

*Valuable Excess Land*

**840** WEST  
**MISSION** AVE  
OFFERING MEMORANDUM



O'REILLY AUTO PARTS NET LEASED INVESTMENT IN ESCONDIDO

***Voit***  
REAL ESTATE SERVICES

**FCG**

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Vallecitos Town Center

- Walmart
- Kohl's
- Payless
- Starbucks

Escondido Promenade

- Dick's Sporting Goods
- Target
- Ross Dress for Less
- Pier 1 Imports
- GameStop
- TJ Maxx
- Toys R Us



## PROJECT SUMMARY

The subject offering presents an excellent opportunity for an investor to acquire a **STNL O'Reilly Auto Parts** in a high-profile location in San Diego, CA. The property benefits from sitting on 3 parcels consisting of **66,746 SF (1.53 acres)**. The property has 78 parking stalls on 3 separate parcels with an additional lot that is undeveloped. With an exceptional location on W Mission Avenue, one of the main thoroughfares in Escondido, the asset offers a unique opportunity for **passive income with tremendous upside** in an excellent San Diego submarket.

### New 10-Year NNN Lease Amendment with Strong Corporate Guarantee.

Starting November 1, 2017 through October 31, 2027 with 3 Five (5) year options to extend.

### Huge Land Site with 3 Parcels.

Sitting on 66,746 SF (1.53) acres the property has terrific parking and excellent development potential. Parcel # 228-230-35 is 10,303 square feet and it is not being used.

### O'Reilly Auto Parts (NASDAQ: ORLY) is a Dominant Retailer in the Auto Parts Sector.

Investment Grade Credit Rated BBB+ by Standard & Poor's with \$8.6B in Revenue and 5,000 stores in 47 states.

**PRICE:** \$5,000,000

**CAP RATE:** 4.5%

**NOI:** \$223,560



## PROJECT HIGHLIGHTS

- BUILDING TYPE: Freestanding Retail
- TENANCY: Single
- LEASE TYPE: NNN Lease
- YEAR BUILT: 1975
- GLA: 15,600 SF
- LAND AREA: 1.53 AC
- ZONING: C G, Escondido
- PARCELS: 228-230-35, 36, and 38 (3 Parcels)
- TENANT: O'Reilly Auto Parts
- PARKING: 75 Surface Spaces; Additional Land

## AMENITIES

- Signage available on West Mission Avenue
- 19 minute walk to Escondido Transit Center (Sprinter)
- 38 minute drive to San Diego International Airport



## TENANT OVERVIEW

- Property Name: O'Reilly Auto Parts
- Property Type: Retail Freestanding Building
- Trade Name: O'Reilly Automotive, Inc.
- Ownership: Public
- Credit Rating: Baa2
- Stock Symbol: ORLY
- No. of Locations: 5,400 +
- No. of Employees: 74,000+
- Headquartered: Springfield, Missouri
- Website: [www.oreillyauto.com](http://www.oreillyauto.com)
- Year Founded: 1957

## LEASE ABSTRACT/OPERATING DATA

- Tenant: O'Reilly Auto Parts
- Lease Type: NNN Lease
- Type of Ownership: Coporate
- Roof & Structure: Tenant Responsible
- Original Lease Term: July 30, 1997- September 30, 2017
- Amendment: November 1, 2017 - October 31, 2027

**November 1, 2017 - October 31, 2022 \$18,630.00 NNN/Monthly**

**November 1, 2022 - October 31, 2027 CPI as stated in Section 6 of the Lease\***

- Options: Three (3) options for five (5) years; Tenant must notify the Landlord 180 days prior to lease expiration. The monthly rent for Renewal Options shall be increased over the previous 5-years rent by the lesser of ten percent (10%) or the total increase in the CPI during the prior 5-years.
- CPI\*: Consumer Price Index for all Urban Consumer as published by Bureau of Labor Statistics.

O'Reilly Auto Parts (NASDAQ: ORLY), is one of the dominant retailers in the auto parts sector.

O'Reilly's continues to be an attractive investment for investors due to their long term leases, periodic rent increases, five-year renewal options, and investment grade rating. The automotive sector remains an investor favorite, as tenants like O'Reilly, show they can be successful in good and bad economic times. This resilience demonstrates the continuous demand in the automotive sector regardless of other factors.

O'Reilly Auto Parts was founded in 1957 as a single store in Springfield, Missouri and its headquarters are still located there. As of December 31, 2016, O'Reilly's has grown to 4,829 stores in 47 states with 27 distribution centers.

O'Reilly sells an extensive line of new, aftermarket and remanufactured automotive parts, maintenance items, tooling supplies, accessories, automotive tools, and professional service equipment. For years, it has focused on a dual-market strategy catering to both the "Do It For Me" (DIFM) professional service providers (PSPs) as well as "Do It Yourself" (DIY) individual consumers. This dual strategy contributes to O'Reilly's success and is one of the competitive advantages O'Reilly has over its competitors, along with its strong distribution network.





### THREE PARCELS - VALUABLE EXCESS LAND

228-230-36: 8,092 SF of Land (0.19 AC)

228-230-35: 10,303 SF of Land (0.24 AC)

TOTAL: 18,395 SF of Land (0.43 AC)

*At \$40/SF that is an additional \$735,800 of value.*





## CITY OF ESCONDIDO

Settled in a long valley in the coastal mountains of Southern California, Escondido, which means “hidden” in Spanish, lies about 18 miles inland, 100 miles south of Los Angeles, and 30 miles northeast of San Diego. Surrounded by avocado and citrus groves, Escondido is a diverse, vibrant community with just the right mix of small town friendliness and big-city buzz.

More and more people are making Escondido their “City of Choice.” As the heart of San Diego North, it is one of the few remaining communities where people of all income levels can enjoy the Southern California lifestyle. We offer attractive homes in a wide range of prices, two lakes, several parks, a sports center, golf courses, restaurants, wineries, shopping centers, comprehensive healthcare and the nearby San Diego Zoo Safari Park. In addition, the California Center for the Arts, Escondido, brings world class entertainment to the area along with Queen Calafia’s Magical Circle, a sculpture garden in Kit Carson Park donated by late internationally renowned artist Niki de Saint Phalle. In recent years Escondido was named by Money Magazine as the Best Place in the West in which to retire and, at the other end of the spectrum, was named a Kid-Friendly City for our broad range of youth programs. Ladies Home Journal also ranked Escondido number eight among the Top Ten Cities for Government.

Established in 1888, the city’s rich past brings charm and stability to the community. You can see it in the historic homes of Old Escondido or experience it in the thriving downtown area and the weekly blast to the past, “Cruisin’ Grand.” Yet integrated with Escondido’s treasured heritage is a progressive future, bright and brimming with promise. New jobs, new cultural amenities, new entertainment venues, new choices for residential living, and a new vision for Escondido’s future, make Escondido a city to watch.



## DEMOGRAPHICS

**223,622**  
TOTAL POPULATION



**70,424**  
# OF HOUSEHOLDS



**34.3**  
AVERAGE AGE



**\$82,626**  
AVERAGE HH INCOME



**\$448,144**  
MEDIAN HOME VALUE



## TRAFFIC COUNT

- ROCK SPRINGS RD & LENSER WAY 14,1000
- WEST MISSION AVE & NORTH QUINCE ST 27,900
- HIGHWAY 78 & ROCK SPRINGS RD 83,8000



# 840 WEST MISSION AVE

OFFERING MEMORANDUM



## O'REILLY AUTO PARTS NET LEASED INVESTMENT IN ESCONDIDO

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