

7933

WATT AVENUE

ANTELOPE, CA 95843

O'REILLY AUTO PARTS

OFFERING PRICE: \$3,150,000

- ▶ NNN | Includes Roof & Structure
- ▶ Excellent Visibility | Frontage Along Elverta Road
- ▶ Shadow-Anchored by a Walmart Superstore Center

7933WATT.COM



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TABLE OF CONTENTS

01 SUBJECT PROPERTY

Investment Summary	4
Investment Overview	5
Lease Summary	6
Company Profile	7
Market Trends	8
Photo Gallery	10

02 FINANCIALS

Income & Spending	12
Traffic Count	15



O'Reilly AUTO PARTS

SUBJECT
PROPERTY

INVESTMENT SUMMARY

7933 Watt Avenue is a one-story, single-tenant freestanding retail asset with 265 Feet of frontage along Elverta Road. It's currently leased to O'Reilly Auto Parts. The building, constructed in 2003, is 7,009 SF and is situated in a Walmart Superstore Center with ample parking and easy customer access.

This is an excellent opportunity for Investors to acquire a property with a nationally known credit tenant on an NNN lease. This specific O'Reilly Auto Parts has been at this location since 2002 and recently signed an extension through 2028 with renewal options available. The lease has rental increases every five years, enabling the Owner / Lessor to benefit from increased and predictable cash flow.

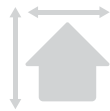


ASSESSOR PARCEL NUMBER



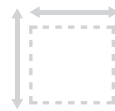
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TOTAL BUILDING SIZE



7,009 SF

TOTAL LOT SIZE



43,037 SF

YEAR BUILT



2003

PROPERTY TYPE



Commercial

LAND USE



Retail Store

ZONING



SC

INVESTMENT OVERVIEW

CURRENT RENT

- ▶ \$131,713.08 (NNN) | 4.2% Cap Rate

FIRST RENEWAL OPTION

- ▶ \$142,250.16 (NNN) | 4.5% Cap Rate

SECOND RENEWAL OPTION

- ▶ \$153,630.24 (NNN) | 4.9% Cap Rate

HIGHLIGHTS

- ▶ Investment-Grade Tenant (S&P BBB) from Publicly-Traded Company O'Reilly Auto Parts (NASDAQ: ORLY)
- ▶ Corporate Guaranteed
- ▶ Shadow-Anchored by a Walmart Superstore Center
- ▶ Recession-Resilient Industry
- ▶ Direct Visibility from the Street with Strong Traffic Counts
- ▶ Easily Accessible with Frontage Along Elverta Road



LEASE SUMMARY

LEASE OVERVIEW:

- ▶ Lessee: O'Reilly Auto Parts (S&P Credit Rating BBB)
- ▶ Corporate Guarantee
- ▶ Lease Type: NNN
- ▶ Tenant Pays for Property Taxes, Insurance, CAM, and All Repairs, Including Maintenance and Replacements

TERM EXTENDED:

- ▶ Tenant has Exercised its First and Second Renewal Options
- ▶ Term of the Lease is Extended to 3/31/2028
- ▶ First 5 Years of Rent Extension @ \$10,163.05 | \$121,956.60 Annually (4/1/18 to 3/31/23)
- ▶ Second 5 Years of Rent Extension @ \$10,976.09 | \$131,713.08 Annually (4/1/23 to 2/31/28)

RENEWAL OPTIONS:

- ▶ Tenant Retains its One (1) Existing Option and Tenant is Granted One (1) Additional Option to Extend the Lease for a Period of Five (5) Years each Beyond the Extended Term (collectively, the "Renewal Options")
- ▶ Renewal Option (if exercised) from 4/1/2028 to 3/31/2033 for the First Five Years will be \$11,854.18 / \$142,250.16 Annually
- ▶ Renewal Option (if exercised) from 4/1/2033 to 3/31/2038 for the First Five Years will be \$12,802.52 / \$153,630.24 Annually



O'REILLY AUTO PARTS COMPANY PROFILE

O'Reilly Auto Parts is a long-term national credit tenant that has provided a steady and predictable revenue stream with no landlord obligations. It continues to be an attractive investment due to its long-term leases (15-20 years), periodic rent increases, two (2)–four (4) five-year renewal options, and investment grade rating.

O'Reilly Auto Parts was founded in 1957 as a single store in Springfield, Missouri, and its headquarters are still there. As of June 30, 2020, O'Reilly's has grown to 5,562 stores in 47 U.S. states and 21 in Mexico.

O'Reilly sells an extensive line of new, aftermarket, and remanufactured automotive parts, maintenance items, tooling supplies, accessories, automotive tools, and professional service equipment.

6,157

O'REILLY LOCATIONS

87,000+

EMPLOYEES

\$18B

IN TOTAL ASSETS

BBB

S&P CREDIT RATING

\$15.81B

2023 REVENUE

SACRAMENTO | ANTELOPE MARKET SUMMARY

The Sacramento retail market is showing some of its best fundamentals since 2018. The region benefited from good net migration figures as California residents have relocated to Sacramento. Relocations have since slowed, but retail demand growth has persisted,

Large retailers still prefer the suburbs, holding 95% of the inventory in the market. Many fitness users and grocers signing for big-box spaces in the submarkets with the most significant demographic shift as retailers adapt to higher income levels brought by residents who relocated from the Bay Area.

ECONOMY

The economy of the Sacramento metro area is multifaceted, with government, healthcare, education, technology, and agriculture as major sectors. Being the state capital, government employment is significant. Additionally, the presence of universities and colleges contributes to education and research opportunities, while hospitals and medical centers make healthcare another critical sector.

RECENTLY APPROVED MAJOR PROJECTS

Barrett Ranch East (Antelope Community)

Visit the Barrett Ranch East webpage to view the details of this 128-acre development project in the Antelope Community. In addition to the latest planning documents you will find information on the planning process, public meetings and project history. The General Plan Amendment for the project was approved by the Board of Supervisors in April 2017, and the final hearing on the project was held on June 6, 2017.



Northborough (Rio Linda/Elverta Community)

The Northborough project is located on approximately 298 acres within the Elverta Specific Plan area in the community of Elverta. The Northborough webpage provides project information including proposed exhibits, information on community meetings, and project documents including the Draft EIR. The General Plan Amendment for the project was approved by the Board of Supervisors in December 2017, and the final hearing on the project was held on January 23, 2018.



Gibson Ranch Regional Park

Antelope Greens Golf Course

TOLMAN ACRES

ANTELOPE RUN

Oak Hill Elementary School

Center High School

Lone Oak Park

Sanja Punjab Foods

GIBSON MEADOWS

JustStorage

ISO TRACTOR SUPPLY CO

Epic Kidz Klub

Honey Donuts

Pizza House

DUTCH HAVEN

KFC

Huckleberry's

Cajun & Sushi House

TACO BELL

Dudley Elementary School

ELVERTA RD

ELVERTA RD

7933 Watt Ave

Shell

ELVERTA RD

Walmart

LINWOOD

Cherry Island Golf Course

Tasty Palace 厨星

Cherry Creek VETERINARY HOSPITAL

Antelope

Jack in the box

Cyril Spinelli Elementary School

CHERRY CREEK

Cherry Island Soccer Complex

28TH ST

HIGHLAND ESTATES

Post-It Mailing

ARCO

Brock Park

Speedway

- Retail
- Restaurant
- Recreation
- Service

BANK OF AMERICA

DELISH PIZZA

foodmaxx

metro by T-Mobile

Carl's Jr.

SUBWAY

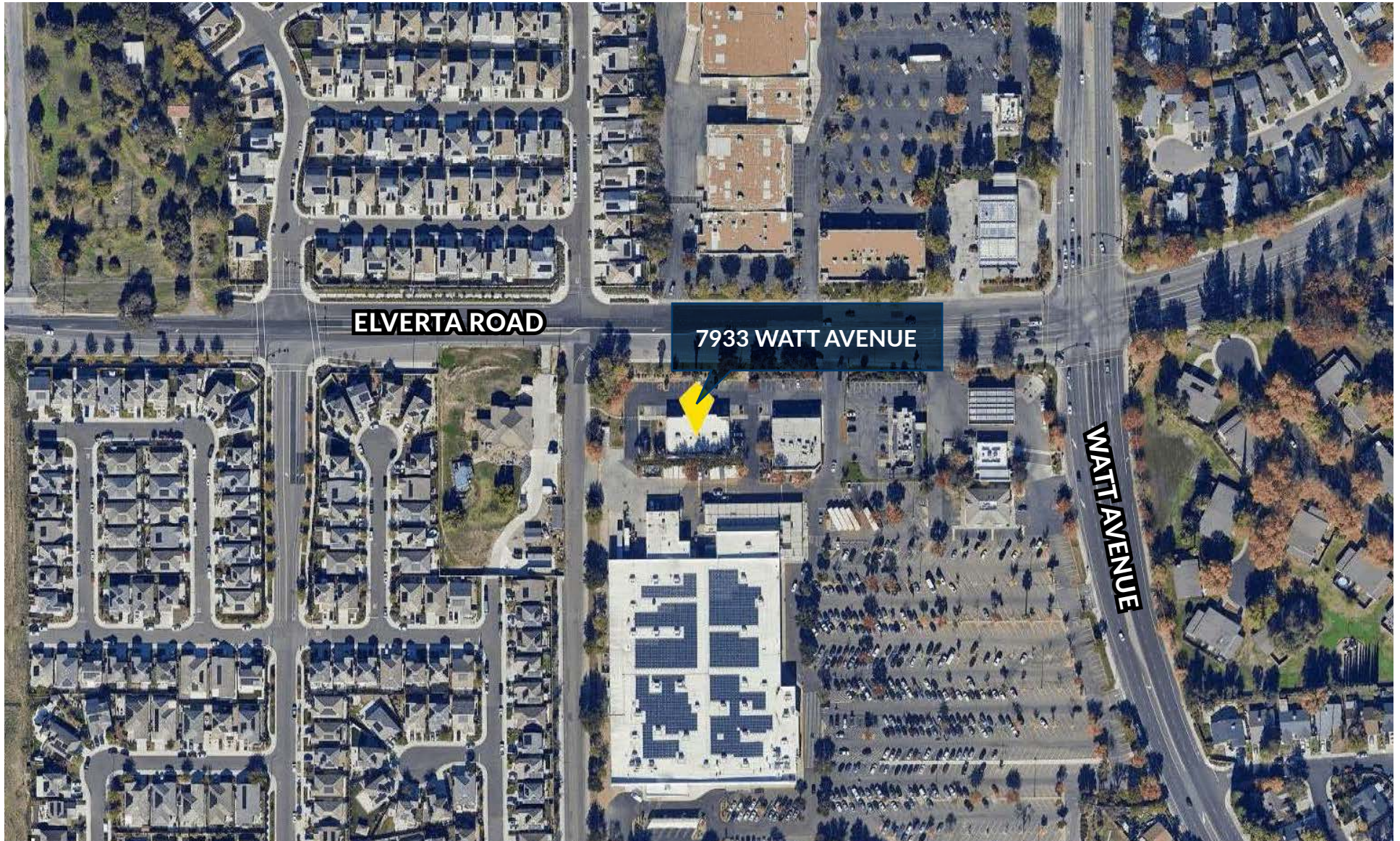
DANDY'S ICE CREAM

U ST

PHOTO GALLERY



AERIAL VIEW



7933 WATT AVENUE INCOME & SPENDING

	1 MILE		3 MILES		5 MILES		20 MIN. DRIVE	
2023 Households by HH Income	4,531		28,413		77,749		241,124	
<\$25,000	451	9.95%	3,356	11.81%	10,917	14.04%	35,745	14.82%
\$25,000 - \$50,000	611	13.48%	5,543	19.51%	15,683	20.17%	40,096	16.63%
\$50,000 - \$75,000	1,038	22.91%	5,556	19.55%	14,810	19.05%	40,384	16.75%
\$75,000 - \$100,000	737	16.27%	4,470	15.73%	10,800	13.89%	32,133	13.33%
\$100,000 - \$125,000	649	14.32%	3,676	12.94%	8,932	11.49%	29,880	12.39%
\$125,000 - \$150,000	335	7.39%	2,018	7.10%	5,656	7.27%	18,096	7.50%
\$150,000 - \$200,000	471	10.40%	2,160	7.60%	5,939	7.64%	22,463	9.32%
\$200,000+	239	5.27%	1,634	5.75%	5,012	6.45%	22,327	9.26%
2023 Avg Household Income	\$95,495		\$90,239		\$89,758		\$99,580	
2023 Med Household Income	\$80,614		\$73,800		\$70,611		\$78,374	
Total Specified Consumer Spending	\$165.1M		\$997.4M		\$2.6B		\$8.2B	
Total Apparel	\$8.8M	5.33%	\$53.6M	5.38%	\$138.9M	5.26%	\$424.1M	5.14%
Women's Apparel	\$3.4M	2.04%	\$20.3M	2.03%	\$52.8M	2.00%	\$163.4M	1.98%
Men's Apparel	\$1.8M	1.08%	\$10.8M	1.08%	\$28M	1.06%	\$86.3M	1.05%
Girl's Apparel	\$636K	0.39%	\$4M	0.40%	\$10.3M	0.39%	\$30.9M	0.37%
Boy's Apparel	\$488K	0.30%	\$3.1M	0.31%	\$7.8M	0.30%	\$23.1M	0.28%
Infant Apparel	\$435.4K	0.26%	\$2.7M	0.27%	\$6.9M	0.26%	\$20.5M	0.25%
Footwear	\$2.1M	1.27%	\$12.8M	1.29%	\$33.1M	1.25%	\$99.9M	1.21%

7933 WATT AVENUE INCOME & SPENDING

	1 MILE		3 MILES		5 MILES		20 MIN. DRIVE	
Total Entertainment & Hobbies	\$24.5M	14.84%	\$147.1M	14.75%	\$395.1M	14.96%	\$1.2B	14.84%
Entertainment	\$4.7M	2.83%	\$27.4M	2.75%	\$70.1M	2.65%	\$202.6M	2.46%
Audio & Visual Equipment/Service	\$4.9M	2.95%	\$29.8M	2.99%	\$80.8M	3.06%	\$251.9M	3.05%
Reading Materials	\$381.8K	0.23%	\$2.3M	0.23%	\$6.3M	0.24%	\$20.1M	0.24%
Pets, Toys, & Hobbies	\$4.2M	2.55%	\$25.3M	2.53%	\$68.4M	2.59%	\$210.3M	2.55%
Personal Items	\$10.4M	6.27%	\$62.3M	6.25%	\$169.5M	6.42%	\$539M	6.54%
Total Food and Alcohol	\$44.9M	27.17%	\$272.9M	27.36%	\$722.4M	27.35%	\$2.2B	27.20%
Food At Home	\$24.4M	14.77%	\$149.4M	14.98%	\$390.2M	14.77%	\$1.2B	14.33%
Food Away From Home	\$17.8M	10.80%	\$107.3M	10.76%	\$287.8M	10.90%	\$915.1M	11.10%
Alcoholic Beverages	\$2.7M	1.61%	\$16.1M	1.62%	\$44.4M	1.68%	\$145.7M	1.77%
Total Household	\$25.6M	15.49%	\$154M	15.44%	\$417.7M	15.81%	\$1.3B	16.31%
House Maintenance & Repair	\$5.6M	3.38%	\$33.5M	3.36%	\$88.6M	3.36%	\$260.9M	3.16%
Household Equip & Furnishings	\$9.8M	5.93%	\$59.2M	5.94%	\$161.2M	6.10%	\$513.4M	6.23%
Household Operations	\$7.6M	4.58%	\$45.4M	4.55%	\$123.5M	4.67%	\$412.5M	5.00%
Housing Costs	\$2.7M	1.61%	\$15.9M	1.59%	\$44.4M	1.68%	\$158.3M	1.92%

7933 WATT AVENUE INCOME & SPENDING

	1 MILE		3 MILES		5 MILES		20 MIN. DRIVE	
Total Transportation/Maint.	\$44.2M	26.75%	\$266.7M	26.74%	\$689.3M	26.09%	\$2.1B	25.42%
Vehicle Purchases	\$22.5M	13.62%	\$135.9M	13.63%	\$343.1M	12.99%	\$1B	12.38%
Gasoline	\$11.5M	6.94%	\$69.6M	6.98%	\$180.8M	6.84%	\$540.2M	6.55%
Vehicle Expenses	\$807.2K	0.49%	\$4.9M	0.50%	\$14M	0.53%	\$49.3M	0.60%
Transportation	\$4.3M	2.60%	\$25.3M	2.54%	\$68.9M	2.61%	\$230.5M	2.80%
Automotive Repair & Maintenance	\$5.1M	3.10%	\$30.9M	3.10%	\$82.4M	3.12%	\$255M	3.09%
Total Health Care	\$7.5M	4.52%	\$45.3M	4.54%	\$122.6M	4.64%	\$384.9M	4.67%
Medical Services	\$4.4M	2.68%	\$26.9M	2.70%	\$73M	2.76%	\$232.4M	2.82%
Prescription Drugs	\$2.2M	1.34%	\$13.4M	1.35%	\$36.4M	1.38%	\$110.7M	1.34%
Medical Supplies	\$819K	0.50%	\$4.9M	0.49%	\$13.2M	0.50%	\$41.7M	0.51%
Total Education/Day Care	\$9.8M	5.91%	\$57.8M	5.80%	\$155.5M	5.89%	\$528.4M	6.41%
Education	\$6.1M	3.68%	\$35.8M	3.59%	\$94.8M	3.59%	\$321.1M	3.89%
Fees & Admissions	\$3.7M	2.23%	\$22M	2.21%	\$60.7M	2.30%	\$207.4M	2.52%

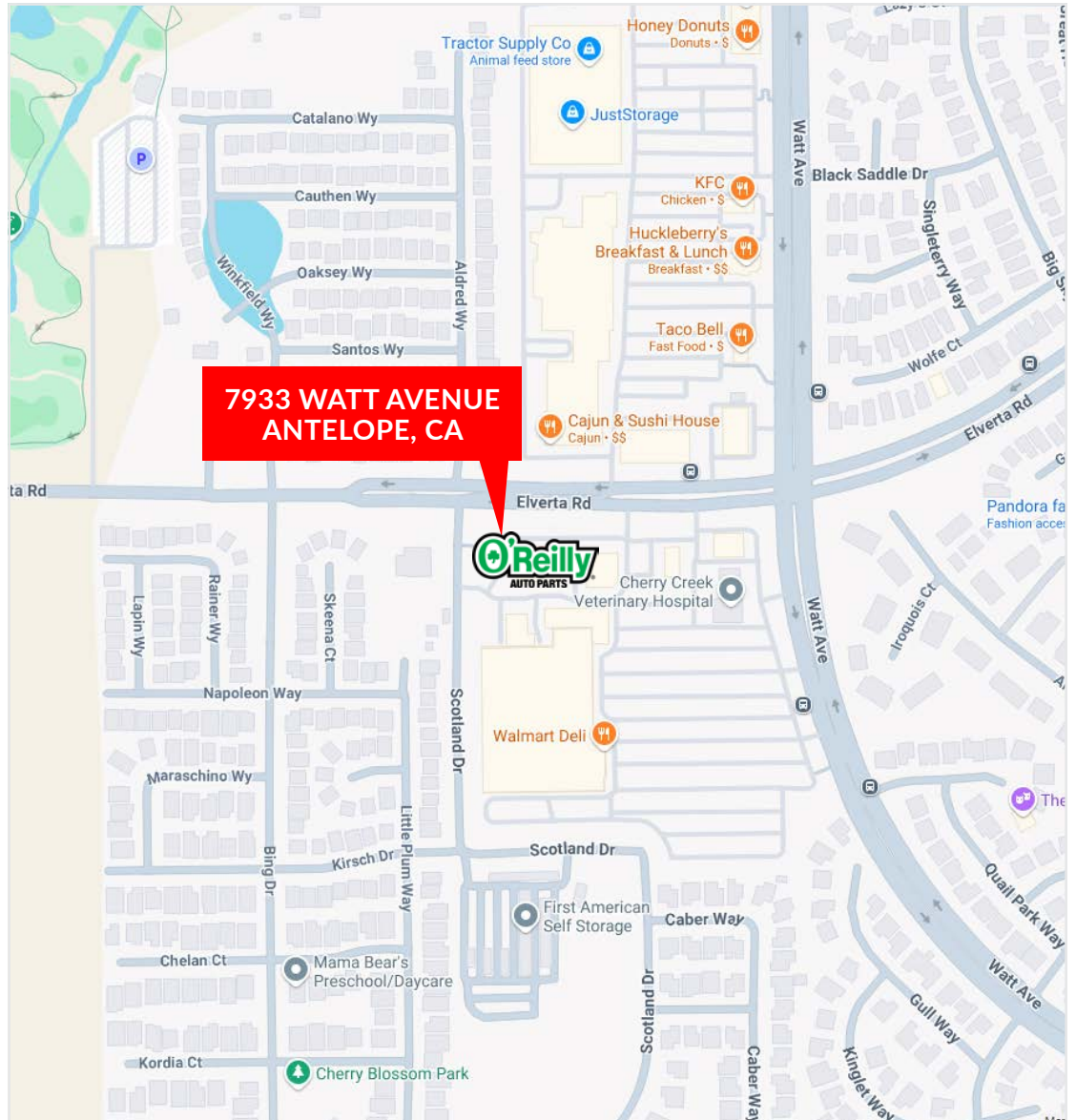
7933 WATT AVENUE TRAFFIC COUNT

TRAFFIC COUNTS

Elverta Road/Watt Avenue	16.1K
Scotland Drive/Elverta Road	1.3K
Elverta Road/Watt Avenue	16.4K
28th Street/Elverta Road	4.2K

LOCATION

Location Score	Good Location (65)
Walk Score	Car-Dependent (32)
Transit Score	Minimal Transit (0)



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