

SHERWIN-WILLIAMS - NEW CONSTRUCTION IN SAN ANTONIO

12716 FM1560, HELOTES, TX 78023 (SAN ANTONIO MSA)



Representative Photo

OFFERING MEMORANDUM

Marcus & Millichap





Executive Summary

12716 FM1560, Helotes, TX 78023

FINANCIAL SUMMARY

| | |
|---------------|--------------------|
| Price | \$3,418,000 |
| Cap Rate | 5.50% |
| Building Size | 4,455 SF |
| Net Cash Flow | 5.50% \$188,012 |
| Year Built | 2026 |
| Lot Size | 1.01 Acres |

LEASE SUMMARY

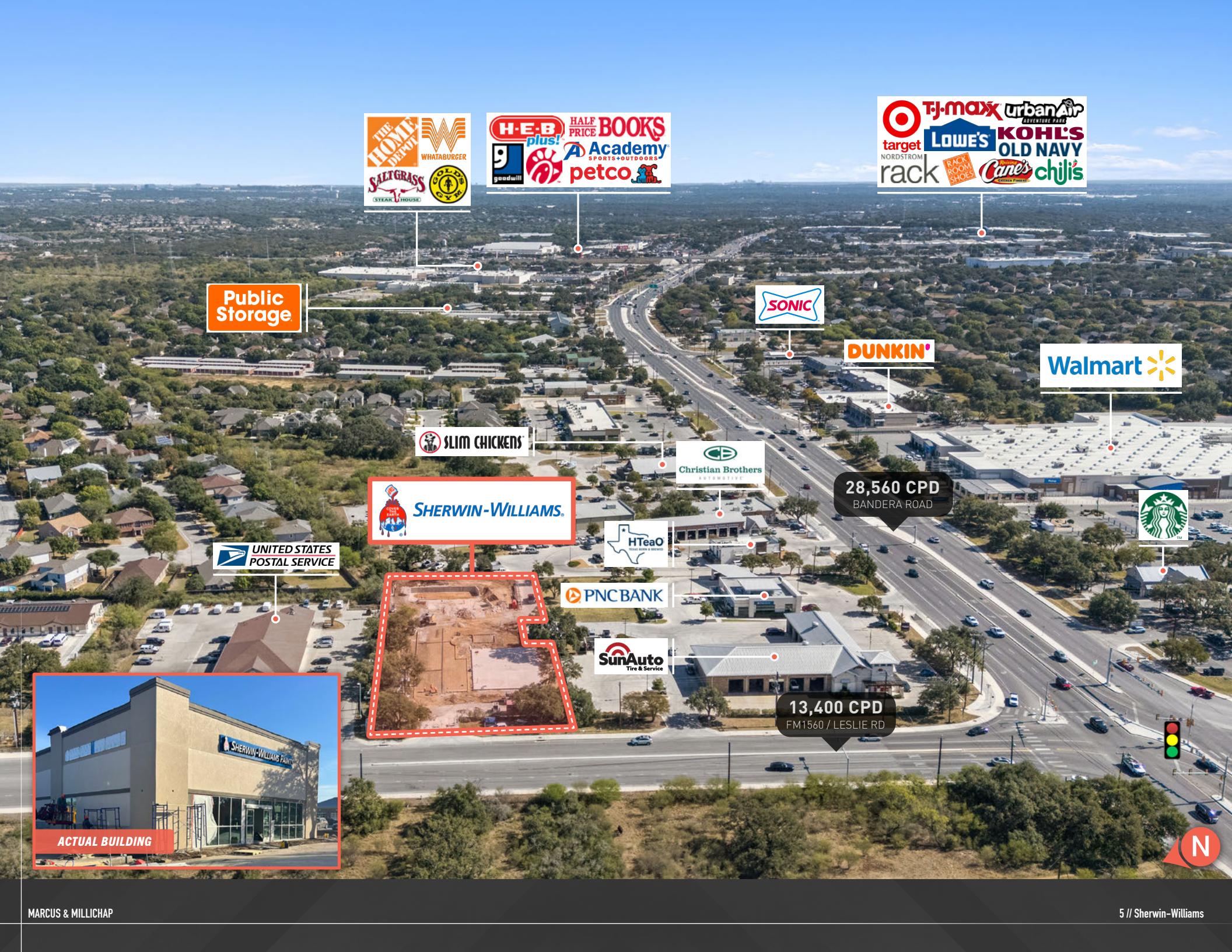
| | |
|------------------------------|------------------------------|
| Lease Type | Double-Net (NN) Lease |
| Roof & Structure | Landlord Responsible |
| Tenant | The Sherwin-Williams Company |
| Est. Lease Commencement Date | March 4, 2026 |
| Est. Lease Expiration Date | March 4, 2036 |
| Lease Term | 10 Years |
| Rental Increases | 10% Every 5 Years |
| Renewal Options | 4, 5 Year Options |
| Right of First Refusal | None |

ANNUALIZED OPERATING DATA

| Lease Years | Annual Rent | Cap Rate |
|--------------------------|--------------|----------|
| Years 1 – 5 | \$188,012.04 | 5.50% |
| Years 6 – 10 | \$206,813.28 | 6.05% |
| Renewal Options | Annual Rent | Cap Rate |
| Option 1 (Years 11 – 15) | \$227,494.56 | 6.66% |
| Option 2 (Years 16 – 20) | \$250,244.04 | 7.32% |
| Option 3 (Years 21 – 25) | \$275,268.48 | 8.05% |
| Option 4 (Years 26 – 30) | \$311,195.28 | 9.10% |

| | |
|-----------------------------|------------------------|
| Base Rent | \$188,012 |
| Net Operating Income | \$188,012 |
| Total Return | 5.50% \$188,012 |







Property Description



INVESTMENT HIGHLIGHTS

- » Brand New 10-Year Lease with Sherwin-Williams (NASDAQ: SHW)
- » 10% Rental Increases Every 5 Years with Multiple Renewal Options
- » **Sherwin-Williams 2024 Revenue was Over \$23 Billion & 2024 EBITDA Increased by 6% to \$4.49 Billion**
- » New High-Quality 2026 Construction
- » **Growing Trade Area in the San Antonio MSA - 217,569 Residents within a 5-Mile Radius**
- » Households and Population Projected to Increase Over 7% in the Immediate Area Over the Next 5 Years
- » **Average Household Income Exceeds \$125,000 within a 3-Mile Radius**
- » Situated at the Intersection of Bandera Road & Leslie Road (\pm 42,000 Cars per Day)
- » **Across from Sandra Day O'Connor High School (\pm 2,585 Students) and Walmart-Anchored Shopping Center**
- » One Mile from Bandera Pointe Shopping Center: Target, Lowe's, Kohl's, and More

| | DEMOCRAPHICS | 1-mile | 3-miles | 5-miles |
|--|--------------|--------|---------|---------|
|--|--------------|--------|---------|---------|

Population

| | | | |
|--------------------|-------|--------|---------|
| 2029 Projection | 7,724 | 83,649 | 225,404 |
| 2024 Estimate | 7,203 | 79,865 | 217,569 |
| Growth 2024 - 2029 | 7.24% | 4.74% | 3.60% |

Households

| | | | |
|--------------------|-------|--------|--------|
| 2029 Projections | 2,885 | 29,263 | 81,160 |
| 2024 Estimate | 2,693 | 27,870 | 78,059 |
| Growth 2024 - 2029 | 7.13% | 5.00% | 3.97% |

Income

| | | | |
|------------------------------------|-----------|-----------|-----------|
| 2024 Est. Average Household Income | \$123,287 | \$125,035 | \$111,438 |
| 2024 Est. Median Household Income | \$107,477 | \$107,676 | \$94,583 |

Tenant Overview



SHERWIN-WILLIAMS



4,770+
Locations



CLEVELAND, OH
Headquarters



1866
Founded



NASDAQ: SHW
Stock Symbol

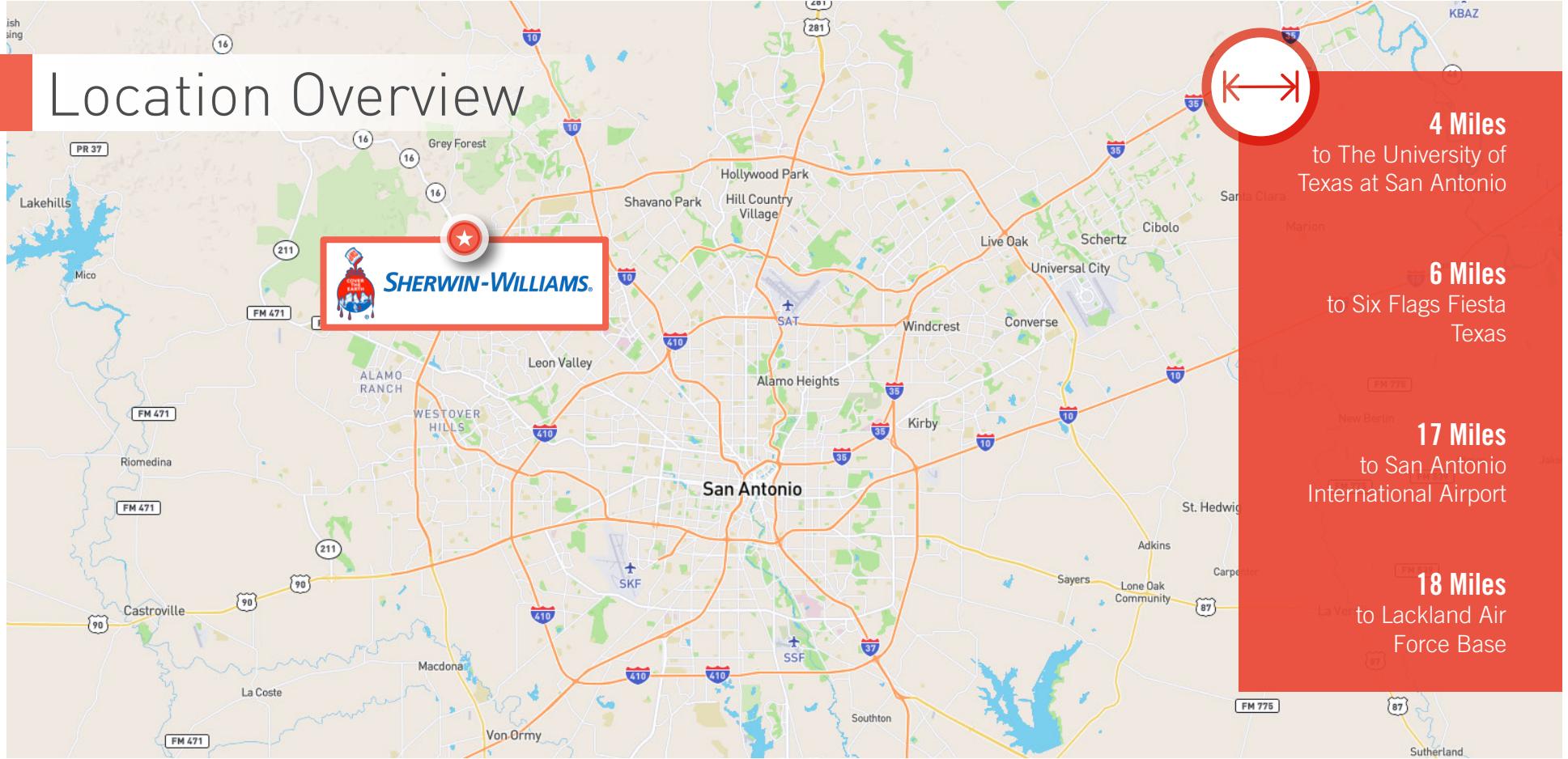


SHERWIN-WILLIAMS.COM
Website

The Sherwin-Williams Company was founded by Henry Sherwin and Edward Williams in 1866. A Fortune 500 company in the general building materials industry, Sherwin-Williams is a global leader in the manufacture, development, distribution and sale of paint, coatings and related products to professional, industrial, commercial and retail customers primarily in North and South America and Europe.

The Company manufactures products under well-known brands such as Sherwin-Williams®, Dutch Boy®, HGTV HOME® by Sherwin-Williams, Krylon®, Minwax®, Thompson's® Water Seal® and many more. With global headquarters in Cleveland, Ohio, Sherwin-Williams® branded products are sold exclusively through more than 4,770 company operated stores and facilities, while the Company's other brands are sold through leading mass merchandisers, home centers, independent paint dealers, hardware stores, automotive retailers and industrial distributors.

Location Overview



Helotes is a city in Bexar County, Texas, located on the far northwestern side of San Antonio, home to over 9,000 residents.

SAN ANTONIO METROPOLITAN AREA

San Antonio, from Spanish, “Saint Anthony,” is the seventh-most populous city in the United States, and the second-most populous in both Texas and the Southern United States with more than 1.5 million residents. As a diverse, progressive, and globally competitive city with a solid vision for national and international economic development, San Antonio won the distinction of All-America City by the National Civic League in 2012. The Milken Institute has also ranked San Antonio No. 1 on its Best Performing Cities list. San Antonio is experiencing solid economic growth in industries such as bioscience and healthcare, aerospace, IT

and cybersecurity, and green technologies. The aerospace industry in particular remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The city has had a significant relationship with the military for more than 200 years and is home to several military commands.

Home to a confluence of various cultures, San Antonio is rich in history and heritage. The city contains five 18th-century Spanish frontier missions, including The Alamo and San Antonio Missions National Historical Park, which together were designated UNESCO World Heritage sites in 2015. Other notable attractions include the River Walk, the Tower of the Americas, SeaWorld, the Alamo Bowl, Marriage Island, and Six Flags Fiesta Texas.



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.

11-03-2025

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.

WRITTEN AGREEMENTS ARE REQUIRED IN CERTAIN SITUATIONS: A license holder who performs brokerage activity for a prospective buyer of residential property must enter into a written agreement with the buyer before showing any residential property to the buyer or if no residential property will be shown, before presenting an offer on behalf of the buyer. This written agreement must contain specific information required by Texas law. For more information on these requirements, see section 1101.563 of the Texas Occupations Code. Even if a written agreement is not required, to avoid disputes, all agreements between you and a broker should be in writing and clearly establish: (i) the broker's duties and responsibilities to you and your obligations under the agreement; and (ii) the amount or rate of compensation the broker will receive and how this amount is determined.

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. **An owner's agent fees are not set by law and are fully negotiable.**

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. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

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.

A LICENSE HOLDER CAN SHOW PROPERTY TO A BUYER/TENANT WITHOUT REPRESENTING THE BUYER/TENANT IF:

- The broker has not agreed with the buyer/tenant, either orally or in writing, to represent the buyer/tenant;
- The broker is not otherwise acting as the buyer/tenant's agent at the time of showing the property;
- The broker does not provide the buyer/tenant options or advise regarding the property or real estate transactions generally; and
- The broker does not perform any other act of real estate brokerage for the buyer/tenant.

Before showing a residential property to an unrepresented prospective buyer, a license holder must enter into a written agreement containing the information required by section 1101.563 of the Texas Occupations Code. The agreement may not be exclusive and must be limited to no more than 14 days.

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.

Marcus & Millichap
Licensed Broker/Broker Firm Name or Primary Assumed Business Name

Tim A. Speck

Designated Broker of Firm

Licensed Supervisor of Sales Agent/Associate

Sales Agent/Associate's Name

Regulated by the Texas Real Estate Commission

9002994

License No.

432723

License No.

License No.

License No.

Buyer/Tenant/Seller/Landlord's Initials

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IABS 1-2

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NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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 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.

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 Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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, 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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License #: 9002994

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