

OFFERING MEMORANDUM.



Pep Boys Auto Buford, GA

The Maffia Team



\$4,207,500
6.65% CAP Rate

- ◆ Original 15-Year Net Lease
 - ◆ 8% Increases Every 5 Years
 - ◆ Supercenter Prototype
- ◆ Corporate Guaranty
- ◆ 2013 Construction
- ◆ Located Near the Mall of Georgia
 - ◆ Largest Mall in the State

Newmark Knight Frank
Cornish & Carey Commercial
Leased Investment Group

This property is listed in conjunction with Georgia-licensed Delta Commercial.

www.maffiateam.com



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Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

Michael Yuras, CCIM
Vice President
916.504.4905
myuras@ccareynkf.com
Lic #01823291

Michael Maffia
Senior Managing Director
415.445.5144
mmaffia@ccareynkf.com
Lic #01340853

Putnam Daily
VP/Transaction Manager
415.445.5107
pdaily@ccareynkf.com
Lic #01750064



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Property Information

Location The property is located at 2918 Buford Drive in unincorporated Gwinnett County, Georgia, near the city of Buford.

Lot Size Approximately 2.08 acres, or 90,605 square feet.

Improvements An approximately 14,360 square foot retail building and automotive facility for **Pep Boys Auto** is under construction with an estimated completion and turn-over date of October 15, 2013. There is ample parking on the site.

Lease Leased to **The Pep Boys – Manny, Joe & Jack** for 15 years from the earlier of the date that is 45 days following the delivery of the premises to the tenant or the date that the tenant opens for business at an initial annual rent of \$279,796. There are three five-year options to renew the lease. The rent increases every five years throughout the initial term and option periods by 8%. The lease is net, with the tenant responsible for taxes, insurance, and maintenance, including the maintenance of the landscaping, roof, interior and exterior walls, and the HVAC system. The landlord is responsible for any capital replacements to the premises, including the roof and any structural components of the building.

Net Annual Income	<u>Years</u>	<u>Annual Rent</u>	<u>Return</u>
	1-5	\$279,796	6.65%
	6-10	\$302,179	7.18%
	11-15	\$326,354	7.76%
	16-20 (Option 1)	\$352,462	8.38%
	21-25 (Option 2)	\$380,659	9.05%
	26-30 (Option 3)	\$411,112	9.77%

Price **\$4,207,500 (6.65% Return)**

Financing The property will be delivered free and clear of permanent financing.



Tenant Information



The Pep Boys — Manny, Moe & Jack (NYSE: “PBK”) is a full-service and tire automotive aftermarket chain branded as Pep Boys Auto and commonly known simply as Pep Boys. Its product lines consist of tires; batteries; new and remanufactured parts for vehicles; chemicals and maintenance items; fashion, electronic, and performance accessories; and non-automotive merchandise, such as generators, power tools, and personal transportation products. The company serves do-it-for-me and do-it-yourself customers, as well as delivers its parts to automotive repair shops and dealers. As of February 2, 2013, it operated 567 Supercenters, 185 Service and Tire Centers, and 6 Pep Express stores located in 35 states of the United States and Puerto Rico.

For the fiscal year ended February 1, 2013, The Pep Boys — Manny, Moe & Jack reported revenue of \$2.091 billion with net income of \$12.810 million and total stockholder equity of \$537.572 million. The company is rated “B” by Standard & Poor’s.



About the Area

Site Information

The property is located 30 miles northeast of Atlanta in the Mill Creek District of Gwinnett County. It is situated on Buford Drive Northeast (State Route 20), a major north-south thoroughfare that connects Buford with Lawrenceville, immediately south of the interchange with Interstate 85. The state's largest mall, the Mall of Georgia, is also accessed via Buford Drive, and is just north of the property between Interstates 85 and 985. The traffic count on Interstate 85 west of the interchange is 78,720 AADT and 33,890 AADT on Buford Drive at the Mall of Georgia (GASTARS, 2013).

Pep Boys is adjacent to BrandsMart USA and a Quik Trip gas station and convenience store. A strip center tenanted by Boulder Coffee, Books For Less, Sign Systems Technology, and Grand Slam Express Car Wash is one block south of the property on Buford Drive.

Just across Interstate 85 is the Marketplace at Millcreek, a power center tenanted by Target, REI, Ross, and Marshalls. Sports Authority, PetSmart, and Michales are also located in the northwest quadrant of Interstate 85 and Buford Drive.

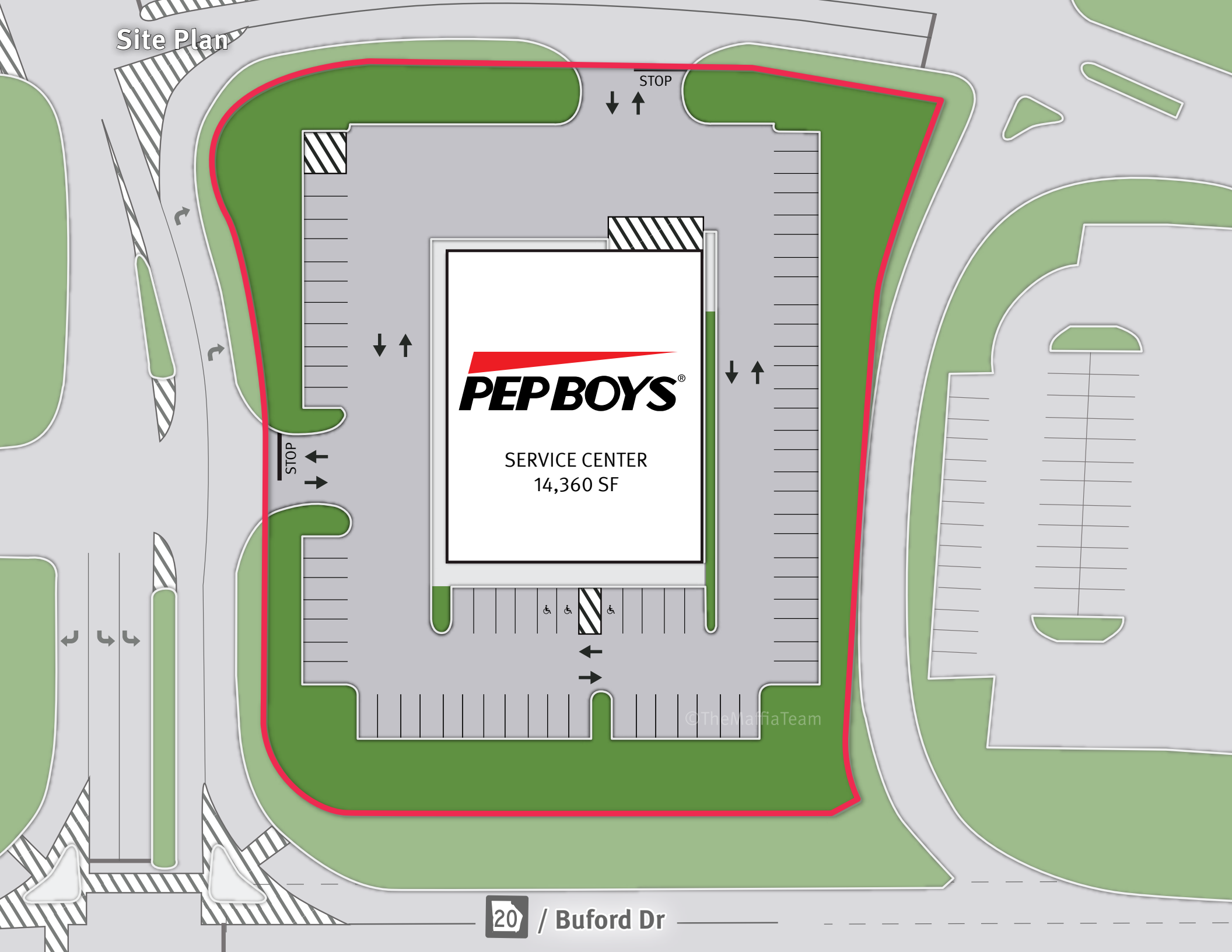
The Mall of Georgia is an enclosed super-regional shopping mall. Built in 1999, it is currently the largest shopping mall in the state of Georgia, consisting of more than two hundred stores on three levels. The mall's anchor stores include Belk, Dillard's, JCPenney, Macy's, and Nordstrom; other major stores include Barnes & Noble, Dick's Sporting Goods, and Havertys. Adjacent to the mall is the Mall of Georgia Crossing, home to Nordstrom Rack, T.J. Maxx, and Target. Also featured in the mall is a large village section, comprising lifestyle tenants and restaurants in an outdoor setting, as well as a 500-seat amphitheater. The mall attracts many high-end stores such as Armani Exchange, Swarovski, Clarks, J.Crew, Guess, bebe, and Aveda.

General Overview

Gwinnett County is the Atlanta metropolitan area's north-eastern link to Interstate 85, and is the second most populous county in the state, after Fulton County, with an estimated population of 805,321. Its seat is Lawrenceville. Companies headquartered in Gwinnett County include Waffle House, AGCO, American Megatrends, NCR Corporation, and Primerica.

The Atlanta metropolitan area, is the most populous metro area in the state and the ninth-largest metropolitan statistical area (MSA) in the United States. Its economic, cultural, and demographic center is Atlanta, Georgia's capital and largest city. The Atlanta metropolitan area spans up to 29 counties in north Georgia and had an estimated total 2012 population of 5,457,831.

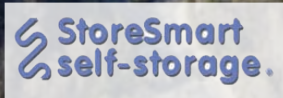
Site Plan



PEPBOYS®
SERVICE CENTER
14,360 SF

©TheMafiaTeam

Aerial | Close-up View



Laurel Dr



20 / Buford Dr

©TheMaffiaTeam



Aerial | North View

985

Marshall's
ROSS
DRESS FOR LESS

MATTRESSFIRM
Olive Garden

Red Lobster
Hampton Inn

UPS
Liberty Tax Service

FedEx
Arbys

W

Woodward Crossing Blvd

ASHLEY

hhgregg

TARGET
BEST BUY
Comcast
TJ-maxx

COSTCO
WHOLESALE

PET SMART
OfficeMax
SPORTS AUTHORITY
OfficeMax
MICHAEL'S
BED BATH & BEYOND

Bank of America

Mall of Georgia Blvd

Mimi's Cafe

MALL OF GEORGIA
NORDSTROM JCPenney
macy's Dillard's
DICK'S SPORTING GOODS
Belk
Apple
OLD NAVY
REGAL CINEMAS
SEPHORA

©TheMaffiaTeam

85 403 / 78,720 AADT

BrandsMart USA

PEP BOYS

StoreSmart
self-storage

QT

20 / Buford Dr

Rock Springs
Elementary School



BrandsMart U.S.A.



StoreSmart self-storage.

©TheMaffiaTeam

BED BATH & BEYOND PET SMART OfficeMax Michaels SPORTS AUTHORITY



MATTRESS FIRM



20 / Buford Dr (33,890 AADT)



Mimi's Cafe

Chipotle



hhsregg

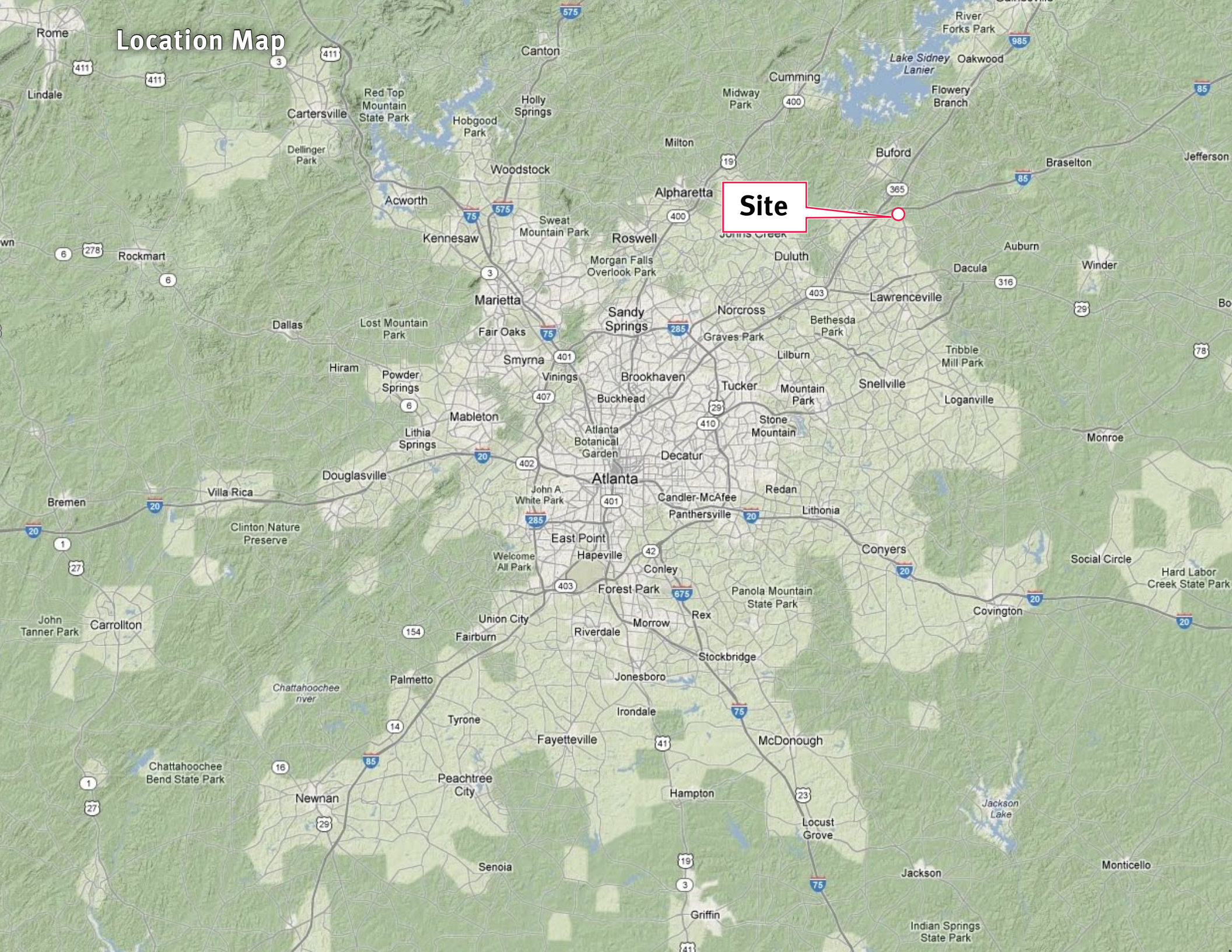


Mall of Georgia Blvd

Woodward Crossing Blvd



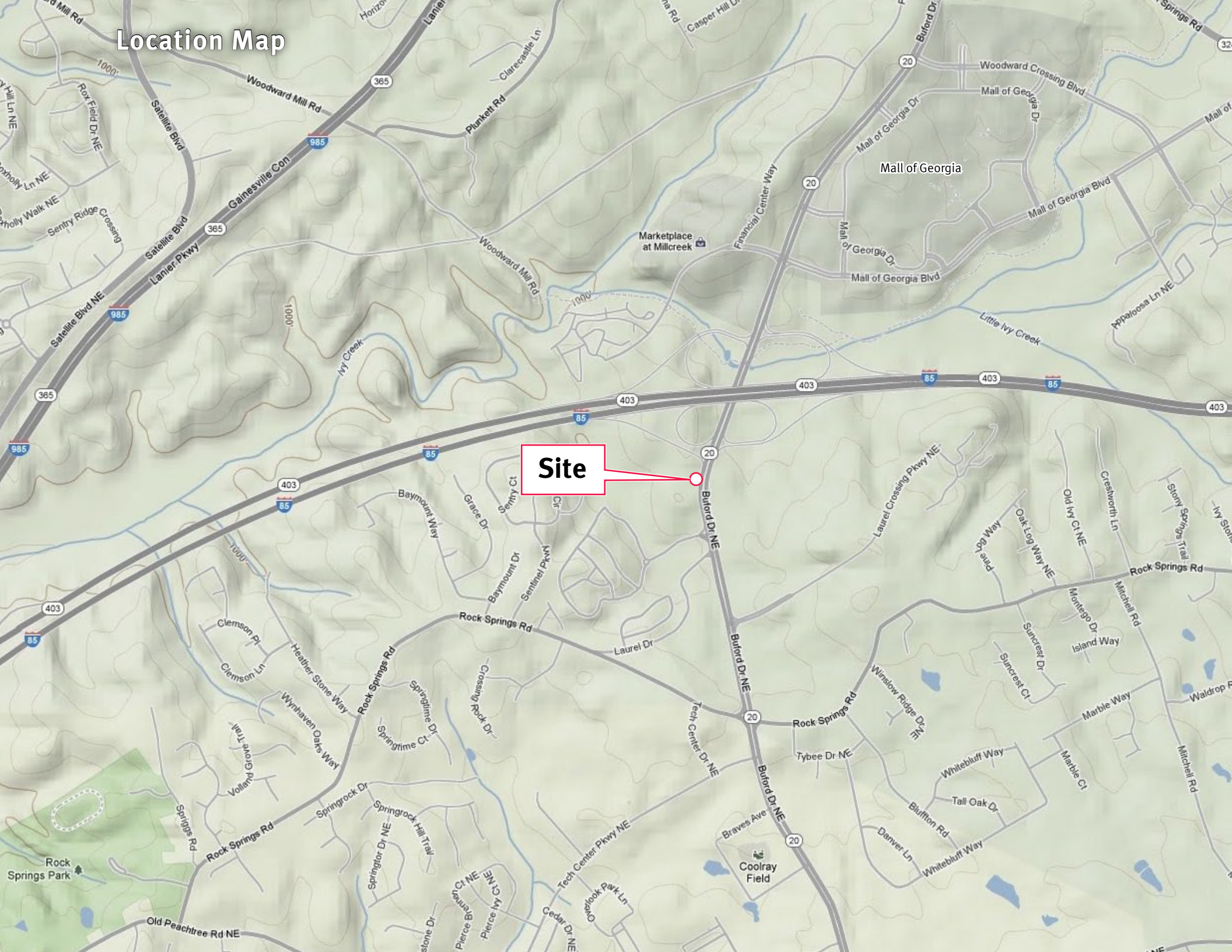
Location Map



Location Map



Location Map





Demographics

2918 Buford Dr NE
Buford, GA 30519

	1 mile	3 miles	5 miles
Population Summary			
2000 Total Population	3,212	28,761	87,333
2010 Total Population	5,586	48,447	132,427
2012 Total Population	5,706	50,809	136,160
2012 Group Quarters	2	29	2,912
2017 Total Population	6,114	56,148	147,239
2012-2017 Annual Rate	1.39%	2.02%	1.58%
Household Summary			
2000 Households	1,148	9,257	27,885
2000 Average Household Size	2.80	3.10	3.05
2010 Households	2,151	16,160	42,617
2010 Average Household Size	2.60	3.00	3.04
2012 Households	2,222	17,142	44,294
2012 Average Household Size	2.57	2.96	3.01
2017 Households	2,365	18,835	47,642
2017 Average Household Size	2.58	2.98	3.03
2012-2017 Annual Rate	1.26%	1.90%	1.47%
2010 Families	1,518	12,732	34,055
2010 Average Family Size	3.08	3.38	3.40
2012 Families	1,554	13,414	35,204
2012 Average Family Size	3.05	3.35	3.36
2017 Families	1,650	14,714	37,854
2017 Average Family Size	3.09	3.38	3.40
2012-2017 Annual Rate	1.21%	1.87%	1.46%
Housing Unit Summary			
2000 Housing Units	1,473	9,812	29,130
Owner Occupied Housing Units	73.7%	86.3%	83.1%
Renter Occupied Housing Units	4.2%	8.1%	12.6%
Vacant Housing Units	22.1%	5.7%	4.3%
2010 Housing Units	2,336	17,348	45,634
Owner Occupied Housing Units	56.1%	71.6%	75.5%
Renter Occupied Housing Units	36.0%	21.6%	17.9%
Vacant Housing Units	7.9%	6.8%	6.6%
2012 Housing Units	2,394	18,193	47,113
Owner Occupied Housing Units	54.7%	71.3%	75.2%
Renter Occupied Housing Units	38.1%	22.9%	18.9%
Vacant Housing Units	7.2%	5.8%	6.0%
2017 Housing Units	2,540	19,884	50,564
Owner Occupied Housing Units	55.8%	72.7%	76.4%
Renter Occupied Housing Units	37.3%	22.0%	17.9%
Vacant Housing Units	6.9%	5.3%	5.8%
Median Household Income			
2012	\$54,521	\$71,464	\$73,051
2017	\$61,495	\$81,033	\$81,984
Median Home Value			
2012	\$136,042	\$170,535	\$164,534
2017	\$145,147	\$180,359	\$176,341
Per Capita Income			
2012	\$22,766	\$28,560	\$28,466
2017	\$25,163	\$32,176	\$32,011
Median Age			
2010	31.6	34.6	35.0
2012	31.6	34.7	35.1
2017	31.8	34.8	35.2



Demographics

2918 Buford Dr NE
Buford, GA 30519

	1 mile	3 miles	5 miles
2012 Households by Income			
Household Income Base	2,222	17,142	44,294
<\$15,000	3.1%	5.3%	6.1%
\$15,000 - \$24,999	4.6%	5.5%	5.8%
\$25,000 - \$34,999	10.1%	7.5%	6.8%
\$35,000 - \$49,999	23.0%	11.0%	10.8%
\$50,000 - \$74,999	32.3%	23.0%	21.7%
\$75,000 - \$99,999	14.0%	17.5%	17.7%
\$100,000 - \$149,999	10.8%	19.1%	19.8%
\$150,000 - \$199,999	1.7%	7.2%	6.9%
\$200,000+	0.4%	3.9%	4.4%
Average Household Income	\$63,887	\$84,500	\$85,308
2017 Households by Income			
Household Income Base	2,365	18,835	47,642
<\$15,000	2.7%	4.5%	5.1%
\$15,000 - \$24,999	3.2%	3.8%	3.9%
\$25,000 - \$34,999	6.6%	4.8%	4.3%
\$35,000 - \$49,999	17.7%	8.0%	8.0%
\$50,000 - \$74,999	33.4%	21.6%	20.2%
\$75,000 - \$99,999	20.2%	22.9%	23.2%
\$100,000 - \$149,999	13.4%	20.8%	21.6%
\$150,000 - \$199,999	2.2%	9.0%	8.5%
\$200,000+	0.5%	4.6%	5.1%
Average Household Income	\$71,145	\$95,842	\$96,835
2012 Owner Occupied Housing Units by Value			
Total	1,310	12,969	35,408
<\$50,000	0.7%	0.5%	0.7%
\$50,000 - \$99,999	5.4%	4.7%	5.9%
\$100,000 - \$149,999	60.8%	31.1%	34.1%
\$150,000 - \$199,999	20.8%	33.5%	32.1%
\$200,000 - \$249,999	7.3%	17.3%	15.4%
\$250,000 - \$299,999	3.3%	6.7%	6.2%
\$300,000 - \$399,999	0.9%	4.6%	3.9%
\$400,000 - \$499,999	0.3%	1.1%	1.0%
\$500,000 - \$749,999	0.2%	0.4%	0.6%
\$750,000 - \$999,999	0.0%	0.1%	0.1%
\$1,000,000 +	0.2%	0.1%	0.1%
Average Home Value	\$150,382	\$183,436	\$178,455
2017 Owner Occupied Housing Units by Value			
Total	1,418	14,460	38,609
<\$50,000	0.4%	0.2%	0.4%
\$50,000 - \$99,999	3.7%	2.9%	3.9%
\$100,000 - \$149,999	50.8%	22.9%	25.2%
\$150,000 - \$199,999	29.1%	39.6%	38.9%
\$200,000 - \$249,999	10.4%	20.9%	19.1%
\$250,000 - \$299,999	3.7%	6.9%	6.7%
\$300,000 - \$399,999	1.1%	5.0%	4.1%
\$400,000 - \$499,999	0.3%	1.0%	0.9%
\$500,000 - \$749,999	0.3%	0.5%	0.7%
\$750,000 - \$999,999	0.0%	0.1%	0.1%
\$1,000,000 +	0.2%	0.1%	0.1%
Average Home Value	\$160,318	\$192,636	\$188,395



Demographics

2918 Buford Dr NE
Buford, GA 30519

	1 mile	3 miles	5 miles
2010 Population by Age			
Total	5,586	48,449	132,428
0 - 4	7.6%	7.1%	6.8%
5 - 9	7.7%	8.3%	8.2%
10 - 14	8.2%	8.7%	8.7%
15 - 24	15.6%	13.8%	13.7%
25 - 34	16.2%	12.6%	12.6%
35 - 44	16.6%	17.4%	17.2%
45 - 54	14.8%	16.7%	16.7%
55 - 64	7.9%	8.9%	9.2%
65 - 74	3.4%	4.0%	4.2%
75 - 84	1.6%	1.9%	2.1%
85 +	0.4%	0.5%	0.7%
18 +	71.9%	70.6%	70.9%
2012 Population by Age			
Total	5,704	50,808	136,161
0 - 4	7.6%	7.1%	6.8%
5 - 9	7.7%	8.3%	8.2%
10 - 14	8.1%	8.6%	8.6%
15 - 24	15.6%	13.6%	13.5%
25 - 34	16.5%	12.9%	12.8%
35 - 44	16.3%	17.0%	16.8%
45 - 54	14.4%	16.2%	16.3%
55 - 64	8.2%	9.4%	9.7%
65 - 74	3.6%	4.4%	4.6%
75 - 84	1.5%	2.0%	2.1%
85 +	0.4%	0.6%	0.7%
18 +	72.2%	70.9%	71.2%
2017 Population by Age			
Total	6,113	56,147	147,238
0 - 4	7.7%	7.1%	6.8%
5 - 9	7.7%	8.3%	8.2%
10 - 14	8.3%	8.8%	8.8%
15 - 24	14.8%	12.9%	12.8%
25 - 34	16.8%	13.1%	12.9%
35 - 44	16.1%	16.7%	16.5%
45 - 54	13.5%	15.2%	15.2%
55 - 64	8.7%	9.9%	10.2%
65 - 74	4.4%	5.3%	5.6%
75 - 84	1.6%	2.1%	2.2%
85 +	0.4%	0.6%	0.8%
18 +	72.1%	70.9%	71.1%
2010 Population by Sex			
Males	2,755	23,630	65,841
Females	2,831	24,817	66,586
2012 Population by Sex			
Males	2,824	24,844	67,806
Females	2,882	25,965	68,354
2017 Population by Sex			
Males	3,030	27,472	73,292
Females	3,085	28,676	73,947



Demographics

2918 Buford Dr NE
Buford, GA 30519

	1 mile	3 miles	5 miles
2010 Population by Race/Ethnicity			
Total	5,585	48,448	132,428
White Alone	58.9%	63.3%	65.4%
Black Alone	17.4%	15.1%	15.2%
American Indian Alone	0.6%	0.4%	0.3%
Asian Alone	11.9%	13.6%	10.8%
Pacific Islander Alone	0.2%	0.1%	0.0%
Some Other Race Alone	7.1%	4.9%	5.4%
Two or More Races	3.9%	2.8%	2.8%
Hispanic Origin	20.0%	13.2%	14.2%
Diversity Index	73.4	66.0	65.0
2012 Population by Race/Ethnicity			
Total	5,706	50,808	136,159
White Alone	57.1%	61.8%	64.1%
Black Alone	18.6%	16.2%	16.2%
American Indian Alone	0.6%	0.3%	0.3%
Asian Alone	12.0%	13.6%	10.8%
Pacific Islander Alone	0.2%	0.1%	0.1%
Some Other Race Alone	7.4%	5.1%	5.6%
Two or More Races	4.1%	3.0%	3.0%
Hispanic Origin	21.0%	13.9%	14.8%
Diversity Index	74.9	67.6	66.5
2017 Population by Race/Ethnicity			
Total	6,114	56,148	147,239
White Alone	52.0%	56.8%	59.3%
Black Alone	21.8%	19.3%	19.2%
American Indian Alone	0.5%	0.3%	0.3%
Asian Alone	12.2%	14.0%	11.2%
Pacific Islander Alone	0.3%	0.1%	0.1%
Some Other Race Alone	8.6%	6.0%	6.5%
Two or More Races	4.6%	3.4%	3.4%
Hispanic Origin	24.1%	16.1%	17.2%
Diversity Index	78.9	72.3	71.3
2010 Population by Relationship and Household Type			
Total	5,586	48,447	132,427
In Households	100.0%	99.9%	97.7%
In Family Households	86.3%	90.9%	89.4%
Householder	24.6%	26.3%	25.8%
Spouse	17.8%	21.0%	20.6%
Child	35.0%	36.3%	36.0%
Other relative	6.4%	5.3%	5.0%
Nonrelative	2.5%	2.0%	2.0%
In Nonfamily Households	13.7%	9.0%	8.4%
In Group Quarters	0.0%	0.1%	2.3%
Institutionalized Population	0.0%	0.0%	2.2%
Noninstitutionalized Population	0.0%	0.1%	0.0%



Demographics

2918 Buford Dr NE
Buford, GA 30519

	1 mile	3 miles	5 miles
2010 Households by Type			
Total	2,151	16,160	42,617
Households with 1 Person	21.9%	16.5%	15.9%
Households with 2+ People	78.1%	83.5%	84.1%
Family Households	70.6%	78.8%	79.9%
Husband-wife Families	51.2%	62.8%	63.8%
With Related Children	30.5%	37.0%	36.9%
Other Family (No Spouse Present)	19.4%	16.0%	16.1%
Other Family with Male Householder	5.1%	4.3%	4.3%
With Related Children	2.7%	2.5%	2.6%
Other Family with Female Householder	14.3%	11.7%	11.7%
With Related Children	10.3%	8.1%	8.1%
Nonfamily Households	7.5%	4.7%	4.2%
All Households with Children	44.1%	48.0%	48.1%
Multigenerational Households	5.9%	5.5%	5.7%
Unmarried Partner Households	6.2%	4.6%	4.4%
Male-female	5.5%	3.8%	3.7%
Same-sex	0.7%	0.7%	0.6%
2010 Households by Size			
Total	2,150	16,159	42,618
1 Person Household	22.0%	16.5%	15.9%
2 Person Household	26.5%	27.5%	27.7%
3 Person Household	19.6%	19.9%	19.8%
4 Person Household	17.2%	21.1%	21.0%
5 Person Household	8.6%	9.4%	9.5%
6 Person Household	3.8%	3.6%	3.8%
7 + Person Household	2.5%	2.0%	2.3%
2010 Households by Tenure and Mortgage Status			
Total	2,151	16,160	42,617
Owner Occupied	60.9%	76.8%	80.8%
Owned with a Mortgage/Loan	55.0%	68.4%	71.7%
Owned Free and Clear	5.9%	8.4%	9.2%
Renter Occupied	39.1%	23.2%	19.2%