

Offering Memorandum



*Gainesville, Florida*



Representative Photo



***Long Term, NN Lease with  
Over 18 Years Remaining on  
Lease Term***



***One Mile from Interstate 75  
with a Daily Traffic Count of  
89,000 Vehicles***



***2 Miles from the University  
of Florida, the Largest  
Employer in the Metro***



***Gainesville is 70 Miles SW of  
Jacksonville and 115 Miles  
North of Orlando***



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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT  
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# Marcus & Millichap

## NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.



## Overview

4169 SW 34th Street, Gainesville, FL 32608

<b>Price:</b>	<b>\$2,267,000</b>
<b>Cap Rate:</b>	<b>5.25%</b>
<b>Rentable Square Feet:</b>	<b>7,500</b>
<b>Annual Rent:</b>	<b>\$119,005</b>
<b>Price PSF:</b>	<b>\$302.26</b>
<b>Land Area:</b>	<b>0.99 Acres</b>
<b>Year Built:</b>	<b>2019</b>

## Lease Summary

<b>Tenant:</b>	O'Reilly Auto Parts
<b>Website:</b>	<a href="http://www.OreillyAuto.com">www.OreillyAuto.com</a>
<b>Lease Guarantor:</b>	Corporate
<b>Lease Type:</b>	NN
<b>Option Periods:</b>	4, 5-Year Options
<b>Rental Increases:</b>	5% Every 5 Years Starting Year 11
<b>Roof &amp; Structure:</b>	Landlord
<b>Rent Commencement:</b>	8.3.2019
<b>Lease Expiration:</b>	7.31.2039

## New Long-Term, NN Lease

- New, 20-Year, Double Net (NN) Lease with 19 Years Remaining
- Four, Five-Year Renewal Options, Bringing Total Term to 40 Years
- Five Percent Rent Increases Every Five Years Beginning Year 11
- New Location, Built in 2019



Base Term	Annual	Rent PSF	Cap Rate
Lease Years 1-10:	\$119,005	\$15.87	5.25%
Lease Years 11-15:	\$124,955	\$16.66	5.51%
Lease Years 16-20:	\$131,203	\$17.49	5.79%

Option Periods	Annual	Rent PSF	Cap Rate
Option 1, Years 21-25:	\$137,763	\$18.37	6.08%
Option 2, Years 26-30:	\$144,651	\$19.29	6.38%
Option 3, Years 31-35:	\$151,884	\$20.25	6.70%
Option 4, Years 36-40:	\$159,478	\$21.26	7.03%



Representative Photo

### Surrounding Area | Colleges and Other Attractions

- Located on 34th Street with a Daily Traffic Count of More Than 22,000 Vehicles
- One Mile from Interstate 75 with a Daily Traffic Count of 89,000 Vehicles
- Surrounding National Retailers Include Walmart Supercenter, Publix, Whole Foods, Lowe's, The Home Depot, Trader Joe's, Target, Aldi, Ross, Michael's, Bass Pro Shops, Olive Garden, Outback Steakhouse, Bonefish Grill, Miller's Ale House, Cracker Barrel, Chick-fil-A, McDonald's, Chase Bank and Many More
- Two Miles from the University of Florida, the Fifth Largest University in the Nation, Employs Approx. 28,000 Individuals, and has 52,000 Students
- Less than Three Miles from Malcom Randall VA Medical Center, and Gainesville Country Club
- Five Miles from City College of Gainesville
- Seven Miles from Santa Fe College Which has Three Campuses Around Northern Florida

### Part of the Gainesville Metro Area

- Gainesville is 70 Miles Southwest of Jacksonville and 115 Miles North of Orlando
- Gainesville is Home to the University of Florida, Santa Fe College, and City College of Gainesville, Marking a Combined Student Enrollment of 74,400
- The University of Florida is the Largest Employer in the Gainesville Metro, and Contributes \$16 Billion to the Local Economy, Making it a Major Driving Force Economically
- Major Employment Sectors in the Region Include Education, Healthcare, Government and Food Service







*Stock Price  
Over \$400  
Per Share*

**O'Reilly** Automotive, Inc. (NASDAQ: ORLY) is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment, and accessories in the United States, serving both professional service providers and do-it-yourself customers. Founded in 1957 by the O'Reilly family, the Company operated 5,562 stores in 47 U.S. states and 21 stores in Mexico as of June 30, 2020.

O'Reilly's initial public stock offering in April 1993 was well received by investors as a welcome addition to publicly traded companies in the automotive aftermarket industry. This success has continued to date. The company has grown exponentially since starting with a single store in Missouri to currently operating with over 72,000 team members.

O'Reilly Automotive intends to be the dominant supplier of auto parts in our market areas by offering our retail customers, professional installers, and jobbers the best combination of price and quality provided with the highest possible service level.

In order to accomplish this mission, O'Reilly will provide a benefit and compensation plan that will attract and keep the kind of people that will enable the Company to reach its goals of growth and success.

\$  
2019 REVENUE  
**\$10.1B**

\$  
2019 ASSETS  
**\$10.7B**

**5,560+**  
LOCATIONS

  
STOCK TICKER  
**ORLY**

  
CREDIT RATING  
**BBB+**



Representative Photo



## O'Reilly Automotive, Inc. Reports Third Quarter 2020 Results And Announces Additional \$1.0 Billion Share Repurchase Authorization

- Third quarter comparable store sales increase of 16.9%, total sales growth of 20.3%
- 39% increase in third quarter diluted earnings per share to \$7.07
- Net cash provided by operating activities increased \$859 million or 57.7%

Springfield, MO, October 28, 2020 – O'Reilly Automotive, Inc. (the "Company" or "O'Reilly") (Nasdaq: ORLY), a leading retailer in the automotive aftermarket industry, today announced record revenue and earnings for its third quarter ended September 30, 2020.

### **Year-to-Date Financial Results**

Sales for the first nine months of 2020 increased \$1.11 billion, or 14%, to \$8.78 billion from \$7.67 billion for the same period one year ago. Gross profit for the first nine months of 2020 increased 13% to \$4.61 billion (or 52.6% of sales) from \$4.07 billion (or 53.1% of sales) for the same period one year ago. SG&A for the first nine months of 2020 increased 5% to \$2.73 billion (or 31.1% of sales) from \$2.59 billion (or 33.8% of sales) for the same period one year ago. Operating income for the first nine months of 2020 increased 27% to \$1.89 billion (or 21.5% of sales) from \$1.48 billion (or 19.3% of sales) for the same period one year ago.

Net income for the first nine months of 2020 increased \$293 million, or 28%, to \$1.36 billion (or 15.5% of sales) from \$1.07 billion (or 13.9% of sales) for the same period one year ago. Diluted earnings per common share for the first nine months of 2020 increased 33% to \$18.12 on 75 million shares versus \$13.63 on 78 million shares for the same period one year ago.

### **3rd Quarter Comparable Store Sales Results**

Comparable store sales are calculated based on the change in sales for U.S. stores open at least one year and exclude sales of specialty machinery, sales to independent parts stores and sales to Team Members, as well as sales from Leap Day in the nine months ended September 30, 2020. Online sales, resulting from ship-to-home orders and pick-up-in-store orders, for U.S. stores open at least one year, are included in the comparable store sales calculation. Comparable store sales increased 16.9% for the third quarter ended September 30, 2020, on top of 5.0% for the same period one year ago. Comparable store sales increased 10.7% for the nine months ended September 30, 2020, on top of 3.9% for the same period one year ago.

### **Share Repurchase Program**

During the third quarter ended September 30, 2020, the Company repurchased 1.0 million shares of its common stock, at an average price per share of \$458.70, for a total investment of \$443 million. During the first nine months ended of 2020, the Company repurchased 2.6 million shares of its common stock, at an average price per share of \$415.28, for a total investment of \$1.09 billion. Subsequent to the end of the third quarter and through the date of this release, the Company repurchased an additional 0.7 million shares of its common stock, at an average price per share of \$458.97, for a total investment of \$313 million. The Company has repurchased a total of 79.5 million shares of its common stock under its share repurchase program since the inception of the program in January of 2011 and through the date of this release, at an average price of \$170.92, for a total aggregate investment of \$13.59 billion. ....

[Click Here for Full Article and Company Financial Report](#)





2.5 Miles from  
the University  
of Florida, the  
Driving Force  
of the Local  
Economy



2.5 Miles from  
the University  
of Florida, the  
Driving Force  
of the Local  
Economy

34th Street

DOLLAR GENERAL

O'Reilly  
AUTO PARTS



22,000  
Daily



89,000  
Daily



Williston Road



30,000  
Daily

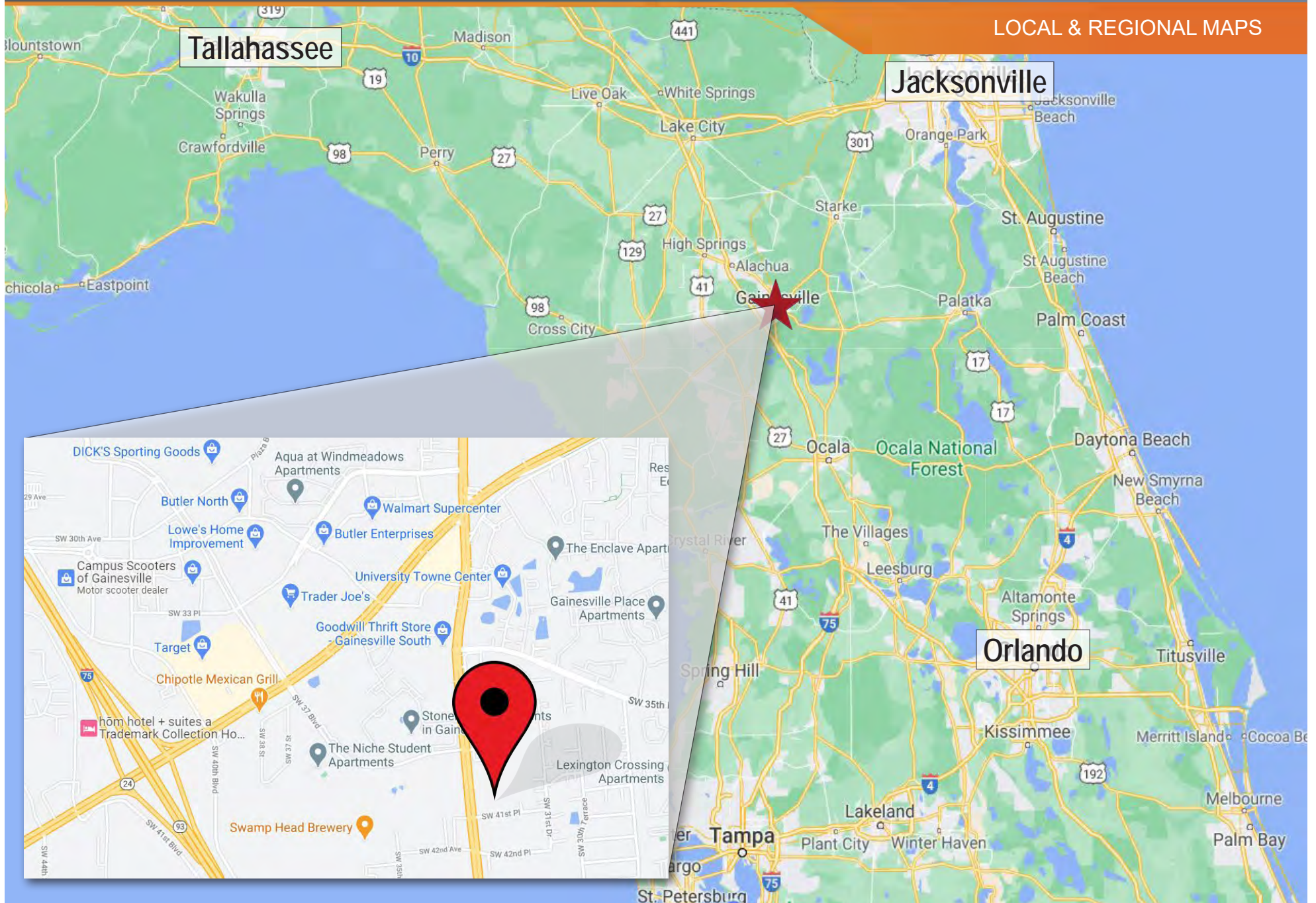
Publix  
McDonald's



enterprise



## LOCAL & REGIONAL MAPS





## GAINESVILLE

### OVERVIEW

Home to the University of Florida, the Gainesville metro, situated in North Central Florida, is centrally located between Miami and Atlanta and encompasses Alachua and Gilchrist counties. The city of Gainesville is 70 miles southwest of Jacksonville and 115 miles north of Orlando. The city of Gainesville along with the Council for Economic Outreach has established an Innovation Zone. Working with local universities, the zone will nurture innovation and creativity, and foster business development within the area.



### METRO HIGHLIGHTS



#### HIGHER EDUCATION

Gainesville is home to the University of Florida, Santa Fe College, and City College of Gainesville, marking a combined student enrollment of 74,400.



#### SKILLED WORKFORCE

Graduates at local institutions of higher education provide a skilled labor pool as 39 percent of the population has a bachelor's degree or higher, above the U.S. rate.



#### HEALTHCARE

UF Health, North Florida Regional Medical Center, North Florida/South Georgia Veterans Health System are among the many healthcare providers.



### ECONOMY

- Major employment sectors in the region include education, healthcare, government and food service.
- The University of Florida, the fifth largest university in the nation, employs approximately 28,000 individuals, has 52,000 students, and contributes \$16 billion to the local economy, making it the largest employer in the Gainesville metro and a major driving force economically.
- UF Health Shads System is the second largest employer in the Gainesville metro with a workforce of 12,700 individuals. In total, the healthcare sector provides more than 20,000 jobs.
- The IT/software sector is growing in Greater Gainesville with businesses ranging from human engagement to game development. Companies include Sharpspring, Optym, and Info Tech.



## DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	15,212	59,687	124,928
2020 Population	15,851	63,250	134,276
2025 Population	16,091	64,779	138,518
2020 Male Population	7,725	30,621	64,837
2020 Female Population	8,126	32,629	69,439
2020 Median Age	22.8	23.1	25.6

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	0.2%	0.3%	0.3%
Asian	15.8%	12.2%	8.6%
Black	18.3%	17.2%	18.5%
Hawaiian/Pacific Islander	0.1%	0.1%	0.1%
White	57.5%	62.7%	66.3%
Other	3.6%	3.3%	2.5%
Multi-Race	4.5%	4.3%	3.8%
Hispanic Ethnicity	17.0%	15.9%	12.7%
Not of Hispanic Ethnicity	83.0%	84.1%	87.3%

HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2010 Avg Household Income	\$32,441	\$36,029	\$53,999
2020 Avg Household Income	\$36,493	\$42,388	\$63,586
2025 Avg Household Income	\$42,729	\$49,493	\$72,369
2010 Med. Household Income	\$19,880	\$21,614	\$29,630
2020 Med. Household Income	\$22,040	\$25,172	\$35,672
2025 Med. Household Income	\$24,319	\$29,016	\$41,156
2010 Per Capita Income	\$14,748	\$16,081	\$23,585
2020 Per Capita Income	\$17,076	\$18,973	\$28,203
2025 Per Capita Income	\$19,985	\$21,832	\$32,076

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	6,826	23,273	51,726
2020 Households	7,334	25,324	57,043
2025 Households	7,455	25,997	59,170



Click to View in  
Google Maps

Or in Google  
Street View





# Marcus & Millichap

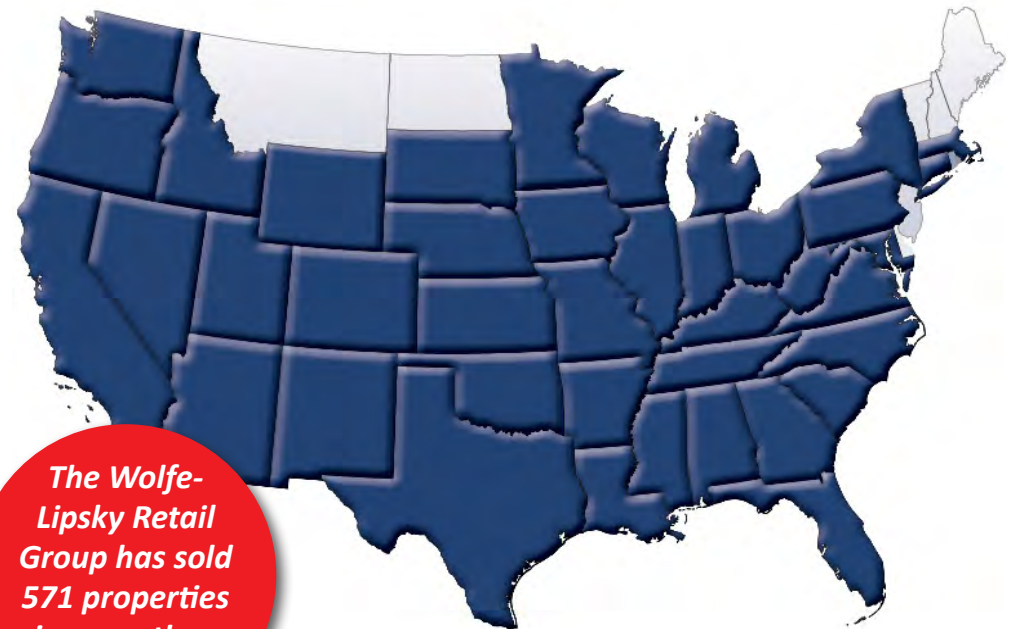
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## WOLFE-LIPSKY RETAIL GROUP

**T**he Wolfe-Lipsky Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling 571 separate commercial properties with a market value exceeding \$1.65 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe-Lipsky Retail Group or to view all of our available listings, visit [www.WolfeRetailGroup.com](http://www.WolfeRetailGroup.com)



### About Marcus & Millichap

*With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.*

*Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.*



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# Marcus & Millichap

**SPECIAL COVID-19 NOTICE:** All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)