

# TAKE 5 OIL CHANGE

12543 Warwick Blvd, Newport News, VA 23606



Representative Photo

## OFFERING MEMORANDUM

EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap



## Table of Contents

### Financial Overview

Investment Highlights & Overview  
Lease Summary  
Concept Overview

### Location Overview

Location Highlights & Overview  
Surrounding Aerial Map

### Demographics

Population  
Income  
Employment



12543 Warwick Blvd, Newport News, VA 23606

**PRICE: \$788,127 | 5.50% CAP | RENT: \$43,347****PROPERTY DESCRIPTION**

Property	Take 5 Oil Change
Property Address	12543 Warwick Blvd
City, State, ZIP	Newport News, VA 23606
Building Size (SF)	1,634
Lot Size (Acres)	+/- 0.40

**THE OFFERING**

Net Operating Income (NOI)	\$43,347
CAP Rate	5.50%
Purchase Price	\$788,127
Price / SF	\$482
Rent / SF	\$26.53

**LEASE SUMMARY**

Property Name	Take 5 Oil Change
Property Type	Net-Leased Auto Service
Ownership	Ground Lease
Tenant / Guarantor	Corporate
Lease Term	11 Years
Lease Expiration	11 Years From Close of Escrow
Lease Term Remaining	11 Years
Lease Type	Triple-Net (NNN) Ground Lease
Roof & Structure	Tenant Responsible
Options to Renew	Four (4), Five (5) Option Periods

**HIGHLIGHTS**

- Long Term Absolute Triple-Net (NNN) Ground Lease | Zero Landlord Obligations | 11 Years Remaining on Base Term
- Investment Grade Tenant | "BBB-" S&P Credit Rating
- Excellent Fundamentals | Highly Visible, Located on Hard Corner of Signalized Intersection
- Corporate Guarantee
- Four, Five-Year Tenant Renewal Option Periods



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Glen Kunofsky and Judson Kauffman, Exclusive Listing Agents, are also minority shareholding owners of this property. They are licensed real estate salespersons for Marcus and Millichap in the state of New York.



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# INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Take 5 Oil Change located at 12543 Warwick Blvd, Newport News, VA. This location will be a brand new Take 5 Oil Change in spring 2018. The subject property will be made up of 1,634 rentable square feet and will be situated on an approximately 0.395 acre lot. Take 5 Oil Change is subject to a 11-year triple-net (NNN) ground lease. The lease will be corporately guaranteed by Take 5 Oil Change. The base annual rent will be \$43,347 and will be subject to 10 percent rental increases every five years during the base term and continuing through the four, five-year tenant renewal options. Take 5 Oil Change Inc, part of Driven Brands, is a company that was recently acquired by Roark Capital, one of the largest and most respected private equity groups in the country, specializes in multi-unit business models in the retail, restaurant and consumer service sectors.

# TENANT SUMMARY

Take 5 Oil Change has set service standards and achieved customer satisfactions standards that exceed every customer's expectation by maintaining the highest possible level of employee training and development. Take 5 Oil Change first opened in Metairie, Louisiana in 1984 and currently owns and operates over 200 locations across states such as Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Ohio, Oklahoma, South Carolina, Texas & Virginia.



# FINANCIAL OVERVIEW

ANNUALIZED OPERATING DATA		
Current Annual Rent		\$43,347
Base Term Rental Escalations		10% Every 5-Years
RENT SCHEDULE		
Lease Year	Annual Rent	Monthly Rent
Current	\$43,347	\$3,612
Year 2	\$43,347	\$3,612
Year 3	\$43,347	\$3,612
Year 4	\$43,347	\$3,612
Year 5	\$43,347	\$3,612
Year 6	\$47,682	\$3,973
Year 7	\$47,682	\$3,973
Year 8	\$47,682	\$3,973
Year 9	\$47,682	\$3,973
Year 10	\$47,682	\$3,973
Year 11	\$52,450	\$4,371
CAP Rate		5.50%
Purchase Price		\$788,127



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## Take 5 Oil Change Mission Statement

To set service standards and achieve customer satisfaction standards that exceed every customer's expectation by maintaining the highest possible level of employee training and development.



Representative Photo

## Evolution of the Brand

In 1996, we designed the first "Five-Minute Drive-Thru Oil Change" concept. This reflected a new direction in our business model, all centered on improving customer experience and the speed of our service. Eventually, we converted our Rapid Oil locations to the Five-Minute format. The conversion to Take 5 "Home of the Five-Minute Oil Change" is an advertising agency's dream come true - with emphasis and branding on changing your oil, not your schedule.

Founded in 1984 and headquartered in Metairie, Louisiana, Take 5 Oil Change currently operates 223 Quick Lube centers in 14 states. Take 5's store format promotes a differentiated customer experience driving superior operational and financial performance resulting in industry leading speed of service, car counts and customer satisfaction scores.



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## We first opened in Metairie, Louisiana

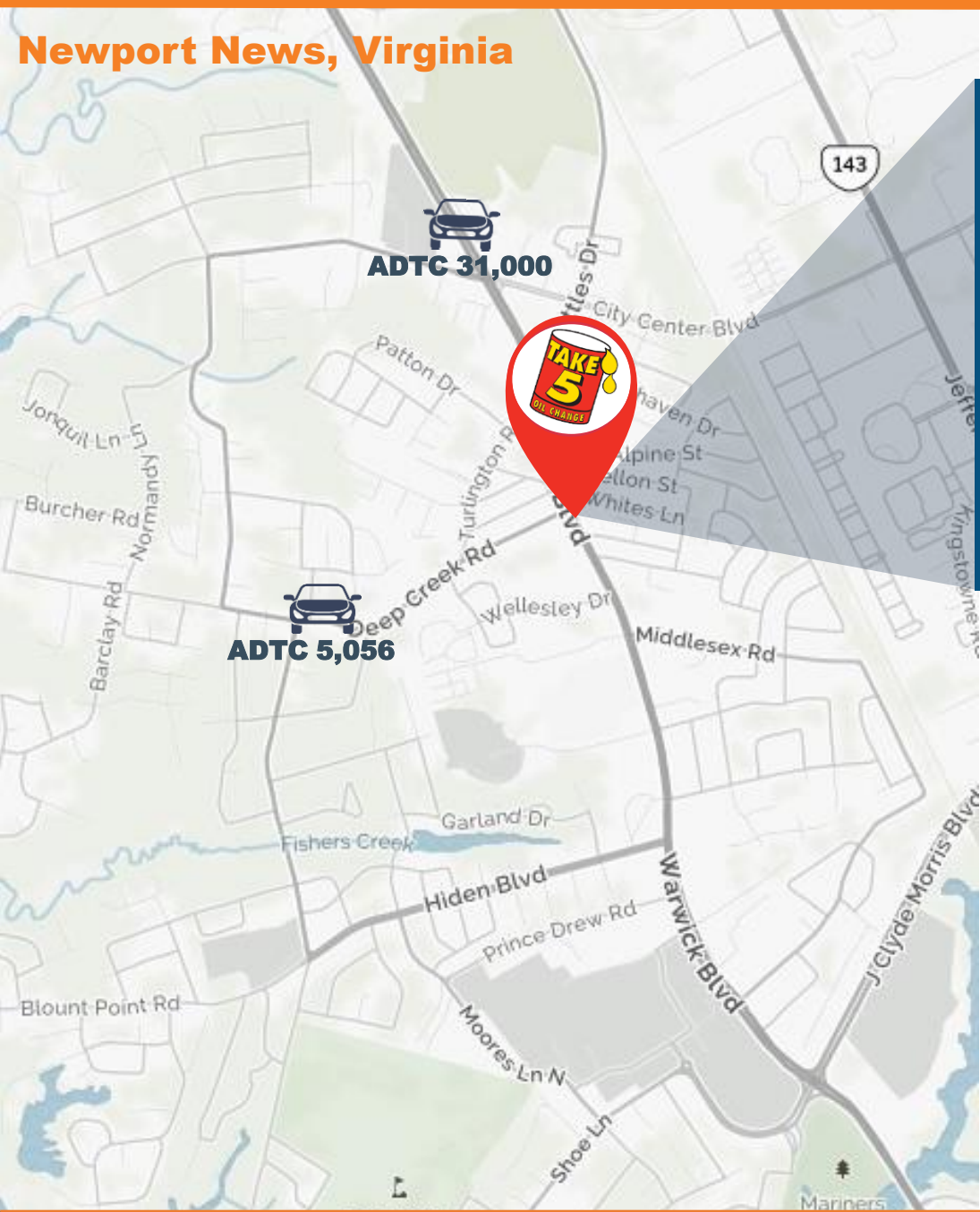
Thirty years ago in the mid 1980s, the automobile world was quite different, but consumer trends continued to move toward niche services that could be provided quickly and conveniently. Recognizing that the average number of vehicles per household continued to increase, and that females would continue to enter the work force, the opportunity for growth was exciting. Over the years, Take 5 has nurtured a value-added, customer-friendly business model.











HIGHLIGHTS

- Surrounding Retailers Include: Dunkin’ Donuts, 7-Eleven, McDonald’s, Wendy’s, Dominos, Chick-fil-a, Bojangle's, Food Lion & Many More
- Freestanding Property | Benefits from Excellent Frontage along Warwick Blvd – Traffic Counts Exceeding 31,000 Cars Per Day
- Bon Secours Mary Immaculate Hospital | Located Less Than 7 Miles From The Subject Property | 123-Beds
- Newport News/Williamsburg International Airport | Located Less Than 5 Miles From The Subject Property

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Riverside Healthcare Svcs Inc	8,000
Wolseley Real Estate Inc	5,015
Riverside Regional Medical Ctr	2,971
Riverside Health System	2,964
Canon Virginia Inc	1,500
Thomas Jefferson National	1,350
Futrell & Holt Inc	1,300
Walmart	1,199
UPS	1,027
Riverside Convalescent Center	1,000
City of Newport News	923
Alorica Customer Care Inc	850

\* Based on a 5-mile radius



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This Take 5 Oil Change property is located at 12543 Warwick Blvd in Newport News, Virginia. Newport News is an independent city in the Commonwealth of Virginia, once a part of Warwick County, VA.

## Surrounding Retail and Points of Interest

The subject property is well-positioned in a dense residential corridor. Surrounding retailers include: Dunkin' Donuts, 7/11, McDonald's, Wendy's, Dominos, Chick-fil-a, Bojangle's, Food Lion & More. Bon Secours Mary Immaculate Hospital is located less than 7 miles from the subject property. Bon Secours Mary Immaculate Hospital is a 123-bed facility. Newport News/Williamsburg International Airport is located less than 5 miles from the subject property.

## Traffic Counts and Demographics

Newport News has approximately 74,838 people residing within a three-mile radius of the property and over 166,679 people within five-mile radius. This Take 5 Oil Change is situated on Warwick Blvd and just off of Deep Creek Rd. Warwick Blvd and Deep Creek Rd have average daily traffic counts of 31,000 and 5,056 vehicles respectively.

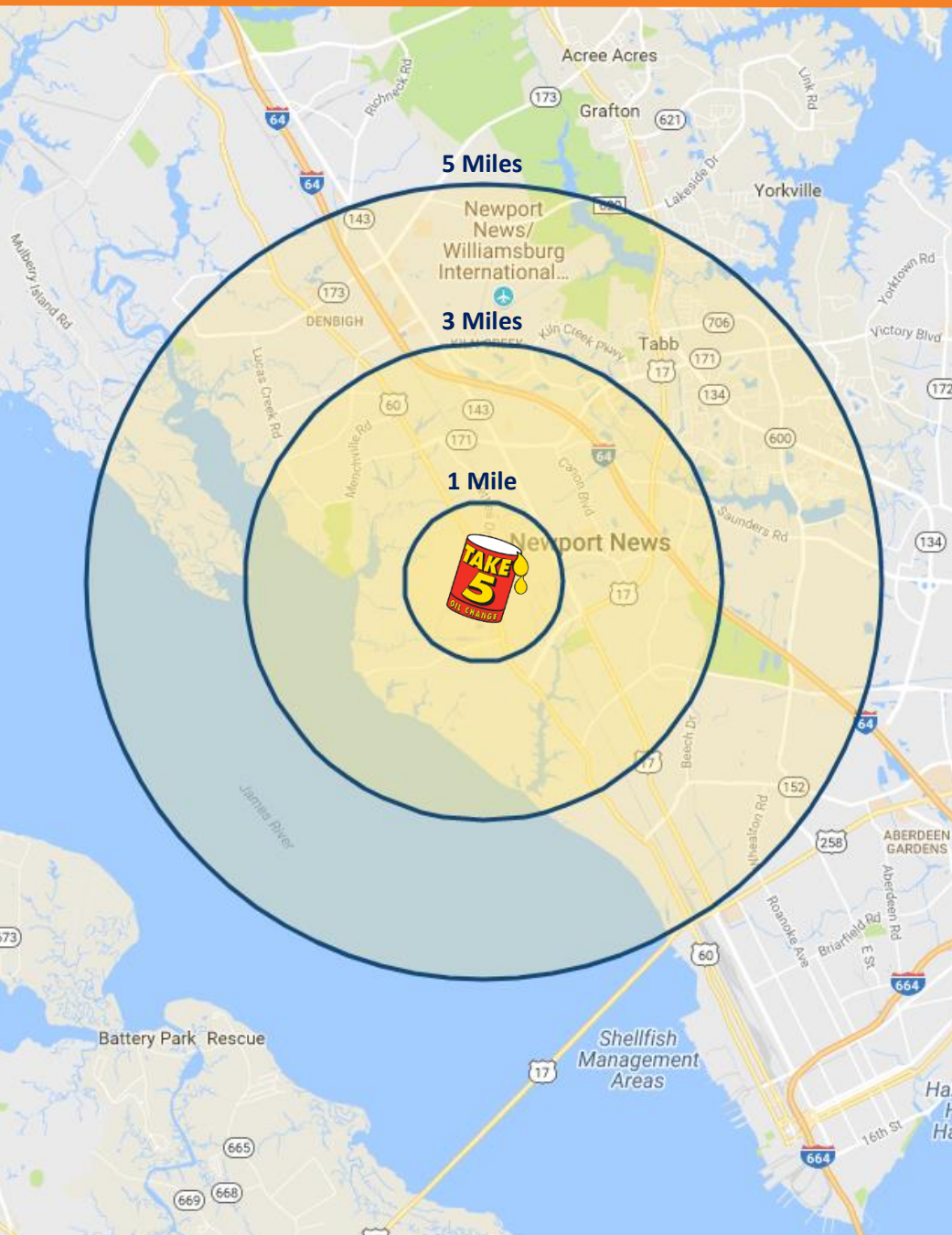
## Newport News, Virginia

Newport News is located within the Hampton Roads metropolitan area and is at the southeastern end of the Virginia Peninsula, on the northern shore of the James River extending southeast from Skiffe's Creek. Given the city's proximity to the waterfront, many US defensive industry suppliers are based in Newport News, which employs many residents to nearby military bases. The area surrounding Newport News occupies several museums and historic sites such as, The Mariners' Museum, The Virginia War Museum & The Peninsula Fine Arts Center. Jamestown, considered to be the first permanent English settlement in the Americas, is less than 40 minutes away from the subject property that serves as a major tourism hub. Jamestown is visited by thousands of families, school groups, tours and international tourists annually.



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	1 Miles	3 Miles	5 Miles
<b>POPULATION</b>			
2022 Projection	13,797	76,562	158,895
2017 Estimate	13,500	74,838	155,679
2010 Census	13,214	72,099	150,669
2000 Census	11,280	68,276	147,131
<b>INCOME</b>			
Average	\$67,464	\$72,003	\$74,953
Median	\$51,990	\$55,100	\$58,261
Per Capita	\$31,297	\$29,762	\$29,721
<b>HOUSEHOLDS</b>			
2022 Projection	5,864	31,121	62,526
2017 Estimate	5,658	30,193	60,812
2010 Census	5,648	29,431	59,428
2000 Census	5,474	28,223	56,995
<b>HOUSING</b>			
2017	\$240,611	\$221,011	\$219,243
<b>EMPLOYMENT</b>			
2017 Daytime Population	13,173	84,777	164,598
2017 Unemployment	2.57%	3.37%	3.79%
2017 Median Time Traveled	24	24	24
<b>RACE &amp; ETHNICITY</b>			
White	69.67%	62.17%	58.19%
Native American	0.09%	0.16%	0.18%
African American	22.74%	26.23%	29.37%
Asian/Pacific Islander	2.48%	3.35%	4.29%



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