



jiffy lube

4835 LOUETTA RD | SPRING, TX
OFFERING MEMORANDUM

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EXECUTIVE OVERVIEW



JIFFY LUBE

4835 Louetta Rd
SPRING, TX 77388



\$1,500,782
LIST PRICE



7.00%
CAP RATE



\$105,054
ANNUAL RENT

INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net Lease (NNN)** - No Landlord Maintenance Investment
- » **E-commerce and recession** - proof investment
- » **Rent Increases** - there are 7.73% rent increases every 5 years to help hedge against inflation
- » **Outstanding Total Return** - At List price the Cap Rate over the base term of the lease is 8.62% due to extra rent currently being paid through September 2021 on an absolute NNN property with a major tenant and large franchisee
- » **Attractive Tax Benefits** - Auto service-based assets may be eligible for an accelerated depreciation schedule **Consult your tax or accounting professional to see how this will apply to you

LOCATION HIGHLIGHTS

- » **Kroger Out Parcel** - This property is located in a Kroger anchored shopping center with plenty of retail synergy and national retailers including Starbucks, AT&T, Popeyes, Great Clips, Wingstop, etc
- » **Strategic Positioning & Strong Location Fundamentals** - Located near the intersection of Louetta Rd & Kuykendahl Rd that sees over 72,300 VPD
- » **Affluent Area** - Average household income for the area is roughly \$100,000 in the 1-Mile radius which is well above the national average
- » **Tax Income Free State** - Texas is a tax income free state Jiffy Lube is the largest and most well-known fast-lube company in North America with over 2,200 locations

TENANT HIGHLIGHTS

- » Jiffy Lube is the largest and most well-known fast-lube company in North America with over 2,200 locations
- » **Operated by Allied Lube Texas** - consistently recognized as a top-performing operator (2017 Jiffy Lube Franchisee of the Year)

FINANCIAL OVERVIEW



JIFFY LUBE
4835 Louetta Rd
SPRING, TX 77388

 **\$1,500,782**
LIST PRICE

 **7.00%**
CAP RATE

 **\$105,054**
ANNUAL RENT

 **±1,792 SF**
GLA

 **1997**
YEAR BUILT

JIFFY LUBE LEASE SUMMARY

TENANT TRADE NAME	Jiffy Lube
TYPE OF OWNERSHIP	Fee Simple
TENANT	Allied Lubes
LEASE TYPE	Fee Simple
LEASE COMMENCEMENT	9/14/05
RENT COMMENCEMENT	9/14/05
LEASE EXPIRATION	9/30/25
INCREASES	7.73% every 5 years
OPTIONS	Four (4), Five (5) Year Options
LOT SIZE	±0.44 AC

ANNUALIZED OPERATING DATA

LEASE COMMENCE	MONTHLY RENT	ANNUAL RENT	CAP RATE
10/1/2020 - 9/30/2021	\$10,786.16	\$129,433.92	8.62%
10/1/2021 - 9/30/2025	\$8,754.56	\$105,054.72	7.00%
Option 1	\$9,431.29	\$113,175.45	7.54%
Option 2	\$10,160.33	\$121,923.91	8.12%
Option 3	\$10,945.72	\$131,348.63	8.75%
Option 4	\$11,791.82	\$141,501.88	9.43%

Additional rent to be paid from 10/1/2020 - 9/30/2021, inquire with broker for details

DEBT QUOTE



BARRINGTON CAPITAL
REAL ESTATE FINANCING SERVICES

Loan quote provided by Barrington Capital based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 65.00%

RATE: 3.9%

AMORTIZATION: 25

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SURROUNDING TENANTS



SURROUNDING TENANTS

**DOWNTOWN
HOUSTON**
± 18 MILES AWAY

STRACK
INTERMEDIATE

BENFER
ELEMENTARY



KUYKENDAHL RD
± 35,000 VPD

**CYPRESSWOOD PLAZA
SHOPPING MALL**



LOUETTA RD
± 37,300 VPD

SURROUNDING TENANTS





TENANT OVERVIEW

A leading provider of oil changes and a subsidiary of Shell Oil Company, Jiffy Lube boasts more than 2,200 outlets led throughout North America that are all independently owned by operators. 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. Serving about 22 million customers annually, Jiffy Lube caters to several fleet management firms such as Donlen, Emkay, Voyager and PHH. Heartland Automotive Services, Inc. is a franchisee company that operates over 530 Jiffy Lube locations in the United States.

Jiffy Lube focuses on its four key areas of preventative maintenance service: change, inspect, check/fill, and clean. The company's extensive technician training program has made Jiffy Lube an Automotive Service Excellence (ASE) Accredited Training Provider. With a focus on reuse, Jiffy Lube makes a point to collect more used oil than any of its competitors in North America. The oil is then refined and used for making concrete, generating electricity, and heating asphalt to pave roads.

WWW.JIFFYLUBE.COM

±2,200
LOCATIONS

±6,538
EMPLOYEES

Houston, TX
HEADQUARTERED

AREA OVERVIEW

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	13,895	115,193	283,077
2020 Estimate	13,226	109,738	268,961
2010 Census	10,655	88,963	213,662
Growth 2020-2025	1.0%	1.0%	1.0%
Growth 2010-2020	2.4%	2.3%	2.6%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	5,026	41,301	101,958
2020 Estimate	4,777	39,276	96,758
2010 Census	2,993	24,063	57,231
Growth 2020-2025	1.0%	1.0%	1.1%
Growth 2010-2020	2.3%	2.2%	2.3%
INCOME	1-MILE	3-MILE	5-MILE
2020 Average Household Income	\$100,092	\$103,931	\$97,398



HOUSTON METROPLEX

Houston is the most diverse metropolitan area in Texas and has been described as the most racially and ethnically diverse major metropolis in the U.S. It is home to many cultural institutions and exhibits, which attract more than 7 million visitors a year to the Museum District. Houston has an active visual and performing arts scene in the Theater District and offers year-round resident companies in all major performing arts. Though Houston is the largest city in the United States without formal zoning regulations, it has developed similarly to other Sun Belt cities because the city's land use regulations and legal covenants have played a similar role. Houston has the fifth-tallest skyline in North America (after New York City, Chicago, Toronto and Miami). A seven-mile system of tunnels and skywalks links Downtown buildings containing shops and restaurants, enabling pedestrians to avoid summer heat and rain while walking between buildings. Centered on Post Oak Boulevard and Westheimer Road, the Uptown District boomed during the 1970s and early 1980s when a collection of midrise office buildings, hotels, and retail developments appeared along Interstate 610 West. Uptown became one of the most prominent instances of an edge city. Located in the American South, Houston is a diverse city with a large and growing international community. Houston is highly regarded for its diverse food and restaurant culture. Several major publications have consistently named Houston as one of "America's Best Food Cities".

A LOOK AT TEXAS THROUGH NUMBERS



#1 ECONOMIC CLIMATE
#2 BEST STATE FOR BUSINESS



\$1,587 BILLION
GROSS STATE PRODUCT



TOP 10 HOT
HOUSING MARKET 2018



+ 30 M RESIDENTS
FROM 2010-2050
750,000 NEW RESIDENTS EVERY YEAR

A LOOK AT HTX THROUGH NUMBERS



2.8X JOB GROWTH OVER 2018 AVG



12 LARGEST MSA IN THE USA



RANKED #3 IN NUMBER OF JOBS
ADDED & RATE OF JOB GROWTH

WESTCHASE DISTRICT

More than 1,500 businesses, including major employers such as Phillips 66, Chevron, National Oilwell Varco, BMC Software, Jacobs Engineering, M-I SWACO and ABB have experienced the overwhelming advantages that come with doing business in Westchase District. United initiatives are funded by property owners and conducted with their consent. Westchase District has promoted economic growth in the area by enhancing mobility, beautification, public safety, planning and development of the District. The District's economic developments include: creation and execution of a long-range plan; promoting the District to businesses that are relocating; working with developers to provide the information they need to make sound investment decisions and to help them locate suitable opportunities that meet their investment criteria; and working with the City of Houston, the State of Texas, Harris County, Metro, TxDOT, and the Harris County Flood Control District to coordinate services and plan projects. By providing a higher level of services, Westchase District builds higher value for its property owners.



INCOME GROWTH

9.2%



EDUCATION

40%

Of Residents Have College Degrees

MAJOR EMPLOYERS



Bank of America



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Jiffy Lube** located at **4835 Louetta Rd, Spring, TX 76017** (“Property”). This Offering Memorandum contains select information pertaining to the business and affairs of Tenant located at Address (“Property”). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

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

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