

ACTUAL PHOTO

 701 W RIDGE RD, PHARR, TX 78577

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this fee-simple, absolute net-leased Take-5 Car Wash located at 701 W. Ridge Road in Pharr, Texas. The freestanding single-tenant property consists of a 3,034 SF building and is situated on a large 1.65-acre parcel of land.

This Take 5 Car Wash sits as an outparcel to the newly developed Brentwood Estates, a residential community comprised of 97 brand new single-family homes and Carmel Estates, a newly developed apartment complex with 1, 2, and 3-bedroom apartments for lease. The property also fronts West Ridge Road, a main East-West thoroughfare, which sees vehicle counts in excess of 20,535 per day. Within the immediate trade area you'll find a plethora of national and regional retailers including but not limited to H-E-B Plus!, McDonald's, Walmart Supercenter, Burlington, Sam's Club, Lowe's, Costco, Starbucks, CVS, Whataburger, IHOP, and numerous others.

Located a few minutes from this the property is the South Texas Health System – Heart, one of the first freestanding cardiology and cardiovascular hospitals built in the United States, dedicated solely to heart-related medical needs for patients. It provide diagnosis and treatment, emergency heart care, cardiac catheterization, heart surgery and education. South Texas Health System Heart is also equipped with a full-service emergency department, as well as a bariatric surgery center. Also nearby is South Texas College with 8,340+ enrolled students and Rio Grand Valley College with more than 700 enrolled students. There are numerous apartment complexes surrounding the property including Palm Garden Apartments with 60 units, Sunset Terrace Apartments with 80 units, Valleyview Apartments with 128 units, Plaza Royale Apartments with 88 units, Summit Apartments, Hearthstone Apartments and Del Oro Apartments.

The tenant initially executed a 20-year lease and currently has 19-years of initial term remaining with attractive 2 percent annual increases commencing in 2029.

Driven Brands Car Wash is the world's largest local car wash operator. Driven Brands entered the car wash industry in 2020 with the acquisition of International Car Wash Group. Driven Brands operates over 1,100 locations in 14 countries across US, Europe and Australia, with over 350 locations in the United States. The Company was founded in Germany in 1965 under the IMO brand, the name still used at its non-US locations. Driven Brands Carwash is a member of Driven Brands, the largest automotive services company in North America.

INVESTMENT HIGHLIGHTS

- Corporate Guarantee | Driven Brands Inc +/- 1,100 Locations
- Absolute NNN | Zero Landlord Responsibility
- Property Qualifies for Bonus Depreciation
- 19 Years of Initial Term Remaining
- Recent (2021) Construction
- Within Area's Main Retail Corridor
- Excellent Visibility
- Neighboring Tenants Include: H-E-B Plus!, McDonald's, Walmart Supercenter, Burlington, Sam's Club, Lowe's, Costco, Starbucks, CVS, Whataburger, IHOP, and numerous others.
- Proximity to South Texas College with 8,340+ enrolled students and Rio Grand Valley College with more than 700 enrolled students

THE OFFERING

Take 5 Car Wash
701 W Ridge Road
Pharr, Texas 78577



PROPERTY DETAILS

Lot Size	71,874 SF (1.65 Acres)
Rentable Square Feet	3,034 SF
Price/SF	\$1,175.69
Year Built	2021

FINANCIAL OVERVIEW

List Price	\$3,567,030.77
Down Payment	100% / \$3,567,030.77
Cap Rate	6.50%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
12/29/2022 - 12/31/2028 (Current)	\$19,321	\$231,857
01/01/2029 - 12/31/2029	\$19,708	\$236,494
01/01/2030 - 12/31/2030	\$20,102	\$241,224
01/01/2031 - 12/31/2031	\$20,504	\$246,049
01/01/2032 - 12/31/2032	\$20,914	\$250,969
01/01/2033 - 12/31/2033	\$21,332	\$255,989
01/01/2034 - 12/31/2034	\$21,759	\$261,109
01/01/2035 - 12/31/2035	\$22,194	\$266,331
01/01/2036 - 12/31/2036	\$22,638	\$271,657
01/01/2037 - 12/31/2037	\$23,091	\$277,091
01/01/2038 - 12/31/2038	\$23,553	\$282,632
01/01/2039 - 12/31/2039	\$24,024	\$288,285
01/01/2040 - 12/31/2040	\$24,504	\$294,051
01/01/2041 - 12/31/2041	\$24,994	\$299,932
01/01/2042 - 12/28/2042	\$25,494	\$305,930
Base Rent (\$76.42 / SF)		\$231,857
Net Operating Income		\$231,857.00

TOTAL ANNUAL RETURN CAP 6.50% \$231,857

LEASE ABSTRACT

Tenant Trade Name	Take 5 Car Wash
Tenant	Corporate
Ownership	Public
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	12/29/2022
Rent Commencement Date	12/29/2022
Expiration Date of Base Term	12/28/2042
Increases	2% Annually beginning 01/01/2029
Options	None
Term Remaining on Lease	19 Years
Property Type	Net Leased Car Wash
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	N/A

DEPRECIATION ANALYSIS

BONUS DEPRECIATION — 80% YEAR ONE

Asset	Take 5 Car Wash
Ownership	Fee Simple
Rent	\$231,857
Cap Rate	6.25%
Purchase Price	\$3,709,712
Depreciable Basis for Improvements (80%)	\$2,967,769.60
Depreciation (80% Depreciable Basis)	\$2,374,215.68
Federal Tax Rate	37%
Year One Savings	\$878,459.80

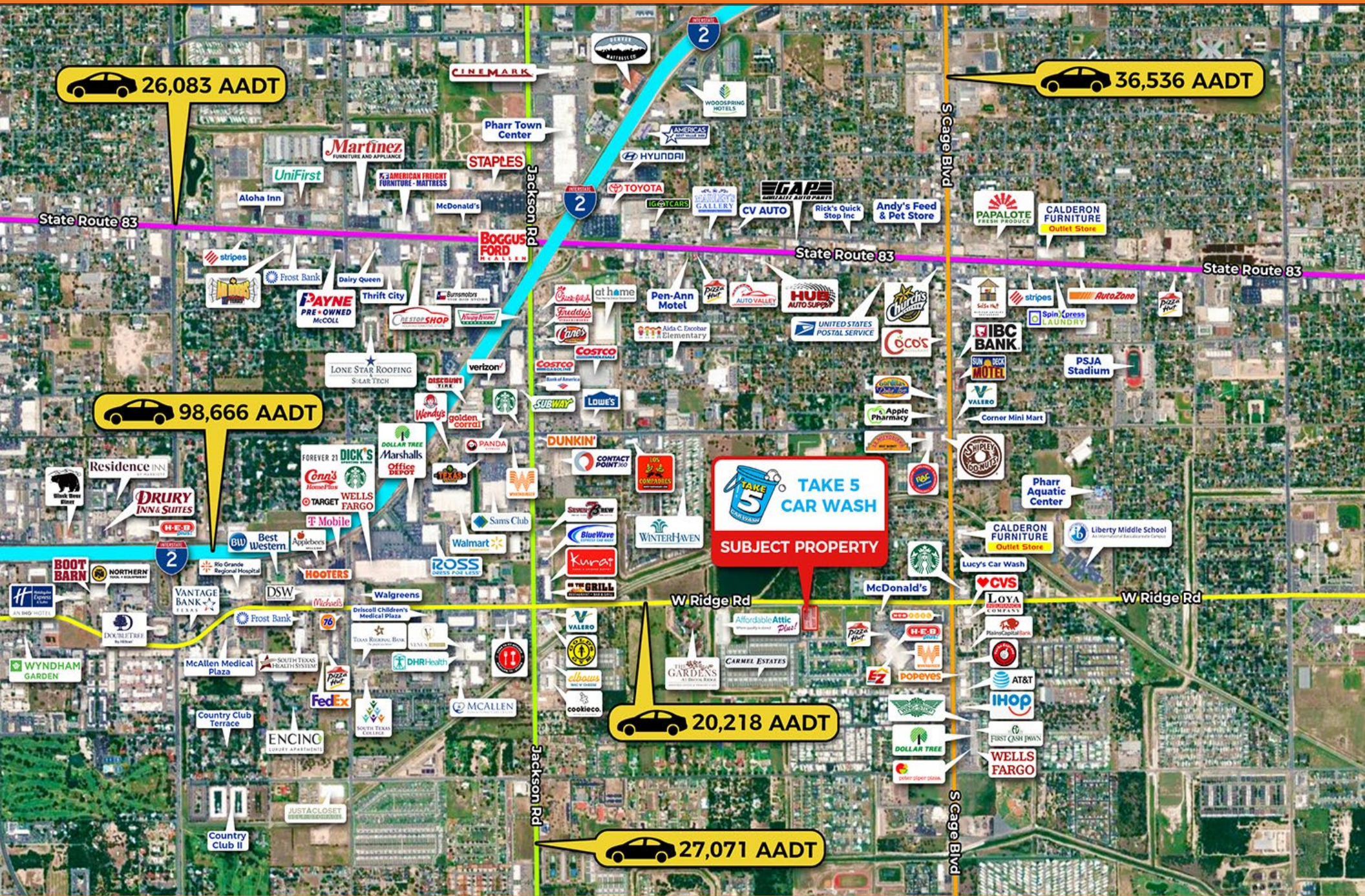
ACCELERATED DEPRECIATION — 15 YEAR

Asset	Take 5 Car Wash
Ownership	Fee Simple
Rent	\$231,857
Cap Rate	6.25%
Purchase Price	\$3,709,712
Depreciable Basis for Improvements (80%)	\$2,967,769.60
Depreciation (80% Depreciable Basis)	\$197,851.31
Federal Tax Rate	37%
Year One Savings	\$73,204.98

STANDARD DEPRECIATION — 39 YEAR

Asset	Take 5 Car Wash
Ownership	Fee Simple
Rent	\$231,857
Cap Rate	6.25%
Purchase Price	\$3,709,712
Depreciable Basis for Improvements (80%)	\$2,967,769.60
Depreciation (80% Depreciable Basis)	\$76,096.66
Federal Tax Rate	37%
Year One Savings	\$39,836.92











PORTFOLIO DATA

PROPERTY	ADDRESS	CITY	STATE	ANNUAL RENT	PRICE	CAP
Take 5 - Car Wash	1114 S Lynn Riggs Blvd.	Claremore	OK	\$151,040	\$2,323,692.31	6.50%
Take 5 - Car Wash	8715 OH-66 N	Defiance	OH	\$176,100	\$2,709,230.77	6.50%
Take 5 - Car Wash	4200 Boat Club Road	Fort Worth	TX	\$331,224	\$5,095,753.85	6.50%
Take 5 - Car Wash	704 Chapman Road	Monticello	AR	\$281,541	\$4,331,400	6.50%
Take 5 - Car Wash	16100 FL-54	Odessa	FL	\$316,398	\$4,867,661.54	6.50%
Take 5 - Car Wash	701 W Ridge Road	Pharr	TX	\$231,857	\$3,567,030.77	6.50%
Take 5 - Car Wash	10405 Countyline Rd	Spring Hill	FL	\$291,527	\$4,485,030.77	6.50%
Take 5 - Car Wash	2900 MacArthur Dr	West Orange	TX	\$328,049	\$5,046,907.69	6.50%



**SIMPLY
MORE
CONVENIENT.**



Established in 1984, Take 5 Oil Change is a quick lube service featuring a unique drive-thru concept that allows customers to never leave the comfort of their car. The brand offers an on average 10-minute oil change service and ancillary services such as air filter replacement, wiper blade changes, and coolant exchanges. Take 5 Oil Change has more than 800 company-owned and franchised service centers throughout the United States and Canada.



NAME	Take 5 Car Wash
HQ	Charlotte, North Carolina
FOUNDED	1984
PARENT	Driven Brands, Inc
CREDIT RATING S&P	BBB-
REVENUE	\$2.03 Billion (2022)
NET INCOME	\$43.19 Million
NUMBER OF LOCATIONS	800+ Locations
NUMBER OF EMPLOYEES	11,000 (2022)
WEBSITE	www.take5.com

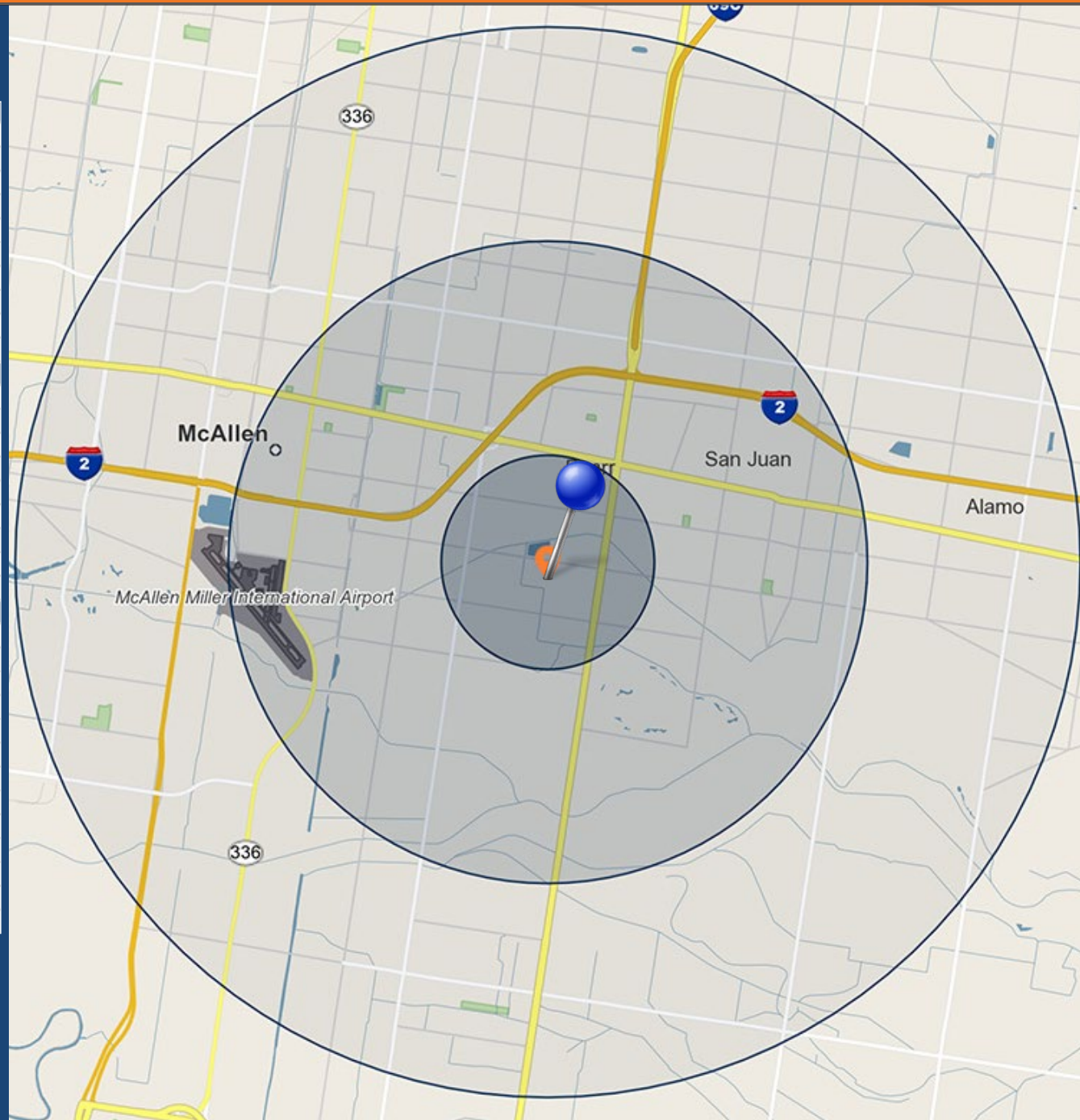
- N** CAR IN NEUTRAL
- FEET OFF PEDALS**
PIES DE PEDALES
- HANDS OFF**

SIGNATURE WASH

CERAMIC SEALANT

- SHINE
20% MORE SHINE
- SHIELDS
CLEANER LONGER
- SEALS
PROTECTS LONG-TERM

MIRROR FINISH



POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	12,450	79,646	239,430
2022 Estimate			
Total Population	11,099	74,485	224,303
2010 Census			
Total Population	9,077	66,751	202,068
2000 Census			
Total Population	6,168	53,925	163,494
Daytime Population			
2022 Estimate	12,113	110,286	261,508
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Households	4,533	25,842	73,258
2022 Estimate			
Total Households	4,025	23,977	68,116
Average (Mean) Household Size	2.9	3.1	3.3
2010 Census			
Total Households	3,193	20,971	59,939
2000 Census			
Total Households	2,373	16,627	47,094
HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
\$200,000 or More	2.9%	3.1%	2.6%
\$150,000-\$199,999	4.4%	3.5%	3.0%
\$100,000-\$149,999	8.8%	9.1%	8.5%
\$75,000-\$99,999	8.8%	9.0%	8.7%
\$50,000-\$74,999	18.3%	17.3%	16.7%
\$35,000-\$49,999	15.9%	15.5%	15.8%
\$25,000-\$34,999	9.2%	9.1%	10.3%
\$15,000-\$24,999	11.6%	12.1%	14.6%
Under \$15,000	20.2%	21.3%	19.9%
Average Household Income	\$61,421	\$62,446	\$58,431
Median Household Income	\$44,374	\$42,369	\$40,403
Per Capita Income	\$22,292	\$20,270	\$17,809

GEOGRAPHY: 5 MILE



POPULATION

In 2022, the population in your selected geography is 224,303. The population has changed by 37.2 percent since 2000. It is estimated that the population in your area will be 239,430 five years from now, which represents a change of 6.7 percent from the current year. The current population is 48.2 percent male and 51.8 percent female. The median age of the population in your area is 31.7, compared with the U.S. average, which is 38.6. The population density in your area is 2,860 people per square mile.



HOUSEHOLDS

There are currently 68,116 households in your selected geography. The number of households has changed by 44.6 percent since 2000. It is estimated that the number of households in your area will be 73,258 five years from now, which represents a change of 7.5 percent from the current year. The average household size in your area is 3.2 people.



INCOME

In 2022, the median household income for your selected geography is \$40,403, compared with the U.S. average, which is currently \$66,422. The median household income for your area has changed by 57.2 percent since 2000. It is estimated that the median household income in your area will be \$44,700 five years from now, which represents a change of 10.6 percent from the current year.

The current year per capita income in your area is \$17,809, compared with the U.S. average, which is \$37,200. The current year's average household income in your area is \$58,431, compared with the U.S. average, which is \$96,357.



EMPLOYMENT

In 2022, 94,511 people in your selected area were employed. The 2000 Census revealed that 58.3 percent of employees are in white-collar occupations in this geography, and 41.7 percent are in blue-collar occupations. In 2022, unemployment in this area was 7.0 percent. In 2000, the average time traveled to work was 17.5 minutes.



HOUSING

The median housing value in your area was \$100,211 in 2022, compared with the U.S. median of \$250,735. In 2000, there were 31,739 owner-occupied housing units and 15,356 renter-occupied housing units in your area. The median rent at the time was \$353.



EDUCATION

The selected area in 2022 had a lower level of educational attainment when compared with the U.S. averages. Only 5.6 percent of the selected area's residents had earned a graduate degree compared with the national average of 12.3 percent, and 13.3 percent completed a bachelor's degree, compared with the national average of 19.7 percent.

The number of area residents with an associate degree was lower than the nation's at 4.5 percent vs. 8.4 percent, respectively.

The area had fewer high-school graduates, 24.5 percent vs. 27.1 percent for the nation. The percentage of residents who completed some college is also lower than the average for the nation, at 18.5 percent in the selected area compared with the 20.4 percent in the U.S.

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The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap Real Estate Investment Services. This Marketing Brochure 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. Marcus & Millichap has not made any 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 Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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.

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As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current 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. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015

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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_____ Licensed Supervisor of Sales Agent/Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

Marcus & Millichap

The Retail Real Estate Investment Leader

Marcus & Millichap

EXCLUSIVELY LISTED

EXCLUSIVELY LISTED BY:

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