

ABSOLUTE NNN INVESTMENT

Proven Retail Location - Passive Income

4835 Louetta Road, Spring, TX, 77388



Colliers
INTERNATIONAL

PROPERTY OVERVIEW

We are pleased to offer to qualified investors an opportunity to purchase (fee simple) a single tenant absolute NNN investment that is 100% leased as a franchisee operated Jiffy Lube to Allied Lube Texas, LP with approx. 6.5 years remaining and guaranteed by multiple franchisee entities. Located in Spring, TX - part of the Houston, MSA and just north of downtown - the subject property is situated on an easily accessible outparcel that is part of a Kroger anchored grocery center with national credit tenants such as Popeyes, Boston Market, AT&T, Wingstop, and H&R Block. Moreover, the subject property is located at the intersection Louetta Rd and Kuykendahl Rd which is one of the busiest intersections in the trade area with a combined traffic counts of 71,360 VPD.



Spring, Texas is a rapidly growing Houston suburb that acts as a bedroom community for multiple large scale job centers that support the local trade area. The area boasts more than 20 million SF of office and retail in the trade area with ExxonMobil recently completing a new 385-acre campus with multiple low-rise office buildings, laboratory, and many dining/retail amenities that accommodates more than 10,000 employees and visitors. Additionally, the Grand Parkway project was just completed which is the third loop around Houston enhancing the Spring area appeal for bedroom communities. This is an excellent opportunity to acquire a proven single tenant retail asset, operated by an experienced franchisee, guaranteed by multiple franchisee entities, located in a rapidly growing Houston suburb, and zero landlord responsibilities.



PRICING DETAILS

List Price	\$1,500,000
NOI	\$105,053
CAP Rate	7.00%
Taxes	NNN
Insurance	NNN
CAM	NNN

LEASE ABSTRACT

Tenant Trade Name	Jiffy Lube
Lease Start	October 1, 2005
Lease Expiration	September 30, 2025
Lease Term	20 Years
Term Remaining On Lease	6.5 Years
Base Rent	\$105,053*
Rental Adjustments	10/1/2020: \$105,053
Option Periods	4 - 5 Year Options 7.728% Increases Each Option 10/1/2025: \$113,171.67 10/1/2030: \$121,917.57 10/1/2035: \$131,339.36 10/1/2040: \$141,489.27
Lease Type	NNN Lease
Roof & Structure	Tenant Responsible

*Current Rent is \$97,517 through 9/30/2020. Pricing is Based off Annual Rent of \$105,053 Beginning 10/1/2020. Seller to Credit Buyer at Close of Escrow.

- Tenant Has ROFR

INVESTMENT HIGHLIGHTS

- **Single Tenant Absolute NNN** Leased Investment Opportunity - Jiffy Lube
- **Strong Location** - Passive Income - Coupon Clipper Asset
- **6.5 Years Remaining** on Base Term with 4-5 Yr Options
- **Franchisee Operated** - Allied Lube Texas, LP - "2017 Franchisee of the Year"
- Wholly Owned Subsidiary of Shell Oil Company
- Lease Guaranteed by Allied Lube, Inc., Allied Lube, LLC, and Allied Lube Texas I, LLC
- **Preventative Auto Service Properties Present** Investors a Rare E-Commerce Resistant Asset Class
- **Attractive Potential Tax Benefits** – Auto Service Assets may be Eligible for Accelerated Depreciation (Please consult a tax professional for more details)
- **State of Texas** – Tax Free State – Tremendous Capital Inflows – Stable Economy
- **Proven Retail Location** - In Operation at this Location Since 2005
- **Outparcel Location to Kroger Grocery Shopping Center** w/ Kroger Fuel Center
- **Highly Trafficked Site** - Combined 71,793 AADT (Louetta Rd & Kuykendahl Rd)
- **Surrounding Traffic Generators** - Kroger, 24 Hour Fitness, Popeyes, Goodwill, McDonald's and More
- **ExxonMobil** - New 385-Acre Campus - Bringing 10,000 Employees/Visitors to Spring, TX
- **Densely Populated Area** - Over 109,800 Residents within 3 Mile Radius
- **High Income** - Over \$103,300 AHHI within 3 Mile Radius
- **High Growth Area** - 9%+ Expected Growth in Population 2018 - 2023
- **23% Population Growth Since 2010**
- Located Between Dense Mix of Residential, Retail and Office/Industrial

PARCEL DETAILS

APN	Building Size	Land Size
1187230010001	1,792 SF	19,341 SF (0.44 AC)



LOUETTA RD. 38,370 VPD

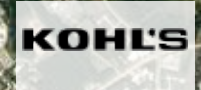
KUYKENDAHIL RD. 32,992 VPD



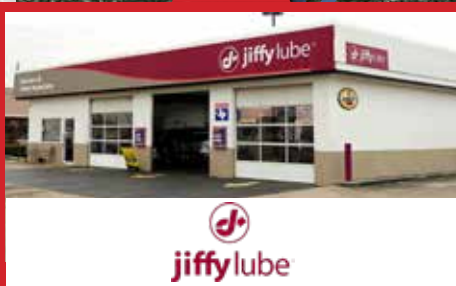
ExxonMobil

ExxonMobil's state-of-the-art campus north of Houston serves as home to its Upstream, Downstream, Chemicals and XTO Energy companies and their associated service groups. The facility opened in 2014 and accommodates more than 10,000 employees and visitors.

SPRING STUENBER RD.



LOUETTA RD. 38,370 VPD



TENANT OVERVIEW

Jiffy Lube is a leading provider of oil changes. The company boasts more than 2,100 outlets throughout North America that are mostly franchised. The rest of its locations are company-owned and operated. Besides oil changes, Jiffy Lube facilities provide maintenance services for air conditioning, fuel systems, and transmissions. At some of its locations, it also performs inspections and emissions testing, repairs windshields, and rotates tires. The company serves vehicle fleet operators, as well as individual consumers. Jiffy Lube, which is a subsidiary of Shell Oil Company, was founded in 1979.

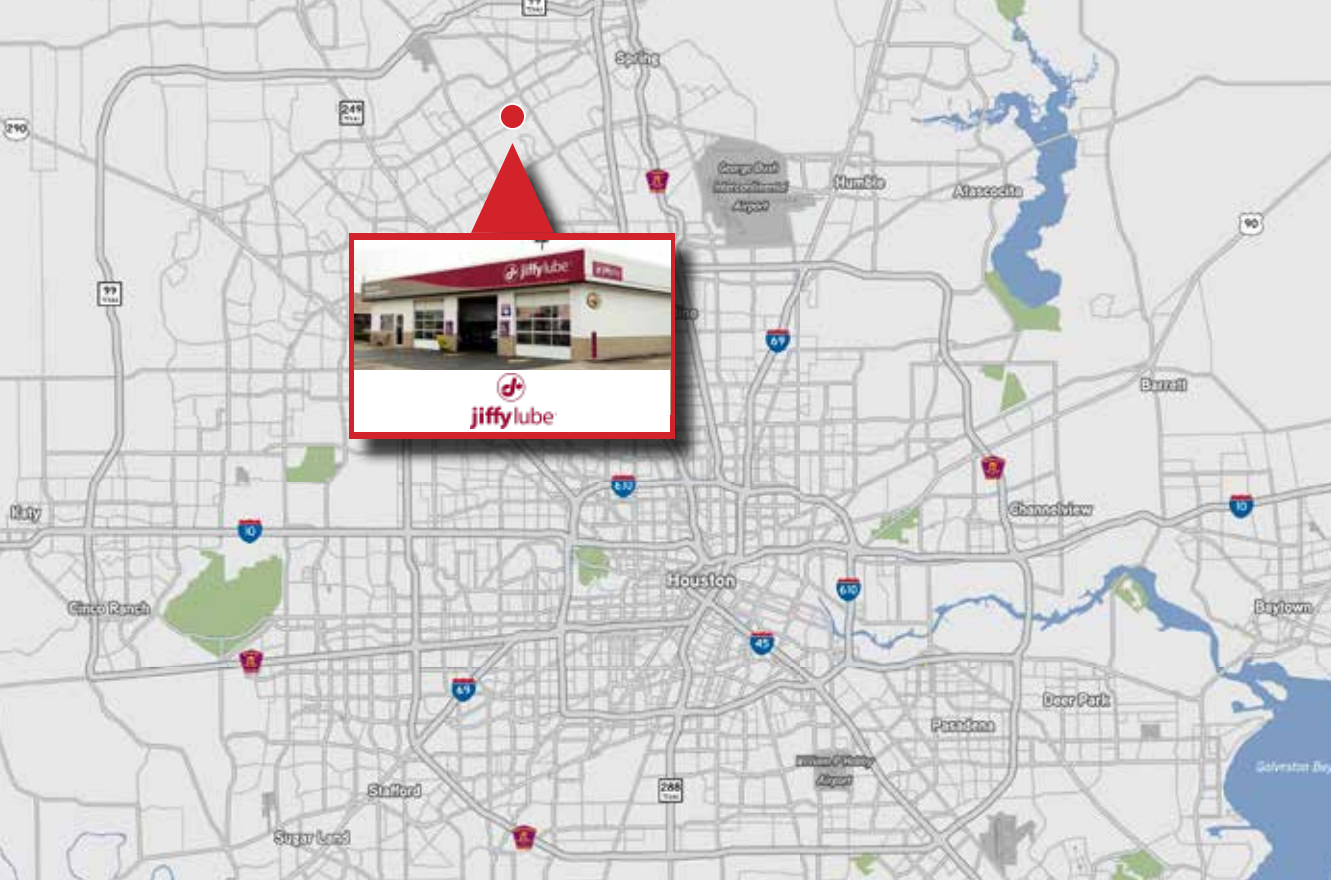
Allied Lube Texas, L.P. is one of the largest Jiffy Lube franchisees in the chain with over 80 stores and growing. In 2017, they were named “Franchisee of the Year” presented to the franchisee that best represents the core values and attributes of the Jiffy Lube brand. Allied Lube CEO, Richard Paek, opened his first Jiffy Lube in 1992. Jiffy Lube International pioneered the fast oil change industry in 1979 and has more than 2000 franchise service centers throughout North America. Jiffy Lube is a wholly owned subsidiary of Shell Oil Company.

Safety Inspections

Jiffy Lube® is an Automotive Service Excellence (ASE) accredited training provider and has earned American Council on Education (ACE) accreditation. In fact, Jiffy Lube is one of only a handful of franchise organizations to offer college credits approved by the ACE.

- Ranked #1 in the 2014 Training Top 125, Training magazine’s annual ranking of companies’ excellence in training and development programs
- Ranked #3 in Entrepreneur magazine’s 2013 Franchise 500®
- Ranked #4 in the 2013 Learning Elite, CLO magazine’s annual ranking of innovative training companies
- Ranked #1 in the 2011 ASTD BEST Award for the best international training program by the American Society of Training and Development





MSA OVERVIEW

Houston's retail market is one of the strongest in the nation; as of 18Q4, it ranked second only to Dallas-Fort Worth in terms of trailing 12-month net absorption (3.9 million SF vs. D-FW's 5.4 million SF). This is a testament to Texas' low-cost, low-tax, high quality-of-life model that has been attracting throngs of corporate relocations and residents over the past few decades and away from the more expensive and, in some cases, less business-friendly coastal metros. The current vacancy rate of 5.3% is structurally low and comparable to its peer set of some of the largest retail markets; it peaked at over 8% in 2007 as Houston worked through a wave of new deliveries after the Global Financial Crisis. Since that time, very little new retail space delivered, and Houston rode the wave of the Shale Boom and significant population growth, which is how the vacancy rate compressed to under 5% by 2016 and has remained around 5% since that time.

Houston's retail market has performed well this cycle, even during the oil downturn, which shows how much Houston's retail performance is related to its torrid population growth and the more than 1 million residents who have moved to Houston since 2010. In fact, in 2016, when oil prices were at their lowest (\$26/barrel), Houston retail had its best year this cycle, absorbing over 8 million SF.

CITY OF SPRING, TX

Spring, TX has a population of 58,608 people with a median age of 32.9 and a median household income of \$66,815. Between 2015 and 2016 the population of Spring, TX grew from 56,369 to 58,608, a 3.97% increase and its median household income grew from \$66,484 to \$66,815, a 0.5% increase. The median property value in Spring, TX is \$120,800, and the homeownership rate is 72.4%. Spring, TX is a census place located in Harris County, TX. It borders Houston, TX.

ECONOMY

The economy of Spring, TX employs 28,556 people. The economy of Spring, TX is specialized in Mining, Quarrying, Oil, Gas Extraction; Transportation & Warehousing; and Wholesale trade. The largest industries in Spring, TX are Retail trade (3,624), Healthcare & Social Assistance (3,049), and Transportation & Warehousing (2,772), and the highest paying industries are Mining, Quarrying, Oil, Gas Extraction (\$65,492), Utilities (\$62,065), and Transportation & Warehousing (\$52,686).

Employment by Industries



ExxonMobil's Houston Campus

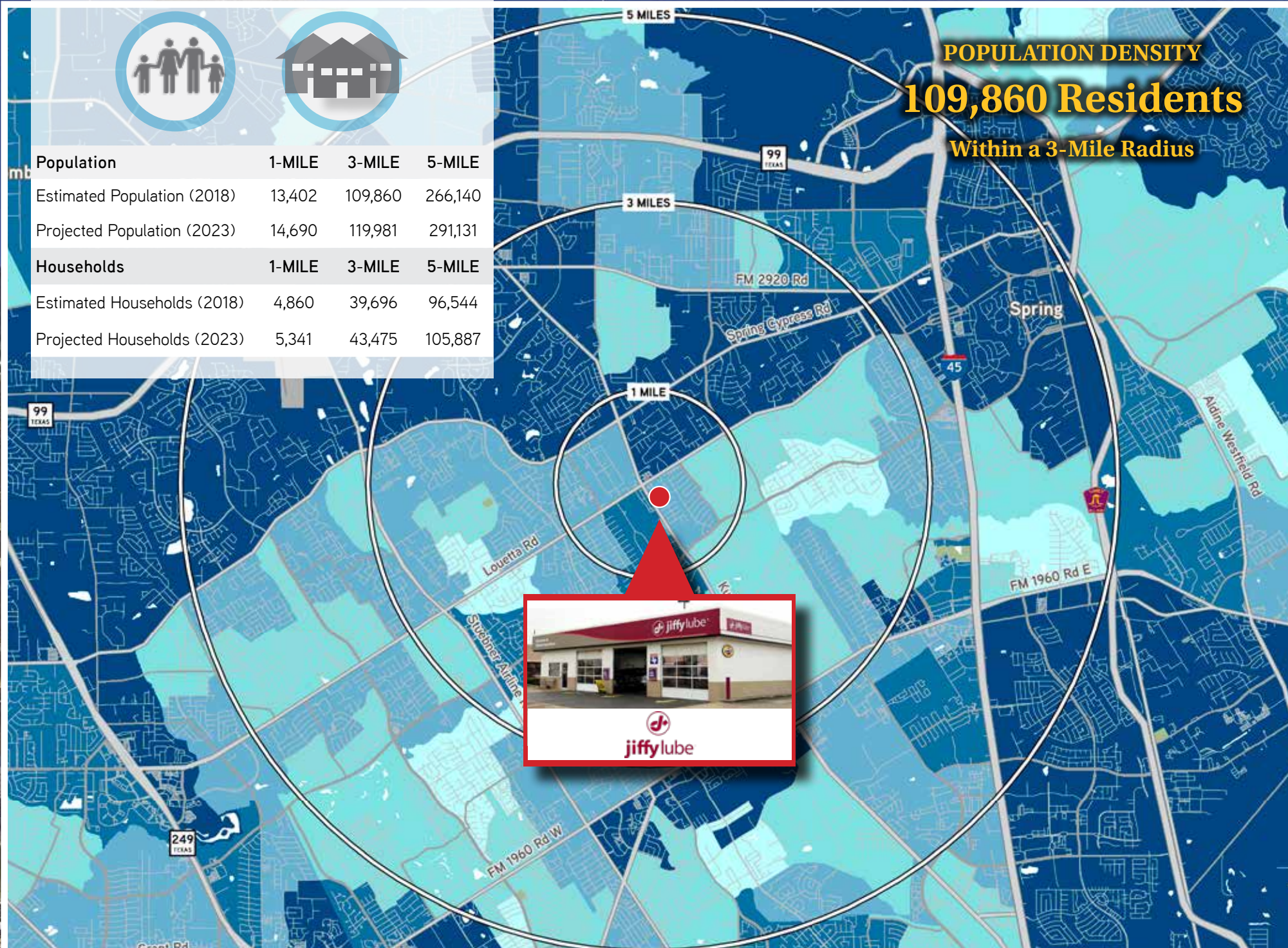
ExxonMobil's state-of-the-art campus north of Houston serves as home to its Upstream, Downstream, Chemicals and XTO Energy companies and their associated service groups. The facility opened in 2014 and accommodates more than 10,000 employees and visitors.

- Campus: The 385-acre ExxonMobil Campus features multiple low-rise office buildings, a meeting and training center, a laboratory, wellness center, child development centers, and dining and retail amenities.
- Energy Center: The Energy Center is the campus' iconic building designed to embody the company's commitment to leading technology and engineering. A main feature of the building is a 10,000-ton "floating cube" that appears to hover over a plaza below, offering a spectacular view of the campus.



Population	1-MILE	3-MILE	5-MILE
Estimated Population (2018)	13,402	109,860	266,140
Projected Population (2023)	14,690	119,981	291,131
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2018)	4,860	39,696	96,544
Projected Households (2023)	5,341	43,475	105,887

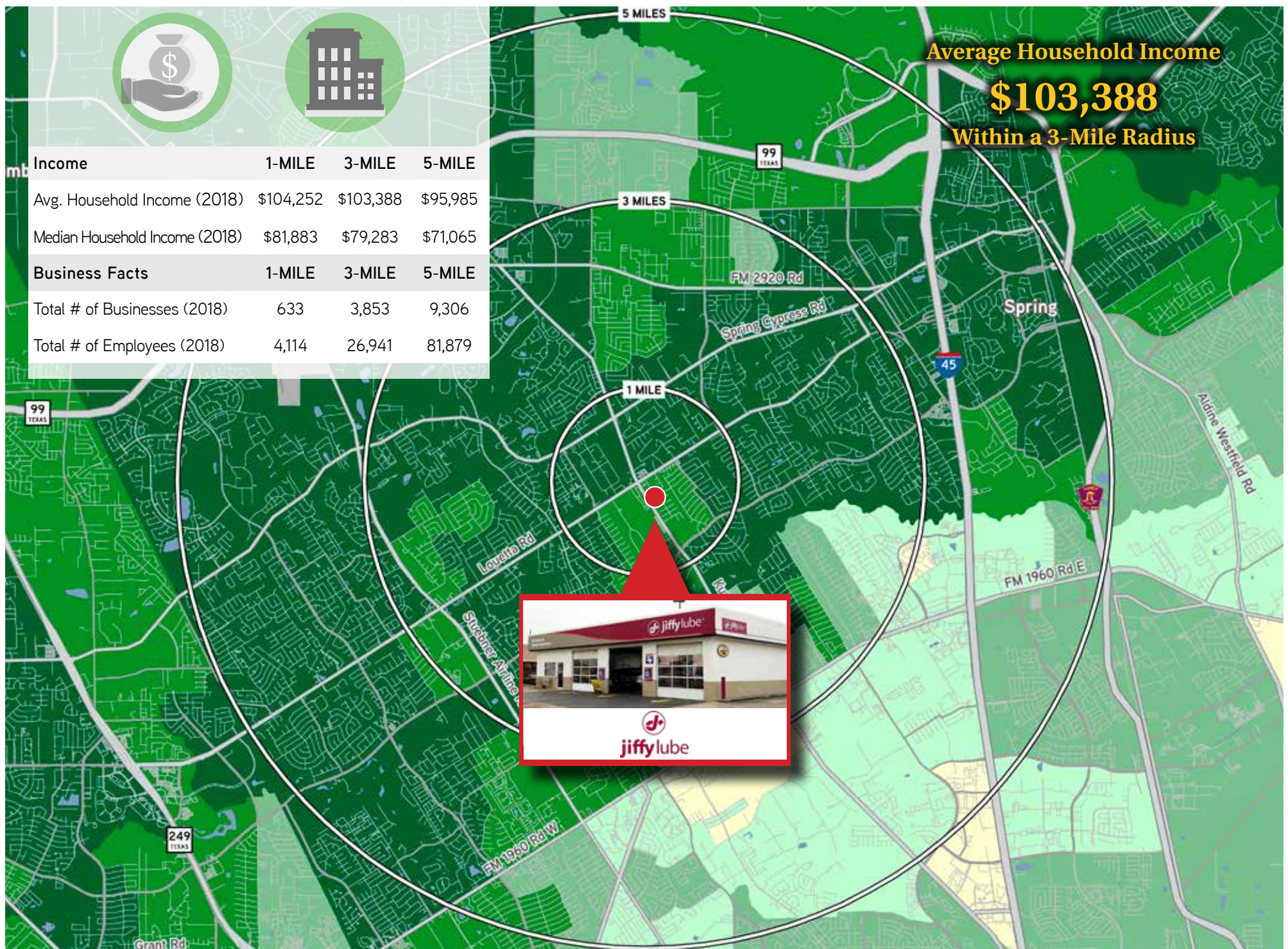
POPULATION DENSITY
109,860 Residents
Within a 3-Mile Radius





Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2018)	\$104,252	\$103,388	\$95,985
Median Household Income (2018)	\$81,883	\$79,283	\$71,065
Business Facts	1-MILE	3-MILE	5-MILE
Total # of Businesses (2018)	633	3,853	9,306
Total # of Employees (2018)	4,114	26,941	81,879

Average Household Income
\$103,388
Within a 3-Mile Radius



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