

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES

O'Reilly AUTO PARTS

26⁹⁹



FREE

\$10



FREE

\$15



WE LOAN

\$10



FREE

O'Reilly
AUTO PARTS

704-710 CENTRAL AVE | ALAMEDA, CA 94501

OFFERING MEMORANDUM



704 CENTRAL AVE | ALAMEDA, CA 94501

LISTED BY:



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AREA OVERVIEW



PROPERTY OVERVIEW

O'REILLY AUTO PARTS | ALAMEDA, CA

INVESTMENT HIGHLIGHTS

LEASE

- Brand new 10-year lease extension, proving the location to be an irreplaceable location for O'Reilly
- Lease extension includes an substantial 48% increase in rent
- Rare 10% rent increase in February 2028 & a 12% increase in the Option period
- Even with the most recent rent increase, O'Reilly is still paying $\pm 38\%$ below market rent, providing a buyer with future upside potential
- NN+ lease structure with minimal landlord responsibilities
- Extremely strong corporate guaranteed lease
- Formally CSK Auto, Inc. this site has operated as an auto parts retailer for over 40 consecutive years

LOCATION

- O'Reilly is approximately 2.5 miles away from downtown Oakland, CA and 15 miles from downtown San Francisco, CA
- At the signalized intersection corner of Central Ave and Webster Street giving O'Reilly maximum exposure to over 20,000 vehicles daily
- This site boasts an Average Household Incomes within a 5-Mile Radius over \$124,000
- 5-Mile population in excess of over 394,991 residents
- Webster Street brings residents directly to and from Oakland through the Webster Tube, an underwater tunnel crucial to connecting the island with the mainland

TENANT

- O'Reilly Automotive, Inc. (\$ORLY) has over 5,700 locations across 47 U.S. states and has an investment grade credit rating of BBB (S&P 500)
- O'Reilly quickly became one of the most profitable retailers across all sectors during the Covid-19 pandemic with revenues during 2020 surpassing \$13.5 Billion dollars
- O'Reilly has continued to beat the market with their stock price up over 20% year over year
- In April of 2008, O'Reilly signed a deal to acquire all of CSK Auto Inc's. common stock and debt for approximately \$1 Billion; taking roughly 3 years to rebrand several hundred stores to O'Reilly Auto Parts, this rapidly expanded their west coast operations and has made O'Reilly one of the most dominant auto parts retailers



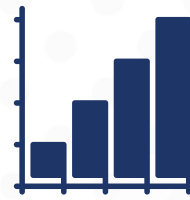
FINANCIAL OVERVIEW

O'REILLY AUTO PARTS | ALAMEDA, CA



\$4,177,773

PRICE



4.85%

CAP RATE

INVESTMENT SUMMARY: RENTAL HOME

(2022 Est. Figures)	
Monthly Rent	\$3,366
Annual Rent	\$40,392
Taxes	\$13,397
Insurance	\$1,049
Management Fees	\$2,423
Rental Fee	\$250
Additional expenses	\$650
Net Operating Income	\$22,622
Price	\$466,433
Cap Rate	4.85%

ADDITIONAL INFORMATION: RENTAL HOME

Beds	4
Baths	2
Lease Commencement	3/31/2014
Lease Expiration	12/31/2022
Total SF	± 2,500

INVESTMENT SUMMARY: O'REILLY

Address	704 Central Ave Alameda, CA 94501
Price	\$3,711,340
GLA	±8,212
Cap Rate	4.85%
Year Built	1945
Lot Size	±.54 acres

TENANT SUMMARY: O'REILLY

Tenant Trade Name	O'Reilly Auto Parts
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Roof/Structure	Landlord Responsibility
Original Lease Term	15 Years
Lease Commencement Date	4/22/1982
Lease Expiration Date	1/31/2033
Term Remaining on Lease	±10.5 Years
Increase	10% February 2028, 12% in Option (February 2033)
Options	1, 5-Year Option

ANNUALIZED OPERATING DATA - O'REILLY AUTO PARTS

DATE	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
Current - 1/31/2023	\$10,075.67	\$120,908.04	-	-
2/1/2023 - 1/31/2028	\$15,000.00	\$180,000.00	48.87%	4.85%
2/1/2028 - 1/31/2033	\$16,800.00	\$198,000.00	10.00%	5.34%
2/1/2033 - 1/31/2038	\$18,816.00	\$225,792.00	12.00%	6.08%
Rental Increase			10% February 2028, 12% in Option (February 2033)	

RENT ROLL

TENANT	LEASE START	LEASE END	SQUARE FEET	MONTHLY RENT	ANNUAL RENT	\$PSF/MO.	\$PSF/YR	OPTIONS
O'Reilly Auto Parts	4/22/1982	1/31/2033	± 8,212	\$15,000	\$180,000	± \$1.82	± 21.92	1x5 Yr @12% increase
Rental Home	3/13/2014	12/31/2022	± 2,500	\$3,366	40,392	± \$1.34	± \$16.15	None
TOTALS			± 10,717	\$18,366	\$220,392	± \$1.71	± \$20.56	

AREA MAP





**RENTAL HOME:
710 CENTRAL AVE**



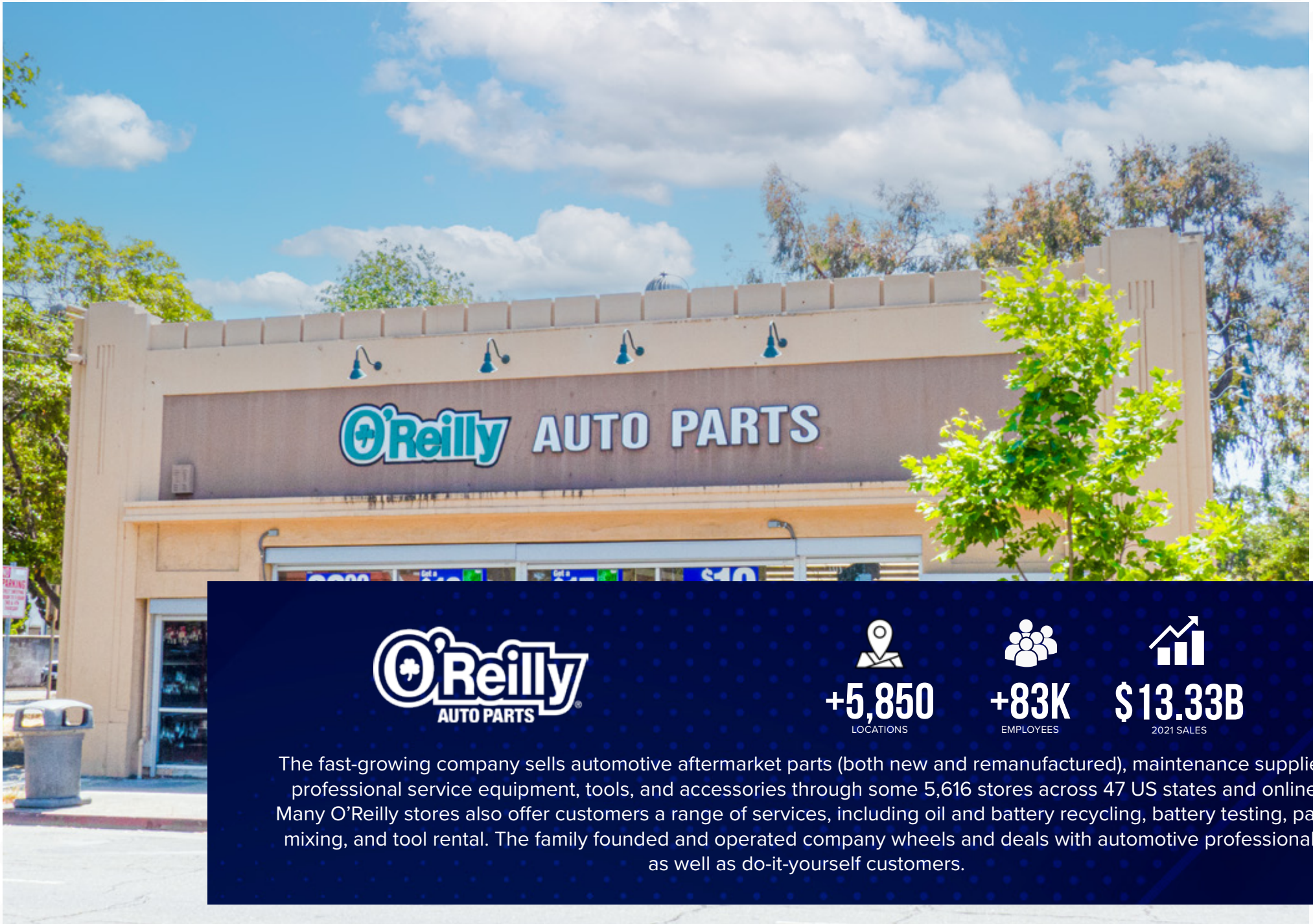
AREA MAP






TENANT OVERVIEW

O'REILLY AUTO PARTS | ALAMEDA, CA




+5,850
LOCATIONS


+83K
EMPLOYEES


\$13.33B
2021 SALES

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.



AREA OVERVIEW

O'REILLY AUTO PARTS | ALAMEDA, CA



ALAMEDA, CA

Located in Alameda County, the city of Alameda is part of the growing East Bay region of the San Francisco Bay Area. Home to more than 79,000 residents, the city is comprised of Alameda Island, Bay Farm Island, and a couple of minor islands. It has scenic views of Oakland, the San Francisco Bay, and other areas of the Bay shoreline and surrounding hills. All of which can be accessed through ferry and land transportation. Other points of interest in the city include Robert W. Crown Memorial State Beach, USS Hornet, and the Pacific Pinball Museum. The city is also home to the College of Alameda, a community college educating over 6,000 students. Alameda is comprised of mostly residential neighborhoods and commercial areas. Alameda is predicted to have continuous economic growth with more residents and businesses moving into the city due to the availability of space at the decommissioned Naval Air Station and in other areas of the city.

DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
2027 Estimation	26,868	176,339	399,204
2022 Population	26,491	173,442	394,991
2010 Census	24,943	155,985	352,236
Annual Growth 2022-2027	1.42 %	1.67 %	1.07 %
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2027 Estimation	11,569	74,821	165,519
2022 Population	10,952	70,636	156,914
2010 Census	10,605	65,438	144,950
Annual Growth 2022-2027	5.64 %	5.92 %	5.48 %
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$134,622	\$115,052	\$124,001

HIGHER EDUCATION

University of California, Berkeley is a public research university in Berkeley California. It was established in 1968 as the state's first campus of the University of California system. It has consistently ranked among the world's top universities. The university's academic enterprise is organized into 14 colleges and schools, which, in turn, comprise 180 departments and 80 interdisciplinary units offering over 350 degree programs. UC Berkeley is also a prominent school in athletics. The university's athletic teams are known as the California Golden Bears (often shortened to "Cal Bears" or just "Cal") and are primarily members of the NCAA Division I Pac-12 Conference. The university has a total enrollment of over 45,000 students.

TRANSPORTATION

Getting around San Francisco is no hassle with its extensive transportation system. The San Francisco Municipal Railway, commonly known as Muni, is one of the largest transit systems in the United States. It is comprised of a combined light rail and subway system, the Muni Metro, and a network of bus and trolley coaches. It also has a historic streetcar line on Market Street running from Castro Street to Fisherman's Wharf. Cable cars found throughout the city are also ran by Muni. Other forms of public transportation include the Bay Area Rapid Transit, which connects San Francisco with the East Bay and San Jose, and the San Francisco Bay Ferry, which operates from the Ferry Building and Pier 39 and connects the city to Oakland, Alameda, Bay Farm Island, and many other cities in the Bay Area.



UC BERKELEY

SAN FRANCISCO BAY AREA:

Set along the ocean, with rolling hills and the iconic Golden Gate Bridge, San Francisco is one of the most beautiful cities in the United States and the jewel of Northern California. The city is full of history, great neighborhoods, parks, beaches, museums, and a whole host of entertainment options and things to do. Some of the most famous attractions are Alcatraz Island and Fisherman's Wharf, but the sightseeing possibilities here are extensive. San Francisco's Chinatown is the largest of its kind in North America and is worth visiting. For an interesting experience, hop on one of the historic cable cars and tour the city.

The Golden Gate Bridge is a California icon gracing San Francisco Bay. It is the most photographed site in the city, with the orange structure backed by blue water, or in many cases, peaking through low lying clouds. At night, the flood-lit structure is equally striking.

The historic and notorious Alcatraz penitentiary, located on Alcatraz Island in San Francisco Bay, is one of America's most infamous prisons. It operated for almost thirty years, closing in 1963 and re-opening as a tourist attraction in 1973. Some of America's most well-known criminals were inmates here, including Al Capone and the "Birdman," who would later form the basis for the fictional movie The Birdman of Alcatraz, with hand-painted murals and vintage jukeboxes.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **O'Reilly Auto Parts** located at **704 Central Ave Alameda, CA 94501** ("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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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EXCLUSIVELY LISTED BY:

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