

ABSOLUTE NNN INVESTMENT

# Kwik Kar

DALLAS MSA

NET LEASE INVESTMENTS

QUALIFIES FOR  
BONUS DEPRECIATION

**Kwik Kar**  
**LUBE & TUNE**  
STATE INSPECTION

WED LADIES DAY  
\$5 OFF  
OIL  
CHANGE



ACTUAL PROPERTY

EXCLUSIVELY OFFERED BY:

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This property is listed in conjunction with Texas-licensed real estate broker Cushman & Wakefield, Inc.

|                                   |  |
|-----------------------------------|--|
| <b>TENANT:</b>                    | <b>Grease Monkey International, LLC<br/>aka FullSpeed Automotive</b> |
| <b>GUARANTY:</b>                  | <b>MOP GM Holding, LLC (Corporate)</b>                               |
| <b>LOCATION:</b>                  | 134 East Ovilla Road,<br>Red Oak, TX 75154                           |
| <b>LEASE TYPE:</b>                | Absolute NNN Lease   |
| <b>LANDLORD RESPONSIBILITIES:</b> | <b>None</b>  |
| <b>BUILDING SIZE:</b>             | ±4,092 Square Feet   |
| <b>LAND SIZE:</b>                 | ±0.48 Acres (±20,909 SF)   |
| <b>YEAR BUILT/<br/>RENOVATED:</b> | 1998   |
| <b>LEASE COMMENCEMENT:</b>        | June 1, 2022   |
| <b>LEASE EXPIRATION:</b>          | May 31, 2042   |
| <b>LEASE TERM:</b>                | ±18 years  |
| <b>OPTIONS:</b>                   | Four (4) five (5) year options with<br>annual increases              |
| <b>ANNUAL INCREASES:</b>          | <b>Equal to the greater of 2% or CPI<br/>capped at 6%</b>            |
| <b>APN:</b>                       | 200238   |

OFFERING TERMS

|                     |                    |
|---------------------|--------------------|
| <b>CURRENT NOI:</b> | <b>\$202,063</b>   |
| <b>PRICE:</b>       | <b>\$3,514,148</b> |
| <b>CAP RATE:</b>    | <b>5.75%</b>       |



INVESTMENT HIGHLIGHTS

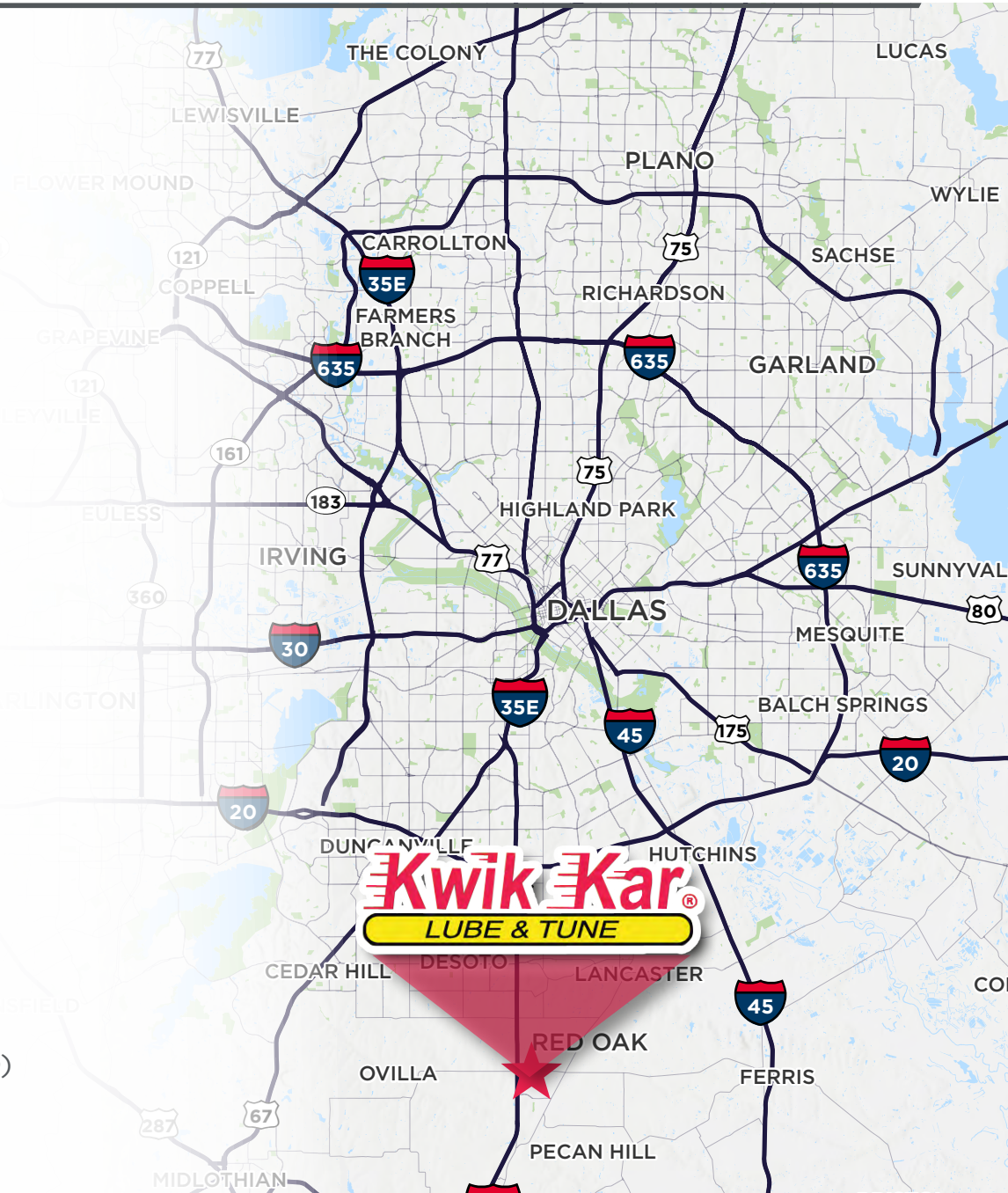
- **Qualifies for bonus depreciation (see next page)**
- Dallas Metro (income tax free state)
- Annual rent increases at the greater of 2% or CPI up to 6%, a hedge against inflation
- Absolute NNN lease (zero landlord responsibilities)
- Long term ±18 year lease
- Recession resistant business

TENANT HIGHLIGHTS

- Kwik Kar has been operating in the market since 1986
- Strong Corporate Guarantor: FullSpeed Automotive oversees ±900 owned and franchised units, generating \$300 million in revenue
- FullSpeed Automotive is a subsidiary of MidOcean Partners, a private equity group that operates and invests in consumer and business services
- MidOcean Partners has \$7 Billion of assets under management ([www.midoceanpartners.com](http://www.midoceanpartners.com))

LOCATION HIGHLIGHTS

- Located in retail hub encircled by major brands, including Brookshire’s, KFC, Walgreens, CVS, Ace Hardware, Panda Express, Chick-fil-A, Burger King, McDonald’s, Dairy Queen, and Others.
- Outparcel to Walmart Supercenter featuring shared access with prominent national tenants: AutoZone, Dollar Tree, and Anytime Fitness.
- Frontage on Ovilla Rd, a major arterial with immediate access to the I-35 Freeway (±95,189 VPD)
- Red Oak is currently growing at a rate of 7.57% annually and its population has increased by 39.15% since 2020.



## BONUS DEPRECIATION - SPECIAL TAX ADVANTAGE AFFORDED IRS SECTION 1250 PROPERTY (KWIK KAR ASSET)

### BONUS DEPRECIATION - KWIK KAR RED OAK, TX

|                                      |              |
|--------------------------------------|--------------|
| Purchase Price                       | \$3,514,148  |
| Cap Rate                             | 5.75%        |
| Cash Flow                            | \$202,063    |
| 60% Bonus Depreciation Year 1        | \$1,857,581* |
| Year 1 Aggregate Tax Loss from Asset | \$1,655,517  |

\*Cushman & Wakefield and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

\*Based on a deduction of the land value equal to \$20/SF.



ACTUAL PROPERTY

### BONUS DEPRECIATION - 60% YEAR 1

Bonus depreciation is a powerful tax-saving strategy that offers businesses and investors significant financial benefits. It was introduced as part of the Tax Cuts and Jobs Act (TCJA) in 2017, aiming to stimulate economic growth and incentivize investments in qualifying assets.

#### What is Bonus Depreciation?

Depreciation is an accounting method used to allocate the cost of tangible assets over their useful lives. Bonus depreciation allows taxpayers to deduct a substantial portion of the asset's cost in the year of acquisition, providing an immediate tax benefit rather than spreading it over several years.

#### Key Features of Bonus Depreciation:

a. Increased Deduction: Under the TCJA, bonus depreciation was set at 100% for qualified assets acquired between September 27, 2017, and January 1, 2023. This means that businesses could deduct the full cost of qualifying assets in the first year.

b. Qualified Assets: Bonus depreciation applies to tangible assets with a recovery period of 20 years or less, such as machinery, equipment, furniture, and certain improvements to buildings.

c. Used and New Assets: Unlike Section 179 expensing, bonus depreciation is available for both new and used assets, making it a valuable tool for businesses acquiring pre-owned equipment.

d. Phased Reduction: After January 1, 2024, the bonus depreciation percentage gradually decreases by 20% each year until 2027. For instance, it will be 60% in 2024, 40% in 2025, and so on.

Source: [www.bakertilly.com/insights/bonus-depreciation](http://www.bakertilly.com/insights/bonus-depreciation)



**Mid Ocean Partners:** MidOcean Partners is a New York-based alternative asset manager concentrated on middle market private equity and alternative credit investments. Since its formation in 2003, MOP has focused on quality middle market companies in the consumer and business services sectors. MOP Equity focuses on transformative growth opportunities where MidOcean has significant strategic knowledge.

MidOcean Partners was formed through the management buyout of Deutsche Bank’s \$1.8 billion private equity business. A group of investors led by MidOcean CEO Ted Virtue, provided capital to the managers of DB Capital Partners and they were able to acquire from them the portfolio of private equity of investments they managed at Deutsche Bank. The total valuation for the buyout equaled \$1.8 billion in private equity business.

MOP acquired FullSpeed Automotive in November 2020. FullSpeed is an industry leading auto aftermarket services platform offering oil changes, tire sales and rotations, brake services, car washes and other ancillary services through multiple brand formats including under the Grease Monkey® and Speedee® brands. MOP plans to continue the Company’s aggressive growth plan through comprehensive organic initiatives and strategic M&A.

[www.midoceanpartners.com](http://www.midoceanpartners.com)

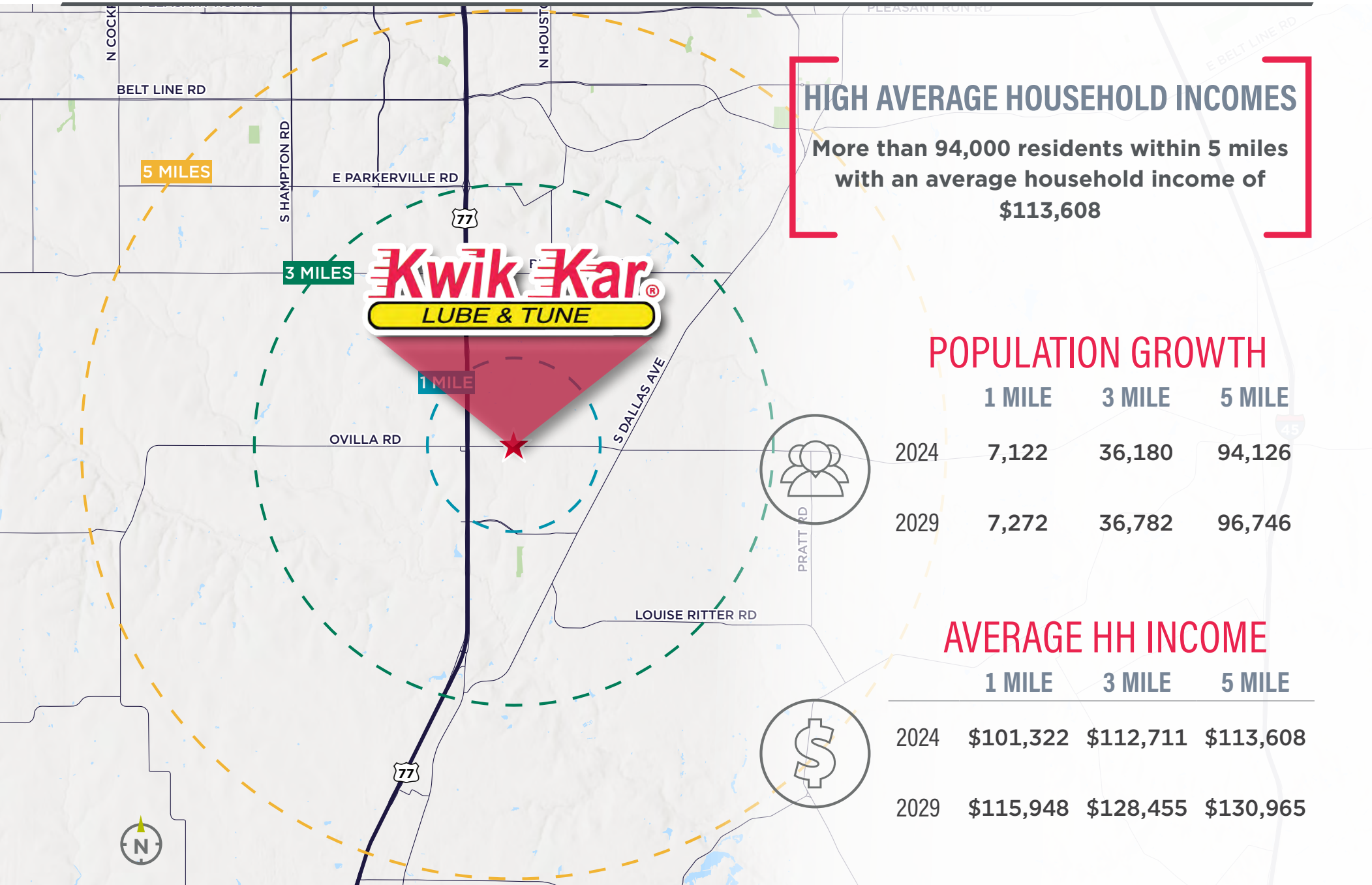
**FullSpeed Automotive:** FullSpeed Automotive® is among the nation’s largest franchisors and operators of automotive aftermarket repair facilities and home to flagship brands Grease Monkey and Speedee oil change and Auto Service. FullSpeed Brands offers oil changes, tire sales and rotations, brake services, car washes, and other ancillary services through multiple brand formats that target several desirable segments of the service market. The company’s strategic geographic footprint of over 900 franchised and company-owned locations provide density in high growth markets. The company’s flagship brands include Grease Monkey®, Speedee Oil Change & Auto Service®, and Kwik Kar. In 2022, both Grease Monkey and Speedee were included in Entrepreneur’s prestigious Franchise 500 ranking. FullSpeed is headquartered in Greenwood Village, Colorado.

[www.fullspeedautomotive.com](http://www.fullspeedautomotive.com)

**Kwik Kar:** Kwik Kar offers the complete package of auto repair services and specializes in full-service oil changes, scheduled maintenance, state inspections, and many other automotive repair services. In 2022, Kwik Kar was rated #2 in overall customer satisfaction for full-service maintenance and repairs by JD Power.

[www.kwikkar.com](http://www.kwikkar.com)





**HIGH AVERAGE HOUSEHOLD INCOMES**  
 More than 94,000 residents within 5 miles  
 with an average household income of  
**\$113,608**

**POPULATION GROWTH**

|      | 1 MILE | 3 MILE | 5 MILE |
|------|--------|--------|--------|
| 2024 | 7,122  | 36,180 | 94,126 |
| 2029 | 7,272  | 36,782 | 96,746 |

**AVERAGE HH INCOME**

|      | 1 MILE    | 3 MILE    | 5 MILE    |
|------|-----------|-----------|-----------|
| 2024 | \$101,322 | \$112,711 | \$113,608 |
| 2029 | \$115,948 | \$128,455 | \$130,965 |

# LOCATION & MARKET SUMMARY - DALLAS, TEXAS

**3.8%**  
UNEMPLOYMENT RATE



**3%**  
**LOWER**

COST OF DOING BUSINESS IS 3% LOWER  
IN DALLAS THAN THE NATIONAL AVERAGE

SOURCE: Dallas Regional Chamber of Commerce

MSA/Index

San Francisco / 197.7  
New York / 153.5  
San Diego / 140.9  
Boston / 133.9  
Los Angeles / 119.3  
Austin / 115.2  
Miami / 114.9

Seattle / 112.5  
Washington D.C. / 110.3  
Denver / 106.2  
Minneapolis / 102.8  
Chicago / 102.2  
**Dallas / 102.0**  
Phoenix / 101.5

Philadelphia / 98.4  
Fort Worth / 97.2  
Houston / 96.9  
Kansas City / 95.5  
Atlanta / 93.0  
Charlotte / 90.4  
San Antonio / 90.3



**6.4%**  
POPULATION  
GROWTH  
BETWEEN 2019-2023



**+268**  
NEW RESIDENTS  
PER DAY



Dallas boasts a well-  
educated workforce with  
13 four-year universities and  
8 community college districts

SOURCE: EMSI



**151,380 JOBS**  
added  
year-over-year in  
Q3 2023



**#1**

CEO Magazine  
Business Climate Rank

SOURCE: Dallas Regional Chamber of Commerce

**TOP 10**

Best  
Performing Cities

SOURCE: Milken Institute's Best-Performing Cities Index



**\$ 0%**

Local & State  
Income Tax

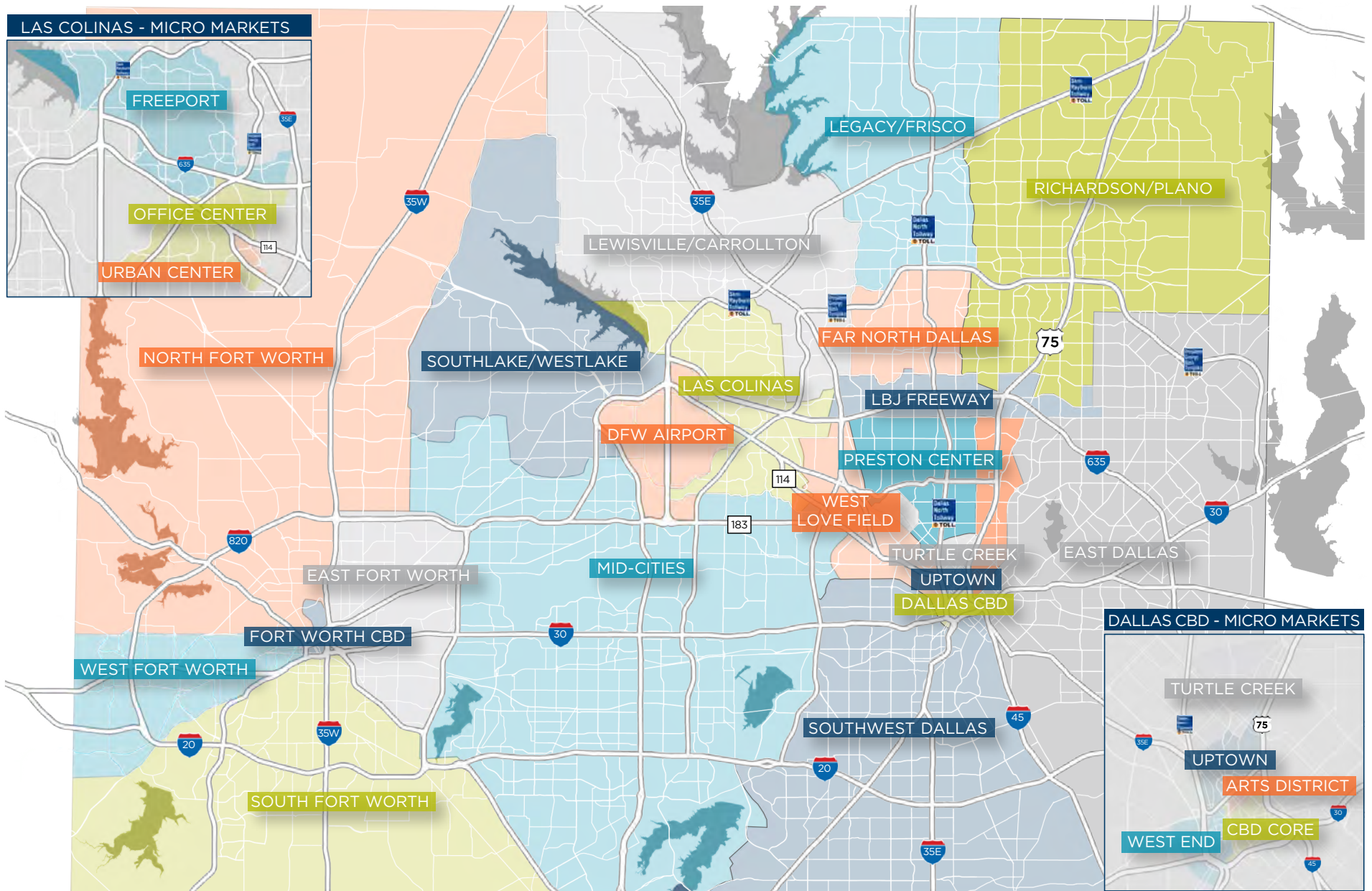
**49**

Fortune 1000  
Company HQ's





# LOCATION & MARKET SUMMARY - DALLAS, TEXAS

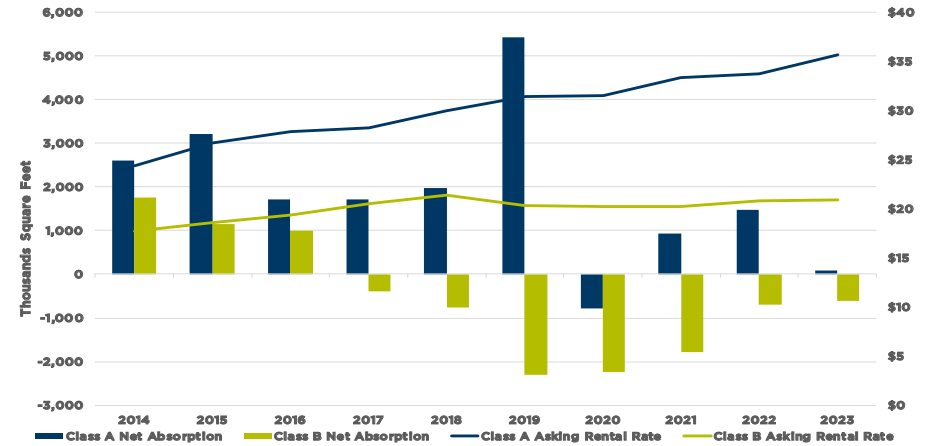


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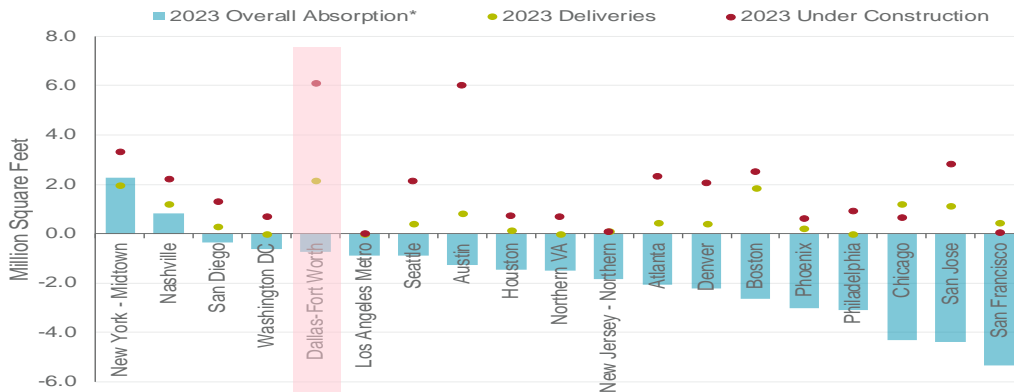
## C&W INSIGHTS

- Rental Rates for top tier buildings continue to rise which can be attributed to the flight-to-quality phenomenon as well as rising labor and energy costs which have contributed to an increase in operating expenses
- High construction costs continue to push tenant improvement allowances to new highs
- Demand for high-quality space continues to drive leasing activity in the third quarter with nearly 1.7msf of leases, or 68.8% of all leases transacted in Class A properties
- Positive 7.1msf of Class A Net Absorption since 2019
- Negative 7.6msf of Class B Absorption since 2019
- 2022 and the first two quarters of 2023 saw an uptick of new sublease spaces added to the market yet Q3 recorded a plateauing of availability levels. Sublease availability decreased by 0.9% quarter-over-quarter to 12.4 msf.

## CLASS A & B ABSORPTION / RENTAL RATES

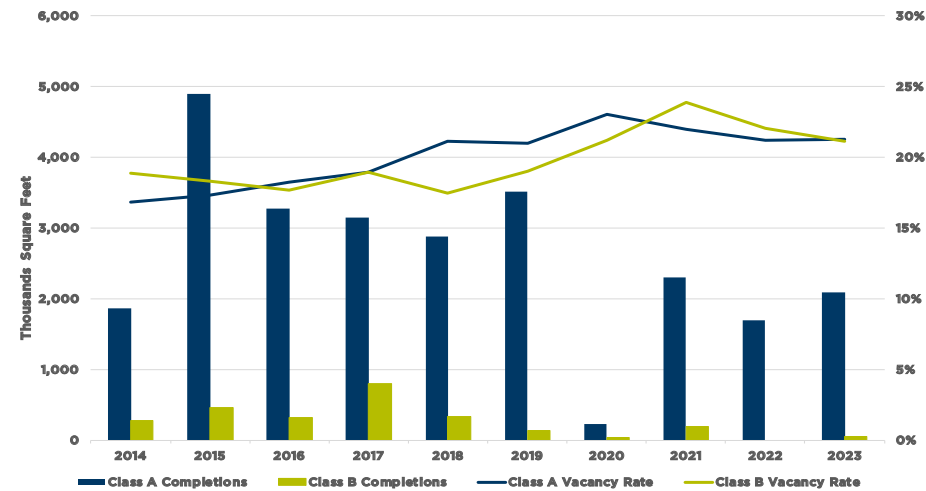


## DALLAS VS U.S. STATISTICS

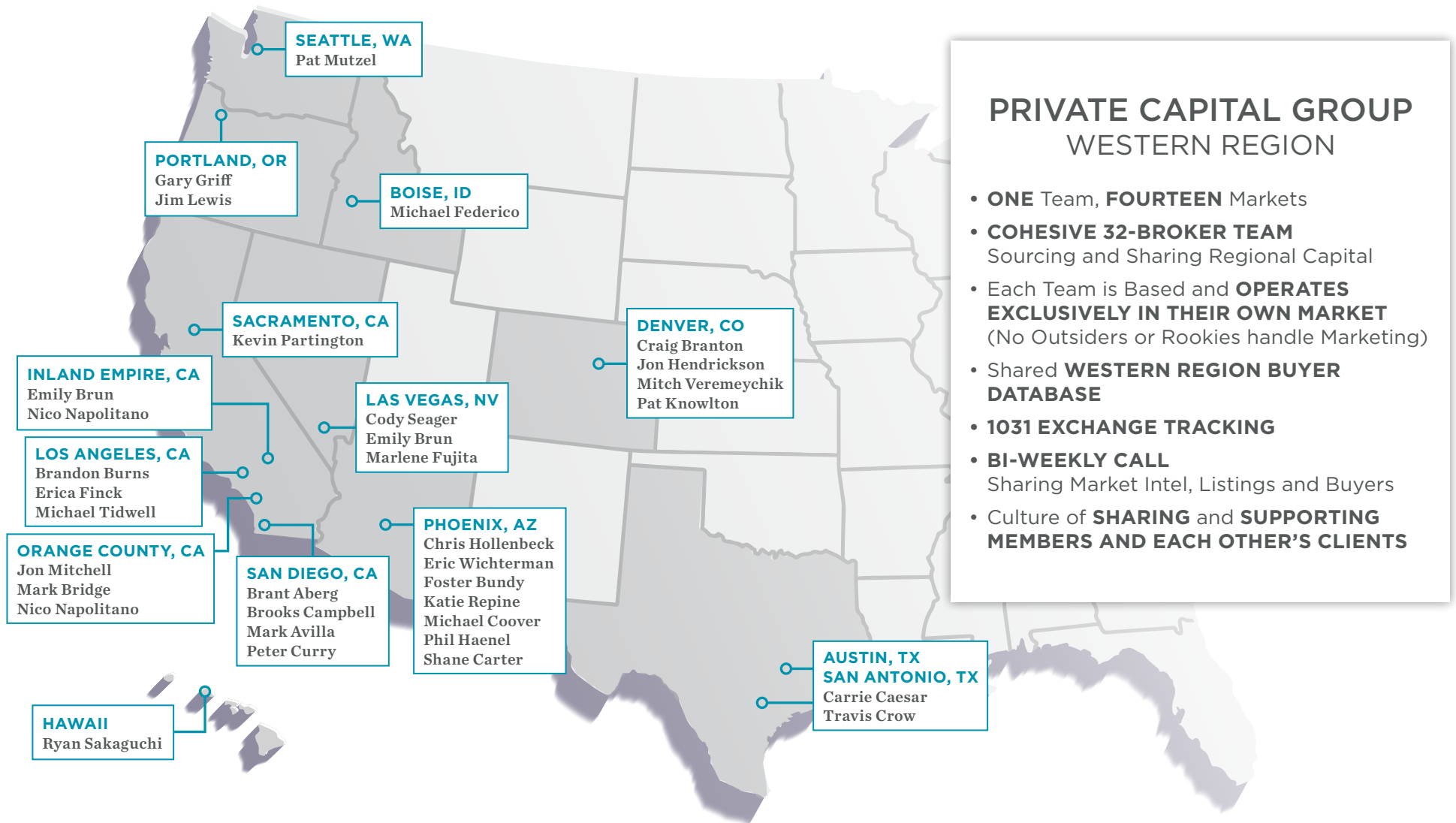


\*Overall absorption based on all classes for entire Dallas-Fort Worth market

## COMPLETIONS/VACANCY



## PRIVATE CAPITAL GROUP, WESTERN REGION ONE Team, FOURTEEN Markets



### PRIVATE CAPITAL GROUP WESTERN REGION

- **ONE** Team, **FOURTEEN** Markets
- **COHESIVE 32-BROKER TEAM**  
Sourcing and Sharing Regional Capital
- Each Team is Based and **OPERATES EXCLUSIVELY IN THEIR OWN MARKET** (No Outsiders or Rookies handle Marketing)
- Shared **WESTERN REGION BUYER DATABASE**
- **1031 EXCHANGE TRACKING**
- **BI-WEEKLY CALL**  
Sharing Market Intel, Listings and Buyers
- Culture of **SHARING** and **SUPPORTING MEMBERS AND EACH OTHER'S CLIENTS**



**CUSHMAN &  
WAKEFIELD**

Private Capital Group

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**Kwik Kar**

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