



REPRESENTATIVE PROPERTY

20-Year Initial Term

Investment Grade Credit Tenant

Absolute Triple-Net Lease

This property is being offered to multiple buyers under a Tenants-in-Common (TIC) ownership structure where each buyer can acquire an undivided fractional interest.



11310 Highway 49
Gulfport, MS 39503

PROPERTY HIGHLIGHTS



REPRESENTATIVE PROPERTY

ABOUT THE PROPERTY

- ✓ Long-Term, 20-Year Absolute Triple Net (NNN)
- ✓ Corporate Guaranty from Driven Brands Funding, LLC
- ✓ Attractive Rental Increases | 1.50% Annually Starting Year 2
- ✓ Four 5-Year Tenant Renewal Options

ABOUT THE TENANT / BRAND

- ✓ Investment Grade | Driven Brands Inc.
- ✓ Over 4,600 locations throughout the U.S. and Canada
- ✓ Driven Brands is a leader in the automotive aftermarket industry and parent company of Take 5 Oil Change, Meineke, Maaco, CARSTAR, 1-800 Radiator, and many more
- ✓ Over \$5 Billion in Sales System Wide

ABOUT THE LOCATION

- ✓ Dense Retail Corridor | Walmart, Walgreens, AutoZone, Advance Auto Parts, McDonald's, Wendy's, Dunkin', Taco Bell, Domino's, Chick-Fil-A and Many More
- ✓ Robust Demographics | Population Exceeds 153,500 Individuals Within a Ten-Mile Radius
- ✓ Strong Real Estate Fundamentals | Located Near Shopping Centers | Orange Grove Shopping Center and Crossroad Shopping Mall | Both Within One-Mile Radius
- ✓ Strong Traffic Counts | Over 61,030 and 70,000 Vehicles Per Day Along Highway 49 and Interstate-10, Respectively
- ✓ Gulfport-Biloxi International Airport | Located Approximately Five Miles Away | Serves over 700,000 Passengers Per Year

PROPERTY SUMMARY



REPRESENTATIVE PROPERTY



BUILDING SIZE (SQ FT)

1,951



ANNUAL RENT INCREASE

1.5%



LEASE TERM

20 years



CAP RATE

5.3%



YEAR 1 RENT

\$120,000

PRICING & LEASE INCOME



PURCHASE PRICE
\$2,265,000



NET OPERATING INCOME
\$120,00



INITIAL CAP RATE
5.30%



REPRESENTATIVE PROPERTY

FINANCIAL ANALYSIS

PROPERTY DESCRIPTION

Concept	Take 5 Oil Change
Street Address	11310 Hwy 49
City, State ZIP	Gulfport, MS 39503
Year Built / Renovated	1980 / 2023
Estimated Building Size (SF)	1,951
Estimated Lot Size (Acres)	0.27
Type of Ownership	Fee Simple

THE OFFERING

Price	\$2,265,000
CAP Rate	5.30%
Net Operating Income	\$120,000

LEASE SUMMARY

Property Type	Retail
Property Subtype	Automotive
Credit Type	Corporate
Tenant	Take 5 Properties SPV, LLC
Guarantor	Driven Brands Funding, LLC
Original Lease Term	20 Years
Lease Commencement	December 2023
Lease Expiration	December 2043
Lease Type	Absolute Triple Net (NNN)
Landlord Responsibilities	None
Rental Increases	1.50% Annually
Renewal Options Remaining	Four 5-Year Options

PRICE: \$2,265,000

CAP: 5.30%

RENT: \$120,000

PROPERTY SUMMARY

Cottonwood 1031 Properties is pleased to present the exclusive listing for a Take 5 Oil Change located at 11310 Hwy 49 in Gulfport, MS.

The site consists of roughly 1,951 rentable square feet of building space on an estimated 0.27-acre parcel of land. This Take 5 Oil Change is subject to a 20-year absolute triple-net (NNN) lease, commencing in December 2023. The current annual rent is \$120,000 and is scheduled to increase by 1.50% annually and in each of the four 5-year renewal options.

PROPERTY HIGHLIGHTS

DEMOGRAPHICS



Long-term Commitment to Site This location has been home to an oil change provider since 1980. Take 5 has successfully operated at this site since 2005 and just committed to a brand new 20-year lease.



Recent Renovation This shop was renovated in 2023 to correspond with the commencement of a new lease.



Rent Escalations Offering a hedge against inflation, the Take 5 lease provides for a 1.5% rent escalations throughout the initial term and option periods.



Minimal Landlord Responsibilities Under the Absolute NNN structure, the tenant is responsible for all expenses relating to the property, including landscaping, property taxes, utilities, insurance premiums, as well as the repair and maintenance of the parking area, and the interior and exterior of the premises.



Corporately Guaranteed The Take 5 lease is backed by a corporate guaranty from the parent company, Driven Brands, LLC



“Essential Business” Tenant Given current market conditions, the importance of owning essential business assets has become paramount. The automotive services industry as a whole, and specifically oil change providers, are almost entirely ecommerce resistant.

3 miles 5 miles 10 miles

POPULATION

2010 Population	28,173	53,753	140,704
2023 Population	29,549	57,965	153,550
2028 Population Projection	29,644	58,417	155,039
Annual Growth 2010–2023	0.40%	0.60%	0.70%
Annual Growth 2023–2028	0.10%	0.20%	0.20%

HOUSEHOLD TRENDS

2010 Households	10,358	20,158	54,407
2023 Households	10,917	21,787	59,588
2028 Households Projections	10,960	21,960	60,183
Annual Growth 2010–2023	0.30%	0.40%	0.50%
Annual Growth 2023–2028	0.10%	0.20%	20.00%

INCOME

Average Household Income	\$66,644	\$67,682	\$68,739
Median Household Income	\$52,609	\$51,221	\$52,043

HOUSEHOLD BY INCOME (2023)

< \$25,000	2,636	5,884	15,411
\$25,000–50,000	2,583	4,789	13,350
\$50,000–75,000	2,047	4,051	11,304
\$75,000–100,000	1,229	2,195	6,194
\$100,000–125,000	1,069	1,887	5,163
\$125,000–150,000	676	1,319	3,658
\$150,000–200,000	441	958	2,451
\$200,000+	234	703	2,057

NET LEASE STRUCTURE

CASH FLOW SCHEDULE

EXPENSE CATEGORY	TENANT'S RESPONSIBILITY	LANDLORD'S RESPONSIBILITY
Parking Area Repair	✓	
Parking Area Replacement	✓	
HVAC System	✓	
Foundation	✓	
Interior	✓	
Landscaping	✓	
Insurance	✓	
Property Taxes	✓	
Utilities	✓	
Waste Management	✓	
Structure	✓	
Roof	✓	

Landlord shall have no responsibility to make any repairs or replacements during the entire term of the lease.

LEASE YEAR	ANNUAL BASE RENT	MONTHLY RENT	RENT ESCALATION
Year 1	\$120,000	\$10,000	—
Year 2	\$121,800	\$10,150	1.50%
Year 3	\$123,627	\$10,302	1.50%
Year 4	\$125,481	\$10,457	1.50%
Year 5	\$127,364	\$10,614	1.50%
Year 6	\$129,274	\$10,773	1.50%
Year 7	\$131,213	\$10,934	1.50%
Year 8	\$133,181	\$11,098	1.50%
Year 9	\$135,179	\$11,265	1.50%
Year 10	\$137,207	\$11,434	1.50%
Year 11	\$139,265	\$11,605	1.50%
Year 12	\$141,354	\$11,779	1.50%
Year 13	\$143,474	\$11,956	1.50%
Year 14	\$145,626	\$12,136	1.50%
Year 15	\$147,811	\$12,318	1.50%
Year 16	\$150,028	\$12,502	1.50%
Year 17	\$152,278	\$12,690	1.50%
Year 18	\$154,562	\$12,880	1.50%
Year 19	\$156,881	\$13,073	1.50%
Year 20	\$159,234	\$13,270	1.50%

CONCEPT OVERVIEW

ABOUT TAKE 5 OIL CHANGE

Founded in 1984 and headquartered in Metairie, LA, Take 5 Oil Change currently operates over 750 quick lube centers. Take 5's store format promotes a differentiated customer experience driving superior operational and financial performance resulting in industry leading speed of service, car counts and customer satisfaction scores.

Thirty years ago, in the mid 1980s the automobile world was quite different, but consumer trends continued to move toward niche services that could be provided quickly and conveniently. Recognizing that the average number of vehicles per household continued to increase, and that females would continue to enter the work force, the opportunity for growth was exciting. Over the years, Take 5 has nurtured a value-added, customer-friendly business model.

In 1996, they designed the first "5 Minute Drive-Thru Oil Change" concept. This reflected a new direction in their business model, all centered on improving customer experience and the speed of our service. Eventually, they converted our Rapid Oil locations to the 5-Minute format. The conversion to Take 5 "Home of the 5 Minute Oil Change" is an advertising agency's dream come true - with emphasis and branding on changing your oil, not your schedule.

Take 5 Oil Change was acquired by Roark Capital portfolio company, Driven Brands in March of 2016 from Trivest Partners, L.P. Driven Brands is the nation's leading franchise automotive company with more than 4,000 locations and more than \$5 Billion in System Wide Sales. In addition to Take 5 Oil Change Driven Brands is the parent company of a number of North America's leading automotive brands including: Meineke, Maaco, Merlin, CARSTAR, Drive N Style, Quick Lube, Pro Oil Change and Econo Lube N' Tune.



DRIVEN BRANDS IS THE LARGEST AUTOMOTIVE SERVICES COMPANY IN

NORTH AMERICA AND IS IN 13 ADDITIONAL COUNTRIES

SYSTEM-WIDE SALES \$5 Billion	STORES 4,600+	MARKET SHARE 5%
FRANCHISED 77%	SSS GROWTH YEARS 12 in a row	TYPE OF STORE Essential Service

MARKET OVERVIEW

Gulfport, Mississippi is the second largest city in U S state of Mississippi after the state capital, Jackson Along with Biloxi, Gulfport is the co-county seat of Harrison County and the larger of the two principal cities of the Gulfport Biloxi metropolitan area. From its beginnings as a lumber port, Gulfport evolved into a diversified city. With about 6 7 miles of white sand beaches along the Gulf of Mexico, Gulfport has become a tourism destination, due in large part to Mississippi's coast casinos. Gulfport has served as host to popular cultural events such as the "World's Largest Fishing Rodeo," Cruisin the Coast" (a week of classic cars), "Black Spring Break" and Smokin the Sound" (speedboat races). Gulfport is a thriving residential community with a strong mercantile center. There are historic neighborhoods and home sites, as well as diverse shopping opportunities and several motels scattered throughout to accommodate golfing, gambling, and water sport tourism. Gulfport is also home to the Island View Casino, one of twelve casinos on the Mississippi Gulf Coast.

The greater area is referred to as the Gulfport Biloxi Pascagoula (GBP) region. Although the smallest of the three cities, Pascagoula is home to the largest employer in Mississippi Ingalls Shipbuilding. Ingalls operates an 800 acre shipyard and employs over 11,500 people. The firm has built nearly 70 of the U S Navy fleet of warships. Pascagoula is also home to the largest Chevron refinery in the world. The company has over 3,500 people on its payroll.

A large military presence also supports the metro's economy. The Atlantic Fleet Seabees, the Navy's construction division, is based in the area The Naval Construction Battalion Center is the third-largest employer in the region, with over 5,500 employees. The port largely serves as a makeshift naval base that services and repairs the nation's sea-going assets. Keesler Air Force Base, located in Biloxi, serves as a technical training center. The facility employs over 11,000 military and civilian personnel, with over 4,700 students on base at any given time. In aggregate, government employment is nearly 50% more concentrated here than in the U.S.

Gulfport's leisure and hospitality industry accounts for nearly twice the percentage of jobs than the national average. Gulfport has bounced back over the past several months from COVID and continues to see growth. Beau Rivage Resort Casino is the largest casino operator, with nearly 3,000 employees.



LOCATION OVERVIEW

This Take 5 Oil Change is situated on Highway 49, which experiences an average daily traffic count of approximately 61,030 vehicles. Interstate-10 intersects with Highway 49 directly south of the subject property and brings in an additional 70,000 vehicles per day to the immediate area. There are more than 57,900 individuals residing within a five-mile radius of the property and more than 153,500 individuals within a ten-mile radius. Additionally, the immediate area's population is projected to grow over the next five years.

This Take 5 Oil Change property benefits from being well-positioned in a dense retail and industrial corridor consisting of national and local tenants, academic institutions and shopping centers. Major national tenants in the area include: Walmart, Walgreens, AutoZone, Advance Auto Parts, McDonald's, Wendy's, Dunkin', Taco Bell, Domino's, Chick-Fil-A and many more. There are several auto dealerships within the immediate area of the subject property which help bring in additional traffic. These include, Honda, Chevrolet, and Cadillac. This Take 5 Oil Change also profits from a strong academic presence within the immediate area. Harrison Central Elementary School is located less than one mile away and has over 800 students enrolled. Additionally, Gulfport-Biloxi International Airport is within a five-mile radius of the subject property and flies over 700,000 people per year.

Gulfport is the second-largest city in U.S. state of Mississippi after the state capital, Jackson. Along with Biloxi, Gulfport is the co-county seat of Harrison County and the larger of the two principal cities of the Gulfport-Biloxi metropolitan area. From its beginnings as a lumber port, Gulfport evolved into a diversified city. With about 6.7 miles of white sand beaches along the Gulf of Mexico, Gulfport has become a tourism destination, due in large part to Mississippi's coast casinos. Gulfport has served as host to popular cultural events such as the "World's Largest Fishing Rodeo," "Cruisin' the Coast" (a week of classic cars), "Black Spring Break" and "Smokin' the Sound" (speedboat races). Gulfport is a thriving residential community with a strong mercantile center. There are historic neighborhoods and home sites, as well as diverse shopping opportunities and several motels scattered throughout to accommodate golfing, gambling, and water-sport tourism. Gulfport is also home to the Island View Casino, one of twelve casinos on the Mississippi Gulf Coast.



DISCLAIMER

**TAKE 5 OIL CHANGE
of Gulfport, Mississippi**

**11310 Highway 49
Gulfport, MS 39503**

CONTACT

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This property is being offered to multiple buyers under a Tenants-in-Common (TIC) ownership structure where each buyer can acquire an undivided fractional interest.

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