505 N Western Ave West Peoria, IL 61604

Retail
Investment Opportunity
Offering Memorandum

High-Visibility Retail Corridor | Central Peoria MSA Location | Excellent Regional Connectivity

Representative Photo

MATTHEWS™

Exclusively Listed By

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Advance Auto Parts

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Property Overview

$848,660	±7 Years	Absolute NNN
List Price	Lease Term Remaining	Lease Type
7.00%	**±8,050 SF**	**1995**
Cap Rate	GLA	Year Built

Investment Highlights

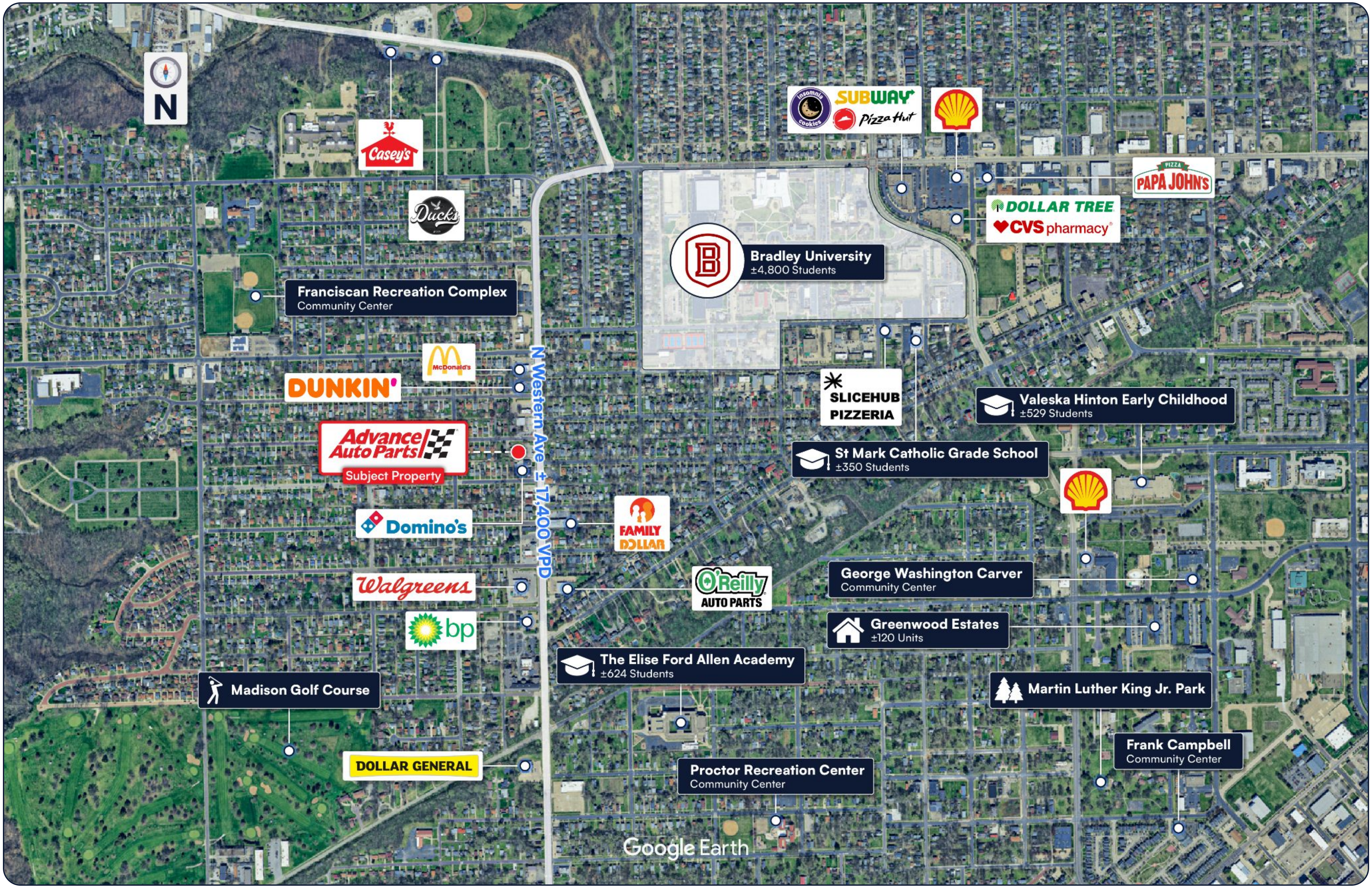
Lease & Location Highlights

- Advance Auto signed a brand new 15-year lease in 2020, confirming their commitment to the location and market
- RARE Absolute NNN lease for Advance Auto Parts
- Attractive 10% rent increase in 2028 (cap rate increase to 7.70%, assuming a purchase at list price)
- ±7 years remaining on the base term of an initial 15-year lease
- ±17,400 Vehicles daily in front of the store along Western Avenue
- 5-Mile population of ±118,546 residents
- “Do it Yourself” demographics based on an average household income of $78,815 annually
- Positioned within a thriving retail corridor surrounded by national retailers including Wal-Mart, Target, Walgreens, Dunkin, Dominos, and many more.
- West Peoria is centrally located in Peoria County along the Illinois River, offering convenient access to riverfront parks, recreational trails, and nearby outdoor amenities.

Tenant Highlights

- Advance Auto Parts (NYSE: AAP) is one of the nation’s largest automotive aftermarket parts providers, serving both professional installers and do-it yourself customers.
- Lease is corporate guaranteed by Advance Stores Company, Inc. (S&P Rated BB)
- Considered an essential retailer, Advance Auto Parts has maintained consistent operations and rent payments, including throughout the COVID-19 pandemic.

Aerial Map

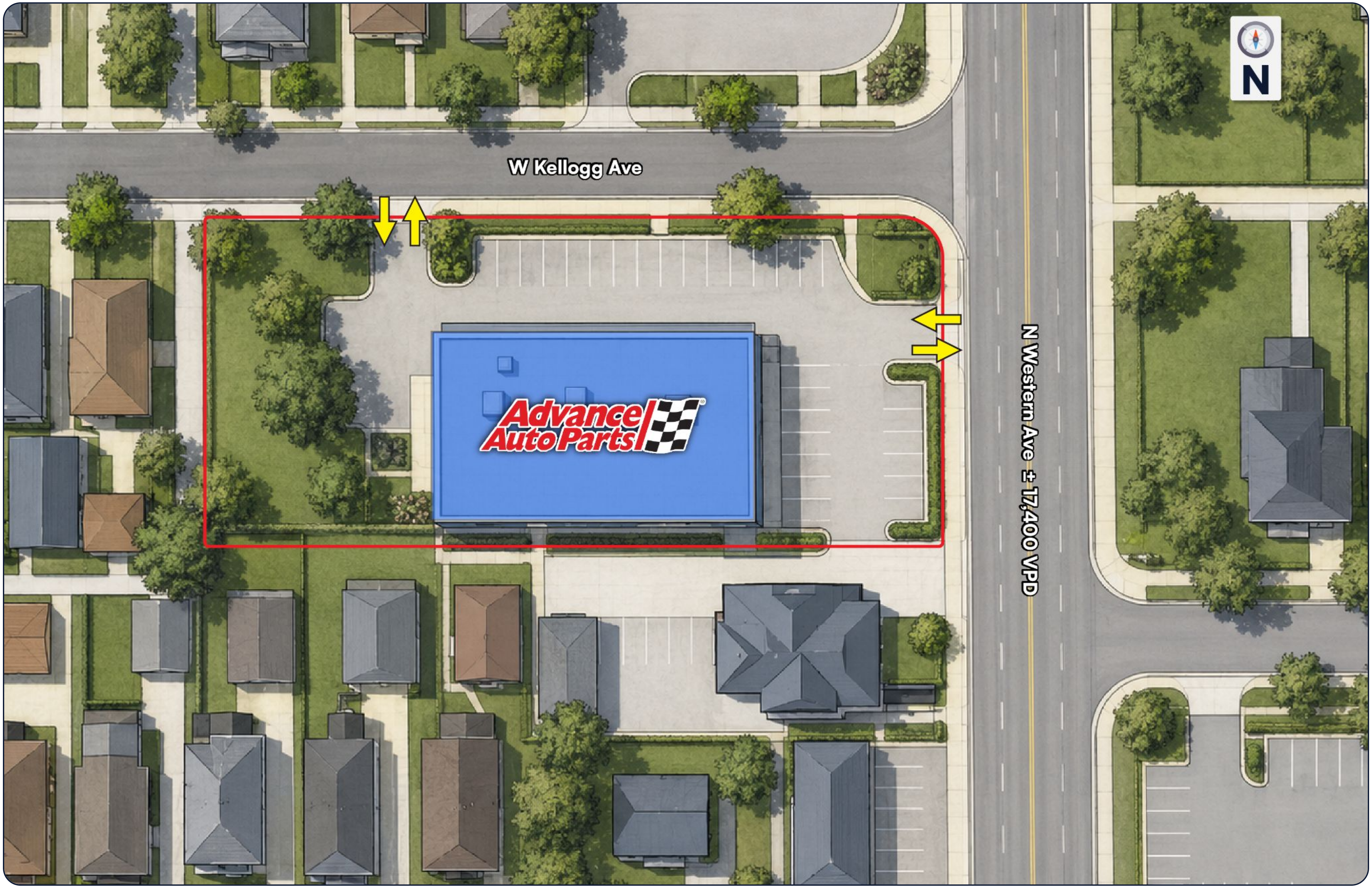


N
Casey's
Duck's
Franciscan Recreation Complex
Community Center
McDonald's
DUNKIN'
Advance Auto Parts
Subject Property
Domino's
Walgreens
bp
Madison Golf Course
DOLLAR GENERAL
N Western Ave ± 17,400 VPD
FAMILY DOLLAR
O'Reilly AUTO PARTS
The Elise Ford Allen Academy
±624 Students
Proctor Recreation Center
Community Center
Google Earth
Insomnia Cookies
SUBWAY
Pizza Hut
PAPA JOHN'S
DOLLAR TREE
CVS pharmacy
Bradley University
±4,800 Students
SLICEHUB PIZZERIA
Valeska Hinton Early Childhood
±529 Students
St Mark Catholic Grade School
±350 Students
George Washington Carver
Community Center
Greenwood Estates
±120 Units
Martin Luther King Jr. Park
Frank Campbell
Community Center

Aerial Map

N
Dr. Maude A. Sanders Primary School
±403 Students
Walmart
HOBBY LOBBY
ALDI
CARVANA
Valvoline
ACE Hardware
Parkview Estates Apartments
±162 Units
474
Newman Golf Course
Peoria High School
±1,573 Students
Peoria Zoo
Timberlake Country Club
OSF Saint Francis Medical Center
±642 Beds
74
Peoria Speedway
Bradley University
±4,800 Students
TARGET
Jersey Mike's
BEST BUY
ROSS DRESS FOR LESS
ULTA BEAUTY
Bobcat
Cedars Of Lebanon Apartments
±114 Units
Advance Auto Parts
Subject Property
BOOT BARN
POTBELLY
McDonald's
Panera BREAD
crumbl cookies
Red Robin
N Western Ave ±17,400 VPD
Madison Golf Course
Walmart Supercenter
LOWE'S
Manual High School
±362 Students
ALTORFER CAT
COSTCO WHOLESALE
±61,300 VPD
Trewyn Middle School
±357 Students
CAT Car Factory
bp
±33,400 VPD
Kroger
General Wayne A. Downing Peoria International Airport
±812,396 Annual Passengers
474
Google Earth

Site Plan



Financial Overview

505 N Western Ave West Peoria, IL 61604

Financial Summary

$848,660
List Price

7.00%
Cap Rate

1995
Year Built

±17,400 VPD
N Western Ave

$59,406
NOI

Tenant Summary

Tenant Trade Name	Advance Auto Parts
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Abs NNN
Landlord Responsibility	None
Original Lease Term	15 Years
Rent Commencement Date	1/21/2020
Lease Expiration Date	8/31/2033
Term Remaining on Lease	±7 Years
Increase	10% Every 5 Years
Options	Four, 5-Year Options

Annualized Operating Data

Lease Year	Monthly Rent	Annual Rent	Increases	Cap Rate
Current - 8/31/2028	**$4,950.52**	**$59,406.24**	**-**	**7.00%**
9/1/2028 - 8/31/2033	$5,445.57	$65,346.86	10.00%	7.70%
Option 1	$5,990.13	$71,881.55	10.00%	8.47%
Option 2	$6,589.14	$79,069.71	10.00%	9.32%
Option 3	$7,248.06	$86,976.68	10.00%	10.25%
Option 4	$7,972.86	$95,674.34	10.00%	11.27%

Tenant Overview

Year Founded
1932

Headquarters
Raleigh, NC

Ownership Status
Publicly Traded

Employees
±62,800

Locations
±4,700

Credit Rating
S&P: BB+

Annual Revenue
$9.09 Billion

Tenant Overview

Advance Auto Parts, Inc. is a leading automotive aftermarket parts retailer with a nationwide presence serving both professional installers and do-it-yourself consumers. As one of the largest operators in the auto parts retail segment, the company benefits from strong brand recognition, a diversified customer base, and a long operating history dating back to the early 20th century. Its scale, established supply chain, and dual-channel retail strategy position it as a key participant in a resilient industry driven by ongoing vehicle maintenance needs.

Founded in 1932 and headquartered in Raleigh, North Carolina, Advance Auto Parts is a publicly traded company listed on the New York Stock Exchange under the ticker AAP. The company operates approximately 4,300–4,800 locations across the United States, Canada, Puerto Rico, and the U.S. Virgin Islands, including both corporate stores and independently operated locations. Advance Auto Parts employs over 62,000 individuals and maintains a significant footprint through its Advance Auto Parts and Carquest brands. The company is generally rated below investment grade, with an approximate S&P credit rating of BB+ (non-investment grade), and does not maintain a widely published Moody's rating.

Why Invest in Advance Auto Parts?

- **Trusted National Brand:** A widely recognized name in the automotive aftermarket with over ±4,700 stores and an expansive network of Carquest and independent locations.
- **Stable Revenue and Market Demand:** Generates over $9 billion in annual revenue, supported by resilient demand across DIY and professional customer segments
- **Operational Restructuring Underway:** A multi-year transformation plan—focused on store optimization, cost reduction, and supply chain consolidation—is expected to enhance margins and long-term profitability.
- **Strategic Refocus via Asset Sale:** The $1.5 billion divestiture of its Worldpac unit strengthens the balance sheet and allows focus on core retail operations.
- **Credit Ratings with Upgrade Potential:** Currently rated BB+ (S&P) and Ba3 (Moody's) with stable liquidity and restructuring initiatives offering potential for future improvement.
- **Tailwinds from Aging Vehicle Fleet:** The increasing average vehicle age in the U.S. supports long-term demand for aftermarket parts and services.
- **Retail Adaptability:** Leveraging digital platforms, loyalty programs, and customer analytics to drive engagement and sales efficiency.

Market Overview

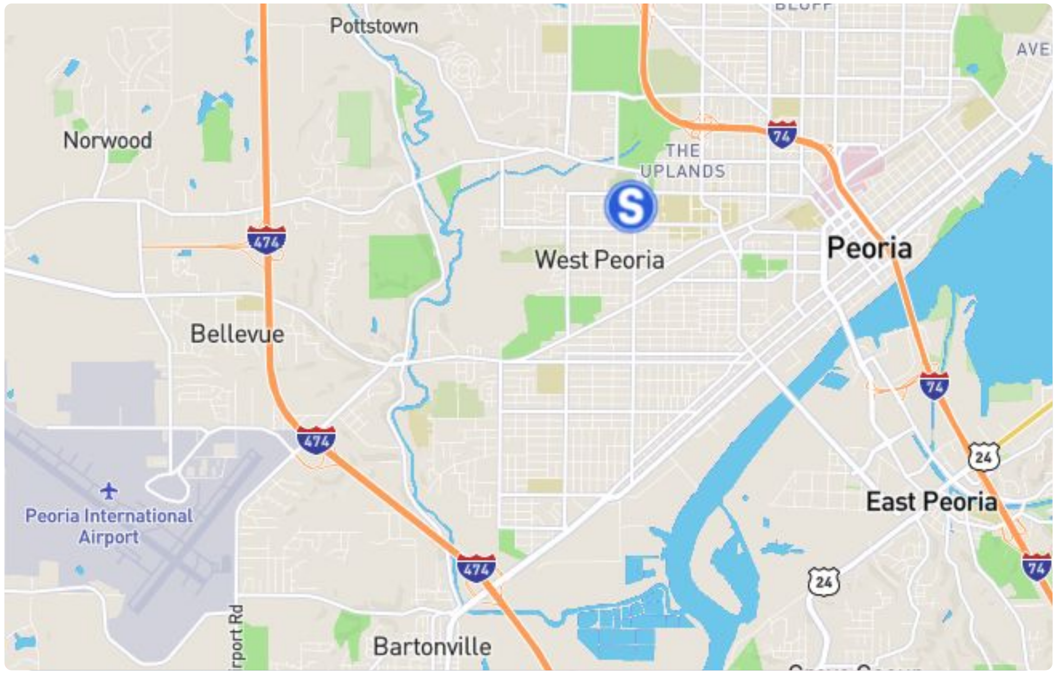
505 N Western Ave West Peoria, IL 61604

West Peoria, IL

Local Market Overview

West Peoria is strategically positioned within the greater Peoria metropolitan area, a stable Central Illinois economic hub anchored by healthcare, education, manufacturing, and logistics. The city benefits from immediate access to major regional thoroughfares including I-74 and IL Route 6, which connect West Peoria to downtown Peoria, surrounding residential neighborhoods, and the broader Tri-County market. This central location provides retailers with consistent daily traffic from both local residents and commuters. The Peoria MSA's diversified employment base, led by major medical institutions, Bradley University, and a long-standing industrial presence, supports steady consumer spending and helps insulate the market from extreme economic volatility. Ongoing reinvestment in the urban core and nearby medical districts continues to reinforce long-term demand drivers throughout the trade area.

Retail in West Peoria is supported by dense surrounding residential neighborhoods and proximity to established commercial corridors that serve both convenience-oriented and service-based retail uses. The market favors necessity retail, neighborhood shopping, and experiential concepts that cater to recurring consumer needs, creating a resilient demand profile even during economic cycles. Limited new retail supply and relatively high barriers to large-scale development enhance the value of existing retail locations, particularly those with strong visibility and access. For investors, West Peoria offers an attractive balance of stability and yield, combining predictable tenant demand with long-term relevance in a mature, supply-constrained Midwestern market. The area's consistent fundamentals and strategic positioning within the Peoria metro make it well-suited for retail investment focused on durable cash flow and downside protection.



Property Demographics

Population	3-Mile	5-Mile	10-Mile
Current Year Estimate	65,553	118,546	237,577
Households	**3-Mile**	**5-Mile**	**10-Mile**
Current Year Estimate	26,984	50,650	100,745
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$64,532	$78,815	$97,624

Peoria, IL MSA

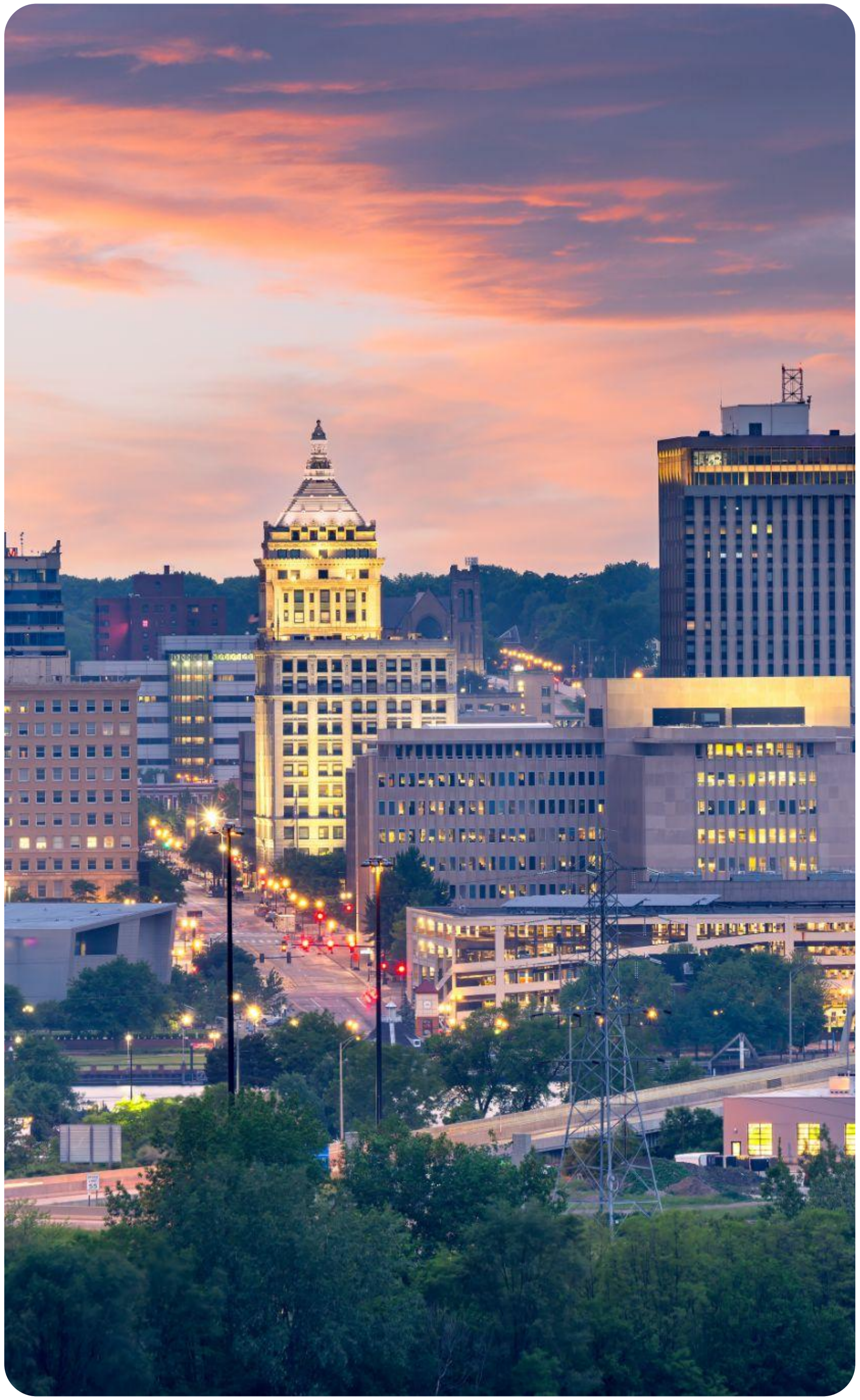
Market Demographics

113,000 Total Population	**$55,000** Median HH Income	**49,000** # of Households	**57%** Homeownership Rate
56,000 Employed Population	**30%** % Bachelor's Degree	**36** Median Age	**$155,000** Median Property Value

Local Market Overview

Peoria, Illinois serves as the primary economic, healthcare, and cultural center of central Illinois, strategically positioned along the Illinois River between Chicago and St. Louis. The city anchors a broader regional population of approximately 400,000 residents and has historically played a significant role in manufacturing and industrial innovation. Over time, Peoria has transitioned toward a more balanced economic profile, with healthcare, education, and professional services increasingly supplementing its industrial base. This diversification has helped stabilize employment trends and support consistent demand across housing, retail, and service-oriented real estate sectors. As a regional hub, Peoria draws commuters, students, and patients from surrounding counties, reinforcing its role as a central place for jobs, education, and amenities.

From a lifestyle and cost perspective, Peoria offers an affordable alternative to larger Midwest metros while maintaining access to essential urban amenities. Housing costs remain well below national averages, supporting attainable homeownership and stable rental demand, particularly among healthcare workers, educators, and public-sector employees. Established neighborhoods, a growing downtown and riverfront presence, and continued reinvestment in infrastructure contribute to overall livability and resident retention. The combination of modest growth, economic diversification, and limited speculative development positions Peoria as a steady, fundamentals-driven market, appealing to long-term investors seeking durability, predictable performance, and insulation from broader economic volatility.



Economy

Peoria, Illinois serves as a regional economic center for central Illinois, supported by a diversified base that includes healthcare, manufacturing, education, and professional services. The city has a long-standing industrial legacy, particularly in heavy equipment and advanced manufacturing, which has evolved alongside growth in medical services, research, and higher education. Major healthcare systems and universities anchor employment and contribute to workforce stability, while Peoria's central location along the Illinois River and access to interstate highways support logistics and regional distribution. A comparatively low cost of living and business-friendly operating environment continue to attract employers seeking efficiency, workforce accessibility, and long-term market stability.

Attractions

Peoria offers a well-rounded mix of cultural, recreational, and lifestyle amenities that enhance its appeal as a place to live and work. The Illinois River and Peoria Riverfront serve as focal points for entertainment and community activity, hosting festivals, dining, and public events throughout the year. Cultural assets such as the Peoria Civic Center, museums, and performing arts venues provide consistent regional draw, while Bradley University contributes to a collegiate presence that supports arts, athletics, and local businesses. Outdoor recreation is a defining feature, with an extensive park system, nearby nature preserves, and access to trails that support hiking, biking, and river-based activities. Together, these amenities support resident retention, regional tourism, and long-term quality of life.

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By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;

2. You will hold it and treat it in the strictest of confidence; and

3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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