



7933

WATT AVENUE

ANTELOPE, CA 95843



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O'REILLY AUTO PARTS

OFFERING PRICE: \$2,650,000

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

7933WATT.COM

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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	TOTAL BUILDING SIZE	TOTAL LOT SIZE
		
203-2070-001-0000	7,009 SF	43,037 SF
YEAR BUILT	PROPERTY TYPE	LAND USE
		
2003	Commercial	Retail Store
ZONING		
		
		SC



INVESTMENT OVERVIEW

CURRENT RENT

- \$131,713.08 (NNN) | 5% Cap Rate

FIRST RENEWAL OPTION

- \$142,250.16 (NNN) | 5.4% Cap Rate

SECOND RENEWAL OPTION

- \$153,630.24 (NNN) | 5.8% 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.

7933 Watt Ave

Antelope

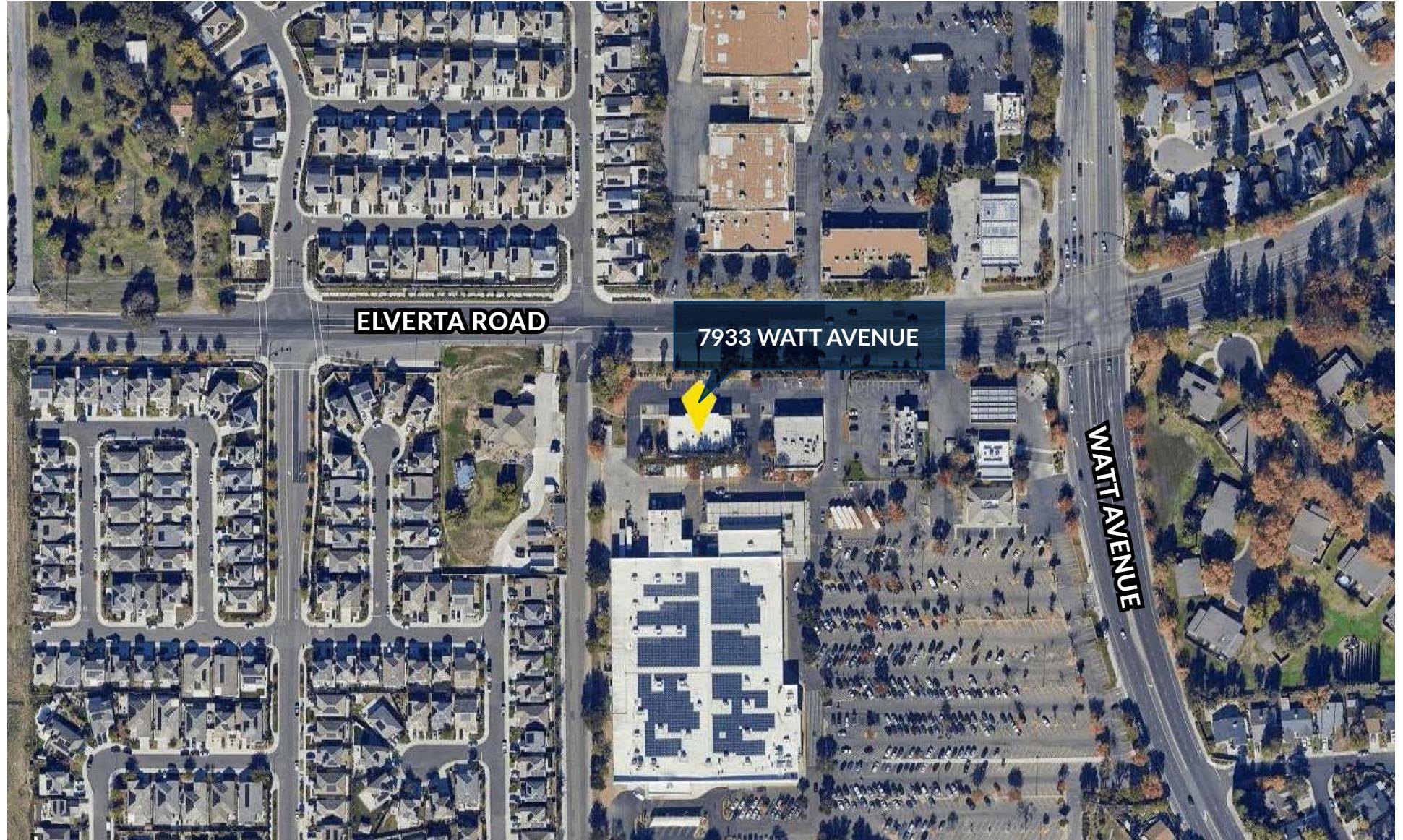


Retailer
Restaurant
Recreation
Service

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
\$25,000 - \$50,000	611	13.48%	5,543	19.51%	15,683	20.17%	40,096
\$50,000 - \$75,000	1,038	22.91%	5,556	19.55%	14,810	19.05%	40,384
\$75,000 - \$100,000	737	16.27%	4,470	15.73%	10,800	13.89%	32,133
\$100,000 - \$125,000	649	14.32%	3,676	12.94%	8,932	11.49%	29,880
\$125,000 - \$150,000	335	7.39%	2,018	7.10%	5,656	7.27%	18,096
\$150,000 - \$200,000	471	10.40%	2,160	7.60%	5,939	7.64%	22,463
\$200,000+	239	5.27%	1,634	5.75%	5,012	6.45%	22,327
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
Women's Apparel	\$3.4M	2.04%	\$20.3M	2.03%	\$52.8M	2.00%	\$163.4M
Men's Apparel	\$1.8M	1.08%	\$10.8M	1.08%	\$28M	1.06%	\$86.3M
Girl's Apparel	\$636K	0.39%	\$4M	0.40%	\$10.3M	0.39%	\$30.9M
Boy's Apparel	\$488K	0.30%	\$3.1M	0.31%	\$7.8M	0.30%	\$23.1M
Infant Apparel	\$435.4K	0.26%	\$2.7M	0.27%	\$6.9M	0.26%	\$20.5M
Footwear	\$2.1M	1.27%	\$12.8M	1.29%	\$33.1M	1.25%	\$99.9M

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%

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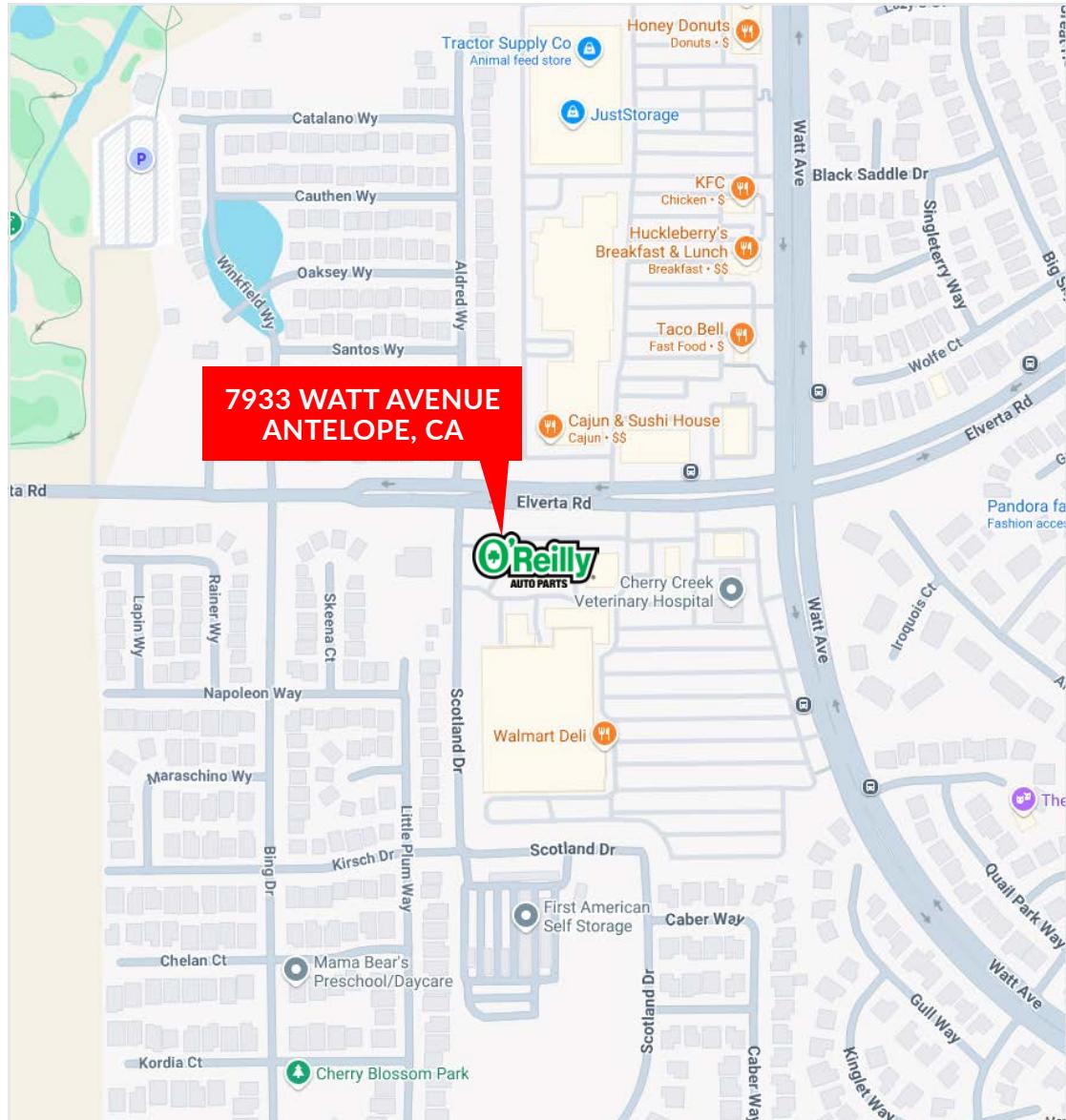
INCOME & SPENDING

	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)

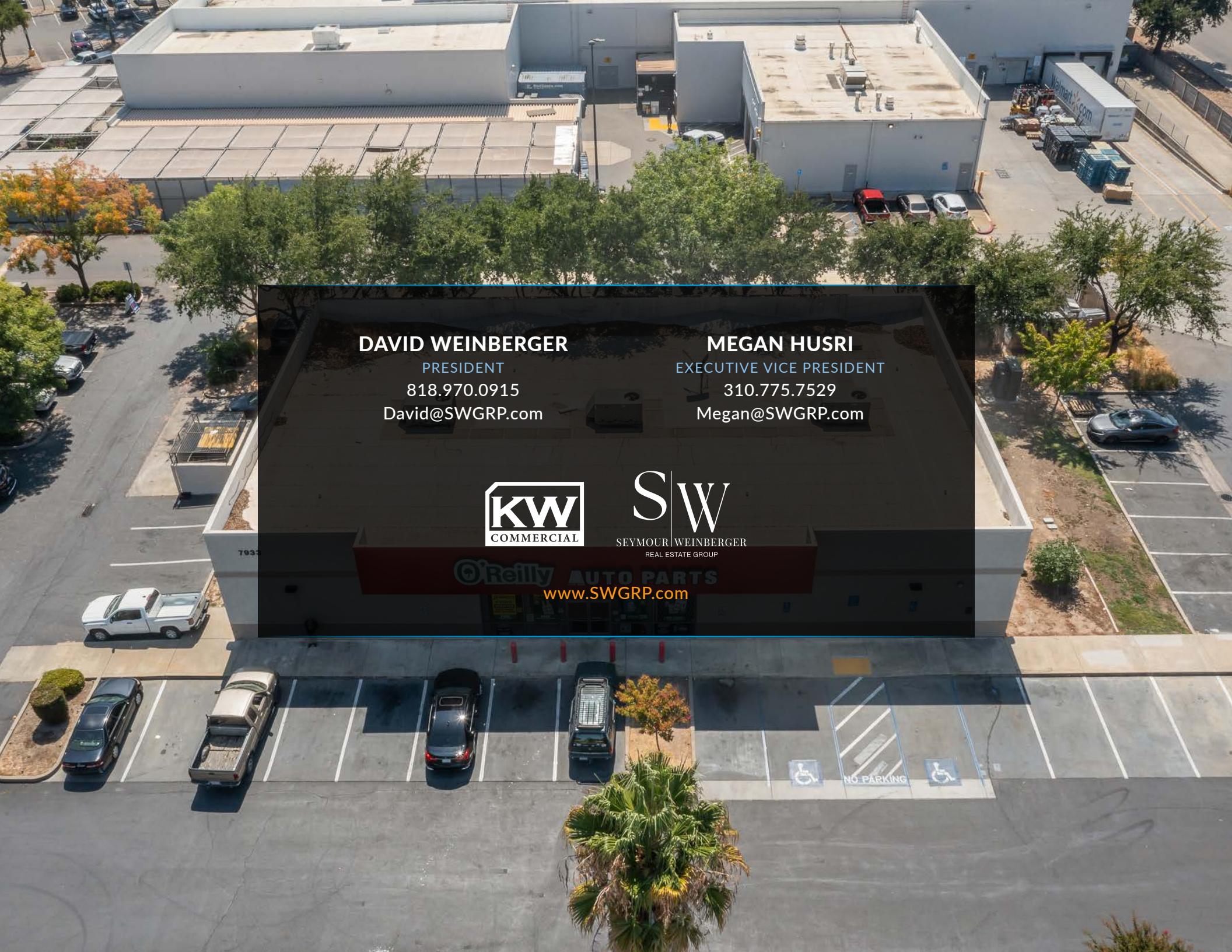


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