



**Retail Investment
Offering Memorandum:
O'Reilly Auto Parts
1000 E. Columbus Street
Kenton, OH 43326**



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INVESTMENT SUMMARY

Investment Highlights	4
Investment Overview	5
Location Overview	6
Offering Summary	7
Tenant Overview	8

PROPERTY ANALYSIS

Site Plan	10
Aerial Maps	11-12
Location Maps	13
Demographics	14
Disclosure & Confidentiality	15

O'Reilly Auto Parts
1000 E. Columbus Street
Kenton, OH 43326



Actual Store



Actual Store



Table of Contents



Investment Summary



O'Reilly Auto Parts

INVESTMENT HIGHLIGHTS

- **Brand-New 2019, Build-to-Suit Single-Tenant Construction National Retailer, O'Reilly Auto Parts: Rare 20-Year NNN Lease with Mid-Term Rental Increase**
- **Corp. Backed, Publicly Traded (NASDAQ: ORLY), Fortune 500 and Investment Grade Credit of BBB/Baa1 (Strongest Credit Rating of All Automotive Part Retailers)**
- **Minimal Management Responsibilities as Tenant Handles Most Daily Common Are Maintenance Items Direct**
- **Excellent Visibility and Prominent Pylon Signage**
- **Market Leader in Auto Parts Sector: Reporting \$9.48 Billion in Revenue in 2018 Up From \$8.9 Billion in 2017 Revenue, Market Cap of Over \$30 Billion & 80,000 Employees Worldwide**
- **Wide Radius Draw: Next Closest Auto Parts Store Outside of Kenton is Over 16 Miles Away**
- **Surrounded by High-Traffic Generating Retailers: Dollar Tree, Kroger, Kroger Fuel, Walmart Supercenter, GameStop, Arby's, McDonald's, Burger King, KFC, Tractor Supply, Dollar General and More**
- **Across from Kenton High School and Kenton Middle School Generating Increased Traffic Along SR-67: Main Retail Corridor Through Kenton**
- **Direct Vicinity of Major Employers: Largest Employer, International Paper, Located 3 Miles From Property with 740 Employees, 2 Miles from Ohio Health Hardin Memorial Hospital (220 Employees), The Hardin County Government (420 Employees), Kenton City Schools (270 Employees) and Precision Strip, Inc. (175 Employees)**
- **Bedroom Community for Staff of Ohio Northern University (16 miles) with Over 650 Employees and Nearly 3,100 Students and The University of Findlay with Enrollment of Approx. 4,200 Students and a Staff of 640**



Actual Site

INVESTMENT OVERVIEW



Investment Overview

The Cooper Commercial Investment Group has been exclusively retained by ownership to sell the 100% fee simple interest in the brand-new, single-tenant O'Reilly Auto Parts location in the desirable community of Kenton, Ohio. The property is being offered for \$1,942,500, representing a 5.25% CAP Rate and was just built to accommodate O'Reilly Auto Parts, who hand-picked this particular location for its continued expansion in Western Ohio. O'Reilly's is the leading automotive parts provider with over 5,300 stores in 47 states, and their continued growth can be evidenced by their \$9.48 billion in annual revenue in 2018, which is up from \$8.9 billion in 2017 revenue. The company also has a market cap of over \$30 billion and has 80,000 employees worldwide. O'Reilly's boasts investment grade credit with an S&P rating of "BBB" and a Moody's rating of "Baa1," both the strongest rating of all the automotive part retailers.

O'Reilly's lease commenced 1/2/2019 on a 20-year NNN structure with a mid-term rental increase. The lease also offers 6% rental increases in each option period and O'Reilly handles most common area maintenance items directly, leaving the owner with minimal daily management responsibilities. The roof also has a 25-year transferrable warranty.

With excellent visibility and prominent pylon signage, the asset also benefits from surrounding complimentary retailers, specifically high-traffic generators Dollar Tree, Kroger, Kroger Fuel, Walmart Supercenter, Arby's, GameStop, McDonald's, Burger King, KFC, Tractor Supply, Dollar General, further enhancing traffic flow around the featured property. The property also sits across from Kenton High School and Kenton Middle School adding a daily flurry of activity near the asset. The retail corridor is surrounded by an ideal residential community with average household incomes over \$53,000 within a 5-mile radius and draws from a wide radius as the next closest auto parts store outside of Kenton is located nearly 16 miles away in any direction.

The O'Reilly Auto Parts is positioned in a desirable location directly off SR-67 (E. Columbus Street), one of the main thoroughfares through Kenton and is almost a midway point between Columbus (approximately 57 miles) and Toledo (70 miles). Kenton's largest employer is the International Paper Company, with 740 employees and is located just 3 miles from the property. Ohio Health Hardin Memorial Hospital with 220 employees is also located less than 1-mile from the featured property. Additionally, residents commute to Ada and Findlay for other major surrounding employment, including Ada Technologies, who employs 500 people, Wilson Sporting Goods with 140 employees and Ohio Northern University (16 miles) with over 650 employees and nearly 3,100 students. The University of Findlay has enrollment of approximately 4,200 students and a faculty/staff of 640, Blanchard Valley Regional Hospital employs nearly 1,730 people, the headquarters of the Cooper Tire & Rubber Company (2,215 employees), Marathon Petroleum Co. with 2,200 employees, Whirlpool Dishwasher Manufacturing and Distribution (nearly 2,400 employees), Best Buy Distribution, Kohl's Distribution (510 employees) and Lowes Distribution (600 employees) are all located in Findlay, approximately 29 miles north. Bundling all of the attributes, this new O'Reilly location provides an investor the opportunity to purchase an investment grade tenant in a desirable location with quality brand-new construction and excellent visibility and curb appeal that is poised to be a quality, long-term performer well into the future.



★ City of Kenton ★



Location Overview

LOCATION OVERVIEW

Kenton is the county seat of Hardin County, Ohio, located in the west central part of Ohio, approximately 57 miles northwest of Columbus and 70 miles south of Toledo. The city is strategically located with close access to I-75 and I-70 and has several state routes that intersect the community including SR 67, SR 68, SR 309, SR 53, and SR 31, making it ideal for businesses relying on trucks to transport goods. Furthermore, the city is positioned just 29 miles south of Findlay, Ohio.

While Kenton is surrounded and supported by agricultural businesses, the city also has a diverse group of manufacturing businesses with local, national and international influence. The area's major employers include: International Paper (740 employees), The Hardin County Government (420 employees), Kenton City Schools (270 employees), Ohio Health Hardin Memorial Hospital (220 employees) and Precision Strip, Inc. (175 employees). International Paper's Kenton plant produces fiber-based hot and cold cups, food buckets and containers and plates and lids as a part of the company's food service business. In 2015, the company expanded its manufacturing facility by 250,000 square feet, doubling its then size. Ohio Health Hardin Memorial Hospital provides acute and short-term skilled care, a full range of outpatient diagnostic/therapeutic services utilizing state-of-the-art technology and has been providing healthcare the residents of Kenton and the surrounding communities for over 60 years. In nearby Ada (16 miles), Ohio, Ada Technologies employs 500 people, Wilson Sporting Goods with 140 employees and is home to Ohio Northern University (16 miles) with over 650 employees and nearly 3,100 students.

Being just a short commute from Findlay, residents also commute to the city for other employment opportunities. Findlay is home to the University of Findlay, which has enrollment of approximately 4,200 students and a faculty/staff of 640. Additionally, Findlay is home to Blanchard Valley Regional Hospital, who employs nearly 1,730 people to support the 150-bed hospital. The city is home to the headquarters of the Cooper Tire & Rubber Company (2,215 employees), which specializes in the manufacturing and marketing of automobile, truck and motorcycle tires, together with other automotive products and Marathon Petroleum Company with 2,200 employees at its plant. Several other large, well-known companies are located in Findlay, including: Kohl's department store distribution center (510 employees, Kohl's longest established distribution center), Advanced Drainage Systems, Inc., which has two manufacturing facilities and a corporate north campus office (employing approximately 200 at their Findlay facilities), the Whirlpool dishwasher manufacturing plant and distribution center (nearly 2,400 employees and this plant is considered to be the largest dishwasher plant in the world, based on production), and home to several other chain distribution centers; Best Buy, Lowes (600 employees), Hercules Tire headquarters and distribution center and also Hercules Tire TDW. Several miles north, you will also find a Home Depot distribution center that was completed in 2010.





OFFERING SUMMARY

Price:	\$1,942,500
Gross Leasable Area:	7,000 S.F.
NOI:	\$102,000
CAP Rate:	5.25%
Year Built:	2019
Lot Size:	0.82 Acres
Parking:	Approx. 35 Spaces
Foundation:	Concrete
Exterior:	Brick
Roof:	25-Yr. Transferrable Warranty

	Pro Forma 2020	
	2020	\$/SF
INCOME:		
Rental Income	\$ 102,000	\$ 14.57
Tenant Reimbursements:		
Real Estate Tax	6,300	0.90
Insurance	1,750	0.25
Snow Removal & Parking Lot*	8,750	1.25
Gross Potential Rental Income	\$ 118,800	\$ 16.97
Effective Gross Income	\$ 118,800	\$ 16.97
OPERATING EXPENSES:		
Real Estate Taxes	6,300	0.90
Insurance	1,750	0.25
Snow Removal*	7,000	1.00
Parking Lot Repairs & Maintenance	1,750	0.25
Total Expenses	\$ 16,800	\$ 2.40
Net Operating Income	\$ 102,000	\$ 14.57
Loan Analysis		
Cash Flow Available Before Debt Service	\$ 102,000	\$ 14.57
Capitalization Rate	5.25%	5.25%
Valuation	\$ 1,942,500	\$ 277.50

TENANT SUMMARY

Tenant Name:	O'Reilly Auto Parts
Lease Type:	Triple Net (NNN)
Remaining Lease Term:	19.5 Years
Tenant Since:	2019
Commencement Date:	01/02/2019
Lease Expiration Date:	01/31/2039
Option to Extend:	(4) 5-Yr. Options
Rental Increase (s):	Year 11 (2029)
Options to Terminate:	None
Right of First Refusal:	Yes
Roof:	Landlord Responsibility
HVAC:	Tenant Responsibility
Parking Lot Repairs & Maintenance:	Tenant Reimburses LL
Parking Lot Replacement:	Landlord Responsibility
Common Area Maintenance:	Tenant Handles Direct
Snow Removal*:	Tenant Reimburses LL
Real Estate Taxes:	Tenant Reimburses LL
Insurance:	Tenant Reimburses LL
Structure:	Landlord Responsibility

* Per the lease, Snow Removal is to be handled by the Landlord and reimbursed by the Tenant. Tenant has been handling snow removal directly.

Tenant Base Rent Schedule

	Monthly	Annual	PSF
Current:	\$8,500.00	\$102,000.00	\$14.57
Bump (2029):	\$9,010.00	\$108,120.00	\$15.45
Option 1:	\$9,550.60	\$114,607.20	\$16.37
Option 2:	\$10,123.64	\$121,483.68	\$17.35
Option 3:	\$10,731.05	\$128,772.60	\$18.40
Option 4:	\$11,374.92	\$136,499.04	\$19.50

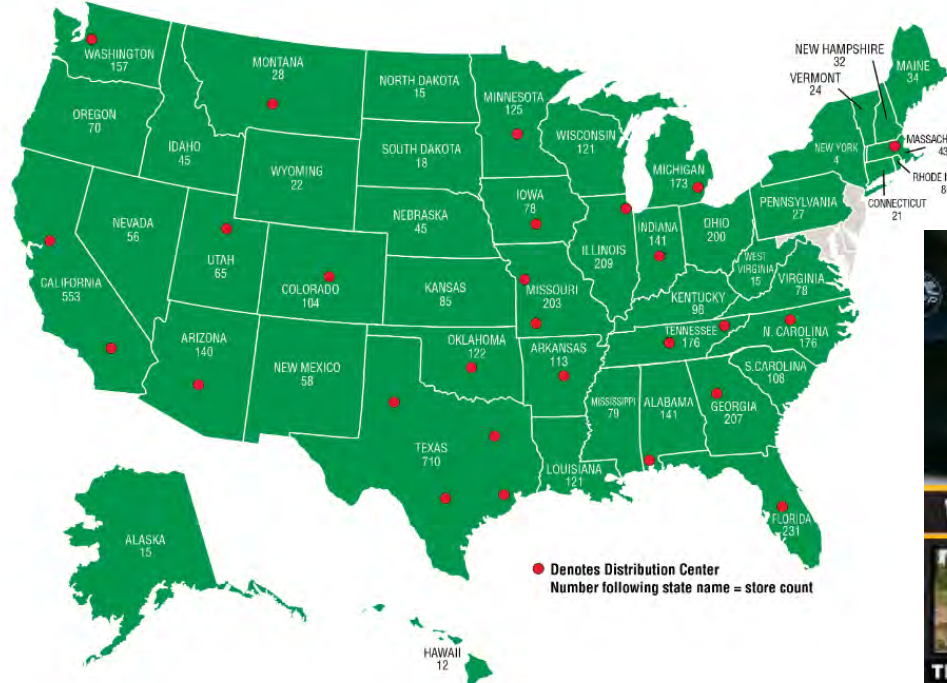
Financial Data

Rental Income:	\$102,000
Reimbursements:	\$16,800
Effective Gross Income:	\$118,800
Expenses:	(\$16,800)
NOI:	\$102,000
Structural Reserve (\$0.10/SF):	\$700



Property Name: O'Reilly Auto Parts
Property Address: 1000 E. Columbus Street
 Kenton, OH 43326
Property Type: Single-Tenant NNN
Rentable Area: 7,000 S.F.
of Total Locations: 5,300+
Ticker Symbol: NASDAQ: ORLY
Moody's Credit Rating: Baa1
S&P Credit Rating: BBB
Corp. Headquarter: Springfield, MO
Websites: oreillyauto.com;

O'Reilly Auto Parts is a dominant auto parts retailer in all market areas. From the company's roots as a single store in 1957 to our current size of 5,306 locations in 47 states (and growing), the company is full of success. O'Reilly's growth can be evidenced by their \$9.48 billion in annual revenue in 2018, which is up from \$8.9 billion in 2017 revenue. The company also has a market cap of over \$30 billion and has 80,000 employees worldwide. The dedicated group of parts professionals at O'Reilly, along with 27 distribution centers and more than 18,455 delivery vehicles, ensure that a wide variety of products are in stock and readily available to both retail and wholesale customers at everyday low prices. The company provides new and remanufactured automotive hard parts, such as alternators, batteries, brake system components, belts, chassis parts, driveline parts, engine parts, fuel pumps, hoses, starters, and temperature control and water pumps, antifreeze and lighting products, appearance products, engine additives, filters, fluids, oil, wiper blades, floor mats and seat covers. The stores group also offers auto body paint and related materials, automotive tools, and professional service provider service equipment. O'Reilly provides enhanced services and programs comprising used oil, oil filter, and battery recycling, battery, wiper, and bulb replacement, battery diagnostic testing, electrical and module testing, check engine light code extraction, loaner tool program, drum and rotor resurfacing, custom hydraulic hoses, professional paint shop mixing and related materials, and machine shops.



BATTERIES
BRAKE PADS
SPARK PLUGS
OIL & FILTERS
NEW CV AXLES
SOLENOIDS
STARTERS
CHASSIS & STEERING

WE CARRY THE MOTORCYCLE & ATV/UTV PARTS YOU NEED

O'Reilly AUTO PARTS

THOUSANDS OF APPLICATIONS AVAILABLE. SEE A PARTS PROFESSIONAL FOR DETAILS.



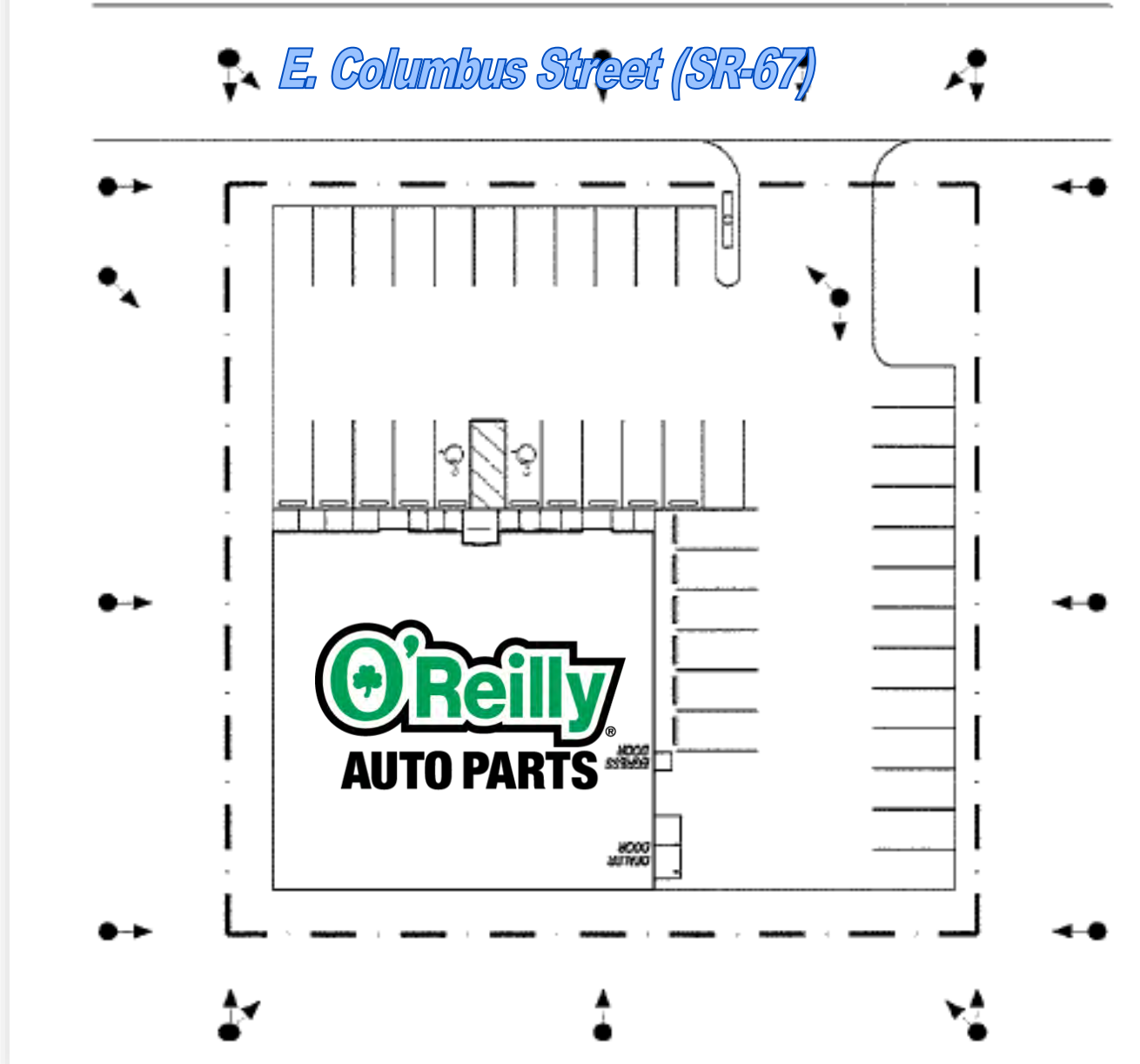


Surrounding Complimentary Retailers





Site Plan





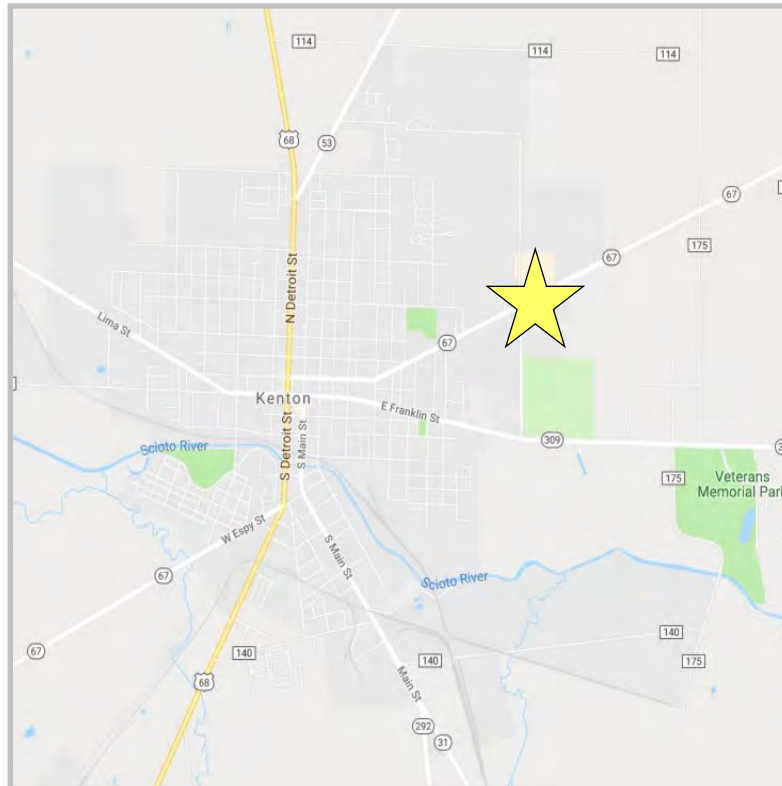
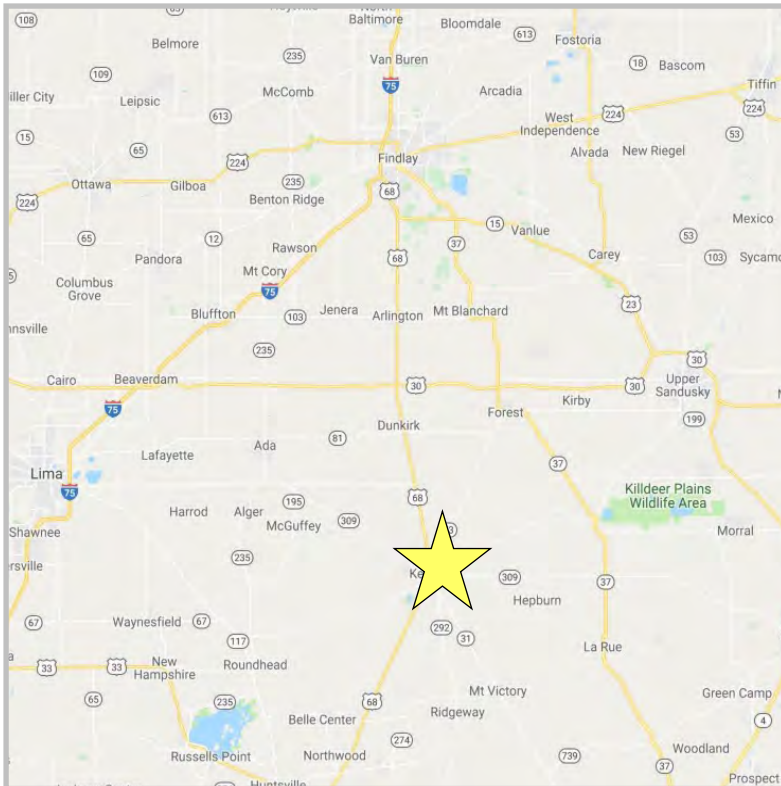
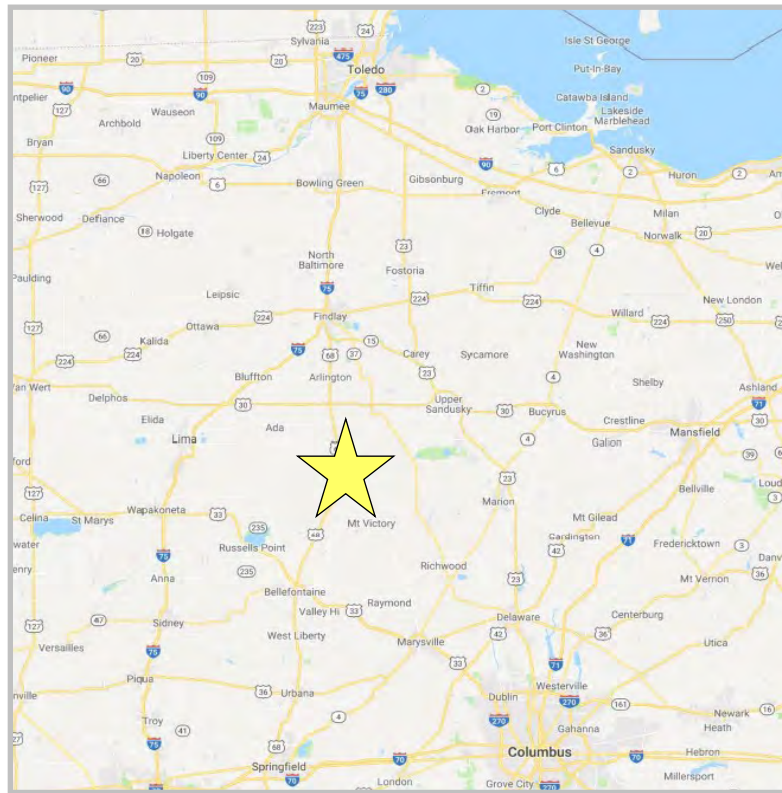
Direct Aerial







Location Maps





1000 E Columbus St Kenton, OH 43326		1 mi radius	3 mi radius	5 mi radius	10 mi radius
POPULATION	2019 Estimated Population	4,175	9,310	10,817	17,939
	2019 Median Age	39.7	38.2	38.6	39.0
HOUSEHOLDS	2019 Estimated Households	1,870	3,974	4,560	7,329
	2010 Census Households	1,810	3,852	4,368	6,991
	2000 Census Households	1,848	3,990	4,498	7,117
RACE AND ETHNICITY	2019 Estimated White	93.2%	94.9%	95.2%	96.0%
	2019 Estimated Black or African American	1.7%	1.3%	1.2%	1.0%
	2019 Estimated Asian or Pacific Islander	0.9%	0.6%	0.6%	0.5%
	2019 Estimated American Indian or Native Alaskan	0.2%	0.2%	0.2%	0.2%
	2019 Estimated Other Races	4.0%	3.0%	2.8%	2.3%
INCOME	2019 Estimated Average Household Income	\$48,258	\$50,397	\$53,095	\$59,074
	2019 Estimated Median Household Income	\$43,534	\$46,136	\$49,240	\$55,084
	2019 Estimated Per Capita Income	\$21,805	\$21,639	\$22,493	\$24,204
EDUCATION (AGE 25+)	2019 Estimated Elementary (Grade Level 0 to 8)	3.9%	3.2%	3.3%	3.2%
	2019 Estimated Some High School (Grade Level 9 to 11)	7.1%	8.6%	8.4%	7.4%
	2019 Estimated High School Graduate	46.3%	49.3%	49.5%	49.8%
	2019 Estimated Some College	23.6%	19.4%	18.9%	17.2%
	2019 Estimated Associates Degree Only	7.0%	7.4%	7.6%	8.7%
	2019 Estimated Bachelors Degree Only	7.6%	8.0%	8.0%	8.4%
	2019 Estimated Graduate Degree	4.5%	4.1%	4.4%	5.3%
BUSINESS	2019 Estimated Total Businesses	240	525	590	704
	2019 Estimated Total Employees	2,311	5,116	5,736	6,615
	2019 Estimated Employee Population per Business	9.6	9.7	9.7	9.4
	2019 Estimated Residential Population per Business	17.4	17.7	18.3	25.5



DISCLOSURE, CONFIDENTIALITY & DISCLAIMER

CONFIDENTIALITY AGREEMENT

The information within this Offering Memorandum will set forth an understanding regarding the relationship between the Recipient of this package (the "Recipient") and The Cooper Group and the confidentiality of the investment information to be supplied to you and your organization for use in considering, evaluating and/or purchasing this property (the "Property"). The recipient acknowledges that all financial, contractual, marketing, and informational materials including but not limited to lease information, occupancy information, financial information, projections, data information and any other similar information provided by The Cooper Group which relates to the Property (collectively, the Confidential Information), whether said information was transmitted orally, in print, in writing or by electronic media is confidential in nature and is not to be copied to any party without the prior consent of The Cooper Group. The Recipient acknowledges and agrees that the Confidential Information is of such a confidential nature that severe monetary damage could result from dissemination of that information to unauthorized individuals. The Recipient shall limit access to the Confidential Information to those individuals in the Recipient's organization with a "need to know" and shall take all precautions reasonably necessary to protect the confidentiality of the Confidential Information. The Recipient acknowledges and agrees that the Confidential Information and any copies thereof are the property of The Cooper Group and that all such information will be returned to The Cooper Group upon written request. Any offers or inquiries from Recipient in connection with this investment proposal shall be forwarded, confidentiality, to The Cooper Group. Other than The Cooper Group, recipient agrees that neither Recipient nor The Cooper Group shall be obligated to pay any procuring broker fees in connection with this investment unless a separate written Brokerage Agreement is entered into and written acknowledgement of any procuring Brokerage Agreement is received from all parties to the investment transaction. Procuring brokers must provide written introductions of potential investors and receive written acknowledgment from The Cooper Group for representation to be recognized. This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

DISCLOSURE & DISCLAIMER

The Memorandum contains selected information pertaining to the property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property, to be all-inclusive or to contain all or part of the information which perspective Recipients may require to evaluate the purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the economy, market conditions, competition and other factors beyond the control of the owner or The Cooper Group. All references disclosed herein related to acreage, square footages and/or other measurements may be approximations and the best information available. The summaries of information included herein do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Photos herein are the Property and respective owners and use of these images without the express written consent of the owner is prohibited.

The owner and the Cooper Group expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or terminate discussions with any entity and any time with or without notice which may arise as a result of review of this Memorandum.

Neither the owner or the Cooper Group, nor any of their respective directors, officers, affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or its contents; and you are to rely solely on your investigators and inspections of the property in evaluating a possible purchase of the Property. The information contained in this document has been obtained from sources to be reliable. While the Cooper Group does not doubt its accuracy, the Cooper Group has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm the accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the Property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors.



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