

SPRINT & MATTRESS 1 ONE



1107 North Valley Mills Drive, Waco, Texas 76710



TWO SINGLE TENANT BUILDINGS ON ONE PARCEL

Exclusively Offered By:

Michael Campbell
619.546.0122
Michael@InvestCoreCommercial.com
CA Lic #01843521

Ed Colson, Jr. CCIM
619.546.0121
Ed@InvestCoreCommercial.com
CA Lic #01382996 | TX Lic #635820





OFFERING STATEMENT / DISCLAIMER



InvestCore Commercial has been retained as the exclusive advisor and broker regarding the sale of the **Sprint and Mattress One** located at the **1107 North Valley Mills Drive, Waco, Texas 76710**.

This Offering has been prepared by InvestCore Commercial for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by InvestCore Commercial, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and, therefore, are subject to variation. No representation is made by InvestCore Commercial or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, InvestCore Commercial, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and implied,

contained in, or for omission from, this Investment Offering or any other written or oral communication transmitted or made available to the recipient. This Offering does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser. Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner and InvestCore Commercial each expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering or making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and its legal counsel, and any conditions to Owner's obligations thereunder have been satisfied or waived. InvestCore Commercial is not authorized to make any representations or agreements on behalf of Owner.

This Offering and the contents, except such information which is a matter of public record or is provided in sources

available to the public (such contents as so limited herein are called the "Contents"), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or InvestCore Commercial, (iv) not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or InvestCore Commercial, and (v) to return it to InvestCore Commercial immediately upon request of InvestCore Commercial or Owner.

If you have no further interest in the Property, please return this Investment Offering forthwith.

InvestCore Commercial, Inc.
3910 W. Point Loma Blvd, 2nd Floor
San Diego, CA 92110



TABLE OF CONTENTS



INVESTMENT SUMMARY

4

Executive Summary
Investment Highlights



PROPERTY DESCRIPTION

8

Site Plan
Street Map
Aerials



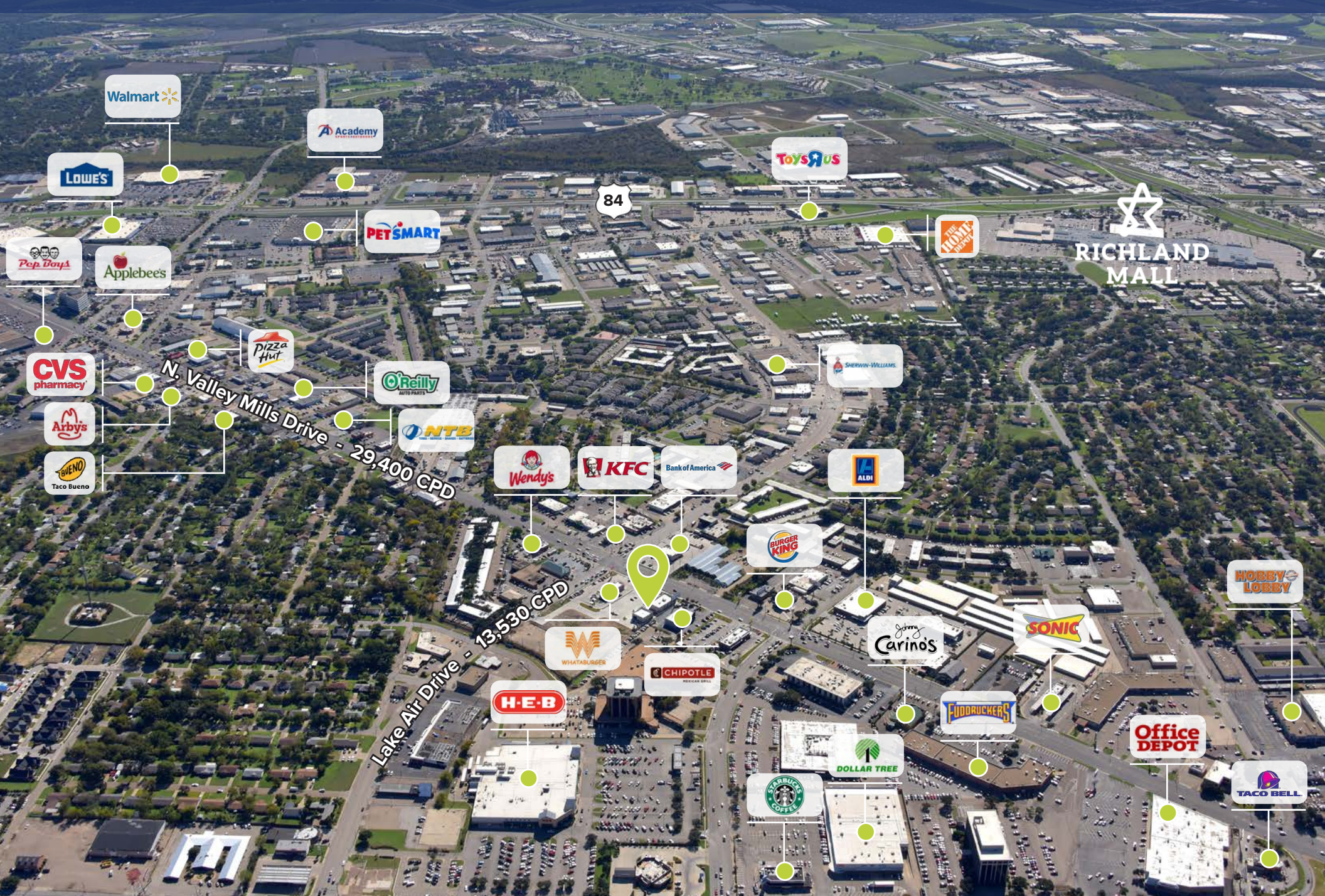
AREA OVERVIEW

12

Market Summary
Demographics
Information About Brokerage Services

**NEW 10-YEAR CORPORATELY BACKED
LEASES PROVIDE A SECURE LONG
TERM INVESTMENT**

INVESTMENT SUMMARY





INVESTMENT SUMMARY



EXECUTIVE SUMMARY

Tenants:	Sprint & Mattress 1 One
Address:	1107 North Valley Mills Drive Waco, TX 76710
Building Size:	Building 1 - 4,500 SF Building 2 - 2,500 SF
Land Size:	1.04 Acres (45,273 SF)
Occupancy:	100%
Year Built:	2015
Lease Terms:	NN - see Lease Summary for more information
Traffic Counts:	N. Valley Mills Drive - 24,400 Lake Air Drive - 13,530



DEMOGRAPHICS	1 Mile	3 Mile	5 Mile
Population:	11,334	65,868	128,836
Average HH Incom:	\$46,510	\$58,498	\$58,005
Average Growth Rate:	0.89%	0.58%	0.70%



OFFERING TERMS

Price:	\$3,500,000
NOI:	\$227,500
Cap Rate:	6.50%



INVESTMENT SUMMARY

LEASE SUMMARY

Tenant:	Sprint Spectrum L.P. dba Sprint
Address:	1107 Bldg. 1 North Valley Mills Drive Waco, TX 76710
Building Size:	4,500 SF
Land Size:	1.04 Acres (45,273 SF)
Year Built:	2015
Rent Commencement:	August 1, 2015
Lease Expiration:	July 31, 2025
Annual Rent:	\$157,000
Primary Term:	10 Years
Options:	Two (2) 5-Year Options to Extend
Rent Increases:	10% Every 5 Years

RENT SCHEDULE

Term	Years	Annual Rent	% Increase
Primary	1-5	\$157,500	
Primary	6-10	\$173,250	10%
Option 1	11-15	\$190,575	10%
Option 2	16-20	\$209,655	10%

Additional Rent – Tenant to pay its pro rata share of real estate taxes, insurance premiums and common area maintenance costs.

Insurance – Tenant to maintain a general liability policy with coverage of not less than \$3,000,000 naming landlord as additionally insured. Landlord shall procure and maintain adequate insurance for the property then recover the cost as part of Common Area Costs.



Common Area Maintenance – Cost of maintaining, repairing, inspecting, lighting, protecting and securing the common areas and maintaining insurance on the property, including driveway assessments, general maintenance and repair or sidewalks, curbs and gutters; maintenance of planting and landscaping; lighting and other utilities; directional signs. Property management fee shall not exceed 5% of gross rent from the property. CAM fees shall not increase by more than 5% annually.

Assignment & Subletting – Tenant shall have the right to assign this lease or to sublet all or any part of the premises subject to landlord’s consent, however tenant shall remain fully liable under this lease.

Repairs & Maintenance - Landlord’s shall at its sole cost and expense, maintain watertight and leak free foundations, roof, structural columns, downspouts and exterior walls of the premises. Tenant shall be responsible to maintain at its sole cost and expense, the store front, wall and floor coverings, tenant’s signs, all mechanical, plumbing, HVAC and electrical equipment which exclusively serves the premises.



INVESTMENT SUMMARY

LEASE SUMMARY

Tenant:	Mattress Pal Holdings, LLC dba Mattress 1 One
Address:	1107 Bldg. 2 North Valley Mills Drive Waco, TX 76710
Building Size:	2,500 SF
Land Size:	1.04 Acres (45,273 SF)
Year Built:	2015
Rent Commencement:	TBD
Lease Expiration:	Ten (10) Years from Rent Commencement
Annual Rent:	\$70,000
Primary Term:	10 Years
Options:	Two (2) 5-Year Options to Extend
Rent Increases:	10% Every 5 Years

RENT SCHEDULE

Term	Years	Annual Rent	% Increase
Primary	1-5	\$70,000	
Primary	6-10	\$77,000	10%
Option 1	11-15	\$84,700	10%
Option 2	16-20	\$93,170	10%

Additional Rent – Tenant to pay it’s pro rata share of real estate taxes, insurance premiums and common area maintenance costs, as well as, an administrative charge not to exceed 10% of all of the foregoing costs and expenses.

Assignment & Subletting – Tenant shall not assign lease and shall not sublet the premises without first obtaining the prior written consent of landlord. Tenant’s obligations, unless specifically stated by landlord, shall not be released.



Prohibited Uses – Tenant shall not be permitted to use premises for operation of a hamburger oriented fast food or quick service restaurant business which derives more than thirty-three percent (33%) of it’s food from the sale of hamburgers or, operation of a business whose primary use includes the sale of cellular telephone equipment, cellular and wireless voice, data or internet services.

Repairs & Maintenance - Landlord’s responsibilities include keeping the foundations, utility lines that are located underground or outside of the premises, structural systems, including the roof, walls and floor slabs, building exterior and masonry walls, in good condition and repair. Landlord shall also be responsible for all repairs and maintenance to common areas. Tenant’s maintenance and repair shall include the interior and exterior of the leased premises including but not limited to, any and all doors, windows and window casements, glazing, heating and air conditioning systems, and plumbing, pipes, electrical wiring, and conduits located within the Leased Premises.

Guaranty – Lease guaranty given by SOS Furniture Company, Inc., shall remain in full force and effect until the earlier of (i) the sixtieth (60th) full calendar month after the commencement date, or (ii) the date tenant has opened and is then operating at least one hundred and fifty (150) stores under the trade name “Mattress 1 One”.



INVESTMENT SUMMARY



2016 PROJECTED INCOME AND EXPENSE

INCOME

ANNUAL BASE RENT	\$227,500 ⁽¹⁾
OPERATING EXPENSE REIMBURSEMENTS:	
CAM	\$17,825
Insurance	\$3,500
Property Taxes	\$30,000
TOTAL REIMBURSEMENTS	\$51,325
TOTAL INCOME	\$278,825

EXPENSES

CAM	
Property Management	\$6,825
Grounds & Landscaping	\$3,600
Electricity	\$2,500
Telephone	\$1,200
Water & Sewer	\$1,300
Trash Removal	\$2,400
TOTAL CAM's	\$17,825
PROPERTY INSURANCE	\$3,500
PROPERTY TAXES	\$30,000
TOTAL EXPENSES	\$51,325
NET OPERATING INCOME	\$227,500



2016 PROJECTED REIMBURSEMENT BREAKDOWN

	Sprint ⁽¹⁾	Mattress 1 One ⁽²⁾	Total
ANNUAL BASE RENT	\$157,500.00	\$70,000.00	\$227,500.00
OPERATING EXPENSE REIMBURSEMENTS:			
CAM	\$11,461.47	\$6,363.53	\$17,825.00
Insurance	\$2,250.50	\$1,249.50	\$3,500.00
Property Taxes	\$19,290.00	\$10,710.00	\$30,000.00
Total Projected Reimbursements	\$33,001.97	\$18,323.03	\$51,325.00
TOTAL BASE RENT AND REIMBURSEMENTS	\$190,501.97	\$88,323.03	\$278,825.00

(1) 64.3% of Project. CAM includes a 3% Property Management Fee

(2) 35.7% of Project. CAM includes a 3% Property Management Fee but no Administrative Fee.



INVESTMENT SUMMARY



INVESTMENT HIGHLIGHTS

New Leases and Construction Provide Stable Long-Term Investment

- New 10-year leases provide an investor with long-term stability.
- An investor will have little maintenance, as both buildings and the site are new construction.
- Two freestanding buildings versus a single two-tenant building provide for more flexibility.

Corporate Guaranteed Leases

- Sprint Corporation is the nation's third largest carrier by subscriber base and has a \$14 Billion market capitalization.
- Mattress 1 One is the #1 mattress store for Florida and Texas residents with over 150 locations and growing.

Attractive Lease Structure For Passive Investor

- Both leases allow for the recapture of nearly all expenses except for roof and structural elements, which are covered by transferrable warranties.
- Rental increases in the primary and option periods will increase the overall return and help to hedge against any future inflation.

Dynamic Location

- Recently renovated, the property is located at a busy signalized intersection next to a new Whataburger and in a dense retail trade area.
- The property benefits from its location along N Valley Mills Rd, a major east-west thoroughfare, with over 44,000 cars passing the site daily.
- Close proximity to many other national retailers such as Target, Office Depot, Bank of America, Chipotle, Taco Bell, McDonald's and more.

Growing Community

- There are currently over 128,000 residents within a 5-mile radius of the property earning an average household income over \$51,000 annually. The median home value is just \$153,000 making
- Unemployment is a mere 4.30%. Job growth is up 1.10% with projected job growth increasing to 1.50% annually.



PROPERTY DESCRIPTION



Crestview School

N. Valley Mills Drive - 29,400 CPD

Lake Air Drive - 13,530 CPD

84

H-E-B

CHIPOTLE

Wendy's

KFC

Bank of America

ALDI

BURGER KING

WHATABURGER

Arby's

Taco Bueno

CVS pharmacy

Pizza Hut

O'Reilly AUTO PARTS

NTB

Applebee's

Lowe's

AMC THEATRES

Walmart

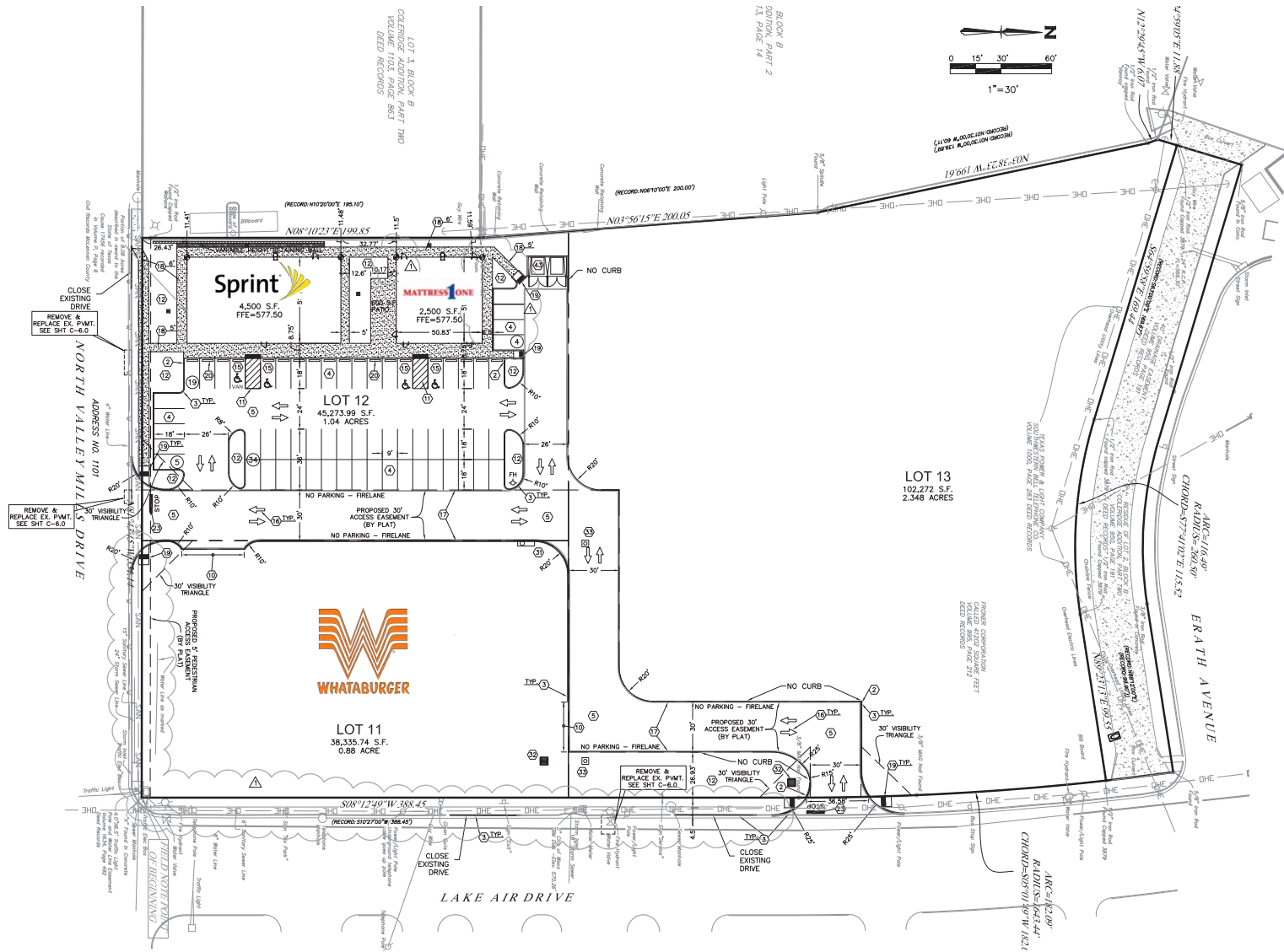
Academy

PETS M A R T



PROPERTY DESCRIPTION

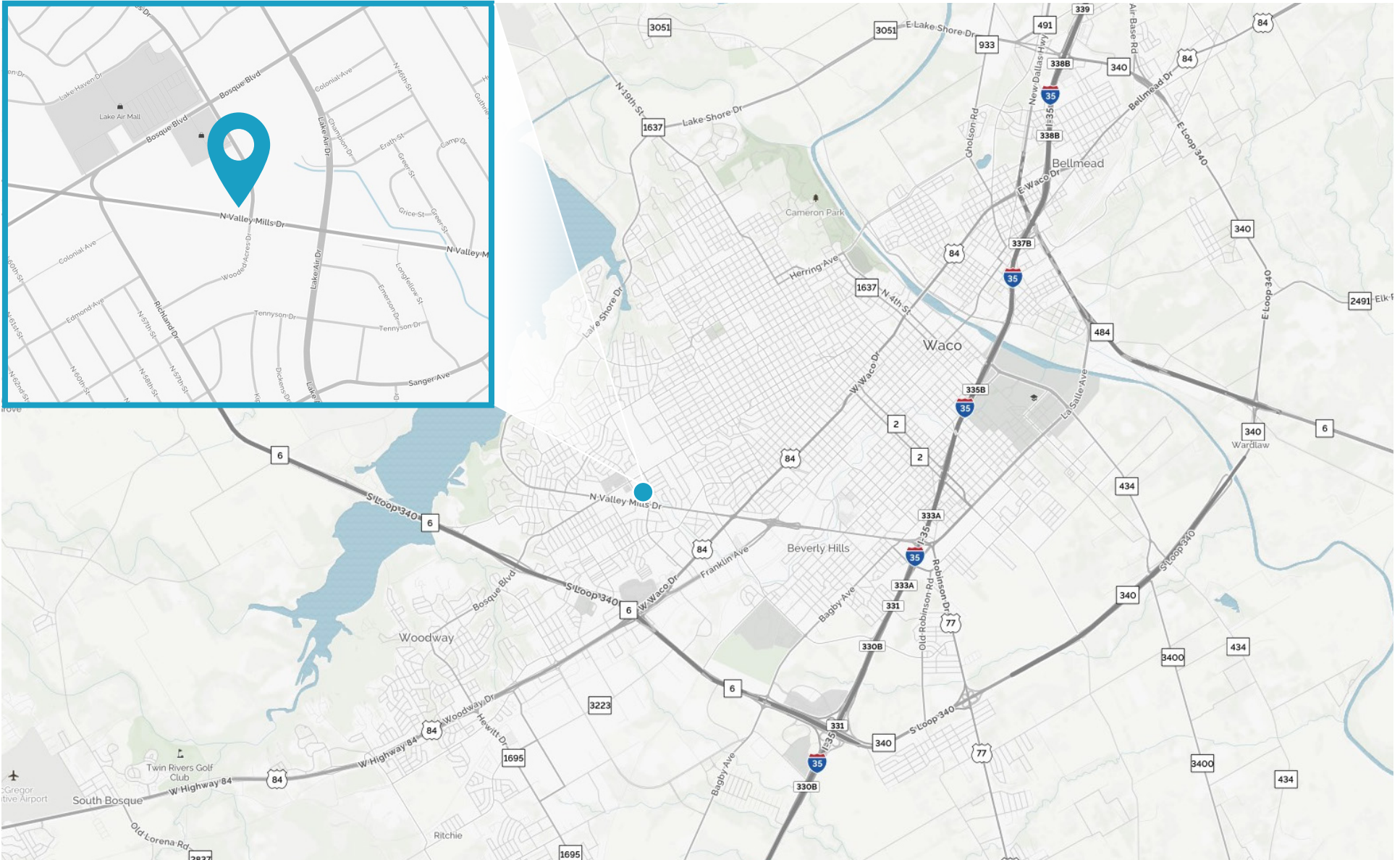
SITE PLAN





PROPERTY DESCRIPTION

STREET MAP





PROPERTY DESCRIPTION

AERIAL



AREA OVERVIEW



Waco High School

Extraco Events Center

N. Valley Mills Drive - 29,400 CPD

TARGET

TACO BELL

Office DEPOT

FLOORBUCKERS

DOLLAR TREE

STARBUCKS COFFEE

Jack in the box

Bank of America

Carinos

H-E-B

SONIC

ALDI

BURGER KING

CHIPOTLE MEXICAN GRILL

WHATABURGER

Bank of America

KFC

Wendy's



AREA OVERVIEW



MARKET SUMMARY

About Waco, Texas:

Waco, the county seat of McLennan County, is situated on the I-35 corridor halfway between Dallas and Austin. Founded in 1849 by the Huaco Indians, Waco is the birthplace of Dr. Pepper, the Texas Ranger Hall of Fame and Museum and the Texas Sports Hall of Fame. It is not only brimming with Texas history, economic opportunity, and a rich variety of cultural experiences, it is also a major seat of higher learning with three major colleges in its city limits.

The US Census 2014 population estimate for the Waco MSA is 260,430, making it the 22nd-most populous city in the state. Waco is home to many Fortune 500 & 1000 companies such as Exxon Mobile, Walmart, Chevron, AT&T, Valero Energy, Bank Of America and more. Unemployment in the Waco MSA is a mere 4.4% (April 2014). Major employers are Providence Healthcare Network with 2,397 employees and Baylor University with 2,675 employees.

Greater Waco is home to one university and two colleges with a total enrollment of 31,243. Additionally, we are at the center of the state's highly educated future workforce with 344,729 students enrolled in four-year colleges and 219,178 students enrolled in two-year colleges within a 200-mile radius.

Waco is within 200 miles of 3 national parks and more than 50 state parks and historic sites. There are more than 60 parks within the community, including Cameron Park, a 416-acre park offering scenic hiking and biking trails, rock climbing and the Cameron Park Zoo. The Cameron Park Zoo is a world-class adventure for a natural habitat zoo. The 52-acre "park in a park" includes a 50,000-gallon aquarium and the Brazos River Country Exhibit that follows the diverse landscape and animals of Texas' longest river from the western Plains to the Gulf of Mexico Coast.





AREA OVERVIEW



DEMOGRAPHICS

	1 mile	3 miles	5 miles
Population			
2000 Population	10,713	64,427	120,500
2010 Population	10,829	64,225	124,513
2015 Population	11,334	65,868	128,836
2020 Population	11,849	67,803	133,438
2000-2010 Annual Rate	0.11%	-0.03%	0.33%
2010-2015 Annual Rate	0.87%	0.48%	0.65%
2015-2020 Annual Rate	0.89%	0.58%	0.70%
2015 Male Population	47.3%	48.5%	47.8%
2015 Female Population	52.7%	51.5%	52.2%
2015 Median Age	35.8	34.5	30.4

In the identified area, the current year population is 128,836. In 2010, the Census count in the area was 124,513. The rate of change since 2010 was 0.65% annually. The five-year projection for the population in the area is 133,438 representing a change of 0.70% annually from 2015 to 2020. Currently, the population is 47.8% male and 52.2% female.

Median Age

The median age in this area is 35.8, compared to U.S. median age of 37.9.

Race and Ethnicity

2015 White Alone	57.4%	59.2%	60.2%
2015 Black Alone	22.3%	16.4%	18.5%
2015 American Indian/Alaska Native Alone	0.6%	0.7%	0.7%
2015 Asian Alone	1.2%	0.9%	2.2%
2015 Pacific Islander Alone	0.1%	0.1%	0.1%
2015 Other Race	14.9%	19.4%	15.3%
2015 Two or More Races	3.4%	3.3%	3.1%
2015 Hispanic Origin (Any Race)	28.2%	39.4%	32.3%

Persons of Hispanic origin represent 32.3% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 77.7 in the identified area, compared to 63.0 for the U.S. as a whole.

Households

2000 Households	5,065	25,062	45,384
2010 Households	4,959	24,746	46,971
2015 Total Households	5,169	25,356	48,601
2020 Total Households	5,403	26,135	50,453
2000-2010 Annual Rate	-0.21%	-0.13%	0.34%
2010-2015 Annual Rate	0.79%	0.46%	0.65%
2015-2020 Annual Rate	0.89%	0.61%	0.75%
2015 Average Household Size	2.15	2.55	2.50

The household count in this area has changed from 46,971 in 2010 to 48,601 in the current year, a change of 0.65% annually. The five-year projection of households is 50,453, a change of 0.75% annually from the current year total. Average household size is currently 2.50, compared to 2.50 in the year 2010. The number of families in the current year is 28,673 in the specified area.



AREA OVERVIEW

DEMOGRAPHICS

	1 mile	3 miles	5 miles
Median Household Income			
2015 Median Household Income	\$32,019	\$36,616	\$35,525
2020 Median Household Income	\$35,467	\$40,086	\$38,734
2015-2020 Annual Rate	2.07%	1.83%	1.74%
Average Household Income			
2015 Average Household Income	\$42,192	\$52,478	\$51,613
2020 Average Household Income	\$46,510	\$58,498	\$58,005
2015-2020 Annual Rate	1.97%	2.20%	2.36%
Per Capita Income			
2015 Per Capita Income	\$19,407	\$20,411	\$20,398
2020 Per Capita Income	\$21,345	\$22,731	\$22,841
2015-2020 Annual Rate	1.92%	2.18%	2.29%

Households by Income

Current median household income is \$35,525 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$38,734 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$51,613 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$58,005 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$20,398 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$22,841 in five years, compared to \$32,501 for all U.S. households

Housing

2000 Total Housing Units	5,385	26,867	48,567
2000 Owner Occupied Housing Units	1,998	14,050	22,867
2000 Renter Occupied Housing Units	3,068	11,012	22,518
2000 Vacant Housing Units	319	1,805	3,182
2010 Total Housing Units	5,402	27,271	51,594
2010 Owner Occupied Housing Units	1,877	13,589	23,056
2010 Renter Occupied Housing Units	3,082	11,157	23,915
2010 Vacant Housing Units	443	2,525	4,623
2015 Total Housing Units	5,552	27,755	53,089
2015 Owner Occupied Housing Units	1,802	13,277	22,868
2015 Renter Occupied Housing Units	3,368	12,079	25,733
2015 Vacant Housing Units	383	2,399	4,488
2020 Total Housing Units	5,747	28,550	54,925
2020 Owner Occupied Housing Units	1,813	13,457	23,450
2020 Renter Occupied Housing Units	3,590	12,677	27,003
2020 Vacant Housing Units	344	2,415	4,472

Currently, 43.1% of the 53,089 housing units in the area are owner occupied; 48.5%, renter occupied; and 8.5% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 51,594 housing units in the area - 44.7% owner occupied, 46.4% renter occupied, and 9.0% vacant. The annual rate of change in housing units since 2010 is 1.28%. Median home value in the area is \$153,406, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 4.33% annually to \$189,605.



INFORMATION ABOUT BROKERAGE SERVICES



Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written-listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY

A broker may act as an intermediary between the parties if the broker complies

with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.