

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



MATTRESSFIRM[®]

8427 STATE HIGHWAY 151 | SAN ANTONIO, TX 78245

OFFERING MEMORANDUM



8427 STATE HIGHWAY 151 | SAN ANTONIO, TX 78245

LISTED BY:

CHRISTOPHER SOUTTER

ASSOCIATE

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License No. 761775 (TX)

BROKER OF RECORD

KYLE MATTHEWS

License No. 9005919 (TX)





\$1,700,000
LIST PRICE



±5.1 YEARS
REMAINING LEASE TERM

INVESTMENT HIGHLIGHTS

- Over 5 years remaining on the lease with Mattress Firm with 2 x 5-year options
- 10% rental increase in 2024 providing a hedge against inflation
- Income tax-free state
- Strong corporate guarantee from a national tenant with 2,300 stores
- Relocation store from neighboring shopping center and has been a part of Westover Marketplace since 2007

LOCATION HIGHLIGHTS

- Incredible Location: Highly visible at the intersection of State Highway TX-151 and Interstate 410 with over 110,000 VPD and 130,000 VPD respectively
- Outparcel of Westover Marketplace with retailers in the area including Target, Lowes, Office Depot, Ross Dress for Less, Walmart Supercenter, Dollar Tree, Home Depot, IHOP, Starbucks, Cracker Barrel, Panda Express, Five Guys, Panera, Wingstop, Great Clips, Freebirds and many others
- Population Growth: 4.2% in one-mile radius
- Large Population: Over 98,000 households in a 3-mile radius & 218,000 in a 5-mile radius
- Multiple apartment complexes and neighborhoods in the immediate vicinity
- Less than 5 miles from SeaWorld and the Hyatt Regency Hill Country Resort and Spa and 6 miles from Lackland Airforce Base
- 15 miles from Downtown San Antonio

TENANT HIGHLIGHTS

- Mattress Firm is one of the largest and most successful bedding companies in the United States, with 2,300 stores in 49 states
- Mattress Firm revenue increased from \$3.3 billion in 2020 to \$4.4 billion in 2021, increasing their market share

TENANT SUMMARY

Tenant Trade Name	Mattress Firm, Inc.
Property Address	8427 State Highway 151 San Antonio, TX 78245
GLA	±3,920 SF
Lot	±0.35 AC
Year Built	2015
APN	15329-003-0190
Zoning	C-3
Parking Spaces	20
Lease Type	NN
Type of Ownership	Fee Simple
Lease Guarantor	Mattress Holding Corp.
Roof and Structure	Landlord
Original Lease Term	11 Years
Lease Commencement Date	6/1/2016
Rent Commencement Date	6/1/2016
Lease Expiration Date	5/31/2027
Term Remaining on Lease	±5.16 Years
Increases	10% in 5/1/2024 & in Option 2
Options	Two, 5-Year Options
Cap Rate	5.81%
Annual Rent	\$98,784



ANNUAL OPERATING DATA

Date	Annual Rent
Current - 4/30/2024	\$98,784
5/1/2024 - 5/31/2027	\$108,662
Option 1	\$108,662
Option 2	\$119,521



Hilton

STATE HWY 151
FRONTAGE RD
± 21,000 VPD

101

± 82,700 VPD

STATE HWY 151
FRONTAGE RD
± 11,500 VPD



BAEBEEBIRD TEES



SwRI
SOUTHWEST RESEARCH INSTITUTE

**TEXAS BIOMEDICAL
RESEARCH INSTITUTE**
HEALTH STARTS WITH SCIENCE

LOWE'S

target

STARBUCKS
CHIPOTLE
AT&T

PANDA EXPRESS
CHINESE KITCHEN

Schlotsky's

WHATABURGER

TACARA
AT WESTOVER HILLS

WESTOVER MAREKTPACE
SHOPPING MALL

five BELOW
PLATO'S CLOSET
claire's
SportClips HAIRCUTS
Johnny Carino's

OVERSTOCK FURNITURE & MATTRESS
MOD
ROSS DRESS FOR LESS
Office DEPOT
rue21
carter's
Cracker Barrel Old Country Store

chili's
Famous Dave's
DOLLAR TREE
Dimassi's Mediterranean Buffet
IHOP

bel
FURNITURE

STATE HWY 151
FRONTAGE RD
± 21,000 VPD

101

± 82,700 VPD

Solv.
ESCORIA MASONRY
SUPERCUTS
ups



MATTRESS FIRM

STATE HWY 151
FRONTAGE RD
± 11,500 VPD



TENANT OVERVIEW

MATTRESS FIRM

MATTRESS FIRM SAN ANTONIO, TX 78245



MATTRESS FIRM

Mattress Firm Inc. is an American mattress store chain founded on July 4, 1986. The headquarters of the company is located in Houston, Texas. Mattress Firm has made it easy to get a great night's sleep by providing its customers an expertly curated collection of quality mattresses from the best brands. Today, with more than 2,500 neighborhood stores, it strives to be America's most trusted authority on sleep by placing its customer at the center of everything it does. Mattress Firm's sleep experts help more than 3 million people a year find the right solution for their sleep needs. Its selection of mattresses and bedding accessories include leading brands such as Beautyrest®, Nectar®, Sealy®, Serta®, Simmons®, Sleepy's®, Stearns & Foster®, Tempur-Pedic®, Tuft & Needle®, tulo®, and Purple®. Committed to serving its communities, the Mattress Firm Foster Kids program, in partnership with the Ticket to Dream Foundation, joined forces with local foster care non-profit partners to help children in foster care get better sleep so they can shape a better future.





AREA OVERVIEW

MATTRESS FIRM

MATTRESS FIRM SAN ANTONIO, TX 78245

LOCATION MAP

THE RIM

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

HYATT HILL COUNTRY RESORT

SEAWORLD

SUBJECT PROPERTY

DOWNTOWN SAN ANTONIO

LACKLAND AIRFORCE BASE

LOCATION MAP

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SAN ANTONIO, TX

San Antonio officially the City of San Antonio, is the seventh most populous city in the United States and the second most populous city in both Texas and the Southern United States. Straddling the regional divide between South and Central Texas, San Antonio anchors the southwestern corner of an urban megaregion colloquially known as the “Texas Triangle”.

San Antonio is the center of the San Antonio–New Braunfels metropolitan statistical area. Commonly called Greater San Antonio, the metro area has a population of 2,601,940, making it the 24th-largest metropolitan area in the United States and third-largest in Texas. Growth along the Interstate 35 and Interstate 10 corridors to the north, west, and east make it likely that the metropolitan area will continue to expand. With a strong economy, a vast amount of tourist amenities, and multiple institutions of higher education, San Antonio is the place for everyone to thrive.

POPULATION

	1-Mile	3-Mile	5-Mile
2021 Population	26,836	269,778	627,456
2010 Population	27,496	286,163	683,071

HOUSEHOLDS

	1-Mile	3-Mile	5-Mile
2021 Households	10,316	98,101	218,088
2010 Households	10,674	106,384	241,613

INCOME

	1-Mile	3-Mile	5-Mile
Avg HH Income	\$88,296	\$92,027	\$96,303



ECONOMY

The City of San Antonio maintains a strong financial position with a “AAA” general obligation bond rating from all three major rating agencies. As the seventh-largest city in the United States, San Antonio is experiencing solid economic growth in 21st-century industries such as bioscience and healthcare, aerospace, IT and cybersecurity, and green technologies. Biotech companies and healthcare systems in San Antonio contribute billions to the local economy. The aerospace industry remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The military has had a significant relationship with San Antonio for more than 200 years and is home to several military commands. The city is also a cybersecurity hub; nationally recognized as a leader in the field of information security.

Several companies are headquartered in San Antonio including NuStar Energy, H-E-B, Visionworks of America, Whataburger, and many more. Valero Energy, USAA, iHeartMedia, and Clear Channel Outdoor Holdings are Fortune 500/1000 companies that are headquartered in San Antonio.

2ND

LARGEST CITY
IN TEXAS

26 MILLION

TOURISTS
EVERY YEAR

4

FORTUNE 500
COMPANIES





AMAZON EXPANSION

Amazon is opening two new fulfillment centers and a delivery station in San Antonio that will add 1,500 new full-time jobs to the area. The new 1 million square foot fulfillment center will be located at 10360 US 90 on the far West Side of San Antonio. It is expected to open in 2021 and will handle large-sized items such as furniture, outdoor equipment, rugs, and many more. The new 750,000 square foot fulfillment center will be located at 6806 Cal Turner Dr. on San Antonio's far East Side. It is expected to open in 2022 and will handle small-sized items such as electronics, books, toys, and many more. The 350,000 square foot delivery facility will be located at 8210 Aviation Landing near Brooks City Base on the South Side. It is expected to open in 2021.

LONE STAR DISTRICT

Located in Southtown, the former site of the Lone Star Brewery is being turned into a mixed-use development that will be known as the Lone Star District. The first phase of the development will include 12 acres of shops, restaurants, bars, and residential and office space. In addition, a park along the San Antonio River will also be added to create a vibrant outdoor environment. The first phase is expected to be completed by 2025.



SAN ANTONIO SPURS

Founded in 1967, the San Antonio Spurs is a professional basketball team based in San Antonio that competes in the National Basketball Association. Basketball games occur at the AT&T Center which has the capacity for 18,580 fans. An average of over 18,400 fans attend home games. The Spurs have won 5 NBA championships and possess 6 conference titles.



SAN ANTONIO FC

Founded in 2016, the San Antonio FC is a professional soccer team based in San Antonio that competes in the USL Championship. Soccer games occur at the Toyota Field which has the capacity for 8,300 fans. An average of over 6,700 fans attend home games.



THE UNIVERSITY OF TEXAS AT SAN ANTONIO

Located on the Northwest Side of San Antonio, the University of Texas at San Antonio is the largest university in the San Antonio metropolitan region with four campuses across the city. With over 34,000 students, UTSA is the eighth-largest university in the state of Texas. Popular majors include business, engineering, psychology, parks and recreation, and computer science. UTSA's research and development expenditures reach over \$134 million. The university has over 24 research centers and institutes that specialize in cybersecurity, brain health, neural engineering, and advanced materials.

SEAWORLD

The city is home to four animal attractions. SeaWorld, 16 miles west of Downtown in the city's Westover Hills district, is the number 3 attraction and one of the largest marine life parks in the world. Located at the center of Leon Valley, the San Antonio Aquarium is filled with thousands of species of aquatic animals and features lots of interactive exhibits. The very popular and historic San Antonio Zoo is in the city's Brackenridge Park. Another animal attraction is SEA LIFE San Antonio Aquarium inside the Shops at Rivercenter in Downtown San Antonio, which was created by Merlin Entertainments.



±4.7 MILES FROM SUBJECT PROPERTY

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Mattress Firm** located at **8427 State Highway 151, San Antonio, TX 78245** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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MATTHEWS™
REAL ESTATE INVESTMENT SERVICES



Information About Brokerage Services

11-2-2015

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.

Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	kyle.matthews@matthews.com	(310) 919-5757
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