

TAKE 5 OIL CHANGE

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



6025 Folsom Dr,
Beaumont, TX 77706

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Investment Highlights

PRICE: \$2,313,717 | CAP: 5.30% | RENT: \$122,627



About The Investment

- ✓ Long-Term, 15-Year Absolute Triple Net (NNN) Lease
- ✓ A+ Location | The Intersection of Folsom and Dowlen Road where the Take 5 Property is Located, is the Center of Millions of Square Feet of Retail
- ✓ Brand New 2022 Construction | 10% Rental Increases Every Five Years
- ✓ Growing Operator With Deep Experience In The Automotive Service & Sales Space, Based In Port Arthur TX
- ✓ Strong Traffic Counts | Over 22,793 Vehicles Per Day Traveling Along Dowlen Road and 13,787 Vehicles a Day on Folsom Drive
- ✓ Additional Pad Site Included in Sale (See Page 5) | 0.431 Acre Rectangular Lot

About The Location

- ✓ Located In A Dense Retail Area | Close Major Retailers Including Walmart Supercenter, HEB Plus, Target, Kohl's, Lowes, Pet Smart, Barnes & Nobles, And Many More
- ✓ Ideal Location Less than One Mile From Parkdale Mall
 - ✓ Top Mall in the MSA with Over 130 Stores
- ✓ Strong Demographics | Population Exceeds 84,961 Individuals Within A Five-Mile Radius
- ✓ High Traffic Counts | Dowlen Road Boast A Daily Traffic Count Of 22,793 Vehicles
- ✓ Affluent Highly Employed Community | Average Household Income Exceeding \$93,000 Within A Three-Mile Radius | Ideal Automobile And Truck Focused Consumer Base For Take 5 Oil Change
- ✓ Situated Within The High Growth Sunbelt, In Pro Business SE Texas

About The Tenant / Brand

- ✓ Take 5 Oil Change Has Been Successfully Operating And Innovating The Stay-In-Your-Car Service Model For Nearly 40 Years | A Driven Brands Portfolio Company Backed By Roark Capital
- ✓ Nearly 370 Stores In Fourteen States | Revenue Of \$2.5 Billion System-Wide
- ✓ Brand Offers Industry-Leading Speed Of Service, Car Counts, And Customer Satisfaction Scores
- ✓ Strong Market | \$7.1 Billion Oil Change Services Industry
- ✓ Experienced Local Operator Who Owns The Beaumont & Austin MSA Trade Areas With Growth Plans For Over 25 Units.
 - ✓ Owner Of Existing Ford Dealership
 - ✓ Carstar Franchisee With Units In Southeast Texas & West Virginia
 - ✓ Complementary And Synergistic Automotive Knowledge & Operations All In The Immediate Area





Financial Analysis

PRICE: \$2,313,717 | CAP: 5.30% | RENT: \$122,627



PROPERTY DESCRIPTION

Concept	Take 5 Oil Change
Street Address	6025 Folsom Drive
City, State ZIP	Beaumont , TX 77706
Year Built / Renovated	2022
Building Size Estimated (SF)	1,438
Lot Size Estimated (Acres)	Take 5: 0.38 Acres Excess Land: 0.56 Acres Total: 0.94 Acres
Type of Ownership	Fee Simple

THE OFFERING

Price	\$2,313,717
CAP Rate	5.30%
Annual Rent	\$122,627

LEASE SUMMARY

Property Type	Net Lease Auto Service
Tenant / Guarantor	Take 5 Larry and Patti King
Original Lease Term	15 Years
Lease Commencement	July 4 th , 2022
Lease Expiration	August 31 st , 2037
Lease Term Remaining	15 Years
Lease Type	Triple Net (NNN)
Landlord Responsibilities	None
Rental Increases	10% Every 5 Years
Renewal Options Remaining	Three (3), Five (5)-Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
7/4/2022 - 7/31/2023	\$122,627	\$10,219	-
8/1/2023 - 7/31/2024	\$122,627	\$10,219	-
8/1/2024 - 7/31/2025	\$122,627	\$10,219	-
8/1/2025 - 7/31/2026	\$122,627	\$10,219	-
8/1/2026 - 7/31/2027	\$122,627	\$10,219	-
8/1/2027 - 7/31/2028	\$134,890	\$11,241	10.00%
8/1/2028 - 7/31/2029	\$134,890	\$11,241	-
8/1/2029 - 7/31/2030	\$134,890	\$11,241	-
8/1/2030 - 7/31/2031	\$134,890	\$11,241	-
8/1/2031 - 7/31/2032	\$134,890	\$11,241	-
8/1/2032 - 7/31/2033	\$148,379	\$12,365	10.00%
8/1/2033 - 7/31/2034	\$148,379	\$12,365	-
8/1/2034 - 7/31/2035	\$148,379	\$12,365	-
8/1/2035 - 7/31/2036	\$148,379	\$12,365	-
8/1/2036 - 7/31/2037	\$148,379	\$12,365	-
Option 1: 8/1/2037 - 7/31/2042	\$163,217	\$13,601	10.00%
Option 2: 8/1/2042 - 7/31/2047	\$179,539	\$14,962	10.00%
Option 3: 8/1/2047 - 7/31/2052	\$197,493	\$16,458	10.00%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Take 5 Oil Change located at 6025 Folsom Dr, Beaumont, TX. The site consists of roughly 1,438 rentable square feet of building space on an estimated 0.94-acre parcel of land. This Take 5 Oil Change is subject to a 15-year absolute triple-net (NNN) lease, which commenced July 4th, 2022. The current annual rent is \$122,627 and is scheduled to increase by ten percent (10%) every five (5) years throughout the base term and in each of the three (3), five (5)-year renewal options. The year one rent is subject to a minor adjustment based on the final sales Cap, please contact the listing agent for additional information.

Additionally Available Pad Site

Also available for sale is a 0.56 acre pad site directly behind the Take 5 and in between the Ashley Homestore. This 136' x 137' tract of land is available to investors and offers upside via future development. Please contact the listing broker for additional information.





Concept Overview



About Take 5 Oil Change

Founded in 1984, Take 5 Oil Change currently operates over 370 quick lube centers in 14 states. Take 5's store format promotes a differentiated customer experience driving superior operational and financial performance resulting in industry leading speed of service, car counts and customer satisfaction scores.

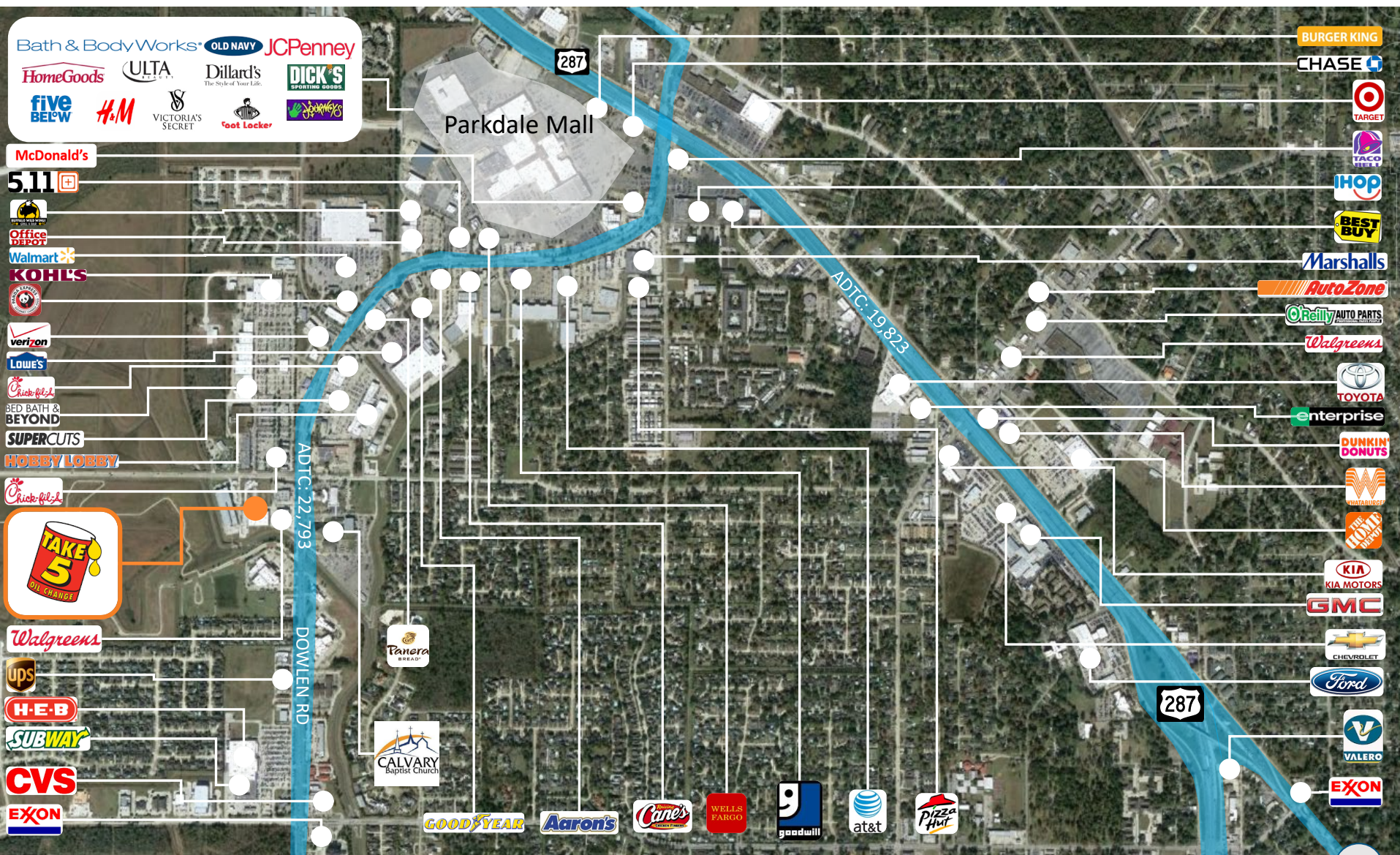
Thirty years ago in the mid 1980s the automobile world was quite different, but consumer trends continued to move toward niche services that could be provided quickly and conveniently. Recognizing that the average number of vehicles per household continued to increase, and that females would continue to enter the work force, the opportunity for growth was exciting. Over the years, Take 5 has nurtured a value-added, customer-friendly business model.

In 1996, they designed the first "5 Minute Drive-Thru Oil Change" concept. This reflected a new direction in their business model, all centered on improving customer experience and the speed of our service. Eventually, they converted our Rapid Oil locations to the 5-Minute format. The conversion to Take 5 "Home of the 5 Minute Oil Change" is an advertising agency's dream come true - with emphasis and branding on changing your oil, not your schedule.

Take 5 Oil Change was acquired by Roark Capital portfolio company, Driven Brands in March of 2016 from Trivest Partners, L.P. Driven Brands is the nation's leading franchise automotive company with more than 2,400 locations and more than \$2.5 Billion in System Wide Sales. In addition to Take 5 Oil Change Driven Brands is the parent company of a number of North America's leading automotive brands including: Meineke, Maaco, Merlin, CARSTAR, Drive N Style, Quick Lube, Pro Oil Change and Econo Lube N' Tune. Driven Brands is headquartered in Charlotte, NC, but views Texas as one of its major growth markets.



Surrounding Area





Surrounding Area





Property Photos





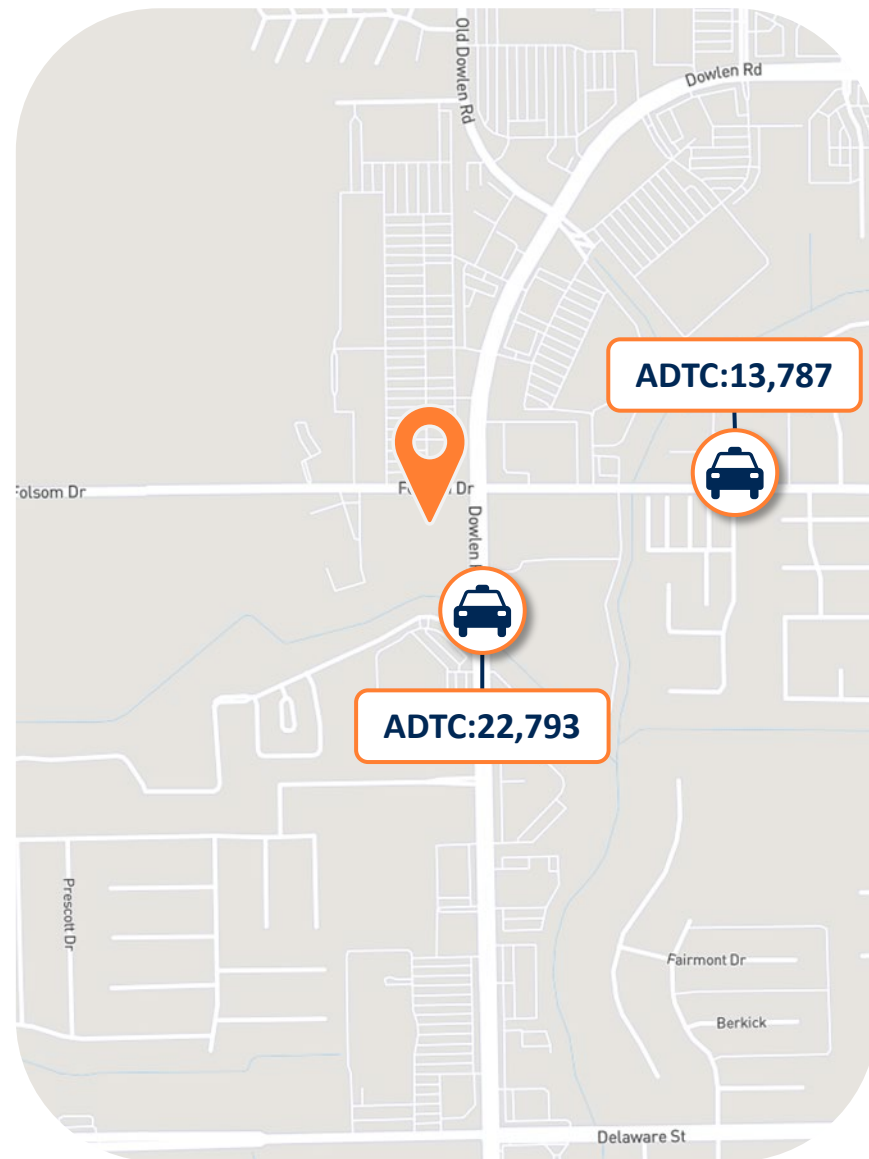
Location Overview



This Take 5 is located at 6025 Folsom Drive which intersects with Dowlen Road. This intersection sees over 36,000 vehicles per day which is an ideal figure for Take 5 and part of the reason the brand was so eager to open a location here. The subject property benefits from being located in a heavily populated area with 54,326 individuals within a three-mile radius of the property and 84,961 individuals within a five-mile radius of the property. The average household income within a three-mile radius exceeds \$92,572; an ideal consumer base for Take 5's services.

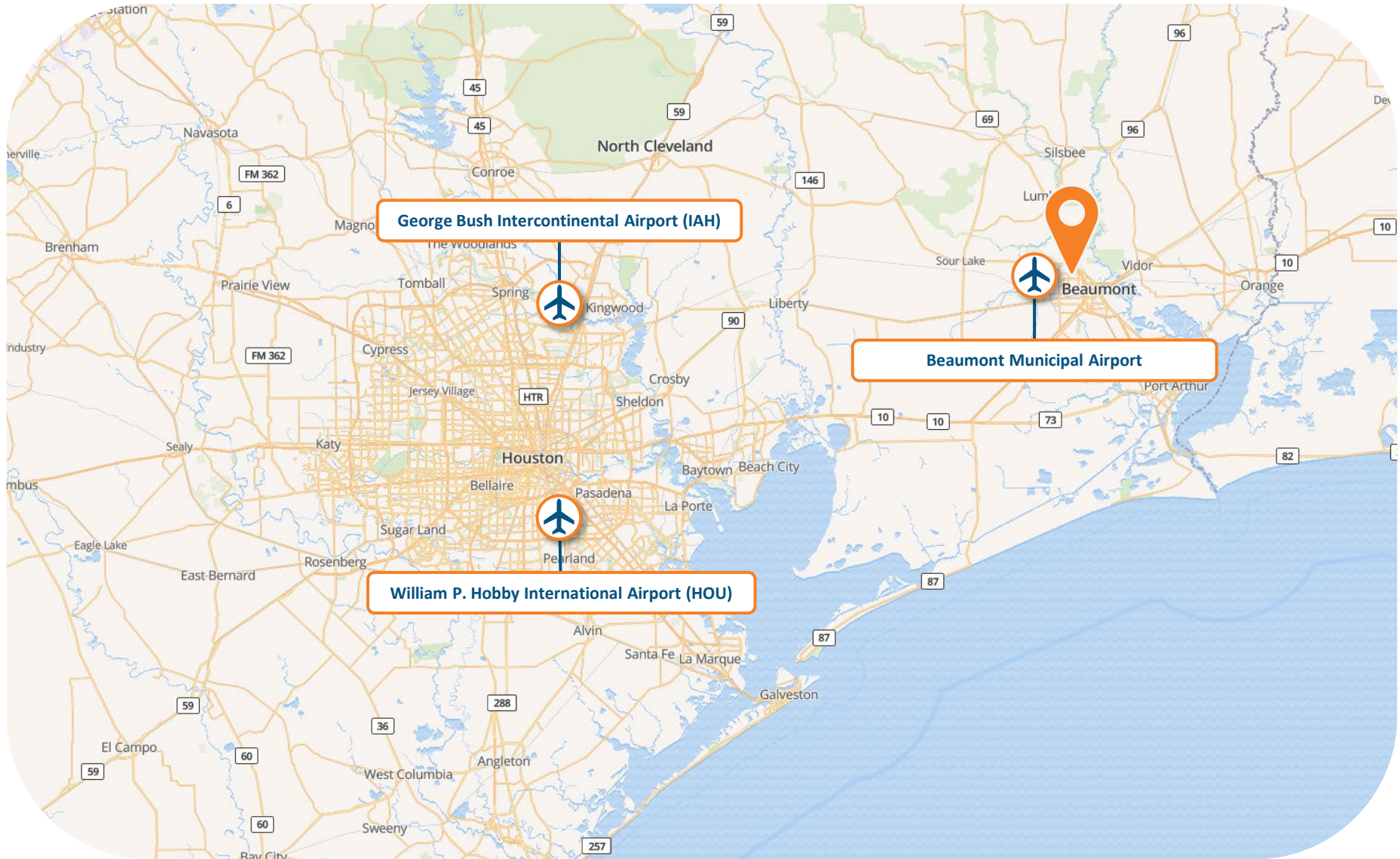
The subject property benefits from being well-positioned in a very dense retail corridor consisting of national and local tenants, shopping centers, and medical centers all within close proximity of this property. This four-way intersection and immediate retail corridor includes millions of square feet of retail tenants including Walmart, Target, Lowe's, Kohl's, CVS Pharmacy, Walgreens, Goodwill, O'Reilly Auto Parts, McDonald's, Wendy's, Taco Bell, Subway, Sonic, Whataburger, Dunkin' Donuts, Starbucks, as well as many others. The Parkdale mall is also in close proximity which contains over 130 stores. Also in very close proximity are two hospitals, Christus Health and Baptist Hospital. These medical centers have 431 and 378 beds, respectively.

Beaumont is a coastal city in the U.S. state of Texas. As the county seat of Jefferson County, within the Beaumont–Port Arthur metropolitan statistical area, it is located in Southeast Texas on the Neches River about 85 miles (137 km) east of Houston (city center to city center). With a population of 115,282 at the 2020 census, Beaumont is the largest incorporated municipality by population near the Louisiana border. Its metropolitan area was the 10th largest in Texas in 2019, and 132nd in the United States. The city of Beaumont was founded in 1835. The pioneer settlement had an economy based on the development of lumber, farming, and port industries. In 1892, Joseph Elói Broussard opened the first commercially successful rice mill in Texas, stimulating the development of rice farming in the area; he also started an irrigation company (since 1933 established as the Lower Neches Valley Authority) to support rice culture. Rice became an important commodity crop in Texas and is now cultivated in 23 counties.





Local Map



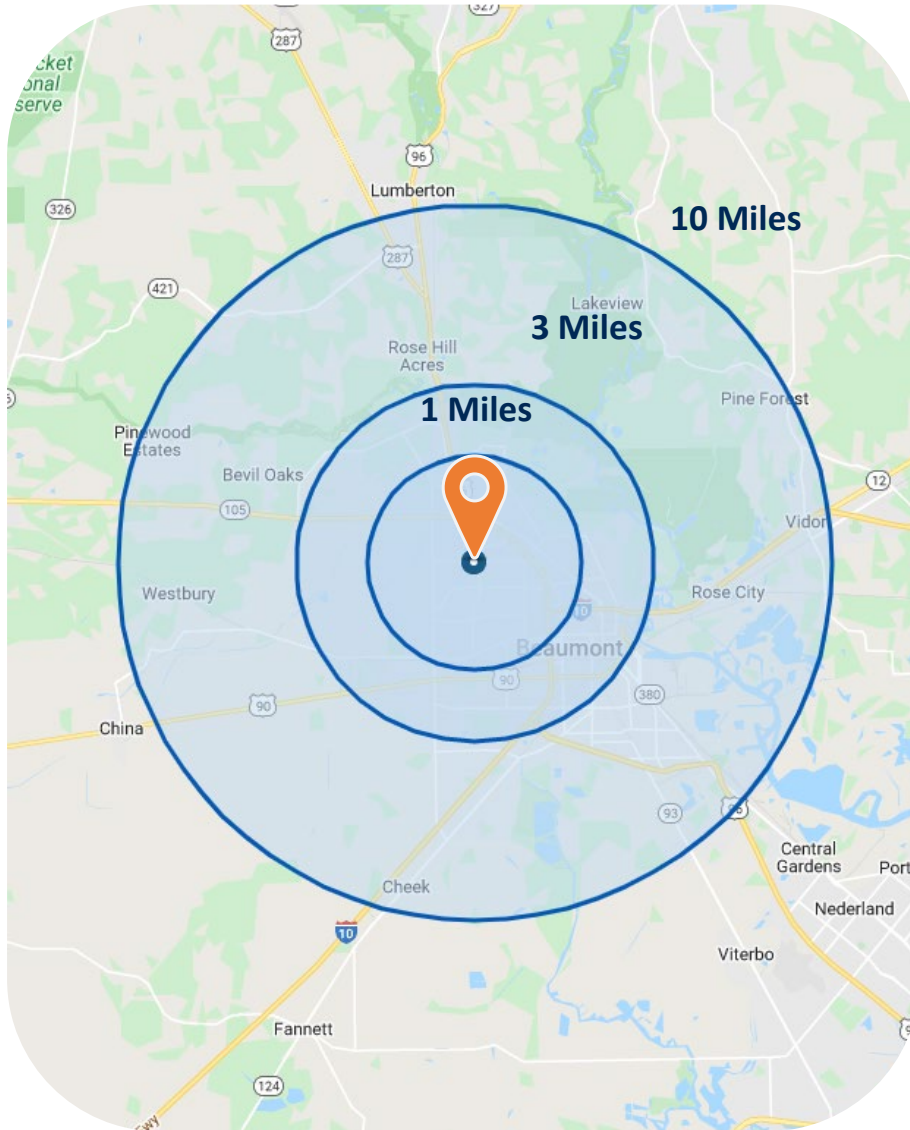


Regional Map





Demographics



Population Trends:

	3 Mile	5 Miles	10 Miles
2010 Population	56,507	87,869	149,199
2021 Population	54,326	84,961	149,184

Population by Race (2021):

	3 Mile	5 Miles	10 Miles
White	30,290	42,104	578,846
Black	19,787	36,284	57,158
American Indian/Alaskan Native	479	875	1,554
Asian	2,598	3,267	4,818
Hawaiian & Pacific Islander	37	61	141
Two or More Races	1,137	1,700	2,744
Hispanic Origin	7,697	14,390	24,518

Household Trends:

	3 Mile	5 Miles	10 Miles
2010 Households	23,846	35,727	57,519
2020 Households	22,968	34,592	57,507
2025 Household Projection	22,414	33,797	56,799
Growth 2010 - 2021	0.40%	0.40%	0.60%
Owner Occupied	12,732	19,023	34,620
Renter Occupied	9,682	14,774	22,179

Average Household Income (2021):

3 Mile	5 Miles	10 Miles
\$92,572	\$81,972	\$78,583

Households by Household Income (2021):

	3 Mile	5 Miles	10 Miles
<\$25,000	4,466	8,095	13,752
\$25,000 - \$50,000	4,141	6,719	11,965
\$50,000 - \$75,000	4,906	7,171	11,078
\$75,000 - \$100,000	2,717	4,031	6,583
\$100,000 - \$125,000	1,836	2,562	4,394
\$125,000 - \$150,000	973	1,405	4,394
\$150,000 - \$200,000	1,469	1,814	3,107
\$200,000+	2,459	2,795	3,840

Median Household Income (2021):

3 Mile	5 Miles	10 Miles
\$65,106	\$59,233	\$56,742



Market Overview



Beaumont is located on the west bank of the Neches River, about 85 miles east of Houston. The city lies on Texas' coastal plain, about 30 miles inland from the Gulf of Mexico. It is the county seat of Jefferson County, and together with the neighboring cities of Port Arthur and Orange, comprises a region known as the Golden Triangle, a major Gulf Coast industrial center. Beaumont is serviced by Interstate 10, and also by U.S. Routes 69, 90, and 96; and Texas State Highways 12 and 124.

Beaumont received its charter as a town in 1838 and by the late 19th century established itself as a prime lumber town. In 1901, a decade-long dream of finding oil on Spindletop Hill was finally realized, as several gushers erupted with oil, making Spindletop's production larger at the time than the combined yield of the rest of the world. The find resulted in an oil boom which made the Beaumont-Port Arthur area the new home of several oil companies. The Beaumont-Port Arthur area is still a key player in the global energy sector. It is home to the world's largest oil refinery along with some of the industry's largest companies, including Exxon, Motiva, Enterprises and Valero. Along with the oil boom came a population boom and millions of dollars worth of residential construction. Beaumont's economy today continues to be dominated by the petrochemical industry, although regional leaders are successfully diversifying the economic base. The national trend towards more service-oriented jobs is reflected in the city and has resulted in an increase in the number of visitors to the area and new housing and school construction.



Marcus & Millichap

EXCLUSIVE NET-LEASE OFFERING

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