



O'Reilly Auto Parts

YAKIMA, WASHINGTON



CAPITAL PACIFIC

Overview

O'Reilly Auto Parts

1512 E NOB HILL BLVD, YAKIMA, WA 98901



Investment Summary

LEASEABLE SF

7,200 SF

LAND AREA

19,711 SF

PRICE PER SF

\$107

RENT/SF

\$6.94

LEASE TYPE

NNN*

YEAR BUILT

1983

LEASE EXPIRATION

September 30, 2021

YEAR BUILT

**17 Spaces;
2.4/1,000 SF**

**Landlord responsible for the structural integrity of the building and the water systems.*

\$770,000**PRICE****6.50%****CAP**

THE OFFERING provides a corporate NNN O'Reilly Auto Parts priced well below replacement cost in Yakima, WA. With a 30+ year occupancy history in this location, investment grade credit and a below market rent, the tenant displays excellent stability with the potential to provide significant rent upside in their option periods.

Overview

Investment Highlights



The highlights

PUBLICLY-TRADED O'REILLY AUTO PARTS RECOGNIZES A 'BBB' INVESTMENT GRADE CREDIT RATING FROM STANDARD AND POOR'S.

PRICED BELOW REPLACEMENT COST AT \$107/SF.

UNDER MARKET RENT PROVIDES STABILITY FROM THE TENANT AND LONG-TERM RENT UPSIDE.

NNN EXPENSE STRUCTURE PROVIDES MINIMAL MANAGEMENT RESPONSIBILITY.

About the Tenant

BBB

S&P CREDIT RATING

5,200+

LOCATIONS

ORLY

NASDAQ SYMBOL

\$1.3B

NET OPERATING INCOME (2018)

79,000+

EMPLOYEES

THE TENANT HAS A 32-YEAR TENURE AT THIS LOCATION.

**DENSE INFILL DEMOGRAPHIC WITH STRONG TRAFFIC COUNTS ABOVE
23,000 VPD ALONG EAST NOB HILL BLVD.**

**SCHEDULED RENT INCREASES IN OPTION PERIODS CREATES
YIELD UPSIDE.**

Investment Highlights

Surrounding Retail

Business summary



TOTAL	1-MILE	3-MILES	5-MILES
Businesses	317	2,761	4,088
Employees	4,668	36,201	55,681
Population	7,022	64,121	98,742



KEY	
■	1-MILE
■	3-MILES
■	5-MILES

MAJOR RETAIL

- | | | |
|-----------------|---------------------|---------------------|
| Burlington | McDonald's | ShopKo |
| Cabela's | Petco | Starbucks |
| Costco | Petsmart | Target |
| Home Depot | Pier 1 Imports | TJ Maxx |
| Jack in the Box | Planet Fitness | Ulta Beauty |
| Lowe's | Ross Dress for Less | Walmart Supercenter |

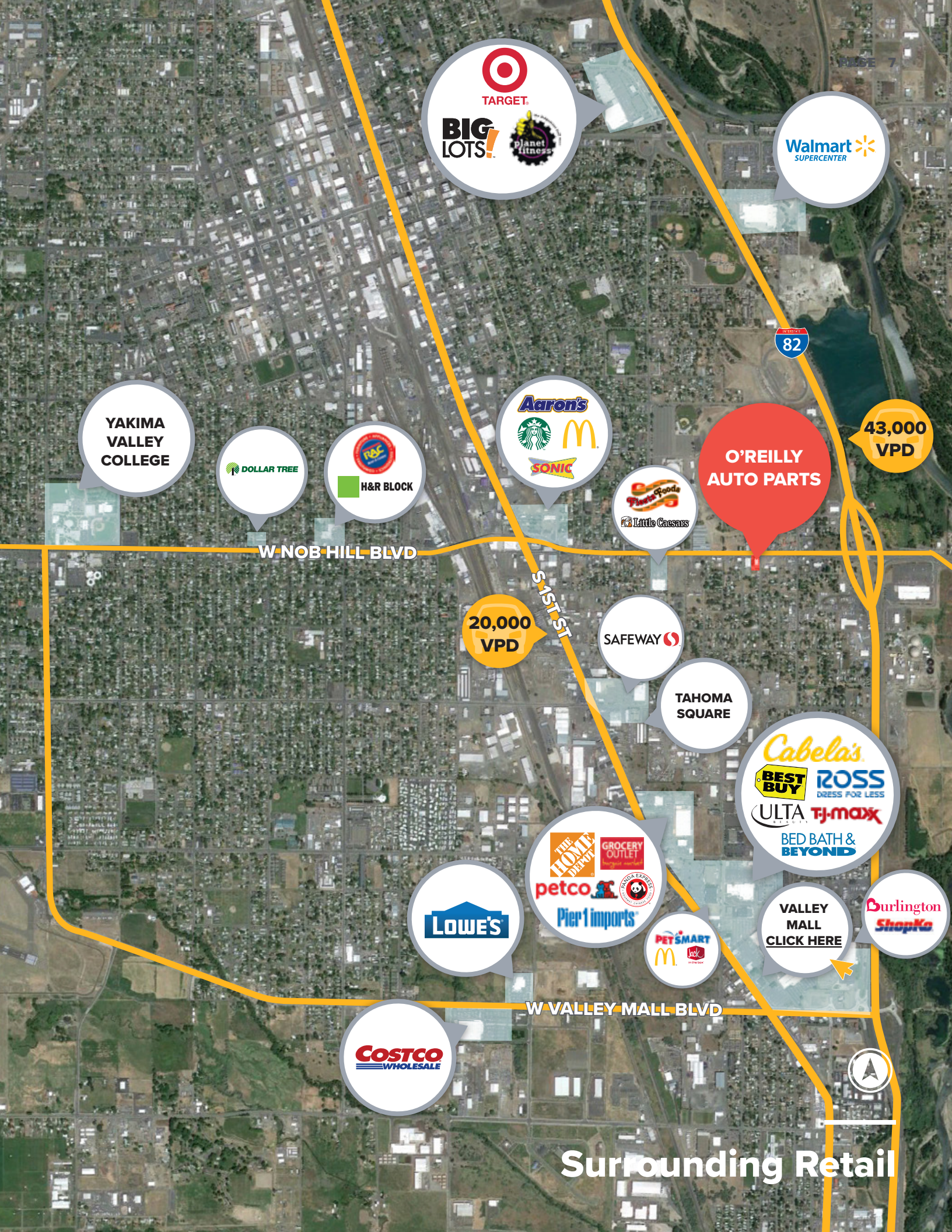


VALLEY MALL

- | | | |
|-----------------------|--------------------|--------------|
| Buffalo Wild Wings | GNC | PacSun |
| Carter's | Kohl's | Panera Bread |
| Dick's Sporting Goods | Macys | Rite Aid |
| Famous Footwear | Michaels | Ross |
| Foot Locker | Old Navy | Sears |
| Gamestop | Outback Steakhouse | |

TAHOMA SQUARE

- | | | |
|----------------------|-------------|-----------|
| Goodwill | Mod Pizza | Boot Barn |
| Harbor Freight Tools | Dollar Tree | |



TARGET.
BIG LOTS!
 planet fitness

Walmart
 SUPERCENTER

YAKIMA VALLEY COLLEGE

DOLLAR TREE

H&R BLOCK

Aaron's
 Starbucks
 McDonald's
 SONIC

O'REILLY AUTO PARTS

43,000 VPD

Little Caesars

W NOB HILL BLVD

20,000 VPD

S 1ST ST

SAFeway

TAHOMA SQUARE

Cabela's
BEST BUY
ROSS DRESS FOR LESS
ULTA
TJ-maxx
BED BATH & BEYOND

THE HOME DEPOT
GROCERY OUTLET
petco
Pier 1 imports

LOWE'S

PET SMART
 McDonald's
 Jack in the Box

VALLEY MALL
CLICK HERE

Durlington ShopKo

W VALLEY MALL BLVD

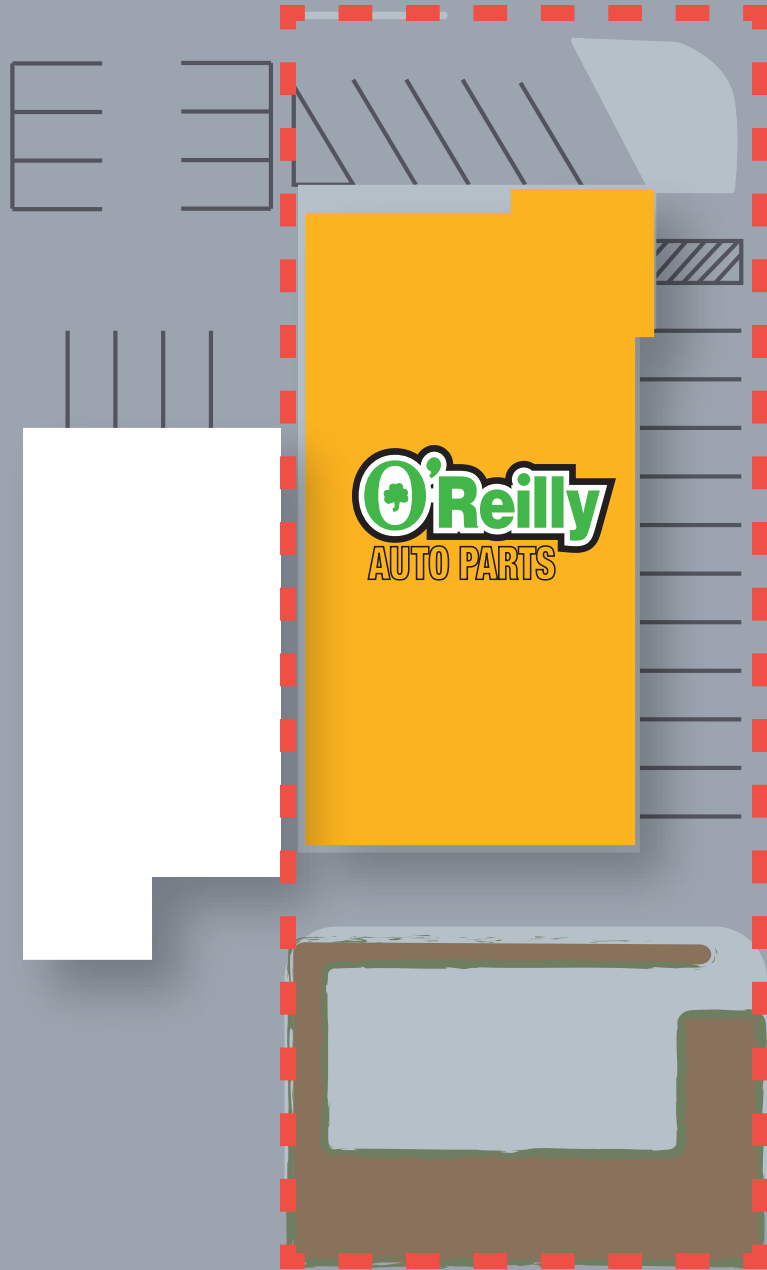
COSTCO WHOLESALE



Surrounding Retail

Site Plan





SITE PLAN NOT TO SCALE

Site Plan

Rent Comparables

O'REILLY AUTO PARTS LOCATIONS RECOGNIZE AN AVERAGE RENT of more than \$12/SF/YR NNN in Eastern Washington. The O'Reilly rent comps alongside additional Yakima County rent comps averaging \$15/SF/YR NNN, the Property represents a significantly low base rent. The below \$7/SF base rent for the subject Property represents a well below market rent and creates a favorable outlook for an investor upon the tenant's lease expiration.

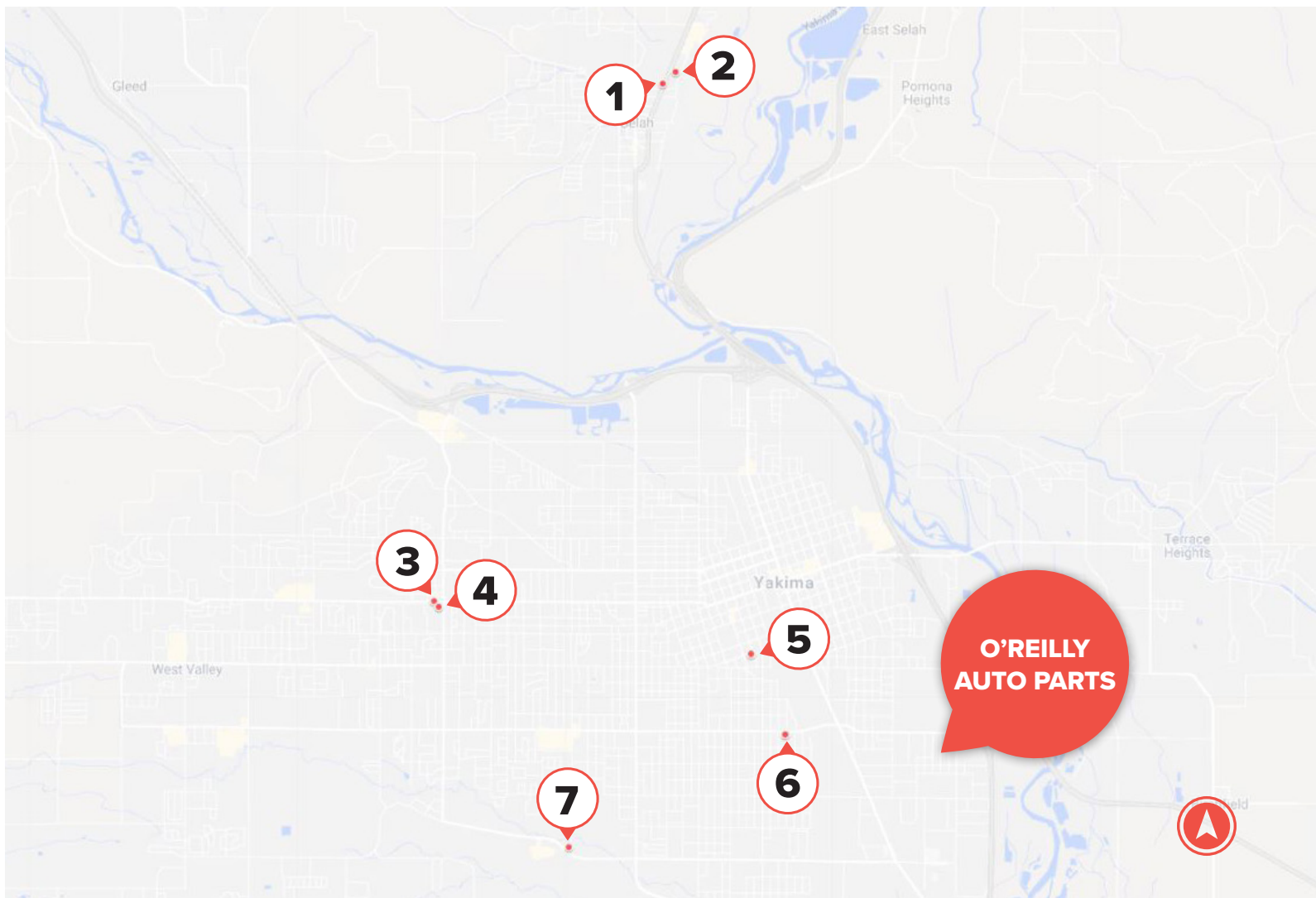
O'REILLY AUTO PARTS RENT COMPS

LOCATION	YEAR BUILT	EXPIRATION	SIZE	RENT	LEASE TYPE
Ellensburg, WA	1999	2029	7,200	\$15.43	NNN
Ephrata, WA	1997	2024	5,500	\$13.18	NNN
Omak, WA	1997	2022	6,600	\$12.76	NNN
Spokane Valley, WA	1996	2021	8,125	\$8.84	NNN



YAKIMA RENT COMPS

TENANT	LOCATION	BLDG SF	RENT	LEASE TYPE	CURRENT RENT
1. O'Reilly Auto Parts	Selah, WA	7,350	2016	NNN	\$13.75
2. Dollar Tree	Selah, WA	9,559	2016	NNN	\$11.75
3. Salon Nouveau	Yakima, WA	8,000	1950	NNN	\$18.00
4. Cellular Sales	Yakima, WA	5,657	1963	NNN	\$16.60
5. Jackson's Bar & Grill	Yakima, WA	7,423	2014	NNN	\$16.00
6. Columbia Paint	Yakima, WA	7,028	1979	NNN	\$12.11
7. Kyoto Sushi	Yakima, WA	7,000	2014	NNN	\$17.00



Financial Summary

PRICE	\$770,000
CAPITALIZATION RATE	6.50%
PRICE PER FOOT	\$107

CASH FLOW SUMMARY

SCHEDULED INCOME		
Base Rent for the Period of:	5/1/2019 - 4/30/2020	\$49,970
Total Effective Gross Income (EGI)		\$49,970

OPERATING EXPENSES		
CAMS		NNN
Property Taxes		NNN
Insurance		NNN
Total Operating Expenses		

NET OPERATING INCOME	\$49,970
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Rent Roll

O'Reilly Auto Parts					
Lease Term:		9/7/1986 - 9/30/2021			
Size (SF):		7,200			
RENT SUMMARY					
DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF	CAP RATE
10/1/2016	\$4,164		\$49,970	\$6.94	6.50%
OPTIONS					
1 10/1/2021	\$4,581	10.0%	\$54,967	\$7.63	7.14%
2 10/1/2026	\$5,016	9.5%	\$60,188	\$8.36	7.82%
3 10/1/2031	\$5,492	9.5%	\$65,906	\$9.15	8.56%
CURRENT	\$4,164		\$49,970	\$6.94	6.50%

Lease Notes

Comments: NNN Lease - Landlord is responsible for the building structure and roof, Tenant is responsible for all other repair and maintenance and operating expenses, including the direct payment of taxes and insurance. Tenant has 3, 5-year options to be exercised with no less than 180 day's notice.

Lease Abstract

Premise & Term

TENANT	O'Reilly Auto Enterprises, LLC
BUILDING SF	7,200 SF
LEASE TYPE	NNN
LEASE COMMENCEMENT	September 7, 1986
EXPIRATION	September 30, 2021
OPTIONS	3, 5-YR Options; 180-Day Notice

Rent

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
10/1/16-9/30/21	\$4,164.14	\$49,970

OPTIONS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 10/1/21-9/30/26	\$4,580.55	\$54,967
#2. 10/1/26-9/30/31	\$5,015.70	\$60,188
#3. 10/1/31-9/30/36	\$5,492.19	\$65,906

Expenses

TAXES

Tenant is responsible for payment of all real estate taxes, personal property taxes and other assessments assessed against the premises.

INSURANCE

Tenant maintains policies for liability and property insurance.

UTILITIES

Tenant is responsible for all charges for utilities serving the premises.

TENANT'S OBLIGATIONS

Lessee agrees to keep and maintain the roof, foundation, and walls of the leased premises together with the interior thereof, except what is required by the Landlord, described below. Lessee will keep the premises clean and will replace any broken glass.

LANDLORD'S OBLIGATIONS

Landlord shall maintain the structural integrity of the roof, walls and foundation of the premises, but not including coating the roof. Landlord is responsible for the maintenance and repair of the water system.

Location

Yakima, Washington



YAKIMA, WASHINGTON has been the cultural, business, educational, health services, and governmental focal point of the Central Washington region since it was founded more than 125 years ago. Originally built along the new Northern Pacific Railway company line, Yakima has grown from its agricultural roots to become a vibrant, diverse metropolitan city. With a rich history and a bright future, Yakima is the heart of Central Washington.

Yakima's economy has always revolved around agriculture. A wide variety of crops are grown in the Yakima Valley. Yakima County is Washington State's leader in terms of the value of the fruits, vegetables, grains, and other agricultural products produced by the county's farmers. The region has long been known as one of the world's leading producers of apples.

Wine Country



THE GROWTH OF WINE IN WASHINGTON STATE is highlighted by the Yakima Valley region, which is home to over half of the state's wine grape production and more than 120 wineries. The large collection of wineries and tasting rooms create a tourist attraction and a far reaching draw to the Yakima Valley.

Yakima is experiencing an economic boom

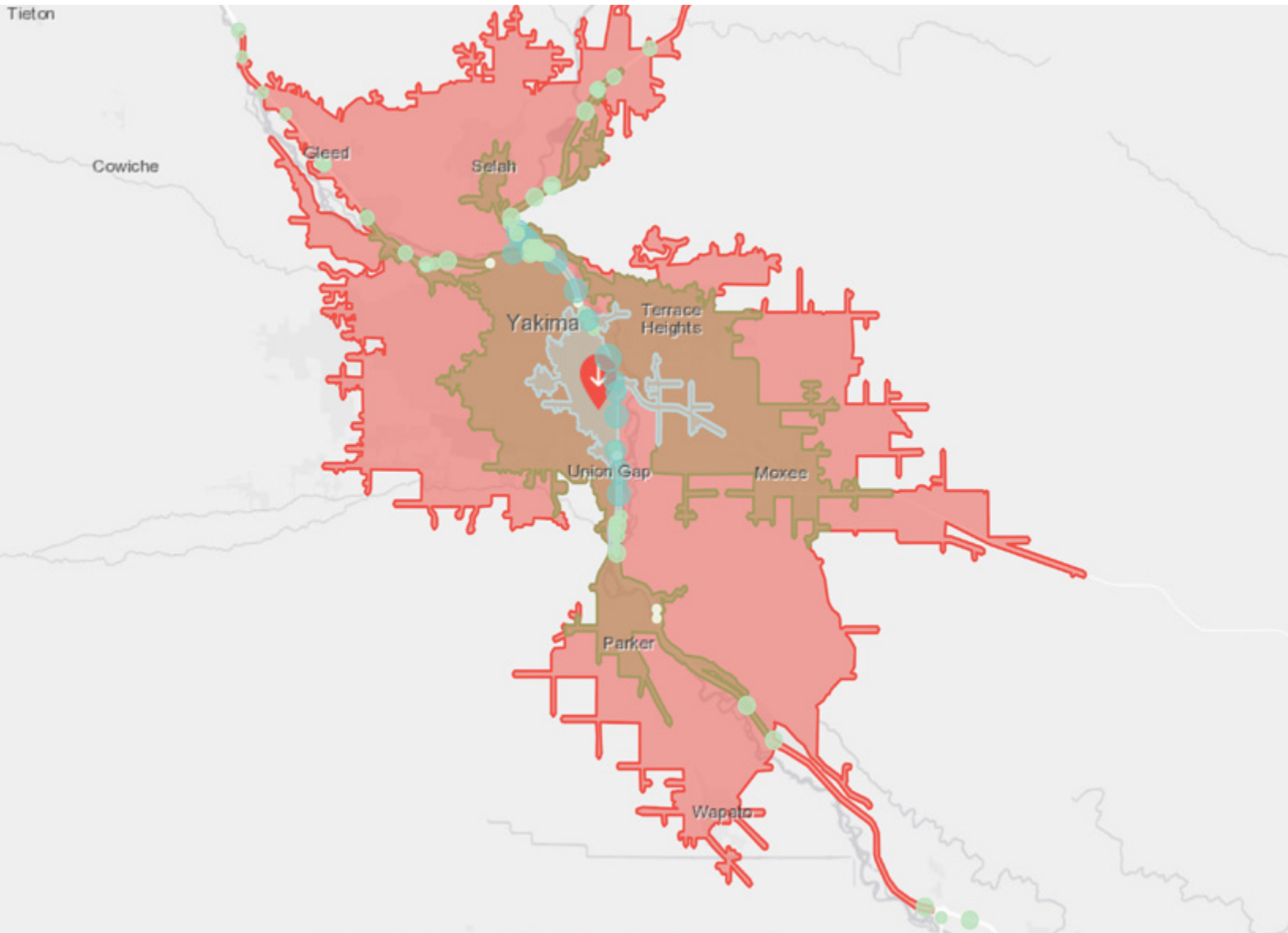


Commercial Construction Boom

SEVERAL NEW CONSTRUCTION RETAIL PROPERTIES have gone up in the Yakima market over the past two years including Dick's Sporting Goods and Party City at Union Gap Mall. Additionally, Hogback Development Company has completed several new construction retail projects including Rainier Square and Tahoma Square, re-purposing obsolete shopping centers and transforming areas of the city. **TO LEARN MORE, [CLICK HERE](#)**

Location

Demographics



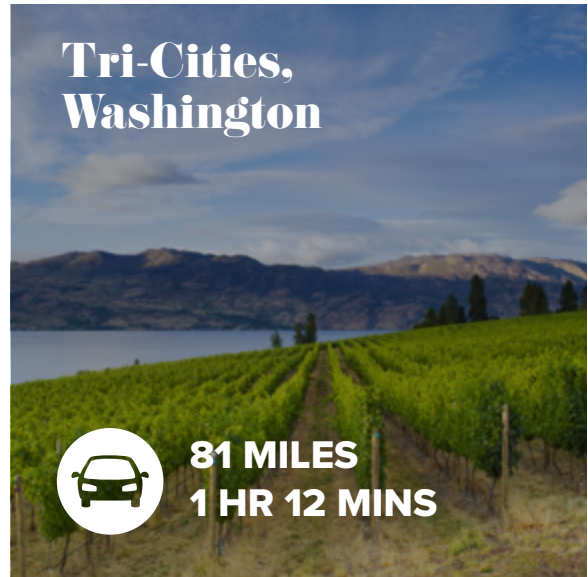
Distance to


Spokane, Washington



 **202 MILES**
3 HRS




Tri-Cities, Washington



 **81 MILES**
1 HR 12 MINS




KEY


	5 MINS
	10 MINS
	15 MINS

Drive time

POPULATION

	5 MINS	10 MINS	15 MINS
2010	12,692	71,421	123,280
2018	13,551	74,786	128,046
2023	14,004	76,632	130,846

2018 HH INCOME

	5 MINS	10 MINS	15 MINS
Average	\$42,824	\$54,884	\$66,754
Median	\$34,191	\$40,134	\$48,774

248,830



**YAKIMA COUNTY
POPULATION**
(ESTIMATED)

Contact Us



We'd love to hear from you.

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