



SINGLE-TENANT NET LEASED AUTO PARTS STORE

CORPORATE GUARANTY | INVESTMENT GRADE (S&P: BBB) | 18.25 YEARS REMAINING



OFFERING MEMORANDUM

O'REILLY AUTO PARTS - 240 E LINCOLNWAY, LA PORTE, IN 46350

 **Newmark
Knight Frank**
NET LEASE CAPITAL MARKETS



240 E LINCOLNWAY | LA PORTE, IN

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INVESTMENT HIGHLIGHTS



CORPORATE GUARANTY | INVESTMENT GRADE CREDIT (S&P: BBB) | \$10.15 BILLION IN FY 2019 SALES | 5,460 LOCATIONS

O'Reilly Auto Parts is a leading auto parts retail chain with 5,460 retail store locations across the US. O'Reilly's is a household name for all auto part needs offering an assortment of both hard & soft auto part components. For fiscal year 2019, O'Reilly Automotive Inc. (S&P: BBB) generated sales of approximately \$10.15 billion, from a nationwide footprint of locations in 47 US states.



2018 BUILD-TO-SUIT | LONG TERM COMMITMENT | FIXED RENTAL INCREASES

O'Reilly's signed a long-term lease in October 2018 and currently has approximately 18.25 years remaining in the primary term. The double-net (NN) lease has minimal landlord responsibilities ideal for local and out-of-area investors, with the landlord responsibilities limited to Roof (25 Year Limited Warranty), Structure, and Parking lot. O'Reilly's lease calls for 6% rental increases in years 11, 16 and at the beginning of each of their four (4), five (5) year renewal options.



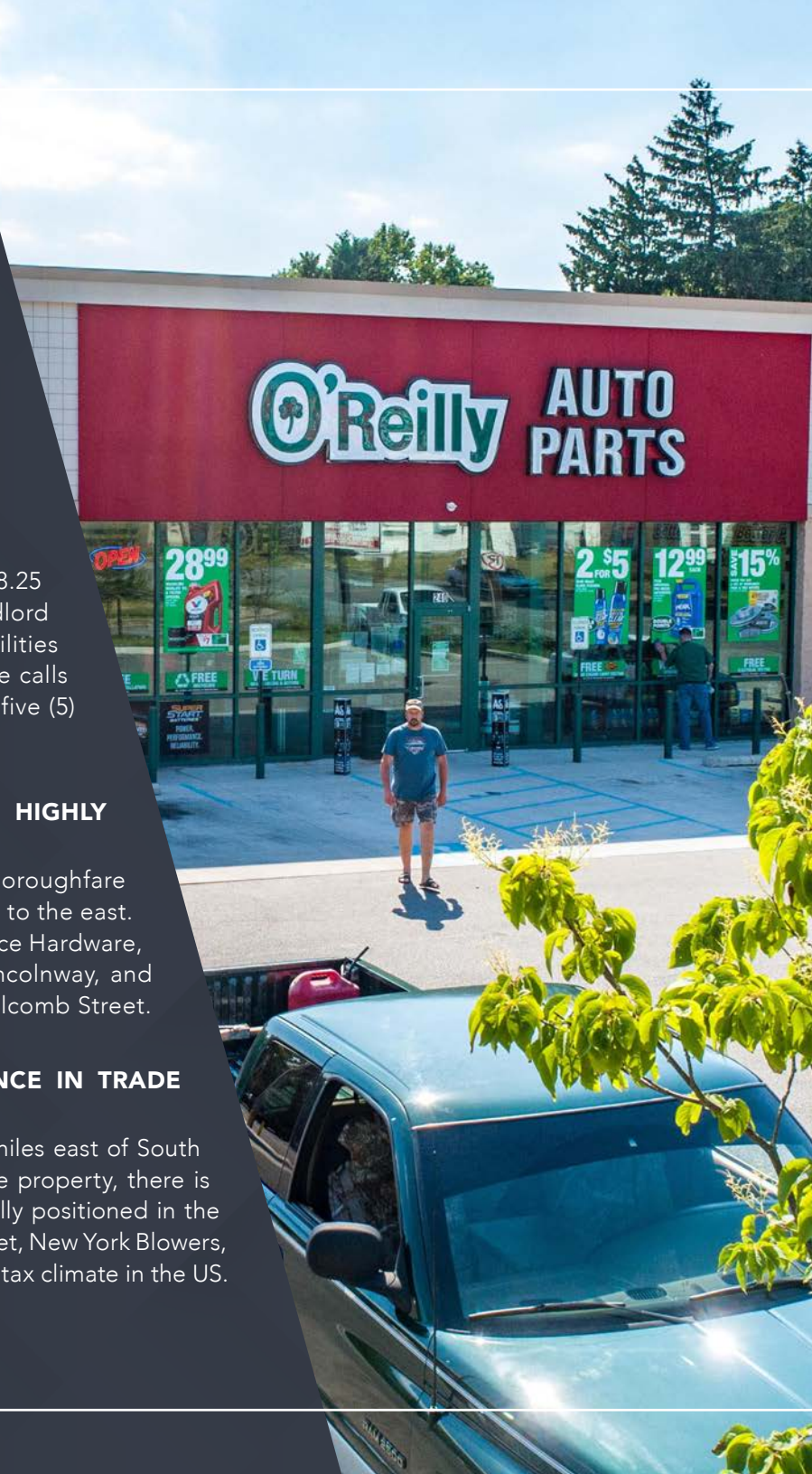
DOMINANT E LINCOLNWAY LOCATION | PROMINENT RETAIL CORRIDOR | HIGHLY VISIBLE & EASILY ACCESSIBLE SITE

The subject property is ideally located along E Lincolnway (24,180 VPD), a central thoroughfare connecting the downtown city center of La Porte, IN and the major employment hubs to the east. Prominent retailers along the corridor include, Walmart, Walgreens, Dollar General, Ace Hardware, and Al's Grocery Store. O'Reilly is highly visible with a large pylon sign along E Lincolnway, and features easy accessibility with one (1) curb cut along E Lincolnway and one (1) on Holcomb Street.



ATTRACTIVE NORTHERN INDIANA LOCATION | STRONG BUSINESS PRESENCE IN TRADE AREA | PRO-BUSINESS STATE

La Porte, IN is centrally located in Northern Indiana 31 miles east of Gary, IN, and 24 miles east of South Bend, IN as well as an approximately 1-hour drive from Chicago. Within 5 miles of the property, there is a population of 31,702 with average household incomes exceeding \$72,000. Strategically positioned in the trade area, O'Reilly is next to major employment centers such as Arconic, NIPSCO, Howmet, New York Blowers, and Packaging Logic Inc. Indiana has the 2nd lowest property tax rate and the 10th best tax climate in the US.







PRICE/CAP RATE

Price (PSF)	\$2,426,075 (\$322)
Cap Rate	5.25%
Annual NOI	\$127,368.96

EXECUTIVE SUMMARY

Address	240 E Lincolnway La Porte, IN 46350
Tenant / Guarantor	O'Reilly Automotive Stores, Inc. / Corporate Guaranty
Use	Retail
Acreage	1.06
Rentable Building Area (SF)	7,544
Expense Structure	NN (Roof, Structure, & Parking Lot)
Rent Increases	6% in year 11 & 16
Commencement Date	October 27, 2018
Primary Term Expiration	October 31, 2038
Initial Term	Twenty (20) Years - (18.25 years remaining)
Ownership Interest	Fee Simple

TRADE AREA AERIAL

DOWNTOWN LA PORTE



E LINCOLNWAY (24,180 VPD)

TRADE AREA AERIAL





THE INVESTMENT

LEASE ABSTRACT / PROPERTY DETAILS

LEASE ABSTRACT

Address	240 E Lincolnway La Porte, IN 46350
Tenant Trade Name	O'Reilly Auto Parts
Tenant/Guarantor	O'Reilly Automotive Stores, Inc. / Corporate Guaranty
Commencement Date	October 27, 2018
Primary Term Expiration	October 31, 2038
Lease Term Remaining	18.25 years remaining
Option Periods	4 (5-Year)
Annual Rent (PSF)	\$127,368.96 (\$16.88 SF/Yr)
Rent Increases	6% in year 11 & 16
Lease Structure	NN
Utilities	Tenant Responsible
Taxes	Tenant Responsible
Landlord Responsibilities	Roof, Structure, & Parking Lot repairs, maintenance and replacement
HVAC	Tenant Responsible (Including Replacement)
Insurance	Tenant Responsible

PROPERTY DETAILS

Rentable Building Area	7,544
Acreage	1.06
Year Built	2018
APN	46-06-36-177-025.000-043

RENT SCHEDULE

	ANNUAL RENT	INCREASE %	CAP RATE %
(Years 1-10) (10/27/18-10/31/28)	\$127,368.96	-	5.25%
Years 11-15 (11/1/28-10/31/33)	\$135,011.16	6.00%	5.57%
Years 16-20 (11/1/33-10/31/38)	\$143,111.76	6.00%	5.90%
Option 1 (11/1/38-10/31/43)	\$151,698.48	6.00%	6.25%
Option 2 (11/1/43-10/31/48)	\$160,800.36	6.00%	6.63%
Option 3 (11/1/48-10/31/53)	\$170,448.36	6.00%	7.03%
Option 4 (11/1/53-10/31/58)	\$180,675.36	6.00%	7.45%



O'Reilly AUTO PARTS



28⁹⁹

2 FOR \$5

12⁹⁹ EACH

SAVE 15%

FREE

FREE

WE TURN

WE LOAN

FREE

LOCATION AND DEMOGRAPHICS

About

La Porte is the principal city and county seat of La Porte County, Indiana. With a population of approximately 22,569, La Porte is part of the Michigan City-La Porte MSA that lies within the larger Chicago-Naperville-Michigan City combined statistical area.

La Porte is located in Northwest Indiana, 31 miles east of Gary and 24 miles west of South Bend. The city is approximately 11 miles south of the southern shores of Lake Michigan, and just over an hour's drive from downtown Chicago.

Economy

The economy of La Porte consists of a diverse mixture of healthcare, manufacturing, retail, education, and government related jobs. Some of the largest employers in the city include La Porte Hospital, La Porte Community School Corporation, Alcoa Howmet, as well as major retailers such as Walmart & Kroger. The city is known for its historic importance, including the home of the Advance-Rumely Company, which invented the Oil-Pull tractor engine, and played a vital role in agricultural development of the Great Plains region.

Largest Employers La Porte County

1. IU Health La Porte Hospital, Inc.	1,500 Employees
2. Blue Chip Casino, LLC	1,063 Employees
3. Saint Anthony Memorial Health Center	1,000 Employees
4. La Porte Community School Corporation	960 Employees
5. Michigan City Area Schools	825 Employees
6. County of La Porte	800 Employees
7. Alcoa Howmet	580 Employees
8. Indiana Department of Corrections	573 Employees
9. Sullair Corporation	500 Employees
10. Hearthside Food Solutions	450 Employees

Business Advantages

- Indiana has the 2nd lowest Property Tax Rate & 10th best overall tax climate in U.S.
- IN GDP \$368 billion
- 1st - 2019 America's Top States for business Infrastructure
- Chicago MSA is home to 31 Fortune 500 companies
- Located in the broad Chicago MSA home to 9.83 Million people
- Access to major international Airport/Shipping/Logistics via Chicago

POPULATION	1 MI	3 MI	5 MI
2025 Projection	9,424	25,047	31,893
2020 Estimate	9,137	24,826	31,702
2010 Census	9,434	25,620	32,530
HOUSEHOLDS	1 MI	3 MI	5 MI
2025 Projection	3,803	10,442	13,105
2020 Estimate	3,761	10,585	13,322
2010 Census	3,667	10,333	12,933
2020 Avg. Household Income	\$56,166	\$64,223	\$72,191





LA PORTE HISTORICAL MUSEUM



NOTRE DAME STADIUM



NEW LA PORTE HOSPITAL

TENANT/GUARANTOR SYNOPSIS

O'Reilly Automotive, Inc., together with its subsidiaries, engages in the retail sale of Automotive tools, supplies, equipment, and aftermarket parts. Common product offerings at O'Reilly's include alternators, batteries, brake system components, belts, chassis parts, engine parts, fuel pumps, hoses, starters, water pumps, antifreeze, and lighting products. Additional, car interior offerings include floor mats, seat covers, and truck bed accessories.

The company was founded by Charles O'Reilly in 1957 with the help of his sons and has grown from humble beginning to a portfolio of more than 5,460 locations after the company's IPO in 1993.



YEAR FOUNDED
1957



COMPANY TYPE
Public



HEADQUARTERS
Springfield, MO



WEBSITE
www.oreillyauto.com



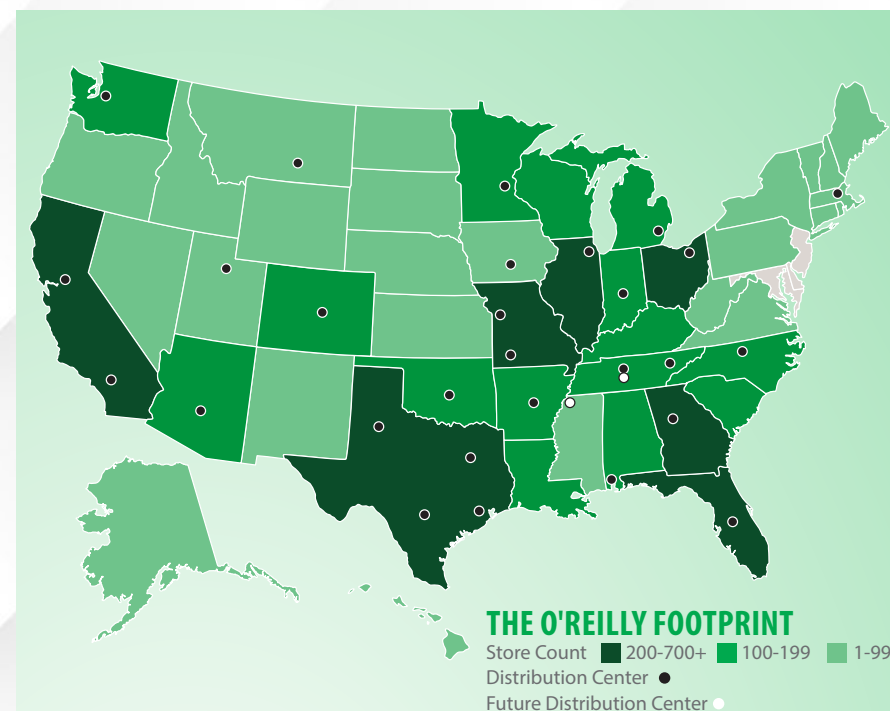
LOCATIONS
5,460



S&P CREDIT RATING
BBB

TENANT SYNOPSIS

Trade Name	O'Reilly Auto Parts
Parent Name	O'Reilly Automotive Inc.
Credit Rating	S&P: BBB
Number of Locations	5,460
Geographic Dispersion	Nationwide in 47 US States
2019 Sales	\$10.15 Billion
2019 Net Income	\$1.39 Billion



CUSTOMER SERVICE Coast To Coast

Alabama.....	147	Louisiana.....	124	Oklahoma.....	122
Alaska.....	15	Maine.....	34	Oregon.....	72
Arizona.....	140	Massachusetts.....	46	Pennsylvania.....	33
Arkansas.....	114	Michigan.....	175	Rhode Island.....	10
California.....	554	Minnesota.....	126	South Carolina.....	110
Colorado.....	105	Mississippi.....	80	South Dakota.....	18
Connecticut.....	23	Missouri.....	203	Tennessee.....	183
Florida.....	239	Montana.....	28	Texas.....	735
Georgia.....	214	Nebraska.....	47	Utah.....	65
Hawaii.....	12	Nevada.....	56	Vermont.....	24
Idaho.....	45	New Hampshire.....	32	Virginia.....	85
Illinois.....	211	New Mexico.....	60	Washington.....	158
Indiana.....	147	New York.....	17	West Virginia.....	17
Iowa.....	78	North Carolina.....	185	Wisconsin.....	124
Kansas.....	85	North Dakota.....	15	Wyoming.....	22
Kentucky.....	101	Ohio.....	203		





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For more information, please contact:

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