Advance Auto Parts®

1144 Grand Caillou Rd, Houma, LA 70363

Retail Investment Opportunity

Offering Memorandum

Minutes From Downtown Houma | Established Retail Corridor | Strong Traffic Visibility

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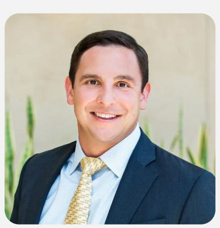

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Advance Auto Parts

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Property Overview

$1,034,400 List Price	**±9.50 Years** Lease Term Remaining	**NN+** Lease Type
±6,124 SF GLA	**±0.53 AC** Lot Size	**2008** Year Built

Investment Highlights

Lease & Location Highlights

- Advance Auto Parts just extended the lease early proving this location to be a strong location.
- 2008 build-to-suit construction.
- ±9.50 Years remaining on an initial 15-Year lease.
- Corporately guaranteed lease.
- Tenant is responsible for HVAC, CAM, Taxes, and Insurance.
- 7% increases every 5 years on renewal periods.
- Excellent retail corridor with surrounding national tenants including Walmart Supercenter, Sonic, Chick-fil-A, Ollie's Bargain Outlet, Starbucks, Walgreens and more.
- 3-Mile population of 29,411 residents.
- 5-Mile population of 60,365 residents.
- Average household income of $75,015 annually.
- Traffic counts on exceed 22,500 vehicles daily on Grand Caillou Rd.

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.

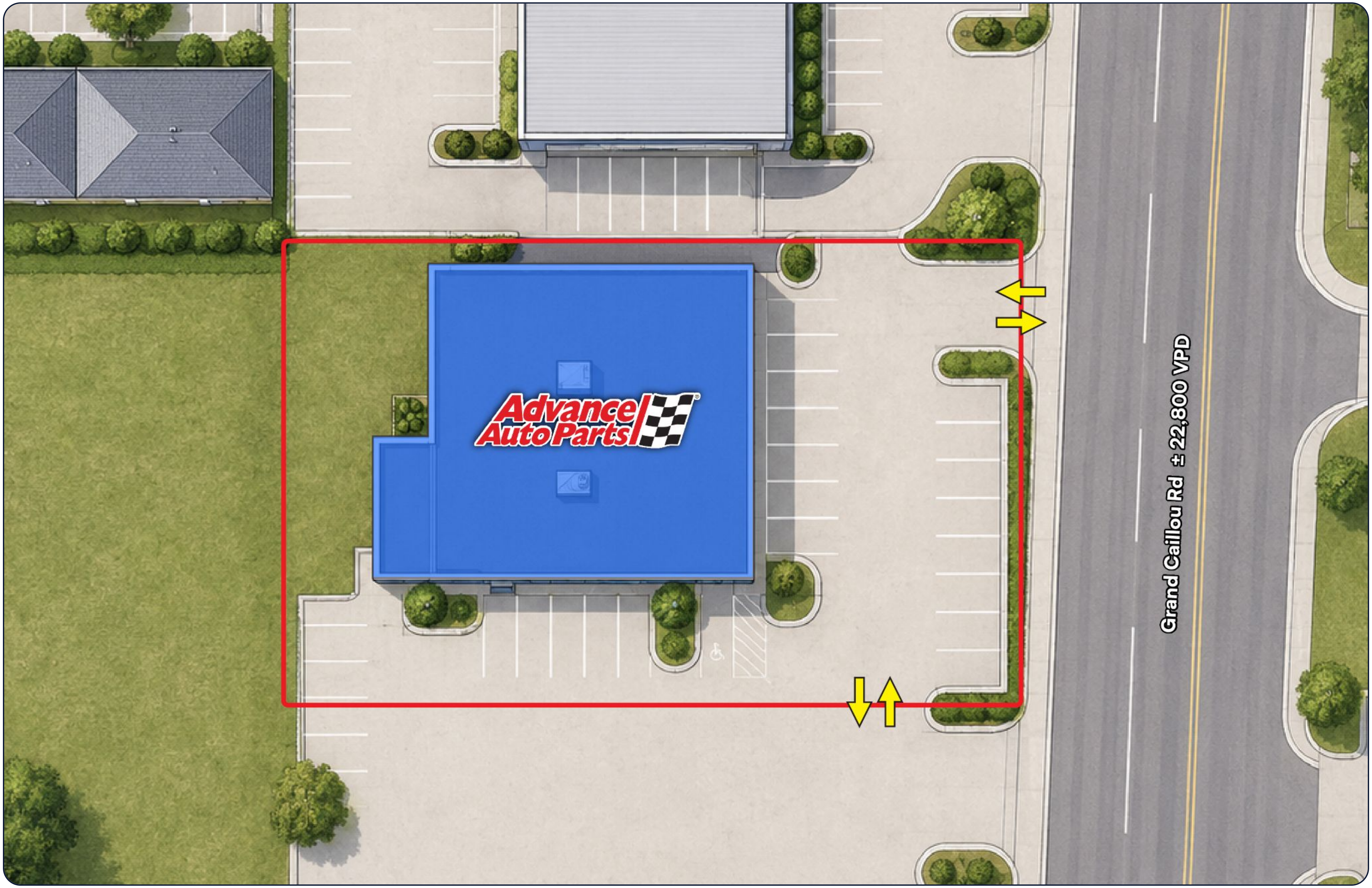
Aerial Map

Walmart Supercenter
Mechanicville Recreation Center
N
ROUSES MARKETS
Raising Cane's Chicken Fingers
AT&T
DOLLAR TREE
Synergy Bank
Grand Caillou Rd ±22,800 VPD
Church's Chicken
Terrebonne Parish Library
TACO BELL
Popeyes Louisiana Kitchen
Seven Brew Drive Thru Coffee
Pizza Hut
Chick-fil-A
Wendy's
ANYTIME FITNESS
Ollie's Bargain Outlet
GOOD STUFF CHEAP
CITI TRENDS
FURNITURE CITY
Advance Auto Parts
Subject Property
BURGER KING
Smoothie King
SONIC
South Louisiana Bank
NAPA
Grand Caillou Elementary School
±370 Students
Walgreens
Oaklawn Middle School
±596 Students

Aerial Map


sam's club
Walmart
Neighborhood Market
MLK Shopping Center North
LOWE'S
ASHLEY
BEST BUY
New Orleans Blvd ± 25,100 VPD
N
TRACTOR SUPPLY Co
E Main St ± 16,000 VPD
MLK Shopping Center
Walmart
Supercenter
TARGET
THE HOME DEPOT
planet fitness
HIBBETT SPORTS
BOOT BARN
Marshalls
five BELOW
petco
HomeGoods
HOBBY LOBBY
Burlington
Terrebonne
GENERAL HEALTH SYSTEM
Terrebonne General Health System
±321 Beds | ±1,800 Employees
Walmart
Supercenter
OLLIE'S Bargain OUTLET
GOOD STUFF CHEAP
CITI TRENDS
FURNITURE CITY
Advance Auto Parts
Subject Property
Houma - Terrebonne Airport
Ochsner Health
Leonard J. Chabert Medical Center
±156 Beds

Site Plan



Financial Overview

1144 Grand Caillou Rd, Houma, LA 70363

Financial Summary

$1,034,400
List Price

8.00%
Cap Rate

2008
Year Built

±22,800 VPD
Street Name

$82,752
NOI

Tenant Summary

Tenant Trade Name	Advance Auto Parts
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Landlords Responsibilities	Structure and Foundation
Original Lease Term	15 Years
Rent Commencement Date	03/05/2009
Lease Expiration Date	12/31/2035
Term Remaining on Lease	±9.50 Years
Increases	7% in Options
Options	Three, 5-Year Options

Annualized Operating Data

	Monthly Rent	Annual Rent	Increases	Cap Rate
Current - 12/31/2035	**$6,896.00**	**$82,752.00**	**-**	**8.00%**
Option 1	$7,379.00	$88,548.00	7.00%	8.56%
Option 2	$7,895.00	$94,740.00	7.00%	9.16%
Option 3	$8,448.00	$101,376.00	7.00%	9.80%

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

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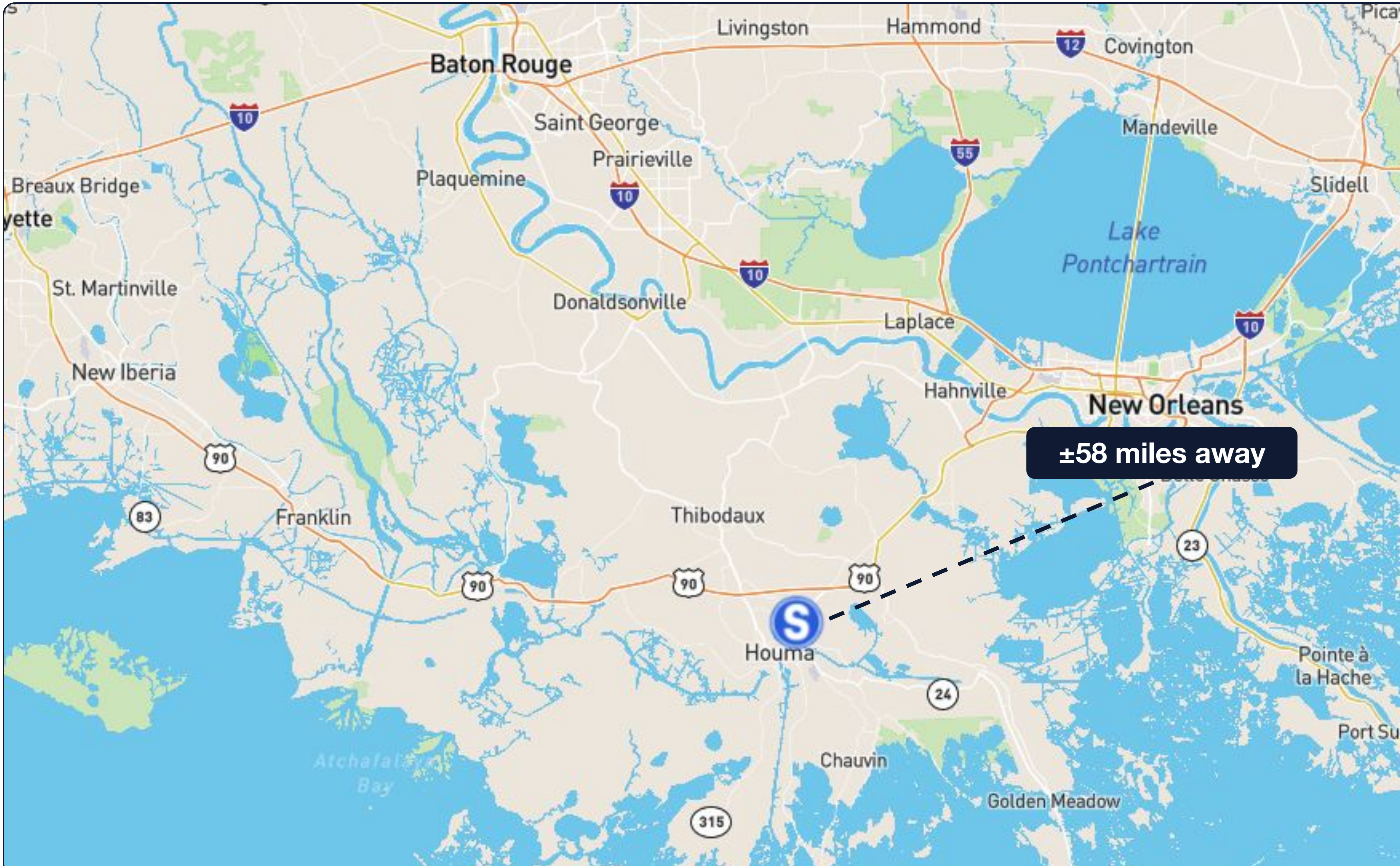

Houma, LA

Market Demographics

32,392
Total Population

5%
Retail Vacancy

13,346
Of Households

$12.2 Billion
Regional GDP

Local Market Overview

Houma serves as the commercial, healthcare, and governmental center for Terrebonne Parish and the broader Bayou Region of South Louisiana. The market supports a regional trade area extending beyond the city limits into Lafourche Parish and surrounding coastal communities. While the area has experienced modest population declines following major hurricanes, retail demand remains supported by a stable employment base, relatively affordable housing, and above-average wages generated by the offshore energy, shipbuilding, marine transportation, and industrial service sectors. National retailers continue to focus on established commercial corridors, while local businesses benefit from strong neighborhood loyalty and limited competition from new retail development.

The city's retail environment is anchored by grocery stores, pharmacies, restaurants, healthcare providers, and service-oriented businesses that meet everyday consumer needs. Major commercial corridors including Martin Luther King Jr. Boulevard, West Park Avenue, Tunnel Boulevard, and Grand Caillou Road capture the majority of retail activity and provide excellent accessibility throughout the market. Continued investment in healthcare, port infrastructure, flood protection, and coastal restoration projects supports long-term economic stability while reinforcing Houma's role as the primary retail destination for Louisiana's coastal parishes.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Current Year Estimate	28,194	57,216	96,296
Households	**3-Mile**	**5-Mile**	**10-Mile**
Current Year Estimate	11,464	22,474	37,349
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$79,427	$89,362	$94,305

New Orleans, MSA

19 Million
Annual Visitors

376,035
Total Population

$5.45 Billion
Annual Retail Sales

77.1%
Commute By Car

Local Market Overview

New Orleans, Louisiana is one of the most recognizable cultural and economic centers in the Gulf South. Located along the Mississippi River, the city plays a key role in national and international trade through the Port of New Orleans, one of the largest ports in the United States by cargo volume. The local economy is supported by shipping, energy, tourism, healthcare, and a growing technology sector. Major employers include Ochsner Health, Entergy, and several logistics and maritime companies connected to port activity. Tourism also contributes significantly to the economy, with millions of visitors each year supporting hotels, restaurants, entertainment venues, and convention business.

The city is known for its historic neighborhoods, strong cultural identity, and world-renowned events such as Mardi Gras and the New Orleans Jazz & Heritage Festival. New Orleans offers a mix of residential areas, universities, and commercial districts that support a diverse workforce. Institutions like Tulane University and the University of New Orleans contribute to research, education, and local talent development. In recent years, public and private investment has focused on infrastructure, waterfront development, and business growth, strengthening the city's position as an important economic and cultural hub in the region.

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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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