

# INVESTMENT GRADE NET LEASE OFFERING

CITRUS HEIGHTS, CA



**O'Reilly** AUTO PARTS®

 **FARISLEE**  
Investments

**PARTNER**  
**XTEAM**  
RETAIL ADVISORS



6425 Antelope Road  
Citrus Heights, CA 95621

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## STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as O'Reilly Auto Parts, City of Citrus Heights, County of Sacramento, State of California. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

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, and it is not to be used for any other purpose or made available to any other person without the express written consent of Seller or FLI. The material is based in part upon information supplied by the Seller and in part upon financial information obtained

by FLI from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

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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 FLI 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.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

## PROPERTY OVERVIEW



PRICING:

**\$2,112,000**

NOI:

**\$116,160**

CAP RATE:

**5.50%**

### SPECIFICATIONS:

**GLA:** 6,346 SF

**Land Area:** 0.83 Acres  
36,155 SF

### TENANT:

O'Reilly Auto Parts

(Recent 5-Year Extension)

### LOCATION:

**6425 Antelope Road  
Citrus Heights, CA 95621**

Faris Lee Investments is pleased to offer for sale an investment grade, freestanding O'Reilly Auto Parts, located within the Raley's-anchored center, SummerHills Plaza, in Citrus Heights, CA. The property is ideally located on Antelope Road between a densely populated residential area and the City's dominant retail thoroughfare just off the Interstate 80. The property enjoys prime commercial frontage and outstanding visibility.

O'Reilly Auto Parts is one of the largest specialty retailers in the incredibly stable auto parts industry. O'Reilly enjoys an S&P BBB+ rating solidifying its strong brand recognition as a national credit tenant, with over 5,200 locations. The auto service industry experiences consistent demand and is resistant to recession and internet sales.

The property boasts the best location in the trade area, situated on the busy Antelope Road (40,200 VPD) and direct on/off ramp access to Interstate 80 (191,400 VPD), the main freeway running through Citrus Heights and Sacramento. Dense demographics benefit the property nicely with over 150,000 residents and an AHHI of over \$80,000 within a 3-mile radius. O'Reilly Auto Parts benefits immensely from its freeway adjacent location and proximity to several densely populated neighborhoods: over 50,000 households within a 3-mile radius.



# PROPERTY HIGHLIGHTS



## Investment Grade Corporate Lease / Recent Renewal Extension

- Corporate lease with O'Reilly Auto Parts providing the investor with security and stability
- O'Reilly Auto Parts recently extended for an additional 5 years
- More than 5,200 locations and over 79,000 employees across 47 states in the United States



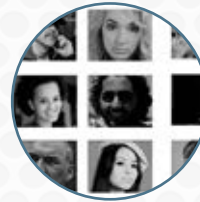
## Located within Raley's Grocery Anchored Center

- Several national credit tenants at SummerHills Plaza include Raley's, Wendy's, Dollar Tree, Fitness 19 draw more customers to the subject property
- Raley's recently executed a 10 year lease extension showing consumer draw to this location is strong



## Highly Trafficked Corridor / Easy Access to Interstate 80

- The property is situated on the busy street of Antelope Road (40,200 VPD)
- Easy on/off ramp access to Interstate 80 (191,400 VPD) from Antelope Road



## Dense Demographics

- Strong demographics and highly populated neighborhoods surrounding the subject property
- Over 150,000 residents within a 3-mile radius
- AHHI within a 3-mile radius exceeds \$80,000
- More than 30,000 employees and 4,000 businesses within a 3-mile radius of the subject property



## Highly Visible / Excellent Street Frontage

- Highly visible monument sign on Antelope Road
- Excellent frontage at the signalized hard corner Antelope Road and Lichen Drive



## Open to New Financing

- Open to new financing at historically low interest rates
- Rare opportunity to take advantage of today's low interest rates and favorable loan terms
- Several attractive financing options are available to a new owner

## PROPERTY SPECIFICATION

6425 Antelope Road, Citrus Heights, CA 95621



### Land Area

0.83 Acres (36,155 SF)



### Rentable Area

6,346 SF



### Ownership

Fee Simple (Land & Building)



### Entire Center Access

There are (8) access points, (2) along Antelope road, (2) along Lichen Drive, and (4) along Zenith Drive.



### Parking

There are approximately 37 dedicated parking stalls on the owned parcel. The parking ratio is approximately 5.8 parking stalls per 1,000 SF of leasable area.



### Traffic Counts (REGis 2019)

Antelope Road: 40,200 vpd  
Interstate 80: 191,400 vpd



### Year Built

1982

### Parcel Map



**PARCEL**  
209-0680-010

**ACRES**  
0.83

**SQ. FT**  
36,155



**SUMMERHILLS PLAZA**

Round Table PIZZA    **Raley's**

EL DORADO SAVINGS BANK    DOLLAR TREE

FITNESS 19    DUTCHBROS



LICHEN DRIVE

ANTELOPE ROAD

VPD  
40,200

(191,400 VPD)





DEMOGRAPHICS  
(REGIS 2019)



Population



Average HHI



Employees

1 MILE	16,362	\$84,388	2,310
3 MILES	153,481	\$81,756	32,404
5 MILES	371,235	\$87,057	103,748

SACRAMENTO  
(12 MILES FROM WENDY'S)

MCCLELLAN AIRPORT  
(5 MILES FROM WENDY'S)

*Foothill Golf Center*



VPD  
40,200



ANTELOPE ROAD

(191,400 VPD)



LICHEN DR

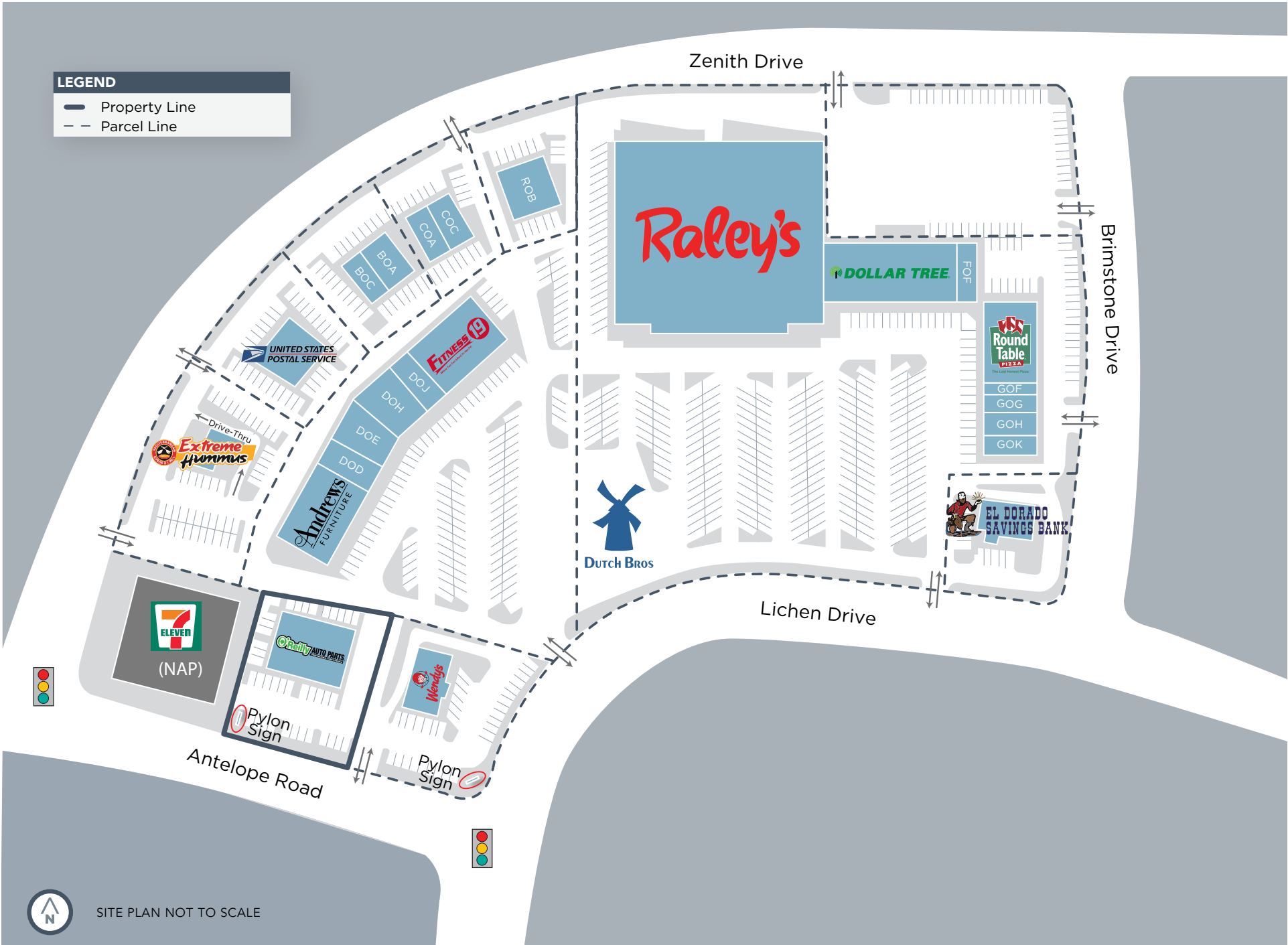


**FINANCIAL ANALYSIS**





# SITE PLAN





## RENT ROLL & TENANT SYNOPSIS

Tenant	Size (SF)	Date	Rental Rates				Recovery Type	Lease Start	Lease Expiration	Lease Options
			Monthly Rent	Monthly \$/SF	Annual Rent	Annual \$/SF				
O'Reilly Auto Parts (Recent 5-Year Lease Extension)	6,346	Current	\$9,680	\$1.53	\$116,160	\$18.30	NNN	6/26/2010	6/30/2025	2 (5-Year) Opt 2: \$10,648/mo. Opt 3: \$11,712/mo.



### O'Reilly Auto Parts

[www.oreillyauto.com](http://www.oreillyauto.com)

O'Reilly Automotive, Inc., together with its subsidiaries, engages in the retail 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, starters, fuel pumps, water pumps, brake system components, batteries, belts, hoses, temperature controls, chassis parts, driveline parts, and engine parts; maintenance items consisting of oil, antifreeze products, fluids, filters, wiper blades, lighting products, engine additives, and appearance products. O'Reilly Automotive, Inc. was founded in 1957 and is headquartered in Springfield, Missouri.

Company Type:	Public (NASDAQ: ORLY)
Locations:	5,200+
2019 Employees:	81,223
Fiscal 2019 Net Income:	\$1.39 Billion
Fiscal 2019 Revenue:	\$10.15 Billion
S&P Ranking:	BBB+



## TRANSACTION SUMMARY

### Financial Information

Price: \$2,112,000

Price/SF: \$333

### Lease Type:

Landlord responsible for roof & structure + parking lot.

### Property Specifications

Rentable Area: 6,346 SF

Land Area: 0.83 AC; 36,155 SF

Year Built: 1982

Address: 6425 Antelope Road  
Citrus Heights, CA 95621

APN: 209-0680-010

Ownership: Fee Simple (Land & Building)

Tenant: O'Reilly Auto Parts

### Operating Information

	<u>In-Place</u>	<u>Jun-25</u>
Gross Potential Rent	\$116,160	\$127,776
Plus Recapture	NNN	NNN
Effective Gross Income	\$116,160	\$127,776
Less Expenses	(NNN)	(NNN)
Net Operating Income	\$116,160	\$127,776
Cap Rate	5.50%	6.05%



## LEASE ABSTRACT



Tenant Name:	O'Reilly Auto Parts	
Rentable Square Feet:	6,346 SF	
Lease Execution Date:	December 28, 2009	
Rent Commencement Date:	June 26, 2010	
Lease Expiration Date:	June 30, 2025	
Lease Type:	NNN Lease	
Remaining Term:	5 Years	
Rent:	Current	\$9,680/mo. - \$116,160 Annually
Lease Options:	2 (5-Year)	
Option Rent:	Opt 2	\$10,648/mo. - \$127,776 Annually
	Opt 3	\$11,712.80/mo. - \$140,544 Annually
Property Taxes:	Tenant Responsible for all assessments and any charges related to their tax parcel.	
Property Tax Cap:	None	
Insurance:	Pass through to tenant	
CAM:	Pass through to tenant except roof, parking lot, and structure	
Expense Caps:	None	
Roof & Structure:	Landlord Responsible	
HVAC:	Tenant Responsible	
Parking Lot Maintenance:	Landlord Responsible	
Management Fees:	4% Management Fee of CAM operating costs	





# AREA OVERVIEW

## DISTANCE FROM CITRUS HEIGHTS



**12 Miles**

Sacramento



**75 Miles**

Lake Tahoe



**90 Miles**

San Francisco



**95 Miles**

Reno



**2.7%**

Population growth since 2010



**3.7%**

Unemployment Rate



**1.4%**

Recent job growth



**5.6%**

Home appreciation in the last 10 years



**86,618**

Estimated population



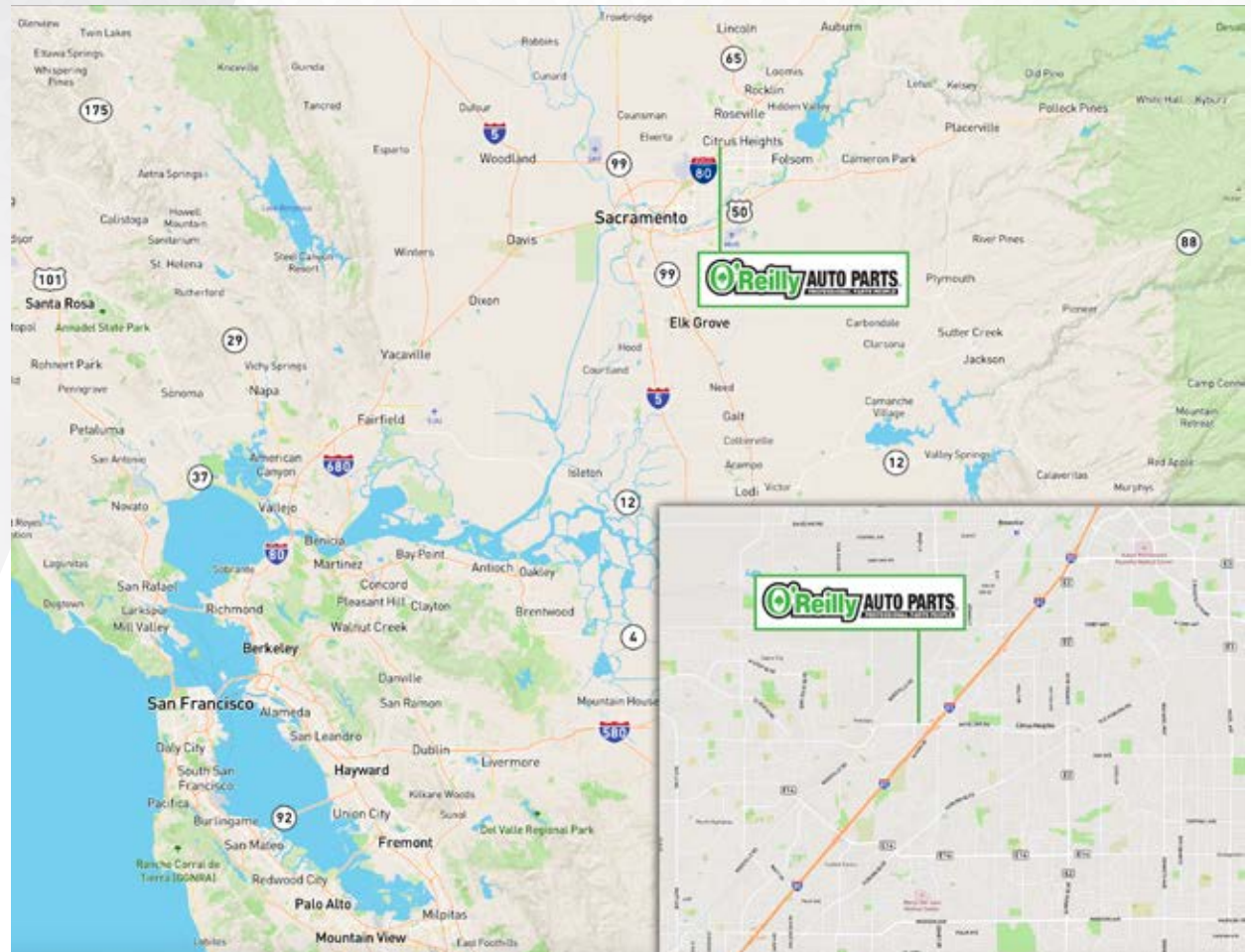
**\$87,057**

Average household income in 5 mile radius



**27 Minutes**

Average commute time





## CITRUS HEIGHTS

Citrus Heights voters approved the measure to incorporate the City on November 5, 1996, effective January 1, 1997.

## BUSINESS AND SHOPPING

Located 14 miles from the State capital, Citrus Heights is home to a bustling retail and service industry. Sunrise Mall, newly remodeled with over 100 stores, including major department and specialty stores. The mall is located in the center of the city, along with the Sunrise Market Place a growing retail community offering a wide variety of retail, dining, and service establishments (Barnes & Noble, Target Greatland, Best Buy, Lowe's Home Improvement, etc.). Citrus Heights also features major discount retail stores such as Costco, Sam's Club, and Wal-Mart.

## TRANSPORTATION/ACCESS

Citrus Heights is centrally located between the region's major freeways and highways. Interstate 80 passes through the west side of the city, and Interstate 5, U.S. Highway 50 and California State Route 99 are all located between three and eleven miles from the city. The Business 80 freeway otherwise known as the Capital City Freeway begins near Citrus Heights and ends in Downtown Sacramento. Sacramento International Airport is located approximately 20 miles (32 km) from the city, while rail transportation provided by Amtrak is accessible in Roseville (about 10 miles from the city). A public bus transportation is provided by the Sacramento Regional Transit District.

## EDUCATION

Citrus Heights is primarily served by the San Juan Unified School District. San Juan is the ninth largest school district in California and serves a 75-square-mile area in northeast Sacramento County. Within the city of Citrus Heights there are ten elementary schools, one middle school, and two high schools. These schools serve over 10,000 students from the city of Citrus Heights.



## MAJOR EMPLOYERS

Company	Employment
State of California	75,801
UC Davis Health	12,840
Sacramento County	12,208
Kaiser Permanente	11,005



# DEMOGRAPHICS



## Population

Citrus Heights, CA (REGis 2019)	1 Mile	3 Mile	5 Mile
2019 Estimated Population	16,362	153,481	371,235
2024 Projected Population	17,073	161,962	392,908
2010 Census Population	15,634	145,107	349,782
2000 Census Population	16,142	137,293	331,510
Projected Annual Growth 2019 to 2024	0.9%	1.1%	1.2%
Historical Annual Growth 2000 to 2019	-	0.6%	0.6%
2019 Median Age	37.7	36.8	37.8



## Income

2019 Estimated Households	5,919	56,335	138,271
2024 Projected Households	6,055	58,266	143,435
2010 Census Households	5,696	53,263	129,976
2000 Census Households	5,815	51,654	124,063
Projected Annual Growth 2019 to 2024	0.5%	0.7%	0.7%
Historical Annual Growth 2000 to 2019	-	0.5%	0.6%

2019 Estimated Average Household Income	\$84,388	\$81,756	\$87,057
2019 Estimated White	75.7%	71.1%	71.5%
2019 Estimated Black or African American	3.7%	6.0%	6.3%
2019 Estimated Asian or Pacific Islander	5.7%	8.0%	7.9%
2019 Estimated American Indian or Native Alaskan	1.0%	0.9%	1.0%
2019 Estimated Other Races	13.9%	14.0%	13.4%
2019 Estimated Hispanic	19.4%	19.0%	18.4%



## Business

2019 Estimated Total Businesses	277	4,376	13,372
2019 Estimated Total Employees	2,310	32,404	103,748

## Households



## Ethnicity





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