



# TAKE 5 OIL CHANGE GROUND LEASE

CYPRESS, TEXAS

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

**\$1,182,000 | 5.50% CAP RATE**

- » 10-Year Absolute NNN Corporate Ground Lease with 10% Rental Increases Every Five Years
  - » No Landlord Management
- » High-Traffic Location in Densely Populated Retail Corridor
  - » 45,680 AADT Directly in Front of the Property
  - » 251,784 Residents in a Five-Mile Radius
  - » \$133,236 AAHI Within a Three-Mile Radius
- » Central Location Near Large Schools and Employers
  - » Near HCA Houston Healthcare North Cypress (163 Beds, 1,400 Employees, \$1.7 Billion Total Patient Revenue)
  - » Within Five Miles of Nine Schools with Combined 13,066 Students
- » New 2019 Construction
- » Located in an Income Tax Free State



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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

[www.YAFteam.com](http://www.YAFteam.com)



# INVESTMENT SUMMARY

<b>ADDRESS</b>	11330 Barker Cypress Road, Cypress, Texas 77433		
<b>PRICE</b>	<b>\$1,182,000</b>		
<b>CAP RATE</b>	<b>5.50% return</b>		
<b>NOI</b>	\$65,000		
<b>TERM</b>	10 years		
<b>RENT COMMENCEMENT</b>	October 25, 2019		
<b>LEASE EXPIRATION</b>	October 31, 2029		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$65,000	5.50%
	6-10	\$71,500	6.05%
	11-15 (Option 1)	\$78,650	6.66%
	16-20 (Option 2)	\$86,515	7.32%
	21-25 (Option 3)	\$95,167	8.05%
	26-30 (Option 4)	\$104,683	8.86%
<b>YEAR BUILT</b>	2019		
<b>BUILDING SF</b>	1,450 SF		
<b>PARCEL SIZE</b>	0.7308 acres (31,832 SF)		
<b>LEASE TYPE</b>	Absolute NNN corporate ground lease, with tenant responsible for all taxes, insurance, and maintenance, including, roof, structure, and parking lot		

## LONG-TERM ABSOLUTE NNN CORPORATE GROUND LEASE

- » 10-year absolute NNN corporate ground lease with 10% rental increases in initial term and options, providing a hedge against inflation
- » Tenant is responsible for taxes, insurance, and all maintenance, including roof, structure, and parking lot
- » No landlord management, providing an ideal investment opportunity for an out-of-area investor

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED RETAIL CORRIDOR

- » 45,680 AADT directly in front of the property along Barker Cypress Road
- » Convenient access to U.S. Route 290 (120,140 AADT)
- » Within five miles of 10 major shopping centers (combined 3.2 million SF of retail space and 398 stores)
- » 251,784 residents in a five-mile radius
- » \$133,236 AAHL within a three-mile radius

## CENTRAL LOCATION NEAR LARGE SCHOOLS AND EMPLOYERS

- » Near HCA Houston Healthcare North Cypress (163 beds, 1,400 employees, \$1.7 billion in total patient revenue)
- » Walking distance from Walmart Neighborhood Market
- » Within five miles of nine schools with a combined 13,066 students

## DYNAMIC TENANT SERVING A PRACTICAL NEED

- » New 2019 construction built to Take 5's latest prototype
- » Drive-thru oil change in less than five minutes, with the customer remaining in their vehicle during service
- » Take 5 is experiencing explosive growth
- » Located in an income tax free state







BERRY CENTER  
OF NORTHWEST HOUSTON



Barker Cypress Road  
(45,680 AADT)



Woodard Elementary School  
(959 students)





Cypress Woods High School  
(3,347 students)

**290** / Highway 290  
(120,140 AADT)

at home

H-E-B  
H-E-B plus!  
CHASE

Cole Crossing  
LA|FITNESS  
WING STOP  
Cheddar's  
SCRATCH KITCHEN

COURTYARD  
Marriott  
(96 rooms)

Sysco  
(98 employees)

Walgreens

BURGER KING

Walmart  
Neighborhood Market

Woodard Elementary School  
(959 students)

REGIONS

at&t  
Great Clips

TAKE 5  
OIL CHANGE

EXXON

PET SUPERMARKET  
(coming soon)

GOODYEAR

Barker Cypress Road  
(45,680 AADT)

SurePoint  
Self Storage

DISCOUNT  
TIRE

SHIPLEY  
DONUTS



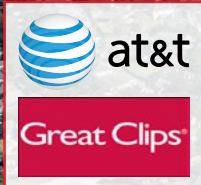


Cy-Fair High School  
(3,665 miles)

INDUSTRIAL REGION

290 / Highway 290  
(120,140 AADT)

HOUSTON NATIONAL  
GOLF CLUB



Barker Cypress Road (45,680 AADT)





Cypress Falls  
High School  
(3,726 miles)

INDUSTRIAL REGION

HOUSTON  
NATIONAL GOLF COURSE

Cy-Fair High School  
(3,665 miles)

**HCA**  **Houston  
Healthcare**  
**Medical Center**

NORTH CYPRESS LOCATION  
(163 beds and 1,400 employees)



**PET SUPERMARKET**  
(coming soon)



**DISCOUNT  
TIRE**

 **REGIONS**

**Walmart**  
Neighborhood Market

Barker Cypress Road  
(45,680 AADT)





# SITE PLAN

PET SUPERMARKET



1,450 SF

SurePoint  
Self Storage

BARKER CYPRESS ROAD



# TENANT SUMMARY



Take 5 Oil Change began as Rapid Oil Change in 1984, doing minor repairs and maintenance services. They currently have more than 450 locations across 19 states in the U.S. In March 2016, Take 5 Oil Change was acquired by Driven Brands, a portfolio company of Roark Capital and the nation's leading automotive franchiser. Jonathan Fitzpatrick, CEO of Driven Brands, said the following of Take 5 Oil Change: "They have perfected their process and deliver industry leading customer service. Take 5 Oil Change has a phenomenal brand, operating model, and team..."

On February 21, 2019, Take 5 Oil Change announced a strategic franchise growth initiative to increase its presence across the United States. In the last 18 months, the brand signed multi-unit development deals for an additional 120 locations. In 2019, the one-of-a-kind oil change concept has plans to open 30 franchise stores and anticipates inking multi-unit franchise agreements representing the sale of 140 locations. As Take 5 grows, it is awarding franchise opportunities to qualified multi-unit owners and groups seeking to add a successful segment to their portfolio. The average Take 5 store reports annual sales of \$1.2 million.

For more information, please visit [www.take5oilchange.com](http://www.take5oilchange.com).

<b>HEADQUARTERS</b>	<b>New Orleans, LA</b>	<b># OF LOCATIONS</b>	<b>450+</b>
<b>OWNERSHIP</b>	<b>Driven Brands</b>	<b>YEARS IN BUSINESS</b>	<b>35</b>

# LEASE ABSTRACT

<b>TENANT</b>	Take 5 Properties SPV LLC		
<b>ADDRESS</b>	<a href="#">11330 Barker Cypress Road, Cypress, Texas 77433</a>		
<b>RENT COMMENCEMENT</b>	October 25, 2019		
<b>LEASE EXPIRATION</b>	October 31, 2029		
<b>RENEWAL OPTIONS</b>	Four (4) five (5) year options		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-5 6-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3) 26-30 (Option 4)	<b>RENT</b> \$73,581 \$80,940 \$89,034 \$97,937 \$107,731 \$118,504	<b>RETURN</b> 5.50% 6.05% 6.66% 7.32% 8.05% 8.86%
<b>REAL ESTATE TAXES</b>	Tenant is responsible for insurance.		
<b>INSURANCE</b>	Tenant is responsible for all repair and maintenance, including roof, structure, and parking lot.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant is responsible for all repair and maintenance, including roof, structure, and parking lot.		
<b>MAINTENANCE BY LANDLORD</b>	None		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

The property is conveniently located on Barker Cypress Road, a heavily trafficked thoroughfare and major economic and retail corridor for Cypress, with excellent visibility and access to 45,680 vehicles per day directly in front of the location. The property also benefits from immediate access to U.S. Route 290, which experiences a high traffic count of 120,140 AADT. The location resides in a growing retail corridor and is within five miles of 10 major shopping centers, which feature a combined 3.2 million SF of retail space and 398 stores, including Walmart Supercenter, The Home Depot, Target, Marshalls, Bed Bath & Beyond, Kroger, Cinemark Theatres, and many more. The site is also within walking distance of a Walmart Neighborhood Market.

The property is supported by an affluent customer base in a densely populated residential area; 251,784 people live within a five-mile radius of the location, with an average household income of \$133,236 within a three-mile radius of the property. Visibility is increased by the site's central location near large schools and employers. The property is near HCA Houston Healthcare North Cypress, which features 163 beds, 1,400 employees, and generates \$1.7 billion in annual total patient revenue. The property also benefits from its location between several highly attended schools. The site resides within five miles of nine schools with a combined 13,066 students.

## ACCESS

Access from Barker Cypress Road

## TRAFFIC COUNTS

Barker Cypress Road: 50,733 AADT

## PARKING

Nine (9) parking stalls, including one (1) handicap stall, and three (3) service bays

## YEAR BUILT

2019

## NEAREST INTERNATIONAL AIRPORT

George Bush Intercontinental Houston Airport (IAH)



FILE PHOTO



9

PARKING  
STALLS



2019

YEAR  
BUILT



50K

TRAFFIC  
COUNT (AADT)



NEAREST  
AIRPORT

GEORGE BUSH  
INTERCONTINENTAL  
HOUSTON AIRPORT  
(IAH)



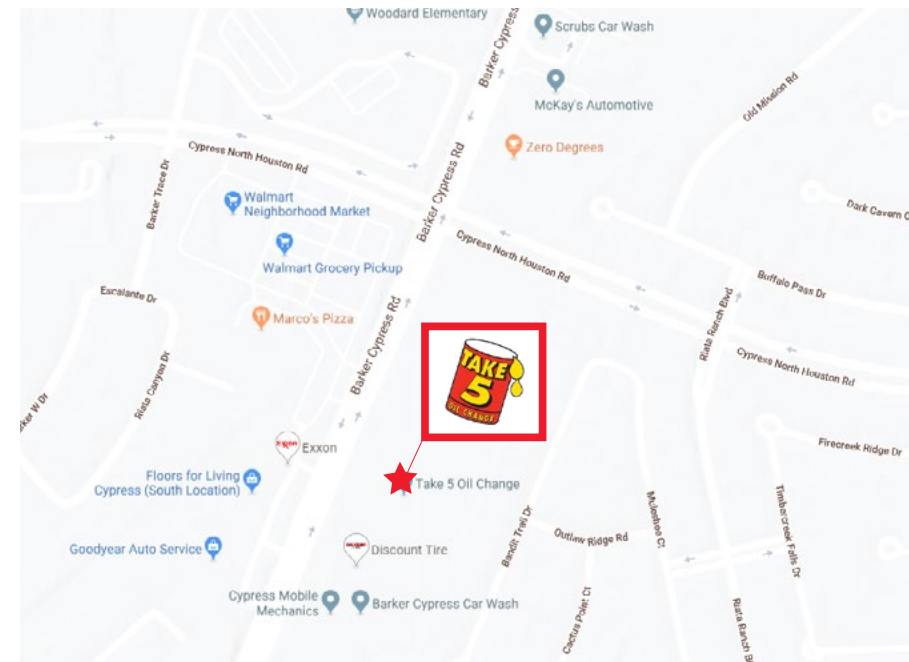
# AREA OVERVIEW

Cypress is an unincorporated community in Harris County, Texas, and is located completely inside the extraterritorial jurisdiction of Houston. The Cypress area is located along U.S. Route 290, 24 miles northwest of Downtown Houston. The Cypress urban cluster ranks 50th in the top 100 highest-income urban areas in the United States. Large scale residential and commercial development beginning in the 1980s transformed the once rural area into one of the Houston area's largest suburban communities. The Cypress area is one of the most affluent areas within Harris County, with 86 percent of Cypress residents working white collar jobs, and nearly 77 percent make well over \$50,000 per year and at least 50 percent making over \$100,000. Cypress has a high population of families with children and a median age of 35. Much of the local culture is centered on family life and recreational activities at local parks and recreation areas. There's also a vibrant nightlife in the area as well as an abundance of options for shopping and dining.

Harris County is located in the southeastern part of the State of Texas near Galveston Bay. With a population of 4.7 million people, Harris county is the third most populous county in the United States and comprises over 16 percent of Texas' population. Its county seat is Houston, the largest city in Texas and fourth largest city in the United States. Harris County is included in the nine-county Houston–The Woodlands–Sugar Land metropolitan statistical area, which is the fifth most populous metropolitan area in the United States. Harris County serves as the headquarters for 19 Fortune 500 companies, including Phillips 66, Sysco, Halliburton, Waste Management, Kinder Morgan, Quanta Services, and Marathon Oil. Harris County is home to two international airports, one space port, six public regional airports, and seven private regional airports. 54+ million airline passengers pass through Harris County annually. With four interstate highways and extensive major state and county roadway systems, Harris County boasts a large, world-class transportation system.

- » Cypress is served by Cypress-Fairbanks Independent School District, the third largest school district in the State of Texas and one of the fastest growing in the United States.
- » The Richard E. Berry Educational Center, commonly known as the Berry Center, finished construction and opened to the public in March 2006. The \$80 million multi-use complex consists of five different facilities – an arena, stadium, theatre, conference center, and food production center.
- » Harris County is home to Port Houston and the Houston Ship Channel, the largest port on the Gulf Coast, the largest port in Texas, and the nation's leading breakbulk port.

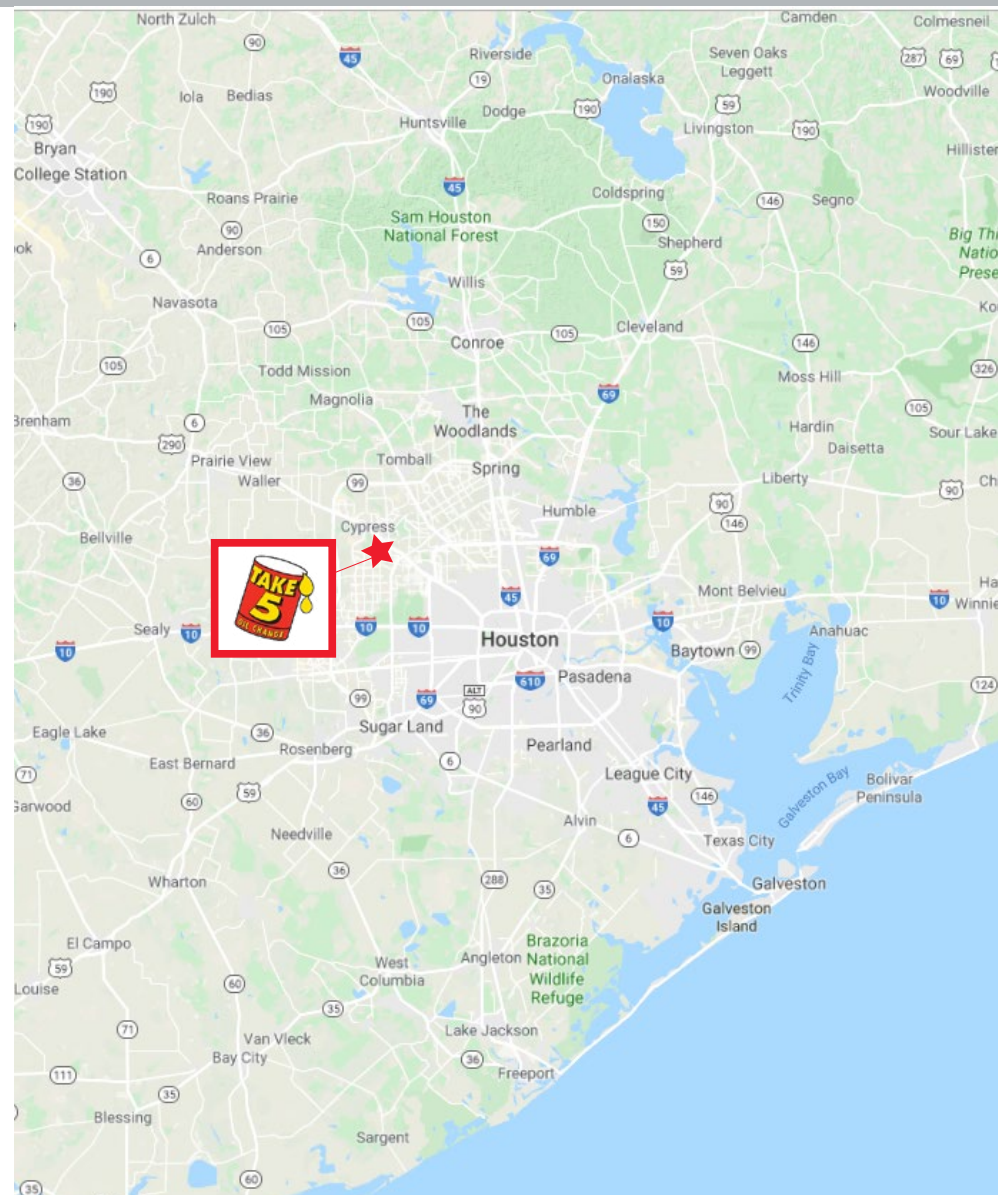
MAJOR EMPLOYERS IN HARRIS COUNTY, TEXAS	# OF EMPLOYEES
WALMART	34,000
H-E-B	26,956
MEMORIAL HERMANN HEALTH SYSTEM	26,011
HOUSTON METHODIST	22,247
THE UNIVERSITY OF TEXAS MD ANDERSON CANCER CENTER	20,189
KROGER	17,188
MCDONALD'S	16,100
UNITED AIRLINES	14,084
TEXAS CHILDREN'S HOSPITAL	13,445





# DEMOGRAPHIC PROFILE

2019 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>10,209</b>	<b>84,119</b>	<b>251,784</b>
Households	3,303	26,833	81,630
Families	2,669	21,949	65,575
Average Household Size	3.09	3.13	3.08
Owner Occupied Housing Units	2,497	22,060	64,342
Renter Occupied Housing Units	806	4,773	17,288
Median Age	33.4	34.2	34.1
<b>Average Household Income</b>	<b>\$136,844</b>	<b>\$133,236</b>	<b>\$119,497</b>
2024 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>11,210</b>	<b>94,515</b>	<b>278,151</b>
Households	3,610	30,030	89,562
Families	2,903	24,546	72,041
Average Household Size	3.11	3.14	3.10
Owner Occupied Housing Units	2,713	24,631	70,803
Renter Occupied Housing Units	897	5,399	18,759
Median Age	33.1	33.6	33.7
<b>Average Household Income</b>	<b>\$163,599</b>	<b>\$152,974</b>	<b>\$136,998</b>



**AVERAGE HOUSEHOLD INCOME OF \$136,844**  
WITHIN ONE MILE



**POPULATION OF 251,784**  
WITHIN FIVE MILES



# INFORMATION ABOUT BROKERAGE SERVICES



## 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.*

11-2-2015



### 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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
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	



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