



STOCKTON | CA

MATTHEWS
REAL ESTATE INVESTMENT SERVICES



INVESTMENT HIGHLIGHTS

- **Recent Extension** – O'Reilly Auto Parts recently extended the term by 10 years and increased their rent by 5%, showing strong commitment to the location
- **Larger Footprint** – This store is nearly as large as O'Reilly Auto Parts' "Super Hub" stores that carry about 3x as much inventory as a normal one. That means that this store has the capacity to support surrounding smaller ones and is less likely to run into inventory issues
- **New Roof** – The roof was recently replaced 4 years ago and came with a warranty, allowing this investment to essentially operate as a NNN deal
- **Longstanding Operating History** – O'Reilly Auto Parts, formerly Kragen Automotive, has been operating at this location since 1994 and will have been at this location for 35 years by the end of the base term
- **Hard Corner on Major Thoroughfare** – Pacific Ave is one of the major thoroughfares in Stockton with 38,000+ vehicles per day and this property sits on the corner of Pacific Ave and Douglas Rd
- **Dense, Growing Market** – There are an astounding 20,000+ residents within a 1-mile radius, 178,000+ within a 3-mile, and 279,000+ within a 5-mile. On top of that, each have an expected growth of 5%+ over the next 5 years
- **Strong Retail Corridor** – The immediate vicinity features a surplus of notable retailers such as Trader Joe's, Safeway, Grocery Outlet, CVS, Bevmo!, Verizon, UPS, Chase Bank, Chuck E. Cheese's, and many more
- **Strong Investment Grade Credit** - O'Reilly Auto Parts boasts strong investment grade credit of BBB along with AutoZone, Walgreens, AT&T, Sherwin-Williams, Kroger, and Fedex to name a few.
- **Increasing Performance** – O'Reilly ended 2018 with a total revenue of \$9.53 Billion which was up from 2017's revenue of \$8.97 Billion

PROPERTY OVERVIEW

6404 PACIFIC AVE, STOCKTON, CA 95207



LIST PRICE
\$3,300,000



CAP RATE
5.25%



APN
081-260-270-000



LOT SIZE
±1.10 AC



GLA
±12,500 SF



YEAR RENOVATED
1994

TENANT SUMMARY

Tenant Trade Name	O'Reilly Auto Parts
Type of Ownership	Fee Simple
Lease Type	NN
Lessee Entity	Corporate
Original Lease Term	5 years
Rent Commencement Date	6/6/1994
Lease Ex Date	6/30/2029
Term Remaining	±10 years
Increases	10% in Options
Extensions	Two, 5-Year Extensions

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Rent/SqFt	Cap Rate
Current	\$14,448.29	\$173,379.48	\$13.87	5.25%
Option 1	\$15,937.12	\$191,245.44	\$15.30	5.80%
Option 2	\$17,530.82	\$210,369.84	\$16.83	6.37%



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STOCKTON, CA



Property Name	O'Reilly Auto Parts
Ownership	Public
Revenue	\$7.97B
Net Income	\$931.22M
No. of Locations	± 4,570
No. of Employees	± 71,943
Headquartered	Springfield, MO
Website	http://www.oreillyauto.com
Year Founded	1957

TENANT OVERVIEW

The fast-growing company sells automotive aftermarket parts (both new and remanufactured), maintenance supplies, professional service equipment, tools, and accessories through some 4,570 stores across some 44 US states and online. Many O'Reilly stores also offer customers a range of services, including oil and battery recycling, battery testing, paint mixing, and tool rental. The family founded and operated company wheels and deals with automotive professionals, as well as do-it-yourself customers.

STRATEGY

O'Reilly is a company dedicated to providing their customers with amazing service. Their customer service culture is their greatest competitive advantage and the driving force behind their marketing strategy. Their constant priority is to identify, hire, and develop exceptional team members while teaching them the culture values of hard work, enthusiasm, professionalism, teamwork, respect, and honesty.







AREA OVERVIEW

STOCKTON, CA

Stockton is the County seat for San Joaquin County. The City of Stockton is one of California's fastest growing communities. Stockton is currently the 13th largest city in California with a dynamic, multi-ethnic and multi-cultural population of about 300,000. It is situated along the San Joaquin Delta waterway which connects to the San Francisco Bay and the Sacramento and San Joaquin Rivers. Stockton is located 60 miles east of the San Francisco Bay Area, 83 miles east of San Francisco, and 45 miles south of Sacramento, the capital of California. While Stockton has an airport offering service to San Diego, Hawaii and Las Vegas, visitors usually fly into Sacramento, Oakland or San Francisco.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2023 Projection	20,211	183,535	295,928
2018 Estimate	19,719	176,495	283,181
2010 Census	19,161	165,491	261,868
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2023 Projection	7,624	61,599	96,164
2018 Estimate	7,426	59,321	92,355
2010 Census	7,185	55,871	86,444
INCOME	1 - MILE	3 - MILE	5 - MILE
Average Household Income	\$61,549	\$78,598	\$79,157

ECONOMY

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EXPLORING STOCKTON

Stockton also has outstanding recreational opportunities. Stockton is within close proximity to world famous scenic attractions including the California Coast, San Francisco, Lake Tahoe and Yosemite National Park. The community offers many local recreational opportunities such as professional sports teams, an olympic size ice rink, and the Delta, which provides thousands of miles of waterways for water skiing, sailing and other water activities. There are also many opportunities to enjoy music, theater, dance, literary events, and other cultural and entertainment activities throughout the year. The City has its own symphony and opera company.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **O'Reilly Auto Parts** located at **6404 Pacific Ave, Stockton, CA 95207** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

OFFERING MEMORANDUM

O'REILLY AUTO PARTS

6404 PACIFIC AVE, STOCKTON, CA 95207

EXCLUSIVELY LISTED BY

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