

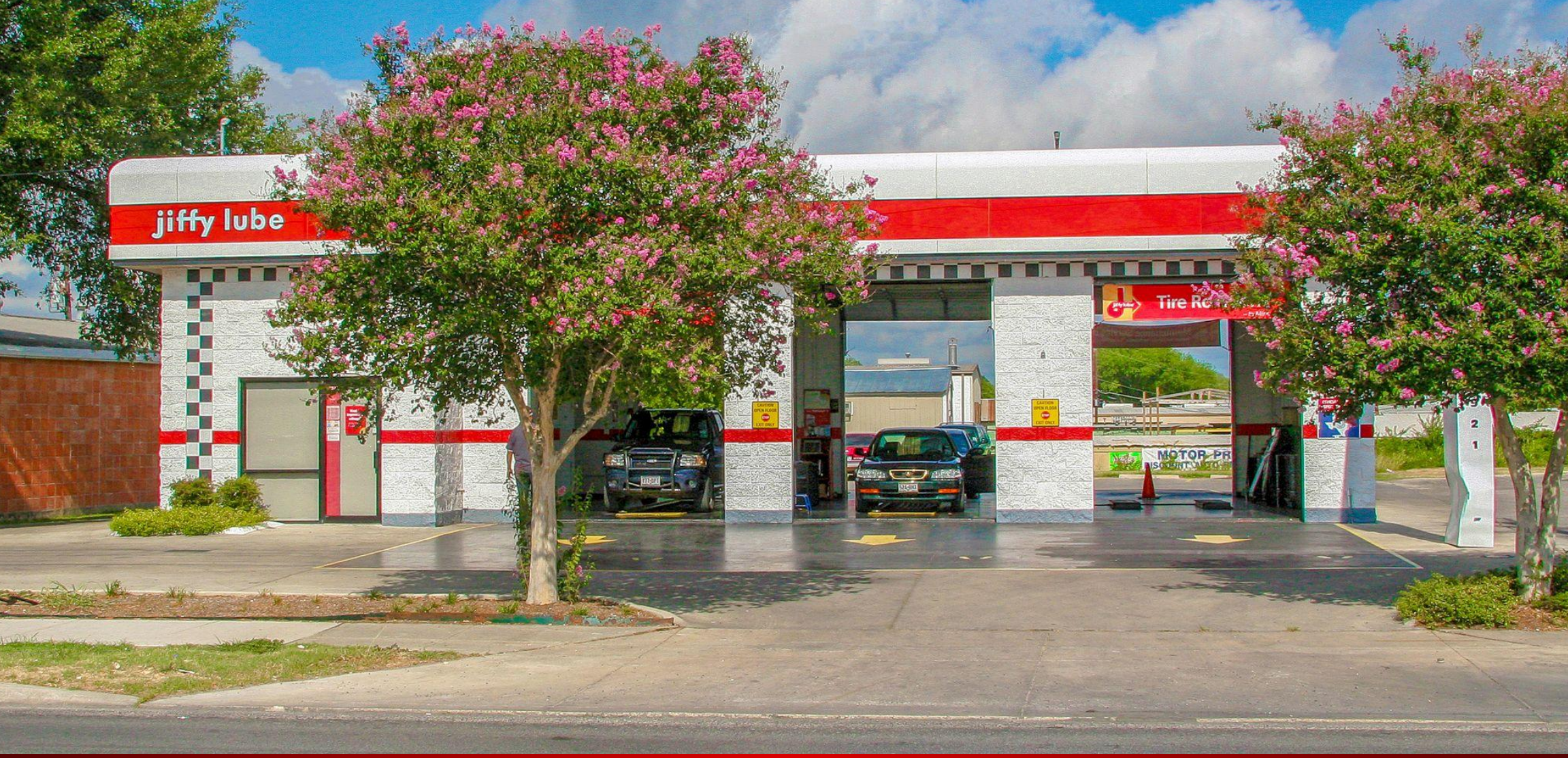
OFFERING MEMORANDUM



San Antonio | TX



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



San Antonio | TX

MATTHEWS
REAL ESTATE INVESTMENT SERVICES

EXCLUSIVELY LISTED BY:

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- **Rent Increases** – there are 10% rent increases every 5 years to help hedge against inflation
- **New Long-Term Lease** – Tenant will sign a brand-new 15-year lease at the close of escrow, providing an investor an extremely long-term, passive investment
- **Absolute NNN lease structure** - No landlord responsibilities makes this ideal for 1031 investors looking for a truly passive investment
- **Clean Phase I in Hand** – Seller has a recently completed clean Phase I Environmental Report for this property, in hand
- **Increased Cash Flow** - Auto service-based assets may be eligible for an accelerated depreciation schedule of 15-years rather than the standard 39-years; fully depreciate all but the land in the year of purchase! *Consult your tax or accounting professional to see how this will apply to you

LOCATION HIGHLIGHTS

- **Top Market In The United States** – The City San Antonio is one of the fastest growing large cities in the country, and was actually named the fastest growing large city according to the Census Bureau.
- **Huge population growth** – The San Antonio – New Braunfels metropolitan area has a population of over 2.4 million and is the 3rd largest city in Texas.
- **Major Traffic Counts** – This property enjoys strong visibility along San Pedro Ave ($\pm 37,000$ VPD) and is located within the dominant local trade area that benefits from proximity to the 281, which sees $\pm 145,000$ VPD.
- **Phenomenal Retail Synergy with an all-star lineup of essential businesses and attractions** – U-Haul, Dollar General, Metro by T-Mobile, H-E-B, Whataburger & Church's Chicken; top attractions include the San Antonio Zoo, SeaWorld, the San Antonio Aquarium, Six Flags Fiesta Texas and more.

TENANT HIGHLIGHTS

- **Pandemic-Resistant Tenant** – As an essential business, the tenant has maintained robust sales figures throughout 2020 - which are on par with prior years
- **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)
- One of the few retail tenants that offers both an e-commerce and recession resilient investment
- **This location is a top sales performer** – exceeding system media sales by over 30%

INVESTMENT HIGHLIGHTS



Financial Overview

INVESTMENT SUMMARY

Address	5921 San Pedro Ave, San Antonio, TX 78212
Parking Spaces	±15
Total Building Area	±2,889 SF
Total Lot Size	±0.46 Acres
Year Built	1995

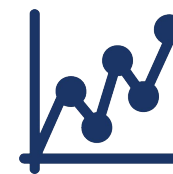
TENANT SUMMARY

Tenant Trade Name	Jiffy Lube
Type of Ownership	Fee Simple
Lease Guarantor	Allied Lube Texas
Lease Type	NNN
Roof and Structure	Tenant Responsible
Original Lease Term	15 Years
Lease Commencement	Close of Escrow
Rent Commencement	Close of Escrow
Lease Expiration Date	15 Years from Closing
Increases	10% Every 5 Years
Options	Four (4) Five (5) Year Options



LIST PRICE

\$ 3,478,261



CAP RATE

5.75%

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent	CAP
Current	\$ 16,666.67	\$ 200,000.00	5.75%
Years 6-10	\$ 18,333.33	\$ 220,000.00	6.33%
Years 11-15	\$ 20,166.67	\$ 242,000.00	6.96%
Option 1	\$ 22,183.33	\$ 266,200.00	7.65%
Option 2	\$ 24,401.67	\$ 292,820.00	8.42%
Option 3	\$ 26,841.83	\$ 322,102.00	9.26%
Option 4	\$ 29,526.02	\$ 354,312.20	10.19%



Tenant Overview



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 mostly 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 24 million customers annually, Jiffy Lube caters to several fleet management firms such as Donlen, Emkay, Voyager and PHH. 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.

1971
YEAR FOUNDED

±2,200
NO. OF LOCATIONS

Houston, TX
HEADQUARTERED



McDonald's
TACO BELL
POPEYES
Kentucky Fried Chicken
Advance! Auto Parts
SHERWIN-WILLIAMS

CIRCLE K
VALERO

Walgreens

H-E-B

BIG LOTS!

Chevron
7 ELEVEN
HYATT PLACE
RUTH'S CHRIS STEAK HOUSE

Public Storage

THE HOME DEPOT

Walgreens BBVA Compass
WELLS FARGO
ZOE'S KITCHEN
TANERA
WAXING THE CITY
TORCHYS
CYCLEBAR
menchie's
H-E-B
PEI WEI

US STORAGE Centers
CIRCLE K
VALERO
FAMILY DOLLAR

PIZZA PAPA JOHN'S
SONIC

CALIBER COLLISION

jiffy lube

ALAMO QUARRY MARKET

OfficeMax P.F. CHANG'S
MATTRESS FIRM ULTA BEAUTY
Bath & Body Works Michael's WHOLE FOODS MARKET
chico's OLD NAVY
ANN TAYLOR TRADER JOE'S
Jamba Juice FIVE GUYS FLEMING'S
california PIZZA KITCHEN GOLD'S GYM GNC
lululemon sleep number
Orangetheory FITNESS francesca's
Learning Express NIKE

PIZZA PATRON FAMILY DOLLAR
99c ONLY DQ WHATABURGER Church's
WINGSTON cricket
MELROSE metro THE SALVATION ARMY

Little Caesars AutoZone
O'Reilly AUTO PARTS DOLLAR GENERAL
metro by T-Mobile LA MICHOACANA MEAT MARKET

WHATABURGER Church's
CIRCLE K VALERO
U-HAUL


7 ELEVEN
SUBWAY
Exxon

INTERSTATE 10
± 280,000 VPD

SAN PEDRO AVE
± 37,000 VPD

281
± 145,000 VPD

BASSE ROAD
± 19,000 VPD

A wide-angle photograph of the San Antonio skyline at sunset. The sky is filled with dramatic, dark clouds tinged with orange and pink from the setting sun. The city's skyline is silhouetted against the bright horizon, with several prominent skyscrapers and the Tower of the Americas standing out. The foreground is filled with lush green trees and a highway with some traffic.

San Antonio was the
“Fastest-Growing Large City” in America
- *U.S. Census Bureau*

The city of San Antonio was named one of the top 25
“Best Places to Live in the USA”
- *U.S. News & World Report*

Area Overview

A photograph showing a residential area with several houses and a large, dense green tree in the foreground. The houses have light-colored roofs and are surrounded by lush greenery.



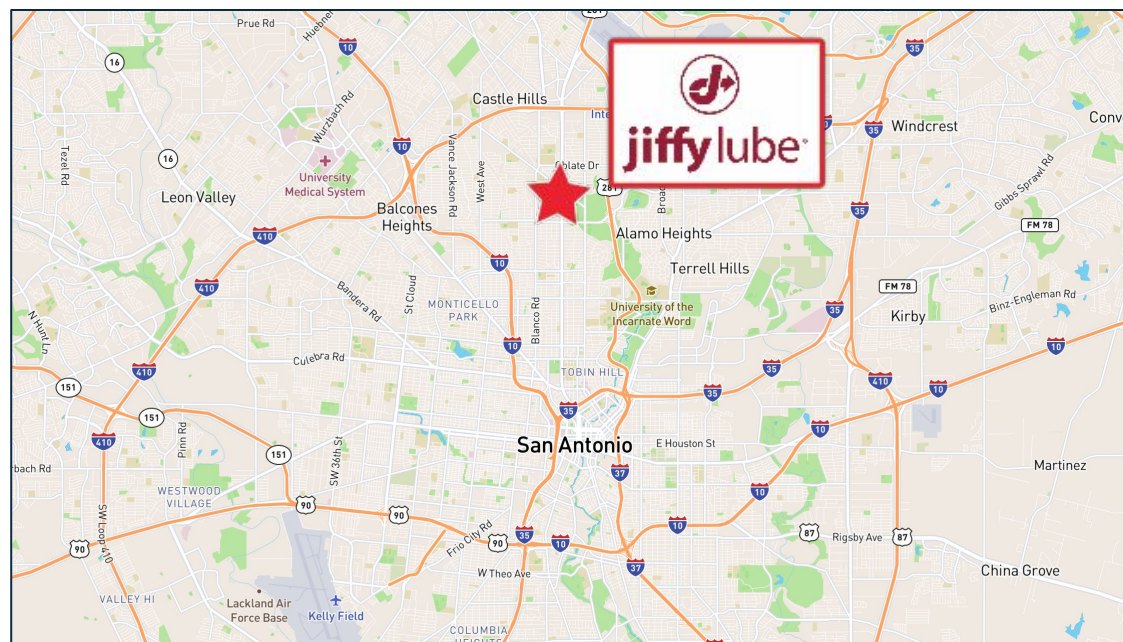
DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	16,163	153,094	401,436
2020 Estimate	15,088	143,484	376,308
2010 Census	13,794	128,430	328,373
Growth 2020-2025	7.13%	6.70%	6.68%
Growth 2010-2020	9.38%	11.72%	14.60%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	5,296	55,633	145,484
2020 Estimate	4,990	52,583	137,430
2010 Census	4,902	50,232	127,497
Growth 2020-2025	6.13%	5.80%	5.86%
Growth 2010-2020	1.80%	4.68%	7.79%
INCOME	1-MILE	3-MILE	5-MILE
Average Household Income	\$63,590	\$93,082	\$78,569

SAN ANTONIO, TX

San Antonio, officially the City of San Antonio, is the seventh most populous city in the United States and the second-most populous city in both Texas and the Southern United States. Straddling the regional divide between South and Central Texas, San Antonio anchors the southwestern corner of an urban megaregion colloquially known as the “Texas Triangle.” San Antonio is the center of the San Antonio–New Braunfels metropolitan statistical area. Commonly called Greater San Antonio, the metro area has a population of 2,473,974 based on the 2017 U.S. census estimate, making it the 24th-largest metropolitan area in the United States and third-largest in Texas. Growth along the Interstate 35 and Interstate 10 corridors to the north, west, and east make it likely that the metropolitan area will continue to expand.

The City of San Antonio maintains a strong financial position with a “AAA” general obligation bond rating from all three major rating agencies. The Milken Institute has ranked San Antonio No. 1 on its Best-Performing Cities list. As the seventh-largest city in the United States, San Antonio is experiencing solid economic growth in 21st-century industries such as bioscience and healthcare, aerospace, IT and cybersecurity, and green technologies. Biotech companies and healthcare systems in San Antonio contribute billions to the local economy. The Aerospace industry remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The military has had a significant relationship with San Antonio for more than 200 years and is home to several military commands. The city is also a cybersecurity hub; nationally recognized as a leader in the field of information security.



SAN ANTONIO CULTURE

San Antonio is a popular tourist destination. The Alamo Mission in San Antonio ("The Alamo"), located Downtown, is Texas' top tourist attraction. Because of the mission, San Antonio is often called "Alamo City." The River Walk, which meanders through the Downtown area, is the city's second-most-visited attraction, giving it the additional nickname of "River City". Extended an additional 13 miles between 2009–2013, the landscaped walking and bike path line the San Antonio River from the "Museum Reach" beginning in Brackenridge Park through downtown, "Downtown Reach", past the Blue Star's "Eagleland" to the "Mission Reach" ending near Loop 410 South past Mission Espada. Lined with numerous shops, bars, and restaurants, as well as the Arneson River Theater, this attraction is transformed into an impressive festival of lights during the Christmas and New Year holiday period (except for the Mission Reach) and is suffused with the local sounds of folklorico and flamenco music during the summer, particularly during celebrations such as the Fiesta Noche del Rio.

SAN ANTONIO ATTRACTIONS

The city is home to four animal attractions. SeaWorld, 16 miles west of Downtown in the city's Westover Hills district, is the number 3 attraction and one of the largest marine life parks in the world. Located at the center of Leon Valley, the San Antonio Aquarium is filled with thousands of species of aquatic animals and features lots of interactive exhibits. The very popular and historic San Antonio Zoo is in the city's Brackenridge Park. Another animal attraction is SEA LIFE San Antonio Aquarium inside the Shops at Rivercenter in Downtown San Antonio, which was created by Merlin Entertainments.

San Antonio is also home to several commercial amusement parks, including Six Flags Fiesta Texas, Splashtown, and Morgan's Wonderland, a theme park for children with special needs. Kiddie Park, featuring old-fashioned amusement rides for children, was established in 1925 and is the oldest children's amusement park in the U.S.



LONE STAR DISTRICT

Located in Southtown, the former site of the Lone Star Brewery is being turned into a mixed-use development that will be known as the Lone Star District. San Antonio's Southtown Arts District is located due south of Downtown and is one of the most desirable residential areas in the city with five neighborhoods including: King William, Lavaca, Lone Star, Collins Garden, and Roosevelt. Southtown is known for its vibrant restaurant and nightlife scene, attracting a diverse population of young professionals and local artists. The site's proximity to Downtown and direct access to I-10 and I-35 help make it a highly accessible and desirable location. King William alone includes two local and three national historic districts and is known for its architecturally significant homes ranging from \$300K to \$1M+.

The **first phase of the development will include 12 acres of shops, restaurants, bars, and residential and office space.** In addition, a park along the San Antonio River will also be added to create a vibrant outdoor environment. The first phase is expected to be completed by 2025.



OFFICE
100K SF



RETAIL
50K SF



MULTIFAMILY
250 UNITS

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Jiffy Lube** located at **5921 San Pedro Ave | San Antonio, TX 78212** ("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.

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Information About Brokerage Services

Texas law requires all real estate licenseholders 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.

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