



Future Residential
Development

Service King

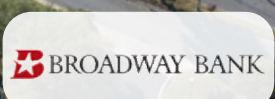
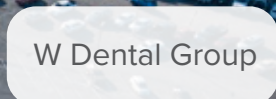
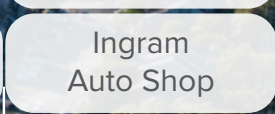
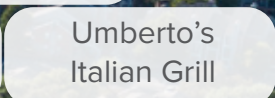
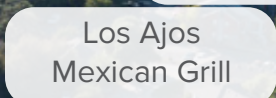
7602 INGRAM RD
SAN ANTONIO, TX

OFFERING MEMORANDUM

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Development



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San Antonio, TX
Demographics

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Executive Summary

Investment Highlights

PROPERTY HIGHLIGHTS

- Rare 20 Years Absolute NNN Lease
- Offered at an attractive 6.00% cap rate
- Perfect Property for 1031 Exchange

LOCATION HIGHLIGHTS

- Located in income tax-free state
- In the heart of San Antonio - 2nd largest city in Texas and 7th largest city in the country
- Located next to master planned community and National Security Agency Texas Campus
- Explosive Population Growth - Double-digit growth 2017-2022 estimate

TENANT HIGHLIGHTS

- Service King is one of the largest Collision Repair companies in the United States with over 350 location in 24 different states
- Significant Private Equity Funding - Blackstone Group LP and Carlyle LP backed, with Blackstone Group LP with controlling shares
- Service King is estimated to have over \$1 billion in annual revenue and employs more than 6,000 people
- Service King is capitalizing on the consolidation of the rapidly growing Collision Industry, a \$33+ billion industry in US and Canada



Property Overview



Property Name

Service King



Address

7602 Ingram Rd



Location

San Antonio, TX



Zip Code

78251



List Price

\$2,900,000



Cap Rate

6.00%



Year Built

1988



Square Footage

± 13,984

Financial Analysis

Annualized Operating Data

	Monthly Rent	Annual Rent	Cap Rate
8/1/2018 - 7/31/2023	\$14,500	\$174,000	6.00%
8/1/2023 - 7/31/2028	\$15,000	\$180,000	6.20%
8/1/2028 - 7/31/2033	\$15,750	\$189,000	6.51%
8/1/2033 - 7/31/2038	\$16,537.50	\$198,450	6.84%
Option 1 (8/1/2038 - 7/31/2043)	\$18,191.25	\$218,295	7.52%
Option 2 (8/1/2043 - 7/31/2048)	\$20,010.37	\$240,124.44	8.28%

Tenant Summary

Tenant Trade Name	Service King	
Type of Ownership	Fee Simple	
Lease Guarantor	Service King Paint and Body, LLC	
Lease Type	Absolute NNN	
Roof & Structure	Tenant	
Original Lease Term	20	
Lease Commencement Date	8/1/2018	
Lease Expiration Date	7/31/2038	
Term Remaining on Lease	±20 Years	
Options	Two, 5-Year Options	

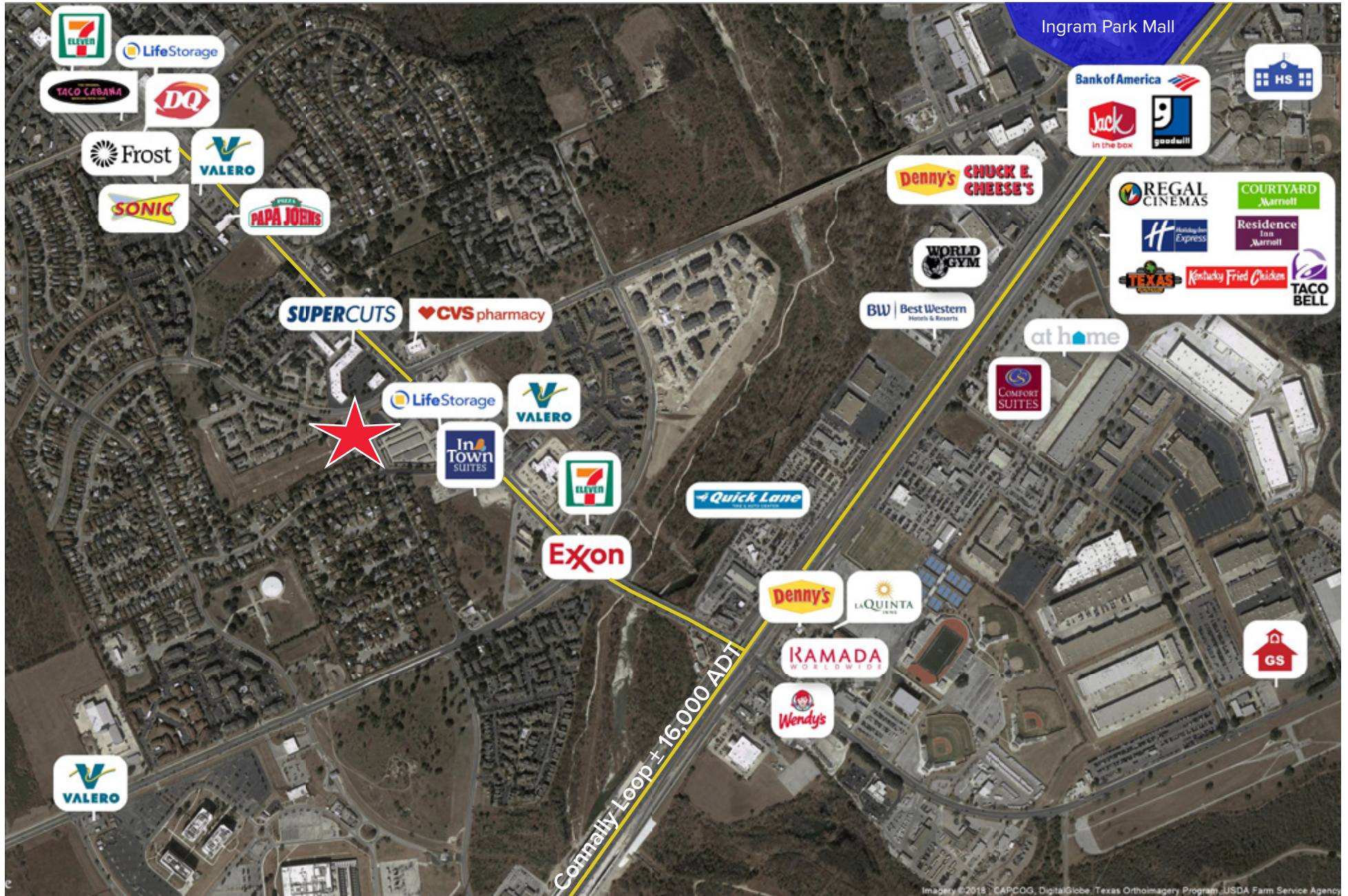
The Offering

Property Name	Service King
Property Address	7602 Ingram Rd San Antonio, TX 78251
APN	18282-022-0040
Site Description	
Number of Stories	One
Year Built	1988
Gross Leasable Area (GLA)	±13,984 SF
Lot Size	±1.21 Acres (52,707 SF)
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

Parcel Map



Surrounding National Tenants



Tenant Overview





Property Name	Service King
Parent Company Trade Name	Service King Holdings, LLC
Ownership	Non-Public
Revenue	\$1B
No. of Locations	± 330
Headquartered	Richardson, TX
Website	serviceking.com
Year Founded	2012

TENANT OVERVIEW

Service King Collision Repair Centers is a national leader in collision repair, operates in 24 states with over 330 locations and plans to continue growing. Service King Collision Repair Centers offers high-quality repairs with a lifetime warranty, free estimates, on-site rental cars and an overall superior customer service experience.

In 2012, as one of the largest independent operator of collision repair centers in the U.S., global asset manager The Carlyle Group closes on its acquisition of majority ownership of Service King Collision Repair Centers. In 2014, after Service King triples its revenue over a two-year period, premier global investment and advisory firm Blackstone purchases majority ownership of the company. The Carlyle Group remains a minority investor as do Service King internal shareholders. In 2015, Service King surpasses \$1 billion in annual revenue

STRATEGY

Service King technicians are rigorously trained and certified to work with every make and model of vehicle on the road. No matter what type of car, the veteran team at Service King is up to the job. The collision repair specialists lead the industry in everything from fender repair to dent repair and everything in between. Many Service King collision repair centers are also certified to perform highly specialized repairs, such as aluminum repair and paintless dent repair.



Area Overview

Demographics

POPULATION	1 Mile	3 Mile	5 Mile
2023 Projection	18,372	128,688	378,449
2018 Estimate	16,498	117,880	350,449
2010 Census	13,020	99,823	308,583
Growth 2018 - 2023	11.36%	9.17%	7.99%
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2023 Projection	7,750	46,485	131,724
2018 Estimate	6,934	42,442	121,408
2010 Census	5,408	35,568	105,867
Growth 2018 - 2023	11.77%	9.53%	8.50%
INCOME	1 Mile	3 Mile	5 Mile
2018 Est. Average Household Income	\$64,169	\$67,548	\$68,638

Area Overview

Placed perfectly in the heart of Texas Hill Country straddling South Texas and Central Texas, San Antonio is the second-most populous city in the state of Texas. A city on the rise, San Antonio is in the center of a booming corridor with many business-friendly elements. San Antonio’s historically steady population growth has established a local market of 2.3 million residents, one that is projected to increase by 28% in the coming future. Moreover, there is an increasing population of young professionals flocking to central San Antonio, enticed by areas such as Pearl Brewery, Alamo Heights and downtown, which offer an urban lifestyle with endless shopping, nightlife, cultural, fine dining and employment opportunities.

San Antonio exudes a distinct combination of metropolitan energy and small-town charm; Its laid-back character brings a welcome contrast to its substantial business community. Having acquired one of the largest concentrations of military bases in the country, the city has also become known as Military City, USA. For over a hundred years, a consistent and significant military presence has shaped San Antonio’s identity and brought stability to the local economy.

The region’s spirit expands beyond its tourist labels, creating a community rich in Hispanic and Old West heritage. Home to two of Texas’ most popular destinations, the River Walk and the Alamo, San Antonio’s rich, cultural history attracts over 32 million annual visitors. The city’s historic sites are intermingled with modern skyscrapers in downtown, including the Alamo and the Spanish Governor’s Palace. Meanwhile, the River Walk is an oasis of cypress-lined paved paths and arch stone bridges that winds through the city center. Lined with shops and sidewalk cafes along the San Antonio River, the River Walk offers easy access to San Antonio’s Main Plaza. Connecting San Antonio to its past, while paving its path to the future, the River Walk is truly the heart and soul of the city.

Economic Development

San Antonio has achieved staying power as one of the most attractive environment for business in the United States with its diverse and robust economy. Recognizing its many advantages, six Fortune 500 companies – Valero Energy Corp, Tesoro Corp, USAA, Clear Channel Communications, NuStar Energy and CST Brands, Inc. – have established their headquarters in San Antonio in addition to H-E-B. Meanwhile, ten miles northwest of San Antonio's downtown, the South Texas Medical Center, which is the only medical research and care provider in the South Texas region is a conglomerate of various hospitals, clinics, and research and higher educational institutions.

The city's economy is primarily comprised of the military, healthcare, government civil service, financial services, oil and gas, and tourism sectors. Over the past two decades, San Antonio has become a significant location for American-based call centers and has added a significant manufacturing sector centered around automobiles. Future job growth projections are strong, combining with the steadily declining unemployment rate and other business elements to help cultivate a healthy business climate.

Employer	# of Employees
H-E-B	20,000
USAA	17,000
Cullen/Frost Bankers	3,982
Bill Miller Bar-B-Q	3,540
Rackspace	3,300
CPS Energy	3,022
Toyota Motor Manufacturing	2,900
Clear Channel Communications, Inc.	2,800
Southwest Research Institute	2,715
Valero Energy	1,653



Education

San Antonio hosts over 100,000 students in its 31 higher-education institutions. Government funded schools include the University of Texas Health Science Center at San Antonio, the University of Texas at San Antonio, Texas A&M University - San Antonio, and the Alamo Community College District.

San Antonio is home to U.S. Air Force Basic Military Training (AFBMT). The Air Force only has one location for enlisted basic training: the 737th Training Group, at Lackland Air Force Base. All new Air Force recruits go through the same basic training at Lackland. Each year, over 35,000 new recruits go through AFBMT. In addition, METC (the Military Education and Training Campus), which provides the medical training for the U.S. military at Fort Sam Houston, hosts 30 programs and over 24,000 annual graduates. It is the largest medical education center in the world.



Transportation

San Antonio's airport is only 8.5 miles from the downtown business district -- about a 15-minute drive -- which is unusual for a major metropolitan area. San Antonio International is the 6th busiest airport based on passenger boardings in Texas.

San Antonio's public transportation system is called VIA Metropolitan and includes 89 bus lines and a small streetcar service downtown. Service is extensive and convenient, and many of San Antonio's popular attractions are easily accessible with public transportation, including The Alamo, The Japanese Tea Gardens, The Majestic Theater, Mission Conception, and Mission San Jose.

Points Of Interest



SAN ANTONIO RIVER WALK

Also known as Paseo del Río, the River Walk is a network of walkways along the banks of the San Antonio River, one story beneath the streets of San Antonio. Lined by bars, shops, restaurants, nature, and public art the River Walk is an important part of the city's urban fabric and a tourist attraction in its own right.



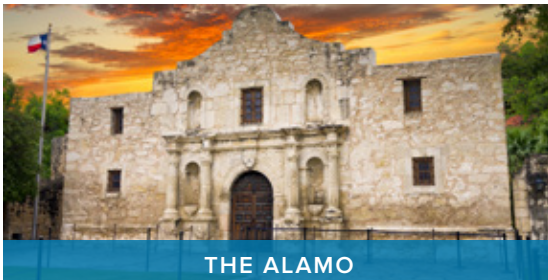
SEAWORLD SAN ANTONIO

SeaWorld San Antonio is a 250-acre marine mammal park, oceanarium, and animal theme park, located in the Westover Hills District of the City of San Antonio in Texas. It is the largest of the three parks in the SeaWorld chain owned by SeaWorld Entertainment, a division of Blackstone Group, and the world's largest marine-life theme park.



SAN ANTONIO ZOO

The San Antonio Zoo is an Association of Zoos and Aquariums-accredited zoo in Midtown San Antonio. It is located in the city's Brackenridge Park. The 35-acre zoo has a collection of over 3,500 animals representing 750 species. The zoo's annual attendance exceeds 1,000,000.



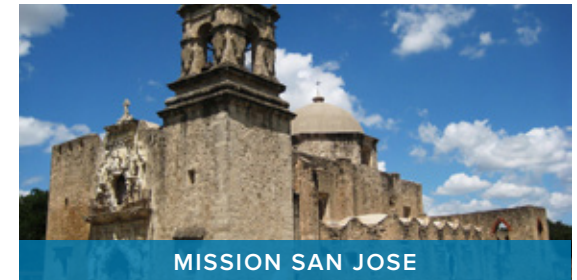
THE ALAMO

More than 2.5 million people a year visit the 4.2 acre complex known worldwide as "The Alamo." The Alamo Mission in San Antonio, commonly called the Alamo and originally known as Misión San Antonio de Valero, is part of the San Antonio Missions World Heritage Site. Today the Alamo is the heart of San Antonio and it is Texas' most visited historic landmark.



SAN ANTONIO MUSEUM OF ART

The San Antonio Museum of Art's global collection represents 5,000 years of history and cultures from around the world. Housed in a complex of buildings that was once the Lone Star Brewery, the Museum is renowned for its collections of Latin American, Asian, and Ancient Mediterranean Art, and includes a notable contemporary collection.



MISSION SAN JOSE

Founded in 1720 and known as the "Queen of the Missions" due to its size and elaborate sculptures that adorn it. The compound walls reveal the importance of community living, which made the missions self-sufficient. The park's Visitor's Center is in Mission San José, where you can view Gente de Razon, which tells the story of life in the missions during the 1700s.



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.

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:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - 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.

Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	kyle.matthews@matthews.com	(310) 919-5757
Designated Broker of Firm	License No.	Email	Phone
_____ 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

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Service King** located at **7602 Ingram Rd, San Antonio, TX 78251**. It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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