

# OFFERING MEMORANDUM.



## Pep Boys Auto Hope Mills, NC | Fayetteville MSA

TheMaffiaTeam



File Photo



**\$1,656,000**  
**6.35% CAP Rate**

- ◆ New 12-Year Net Lease
- ◆ Tenant is Rated “B” by S&P
- ◆ Located Adjacent to Traemoor Village – anchored by Harris Teeter
- ◆ Average Household Income of \$79,601 within One Mile Radius
- ◆ Directly across from Jack Britt High School – premier school in North Carolina with a state-of-the-art facility
- ◆ Located just 15 minutes West of Fayetteville Regional Airport
- ◆ In the area of Fort Bragg, Pope Field and Fayetteville State University

**Newmark Knight Frank**  
**Cornish & Carey Commercial**  
Leased Investment Group

This property is listed in conjunction with North Carolina-licensed real estate broker Stewart Realty.

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

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## Property Information

Location	The property is located at 2961 Town Center Drive in Fayetteville, North Carolina.		
Lot Size	Approximately 0.76 acres, or 33,106 square feet.		
Improvements	Construction will be completed in November 2014 of an approximately 5,546 square foot retail/automotive use building for Pep Boys Auto. There is ample parking on site.		
Lease	Leased to <b>The Pep Boys – Manny, Joe &amp; Jack</b> for 12 years from November 2014 to November 2026 at an initial annual net rent of \$105,149. The rent increases by 8.0% in year 7 of the initial term and at the commencement of each option period. 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>
	1-6	\$105,149	6.35%
	7-12	\$113,560	6.86%
	13-17 (Option 1)	\$122,645	7.41%
	18-22 (Option 2)	\$132,457	8.00%
	23-27 (Option 3)	\$143,054	8.64%
	28-32 (Option 4)	\$154,498	9.33%
Price	<b>1,656,000 (6.35% Return)</b>		
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 January 28, 2012, it operated 562 Supercenters, 169 Service & Tire Centers, and 7 Pep Express stores located in 35 states of the United States, and in Puerto Rico.

For the fiscal year ended February 2, 2014, The Pep Boys — Manny, Moe & Jack reported revenue of \$2.066 billion with net income of \$6.87 million and total stockholder equity of \$548.07 million. The company is rated “B” by Standard & Poor’s.



## About the Area

### Site Information

The property is a pad located adjacent to the newly constructed Traemoor Village located at the intersection of Rockfish Road and Lakewood Drive. Traemoor Village is a brand new shopping center anchored by Harris Teeter. Additional retailers in the immediate vicinity include CVS Pharmacy, Food Lion, McDonald's, BB&T, Hallmark, Subway, Great Clips and Starbucks.

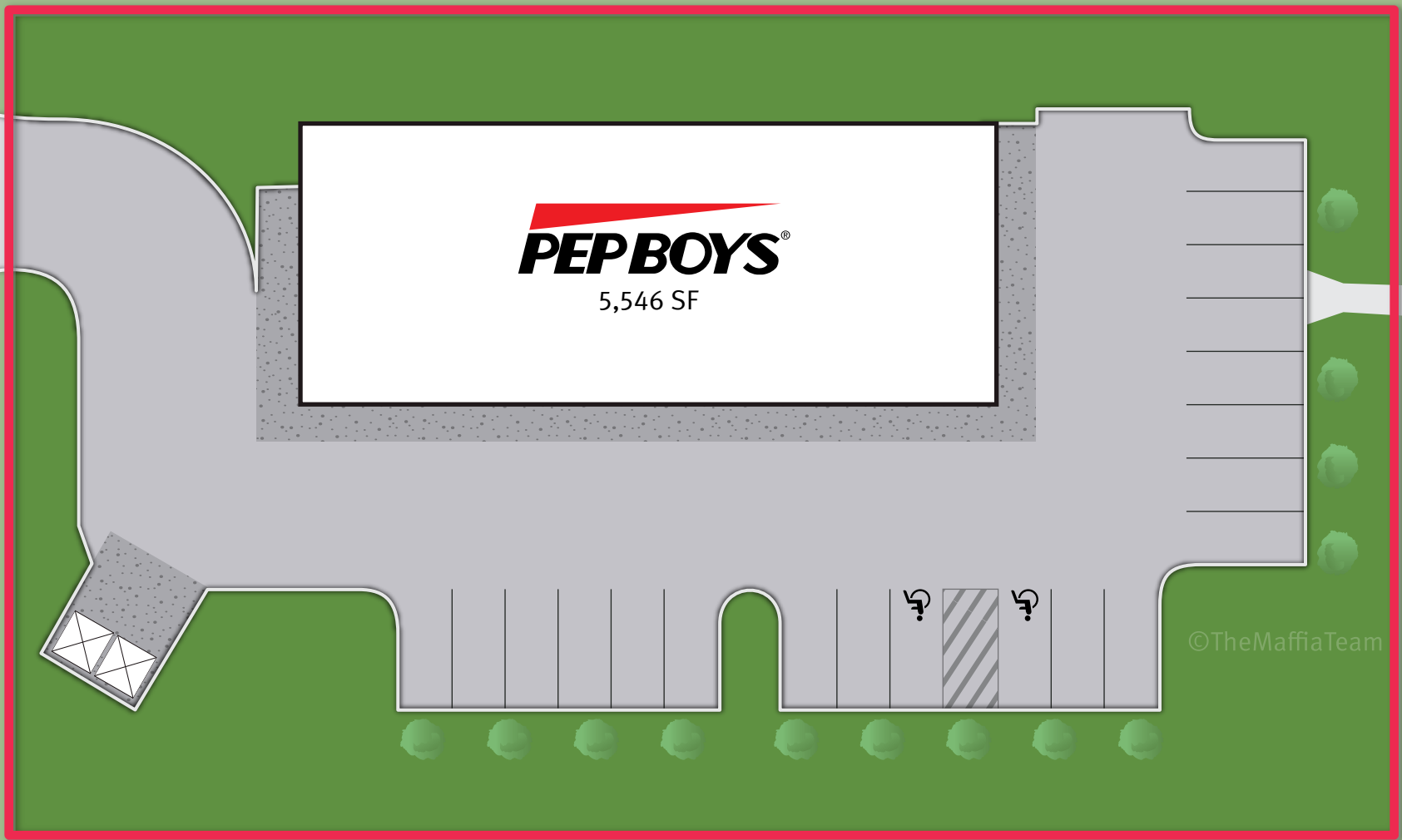
The area has seen a vast amount of residential growth in its nearby neighborhoods of Mariners Pointe, Camden Woods, Estates of Camden, The Woods at Birch Creek, Pear Tree, Preston, Middleton and Stoney Point. Traemoor Manor, a close-knit community offering luxurious custom built homes, is located just north of the property. And just a mile drive west on Rockfish Road is the Gates Four Golf and Country Club, a newly renovated 18-hole championship golf course. Jack Britt High School, one of the most valued high schools in Cumberland County, is located directly across Rockfish Road along with Stoney Point Elementary.

### General Overview

Fayetteville is the county seat of Cumberland County and the largest municipality with a population of over 205,670 residents per the 2011 U.S. Census. Fayetteville is one of the fastest growing areas in North Carolina; it is the sixth largest city and fifth largest MSA in the state. The Fayetteville MSA, which includes Fort Bragg, Hope Mills, Spring Lake, Raeford, Pope Field, Rockfish, Stedman and Eastover, is the largest MSA in southeastern North Carolina with a population of 374,157.

Fort Bragg and Pope Field are the backbone of Fayetteville's economy; bringing in \$4.5 billion a year and making the city one of best retail markets in the country. Other top employers in the city include Cumberland County Schools, Goodyear Tire Company, Cape Fear Valley Health System, Cumberland County Government, Walmart, City of Fayetteville and Fayetteville Technical Community College. The city is served by the Fayetteville Regional Airport located between I-95 and the Cumberland County Coliseum complex. The airport has flights with American Airlines, Delta Commercial and US Airways, and provides daily flights to Dallas/Fort Worth, Atlanta and Charlotte. Major colleges and universities located in the city include Fayetteville State University, Fayetteville Technical Community College, Methodist University and Carolina Bible College.

# Site Plan



ACCESS ROAD

ROCKFISH ROAD



 **Harris Teeter**

Future Multifamily  
(288 Units)

Lakewood Dr

**CVS/pharmacy**

Traemoor  
Village

 **FASTMED** URGENT CARE  
personal care in your neighborhood

 **The Mellow Mango**

 **Parrot Bay POOL**

LEE NAILS SPA

**PEPBOYS**



Future  
Retail

Rockfish Rd

Stoney Point  
Elementary School





Lakewood Dr

Traemoor Manor  
at Lakewood

Stoney Point Rd

Wendover  
Place

Future Multifamily  
(288 Units)

Traemoor  
Village



Future Retail

CVS/pharmacy



BB&T

Stoney Point  
Elementary School

Rockfish Rd



Jack Britt  
High School



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Birchfield  
at Millstone Towne Centre

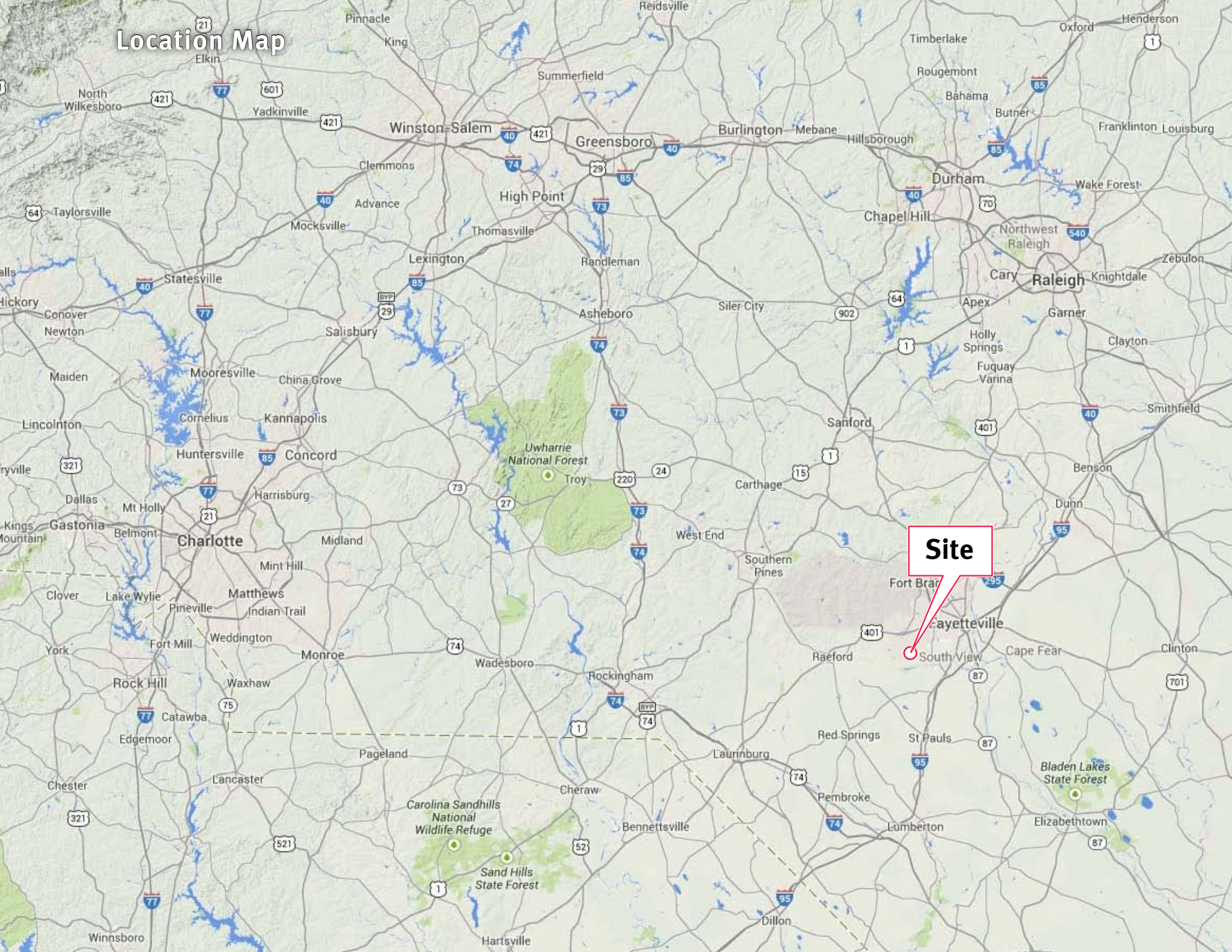
Pear Tree

Camden  
Woods

Estates  
of Camden

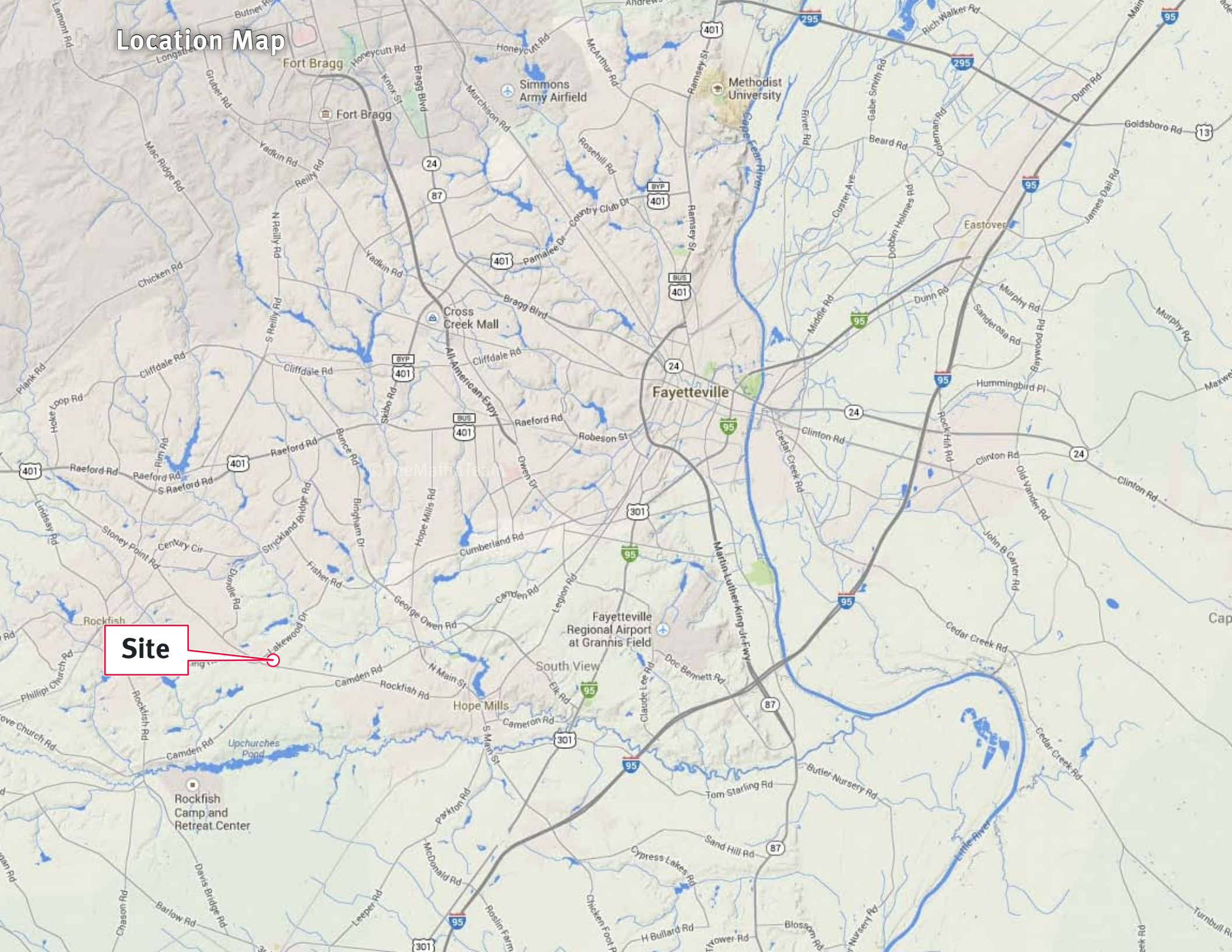


# Location Map





# Location Map





# Location Map







# Demographics

2961 Town Center Drive  
Fayetteville, NC 28306

	1 mile	3 miles	5 miles
<b>Population Summary</b>			
2000 Total Population	1,938	27,603	73,307
2010 Total Population	3,032	34,472	89,929
2012 Total Population	3,155	35,770	92,558
2012 Group Quarters	0	14	220
2017 Total Population	3,473	39,165	99,968
2012-2017 Annual Rate	1.94%	1.83%	1.55%
<b>Household Summary</b>			
2000 Households	704	9,587	25,955
2000 Average Household Size	2.75	2.88	2.82
2010 Households	1,056	12,354	33,088
2010 Average Household Size	2.87	2.79	2.71
2012 Households	1,090	12,707	33,741
2012 Average Household Size	2.89	2.81	2.74
2017 Households	1,218	14,096	36,909
2017 Average Household Size	2.85	2.78	2.70
2012-2017 Annual Rate	2.25%	2.10%	1.81%
2010 Families	865	9,549	24,338
2010 Average Family Size	3.20	3.18	3.14
2012 Families	886	9,743	24,580
2012 Average Family Size	3.23	3.21	3.18
2017 Families	988	10,810	26,886
2017 Average Family Size	3.19	3.18	3.15
2012-2017 Annual Rate	2.20%	2.10%	1.81%
<b>Housing Unit Summary</b>			
2000 Housing Units	726	10,424	28,481
Owner Occupied Housing Units	84.2%	69.4%	64.5%
Renter Occupied Housing Units	12.8%	22.6%	26.6%
Vacant Housing Units	3.0%	8.0%	8.9%
2010 Housing Units	1,101	13,266	35,754
Owner Occupied Housing Units	81.5%	67.6%	61.5%
Renter Occupied Housing Units	14.4%	25.5%	31.0%
Vacant Housing Units	4.1%	6.9%	7.5%
2012 Housing Units	1,128	13,639	36,535
Owner Occupied Housing Units	81.2%	66.6%	60.2%
Renter Occupied Housing Units	15.4%	26.6%	32.1%
Vacant Housing Units	3.4%	6.8%	7.6%
2017 Housing Units	1,238	14,902	39,361
Owner Occupied Housing Units	82.9%	68.2%	61.8%
Renter Occupied Housing Units	15.4%	26.4%	32.0%
Vacant Housing Units	1.6%	5.4%	6.2%
<b>Median Household Income</b>			
2012	\$72,539	\$52,637	\$44,331
2017	\$76,985	\$57,790	\$51,765
<b>Median Home Value</b>			
2012	\$239,600	\$167,645	\$146,432
2017	\$245,937	\$182,423	\$161,242
<b>Per Capita Income</b>			
2012	\$27,578	\$21,795	\$19,636
2017	\$30,391	\$23,841	\$21,575
<b>Median Age</b>			
2010	37.9	33.2	32.1
2012	38.2	33.3	32.2
2017	38.5	33.8	32.7



# Demographics

2961 Town Center Drive  
Fayetteville, NC 28306

	1 mile	3 miles	5 miles
<b>2012 Households by Income</b>			
Household Income Base	1,090	12,707	33,741
<\$15,000	9.0%	11.0%	14.4%
\$15,000 - \$24,999	8.3%	10.5%	11.6%
\$25,000 - \$34,999	6.3%	9.9%	12.1%
\$35,000 - \$49,999	8.2%	14.8%	17.0%
\$50,000 - \$74,999	19.6%	23.8%	22.2%
\$75,000 - \$99,999	21.1%	14.6%	11.8%
\$100,000 - \$149,999	21.2%	12.6%	8.8%
\$150,000 - \$199,999	2.7%	1.9%	1.3%
\$200,000+	3.7%	0.9%	0.6%
Average Household Income	\$79,601	\$61,423	\$53,614
<b>2017 Households by Income</b>			
Household Income Base	1,218	14,096	36,909
<\$15,000	7.7%	10.1%	13.8%
\$15,000 - \$24,999	5.6%	7.7%	8.7%
\$25,000 - \$34,999	4.3%	7.1%	9.0%
\$35,000 - \$49,999	6.8%	13.0%	15.3%
\$50,000 - \$74,999	22.7%	28.3%	27.0%
\$75,000 - \$99,999	24.3%	17.4%	14.5%
\$100,000 - \$149,999	22.0%	13.4%	9.5%
\$150,000 - \$199,999	2.9%	2.1%	1.5%
\$200,000+	3.7%	0.9%	0.6%
Average Household Income	\$86,490	\$66,399	\$58,205
<b>2012 Owner Occupied Housing Units by Value</b>			
Total	916	9,084	22,012
<\$50,000	1.5%	1.5%	1.8%
\$50,000 - \$99,999	4.3%	10.7%	15.5%
\$100,000 - \$149,999	12.0%	29.6%	35.3%
\$150,000 - \$199,999	17.6%	23.2%	23.7%
\$200,000 - \$249,999	18.6%	15.2%	11.3%
\$250,000 - \$299,999	13.2%	8.2%	5.8%
\$300,000 - \$399,999	18.1%	7.7%	4.8%
\$400,000 - \$499,999	9.7%	2.6%	1.3%
\$500,000 - \$749,999	4.6%	1.1%	0.6%
\$750,000 - \$999,999	0.5%	0.2%	0.1%
\$1,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$267,955	\$189,968	\$165,743
<b>2017 Owner Occupied Housing Units by Value</b>			
Total	1,026	10,162	24,326
<\$50,000	0.8%	0.8%	1.0%
\$50,000 - \$99,999	2.6%	8.0%	12.2%
\$100,000 - \$149,999	8.5%	24.5%	30.6%
\$150,000 - \$199,999	17.4%	25.7%	27.3%
\$200,000 - \$249,999	22.5%	19.6%	15.0%
\$250,000 - \$299,999	14.4%	9.4%	6.8%
\$300,000 - \$399,999	17.5%	7.6%	4.9%
\$400,000 - \$499,999	10.0%	2.7%	1.4%
\$500,000 - \$749,999	5.5%	1.3%	0.7%
\$750,000 - \$999,999	0.7%	0.3%	0.1%
\$1,000,000 +	0.0%	0.0%	0.0%
Average Home Value	\$280,296	\$201,445	\$176,622



# Demographics

2961 Town Center Drive  
Fayetteville, NC 28306

	1 mile	3 miles	5 miles
<b>2010 Population by Age</b>			
Total	3,033	34,474	89,931
0 - 4	5.7%	7.3%	8.1%
5 - 9	8.5%	8.3%	8.1%
10 - 14	10.4%	9.5%	8.3%
15 - 24	12.5%	14.3%	14.5%
25 - 34	8.0%	13.1%	15.3%
35 - 44	18.1%	16.2%	14.5%
45 - 54	16.2%	15.2%	14.1%
55 - 64	10.9%	9.3%	9.2%
65 - 74	6.3%	4.7%	5.0%
75 - 84	2.8%	1.8%	2.3%
85 +	0.5%	0.4%	0.5%
18 +	68.9%	69.2%	70.5%
<b>2012 Population by Age</b>			
Total	3,152	35,769	92,557
0 - 4	5.7%	7.3%	8.1%
5 - 9	8.5%	8.3%	8.0%
10 - 14	10.2%	9.4%	8.2%
15 - 24	12.2%	14.0%	14.3%
25 - 34	8.2%	13.3%	15.6%
35 - 44	17.7%	15.9%	14.2%
45 - 54	15.7%	14.8%	13.7%
55 - 64	11.6%	9.7%	9.7%
65 - 74	6.8%	5.1%	5.3%
75 - 84	2.9%	1.8%	2.3%
85 +	0.5%	0.4%	0.6%
18 +	69.5%	69.5%	70.8%
<b>2017 Population by Age</b>			
Total	3,473	39,164	99,968
0 - 4	5.7%	7.3%	8.1%
5 - 9	8.4%	8.3%	8.0%
10 - 14	10.3%	9.5%	8.3%
15 - 24	11.4%	13.2%	13.4%
25 - 34	8.2%	13.4%	15.8%
35 - 44	17.1%	15.6%	14.0%
45 - 54	14.6%	13.8%	12.8%
55 - 64	12.2%	10.3%	10.2%
65 - 74	8.3%	6.2%	6.4%
75 - 84	3.1%	2.0%	2.5%
85 +	0.6%	0.5%	0.6%
18 +	69.8%	69.6%	70.9%
<b>2010 Population by Sex</b>			
Males	1,465	16,439	42,651
Females	1,567	18,034	47,278
<b>2012 Population by Sex</b>			
Males	1,527	17,073	43,934
Females	1,628	18,697	48,624
<b>2017 Population by Sex</b>			
Males	1,684	18,680	47,416
Females	1,789	20,485	52,552



# Demographics

2961 Town Center Drive  
Fayetteville, NC 28306

	1 mile	3 miles	5 miles
<b>2010 Population by Race/Ethnicity</b>			
Total	3,032	34,471	89,929
White Alone	73.9%	59.8%	52.6%
Black Alone	13.7%	27.2%	34.2%
American Indian Alone	2.2%	2.1%	2.1%
Asian Alone	4.0%	2.6%	2.2%
Pacific Islander Alone	0.2%	0.3%	0.3%
Some Other Race Alone	1.8%	3.0%	3.5%
Two or More Races	4.3%	5.1%	5.1%
Hispanic Origin	7.9%	9.8%	10.4%
Diversity Index	51.5	64.4	67.9
<b>2012 Population by Race/Ethnicity</b>			
Total	3,156	35,770	92,558
White Alone	74.6%	61.0%	53.9%
Black Alone	12.9%	25.9%	32.7%
American Indian Alone	2.1%	2.0%	2.1%
Asian Alone	4.4%	2.9%	2.4%
Pacific Islander Alone	0.1%	0.2%	0.3%
Some Other Race Alone	1.8%	3.1%	3.6%
Two or More Races	4.1%	4.9%	5.0%
Hispanic Origin	8.7%	10.7%	11.2%
Diversity Index	51.6	64.4	68.1
<b>2017 Population by Race/Ethnicity</b>			
Total	3,473	39,164	99,967
White Alone	75.1%	62.2%	55.4%
Black Alone	11.8%	24.0%	30.5%
American Indian Alone	2.0%	1.9%	2.0%
Asian Alone	5.2%	3.5%	2.9%
Pacific Islander Alone	0.1%	0.2%	0.3%
Some Other Race Alone	1.9%	3.3%	3.9%
Two or More Races	4.0%	4.9%	5.0%
Hispanic Origin	10.8%	12.9%	13.5%
Diversity Index	53.1	65.4	69.3
<b>2010 Population by Relationship and Household Type</b>			
Total	3,032	34,472	89,929
In Households	100.0%	100.0%	99.8%
In Family Households	92.5%	90.1%	87.6%
Householder	28.6%	27.6%	27.1%
Spouse	23.1%	19.5%	17.8%
Child	36.8%	37.7%	36.5%
Other relative	2.8%	3.2%	3.7%
Nonrelative	1.3%	2.1%	2.5%
In Nonfamily Households	7.5%	9.9%	12.1%
In Group Quarters	0.0%	0.0%	0.2%
Institutionalized Population	0.0%	0.0%	0.2%
Noninstitutionalized Population	0.0%	0.0%	0.1%





# Demographics

2961 Town Center Drive  
Fayetteville, NC 28306

	1 mile	3 miles	5 miles
<b>2010 Households by Type</b>			
Total	1,055	12,354	33,088
Households with 1 Person	15.3%	18.8%	21.5%
Households with 2+ People	84.7%	81.2%	78.5%
Family Households	82.0%	77.3%	73.6%
Husband-wife Families	66.2%	54.5%	48.3%
With Related Children	34.7%	29.2%	24.7%
Other Family (No Spouse Present)	15.9%	22.9%	25.3%
Other Family with Male Householder	3.2%	4.7%	5.1%
With Related Children	2.1%	3.1%	3.3%
Other Family with Female Householder	12.6%	18.2%	20.2%
With Related Children	9.7%	13.9%	15.2%
Nonfamily Households	2.7%	3.9%	4.9%
All Households with Children	46.7%	46.7%	43.9%
Multigenerational Households	4.3%	5.1%	5.3%
Unmarried Partner Households	3.8%	5.3%	6.1%
Male-female	3.4%	4.7%	5.5%
Same-sex	0.4%	0.6%	0.6%
<b>2010 Households by Size</b>			
Total	1,057	12,355	33,088
1 Person Household	15.2%	18.8%	21.5%
2 Person Household	32.8%	30.4%	31.0%
3 Person Household	19.8%	21.2%	20.4%
4 Person Household	19.9%	17.6%	15.9%
5 Person Household	8.1%	7.9%	7.1%
6 Person Household	3.0%	2.6%	2.6%
7 + Person Household	1.1%	1.4%	1.4%
<b>2010 Households by Tenure and Mortgage Status</b>			
Total	1,056	12,354	33,088
Owner Occupied	84.9%	72.6%	66.5%
Owned with a Mortgage/Loan	71.9%	62.1%	54.9%
Owned Free and Clear	13.1%	10.6%	11.5%
Renter Occupied	15.1%	27.4%	33.5%