

MURPHY USA

2501 82ND STREET | LUBBOCK, TX 79423

OFFERING MEMORANDUM



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EXCLUSIVELY LISTED BY

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LIC # 688810 (TX)

BROKER OF RECORD

Kyle Matthews

LIC # 9005919 (TX)

INVESTMENT HIGHLIGHTS

- » Brand new 2023 construction with an estimated rent commencement of February 2023
- » 20-Year Absolute NNN ground lease with zero management responsibilities
- » Attractive 8% rental increases every 5 years for the life of the lease
- » Corporately guaranteed lease (S&P rated BB+)
- » Located at the hard signalized corner of 82nd St & University Ave
- » Traffic counts at the intersection exceed $\pm 62,000$ vehicles daily
- » Lubbock is home to Texas Tech University which has an enrollment of $\pm 40,322$ students
- » The subject property is located just 4.5-miles south of campus
- » Lubbock has a population of $\pm 257,140$ residents
- » Average household income of \$79,428 annually (3-mile)
- » Murphy USA currently operates 1,600 locations throughout the US with plans to continue their expansion
- » Murphy USA has a strong credit rating of BB+





OKLAHOMA CITY, OK

AMARILLO, TX

LUBBOCK, TX

DALLAS, TX

FORT WORTH, TX

SAN ANGELO, TX

WACO, TX



FINANCIAL OVERVIEW



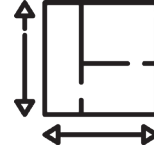
\$2,095,238

PRICE



5.25%

CAP RATE



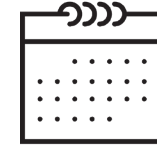
±2,824 SF

GLA



±0.581 AC

LOT SIZE



2022

YEAR BUILT

TENANT SUMMARY

Tenant Trade Name	Murphy Oil USA, INC
Type of Ownership	Ground Lease
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	20 Years
Rent Commencement Date	±2/2023
Lease Expiration Date	±2/2043
Term Remaining on Lease	±19.25 Years
Increase	8% Increases every 5 Years
Options	Four, 5-Year Options

ANNUALIZED OPERATING DATA

LEASE COMMENCE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Years 1-5	\$9,166.67	\$110,000.00	5.25%
Years 6-10	\$9,900.00	\$118,800.00	5.67%
Years 11-15	\$10,692.00	\$128,304.00	6.12%
Years 16-20	\$11,547.33	\$138,568.00	6.61%
Option 1	\$12,471.17	\$149,654.00	7.14%
Option 2	\$13,468.83	\$161,626.00	7.71%
Option 3	\$14,546.33	\$174,556.00	8.33%
Option 4	\$15,710.00	\$188,520.00	9.00%



TRINITY CHRISTIAN MIDDLE SCHOOL & HIGH SCHOOL CAMPUS
589 STUDENTS

LOOP 289
± 37,000 VPD

± 22,000 VPD

82ND STREET
± 29,000 VPD

UNIVERSITY AVE
± 33,000 VPD

ALAMO RV & BOAT STORAGE

ALL SAINTS EPISCOPAL SCHOOL
1,070 STUDENTS

SUGAR BROWN'S COFFEE



SUBJECT PROPERTY



POPULATION LEGEND

- 7,500 OR MORE
- 5,000 TO 7,500
- 2,500 TO 5,000
- 1,000 TO 2,500
- LESS THAN 1,000

TEXAS TECH UNIVERSITY
STUDENTS: ±40,322
PROGRAMS: ±82
FOUNDED: 1923



4.5 MI



LUBBOCK PRESTON SMITH INTERNATIONAL AIRPORT

Prairie Dog Town



THE OFFERING

PROPERTY NAME	Murphy USA
Property Address	2501 82nd Street Lubbock, TX 79423
SITE DESCRIPTION	
Number of Stories	One
Year Built	2022
GLA	±2,824 SF
Type of Ownership	Ground Lease

TENANT OVERVIEW

» Company Name Murphy USA	» Locations ±1,650	» Headquarters El Dorado, AR
» Employees ±15,000	» Year Founded 1996	» Website www.corporate.murphyusa.com

Murphy USA is one of the largest independent retailers of gasoline products and convenience store merchandise with more than 1,650 locations in 27 states across the Southwest, Southeast, Midwest and Northeast United States. Since 1996, Murphy USA has been the place people go to save on the gas that fuels their lives. From the lowest prices on gas to exclusive deals on your family's favorite snacks and drinks, we're always going the extra mile to help you buy smarter and drive farther.

Murphy USA locations are uniquely positioned near the parking lots of one of the world's largest retailers, Walmart. We provide drivers with the utmost convenience when it's time to fill up. With quality fuels, great prices and friendly service, Murphy USA is the place to fuel up.

AREA OVERVIEW

LUBBOCK, TX

Lubbock is a city in northwest Texas with a population of approximately 264,000, making it the 11th most populous city in the state. Commonly referred to as “Hub City”, Lubbock is a fast-growing city once named as one of the nation’s best places to start a business by CNN Money. The nickname “Hub City” derives from being the economic, educational, and health-care hub of the multicounty region. The area is also the largest contiguous cotton-growing region in the world. According to the CAFR 2020, the city’s 10 largest employers are Texas Tech University, Covenant Health System, United Supermarkets, University Medical Center, Lubbock Independent School District, Texas Tech University Health Sciences Center, City of Lubbock, Frenship ISD, and Lubbock County. With regards to higher education, Lubbock is home to Texas Tech University which is the 6th largest college by enrollment in the state and a top-rated public research university. A study conducted by a professor at the Rawls College of Business determined that Texas Tech contributes about \$1.5 billion to the economy, with about \$297.5 million from student shopping alone. Nearby Lubbock lies the Preston Smith International Airport, which allows residents to connect to the rest of the world.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2027 Projection	16,325	93,201	198,989
2022 Estimate	15,445	87,633	186,792
2010 Census	14,407	78,331	162,702
Growth 2022-2027	1.1%	1.3%	1.3%

HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2027 Projection	6,652	36,764	76,898
2022 Estimate	6,285	34,524	71,967
2010 Census	5,855	30,849	62,768
Growth 2022-2027	1.2%	1.3%	1.4%

INCOME	1 - MILE	3 - MILE	5 - MILE
2022 Average Household Income	\$69,039	\$79,428	\$75,522





TEXAS TECH UNIVERSITY

Committed to teaching and the advancement of knowledge, Texas Tech University, a comprehensive public research university, provides the highest standards of excellence in higher education, fosters intellectual and personal development, and stimulates meaningful research and service to humankind. Lubbock, Texas, a rapidly growing city with a population of nearly 300,000 people. It boasts all the conveniences of a major city with the friendliness of a small town. Texas Tech University's ranking in the 2022 edition of Best Colleges is National Universities, #213. Its in-state tuition and fees are \$11,852; out-of-state tuition and fees are \$24,092. Texas Tech University is a large research institution in the college town of Lubbock. Students are required to live on campus until they have completed 30 hours of course work. The Texas Tech Red Raiders sports teams compete in the NCAA Big 12 Conference and are particularly competitive in football and basketball. Students can join more than 450 student organizations, including Texas Tech's large Greek community, made up of about 50 fraternities and sororities. The university also runs research centers and institutes, including the National Wind Institute.

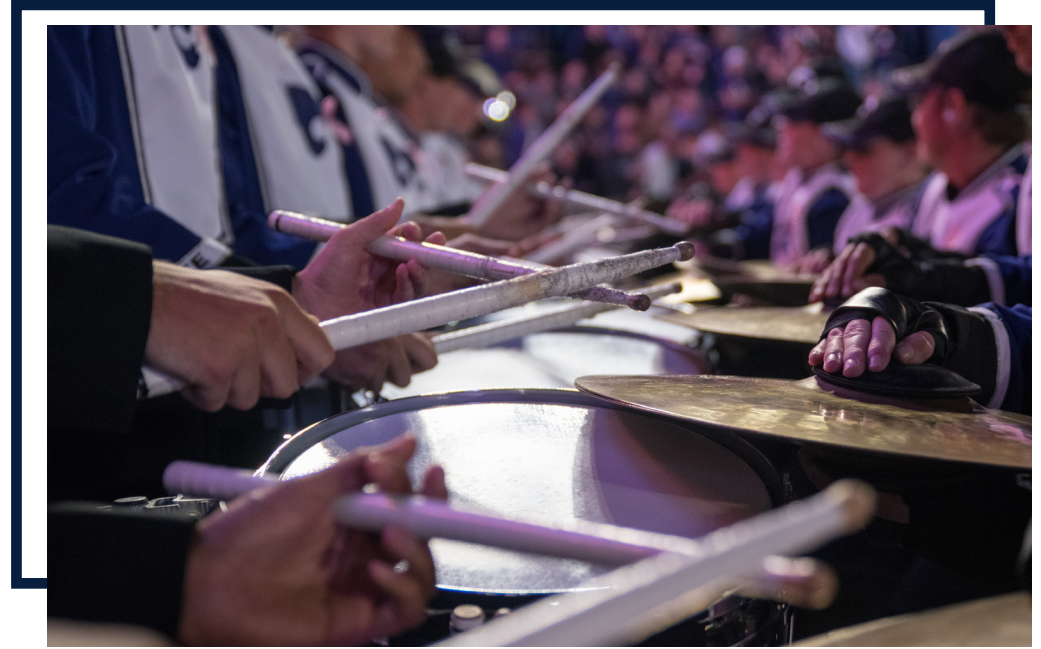
+40,322
STUDENTS

+17
ATHLETIC PROGRAMS

+82
OFFERED PROGRAMS

ATTRACTIONS

To explore the local culture, visit the National Ranching Heritage Center which celebrates the rich history of this town. Known as the birthplace of Buddy Holly, Lubbock honors the legendary musician with the Buddy Holly Center, a statue on the West Texas Walk of Fame, and the annual Buddy Holly Music Festival. The West Texas Walk of Fame also honors several other musicians from the region. Overall, Lubbock is a historic college town with Southwestern appeal.



ECONOMY

Lubbock was built on a thriving farming industry and made great strides in the cotton industry as well. Today, Lubbock continues to produce two to three million bales of cotton per year but is known as much more than a farming city. The Lubbock area is the largest contiguous cotton-growing region in the world and is heavily dependent on federal government agricultural subsidies and irrigation water is drawn from the Ogallala Aquifer.

The 10 largest employers in terms of the number of employees are Texas Tech University, Covenant Health System, Lubbock Independent School District, University Medical Center, United Supermarkets, City of Lubbock, Texas Tech University Health Sciences Center, AT&T, and Lubbock County. A study conducted by a professor at the Rawls College of Business determined Texas Tech students, faculty, and staff contribute about \$1.5 billion to the economy, with about \$297.5 million from student shopping alone.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Murphy USA** located at **2501 82nd Street, Lubbock, TX 79423** (“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. 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.

MURPHY USA

MURPHY EXPRESS

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EXCLUSIVELY LISTED BY

JOSH BISHOP

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LIC # 688810 (TX)

BROKER OF RECORD

Kyle Matthews

LIC # 9005919 (TX)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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.

Mathews Real Estate Investment Services	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	licensing@matthews.com	866-889-0050
Designated Broker of Firm	License No.	Email	Phone
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