PEP BOYS

ABSOLUTE NNN LEASED INVESTMENT WITH 12.5 YEARS REMAINING

CASTLE ROCK, CO

CAPITAL PACIFIC

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Leuthold Commercial Properties

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FOUNDERS PARKWAY

86

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Overview

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PEP BOYS

4400 BARRANCA LN, CASTLE ROCK, CO 80104

$1,825,000
PRICE

6.00%
CAP

NOI:	$109,542
PRICE/SF:	$453.98
LEASE TYPE:	ABSOLUTE NNN
ORIGINAL TERM:	16 YEARS
LEASE TERM REMAINING:	12.5 YEARS
LEASABLE AREA:	4,020 SF
LAND AREA:	.47 AC
YEAR BUILT:	2009
TENANT SINCE:	2016
FEE SIMPLE:	YES

TENANT IS CURRENTLY OPEN AND IN OPERATION AS SERVICE REPAIR HAS BEEN DEEMED ESSENTIAL

Investment Highlights

THE OFFERING

The subject property is currently 100% leased to Pep Boys with 12.5 years remaining on a rare absolute NNN lease with annual increases. Pep Boys acquired Just Brakes in 2017 and re-branded the site shortly after the acquisition was announced. Additionally, the four 5 year option periods, which increase to Fair Market Value at the beginning of each option period, also features 2% annual increases.

The subject property is strategically located near the signalized hard corner intersection of Founders Parkway/State Highway 86 & Woodlands Boulevard (30,991 combined vehicles per day) and is near the interchange of Colorado Highway 86 and Interstate 25 (108,200 combined vehicles per day). The subject property is close to the Outlets at Castle Rock, Colorado's largest outlet center. The trade area is supported by more than 78,000 residents with an average household income higher than $115,000 within a 5-mile radius of the subject property. The property is located across the street from a Target Anchored Shopping Center and is directly adjacent the UCHealth Urgent Care Center, as well as numerous other national credit tenants.

HIGHLIGHTS

- **Absolute NNN lease/ fee simple ownership**
- **Rare 2% annual increases**
- **12.5 years remaining with four 5-Year options**

DESIRABLE LOCATION

- **Across From Target**
- **Ideally located between O'Reilly Auto Parts & Advance Auto Parts**
- **Located near Interchange of Colorado 86 and Interstate 25**
- **Excellent street frontage and visibility on main thoroughfare**

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Income & Expense

PRICE		$1,825,000
Price Per Square Foot:		$453.98
Capitalization Rate:		6.00%
Total Rentable Area (SF):		4,020
Lot Size (AC):		0.47
STABILIZED INCOME	**PER SQUARE FOOT**	
Scheduled Rent	$27.25	$109,542
Effective Gross Income	$27.25	$109,542
LESS	**PER SQUARE FOOT**	
Taxes	NNN	Tenant Pays Direct
Insurance	NNN	Tenant Pays Direct
Roof And Structure	NNN	Tenant Pays Direct
EQUALS NET OPERATING INCOME		**$109,542**

* Seller will credit buyer the difference in rent from COE to Jan. 1, 2021 scheduled rent increase.

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Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	**SQ. FT.**			**CURRENT RENT**	**MONTHLY RENT**	**YEARLY RENT**	**MONTHLY RENT/FT**	**YEAR RENT/FT**
Pep Boys	**4,020**	**1/1/2016**	**12/31/2032**	**$107,394**	**$8,949.50**	**$107,394**	**$2.23**	**$26.71**
	2% Increase	1/1/2021	12/31/2021		$9,128.51	$109,542	$2.27	$27.25
	2% Increase	1/1/2022	12/31/2022		$9,311.08	$111,733	$2.32	$27.79
	2% Increase	1/1/2023	12/31/2023		$9,497.30	$113,968	$2.36	$28.35
	2% Increase	1/1/2024	12/31/2024		$9,687.25	$116,247	$2.41	$28.92
	2% Increase	1/1/2025	12/31/2025		$9,880.99	$118,572	$2.46	$29.50
	2% Increase	1/1/2026	12/31/2026		$10,078.61	$120,943	$2.51	$30.09
	2% Increase	1/1/2027	12/31/2027		$10,280.19	$123,362	$2.56	$30.69
	2% Increase	1/1/2028	12/31/2028		$10,485.79	$125,829	$2.61	$31.30
	2% Increase	1/1/2029	12/31/2029		$10,695.51	$128,346	$2.66	$31.93
	2% Increase	1/1/2030	12/31/2030		$10,909.42	$130,913	$2.71	$32.57
	2% Increase	1/1/2031	12/31/2031		$11,127.60	$133,531	$2.77	$33.22
	2% Increase	1/1/2032	12/31/2032		$11,350.16	$136,202	$2.82	$33.88
	Options:	Four, 5-year renewal options at FMV with 2% annual increases						
TOTALS:				**$107,394**	**$8,949.50**	**$107,394**	**$2.23**	**$26.71**

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Lease Abstract

RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
1/1/16-12/31/32	$8,950	$107,394

INCREASE

DATE RANGE	MONTHLY RENT	ANNUAL RENT
1/1/21-12/31/21	$9,128	$109,542
1/1/22-12/31/22	$9,311	$111,733
1/1/23-12/31/23	$9,497	$113,967
1/1/24-12/31/24	$9,687	$116,247
1/1/25-12/31/25	$9,881	$118,572
1/1/26-12/31/26	$10,079	$120,943
1/1/27-12/31/27	$10,280	$123,362
1/1/28-12/31/28	$10,486	$125,829
1/1/29-12/31/29	$10,695	$128,346
1/1/30-12/31/30	$10,909	$130,913
1/1/31-12/31/31	$11,128	$133,531
1/1/32-12/31/32	$11,350	$136,202

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 1/1/33-12/31/38	$11,577	$138,926
#2. 1/1/39-12/31/44	$11,809	$141,704
#3. 1/1/45-12/31/50	$12,045	$144,538
#4. 1/1/50-12/31/55	$12,286	$147,429

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISE & TERM

TENANT	JBRE Holdings, LLC DBA Pep Boys
LEASE TYPE	Absolute NNN
LEASE TERM	12.5 Years
RENT COMMENCEMENT	January 1, 2016
OPTIONS	Four 5-year options at FMV, no less than 2% over previous years rent

EXPENSES

TAXES	Tenant (Pays Direct)
INSURANCE	Tenant (Pays Direct)
UTILITIES	Tenant (Pays Direct)
CAM	Tenant (Pays Direct)
MAINTENANCE	Tenant (Pays Direct)
LANDLORD'S OBLIGATIONS	None

ADDITIONAL LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

None without Landlords consent.

ESTOPPELS

Yes.

ROFR

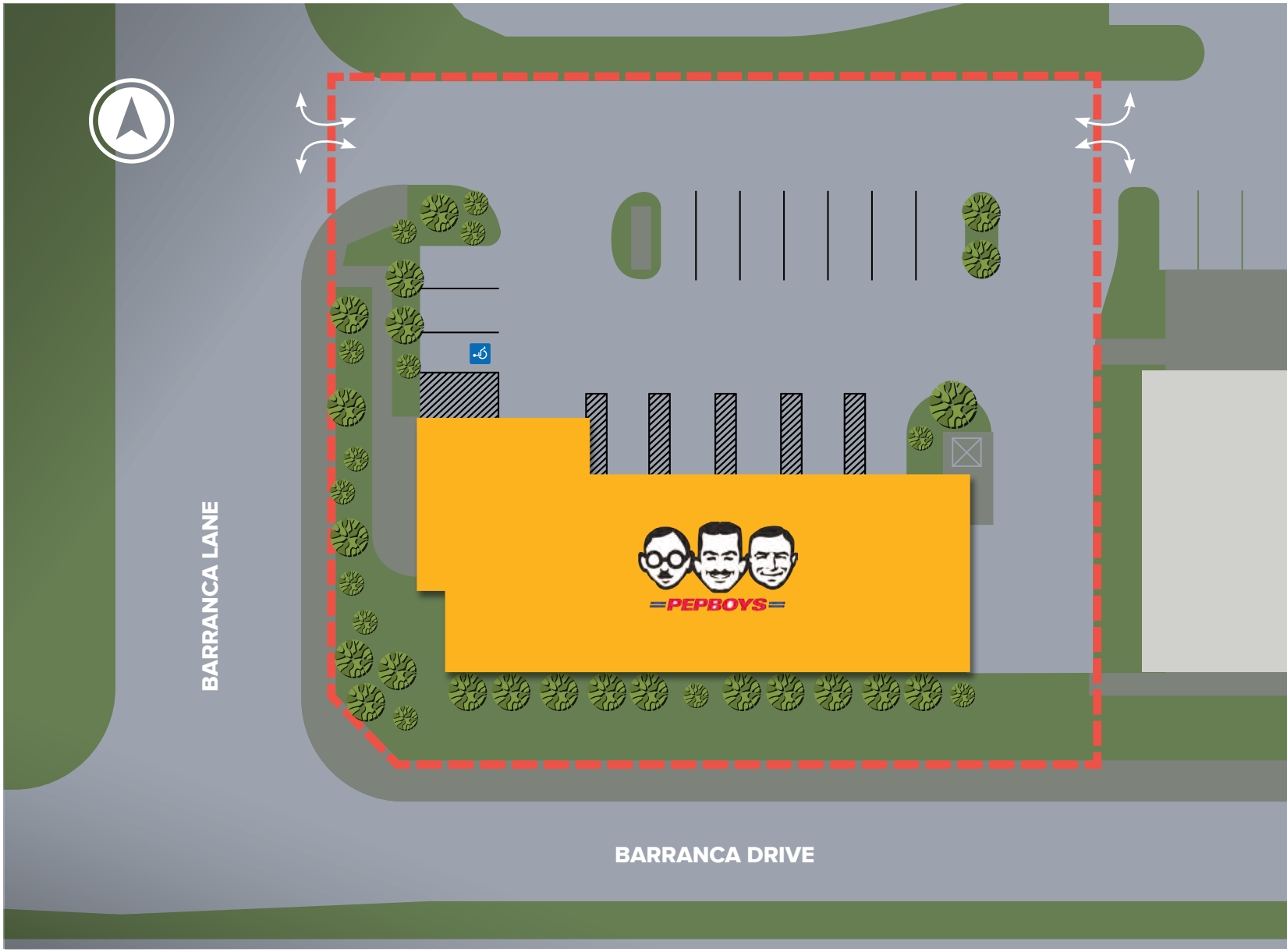
None.

Site Plan

4,020
RENTABLE SF

0.47
ACRES

20
SPACES



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Tenant Overview

ABOUT PEP BOYS

Since 1921, Pep Boys has been one of the nation's leading automotive aftermarket chains, providing premium tires; automotive maintenance and repair; premium-brand parts and expert advice for the do-it-yourselfer; commercial auto parts delivery; and fleet maintenance and repair to customers across the U.S. Pep Boys operates more than 9,000 service bays in approximately 1,000 locations in 37 states and Puerto Rico, and the Pep Boy Mobile Crew service trailer, which offers automotive maintenance on location.

963 | LOCATIONS IN 37 STATES

EST. NUMBER OF EMPLOYEES | **17,088**

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Retail Aerial

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Zoomed-In Aerial

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Zoomed-Out Aerial

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Demographics

POPULATION

	1-MILE	3-MILES	5-MILES
2010	4,200	30,289	58,981
2019	5,163	44,005	79,842
2024	3,843	51,282	91,374

2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	$143,909	$129,074	$142,744
Median	$111,683	$101,993	$107,247

DOUGLAS COUNTY TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Charles Shwab	4,400
DISH Network	2,750
Centura Health	1,510
HealthONE	1,340
Jacobs Engineer Group	1,120

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THE AVERAGE HOUSEHOLD INCOME WITHIN A 5-MILE RADIUS IS OVER $143K

Location Overview

CASTLE ROCK, COLORADO

CASTLE ROCK, located 30 miles south of Denver and 40 miles north of Colorado springs, is the county seat of Douglas County, Colorado. As of 2019, Castle Rock, had an estimated population of approximately 64,000.

The city features 87 miles of trails, 50 well-planned parks and more than 6,000 acres of open space for residents and visitors to enjoy. The town continues adding amenities to keep pace with this growth, such as the new $22 million-plus, 270-acre Philip S. Miller Park and Miller Activity Center. The Outlets at Castle Rock attracts 4.5 million visitors annually.

DOUGLAS COUNTY is the 7th largest county by population in Colorado with over 350,000 residents. The County's strength, as the centerpiece of the Denver/Colorado Springs development corridor, is a perfect blend of quality lifestyle and business environment. Douglas County is recognized for being one of the most family-friendly communities in Colorado, offering a quality of life unmatched elsewhere in the state.

Four Fortune 500 Companies are headquartered in Douglas County: CH2M, DISH Network, Liberty Global, and Liberty Media. Key industries include aerospace, communications/telecom, financial services and insurance, healthcare/bioscience, and professional services.

351,000 + | **DOUGLAS COUNTY POPULATION** (ESTIMATED)

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Denver MSA

DENVER MSA

Denver, known as the Mile High City, rests on the eastern edge of the Rocky Mountains at 5,280 feet in elevation. The Denver MSA is home to 10 Fortune 500 company headquarters, including DaVita, DISH Network, Western Union, Ball Corporation, Arrow Electronics, Molson Coors Brewery, Qurate Retail, DCP Midstream, Liberty Media, and Newmont Mining.

The city is home to many nationally recognized museums, the second largest performing arts center in the nation, and three downtown stadiums hosting the city's football, baseball, basketball, and hockey teams. Denver has gained a reputation as being a very active, outdoor oriented city because of its proximity to the mountains and generally sunny weather. Denver was ranked the #2 Best Place to Live in 2019 by U.S. News & World Report, and #4 on Forbes 2018 List of Best Places for Business and Careers.

GENERAL STATS

LARGEST CITY IN COLORADO

5TH LARGEST MSA IN THE U.S.

#2 BEST PLACE TO LIVE IN 2019 BY U.S. NEWS & WORLD REPORT

#4 BEST PLACES FOR BUSINESS AND CAREERS BY FORBES

2ND LARGEST INCREASE IN WORKERS IN 2018 - LINKEDIN

1.74 MILLION JOBS IN THE METRO

3% UNEMPLOYMENT RATE IN METRO

DENVER UNION STATION

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