

O'Reilly Auto Parts Single-Tenant Building

321 W. Irving Park Rd., Bensenville, IL (CHICAGO MSA)

CONFIDENTIAL OFFERING MEMORANDUM



Actual Property
December 2020

Quantum Real Estate Advisors, Inc.

CHICAGO | www.QREAdvisors.com | LOS ANGELES

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CalBRE #02123722

Confidentiality Agreement

QUANTUM REAL ESTATE ADVISORS, INC. ("QUANTUM") has been retained as the exclusive broker by the Owner of Record ("the Owner") for the single-tenant retail building, located at 321 W. Irving Park Rd., Bensenville, IL in connection with the sale of certain properties ("the Property") as described in this Offering Memorandum.

This Offering Memorandum has been prepared by Quantum for use by a limited number of parties, and does not purport to provide a necessarily accurate summary of the physical or economic aspects of the Property or any of the documents related thereto, nor does it purport to be all inclusive or to contain all of the information which prospective investors may need or desire further, the Offering Memorandum is limited to the matters set forth therein. All budgets or projections have been developed by Quantum and Owner, and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Quantum and therefore are subject to variation. Each of Quantum and Owner makes no representation as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Quantum and its employees, and Owner, and its trustees, officers, and employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or omissions from the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property Owner as of the date of preparation of the Offering Memorandum.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors. Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the property, and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner and the Board of Trustees of Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner's obligations hereunder have been satisfied or waived. This Offering Memorandum and the contents, except such information that is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you acknowledge that you have executed, and have agreed to be bound by, the Confidentiality Agreement with Quantum and Owner.

If you have further questions please contact Quantum Real Estate Advisors, Inc.:

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Description

Quantum Real Estate Advisors, Inc. ("QREA") has been retained to exclusively offer for sale a 7,427 square foot, recently constructed, single-tenant retail building located at 321 W. Irving Park Rd., Bensenville, IL (Chicago MSA). The lease is guaranteed by O'Reilly Auto Parts (S&P: BBB+) with a new, 15 year lease commencing in **January 2021**. The building was designed as a prototype for O'Reilly and includes a 20 year roof warranty and 10 year HVAC warranty. O'Reilly Auto Parts has proven to be an essential retailer throughout 2020 and continues to have strong sales and a financially sound balance sheet.

The property is located blocks away from the O'Hare International Airport and situated along Irving Park Rd., which sees over 31,000 VPD, providing direct access to Chicago. Neighboring tenants including; Jimmy John's, CVS, Walgreens, McDonald's, Popeyes, Dollar General and more.

Highlights

- Leased to **O'Reilly Auto Parts (S&P: BBB+)** with a **15-year Net Lease** commencing in January 2021
- **Brand new construction** completed in December 2020 with the new O'Reilly prototype which includes; **20 year roof warranty and 10 year HVAC warranty**
- Located on Irving Park Rd. which sees **31,500+ VPD** and provides **direct access to Chicago**
- Situated directly next to **O'Hare International Airport**
- Tenant is **an essential retailer** and has continued to have **strong sales**

Property Overview

Purchase Price:	\$2,960,000
Cap Rate:	5.25%
NOI:	\$155,622
Building SF:	7,427 SF
Lease Type:	Net Lease
Lease Term:	15 Years



Demographics

	1 mile	3 mile	5 mile
Population	11,246	45,560	215,626
HH Income	\$89,437	\$88,985	\$90,777

Lease Summary

Tenant	O'Reilly Auto Parts
Address	321 W. Irving Park Rd, Bensenville IL
Lease Guarantor	O'Reilly Auto Parts (S&P BBB+)
Purchase Price	\$2,960,000
Cap Rate	5.25%
Monthly Rent	\$13,469
Annual Rent	\$161,622
**Common Area Expenses	\$6,000
Net Operating Income	\$155,622
Base Lease Term	15
Remaining Term	15.0 Years
Lease Commencement	January 2, 2021
Lease Expiration	December 31, 2035
Renewal Options	(4), 5 Year Options
Rental Increases	6% Increase in Year 11 as well as Options
Rent per SF (Building)	\$21.76
Price per SF (Building)	\$398.55
Building Size	7,427 SF
Land Size	0.77 Acres
Year Built	2020
Lease Type	Net Lease
Property Taxes	Tenant Responsibility
Insurance	Tenant Responsibility
Utilities	Tenant Responsibility
Common Area Expenses	Landlord Responsibility
Roof & Structure	Landlord Responsibility

Summary Analysis

Valuation

Cap Rate	5.25%
NOI	155,622
Purchase Price	2,960,000
Purchase Price/SF	398.55

Rent Schedule						
Term	Commencement	Expiration	Monthly Rent	Annual Rent	Rent/SF	% Increase
Primary	January 2, 2021	December 31, 2030	\$13,469	\$161,622	\$21.76	
Primary	January 1, 2031	December 31, 2035	\$14,277	\$171,319	\$23.07	6.0%
Options						
Option 1	January 1, 2036	December 31, 2040	\$15,133	\$181,599	\$24.45	6.0%
Option 2	January 1, 2041	December 31, 2045	\$16,041	\$192,494	\$25.92	6.0%
Option 3	January 1, 2046	December 31, 2050	\$17,004	\$204,044	\$27.47	6.0%
Option 4	January 1, 2051	December 31, 2055	\$18,024	\$216,287	\$29.12	6.0%

Lease Summary Continued

*Tenant shall be responsible for rubbish maintenance and pick-up

****Landlord has signed a long term maintenance contract that can be transferred or assigned to the buyer to handle all landlord maintenance responsibilities**


**** Landlord covenants and agrees, at its expense without reimbursement or contribution by Tenant, throughout the term of this Lease, to keep, maintain, and replace, if necessary, foundations, floors (except floor coverings), slabs, exterior walls (excluding exterior painting), structural systems of the building, load bearing walls, roof, roof drainage systems (including drains, gutters, and downspouts), HVAC equipment, fire suppression system, parking lot (maintenance, repair, replacement, and code compliance), parking lot drainage, and parking lot lighting, sidewalks, snow removal, landscaping and irrigation, and utility systems to the point of internal distribution to within the building portion of the Demised Premises. Notwithstanding anything to the contrary in this Lease, Tenant shall, at its cost, be responsible for repairs, maintenance or replacements to any portion of the Demised Premises that are caused in part or in whole by the negligence or intentional misconduct of Tenant or its agents or employees.**

PLEASE NOTE THIS IS A BRAND NEW CONSTRUCTION WITH ASSIGNABLE NEW WARRANTIES

Landlord is under contract with Karelli Snow Plow and Landscape to remove snow and ice and maintain all landscaping throughout the year for \$500 per month. The agreement is transferrable and assignable to a new Landlord/Owner and auto renews annually at a 3% annual increase. The service contract is terminable at any time upon 30 day written notice. Landlord to pay for this without reimbursement from Tenant.					
Building Features	Description	Warranty	Estimated Useful Life	Responsibility	Notes
Roof	MR 24 Butler Roofing System	20 Years	30 Years	Landlord	Pre Engineered Metal Building System by Butler Manufacturing (PEMB)
Rooftop HVAC	3 Carrier 7.5 tons Units Catalog # 48HCRD08K2M5-6U1K0	10 Year Parts/ 1 Year Labor	25 Years	Landlord	O'Reilly spec Carrier unit in ALL O'R locations
Walls	Concrete Masonry Units CMU	1 Year for Labor	39 Years	Landlord	GAAP Depreciable life (should last much longer)
Structural Building System	Butler Pre-Engineered Metal Building	20 Year	39 Years	Landlord	Brand new system
Steel Doors and Frames	Global Building Products / Locknet	10 Year Parts/ 1 Year Labor	39 Years	Landlord	GAAP Depreciable life (should last much longer)
Aluminum Storefronts	Coulter and Company	10 Year Parts/ 1 Year Labor	39 Years	Landlord	GAAP Depreciable life (should last much longer)
Sales Floor	Polished Concrete Finish, Natural Color	10 Year Parts/ 1 Year Labor	39 Years	Landlord	GAAP Depreciable life (should last much longer)
Parts Floor	Liquid Densifier Treated Concrete	10 Year Parts/ 1 Year Labor	39 Years	Landlord	GAAP Depreciable life (should last much longer)
Ceiling	Acoustical Tile Ceiling - Armstrong	1 Year	5 Years	Tenant	Tenant to maintain
Lighting	LSI Mfr. LED 40 or 80L FL 120 volt, white finish	1 Year	10 Years	Tenant	Tenant to maintain
Energy Management	O'Reilly Specified Gridpoint System	1 Year	15 Years	Tenant	Tenant Spec system maintained by them throughout the country

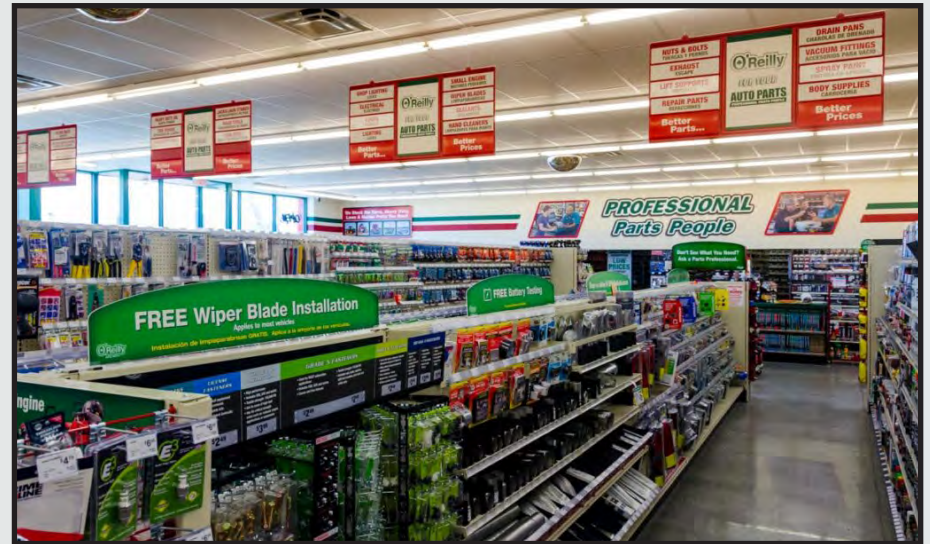
Tenancy

O'Reilly Auto Parts

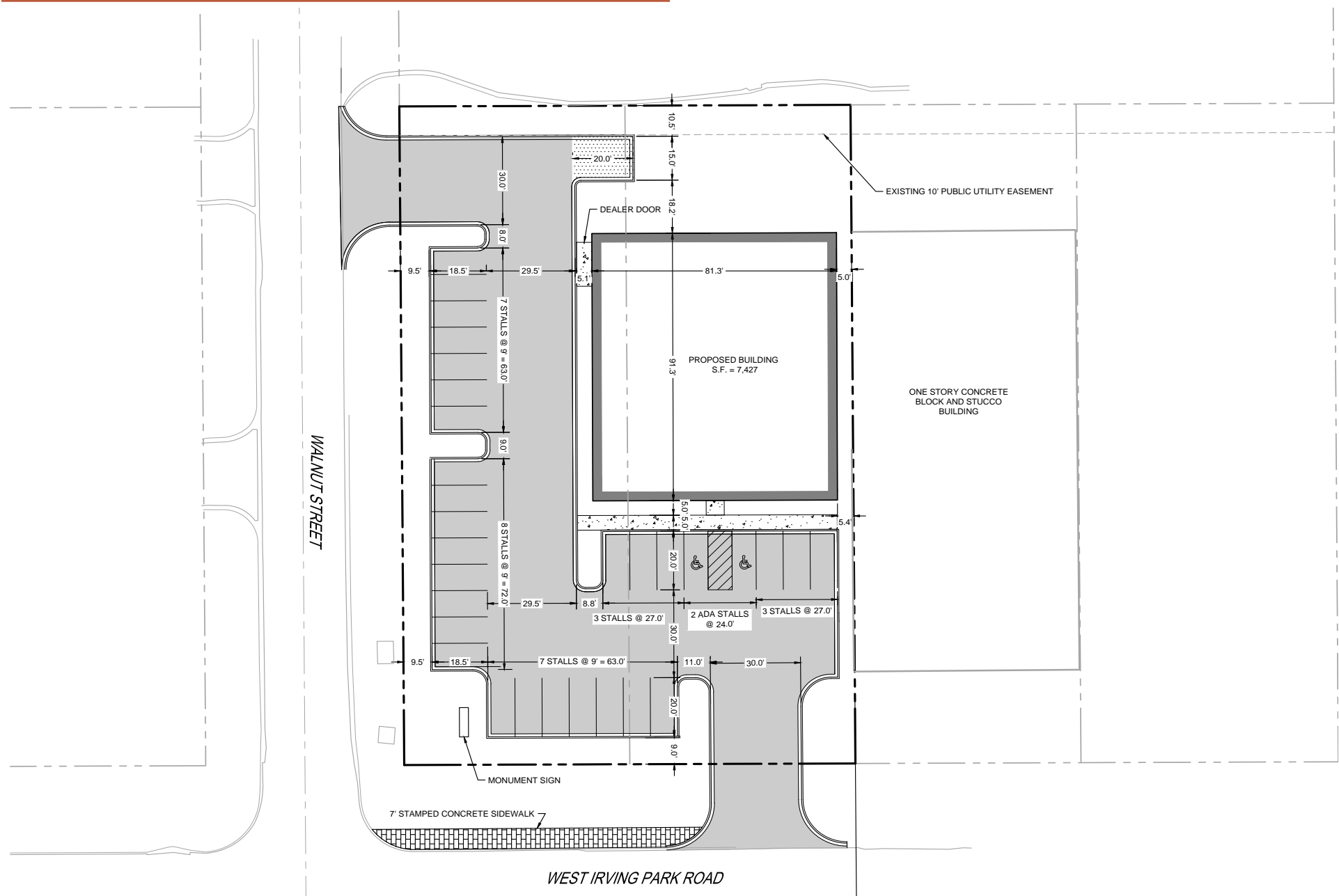
Website:  www.OReillyAuto.com
Locations: 5,613+
Stock Symbol: NASDAQ: ORLY



O'Reilly Automotive, Inc. (S&P: BBB+) officially started in the auto parts business in Springfield, Missouri, in November of 1957. Today, O'Reilly's has 5,592 stores in 47 U.S. states and 21 ORMA stores in Mexico (and growing). O'Reilly Automotive intends to be the dominant supplier of auto parts in the market areas by offering retail customers, professional installers, and jobbers the best combination of price and quality provided with the highest possible service level. At O'Reilly you can find a wide assortment of mechanical parts such as windshield blades, filters, tires and much more. They also offer services such as battery testing, blade and bulb installation, bilingual services and more. O'Reilly Auto Parts intends to be the automotive aftermarket industry leader through their commitment to their customers and team members.



Site Plan

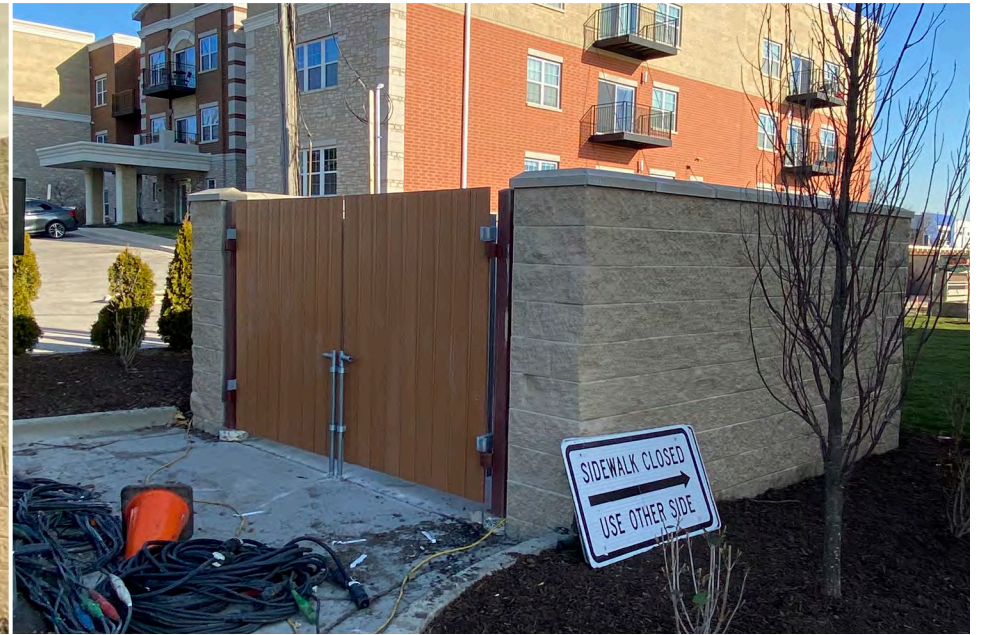


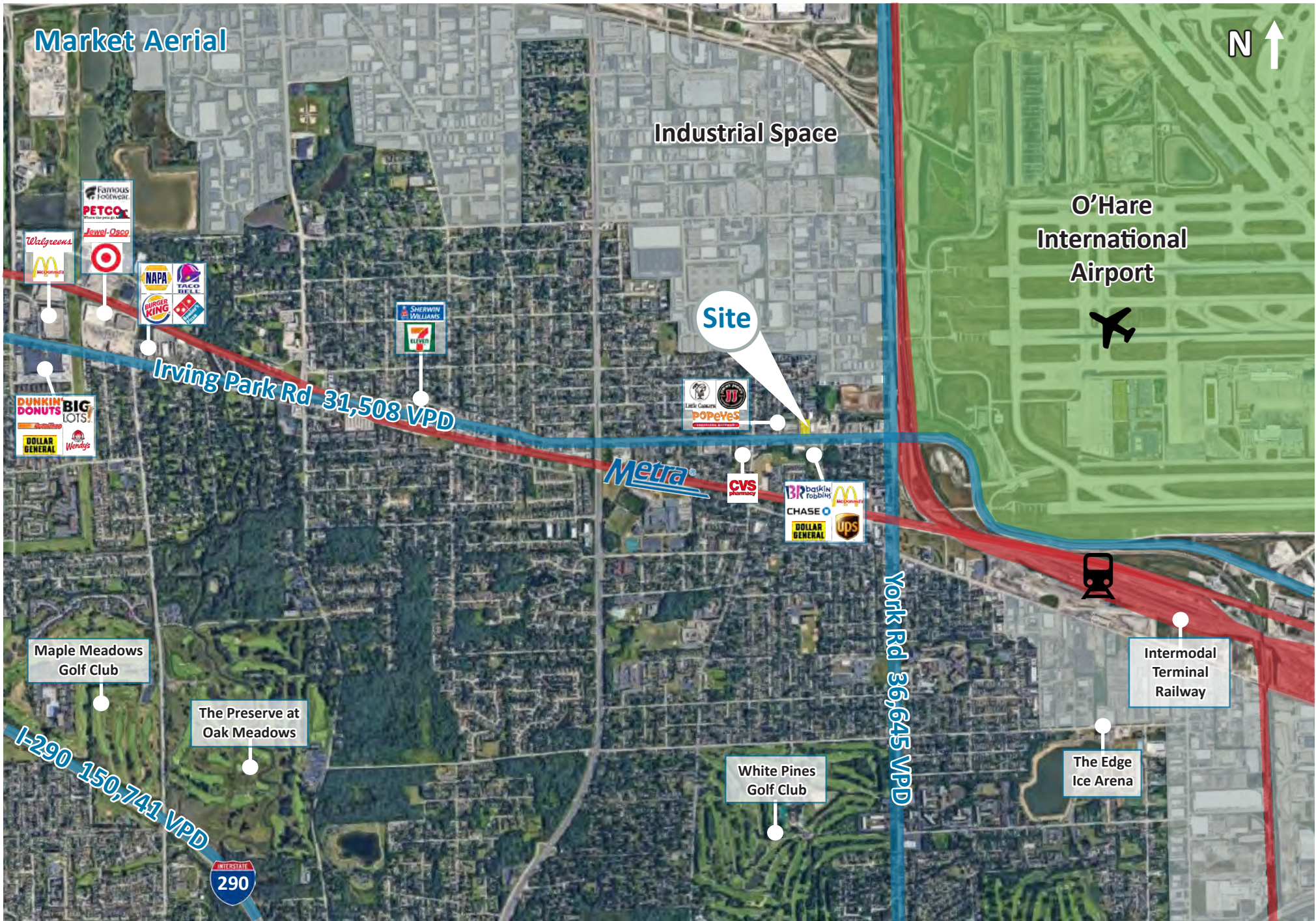
Interior Property Photos

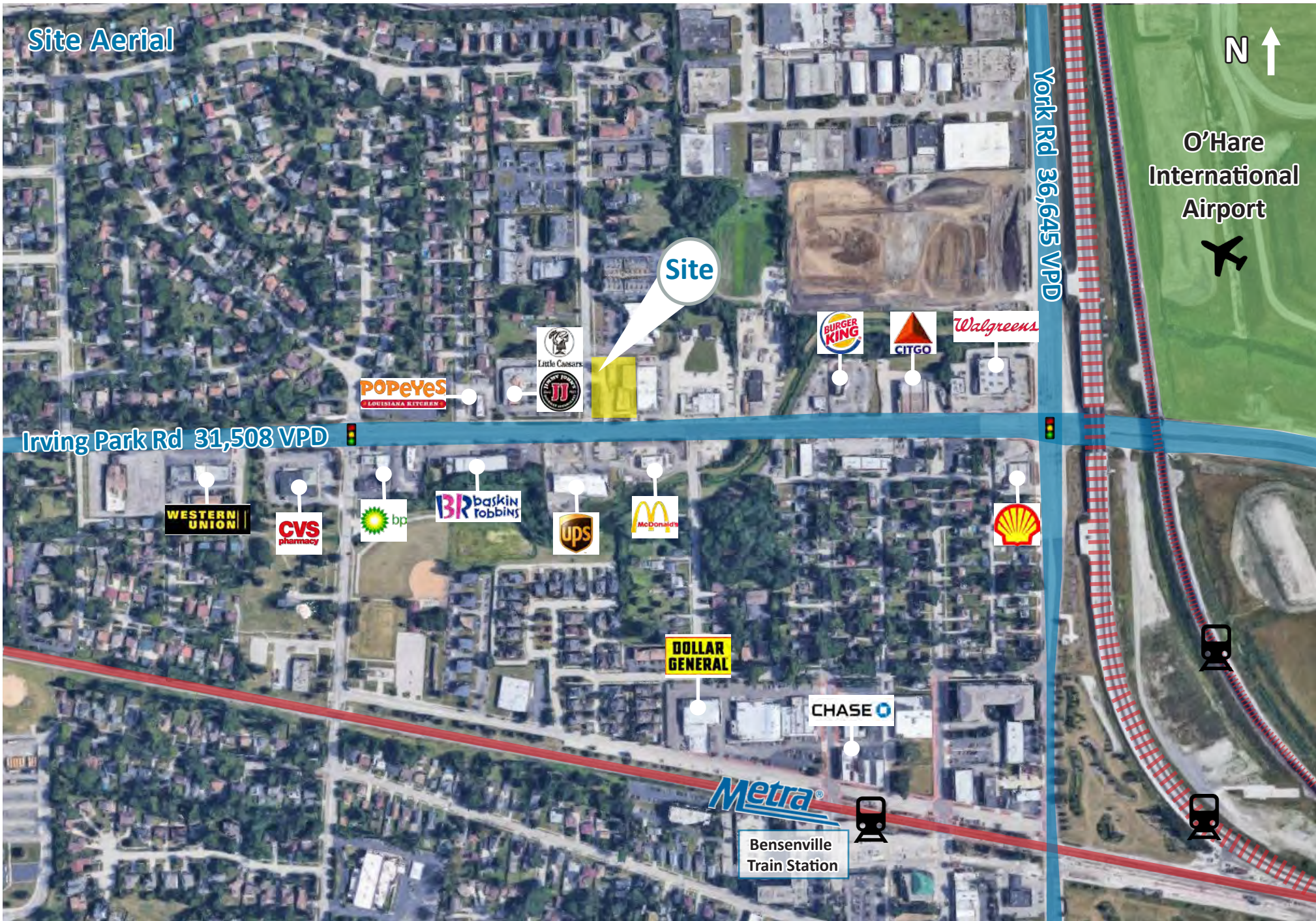
Opening scheduled for
March 2021



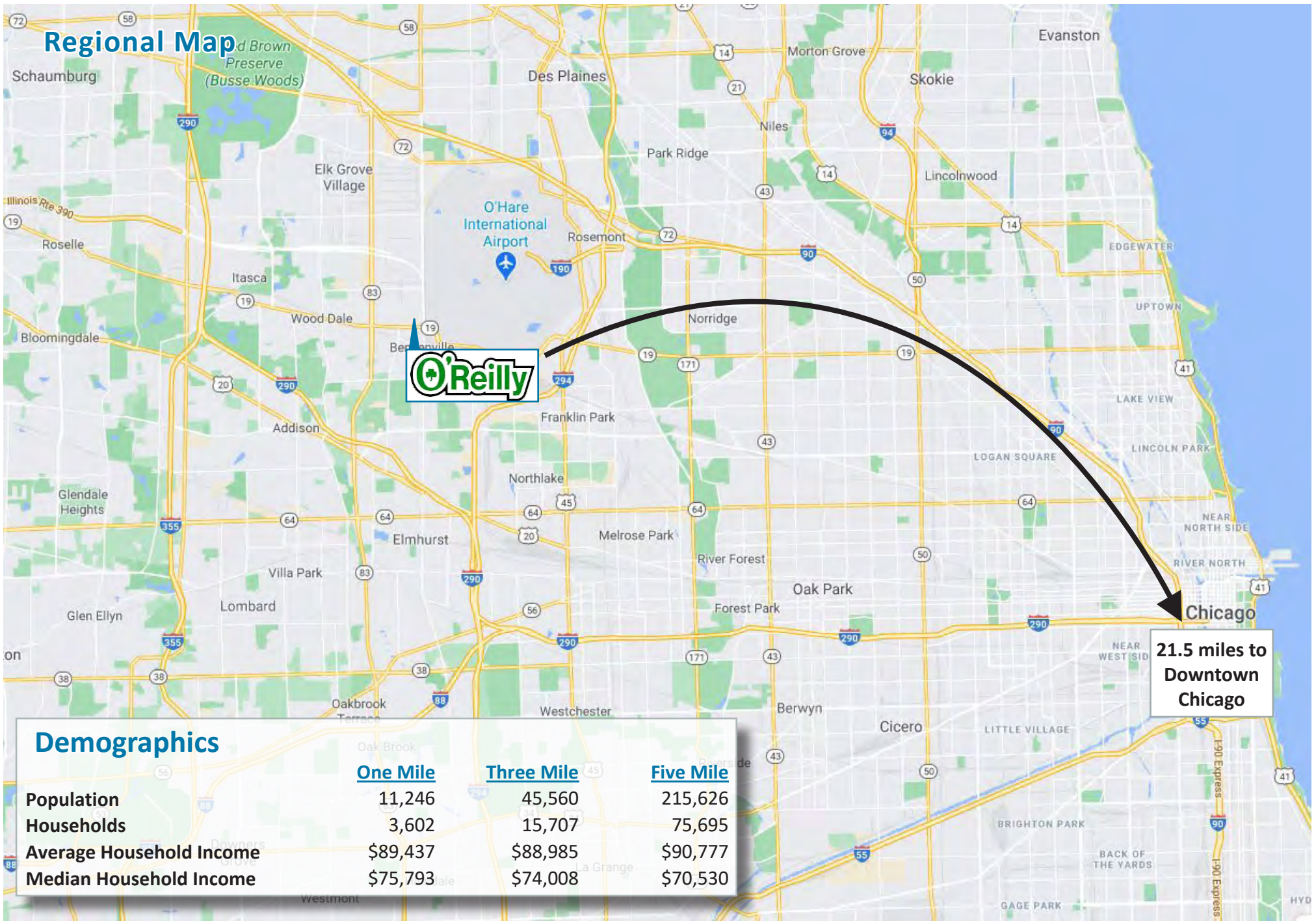
Exterior Property Photos







Regional Map



O'Reilly

**21.5 miles to
Downtown
Chicago**

Demographics

	<u>One Mile</u>	<u>Three Mile</u>	<u>Five Mile</u>
Population	11,246	45,560	215,626
Households	3,602	15,707	75,695
Average Household Income	\$89,437	\$88,985	\$90,777
Median Household Income	\$75,793	\$74,008	\$70,530

Market Overview

Bensenville, IL

Situated west of Chicago and next to the O'Hare International Airport, you'll find Bensenville, IL. The Village of Bensenville is well known for its high quality of life. Incorporated in 1884, Bensenville, Illinois is a city with a fascinating past, an engaging present and an exciting future. Home to nearly 18,600 residents, Bensenville is a warm and friendly community that embraces newcomers and long-time residents alike.

With its close proximity to the O'Hare International Airport and the Intermodal Terminal Railway, Bensenville's economy is heavily driven by industrial manufacturing and logistics. Some of the largest employers for the village include; US Foods, Chicago White Metal Casting, Expeditors International, and UPS. With the continuing of new developments, Bensenville is predicted to see 27.6% of job growth over the next 10 years.

The Village of Bensenville has a population of over 18,000 with a diverse community and a majority of young families. With affordable housing and direct access to Chicago via the Metra, Interstate-294 and Irving Park Rd., Bensenville is an ideal location for those commuting to Downtown Chicago. Bensenville offers 5 public schools and 2 private schools in the community. The Bensenville Park District also has great programs that allow the children to participate in activities across the town. The Edge Ice Arena has hockey and figure skating classes available for all ages and makes for a fun family day out.



City Overview

Chicago, IL

Overview



Chicago, the third largest metropolitan area in the United States, is considered the most influential economic region in between the East and West Coasts. Situated at the geographical heart of the nation with nearly 85 million people living within 500 miles of the city, Chicago's locational

advantage has fostered its development into an international center for banking, securities, high technology, air transportation, business services, wholesale and retail trade and manufacturing. Chicago is a vibrant city that hosts hundreds of music, art and food festivals every year which drives millions of tourists to the city. In a melting pot country, 77 of Chicago's 100 neighborhoods highlight the cultural diversity of our country.

Metropolitan Chicago enjoys one of the finest transportation systems of any metropolitan area with its extensive highway and railroad networks, a highly skilled labor pool, quality housing and world-class medical and higher education institutions. In addition, Chicago is one of the principal trading centers for commodities, financial and derivative futures products. With one of the most diversified economies of any region in the country, Chicago is less vulnerable to fluctuations in individual industries than most other large urban regions. These factors all contribute to Chicago's reputation as one of America's premier metropolitan areas, a major economic center, and a 24-hour international city.

Chicago has one of the world's largest and most diversified economies, with the third-largest gross metropolitan product in the United States—about \$689.4 billion according to 2018 estimates. Additionally, Chicago is ranked third to house the corporate headquarters leaders in the United States. Chicago is a major world financial center, with the second largest central business district in the US. The city is also one of the most diversified economies in the U.S. manufacturing, printing, publishing and food processing also play major roles in the city's economy. Several medical products and services companies are headquartered in the Chicago area, including Baxter International, Boeing, Abbott Laboratories and the Healthcare Financial Services division of General Electric.





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