

NEW AUTOZONE

15 YEAR GROUND LEASE



3340 RAINBOW DR, RAINBOW CITY, AL 359065

ACTUAL STORE



FORTIS NET LEASE
INVESTMENT REAL ESTATE SERVICES

BRYAN BENDER
BBENDER@FORTISNETLEASE.COM
248.419.3810

ROBERT BENDER
RBENDER@FORTISNETLEASE.COM
248.419.3810

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PRICE	\$1,140,000
CAP RATE	5.00%
CURRENT NOI	\$57,000
LEASE TYPE:	15 YEAR GROUND
RESPONSIBILITIES:	NONE
TENANT:	AUTOZONE
GUARANTEE:	CORPORATE
STRENGTH:	S&P: BBB
LOT SIZE:	1.43 +/- ACRES

Fortis Net Lease is pleased to present this AutoZone ground lease store located in Rainbow City, AL. The property is encumbered with a Fifteen (15) Year Ground Lease, leaving zero landlord responsibilities. The lease contains Four (5) Yr. Options to renew, each with a 10% rental rate increase. 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 8/15/2017.

This AutoZone is highly visible and is strategically positioned in Rainbow City, AL. The five mile population from the site exceeds 44,500 while the one mile median household income exceeds \$47,000 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 5.00% cap rate based on NOI of \$57,000.



Actual Store

- Brand New 15 Year Ground Lease
- Zero Landlord Responsibilities
- 15 Year Term | Four (5 Year) Options
- One Mile Household Income \$47,416
- Five Mile Population Exceeds 44,500
- 28,000+ Cars Per Day
- Investment Grade Tenant



YEAR BUILT	2017
STORE STYLE	PROTOTYPE
ACREAGE	+/- 1.43 ACRES
SQUARE FEET	7,000
FOUNDATION	CONCRETE SLAB
ROOF	STANDING SEAM ROOF
HVAC	ROOF MOUNTED
PARKING	CONCRETE
ZONING	COMMERCIAL
STORE STATUS	NEW LOCATION
OWNERSHIP TYPE	FEE SIMPLE

TENANT	AUTOZONE
GUARANTOR	AUTOZONE, INC
TRADE NAME	AUTOZONE, INC
STOCK SYMBOL	AZO (NYSE)
ADDRESS	3340 RAINBOW DR, RAINBOW CITY, AL 35906
LEASE TYPE	GROUNDS LEASE
PRIMARY TERM	FIFTEEN (15) YEARS
RENT START	8/15/2017
RENT END	8/31/2032
ANNUAL RENT	\$57,000
RENT INCREASES	10% 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
1-15	\$57,000	\$4,750	-	5.00%
16-20 (OPTION 1)	\$62,700	\$5,225	10%	5.50%
21-25 (OPTION 2)	\$68,976	\$5,748	10%	6.05%
26-30 (OPTION 3)	\$75,864	\$6,322	10%	6.65%
31-35(OPTION 4)	\$83,448	\$6,954	10%	7.32%



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

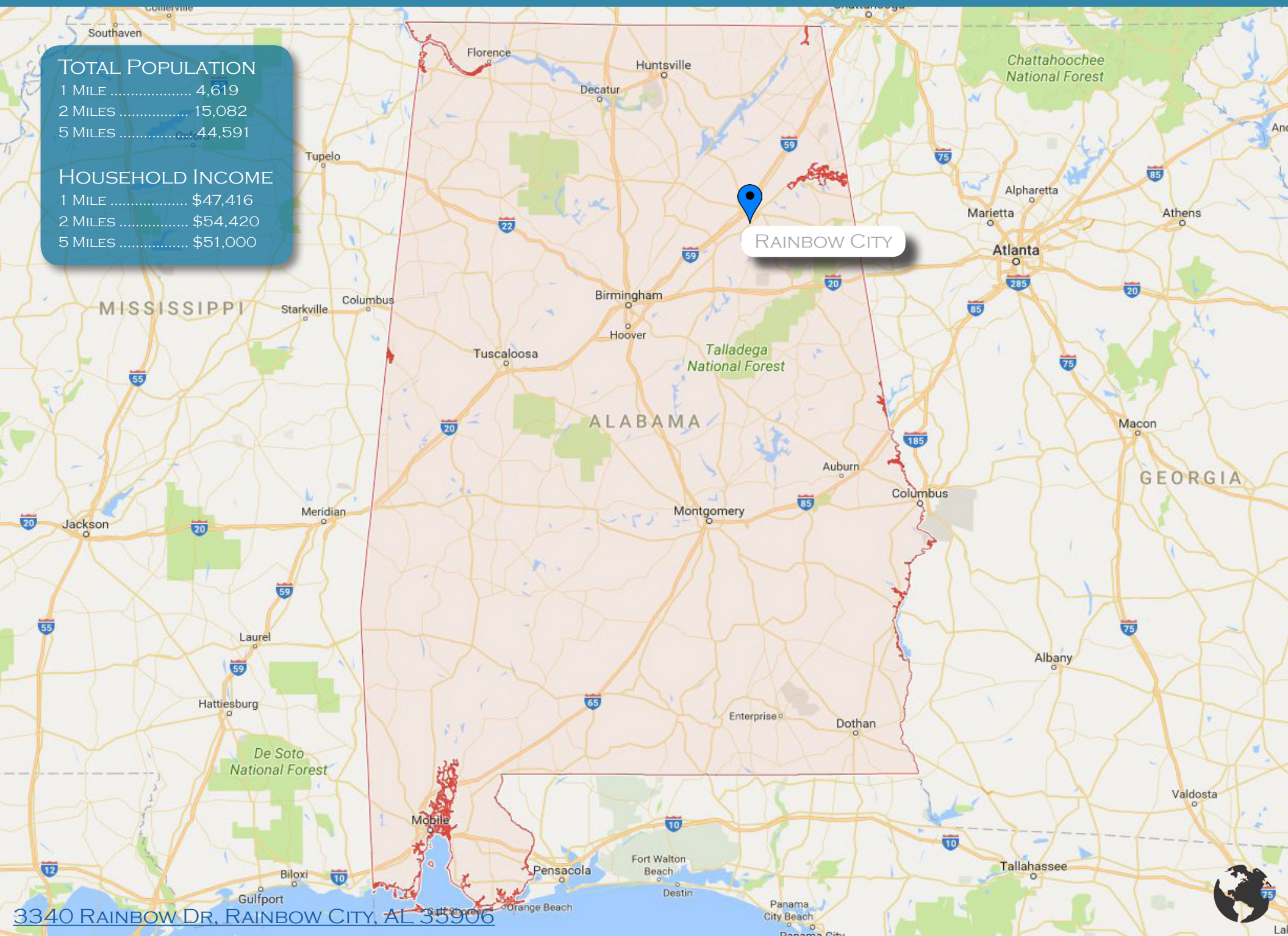


Ranked #280 on Fortune 500

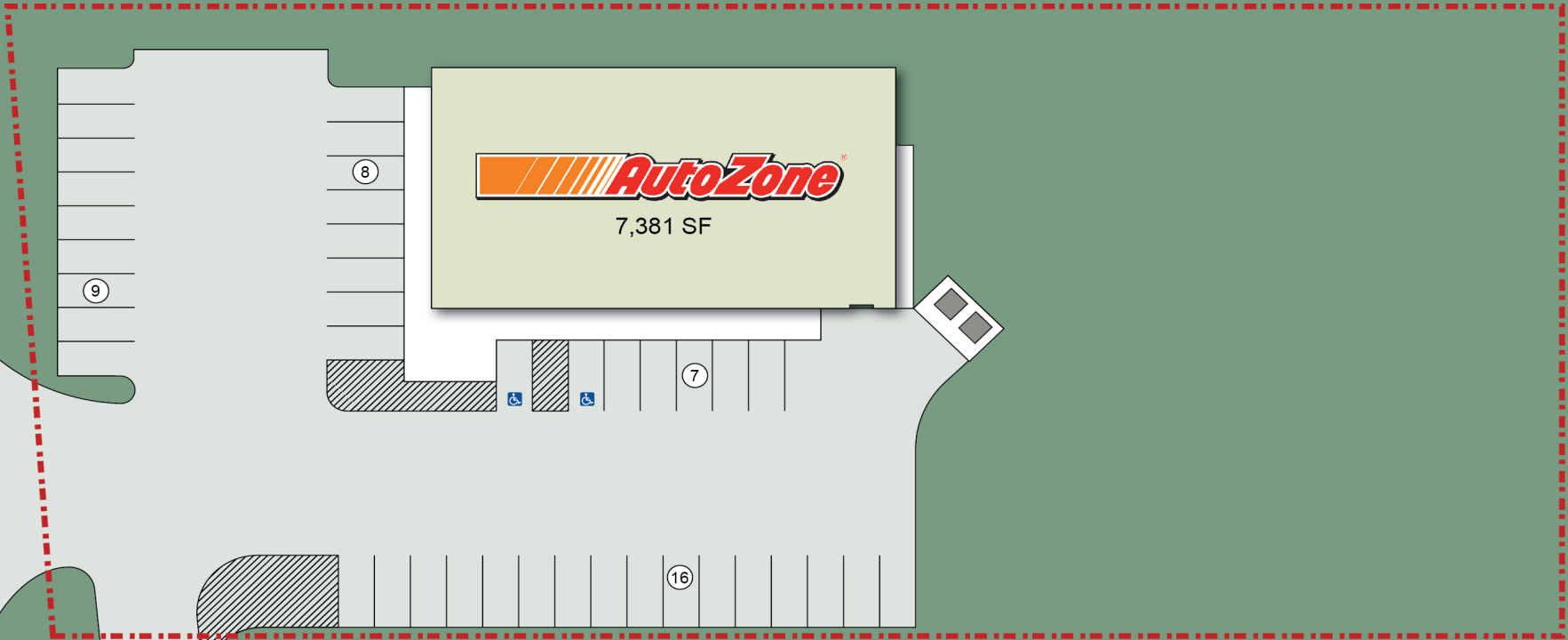


TOTAL POPULATION
1 MILE 4,619
2 MILES 15,082
5 MILES 44,591

HOUSEHOLD INCOME
1 MILE \$47,416
2 MILES \$54,420
5 MILES \$51,000



RAINBOW DR
25





CVS
pharmacy

fred's
Super Dollar

WELLS
FARGO

NEW CHINA
CHINESE RESTAURANT

TOBACCO EXPRESS
DISCOUNT TOBACCO OUTLET

COMMA CUSTOM
CLEANERS

LOUISIANA
KITCHEN
POPEYES

Wendy's

AutoZone®

3340 RAINBOW DR, RAINBOW CITY, AL 35906



Winn-Dixie

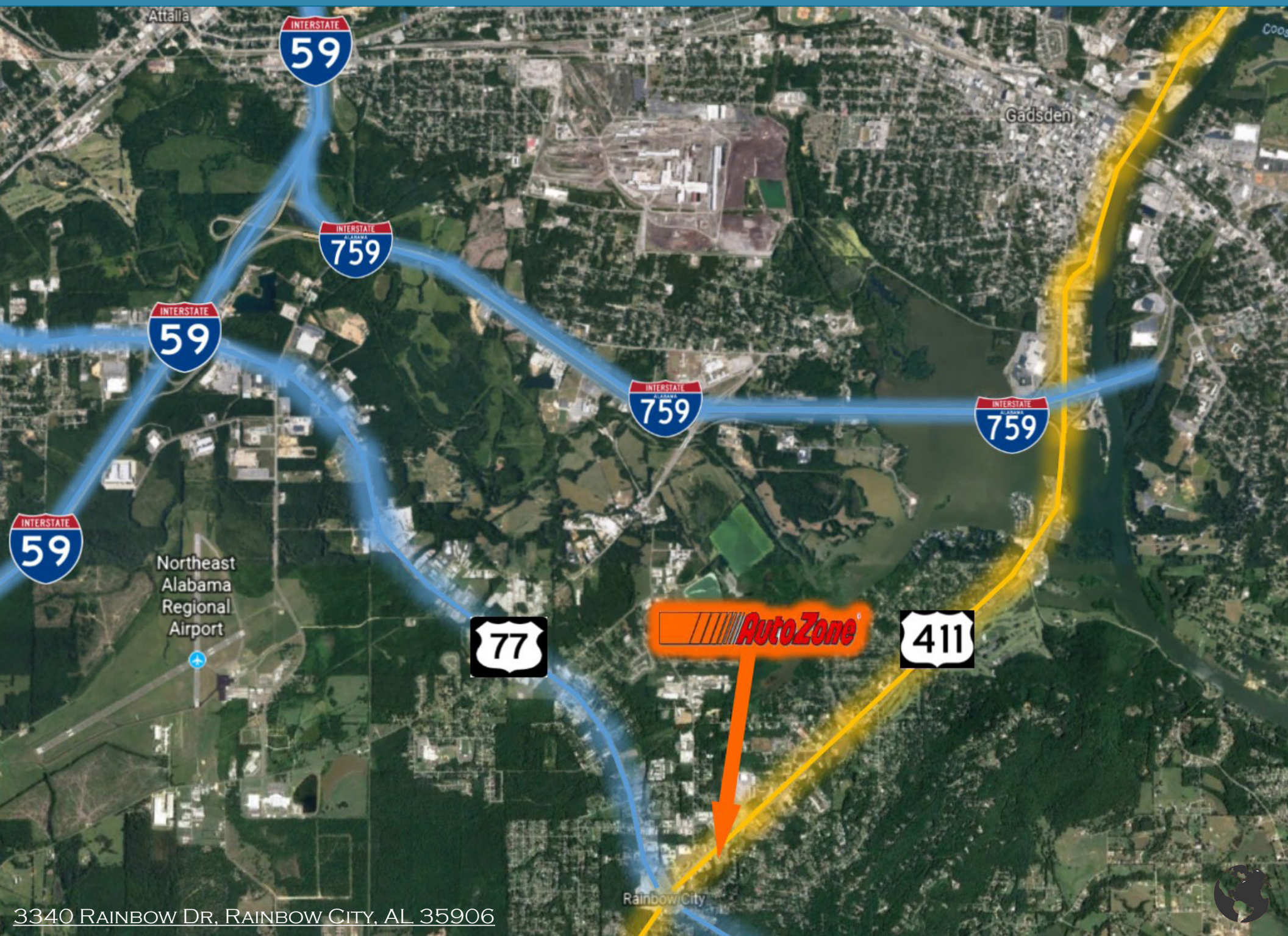
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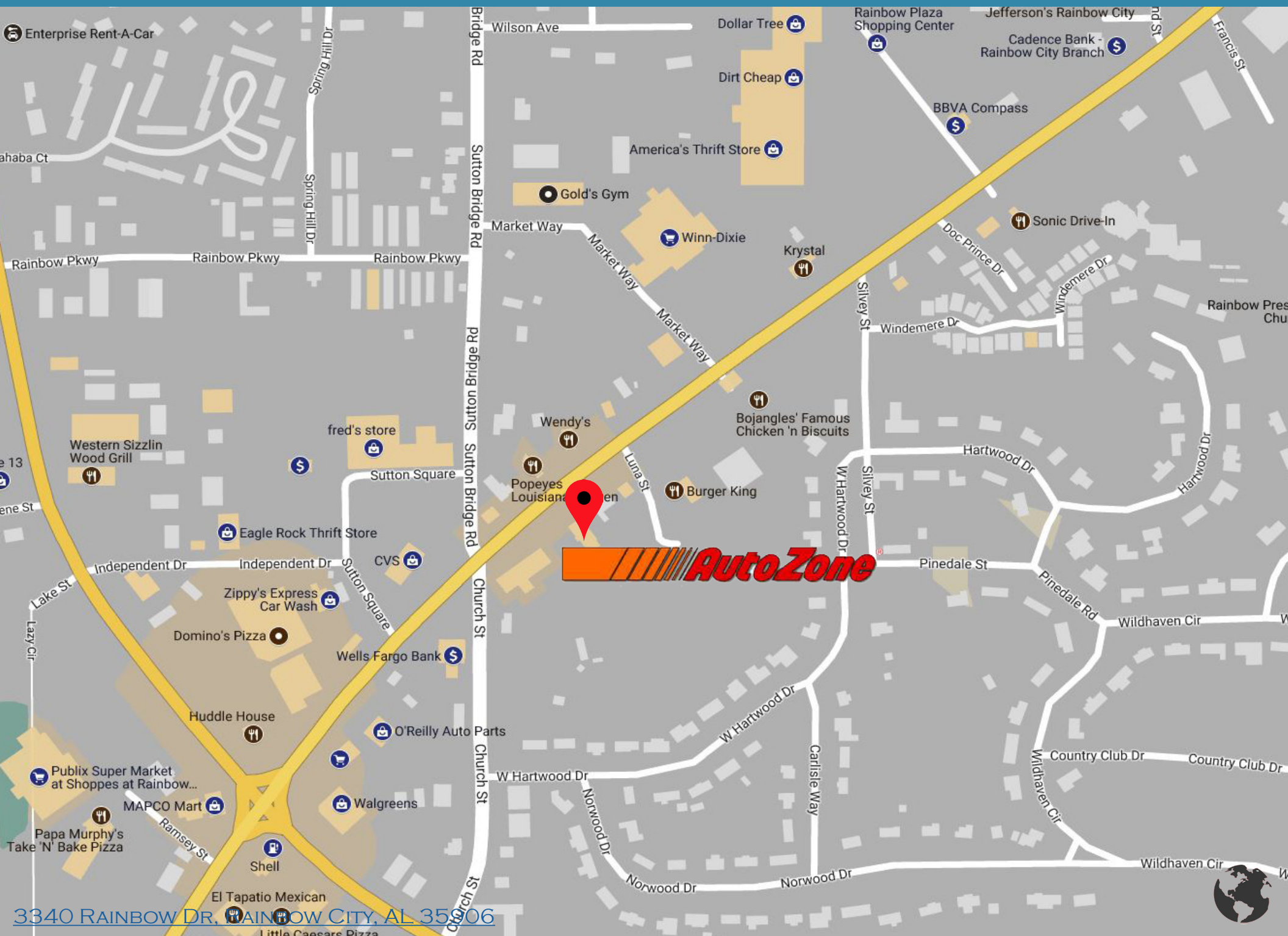


Advance Auto Parts









Rainbow City, AL

Rainbow City is a city in Etowah County, Alabama. It incorporated in 1950 and it is part of the Gadsden Metropolitan Statistical Area. This city was named after U.S. Highway 411, called Rainbow Drive, which runs through the middle of the city. Some of the older citizens say it was named after the US 42nd Infantry Division, known as the "Rainbow Division".

Since incorporation in 1950, Rainbow City has experienced tremendous growth each decade while becoming an important commercial and industrial center. With many new businesses springing up each year, urban and economic growth shows no signs of stalling.

There are over 1,530 businesses within 5 miles of the site, with three top industries being Healthcare, Retail & Finance. Residents living within a 3 mile radius are expected to spend over \$182 Million on consumer products this year. Given that this AutoZone has very little competition, the site is expected to continue to be a very profitable location for AutoZone.



POPULATION	1 MILE	3 MILE	5 MILE
2017 TOTAL POPULATION	4,619	15,082	44,591
TOTAL BUSINESSES	384	927	2,983
AVERAGE AGE	40.20	41.70	39.90
HOUSEHOLDS			
2017 TOTAL HOUSEHOLDS	2,004	6,256	18,060
HOUSHOLD INCOME	\$47,416	\$54,420	\$41,000
AVERAGE HH VEHICLES	2.00	2.00	2.00
AVERAGE HH SIZE	2.20	2.40	2.40
HOUSING			
MEDIAN HOME VALUE	\$153,273	\$154,526	\$104,488

