

MEINEKE CAR CARE CENTER

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

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1401 North Dallas Ave
Lancaster, TX 75134

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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, NNN Properties, Inc. and Bang Realty-Texas, Inc. have not and will not verify any of this information, nor has NNN Properties, Inc. and Bang Realty-Texas, Inc. conducted any investigation regarding these matters. NNN Properties, Inc. and Bang Realty-Texas, Inc. make no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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Investment Highlights

PRICE: \$1,600,000 | CAP: 6.25% | RENT: \$100,000

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About the Investment

- ✓ Brand New 20-Year Absolute Triple Net Lease Upon Close of Escrow | Zero Landlord Responsibilities
- ✓ Extremely Dense Residential and Commercial Area Immediately Outside of Dallas
 - ✓ Over 502,000 Residents Living in a Ten-Mile Radius | Local Residents Depend on Personal Vehicles for Daily Transportation | Strategic Market and Location for Meineke
- ✓ Ideal Consumer Base for Vehicle Repair Services that Meineke Offers
 - ✓ Average Household Income of Over \$76,000
- ✓ Lease is True Triple Net with 1.5% Annual Rental Increases

About the Location

- ✓ Dense Retail Corridor | Dollar Tree, McDonald's, Subway, Family Dollar, AutoZone, Dominos, CVS, Pizza Hut, O'Reilly's, Exxon and Many Others
- ✓ Ideal Demographics | Population Exceeds 502,000 Individuals Within a Ten-Mile Radius | Average Household Income of Over \$76,000
- ✓ Strong Real Estate Fundamentals | Located 15 Miles from Downtown Dallas, TX in a Dense Residential Area | Local Residents Dependent on their Automobiles
- ✓ Local Traffic Drivers Include the Retail Corridor as well as the Strong Academic Presence | Several Local Schools within a 2-Mile Radius! | Elsie Robertson Middle School | Over 1,100 Students Enrolled Located a Mile Away
- ✓ 15 Miles from Downtown Dallas, Texas

About the Tenant / Brand

- ✓ **Meineke** has been Successfully Operating Since 1972 | Over 700 Locations Nationwide
- ✓ Nationally Recognized Brand Offering a Wide Range of Preventative Maintenance to Car Repair Service
- ✓ **Morningside Holdings** is a Successful Meineke Franchisee with a Focus on the Dallas-Fort Worth Market
- ✓ Morningside Currently has 12 Locations Open with 4 More in Various Stages of Development
- ✓ The Guarantor/Tenant Aims to have 16-20 Operational Stores by 2024





Financial Analysis

PRICE: \$1,600,000 | CAP: 6.25% | RENT: \$100,000

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PROPERTY DESCRIPTION

Concept	Meineke
Street Address	1401 North Dallas Ave
City, State ZIP	Lancaster, TX 75134
Year Built / Renovated	1972/2022
Date Opened	October 2022
Building Size Estimated (SF)	6,000
Lot Size Estimated (Acres)	0.47
Type of Ownership	Fee Simple

THE OFFERING

Price	\$1,600,00
CAP Rate	6.25%
Net Operating Income	\$100,000
Rent Per SF	\$16.67
Price Per SF	\$267

LEASE SUMMARY

Property Type	Retail
Property Subtype	Automotive - Parts/Services
Credit Type	Franchisee
Tenant	Meineke
Guarantor	Morningside Texas Holdings
Original Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Landlord Responsibilities	None
Rental Increases	1.5% Annually
Renewal Options Remaining	Four (4), Five (5)-Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$100,000	\$8,333	-
Year 2	\$101,500	\$8,458	1.50%
Year 3	\$103,023	\$8,585	1.50%
Year 4	\$104,568	\$8,714	1.50%
Year 5	\$106,136	\$8,845	1.50%
Year 6	\$107,728	\$8,977	1.50%
Year 7	\$109,344	\$9,112	1.50%
Year 8	\$110,984	\$9,249	1.50%
Year 9	\$112,649	\$9,387	1.50%
Year 10	\$114,339	\$9,528	1.50%
Year 11	\$116,054	\$9,671	1.50%
Year 12	\$117,795	\$9,816	1.50%
Year 13	\$119,562	\$9,963	1.50%
Year 14	\$121,355	\$10,113	1.50%
Year 15	\$123,176	\$10,265	1.50%
Year 16	\$125,023	\$10,419	1.50%
Year 17	\$126,899	\$10,575	1.50%
Year 18	\$128,802	\$10,734	1.50%
Year 19	\$130,734	\$10,895	1.50%
Year 20	\$132,695	\$11,058	1.50%

INVESTMENT SUMMARY

NNN Pro is pleased to present the exclusive listing for a Meineke Car Care Center located at 1401 North Dallas Ave, Lancaster, TX. The site consists of roughly 6,000 rentable square feet of building space on estimated 0.47-acre parcel of land. This Meineke Car Care Center is subject to a 20-year absolute triple-net (NNN) Sale-lease back. The current annual rent is \$100,000 and is scheduled to increase by 1.5% annually throughout the base term and in each of the four (4), five (5)-year renewal options.



Concept Overview

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About Meineke

- ✓ Meineke Offers a Variety of Services and Repairs So That You Can Count on Meineke for All Your Vehicle's Needs | Exhaust and Mufflers, A/C, CV Joint and Driveshafts, Brakes, Batteries, Tires and Wheels, Steering and Suspension, and Oil Changes
- ✓ Over 700 locations Nationwide | Locations in Canada, Mexico, Caribbean, and China
- ✓ Wide Range of Preventative Maintenance to Car Repair Service
- ✓ Quality Service from Car Care Pros since 1972

About Driven Brands

- ✓ Meineke is Owned by Roark Capital Portfolio Company, Driven Brands
- ✓ More than 3 Billion Generated in Systemwide Sales
- ✓ Driven Brands has 4,900 employees, 4,200 brand locations, and 200+ years of service
- ✓ Driven Brands is the Parent Company to a Number of North America's Leading Automotive Brands such as: Maaco, Take 5 Oil Change, and International Car Wash Group



Exhaust & Mufflers

Mufflers do more than keep your car quiet. Since 1972, we've been the muffler experts.



A/C

Keep your car cool and increase your gas mileage with regular AC checks.



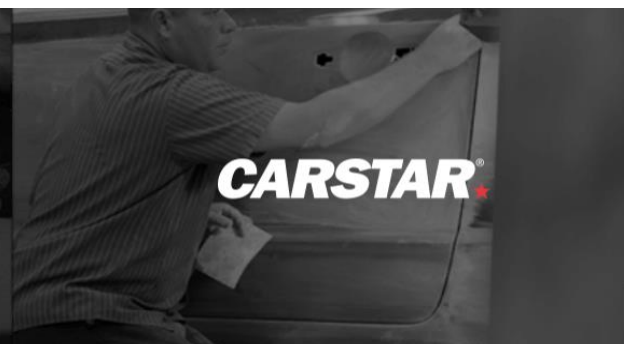
CV Joints & Driveshafts

Routinely serviced CV joints keep your ride smooth and wheels turning.



Brakes

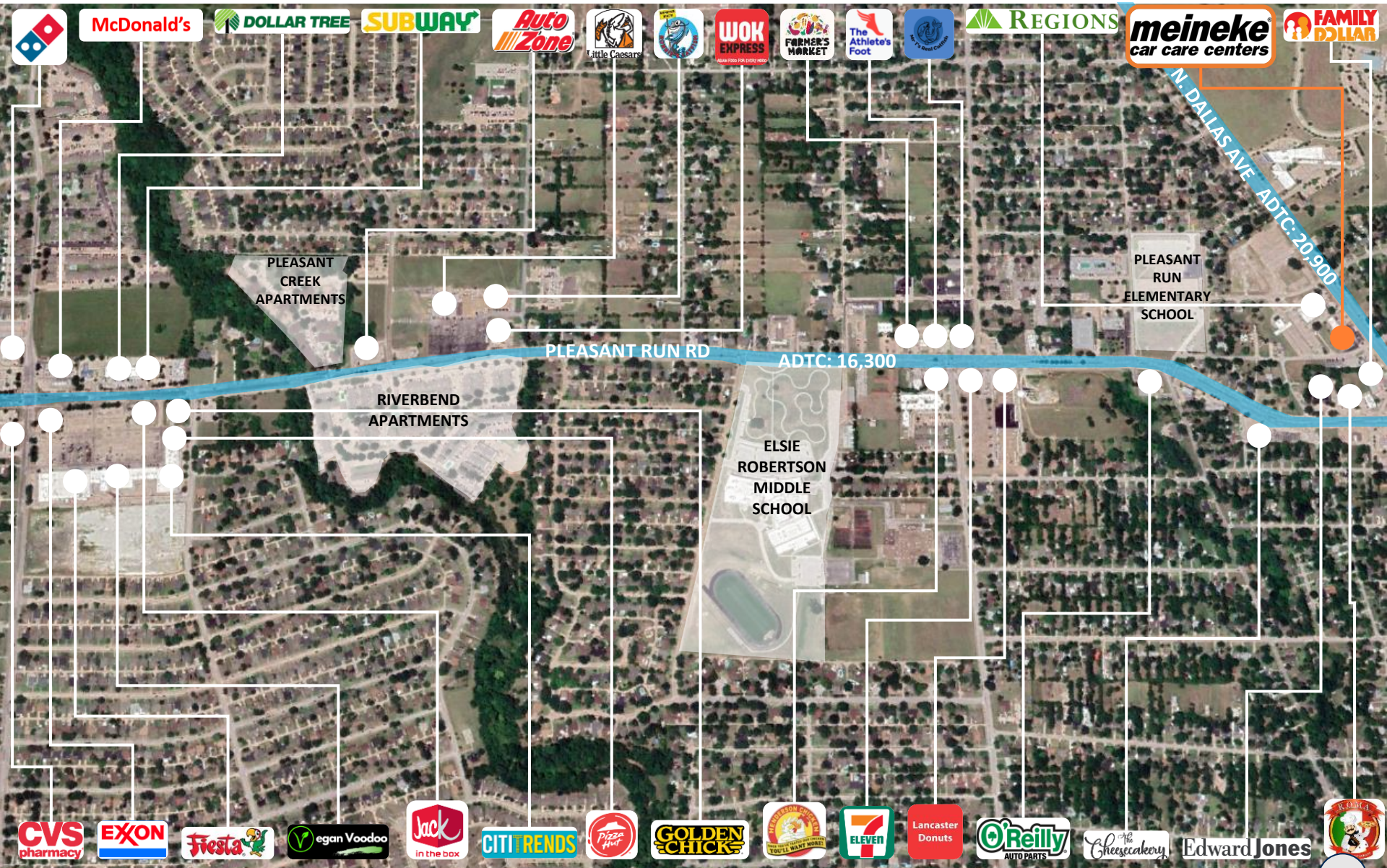
Brake maintenance is crucial to keeping your vehicle operating safely.





Surrounding Area

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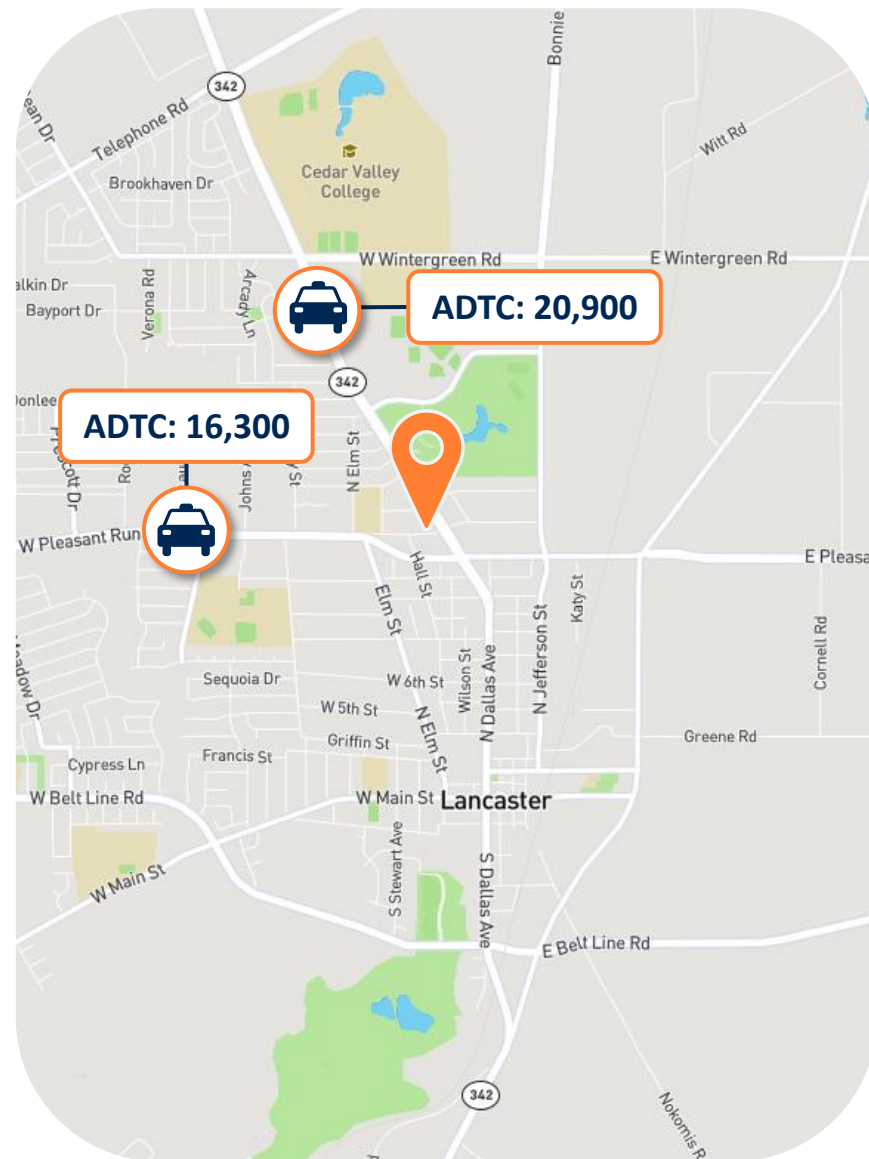


Location Overview

The Meineke asset is situated on North Dallas Avenue, which experiences an average daily traffic count of approximately 20,900 vehicles. North Dallas Avenue intersects with Pleasant Run Road which brings an additional 16,300 vehicles into the immediate area on average. There are approximately 120,100 individuals residing within a five-mile radius of the subject property and more than 502,500 individuals residing within a ten-mile radius, with the population projected to increase in the next five years.

The subject property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, academic institutions and shopping centers, all of which help drive traffic to the site. Some national tenants in the immediate area include Dollar Tree, McDonald's, Subway, Family Dollar, AutoZone, Dominos, CVS, Pizza Hut, Exxon as well as many others. This property benefits from its proximity to several academic institutions. Most notable being Elsie Robertson Middle School, which is a mile from the property and has an enrollment exceeding 1,100 students. The property is 15 miles from Dallas, part of the Dallas Fort/Worth metropolitan area which is the fourth largest metropolitan area in the United States. Additionally, the property is approximately 35 miles from the Dallas/Fort Worth International Airport, which serves over 69 million passengers per year.

Lancaster is located in southern Dallas County and is part of the Dallas-Fort Worth metroplex, the largest metropolitan area in Texas. Lancaster is situated within the Blackland Prairie region of Texas, which is characterized by level to gently rolling topography. Ten Mile Creek and its tributaries are major drainage features in and around the city. Because the area was used for farming and other agricultural businesses, much of the natural vegetation has been cleared. Areas near creeks have retained some of their original tree cover, which includes pecan trees, cedar elms, and several species of oaks. The city is 15 miles from downtown Dallas, 18 miles from the American Airlines Center in Dallas, and 35 miles from the Dallas/Fort Worth International Airport in Irving.





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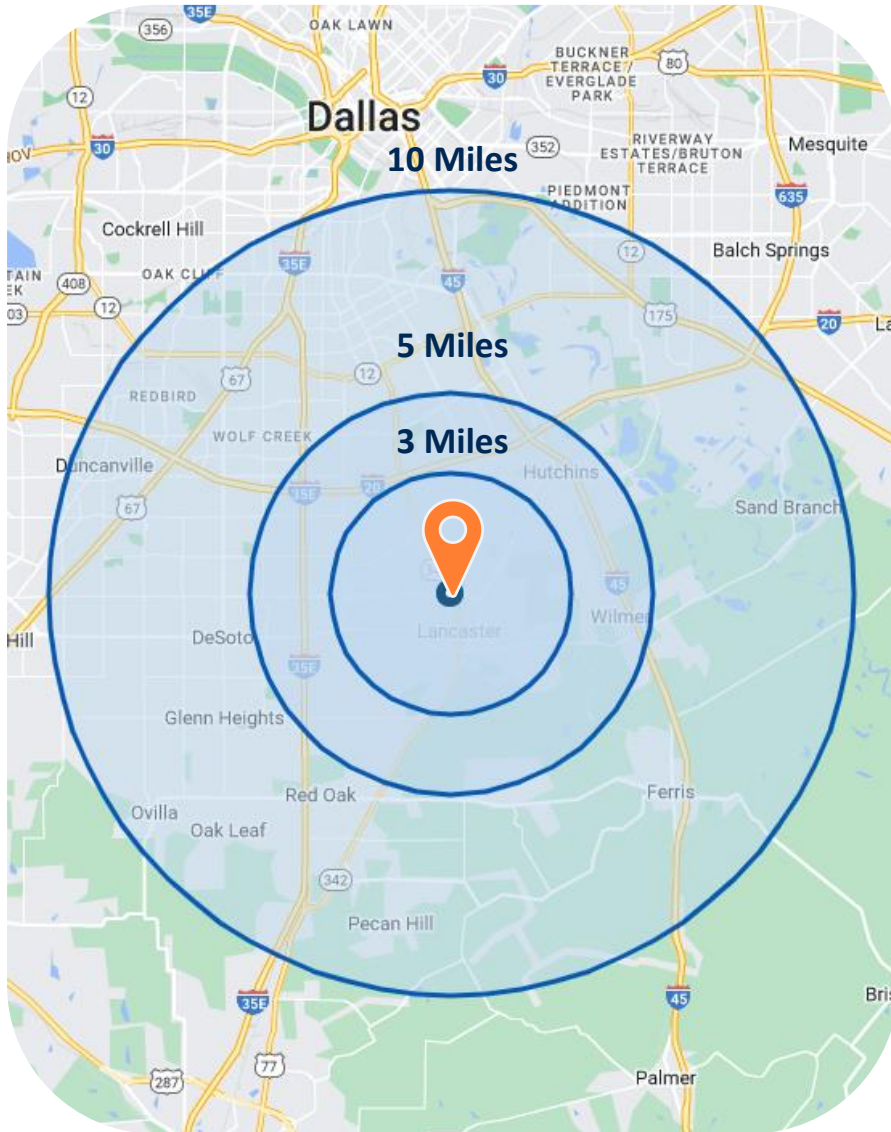
Regional Map

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Demographics



3 Mile 5 Miles 10 Miles

POPULATION TRENDS

2010 Population	32,154	79,427	415,459
2022 Population	44,091	120,161	502,518
2027 Population Projection	45,968	127,098	523,918
Annual Growth 2010-2022	3.10%	4.30%	1.70%
Annual Growth 2022-2027	0.90%	1.20%	0.90%

HOUSEHOLD TRENDS

2010 Households	10,965	26,495	138,035
2022 Households	15,436	41,367	166,916
2027 Household Projection	16,146	43,903	174,036
Annual Growth 2010-2022	3.60%	4.80%	1.90%
Annual Growth 2022-2027	0.90%	1.20%	0.90%

AVERAGE HOUSEHOLD INCOME (2022)

\$76,133	\$70,149	\$65,668
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MEDIAN HOUSEHOLD INCOME (2022)

\$65,380	\$57,558	\$50,195
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HOUSEHOLDS BY HOUSEHOLD INCOME (2022)

< \$25,000	2,375	8,622	41,410
\$25,000 - 50,000	3,520	9,694	41,789
\$50,000 - 75,000	3,068	7,724	30,904
\$75,000 - 100,000	2,758	6,574	20,596
\$100,000 - 125,000	1,325	3,230	13,291
\$125,000 - 150,000	1,124	2,360	7,427
\$150,000 - 200,000	896	2,189	6,901
\$200,000+	373	974	4,600



Market Overview

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Dallas is the ninth-largest city and part of the fourth-largest metropolitan area in the nation, Dallas covers approximately 343 square miles. The ultra modern sophisticated city attracts worldwide travelers, making the area the No. 1 visitor and leisure destination in Texas.

The Dallas-Forth Worth MSA has one of the largest concentrations of corporate headquarters for publicly traded companies in the United States. Dallas will remain a top destination for corporate relocations due to its business-friendly environment. Twenty-two Fortune 500 companies are headquartered in the metro, making it the third largest concentration in the nation, including companies such as Southwest Airlines, AT&T, Texas Instruments and Exxon Mobil. The area also has one of the highest concentrations of privately held companies, with at least 1 billion in annual revenues headquartered in the area. More than 10,000 national and international corporations maintain regional and subsidiary headquarters in the MSA.

Outdoor activities abound in Dallas as a result of the city's favorable location and climate. With seven major league sport teams, rodeo, NASCAR and marathons, the adrenaline is year-round. Dallas has been named one of the top 3 Sports Town in the nation by Sports Illustrated. In addition to its large number of sport related activities, Dallas has more shopping centers per capita than any other city in the United States. Dallas is the third most popular destination for business travel in the United States, and the Kay Bailey Hutchison Convention Center is one of the largest and busiest convention centers in the country, at over 1,000,000 square feet and the world's single-largest column-free exhibit hall.

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