



# MURPHY EXPRESS GROUND LEASE

GARLAND, TEXAS (DALLAS MSA)

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

### \$2,700,000 | 4.00% CAP RATE

- » 20-Year Absolute NNN Ground Lease to Corporate Tenant (NYSE: "MUSA")
- » No Landlord Management and Scheduled Rental Increases in Primary Term and Options Periods to Hedge Against Inflation
- » Located in a Dense Texas Suburb Serving 352,972 Residents
  - » Signalized Hard Corner Location with Strong Traffic Counts (40,990 AADT)
  - » Population Increase of Over 50,000 Residents Since 2010
- » Across the Street from a Tom Thumb-Anchored Retail Center and Close to Walmart Supercenter, Sam's Club, Target, CVS Pharmacy, and Many More
- » 2022 Construction with Eight (8) Fuel Pumps and a Convenience Store
- » Texas is an Income Tax Free State



FILE PHOTO

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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>	SE Corner of Arapaho Road & North Shiloh Road, Garland, TX		
<b>PRICE</b>	<b>\$2,700,000</b>		
<b>CAP RATE</b>	<b>4.00%</b>		
<b>NOI</b>	\$108,000		
<b>TERM</b>	20 years		
<b>RENT COMMENCEMENT</b>	May 2022 (estimated)		
<b>LEASE EXPIRATION</b>	20 years from rent commencement date		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$108,000	4.00%
	6-10	\$118,800	4.40%
	11-15	\$130,680	4.84%
	16-20	\$143,748	5.32%
	21-25 (Option 1)	\$158,123	5.86%
	26-30 (Option 2)	\$173,935	6.44%
	31-35 (Option 3)	\$191,329	7.09%
	36-40 (Option 4)	\$210,461	7.79%
<b>YEAR BUILT</b>	2022		
<b>BUILDING SF</b>	2,824 SF		
<b>PARCEL SIZE</b>	1.25 acres (54,450 SF)		
<b>LEASE TYPE</b>	Absolute NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

FILE PHOTO



## LONG-TERM ABSOLUTE NNN GROUND LEASE TO NATIONAL TENANT IN INCOME TAX FREE STATE

- » 20-year absolute NNN ground lease to strong national tenant
- » Murphy USA (NYSE: "MUSA") ranks #322 on Fortune 1000 Revenue
- » Scheduled rental increases in initial term and option periods, providing a hedge against inflation
- » New 2022 construction with eight (8) fuel pumps and a convenience store in an income tax free state

## LOCATED IN AN AFFLUENT TEXAS SUBURB SERVING 352,972 RESIDENTS

- » Signalized hard corner location with strong traffic counts (combined 40,990 AADT)
- » Site is located in a dense residential area with 352,972 residents living within a five-mile radius, creating a large customer base
- » Located in an area with an average annual household income of \$93,054 within one mile
- » Population increase of over 50,000 residents since 2010, demonstrating Garland's recent rapid growth
- » Projected 10 percent average annual household income increase within a five-mile radius of the site in the next five years, poising Garland and Murphy Express for steady concurrent growth

## PRIME RETAIL CORRIDOR LOCATION ACROSS FROM HIGHLY TRAFFICKED SHOPPING CENTER

- » Across the street from a Tom Thumb-anchored retail center and close to other prominent retailers including Walmart Supercenter, Sam's Club, Target, CVS Pharmacy, Office Depot, and many more
- » Proximity to major Garland community hubs, including University of Texas at Dallas, Duck Creek Golf Club, and Dallas College - Richland Campus
- » Garland is only 30 minutes outside of Dallas and is one of the largest manufacturing cities in the state of Texas with more than 300 manufacturers including PepsiCo, Texas Instruments, Samsung Electronics, Siemens, and many more
- » Surrounded by high-density single family housing developments and large townhouse complexes with nearby President George Bush Turnpike carrying massive amounts of commuter traffic to and from Dallas





South Garland High School  
(2,192 students)

Garland VA Medical Center  
(100 beds)

INDUSTRIAL REGION

DOWNTOWN DALLAS  
(21 miles)

DALLAS LOVE FIELD AIRPORT  
(19 miles)



North Garland High School  
(2,728 students)

Grenadier Villas at Riverset  
(70 units)

Duck Creek Golf Club



Brighter Horizon's Academy High School  
(810 students)



Shiloh Oaks Apartments  
(248 units)



Garland Can Academy High School  
(310 students)

North Shiloh Road  
(18,390 AADT)

International Leadership of Texas, Garland High School  
(621 students)

Under Development

MURPHY EXPRESS  
(Under Construction)

Under Development

International Leadership of Texas, Garland Student Housing Center

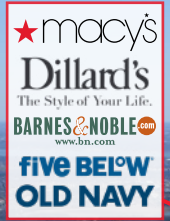
Arapho Road  
(22,600 AADT)

Under Development

Shiloh Urgent Care







SQUABBLE CREEK

President George Bush Turnpike  
(129,000 AADT)



Mayberry Gardens  
Assisted Living and  
Memory Care Homes

Webb  
Middle School  
(1,210 students)

Arapho Road  
(22,600 AADT)

Development of  
Northside at the Woodlands  
Apartments  
(300 units)

Garland Can Academy  
High School  
(310 students)

Under  
Development

MURPHY EXPRESS  
(Under Construction)

North Shiloh Road  
(18,390 AADT)

International Leadership  
of Texas, Garland  
Student Housing Center

International Leadership  
of Texas, Garland  
High School  
(621 students)

Under Development

Under  
Development

Shiloh  
Urgent Care







INDUSTRIAL REGION

Sherril Park  
Golf Course

Methodist Richardson  
Medical Center  
(125 beds)

Baylor Scott & White  
Family Medical Center  
(24 beds)

INDUSTRIAL REGION

President George Bush Tpke  
(129,000 AADT)



CHASE



Resource One  
CREDIT UNION



Under  
Development

Arapho Road  
(22,600 AADT)

Development of  
Northside at the Woodlands Apartments  
(300 units)

Shiloh  
Urgent Care

Under  
Development

International Leadership  
of Texas, Garland  
Student Housing Center

Under  
Development

Garland Can Academy  
High School  
(310 students)

North Shiloh Road  
(18,390 AADT)

MURPHY EXPRESS  
(Under Construction)

International Leadership  
of Texas, Garland  
High School  
(621 students)

Under  
Development





University of Texas  
at Dallas  
(29,543 students)

DFW  
INTERNATIONAL AIRPORT  
(30 miles)

Apollo  
Junior High School  
(650 students)

Dartmouth  
Elementary School  
(364 students)

Hickman  
Elementary School  
(496 students)

INDUSTRIAL REGION



Arapaho Road  
(22,600 AADT)



Under  
Development



International Leadership  
of Texas, Garland  
Student Housing Center

International Leadership  
of Texas, Garland  
High School  
(621 students)

Under  
Development

Shiloh  
Urgent Care

Under  
Development

North Shiloh Road  
(18,390 AADT)



**MURPHY EXPRESS**  
(Under Construction)

Under  
Development

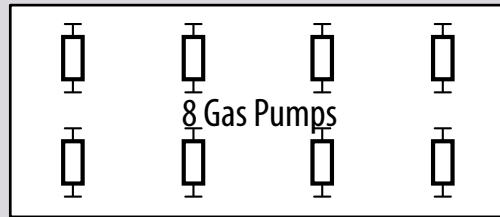




# SITE PLAN

ARAPAHO ROAD

NORTH SHILOH ROAD



**MURPHY EXPRESS**

2,824 SF

STOP

STOP



# TENANT SUMMARY



Murphy USA (a former operating unit of Murphy Oil) was founded as a spin-off of Murphy Oil in 2013 and markets refined products through its network of branded gasoline stations and convenience stores to customers and unbranded wholesale customers. Murphy USA is one of the largest independent retailers of gasoline products and convenience store merchandise with more than 1,650 locations in 27 states across the Southwest, Southeast, Midwest and Northeast United States. Stores are 100% company owned and operated; most are adjacent to Walmart stores.

Murphy USA serves approximately 2.0 million customers per day. Murphy USA also operates approximately 352 Murphy Express locations and sells some 4.4 billion gallons of motor fuel through retail outlets. Murphy Express' are stand-alone locations, typically larger than a Murphy USA. Most Murphy Express locations offer coffee, fountain and frozen drinks, free ATMs, and many other convenience items. Almost all locations feature a minimum of 12 fuel dispensing positions, assuring customers a quick and efficient fuel stop.

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

<b>TICKER</b>	<b>NYSE: "MUSA"</b>	<b>LOCATIONS</b>	<b>1,650+</b>
<b>REVENUE</b>	<b>\$11.3B</b>	<b>HEADQUARTERS</b>	<b>El Dorado, AR</b>

# LEASE ABSTRACT

<b>TENANT</b>	Murphy Oil USA, Inc.		
<b>ADDRESS</b>	<a href="#">SE Corner of Arapaho Road &amp; North Shiloh Road, Garland, TX</a>		
<b>RENT COMMENCEMENT</b>	May 2022 (estimated)		
<b>LEASE EXPIRATION</b>	20 years from rent commencement date		
<b>RENEWAL OPTIONS</b>	Four (4) five (5) year options		
<b>RENTAL INCREASES</b>	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$108,000	4.00%
	6-10	\$118,800	4.40%
	11-15	\$130,680	4.84%
	16-20	\$143,748	5.32%
	21-25 (Option 1)	\$158,123	5.86%
	26-30 (Option 2)	\$173,935	6.44%
	31-35 (Option 3)	\$191,329	7.09%
	36-40 (Option 4)	\$210,461	7.79%
<b>REAL ESTATE TAXES</b>	Tenant shall pay all real estate taxes directly.		
<b>INSURANCE</b>	Tenant is responsible for all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant is responsible for all maintenance of the Premises.		
<b>MAINTENANCE BY LANDLORD</b>	None		
<b>RIGHT OF FIRST REFUSAL</b>	Tenant has 20 days from written notice to exercise their ROFR.		



# PROPERTY OVERVIEW

## LOCATION

This Murphy Express has a signalized hard corner location with strong traffic counts (combined 40,990 AADT). The property is strategically located in a dense residential area with 352,972 residents living within a five-mile radius. The location is also in an affluent area, with an average annual household income of \$93,054 within one mile. The immediate area has experienced a population increase of over 50,000 residents since 2010, demonstrating Garland's recent rapid growth. In addition, a projected ten percent average annual household income increase within a five-mile radius of the site in the next five years poises Garland and Murphy Express for steady concurrent growth.

The property is conveniently located across the street from a Tom Thumb anchored retail center and close to other prominent retailers including Walmart Supercenter, Sam's Club, Target, CVS Pharmacy, Office Depot, and many more. The site also features proximity to major Garland community hubs, including University of Texas at Dallas, Duck Creek Golf Club, and Dallas College - Richland Campus. This Murphy Express is surrounded by high-density single-family housing developments and large townhouse complexes with nearby President George Bush Turnpike carrying massive amounts of commuter traffic to and from Dallas. Garland is only 30 minutes outside of Dallas and is one of the largest manufacturing cities in the state of Texas with more than 300 manufacturers including PepsiCo, Texas Instruments, Samsung Electronics, Siemens, and many more.

## ACCESS

Access from Arapaho Road and North Shiloh Road

## TRAFFIC COUNTS

Arapaho Road:	22,600 AADT
North Shiloh Road:	18,390 AADT
President George Bush Turnpike:	129,000 AADT

## PARKING

13 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2022

## NEAREST AIRPORT

Dallas Fort Worth International Airport (DFW | 26 miles)



**13**  
PARKING  
STALLS



**2022**  
YEAR BUILT



**40K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
DALLAS FORT  
WORTH  
INTERNATIONAL  
AIRPORT



# AREA OVERVIEW

Garland is a city located northeast of Dallas and is a part of the Dallas–Fort Worth metroplex. It is located almost entirely within Dallas County, except a small portion located in Collin and Rockwall counties. As of the 2020 United States Census, the city had a population of 246,018. As the 13th-largest city in Texas, Garland covers 57 square miles and is bordered by three major freeways: Interstate 635, Interstate 30, and State Highway 190 (President George Bush Turnpike). Garland is known for its economic and industrial base, which consists of more than 5,000 businesses including approximately 300 manufacturing companies. Garland has been recognized as a manufacturing community since the 1940s, and numerous Fortune 500 corporations along with many others have selected Garland as home base for their strategic operations.

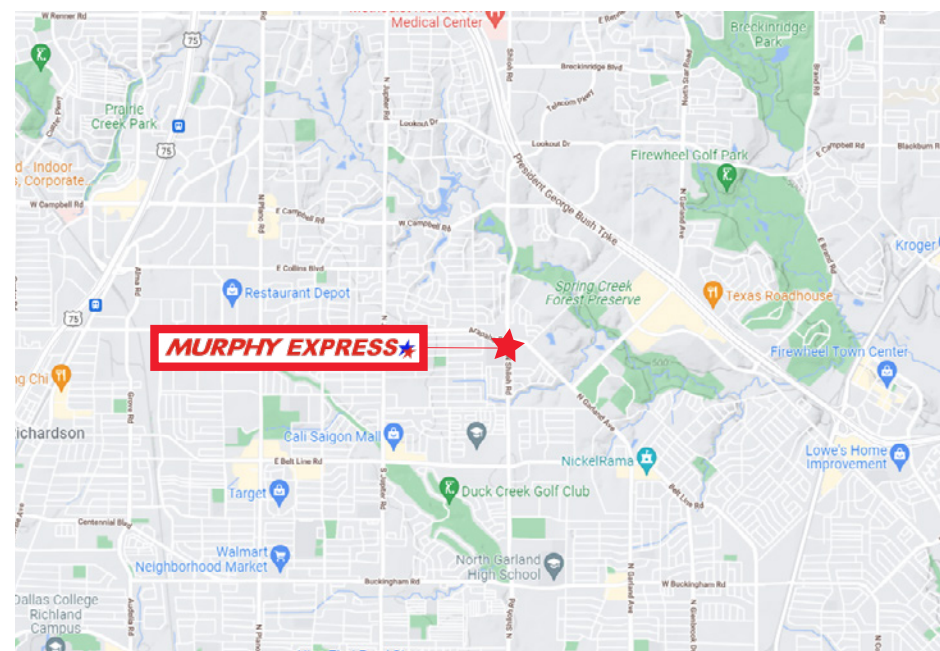
Dallas County is located in north central Texas and is strategically central to the economic region of Texas, Louisiana, Arkansas, Oklahoma, and New Mexico, as well as centrally located within the United States. The Dallas Metropolitan area is headquarters for many Fortune 500 companies representing a diversified economy, which includes technology, retail, manufacturing, and services. The ongoing industry in Texas is growing faster than the national average. The area also reflects art, fashion, and entertainment. It is the site of a district Federal Reserve Bank and Dallas–Fort Worth International Airport. Together with the Fort Worth Metropolitan area, DFW comprises the nation's fourth-largest urban economy. In response to the rapidly-increasing data traffic and central location advantage, the DFW market is becoming one of the largest data center markets in the nation. Along with a 230,000 square-foot facility owned and operated by NTT Global Data Centers, formerly known as RagingWire, Stream Data Center completed and opened its 150,000 square-foot center in the fourth quarter of 2019.

- » Dallas County is the second-most populous county in Texas. As of the 2020 U.S. census, the population was 2,613,539, making it the ninth-most populous county in the country.
- » The metropolitan region's economy (also referred to as Silicon Prairie), is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation, and logistics.
- » In 2016, the DFW metropolitan economy surpassed Houston to become the fourth-largest in the United States. The Dallas–Fort Worth metroplex boasted a GDP of just over \$620.6 billion in 2020. If the Metroplex were a sovereign state, it would have the twentieth-largest economy in the world.

## LARGEST EMPLOYERS IN GARLAND, TEXAS

## # OF EMPLOYEES

KRAFT FOODS	796
US FOOD SERVICE	520
ATLAS COPCO	460
SILVERLINE WINDOW	425
HATCO (RESISTOL)	390
L3 COMMUNICATIONS	350
ARROW FABRICATED TUBING	340
VALSPAR	300
KARLEE, INC	290
GENERAL DYNAMICS	275





# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>18,436</b>	<b>127,608</b>	<b>352,972</b>
Households	6,520	46,482	126,889
Families	4,828	32,843	85,556
Average Household Size	2.81	2.74	2.77
Owner Occupied Housing Units	4,711	26,711	62,127
Renter Occupied Housing Units	1,809	19,771	64,761
Median Age	40.3	38.6	35.3
<b>Average Household Income</b>	<b>\$93,054</b>	<b>\$98,082</b>	<b>\$87,530</b>
2026 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>18,951</b>	<b>137,952</b>	<b>379,579</b>
Households	6,651	50,278	135,925
Families	4,940	35,301	91,443
Average Household Size	2.84	2.74	2.78
Owner Occupied Housing Units	4,858	28,158	65,706
Renter Occupied Housing Units	1,792	22,120	70,219
Median Age	41.0	38.9	35.9
<b>Average Household Income</b>	<b>\$103,459</b>	<b>\$108,509</b>	<b>\$96,561</b>



**POPULATION OF 352,972**  
**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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