



# O'Reilly Auto Parts

COTTAGE GROVE, OR



CAPITAL PACIFIC





---

**INVESTMENT-GRADE TENANT  
LOCATED IN DAILY NEEDS TRADE AREA**







## Overview

---

# O'Reilly Auto Parts

---

1800 E MAIN ST, COTTAGE GROVE, 97424 



# Investment Summary

LEASEABLE SF

**6,721 SF**

LAND AREA

**23,087 SF**

LEASE TYPE

**NNN**

PRICE PER SF

**\$274**

YEAR BUILT

**2015**

PARKING

**28 Spaces;  
4.2/1,000 SF\***

REMAINING LEASE TERM

**16 Years**

INVESTMENT-GRADE TENANT

**BBB**

*\*Tenant is granted additional parking per CC&Rs with the greater shopping center.*

**\$1,840,000**

**PRICE**

**5.00%**

**CAP**

**THE OFFERING** provides the opportunity to acquire a single tenant investment-grade O'Reilly Auto Parts (S&P: BBB), operating on a NNN lease with 16 years remaining. The building is a high quality, build-to-suit construction developed for O'Reilly's in 2015. The asset is a pad to Gateway Plaza, a daily needs retail center anchored by a Bi-Mart and Grocery Outlet (NAP).

**Overview**



# Investment Highlights

---



## The Highlights

---

**CORPORATE, INVESTMENT-GRADE CREDIT TENANT (S&P: BBB).**

**16 YEARS REMAINING ON INITIAL 20-YEAR LEASE.**

**HIGH-QUALITY BUILD-TO-SUIT.**

**SCHEDULED RENT INCREASES EVERY FIVE YEARS; NEXT INCREASE IN 2025.**



**IDEALLY SITUATED OFF INTERSTATE-5 ON-OFF RAMPS  
PROVIDING CONVENIENT LOCAL AND REGIONAL ACCESS.**

**INCREASED DRAW TO THE TRADE AREA PROVIDED BY  
GROCERY OUTLET AND BI-MART SHADOW ANCHORS.**

---

**Investment Highlights**

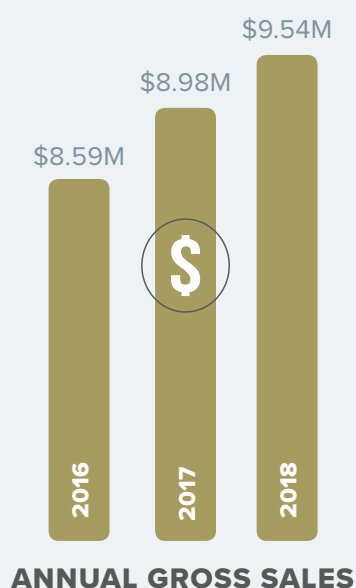


# About the Tenant

---

## About the Tenant

---



**O'REILLY AUTO PARTS** is one of the largest automotive specialty retailers in the U.S., located throughout 47 U.S. states with strong annual growth. The chain opened 200 new stores in 2018 and 200 more are slated to open in 2019. O'Reilly's targets both small and large markets, and is opening new stores primarily in smaller, less-populated trade areas that are under-served, operating as "destination" stores near major traffic thoroughfares.

**BBB**

S&P CREDIT RATING

**5,219**

LOCATIONS WORLDWIDE

**ORLY**

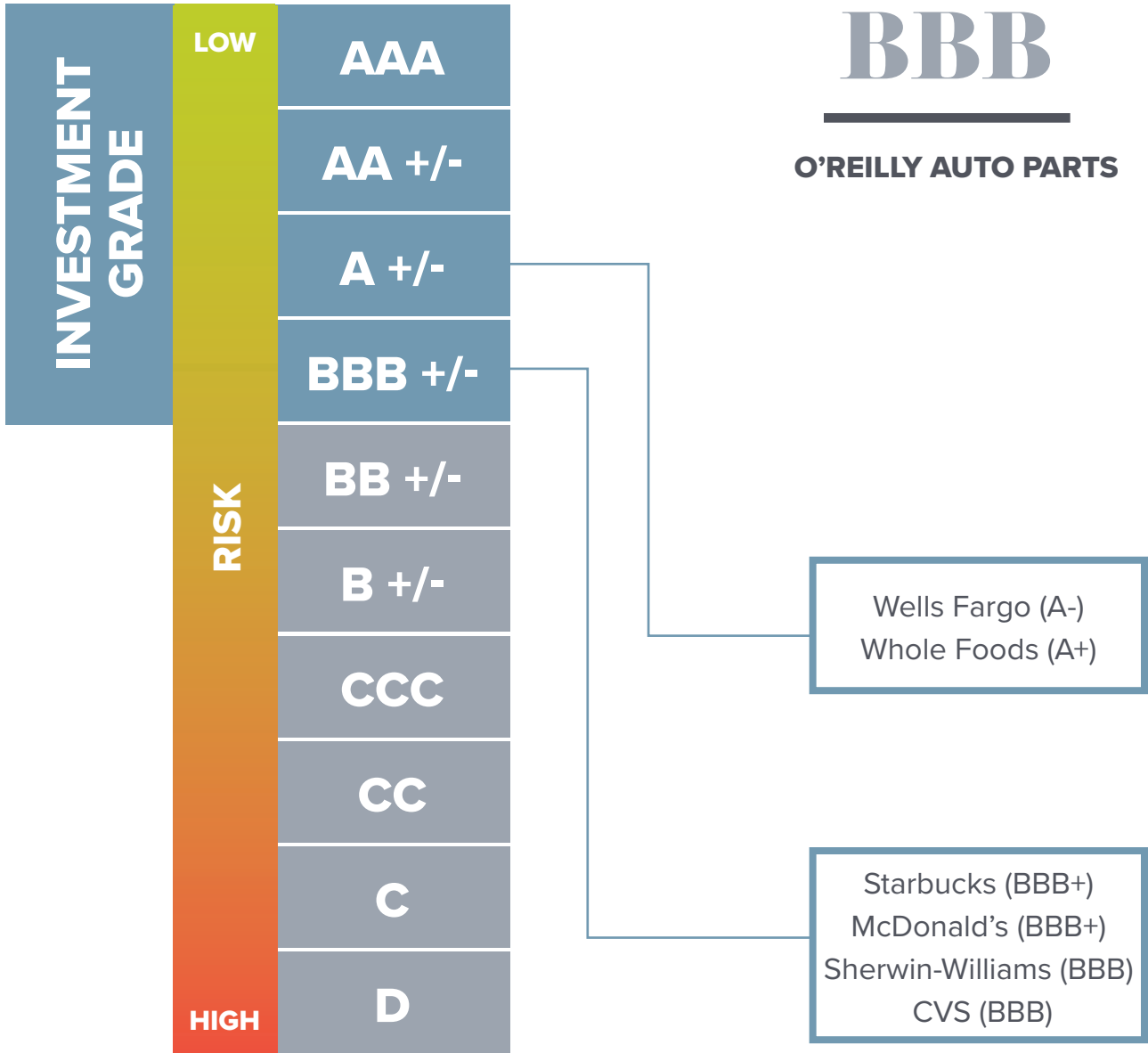
NASDAQ

**79,000+**

EMPLOYEES



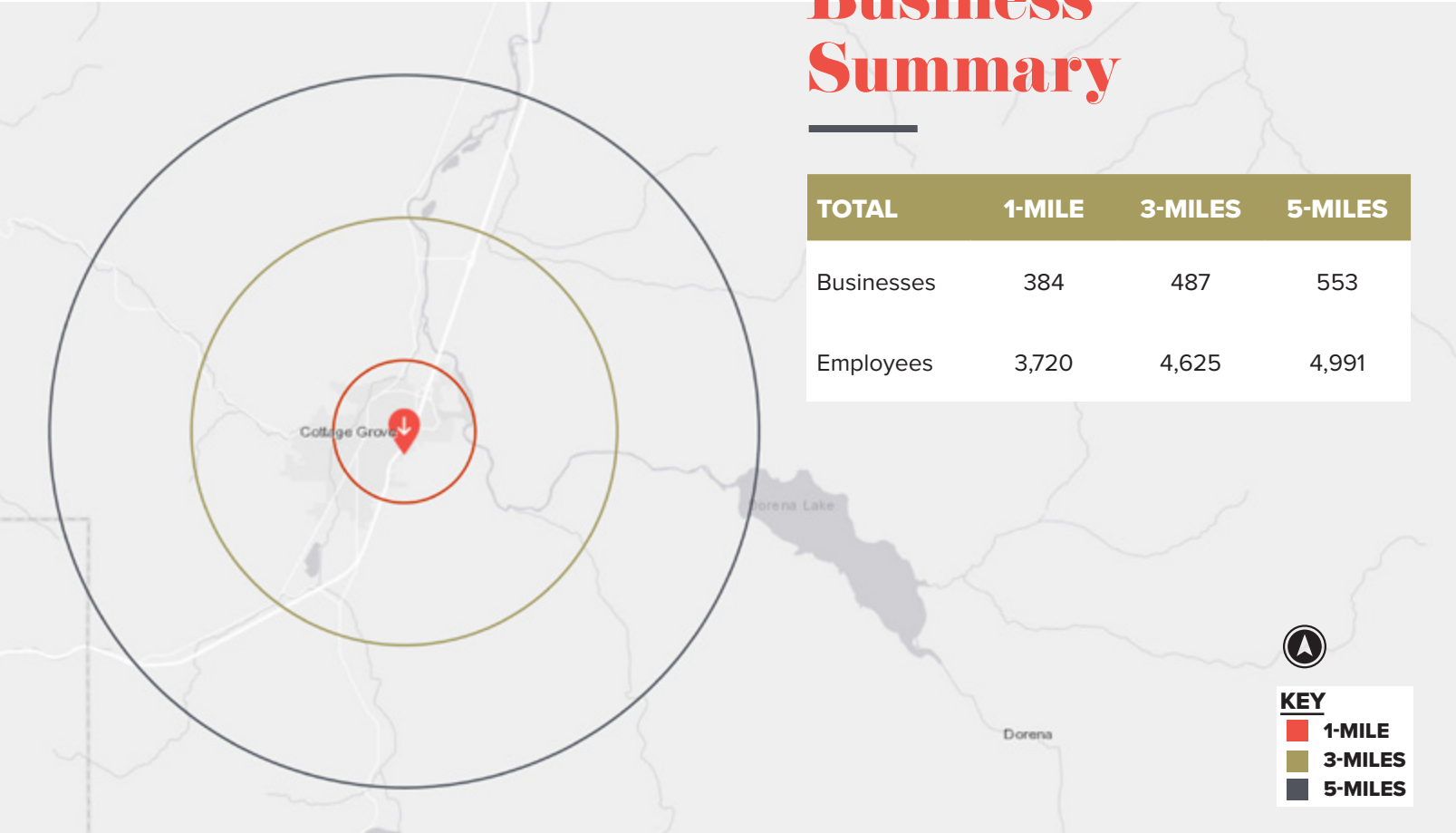






# Surrounding Retail

# Business Summary



## MAJOR RETAIL

Anytime Fitness  
Bi-Mart  
Burger King  
Carl's Jr  
Dollar Tree

Dutch Bros. Coffee  
Goodwill  
Grocery Outlet  
Jack in the Box  
Safeway

Starbucks  
UPS Store  
Verizon  
Walmart





E COTTAGE GROVE CON

**Carl's Jr.**  
GRAND OPENING DINNER

**Dutch Bros.** Off

**BURGER KING**  
**Jack**  
in the box

**PeaceHealth**

**COTTAGE GROVE AIRPORT**

**28,600 VPD**

**5**  
INTERSTATE

**Arby's**

**AutoZone**

**Walmart**  
Save money. Live better.

**BI-MART**  
**GROCERY OUTLET**  
bargain market

**w**

GATEWAY BLVD

E MAIN STREET

**11,100 VPD**

**O'REILLY AUTO PARTS**

**PAKTECH**

One of Cottage Grove's largest employers with roughly 100 employees.

PakTech is based in Eugene, and opened a \$5.6M production facility in Cottage Grove in mid-2017.



# Surrounding Retail



# Site Plan





6,721

LEASEABLE SF





0.53

ACRES



28 SPACES;

4.2/1,000 SF



SITE PLAN NOT TO SCALE



# Financial Summary

<b>PRICE</b>	<b>\$1,840,000</b>
<b>CAPITALIZATION RATE</b>	<b>5.00%</b>
<b>PRICE PER FOOT</b>	<b>\$274</b>

<b>CASH FLOW SUMMARY</b>			
<b>SCHEDULED INCOME</b>		<b>PER SF</b>	
Base Rent for the Period of:	8/1/2019 - 7/31/2020	\$13.70	\$92,100
<b>Total Effective Gross Income (EGI)</b>		<b>\$13.70</b>	<b>\$92,100</b>

<b>OPERATING EXPENSES</b>		<b>PER SF</b>	
CAMS			NNN
Property Taxes			NNN
Insurance			NNN
<b>Total Operating Expenses</b>		<b>NNN</b>	<b>-</b>

<b>NET OPERATING INCOME</b>	<b>\$92,100</b>
-----------------------------	-----------------



## 16 YEARS REMAINING ON INITIAL 20-YEAR LEASE

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

# Rent Roll

O'Reilly Auto Parts						
Lease Term:		4/1/2015 - 3/31/2035				
Size (SF):		6,721				
		RENT SUMMARY				
DATE		MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF	CAP RATE
4/1/2015		\$7,675		\$92,100	\$13.70	5.00%
4/1/2025		\$8,104	5.6%	\$97,248	\$14.47	5.29%
4/1/2030		\$8,834	9.0%	\$106,008	\$15.77	5.76%
OPTIONS						
1	4/1/2035	\$9,540	8.0%	\$114,480	\$17.03	6.22%
2	4/1/2040	\$10,303	8.0%	\$123,636	\$18.40	6.72%
3	4/1/2045	\$11,127	8.0%	\$133,524	\$19.87	7.26%
CURRENT		\$7,675		\$92,100	\$13.70	5.00%

Lease Notes

Comments: Tenant has 3, 5-year options to be exercised with 180 day's notice. NNN Lease - Tenant is responsible for direct payment of Property Taxes to the taxing authority, carries property and liability insurance (reimburses Landlord's liability), and is directly responsible for all interior maintenance and repair, including all mechanical operating systems, and reimbursement of CAMs. Landlord is responsible for the building structure, foundation, and roof. Tenant has the exclusive use for the sale of retail auto parts comprising 10%+ of gross sales.



## Lease Abstract

---

# Premise & Term

TENANT	O'Reilly Auto Parts (CSK Auto Inc.)
BUILDING SF	6,721 SF
LEASE TYPE	NNN
LEASE DATE	4/1/2015
EXPIRATION	3/31/2035
OPTIONS	3, 5-Yr Options; 180-Day Notice
OPTIONS RENT	Rent to increase by 8% every 5 years.



## Expenses

---

### PROPERTY TAXES

Tenant pays taxes directly to assessor.

### INSURANCE

Tenant maintains fire and liability insurance directly and reimburses Landlord's liability insurance.

### UTILITIES

Tenant pays all utilities directly.

### CAMS

Tenant is responsible for reimbursement of their share of all common area operating expenses of the greater shopping center directly to the Declarant of the Gateway Village Shopping Center alongside a management fee not to exceed tenant's share of 5% of gross income.

## Lease Provisions

---

### TENANT RESPONSIBILITIES

Tenant assumes the sole responsibility for all interior maintenance, repair, and replacement, all mechanical operating systems, landscaping, sidewalks, curbs, and exterior painting.

### LANDLORD RESPONSIBILITIES

Landlord assumes the sole responsibility for the building structure, roof, foundation, floor, slab, exterior walls, and utility systems up to the point of entry.

## Miscellaneous

---

### EXCLUSIVE USE

Sale of auto parts that account for more than 10% of the total gross sales.



# Questions & Answers

---

## **Q: ARE THERE CC&RS IN PLACE FOR THE GREATER SHOPPING CENTER, AND IF SO, WHAT ARE THE TERMS?**

A: Yes, CC&Rs are in place for Gateway Village that oversee the Subject Property and greater Shopping Center - see terms below:

### **Permitted Uses:**

The CC&Rs permit and disallow typical uses of high-quality retail centers. Please contact Capital Pacific for more details.

### **Parking:**

All parcels provide the non-exclusive easement for pedestrian and vehicle ingress and egress, and cross-easement parking.

### **Taxes & Insurance**

Each parcel owner is required to pay property taxes for their underlying parcel directly to assessor, and to carry comprehensive general liability insurance.

### **Common Area Maintenance:**

The Declarant (owner of Gateway Village Shopping Center), is in charge of maintaining all common areas and carrying liability insurance on such common areas; CAM charges to include the following: maintaining, repairing, and replacing asphalt surfaces, improvements on common areas, snow/debris removal, directional signs, lighting, utility lines, and administrative fee to oversee the above maintenance expenses.

### **CAM Share:**

Each parcel owner is billed their share of such expenses based on leaseable SF constructed on their parcel.



## **HAS THERE BEEN ANY ENVIRONMENTAL TESTING PERFORMED AT THE PROPERTY?**

A: Yes, a Phase I ESA was conducted by ATC Associates in May 2012. No RECs were identified, and no further testing required.





## Location

---

# Cottage Grove, Oregon



---

**COTTAGE GROVE** is located along Interstate 5, 20 miles south of Eugene and the University of Oregon. The city is situated in Lane County which has an estimated population of 352,010. The largest employers of Cottage Grove include South Lane School District, City of Cottage Grove, PeaceHealth Cottage Grove Community Hospital, Weyerhaeuser Company, Starfire Lumber, Pacific Yurts, Walmart, Safeway and Kimwood Co. Popular industries include manufacturing, health and medical services, professional services, and a variety of agricultural businesses.

# Distance to



# Drive Time

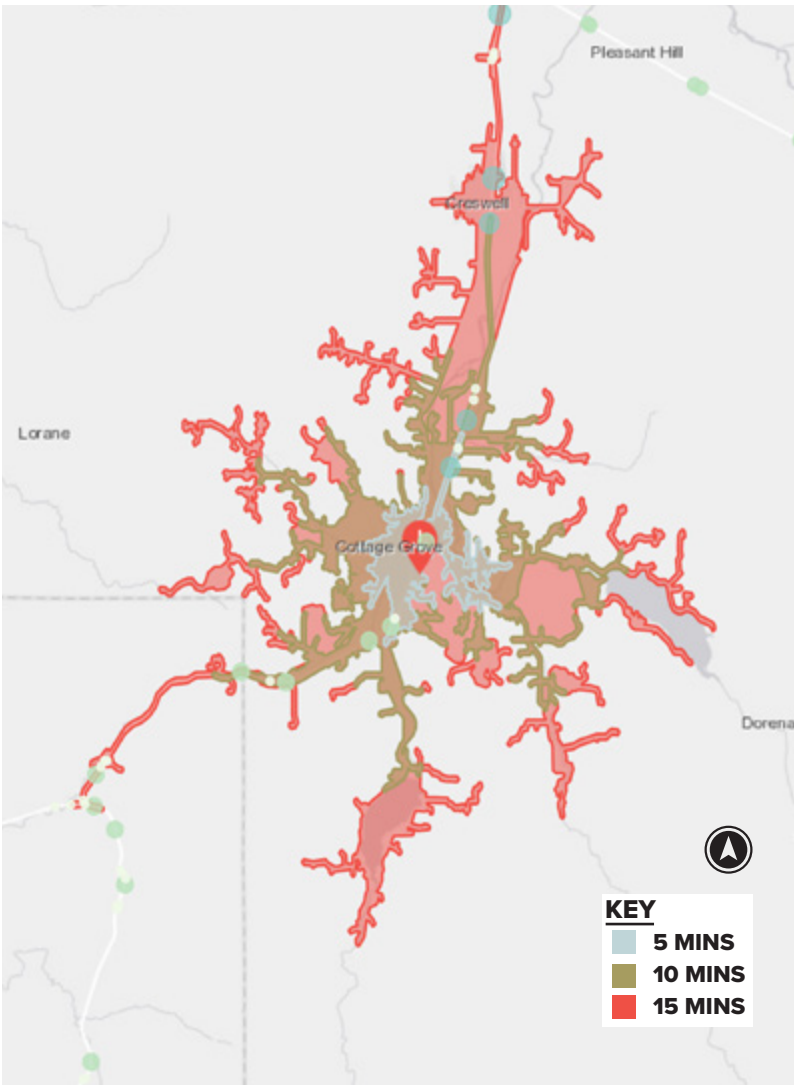
## 2018 HH INCOME

	5 MINS	10 MINS	15 MINS
Average	\$52,527	\$57,598	\$62,469
Median	\$41,744	\$45,771	\$50,587

374,748



LANE COUNTY  
POPULATION  
(ESTIMATED)





# Contact Us

---



# We'd love to hear from you.

---

**KEVIN ADATTO**

kadatto@capitalpacific.com

**PH: 503.675.7726**

**MICHAEL HORWITZ**

mhorwitz@capitalpacific.com

**PH: 503.675.8381**

**MICHAEL LOWES**

mlowes@capitalpacific.com

**PH: 503.210.4069**

**SCOTT FRANK**

sfrank@capitalpacific.com

**PH: 503.675.8383**

**SEAN MACK**

smack@capitalpacific.com

**PH: 503.675.8378**

**PETER DUNN**

pdunn@capitalpacific.com

**PH: 503.607.0197**

**LANCE SASSER**

lsasser@capitalpacific.com

**PH: 503.607.0207**



**CAPITAL PACIFIC**

TOGETHER | OUTPERFORMING

The information in this Executive Summary has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies. All rights reserved to Capital Pacific, LLC.

---

## Contact Us





CAPITAL PACIFIC



---

**SEA.**

**PDX.**

**SFO.**

**CAPITALPACIFIC.COM**

Copyright © 2019 Capital Pacific LLC