



OFFERING MEMORANDUM

PHILLIPS 66

2300 N EXPRESSWAY | BROWNSVILLE, TX 78521



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MEET THE TEAM



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EXECUTIVE SUMMARY

NewQuest Properties is pleased to exclusively offer Phillips 66 located at 2300 N Expressway 77/83, Brownsville, TX. The +/-1,700 SF asset sits on 0.8 acres just inside the US/Mexico border. The property features a 15-year original lease with rent commencing December 2020. The lease features 5, five-year option periods with rent increasing 10% every 5 years through the base term and option periods. The Absolute NNN lease requires zero landlord responsibilities making for a truly passive investment.



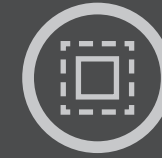
\$2.0M
price



6.5%
cap rate



1,774
GLA



0.798
acres



2020
year redeveloped

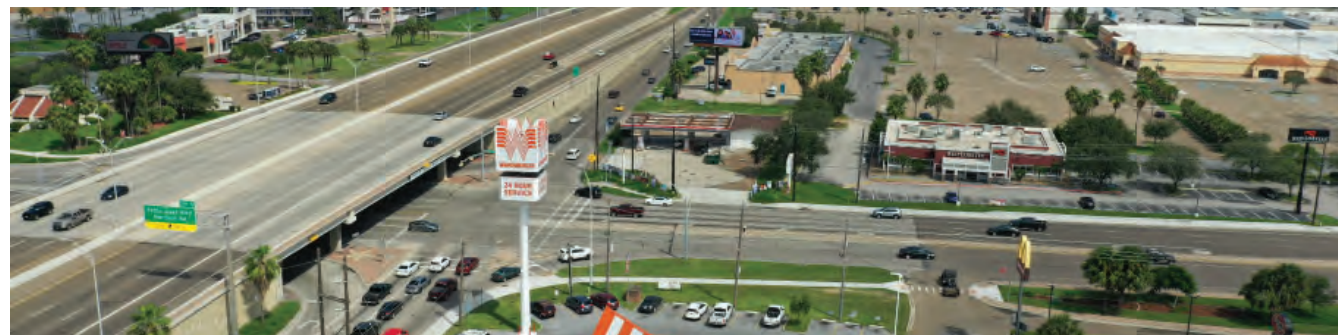
INVESTMENT HIGHLIGHTS

- Located less than 5 miles from the US/Mexico border, Phillips 66 has direct access to I-69E
- Originally built in 1994 and redeveloped in 2020, the +/- 1,700 SF property sits on 0.8 AC in Brownsville, TX
- Excellent surrounding retailers include McDonalds, Taco Bell, Whataburger, Wells Fargo Bank, Sonic, Lowe's, Pizza Hut, Sunrise Mall (Dillard's, JC Penney, Dick's Sporting Goods, T-Mobile) and many local and regional tenants
- Average population of 169,000+ within 5 miles
- I-69E has a daily traffic count of 100,000+ VPD
- Absolute NNN lease requires zero landlord responsibilities

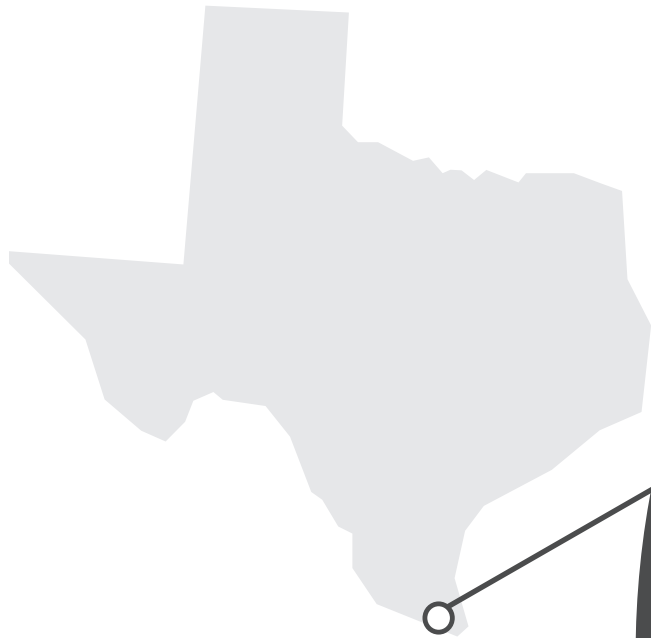
PHILLIPS 66

ADDRESS	2300 N Expressway, Brownsville, TX 78521
PRICE	\$2,000,000
CAP RATE	6.5%
TERM REMAINING	+/- 15 YEARS
LEASE TYPE	ABSOLUTE NNN
YEAR REDEVELOPED	2020
OPTIONS	FIVE (5), FIVE (5) YEAR
OWNERSHIP INTEREST	FEE SIMPLE

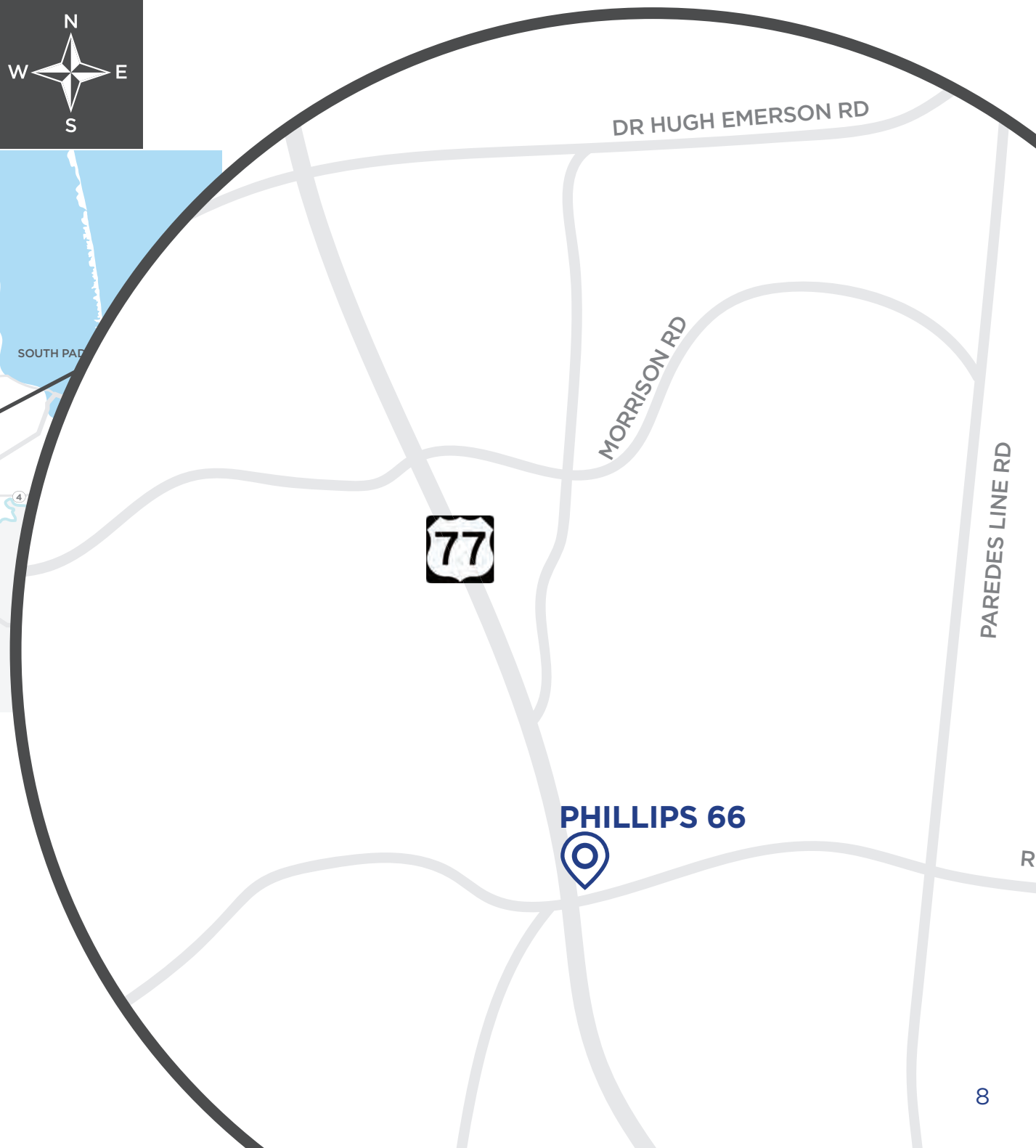
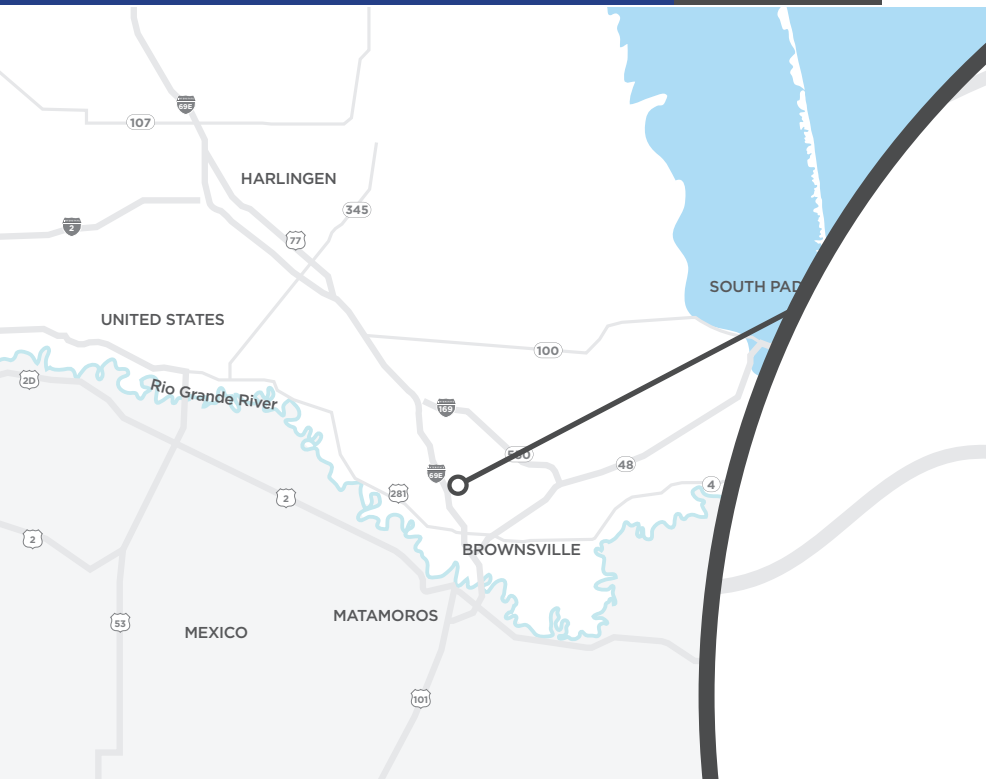




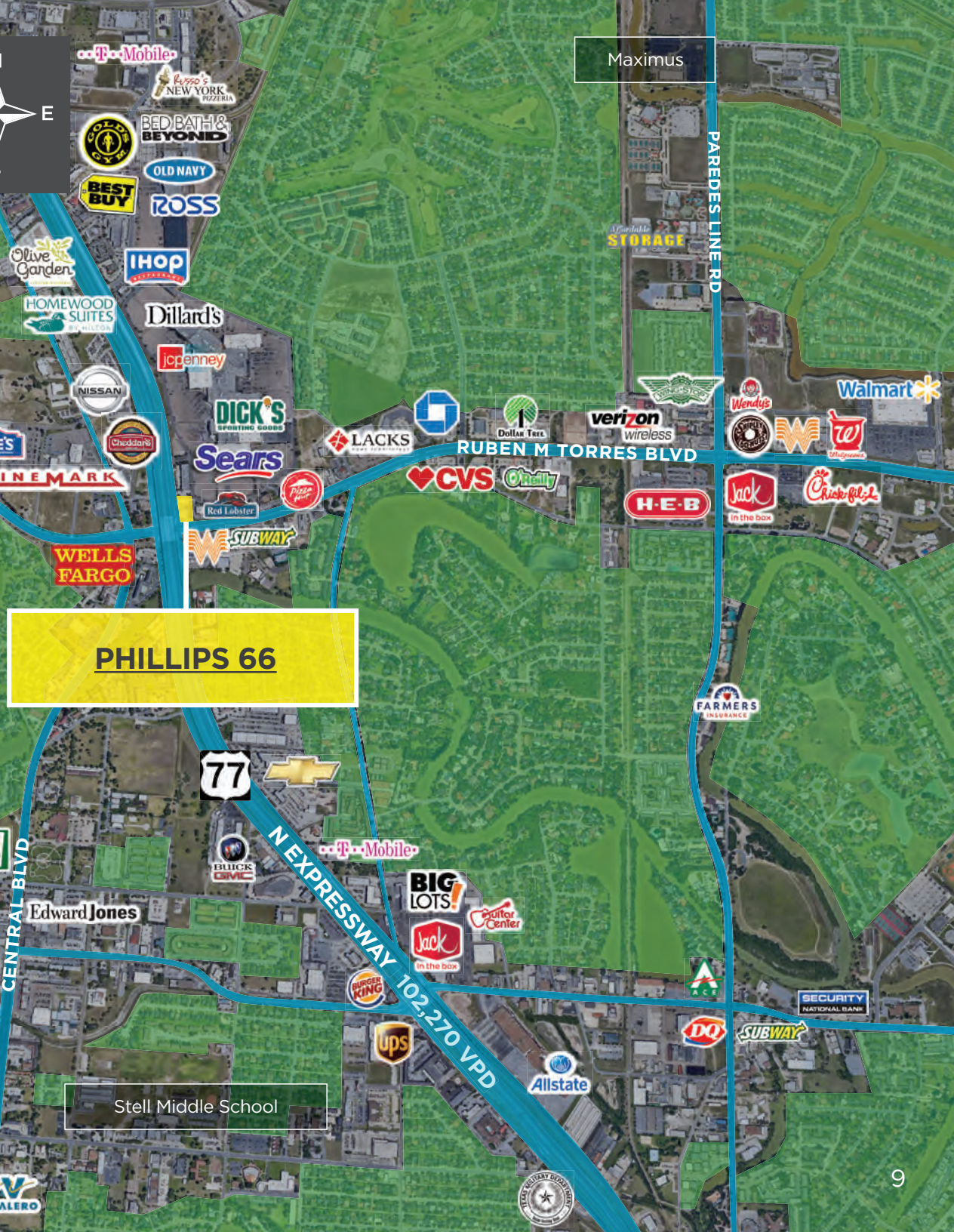
REGIONAL MAP



LOCAL MAP



AERIAL VIEW



Maximus

Livingway Family Church

PHILLIPS 66

James Pace Early
College High School

Stell Middle School

AERIAL VIEW



PHILLIPS 66

NORTH EXPRESSWAY 102,270 VPD

RUBEN M TORRES BLVD 38,202 VPD

OLD HWY 77

TENANT OVERVIEW

The Phillips 66 Company is an American multinational energy company headquartered in Westchase, Houston, Texas. It debuted as an independent energy company when ConocoPhillips executed a spin-off of its downstream and midstream assets. Its name dating back to 1927 as a trademark of the Phillips Petroleum Company, the newly-reconfigured Phillips 66 began trading on the New York Stock Exchange on May 1, 2012, under the ticker PSX. The company is engaged in producing natural gas liquids (NGL) and petrochemicals.

As of December 2019, Phillips 66 has approximately 14,500 employees worldwide and is active in more than 65 countries. Phillips 66 is ranked No. 23 on the Fortune 500 list and No. 67 on the Fortune Global 500 list as of 2018. In the United States, they market gasoline, diesel and aviation fuel through approximately 7,550 independently owned outlets in 48 states. The sites utilize the Phillips 66, Conoco or 76 brands.

Revenue was up nearly 25% to over \$114 billion, while profits jumped to \$5.6 billion, and the company's capacity rates hit an impressive 99%. Phillips 66 also invested in storage and announced the construction in 2019 of the Grey Oak pipeline to bring crude to the refining hub of the Gulf Coast.



PHILLIPS 66

# OF LOCATIONS	7,550
GUARANTOR	United Fuel Supply Caribbean, LLC
2019 REVENUE	\$114+ Billion
# OF EMPLOYEES	14,500
WEBSITE	phillips66.com

PRICING DETAIL

PROPERTY DESCRIPTION

Year Built	1994/2020
Gross Leasable Area	1,774 SF
Type of Ownership	Fee Simple

LEASE SUMMARY

Tenant	RCV Petroleum & Phillips 66
Option Increases	10% EACH 5 YR PERIOD
Guarantor	United Fuel Supply Caribbean, Inc.
Lease Type	Absolute NNN
Lease Start Date	12/10/20
Lease Term	15
Term Remaining on Lease (Years)	15
Ownership Interest	Fee Simple

PRICE

\$2,000,000

CAP Rate	6.5%
Gross Leasable Area (GLA)	1,774 SF
Lot Size	.798 Acres
Year Built	1994/2020

RENT SCHEDULE

Lease Dates	Annual Rent	Monthly Rent	Increases
12/10/20 - 12/31/25	\$130,000	\$10,833	-
1/1/26 - 12/31/30	\$143,000	\$11,917	10%
1/1/31 - 12/31/35	\$157,300	\$13,108	10%
1/1/36 - 12/31/40	\$173,030	\$14,419	10%
1/1/41 - 12/31/45	\$190,333	\$15,861	10%
1/1/46 - 12/31/50	\$209,366	\$17,447	10%
1/1/51 - 12/31/55	\$230,303	\$19,192	10%
1/1/56 - 12/31/60	\$253,333	\$21,111	10%

LOCATION HIGHLIGHTS

Brownsville is a city in Cameron County in the state of Texas. It is located on the western Gulf Coast in South Texas, adjacent to the border with Matamoros, Mexico. It is the 131st-largest city in the United States and 16th-largest in Texas. It is part of the Brownsville–Matamoros conurbation.

An important pillar of the city's economy is the Port of Brownsville, a deep-water seaport, which provides linkage between the road networks of nearby Mexico and the Gulf of Intracoastal Waterway of Texas. The city itself is full of well-established art galleries and museums that represent not only art of the region and Mexico but feature traveling exhibits from around the world. Sites of interest include the Gladys Porter Zoo and the Brownsville Museum of Fine Art. There is also easy access to the South Padre Island, barrier island located just offshore, and a natural place for outdoor activities

Today Brownsville is the largest city in the Rio Grande Valley with a population near greater than 175,000. It covers nearly 150 square miles and has some 350 miles of paved streets. With an assessed valuation of more than \$7.1 billion, the city has nearly quadrupled its wealth in the past 15 years.

Brownsville is proud of our past and annually hosts thousands of tourists who not only take in the history, but the climate and proximity to Mexico as well.



LOCATION DEMOGRAPHICS

The subject property was originally developed in 1994 as a build-to-suit for Quicker Sticker & Lube and redeveloped in 2020 to fit the build of Phillips 66. The strategic location has developed a loyal customer base for over 25 years of service. Brownsville serves as an entrance into the United States from Mexico. Phillips 66 is the first gas station on this route attracting tourists and locals traveling through the area. The property sits on a hard corner with easy access to FM 82 and I-69E.

MAJOR AREA EMPLOYERS

Ford Motor Co.
St. James Hospital
Matteson Auto Mall
Federal Signal Corporation
Bimba Manufacturing
Rogers Enterprises
Menard's
Governors State University
Manheim's Greater Auto Auction

LARGEST EMPLOYERS IN ILLINOIS

Adjutant General
State Farm Mutual Auto Ins Co
Abbott Laboratories
Allstate Corp
University of Illinois at Chicago
Rush University Medical Center
Deloitte
CNA Financial Corp
Accenture Limited



LOCATION DEMOGRAPHICS



POPULATION
169,534



HOUSEHOLDS
51,292



MEDIAN AGE
31.2



AVERAGE INCOME
\$54,457



2020 POPULATION BY AGE



POPULATION	1 MILE	3 MILES	5 MILES
2025 Projected Population	11,988	103,853	169,976
2020 Estimated Population	11,915	103,578	169,534
2010 Census Population	11,339	98,651	161,181
2000 Census Population	10,230	75,584	131,309

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2025 Projected Households	4,326	32,629	52,401
2020 Estimated Households	4,215	31,962	51,292
2010 Census Households	3,872	29,168	46,573
2000 Census Households	3,324	21,820	36,402
2020 Occupied Units	4,215	31,962	51,292

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$150,000 or More	7.0%	5.5%	4.8%
\$100,000 to \$149,000	12.5%	11.5%	10.5%
\$75,000 to \$99,999	10.5%	11.5%	10.5%
\$50,000 to \$74,999	18.2%	19.2%	18.6%
\$35,000 to \$49,999	10.0%	11.3%	11.8%
Under \$35,000	41.7%	41.0%	43.7%
Average Household Income	\$59,511	\$58,214	\$54,457
Median Household Income	\$48,496	\$47,340	\$44,651
Per Capita Income	\$21,262	\$18,027	\$16,542

LOCATION DEMOGRAPHICS



HOUSEHOLDS BY EXPENDITURE	1 MILE	3 MILES	5 MILES
Total Monthly Retail Expenditures	\$1,930	\$1,905	\$1,820
Consumer Expenditure Top 10 Categories			
Shelter	\$870	\$851	\$814
Transportation	\$742	\$735	\$701
Food and Beverages	\$612	\$604	\$578
Health Care	\$348	\$344	\$329
Utilities	\$314	\$311	\$299
Entertainment	\$226	\$222	\$212
Contributions	\$126	\$123	\$117
Education	\$118	\$113	\$108
Apparel	\$144	\$142	\$135
Furnishings and Equipment	\$140	\$138	\$131

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2020 Estimate Total Population	11,551	103,624	170,053
Under 20	3,436	34,615	56,907
20 to 34 Years	2,507	21,771	36,015
35 to 39 Years	636	6,454	10,357
40 to 49	1,354	12,267	19,833
50-64	1,832	15,103	24,557
Age 65+	1,786	13,413	22,383
Median Age	34.0	31.2	30.9
Population 25+ by Education	7,179	61,189	99,972
Elementary (0 to 8)	772	9,666	18,985
Some High School (9 to 11)	682	7,382	13,758
High School Graduate (12)	1,602	14,180	23,321
Some College (13-15)	1,530	11,006	16,727
Associate Degree Only	504	4,533	6,755
Bachelor Degree Only	1,357	10,479	14,960
Graduate Degree	732	3,943	5,468

LOCATION DEMOGRAPHICS

POPULATION

In 2020 the population in your selected geography is 169,534. The population has changed by 5.18% since 2010. It is estimated that the population in your area will be 169,976 five years from now, which represents a change of 0.26% from the current year. The current population is 48.0% male and 52.0% female. The median age of the population in your area is 31.2 compare this to the US average which is 37.95. The population density in your area is 2,159 people per square mile.

HOUSEHOLDS

There are currently 52,401 households in your selected geography. The number of households has changed by 10.1% since 2010. It is estimated that the number of households in your area will be 52,401 five years from now, which represents a change of 2.16% from the current year. The average household size in your area is 3.3 persons.

HOUSING

The median housing value in your area was \$94,617 in 2020, compare this to the US average of \$201,842. In 2020, there were 31,697 owner occupied housing units in your area and there were 19,595 renter occupied housing units in your area. The median rent at the time was \$566.

RACE & ETHNICITY

The current year racial makeup of your selected area is as follows: 87.7% White, 0.7% Black, 0.3% Native American and 0.9% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race. People of Hispanic origin make up 93.5% of the current year population in your selected area. Compare this to the US average of 18.01%.

INCOME

In 2020 the median household income for your selected geography is \$44,651; compare this to the US average which is currently \$58,754. The median household income for your area has changed by 37.3% since 2010. It is estimated that the median household income in your area will be \$51,712 five years from now, which represents a change of 15.8% from the current year. The current year per capita income in your area is \$16,542; compare this to the US average, which is \$32,356. The current year average household income in your area is \$54,457; compare this to the US average which is \$84,609.

EMPLOYMENT

In 2020, there are 49,193 employees in your selected area, this is also known as the daytime population. The 2010 Census revealed that 50.2% of employees are employed in white-collar occupations in this geography, and 49.8% are employed in blue-collar occupations. In 2020, unemployment in this area is 6.0%. In 2020, the average time traveled to work was 18.4 minutes.