



15646 ENNIS RD, SUGAR LAND, TX 77478

INTERACTIVE OFFERING MEMORANDUM



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

EXCLUSIVELY LISTED BY:

PATRICK GRAHAM

BROKER OF RECORD

Firm No. 9005919 (TX)





04

05

09

11

EXECUTIVE SUMMARY

- **STRONG CORPORATE GUARANTEE / INVESTMENT GRADE PARENT COMPANY** - SRS Distribution is the fastest growing distributor of building products in the United States with **over 750 locations** nationwide & an **annual revenue of ± \$10 Billion**. In June of 2024, **Home Depot (NYSE: HD) completed the acquisition of SRS Distribution for \$18.25B**. Home Depot is an investment grade tenant (S&P: "A").
- **LONG TERM INDUSTRIAL NNN LEASE / ANNUAL RENT INCREASES** - SRS Distribution just **executed an early 7-year renewal** at this location (2 years more than their option called for) which portrays SRS Distribution's long-term outlook and profitability at this subject facility. This new **Industrial NNN lease** is structured with **favorable 3% annual rent increases** providing a strong hedge against inflation, and features (2), 5-year options to renew at **Fair Market Value**.
- **FUNCTIONAL INDUSTRIAL (IOS) FACILITY / PASSIVE INVESTMENT** - Built in 2015, this functional 30,000 SF facility is situated on ±4.12 acres of land (16% Building/Lot Coverage) and features a **full concrete yard** with **abundant industrial outdoor storage space (IOS)**.
- **STRATEGIC TEXAS LOCATION / INCOME TAX FREE STATE** - The subject SRS Distribution property is strategically located in Houston, TX which is **one of the most connected cities in the U.S.** due to its direct access to major transportation corridors, including **Interstates 10, 45, & 69**, as well as its proximity to the **Port of Houston - one of the busiest ports in the country**.



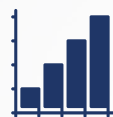
FINANCIAL OVERVIEW



15646 ENNIS RD,
SUGAR LAND, TX



PRICE
\$5,250,000



TERM REMAINING
7 Years



RENT INCREASES
3% Annually

LEASE SUMMARY

Parent Company	Home Depot (NYSE: HD)
Tenant / Guarantor	SRS Distribution, Inc.
Lease Commencement	9/1/2015
Lease Expiration	9/30/2031
Term Remaining (±)	7 Years
Options	(2) 5-Year Options @ Fair Market Value
Monthly Rent	\$26,250
Annual Rent	\$315,000
Average Annual Rent	\$344,810.79
Rent/SF	\$10.50
Rent/SF Land	\$1.76
Rental Increases	3% Annually
Lease Type	Industrial NNN
Tenant Responsibilities	Taxes, Insurance, Utilities, HVAC, OpEx, & Landscaping
Landlord Responsibilities	Roof, Structure, & Paving

PROPERTY SUMMARY

Price	\$5,250,000
Cap Rate	6.00%
Average Term Cap Rate	6.57%
Price/SF	\$175.00
Price/SF Land	\$29.27
Building Square Feet (±)	30,000 SF
Acres (±)	4.12 AC
Lot Square Feet (±)	179,376 SF
Building/Lot Coverage	16.72%
Year Built	2015

FINANCING:

For financing options reach out to:
James Brandon
james.brandon@matthews.com
(310) 955-5836

ANNUALIZED OPERATING DATA

YEAR	ANNUAL RENT	MONTHLY RENT	RENT / SF	RENT / SF LAND	CAP RATE	% INCREASE
10/1/2024 - 9/30/2025	\$315,000.00	\$26,250.00	\$10.50	\$1.76	6.00%	3.00%
10/1/2025 - 9/30/2026	\$324,450.00	\$27,037.50	\$10.82	\$1.81	6.18%	3.00%
10/1/2026 - 9/30/2027	\$334,183.56	\$27,848.63	\$11.14	\$1.86	6.37%	3.00%
10/1/2027 - 9/30/2028	\$344,208.96	\$28,684.08	\$11.47	\$1.92	6.56%	3.00%
10/1/2028 - 9/30/2029	\$354,535.32	\$29,544.61	\$11.82	\$1.98	6.75%	3.00%
10/1/2029 - 9/30/2030	\$365,171.28	\$30,430.94	\$12.17	\$2.04	6.96%	3.00%
10/1/2030 - 9/30/2031	\$376,126.44	\$31,343.87	\$12.54	\$2.10	7.16%	3.00%
BASE TERM AVERAGES	\$344,810.79	\$28,734.23	\$11.49	\$1.92	6.57%	3.00%
2, 5-Year Options to Renew @ FAIR MARKET VALUE						





WESTPARK TOLLWAY ± 56,800 VPD

6

± 55,500 VPD



amazon
(3.7M SF)

imprint

worley
DELIVERING SUSTAINABLE CHANGE

cyracom
INTERNATIONAL, INC.

± 188,000 VPD

SRS DISTRIBUTION (HOME DEPOT)

MIGHTY LIFT™

CALIAN



amazon

MEN'S WEARHOUSE®
DISTRIBUTION CENTER

NXT HOME
DELIVERY

PELEC DEVELOPMENT
COMMERCIAL/INDUSTRIAL Land Developers

EMERSON

8

ATD
AMERICAN TIRE DISTRIBUTORS

Microwave
NETWORKS

± 34,600 VPD

BEST BUY
WAREHOUSE

CME
wire and cable

Reliable
HealthCare Logistics

vestis

NatureBest



± 57,300 VPD

Boise Cascade®
MILLWORK

Walmart

World Trading

SGS SPORTS™
GEAR SWAG

GraybaR

FedEx
Ground

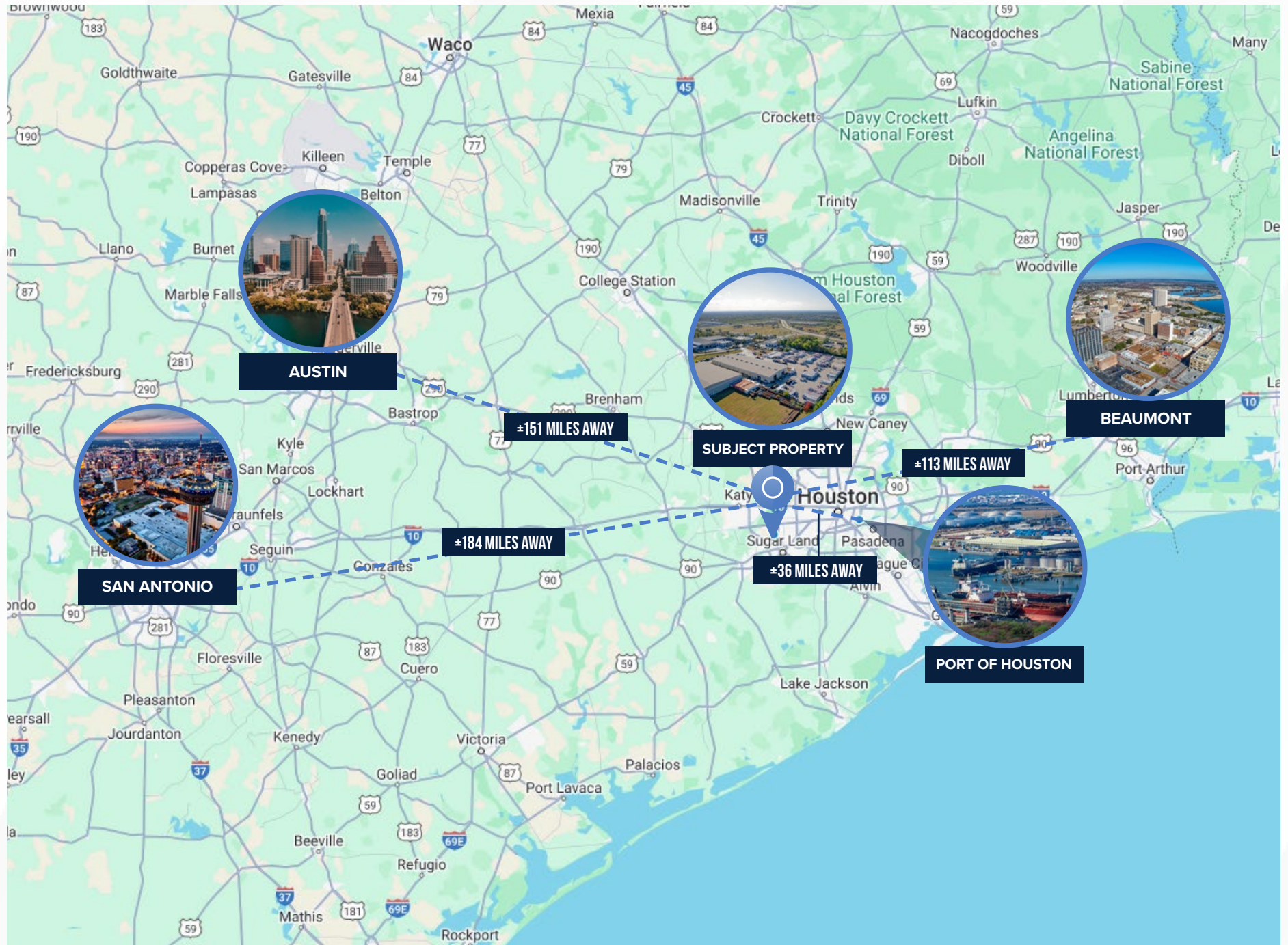
EF
EXCLUSIVE FURNITURE
WHERE LOW PRICES LIVE.

NOVA
furniture

GENERAL TECHNOLOGIES, INC.

Nap
Queen

PROXIMITY MAP



PARENT COMPANY PROFILE



PARENT COMPANY
HOME DEPOT

INDUSTRY
HOME IMPROVEMENT

PUBLICLY TRADED
NYSE: HD

OF LOCATIONS
2,300 + LOCATIONS NATIONWIDE



HOME DEPOT

Home Depot is one of the largest home improvement retailers in the world, specializing in a wide range of products and services for DIY enthusiasts, contractors, and builders alike. Founded in 1978, the company has built a reputation for providing quality materials, tools, and expert advice. Its success can be attributed to a combination of strong customer service, a vast inventory, and a robust online presence that integrates seamlessly with its physical stores. Home Depot's commitment to innovation and efficiency has allowed it to adapt to changing market trends, especially in the wake of the pandemic, where home improvement projects surged.

In a strategic move to bolster its position in the market, Home Depot recently acquired SRS Distribution for \$18.25B. SRS Distribution is a leading wholesale distributor of roofing and building materials. This acquisition is significant as it expands Home Depot's reach into the professional contractor segment, enhancing its supply chain capabilities and allowing for greater product offerings. By integrating SRS's operations, Home Depot aims to improve its logistics and delivery systems, ensuring that customers receive their materials more quickly and efficiently. This strategic alignment not only solidifies Home Depot's competitive edge but also reflects its ongoing commitment to meeting the evolving needs of both DIY consumers and professional contractors in an increasingly competitive marketplace.

TENANT PROFILE



TENANT
SRS DISTRIBUTION

INDUSTRY
DISTRIBUTION

ANNUAL REVENUE
± \$10B

OF LOCATIONS
760 + LOCATIONS NATIONWIDE



SRS DISTRIBUTION

SRS Distribution is a leading national distributor of residential and commercial roofing materials, and other building products such as siding, windows, and more. The company has grown rapidly through acquisitions and a focus on customer service, offering products through a vast network of independent distributors across the United States. SRS serves a wide range of customers, including contractors, builders, and home improvement professionals, with a commitment to quality products and timely delivery. Willoughby Supply Company, now part of SRS Distribution, is a trusted supplier of roofing and building materials. Founded with a focus on customer service and providing high-quality products, Willoughby Supply has built a strong reputation in the industry. It serves contractors and builders with a comprehensive selection of roofing, siding, and other building products, with a focus on meeting the specific needs of customers in the Midwest and Northeast regions.

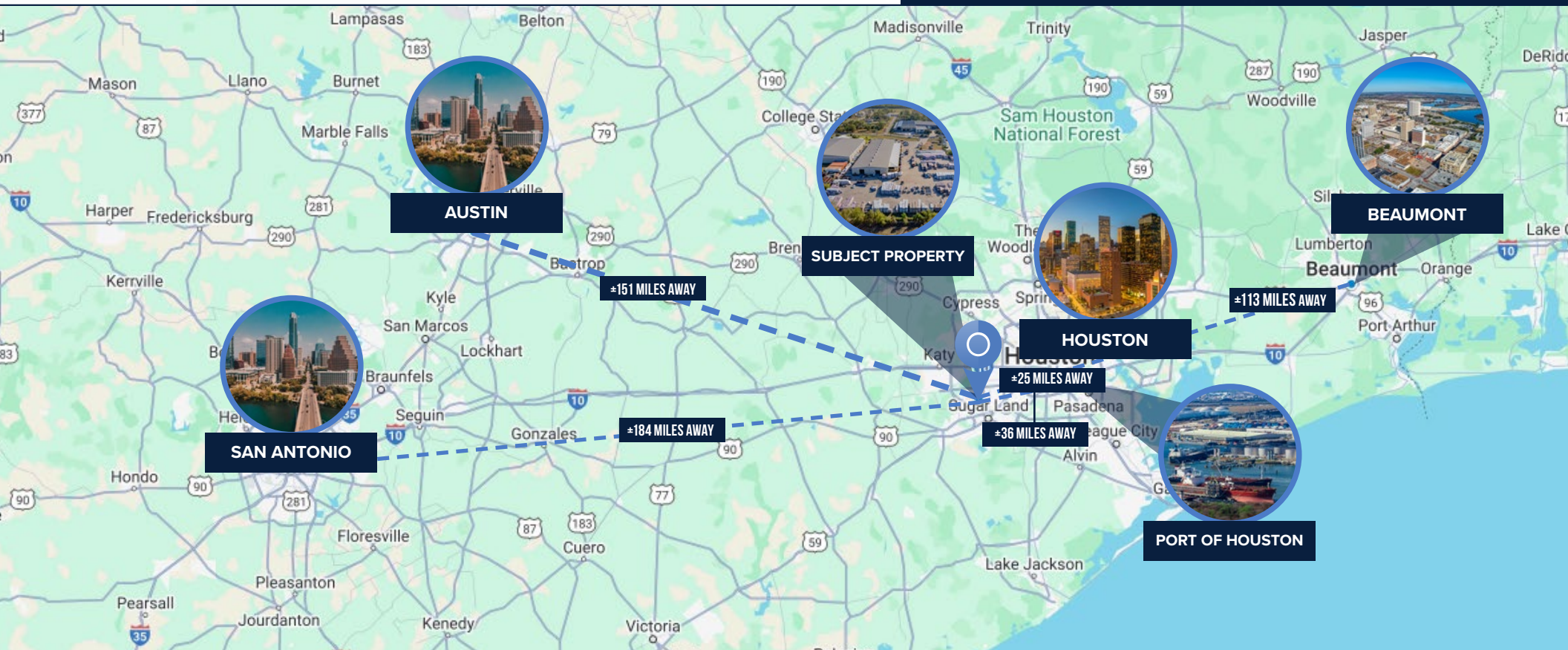
AREA OVERVIEW

SUGAR LAND, TX

Sugar Land, TX, presents a compelling case for industrial property investment due to its strategic location, strong economic growth, and favorable business environment. Situated within the Houston metropolitan area, Sugar Land benefits from proximity to major transportation hubs, including highways, ports, and airports, making it an ideal site for logistics, warehousing, and manufacturing operations.

DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
2020 Census	137,362	325,473	1,173,656
2024 Population	141,683	340,331	1,224,295
2029 Projection	162,788	383,338	1,349,693
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
2020 Census	40,704	103,808	416,665
2024 Households	41,916	108,290	432,521
2029 Projection	48,280	122,171	475,288
INCOME	3-MILE	5-MILE	10-MILE
Average Household Income	\$93,506	\$91,114	\$96,819



ECONOMY

Sugar Land, TX, is a thriving economic hub within the Houston metropolitan area, offering a dynamic environment for businesses and investors alike. Its well-diversified economy, strategic location, and robust infrastructure make it an attractive destination for industrial property investment.

The City boasts a stable and prosperous economy driven by sectors such as energy, healthcare, manufacturing, and technology. It is home to a highly educated workforce, supported by a community committed to business development. Major employers in the region include Fortune 500 companies and a mix of local enterprises, contributing to a healthy job market and consistent economic growth.

Located near Houston, Sugar Land benefits from proximity to major transportation networks, including Interstate 69, Port Houston, and George Bush Intercontinental Airport. These connections make the city a prime location for logistics, warehousing, and distribution centers. The region's accessibility supports the efficient movement of goods, a critical factor for industrial businesses.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **15646 Ennis Rd, Sugar Land, TX 77478** ("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. Neither 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.

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 entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

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 Owner 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 of this Offering Memorandum.



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