

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



5832 4TH ST | LUBBOCK, TX 79416

OFFERING MEMORANDUM





5832 4TH ST | LUBBOCK, TX 79416

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# PROPERTY OVERVIEW

AUTOZONE | LUBBOCK, TX

# INVESTMENT HIGHLIGHTS

## LEASE AND LOCATION

- AutoZone recently extended the lease to 10+ years displaying a strong to the community and location
- Extremely strong corporate guaranteed lease
- NN Lease with minimal landlord responsibilities
- New roof with 15-year warranty installed February 2020
- 2004 built-to-suit construction for AutoZone
- Less than 2.5 miles from Texas Tech University – home to over 40,000 students
- Ideally positioned along 4th street, this location neighbors several national tenants including Walmart Supercenter, Chick-fil-A, Whataburger, Taco Bell, Sonic, and more
- 5-Mile Population of over  $\pm 150,000$  residents
- 5-Mile Average Household Income of  $\pm \$66,000$  ideally fitting AutoZone's "do it yourself" customer base
- Texas is one of nine income tax free states

## TENANT

- AutoZone, Inc. (NYSE: AZO, S&P: BBB) is the nation's leading retailer and distributor of automotive replacement parts. As of November 2021, the company had 6,066 stores in the U.S., 666 in Mexico and 53 in Brazil with a total store count of 6,785
- In 2021, AutoZone had a record-breaking year with \$14.6B in sales with same store sales growing by 13.6%
- AutoZone has seen their stock rise  $\pm 38\%$  year-over-year proving to be one of the most stable investments throughout economic downturns



AUTOZONE | LUBBOCK, TX





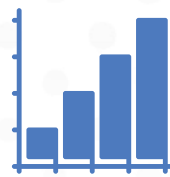
# FINANCIAL OVERVIEW

AUTOZONE | LUBBOCK, TX



# \$1,744,200

Sale Price



# 5.00%

Cap Rate



# ±6,840 SF

GLA

## INVESTMENT SUMMARY

Address	5832 4th St Lubbock, TX 79416
List Price	\$1,744,200
GLA	±6,840 SF
Cap Rate	5.00%
Year Built	2004
Lot Size	±0.68 AC

## TENANT SUMMARY

Tenant Trade Name	AutoZone
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof/Structure, Parking Lot	Landlord Responsibility
Original Lease Term	15 Years
Lease Commencement Date	5/1/2004
Lease Expiration Date	12/31/2032
Term Remaining on Lease	±10.5 Years
Increase	6% in First Option, 10% Each Option After
Options	4, 5-Year Options

## ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	INCREASES	INCREASES
Current - 12/31/2032	\$7,267.50	\$87,210.00	-	5.00%
1/1/2033 - 12/31/2037 (Option 1)	\$7,700.00	\$92,400.00	6.00%	5.30%
1/1/2038 - 12/31/2042 (Option 2)	\$8,470.00	\$101,640.00	10.00%	5.83%
1/1/2043 - 12/31/2047 (Option 3)	\$9,317.00	\$111,804.00	10.00%	6.41%
1/1/2048 - 12/31/2052 (Option 4)	\$10,248.70	\$122,984.40	10.00%	7.05%



# REGIONAL MAP







# TENANT OVERVIEW

AUTOZONE | LUBBOCK, TX





**+6,400**  
LOCATIONS



**+105K**  
EMPLOYEES



**\$14.6B**  
2021 REVENUE

For more than 30 years, AutoZone has been committed to providing the best parts, prices, and customer service in the automotive aftermarket industry. To stay out of the no-driving zone, DIY car repairers with auto problems often enter the AutoZone. With more than 6,202 stores in the US and Puerto Rico, AutoZone is the nation's #1 auto parts chain. The company also operates 24 Interamerican Motor Corporation (parts distribution) branches in the US. AutoZone stores sell hard parts (alternators, engines, batteries), maintenance items (oil, antifreeze), accessories (car stereos, floor mats), and non-automotive merchandise under brand names, as well as under private labels. AutoZone's commercial sales program distributes parts and other products to garages, dealerships, and other businesses. Click here to read about how AutoZone is dedicated to providing exceptional service to its customers and employees through COVID-19.







# AREA OVERVIEW

AUTOZONE | LUBBOCK, TX





## LUBBOCK, TX

Lubbock is a city in northwest Texas with a population of approximately 264,000, making it the 11th most populous city in the state. Commonly referred to as “Hub City”, Lubbock is a fast-growing city once named as one of the nation’s best places to start a business by CNN Money. The nickname “Hub City” derives from being the economic, educational, and health-care hub of the multicounty region. The area is also the largest contiguous cotton-growing region in the world. According to the CAFR 2020, the city’s 10 largest employers are Texas Tech University, Covenant Health System, United Supermarkets, University Medical Center, Lubbock Independent School District, Texas Tech University Health Sciences Center, City of Lubbock, Frenship ISD, and Lubbock County. With regards to higher education, Lubbock is home to Texas Tech University which is the 6th largest college by enrollment in the state and a top-rated public research university. A study conducted by a professor at the Rawls College of Business determined that Texas Tech contributes about \$1.5 billion to the economy, with about \$297.5 million from student shopping alone. Nearby Lubbock lies the Preston Smith International Airport, which allows residents to connect to the rest of the world.

## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2027 Estimation	13,702	66,922	159,871
2022 Population	12,991	62,667	150,959
2010 Census	12,271	54,404	136,580
Annual Growth 2022-2027	1.1%	1.4%	1.2%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2027 Estimation	5,476	27,374	63,368
2022 Population	5,178	25,579	59,604
2010 Census	4,849	22,073	53,867
Annual Growth 2022-2027	1.2%	1.4%	1.3%
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$64,641	\$69,165	\$66,131





## TEXAS TECH UNIVERSITY

Committed to teaching and the advancement of knowledge, Texas Tech University, a comprehensive public research university, provides the highest standards of excellence in higher education, fosters intellectual and personal development, and stimulates meaningful research and service to humankind. Lubbock, Texas, a rapidly growing city with a population of nearly 300,000 people. It boasts all the conveniences of a major city with the friendliness of a small town. Texas Tech University's ranking in the 2022 edition of Best Colleges is National Universities, #213. Its in-state tuition and fees are \$11,852; out-of-state tuition and fees are \$24,092. Texas Tech University is a large research institution in the college town of Lubbock. Students are required to live on campus until they have completed 30 hours of course work. The Texas Tech Red Raiders sports teams compete in the NCAA Big 12 Conference and are particularly competitive in football and basketball. Students can join more than 450 student organizations, including Texas Tech's large Greek community, made up of about 50 fraternities and sororities. The university also runs research centers and institutes, including the National Wind Institute.

**+40,322**  
STUDENTS

**+17**  
ATHLETIC PROGRAMS

**+82**  
OFFERED PROGRAMS



## ATTRACTIONS

To explore the local culture, visit the National Ranching Heritage Center which celebrates the rich history of this town. Known as the birthplace of Buddy Holly, Lubbock honors the legendary musician with the Buddy Holly Center, a statue on the West Texas Walk of Fame, and the annual Buddy Holly Music Festival. The West Texas Walk of Fame also honors several other musicians from the region. Overall, Lubbock is a historic college town with Southwestern appeal.



## ECONOMY

Lubbock was built on a thriving farming industry and made great strides in the cotton industry as well. Today, Lubbock continues to produce two to three million bales of cotton per year but is known as much more than a farming city. The Lubbock area is the largest contiguous cotton-growing region in the world and is heavily dependent on federal government agricultural subsidies and irrigation water is drawn from the Ogallala Aquifer.

The 10 largest employers in terms of the number of employees are Texas Tech University, Covenant Health System, Lubbock Independent School District, University Medical Center, United Supermarkets, City of Lubbock, Texas Tech University Health Sciences Center, AT&T, and Lubbock County. A study conducted by a professor at the Rawls College of Business determined Texas Tech students, faculty, and staff contribute about \$1.5 billion to the economy, with about \$297.5 million from student shopping alone.



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **AutoZone** located at **5832 4th St, Lubbock, TX 79416** ("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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License No. 9005919 (TX)



# 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.

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Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date