

ADVANCE AUTO PARTS

15935 IL Route 59 | Plainfield, IL 60586



AFFILIATED BUSINESS DISCLOSURE & CONFIDENTIALITY AGREEMENT

AFFILIATED BUSINESS DISCLOSURE

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CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and

benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents,

including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

ALL PARCEL LINES ON SITE PLAN AND AERIALS ARE APPROXIMATE.

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EXECUTIVE SUMMARY



THE OFFERING

CBRE's Net Lease Property Group is pleased to extend the opportunity to acquire fee simple interest in an Advance Auto Parts located in Plainfield, IL, 40 miles southwest of downtown Chicago. Advance Auto's original 15-year lease was recently extended through January 2025, showing a strong commitment to the site. The lease includes three additional five-year options.

This asset is located within an affluent, growing community. Plainfield's Route 59 retail corridor has experienced significant growth over the past several years and has become a major commercial draw for the area. Route 59 neighbors thousands of new homes that have been constructed in the area, bringing a tremendous amount of buying power to the community.

Advance Auto Parts is a leading automotive aftermarket parts provider in North America, serving both the professional installer and do-it-yourself customers. Currently, Advance Auto operates 4,931 stores and 146 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. It also serves 1,238 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos and British Virgin Islands. Advance Auto's 2018 total revenue was \$9.58 billion.



FINANCIAL OVERVIEW

Net Operating Income:	Current Annual Rent <u>Less Association Dues</u> Net Operating Income	\$122,150.04 <u>\$2,120.64</u> \$120,029.40
Price @ 7.25% Cap Rate:		\$1,656,000
Potential Deferred Maintenance:		\$196,000*
ASKING PRICE:		\$1,460,000
ASKING CAP RATE:		8.22%

*Contact Michael Kaider for more information.

Lease Type:	NNN
Building Size:	7,000 Square Feet
Parcel Size:	±0.79 Acres / 34,412 Square Feet
Tenant:	Advance Stores Company, Inc.
Term Remaining:	5 Years, 1 Month
Lease Expiration:	January 31, 2025
Rental Increases:	In each option period.
Renewal Options:	Three, 5-Year Options
Landlord Responsibilities:	Foundation
Tenant Responsibilities	Roof, Parking Lot, CAM, Tax and Insurance



RENT SCHEDULE

Lease Year			Annual Rent	Monthly Rent
Current	to	1/31/2025	\$122,150.04	\$10,179.17
Option 1: 2/1/2025	to	1/31/2030	\$154,157.04	\$12,846.42
Option 2: 2/1/2030	to	1/31/2035	\$161,864.04	\$13,488.67
Option 3: 2/1/2035	to	1/31/2040	\$169,865.04	\$14,155.42

You are solely responsible for independently verifying the information in this Memorandum. ANY RELIANCE ON IT IS SOLELY AT YOUR OWN RISK.

INVESTMENT HIGHLIGHTS



LONG TERM COMMITMENT:

Advance Auto has been a tenant at this location since 2004 and recently extended their lease an additional five years through January 2025. This recent extension demonstrates a strong commitment to the site and desirability of the trade area. Advance Auto's lease has three additional five-year options and rental increases in each.



INVESTMENT GRADE TENANCY:

Advance Auto Parts (S&P: BBB-/Stable) is a leading automotive aftermarket parts provider, serving both the professional installer and do-it-yourself customers. Currently, Advance Auto operates 4,931 stores and 146 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. It also serves 1,238 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos and British Virgin Islands. Advance Auto's 2018 total revenue was \$9.58 billion.



GROWING TRADE AREA:

Advance Auto is located in one of suburban Chicago's strongest residential growth markets. Since 2000, the population within the three-mile trade area has grown nearly 79%. Today the population is 59,814 and continues to grow, fueled by new residential communities currently being planned or developed. Within the five-mile extended trade area, the population is 166,950, up 106% since 2000.



AFFLUENT DEMOGRAPHICS:

Advance Auto is located in the affluent Chicago suburb of Plainfield. The average household incomes within the three and five-mile trade areas is \$110,872 and \$103,466, respectively. Both of these are well above the state and national averages of \$90,792 and \$87,398. The average age within the trade area is approximately 34.



ILLINOIS ROUTE 59 VISIBILITY:

Advance Auto is located just southeast of the IL Route 59 and Renwick Road signalized intersection. The Property is highly visible on Route 59 and benefits from 23,800 vehicles passing by the site per day. Traffic counts on Renwick Road are 9,400 vehicles per day. Advance Auto has a monument sign located on IL Route 59.



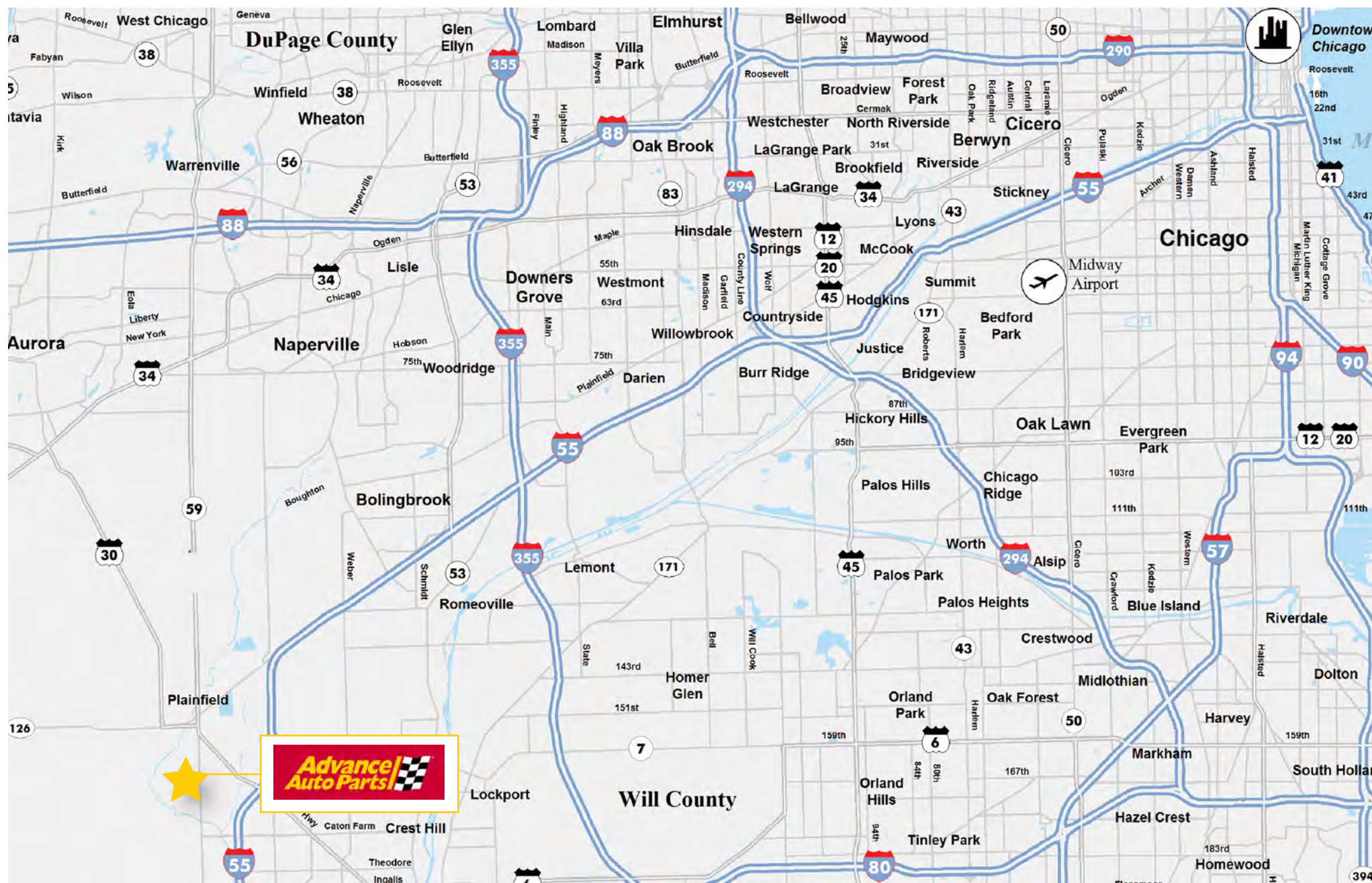
FREE AND CLEAR OFFERING:

Advance Auto is offered free and clear of existing debt. This enables investor to structure their capital requirements according to their needs and if desired, leverage the acquisition with debt that is currently available at attractive interest rates and terms.

AERIAL VIEW LOOKING SOUTH



REGIONAL MAP



PROPERTY DESCRIPTION



TENANT PROFILE



Advance Auto Parts is a leading automotive aftermarket parts provider in North America, serving both the professional installer and do-it-yourself customers. Advance Auto stores carry a variety of brand name, original equipment manufacturer and private label products for both domestic and import vehicles including replacement parts, accessories, batteries and maintenance items.

In January 2014, the Company acquired General Parts International, Inc. (GPII), a leading privately held distributor and supplier of original equipment and aftermarket replacement products for commercial markets operating under the Carquest and Worldpac brands. Currently, Advance Auto operates 4,931 stores and 146 Worldpac branches in the United States, Canada, Puerto Rico and the U.S. Virgin Islands. It also serves 1,238 independently owned Carquest branded stores across these locations in addition to Mexico, the Bahamas, Turks and Caicos and British Virgin Islands. The company was founded in 1929 and is based in Raleigh, NC. Advance Auto's 2018 total revenue was \$9.58 billion.



4,931
Locations



Total Revenue
\$9.58 Billion



Stock Symbol
NYSE: AAP



Founded in
1929



Headquarters
Raleigh, NC



Employees
70,000+



PROPERTY HIGHLIGHTS

LOCATION

15935 IL Route 59, Plainfield, IL 60586

GENERAL DESCRIPTION

One-story, single tenant retail building.

GLA

7,000 Square Feet

LAND AREA

± 0.79 Acres / 34,412 Square Feet

PARCEL NUMBER

06-03-22-112-004-0000

ZONING

B-3, Community Shopping Center

PARKING

38 parking stalls; 5.4 spaces per 1,000 SF of GLA

FRONTAGE/VISIBILITY

Advance Auto is highly visible on the east side of IL Route 59 with ± 131 feet of frontage.

ACCESS

The Property is accessible via the developments to the north and south of the Property as well as the access road east of the building.

FLOOD ZONE

According to the flood hazard maps published by the FEMA, the site is within Zone X as indicated on Community Map Panel No. 17197C0130G dated February 15, 2019. Zone X, an area that is determined to be outside the 100-and 500-yearflood plains.

SURROUNDING USES

Generally surrounded by retail developments, residential neighborhoods and land.

TRAFFIC COUNTS

IL Route 59 — 23,800 VPD

Renwick Road — 9,400 VPD



SITE PLAN



MARKET OVERVIEW





PLAINFIELD TRADE AREA OVERVIEW

Advance Auto Parts is located in the affluent Chicago suburb of Plainfield, Illinois, approximately 40 miles from downtown Chicago, 31 miles southwest of Midway International Airport, and 40 miles southwest of O'Hare International Airport. Plainfield is located in the northwest portion of and the oldest community in Will County. Nearby communities include Aurora, Naperville, Bolingbrook, Romeoville, Crest Hill, and Shorewood. Plainfield is within close proximity to several interstates and state highways as well as public transportation, allowing residents and visitors to conveniently travel to and from the area. In addition to a variety of shopping and dining options, many are drawn to the community to visit numerous historic districts and landmarks, parks and trail systems, and a variety of outdoor recreation opportunities along the DuPage River.

The Village of Plainfield has experienced rapid growth over the past several years. In 1990, the population was 4,557. By 2000 it was 14,898 and by 2010, the population had nearly tripled to 39,581. Today, Plainfield's population is 43,783. Plainfield's growth rate has surpassed that of larger surrounding communities such as Naperville and Aurora. This trend is expected to continue for years to come due to the development of available, undeveloped land. By 2030, the Chicago Metropolitan Agency for Planning projects that the population of Plainfield will reach 62,000, a staggering increase of over 300% from the year 2000.

To accommodate the significant population growth in the area, thousands of single-family homes, townhomes, and apartment units have been developed within Plainfield since 2000. Currently, there are 13,144 residences within the village, up 169% from 4,879 in 2000. Residential development is expected to continue with several proposed, approved, and under construction projects currently in the pipeline.

Plainfield's Route 59 retail corridor has experienced significant growth over the past several years and has become a major commercial draw for the area. Route 59 is a major four-lane arterial state highway that spans the north-south width of Chicago's western suburbs. Traffic counts along Route 59 are approximately 23,800 vehicles per day. Route 59 neighbors thousands of new homes that have been constructed along 119th, 127th, and 135th Streets, bringing a tremendous amount of buying power to the community. According to the Village of Plainfield's website, due to the area's rapid growth, there is a potential additional retail capture of \$200 million a year for the trade area. Advance Auto Part's primary three-mile trade area has an effective buying income of over \$2.0 billion; a tremendous amount of income to support retailers serving it.

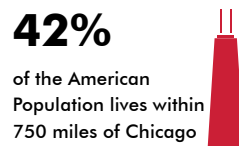
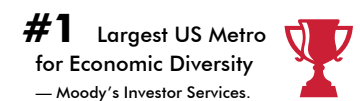
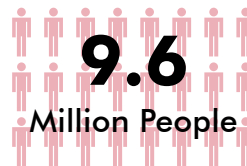
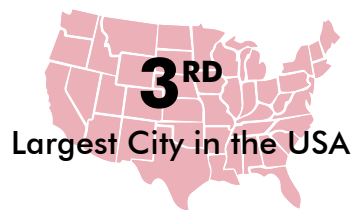
CHICAGO MSA OVERVIEW

Chicago is one of the most attractive and dynamic markets in the nation. Chicago boasts an attractive retail market, with the third largest economy in the nation and over \$127.9 billion in annual retail sales (2018 metro Chicago sales; Melaniphy). The market's vibrant business climate, central geographic location, diversified economy and available human resources have helped Chicago achieve a prominent position as a world-class city in finance, international trade, manufacturing, transportation, culture and the arts.

The Chicago MSA has matured into a broad-based and diversified economy that was rated the #1 Largest US Metro for Economic Diversity by Moody's

Investor Services. Chicago has one of the world's largest economies with nearly 4.6 million employees and a gross regional product of more than \$640 billion, which places the Chicago economy as the 22nd largest in the world. Due to this economic diversification, Chicago Tends to experience fewer seasonal and cyclical peaks and valleys and is somewhat insulated against major downturns.

The Windy City, as it has been nicknamed, welcomes in over 52 million international and domestic visitors each year who come to see attractions including Chicago's numerous parks, art galleries, architectural wonders, professional sports teams, universities, and more.



CHICAGO MSA OVERVIEW

DEMOGRAPHICS

The Chicago metropolitan statistical area is home to over 9.6 million residents, making it the third most populous MSA in the nation. The population is projected to grow 0.54% over the next five years to 9.65 million. Residents earn an average household income of \$97,963; nearly 8% higher than the state average of \$90,792 and 12% higher than the national average of \$87,393.



WHY CHICAGO?

- Chicago has a strong, globally diverse economy larger than that of many countries.
- Chicago's industry mix most closely matches that of the nation, with no single industry employing more than 20% of the workforce.
- Chicago is one of the most cost-effective cities in the world for doing business, ahead of New York and Los Angeles, according to KPMG.
- Chicago's affordable cost of living and world-class cultural and recreational opportunities make it an excellent value for the city's vibrant and diverse workforce.
- Chicago is a central transportation hub with direct flights between more than 200 cities worldwide, and direct connections to six major U.S. Interstates.
- Chicago is hub of international business activity, with more than 1,800 foreign-based companies and more than \$100 billion in foreign direct investment.

TRANSPORTATION

Chicago is one of the primary transportation hubs in the United States. Chicago is home to O'Hare International Airport, the 3rd busiest airport in the nation. According to the Chicago Department of Aviation, in 2016 the airport serviced nearly 78 million passengers to and from 208 destinations around the world via more than 48 passenger carriers. Chicago is also home to Midway International Airport, which serviced more than 22 million passengers via five passenger carriers to 75 destinations in the US, Mexico, Jamaica, the Dominican Republic and Canada.

Several major interconnected expressways and interstate highways pass through the Chicago area. Interstates 80, 88 and 290 are the main east/west routes. Interstates 55 and 57 provide access to the south and southwestern suburban areas. Communities to the north and northwest are accessed via Interstates 90 and 94. North/south travel between the western suburbs is facilitated by Interstates 294 and 355.

CHICAGO MSA OVERVIEW

DEEP AND EDUCATED LABOR POOL

The Chicago MSA is well education with 60 colleges and universities in the area. Chicago also has a higher population under the age of 24 than New York, San Francisco, Washington D.C., Los Angeles, Boston, and Philadelphia.

TOP 10 GRADUATE BUSINESS SCHOOLS

RANK	SCHOOL
1 (Tie)	Harvard University, Boston, MA
1 (Tie)	University of Chicago (Booth), Chicago, IL
3	University of Pennsylvania (Wharton), Philadelphia, PA
4	Stanford University, Standford, CA
5	Massachusetts Institute of Technology (Sloan), Cambridge, MA
6	Northwestern University (Kellogg), Evanston, IL
7 (Tie)	University of California-Berkley (Haas), Berkeley, CA
7 (Tie)	University of Michigan-Ann Arber (Ross), Ann Arbor, MI
9	Columbia University, New York, NY
10	Dartmouth College (Tuck), Hanover, NH

Source: US News & World Report, 2019

ALL LOCATED WITHIN THE CHICAGO MSA

**LOYOLA**
UNIVERSITY CHICAGO
Preparing people to lead extraordinary lives

UIC UNIVERSITY OF ILLINOIS
AT CHICAGO


**DEPAUL UNIVERSITY**


**THE UNIVERSITY OF CHICAGO**




#2

Best City to Get a College Degree
- The A.T. Kearney Global Cities Index

**65,000**
in downtown
Chicago alone

**60 Colleges**
or Universities in the
Chicago MSA

**325,000**
Students

CHICAGO MSA OVERVIEW

INTERNATIONAL CORPORATE HUB RELOCATIONS



Historic multi-year trend of companies relocating from the suburbs or out of state to the downtown area of Chicago to compete in the tight labor market.



Recent examples include McDonald's, United Continental Holdings, Willis Group, Motorola (lenovo), ThyssenKrupp and ADM.



UNITED



In a move from Deerfield, Illinois to downtown, Walgreens recently announced their intention to move 1,800 jobs and relocate the corporate headquarters to Chicago's Old Post Office Building.

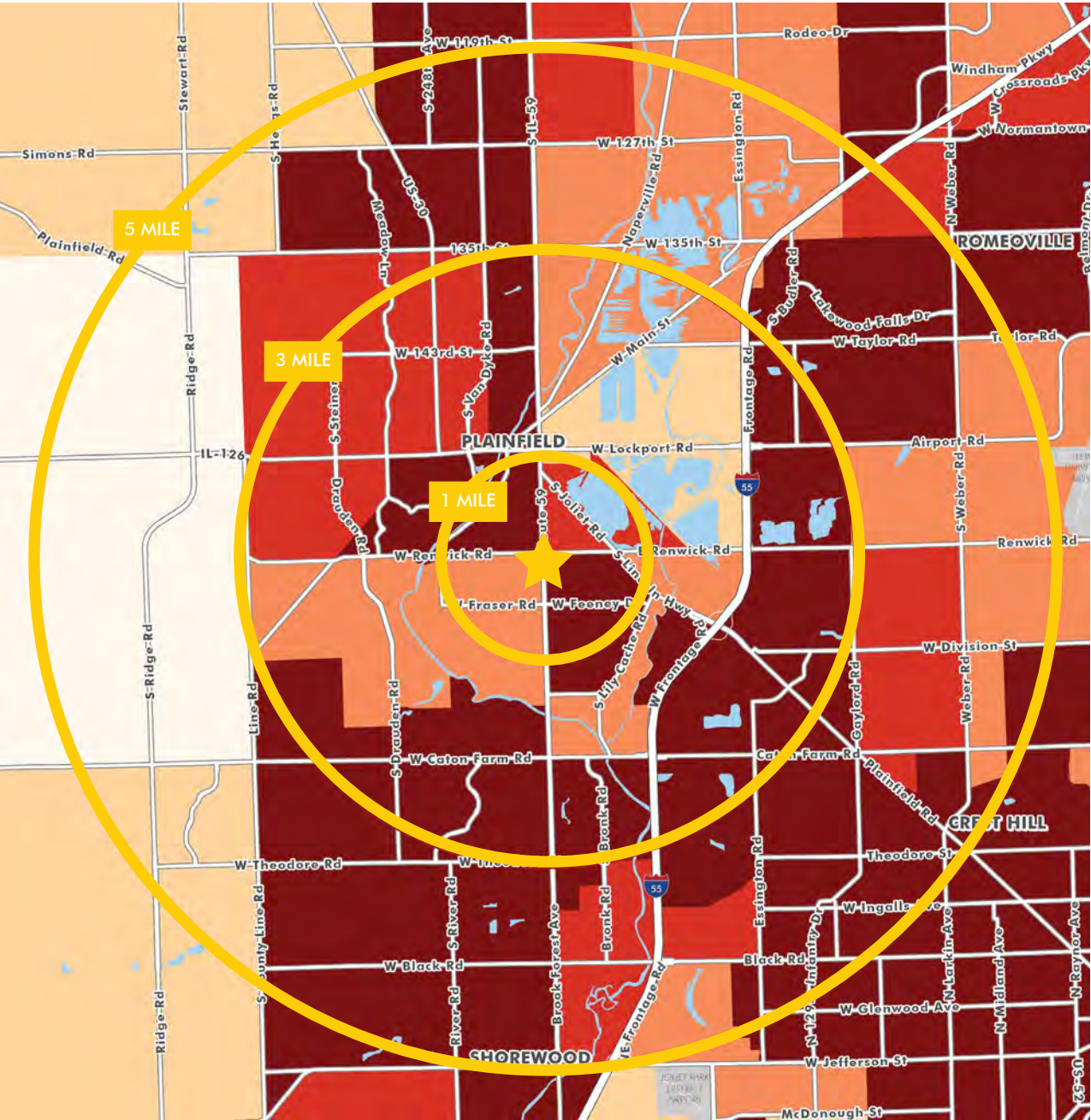
FORTUNE 500 COMPANIES IN THE CHICAGO MSA

RANK	COMPANY	LOCATION	REVENUES (\$M)
19	Walgreens Boots Alliance	Deerfield, IL	\$118,214
27	Boeing	Chicago, IL	\$93,392
45	Archer Daniels Midland	Chicago, IL	\$60,828
65	Caterpillar	Deerfield, IL	\$45,462
79	Allstate	Northbrook, IL	\$38,524
81	United Continental Holdings	Chicago, IL	\$37,736
92	Exelon	Chicago, IL	\$33,531
110	AbbVie	North Chicago, IL	\$28,216
111	Abbott Laboratories	Abbott Park, IL	\$27,390
117	Mondelez International	Deerfield, IL	\$25,896
121	US Foods Holding	Rosemont, IL	\$24,147
131	McDonald's	Oak Brook, IL	\$22,820
172	Sears Holdings	Hoffman Estates, IL	\$16,702
189	CDW	Linconshire, IL	\$15,192
204	Illinois Tool Works	Glenview, IL	\$14,314
263	Discover Financial Services	Riverwoods, IL	\$11,545
283	Baxter International	Deerfield, IL	\$10,561
287	W.W. Grainger	Lake Forest, IL	\$10,425
300	LKQ	Chicago, IL	\$9,848
320	Tenneco	Lake Forest, IL	\$9,274
321	Conagra Brands	Chicago, IL	\$9,239
342	Navistar International	Lisle, IL	\$8,570
349	Univar	Downers Grove, IL	\$8,254
356	Jones Lang LaSalle	Chicago, IL	\$7,932
357	Anixter International	Glenview, IL	\$7,927
392	Dover	Downers Grove, IL	\$7,830
406	R.R. Donnelley & Sons	Chicago, IL	\$6,940
436	Packaging Corp. of America	Lake Forest, IL	\$6,445
443	Motorola Solutions	Chicago, IL	\$6,380
446	TreeHouse Foods	Oak Brook, IL	\$6,307
450	Old Republic International	Chicago, IL	\$6,263
454	Arthur J. Gallagher	Rolling Meadows, IL	\$6,160
471	Ulta Beauty	Bolingbrook, IL	\$5,885
478	Ingredion	Westchester, IL	\$5,832
486	Northern Trust	Chicago, IL	\$5,716

AERIAL VIEW LOOKING NORTH



POPULATION CONCENTRATION



2019 POPULATION

1 MILE
6,238

3 MILE
59,814

5 MILE
166,950

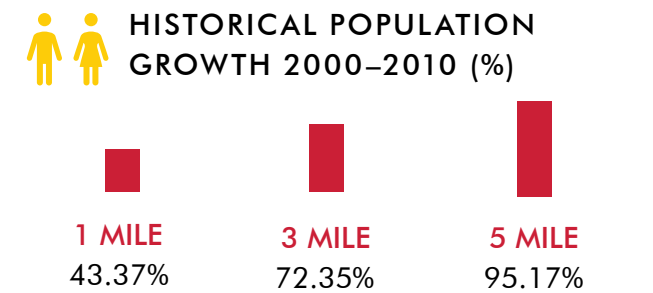
DAYTIME POPULATION
(TOTAL EMPLOYEES - 2019)



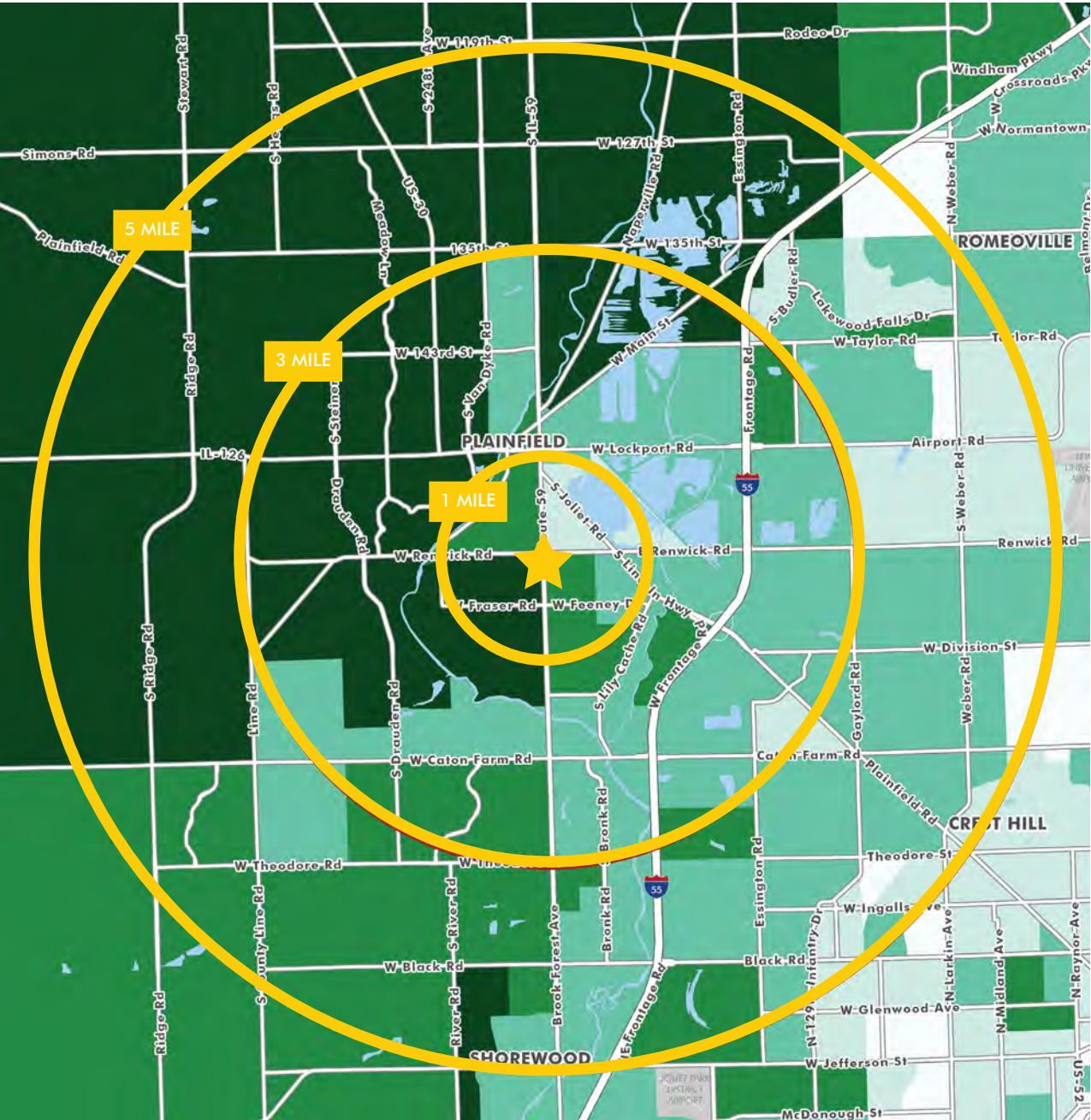
3 MILE
46,274

POPULATION PER SQUARE MILE

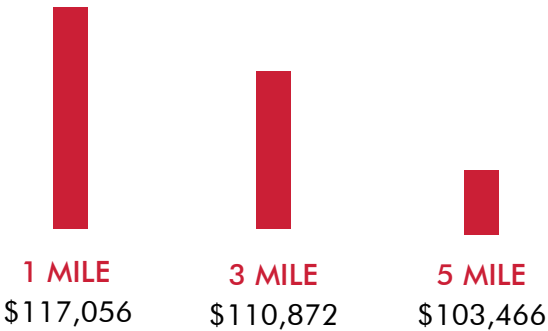
- Over 2,000
- 1,000 to 2,000
- 500 to 1,000
- 250 to 500
- Less than 250



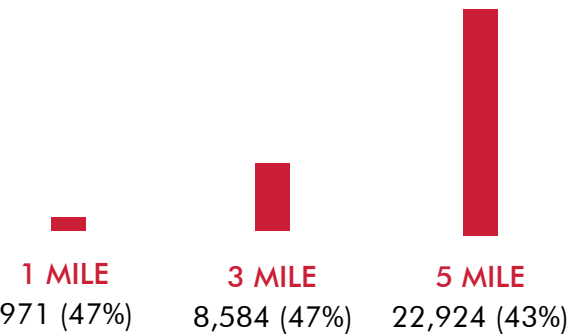
HOUSEHOLD INCOME



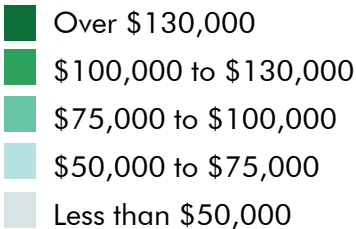
AVERAGE HOUSEHOLD INCOME



HOUSEHOLDS EARNING OVER \$100,000 ANNUALLY



AVERAGE HOUSEHOLD INCOME



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