

OFFERING MEMORANDUM

3628, 3634 Altamesa Blvd, Fort Worth, TX 76133

PEP BOYS & SAMCO TUNE & LUBE



Representative Photo

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INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Offered at an attractive 8.64% return
- Dual Tenant - Absolute NNN Lease – Zero Landlord Responsibilities
- Just Brakes had over a 15-year operating history at this specific location prior to Pep Boys' recent acquisition
- Strong Corporate Guarantee – Icahn Automotive operates approximately 1,900 locations across the country.
- On January 23, 2017, Pep Boys announced the purchase of privately held Just Brakes (JBRE, LLC), an automotive repair and maintenance chain with over 130 locations across the U.S.

LOCATION HIGHLIGHTS

- Ideally Positioned next to Alta Mesa McCart Shopping Center – Strong Presence of anchor tenants such as Kroger and LA Fitness with surrounding retail tenants including but not limited to Chick-fil-A, McDonald's, Church's Chicken, Whataburger, Popeyes, Long John Silver's, Chicken Express, Arby's, KFC, CVS, AutoZone, GameStop, and more
- Located less than 5 miles away from Texas Christian University; founded in 1873, the TCU Horned Frogs is home to over 10,000 students with an estimated endowment of \$1.5 Billion dollars.
- Healthy Demographics - Average Household Incomes exceeding \$72,000 in a 3-Mile Radius with a total population count of roughly 270,000 people within a 5-Mile Radius.
- Traffic Counts along Altamesa Blvd. are +/- 21,500 VPD and along McCart Ave. are over 31,000 VPD
- Fantastic population growth of over 11.83% over the past decade within a 1-Mile Radius and an expected average population growth of 7.81% within a 1,3, and 5 Mile Radius over the next 5 Years

TENANT HIGHLIGHTS

- In December of 2015, The Pep Boys – Manny, Moe & Jack of Delaware, Inc. was acquired by Carl Icahn's Icahn Enterprises L.P. for an excess of \$1 billion dollars
- Since Icahn's acquisition, Pep Boys has added more than 1,000 new locations with acquisitions of Just Brakes, Precision Tune Auto Care, AAMCO, Advanced Auto Service & Tire, Mathis Tire & Auto and more
- Icahn Automotive operates approximately 1,900 locations owned and franchise service locations in 49 US states and Puerto Rico being one of the longest-running and world's largest automotive retail chains

FINANCIAL ANALYSIS

Pep Boys & Samco Tune & Lube
3628, 3634 Altamesa Blvd.
Fort Worth, TX 76133

List Price\$1,300,000

Cap Rate8.64%



Tenant Summary

Tenant Trade Name	Pep Boys
Type of Ownership	Fee Simple
Lease Guarantor	Pep Boys (JBRE Holdings)
Lease Type	NNN
Roof and Structure	Tenant Responsible
Lease Commencement Date	12/8/1999
Rent Commencement Date	1/1/2015
Lease Expiration Date	12/31/2018
Term Remaining on Lease	±1 year
Increases	4% Every 5 Years
Options	One, 5-Year Option

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF
Current - 12/31/2018	\$5,958.33	\$71,500.00	\$35.26
Option 1	\$6,196.67	\$74,360.00	\$36.66

Tenant Summary

Tenant Trade Name	Samco Tune & Lube
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee
Lease Type	NNN
Roof and Structure	Tenant Responsible
Lease Commencement Date	5/29/2014
Rent Commencement Date	8/1/2014
Lease Expiration Date	5/28/2019
Term Remaining on Lease	±2 years
Increases	Fair Market Value
Options	One, 5-Year Option

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF
Current - 5/29/2018	\$3,400.00	\$40,800.00	\$40.80
5/30/2018 - 6/1/2019	\$3,500.00	\$42,000.00	\$42.00

TENANT OVERVIEW



Company Name	Pep Boys
Parent Company Trade Name	Icahn Enterprises, L.P.
Ownership	Private
No. of Locations	±1,900
Headquartered	Philadelphia, Pennsylvania
Website	www.pepboys.com
Year Founded	1921

Tenant Summary

Philadelphia-based Pep Boys has operations in 47 US states and Puerto Rico. Major markets for the company include California, Florida, Pennsylvania, and Texas, home to nearly half of its stores. Pep Boys also has warehouses in California, Georgia, Texas, Indiana, New York, and Pennsylvania.

An automotive paradise for do-it-yourselfers, Pep Boys stock about 25,000 car parts and accessories, including tires, and combined, operate more than 7,500 service bays for vehicle repairs, inspections, and parts installations. It also offers credit and parts delivery to commercial customers, such as repair shops, fleet operators, schools, and municipalities. Founded in 1921 by Philadelphians Manny, Moe, and Jack, Pep Boys was acquired by billionaire investor Carl Icahn's Icahn Enterprises in February 2016.

In late 2015, Pep Boys found itself the target of a bidding war between Japanese tire company Bridgestone and activist investment firm Icahn Enterprises. After originally accepting an \$835 million offer from Bridgestone, the auto parts retailer eventually agreed to a \$1 billion-plus purchase by Icahn (which completed in February 2016). The investment firm plans to combine Pep Boys with the Auto-Plus chain, which it acquired earlier in 2015.

PROPERTY OVERVIEW

Pep Boys

Property Address	3628 Altamesa Blvd. Fort Worth, TX 76133
Assessor's Parcel Number	45580-202-9G

Site Description	
Number of Stories	One
Year Built	1986
Gross Leasable Area (GLA)	±2,028 SF
Lot Size	±0.58 Acres (25,264 SF)
Type of Ownership	Fee Simple
Parking	±34 Surface Spaces
Landscaping	Professional
Topography	Generally Level

Construction	
Foundation	Concrete
Exterior	Concrete/Metal
Parking Surface	Asphalt
Roof	Metal

Samco Tune & Lube

Property Address	3634 Altamesa Blvd. Fort Worth, TX 76133
Assessor's Parcel Number	45580-202-9G

Site Description	
Number of Stories	One
Year Built	1986
Gross Leasable Area (GLA)	±1,000 SF
Lot Size	±0.58 Acres (25,264 SF)
Type of Ownership	Fee Simple
Parking	±34 Surface Spaces
Landscaping	Professional
Topography	Generally Level

Construction	
Foundation	Concrete
Exterior	Concrete/Metal
Parking Surface	Asphalt
Roof	Metal

Site Description



Surrounding Tenants





AREA OVERVIEW

Fort Worth, Texas

Fort Worth is located in North Central Texas and is the 16th-largest city in the United States and the fifth-largest city in the state of Texas. The city is the second-largest in the Dallas–Fort Worth–Arlington metropolitan area and has been designated as one of America’s “Most Livable Communities” by the Partners for Livable Communities. The city was established in 1849 as an Army outpost on a bluff overlooking the Trinity River. Today, Fort Worth still embraces its Western heritage and traditional architecture and design. USS Fort Worth (LCS-3) is the first ship of the United States Navy named after the city.

Fort Worth is home to the Van Cliburn International Piano Competition and several world-class museums designed by internationally known contemporary architects. With more than 109 acres of museum space, Fort Worth has the second-largest number of accredited museums within walking distance of each other, second only to Washington D.C. The Kimbell Art Museum, considered to have one of the best collections in Texas, is housed in what is widely regarded as one of Texas’ foremost works of modern architecture, designed by Louis Kahn with an addition by Renzo Piano. Also of note is the Modern Art Museum of Fort Worth, designed by Tadao Ando. The Amon Carter Museum of American Art, designed by Philip Johnson, houses one of the most extensive collections of American art in the world in a building.

The region benefits from more than 60 colleges and universities, with a combined enrollment exceeding 325,000 students, graduating in excess of 35,000 annually. The city is stimulated by several university communities: Texas Christian, Texas Wesleyan, University of North Texas Health Science Center, and Texas A&M University School of Law. The presence of Texas Christian University less than 5 miles from downtown and national competitiveness in football, baseball, and men’s and women’s basketball have sustained TCU as an important part of Fort Worth’s sports scene as well.

Fort Worth is a major center for industry, technology, distribution, and transportation. Tourism is also a major contribution to the economy bringing in approximately 7.5 million visitors and contributing over \$900 million to Fort Worth’s economy. In 2013, Fort Worth-Arlington ranked 15th on Forbes’ list of the Best Places for Business and Careers. Fort Worth is the location of many multinational corporations, including Bell Helicopter, Lockheed Martin, American Airlines, BNSF Railway, Pier 1 Imports, and Radio Shack.





Dallas - Fort Worth Metroplex

The Dallas–Fort Worth–Arlington, TX Metropolitan Statistical Area, the official title designated by the United States Office of Management and Budget, encompasses 13 counties within the U.S. state of Texas. Residents of the area refer to it as the Dallas/Fort Worth Metroplex, DFW, or The Metroplex. It is the economic and cultural hub of the region commonly called North Texas or North Central Texas and is the largest inland metropolitan area in the United States.

The 2015 official estimate U.S. Census has the Dallas–Fort Worth Metroplex at 7,102,796, making it the largest metropolitan area in the South. During the 12-month period from July 2008 to July 2009, the Dallas–Fort Worth–Arlington metropolitan area gained 146,530 new residents, more than any other metropolitan area in the United States. The area's population has grown by about one million since the 2000 US census. The Dallas–Fort Worth–Arlington MSA is, by population, the largest metropolitan area in Texas, the largest in the South, the fourth-largest in the United States, and the tenth largest in the Americas. The Metroplex encompasses 9,286 square miles (24,100 km²) of total area: 8,991 sq mi (23,290 km²) is land, while 295 sq mi (760 km²) is water, making it larger in area than the U.S. states of Rhode Island and Connecticut combined. It also has the fourth largest gross metropolitan product (GMP) in the United States, and approximately tenth largest by GMP in the world.

Demographics

Population	1 Mile	3 Mile	5 Mile
2022 Projection	20,729	152,451	271,707
2017 Estimate	19,204	141,480	252,201
2010 Census	17,180	128,042	227,533
Growth 2017-2022	7.94%	7.75%	7.73%
Growth 2010-2017	11.78%	10.49%	10.84%

Households	1 Mile	3 Mile	5 Mile
2022 Projection	7,930	55,614	98,854
2017 Estimate	7,350	51,653	91,733
2010 Census	6,588	46,947	82,878
Growth 2017 - 2022	7.89%	7.67%	7.76%
Growth 2010 - 2017	11.57%	10.02%	10.68%

Income	1 Mile	3 Mile	5 Mile
2016 Est. Average Household Income	\$68,203	\$72,595	\$77,584

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Pep Boys and Samco Lube & Tune** located at **3628, 3634 Altamesa Blvd, Fort Worth, TX 76133 (“Property”)**. 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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Information About Brokerage Services

11-2-2015

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

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

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