



# OFFERING MEMORANDUM

NNN Lease Investment Opportunity

8943 Gulf Freeway | Houston, TX 77017

## SANDS INVESTMENT GROUP

NET INVESTMENTS... NET RESULTS



Representative Image



8943 Gulf Freeway  
Houston, TX 77017

INVESTMENT SUMMARY	Investment Summary Investment Highlights
AREA OVERVIEW	Location & Area Map Retail Map City Overview
TENANT	Tenant Profile
LEASE ABSTRACT	Lease Summary Rent Roll

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## INVESTMENT SUMMARY



### OFFERING SUMMARY

PRICE	\$4,071,800
CAP	6.00%
NOI	\$244,308
PRICE PER SF	\$117.68
YEARS REMAINING	15+ Years

### PROPERTY SUMMARY

ADDRESS	8943 Gulf Freeway Houston, TX 77017
COUNTY	Harris
BUILDING AREA	34,600 SF
LAND AREA	3.74 Acres
BUILT	1978 (2017 Complete Renovation)

*Representative Image*

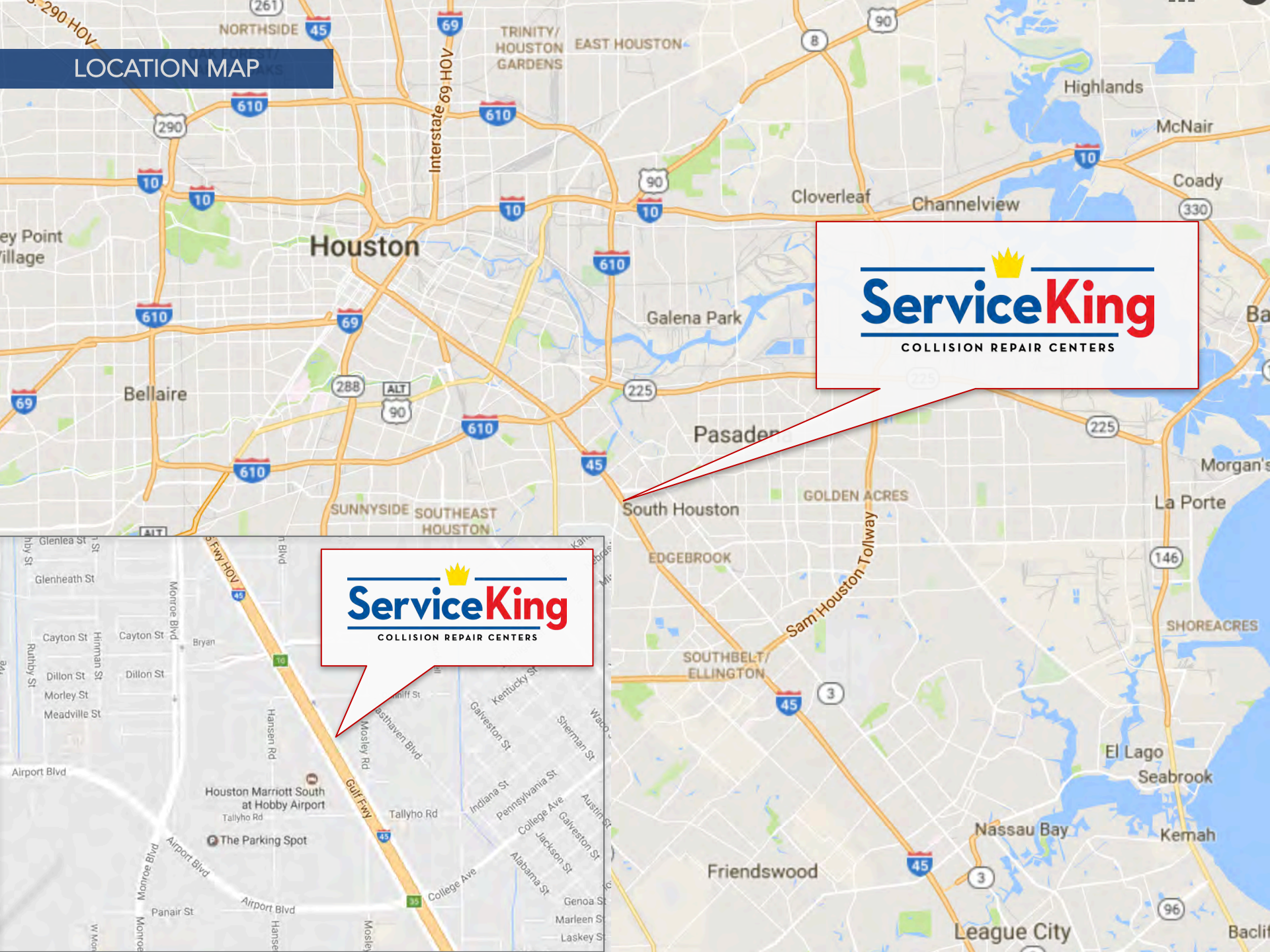
## INVESTMENT HIGHLIGHTS



## HIGHLIGHTS

- New 15+ Year Single Tenant Triple Net (NNN) Lease
- Three (3) x Five (5) Year Renewal Options
- 8.5% Increase Every 5 Years
- Complete Renovation of the Existing Structure – Opened December 14, 2017
- Outstanding Location Along Interstate 45 and Airport Boulevard – Just Outside of Houston’s Inner Loop
- Interstate 45 is One of Houston’s Most Traveled Thoroughfares with 211,000+ VPD
- Located Within Walking Distance of Over 2,600 Hotel Rooms, Over 544,000 SF of Office Space with Average Occupancy of 92% and Over 750 Multifamily Units
- Immediate Proximity to Hobby Airport Which Recently Underwent a \$156 Million Expansion of The International Terminal Garnering Upwards of 1.5 Million New Travelers to Houston Each Year
- Select Neighboring Tenants Include: Taco Cabana, Denny’s, Waffle House and Dairy Queen

# LOCATION MAP



**ServiceKing**  
COLLISION REPAIR CENTERS

**ServiceKing**  
COLLISION REPAIR CENTERS

Houston Marriott South  
at Hobby Airport  
Tallyho Rd

The Parking Spot

AERIAL MAP



Gulf Fwy



# RETAIL MAP



HD Supply  
Waterworks



Clayton  
Homes



Hansen Rd



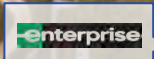
Spec Building  
Materials



Gulf Fwy



WILLIAM P. HOBBY  
AIRPORT



College Ave



Airport Blvd



## AREA OVERVIEW

Street/Cross Road

Average Vehicles Per Day

Interstate 45

211,774

Airport Boulevard

37,010



### SUBJECT PROPERTY DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
Population	9,003	140,723	348,292
Average Household Income	\$48,156	\$52,436	\$54,403



## AREA OVERVIEW



## City Overview

**Houston** is a major American metropolis. It is the most populous city in Texas and the fourth-most populous city in the United States after Chicago, located in Southeast Texas near the Gulf of Mexico. With a census-estimated 2014 population of 2.239 million within an area of 667 square miles (1,730 km<sup>2</sup>), it also is the largest city in the Southern United States, as well as the seat of Harris County. It is the principal city of Houston–The Woodlands–Sugar Land, which is the fifth-most populated metropolitan area in the United States of America.

Houston was founded on August 28, 1836, near the banks of Buffalo Bayou (now known as Allen's Landing) and incorporated as a city on June 5, 1837. Houston's economy has a broad industrial base in energy, manufacturing, aeronautics, and transportation. Leading in health care sectors and building oilfield equipment, only New York City is home to more Fortune 500 headquarters within its city limits. The Port of Houston ranks first in the United States in international waterborne tonnage handled and second in total cargo tonnage handled. Nicknamed the "Space City", Houston is a global city, with strengths in business, international trade, entertainment, culture, media, fashion, science, sports, technology, education, medicine, and research. The city has a population from various ethnic and religious backgrounds and a large and growing international community. Houston is the most diverse city in Texas and has been described as the most diverse in the United States. It is home to many cultural institutions and exhibits, which attract more than 7 million visitors a year to the Museum District. Houston has an active visual and performing arts scene in the Theater District and offers year-round resident companies in all major performing arts.

## TENANT PROFILE



Representative Image

## COMPANY PROFILE

COMPANY TYPE	Private
FOUNDED	1976
# OF LOCATIONS	345
NET WORTH	\$650 Million
HEADQUARTERS	Dallas, TX
WEBSITE	<a href="http://serviceking.com">serviceking.com</a>
PARENT COMPANY	The Carlyle Group (Minority) The Blackstone Group (Majority)

Service King Collision Repair Centers®, with more than 40 years of experience in the automotive repair industry, is a leading national operator of comprehensive, high-quality collision repair facilities. The organization is consistently recognized for its commitment to customer satisfaction, quality workmanship and giving back to the industry through innovative training and recruiting initiatives. Service King traces its roots back to Dallas, Texas and founder Eddie Lennox who opened the very first Service King in 1976.

As of April 2017, Service King operates 345 locations in 24 states across the U.S. In 2015, Service King was named the No. 1 Best Place to Work by both the Dallas and San Antonio Business Journals.

# LEASE ABSTRACT



Representative Image

## LEASE SUMMARY

TENANT	Service King Collision Repair Centers
PREMISES	A Building of Approximately 34,600 SF in Houston, TX
LEASE COMMENCEMENT	June 4, 2017 Opened December 14, 2017
LEASE EXPIRATION	December 31, 2032
LEASE TERM	15 Years and 6 Months
RENEWAL OPTIONS	3 x 5 Year Options
RENT INCREASES	8.5% Every 5 Years
LEASE TYPE	Triple Net (NNN)
USE	Auto Repair Center
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	No

# RENT ROLL



Representative Image

TENANT NAME	SIZE		MONTHLY RENT			LEASE TERM			OPTIONS
	SQUARE FOOTAGE	% OF TOTAL	MONTHLY BASE RENT	RENT / SF	INCREASE DATES	RENTAL INCREASE	LEASE BEGIN	LEASE END	

Service King	34,600 SF	100%	\$20,359	\$0.59	Every 5 Years	8.5%	06/04/2017	12/31/2032	3 x 5 Years
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## CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



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## INFORMATION ABOUT BROKERAGE SERVICES

**B**efore working with a real estate broker, you should know that the duties of a Broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with the Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary.

The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) Shall treat all parties honestly;
- (2) May not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) May not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.



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