

BIG O TIRES®

With Corporate
Guaranty From:



\$2,384,500 @ 5.00% Cap

- ❖ Corporate NNN Lease with ± 8.5-Years Remaining
- ❖ Absolutely Zero Landlord Responsibilities
- ❖ Best-in-Class Guarantor - TBC Corporation
- ❖ COVID Resistant - Essential Business for Community
- ❖ 3-Miles from the Famous Hazeltine National Golf Club
- ❖ Perfect 1031 Exchange Property for Passive Investors

FILE PHOTO



216 N. Coast Hwy 101, Encinitas, CA 92024

1305 CRYSTAL LANE | CHASKA, MINNESOTA

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In Association
with MN Broker :



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SUBJECT PROPERTY PHOTO



Big O Tires in Chaska, Minnesota

Net Lease Realty Partners is pleased to present this free standing, absolute NNN leased tire store dba as Big O Tire backed by Nation Tire Battery. Located in Chaska, suburb of the Twin Cities MSA. Chaska is in the beautiful Minnesota River Valley 25 miles southwest of Minneapolis just a few miles from Minnesota Landscape Arboretum (top visitor attraction in the state). Located in Carver County, the area has been rated Happiest Places in America (SmartAsset 2018), Top 10 Best Places to live (HomeSnacks 2019) and top 25 Counties to live in (Wall Street Journal 2019). The current Population of the County is 102,000+.

The Ryder Cup was in Chaska at the Hazelton National Golf Club in 2016 and is scheduled to return in 2028. The Club has also hosted Women's PGA Championship in 2019 and will host the US Amateur Championship in 2024. New area developments include 750 new houses, a 117 unit apartment project and a 390 Acre corporate office and industrial park is going in off of Highway 212. The corporate park is anticipated to bring 4,000-6,000 new jobs to the area. Highway 41 is being widened to accommodate traffic increases with a new interchange at Hwy 212 and Hwy 44.

This corporately guaranteed lease has 8.5 years of primary term remaining and three 5-year options to extend. The lease is subject to 10% rental increases every five years with the next 10% increase in 2025. The tenant's parent TBC Corporation is headquartered in Palm Beach Gardens, Fla., TBC Corporation is one of the nation's largest marketers of automotive replacement tires through a multi-channel strategy. TBC Corporation is a wholesale supplier to independent regional tire retailers and distributors throughout the U.S., Canada and Mexico. Additionally, TBC's wholesale group operates Carroll Tire, a regional tire wholesale distributor servicing independent tire dealers across the United States. TBC's Retail Group operates more than 1200 franchised and company-owned tire and automotive service centers under the brands Tire Kingdom®, Merchant's Tire & Auto Centers®, NTB-National Tire & Battery and Big O Tires®. TBC is owned by Sumitomo Corporation of America (SCOA). SCOA is the largest subsidiary of Sumitomo Corporation (SC), one of Japan's major integrated trading and investment business enterprises.

PRICE: **\$ 2,384,500**

NOI: **\$ 119,228/Year**

Cap Rate: **5.00%**

Remaining Term: **± 8.5 Years**

❖ **Corporate Absolute NNN Lease with ± 8.5-Years Remaining** - The property is currently under an Absolute NNN Lease with ZERO Landlord responsibilities, Guaranteed the TBC Corporation.

PRICING OVERVIEW



SITE ADDRESS:



**1305 Crystal Lane,
Chaska, MN 55318**

ASKING PRICE:

\$ 2,384,500

NET INCOME (NOI):

\$ 119,228/YEAR

CAP RATE:

5.00%

Gross Leasable Area (GLA):
Current Rent per SF:
Lot Size:
Year Built:
Ownership Type:

**4,806 SF
\$24.80/YR
0.674 ACRES
1998
Fee Simple**

Tenant Trade Name:
Guarantee:

**Big O Tires
TBC Corporation,
a Delaware corporation**

Lease Type:
Rent Commencement:
Original Lease Term:

**Absolute Triple Net (NNN)
October 1, 2010
20-Years**

Lease Expiration:
Remaining Term:

**September 30, 2030
+/- 8.5 Years**

Tenant Options:
Right of First Refusal:
Rental Increases:

**(3) X 5 Year Options
None
10% Increases Every 5-Years**

CURRENT*

LEASE TERM:

ANNUAL NOI:

Mar 18, 2020 – Mar 17, 2025

\$ 119,228

Mar 18, 2025 – Mar 17, 2030

\$ 131,150

Mar 18, 2030 – Sept 30, 2030

\$ 144,265

OPTION PERIODS:

Oct 1, 2030 – Mar 17, 2035

\$ 144,265

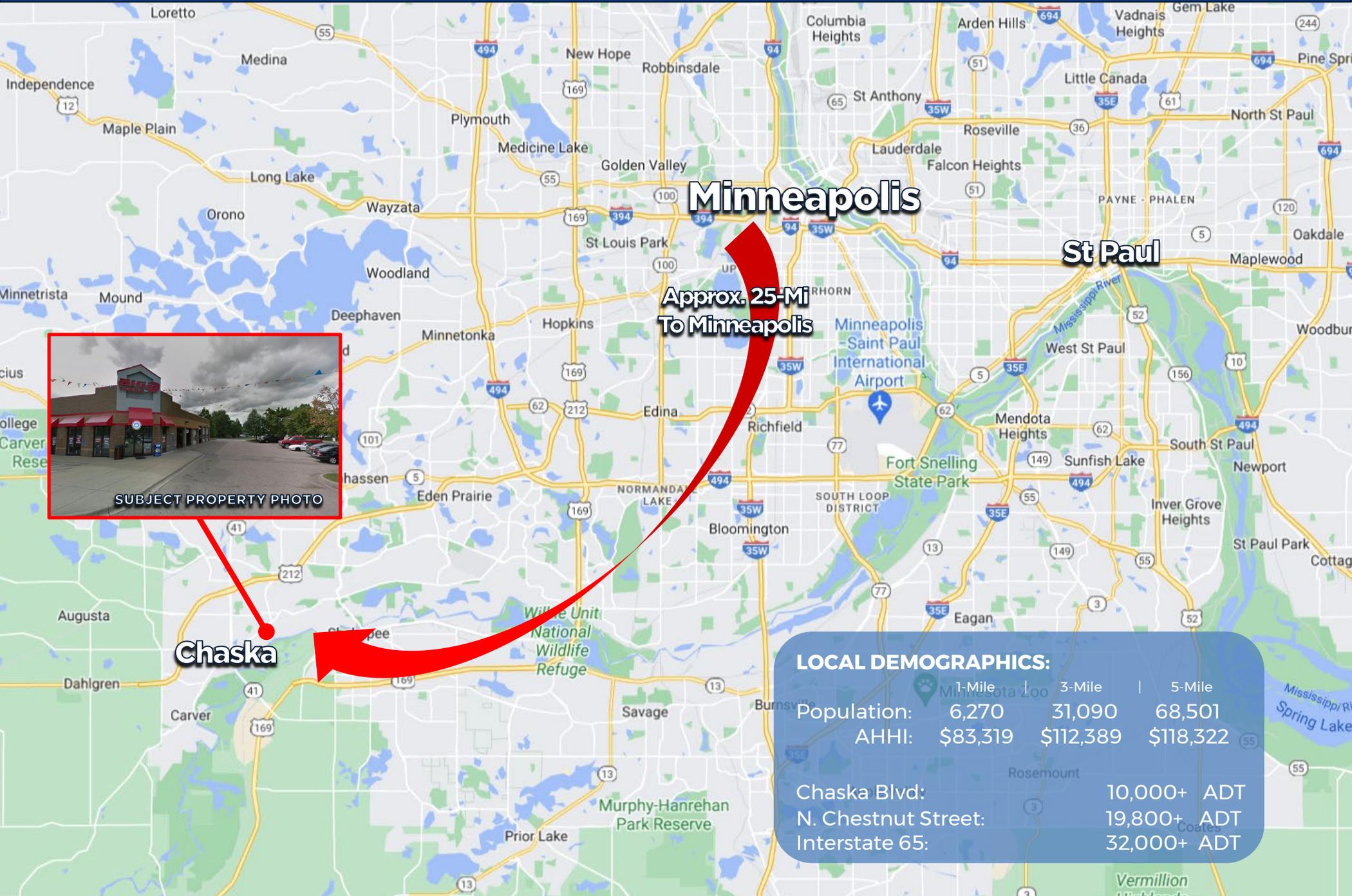
March 18, 2035 – Mar 17, 2040

\$ 158,691

March 18, 2040 – Mar 17, 2045

\$ 174,560

REGIONAL MAP



LOCAL DEMOGRAPHICS:

	1-Mile	3-Mile	5-Mile
Population:	6,270	31,090	68,501
AHHI:	\$83,319	\$112,389	\$118,322
Chaska Blvd:		10,000+	ADT
N. Chestnut Street:		19,800+	ADT
Interstate 65:		32,000+	ADT

LOCAL MAP

CLICK PHOTOS FOR MORE INFO

BIG TIRES



OFFICE SPACE



Former home of 'Minnesota pickle' Gedney may house one of the nation's largest hemp processing facilities

By Audrey Kennedy akennedy@swgub.com
Aug 6, 2020



FLEX SPACE



RESIDENTIAL

Chaska Blvd - 10,000+ ADT



MANUFACTURING

RESIDENTIAL

2016 Ryder Cup Hazeltine National

USA 17 EUROPE 11



Chaska, Minnesota

Chaska is a city in Carver County, Minnesota, United States. The population was 23,770 at the 2010 census. It is the county seat of Carver County, which is part of the Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Area. With the advent of the 20th century came other industries, including the processing of beet sugar and other agricultural products; flour making, butter making, the canning of peas, corn, and tomatoes, and the curing of sauerkraut and pickles. National polls named Chaska the eighth-best city in the United States in 2007 and 20th best in 2009. In September 2016, Chaska hosted the Ryder Cup at Hazeltine National Golf Course.

Throughout the first half of the 20th century, Chaska's population averaged about 2,000 and the nature of the city remained unchanged. The city retained its small-town image until the 1950s when the transition to a metropolitan community began. The expansion of the seven-county metropolitan area reached Chaska in the 1960s. With that expansion came the introduction of the Jonathan New Town design concept in 1966. The Jonathan "new town" development within Chaska brought new land, new jobs and new people to the community. This period of transition and expansion continues today. Dozens of modern industries have located to Chaska and continue to do so; residential construction adds 300 to 400 new homes per year; commercial business continues to expand offering a variety of retail and service opportunities to its residents; redevelopment of commercial areas in the downtown began in the 1980s and still continues.

TENANT OVERVIEW

BIG O TIRES®



Big O Tires is North America's largest franchiser of tire retailers. It is headquartered in Palm Beach Gardens, FL, and has more than 380 franchises in 20 U.S. states. It sells its own Big O private brand tires and other brands. In addition to selling and servicing tires, wheels, and alignments, Big O Tires provides basic maintenance and replacement services such as oil changes, battery replacement, struts installation, and brake service.

In 1996, Big O Tires joined forces with one of the largest and most respected tire makers in the nation when it became part of the TBC Retail Group, an automotive retail network comprised of some 1,200 Big O Tires, Tire Kingdom, Merchant's and NTB locations spanning 40 U.S. states. Big O's reach was broadened again in 2005, when TBC Corporation was acquired by Sumitomo Corporation of America, the largest wholly-owned subsidiary of Tokyo-based Sumitomo, one of the world's leading traders of goods and services.

Sumitomo Corp. Group conducts business activities in a wide range of industries on a global scale, with business units including Metal Products, Transportation and Construction Systems, Infrastructure, Media and Digital, Living Related and Real Estate, Mineral Resources, Energy and Chemical and Electronics.

Michelin (Compagnie Générale des Établissements Michelin SCA) is a French multinational tyre manufacturing company based in Clermont-Ferrand in the Auvergne-Rhône-Alpes région of France. It is the second largest tyre manufacturer in the world behind Bridgestone and larger than both Goodyear and Continental. In addition to the Michelin brand, it also owns the Kléber tyres company, Uniroyal-Goodrich Tire Company, SASCAR, Bookatable and Camso brands.

Company:

Ownership Type:

Parent Co:

of Locations:

Founded:

Headquarters:

Website:

Big O Tires

Subsidiary of TBC Corp

Sumitomo & Michelin (50%/50%)

450 (Big O Locations)

1962

Palm Beach Gardens, Florida

www.BigOTires.com





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