

# Sherwin-Williams

3150 Eldorado Pkwy, McKinney, TX 75070



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TEXAS REAL ESTATE COMMISSION  
P.O. BOX 12188  
AUSTIN, TEXAS 78711-2188  
(512) 936-3000

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Activity ID #ZAC0160301

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As the Buyer of a Net Lease property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a Net Lease property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success.

Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

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## OFFERING SUMMARY



Listing Price  
**\$3,073,422**



Cap Rate  
**4.75%**



Price/SF  
**\$789.47**

### FINANCIAL

Listing Price	\$3,073,422
Down Payment	100% / \$3,073,422
NOI	\$145,988
Cap Rate	4.75%
Price/SF	\$789.47
Rent/SF	\$3.12

### OPERATIONAL

Lease Type	Double Net
Guarantor	Corporate Guarantee
Lease Expiration	04/30/2031
Gross SF	3,893 SF
Rentable SF	3,893 SF
Lot Size	0.98 Acres (42,688 SF)
Occupancy	100%
Year Built/Renovated	2001/2019



**SHERWIN WILLIAMS**  
**3150 Eldorado Pkwy, McKinney, TX 75070**

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**INVESTMENT OVERVIEW**

This investment opportunity features a freestanding Sherwin-Williams Paint Store located in McKinney, TX (Dallas MSA), along Eldorado Parkway- a primary East/West Corridor that sees over 28,000 vehicles per day. The retail synergy is extremely strong, and the property sits within one mile of over 7,000 households.

McKinney is the 4th fastest growing city in the United States according to the US Census Bureau (2019), and projections show a 20 percent increase in households by 2025. This affluent sub-market on the fast-growing North Side of the Dallas-Fort Worth MSA boasts an average household income of \$150,000+, which should continue to stimulate the growth and development within McKinney.

Sherwin-Williams has been successfully operating in this site since 2019. The building went through a substantial overhaul and remodel. As part of that remodel, a new roof was installed in November of 2019. This double-net lease offers minimal landlord responsibilities and has a transferable roof warranty, further decreasing the management component for the asset.

At the corporate level, Sherwin-Williams' (NYSE: SHW) credit rating was upgraded from BBB- to BBB, which is another testament to the company's long-standing, investment-grade operating history. In addition, the company's stock price has grown nearly 38 percent in the last year, and over 185 percent in the last five years.

**INVESTMENT HIGHLIGHTS**

9+ Years Remaining on Lease

Upcoming 10% Rental Increase in 2024

Investment Grade Credit Tenant (NYSE:SHW) Rated BBB by S&P

Corporate Guarantee

Surrounded by National Retailers with Strong Retail Synergy

Explosive Population Growth with Strong Demographics

Renovated in 2019 Including New Roof (Transferable Warranty)

Income Tax Free State



Culver's

OXFORD  
SENIOR LIVING

Christ Fellowship

TACO BUENO  
Taco Bueno

BANK OF AMERICA

McDonald's

LEGACY ER  
& URGENT CARE

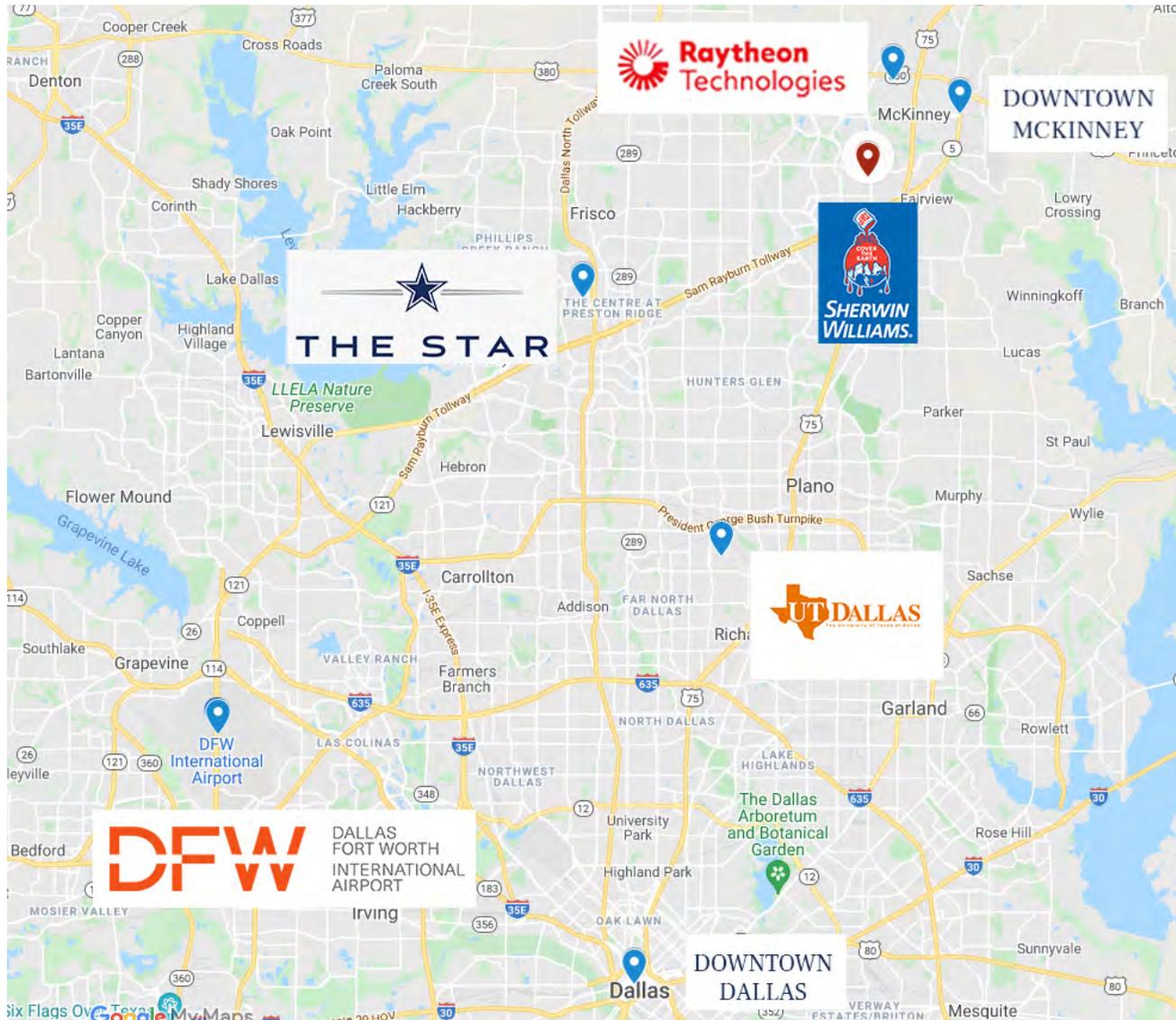
EXXON

Residential Area

W Eldorado Pkwy 28,274 VPD

EAST VIEW // Sherwin Williams





# TENANT PROFILE // Sherwin Williams

## ABOUT SHERWIN-WILLIAMS

The Sherwin-Williams Company, founded in 1866 and headquartered in Cleveland, Ohio, is a worldwide leader in manufacturing paints, stains, and industrial coatings. Sherwin-Williams has more than 60,000 employees and 4,438 company operated stores. In addition to its own Sherwin-Williams branded products, the company also produces Duron, Krylon, Purdy, Thompsons Water Seal, Dutch Boy, and many other well-known brands. Sherwin-Williams has three operating subsidiary segments. The Americas Group is the oldest and operates the brand's stand-alone stores. The other two Sherwin-Williams segments oversee the sales of the brand's paint products in other retail stores and operate the sales and manufacture of its industrial-grade products.

## TENANT OVERVIEW

Company:	The Sherwin-Williams Company
Founded:	1866
Locations:	4,785
TTM Sales:	\$18.87 Billion
NYSE:	SHW
Credit Rating:	BBB (S&P)
Headquarters:	Cleveland, Ohio
Website:	www.sherwin-williams.com



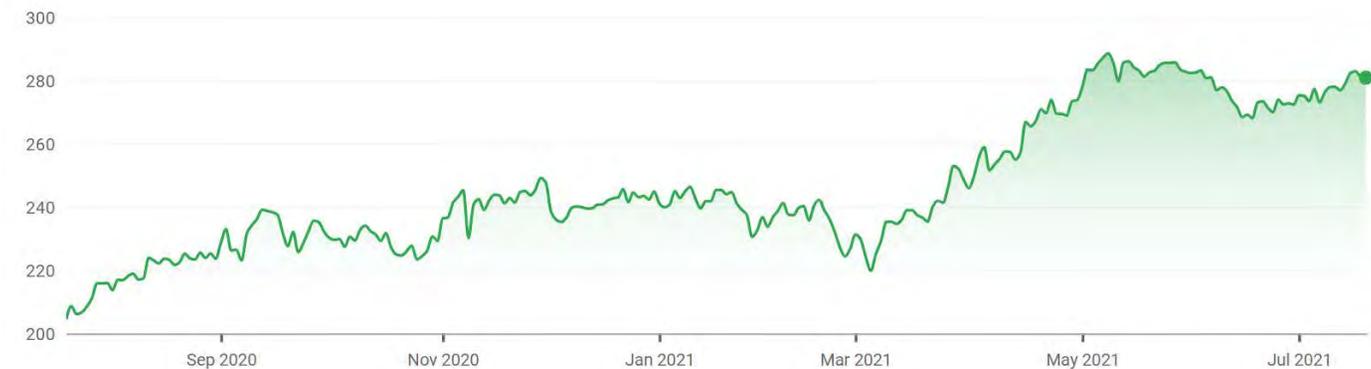
### Sherwin-Williams Co

SHW

**\$280.94** ↑ 37.40% +76.47 1Y

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1D 5D 1M 6M YTD 1Y 5Y MAX









## FINANCIAL DETAILS // Sherwin Williams

THE OFFERING	
Price	\$3,073,422
Capitalization Rate	4.75%
Price/SF	\$789.47

PROPERTY DESCRIPTION	
Year Built / Renovated	2001/2019
Gross Leasable Area	3,893 SF
Type of Ownership	Fee Simple
Lot Size	0.98 Acres

LEASE SUMMARY	
Tenant	Sherwin Williams
Rent Increases	Yes
Guarantor	Corporate Guarantee
Lease Type	Double Net
Lease Commencement	8/3/2018
Lease Expiration	04/30/2031
Renewal Options	Two, 5-Year Options
Term Remaining on Lease (Yrs)	10 Years
Landlord Responsibility	Roof*, Structure, & General Liability Insurance**
Tenant Responsibility	Taxes, Insurance, & CAM**

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$145,987.56	\$12,166	\$37.50	4.75%
5/1/24-4/30/31	\$160,586.28	\$13,382	\$41.25	5.22%
Option 1	\$176,644.92	\$14,720	\$45.38	5.75%
Option 2	\$194,309.40	\$16,192	\$49.91	6.32%



**\*8.5 Years Remain on Roof Warranty**  
**\*\* See Lease Abstract**

### SHERWIN-WILLIAMS' MAINTENANCE AND REPAIR OBLIGATIONS

Sherwin-Williams shall perform non-structural interior repairs to the Building, including the repair or replacement of damaged or broken doors and windows. Sherwin Williams is responsible for the removal of trash and the sweeping of the parking lot, and agrees to maintain all landscaping. Sherwin-Williams agrees to maintain, repair and, at its option, make necessary replacements to the HVAC, provided: the repairs and/or replacements are not covered by insurance required to be carried by the Landlord under this lease and the repair and/or replacement was not a result of Landlord's or Landlord's employees, agents, or contractors acts or omissions. In the event any of the above conditions are not met, Landlord shall be responsible for the maintenance, repair, and replacement of the HVAC.

### LANDLORD'S MAINTENANCE AND REPAIR OBLIGATIONS

Landlord shall, at its sole cost and expense: (i) Maintain the Premises in good condition and make all the interior (structural and as otherwise required in this Article 8B) and exteriors, including, but not limited to, the roof, walls (except windows and doors), foundation, structure, gutters, and downspouts, as well as to unexposed plumbing, gas, electrical and other similar systems servicing the Premises; (ii) Maintain, repair and make necessary replacements to the supply pipes for gas, electricity and water leading to the Building and the Premises, and to the drainage pipes leading from the Premises, including such pipes within the walls, ceilings, and floors of the Building; (iii) Maintain, repair, and make all necessary replacements to the parking area, including striping of lanes and eliminations of cave-ins and pools of water; as well as to the driveways, sidewalks, and entranceways and keeping the parking area open and accessible and reasonably free from ice, snow or other hindrances (except removal of trash in the parking lot or sweeping of the parking lot) and provide adequate lighting; and make all repairs to the Premises caused by fire, casualty, or the elements.



### GENERAL LIABILITY INSURANCE

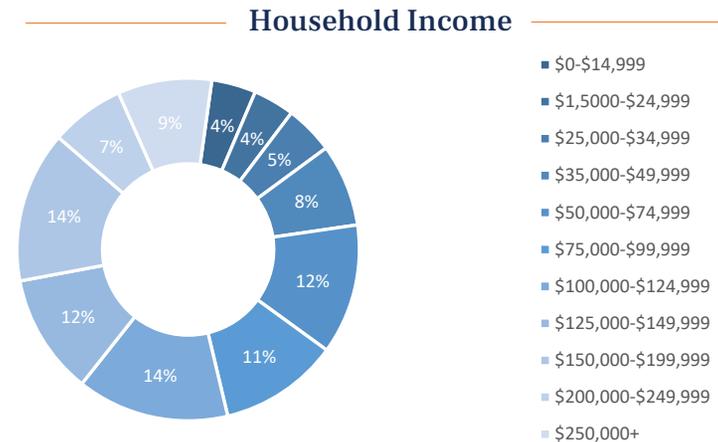
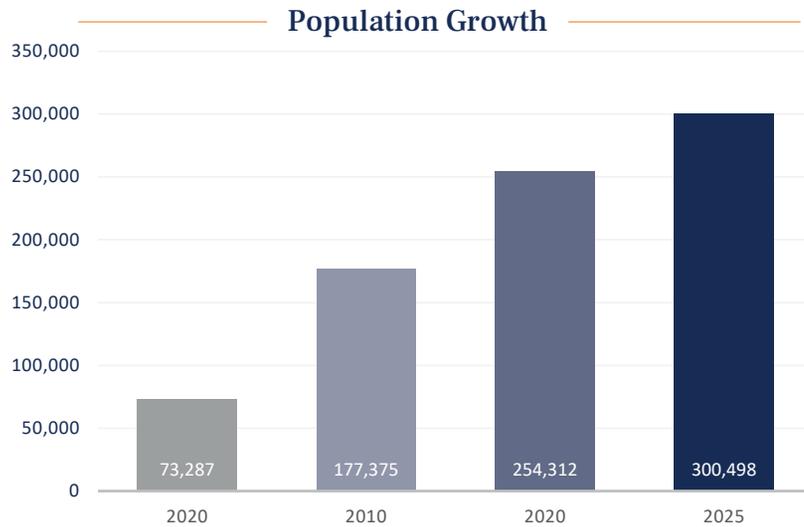
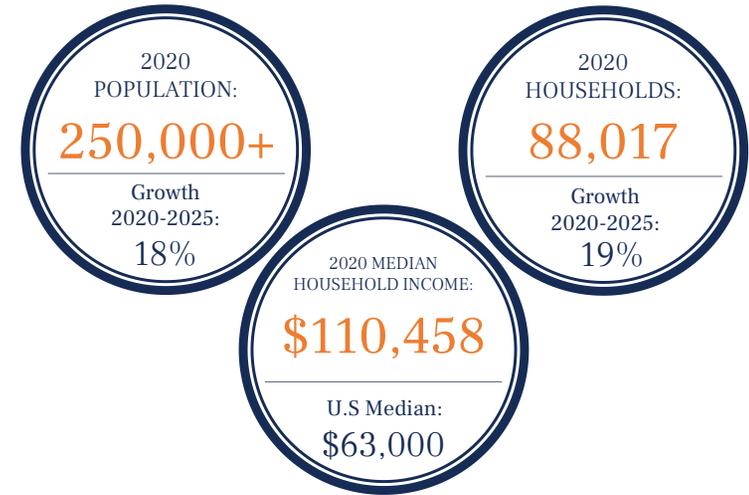
Sherwin-Williams shall procure, and during the Term maintain, commercial general liability insurance covering bodily injury and property damage with respect to the Premises, and the business operated by Sherwin-Williams therein. The policy shall not be less than \$1,000,000 per occurrence and \$2,000,000 aggregate. Sherwin-Williams may self-insure all or any part of the insurance it is required to carry hereunder and/or carry such insurance under a "blanket" policy. A certificate of insurance reflecting such coverage and designating Landlord as additional insured thereunder, excluding Landlord's intentional or negligent acts and omissions, shall be delivered to Landlord prior to the Commencement Date and upon policy renewal or replacement thereafter.

As of the Effective Date, Landlord shall procure and maintain commercial general liability insurance covering bodily injury and property damage with respect to the Premises. The policy shall not be less than \$1,000,000 per occurrence and \$2,000,000 aggregate. A certificate of insurance reflecting such coverage and designating Sherwin-Williams as additional insured thereunder, excluding Sherwin-Williams' intentional or negligent acts and omissions, shall be delivered to Sherwin-Williams prior to the Commencement Date and upon policy renewal or replacement thereafter.



## DEMOGRAPHICS

- Population In McKinney, TX Has Grown 247.01% Since 2000 And Is Expected To Increase Another 18.16% By 2025.
- The Average Number Of Households Is Projected To Grow From 88,017 To 105,486 In The Next 5 Years.
- The Median Household Income Is \$110,458 While The U.S National Average Is Only \$62,990.
- There Are 73,022 Employees Located Within A 5-mile Radius Of Property. 74.26% Are Employed In White-Collar Occupations While 25.63% Are Employed In Blue-Collar Occupations.



## DALLAS-FORT WORTH

The Dallas/Fort Worth Metroplex is the fourth-most populous metro in the nation, with an aggregate of nearly 7.7 million residents. It is composed of 13 counties stretching nearly 10,000 square miles. The city of Dallas houses 1.3 million people, followed by Fort Worth with 864,000 residents. Strong job gains continually draw new residents to the region. Recently, Collin and Denton counties have received the majority of growth. To accommodate the additional traffic, the region's transportation network is evolving. The expansion of the transportation network is vital to supporting the substantial developments in housing, retail and industrial, allowing commuters to access the metro's numerous corporations and expanding array of industries.

### METRO HIGHLIGHTS



#### SUBSTANTIAL POPULATION GAINS

Dallas/Fort Worth's population growth in recent years ranks among the highest in the U.S. for a major metro.



#### LARGE CORPORATE BASE

The Metroplex is home to 25 Fortune 500 companies and many regional headquarters, drawing workers and residents.



#### MAJOR DISTRIBUTION CENTER

The area's extensive network of rail and highways along with the International Inland Port of Dallas ensure its status as a distribution hub.



## ECONOMY

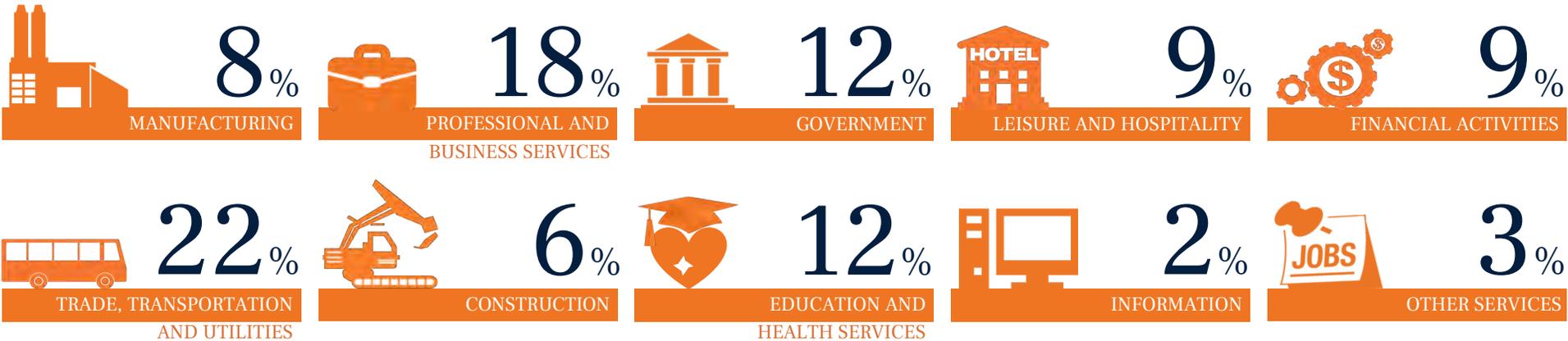
- The Metroplex’s temperate climate, no state income tax and a right-to-work labor policy attract employers.
- Dallas/Fort Worth is one of the nation’s largest employment markets, with nearly 3.7 million jobs.
- The region is home to 25 Fortune 500 companies in a variety of sectors, including ExxonMobil, American Airlines Group, Southwest Airlines, Fluor, AT&T, Tenet Healthcare, Kimberly-Clark and D.R. Horton.
- The area is forecast to add jobs at an annual rate of 1.7 percent through 2025, more than triple the U.S. level.
- Economic expansion will be further fueled by a rise in financial services and high-tech companies.

MAJOR AREA EMPLOYERS
AMR/American Airlines
Baylor Scott & White
Texas Health Resources
Texas Instruments
Bank of America
Lockheed Martin
Verizon Communications
JPMorgan Chase
HCA North Texas Division
UT-Southwestern Medical Center



\*Estimate, \*\* Forecast

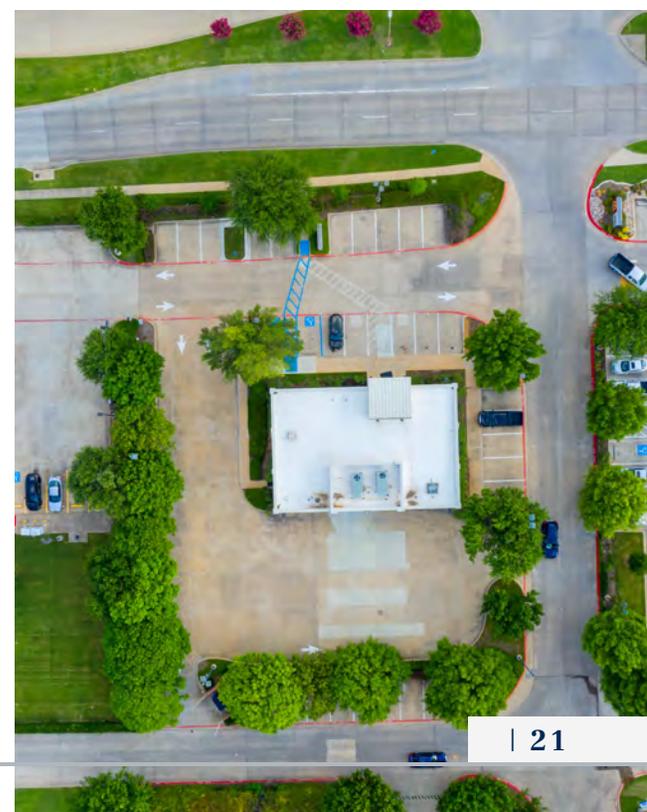
## SHARE OF 2020 TOTAL EMPLOYMENT



# DEMOGRAPHICS // Sherwin Williams



	1 Mile	3 Miles	5 Miles
<b>POPULATION</b>			
2025 Projection	21,436	119,234	300,498
2020 Estimate	19,430	101,860	254,312
2010 Census	15,643	71,989	177,375
2000 Census	9,385	35,555	73,287
<b>HOUSEHOLD INCOME</b>			
Average	\$151,842	\$136,562	\$142,072
Median	\$116,469	\$107,008	\$110,458
Per Capita	\$54,939	\$50,108	\$49,267
<b>HOUSEHOLDS</b>			
2025 Projection	7,927	44,605	105,486
2020 Estimate	7,030	37,368	88,017
2010 Census	5,542	25,649	59,856
2000 Census	3,059	12,407	24,459
<b>HOUSING</b>			
Median Home Value	\$313,366	\$329,358	\$338,329
<b>EMPLOYMENT</b>			
2020 Daytime Population	11,888	93,317	227,261
2020 Unemployment	2.34%	2.87%	2.82%
Average Time Traveled (Minutes)	32	32	32
<b>EDUCATIONAL ATTAINMENT</b>			
High School Graduate (12)	12.04%	13.87%	14.37%
Some College (13-15)	22.02%	21.74%	20.90%
Associate Degree Only	9.26%	8.79%	8.05%
Bachelor's Degree Only	36.02%	33.78%	33.36%
Graduate Degree	17.96%	16.75%	17.02%





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

**Marcus & Millichap**

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

**9002994**

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**tim.speck@marcusmillichap.com**

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**972-755-5200**

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**Tim A. Speck**

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Phone

Sales Agent/Associate's Name

License No.

Email

Phone

Buyer/Tenant/Seller/Landlord Initials

Date