

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



O'Reilly Auto Parts

300 W HENDERSON AVE | PORTERVILLE, CA

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INVESTMENT HIGHLIGHTS

- » **Extremely Strong Corporate Guaranty** - O'Reilly Auto Parts, INC. has an Investment Grade Credit Rating of BBB (S&P)
- » **Recession Proof Tenant** - O'Reilly Auto Parts thrived throughout the Covid-19 pandemic; O'Reilly's Sales increased 14% from 2020 to 2021 as their stock price is up nearly 30% YTD
- » Eagle Mountain Casino has recently been approved for relocation into Porterville, CA. The 100,000 square-foot property will be a massive economic driving force the city. The expected date to open is December 2022
- » **Idea Retail Corridor** – West Henderson Ave is home to dozens of national credit tenants such as Walmart, Target, McDonald's, Wendy's, CVS, Starbucks, Tractor Supply and many more
- » **Limited Competition** – Only three other National Auto Part stores are located in Porterville, servicing more than 80,000 citizens
- » **Market Demand** – Auto Parts Stores supply local mechanics and car service centers; this location has 6 repair shops located within a ½ mile radius.
- » **Defensive Product** – With older cars on the road, auto part retailers have continued to experience increased revenues during the downturns in the economy.
- » **Low Price Point** – O'Reilly paying low rent at this location makes a redevelopment from this location increasingly difficult
- » **3-Mile Population of 65,055 residents**
- » **5-Mile Population of 73,982 residents**



W. HENDERSEN AVE
± 13,000 VPD





BANK OF AMERICA

PORTERVILLE
COLLEGE

DOWNTOWN PORTERVILLE

AMERICAS
BEST VALUE INN & SUITES

RITE
AID

ITALIAN MARKET
& DELI

Walmart
DISTRIBUTION CENTER

Ford

HOME DEPOT

LOWE'S

Pizza
Hut

O'Reilly
AUTO PARTS

W. HENDERSEN AVE
± 13,000 VPD

Financial Overview



Executive Summary

Property Address	300 W Henderson Ave Porterville, CA 93257
Suggested List Price	\$1,000,000
Cap Rate	6.68%
NOI	\$66,780
Lot Size	±0.75 AC
GLA	±7,990 SF
Lot Size	±0.54 AC

Tenant Summary

Tenant Name	O'Reilly Auto Parts
Type of Ownership	Fee Simple
Lessee Entity	Corporate
Lease Type	NN
Roof, Structure & Parking Lot Replacement	LandLord responsibility
Term Remaining	±3 Years
Original Lease Term	10 Years
Lease Commencement Date	8/19/14
Lease Expiration Date	8/18/24
Increases	6%
Options	3 x 5

Annualized Operating Data

Date	Monthly Rent	Annual Rent	Cap Rate	Rent/ SF
Current Rent	\$5,565.00	\$66,780	6.68%	\$8.36
Option 1	\$5,899.00	\$70,788	7.08%	\$8.86
Option 2	\$6,235.00	\$74,820	7.48%	\$9.36
Option 3	\$6,609.10	\$79,309	7.93%	\$9.93

**Please contact a Matthews™
Capital Markets agent for financing
options:**

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O'Reilly
AUTO PARTS

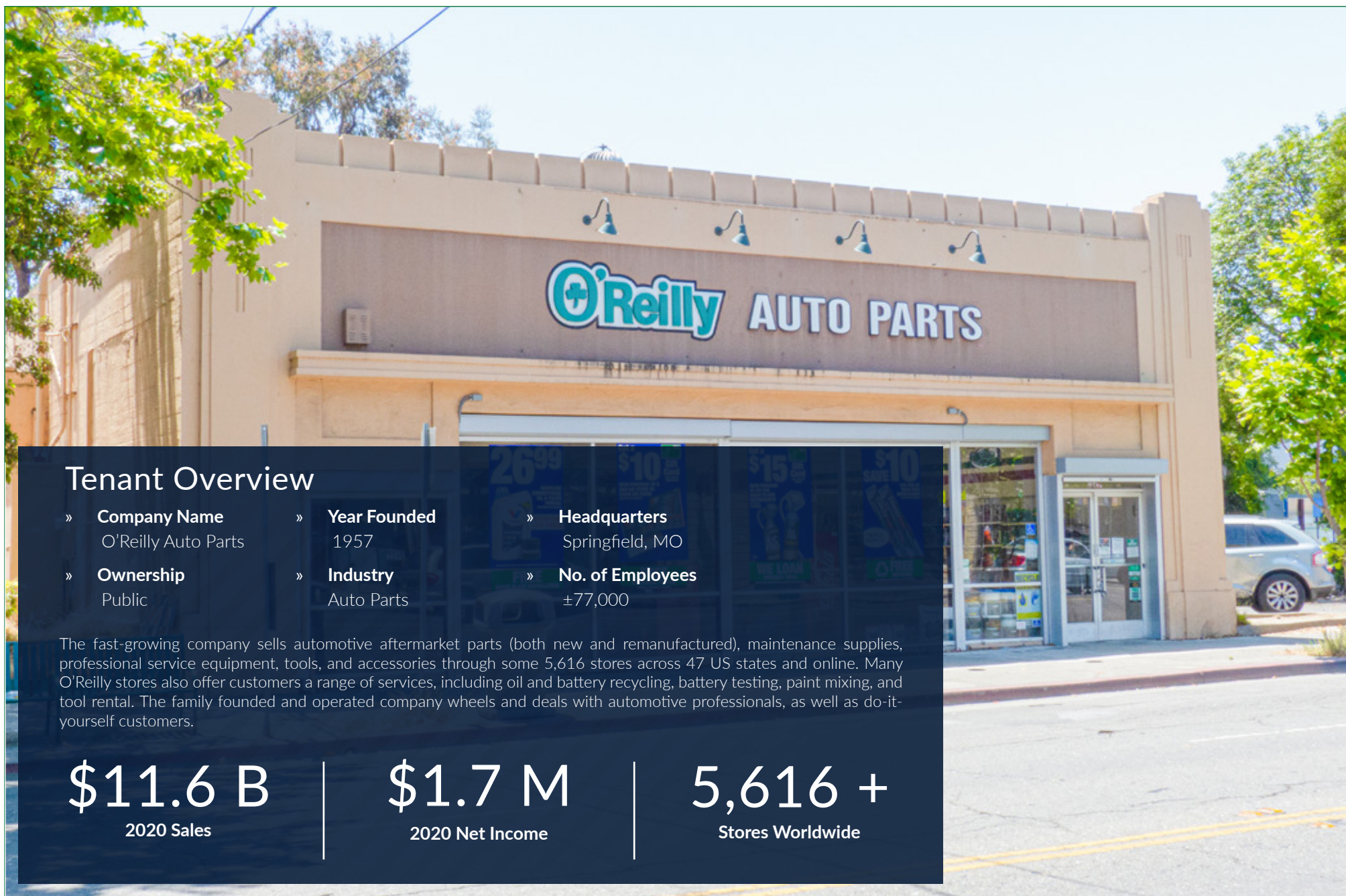
FREE CHECK
ENGINE LIGHT TESTING
PRECIO BAJO GARANTIZADO

N G STREET 800

STOP

O'Reilly AUTO
PARTS

O'Reilly AUTO
PARTS



Tenant Overview

» Company Name O'Reilly Auto Parts	» Year Founded 1957	» Headquarters Springfield, MO
» Ownership Public	» Industry Auto Parts	» No. of Employees ±77,000

The fast-growing company sells automotive aftermarket parts (both new and remanufactured), maintenance supplies, professional service equipment, tools, and accessories through some 5,616 stores across 47 US states and online. Many O'Reilly stores also offer customers a range of services, including oil and battery recycling, battery testing, paint mixing, and tool rental. The family founded and operated company wheels and deals with automotive professionals, as well as do-it-yourself customers.

\$11.6 B 2020 Sales	\$1.7 M 2020 Net Income	5,616 + Stores Worldwide
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Area Overview



Porterville, CA

Situated midway between San Francisco and Los Angeles and just around an hour away from both Fresno and Bakersfield, Porterville is a city in Tulare County, California. It is home to nearly 60,000 residents and is a member of the Visalia-Porterville Metropolitan Statistical Area. With a thriving economy, lots of nearby attractions, and its proximity to other major cities, Porterville is a great place for families and businesses.

Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2026 Projection	11,852	65,405	74,239
2021 Estimate	11,852	65,055	73,928
2010 Census	11,643	63,850	72,765
Growth: 2010-2021	1.80%	1.89%	1.60%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2026 Projection	4,034	20,115	22,594
2021 Estimate	3,945	19,585	22,026
2010 Census	3,705	18,374	20,736
Growth: 2026-2020	2.24%	2.70%	2.58%
Growth: 2010-2021	6.49%	6.59%	6.22%
INCOME	1 - MILE	3 - MILE	5 - MILE
Average Household Income	\$58,989	\$66,180	\$65,907

Economy

Porterville is in the southeastern portion of the San Joaquin Valley, one of the most diverse agriculture areas in the nation. The city's major industries include agri-business, light industry, and commercial enterprise. Business operations within the city include the production of electronic medical instruments, food products, machine products, and many more. The city is also home to numerous public facilities such as the Porterville Developmental Center, Sequoia National Forest Headquarters, the Army Corps of Engineers Lake Success Facility, and the Porterville College campus of the Kern Community College District. Nestled against the foothills of the Sierra Nevada Mountains, Porterville is a gateway to Sequoia National Forest, Giant Sequoia National Monument, and Kings Canyon National Park. Porterville also serves as a trade center for more than 100,000 people.

EMPLOYERS	# OF EMPLOYEES
Porterville Public Schools	1,606
Porterville State Developmental Center	1,169
Wal-Mart Distribution Center	1,054
Sierra View Medical Center	833
Burton School District	685
City of Porterville	574
Eagle Mountain Casino	460
Foster Farms	387
Family Healthcare Network	303
Wal-Mart Retail Store	298

<http://www.ci.porterville.ca.us/depts/Finance/>

Attractions

Porterville features several attractions. Just 10 miles away from the heart of Porterville, Lake Success provides great fishing and boating experiences in the southern end of Central Valley. It also offers scenic views of the Sierra Nevada mountains. Comprised of 20 acres and just minutes away from the downtown area, Murry Park offers picnic areas, pavilions, a 9-hole disc golf course, a fishing pond, and play areas. Zalud House is a historic family home from the 19th century that contains its original furnishings and décor. Today, it is a house museum that people can visit. The property also features a stunning rose garden, where outdoor weddings are occasionally held.

Higher Education: Porterville College

Porterville College is a community college positioned at the base of the scenic High Sierra Mountain Range in southeastern Tulare County. The 60-acre campus offers over 60 programs where students can earn associate degrees and/or certificates. Currently, over 4,000 students attend the community college.



Fresno, CA

Fresno is centrally located between the major markets of Northern and Southern California. With over 1 million residents, it is the 5th largest city in California. Fresno is known for its booming agriculture industry, and it is also an ideal location for distribution and fulfillment centers as it has access to California's major transportation freeways: CA-99 and I-5. It is also an outdoor enthusiast's haven as it is close to Yosemite National Park, Kings Canyon National Park, and Sequoia National Park. The city of Fresno is also rich in education and innovation as it is home to California State University – Fresno. The city also has access to the Fresno Yosemite International Airport that has non-stop flights to 15 major cities in the United States and Mexico. Fresno is the ideal place for big-city living with a small-town charm.

- **With \$7.02 billion in output, Fresno County ranks in the top three agricultural producing counties in the United States.** - Fresno County Economic Development Corporation
- **#10 in Best Places to Live in California** - U.S. News, 2020-2021
- **In 2018, Fresno County officially surpassed a total population of 1 million. The population of Fresno is expected to grow at a faster rate (17.6%) than the state of California (12.8%) by 2035.** - Fresno County Economic Development Corporation



Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **O'Reilly Auto Parts** located at **300 W Henderson Ave, Porterville, CA 93257** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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