



*Representative Photo*

OFFERING MEMORANDUM

# O'REILLY AUTOMOTIVE STORES, INC. - NEW HOPE, AL

10129 US-431  
NEW HOPE, AL 35760



PRESENTED BY:

Bill Behr

## Exclusively Offered By:

### BILL BEHR

PRINCIPAL /// Fort Worth

DIRECTOR ///

National Net Lease / Sale Leaseback Group

t 817.259.3519

bill.behr@transwestern.com

## Broker of Record:

### BRYAN BURNS

Transwestern Commercial Services

Alabama, LLC

License: 000064572-0



**TRANSWESTERN**<sup>®</sup>

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## CONFIDENTIALITY & RESTRICTED USE AGREEMENT

This Confidential Offering Memorandum ("COM") is provided by Transwestern Commercial Services Fort Worth, LLC ("TW"), solely for your consideration of the opportunity to acquire the commercial property described herein (the "Property"). This COM may be used only as stated herein and shall not be used for any other purpose, or in any other manner, without prior written authorization and consent of TW.

This COM does not constitute or pertain to an offer of a security or an offer of any investment contract. This COM contains descriptive materials, financial information and other data compiled by TW for the convenience of parties who may be interested in the Property. Such information is not all inclusive and is not represented to include all information that may be material to an evaluation of the acquisition opportunity presented. TW has not independently verified any of the information contained herein and makes no representations or warranties of any kind concerning the accuracy or completeness thereof. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. A prospective purchaser must conduct its own independent investigation and verification of any information the party deems material to consideration of the opportunity, or otherwise appropriate, without reliance upon TW.

The Property may be financed or withdrawn from the market without notice, and its owner(s) reserve(s) the right to negotiate with any number of interested parties at any time. The Property is offered and sold by its owner(s) as is, where is, and with all faults, without representation or warranty of any kind except for any customary warranties of title.

BY ACCEPTING THIS COM, YOU AGREE THAT: (1) all information contained herein, and all other information you have received or may hereafter receive from TW relating to the Property, whether oral, written or in any other form (collectively, the "Information"), is strictly confidential; (2) you will not copy or reproduce, and claim as your own without attribution to TW, all or any part of this COM or the Information; (3) upon request by TW at any time, you will return and/or certify your complete destruction of all copies of this COM and the Information; (4) for yourself and all your affiliates, officers, employees, representatives, agents and principals, you hereby release and agree to indemnify and hold harmless TW all of its affiliates, officers, employees, representatives, agents and principals, from and with respect to any and all claims and liabilities arising from or related to the receipt or use of this COM and/or any other Information concerning the Property; (5) you will not provide this COM or any of the Information to any other party unless you first obtain such party's acceptance and approval of all terms, conditions, limitations and agreements set forth herein, as being applicable to such party as well as to you; and (6) monetary damages alone will not be an adequate remedy for a violation of these terms and that TW shall be entitled to equitable relief, including, but not limited to, injunctive relief and specific performance, in connection with such a violation and shall not be required to post a bond when obtaining such relief.

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## AREA & DEMOGRAPHIC OVERVIEW

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## INVESTMENT OVERVIEW

Transwestern Commercial Services, Fort Worth, LLC is pleased to present for sale an O'Reilly Automotive Stores, Inc. single-tenant double net leased investment property consisting of approximately 9,014 square feet at 10129 US-431, New Hope, Alabama 35760 ("Property"). The building was constructed as a build-to-suit for Family Dollar. However, after Family Dollar relocated from the Property, a new ten (10) year lease was recently executed with O'Reilly Automotive. Rent for the first five (5) years is \$63,098.04 per year with rent for the second five (5) years increasing by 6%. The lease expires August 31, 2029 providing more than nine and one-half years of remaining lease term. The Tenant has five (5) renewable options to extend the term of the Lease for a period of five (5) years each by providing Landlord ninety (90) days prior written notice. Each successive five (5) year lease extension shall be subject to an annual rent increase of 6% each.

### New Hope, Alabama

New Hope, Alabama is in Madison County and is 19 miles southeast of Huntsville, Alabama. New Hope is included in the Huntsville-Decatur Combined Statistical Area. Originally founded in 1829 as Cloud's Town, the town was incorporated in 1832 as Vienna. After Vienna was burned by the Union Army in 1864, the rebuilt city was incorporated in 1883 as New Hope, named after the New Hope Methodist Church. With New Hope's rural lifestyle, New Hope's unemployment rate is under the national average by forty basis points (3.5% versus the national average of 3.9%). The sales tax in New Hope is 5.5%, significantly lower than the U.S. average of 7.3%.



## OFFERING SNAPSHOT

<b>Tenant Trade Name</b>	O'Reilly Automotive Stores, Inc.
<b>Pricing</b>	\$1,051,634
<b>NOI</b>	
Years 1 - 5	\$63,098.04
Years 6 - 10	\$66,883.92 (6% increase)
<b>Cap Rate - Current</b>	6.0%
<b>Lease Expiration</b>	August 31, 2029
<b>Lease Structure</b>	Double Net
<b>Landlord Responsibilities</b>	Roof, walls, foundation, structure, parking
<b>Tenant Responsibilities</b>	Maintain the Premises, doors, glass, HVAC, landscaping and irrigation



## PROPERTY HIGHLIGHTS

O'Reilly Automotive corporate guaranty

New ten (10) year lease with more than nine and one-half years of remaining term

Six percent (6%) rental increase beginning in year 6 and for each renewal term

Low \$1,000,000 price point provides an ideal investment opportunity for 1031 trade buyers and other investors

## PROPERTY / LEASE SUMMARY

<b>Tenant Entity</b>	O'Reilly Automotive Stores, Inc. (corporate)
<b>Property Address</b>	10129 US-431, New Hope, Alabama 35760
<b>Commencement Date</b>	September 1, 2019
<b>Lease Expiration Date</b>	August 31, 2029
<b>Total Building Area</b>	Approximately 9,014 square feet
<b>Net Operating Income Summary</b>	
<b>Years 1 - 5</b>	\$63,098.04
<b>Years 6 - 10</b>	\$66,883.92 (6% increase)
<i>Option 1</i>	
<b>Years 11 - 15</b>	\$70,896.96
<i>Option 2</i>	
<b>Year 16 - 20</b>	\$75,150.77
<i>Option 3</i>	
<b>Years 21 - 25</b>	\$79,659.82
<i>Option 4</i>	
<b>Years 26 - 30</b>	\$84,439.41
<i>Option 5</i>	
<b>Years 31 - 35</b>	\$89,905.77
<b>Lease Structure</b>	Double Net
<b>Property Tax Info</b>	Parcel: 29-02-04-0-001-002.000 Account #332369, PPIN: 105845
<b>Options to Renew</b>	Five (5), 5-year renewal options with Tenant providing 90-days prior written notice
<b>Tenant Ownership Type</b>	Publicly traded (NASDAQ: ORLY)
<b>Headquarters</b>	Springfield, MO
<b>Year Founded</b>	1957
<b>Number of Locations</b>	5,420 in 47 states with more than 82,000 team members
<b>Website</b>	oreilleyauto.com



O'Reilly Automotive, Inc., together with its subsidiaries, engages in the retail sales of automotive aftermarket parts, tools, supplies, equipment, and accessories in the United States. 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; maintenance items comprising antifreeze and lighting products, appearance products, engine additives, filters, fluids, and oil and wiper blades; and accessories, such as floor mats, seat covers, and truck accessories. Its stores offer auto body paint and related materials, automotive tools, and professional service provider service equipment. The company's stores also offer 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. Its stores provide do-it-yourself and professional service provider customers a selection of brand name, house brands, and private label products for domestic and imported automobiles, vans, and trucks.

*Representative Photo*

Market Cap:  
\$30.725B



Total Revenue:  
\$10B



Total Stores:  
5,420



Total Employees  
82,163



Credit Rating  
BBB



Current Stock Price  
\$406.10  
(1/31/2020)

# SITE PLAN





AERIAL SITE PLAN

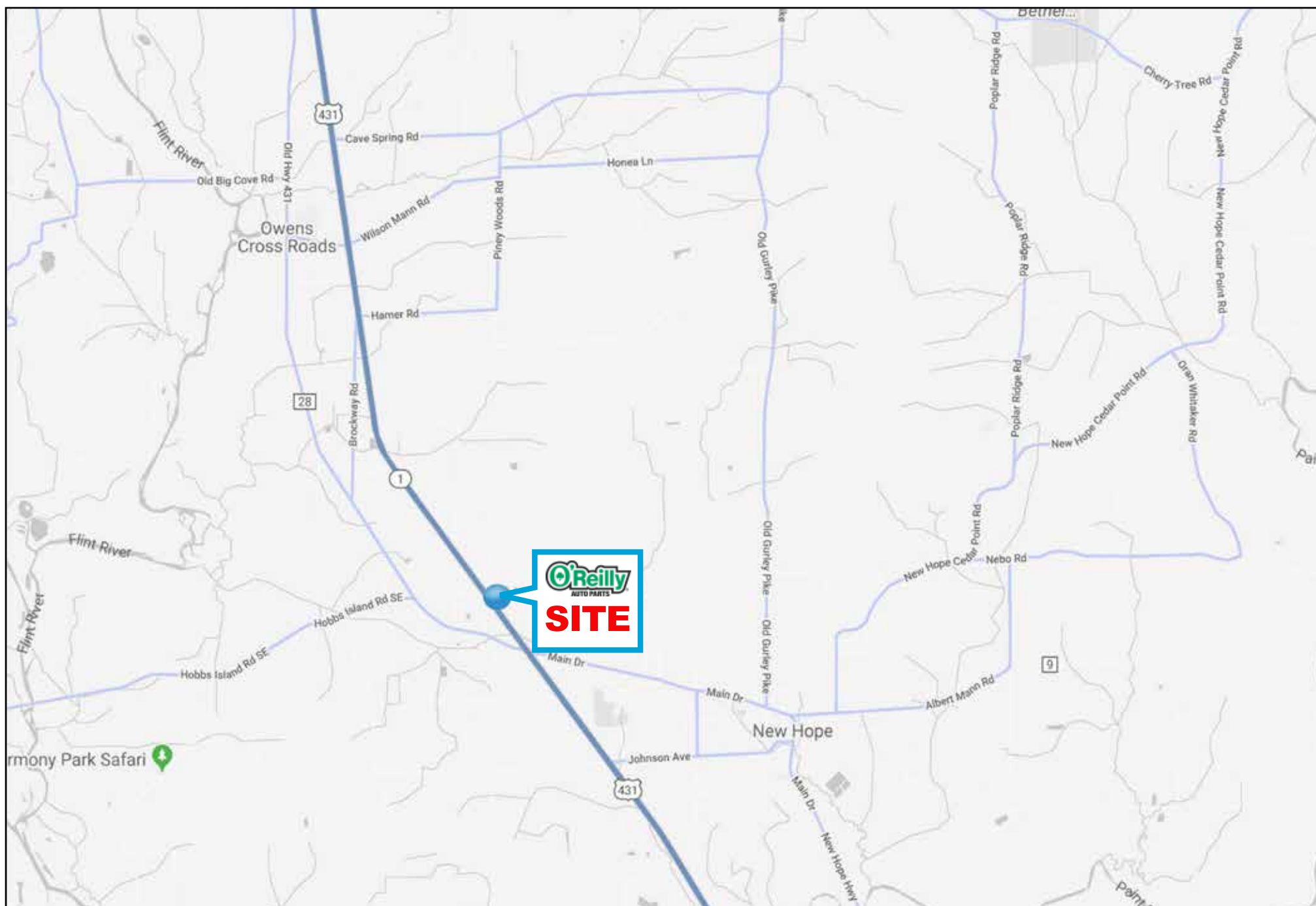




## MARKET AERIAL



## REGIONAL MAP





## AREA OVERVIEW

### New Hope/Huntsville, Alabama Overview

New Hope, Alabama is in the far northern reaches of the state just 15 miles south of the Tennessee border. Incorporated in 1883 under the name New Hope, in spite of its close (19 miles) proximity to Huntsville, the city has retained its small town and family friendly atmosphere. Much of the vibrancy of the economy is based on its nearby location to Huntsville. With 199,808 residents, Huntsville is Alabama's oldest and second-largest city. It is also the largest city in the five-county Huntsville-Decatur-Alberville Combined Statistical Area. The Huntsville metro area population is 462,693.

New Hope	Huntsville
2,817 total population	198,808 total population
42.2 median age	36.9 median age
1,287 number of employees	89,308 number of employees
\$50,465 median household income	\$51,926 median household income
\$120,300 median property value	\$169,900 median property value

Source: Data USA

Some of the Huntsville tourist attractions include:

U.S. Space and Rocket Center, a museum displaying artifacts and accomplishments of the U.S. space program



Photo By: Encyclopediaofalabama.org

NASA Space Flight Center  
U.S. Veterans Memorial Museum  
Huntsville Botanical Garden  
Huntsville Museum of Art

With Huntsville's rich history including become known as "The Rocket City" due to its history with the U.S. space program. Huntsville is also home to Cummings Research Park which is one of the largest research parks in the country and University of Alabama, a top research university.

### The Economy

The economy of New Hope, Alabama employs 1,290 people with the largest industries being manufacturing, health care and social assistance and construction. The most common jobs held by residents are office and administration, sales and related occupations and construction and extraction occupations. In Huntsville, the largest industries are professional, scientific and technical services, health care and social assistance and retail trade.



Photo By: wikipedia.org

## DEMOGRAPHIC SNAPSHOT

POPULATION			
	1 miles	3 miles	5 miles
<b>2019 Estimated Population</b>	999	5,360	8,917
<b>2024 Projected Population</b>	1,055	5,712	9,531
<b>2010 Census Population</b>	934	4,697	3,055
<b>2019 Daytime Population</b>	682	3,756	5,911

HOUSEHOLDS			
	1 miles	3 miles	5 miles
<b>2019 Estimated Households</b>	422	2,144	3,596
<b>2024 Projected Households</b>	447	2,291	3,855
<b>2010 Census Households</b>	392	1,868	3,055
<b>2019 Estimated Average Household Size</b>	2.36	2.47	2.45

ESTIMATED HOUSEHOLD INCOME			
	1 miles	3 miles	5 miles
<b>2019 Estimated Average Household Income</b>	\$79,732	\$78,736	\$81,001
<b>2019 Estimated Median Household Income</b>	\$53,344	\$55,974	\$58,010
<b>2019 Estimated Per Capita Income</b>	\$32,832	\$32,121	\$33,105
<b>2019 Estimated Median Age</b>	42.1	42.2	43.0

TRAFFIC COUNTS	
VPD	
<b>Old Hwy 431 @ Sam Groons Sr Dr</b>	3,000 VPD
<b>Old Hwy 431 @ Craft Craig Rd</b>	16,000 VPD





O'Reilly AUTO PARTS

## TRANSWESTERN

Transwestern is a privately held real estate firm of collaborative entrepreneurs who deliver a higher level of personalized service- the Transwestern Experience. Specializing in Agency Leasing, Management, Tenant Advisory, Capital Markets, Research and Sustainability services, our fully integrated global enterprise adds value for investors, owners and occupiers of all commercial property types. We leverage market insights and operational expertise from members of the Transwestern family of companies specializing in development, real estate investment management and research. Transwestern has 35 U.S. offices and assists clients through more than 180 offices in 37 countries as part of a strategic alliance with BNP Paribas Real Estate.

Year-to-date, Transwestern has overseen the leasing and management of 2,006 properties, representing more than 370 million square feet - leased and managed combined. Within that same time period, the firm completed leasing, sales and finance transactions totaling \$8.6 billion.

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### BILL BEHR

Director

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### BROKER OF RECORD:

**BRYAN BURNS**

Transwestern Commercial Services Alabama, LLC

License: 000064572-0



## Information About Brokerage Services

*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

### TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

### A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

### A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

**AS AGENT FOR OWNER (SELLER/LANDLORD):** The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

**AS AGENT FOR BUYER/TENANT:** The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

**AS AGENT FOR BOTH - INTERMEDIARY:** To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any coincidental information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

**AS SUBAGENT:** A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

### TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

**LICENSE HOLDER CONTACT INFORMATION:** This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<b>Transwestern Commercial Services Fort Worth LLC</b>	<b>9000246</b>	<b>(817)877-4433</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Phone
<b>Paul Wittorf</b>	<b>479373</b>	<b>(214)446-4512</b>
Designated Broker of Firm	License No.	Phone
<b>Leland Alvinus Prowse IV</b>	<b>450719</b>	<b>(817)877-4433</b>
Licensed Supervisor of Sales Agent/ Associate	License No.	Phone
<b>William Guy Behr</b>	<b>351049</b>	<b>(817)877-4433</b>
Sales Agent/Associate's Name	License No.	Phone
Buyer/Tenant/Seller/Landlord Initials		Date

**Regulated by the Texas Real Estate Commission**

**Information available at [www.trec.texas.gov](http://www.trec.texas.gov)**  
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