

# MATTRESS FIRM

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CORPUS CHRISTI, TX





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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a Net Lease property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

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# OFFERING SUMMARY



**\$2,686,115**  
LIST PRICE



**6.50%**  
CAP RATE

## FINANCIAL

List Price	\$2,686,115
Cap Rate	6.50%
NOI	\$174,598
Price/SF	\$592.31
Rent/SF	\$38.50

## OPERATIONAL

Lease Type	Absolute Net
Guarantor	Franchisee Guarantee
Lease Expiration	10/14/2025
Square Footage	4,535 SF
Lot Size	0.60 acres
Occupancy	100%
Year Built	2003





**MATTRESS  
FIRM**

**FINAL MARKDOWN  
MATTRESSFIRM**

Coastal Bend  
Cancer Center

  
**TEMPUR-PEDIC**

*Sealy*



# MATRESS FIRM

S Padre Island Dr, Corpus Christi, TX

Marcus & Millichap is pleased to offer the exclusive listing for a Mattress Firm located at 5633 South Padre Island Drive in Corpus Christi, Texas. The property consists of 4,535 square feet of building space and sits on 0.602 acres of land.

This Mattress Firm has roughly four years remaining on the original ten-year Triple-Net (NNN) lease. The tenant is responsible for roof and structure, whereas that responsibility falls on the Landlord for most Mattress Firm locations. The base rent is currently \$174,597.50 after a ten percent increase from the previous five-year term. This ten percent increase will continue through the one five-year tenant renewal option. The lease is guaranteed by Perez Mattress Company.

Perez Mattress Company is the sole franchisee for Mattress Firm in all of South Texas and has been operating since 1997. They currently operate 14 locations in South Texas, with 5 in Corpus Christi, including the highest grossing Mattress Firm location in the United States.

## Investment Highlights

Rare Absolute Triple-Net (NNN) Lease

One, Five-Year Tenant Renewal Option

Strong Franchisee Guarantee



# FINANCIAL DETAILS

## THE OFFERING

Price	\$2,686,115
Cap Rate	6.5%
Price/SF	\$592.31

## PROPERTY DESCRIPTION

Year Built	2003
Building Area	4,535 SF
Type of Ownership	Fee Simple
Lot Size	0.49 Acres

## LEASE SUMMARY

Tenant	Mattress Firm
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	10/15/2015
Lease Expiration	10/14/2025
Renewal Options	One (1)
Term Remaining on Lease	4 Years
Landlord Responsibility	None
Tenant Responsibility	Taxes, Insurance, Maintenance

## RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current	\$174,598	\$14,550	\$38.50	6.5%
Option Term 1	\$192,057	\$16,005	\$42.35	7.15%



 **DOLLAR TREE**  
 **PLATO'S CLOSET**  
 **Dairy Queen**  
 **SPROUTS FARMERS MARKET**  
 **Firestone**

**MATTRESS FIRM**  
Warehouse

**LOWE'S**  
Home Improvement Warehouse

 **Wendy's**

 **golden corral**  
 **Cheddar's SCRATCH KITCHEN**  
 **Chuy's**

 **RED LOBSTER**  
FRESH FISH • LIVE LOBSTER

 **Hampton Inn**

Coastal Bend  
Cancer Center

358

S Padre Island Dr

**MATTRESS FIRM**  
FINAL MARKDOWN  
MATTRESS FIRM

Coastal Bend  
Cancer Center

 **YEN'S PET CARE**  
 **Scaly's**







# TENANT OVERVIEW

Founded in 1986, Mattress Firm is the nation's leading specialty bedding retailer. They have more than 2,500 company-operated and franchised stores in 49 states. The company offers a wide selection of both traditional and specialty mattress, bedding accessories, and other related products. Mattress Firm reported over \$547.5m in sales revenue in 2020 and are ranked globally at #255. Whether customers have snoring problems, backaches or just trouble falling asleep, Mattress Firm has the products for them.

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

# MATTRESS FIRM®



## HEADQUARTERS

Houston, TX



## NO. OF EMPLOYEES

8,500+



## NO. OF LOCATIONS

2,400+



## YEAR FOUNDED

1986



## CREDIT RATING

B2 by Moody's



# CORPUS CHRISTI AT A GLANCE



## ENERGY AND PETROCHEMICAL SECTOR

The Eagle Ford Shale Play and other gas and oil deposits attract major energy and petrochemical companies to the area.



## ACCESS TO WORLD MARKETS

Corpus Christi International Airport and Port of Corpus Christi connect the metro to markets around the globe. The latter port is considered one of the largest in the U.S by total tonnage.



## MAJOR TOURISM DESTINATION

Beaches along the Gulf of Mexico, warm winter weather and wildlife draw visitors to the area and provide jobs in the leisure and hospitality segment.

Situated along the Gulf of Mexico in Southeast Texas, the Corpus Christi metro encompasses three counties: Nueces, Aransas and San Patricio. Nueces is the most populous county and contains the city of Corpus Christi. Offshore, Padre and Mustang islands shelter area bays providing beautiful beaches and a large tourist industry. The economy is also supported by the Eagle Ford Shale Play, which is west of the metro, and trade with Mexico. The area is home to the Naval Air Station Corpus Christi, which has an arrangement to also house the Corpus Christi Army Depot. Education and healthcare is a large employment sector. Firms in the segment include Christus Health, Del Mar College, Corpus Christi Medical Centers and Driscoll Children's Hospital.

2020  
Population

**457K**

Growth  
2020-2025\*:  
**3.5%**

2020  
Households

**169K**

Growth  
2020-2025\*:  
**4.4%**

2020  
Median Age

**36.4**

U.S.  
Median:  
**38.2**

2020  
HH Income

**\$53,600**

U.S.  
Median:  
**\$63,000**

\* *forecast*



# DEMOGRAPHICS



## Population

	1 Mile	3 Mile	5 Mile
2026 Projection	15,583	125,673	216,118
2021 Estimate	15,653	121,450	206,964
2010 Census	15,432	112,757	189,449



## Households

	1 Mile	3 Mile	5 Mile
2026 Projection	6,148	50,120	82,427
2021 Estimate	6,088	48,019	78,384
2010 Census	6,000	44,542	71,667



## HH Income

	1 Mile	3 Mile	5 Mile
Average	\$55,905	\$77,597	\$80,312
Median	\$42,273	\$58,839	\$60,047
Per Capita	\$21,749	\$30,738	\$30,478



## Employment

	1 Mile	3 Mile	5 Mile
2021 Daytime Projections	19,259	123,642	190,880
2021 unemployment	7.61%	5.89%	6.10%
Average Time Traveled (min)	20	20	21





## Broker of Record

Tim Speck

Texas

5001 Spring Valley Rd., Ste 100W

Dallas, Texas 75244

(972) 755-5200

LIC# 9002994







## 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.

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