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OFFERING  
MEMORANDUM



# O'REILLY AUTO PARTS

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*740 S Main Street, Angels Camp, CA 95222*

Marcus & Millichap



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Marcus & Millichap





McDonald's

Pick 'n Save



DOLLAR GENERAL



Bret Harte Union High School

Mechanics Bank

Mark Twain Elementary School



S Main St






## OFFERING SUMMARY

740 S Main St, Angels Camp, CA

### O'REILLY AUTO PARTS

 *Total Price* **\$2,320,000** | **5.50%** *CAP RATE*

Base Rent \$127,680\*

Square Feet ± 7,086 SF\*\*

Lot Size ± 29,100 SF\*\*

Ownership Fee Simple

Year Built 2001

\*Price is based on March 2021 rent

\*\*Building and lot size information per Survey & Lease Amendment. Buyer will need to verify the accuracy of this during the due diligence period.





## LEASE SUMMARY

Lease Type	Absolute NNN
Tenant	O'Reilly Auto Enterprises, LLC
Original Lease Term	15 years
Rent Commencement Date	March 16, 2001
Lease Expiration Date	March 31, 2026*
Term Remaining	5.5 years
Increases	In Options
Options	Two, 5-year

\*Tenant recently exercised its option to extend the lease term commencing April 1, 2021 and expiring March 31, 2026.

## RENT INCREASES

Current - 3/31/2021	\$114,000
<b>4/1/2021 - 3/31/2026</b>	<b>\$127,680</b>
4/1/2021 - 3/31/2026 (Option 1)	\$143,002
4/1/2021 - 3/31/2026 (Option 2)	\$160,162
Base Rent (\$18.00/SF)	
NET OPERATING INCOME	5.50%   \$127,680
TOTAL RETURN	\$127,680



### Current Distribution Centers



**5,400+**  
LOCATIONS

WEBSITE

<https://www.oreillyauto.com>



HEADQUARTERED IN  
**Springfield, MO**

FOUNDED IN  
**1957**



## O'REILLY AUTOMOTIVE, INC. REPORTS THIRD QUARTER 2020 RESULTS AND ANNOUNCES ADDITIONAL \$1.0 BILLION SHARE REPURCHASE AUTHORIZATION

SPRINGFIELD, Mo., Oct. 28, 2020 (GLOBE NEWSWIRE) -- 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.

### 3rd Quarter Financial Results

Greg Johnson, O'Reilly's CEO and Co-President, commented, "The COVID-19 pandemic continues to present a significant challenge to consumers, and our number one priority continues to be protecting the health and wellness of our Team Members and customers. We are extremely proud of Team O'Reilly's ongoing hard work and dedication to serving each community where we do business, as well as their ability to deliver another outstanding quarter while providing excellent customer service during these difficult times. Our Team's tireless efforts resulted in our second consecutive quarter of over 16% comparable store sales growth. Our DIY business was again a larger contributor to our comparable store sales growth; however, our professional business performed very well, again generating comparable store sales above our expectations during the quarter. We were pleased with our strong sales performance throughout the third quarter, and our business has continued to perform very well through the first three weeks of October, generating robust comparable store sales in the low double digits."

Mr. Johnson further commented, "Our Team's hard work and commitment to expense control resulted in another extremely profitable quarter, exemplified by our 22.6% operating profit margin, which represents a 249 basis point improvement over the prior year, and a 39.2% increase in diluted earnings per share to \$7.07. Through the first nine months of 2020, we also generated significant growth in cash provided by operations and free cash flow, increasing both metrics by over \$850 million. We continue to maintain a cautious approach to managing our operating costs in these uncertain economic conditions and remain steadfastly focused on providing the excellent customer service that drives long-term profitable growth. Finally, we would like to thank all of Team O'Reilly for your tremendous determination and relentless dedication to taking care of our customers each day – your countless contributions are absolutely the driver to our ongoing success."

Sales for the third quarter ended September 30, 2020, increased \$541 million, or 20%, to \$3.21 billion from \$2.67 billion for the same period one year ago. Gross profit for the third quarter increased 18% to \$1.68 billion (or 52.4% of sales) from \$1.42 billion (or 53.3% of sales) for the same period one year ago. Selling, general and administrative expenses ("SG&A") for the third quarter increased 8% to \$955 million (or 29.8% of sales) from \$886 million (or 33.2% of sales) for the same period one year ago. Operating income for the third quarter increased 35% to \$725 million (or 22.6% of sales) from \$536 million (or 20.1% of sales) for the same period one year ago.

Net income for the third quarter ended September 30, 2020, increased \$136 million, or 35%, to \$527 million (or 16.4% of sales) from \$391 million (or 14.7% of sales) for the same period one year ago. Diluted earnings per common share for the third quarter increased 39% to \$7.07 on 75 million shares versus \$5.08 on 77 million shares for the same period one year ago.

### 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.

For more info: <https://www.benzinga.com/pressreleases/20/10/g18106046/oreilly-automotive-inc-reports-third-quarter-2020-results-and-announces-additional-1-0-billion-sha>





## INVESTMENT HIGHLIGHTS

- ▶ Rare Absolute NNN Lease
- ▶ Corporate Lease with O'Reilly Auto Enterprises, LLC
- ▶ Investment Grade Tenant (NASDAQ: ORLY, S&P: BBB)
- ▶ Tenant recently exercised a 5-year option - showing strong commitment to site

## PROPERTY HIGHLIGHTS

- ▶ Located along Main Street - the city's main retail corridor
- ▶ One-half mile from Bret Harte Union High School & Mark Twain Elementary School
- ▶ Low competition - this O'Reilly Auto Parts is one of the only auto stores within a 15 mile radius
- ▶ Surrounding national tenants include Best Western, Dollar General, Pic n Save, Rite Aid, Taco Bell, Ace Hardware, CVS
- ▶ 7.5 miles from New Melones Lake - the fourth largest reservoir in California. New Melones is known for its great fishing and water activities







NEW MELONES LAKE

Calaveras County  
Fairgrounds



Bret Harte Union  
High School





**240 MILES TO  
REDDING**



**165 MILES TO  
RENO**



**75 MILES TO  
SACRAMENTO**



**130 MILES TO  
BAY AREA**

San Jose



Fresno

CALIFORNIA



**230 MILES TO  
BAKERSFIELD**

Bakersfield

NEVADA



**515 MILES TO  
LAS VEGAS**

Death Valley  
National Park

# DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	2,951	4,401	5,749
■ 2020 Estimate			
Total Population	2,938	4,385	5,727
■ 2010 Census			
Total Population	2,921	4,360	5,691
■ 2000 Census			
Total Population	2,742	4,025	5,138
■ Current Daytime Population			
2020 Estimate	3,074	4,450	5,373
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	1,269	1,879	2,427
■ 2020 Estimate			
Total Households	1,259	1,864	2,407
Average (Mean) Household Size	2.31	2.31	2.32
■ 2010 Census			
Total Households	1,246	1,845	2,381
■ 2000 Census			
Total Households	1,131	1,648	2,075
■ Occupied Units			
2025 Projection	1,269	1,879	2,427
2020 Estimate	1,512	2,255	2,920
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$150,000 or More	9.64%	9.60%	10.84%
\$100,000 - \$149,000	17.31%	17.41%	17.06%
\$75,000 - \$99,999	14.15%	13.99%	13.49%
\$50,000 - \$74,999	15.68%	15.40%	14.86%
\$35,000 - \$49,999	15.14%	15.27%	14.94%
Under \$35,000	28.05%	28.32%	28.81%
Average Household Income	\$81,429	\$81,688	\$85,660
Median Household Income	\$62,609	\$62,119	\$62,272
Per Capita Income	\$35,055	\$34,923	\$36,280

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$77,777	\$77,510	\$77,756
■ Consumer Expenditure Top 10 Categories			
Housing	\$22,346	\$22,309	\$22,408
Shelter	\$14,303	\$14,307	\$14,351
Transportation	\$12,038	\$11,995	\$12,046
Food	\$8,663	\$8,614	\$8,564
Personal Insurance and Pensions	\$7,933	\$7,898	\$7,932
Health Care	\$4,941	\$4,901	\$4,899
Utilities	\$3,861	\$3,846	\$3,868
Entertainment	\$3,381	\$3,375	\$3,398
Household Operations	\$1,887	\$1,871	\$1,891
Cash Contributions	\$1,826	\$1,807	\$1,788
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	2,938	4,385	5,727
Under 20	18.37%	18.53%	18.33%
20 to 34 Years	17.44%	17.52%	17.00%
35 to 39 Years	5.81%	5.80%	5.81%
40 to 49 Years	9.46%	9.53%	9.62%
50 to 64 Years	19.93%	20.52%	21.92%
Age 65+	28.98%	28.09%	27.33%
Median Age	48.92	48.65	49.31
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	2,251	3,351	4,399
Elementary (0-8)	2.92%	2.93%	2.64%
Some High School (9-11)	5.41%	5.24%	5.02%
High School Graduate (12)	25.72%	25.78%	25.78%
Some College (13-15)	34.29%	34.82%	35.04%
Associate Degree Only	9.23%	8.91%	8.75%
Bachelors Degree Only	16.55%	16.01%	15.75%
Graduate Degree	5.43%	5.88%	6.69%





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