



O'REILLY AUTO PARTS

CORPORATE BACKED LEASE WITH 9+ YEARS REMAINING

HEREFORD, TX



CAPITAL PACIFIC

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**IN CONJUNCTION WITH
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O'REILLY AUTO PARTS

124 NORTH 25 MILE AVE, HEREFORD, TX 79045 

\$931,932

PRICE

5.95%

CAP

NOI:

\$55,450

PRICE/SF:

\$84.72

LEASE TYPE:

NN

ORIGINAL TERM:

20 YEARS

LEASE TERM REMAINING:

9 YEARS

LEASABLE AREA:

11,000 SF

LAND AREA:

.92 ACRES

YEAR BUILT:

1999

TENANT SINCE:

2009

**SIGNIFICANTLY BELOW CURRENT
MARKET RENT**

Investment Highlights



THE OFFERING

The subject property is currently leased to O'Reilly Auto Parts, with 9 years remaining on a 20 year original term. O'Reilly acquired TCM Parts Inc. and took over the site in 2009. The rent is scheduled to increase in 2024.

The property is centrally located on one of the city's main corridors and benefits from high traffic volumes. Hereford, Texas, is known for its agricultural economy and tax incentives for businesses.

O'Reilly currently maintains an investment grade S&P Rating of BBB and Baa1 from Moodys.

HIGHLIGHTS

- **BBB rating from S&P**
- **O'Reilly Auto Parts is backed by a strong, corporate guarantee**
- **Extremely low in place rent at \$0.42/psf per month**
- **Strong agricultural economy in Hereford**

DESIRABLE LOCATION

- **Property benefits from over 16,400 VPD**
- **Located on the main corridor in Hereford**
- **Hereford has affordable labor, low cost of living and aggressive tax incentives, making it a desirable town to do business**

Income & Expense

PRICE	\$931,932	
Price Per Square Foot:	\$84.72	
Capitalization Rate:	5.95%	
Total Rentable Area (SF):	11,000	
Lot Size (AC):	0.92	
STABILIZED INCOME	PER SQUARE FOOT	
Scheduled Rent	\$5.04	\$55,450
Effective Gross Income	\$5.04	\$55,450
LESS	PER SQUARE FOOT	
Taxes	NNN	Tenant Pays Direct
Insurance	NNN	Tenant Pays Direct
Roof And Structure	NN	Landlord
EQUALS NET OPERATING	\$55,450	



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEAR RENT/FT
O'Reilly Auto Parts	11,000	3/1/2019	2/28/2024	\$55,450	\$4,620.83	\$55,450	\$0.42	\$5.04
	Increase **	3/1/2024	2/28/2029	\$60,984	\$5,082	\$60,984	\$0.46	\$5.54
	Option 1 **	3/1/2029	2/28/2034	\$67,080	\$5,590	\$67,080	\$0.51	\$6.10
	Option 2 **	3/1/2034	2/28/2039	\$73,788	\$6,149	\$73,788	\$0.56	\$6.71
TOTALS:	11,000			\$257,302	\$21,442	\$257,302	\$1.95	\$23.39

***Assumes CPI Index will be higher at time of rent increase. Actual rent could be higher or lower as there is no guarantee the CPI will increase.*

** Rent for Option Periods: Tenant agrees to pay the Landlord an increase in rent for each of the option periods equaling the increase in the Consumer Price Index (the "CPI") calculated by taking the percentage of increase between the CPI on the starting date of each option period and the CPI on 2/28/09 multiplied by the original monthly rental rate of \$4,075.00, less all previous rent increases and adjustments throughout the Lease.*

Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
3/1/19-2/28/24	\$4,620.83	\$55,450.00
3/1/24-2/28/29	\$5,082.00	\$60,984.00

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 3/1/29-2/28/34	\$5,590.00	\$67,080.00
#2. 3/1/34-2/28/39	\$6,149.00	\$73,788.00

Reference Page 6 for details regarding rental increases.

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISE & TERM

TENANT	O'Reilly Auto Stores, Inc.
LEASE TYPE	NN
LEASE TERM	9 Years Remaining
RENT COMMENCEMENT	2/28/2009
OPTIONS	Two 5-year options

EXPENSES

TAXES	Tenant (Pays Direct)
INSURANCE	Tenant (Pays Direct)
UTILITIES	Tenant (Pays Direct)
CAM	Tenant (Pays Direct)
MAINTENANCE	Tenant (Pays Direct)
LANDLORD'S OBLIGATIONS	Roof and Structure

ADDITIONAL LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

None

ESTOPPELS

10 Days

ROFR

Yes, 10 Days

Site Plan

sf
11,000
RENTABLE SF

ac
0.92
ACRES

19
SPACES



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Tenant Overview



ABOUT O'REILLY AUTO PARTS

O'Reilly Auto Parts is an American auto parts retailer that provides automotive parts, tools, supplies, equipment, and accessories in the United States serving both the professional service providers and do-it-yourself customers.

O'Reilly Automotive, Inc. officially started in the auto parts business in Springfield, Missouri, in November of 1957. By 1961, the company's volume had reached \$1.3 million – the combined volume of O'Reilly Automotive Distributors, a division formed to serve independent automotive jobbers in the area.

TEAM
MEMBERS

82,000+

5,420+

LOCATIONS IN
47 STATES

Aerial



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Demographics



POPULATION

	3-MILE	5-MILES	10-MILES
2010	16,329	16,743	18,028
2019	17,142	17,556	18,759

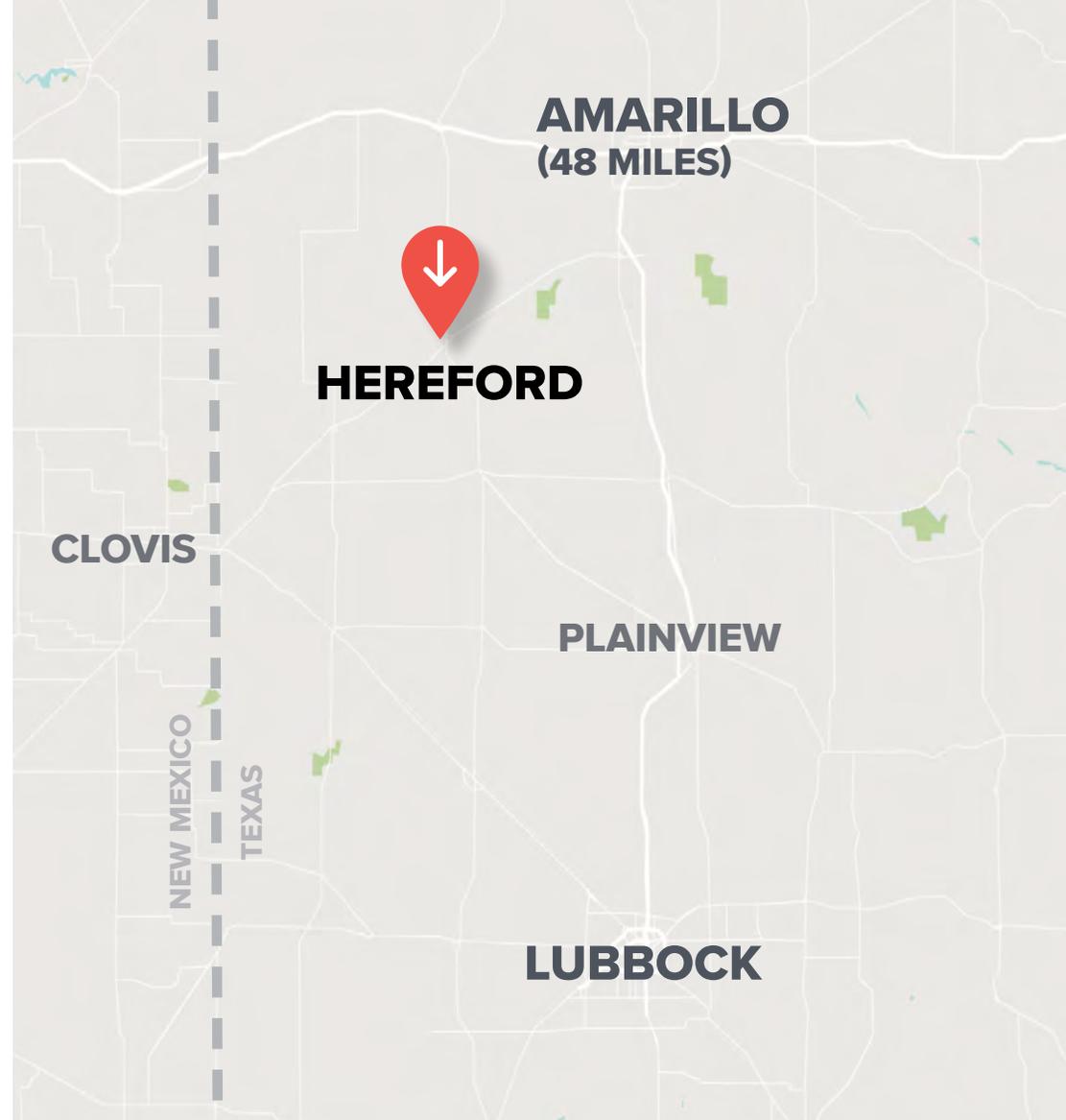


2019 HH INCOME

	3-MILE	5-MILES	10-MILES
Average	\$61,548	\$62,249	\$63,457

TOP EMPLOYERS IN AMARILLO

EMPLOYER	# OF EMPLOYEES
Amarillo Independent School District	5,364
Tyson Foods , Inc.	4,400
CNS Pantex	3,203
BSA Health System / Don & Sybil Harrington Cancer Center	3,200
Northwest Texas Healthcare System	1,860



THE AVERAGE HOUSEHOLD INCOME WITHIN A 10-MILE RADIUS IS OVER \$63K

HEREFORD, TEXAS



AMARILLO

HEREFORD is a city in and the county seat of Deaf Smith County, Texas. It is located 48 miles southwest of Amarillo and 102 miles northwest of Lubbock.

Hereford is number one in the world in beef production. Cattle feeding is the main industry and the city is known as the “Beef Capital of the World.” There are more than a million cattle fed within a 50 mile radius of Hereford. This city leads the entire area in dairy production. It also is nestled in a large grain producing area where farming is abundant.

AMARILLO is the largest city located in the northern region of Texas known as the “Texas Panhandle”. The Panhandle is bordered by New Mexico and Oklahoma, granting Amarillo easy access to both states. Amarillo’s long-established transportation infrastructure and ample land have historically enabled a range of logistics and agriculture industries.

With mostly rural communities populating the Texas Panhandle, Amarillo serves as the hub for medicine, economy, education, and culture. There are several higher education institutions including Amarillo College, Texas Tech University at Amarillo, West Texas A&M University and Wayland Baptist University. Known as the wind capital of the world, Amarillo is home to research, manufacturing, and production of wind turbines and power.

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