

TROPHY NET LEASE INVESTMENT ON COVETED SCOTTSDALE ROAD

RELOCATION STORE NEAR OLD TOWN SCOTTSDALE



2414 N. SCOTTSDALE RD.
SCOTTSDALE, ARIZONA



[REPRESENTATIVE PHOTO]



FOR INFORMATION CONTACT:

Blake Curtis | 480.566.8662 | blake.curtis@simoncre.com
6900 E. 2nd Street | Scottsdale, AZ 85251 | simoncre.com

[PROPERTY] SUMMARY



ASKING PRICE:

\$4,080,000



CAP RATE:

4.75%



RENTAL INCOME:

\$193,785
per annum



TOTAL BUILDING SIZE:

8,317 SF



TOTAL LAND SIZE:

0.71 AC



PRIMARY LEASE TERM:

Fifteen (15) Years



ANTICIPATED STORE OPENING:

July 2019



LEASE TYPE:

NN
(Landlord responsible for roof & structure)
*Roof warranty provided



PROPERTY ADDRESS:

2414 N. Scottsdale Rd.
Scottsdale, AZ 85257



[INVESTMENT] HIGHLIGHTS

■ ATTRACTIVE INVESTMENT OPPORTUNITY

Brand new 15-year lease with minimal landlord responsibilities. Four (4) five (5) year options with 6% rent increases.

■ RELOCATION STORE

Tenant is moving 1/2 mile south after nearly 50 years of service within the immediate area, showing a strong commitment the trade area.

■ NEAR VIBRANT OLD TOWN SCOTTSDALE

The property is located south of Scottsdale Road and Thomas Road, approximately 1 mile away from Old Town Scottsdale. Nearby national retailers include Albertsons, Starbucks, Tuft & Needle, McDonald's, Chase Bank, Discount Tire, and more.

■ RAPIDLY GROWING AFFLUENT DEMOGRAPHICS

Tremendous residential development in surrounding area. Within the surrounding 5-mile radius there is a population of more than 276,000 and an average household income of more than \$82,000.

■ INVESTMENT GRADE TENANT (Moody's Baa1; S&P BBB)

Market-leading tenant with national brand recognition; O'Reilly Auto Parts is one of the largest auto parts retailers in the country with more than 4,900 locations.

■ EXCELLENT VISIBILITY

Located on heavily trafficked Scottsdale Road with daily traffic counts exceeding 38,000 vehicles per day.



DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION			
2018	22,634	109,476	276,128
2023	24,323	118,283	298,960
AVG HH INCOME			
2018	\$77,447	\$90,309	\$82,057
2023	\$86,824	\$103,010	\$93,752
DAYTIME DEMOGRAPHICS			
BUSINESSES	1,243	6,471	15,258
EMPLOYEES	10,683	73,091	195,853

[LEASE] SUMMARY

TENANT:	O'Reilly Auto Enterprises, LLC
GUARANTOR:	O'Reilly Automotive, Inc.
ANTICIPATED STORE OPENING:	July 2019
ANNUAL RENTAL INCOME:	\$193,785.72 (\$23.30/SF)
MONTHLY RENTAL INCOME:	\$16,148.81
LEASE TERM:	Fifteen (15) Years
RENEWAL OPTIONS:	Four (4), Five (5) Year with 6% Rental Increases in Each Option

LEASE TYPE:	NN
PROPERTY TAXES:	Paid by Tenant
INSURANCE:	Paid by Tenant
UTILITIES:	Paid by Tenant
COMMON AREA EXPENSES:	Paid by Tenant
ROOF AND STRUCTURE:	Paid by Landlord (<i>Roof warranty provided</i>)
HVAC:	Tenant Responsible for Maintenance
PARKING LOT:	Concrete



RENT ROLL

YEAR	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT/SF
1-10 Years	\$16,148.81	\$193,785.72	\$23.30
11-15 Years	\$17,117.74	\$205,412.88	\$24.70
Option 1	\$18,144.80	\$217,737.60	\$26.18
Option 2	\$19,233.49	\$230,801.88	\$27.75
Option 3	\$20,387.50	\$244,650.00	\$29.42
Option 4	\$21,610.75	\$259,329.00	\$31.18

[TENANT] PROFILE

O'Reilly Automotive, Inc.(NASDAQ: ORLY) is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment, and accessories in the United States, serving both professional service providers and do-it-yourself customers. The company officially started in the auto parts business in Springfield, Missouri, in November 1957. The company's history began with Charles Francis O'Reilly. By 1924 Charles became familiar with the Springfield area, having traveled by train to sell auto parts throughout the territory. He recognized the region as an area of growth and opportunity and asked to be transferred there. By 1932 he became manager of Link Motor Supply in Springfield. One of his sons, Charles H. "Chub" O'Reilly, had also joined the company. In 1957, Link planned a reorganization, which would have included the retirement of 72-year-old Charles F. O'Reilly, and the transfer of C. H. O'Reilly to Kansas City. Since neither agreed with these plans, they made the decision to form their own company, O'Reilly Automotive, Inc. They opened for business on December 2, 1957, with one store and 13 employees at 403 Sherman in Springfield.

The Company now operates more than 4,935 stores in 47 states. In fiscal 2015, O'Reilly Automotive (OAI) recorded total consolidated revenues of \$7.97 billion, which represented an increase of \$750.6 million, or 10.4%, from the \$1.88 billion in gross volume posted during the same period last year.



O'REILLY AUTO PARTS QUICK FACTS

- \$8.8 billion in annual sales as of June 30th, 2017
- Credit Rating: BBB (S&P); Baa1 (Moody's)
- More than 4,985 locations in 47 states
- Stores typically range from 6,800 to 7,225 SF
- Regional, tiered distribution network, 27 facilities
- More than 75,000 employees



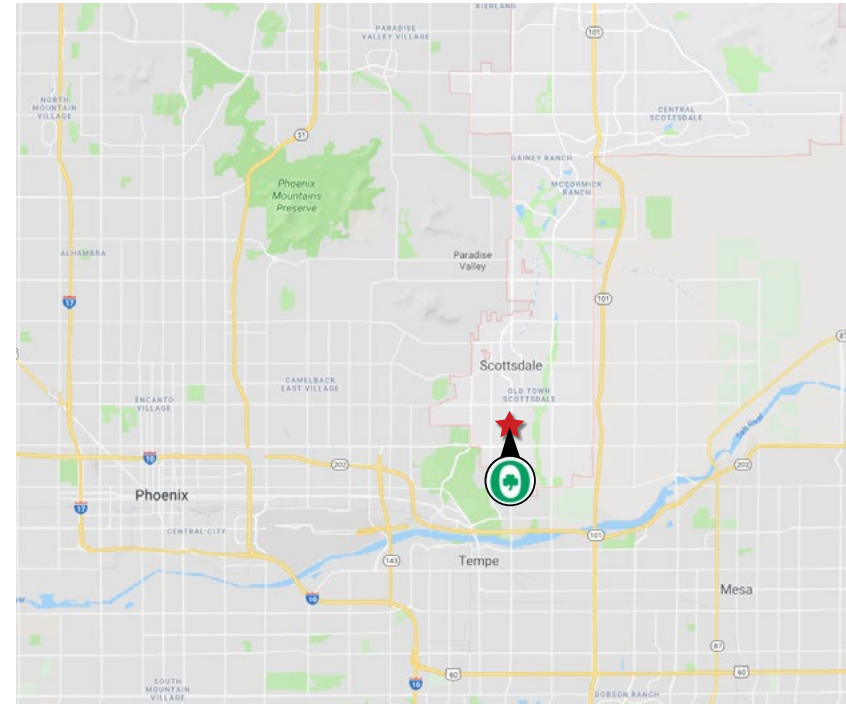
[LOCATION] OVERVIEW

CITY OF SCOTTSDALE

Scottsdale is centrally located in Maricopa County, Arizona with its boundaries encompassing 184.5 square miles, stretching 31 miles from north to south, and 11.4 miles at its widest point. Scottsdale is bordered by Phoenix, Paradise Valley, and unincorporated Maricopa County land. The estimated population of the city as of 2017 was 242,700.

Scottsdale is a premier community known for a high quality of life with attractive residential, working and shopping areas. Scottsdale consistently ranks among the nation's best places to live, with top-rated schools, award-winning parks, low crime, and a vibrant economy.

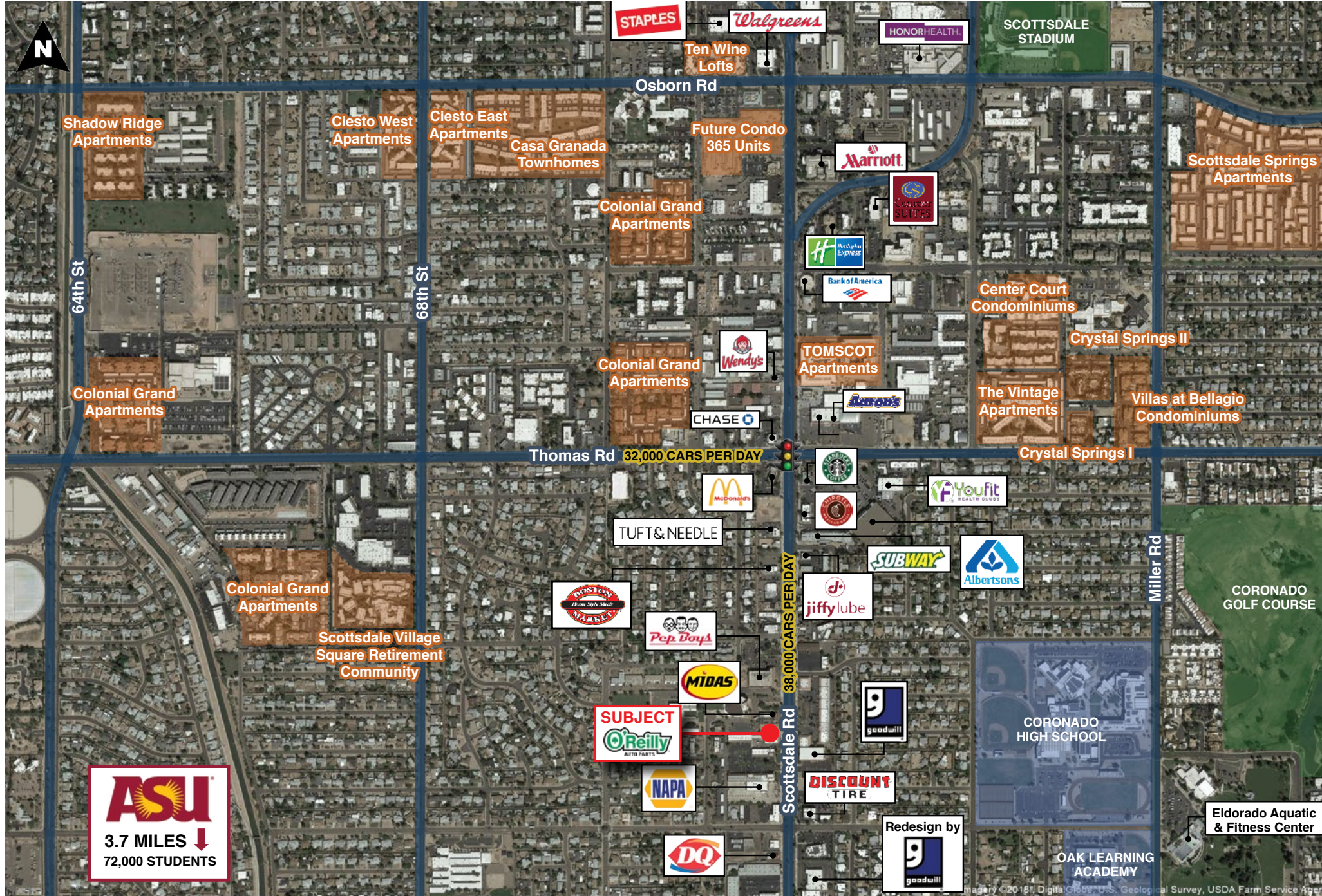
Scottsdale is among the most popular tourist destinations in Arizona. About 9 million people visit Scottsdale annually.



Scottsdale is an internationally recognized visitor destination and a thriving location for business. Scottsdale has a diverse economy built on medical research, high-tech innovation, tourism, and corporate headquarters. It is home to nearly 18,000 businesses supplying more than 150,000 jobs. The high-tech innovation center SkySong, located just a few miles from Downtown, is designed to help companies grow through a unique partnership with nearby Arizona State University. Downtown is an emerging center for high-tech businesses. Farther north, the Scottsdale Cure Corridor is a partnership of premier health care providers and biomedical companies seeking to advance medicine and patient care through cutting-edge research.



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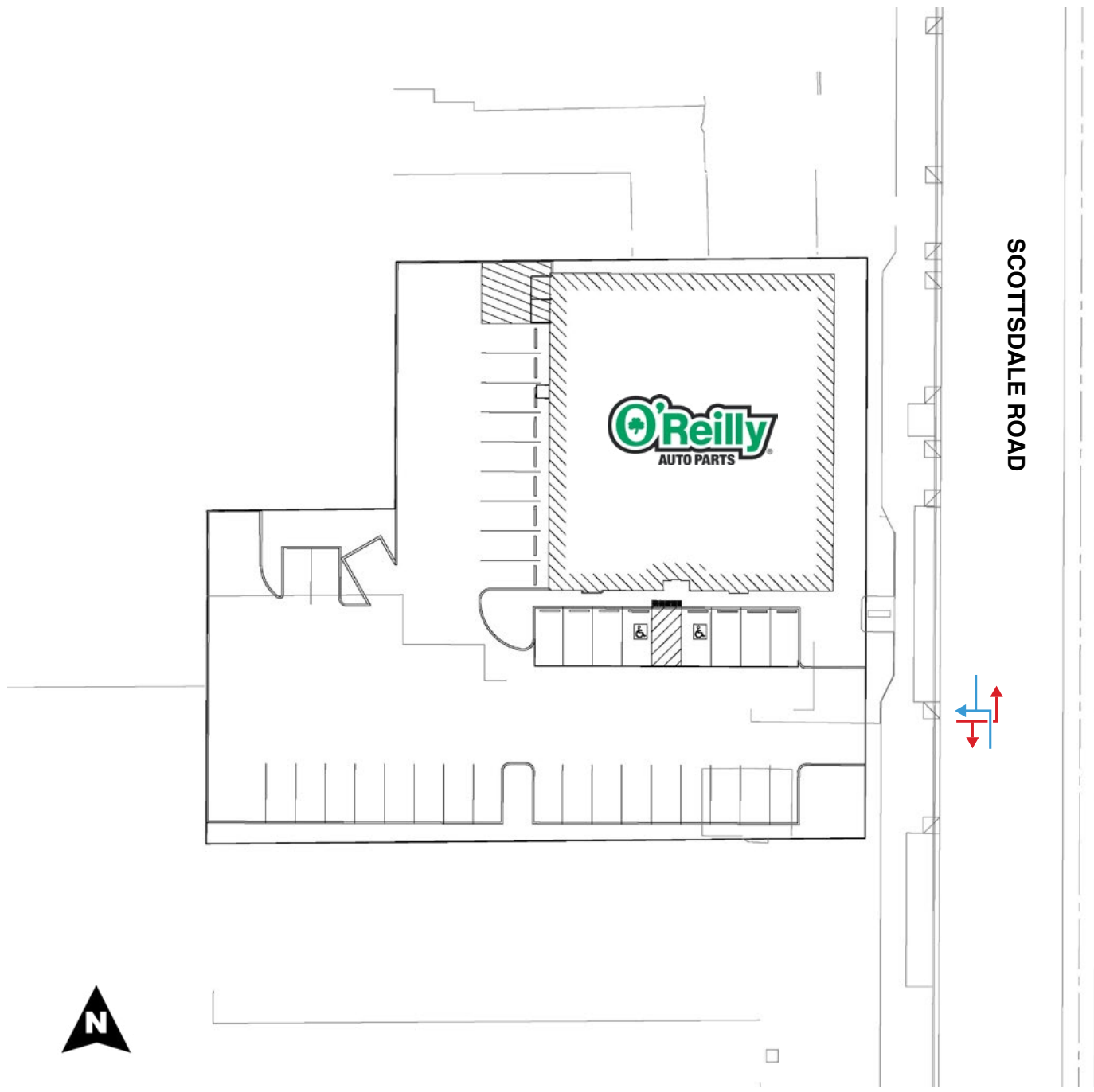
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[SITE] PLAN





[CONFIDENTIALITY] AGREEMENT

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Listed by:
Joshua Simon
Owner/Agent

