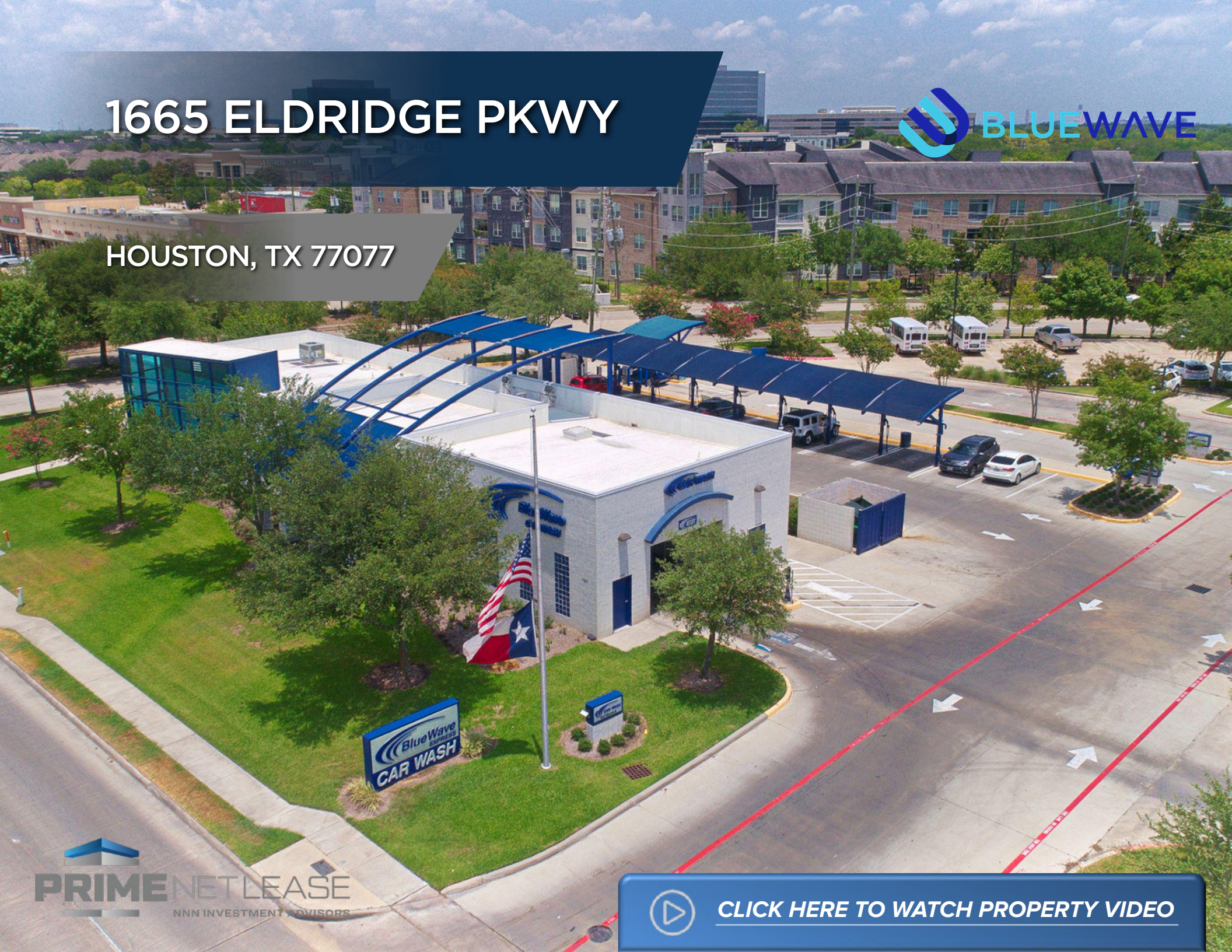


# 1665 ELDRIDGE PKWY



## HOUSTON, TX 77077



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

The Offering Memorandum contains select information pertaining to the business and affairs of BlueWave Express Wash (“property”). It has been prepared by Prime Net Lease. This 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 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 Prime Net Lease. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their offices, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

Owner and Prime Net Lease 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 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 Offer Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to the 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 executive Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Prime Net Lease or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause 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 this Offering Memorandum.

BY ACCEPTING THIS CONFIDENTIAL OFFERING MEMORANDUM, YOU AGREE TO RELEASE PRIME NET LEASE 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.

*EXCLUSIVELY PRESENTED BY*



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# PROPERTY DESCRIPTION



## PROPERTY DESCRIPTION

Prime Net Lease is pleased to present the exclusive opportunity to acquire a single-tenant, net leased, Blue Wave Car Wash located at 1665 Eldridge Parkway, Houston, TX (the "Property"). Its strategic location in an affluent part of Houston with high traffic counts and high household income ensures a steady flow of customers. The Property has been successfully operating as a car wash for over the last 10 years.

The property features an express car wash tunnel and 16 covered and free vacuum stations. The property is encumbered by a 25-year Absolute NNN lease. There are currently 13+ years remaining on the base term. In addition, there are Six, 5-year lease options. The lease provides for 10% rental increases every 5 years in the base period as well as during the extension periods. Due to the current lease structure, there are no landlord responsibilities in the ownership of this Property, providing an investor a stable, predictable monthly income stream. While taking advantage of the tax benefits of Fee simple ownership of this car wash provides, the landlord also has the opportunity to use accelerated Bonus depreciation model.

BlueWave Express Car Wash delivers unbeatable quality, eco-friendly washes at unbeatable prices. Free unlimited turbo-powered vacuums, clean restrooms, and a full staff on site. BlueWave car washes reclaim and reuse up to 80% of the water used in the car wash process through a state-of-the-art Pure-Water Recovery System. They use biodegradable soaps and detergents and capture and dispose of all contaminants. BlueWave also works locally with city groups on educating residents on the importance of water conservation. BlueWave selects high visibility, high traffic, premier retail locations in the markets it serves. The goal of BlueWave is to become the "Starbucks of Car Washes."

# OFFERING SUMMARY

## PROPERTY INFORMATION

**Property Address** 1665 Eldridge Pkwy  
Houston, TX 77077

**Land Area** 0.95 Acres

**Year Built** 2007

**Ownership Type** Fee Simple

## PRICING INFORMATION

**Offering Price** \$7,077,358

**Net Operating Income** \$375,100

**Cap Rate** 5.30%

**Price Per Square Feet** \$1,364.44

**Tenant** BlueWave Express Wash

**Guarantor** Franchise

**Term Remaining** 13+ Years

**Lease Type** Absolute NNN

**Landlord Responsibilities** None

# COMPLETE HIGHLIGHTS



LOCATION INFORMATION	
Building Name	BlueWave Express Wash
Street Address	1665 Eldridge Pkwy
City, State, Zip	Houston, TX 77077
County	Harris

BUILDING INFORMATION	
Building Size	5,187 SF
NOI	\$375,100.00
Cap Rate	5.3%
Occupancy %	100.0%
Tenancy	Single
Year Built	2007

## PROPERTY HIGHLIGHTS

- **LONG TERM LEASE** - Over 13 years remaining on an original 25 year lease, providing an investor long term and stable investment. In addition, there are Six, 5-year lease extensions, potentially keeping the tenant at this site for the next 45 years.
- **RENTAL INCREASES** - There are 10% rental increases every 5 years in the base term and all extensions providing an investor hedge against inflation.
- **PROVEN LOCATION** - The site has been operational for over 10 years providing insight on future operations and profitability.
- **ABSOLUTE NNN LEASE** - With the current lease in place, there are no Landlord responsibilities, providing an investor a steady returns free from management hassles.
- **STRONG FRANCHISEE/GUARANTOR** - Blue Wave Operates 41 Express Car Wash locations in Texas and California and the lease is guaranteed by all 41 locations.
- **BONUS DEPRECIATION** - Fee simple ownership of a Car Wash provides the landlord the opportunity to use accelerated Bonus depreciation model. Consulting your Accountant or Tax Attorney is advised.
- **HOUSTON MSA** - The Greater Houston metropolitan area, is the fifth-most populous metropolitan statistical area in the United States and the second-most populous in Texas after the Dallas–Fort Worth metroplex.

# FINANCIALS

TENANT	SQUARE FOOTAGE	TERM REMAINING	TERM		RENTAL INCREASE	MONTHLY RENT	MONTHLY RENT PER SF	ANNUAL RENT	ANNUAL RENT PER SF
BlueWave Express Wash	5,187	13+ Years	Current	03/31/2027		\$31,258	\$6.03	\$375,100	\$72.32
			04/01/2027	03/31/2032	10%	\$34,384	\$6.63	\$412,610	\$79.55
			04/01/2032	03/31/2037	10%	\$37,822	\$7.29	\$453,871	\$87.50
		Option 1	04/01/2037	03/31/2042	10%	\$41,604	\$8.02	\$499,258	\$96.25
		Option 2	04/01/2042	03/31/2047	10%	\$45,765	\$8.82	\$549,184	\$105.88
		Option 3	04/01/2047	03/31/2052	10%	\$50,341	\$9.71	\$604,102	\$116.46
		Option 4	04/01/2052	03/31/2057	10%	\$55,376	\$10.68	\$664,513	\$128.11
		Option 5	04/01/2057	03/31/2062	10%	\$60,913	\$11.74	\$730,964	\$140.92
		Option 6	04/01/2062	03/31/2067	10%	\$67,005	\$12.92	\$804,060	\$155.01

TERM COMMENCEMENT	TERM EXPIRATION	RENEWAL OPTIONS	RENTAL INCREASES	LANDLORD RESPONSIBILITIES	TENANT RESPONSIBILITIES	GUARANTEE	RIGHT OF FIRST REFUSAL
04/01/2012	03/31/2037	Six, 5-Year Options	10% Every 5 Years	None	Absolute NNN	Franchise	No

# TENANT SUMMARY

**Revenues:** \$14.9 Million in 2021

**Rank:** 23rd Largest Car Wash operator in the nation

BlueWave Express Car Wash delivers unbeatable quality, eco-friendly washes at unbeatable prices. Free unlimited turbo-powered vacuums, clean restrooms, and a full staff on site. BlueWave car washes reclaim and reuse up to 80% of the water used in the car wash process through a state-of-the-art Pure-Water Recovery System. They use biodegradable soaps and detergents and capture and dispose of all contaminants.

*Our Mission - To exceed the expectations of our guests and deliver a clean, dry, shiny car every day!*

*We are vehicle and environment friendly! Our priorities at BlueWave are the safety of your vehicle and the environment. Our car washes are meant to rid your vehicle of unwanted grime and leave it sparkly clean, but gently so. Additionally, we strive to not contribute to furthering the damage done to the environment and the globe. Our goal for each car wash is to use the minimum amount of water and give you the best car wash available. Our soft, eco-friendly water is in complete compliance with local and state regulation, so you can rest assured your car wash will be entirely guilt-free!*

*Best quality at the best value! We deliver an affordable, fast and quality service. With industry-leading equipment and a team dedicated to excellence, we provide an unparalleled car wash experience.*

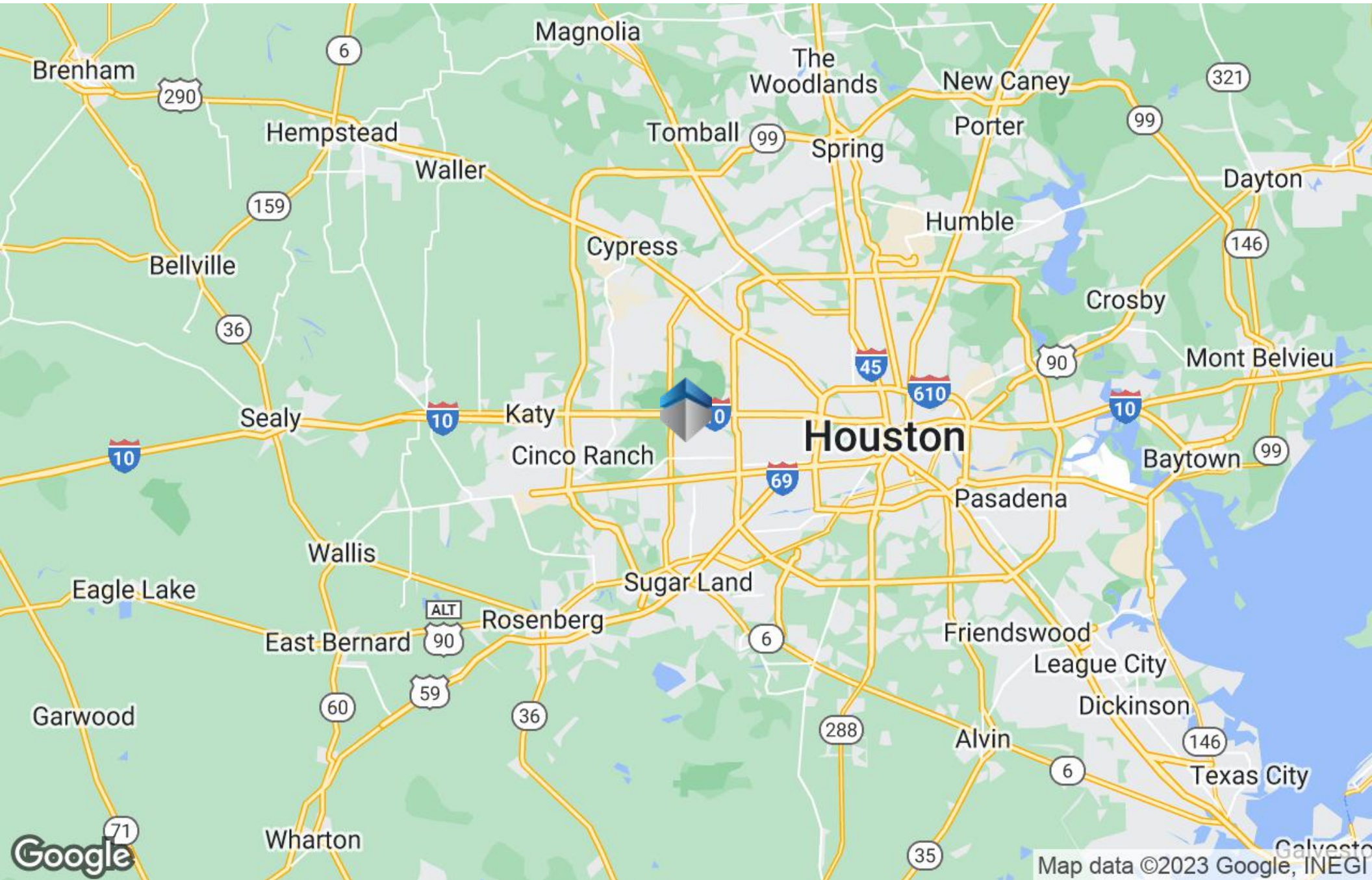
*Our Vision - To become the car wash destination of choice in every community we serve, with a team of servant leaders committed to delivering an unparalleled guest experience, while conserving water and energy by using the most advanced technology and equipment in the industry.*

*BlueWave also works locally with city groups on educating residents on the importance of water conservation. BlueWave selects high visibility, high traffic, premier retail locations in the markets it serves. The goal of BlueWave is to become the “Starbucks of Car Washes.”*

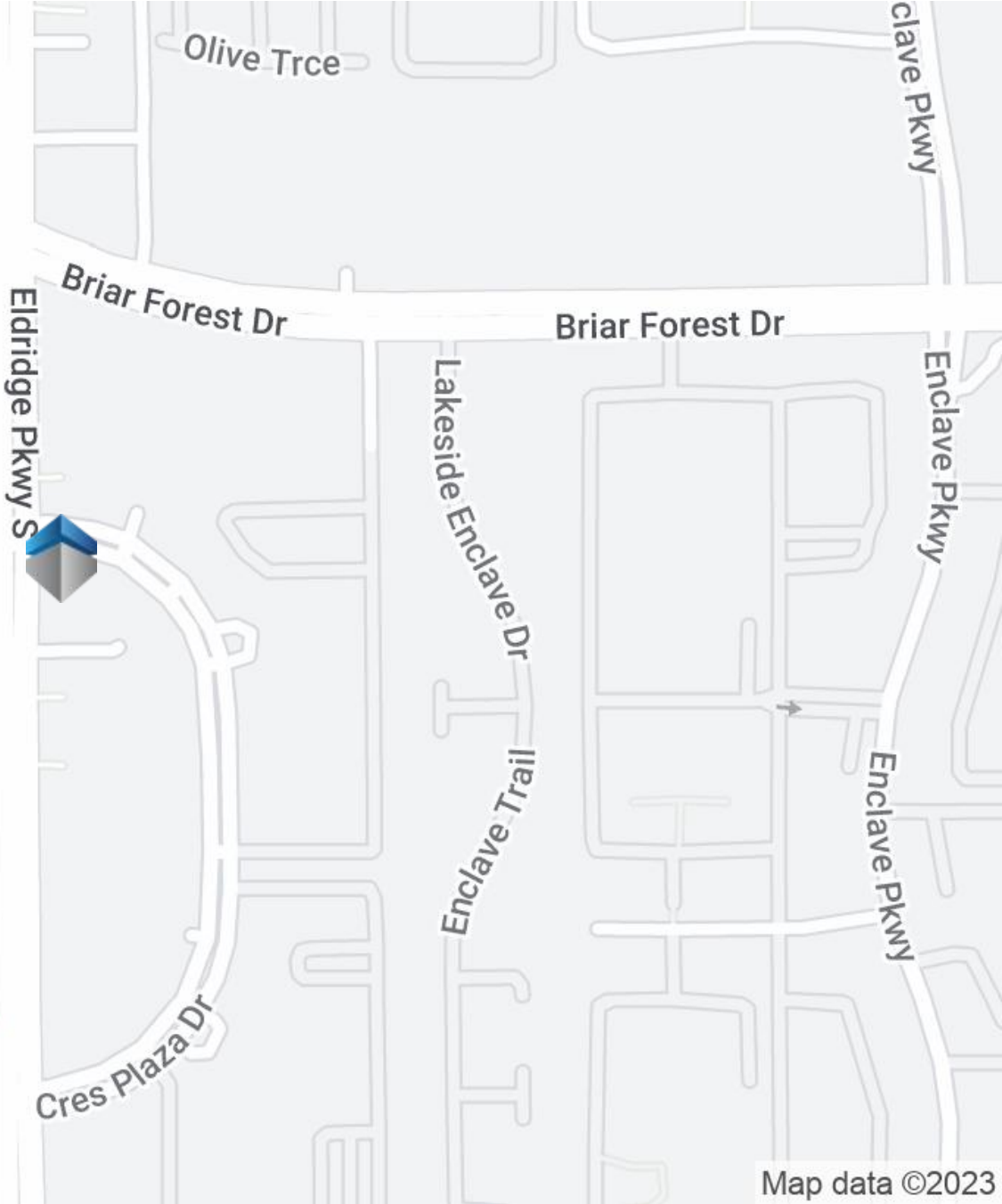
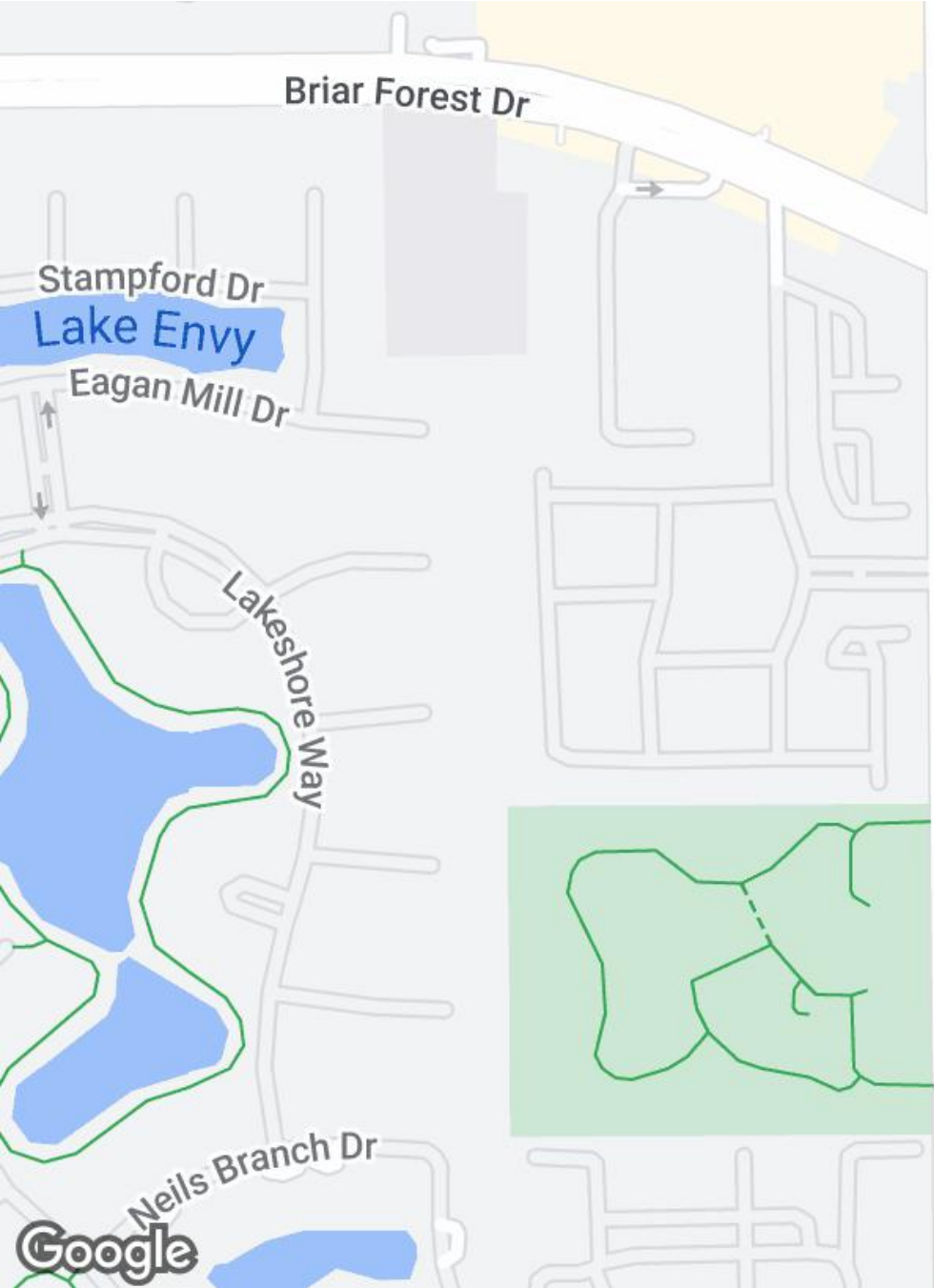


<b>WEBSITE</b>	www.bluewaveexpress.com
<b>FOUNDED</b>	2012
<b>HEADQUARTERS</b>	San Rafael, CA
<b>NUMBER OF LOCATIONS</b>	40 ±
<b>NUMBER OF EMPLOYEES</b>	200-500

# REGIONAL MAP



# LOCATION MAP



# AERIAL MAP



Map data ©2023 Google Imagery ©2023, Airbus, CNES / Airbus, Houston-Galveston Area Council, Landsat / Copernicus, Maxar Technologies, Texas General Land Office, U.S. Geological Survey, USDA/FPAC/GEO

# MARKET OVERVIEW

Houston is the most populous city in Texas and in the Southern United States. It is the fourth-most populous city in the United States after New York City, Los Angeles, and Chicago, and the sixth-most populous city in North America. Located in Southeast Texas near Galveston Bay and the Gulf of Mexico, it is the seat of Harris County and the principal city of the Greater Houston metropolitan area, which is the fifth-most populous metropolitan statistical area in the United States and the second-most populous in Texas after the Dallas–Fort Worth metroplex.

Houston is recognized worldwide for its energy industry, particularly for oil and natural gas, as well as for biomedical research and aeronautics. Renewable energy sources, wind and solar, are also growing economic bases in the city. The city and area have also been growing centers for technology. Major technology and software companies within Greater Houston include Cybersoft, Houston Wire & Cable, and HostGator. In 2019, it was announced that HP Enterprises would relocate its global headquarters from California to the Greater Houston area. The Houston Ship Channel is also a large part of Houston's economic base. In 2013, Houston was identified as the number one U.S. city for job creation by the U.S. Bureau of Statistics after it was not only the first major city to regain all the jobs lost in the preceding economic downturn, but also after the crash, more than two jobs were added for each one lost. The city of Houston is also highly regarded for its diverse food and restaurant culture, with major publications consistently naming it one of "America's Best Food Cities".

The Houston area is a leading center for building oilfield equipment. Much of its success as a petrochemical complex is due to its busy ship channel, the Port of Houston. In the United States, the port ranks first in international commerce and 16th among the largest ports in the world. Unlike most places, high oil and gasoline prices are beneficial for Houston's economy, as many of its residents are employed in the energy industry. Houston is the beginning or end point of numerous oil, gas, and products pipelines.

The University of Houston System's annual impact on the Houston area's economy equates to that of a major corporation: \$1.1 billion in new funds attracted annually to the Houston area, \$3.13 billion in total economic benefit, and 24,000 local jobs generated. This is in addition to the 12,500 new graduates the U.H. System produces every year who enter the workforce in Houston and throughout Texas. These degree-holders tend to stay in Houston. After five years, 80.5% of graduates are still living and working in the region.



# DEMOGRAPHICS

## KEY FACTS



**25,045**  
POPULATION



**37.7**  
AVERAGE AGE



**\$335,219**  
MEDIAN HOUSEHOLD VALUE

## BUSINESSES



**569**  
BUSINESSES



**4,772**  
EMPLOYEES

## INCOME



**65,127**  
MEDIAN HH INCOME



**96,231**  
AVERAGE HH INCOME

	1 MILE	5 MILES	10 MILES
Total Population	25,045	305,891	1,462,980
2010 Population	20,350	277,172	1,261,215
2026 Population	26,186	316,941	1,552,252
Employees	4,772	160,417	681,367
Total Businesses	569	16,545	72,287
Average Household Income	\$96,231	\$89,790	\$91,170
Median Household Income	65,127	60,400	63,302
Average Age	37.7	36.4	35.6
Households	11,906	116,967	516,951
Average Housing Unit Value	\$335,219	\$244,036	\$232,597

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