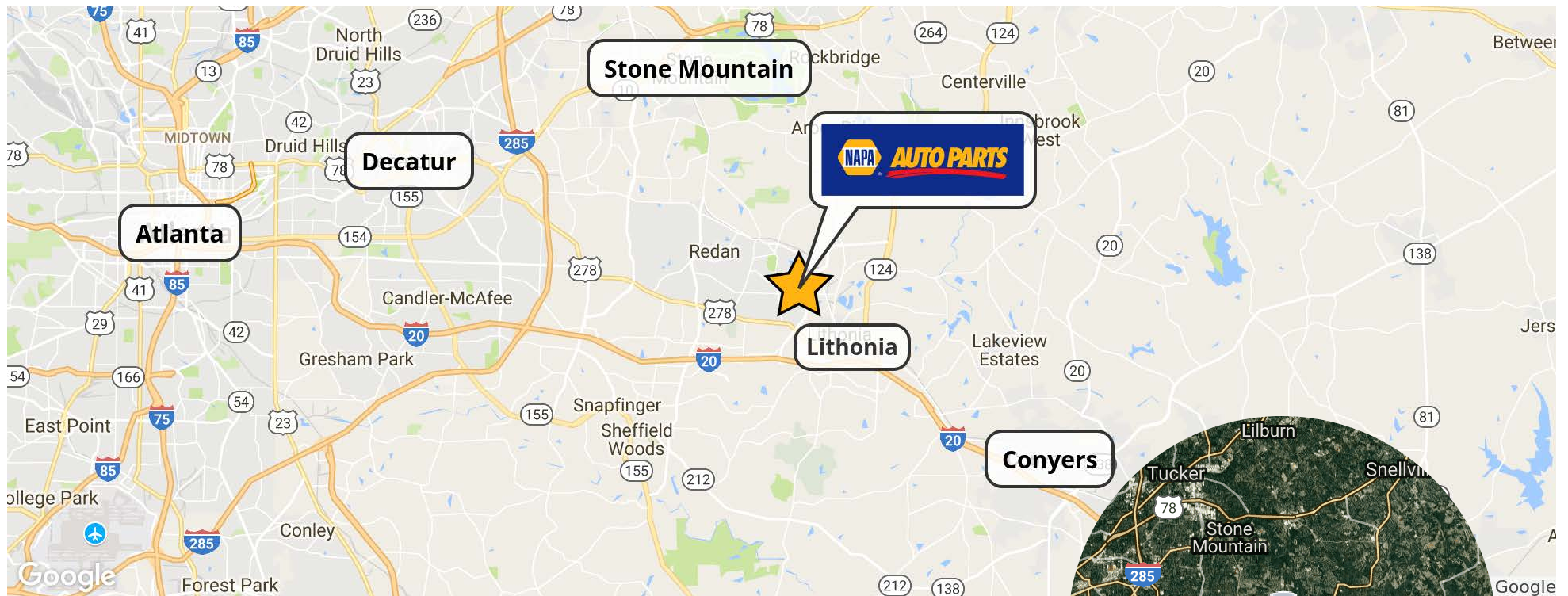
## ACTUAL LOCATION





# AREA MAP

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Distance from Subject in miles (+/-):

- 6.5 miles to Conyers
- 8.5 miles to Stone Mountain
- 13 miles to Decatur
- 16 miles to Atlanta

# RETAIL MAP

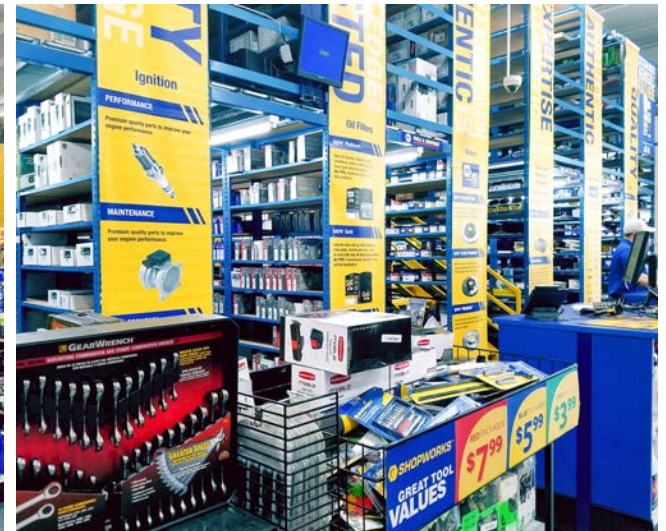
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# PHOTOS

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# TENANT OVERVIEW

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## NAPA

In the 1920's, America fell in love with the automobile. More and more vehicles began traveling the roads, creating a need for an auto parts distribution system that could keep pace with the demand to keep our automobiles running. In 1925, NAPA (National Automotive Parts Association) was founded to meet those needs. Since then, NAPA has become a powerhouse in the auto parts industry. Fueled by the popularity of the automobile, the name can now be seen on over 6,000 stores, 58 distribution centers, and 17,000 NAPA Auto Parts facilities across the United States. The parent company Genuine Parts Company, based in Atlanta Georgia, has another 33 distribution centers and 1,290 stores throughout Canada (UAP), Mexico (AutoTodo), and Australia and New Zealand (Repco), making them a global automotive replacement parts and accessories leader.

As vehicles become more advanced, NAPA has adapted their business in ways that allow them to stay ahead of the curve. Constantly updating the inventory of over 475,000 parts, opening new stores, and reaching out to customers in new ways. NAPA is currently rolling out a new store concept boasting a vastly improved experience for retail customers, thanks to a neater, more accessible layout.

Genuine Auto Parts also operates an industrial parts division Motion Industries, an office products division S.P. Richards Company, and electrical/electronic materials group EIS, Inc.

In 2016, Genuine Parts Group reported \$15.3 Billion in sales with Automotive Parts Group accounting for 53% of revenue. Commercial sales make up 75% of the auto parts revenue with major account customers such as AAA Approved Auto Repair, Firestone Complete Auto Care, GoodYear, and Midus adding to the 17,000 AutoCare facilities and the independently operated service center customer base.

<https://www.napaonline.com/>

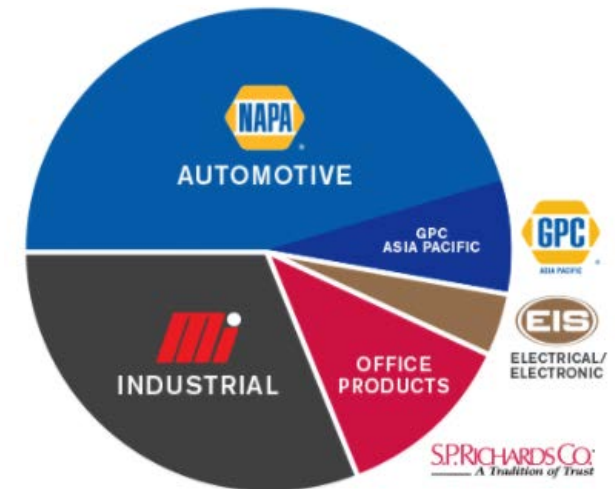
## GENUINE PARTS COMPANY (GPC)

Today GPC is a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts, office products and electrical/electronic materials.

The Automotive Parts Group, the largest division of GPC, distributes approximately 475,000 automotive replacement parts, accessory items and service items throughout North America, Australia and New Zealand. In North America, parts are sold primarily under the NAPA brand name, widely recognized for quality parts, quality service and knowledgeable people.

The Automotive Parts Group serves approximately 6,000 NAPA AUTO PARTS stores in the U.S., 700 wholesalers in Canada, 500 automotive locations in Australia and 27 stores in Mexico. These stores sell to both the retail (DIY) and commercial (DIFM) automotive aftermarket customer and cover substantially all domestic and foreign motor vehicle models.

<https://www.genpt.com/>



GPC NET SALES BY SEGMENT

# BROKER PROFILES

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Nancy Miller joined Bull Realty in 2001 after being a client of the firm. Her brokerage practice focuses on income producing single tenant net lease properties. Nancy leads Bull Realty's National Net Lease Investment Group and works with investors, developers and sellers throughout the US. She is recognized as a savvy and knowledgeable retail net lease expert. In the last 3 years, she has brokered over \$109M in single tenant net lease transactions. Nancy publishes a quarterly investor newsletter, a monthly electronic newsletter, participates in quarterly national retail industry surveys done by Morgan Stanley, and contributes to Bull Realty's retail blogs. In addition, Nancy appears periodically on the Commercial Real Estate Show, a national weekly commercial real estate radio show hosted and produced in Atlanta by broker, Michael Bull.

Nancy has held a real estate license for over 25 years and is licensed in several states. She is a Life Member of the Atlanta Commercial Board of Realtors and a member of the International Council of Shopping Centers (ICSC). She also holds the prestigious CCIM designation. She also holds a Bachelor of Arts degree from Tulane University and an MBA from Emory University's Goizueta Business School, where she is a guest lecturer.



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Rob Taylor purchased his first commercial investment property through Michael Bull in 1998 and has been investing with Bull Realty since. He is now a CRE investment broker, focusing on acquisition and disposition of single tenant net lease investment properties, sale-leaseback transactions and 1031 exchanges throughout the US. Rob has over 30 years of real estate experience in land development, new construction management and the related financial acumen necessary to counsel his clients. He also works with developers and general contractors with the delivery of new single tenant products and properties to the market.

Prior to his real estate focus, Rob had a successful career of over 14 years in software applications development while consulting with corporations, large and small. His success was due in great part to his education at George Tech where he honed his analytical skills which he continues to utilize in his role as a commercial real estate investment advisor. His mission is to add value resulting in a positive experience for his buyer and seller clients. Rob selected Bull Realty due to the shared values of delivering quality customer service with integrity and also the state of the art marketing tools and research systems employed.



# CONFIDENTIALITY AGREEMENT

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This Confidentiality Agreement ("Agreement") is made and agreed to for the benefit of the undersigned party ("Receiving Party"), the owner of the subject property (the "Seller") and undersigned broker Bull Realty Incorporated ("Broker"). Now therefore in consideration of the privileges granted to Receiving Party with respect to receiving certain confidential information, and other good and valuable consideration, the Receiving Party hereby agrees to the following:

## I. Confidential Information:

Receiving Party will receive confidential information regarding property referred to as Napa Auto Parts, 7227 Covington Hwy, Lithonia, GA 30058. Prospect agrees to not disclose to any person that the property may be available for sale or lease, or that discussions or negotiations are taking place concerning the property, nor any terms, conditions, or other facts with respect to the property, including but not limited to tenant information, lease rates, lease expirations, income and expenses, and any such possible purchase, including the status thereof. The term "person" used in this agreement shall be interpreted broadly and shall include, without limitation, any corporation, company, partnership or individual other than parties to which Broker approves in writing. Receiving Party may share information with directors, officers, employees, agents, affiliates, counsel, lending sources, accountants or representatives of Receiving Party that Receiving Party notifies of the requirements of this Agreement. Receiving Party agrees to not contact the property owner, the management, the tenants, the lender, the vendors, the insurers, the employees or the customers of any business at the site.

## II. Acting as a Principal:

Receiving Party hereby warrants that it is acting as a principal only, and not as a broker, regarding this contemplated transaction. Receiving Party acknowledges that Broker is working an agency capacity as representing the Seller only in this transaction and is the only Broker involved in this potential transaction. Receiving Party agrees to not be involved in any arrangement to lease or purchase the property, in whole or in part, as a lender, partner, buyer of the note, buy in foreclosure, buy from bankruptcy court, or in any other manner acquire an investment in, joint venture or control of the property, unless Bull Realty, Incorporated is paid a commission at closing as per separate agreement with Seller.

This agreement will expire two years from the date hereof.

## III. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of Georgia.

Accepted and agreed to \_\_ / \_\_ / \_\_

Receiving Party

Signature .....

Printed Name .....

Title .....

Company Name .....

Address .....

Email .....

Phone .....

Fax .....

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Information contained herein may have been provided by the seller, landlord or other outside sources. While deemed reliable, it may be estimated, projected, limited in scope and is subject to change or inaccuracies. Pertinent information should be independently confirmed prior to lease or purchase offer or within an applicable due diligence period.

