

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity



Brand New 20-Year Lease | Potential 60% Bonus Depreciation | Grand Opening February 2024



5050 Minton Road

PALM BAY FLORIDA

REPRESENTATIVE PHOTO



EXCLUSIVELY MARKETED BY



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SITE OVERVIEW



PROPERTY PHOTOS



PROPERTY PHOTOS





OFFERING

Pricing	\$5,154,000
Net Operating Income	\$335,000
Cap Rate	6.50%

PROPERTY SPECIFICATIONS

Property Address	5050 Minton Road Palm Bay, Florida 32907
Rentable Area	3,763 SF
Land Area	1.04 AC
Year Built	2024 (Under Construction)
Tenant	Caliber Car Wash
Guaranty	Corporate (Caliber Carwash, LLC)
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Term	20 Years
Increases	1.50% Annually
Options	4 (5-Year)
Rent Commencement	February 2024
Lease Expiration	February 2044

RENT ROLL



LEASE TERM				RENTAL RATES				
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options
Caliber Car Wash (Corporate Guaranty)	3,763	February 2024 (est.)	February 2044 (est.)	Year 1	-	\$27,917	\$335,000	4 (5-Year)
				Year 2	1.50%	\$28,335	\$340,025	
				Year 3	1.50%	\$28,760	\$345,125	
				Year 4	1.50%	\$29,192	\$350,302	
				Year 5	1.50%	\$29,630	\$355,557	
				Year 6	1.50%	\$30,074	\$360,890	
				Year 7	1.50%	\$30,525	\$366,303	
				Year 8	1.50%	\$30,983	\$371,798	
				Year 9	1.50%	\$31,448	\$377,375	
				Year 10	1.50%	\$31,920	\$383,036	
				Year 11	1.50%	\$32,398	\$388,781	
				Year 12	1.50%	\$32,884	\$394,613	
				Year 13	1.50%	\$33,378	\$400,532	
				Year 14	1.50%	\$33,878	\$406,540	
				Year 15	1.50%	\$34,387	\$412,638	
				Year 16	1.50%	\$34,902	\$418,828	
				Year 17	1.50%	\$35,426	\$425,110	
				Year 18	1.50%	\$35,957	\$431,487	
				Year 19	1.50%	\$36,497	\$437,959	
				Average Cap Rate: 7.23%				

Brand New 20-Year Lease | Corporate Guaranteed Lease | Annual Rental Increases | Options To Extend

- The tenant, Caliber Car Wash, is an experienced car wash operator with 50+ locations in five different states throughout the Southeast as well as multiple future locations currently under development
- Caliber Car Wash signed a brand new 20-year lease with 4 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features 1.50% annual rental increases, growing NOI, hedging against inflation, and increasing return on the investment

Bonus Depreciation | Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities | No State Income Tax

- This asset qualifies for 60% bonus depreciation (see pg. 10 for more details)
- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor in a state with no state income tax

Palm Bay, FL - New Developments | Population Growth

- New York-based developer, DW Partners, received permits to construct 1,238 homes on 450 acres in Palm Bay, 4 miles West of the subject property (click [HERE](#) for more)
- Palm Bay is currently growing at a rate of 2.3% annually, and its population has increased 7.05% since the most recent census

Fronting Minton Rd | Hammock Landing/Palm Crossing | Surrounding National Tenants | Off I-95

- The subject property is strategically fronting Minton Rd averaging 44,300 VPD
- Less than a mile off I-95 (80,000 VPD), allowing users to benefit from direct on/off ramp access to the site
- Located less than half a mile from Hammock Landing and Palm Crossings
- Hammock Landing is power center that features big box tenants such as Kohl's, Target, Ross, Michaels, Marshalls, HomeGoods, and more
- Other national tenants in Hammock Landing include Culver's, Panera Bread, LongHorn Steakhouse, and more
- **Hammock Landing ranks in the top 73% of all US power center as well as in the top 83% of all FL power centers according to Placer.ai**
 - **Ross - Top 85% FL locations**
 - **Michaels - Top 98% FL locations**
 - **Culver's - Top 95% FL locations**
 - **Panera - Top 92% FL locations**
- Palm Crossing is a Publix-anchored shopping center that features other national tenants such as Chase Bank, Chipotle, Regions Bank, and more
- **The Publix is ranked in the top 97% of all US & FL locations, as well as in the top 100% of all locations within a 15-mile radius according to Placer.ai**

Strong Demographics In 5-Mile Trade Area

- More than 154,000 residents and 56,000 employees support the trade area
- \$88,831 average household income within a 1-mile radius



CALIBER CAR WASH

calibercarwash.com

Company Type: Private

Locations: 50+

Caliber Car Wash is a leading express conveyor car wash platform with premier locations across the Southern United States. Caliber has built an industry-leading membership model and a strong reputation for high-quality, fast and friendly car wash services at a great value. By utilizing state-of-the-art equipment, including advanced water reclamation systems, Caliber delivers environmentally friendly car washes without sacrificing quality. Caliber prides itself on putting customers first, investing in its passionate and dedicated team members, and supporting its local communities. Caliber is one of the fastest-growing express car wash businesses in the country and is currently one of the top 35 largest car wash companies in the United States. Caliber currently has over 50 operating locations and serves customers in Florida, Alabama, Georgia, North Carolina, South Carolina, and Texas.



Source: calibercarwash.com, prnewswire.com



Caliber Car Wash Surpasses 50 Locations

December 20, 2023

Caliber Car Wash announced in a press release the company is celebrating surpassing 50 operational locations across six states in the southern United States.

MR MIYAGI: Caliber Car Wash Surpasses 50 Locations, Driven by Strong Customer Value Proposition

- **Strategic Focus:** Caliber’s growth is fueled by its unlimited wash membership program and regional density-focused greenfield development strategy.

- **Percheron Partnership:** Backed by Percheron Capital, Caliber has tripled its open locations, strengthened its membership program, and expanded into high-quality markets.
- **Commitment to Service:** Caliber attributes its success to its dedicated team members who prioritize exceptional service, outstanding quality, and customer convenience.
- **Industry-Leading Expansion:** With a substantial greenfield development pipeline, Caliber aims to extend its carwash experience to even more customers.

EDITOR’S THOUGHTS

Car Wash Craze: As many of you in the industry know, the express car wash market has been wild af in recent years. Here’s why:

- **Profitability** - Express car washes boast notably higher profit margins compared to other business models. They often yield profit margins ranging from 40 percent to an impressive 60 percent.
- **Subscription Models** - Weather and seasonality pose significant risks for car wash owners, influencing consumer behavior. Monthly subscription models mitigate these risks by offering customers unlimited washes, allowing them to clean their vehicles at their convenience, regardless of weather conditions.

- **Sale Leasebacks** - Among the attractive elements drawing equity groups to invest in express car wash businesses are sale-leaseback transactions. Substantial car wash operators capitalize on their strong corporate guarantee, recovering a considerable portion of their business investment by executing long-term leases and subsequently selling the real estate to private investors. This strategy enables these operators to leverage their robust corporate backing and extract value from their real estate assets.
- **Lease Structures** - They typically secure terms of 15 to 20 years, coupled with annual rent increments, offering a safeguard against inflation. Often, these car washes are priced below the costs required to replace both the building and the business. Express wash development typically incurs expenses ranging from \$3 to \$5 million.
- **Tax Benefits** - The Tax Cuts and Jobs Act, particularly Section 179, grants car wash proprietors the ability to deduct all initial-year expenses for new equipment. Section 179 also accelerates depreciation over a 15-year period, a significant reduction from the previous 30-year timeframe. The only other net lease properties rivaling this depreciation advantage are convenience stores with attached gas stations.

Source: NNN Beast
Read Full Article [HERE](#)

ACCELERATED DEPRECIATION FOR CONVENIENCE STORE PROPERTIES

The Tax Cuts and Jobs Act signed into law in 2017 provided real estate investors with new tax benefits associated with owning gas station properties. The primary benefit is the allowance of accelerated depreciation. The construction and equipment associated with these properties can now be reclassified and depreciated over shorter time periods than the traditional 39 year life for commercial property. Due to the fee simple ownership of this property, an investor can receive greater deductions in the earlier years of the asset, thus minimizing taxable income. This enables anyone investing in these properties to lower their taxes and reduce their exposure in the earlier years of ownership while enjoying the benefits of a passive income stream that comes with owning a single tenant property. Currently, the bonus depreciation of fueling/convenience store equipment allows investors to qualify for a 60% depreciation deduction under the 2024 code. The bonus depreciation deduction will decrease by 20% every year until fully phased out by 2027.

SRS NNL recommends that the prospective purchaser(s) consult with their tax professional for advice related to your specific situation and how you can take advantage of accelerated bonus depreciation.



TWO METHODS FOR C-STORE DEPRECIATION

COST SEGREGATION ANALYSIS

Cost segregation studies take into account each individual component of a property and place each piece on its own appropriate depreciation schedule (ex. gas pumps, HVACs, roof, etc). This process generally front-loads the depreciation of the property into the first few years of ownership, which can result in notable tax savings and may be ideal depending on the tax payer's yearly tax liability outside of this investment.

15-YEAR STRAIGHT LINE SCHEDULE

For some investors, it may make more sense to have the entire asset's depreciation spread out evenly using the 15-year straight line method. Qualified c-store equipment and property placed in service after Dec. 31, 2017 generally is depreciable using the straight line method over 15 years (shorter recovery period than the traditional 39 year life for commercial buildings).

PERCHERON CAPITAL

percheroncapital.com

Percheron Capital is a private equity firm with over \$2 billion in regulatory assets under management and a track record of supporting exceptional teams to accelerate growth and build market-leading companies. They partner with essential services businesses at growth inflection points to build market-leading enterprises.

CURRENT PORTFOLIO



PRESS RELEASE

Percheron Capital to Acquire Leading Express Wash Platform Caliber Car Wash

SAN FRANCISCO and ATLANTA, Dec. 16, 2021 /PRNewswire/ -- Percheron Capital (“Percheron”), a private equity firm focused on partnering with high-quality essential services businesses, today announced that it has signed a definitive agreement to acquire a majority stake in Caliber Car Wash (“Caliber”), a leading

express conveyor car wash platform. Founders and Co-CEO’s Mac McCall and Danny York will remain significant equity holders and will continue to lead the company alongside the current management team. Eagle Merchant Partners (“Eagle”), a leading Atlanta-based private equity firm and Caliber’s current financial partner, will retain a minority interest in the company. Financial terms of the transaction, which is expected to close by year-end, were not disclosed.

[Read Full Article HERE](#)

PROPERTY OVERVIEW

LOCATION



Palm Bay, Florida
Brevard County

ACCESS



Minton Road/County Route 509: 2 Access Points

TRAFFIC COUNTS



Minton Road/County Route 509: 44,300 VPD
Palm Bay Road NE/County Route 516: 47,900 VPD
Interstate 95: 80,000 VPD

IMPROVEMENTS



There is approximately 3,763 SF of existing building area

PARKING



There are 26 parking spaces on the owned parcel.
The parking ratio is approximately 6.91 stalls per 1,000 SF of leasable area

PARCEL



Parcel Number: 28-36-24-KR-02471.0-0023.00
Acres: 1.04
Square Feet: 45,302

CONSTRUCTION



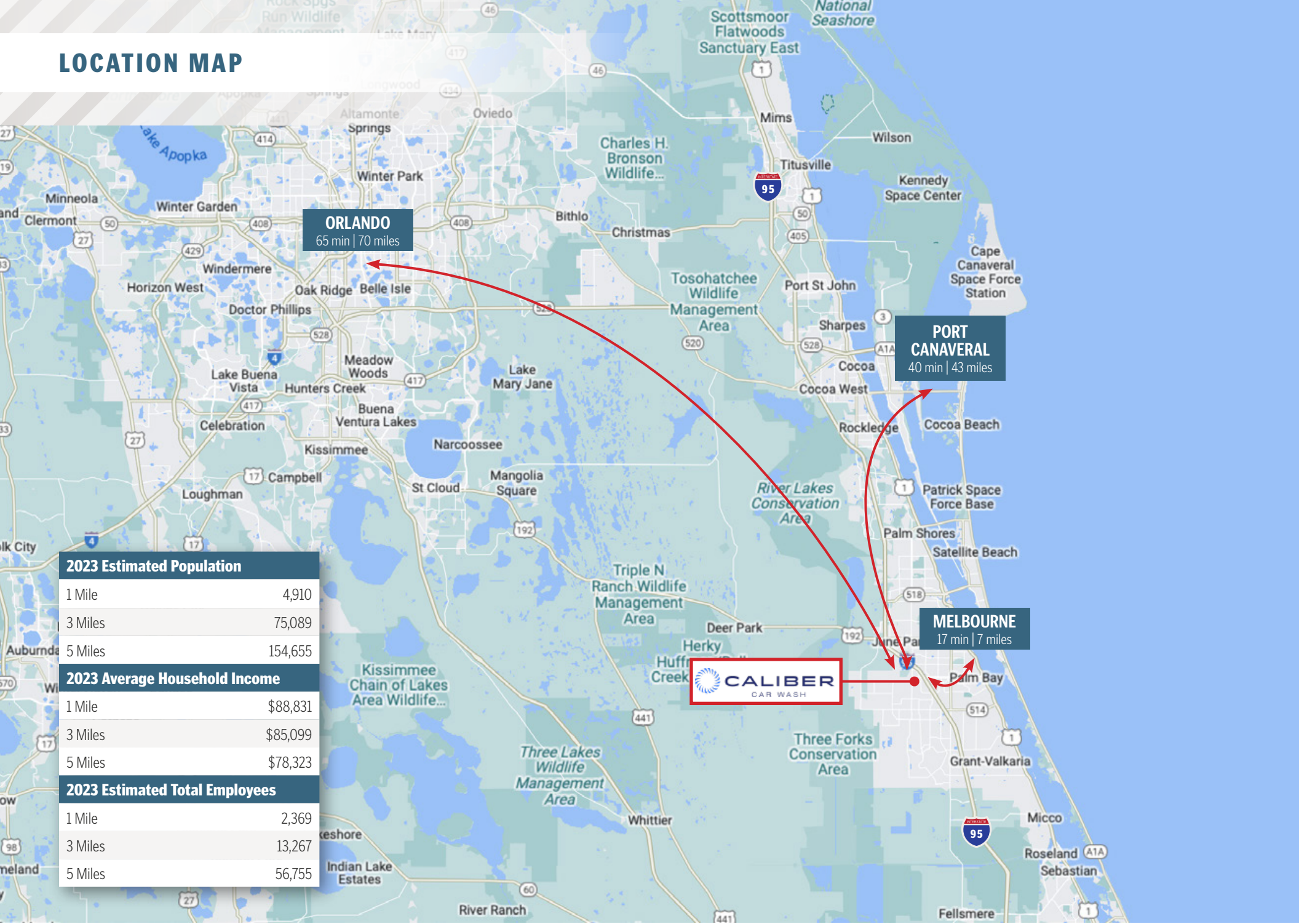
Year Built: 2024 (Under Construction)

ZONING



Commercial

LOCATION MAP



ORLANDO
65 min | 70 miles

PORT CANAVERAL
40 min | 43 miles

MELBOURNE
17 min | 7 miles



2023 Estimated Population

1 Mile	4,910
3 Miles	75,089
5 Miles	154,655

2023 Average Household Income

1 Mile	\$88,831
3 Miles	\$85,099
5 Miles	\$78,323

2023 Estimated Total Employees

1 Mile	2,369
3 Miles	13,267
5 Miles	56,755

HAMMOCK LANDING

TARGET
AMC THEATRES
Panera BREAD
McDonald's
ROSS DRESS FOR LESS
KOHLS expect great things
petco
HomeGoods
AspenDental
Marshalls
LONGHORN STEAKHOUSE

SPROUTS FARMERS MARKET

Walmart Supercenter

W

Denny's

ALDI

Starbucks

golden corral

DUNKIN'

HYATT PLACE

MOTOR HARLEY-DAVIDSON

BJ's

Mass Pro Shops

LA FITNESS

INTERSTATE 95

80,000
VEHICLES PER DAY

47,900
VEHICLES PER DAY

44,300
VEHICLES PER DAY

PALM BAY RD. NE.

CALIBER
CAR WASH

MINTON RD.

SUPREME AUTO TRADERS

State Farm

Pure Life
Hotel Salon & Spa

EVO CATERING





LOWE'S
PAPA JOHN'S

SUNOCO

MEADOWLANE
ELEMENTARY
SCHOOL

macy's
Dillard's
DICK'S
SPORTING GOODS
CHAMPS

CENTRAL
MIDDLESCHOOL

44,300
VEHICLES PER DAY

Mustard
Seed & Kids

PizzaVola

W

PINEAPPLE
COVE
ACADEMY
NORTH SHORE

pediatrix

Publix

Pet
Super
market

SUBWAY

REGIONS

CHASE

7
ELEVEN



PALM BAY RD. NE.

47,900
VEHICLES PER DAY

StateFarm

CALIBER
CAR WASH

MINTON RD.





44,300
VEHICLES PER DAY

80,000
VEHICLES PER DAY

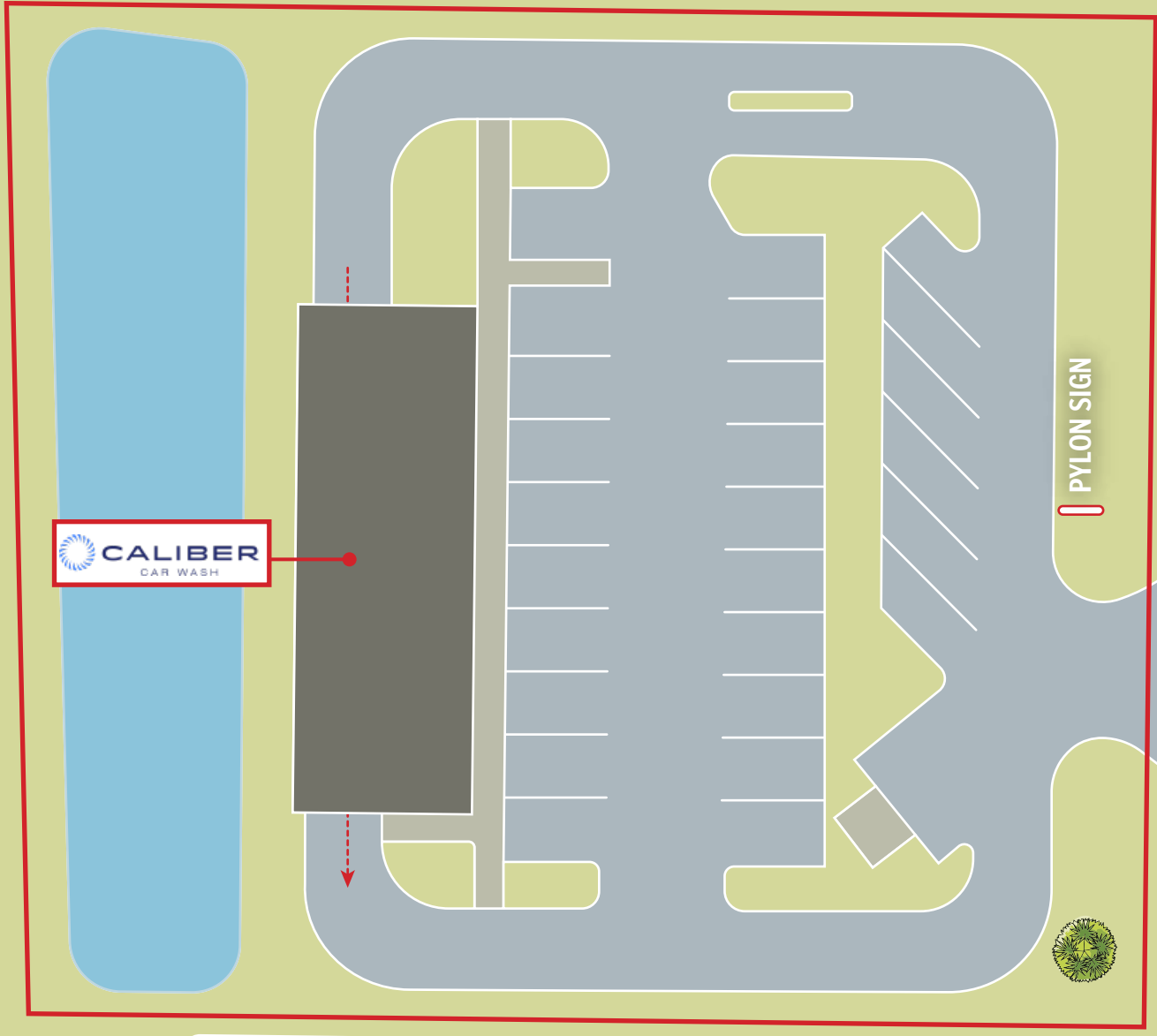
11,300
VEHICLES PER DAY

47,900
VEHICLES PER DAY





44,300
VEHICLES PER DAY



MINTON RD.

AREA DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
Population			
2023 Estimated Population	4,910	75,089	154,655
2028 Projected Population	5,383	75,843	158,056
Projected Annual Growth 2023 to 2028	1.86%	0.20%	0.44%
2023 Median Age	46.5	44.5	44.0
Households & Growth			
2023 Estimated Households	1,929	30,122	62,644
2028 Projected Households	2,172	30,768	64,786
Projected Annual Growth 2023 to 2028	2.40%	0.43%	0.67%
Race & Ethnicity			
2023 Estimated White	76.25%	72.73%	71.55%
2023 Estimated Black or African American	10.84%	12.59%	14.43%
2023 Estimated Asian or Pacific Islander	3.16%	4.45%	3.69%
2023 Estimated American Indian or Native Alaskan	0.41%	0.37%	0.37%
2023 Estimated Other Races	5.23%	5.50%	5.46%
2023 Estimated Hispanic	16.72%	16.72%	16.28%
Income			
2023 Estimated Average Household Income	\$88,831	\$85,099	\$78,323
2023 Estimated Median Household Income	\$70,502	\$63,747	\$56,676
Businesses & Employees			
2023 Estimated Total Businesses	239	1,486	5,743
2023 Estimated Total Employees	2,369	13,267	56,755



Americans Moved to Low-Tax States in 2022

Posted January 10, 2023

Americans were on the move in 2022 and chose low-tax states over high-tax ones. That's the finding of recent U.S. Census Bureau population data and commercial datasets released this week by U-Haul and United Van Lines.

The U.S. population grew 0.4 percent between July 2021 and July 2022, an increase from the previous year's historically low rate of 0.1 percent. While international migration helped numbers on the national level, interstate migration was still a key driver of state population numbers. New York's population shrunk by 0.9 percent between July 2021 and July 2022, Illinois lost 0.8 percent of its population, and Louisiana (also 0.8 percent), West Virginia (0.6 percent), and Hawaii (0.5 percent) rounded out the top five jurisdictions for population loss. At the same time, Florida gained 1.9 percent, while Idaho, South Carolina, Texas, South Dakota, Montana, Delaware, Arizona, North Carolina, Utah, Tennessee, Georgia, and Nevada all saw population gains of 1 percent or more.

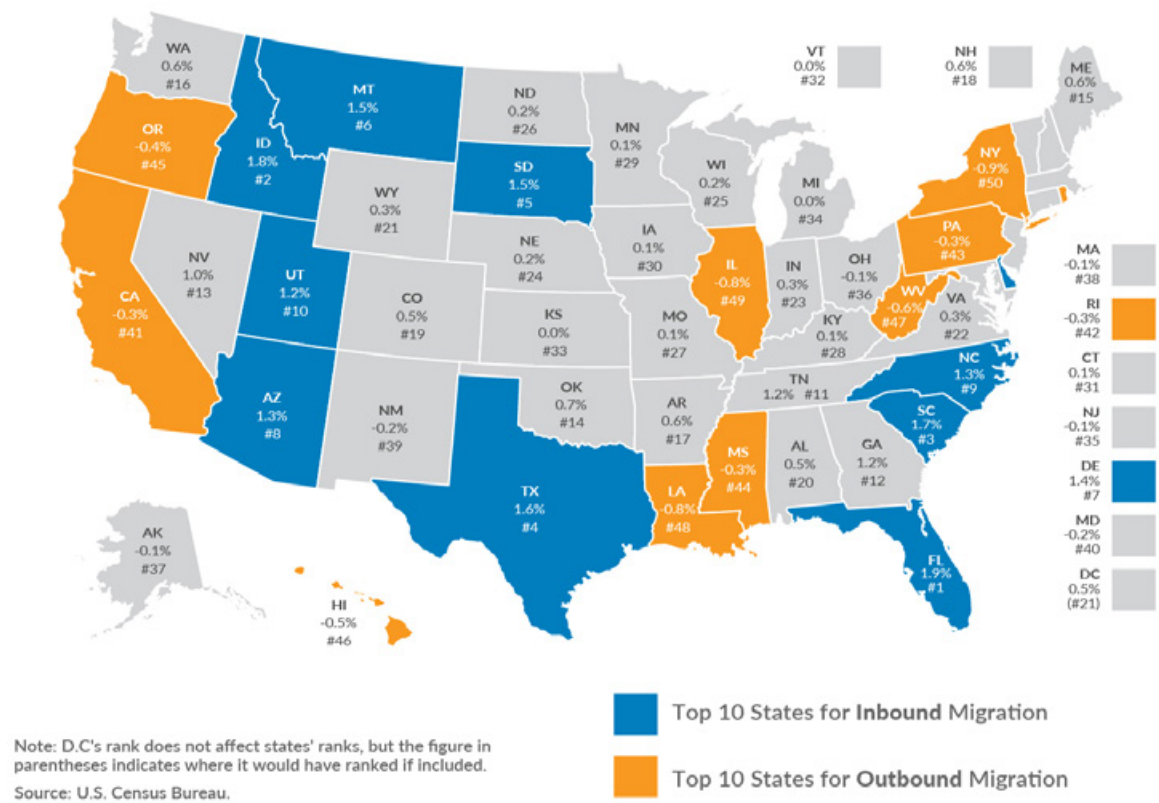
This population shift paints a clear picture: people left high-tax, high-cost states for lower-tax, lower-cost alternatives. The individual income tax is illustrative here (though only one component of overall tax burdens, it is often highly salient). In the top third of states for population growth (including D.C.), the average combined top marginal state income tax rate is about 4.0 percent. In the bottom third, it's about 6.6 percent.

Six states in the top third forgo taxes on wage income (Florida, Texas, South Dakota, Tennessee, and Nevada, as well as Washington, which taxes capital gains income but not wage income), and the highest top rate in that cohort is Maine's 7.15 percent. Among the bottom third, five jurisdictions—California, Hawaii, New Jersey, New York, and

Oregon—have double-digit income tax rates, and—excepting Alaska, with no income tax—the lowest rate is in Pennsylvania, where a low state rate of 3.07 percent is paired with some of the highest local income tax rates in the country. Six states in the bottom third have local income taxes; only one in the top third does.

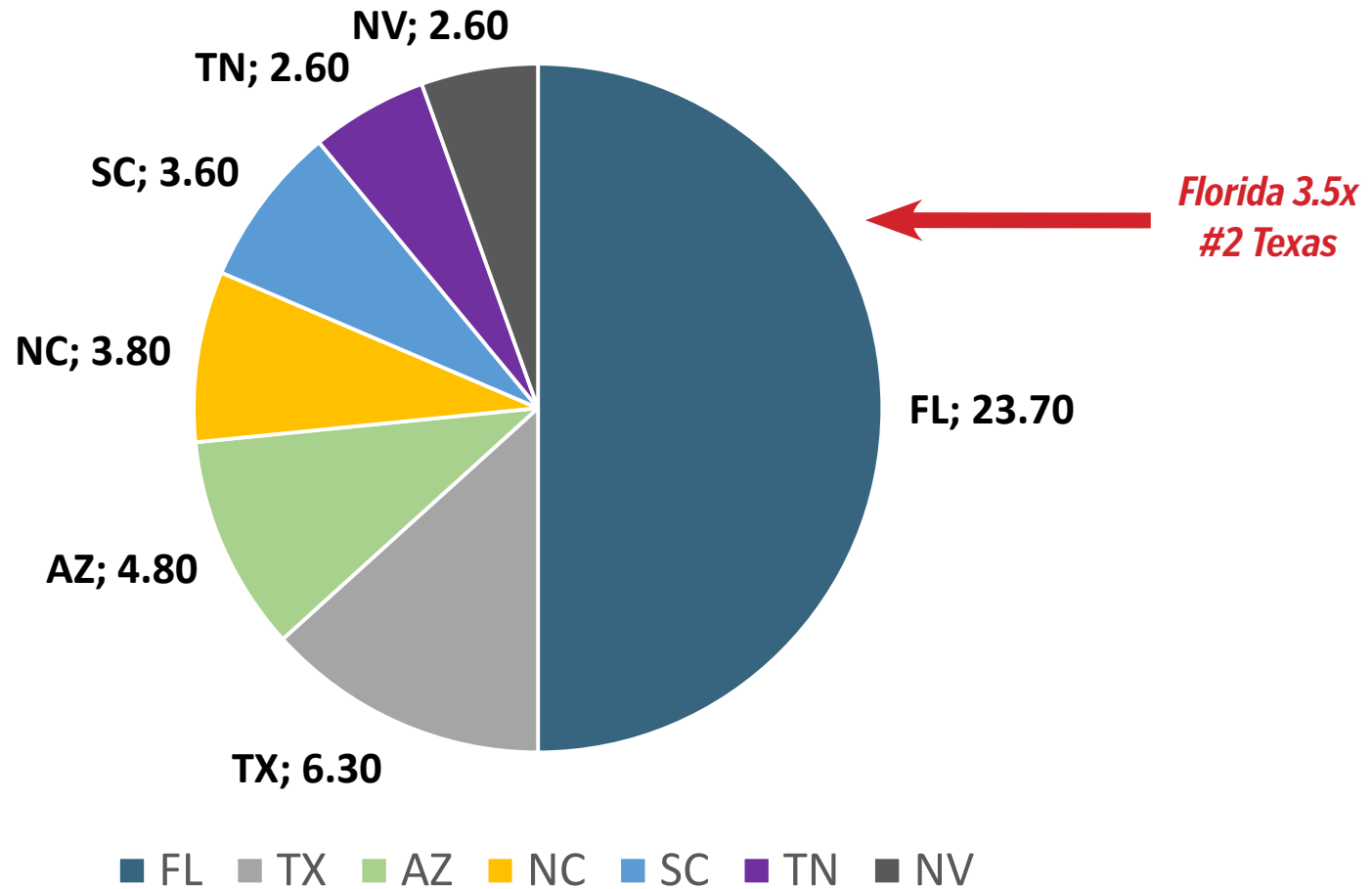
State Population Change in 2022

State Migration Patterns, from Most Inbound to Most Outbound, 2022



Source: Tax Foundation
Read Full Article [HERE](#)

NET INCOME MIGRATION (\$ BILLIONS): TOP 7



Florida has experienced the largest net income migration since the onset of the coronavirus pandemic. The latest available IRS data shows \$23.7 billion in net annual income migration and the Florida Chamber Foundation expects that figure to continue expanding as people from other states come to Florida. This figure is roughly 3.5 times higher than the Texas which saw the second highest net income growth.



THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

255+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

2.3K+

RETAIL
TRANSACTIONS
company-wide
in 2022

760+

NET LEASE
TRANSACTIONS
SOLD
in 2022

\$2.9B+

NET LEASE
TRANSACTION
VALUE
in 2022

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