



O'Reilly Auto Parts

BRAND-NEW 15-YEAR LEASE EXTENSION FEATURING
9% RENTAL INCREASES EVERY 5 YEARS

TOP 15% MOST TRAFFICKED O'REILLY LOCATION NATIONWIDE

HOUSTON, TX



CP PARTNERS
COMMERCIAL REAL ESTATE

In Association with Scott Reid & ParaSell, Inc. | A Licensed Texas Broker #9009637



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O'Reilly Auto Parts

1204 FEDERAL RD, HOUSTON, TX 77015 [↗](#)

\$2,667,000

PRICE

5.25%

CAP RATE

NOI	\$140,000
LEASE TYPE	Absolute NNN
LEASE TERM	15 Years
BUILDING SIZE	8,256 SF
LAND AREA	0.86 AC



Longstanding operating history in the community with original lease commencing in 1989

A corporate O'Reilly lease with a brand-new 15-year term featuring 9% rental increases every 5 years and an absolute net lease structure requiring zero landlord maintenance or expense obligations. Tenant has been **operating at this location for 36 years** and is **ranked in the top 15% of O'Reilly locations nationwide** in terms of annual visits (per Placer.ai).

The Offering

- Brand-new 15-year absolute net extension in tax-free state
- 9% rental increases every 5 years providing a hedge against inflation
- Corporate lease backed by investment grade tenant
- Replaceable rent – \$16/SF
- Longstanding operating history – 36 years at this location
- Top 15% O'Reilly location nationwide in terms of annual visits (per Placer.ai)
- Strong reported sales, profitability, and rent coverage (ask Agent for more details)

Best In Class Tenant

- Investment grade corporate auto parts retailer (NYSE: ORLY | S&P: BBB)
- 2024 revenues totaled \$16.7B, a 6% increase over the previous year
- 6,370+ stores nationwide – 2nd most among auto retailers in the U.S.
- Internet & recession resistant industry – the average car on the road is ± 12.6 years old, continually increasing the demand for aftermarket auto parts

Market Highlights

- Dense residential trade area – 175,000+ residents within a 5-mile radius of the subject property
- Surrounding residents own an average of 2 cars per household, with the 1-mile population spending roughly \$3.3M on auto repair annually (per CoStar)
- Adjacent to Interstate 10 – one of the most traveled East/West interstates in TX (152,000+ VPD)
- Nearby national tenants driving traffic to the direct trade area include Walmart, Sam's Club, Home Depot, Academy Sports, and Chick-Fil-A

Surrounding Retail



		CURRENT
Price		\$2,667,000
Capitalization Rate		5.25%
Building Size (SF)		8,256
Lot Size (AC)		0.86
Stabilized Income	\$/SF	
Scheduled Rent	\$16.96	\$140,000
Less	\$/SF	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Capital Expenditure Reserve	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
Net Operating Income		\$140,000

Disclaimer

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the subject property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. CPP and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

LEASE ABSTRACT	
Premise & Term	
Tenant	O'Reilly
Lease Signor	O'Reilly Auto Enterprises, LLC
Lease Type	Absolute NNN
Lease Term	15 Years
Rent Increases	9% Every 5 Years
Rent Commencement	11/30/1989
Options	Four, 5-Year
Expenses	
CAM	Tenant's Responsibility
Property Taxes	Tenant's Responsibility
Insurance	Tenant's Responsibility
Utilities	Tenant's Responsibility
HVAC	Tenant's Responsibility
Repairs & Maintenance	Tenant's Responsibility
Roof & Structure	Tenant's Responsibility

Tenant Info		Lease Terms		Rent Summary			
Tenant Name	SQ. FT.	Term Years		Current Rent	Monthly Rent	Yearly Rent	Yearly Rent/SF
O'Reilly	8,256	11/30/1989	6/30/2030	\$140,000	\$11,667	\$140,000	\$16.96
	9% Increase	7/1/2030	6/30/2035		\$12,717	\$152,600	\$18.48
	9% Increase	7/1/2035	6/30/2040		\$13,861	\$166,334	\$20.15
	Option 1	7/1/2040	6/30/2045		\$15,109	\$181,304	\$21.96
	Option 2	7/1/2045	6/30/2050		\$16,468	\$197,621	\$23.94
	Option 3	7/1/2050	6/30/2055		\$17,951	\$215,407	\$26.09
	Option 4	7/1/2055	6/30/2060		\$19,566	\$234,794	\$28.44
TOTALS:	8,256			\$140,000	\$11,667	\$140,000	\$16.96

LEGEND



Property
Boundary

8,256

Building SF

0.86

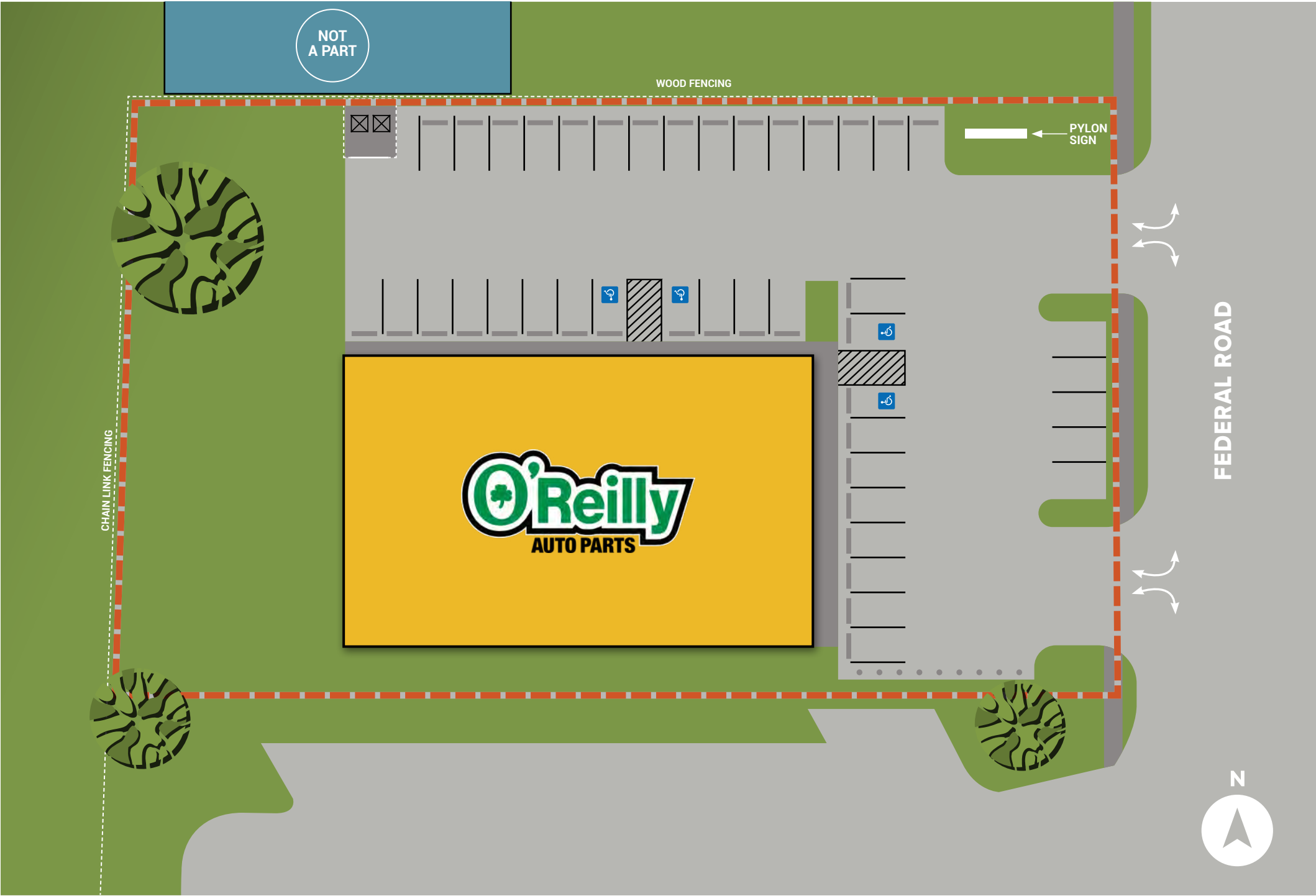
Acres

±42

Parking Spaces



Egress



A Leading Retailer in the Automotive Market Industry



6,370+

STORES IN
NORTH AMERICA

\$16.7 Billion

TOTAL SALES
IN FY 2024

6.0%

SALES GROWTH
IN FY 2024



About O'Reilly Auto Parts

- Founded in 1957, O'Reilly Auto Parts (NASDAQ: ORLY) is one of the largest specialty auto parts retailers providing automotive parts, tools, supplies, equipment, and accessories in the United States
- What began as a single auto parts business in Springfield, Missouri, has grown to more than 6,378 locations in 48 states and Puerto Rico, 63 stores in Mexico, and 23 stores in Canada
- O'Reilly Auto Parts has continued to broaden its reach over the years, and now employs over 90,000 team members

Financial Highlights & Acquisition

- O'Reilly Auto Parts acquired Groupe Del Vasto (operating as Vast-Auto Distribution / "Vast-Auto") in January 2024, representing O'Reilly's entrance into the Canadian automotive market
- Vast-Auto Distribution is a leader in the distribution and marketing of automotive parts for auto parts stores in Eastern Canada, operating for more than 35 years
- In 2024, O'Reilly Auto Parts generated \$16.7 billion in sales, a 6% increase year-over-year

[Tenant Website](#) 



DOWNTOWN
HOUSTON



Located
in core
Houston,
between
highway
rings

152,047
VEHICLES PER DAY ALONG
EAST FREEWAY, I-10

25,364
VEHICLES PER DAY ALONG
FEDERAL ROAD

9.5 miles
TO DOWNTOWN
HOUSTON



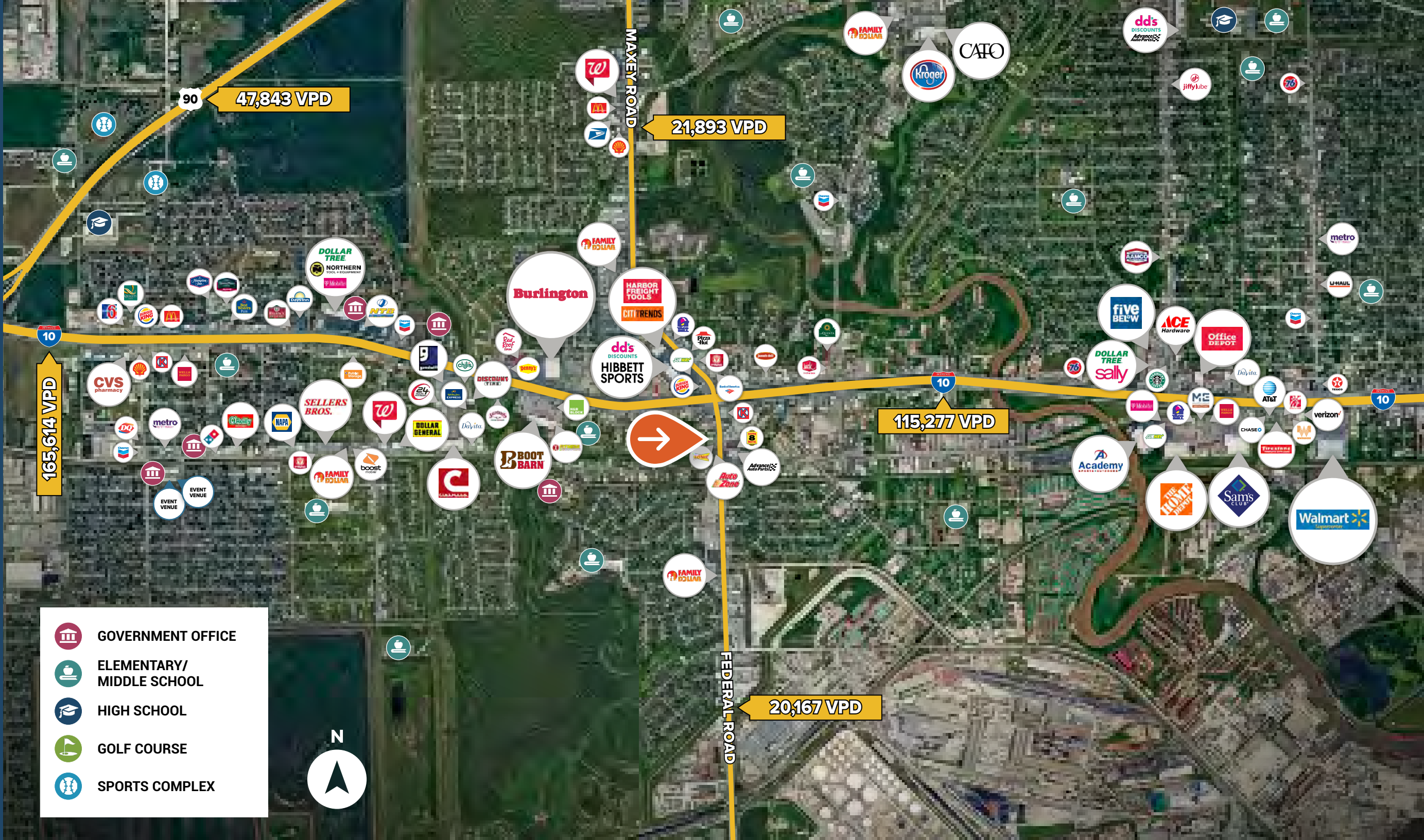
DOWNTOWN HOUSTON
9.5 MILES

152,047 VPD

25,364 VPD

SUBJECT PROPERTY

O'Reilly AUTO PARTS








47,843 VPD

21,893 VPD

115,277 VPD

20,167 VPD

-  GOVERNMENT OFFICE
-  ELEMENTARY/
MIDDLE SCHOOL
-  HIGH SCHOOL
-  GOLF COURSE
-  SPORTS COMPLEX





Ring Radius Population Data

	1-MILE	3-MILES	5-MILES
2024	14,357	78,718	175,257
2029 Proj.	14,710	80,271	178,978

*Population data sourced from CoStar

Ring Radius Income Data

	1-MILE	3-MILES	5-MILES
Average	\$54,318	\$58,762	\$62,919

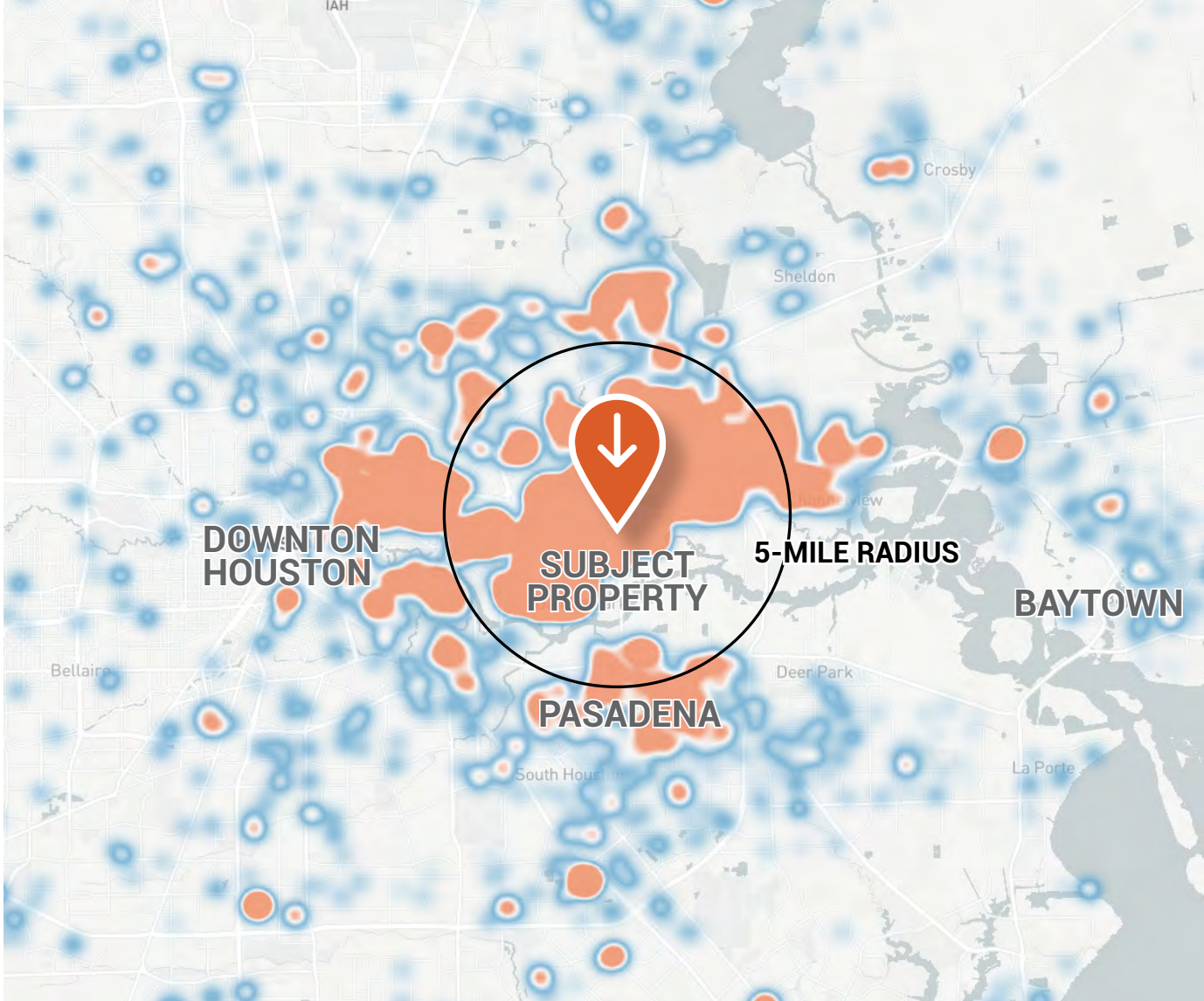
The subject property is **ranked in the 85th percentile (top 15%) O'Reilly location nationwide** based on the number of visits in the past 12 months

86.5K Visits

OVER PAST 12 MONTHS AT THE
SUBJECT PROPERTY

15 Minutes

AVERAGE DWELL TIME AT THE
SUBJECT PROPERTY



The shading on the map above shows the **home location of people who visited the over the last 12 months**. Orange shading represents the highest concentration of visits.

*Map and data on this page provided by Placer.ai. Placer.ai uses location data collected from mobile devices of consumers nationwide to model visitation and demographic trends at any physical location.

Houston, Texas

THE LARGEST CITY IN TEXAS

H-Town & The Space City

- Houston is the most populous city in Texas and the fourth-most populous city in the U.S., with Greater Houston historically being among the fastest-growing metropolitan areas in the country
- Renowned for its vibrant culture and robust business environment, Houston is also home to the NASA's Lyndon B. Johnson Space Center (JSC) - formerly the Manned Spacecraft Center - and major league sports teams: Houston Astros (MLB), Houston Texans (NFL), Houston Rockets (NBA)
- It hosts the second-most Fortune 500 headquarters of any U.S. municipality within its city limits

Educational Institutions

- University of Houston is a nationally recognized Tier One research university and the flagship institution of the University of Houston System with 44,000 students

Business & Economy

- Houston is recognized worldwide for its energy industry – particularly for oil and natural gas, as well as for biomedical research and aeronautics
- The Texas Medical Center, located in Houston, is the largest medical complex in the world, serving more than 10 million patients per year
- A major trade center anchored by the Port of Houston, the MSA has the highest trade export value of all metropolitan areas
- The Houston Airport System (HAS) manages George Bush International Airport (IAH), recognized as one of the nation's busiest and a global hub, and William P. Hobby Airport (HOU)

6.7 Million

HOUSTON MSA ESTIMATED POPULATION

\$463.2 B

HOUSTON MSA GDP



Regional Map

Top Destinations

THRIVING HUBS OF INNOVATION AND CULTURE

Texas Medical Center

- The Texas Medical Center (TMC) is the world's largest medical complex, handling over 10 million patient encounters annually, employs over 120,000 people, and has over 9.2K patient beds
- TMC also sees 750,000+ ER visits per year, performs over 180K annual surgeries, beginning one surgery every three minutes
- Home to the world's largest children's hospital, delivering a baby every 20 minutes, approximately 26K births per calendar year
- TMC drives medical breakthroughs across eight academic and research institutions and 21 hospitals
- Responsible for more than \$24 billion in annual economic activity, TMC is a key growth driver for the Houston region
- There are currently over \$3B in construction projects associated with the TMC underway

[Texas Medical Center](#)

NRG Stadium

- NRG Stadium, home of the NFL's Houston Titans, is the only rodeo and NFL indoor/outdoor retractable roof stadium
- Features 125k square feet of space for exhibits, concerts, and professional or amateur sporting events
- The stadium hosts 500+ events annually and offers 196 suites, a seating capacity of 72,220

Houston Zoo

- Nestled on 55 acres in the heart of Houston, the Houston Zoo showcases over 5,000 animals from around the globe, and supports 49 wildlife conservation projects across 27 countries
- Welcoming more than 2.1 million visitors annually, the Zoo offers immersive experiences with diverse animals and ecosystems
- In 2023, the Zoo contributed \$310 million to the local economy, with over 400 full and part-time employees and 600 volunteers

[Houston Zoo Community Impact Report](#)





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Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date