



# SERVICE KING COLLISION REPAIR CENTER

2431 OLD WASHINGTON RD, WALDORF, MD 20601

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fortisnetlease.com

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## EXCLUSIVELY LISTED BY:

### ROBERT BENDER

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## INVESTMENT SUMMARY

List Price:	\$4,200,000.00
Current NOI:	\$252,000.00
Initial Cap Rate:	6.00%
Average Cap Rate:	6.67%
Land Acreage:	1.41 Acres
Year Built:	1984
Year Renovated:	2016
Building Size:	8,769 SF
Price PSF:	\$479.00
Lease Type:	Double Net
Lease Term:	10 Years

## INVESTMENT OFFERING

Fortis Net Lease is pleased to present a Service King Collision and Repair Center at 2431 Old Washington Rd in Waldorf, MD. This Ten-Year Double Net Lease has minimal landlord responsibilities and over seven years remaining on the initial term. The lease features **3% annual rent increases** after the third year of the lease (first increase in 2019), as well as three, five-year options. The lease is guaranteed by Service King Inc., one of the top four national collision and repair chains.

The subject property is strategically located close to Crain Hwy, a main thoroughfare of Waldorf, with over 60,000 VPD. The property is situated in a retail and automotive corridor, surrounding retail tenants include Ford, Honda, Lowe's, Walmart and Home Depot. The surrounding area has over 226,000 residents within 10 miles and a 5.53% projected growth rate by 2024 within 5-miles. The median household income within 10 miles exceeds \$105,000.

Service King is a national collision repair company founded in 1976. Service King, through opening new stores and acquiring smaller repair chains, has grown to over 340 locations in 22 states. Global investment and advisory group Blackstone purchased majority ownership of Service King in July of 2014 and remain the majority owner.



PRICE \$4,200,000



CAP RATE 6.00%



LEASE TYPE Double Net



TERM REMAINING 7+ Years

## INVESTMENT HIGHLIGHTS

- 8,769 SF Service King Collision Repair Center on 1.41 Acres
- 10 Year NN Lease with Minimal Landlord Responsibilities | Over 7 Year Remaining on Original Term
- **3% Annual Rent Increases** | Corporate Guaranteed Lease by Service King, Inc.
- **Blackstone Group is a Majority Shareholder of Service King**
- 3 Mile Population Exceeds 41,000 Residents
- **5.46% 5-Mile Projected Population Growth by 2023**
- 5 Mile Total Household exceeds 30,000



## FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$252,000	\$28.74
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$252,000	\$28.74

## PROPERTY SUMMARY

Year Built:	1984
Year Renovated:	2016
Lot Size:	1.41 Acres
Building Size:	8,769 SF
Zoning:	Commercial
Construction Style:	Industrial

## LEASE SUMMARY

Tenant:	Service King, Inc.
Lease Type:	Double Net
Primary Lease Term:	10 Years
Annual Rent:	\$252,000
Rent PSF:	\$28.74
Landlord Responsibilities:	Roof, Parking and Structure
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Landlord Responsibility
Lease Start Date:	October 2016
Lease Expiration Date:	October 2026
Lease Term Remaining:	7+ Years
Rent Bumps:	3% Annual Increases
Renewal Options:	Three 5-Year Options
Lease Guarantor:	Service King
Lease Guarantor Strength:	Moody's B2
Tenant Website:	www.serviceking.com



GROSS SALES:  
EST.\$1 BILLION



STORE COUNT:  
343



GUARANTOR:  
SERVICE KING, INC.



MOODY'S:  
B2

TENANT NAME	UNIT SIZE (SF)	ESCALATION DATE	ANNUAL RENT	% OF BUILDING	RENT PER SF/YR
Service King Collision Repair Centers	8,769	Current Rent	\$252,000	100.0	\$28.74
		October 2019	\$259,560	100.0	\$29.60
		October 2020	\$267,347	100.0	\$30.49
		October 2021	\$275,367	100.0	\$31.40
		October 2022	\$283,628	100.0	\$32.34
		October 2023	\$292,137	100.0	\$33.31
		October 2024	\$300,901	100.0	\$34.31
		October 2025	\$309,896	100.0	\$35.34
Totals/Averages	8,769		\$2,240,836		\$31.94



TOTAL SF  
8,769



TOTAL ANNUAL RENT  
\$252,000



OCCUPANCY RATE  
100%



AVERAGE RENT/SF  
\$31.94



NUMBER OF TENANTS  
1



## OVERVIEW

Company:	Service King Body & Paint, LLC
Founded:	1976
Ownership:	Private
Parent (Majority):	The Blackstone Group
Parent (Minority):	The Carlyle Group
Headquarters:	Richardson, TX
Website:	www.serviceking.com

## TENANT HIGHLIGHTS

- Founded in 1976 | 343 Locations in 24 States
- **Blackstone Group Purchased Majority Ownership in 2014 | Significant Private Equity Funding**
- **Collision Repair Industry is Growing | Great Hedge against E-Commerce**
- Gold Class Professional designation from I-CAR
- Offer Customers Lifetime Written Warranty
- Valued for sale as a company in 2017 closed to \$2 Billion

## RENT SCHEDULE

LEASE YEARS	YEARS	BUMP
1-10	2016-2026	3% Annual Increases After Third Year
Option 1	2026-2031	3% Annual Increases
Option 2	2031-2036	3% Annual Increases
Option 3	2036-2041	3% Annual Increases

## COMPANY PROFILE

Service King Collision Repair is a national automotive collision repair company. It was founded in 1976 by Eddie Lenno in Dallas, Texas. Service King is one of the largest providers of collision repair services in the country.

In 2012, The Carlyle Group purchased a majority stake in Service King and the company started to expand into Arizona. Global Investment and Advisory Group, Blackstone, purchased majority ownership in Service King in July of 2014. Service King eclipsed the 200-location milestone by December 2014 after purchasing, Seattle-headquartered, Kirmac Collision Services to expand its footprint in the Pacific Northwest. Service King hit the 300-locations mark in August 2016. In 2017, Blackstone and Carlyle considered selling Service King and valued the company around \$2 Billion. Service King also moved to their new corporate headquarters in Richardson, Texas in 2017.

Service King has started a Mission 2 Hire as its own program to help employ veterans with a goal of hiring 500 veterans in five years. Service King partnered with NASCAR Xfinity Series in 2017 to become the title sponsor of the Service King 300, held in March at the Auto Club Speedway of South Carolina.



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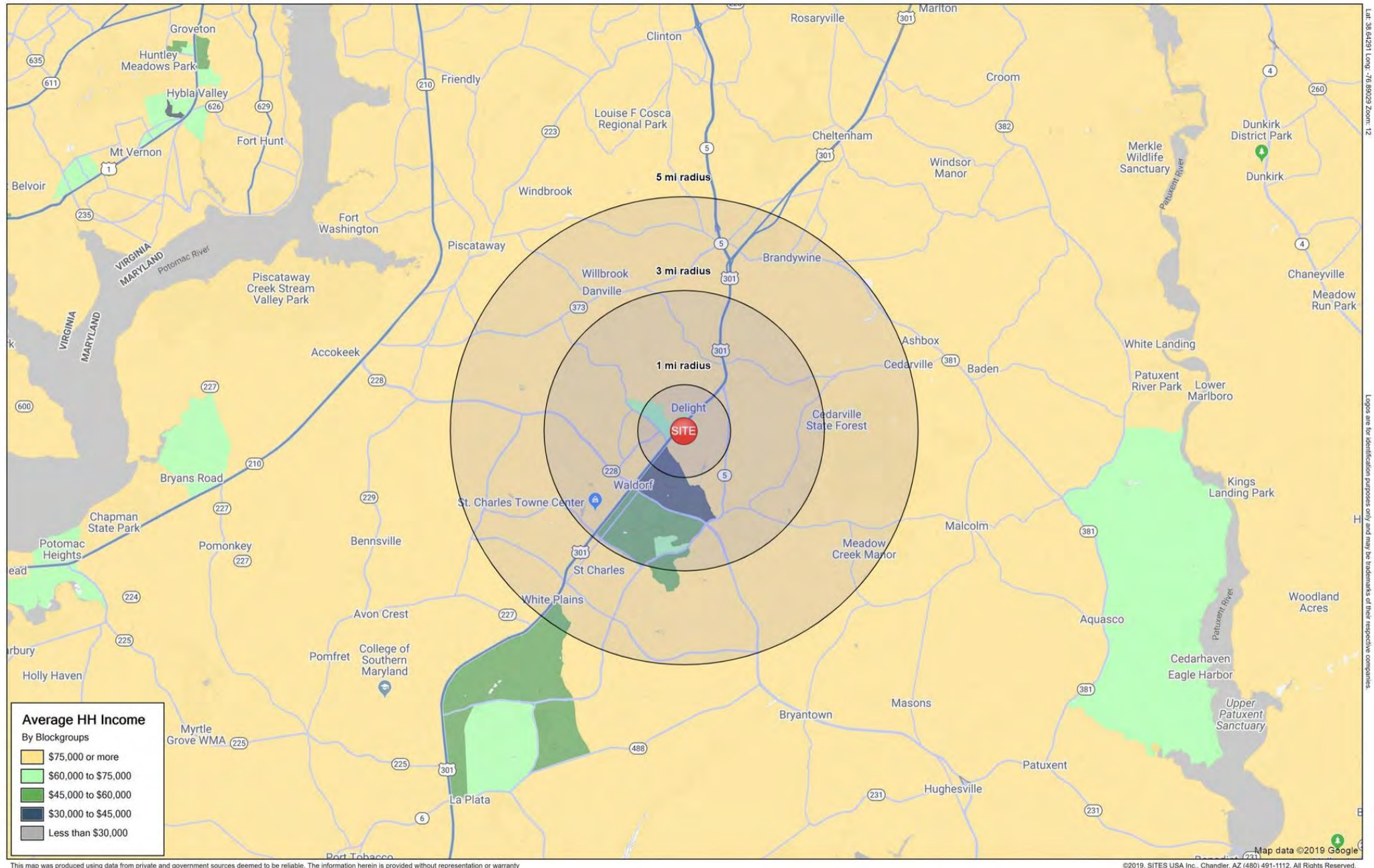
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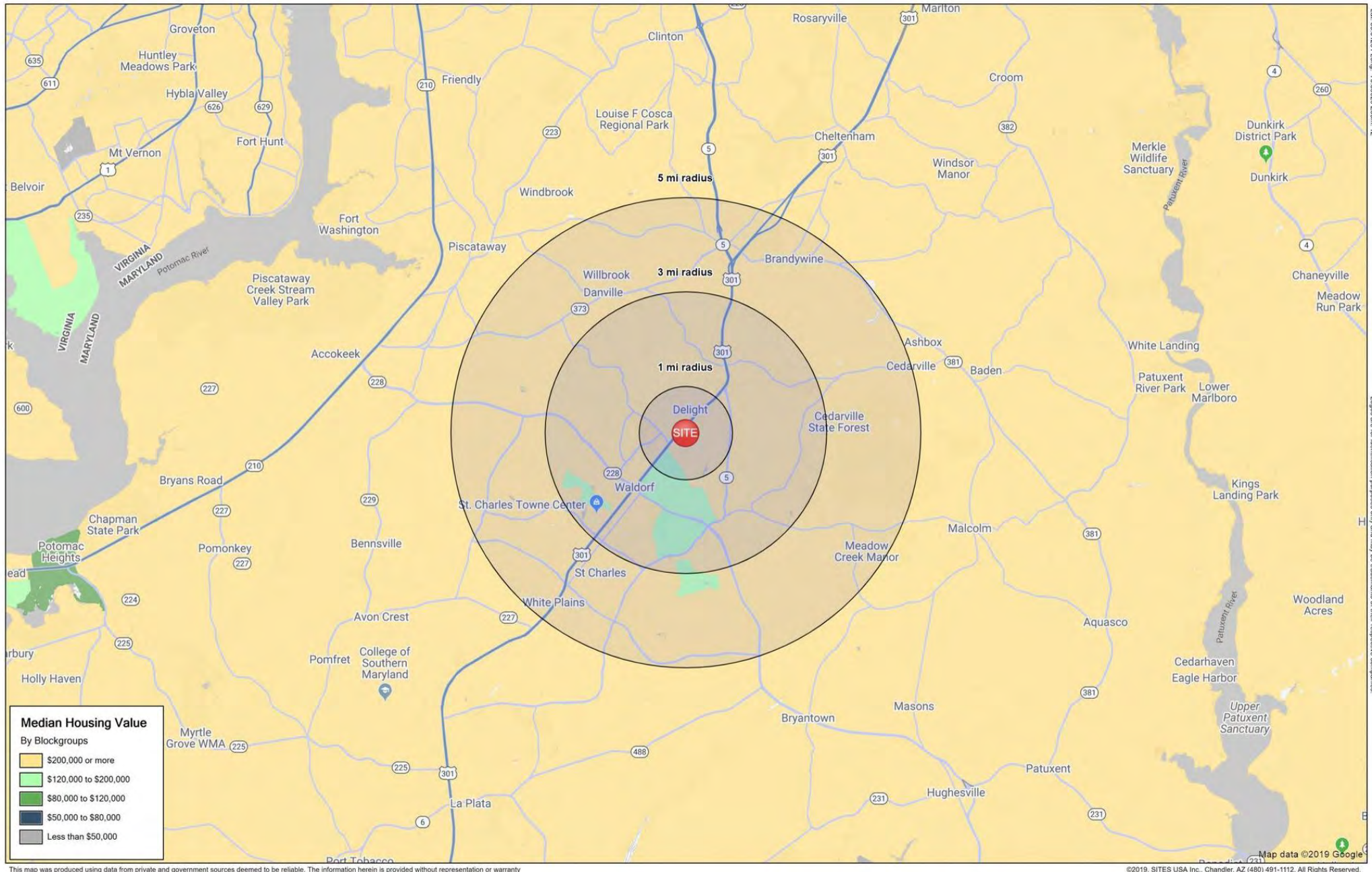
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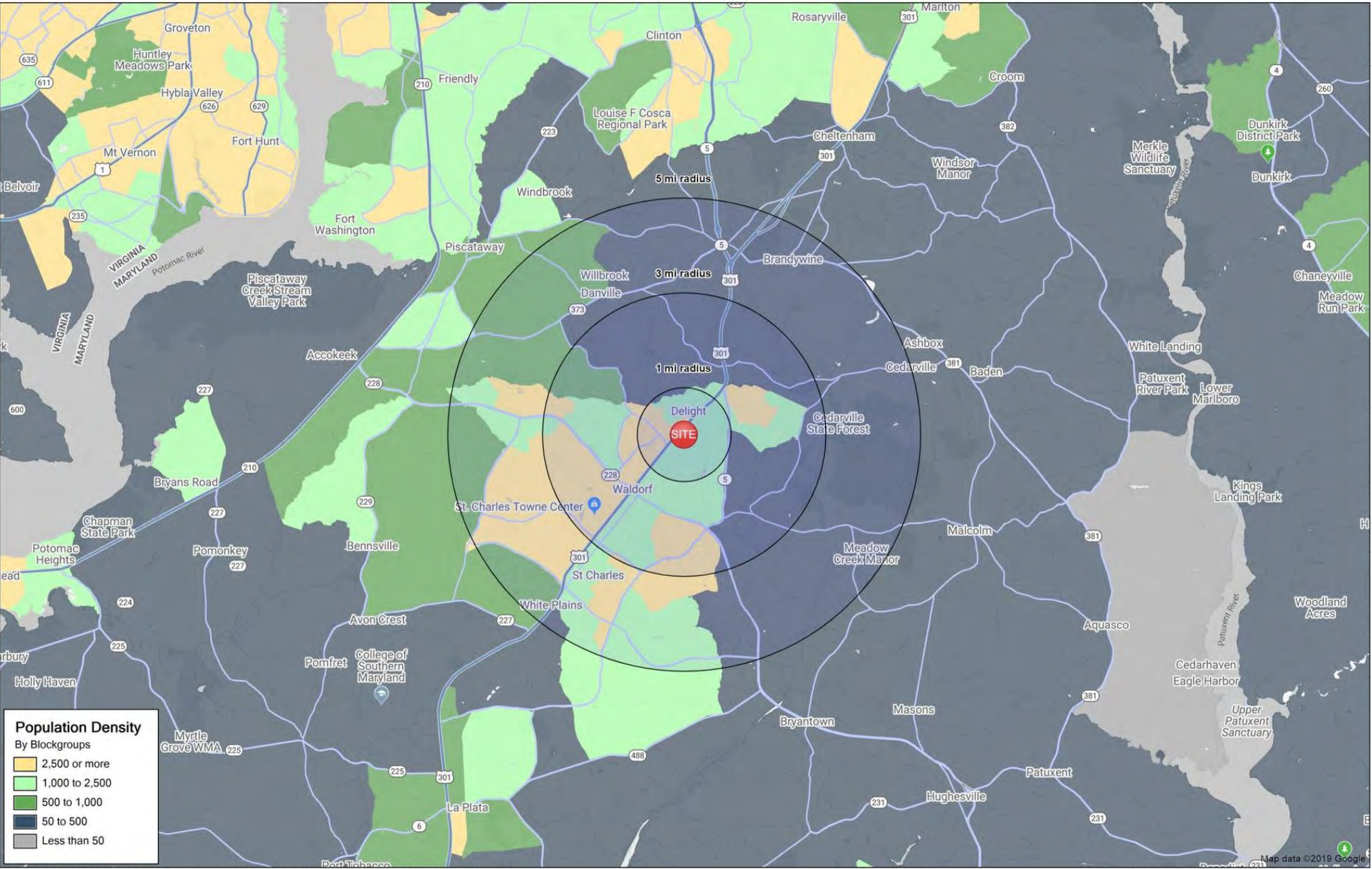












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Waldorf is community for many residents who commute to work at other points in the Washington, D.C., metropolitan area, especially personnel at Andrews Air Force Base. Waldorf has a beautiful two-story, 981,000-square-foot shopping mall, St. Charles Towne Center, and is considered the major retail spot in Southern Maryland. Waldorf is approximately 23 miles south-southeast of Washington, DC, and is also convenient to the I-95 Baltimore/Richmond corridor. Waldorf has a multitude of excellent dining and hotel choices. Waldorf also boasts the Capital Clubhouse, a 24-hour indoor sports complex and ice rink, the Southern Maryland Blue Crabs baseball team, and many beautiful parks.

POPULATION	3 MILE	5 MILES	10 MILES
Total Population 2018	41,635	87,554	226,369
Total Population 2023	43,621	92,335	235,147
Population Growth Rate	4.77%	<b>5.46%</b>	3.88%
Average Age	36.20	35.90	38.80
# Of Persons Per HH	2.8	2.8	2.9
HOUSEHOLDS & INCOME	3 MILE	5 MILES	10 MILES
Total Households	14,984	30,856	78,202
Average HH Income	\$86,968	\$94,742	\$105,310
Median House Value	\$268,302	\$288,888	\$320,350







TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

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