

DISCLAIMER



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By accepting the Confidential Memorandum, you acknowledge and agree that: (1) all of the information contained herein and any other information you will be receiving in connection with this transaction, whether oral, written or in any other form (collectively, the "Materials"), is confidential; (2) you will not reproduce the Confidential Memorandum in whole or in part; (3) if you do not wish to pursue this matter, you will return this Confidential Memorandum to IRE as soon as practicable together with all other materials relating to the Property which you may have received from IRE; and (4) any proposed actions by you which are inconsistent in any manner with the foregoing agreements will require the prior written consent of IRE.

This Confidential Memorandum has been prepared by IRE, based upon certain information pertaining to the Property and any information obtained from IRE to assist interested parties in making their own evaluation of the Property is offered on a no representation or warranty provision other than customary warranties of title and is sold on an "as-is, where-is" basis and with all faults. The material and transaction does not purport to be all inclusive. This Confidential Memorandum contains descriptive materials, financial information and other data compiled for the convenience of parties interested in the Property. The Materials are being delivered by IRE to prospective investors with the understanding that it is not all inclusive and that it is qualified in its entirety by independent investigation by prospective investors of those matters which they deem appropriate in evaluating this offering without reliance upon IRE, the Broker or any of their respective affiliates or any of the information set out in the Materials. Neither IRE, the Broker, nor any of their respective affiliates have independently verified any of the information contained herein or in any of the Materials, and no representations or warranties as to the accuracy or completeness thereof or of any other kind whatsoever are made or intended and none should be inferred. IRE, for itself and its affiliates of the Property, expressly disclaim any and all liability for statements or representations, express or implied, contained herein or for omissions from the Materials or for any other written, oral or other format of communication transmitted to a prospective investor in the course of its evaluation of the proposed transaction. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. The terms and conditions described herein are subject to change without notice.

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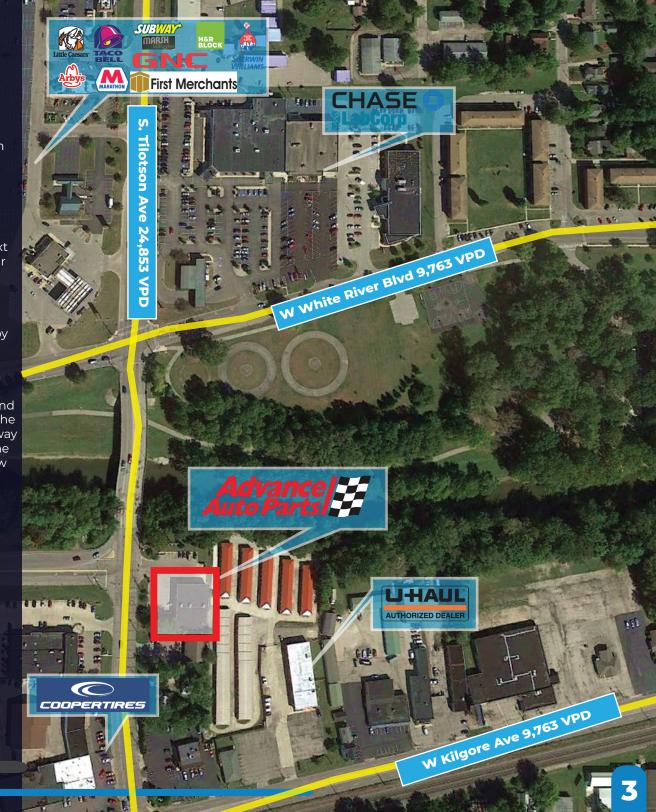
Exclusively Offered By | Illuminate Real Estate Jordan Kaufman | President 695 S. Colorado Blvd. Suite 480 Denver, CO 80246 O: 720.598.4990 | M: 773.243.6688 jkaufman@illuminaterealestate.com

PROPERTY HIGHLIGHTS

Illuminate Real Estate is proud to present this seasoned, 7,000 square foot, freestanding Advance Auto Parts situated on 1.143 acres and located in Muncie, IN. The subject property was built in 1999 and currently boasts a 19+ year operating history at this location. This proven location benefits from a low rent and an established track record within the Advance store network. With the latest extension there are approximately 4.75 years of term remaining. Combined with multiple renewals over the life of the lease, this most recent extension will showcase an operating history of just over 25 years by the time the tenant reaches its next opportunity to extend. There are currently an additional (2) 5-year renewal options in place with 5% rental increases in each option. The lease is Advance's prototypical double-net form lease.

The site is conveniently located at the signalized intersection of the S. Tillotson Overpass and S. Tillotson Ave. and is surrounded by national retailers including: Chase Bank, Taco Bell, Arby's, KFC, Starbucks Coffee, McDonald's, Walgreens and CVS Pharmacy to name a few. Other noteworthy economic drivers include Indiana University Health, Ball Memorial Hospital located approximately 1 mile to the north, as well as the campus of Ball State University and it's ~23,000 students/faculty which is located just 1 mile north of the subject property. Tillotson Overpass is a critical connective roadway permitting commuters from the north and south to overcome the natural barriers to entry that include the White River and the New York Central System rail line. Further, the bridge over the White River was just rebuilt and expanded, which will improve traffic flows and traffic count by the store. The subject property, at this intersection is trafficked by 34,616 (combined) vehicles per day. Immediate area population density is excellent with over 85,000 people within a 3 mile radius (when including the students and faculty of Ball State University). Average HH incomes within a 1 mile radius of the property are in excess of \$57,000. Muncie, IN is the county seat of Delaware County, Indiana and is located just 62 miles from Indianapolis' central business district.









INVESTMENT HIGHLIGHTS



FINANCIAL OVERVIEW:

PRICE: \$917,000
NOI: \$78,000
CAP RATE: 8.50%
PRICE/SF: \$148.57
RENT/SF: \$11,14

OWNERSHIP: Fee Simple (Land & Building)

INVESTMENT HIGHLIGHTS:

- Heavily localized traffic retail throughfare with over 34,616 combined vehicles per day
- 19+ year operating history with low rent to sales
- Strong tenant commitment to the site demonstrated by recent 5 year lease extension
- Excellent density with 85,000 population within a 3 mile radius
- Pride of ownership/same owner since Advance Auto's inception at location
- Original 10 year NN lease has been renewed multiple times
- E-Commerce resistant tenant with a strong and growing demand for aftermarket auto parts
- Avergae HH income in excell of \$57,000 within a 1 mile radius
- Corporate quaranty from publicly traded investment grade tenant ("AAP"- NYSE: BBB-)
- Signalized intersection with excellent visibility





LEASE SUMMARY



RENT COMMENCEMENT: 2.12.1999

LEASE EXPIRATION: 12.31.2022
ORIGINAL LEASE TERM: 10 years

CURRENT TERM REMAINING: ~4.75 years

OPTIONS: (2) 5-year renewal options with _% increases in each

LEASE STRUCTURE: Double-Net (NN)

LANDLORD RESPONSIBILITY: Roof, Structure, Parking Lot Repairs

TENANT RESPONSIBILITY: Taxes, Insurance, Utilities, CAM – including parking lot

GUARANTOR: Advance Stores Company, Inc.

GLA: 7,000 square feet LAND SIZE: ~1.143 acres

YEAR BUILT: 1998

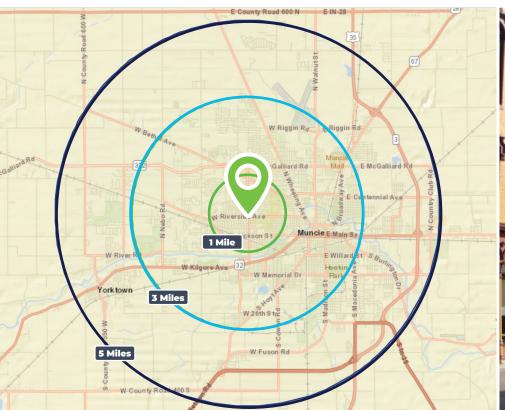




DEMOGRAPHICS

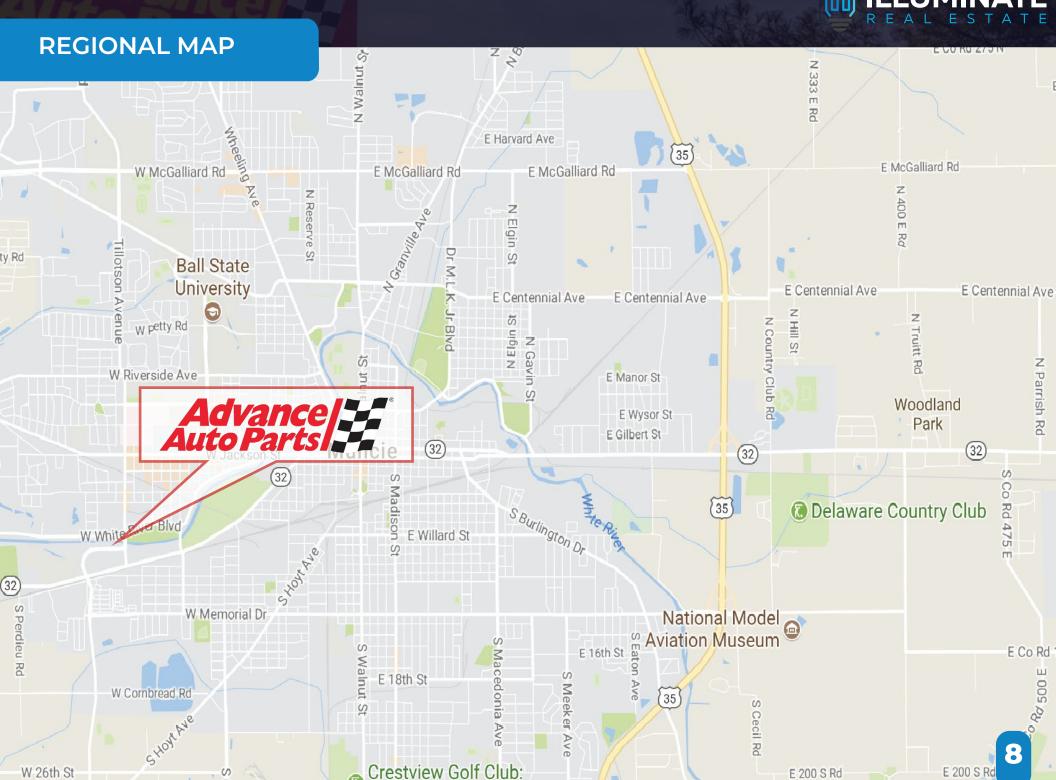


2017 Summary	1 mile	3 miles	5 miles	2022 Summary	1 mile	3 miles	5 miles
Population	16,415	62,950	89,707	Population	16,429	62,716	89,167
Households	4,405	24,400	35,326	Households	4,413	24,296	35,104
Families	1,933	11,992	19,245	Families	1,912	11,821	18,956
Average Household Size	2.11	2.22	2.29	Average Household Size	2.11	2.22	2.28
Owner Occupied Housing Units	2,305	11,971	19,574	Owner Occupied Housing Units	2,118	11,931	19,437
Renter Occupied Housing Units	2,100	12,429	15,752	Renter Occupied Housing Units	22.5	12,365	15,667
Median Age	22.5	28.6	32.5	Median Age	27.1	29.4	33.4
Median Household Income	\$38,698	\$33,866	\$35,975	Median Household Income	\$40,558	\$35,214	\$37,239
Average Household Income	\$57,825	\$49,892	\$52,214	Average Household Income	\$64,394	\$55,549	\$58,249











WEBSITE: WWW.ADVANCEAUTOPARTS.COM

TICKER: NYSE: AAP

CREDIT: INVESTMENT GRADE (S&P BBB-)

LOCATIONS: **5,200**MARKET CP: **\$12.04** B

TENANT INFO:

Headquartered in Roanoke, VA., Advance Auto Parts, Inc., the largest automotive aftermarket parts provider in North America, serves both the professional installer and do-it-yourself customers. Advance operates over 5,200 stores, over 100 WorldPac branches and serves approximately 1,300 independently owned Carquest branded stores in the United States, Puerto Rico, the U.S. Virgin Islands and Canada. Advance employs approximately 74,000 team members. In 2013 AAP purchased General Parts Inc. including CARQUEST, CARQUEST Canada and WorldPac for \$2.04 billion. Advance Auto Parts currently maintains a \$12.04B market cap. Through its subsidiaries, operates as a specialty retailer of automotive aftermarket parts, accessories, batteries, and maintenance items. TTM 2015, Advance Auto Parts produced revenues of \$9.9B and a net income in excess of \$494M.

ABOUT MUNCIE, INDIANA









Muncie, Indiana, is a community of more than 70,000 people located in east central Indiana. In recent years, Muncie has consistently been named among the most affordable college towns in the United States in Coldwell Banker's College Home Listing Report.

Following landmark studies of Muncie through a number of decades, Muncie is known as Middletown U.S.A. and houses the Center for Middletown Studies. And, thanks to work by Ball State researchers and federal dollars, Muncie is also making a name for itself as the Digital Middletown.

And while Muncie offers a respite from the daily hassles of large metro areas, residents have easy access to big cities. Muncie is just 60 miles northeast of Indianapolis. Other cities within a few hours driving distance include Chicago, Cincinnati, Dayton, Detroit, Louisville, and St. Louis.

Local Attractions and Recreation

Muncie is home to many unique attractions including Minnetrista and Oakhurst Gardens, the National Model Aviation Museum, and Cardinal Greenway, a recreational trail for athletes of all kinds. The Muncie Symphony offers first-rate programs featuring nationally known artists, and the Muncie Civic Theater produces plays for all audiences. The David Owsley Museum of Art at Ball State houses a collection of nearly 11,000 works and is one of only four Indiana art museums with a notable, well-rounded collection. Plus, Emens Auditorium features prominent music, theatre, and cultural events.

For outdoor enthusiasts, Prairie Creek Reservoir is a 1,252-acre man-made lake surrounded by 3,000 acres of rolling hills. The lake is stocked with a variety of fish. Boat docks are available, and a beach provides a popular summer swimming spot.



