



BRAND NEW *AutoZone*

15 Year Ground Lease | Rent Increase in Year 11



3331 BEECH RIDGE COURT, TALLAHASSEE, FL 32312

ACTUAL PROPERTY



FORTIS NET LEASE
INVESTMENT REAL ESTATE SERVICES

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INVESTMENT OFFERING



PROPERTY & LEASE



AUTOZONE



LOCATION



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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

| | |
|-------------------|----------------------|
| PRICE | \$1,626,461 |
| CAP RATE | 4.55% |
| CURRENT NOI | \$74,004 |
| LEASE TYPE: | 15 YEAR GROUND LEASE |
| RESPONSIBILITIES: | NONE |
| TENANT: | AUTOZONE |
| GUARANTEE: | CORPORATE |
| STRENGTH: | S&P: BBB |
| GROUND SIZE: | 1.063 ACRES |



Actual Store

Fortis Net Lease is pleased to present this 1.063 acre AutoZone Ground Lease located in Tallahassee, FL. The property is encumbered with a Fifteen (15) Year Lease, and has zero landlord responsibilities. The lease contains a rental rate increase of 8% in year eleven as well as Four (5) Yr. Options to renew, with an 8% rental rate increase at each option period. The lease is corporately guaranteed by AutoZone Inc which holds a credit rating of "BBB", which is classified as Investment Grade. The store is open with rent having commenced on 1/1/2017.

This AutoZone is highly visible and is strategically positioned off Bannerman Rd, the site of the new retail development Bannerman Crossing, a 190,000sf Lifestyle Community. The five mile population from the site exceeds 50,500 while the one mile median household income exceeds \$99,000 per year, making this location ideal for an AutoZone. The Subject offering represents an ideal opportunity for a 1031 exchange buyer or a "passive" investor to attain the ground lease ownership of an AutoZone. This investment will offer a new owner continued success due to the financial strength and the proven profitability of the tenant, one of the nation's top auto parts store. List price reflects a 4.55% cap rate based on NOI of \$74,004.

- ▢ Adjacent to Bannerman Crossings
- ▢ Brand New Ground Lease
- ▢ Zero Landlord Responsibilities
- ▢ 15 Year Term | Four (5 Year) Options
- ▢ One Mile Household Income \$99,175
- ▢ Five Mile Population Exceeds 50,500
- ▢ One Mile Median Home Value \$247,104



| | |
|----------------------|--------------------|
| YEAR BUILT | 2017 |
| STORE STYLE | UPGRADED |
| ACREAGE | +/- 1.063 ACRES |
| BUILDING SQUARE FEET | 7,381 |
| FOUNDATION | CONCRETE SLAB |
| ROOF | STANDING SEAM ROOF |
| HVAC | ROOF MOUNTED |
| PARKING | ASPHALT |
| ZONING | COMMERCIAL |
| STORE STATUS | NEW LOCATION |
| OWNERSHIP TYPE | FEE SIMPLE |

| | |
|----------------|--|
| TENANT | AUTOZONE |
| GUARANTOR | AUTOZONE, INC |
| TRADE NAME | AUTOZONE, INC |
| STOCK SYMBOL | AZO (NYSE) |
| ADDRESS | 3331 BEECH RIDGE CT, TALLAHASSEE, FL |
| LEASE TYPE | GROUND LEASE |
| PRIMARY TERM | FIFTEEN (15) YEARS |
| RENT START | 1/1/2017 |
| RENT END | 1/31/2032 |
| ANNUAL RENT | \$74,004 |
| RENT INCREASES | 8% IN YEAR 11 AND AT OPTIONS |
| OPTION PERIODS | FOUR (4) FIVE (5) YEAR OPTIONS |
| WEBSITE | WWW.AUTOZONE.COM |

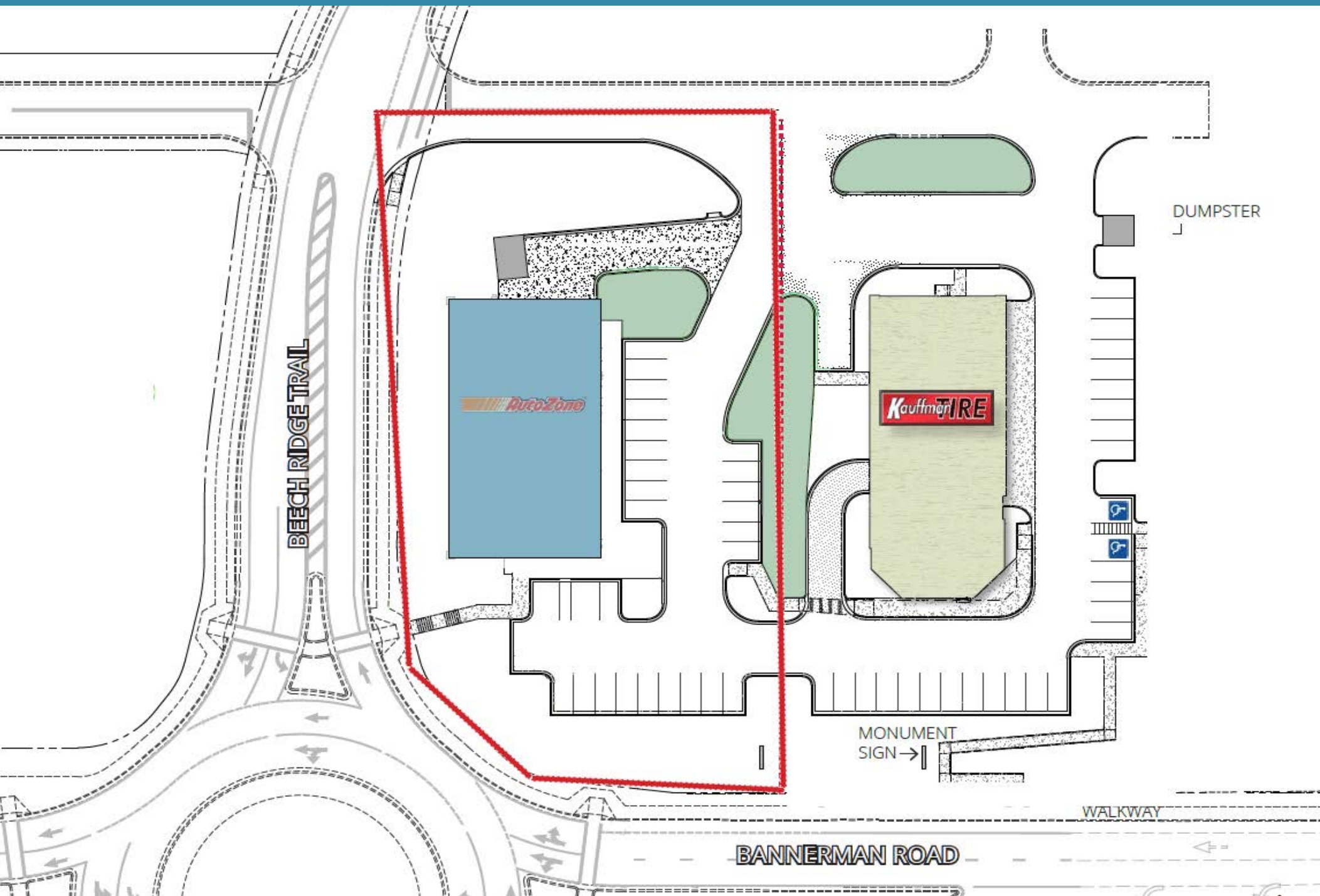


Actual Store

RENT SCHEDULE

| LEASE YEARS | ANNUAL RENT | MONTHLY RENT | BUMP | YIELD |
|------------------|-------------|--------------|------|-------|
| 1-10 | \$74,004 | \$6,167 | - | 4.55% |
| 11-15 | \$79,924 | \$6,660 | 8% | 4.91% |
| 16-20 (OPTION 1) | \$86,317 | \$7,193 | 8% | 5.30% |
| 21-25 (OPTION 2) | \$93,223 | \$7,768 | 8% | 5.73% |
| 26-30 (OPTION 3) | \$100,681 | \$8,390 | 8% | 6.19% |

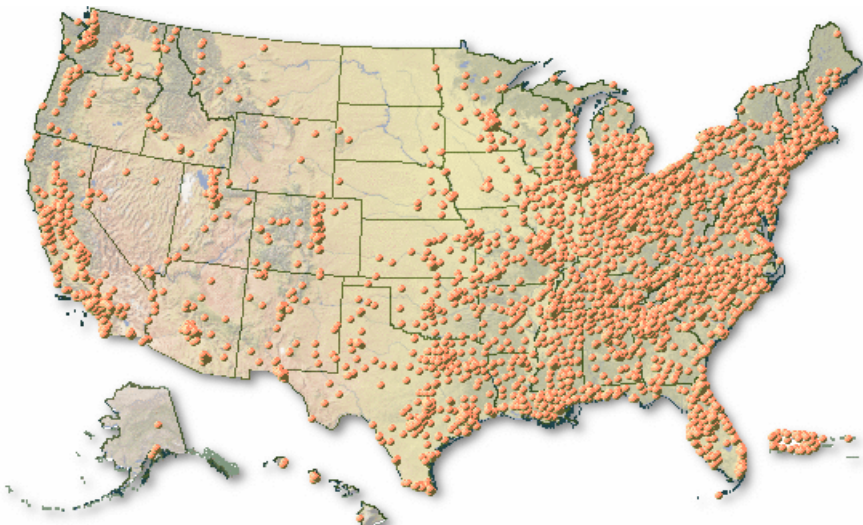




AutoZone is an American store and is the second-largest retailer of aftermarket automotive parts and accessories in the United States, Founded in 1979, AutoZone has over 5,000 stores across the United States, Mexico, and Brazil. The company is based in Memphis, Tennessee. AutoZone has its headquarters in its Store Support Center (SSC), a 270,000 square feet, eight-story building in Downtown Memphis, Tennessee. In October 1995 the company moved into the building. As of 2013 there are over 1,200 employees there. Valucraft, Duralast, and Duralast Gold are AutoZone’s private label brands for lead-acid automotive batteries.

AutoZone, Inc. retails and distributes automotive replacement parts and accessories in the United States. The company offers various products for cars, sport utility vehicles, vans, and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products. In addition, the company offers maintenance items.

Further, it provides commercial sales program that provides commercial credit and the delivery of parts and other products to various customers. Additionally, the company sells automotive diagnostic and repair software under the ALLDATA brand name through the alldata.com; automotive hard parts, maintenance items, accessories, and non-automotive products through the autozone.com; and accessories and performance parts through the autoanything.com. As of August 30, 2014, it operated 4,984 stores in the United States, including Puerto Rico; 402 stores in Mexico; and 5 stores in Brazil. AutoZone, Inc. was founded in 1979 and is based in Memphis, Tennessee.



“Investment Grade” S&P Rating of BBB



\$10.1 Billion in Sales in Fiscal 2016



Profit Increase in 2016 Increased 8.5%



2016 Profits \$1.160 Billion

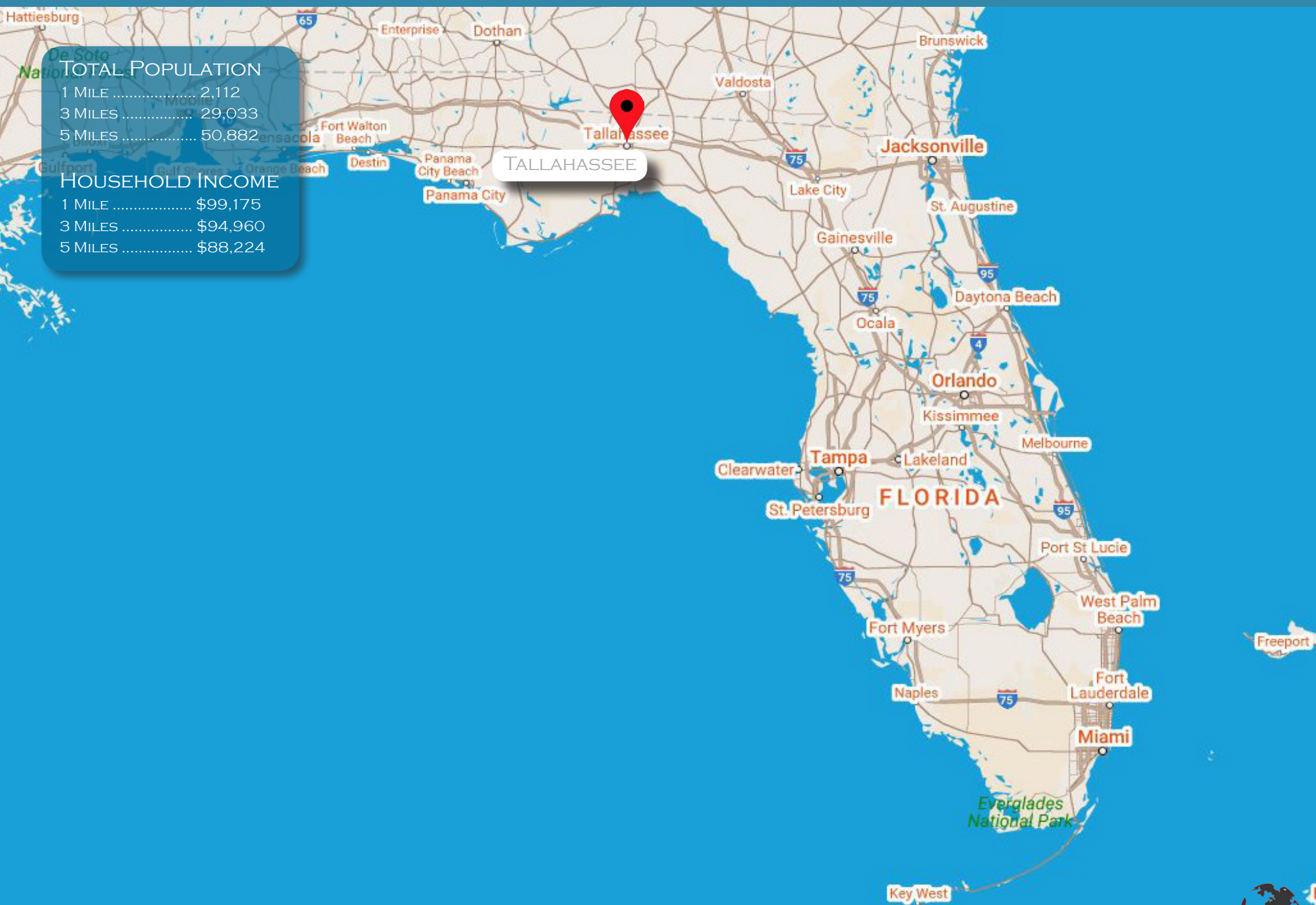


Revenue Increase was 7.5% From 2015



Ranked #280 on Fortune 500





TOTAL POPULATION

| | |
|---------------|--------|
| 1 MILE | 2,112 |
| 3 MILES | 29,033 |
| 5 MILES | 50,882 |

HOUSEHOLD INCOME

| | |
|---------------|----------|
| 1 MILE | \$99,175 |
| 3 MILES | \$94,960 |
| 5 MILES | \$88,224 |









BRADFORDVILLE
FIRST BAPTIST

FIREHOUSE
SUBS
DUNKIN'
DONUTS

39,500 VPD

US
319

THOMASVILLE ROAD

Walgreens

Chick-fil'd

Wendy's

CAPITAL REGIONAL
MEDICAL CARE

SUBJECT
PROPERTY

Kauffman
TIRE

AutoZone

BEECH RIDGE TRAIL

18,700 VPD

BANNERMAN ROAD

LAKE MCBRIDE

at&t Batteries + Bulbs ACE Hardware ZAXBY'S
NEW LEAF CO-OP Silly & Taylor Sweet Blue WINGSTOP

SUBWAY Singing AUTHORITY CAPITAL CITY RUNNERS MultiStone
lucky HONEYBAKED HAM CO. DICK'S WINGS Painting with a Twist
Moe's UPS Blu Halo MCGOWAN'S The Original Wharf EXPRESS



3331 BEECH RIDGE CT, TALLAHASSEE, FL 32312

Tallahassee, FL

Tallahassee is the capital of Florida. It is the county seat and only incorporated municipality in Leon County. Tallahassee became the capital of Florida, then the Florida Territory, in 1824. In 2015, the population was 189,907, making the city the 126th-largest city in the United States. The population of the Tallahassee metropolitan area was 377,924 as of 2015. Tallahassee is the largest city in the Northwest Florida region as well as the main center for trade and agriculture in the Florida Big Bend and South-west Georgia regions.

Tallahassee is home to Florida State University, ranked the nation's thirty-eighth best public university by U.S. News & World Report. It is also home to the Florida A&M University, one of the country's largest historically black universities by total enrollment. Tallahassee Community College is a large community college which serves mainly as a feeder school to both Florida State and Florida A&M.

Tallahassee is home to the Florida State Capitol, Supreme Court of Florida, Florida Governor's Mansion, and nearly 30 state agency headquarters. The city is also known for its large number of law firms, lobbying organizations, trade associations and professional associations, including the Florida Bar and the Florida Chamber of Commerce. It is also a recognized regional center for scientific research, and home to the National High Magnetic Field Laboratory. In 2015, Tallahassee was awarded the All-American City Award by the National Civic League for the second time. Tallahassee is currently ranked as the 18th best college town in the nation by Best College Reviews.



| POPULATION | 1 MILE | 3 MILE | 5 MILE |
|-----------------------|-----------|-----------|-----------|
| 2017 TOTAL POPULATION | 2,112 | 29,033 | 50,882 |
| 2022 TOTAL POPULATION | 2,151 | 29,489 | 51,603 |
| GROWTH RATE | 1.85% | 1.57% | 1.42% |
| HOUSEHOLDS | | | |
| 2017 TOTAL HOUSEHOLDS | 778 | 10,816 | 19,549 |
| HOUSHOLD INCOME | \$99,175 | \$94,960 | \$88,224 |
| AVERAGE HH VEHICLES | 2.00 | 2.00 | 2.00 |
| AVERAGE HH SIZE | 2.70 | 2.70 | 2.60 |
| HOUSING | | | |
| MEDIAN HOME VALUE | \$247,104 | \$264,646 | \$261,781 |

