



# O'REILLY AUTO PARTS // LAKESITE, TN

## OFFERING MEMORANDUM

8425 HIXSON PIKE | LAKESITE, TENNESSEE 37343

Marcus & Millichap

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## PRESENTED BY

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# INVESTMENT OVERVIEW

The subject property is brand new O'Reilly Auto Parts located in Lakesite, Tennessee, a thriving suburb of Chattanooga, Tennessee. O'Reilly benefits from the good visibility and frontage on Hixson Pike which boasts traffic flow of over 18,000 vehicles per day. Additionally, within the immediate vicinity are CVS, Food City, Arby's, McDonald's, Taco Bell and others. The area also boasts a five-mile population of over 51,000.

O'Reilly is signed to a 15-year lease that commenced in January 2020. There are scheduled rental increases of six percent at the beginning of lease year 11 and each of the four, five-year renewal options. The lease provides for minimal Landlord responsibilities as tenant is responsible for CAM, taxes and property insurance expenses as well as maintenance, repair and replacement of the HVAC equipment.

O'Reilly Automotive, Inc. was founded in 1957 by the O'Reilly family and is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment and accessories in the United States, serving both the do-it-yourself and professional service provider markets. Visit the Company's website at [www.OReillyAuto.com](http://www.OReillyAuto.com) for additional information about O'Reilly, including access to online shopping and current promotions, store locations, hours and services, employment opportunities and other programs. As of March 31, 2020, the Company operated 5,512 stores in 47 U.S. states and 21 stores in Mexico.

## INVESTMENT HIGHLIGHTS

- BRAND NEW 2019/2020 CONSTRUCTION | FEBRUARY, 2020 OPENING
- NEW 15-YEAR DOUBLE-NET (NN) LEASE | TENANT PAYS FOR CAM, TAXES, INSURANCE AND HVAC
- LOCATED ON HIXSON PIKE | 18,000+ VEHICLES PER DAY
- 5-MILE POPULATION OF 51,000+ | THRIVING SUBURB OF CHATTANOOGA
- INVESTMENT GRADE TENANT | BBB / STABLE ON STANDARD & POORS
- PUBLICLY TRADED COMPANY | \$10.15 BILLION ANNUAL REVENUE



# PROPERTY SUMMARY & TENANT OVERVIEW

## O'REILLY AUTO PARTS

PROPERTY ADDRESS 8425 Hixson Pike | Lakesite, TN 37343

PRICE \$2,036,000

CAP RATE 5.60%

PRICE / SF \$281.80

YEAR BUILT 2020

GROSS LEASEABLE AREA 7,225+/- SF

LOT SIZE .84+/- Acres

TYPE OF OWNERSHIP Fee Simple

BASE RENT \$114,000

## INCOME SUMMARY

YEARS 1 - 10 \$114,000 \$9,500 \$15.78 5.60%

YEARS 11 - 15 \$120,840 \$10,070 \$16.73 5.94%

YEARS 16 - 20 (OPTION 1) \$128,091 \$10,674 \$17.73 6.29%

YEARS 21 - 25 (OPTION 2) \$135,776 \$11,315 \$18.79 6.67%

YEARS 26 - 30 (OPTION 3) \$143,922 \$11,994 \$19.92 7.07%

YEARS 31 - 35 (OPTION 4) \$152,558 \$12,713 \$21.12 7.49%

## TENANT OVERVIEW

TENANT TRADE NAME O'Reilly Auto Parts

TENANT Corporate

OWNERSHIP Fee Simple

LEASE TYPE Double-Net (NN)

ROOF AND STRUCTURE MAINTENANCE Landlord

CAM, TAXES AND INSURANCE Tenant

LEASE TERM 15 Years

LEASE COMMENCEMENT January 2nd, 2020

LEASE EXPIRATION DATE January 1st, 2035

INCREASES 6% Year 11 and Each Renewal Option

RENEWAL OPTIONS Four, Five-Year Options

RIGHT OF FIRST REFUSAL Yes, 10-Business Days

HEADQUARTERED Springfield, MO

NUMBER OF LOCATIONS 5,500+ Locations

ANNUAL REVENUE \$10.15 Billion

CREDIT RATING BBB / Stable

RATING AGENCY Standard & Poors

STOCK SYMBOL ORLY

BOARD NASDAQ

WEB SITE www.oreillyauto.com



# AERIAL



DALLAS BAY

MCCONNELL  
ELEMENTARY

LOFTIS  
MIDDLE SCHOOL

**CVS**  
pharmacy

**FOOD CITY**

**TACO BELL**

**Arby's**

HIXSON PIKE  
18,000+ VPD

**ACE**  
The helpful place.

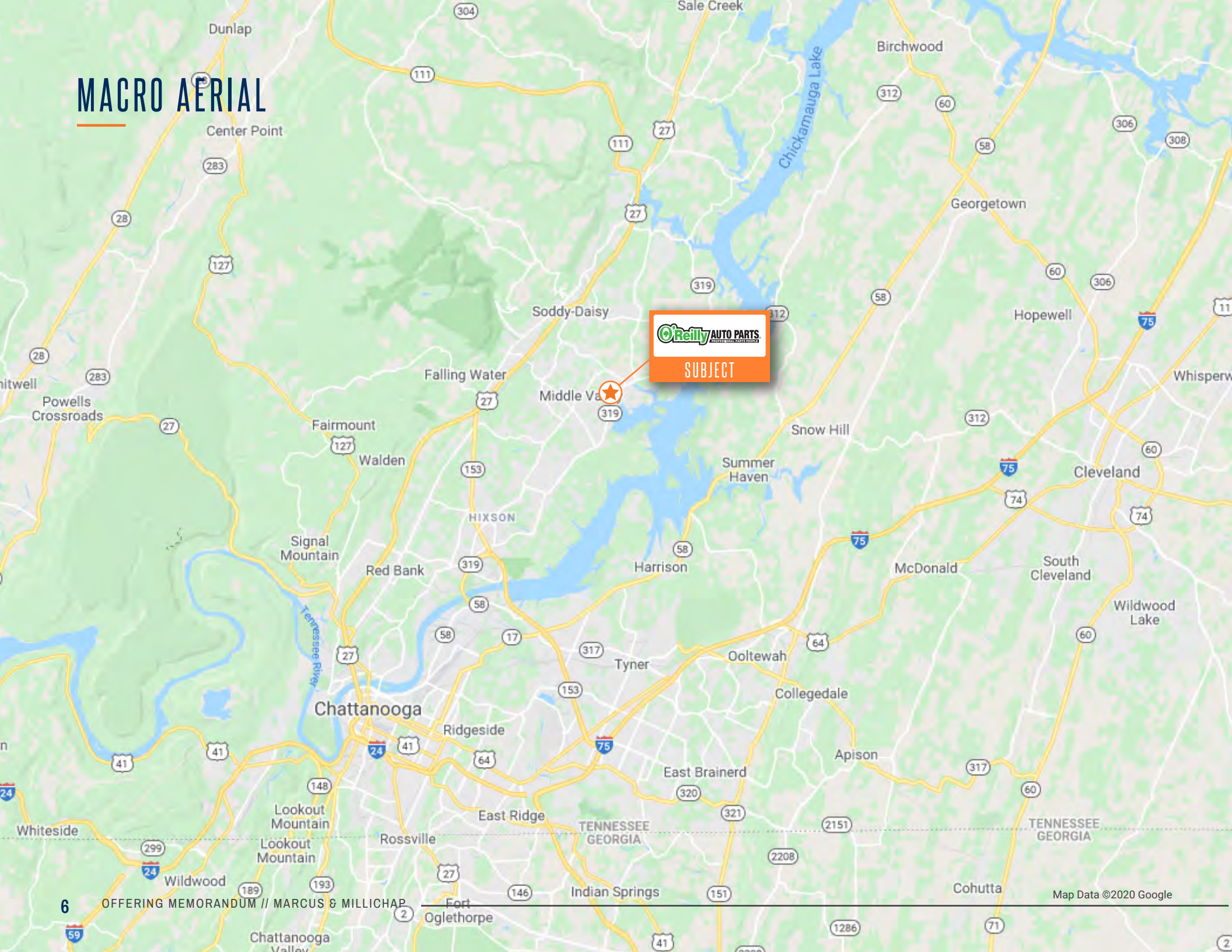
MCDONALDS

**REGIONS**

**O'Reilly AUTO PARTS**  
SUBJECT



# MACRO AERIAL

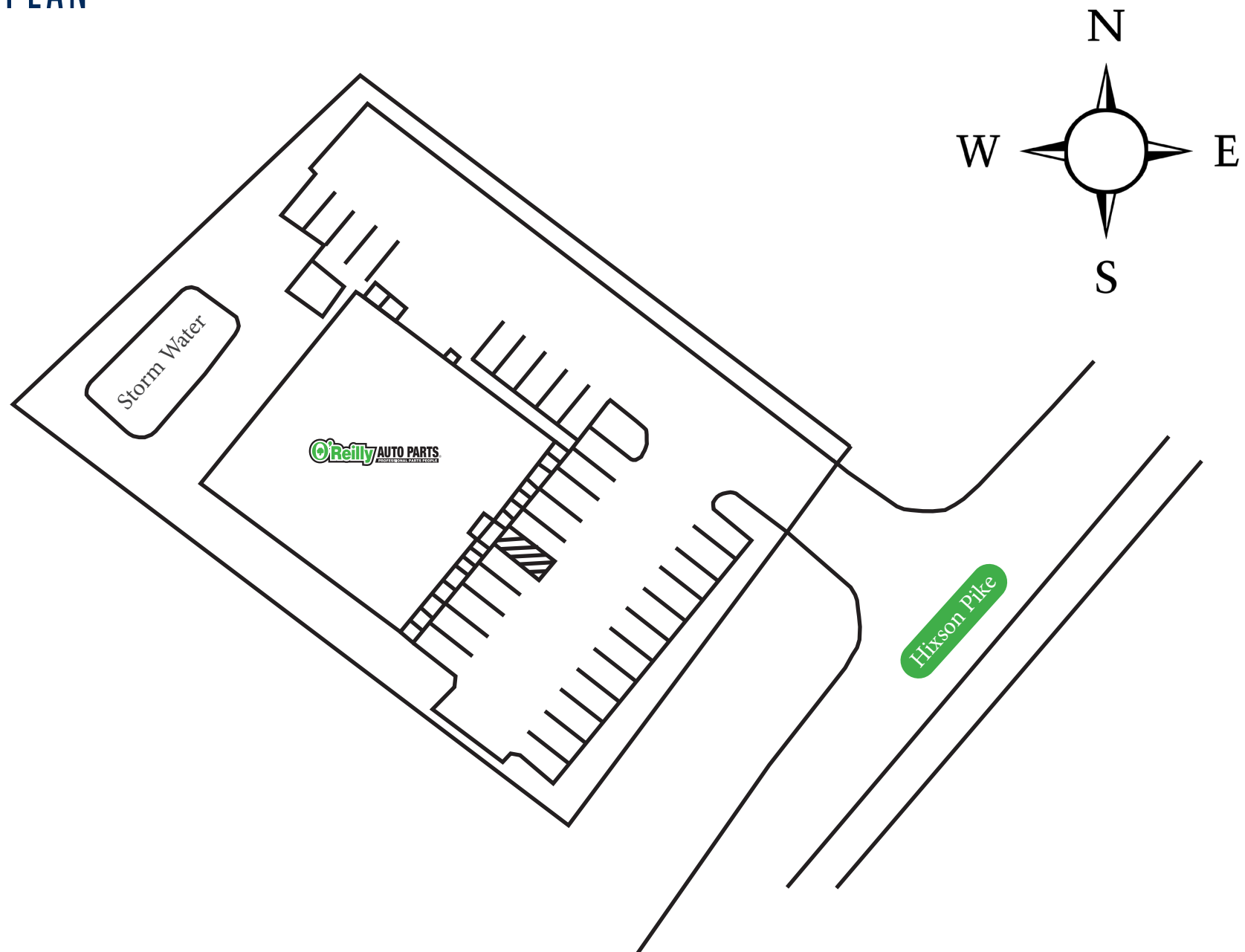


O'Reilly AUTO PARTS  
SUBJECT

# DEMOGRAPHICS

O'REILLY AUTO PARTS	1 MILE	3 MILES	5 MILES
2019 POPULATION	2,736	23,606	51,176
2019 DAYTIME POPULATION	2,368	13,910	33,102
2019 EST. AVERAGE HOUSEHOLD INCOME	\$82,103	\$82,357	\$85,459
2019 EST. MEDIAN HOUSEHOLD INCOME	\$61,494	\$64,639	\$64,962
2019 EST. PER CAPITA INCOME	\$32,616	\$31,010	\$33,052
2018 HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$ 0 - \$ 14,999	6.0%	7.3%	7.8%
\$ 15,000 - \$24,999	8.1%	9.0%	8.6%
\$ 25,000 - \$34,999	8.5%	8.5%	9.3%
\$ 35,000 - \$49,999	17.4%	13.1%	12.3%
\$ 50,000 - \$74,999	20.3%	19.5%	19.0%
\$ 75,000 - \$99,999	13.7%	16.0%	15.4%
\$100,000 - \$124,999	12.0%	11.2%	11.0%
\$125,000 - \$149,999	5.1%	5.5%	6.2%
\$150,000 - \$200,000	4.0%	4.9%	5.2%
\$200,000 TO \$249,999	2.7%	2.1%	2.2%
\$250,000 +	2.2%	2.8%	3.1%

# SITE PLAN







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