

BRAND NEW CONSTRUCTION

NNN Ground Lease Investment Opportunity



(S&P: BB | NYSE: VVV)

Brand New 15-Year Corporate Lease | Scheduled Rental Increases | Strong Developing Area



2155 Winchester Road NE

HUNTSVILLE ALABAMA

REPRESENTATIVE PHOTO





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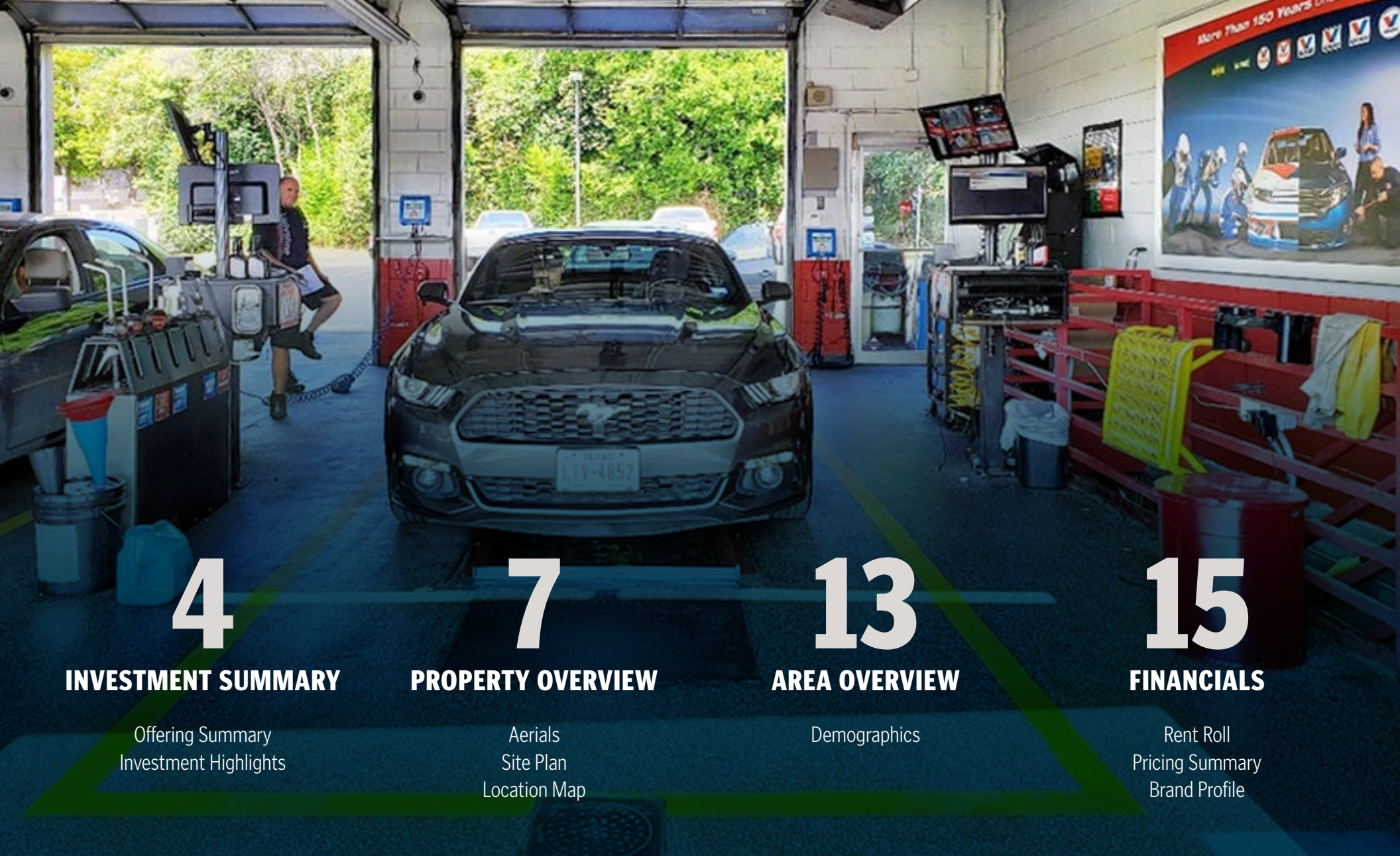
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SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee interest (land ownership) in a NNN leased, newly built, corporate signed, Valvoline investment property located in Huntsville, AL. The tenant, Valvoline LLC, recently signed a brand new 15-year lease with 4 (5-year) option periods to extend, demonstrating their long-term commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and options, growing NOI and hedging against inflation. The lease is signed by the corporate entity and is NNN leased with limited landlord responsibilities, making it an ideal, low-management investment opportunity for a passive investor. Founded in 1866, Valvoline is among the leading automotive service centers in the world with over 1,500 locations. The building, which is slated to open in Fall of 2023, will feature a state-of-the-art design using the highest quality materials available.

Valvoline is strategically located along Winchester Road NE with clear visibility and access to an average of 21,500 vehicles passing by daily. The asset is a quick 13-minute drive into Downtown Huntsville, making it an ideal and centralized location with direct access to major commuter routes and interstates. Valvoline is ideally situated as an outparcel to a Walmart anchored center and is directly across from Winchester Plaza, a 75,700 SF center anchored by Publix. The additional surrounding national/credit tenants include Dollar Tree, ALDI, Starbucks, O'Reilly Auto Parts, CVS Pharmacy, and McDonald's, among many others. Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for the site. Furthermore, the property is near numerous single-family communities, providing a direct residential consumer base for the site. The 5-mile trade area is supported by over 33,900 residents and 8,400 daytime employees. Residents within 1 mile of the subject boast an affluent average household income of \$123,657.

OFFERING SUMMARY



OFFERING

Pricing	\$1,500,000
Net Operating Income	\$80,000
Cap Rate	5.33%
Lease Signature	Corporate (S&P: BB NYSE: VVV)
Tenant	Valvoline LLC
Lease Type	NNN - Ground Lease
Landlord Responsibilities*	CAM

*Landlord is to repair and maintain all common areas, subject to tenant reimbursement.

PROPERTY SPECIFICATIONS

Rentable Area	2,200 SF (est.)
Land Area	0.88 Acres
Property Address	2155 Winchester Road NE, Huntsville, Alabama 35811
Year Built	Under Construction (Opening Fall of 2023)
Parcel Number	08-07-35-0-001-076.000-COMMON Undergoing Re-Parcellation
Ownership	Leased Fee (Land Ownership)

INVESTMENT HIGHLIGHTS



Brand New 15-Year Lease | Scheduled Rental Increases | Corporate Signed Lease | Well-Known & Established Brand

- The tenant recently signed a brand new 15-year lease with 4 (5-year) option periods to extend, demonstrating their long-term commitment to the site
- The lease features 10% rental increases every 5 years throughout the initial term and options, growing NOI and hedging against inflation
- The lease is signed by the corporate entity (S&P: BB | NYSE: VVV)
- Founded in 1866, Valvoline is among the leading automotive service centers in the world with over 1,500 locations

Direct Residential Consumer Base | Demographics in 5-mile Trade Area | Affluent Community

- The property is near numerous single-family communities, providing a direct residential consumer base for the site
- More than 33,900 residents and 8,400 employees support the trade area
- Residents within 1 mile of the subject boast an affluent average household income of \$123,657

Located Along Winchester Road | Centralized Location | 2023 Construction | Excellent Visibility & Access

- Valvoline is strategically located along Winchester Road NE with clear visibility and access to an average of 21,500 vehicles passing by daily
- The asset is a quick 13-minute drive into Downtown Huntsville
- The direct access to the Downtown makes it an ideal and centralized location with direct access to major commuter routes and interstates
- The building, which is slated to open in Fall of 2023, will feature a state-of-the-art design using the highest quality materials available
- The asset has excellent visibility and multiple points of ingress/egress

NNN Leased | Leased Fee Ownership | Limited Landlord Responsibilities

- Tenant pays for taxes, insurance and maintains most aspects of the premises
- Landlord responsibilities are limited to repair and maintenance of the common areas, subject to tenant reimbursement
- Ideal, low-management investment for a passive investor

Outparcel to Walmart Anchored Center | Dense Retail Corridor | Strong National/Credit Tenant Presence

- Valvoline is ideally situated as an outparcel to a Walmart anchored center
- The asset is directly across from Winchester Plaza, a 75,700 SF center anchored by Publix
- The surrounding national tenants include Dollar Tree, ALDI, Starbucks, O'Reilly Auto Parts, CVS Pharmacy, and McDonald's, among many others
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for the site

Strong Developing Area | Numerous Nearby Developments

- Huntsville is among the fastest growing cities in Alabama with a 2.04% population and 5% employment increase in 2022 from 2021
- Huntsville was ranked the number one place to live in the U.S. in 2022/23, factoring in housing affordability, job market, crime rate, quality of life, net migration, and access to quality health care, among many other reasons
- In 2022, Huntsville reported: 11,327 multi-family units approved for construction, 3,575 single-family units sold, 1,848 Acres annexed, 5,926 building permits issued for residential dwellings, and much more
- The total amount of residential projects permitted in Huntsville in 2022 was \$764M – up 22% from 2021
- The asset is located across from several development projects including The Landings (264 multi-family units – opening 2024), Brier Fork Crossing, Idle Creek Drive, and more

PROPERTY OVERVIEW



LOCATION



Huntsville, Alabama
Madison County

ACCESS



Winchester Road NE: 1 Access Point

TRAFFIC COUNTS



Winchester Road NE: 21,500 VPD
State Highway 2: 31,600 VPD

IMPROVEMENTS



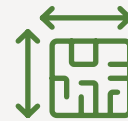
There is approximately 2,200 SF (est.)
of existing building area

PARKING



There are approximately 12 parking spaces
on the owned parcel.
The parking ratio is approximately 5.45 stalls
per 1,000 SF of leasable area.

PARCEL



Undergoing Re-Parcellation

Current Parcel Number:
08-07-35-0-001-076.000-COMMON
Acres: 0.88
Square Feet: 38,332

CONSTRUCTION



Year Built: Under Construction
Estimated Grand Opening: Fall 2023

ZONING



C-4: Highway Business District





THE LANDINGS - OPENING 2024
(264 MULTI-FAMILY UNITS)

21,500
VEHICLES PER DAY

WINCHESTER RD. NE

MARY KATHERINE
DR. NE

Valvoline
Instant Oil Change



2022 Estimated Population

1 Mile	2,833
3 Miles	18,866
5 Miles	33,995

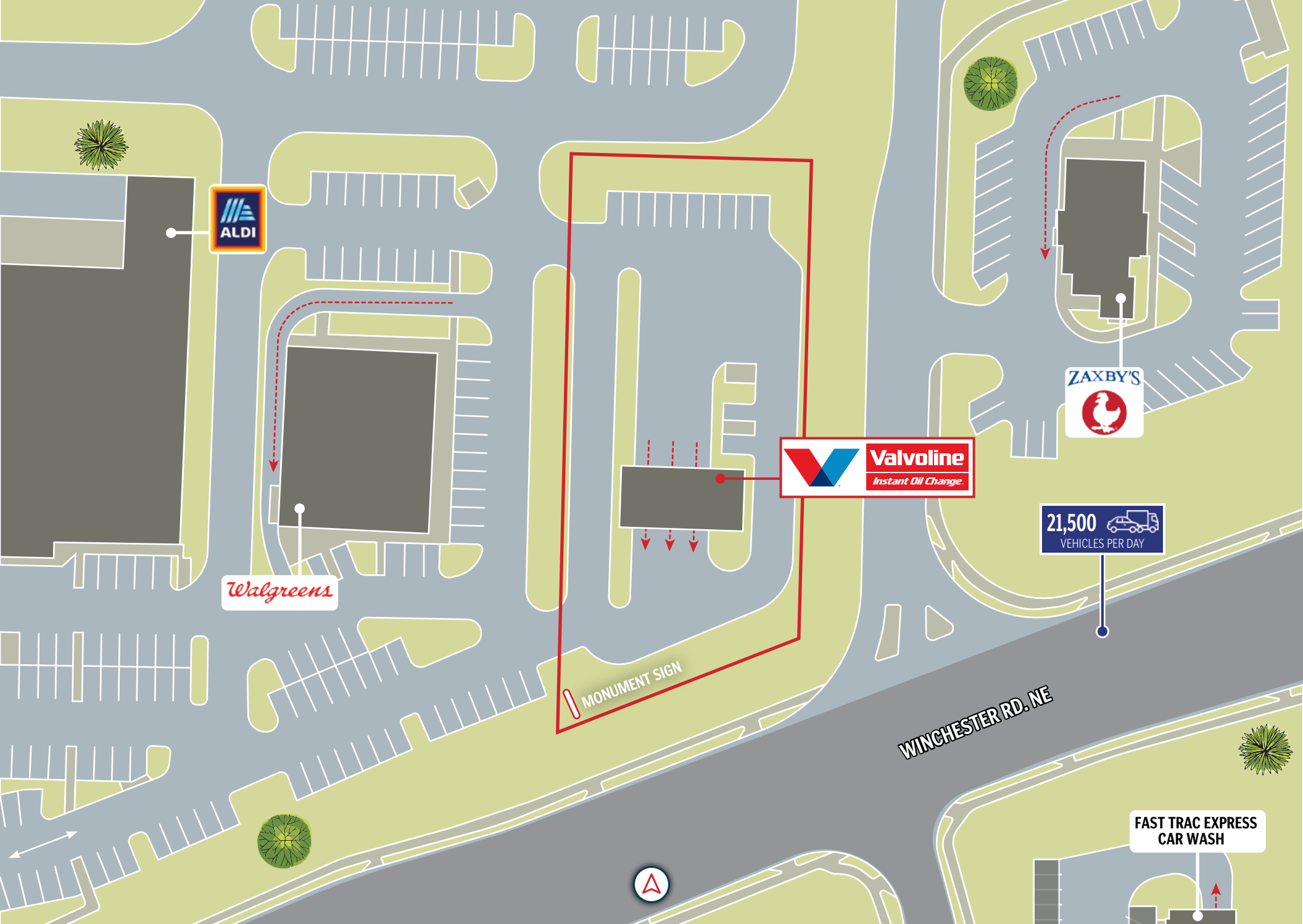
2022 Average Household Income

1 Mile	\$123,657
3 Miles	\$111,589
5 Miles	\$108,837

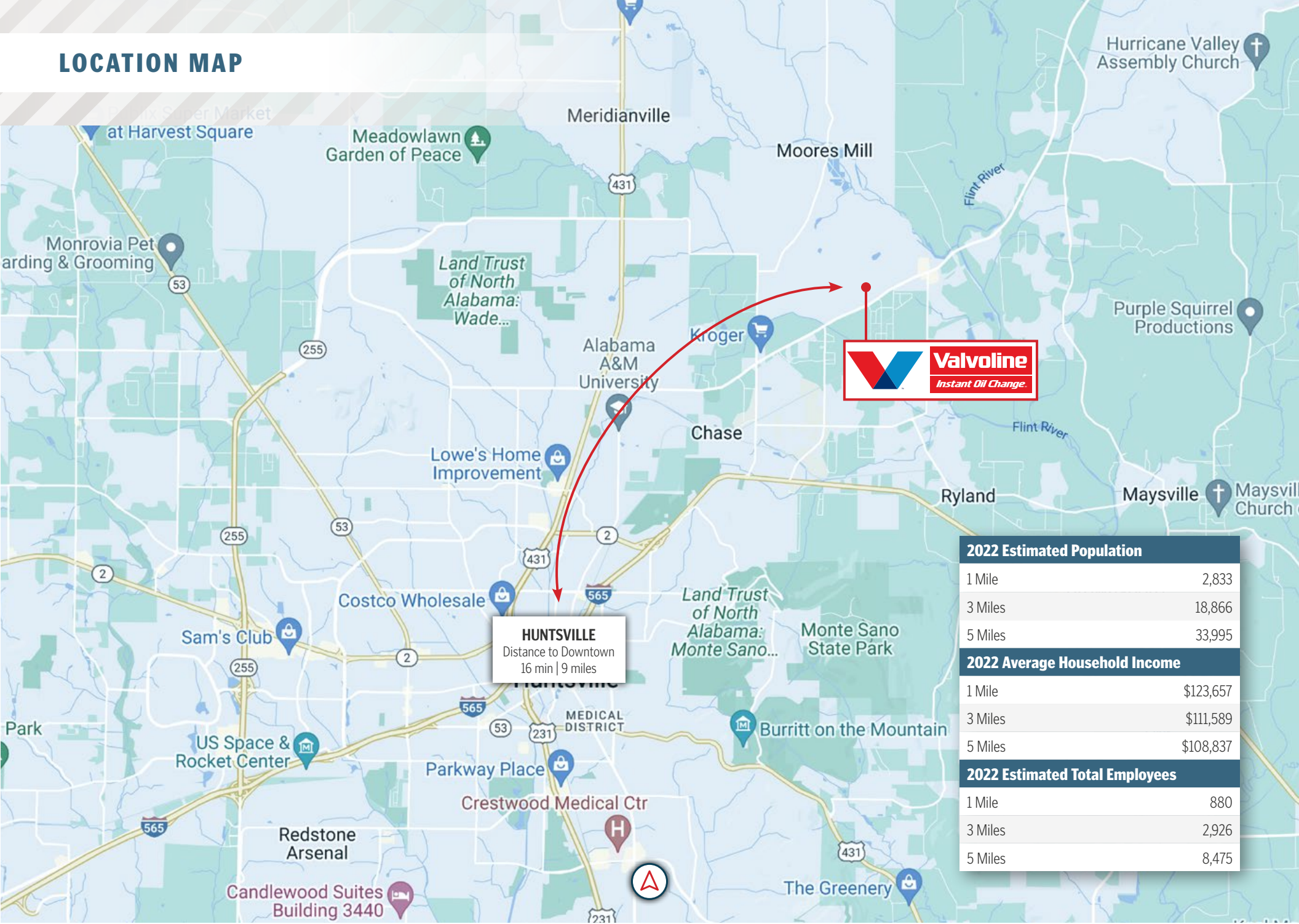
2022 Estimated Total Employees

1 Mile	880
3 Miles	2,926
5 Miles	8,475





LOCATION MAP



2022 Estimated Population	
1 Mile	2,833
3 Miles	18,866
5 Miles	33,995
2022 Average Household Income	
1 Mile	\$123,657
3 Miles	\$111,589
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2022 Estimated Total Employees	
1 Mile	880
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5 Miles	8,475



HUNTSVILLE, ALABAMA

Huntsville is a city centrally located in the northernmost part of the state of Alabama. It is located in Madison County and extends west into neighboring Limestone County. Huntsville is the county seat of Madison County, and the fourth-largest city in Alabama. The city of Huntsville has a population of 221,986 as of 2022. There are approximately 1.2 Million people within a 50-Mile radius of Huntsville.

Huntsville is one of the most recognized cities in the Southeast – consistently named as one of the best places to live and work by a variety of national publications. The city is regularly named as a premier location for both business and quality of life. Technology, space, and defense industries have a major presence here with the Army's Redstone Arsenal, NASA's Marshall Space Flight Center, and Cummings Research Park. Home to several Fortune 500 companies, Huntsville also offers a broad base of manufacturing, retail and service industries.

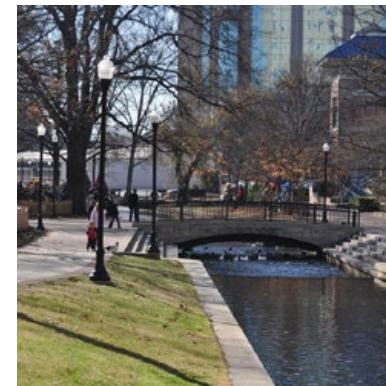
Huntsville's main economic influence is derived from aerospace and military technology. Redstone Arsenal, Cummings Research Park (CRP), and NASA's Marshall Space Flight Center comprise the main hubs for the area's technology-driven economy. CRP is the second largest research park in the United States and the fourth largest in the world. There are commercial technology companies such as the network access company ADTRAN, computer graphics company Intergraph, and design and manufacturer of IT infrastructure Avocent. Telecommunications provider Datacom, Inc. is based in the city as well. Cinram manufactures and distributes 20th Century Fox DVDs and Blu-ray Discs out of their Huntsville plant. Sanmina-SCI has a presence in the area. Fifty-seven Fortune 500 companies have operations in Huntsville.

The University of Alabama in Huntsville is the largest university serving the greater Huntsville area. The research-intensive university has more than 7,700 students. The University of Alabama Huntsville has been ranked by the Carnegie Foundation as a very high research institution.

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2022 Estimated Population	2,833	18,866	33,995
2027 Projected Population	2,836	19,064	35,176
2010 Census Population	2,469	16,236	28,019
Projected Annual Growth 2022 to 2027	0.02%	0.21%	0.69%
Historical Annual Growth 2010 to 2020	1.35%	1.41%	1.79%
Households & Growth			
2022 Estimated Households	1,077	7,175	12,616
2027 Projected Households	1,082	7,267	13,140
2010 Census Households	893	6,064	10,472
Projected Annual Growth 2022 to 2027	0.09%	0.26%	0.82%
Historical Annual Growth 2010 to 2020	1.83%	1.58%	1.69%
Race & Ethnicity			
2022 Estimated White	71.27%	73.17%	67.84%
2022 Estimated Black or African American	18.85%	17.27%	22.79%
2022 Estimated Asian or Pacific Islander	1.41%	1.10%	1.11%
2022 Estimated American Indian or Native Alaskan	0.92%	0.87%	0.84%
2022 Estimated Other Races	1.41%	1.55%	1.54%
2022 Estimated Hispanic	4.06%	3.87%	3.82%
Income			
2022 Estimated Average Household Income	\$123,657	\$111,589	\$108,837
2022 Estimated Median Household Income	\$99,762	\$91,583	\$87,536
2022 Estimated Per Capita Income	\$46,837	\$42,536	\$40,568
Businesses & Employees			
2022 Estimated Total Businesses	104	352	677
2022 Estimated Total Employees	880	2,926	8,475



RENT ROLL



LEASE TERM				RENTAL RATES							
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
Valvoline LLC	2,200	June 2023	15 Years	Year 1	-	\$6,667	\$3.03	\$80,000	\$36.36	NNN Ground Lease	4 (5-Year)
(Corporate Signature)		(est.)		Year 6	10%	\$7,333	\$3.33	\$88,000	\$40.00		10% Increase at the Beg. of Each Option
				Year 11	10%	\$8,067	\$3.67	\$96,800	\$44.00		

Note: The asset is slated to open in the Fall of 2023 with rent commencing in June 2023.

FINANCIAL INFORMATION

Price	\$1,500,000
Net Operating Income	\$80,000
Cap Rate	5.33%
Lease Type	NNN - Ground Lease

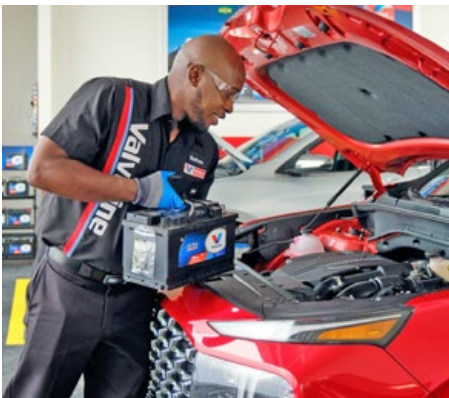
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Land Area	0.88 Acres
Address	2155 Winchester Road NE, Huntsville, Alabama 35811



FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com



VALVOLINE INSTANT OIL CHANGE

Valvoline.com

Company Type: Public (NYSE: VVV)

Locations: 1,500+

2022 Employees: 8,900

2022 Revenue: \$1.24 Billion

2022 Net Income: \$424 Million

2022 Assets: \$3.42 Billion

2022 Equity: \$306.6 Million

Credit Rating: S&P: BB

Founded in 1866, Valvoline Instant Oil Change is the Quick, Easy and Trusted choice for drive thru oil changes and maintenance services which helps avoid costly and inconvenient breakdowns. It is the second largest quick lube business in America – with more than 1,500 locations nationwide and growing. These services include oil changes, antifreeze changes, differential fluid changes, batteries, belts, fuel system cleaning service, lights, wipers and transmission fluid changes, and in states where services are contracted out by state regulatory agencies, emissions testing.



SRS

NATIONAL
NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

255+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

2.3K+

RETAIL
TRANSACTIONS
company-wide
in 2022

760+

NET LEASE
TRANSACTIONS
SOLD
in 2022

\$2.9B+

NET LEASE
TRANSACTION
VALUE
in 2022

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