



BRAND NEW AUTOZONE - GROUND LEASE

1411 JUSTIN ROAD, FLOWER MOUND, TX 75028

REPRESENTATIVE STORE

30445 Northwestern Highway, Suite 275
Farmington Hills, MI 48334
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EXCLUSIVELY LISTED BY:

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TEXAS BROKER OF RECORD:

Avery Murrah | Stroudlink Realty Services

License #: 9004477

INVESTMENT SUMMARY

List Price:	\$1,666,666
Current NOI:	\$75,000.00
Initial Cap Rate:	4.5%
Land Acreage:	1.67
Year Built	2019
Building Size:	7,400 SF
Price PSF:	\$225.23
Lease Type:	Ground Lease
Lease Term:	20 Years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present this brand new AutoZone store located at 1411 Justin Road in Flower Mound, TX. The property is encumbered with a twenty year ground lease, leaving zero landlord responsibilities. The lease contains five, five year options to renew, each with an eight percent rental rate increase. The lease is corporately guaranteed by AutoZone Inc. which holds a credit rating of “BBB” and is classified as Investment Grade. The store is projected to open with rent commencing 6/1/2019.

This AutoZone is highly visible and is strategically positioned on intersection of Justin Road **(29,000+ VPD)** and Stone Hill Farm Rd **(27,000+ VPD)** which is just off I-35E (148,000 VPD). The five mile population from the site exceeds 190,000 residents and has an explosive projected population growth of 13.78 percent within three miles by 2023. The one mile average household income exceeds \$137,000 and the median home value exceeds \$262,000. 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.



PRICE \$1,666,666



CAP RATE 4.5%



LEASE TYPE Ground Lease



TERM 20 Years

INVESTMENT HIGHLIGHTS

- Brand New 20 Year Ground Lease | Zero Landlord Responsibilities
- **Corner Location with 56,000+ Average Daily Traffic Counts!**
- Five, Five Year Options | 8% Rent Increases at Each Option
- Upgraded Architectural Features | Brick and Stucco Facade
- Average Household Income Within One Mile Exceeds \$137,000
- Median Home Value Within One Mile Exceeds \$226,000
- **Five Mile Population Exceeds 190,000+**
- **13.78% Projected Population Growth Within One Mile by 2023**
- Investment Grade Tenant | S&P “BBB”

FINANCIAL SUMMARY

INCOME		PER SF
AutoZone	\$75,000	\$10.14
Gross Income	\$75,000	\$10.14
EXPENSE		PER SF
Ground Lease Expenses	\$0	\$0.00
Gross Expenses	\$0	\$0.00
NET OPERATING INCOME	\$75,000	\$10.14

PROPERTY SUMMARY

Year Built:	2019
Lot Size:	1.67 Acres
Building Size:	7,400 SF
Zoning:	Commercial
Construction Style:	Upgraded Prototype
Traffic Counts:	29,000 VPD on Justin Road

LEASE SUMMARY

Tenant:	AutoZone
Lease Type:	Ground Lease
Primary Lease Term:	20 Years
Annual Rent:	\$75,000
Rent PSF:	\$10.14
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	6/1/2019
Lease Expiration Date:	5/31/2039
Lease Term Remaining:	20 Years
Rent Bumps:	8% Rent Bumps at Each Option
Renewal Options:	Five, Five Year Options
Lease Guarantor:	Corporate
Lease Guarantor Strength:	S&P: BBB
Tenant Website:	www.autozone.com



GROSS SALES:
\$10.9 BILLION



STORE COUNT:
6,029



GUARANTOR:
AUTOZONE, INC



S&P:
BBB

About AUTOZONE



OVERVIEW

Company:	AutoZone, Inc.
Founded:	1979
2017 Sales:	\$10.9 Billion
Sales Increase:	2.4% Increase Over 2016
Headquarters:	Memphis, TN
Website:	www.autozone.com

TENANT HIGHLIGHTS

- More Than 87,000 AutoZoners (Employees) and Growing
- 2017 Earnings Per Share Increased by 8.3%
- Opened 6,000th Store in Our Hometown of Memphis, TN
- Generated \$1.6 billion of Operating Cash Flow in 2017
- Attractive Investment Grade "BBB" by S&P

RENT SCHEDULE

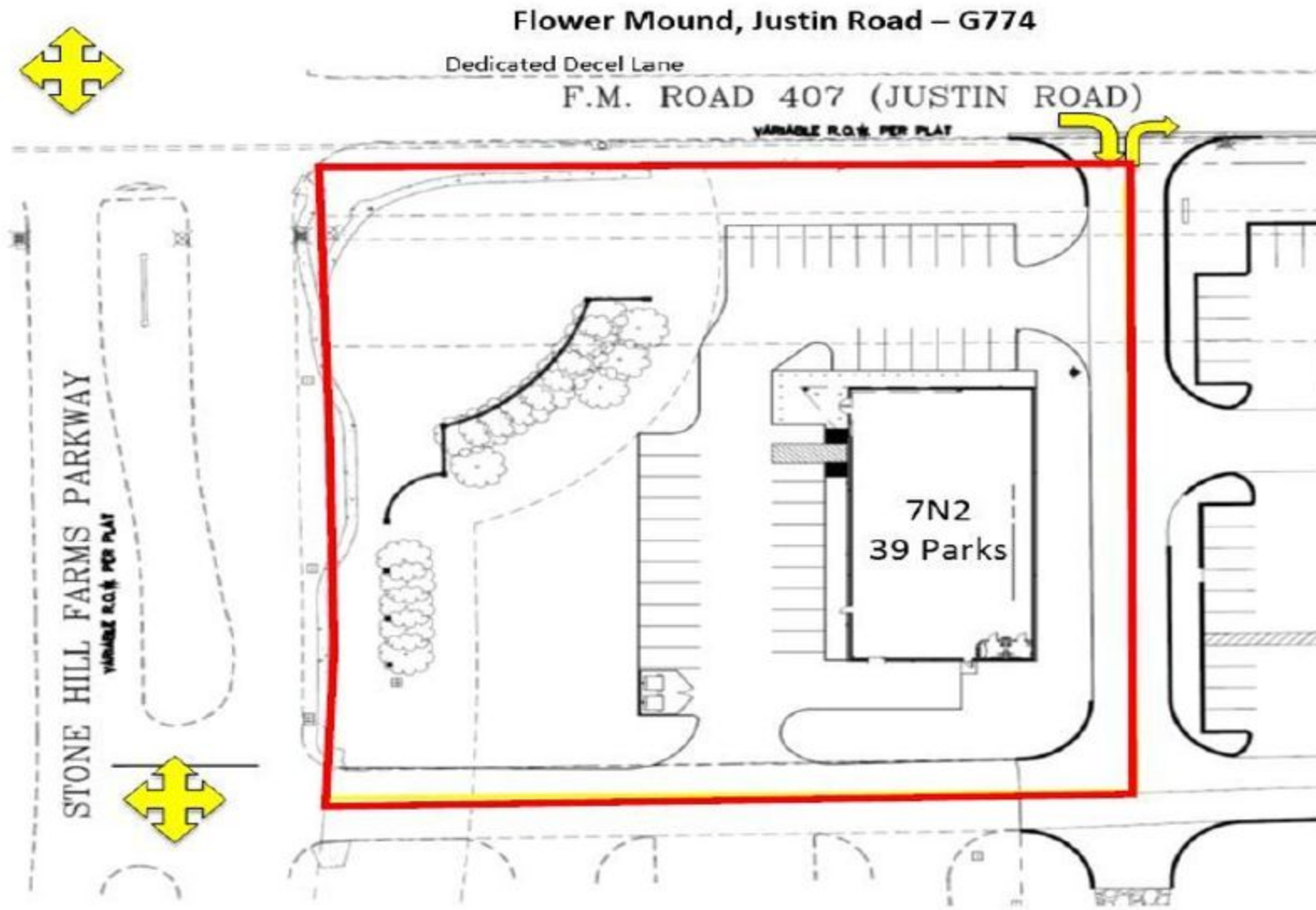
LEASE YEARS	ANNUAL RENT	MONTHLY RENT	\$ INCREASE	% INCREASE
1-20	\$75,000	\$6,250		
Option 1	\$81,000	\$6,750	\$6,000	8.0%
Option 2	\$87,480	\$7,290	\$6,480	8.0%
Option 3	\$94,478	\$7,873	\$6,998	8.0%
Option 4	\$102,037	\$8,503	\$7,558	8.0%
Option 5	\$110,000	\$9,183	\$8,163	8.0%

COMPANY BACKGROUND

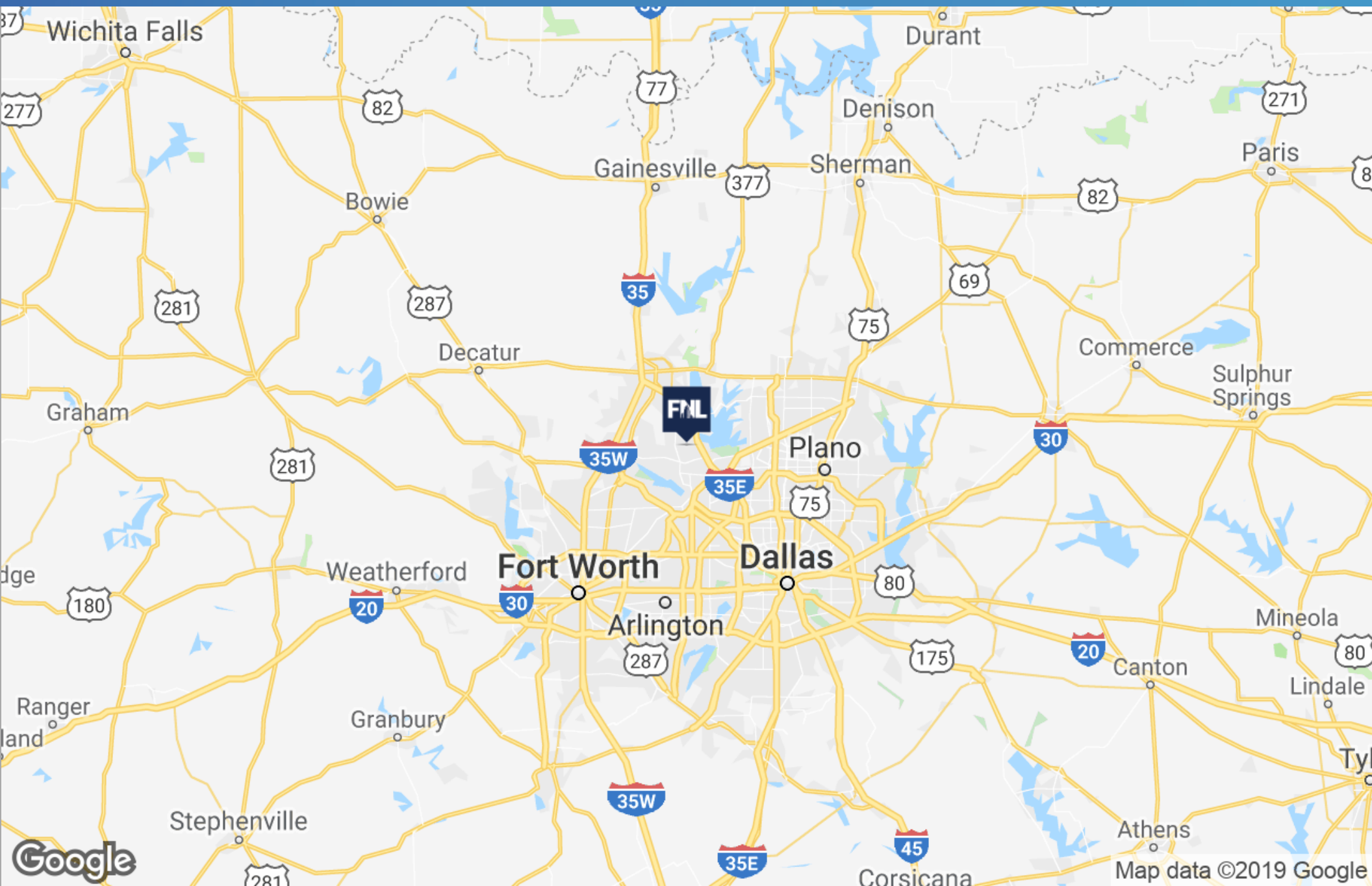
AutoZone is an American store and is the second-largest retailer of aftermarket automotive parts and accessories in the United States. Founded in 1979, AutoZone has over 6,029 stores across the United States, Mexico, and Brazil. The company is based in Memphis, Tennessee. AutoZone has its headquarters 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.

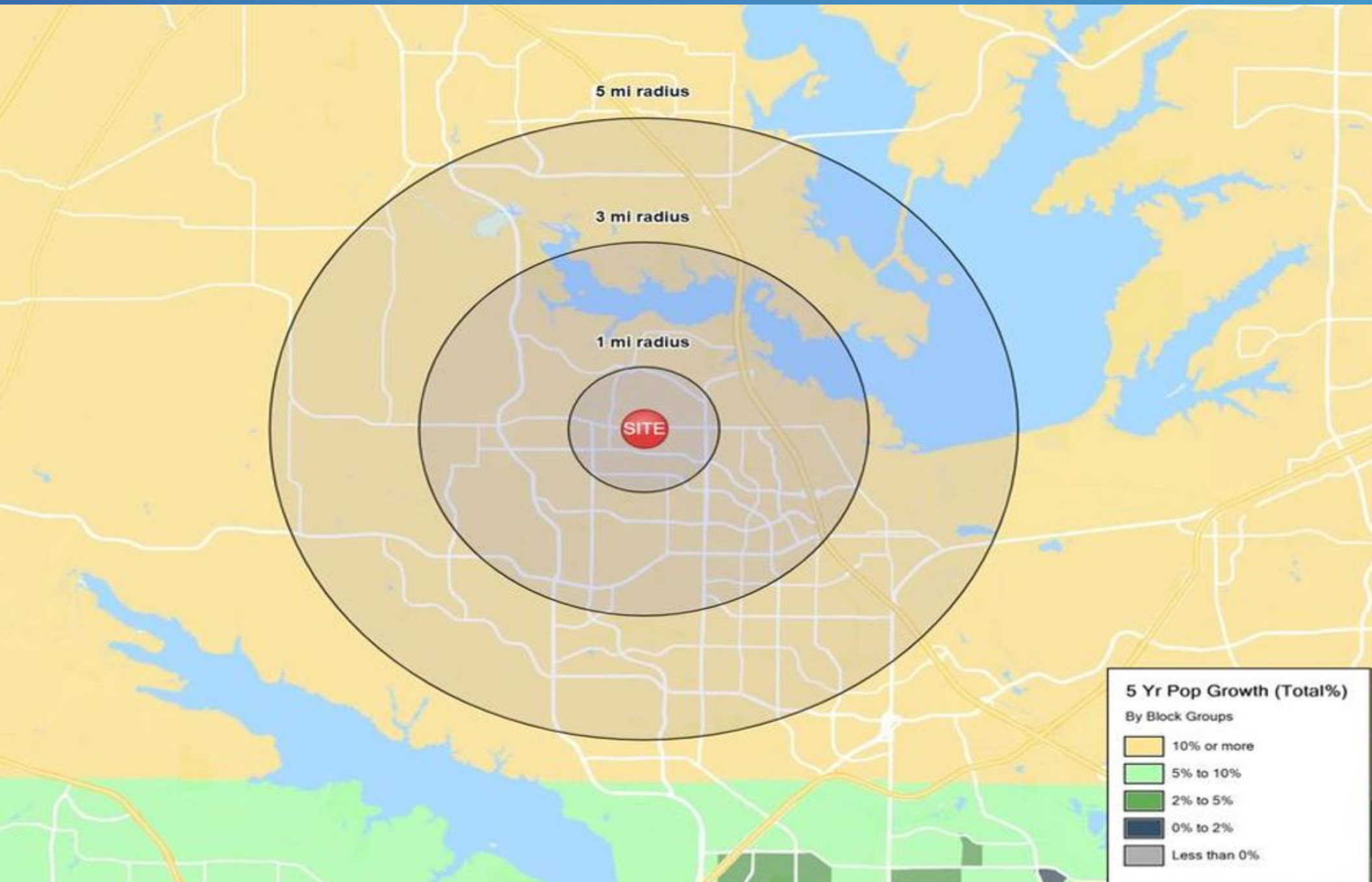
AutoZone, Inc. retails and distributes automotive replacement parts and accessories in the United States. The company offers various products for cars, sport utility vehicles, vans, and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive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

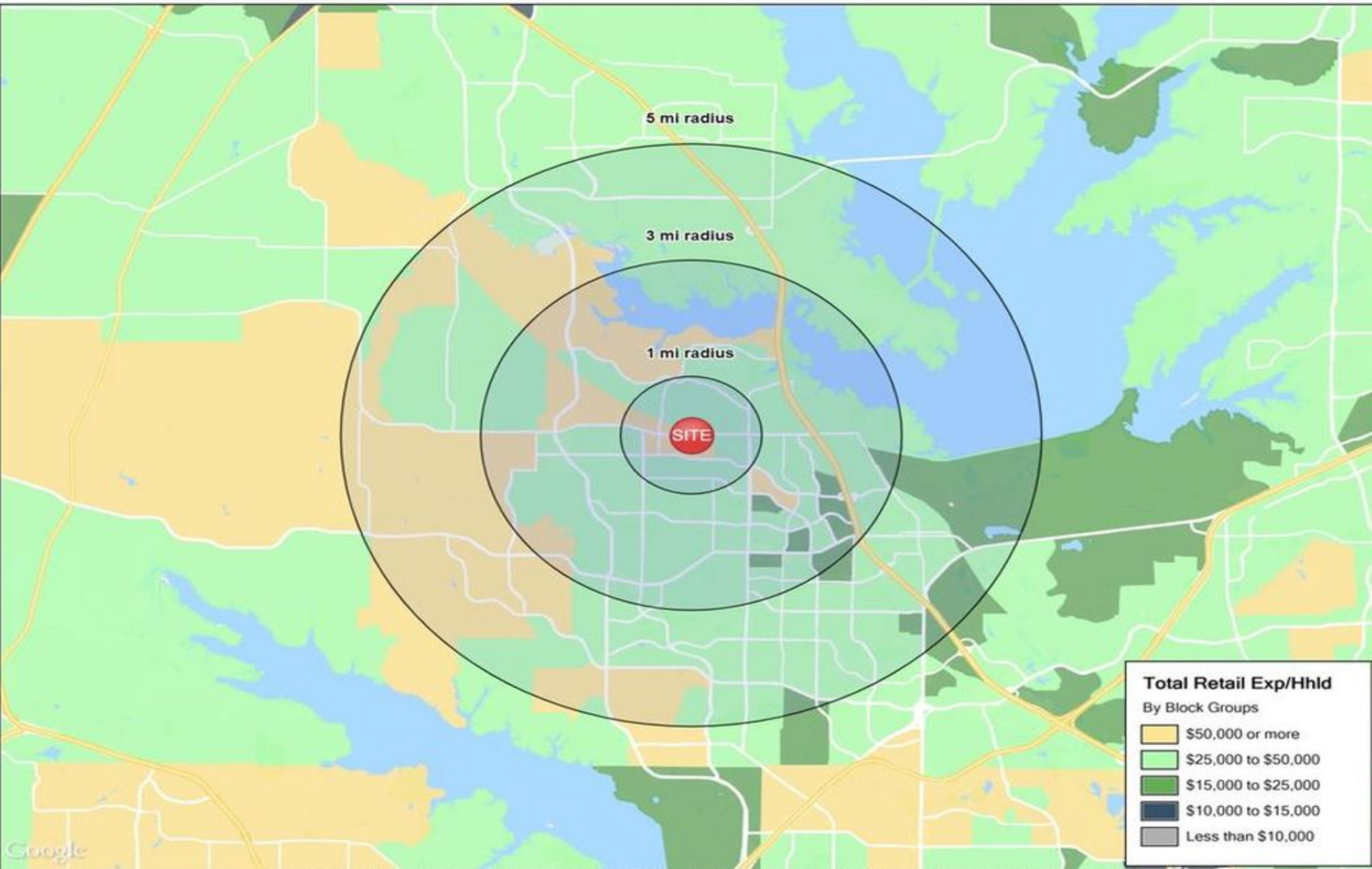
1/8" = 1'-0"





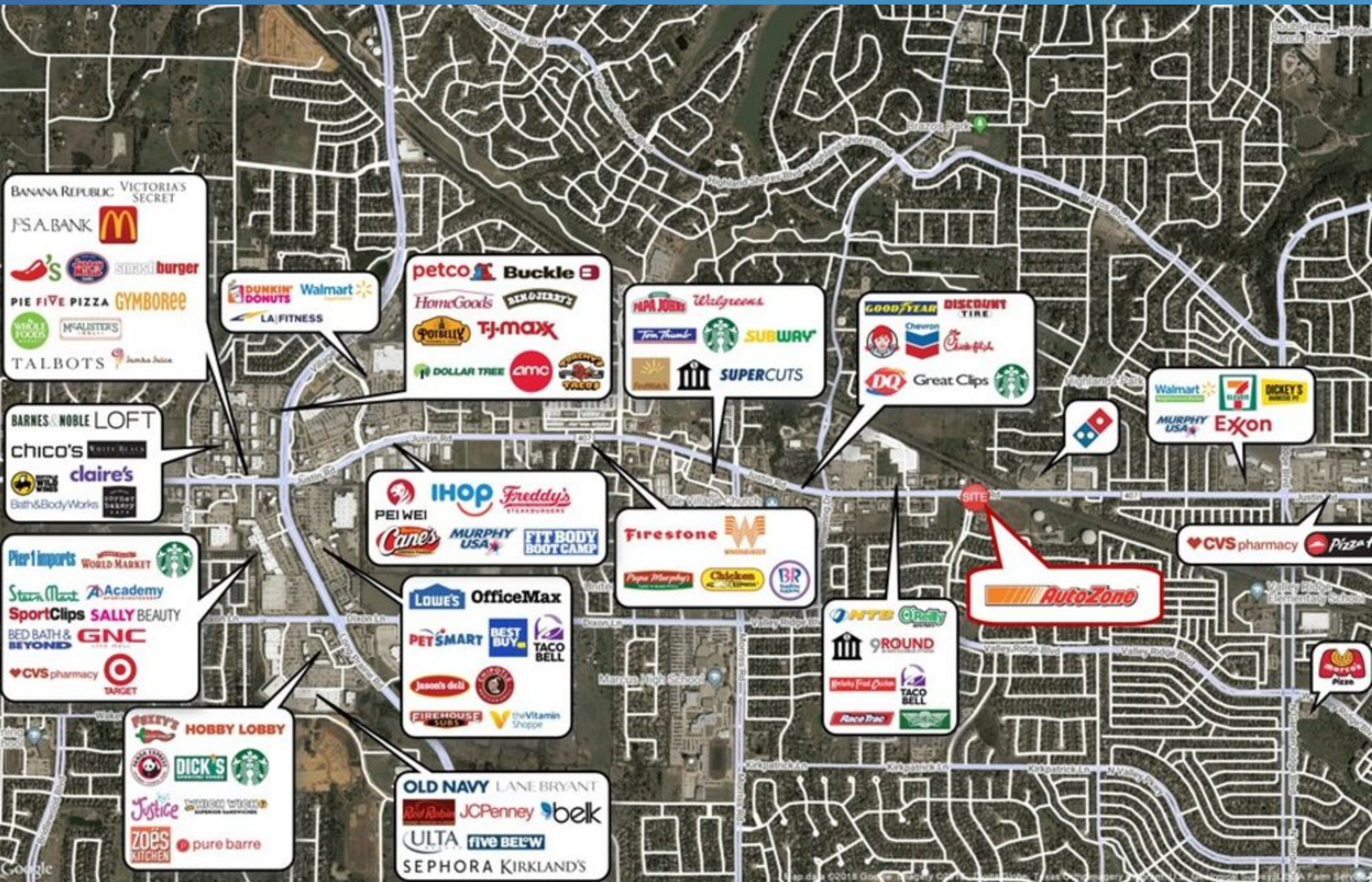


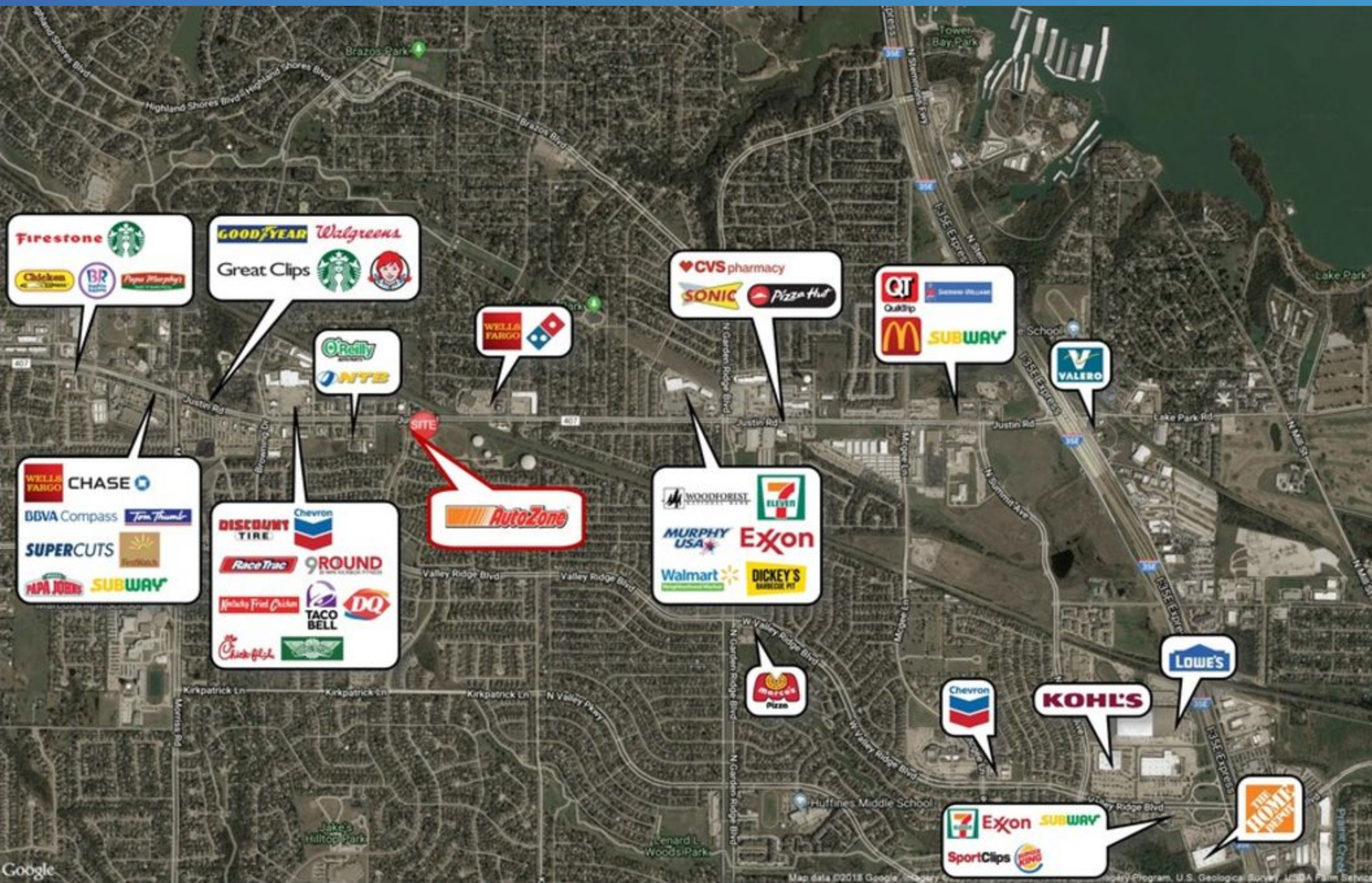












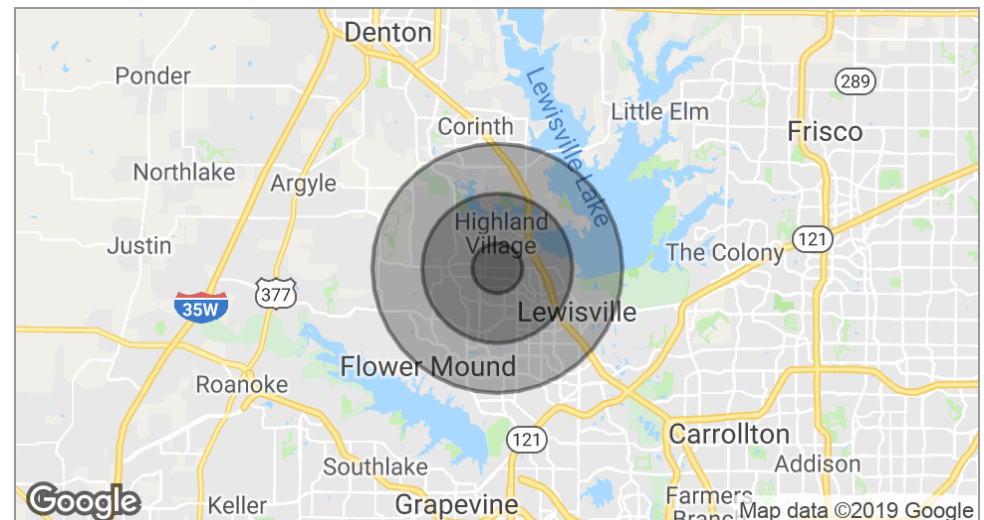


Flower Mound is an incorporated town located in Denton and Tarrant counties in the state of Texas. Located northwest of Dallas and northeast of Fort Worth adjacent to Grapevine Lake, the town derives its name from a prominent 12.5-acre mound located in the center of town.

Flower Mound's population increased substantially when Dallas/Fort Worth International Airport opened to the south in 1974. As of the 2010 United States Census, the population was 64,699 reflecting a 28% increase over the 50,702 counted in the 2000 Census. Flower Mound is the largest town in terms of population in Texas, and the only town with a population greater than 20,000.

With its moderately affluent population and proximity to the Dallas–Fort Worth metroplex, Flower Mound has used a smart growth system for urban planning, and has recently experienced more rapid light industrial growth to match the growing needs of the primarily residential community. In 2012, Flower Mound was ranked at #8 as one of the Best Dallas Suburbs according to D Magazine.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2018	12,881	80,304	190,254
Total Population 2023	14,613	91,370	216,149
Population Growth Rate	13.45%	13.78%	13.61%
Average Age	37.30	38.00	36.60
Average Household Size	3.00	2.80	2.90
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	4,263	28,761	65,200
Average HH Income	\$137,578	\$123,783	\$123,820
Median Home Value	\$262,011	\$260,693	\$261,439





TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

Click to Meet Team Fortis

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