



O'REILLY AUTO PARTS

ESTABLISHED 20-YEAR LOCATION



Actual Location

OFFERING MEMORANDUM

12205 OLD GLENN HWY | EAGLE RIVER, AK 99577

EXCLUSIVELY LISTED BY:

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NLR

NET LEASED RETAIL
OF MARCUS & MILLICHAP

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PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.
ACTIVITY ID: ZAA0210305**

ALASKA BOR: CARLTON SMITH
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TABLE OF CONTENTS

ABOUT THE PROPERTY

01

INVESTMENT SUMMARY

PAGE 4
Executive Summary
Rent Roll

02

PROPERTY OVERVIEW

PAGE 7
Location Overview
Aerial Maps
Property Photos
Tenant Overview

ABOUT THE MARKET

03

MARKET SUMMARY

PAGE 12
Location Overview
Demographics



01

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

O'REILLY AUTO PARTS

12205 OLD GLENN HIGHWAY | EAGLE RIVER, AK

PRICE

\$2,634,500

CAP RATE

6.75%

NET OPERATING INCOME	\$177,833	GUARANTOR	Corporate
LEASE TYPE	NNN	INCREASES	12% Increase in Option
LEASE COMMENCEMENT	5/27/1999	OPTIONS	(1) 5-Year Options
LEASE EXPIRATION DATE	10/31/2024	BUILDING SIZE	8,100 SF
YEAR BUILT	1999	LOT SIZE	0.88 Acres



RENT ROLL

TENANT INFO		LEASE TERMS		CURRENT RENT	RENT INCREASES		LEASE	
NAME	SQUARE FEET	COMMENCEMENT	EXPIRATION	ANNUAL BASE RENT	DATE	ANNUAL RENT	OPTIONS	TYPE
O'REILLY AUTO PARTS	8,100 SF	5/24/1999	10/31/2024	\$177,833	OPTION 1: 11/1/2025	\$199,173	(1) 5-YEAR OPTION	NNN

NOTE: Landlord responsible for roof and structure.
Tenant has 30-business-day right of first refusal.





02

PROPERTY OVERVIEW



PROPERTY OVERVIEW

OVERVIEW

The subject property was constructed in 1999 for CSK Auto and sits on a lot sized at just under one acre with improvements sized at approximately 8,100 square feet. The lease is guaranteed by O'Reilly Corporate, one of the largest specialty retailers of automotive after-market parts in the United States. O'Reilly currently operates more than 5,100 stores in 47 states.

The property is well positioned amongst more than 15 national retailers including Safeway, Walgreens, Fred Meyer, Wells Fargo, Publix, McDonald's, Carl's Jr., Taco Bell, Arby's and more. The property has direct frontage on Old Glenn Highway, a main thoroughfare that feeds directly to Anchorage, AK to the south. Eagle River is considered a shopping pit-stop for those traveling between Anchorage, Palmer and Wasilla.

HIGHLIGHTS

- Corporate Guarantee
- NNN Lease; Landlord Responsible for Roof and Structure Only
- Well-Located Off Old Glenn Highway Feeding to Anchorage, AK Just 15 Miles to the South
- Positioned in a Dense Retail Location Near Safeway, Walgreens, Fred Meyer, Wells Fargo, Publix, McDonald's, Carl's Jr., Taco Bell, Arby's and More
- Average Household Income of \$120,713 Within Five-Mile Radius, a 35% Increase from 2000

*** Subject property underwent seismic evaluation in December 2018, post major earthquake, revealing no damage.**

AERIAL VIEW

Tips Bar

Alaska Industrial Hardware

Pretty Thrifty

The UPS Store  Sicily's Pizza
 Mike's Quality Meats

 **SPEEDY GLASS**
Auto, Residential & Commercial

 **AutoZone**



SUBJECT PROPERTY
O'REILLY
12205 Old Glenn Hwy
Eagle River, AK 99577



Eagle River Bowl



AlaskaUSA
Federal Credit Union®



The Alaska Club
Eagle River

Boondock Sporting Goods

Eagle River
Town Square Park

Walgreens

Garcia's Cantina

Eagle River Ale House



Jalapeños Mexican Restaurant

Alaska Healthcare

McDonald's

Lesly's Cakes

VPD: 16,140

VPD: 10,060

PROPERTY PHOTOS



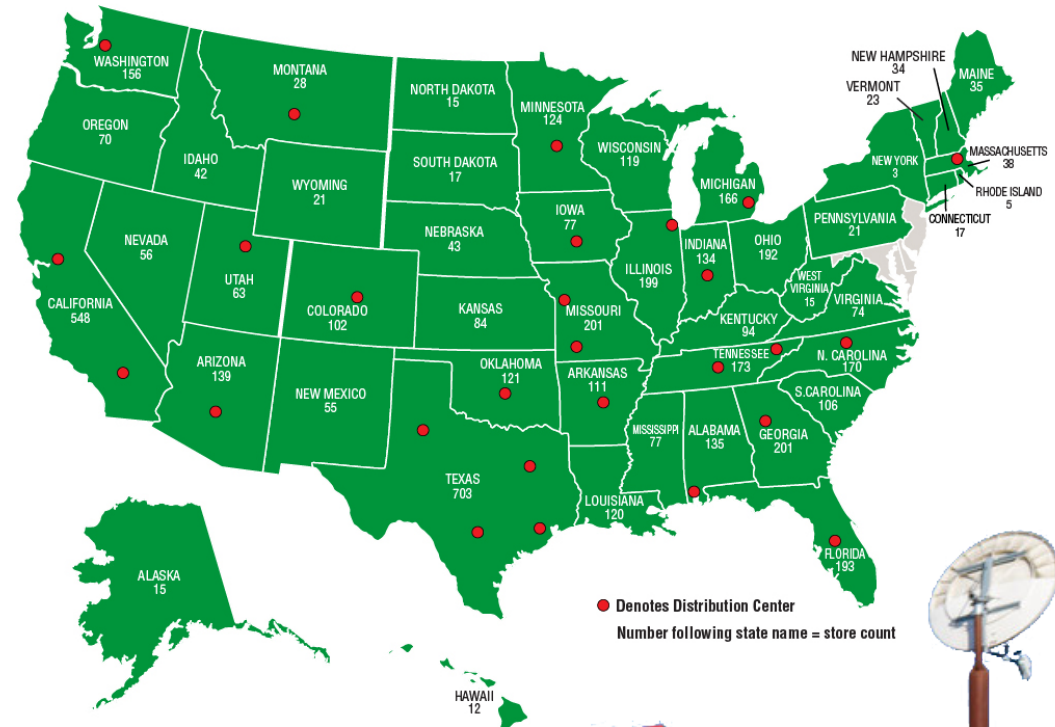
TENANT OVERVIEW

O'REILLY AUTO PARTS

O'Reilly is the dominant auto parts retailer in all of their market areas. They've grown from a single store in 1957 to their current size of 5,190 locations.

In 2008 O'Reilly acquired CSK Auto, Inc. The acquisition brought O'Reilly up to 40,000 team members and 3,200 stores in 38 states. CSK is the parent company of Checker, Schuck's, Kragen and Murray auto parts stores. In 2012 and 2016 O'Reilly acquired VIP Auto Parts and Bond Auto Parts respectively, adding 104 more stores.

O'Reilly currently operates in 47 states, with a total of 5,190 stores and 23 distribution centers, thus ranking it one of the largest auto parts distributors in the United States. Total sales for O'Reilly stores were \$8.98 billion for the year ending 2017 which is more than double store sales from just five years ago. With a net worth of nearly \$2 billion and a BBB credit rating from S&P, this company is listed on both the Fortune and S&P 500 lists and was recently identified as #51 on Fortunes' Fastest Growing Companies list.





03

MARKET SUMMARY



LOCATION OVERVIEW

ANCHORAGE MSA

Anchorage is Alaska's most populated city and contains more than 40 percent of the state's total population. The subject property sits in Eagle River, a community within the municipality of Anchorage. If Eagle River were not part of the municipality, it would be classified as one of the five largest cities in Alaska. Located in the south-central portion of Alaska, Anchorage encompasses the urban core, a joint military base, several outlying communities and Chugach State Park. The Anchorage International Airport is a common refueling stop for many international cargo flights and home to a major FedEx hub. The city has won the "All-American City Award" by the National Civic League 5 times and has also been named the most tax-friendly city in the U.S.

Anchorage has the most developed and extensive retail sector in the state, benefiting from the residents' high household incomes. The retail trade area includes a majority of the state as people have limited retail services outside of the Anchorage MSA. The Ted Stevens Anchorage International Airport (TSAIA) is the world's third busiest airport for cargo traffic while the Port of Anchorage receives 95 percent of all goods destined for Alaska. Anchorage is the main hub in the state not only for economical reasons but also for tourism. With 1,500 moose, incredible national parks nearby and 60 glaciers a short drive away, Anchorage is a top destination.



HIGH HOUSEHOLD INCOME

The Anchorage MSA boasts a median household income of \$85,634. Comparably, Eagle River has a median of \$82,485. There has been a 35% increase in median income since 2000 and it continues to grow.



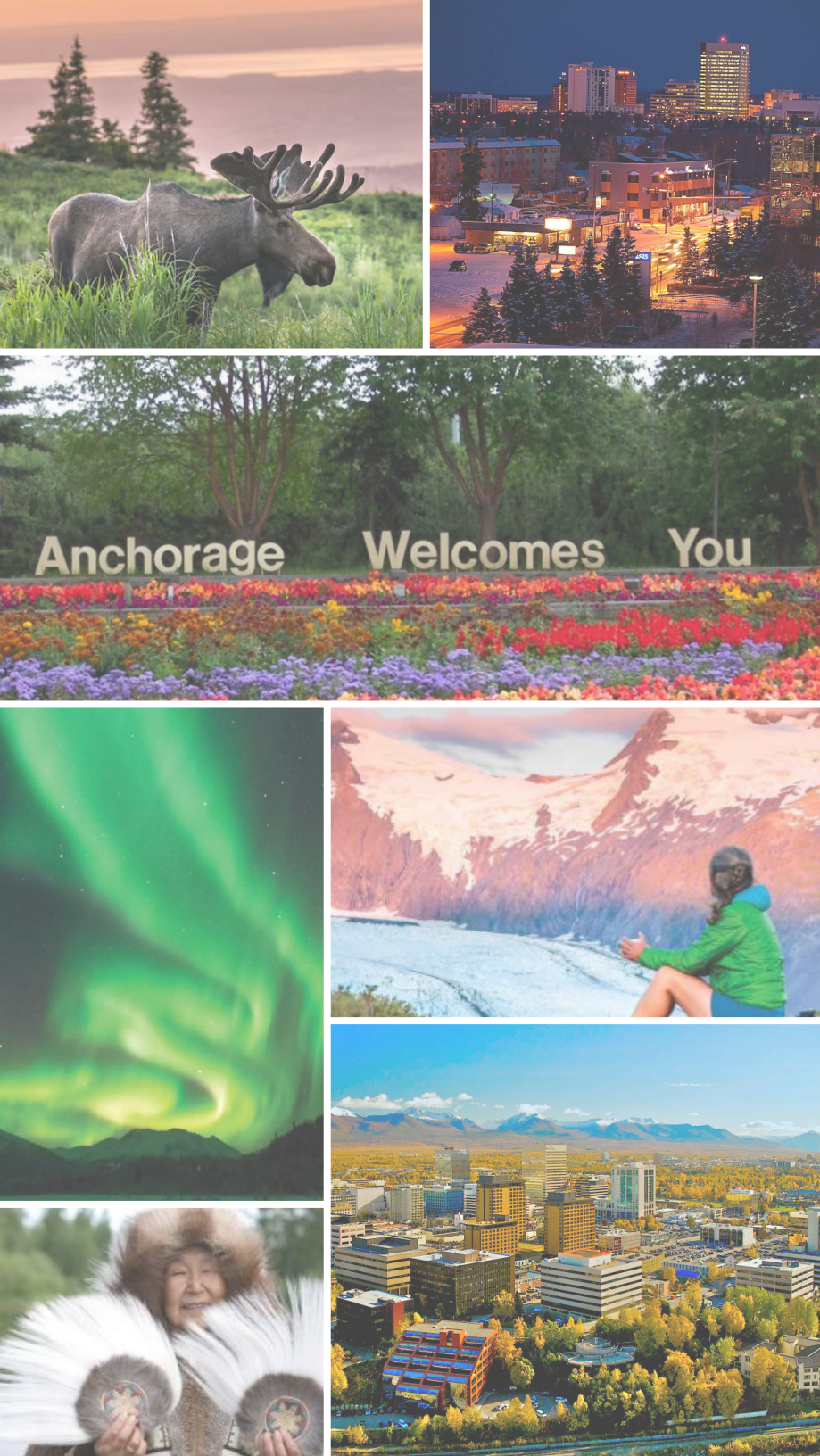
HEAVY RETAIL TRAFFIC

Anchorage has the most developed and extensive retail sector in the state. Eagle River specifically has become the main shopping hub between Anchorage, Palmer, and Wasilla. The number of local restaurants in Eagle River has almost doubled in the past 10 years.



GROWING POPULATION

With an estimated 298,192 residents in 2016, Anchorage is Alaska's most populous city and contains more than 40 percent of the state's total population. Among the 50 states, only New York has a higher percentage of residents who live in its most populous city.



DEMOGRAPHICS

POPULATION	1 Miles	5 Miles	10 Miles
■ 2022 Projection			
Total Population	9,038	29,217	60,668
■ 2017 Estimate			
Total Population	8,400	27,283	57,217
■ 2010 Census			
Total Population	7,904	26,004	55,159
■ 2000 Census			
Total Population	6,586	22,278	46,411
■ Current Daytime Population			
2017 Estimate	7,343	19,784	51,702
HOUSEHOLDS	1 Miles	5 Miles	10 Miles
■ 2022 Projection			
Total Households	3,480	10,430	20,656
■ 2017 Estimate			
Total Households	3,190	9,620	19,187
Average (Mean) Household Size	2.65	2.80	2.83
■ 2010 Census			
Total Households	2,937	8,977	18,090
■ 2000 Census			
Total Households	2,331	7,309	15,034
■ Occupied Units			
2022 Projection	3,480	10,430	20,656
2017 Estimate	3,251	9,799	19,713
HOUSEHOLDS BY INCOME	1 Miles	5 Miles	10 Miles
■ 2017 Estimate			
\$150,000 or More	12.66%	20.75%	16.51%
\$100,000 - \$149,000	24.00%	27.08%	22.00%
\$75,000 - \$99,999	17.99%	18.55%	16.57%
\$50,000 - \$74,999	17.37%	14.93%	16.92%
\$35,000 - \$49,999	12.08%	7.78%	10.90%
Under \$35,000	15.90%	10.89%	17.08%
Average Household Income	\$98,407	\$120,713	\$104,612
Median Household Income	\$81,533	\$97,109	\$82,485
Per Capita Income	\$37,405	\$42,769	\$36,078

Source: © 2017 Experian



Population

In 2017, the population in a five mile radius of the subject property is 27,283. The population has changed by 22.47% since 2000. It is estimated that the population in the area will be 29,217.00 five years from now, which represents a change of 7.09% from the current year. The current population is 50.85% male and 49.15% female. The median age of the population in the area is 33.91, compare this to the US average which is 37.83. The population density in the area is 345.20 people per square mile.



Households

There are currently 9,620 households in in a five mile radius of the subject property. The number of households has changed by 31.62% since 2000. It is estimated that the number of households in the area will be 10,430 five years from now, which represents a change of 8.42% from the current year. The average household size in the area is 2.80 persons.



Income

In 2017, the median household income for the area is \$97,109, compare this to the US average which is currently \$56,286. The median household income for the area has changed by 35.09% since 2000. It is estimated that the median household income in the area will be \$106,541 five years from now, which represents a change of 9.71% from the current year.

The current year per capita income in the area is \$42,769, compare this to the US average, which is \$30,982. The current year average household income in the area is \$120,713, compare this to the US average which is \$81,217.



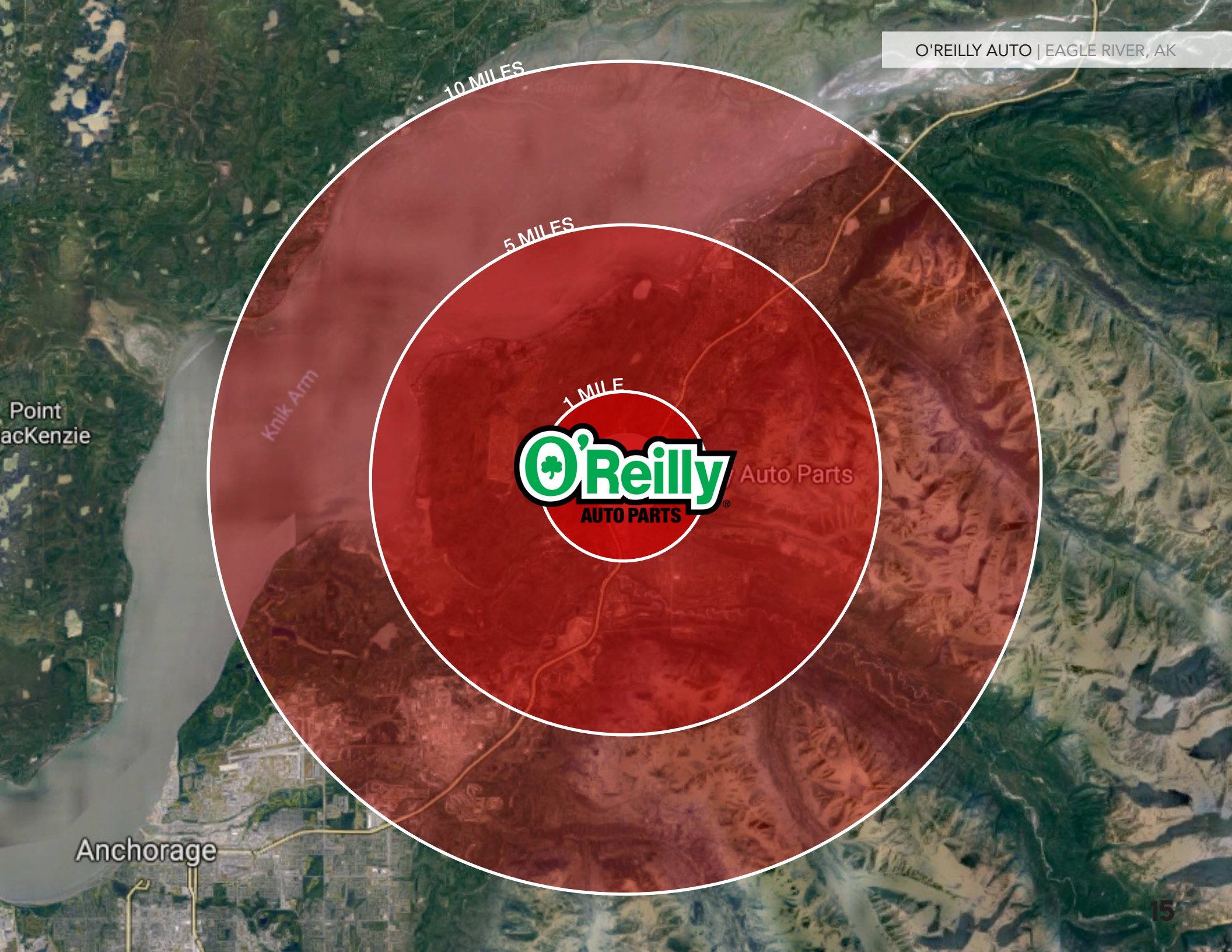
Housing

The median housing value in in a five mile radius of the subject property was \$318,617 in 2017, compare this to the US average of \$193,953. In 2000, there were 5,807 owner occupied housing units in the area and there were 1,502 renter occupied housing units in the area. The median rent at the time was \$743.



Employment

In 2017, there are 6,171 employees in the area, this is also known as the daytime population. The 2000 Census revealed that 66.58% of employees are employed in white-collar occupations in this geography, and 33.25% are employed in blue-collar occupations. In 2017, unemployment in this area is 3.31%. In 2000, the average time traveled to work was 27.00 minutes.



Point
MacKenzie

Knik Arm

Anchorage



Auto Parts



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