

O'Reilly **AUTO
PARTS**



REPRESENTATIVE PHOTO

O'Reilly
AUTO PARTS

O'REILLY AUTO PARTS
GROUND LEASE INVESTMENT OPPORTUNITY
4.2% CAP RATE | TUSCALOOSA, AL

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PROPERTY INFORMATION

A large, maroon-colored sign for O'Reilly Auto Parts. The sign features the O'Reilly logo, which includes a stylized 'O' with a shamrock inside, followed by the word 'Reilly' in a bold, sans-serif font. Below the logo, the words 'AUTO PARTS' are written in a large, bold, sans-serif font. The sign is mounted on a dark metal frame.

O'Reilly
AUTO PARTS

EXECUTIVE SUMMARY

2431 UNIVERSITY BOULEVARD E, TUSCALOOSA, AL 35404

INVESTMENT OFFERING

This O'Reilly Auto Parts NNN ground lease, located in Tuscaloosa, AL is an easy "bite-size" opportunity to invest in a strong tenant, outstanding real estate and no ownership responsibilities. The ground lease runs through May 2031 with three 5-year options, each with 8% increases. While originally built in 2003, the \pm 6,400 SF building, situated on a \pm 0.79-acre parcel, was rebuilt in 2012 as a result of a tornado. This location is highly-desirable Tuscaloosa real estate! It is situated on a corner lot on busy University Boulevard East with nearby traffic counts of 18,500 VPD.

Tuscaloosa is the home of the University of Alabama, the "Crimson Tide", which has an enrollment of over 37,00 and is located two miles west of the subject property. The full-time population within a five-mile radius is 114,300 with an average household income of \$65,247. Nearby retailers include the all the major big box retailers including Home Depot, Target, the \pm 733,000 SF University Mall, major grocery chains, casual dining, many national QSR, banks, discount retailers, drug chains, and more. Bryce Hospital, the state's main psychiatric hospital, Tuscaloosa's Gateway Center, a new state-of-the-art technology center and The Albert School of Performing Arts are across the street.

Investors can safely "park their money" and have a 4.2% return with no Landlord responsibilities. If O'Reilly Auto Parts decides to relocate or not renew in the future, the ground lease investor now owns a valuable piece of real estate in a vibrant college town with a building to potentially repurpose.

INVESTMENT HIGHLIGHTS

- Easy, "bite-size" ground lease investment with long-term NNN lease
- A+ location on busy University Boulevard E with over 18,500 VPD and a five-mile population of over 114,000
- Corporate-guaranteed lease with O'Reilly's Auto Parts through May of 2031 with three 5-year options and 8% rent increases in the option periods
- No Landlord responsibilities of totally reconstructed building in 2012 due to tornado damage
- Major national retailers located within walking distance of the subject property
- The University of Alabama main campus is within two miles with an enrollment of over 37,000
- This "buy and hold" ground lease is offered at a 4.2% cap rate

OVERVIEW

County:	Tuscaloosa
Price:	\$550,000
Cap Rate:	4.2% (Based on August 2021)
NOI:	\$23,328
Price/SF:	\$85.94
Rent/SF:	\$3.64
Building Size:	\pm 6,400 SF
Site Size:	\pm 0.79 Acres
Year Built:	2004
Year Renovated:	2012
Type of Owership:	Ground lease
Tenant Name:	O'Reilly Auto Parts
Lease Commencement:	02/19/2003
Lease Expiration:	05/31/2031
Renewal Options:	Three 5-year options
Rent Inceases:	8% in August 2021 and in options
Guarantor:	O'Reilly Automotive Stores, Inc.
Landlord Responsibilities:	None
Tenant Responsibilities:	All maintenance, taxes and insurance
Tenant ROFR:	No

RENT SCHEDULE

TERM	DATES	MONTHLY RENT	ANNUAL RENT	INCREASE	CAP RATE
Initial Term	06/01/2003 - 07/31/2021	\$1,800	\$21,600	-	3.9%
Extended	08/01/2021 - 05/31/2031	\$1,944	\$23,328	8%	4.2%
Option 1	06/01/2031 - 05/31/2036	\$2,100	\$25,200	8%	4.5%
Option 2	06/01/2036 - 05/31/2041	\$2,267	\$27,204	8%	4.9%
Option 3	06/01/2041 - 05/31/2046	\$2,449	\$29,388	8%	5.3%



\$550,000
Price



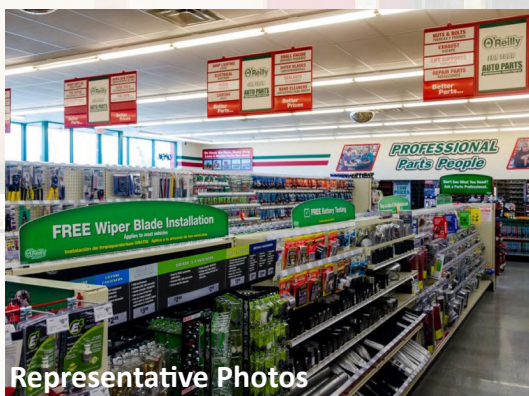
4.2%
Cap rate
(Based on August 2021)



10 Years
Term Remaining



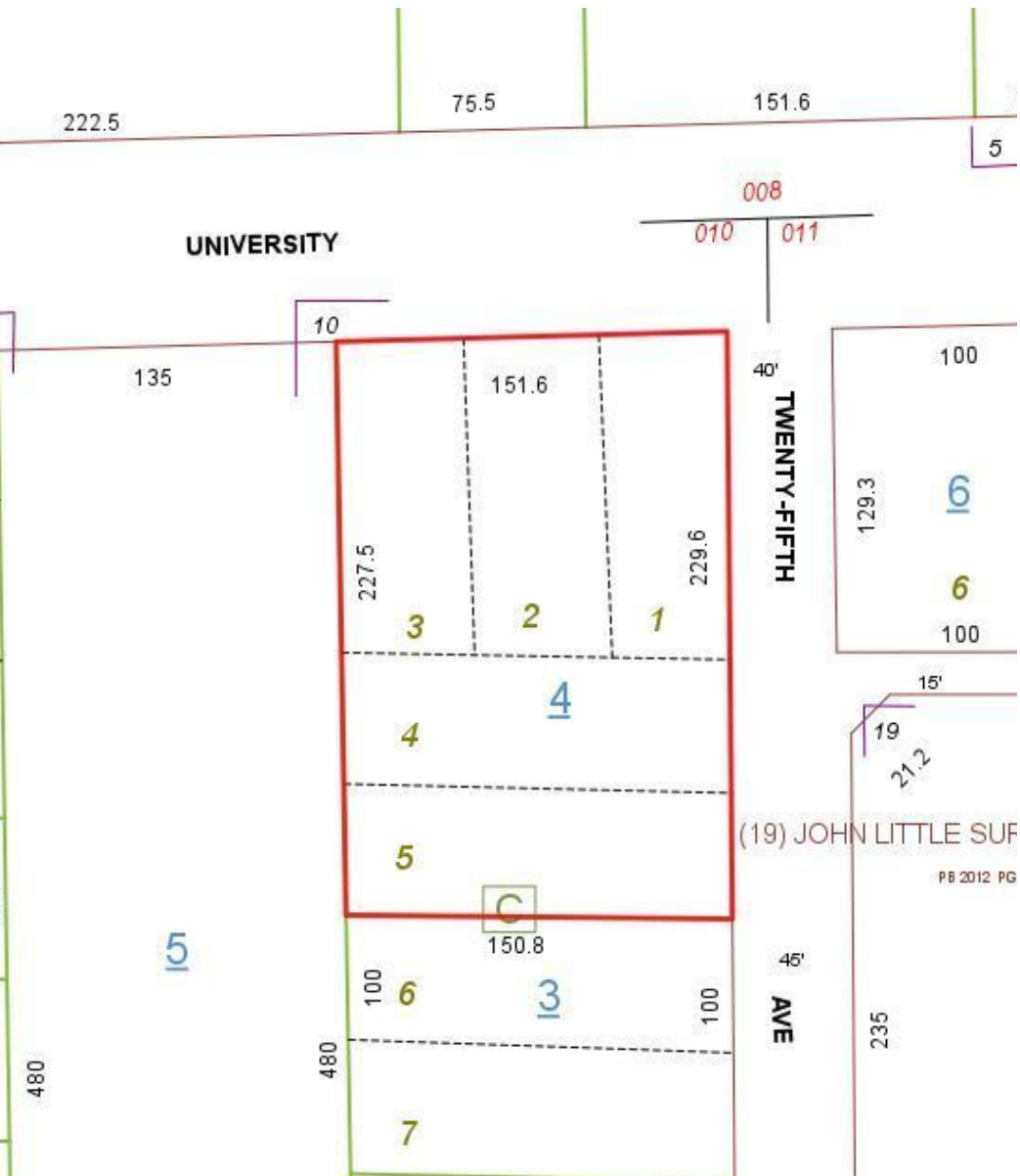
NNN
Ground Lease



Representative Photos



AERIAL & SITE PLAN



TENANT PROFILE



\$10.15 B+
ANNUAL REV.
(2021)



82,484+
EMPLOYEES
(2021)



5,594+
LOCATIONS
(2021)



Springfield, MO
HEADQUARTERS

OVERVIEW

O'Reilly Auto Parts is an American auto parts retailer that provides automotive aftermarket parts, tools, supplies and more in the United States serving both the professional service providers and do-it-yourself customers. O'Reilly stores carry an extensive product line consisting of new and remanufactured automotive hard parts, maintenance items, accessories, a complete line of auto body paint and more.

The first store opened in Springfield, Missouri in 1957 and there are currently 5,594 stores in 47 U.S. states and 22 ORMA stores in Mexico. O'Reilly Auto Parts stores offer enhanced services and programs to their customers including but not limited to used oil, oil filter recycling, battery replacement and more. They conduct ongoing initiatives focused on marketing and training to educate customers on the advantages of ongoing vehicle maintenance.

O'Reilly has achieved over 27 consecutive years of comparable store sales growth and record revenue and operating income since becoming a public company in April 1993.

In July 2008, O'Reilly completed the largest acquisition in its history with the purchase of CSK Auto, adding 1,273 stores in 12 states making it the third-largest auto parts chain in the country. They have maintained an investment-grade credit rating with Standard & Poor's of BBB since May 2018.

For more information, please visit <https://corporate.oreillyauto.com/>

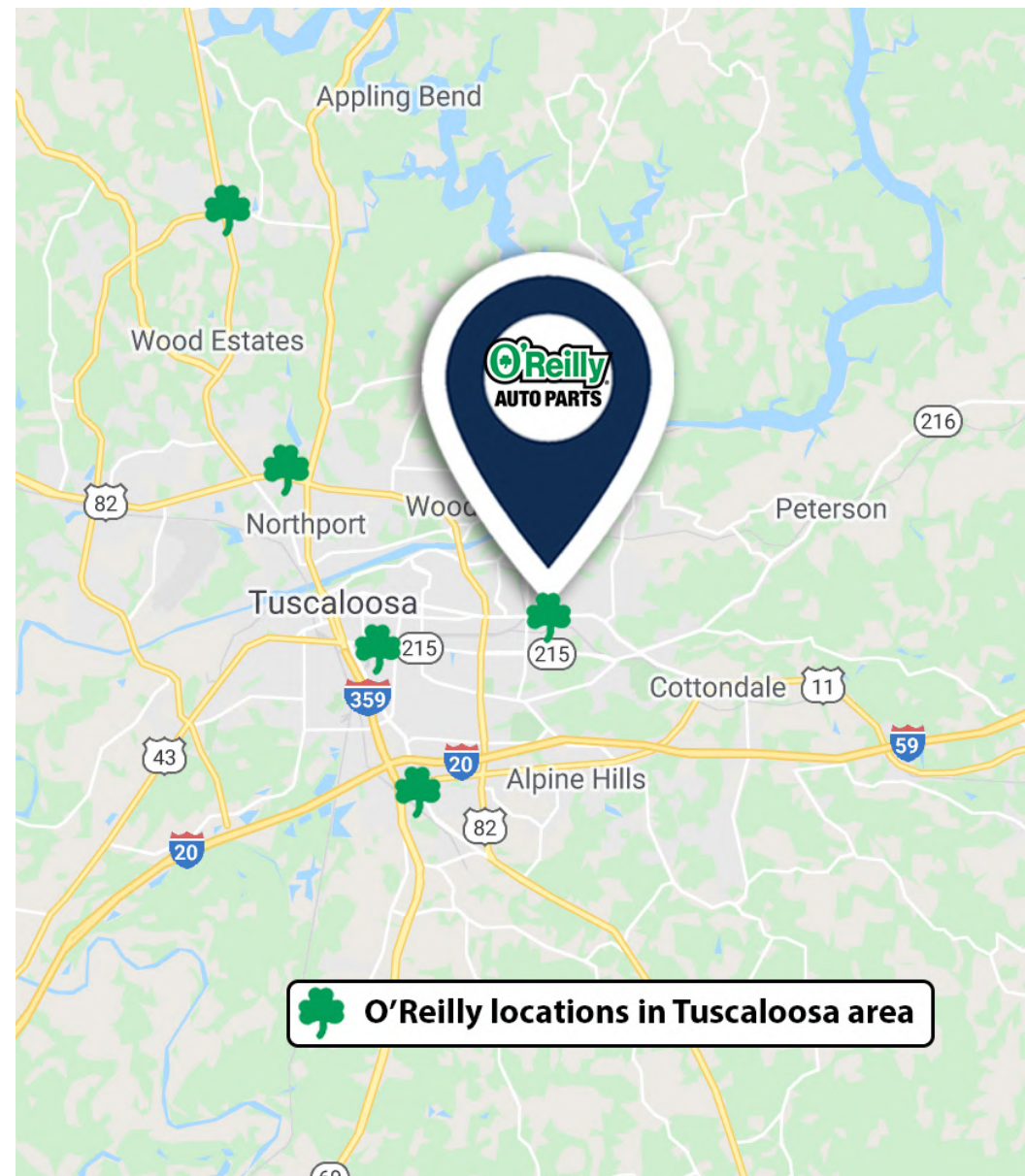
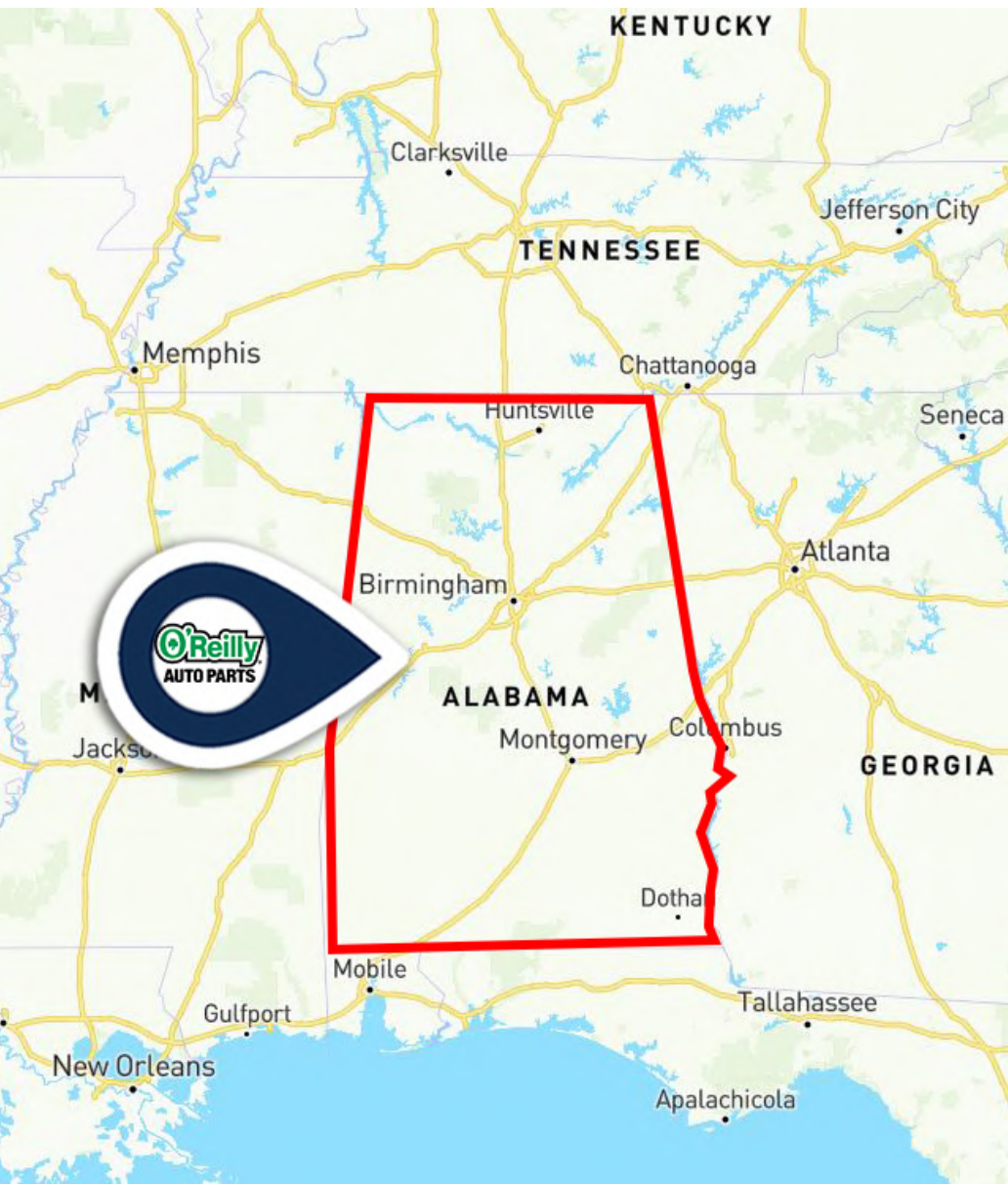
ORLY (O'Reilly Automotive Inc) Historical Growth Chart (DLTR)
Stock Growth Trajectory - May 2020 to Mar 2021



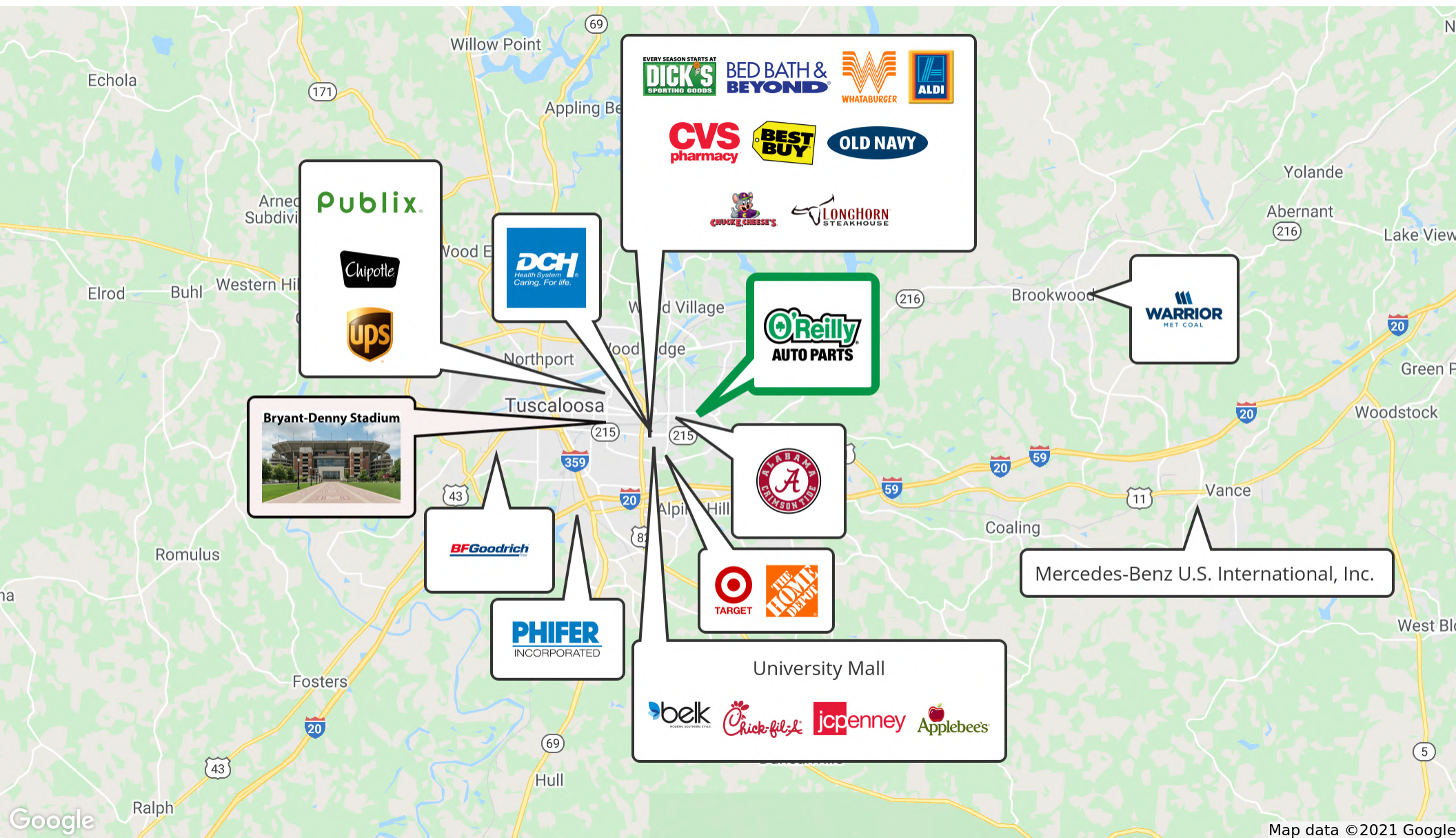
AREA OVERVIEW



AREA MAP



IN THE AREA



Map data ©2021 Google

ABOUT THE AREA

TUSCALOOSA, AL

Tuscaloosa is the regional center of industry, commerce, healthcare and education for the area of west-central Alabama known as West Alabama. It had traditionally been known as the "Druid City" because of the numerous water oaks planted in the downtown streets in the 1840s. With hundreds of restaurants, activities, museums and parks, it has managed to become one of Alabama's most progressive cities. Visitors come to enjoy the refreshing atmosphere, historic features and bustling nightlife that Tuscaloosa has to offer.

Home of the University of Alabama, it remains the dominate economic and cultural engine in the city, making it a college town. The city has become known nationally for the sports successes of the University of Alabama, particularly in football. City leaders adopted the moniker "The City of Champions" after the Alabama Crimson Tide football team won the BCS National Championship won multiple years in a row.

* Source: <https://www.visittuscaloosa.com/about/>



DEMOGRAPHICS (5-MILE)

POPULATION



105,245

MEDIAN INCOME



\$50,973

MEDIAN AGE



29.4

EMPLOYMENT RATE



96.5%

MED. HOME PRICE



\$189,955

BROKER PROFILE

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PROFESSIONAL BACKGROUND

Nancy Miller joined Bull Realty in 2001. Her brokerage practice focuses on single tenant net lease and multi-tenant retail investment properties. Nancy is a partner with the firm and heads the National Net Lease Investment Group. Her focus includes working with investors, 1031 exchange transactions and developers throughout the US. She is an industry recognized savvy and knowledgeable investment expert. In the last 5+ years, she has brokered over 125 single tenant transactions. Nancy also publishes an electronic investor newsletter, and participates in a quarterly national retail industry survey done by Morgan Stanley. Periodically, Nancy contributes to Bull Realty's retail blogs appears on the Commercial Real Estate Show, a national weekly commercial real estate radio show hosted and produced in Atlanta by Michael Bull, Bull Realty's founder and President.

Nancy has held a real estate license for over 25 years and is licensed in several states. She is a Life Member of the Atlanta Commercial Board of Realtors and a member of the International Council of Shopping Centers (ICSC). She also holds the prestigious CCIM designation and has a Bachelor of Arts degree from Tulane University and an MBA from Emory University's Goizueta Business School, where she is a guest lecturer.

ABOUT BULL REALTY

Bull Realty is a commercial real estate sales, leasing, and advisory firm licensed in nine Southeast states headquartered in Atlanta. The firm was founded in 1998 on two primary missions: to provide a company of advisors known for integrity and to provide the best disposition marketing in the nation. Still guided by these philosophies, the firm's services have expanded to include disposition, acquisition, project leasing, tenant representation and consulting services. To add additional value and efficiency for clients, advisors focus on specific sectors and services in the office, retail, industrial, multifamily, land, healthcare, senior housing, self-storage, hospitality and single tenant net lease sectors.

The firm produces America's Commercial Real Estate Show, a national video show and podcast enjoyed by millions of people around the country. Industry analysts, leading market participants and the firm's founder Michael Bull share market intelligence, forecasts and success strategies. The show has aired every week since 2010 on Apple Podcast, all major podcast sites, YouTube and www.CREshow.com.

DISCLAIMER

Bull Realty has been retained as the exclusive listing broker to arrange the sale of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property but does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may require. All financial projections are provided for general reference purposes only and are based upon assumptions relating to the general economy, competition and other factors, which therefore, are subject to material change or variation. Prospective purchasers may not rely upon the financial projections, as they are illustrative only. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

In this Offering Memorandum, certain documents, including financial information, are described in summary form and do not purport to be complete or accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to review independently all documents.

This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement, suitability or advice as to the value of the Property by Bull Realty Inc. or the current Owner/Seller. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner/Seller expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers and/or to terminate discussions with any party at any time with or without notice. Owner/Seller shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer on the Property unless a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or waived. The Owner/Seller reserves the right to move forward with an acceptable offer prior to the call for offers deadline.

This Offering Memorandum may be used only by parties approved by the Broker. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it if requested and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Bull Realty, Inc. The terms and conditions set forth above apply to this Offering Memorandum in its entirety and all documents and other information provided in connection therewith.