

OFFERING
MEMORANDUM



O'REILLY AUTO PARTS
WINNSBORO, TX

Marcus & Millichap

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Winnsboro Elementary School

Winnsboro High School (Current)



Winnsboro High School

\$31,500,000 bond was passed paving the way for a brand new 116,000 sf high school that will feature a new CTE Complex (Career and Technical Education) and Sports Complex.



S. Main Street 7,608 VPD

SUBJECT PROPERTY



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Marcus & Millichap

FNB FIRST NATIONAL BANK
The Uncommon Bank

ABC
AUTO

ANI OAKLI
CLOTHING CO.

hey lifie

COPPER LEAF
spa | salon | wellness

Downtown Winnsboro
Texas Main Street City
\$11 Million Reinvested Into
Main Street Renovation

TEXAS MAIN STREET
TEXAS HISTORICAL COMMISSION



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Winnsboro Farmer's Market

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Mineola Community Bank

United Country Real Estate | **Gain Agency**

Edward Jones
MAKING SENSE OF INVESTING

S. Main Street 7.608 VPD



SUBJECT PROPERTY

O'Reilly
AUTO PARTS

CVS

PROSPERITY BANK

O'REILLY AUTO PARTS

603 S Main St, Winnsboro, TX 75494

Marcus & Millichap is pleased to present the opportunity to acquire an O'Reilly Auto Parts in Winnsboro, Texas. The property consists of a 6,966-square foot, freestanding building that sits on approximately 0.73 acres of land. There are approximately 14 years remaining on the current lease term, with a six percent rental escalation scheduled in the 11th year of the lease, as well as each option thereafter.

The property has excellent access and visibility on South Main Street, where traffic counts exceed 9,154 vehicles per day. Surrounding retailers in the immediate area include Brookshire's, McDonald's, Dairy Queen, CVS, Sonic Drive-In, Dollar General, Prosperity Bank and many more. Winnsboro is located halfway between Dallas and Texarkana. Winnsboro is a Texas Main Street City and has reinvested \$11 million into their Main Street and downtown area. A \$31,500,000 bond was passed in 2017 to construct a brand new 116,000 square foot high school facility and sports complex (0.4 miles from the subject property).

O'Reilly Auto Parts is one of the largest specialty retailers of automotive aftermarket parts in the United States, serving both the do-it-yourself and professional service provider markets. In 2019, the company reported sales of \$10.15 billion and has a Standard & Poor's BBB+ (investment grade) credit rating.

INVESTMENT HIGHLIGHTS

Rare Low Price Point for a Corporate Lease with 14 Years Remaining

Excellent Access and Visibility on South Main Street, Where Traffic Counts Exceed 9,154 Vehicles per Day

Investment Grade Tenant (BBB+; S&P) - O'Reilly Automotive is a Fortune 500 Company

Limited Competition – Only Auto Parts Store in Winnsboro

Nearby Construction of a 116,000-SF High School Facility and Sports Complex Valued at \$31,500,000

Winnsboro is Located Halfway Between Dallas and Texarkana

REGIONAL MAP // *O'Reilly Auto Parts*



Country Lane Apartments

Alexander's Meat Market

SCOTT'S
PHARMACY

Brookshire's
food & pharmacy

Goodson's
KwikLube

SUBJECT PROPERTY

O'Reilly
AUTO PARTS

PROSPERITY BANK®

FAMILY
DOLLAR

DOLLAR
GENERAL

First National Bank

SONIC
America's
Drive-In

EXXON

FARMERS
INSURANCE

Richie's
Grill & Cafe

Hornbuckle
Flowers and Gifts

BLING
Queen



Dairy
Queen

CVS

S. Main Street 7,908 NADP

PRICING DETAILS // *O'Reilly Auto Parts*

LOCATION	603 S Main St, Winnsboro, TX 75494
Price	\$1,844,197
Rentable SF	- 6,966
Price/SF	\$264.74
CAP Rate	5.25%
Year Built	2019
Lot Size	0.73 Acres
Type of Ownership	Fee Simple
LEASE SUMMARY	
Tenant Name	O'Reilly Auto Parts
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Double Net
Roof and Structure	Landlord
Lease Term	15 Years
Lease Commencement Date	5/20/2019
Rent Commencement Date	5/20/2019
Lease Expiration Date	5/30/2034
Term Remaining on Lease	14 Years
Options	Four, 5-Year
Increases	6% in Year 11 and Every Five Years in Options

ANNUALIZED OPERATING INFORMATION		
YEAR	ANNUAL RENT	MONTHLY RENT
Years 1-10	\$96,820.32	\$8,068.36
Years 11-15	\$102,629.54	\$8,552.46
Years 16-20 (Option 1)	\$108,787.31	\$9,065.61
Years 21-25 (Option 2)	\$115,314.55	\$9,609.55
Years 26-30 (Option 3)	\$122,233.42	\$10,186.12
Years 31-35 (Option 4)	\$129,567.43	\$10,797.29
Base Rent (\$13.90/SF)		\$96,820.32
Net Operating Income		\$96,820.32
Total Return		5.25% / \$96,820.32



TENANT OVERVIEW // *O'Reilly Auto Parts*



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. As of March 31, 2020, the Company operated 5,512 stores in 47 U.S. states and 21 stores in Mexico.

LEASE SUMMARY

Tenant Name	O'Reilly Auto Parts
Ownership	Public
Sales Volume	\$10.15 Billion (2019)
Credit Rating	BBB+
Rating Agency	Standard & Poor's
Stock Symbol	ORLY
Board	NASDAQ
Options to Terminate	No
Options to Purchase	No
First Right of Refusal	Yes
No. of Locations	5,533
Headquartered	Springfield, MO
Web Site	www.oreillyauto.com
Years in the Business	62



Winnboro
TX

City Of WINNSBORO

Winnsboro is located in East Texas, halfway between Dallas and Texarkana (just South of Interstate 30). It is a hub city for nearby communities like Greenville to the West, Mount Vernon to the North, Pittsburgh to the East, and Quitman and Mineola to the South.

Winnsboro is a *Texas Main Street City*, a *Preserve America City*, and one of the first *State Certified Cultural Arts District* featuring fine restaurants, antiques, specialty shops, notable musicians, artists and art galleries. Winnsboro has reinvested \$11 million into their Main Street and downtown area.



DEMOGRAPHIC SUMMARY

POPULATION	1 Mile	5 Miles	10 Miles
2000 Population	2,873	6,380	13,479
2010 Population	2,819	6,552	14,456
2018 Population	3,166	7,115	15,786
2023 Population	3,262	7,291	16,434
HOUSEHOLDS	1 Mile	5 Miles	10 Miles
2000 Households	1,101	2,401	5,288
2010 Households	1,142	2,525	5,795
2018 Households	1,215	2,668	6,246
2023 Households	1,256	2,745	6,529
2018 Average HH Size	2.40	2.45	2.47
2018 Daytime Population	5,533	8,186	11,952
HOUSING UNITS	1 Mile	5 Miles	10 Miles
Median HH Income	\$41,827	\$44,315	\$47,991
Per Capita Income	\$26,532	\$24,660	\$26,932
Average HH Income	\$64,223	\$63,308	\$66,959

POPULATION

In 2019, the population in your selected geography is 15,786. The population has changed by 17.12% since 2000. It is estimated that the population in your area will be 16,434 five years from now, which represents a change of 4.10% from the current year. The current population is 50.94% male and 49.06% female. The median age of the population in your area is 45.3, compare this to the entire US average which is 38.1. The population density in your area is 50.25 people per square mile.

HOUSEHOLDS

There are currently 6,246 households in your selected geography. The number of households has changed by 18.13% since 2000. It is estimated that the number of households in your area will be 6,529 five years from now, which represents a change of 4.53% from the current year. The average household size in your area is 2.47 persons.

INCOME

In 2019, the median household income for your selected geography is \$47,991, compare this to the entire US average which is currently \$60,811. The median household income for your area has changed by 57.56% since 2000. It is estimated that the median household income in your area will be \$58,001 five years from now, which represents a change of 20.86% from the current year.

The current year per capita income in your area is \$26,932, compare this to the entire US average, which is \$33,623. The current year average household income in your area is \$66,959, compare this to the entire US average which is \$87,636.

RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 87.61% White, 2.57% Black, 0.02% Native American and 0.75% Asian/Pacific Islander. Compare these to entire US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 13.11% of the current year population in your selected area. Compare this to the entire US average of 18.17%.

HOUSING

In 2000, there were 4,232 owner occupied housing units in your area and there were 1,055 renter occupied housing units in your area. The median rent at the time was \$310.

EMPLOYMENT

In 2019, there are 3,717 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 50.60% of employees are employed in white-collar occupations in this geography, and 49.13% are employed in blue-collar occupations. In 2019, unemployment in this area is 3.64%. In 2000, the average time traveled to work was 27.2 minutes.



O'Reilly AUTO PARTS

O'REILLY
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LOW PRICE GUARANTEE

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EXPERIENCE THE DIFFERENCE



INFORMATION ABOUT BROKERAGE SERVICES

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:
 - o That the owner will accept a price less than the written asking price;
 - o That the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o Any confidential 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 interest 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.

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O'Reilly AUTO PARTS



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START
POWER
PERFORMANCE
RELIABILITY

EXCLUSIVELY LISTED BY

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