

Valvoline Ground Lease



OFFERING MEMORANDUM



VENTURE
INVESTMENT SALES

VALVOLINE GROUND LEASE

2299 STATE HWY 121, EULESS, TX 76039

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John Zikos
President

Josh Devin
Vice President

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INVESTMENT OVERVIEW // VALVOLINE GROUND LEASE

VALVOLINE HAS SIGNED A LONG TERM GROUND LEASE ON APPROXIMATELY ± 0.93 ACRES OF LAND LOCATED AT THE SOUTHWEST QUADRANT OF SH 121 & GLADE ROAD IN EULESS, TX. THE BUILDING IS 100% LEASED TO VALVOLINE INSTANT OIL CHANGE AND IS AN OUT-PARCEL TO GLADE PARKS TOWN CENTER. GLADE PARKS IS A 194-ACRE MIXED-USE DEVELOPMENT CONSISTING OF OVER 400 LUXURY URBAN-LOFT APARTMENTS, 125+ LUXURY SINGLE-FAMILY HOMES, AND WILL FEATURE OVER 800,000 SQUARE FEET OF RETAIL AT FULL COMPLETION WITH A MINDFUL MIX OF NATIONAL BIG-BOX RETAILERS, RESTAURANTS, ENTERTAINMENT, AND LIFESTYLE TENANTS. GLADE PARKS IS LOCATED ON SH 121 FROM GLADE ROAD TO CHEEK-SPARGER ROAD IN THE CITY OF EULESS, TEXAS, LESS THAN 1.5 MILES FROM DALLAS-FORT WORTH INTERNATIONAL AIRPORT AND BOASTS NEARLY ONE-MILE OF FRONTAGE ALONG SH 121. SH 121 CARRIES OVER 100,000 VEHICLES PER DAY AND HAS FULL ACCESS TO THE INTERSECTIONS AT GLADE ROAD (OVER 27,000 VEHICLES PER DAY) AND CHEEK SPARGER ROAD (OVER 20,000 VEHICLES PER DAY) VIA THE SH 121 ACCESS ROAD AND RIO GRANDE BLVD.

EULESS, TEXAS IS STRATEGICALLY LOCATED IN THE CENTER OF THE DALLAS-FORT WORTH METROPLEX. DEMOGRAPHICS IN A THREE-MILE AND FIVE-MILE RADIUS OF THE SITE SHOW A DENSE POPULATION OF OVER 106,000 AND 203,000 PEOPLE RESPECTIVELY, BOTH WITH AVERAGE HOUSEHOLD INCOMES IN EXCESS OF \$112,000 PER YEAR. DFW AIRPORT COVERS 27 SQUARE MILES AND IS THE FOURTH BUSIEST AIRPORT IN THE WORLD WITH OVER 900 FLIGHTS PER DAY AND HAS APPROXIMATELY 60,000 ON-SITE EMPLOYEES WHICH ACCOUNT FOR A GOOD PORTION OF MORE THAN 109,000 DAYTIME EMPLOYEES WITHIN FIVE MILES OF THE DEVELOPMENT. THE DFW METROPLEX IS THE LARGEST METROPOLITAN AREA IN TEXAS, THE LARGEST IN THE SOUTH, AND FOURTH LARGEST IN THE U.S. WITH A POPULATION OF 7,694,138, ACCORDING TO A MAY 2021 FRED ECONOMIC DATA ESTIMATE. OVERALL, DFW IS THE 11TH LARGEST METRO ECONOMY IN THE WORLD AND HAS A GROSS METRO PRODUCT EXCEEDING \$511 BILLION.

WITH OVER 1.5 MILLION SQUARE FEET OF RETAIL LOCATED IN THE IMMEDIATE TRADE AREA, THE INTERSECTIONS OF BOTH CHEEK-SPARGER ROAD AND GLADE ROAD AT SH 121 HAVE BECOME A SUPER-REGIONAL RETAIL AND ENTERTAINMENT DESTINATION. MAJOR RETAILERS IN THE TRADE AREA INCLUDE SUPER TARGET, WALMART SUPER CENTER, HOMEGOODS, MICHAEL'S, DICK'S SPORTING GOODS, BELK, CINÉPOLIS THEATERS, DAVE AND BUSTERS, LA FITNESS, LOWE'S, ROSS, MARSHALLS, BED BATH & BEYOND, PETSMART, AND PARTY CITY TO NAME A FEW. HEB SUPERMARKET COMPANY HAS ALSO PURCHASED A PARCEL OF LAND AND INTENDS TO BUILD A STORE BEHIND THE SUBJECT PROPERTY. EXTREMELY STRONG AVERAGE HOUSEHOLD INCOMES WITH STRONG RESIDENTIAL AND DAYTIME POPULATIONS COMBINED WITH A CRITICAL MASS OF RETAIL WITH AN ALL-STAR LINEUP OF NATIONAL AND REGIONAL PLAYERS ENSURE THE LONG-TERM SUCCESS AND VIABILITY OF THIS PROJECT.

INVESTMENT HIGHLIGHTS

- NEW FIFTEEN (15) YEAR ABSOLUTE NNN GROUND LEASE WITH ZERO LANDLORD RESPONSIBILITIES
- ATTRACTIVE TEN (10%) PERCENT INCREASES EVERY FIVE (5) YEAR THROUGHOUT THE PRIMARY TERMS AND OPTIONS.
- INCOME TAX FREE STATE
- TRAFFIC COUNTS EXCEED 121,000 VPD AT THE INTERSECTION
- MORE THAN 106,000 PEOPLE LIVING WITHIN A THREE (3) MILE RADIUS WITH AVG. HHI'S ABOVE \$114,000
- OVER 1.5M SF OF RETAIL LOCATED IN THE IMMEDIATE TRADE AREA
- HEB SUPERMARKET COMPANY HAS PURCHASED A PARCEL OF LAND AND INTENDS TO BUILD A NEW STORE DIRECTLY ACROSS RIO GRANDE FROM THE SITE
- PUBLICLY TRADED COMPANY (VVV) WITH MARKET CAP OF OVER \$5.4 BILLION

PROPERTY PROFILE



| | | | |
|----|--------------------------------|---|-----------------------|
| \$ | PURCHASE PRICE: \$2,000,000 | 🔨 | YEAR BUILT: 2021 |
| % | CAP RATE: 4.50 % | 📏 | LAND SIZE: 0.93 AC |
| SF | BUILDING SIZE: ± 1,352 SF | 🕒 | NOI: \$ 90,000 |

SNAPSHOT DEMOGRAPHICS (Est. 2020)

| | ONE MILE | THREE MILES | FIVE MILES |
|-------------------|-----------|-------------|------------|
| POPULATION | 13,386 | 106,669 | 203,115 |
| AVERAGE HH INCOME | \$120,308 | \$114,118 | \$112,732 |
| TOTAL EMPLOYEES | 3,803 | 38,616 | 106,995 |

TRAFFIC COUNTS

| | |
|------------------|--------------------|
| HWY 121 | 100,691 VPD (2019) |
| CHEEK SPARGER RD | 20,791 VPD (2019) |
| TOTAL | 121,482 VPD (2019) |

LEASE ABSTRACT



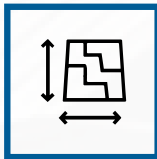
LEASE COMMENCEMENT / EXPIRATION

AUGUST 27, 2021 / AUGUST 30, 2036



PRIMARY TERM

FIFTEEN (15) YEARS



ANNUAL RENT

| | |
|-------------|-----------------|
| YEARS 1-5 | \$ 90,000 / YR |
| YEARS 6-10 | \$ 99,000 / YR |
| YEARS 11-15 | \$ 108,900 / YR |



OPTIONS

FOUR 5-YEAR OPTIONS WITH 10% INCREASES IN EACH OPTION TERM

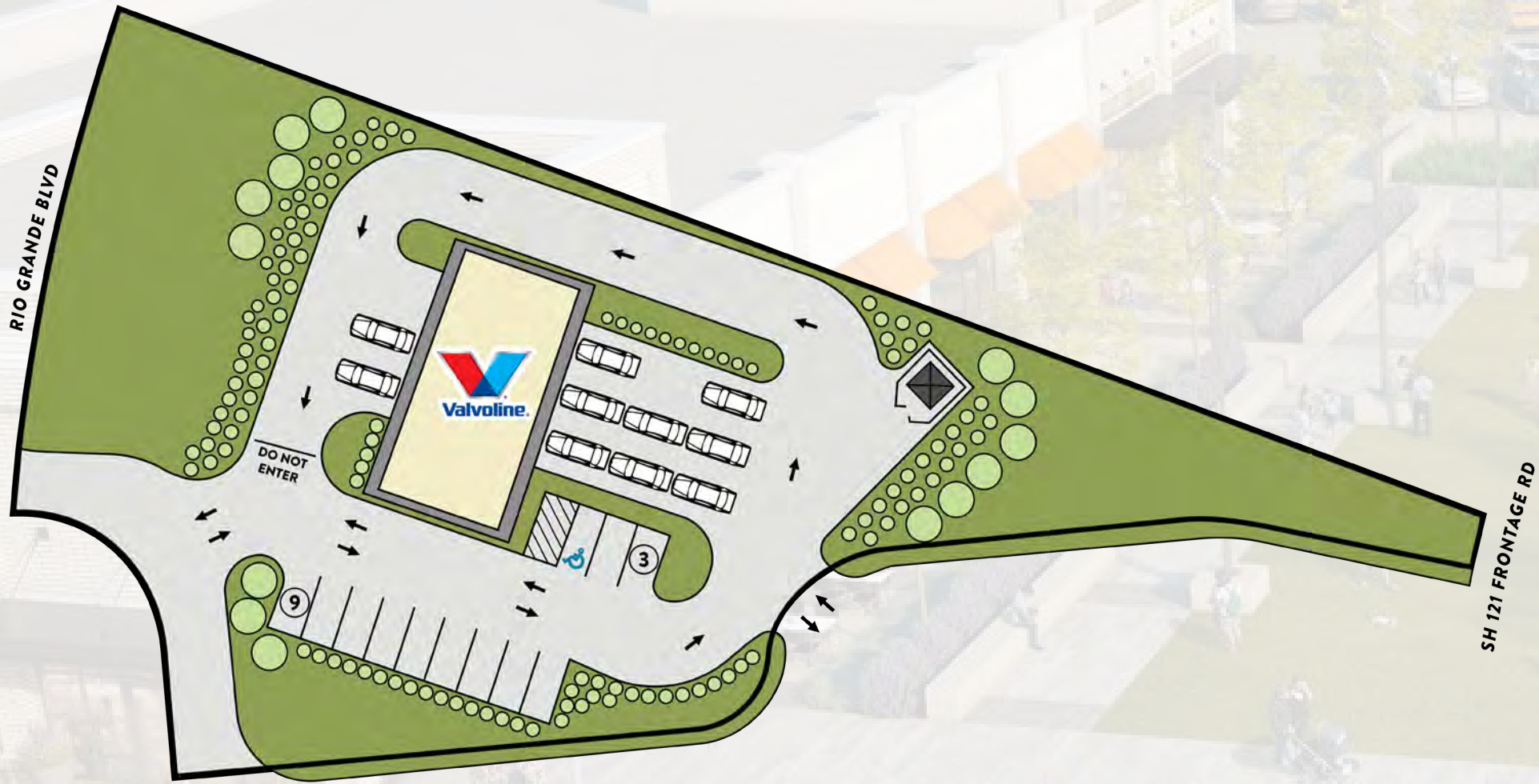
TENANT OVERVIEW

FOUNDED IN 1866 AND TRADEMARKED IN 1873, VALVOLINE IS HEADQUARTERED IN LEXINGTON, KY. THEY OPENED THEIR FIRST VALVOLINE INSTANT OIL CHANGE IN 1986 AND NOW HAVE MORE THAN 1400 LOCATIONS OPEN AND OPERATING. VALVOLINE BECAME A PUBLICLY TRADED COMPANY IN SEPTEMBER OF 2016 AND IS CURRENTLY VALUED AT \$5.46 BILLION. VALVOLINE IS A LEADING WORLDWIDE MARKETER AND SUPPLIER OF PREMIUM BRANDED LUBRICANTS AND AUTOMOTIVE SERVICES, WITH SALES IN MORE THAN 140 COUNTRIES. VALVOLINE IS RANKED THE THIRD MOST USED PASSENGER CAR MOTOR OIL BRAND IN THE DIY MARKET BY VOLUME. VALVOLINE RANKS NUMBER TWO FOR NUMBER OF LOCATIONS IN THE UNITED STATES INCLUDING THEIR CORPORATE AND FRANCHISED OWNED LUBE CENTER LOCATIONS.



VALVOLINE HAS PRIDED ITSELF ON ESTABLISHING CONVENIENT NEIGHBORHOOD LOCATIONS THROUGHOUT THE COUNTRY WHERE ANYONE CAN COME IN AND BE ASSISTED BY FRIENDLY CERTIFIED TECHNICIANS THAT WILL RECOMMEND NECESSARY MAINTENANCE SERVICES TO HELP AVOID COSTLY BREAKDOWNS AS WELL AS COMPLETE AN OIL CHANGE IN 15 MINUTES. THEY OFFER THE ADDED CONVENIENCE OF BEING ABLE TO STAY IN YOUR CAR SO THAT YOU CAN SEE THE JOB GET DONE RIGHT BEFORE YOUR EYES AND GET BACK ON THE ROAD FASTER. THIS HAS LED TO THEIR MOTTO, SERVICE YOU CAN SEE. EXPERTS YOU CAN TRUST.

SITE PLAN



REAR ELEVATION (ENTRANCE)
STONE / STUCCO



FRONT ELEVATION (EXIT)
STONE / STUCCO

Property Overview

// LOCATION MAP

// AERIALS

// PHOTOS

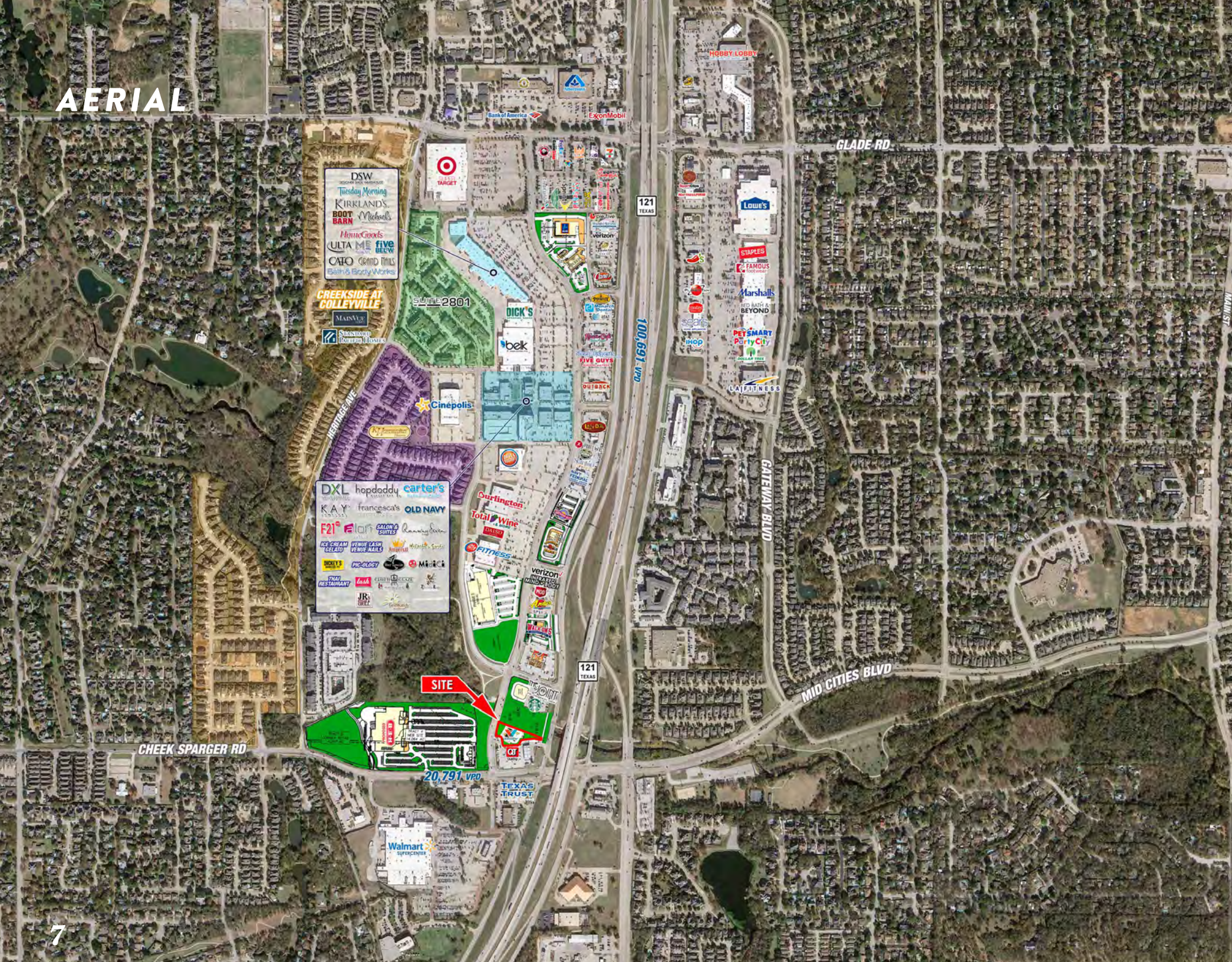
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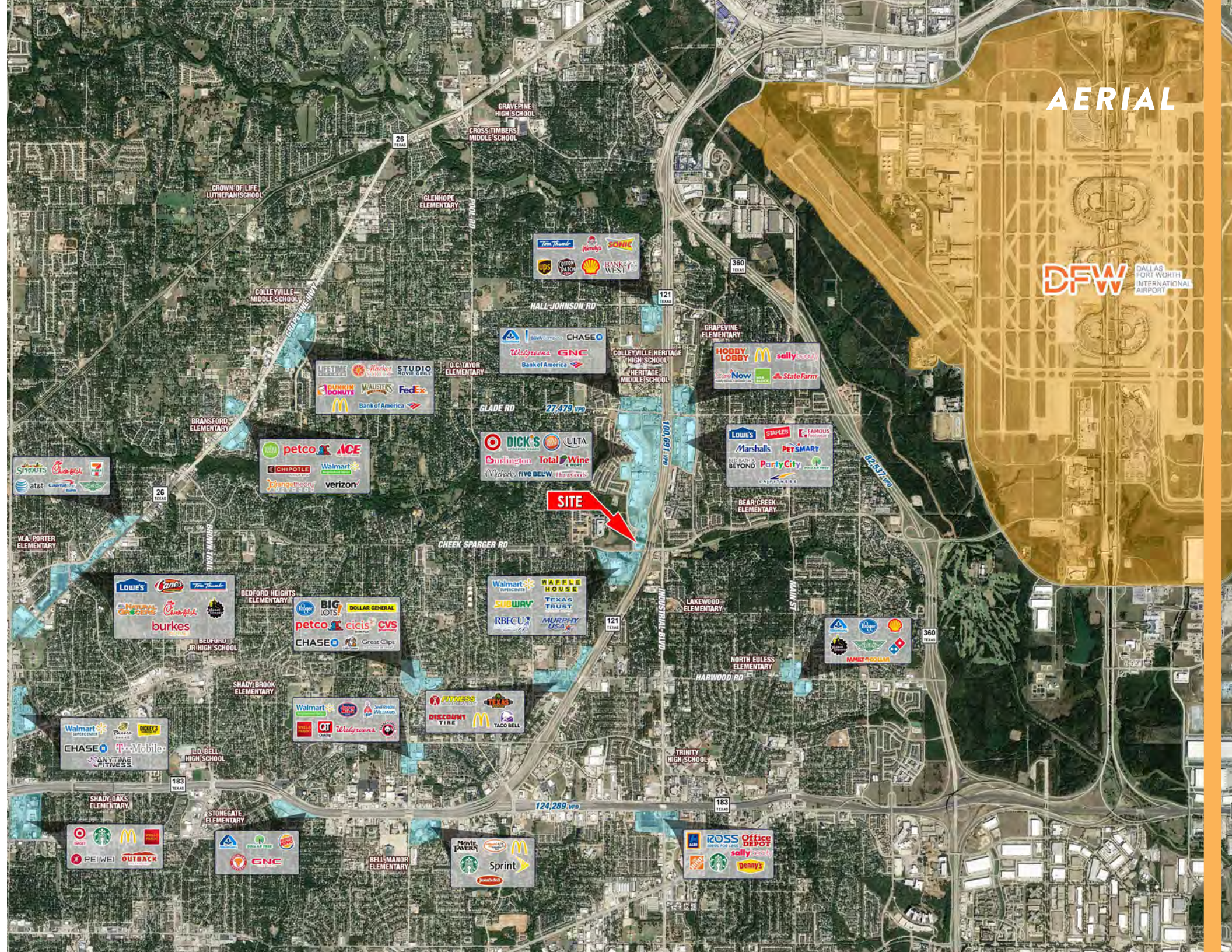
LOCATION MAP



AERIAL



AERIAL



DFW
DALLAS
FORT WORTH
INTERNATIONAL
AIRPORT

CONSTRUCTION PHOTOS

AS OF 7/21/2021



VALVOLINE

EULESS, TX

Trade Area Overview

// DFW AREA OVERVIEW

// DEMOGRAPHIC OVERVIEW

HOME TO
7.7M
PEOPLE

+200
PEOPLE MOVE TO
DALLAS EVERY
DAY

#1
LARGEST METRO
IN TEXAS

1/3
OF ALL TEXANS
LIVE IN
DALLAS

3RD
HIGHEST
CONCENTRATION
OF CORPORATE
HEADQUARTERS

ECONOMY

\$472
BILLION IN
GDP

24
FORTUNE 500
COMPANIES

43
FORTUNE 1000
COMPANIES

#1
HIGHEST
ANNUAL RATE
OF JOB GROWTH

#1
FOR NEW JOB
OPPORTUNITIES

20TH
LARGEST ECONOMY
IN THE WORLD
IF DFW WERE A
SOVEREIGN STATE

TRANSPORTATION HUB

15TH
BUSIEST AIRPORT
IN THE WORLD

4TH
BUSIEST AIRPORT
IN THE U.S.

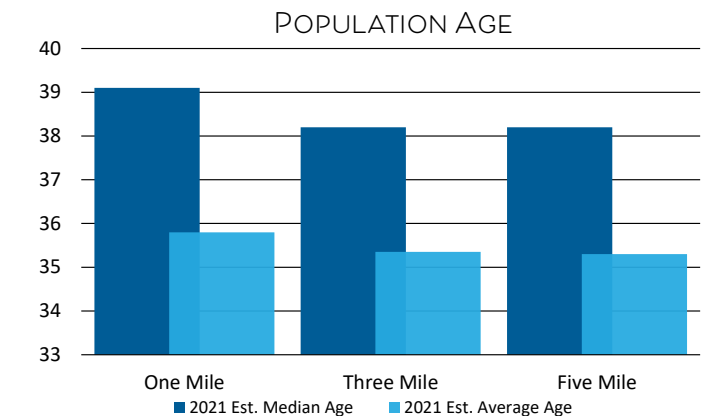
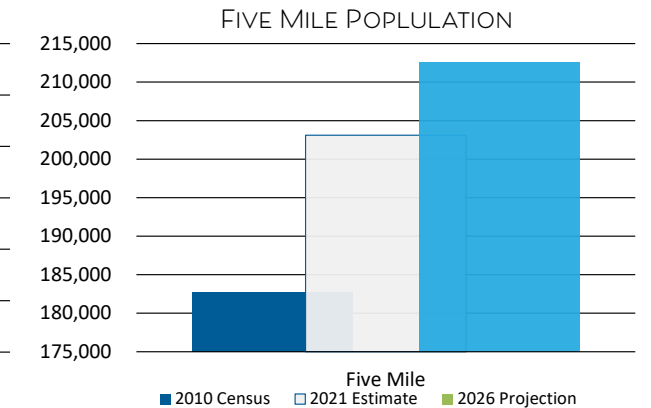
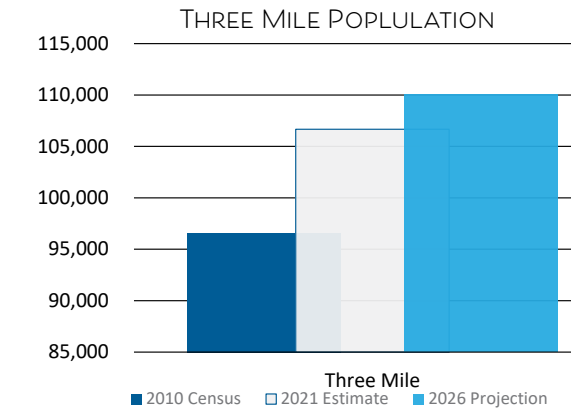
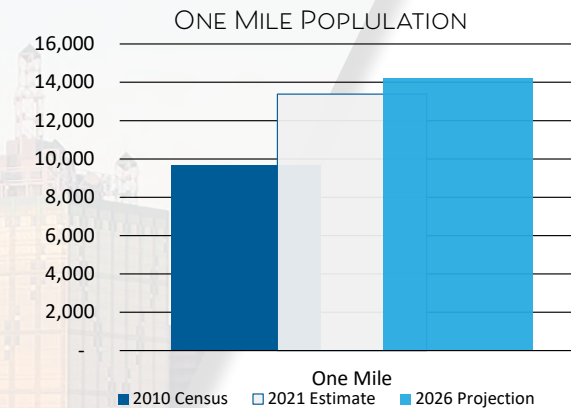
69
MILLION
PASSENGERS/YR

45
AIRLINES
(PASSENGER & CARGO)

2ND
LARGEST
AIRPORT IN
THE U.S.

48.9
MILLION
VISITORS PER
YEAR

DEMOGRAPHIC OVERVIEW



POPULATION DATA

| | ONE MILE | THREE MILES | FIVE MILES |
|-----------------|----------|-------------|------------|
| 2010 CENSUS | 9,700 | 96,582 | 182,793 |
| 2021 ESTIMATE | 13,386 | 106,669 | 203,115 |
| 2026 PROJECTION | 14,222 | 110,073 | 212,616 |

INCOME DATA

| | ONE MILE | THREE MILES | FIVE MILES |
|------------------------|-----------|-------------|------------|
| 2021 AVERAGE HH INCOME | \$120,308 | \$114,118 | \$112,732 |
| 2021 MEDIAN HH INCOME | \$110,001 | \$93,973 | \$92,478 |

MEDIAN AGE

| | ONE MILE | THREE MILES | FIVE MILES |
|-----------------------|----------|-------------|------------|
| 2021 EST. MEDIAN AGE | 39.1 | 38.2 | 38.2 |
| 2021 EST. AVERAGE AGE | 35.8 | 35.4 | 35.3 |

TRAFFIC COUNTS

| | |
|-------------|--------------------|
| HWY 121 | 100,691 VPD (2019) |
| BENNETT AVE | 20,791 VPD (2019) |
| TOTAL | 121,482 VPD (2019) |

LET'S TALK

VENTURE COMMERCIAL
8235 DOUGLAS AVENUE
SUITE 720
DALLAS, TEXAS 75225

INVESTMENT SALES
214.378.1212
INVESTMENTSALES@VENTUREDFW.COM

DISCLAIMER

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