

INTERACTIVE
OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY

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INVESTMENT HIGHLIGHTS

Investment Grade Tenant - With over **750 locations across 47 states**, SRS Distribution has quickly grown to be one of the largest roofing and building supply distributors in the United States, posting an annual revenue of \pm \$10 Billion. **In June 2024, SRS Distribution was acquired by Home Depot (NYSE: HD) for \pm \$18.25B.** Home Depot is an investment grade tenant (S&P: "A").

Multiple Recent Expansions - SRS Distribution **expanded its operations at the site in 2023 and will further expand in Q1 of 2025**, demonstrating its strong commitment to the location and the fast growing north Texas market. Highlighted renovations include \pm 0.80 AC of 3" thick type D asphalt paving, roof repairs for both buildings, new 6' security fencing, and a new concrete entry way.

Attractive Lease / Strong Hedge Against Inflation - SRS Distribution **recently signed a new Five (5) Year lease** at the site and has Two additional 5-Year options to extend. The new lease comes with **3% annual increases** throughout the initial term and option periods, as well as **Fair Market Value (FMV)** rent adjustments at the commencement of each option period, providing for a strong hedge against inflation.

Prime Location - The subject property is strategically **located directly off I-20**, one of the most trafficked roads in the southeast, helping connect the site to the Dallas-Fort Worth metroplex and the rest of Texas. **Texas is an Income Tax-Free State.**

Highly Functional IOS Site - This **\pm 15,000 SF** facility sits on **\pm 3.19 AC** of land (10.79% Coverage), providing substantial industrial outdoor storage (IOS) capabilities. The site is located at a hard corner of Loop 281 (\pm 15,000 VPD) and I-20 (\pm 36,000 VPD) and has immediate access to the on/off ramp.

FINANCIAL OVERVIEW



\$3,889,820

LIST PRICE



\$259.32

PPSF



6.00%

CAP RATE

BUILDING INFO

[Redacted]	
Address	3800 Whitehurst Dr, Longview, TX 75602
Lot Size ±	138,782 SF
Lot AC ±	3.186 AC
GLA ±	15,000 SF
Building 2 SF ±	5,000 SF
Building 1 SF ±	10,000 SF
Building/ Lot Coverage	10.81 %

TENANT SUMMARY

[Redacted]	
Tenant/Guarantor	SRS Disribution, Inc.
Parent Company	Home Depot (NYSE:HD)
Lease Type	NN
Term Remaining ±	5 Years
Options	Two, 5-Year Options
Increases	3% Annual FMV at Options
Lease Commencement	3/23/2018
Landlord Responsibilities	Roof, Structure, Paved Areas, HVAC Replacement
Tenant Responsibilities	Taxes, Insurance, Utilities, HVAC Repair, & OpEx

ANNUALIZED OPERATING DATA

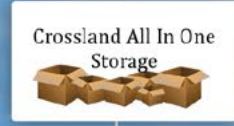
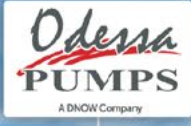
Lease Term	Annual Rent	Monthly Rent	Rent/SF	Rent/SF Land	Cap Rate	% Increase
Current Term						
3/1/24-2/28/25	*\$230,736	\$19,228	-	-	-	-
Recently Executed New Extension						
3/1/25 - 2/28/26	\$233,389.20	\$19,449.10	\$15.56	\$1.68	6.00%	3.00%
3/1/26 - 2/28/27	\$240,390.88	\$20,032.57	\$16.03	\$1.73	6.18%	3.00%
3/1/27 - 2/28/28	\$247,602.60	\$20,633.55	\$16.51	\$1.78	6.37%	3.00%
3/1/28 - 2/28/29	\$255,030.68	\$21,252.56	\$17.00	\$1.84	6.56%	3.00%
3/1/29 - 2/28/30	\$262,681.60	\$21,890.13	\$17.51	\$1.89	6.75%	3.00%
Averages	\$247,818.99	\$20,651.58	\$16.52	\$1.79	6.37%	3.00%

Two, 5-Year Options @ **FAIR MARKET VALUE** (Followed by 3% Annual Increases)

For financing options reach out to:

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* Current combined rent from SRS and TuffShed prior to SRS expansion 3/1/2025



99 TRUCK & TRAILER WASH OF LONGVIEW

± 36,000 VPD



WHITEHURST DR



TENANT PROFILE



TENANT
SRS DISTRIBUTION

INDUSTRY
DISTRIBUTION

ANNUAL REVENUE
± \$10B

OF LOCATIONS
760 + LOCATIONS NATIONWIDE



SRS DISTRIBUTION

SRS Distribution is a leading national distributor of residential and commercial roofing materials, and other building products such as siding, windows, and more. The company has grown rapidly through acquisitions and a focus on customer service, offering products through a vast network of independent distributors across the United States. SRS serves a wide range of customers, including contractors, builders, and home improvement professionals, with a commitment to quality products and timely delivery. Willoughby Supply Company, now part of SRS Distribution, is a trusted supplier of roofing and building materials. Founded with a focus on customer service and providing high-quality products, Willoughby Supply has built a strong reputation in the industry. It serves contractors and builders with a comprehensive selection of roofing, siding, and other building products, with a focus on meeting the specific needs of customers in the Midwest and Northeast regions.

PARENT COMPANY PROFILE



PARENT COMPANY
HOME DEPOT

INDUSTRY
HOME IMPROVEMENT

PUBLICLY TRADED
NYSE: HD

OF LOCATIONS
2,300 + LOCATIONS NATIONWIDE



HOME DEPOT

Home Depot is one of the largest home improvement retailers in the world, specializing in a wide range of products and services for DIY enthusiasts, contractors, and builders alike. Founded in 1978, the company has built a reputation for providing quality materials, tools, and expert advice. Its success can be attributed to a combination of strong customer service, a vast inventory, and a robust online presence that integrates seamlessly with its physical stores. Home Depot's commitment to innovation and efficiency has allowed it to adapt to changing market trends, especially in the wake of the pandemic, where home improvement projects surged.

In a strategic move to bolster its position in the market, Home Depot recently acquired SRS Distribution for \$18.25B. SRS Distribution is a leading wholesale distributor of roofing and building materials. This acquisition is significant as it expands Home Depot's reach into the professional contractor segment, enhancing its supply chain capabilities and allowing for greater product offerings. By integrating SRS's operations, Home Depot aims to improve its logistics and delivery systems, ensuring that customers receive their materials more quickly and efficiently. This strategic alignment not only solidifies Home Depot's competitive edge but also reflects its ongoing commitment to meeting the evolving needs of both DIY consumers and professional contractors.

AREA OVERVIEW

LONGVIEW, TX

Longview, Texas is a vibrant and thriving city nestled in the heart of the Lone Star State. Known for its rich history, warm Southern hospitality, and a strong sense of community, Longview offers a unique blend of small-town charm and urban convenience. The city is famous for its lush, tree-lined streets, which earned it the nickname “The Balloon Capital of Texas.” The city prides itself on its top-notch education system, including the highly regarded LeTourneau University. Longview’s cultural scene is vibrant, with numerous festivals, events, and attractions that celebrate its East Texas heritage. Whether you’re exploring the Gregg County Historical Museum, enjoying the natural beauty of the nearby Caddo Lake, or savoring the flavors of Southern cuisine at local eateries, Longview is a city that leaves a lasting impression on both residents and visitors alike.

Longview, Texas, offers a wide array of attractions that cater to diverse interests and provide something for everyone. Nature enthusiasts can explore the serene beauty of Caddo Lake, one of the largest natural lakes in Texas, where boating, fishing, and wildlife watching are popular activities. Additionally, Longview’s love for the outdoors extends to the Paul Boorman Trail and the Longview Arboretum and Nature Center, both of which offer scenic hiking and outdoor experiences.

PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2020 Census	547	5,937	34,004
2024 Estimate	561	6,062	34,124
2029 Projection	582	6,252	34,549
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2020 Census	203	2,249	12,184
2024 Estimate	207	2,283	12,296
2029 Projection	214	2,341	12,508
INCOME	1-MILE	3-MILE	5-MILE
2024 Avg. Household Income	\$72,797	\$69,036	\$69,307



AREA OVERVIEW

ECONOMY

Longview, Texas, has a resilient economy that has weathered shifts in both global and local markets. While the city was historically rooted in the oil industry, its economy has diversified significantly over recent years, attracting a range of high-tech and service-based businesses. This economic diversity is complemented by a thriving retail sector that draws shoppers from surrounding communities, bolstering local commerce. The city's infrastructure supports continued economic growth, with ongoing investments in transportation networks and industrial parks aimed at fostering business expansion. Additionally, Longview is home to a skilled workforce, supported by vocational training programs and partnerships with nearby educational institutions. This economic foundation positions Longview as a regional hub for innovation and development, making it an attractive location for new businesses and residents alike.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **3800 Whitehurst Dr, Longview, TX 75602** (“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. Neither 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.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.

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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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date