

Urban Air Trampoline Park

5701 West Waco Drive - WACO, TEXAS 76710

offering memorandum



Financial Overview

5701 West Waco Drive - WACO, TEXAS 76710



ACTUAL PHOTO

OFFERING SUMMARY

PRICE	\$3,623,188
CAP RATE	6.90%
NOI	\$250,000
PRICE PER SQUARE FOOT	\$125.48
RENT PER SQUARE FOOT	\$8.66
YEAR BUILT	1993
RENOVATED	2015
LOT SIZE	3.57 Acres
GROSS LEASEABLE AREA	28,875
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Personal Guaranty
LEASE TYPE	Absolute Net
ROOF AND STRUCTURE	Tenant Responsible

LEASE SUMMARY

LEASE COMMENCEMENT DATE	Close of Escrow
LEASE EXPIRATION DATE	15 Years from Close of Escrow
LEASE TERM	15 Years
TERM REMAINING	15 Years
INCREASES	10 Percent Every 5 Years
OPTIONS TO RENEW	Four, Five-Year
OPTIONS TO TERMINATE	None
OPTIONS TO PURCHASE	None
FIRST RIGHT OF REFUSAL	No

Investment Overview

5701 West Waco Drive - WACO, TEXAS 76710

Marcus & Millichap is pleased to present this 28,875-square foot Urban Air Trampoline Park in Waco, Texas. At the close of escrow the tenant will execute a 15-year absolute net lease with zero landlord responsibilities. Rent will increase ten percent every five years over the base term and in each of the four, five-year renewal options. The lease is backed by a strong personal guaranty.

Urban Air is a pad site to the Richland Mall and is highly visible from West Waco Drive, which sees more than 33,000 vehicles per day. This 722,000-square foot mall is anchored by Dillard's and Bealls, and hosts 91 other tenants. The asset is located within the heart of Waco's Richland Hills Neighborhood, which is in close proximity to two major hospitals – Heart Hospital (225 Beds) and Baylor Scott & White Medical Center (237 Beds). Additionally, there are more than two million square feet of retail in the one and a half mile radius.

Additional Tenants in the immediate vicinity include: Home Depot, Burlington Coat Factory, Academy Sports & Outdoors, Lowe's, Walmart, Target and Kohl's.

- **Urban Air Trampoline Park in Waco, Texas | 2015 Renovation**
- **Sale Leaseback Opportunity | Brand New 15-Year Absolute Net Lease with Zero Landlord Responsibilities**
- **10 Percent Rent Increases Every Five Years During the Base Term and Options Periods**
- **West Waco Drive | Highly Trafficked Retail Corridor with More than 33,000 Vehicles Per Day**
- **Directly Adjacent to Richland Mall | 722,000 Square Feet of Retail with More than 95 Tenants | Anchored by J.C. Penny, Dillard's, Bealls, and Sears**
- **Strong Real Estate Fundamentals | More Than Two Million Square Feet of Retail in One and a Half Mile Radius | One Mile from Heart Hospital | 225-Bed Facility**
- **Tenants in the Immediate Vicinity Include: Home Depot, Burlington Coat Factory, Academy Sports & Outdoors, Lowe's, Walmart Supercenter, Target and Kohl's.**



ACTUAL PHOTO

Tenant Overview - Urban Air Trampoline Park

5701 West Waco Drive - WACO, TEXAS 76710



Urban Air Trampoline Parks are the nation's premiere indoor trampoline and adventure parks. Suitable for all ages and fitness levels, Urban Air offers guests a wide variety of physical activities across its wall-to-wall trampoline arenas, trampoline runway, foam pit, slam dunk track, and trampoline dodgeball arena. Urban Air Trampoline Parks are the perfect venue for some good old family fun, kids' birthday parties, church events, corporate events, or any other event you can dream up.

TENANT PROFILE

TENANT TRADE NAME	Urban Air Trampoline Park
OWNERSHIP	Private
TENANT	Franchisee
LEASE GUARANTOR	Personal Guaranty
NUMBER OF LOCATIONS	30+ Units
HEADQUARTERED	Dallas, Texas
WEB SITE	http://www.urbanairtrampolinepark.com/



Aerial Overview

5701 West Waco Drive - WACO, TEXAS 76710



PROPERTY ADDRESS
5701 W Waco Dr
Waco, TX 76710

Heart Hospital

Cottenwood
Creek Golf Course

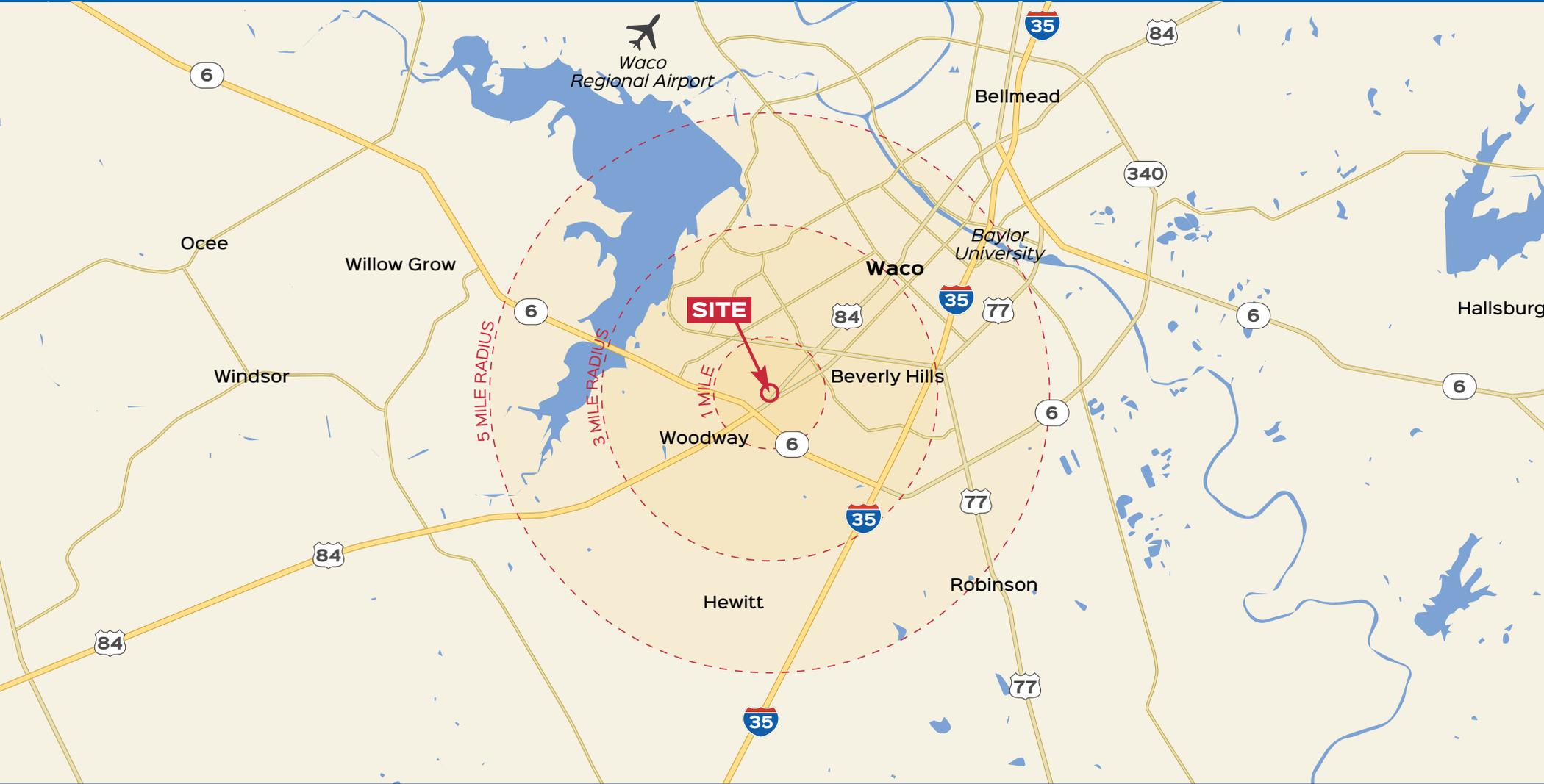
Waco Independent
School District Stadium

University
High School

Baylor Scott & White
Medical Center

Area Overview & Demographics

5701 West Waco Drive - WACO, TEXAS 76710



	1-Mile	3-Mile	5-Mile
Population			
2000 Populations	7,152	53,258	120,981
2010 Population	7,227	54,548	127,429
2016 Population	7,634	56,630	133,223
2021 Population	7,865	58,154	136,863
Daytime Employment	18,599	65,515	99,447

	1-Mile	3-Mile	5-Mile
Households			
2000 Household	3,483	21,194	45,343
2010 Households	3,347	21,323	47,817
2016 Households	3,555	22,147	49,834
2021 Households	3,669	22,760	51,250

	1-Mile	3-Mile	5-Mile
Household (HH) Incomes			
2016 Average HH Income	\$38,012	\$55,968	\$53,578
2016 Median HH Income	\$29,578	\$39,314	\$37,779
2016 Per Capita Income	\$17,701	\$21,888	\$20,042

Market Overview - Waco, Texas

5701 West Waco Drive - WACO, TEXAS 76710

The Texas city of Waco is in the center of the Texas manufacturing and technology corridor, about 90 miles south of Dallas and 100 miles north of Austin. Sitting along Interstate I-35, the city is serviced by several secondary thoroughfares which include: U.S. Routes 77 and 84; and Texas State Highway 6. Waco is the home of Baylor University and the city where the Dr. Pepper soft drink was first established.



Named after the area's first inhabitants, the Huaco Indians, Waco began as a village which didn't take shape until 1849, when surveyor George B. Erath laid out its first streets. In 1856, Waco became incorporated as a city, and by the 1870s became a hub of commerce for the state of Texas with the arrival of several railroad lines. In 1886, Baylor University relocated to the city from Independence, Texas, merging with Waco University. By the turn of the century, Waco had established itself as one of the world's leading producers of cotton.

One of the largest municipal parks in the state is Waco's Cameron Park, a favorite for visitors who enjoy outdoor recreation such as picnicking, hiking, canoeing and more. Nearby is the Cameron Park Zoo, a natural-habitat zoo which houses dozens of species from around the globe. Located in downtown Waco is RiverSquare Center, a collection of restored warehouses which date back to 1900 and now feature a wide variety of restaurants, bars, and shopping. Other popular attractions in Waco include the following:

- Dr. Pepper Museum: Home of the world's oldest major soft drink contains a replica of the drug store where Dr. Pepper was invented
- Art Center Waco: Hands-on activities for the kids of all ages
- Texas Sports Hall of Fame: Interactive displays and exhibits on sports of all types
- Mayborn Museum Complex: Features themed discovery rooms
- Armstrong Browning Library
- Homestead Heritage
- Lake Waco
- Masonic Grand Lodge of Texas
- Ranger Wing of The Commemorative Air Force
- Texas Ranger Hall of Fame and Museum
- Waco Suspension Bridge



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about Brokerage services to prospective buyers, tenants, seller and landlords.

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 interest 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.

<u>Marcus & Millichap</u> Licensed Broker/Broker Firm Name or Primary Assumed Business Name	<u>9002994</u> License No.	<u>tim.speck@marcusmillichap.com</u> Email Address	<u>972-755-5200</u> Phone
<u>Tim A. Speck</u> Designated Broker or Firm	<u>432723</u> License No.	<u>tim.speck@marcusmillichap.com</u> Email Address	<u>972-755-5200</u> Phone
_____ Licensed Supervisor of Sales Agent/ Associate	_____ License No.	_____ Email Address	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email Address	_____ Phone

Urban Air Trampoline Park

5701 West Waco Drive - WACO, TEXAS 76710

Broker of Record
Timothy Speck
Marcus & Millichap
5001 Spring Valley Road, Suite 100W
Dallas, TX 75244
Tel: 972-755-5200
License: 432723