



SANDS INVESTMENT GROUP  
NET INVESTMENTS... NET RESULTS



# OFFERING MEMORANDUM

## Absolute Triple Net (NNN) Lease Investment Opportunity

1002 US Hwy 77 | Bishop, TX 78343



# EXCLUSIVELY MARKETED BY:

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**SANDS INVESTMENT GROUP**  
NET INVESTMENTS... NET RESULTS

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Actual Property Image



# INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the 6,000 SF Valero Located at 1002 US Hwy 77 in Bishop, Texas. This Brand New 20 Year Absolute Triple Net (NNN) Lease With Zero Landlord Responsibilities and Rent Increases Every Five Years, Provides For a Secure Stable Income Stream. Well Established Guarantor Currently Operating 26 Locations.

Actual Property Image



## OFFERING SUMMARY

PRICE	\$1,184,281
CAP	6.75%
NOI	\$79,939
PRICE PER SF	\$197.38
YEARS REMAINING	~20 Years
LEASE GUARANTY	Strong Guarantor With 26 Locations

## PROPERTY SUMMARY

ADDRESS	1002 US Hwy 77 Bishop, TX 78343
COUNTY	Nueces
BUILDING AREA	6,000 SF
LAND AREA	4.54 AC
BUILT	2008

# HIGHLIGHTS



Brand New 20 Year Absolute Triple Net (NNN) Lease – Zero Landlord Responsibilities



8% Rent Increases Every 5 Years



Valero is the World's Largest Independent Petroleum Refiner



Established Operator of Convenience Stores in Texas – Currently Operates 26 Locations



Corpus Christi MSA Population is 500,000+ and Growth Has Outpaced Any Other City in the US



Strong Store Performance - 2.021x Rent Coverage



Prominent Visibility From US Highway 77 and Only Gas Station Immediately Off the Route 70 Exit



Immediate Access Off US Highway 77 Which Sees Over 22,000 Vehicles Per Day





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BBVA  
Compass





# CITY OVERVIEW

Bishop | Nueces County | Texas

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NUECES COUNTY COURTHOUSE

## Bishop, TX

Bishop is a city in Nueces County in the heart of Texas. The city's 2017 estimated population is about 3,305 residents. The city is situated on U.S. Highway 77 and Farm-to-Market Road 70. Bishop has a perfect location; the city is just a short drive from beautiful beaches and Texas hill country, and it is near some of the most popular tourist attractions in the state. Bishop is located eight miles north of Kingsville and about thirty miles southwest of Corpus Christi. In addition to being centrally located, Bishop's excellent schools, strong sense of community, and status as a manufacturing leader, all make the city an ideal place to live, visit or do business.



CORPUS CHRISTI, TX

## Economy

The economy of Bishop employs 1,293 people and is specialized in Mining, Quarrying, Oil, Gas Extraction, Agriculture, Forestry, Fishing, Hunting and Educational Services. The city is built on agriculture as its economic mainstay. The economy is also bolstered by a large chemical plant opened in 1945 by Celanese Corporation of America. Due to the city's proximity, Corpus Christi's economy affects Bishop's. Corpus Christi is home to the Naval Air Station Corpus Christi providing 6,200 civilian jobs to the local economy, making it the single largest employer in the city. The city is also home to the Corpus Christi Army Depot, which is the largest helicopter repair facility in the world.



PADRE ISLAND NATIONAL SEASHORE

## Contemporary Life

The city is a 25 minute drive to the world-famous Kings Inn, Baffin Bay which is home to some of the best fishing in the state. The city is also near Kings Ranch, which is the second largest working ranch in the world. The ranch allows visitors a unique look into the legacy of South Texas and the American ranching industry. King Ranch is also home to a museum and thousands of head of cattle. The city is 30 minutes from Padre Island, which is one of the finest beaches in the country. The Padre Island National Seashore offers visitors the chance to enjoy a number of activities including picnicking, swimming, sailing, boating, water-skiing and wind-surfing.



# PORT OF CORPUS CHRISTI



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## “MOVING AMERICA’S ENERGY”

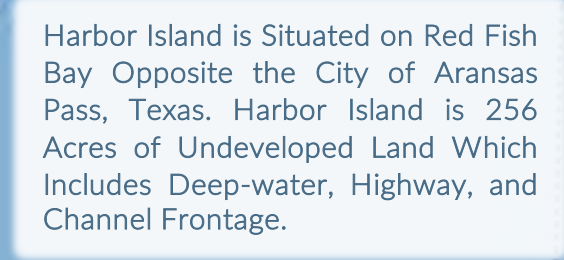
- Located on the Western Gulf of Mexico, the Port of Corpus Christi is a Major Economic Driver For Not Only the State of Texas, But For the U.S.
- 4th Largest Port in the United States in Total Tonnage
- Leading U.S. Crude Oil Export Port
- With a Straight, 45' Deep Channel and a Strategic Location, the Port Provides Quick Access to the Gulf of Mexico and the United States Inland Waterway System
- Port is a Leading Gateway to International and Domestic Commerce
- Excellent Railroad and Highway Network Connectivity – Three Railroads and Two Major Interstates



*“Corpus Christi is certainly where the incremental barrels want to go as we have deep water, availability of land for development and plenty of capacity to absorb the forecasted U.S. energy production growth in oil and gas. Corpus Christi is open for business.”*

– Charlie Zahn  
Chairman of the Port of Corpus Christi Commission







# HARBOR ISLAND DEVELOPMENT

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## Development of \$1.2B Oil Export Terminal on Harbor Island Underway

The Port of Corpus Christi and The Carlyle Group Have Partnered to Develop a World-Class Crude Oil Export Terminal On the 256 Acre Harbor Island. Operations are Anticipated to Commence in Late 2020.



## Oil Export Terminal Leads to Opportunity:

- The First Onshore Location In The United States That Will Service Fully-Laden Large Crude Carriers (VLCCS) – the World’s Largest Oil Tankers Which Can Carry More Than 2 Million Barrels of Crude Oil
- Will Connect Growing Crude Oil Production In the U.S. With Markets – Positioning the Port as a Global Crude Oil Export Hub
- Project Also Includes the Development of Two Loading Docks and Crude Oil Tank Storage
- Construction and Operations are Anticipated to Generate Thousands of Jobs (Directly and Indirectly) and Billions of Dollars In Economic Activity – For Texas and the United States
- Anticipated that Incremental Exports Could Lessen the National Trade Deficit In Over \$50 Billion Each Year

*“A project of this magnitude further underscores the vital role the Port of Corpus Christi plays in the global energy markets and as an important economic generator for the great state of Texas. In partnering with such an experienced and well-capitalized firm as The Carlyle Group, the market should take notice and have a high degree of confidence of this project’s success”*

- Sean Strawbridge  
Chief Executive Officer of Port of Corpus Christi



# DEMOGRAPHICS

Valero | 1002 US Hwy 77 | Bishop, TX 78343

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## Population

3-MILE

5,320

5-MILE

5,320

10-MILE

33,946



## Average Household Income

3-MILE

\$61,620

5-MILE

\$61,620

10-MILE

\$55,747





# BRAND PROFILE

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Valero Energy Corporation is a Fortune 500 international manufacturer and marketer of transportation fuels, other petrochemical products, and power. Valero is the world's largest independent petroleum refiner, and a leading marketer, ethanol producer and corporate citizen. Valero proudly has a workforce of about 10,000 employees and markets products in 43 states in the U.S., six provinces in eastern Canada, the U.K., Ireland and Peru.

Throughout the United States and Canada, the company owns and operates 15 refineries, and one in Wales, with a combined capacity of approximately 3.1 million barrels per day; 14 ethanol plants with a combined production capacity of 17.3 billion gallons per year; and a 50-megawatt wind farm. The petroleum refineries are located in the United States, Canada and the United Kingdom, and the ethanol plants are located in the Mid-Continent region of the U.S. Valero is also a joint venture partner in Diamond Green Diesel, which operates a renewable diesel plant in Norco, Louisiana. Diamond Green Diesel is North America's largest biomass-based diesel plant. Valero sells its products in the wholesale rack or bulk markets in the U.S., Canada, the U.K., Ireland and Latin America. Approximately 7,400 outlets carry Valero's brand names.



COMPANY TYPE  
NYSE: VLO



FOUNDED  
1980



# OF LOCATIONS  
4,700+ Retail Sites



HEADQUARTERS  
San Antonio, TX



WEBSITE  
valero.com



# LEASE SUMMARY

TENANT	OHK Global, Inc.
PREMISES	Approximately 6,000 SF
LEASE COMMENCEMENT	March 8, 2019
LEASE EXPIRATION	March 31, 2039
LEASE TERM	~20 Years Remaining
RENT INCREASES	8% Every 5 Years
LEASE TYPE	Absolute Triple Net (NNN)
PERMITTED USE	Convenience Store
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Tenant's Responsibility
PARKING LOT (STRUCTURE)	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility



Actual Property Image



# RENT ROLL

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TENANT NAME	SQUARE FOOTAGE	% OF TOTAL	ANNUAL BASE RENT	RENT PER SF	RENTAL INCREASE	INCREASE DATES	LEASE BEGIN	LEASE END	OPTIONS
OHK Global, Inc.	6,000 SF	100%	\$79,939	\$13.32	8%	Every 5 Years	03/08/2019	03/31/2039	4 x 5 Years





# CONFIDENTIALITY AGREEMENT


The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.





# ABOUT BROKERAGE SERVICES

Before working with a real estate broker, you should know that the duties of a Broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

## IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

## IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

## IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with the Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary.

The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) Shall treat all parties honestly;
- (2) May not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) May not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.



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