



OFFERING MEMORANDUM

TAKE 5 OIL CHANGE

Boone, NC

SUBJECT PROPERTY

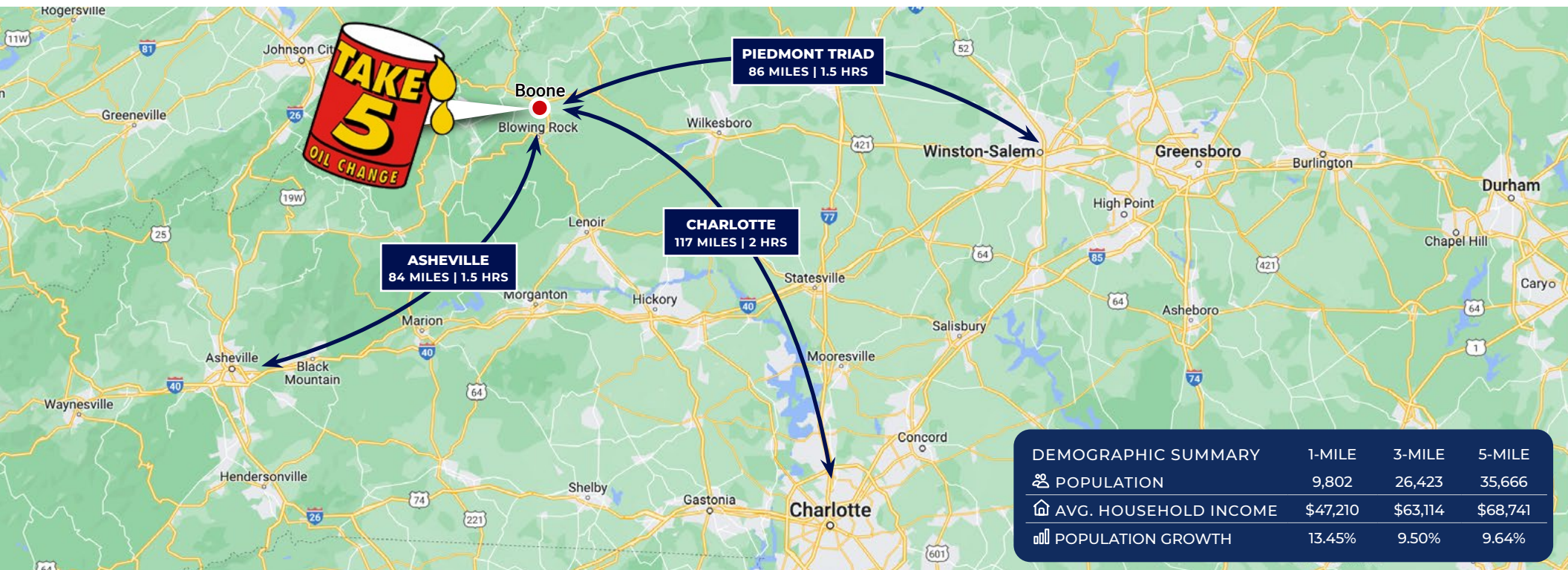
OFFERING SUMMARY

TAKE 5 OIL CHANGE

1100 Blowing Rock Road, Boone, NC 28607

PRICE	\$2,000,000
CAP RATE	5.00%
NOI	\$100,000
SQUARE FOOTAGE	1,435
YEAR BUILT	2021
LOT SIZE	0.32 AC
TENANT TRADE NAME	Take 5 Oil Change
LEASE GUARANTOR	Take 5 Carolinas, LLC
LEASE TYPE	NNN Ground Lease
ROOF & STRUCTURE	Tenant
LEASE TERM	15 Years

RENT COMMENCEMENT DATE	May 2022		
LEASE EXPIRATION DATE	May 2037		
TERM REMAINING ON LEASE	15 Years		
INCREASES	10% Increases every 5 years in the Lease and Options		
OPTIONS	Four 5-Year Options		
BASE RENT	Years 1-5		\$100,000
	Years 6-10		\$110,000
	Years 11-15		\$121,000
OPTION RENT	Years 16-20	(Option 1)	\$131,100
	Years 21-25	(Option 2)	\$146,410
	Years 26-30	(Option 3)	\$161,052
	Years 31-35	(Option 4)	\$177,156
TENANT RESPONSIBILITIES	Taxes, CAM, Insurance, Roof & Structure		
LANDLORD RESPONSIBILITIES	100% No Landlord Responsibilities		



INVESTMENT HIGHLIGHTS

NEW CONSTRUCTION TAKE 5 OIL CHANGE

- New 2021 construction Take 5 Oil Change located in Boone, NC.
- This store is 1,435 SF and is a drive thru location.

DENSE RETAIL CORRIDOR

- The subject property is well located at the corner of Winklers Creek Rd & Hwy 321 (combined 42,900 VPD) which is the primary retail corridor in Boone with 2.2M SF of retail within a 1 mile radius.
- Surrounding national retailers include Lowe's Home Improvement, Walmart, Publix, TJ Maxx, Harris Teeter, The Boone Mall and more.
- Appalachian State University (20,641 Students) is half a mile away from this Take 5.
- This Take 5 is located near the corner of Hwy 321 and Hwy 221 with a combined 61,500 VPD.
- There are 35,666 people in a 5-mile radius with 9.64% growth and \$68,741 average household income.

HOME TO APPALACHIAN STATE UNIVERSITY

- Boone is a charming historical town located in the Blue Ridge Mountains of western NC.
- Boone is the home of Appalachian State University (20,641 Students), and is a lively student-town with the ruggedness associated with its past (Daniel Boone).
- Appalachian State University was established in 1899 and is ranked among the best universities in the nation by U.S. News & World Report, The Princeton Review and Forbes magazine.
- The surrounding area offers some of the country's best outdoor adventures, with fast, clear rivers perfect for rafting or kayaking.

LONG TERM GROUND LEASE WITH INCREASES

- The subject property has a new 15-year NNN ground lease.
- This is an absolute NNN ground lease and the tenant is 100% responsible for all taxes, insurance, CAM, roof and structure.
- There are attractive 10% rent increases every 5 years in the initial term and in each of the four, 5-Year options.

TAKE 5 OIL CHANGE ("TAKE 5")

- Owned by Driven Brands, a \$4.4 Billion market capitalization business (NAS: DRVN) based in Charlotte, NC.
- Take 5 currently operates 629 locations and has a pipeline of over 150 openings for 2022, with plans to grow to more than 2,000 locations within the next ten years.
- Founded in Metairie, LA in 1984 and is currently the fastest growing quick service oil change operator in the United States.
- The business model revolutionized the quick service oil change space by introducing the "stay in your car" concept while focusing on ~10 minute oil change services.
- While trends were already very strong, the COVID-19 pandemic strengthened the value proposition that Take 5 offers and, as a result, revenues are growing even faster.

RAPIDLY EXPANDING OPERATOR

- Take 5 Carolinas, LLC was the first Take 5 franchisee of what is now a group of over 50 franchisees.
- This operator has the most experience operating franchisee locations.
- Overall business trends have exceeded franchise averages since inception.
- The company currently operates ten locations and has an additional eight locations under contract with plans to grow to 20-30 locations by the end of 2024.



TENANT SUMMARY



FOUNDED
IN 1984



500
LOCATIONS



2,000
STORES BY 2031



\$1.1 M
AVG SALES

TENANT Take 5 Oil Change was founded in Metairie, LA in 1984 and pioneered the drive through oil change with enhanced customer service model. They currently have more than 550 locations in 19 states with open with hundreds more under development. Their drive thru business model allows them to continue business operations through any COVID-19 related interruptions or restrictions. The average Take 5 store reports annual sales of \$1.1 million. In 2016, Driven Brands, who is owned by Roark Capital, acquired Take 5 Oil Change. Roark Capital has been rapidly growing their Driven Brand portfolio with 35 acquisitions over the past 5 years. In addition to Take 5, Driven Brands is composed of International Car Wash Group, Meineke Car Care Centers, Automotive Training Institute, Maaco, CARSTAR, ABRA, Uniban, 1-800-Radiator &

A/C and PH Vitres d'Autos. These companies account for more than 4,000 locations across 15 countries and approximately \$3.8B in annual system-wide sales.

OPERATOR Take 5 Carolinas was founded in 2017 and is based in Charlotte, NC. Take 5 Carolinas operates seven locations across North Carolina and South Carolina, with 4-6 additional locations scheduled to open by end of 2021 and plans to grow to 20 locations by the end of 2023. Take 5 Carolinas is consistently one of the top operators in the system and their operations are led by one of the most experienced, highly regarded operations managers who was formerly at Corporate Take 5.



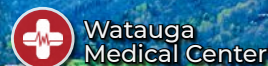


DOLLAR TREE
AutoZone
Arby's
FIVE GUYS BURGERS and FRIES
Krispy Kreme DOUGHNUTS
STARBUCKS COFFEE
Harris Teeter Neighborhood Food & Pharmacy
CHIPOTLE MEXICAN GRILL
MAGNUSON HOTELS
GOODWILL



DOLLAR TREE
HONDA
UNITED STATES POSTAL SERVICE
FOOD LION
KFC
STARBUCKS COFFEE
Michaels MAKE CREATIVITY HAPPEN
verizon
Bank of America

BOONE MALL SHOPPING WITH STYLE
TJ-maxx
belk MODERN. SOUTHERN. STYLE.
claire's SHOE DEPT. ENCORE
HomeGoods
HOBBY LOBBY
Panera BREAD



Wrenchworks Auto & Towing LLC

Hwy 321
38,500 VPD

Hwy 221
23,000 VPD



NEW CHINA BUFFET



Independent Living Program

Appalachian STATE UNIVERSITY.
New River
Light & Power



Appalachian STATE UNIVERSITY.
18,061 students



COURTYARD by Marriott



Appalachian
STATE UNIVERSITY
18,061 students

HOLMES CENTER
Appalachian State University

Appalachian
STATE UNIVERSITY
Student housing
complex

WAFFLE
HOUSE

Hwy 221
23,000 VPD

SUBWAY Exxon

Wrenchworks Auto
& Towing LLC

BOONE REAL ESTATE

TACO BELL

AUTOBELL
CAR WASH

COOK OUT

Domino's
Hungry Howie's
boonie's
Appalachia
Appalachian State University

McDonald's

WELLS FARGO

Wendy's

Bojangles

COURTYARD
BY MARRIOTT

WINE & BEER

TAKE 5
OIL CHANGE

CarolinaWest
WIRELESS
NIGHT/SECRETS
Smoke Rings
Smoke Shop

First
Community Bank

Appalachian
STATE UNIVERSITY
New River
Light & Power

FARM TO FLAME
WOOD FIRED STREET FOOD

PNC





Junaluska City Park



Arborcrest Gardens



Boone United Trail



Rocky Knob Mountain Bike Park



Appalachian
STATE UNIVERSITY
18,061 students



Hwy 221
23,000 VPD



Hwy 321
38,500 VPD



Watauga Medical Center



Boone Golf Club



Boone-Blowing Rock Airport



DEMOGRAPHIC SUMMARY	1-MILE	3-MILE	5-MILE
POPULATION	9,802	26,423	35,666
AVG. HOUSEHOLD INCOME	\$47,210	\$63,114	\$68,741
POPULATION GROWTH	13.45%	9.50%	9.64%

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Marcus & Millichap

TAYLOR MCMINN

RETAIL GROUP

Dated:

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don.mcminn@marcusmillichap.com

Re: 1100 Blowing Rock Rd. – Boone, NC 28607 (Take 5 Oil Change)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$50,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$50,000 deposited at the expiration of the Inspection Period (\$100,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date

Existing Property Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

Contract within 10 days:

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation

Purchaser's Initials _____ Seller's Initials _____

(written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____