

OFFERING MEMORANDUM



in the box®

**HIDALGO
TEXAS**

Unique and inviting opportunity offering a
free standing Jack in the Box with a
gas station and convenience store

NNN
NNN DEAL
THE SINGLE TENANT RESOURCE

Marcus & Millichap



REPRESENTATIVE PHOTO

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap

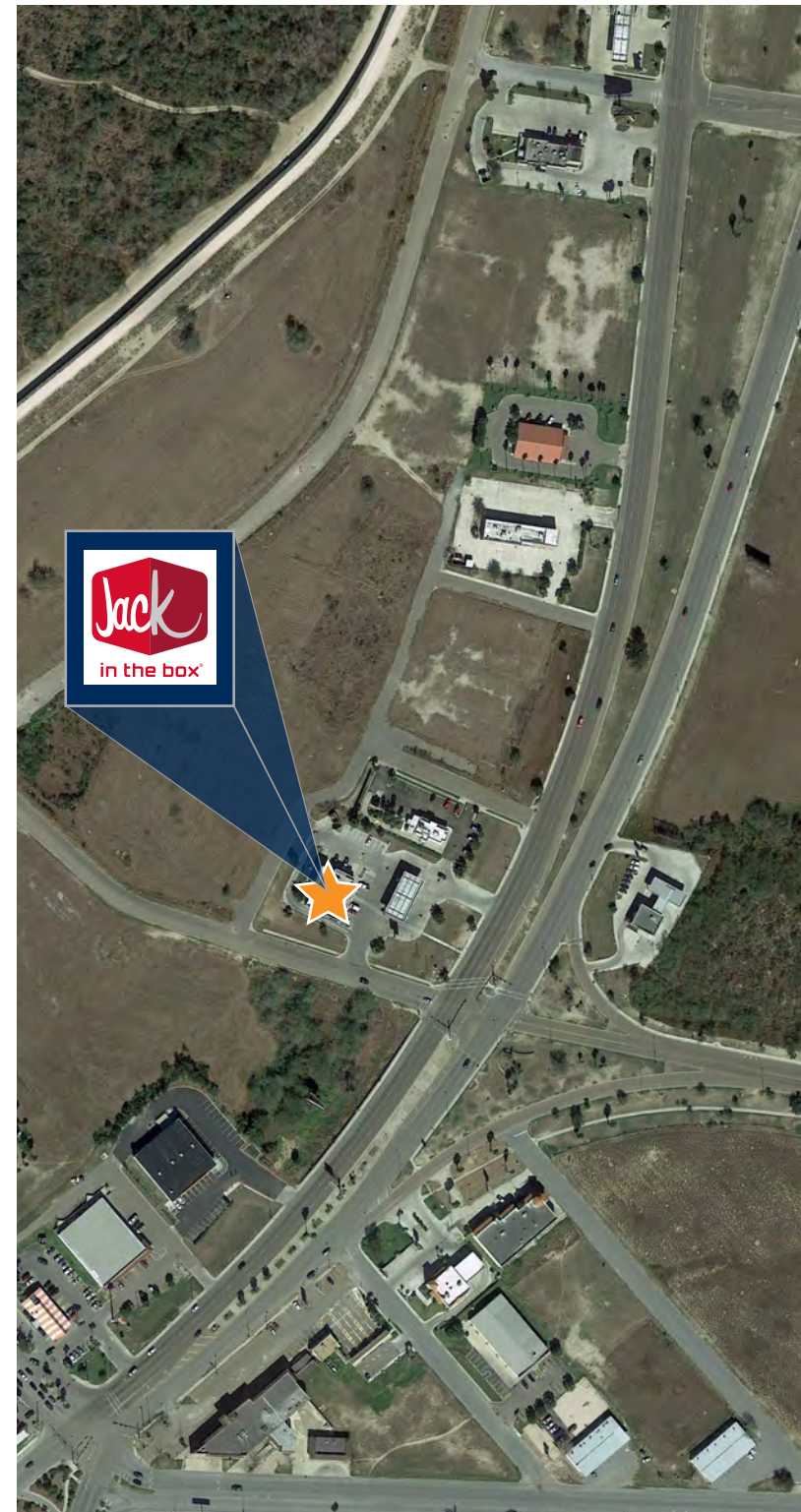
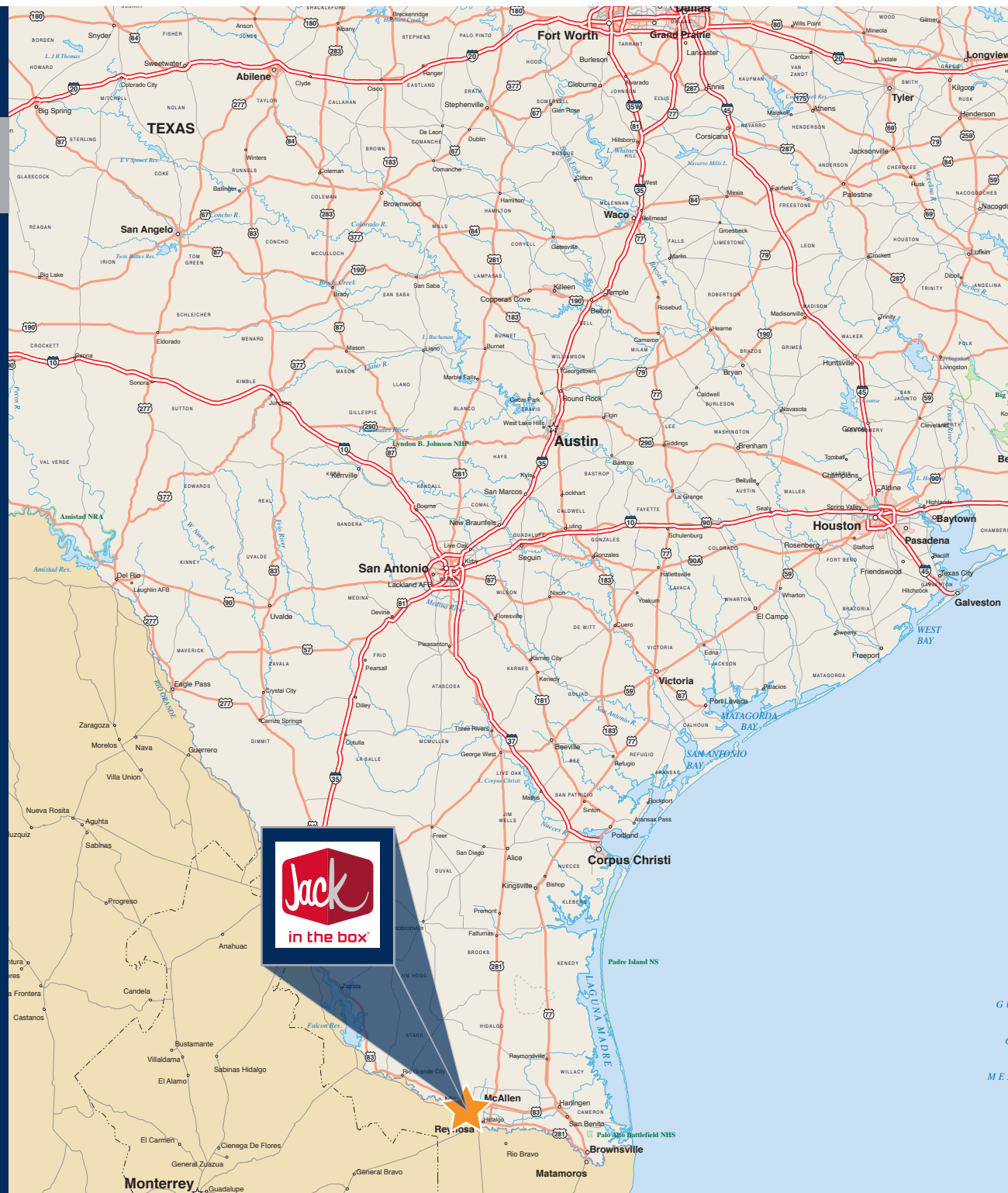


TABLE OF CONTENTS

Investment Summary	1
Investment Highlights.....	2
Location Overview	4
Location Map	6
Aerial Map	7
Tenant Summary.....	9
Location Highlights.....	11
Demographics.....	12





©2017 Google

ACTUAL SITE PHOTO

INVESTMENT SUMMARY



520 INTERNATIONAL BLVD, HIDALGO, TX 78557

PRICE: \$2,749,574

CAP: 7.75%

RENT: \$213,092

OVERVIEW

Price	\$2,749,574
Gross Leasable Area (GLA)***	5,015 SF
Lot Size (approx.)	1.19 Acres
Net Operating Income*	\$213,092
CAP Rate	7.75%
Year Built / Renovated	2004

LEASE ABSTRACT

Lease Type	NNN
Lease Term	18 Years
Lease Term Remaining	3.5 years
Lease Start	9/30/2004
Lease Expiration	9/30/2022
Renewal Options	4X5
Increases	CPI cap'd at 8% every 5-yrs.
Landlord Obligation	None At All

Note: Sale contingent on Tenant waiving 14-day Right of First Refusal

ANNUALIZED OPERATING DATA

Year	Annual Rent	Lease Term
2018	\$197,307	Base Term**
2019	\$213,092	
2024	\$230,139	2022=Option 1
2029	\$248,550	2027=Option 2
2034	\$268,434	2032=Option 3
2039	\$289,908	2037=Option 4

* Priced on October 2019 rents. Seller to credit Buyer differential at close of escrow.

** Rent escalations are based on CPI calculations and subject to variance. For ease in calculation, the figures shown here are cap'd at 8% but may vary in actuality, but at no point lower than the previous year's rent.

*** GLA based on Jack in the Box, Convenience Store and Common Areas square footage

INVESTMENT HIGHLIGHTS

- ◆ \$2,749,574
- ◆ Jack in the Box bundled with a gas station c-store invites motorists in addition to regular patronage
- ◆ Landlord to credit buyer with rent escalation prior to bump (priced on future rents)
- ◆ True NNN lease with no landlord responsibilities
- ◆ Located near our southern border contributing to traffic in the immediate area



49,567
TOTAL
POPULATION
WITHIN 5-MILE
RADIUS



\$46,318
AVERAGE
HOUSEHOLD
INCOME WITHIN
5-MILE RADIUS



14,989 VPD - INTERNATIONAL BLVD
5,253 VPD - W COMA AVE



INVESTMENT HIGHLIGHTS

This true NNN fee-simple quick service opportunity offers a corporate guaranteed lease with Jack in the Box. The site is bundled with and offers a gas station-convenience store with Quick Stuff C-Store/ Chevron branded gas station. There is only one master lease held by Jack in the Box corporate.

The original lease commenced in September 2004 and was for 18 years. There are 3.7 years remaining on the base term followed by four 5-year options.

The lease also boasts CPI escalations every five years cap'd at 8%.

Marcus & Millichap

NNN

**18 year true NNN lease.
No landlord obligations**



**Strategically located near
McAllen Texas and the
Rio Grande border**



**McAllen International Airport
is just 8-miles to the
north of the site**

NNN
NNN DEAL
THE SINGLE TENANT RESOURCE

LOCATION OVERVIEW



The Jack in the Box, C-Store & Gas Station is located just 0.6-miles (a 13-minute walk) from the United States / Mexico Border.

The excellent foot and vehicle crossings at the U.S./Mexico Border contributes to the success of the Jack in the Box, C-Store and Gas Station.

The border crossings at Hidalgo, Texas annual data reporting indicates that truck port of entry crossings between Mexico into the United States at Hidalgo for commerce (Truck) logistical transportation is up 4.34% from 2018, which is also up 9.15% from 2017 for a total of 647,157 truck transports crossing the border annually at Hidalgo, all contributing to the traffic through the immediate area.

Additionally, see below table for more information regarding Border Crossings at Hidalgo, Texas:

Annual BORDER Crossings - Hidalgo, Texas

	2018
Buses	20,026
Pedestrians	2,170,334
Personal Vehicles Passengers	9,126,478
Personal Vehicles	4,427,285
Trucks	647,157

Source: Research and Innovative Technology Administration, Bureau of Transportation Statistics, U.S. Dept. of Transportation



The border crossings at Hidalgo, Texas

LOCATION OVERVIEW



HIDALGO, TEXAS

Hidalgo, TX is a county in the state of Texas with close to a million in terms of population. The county itself is named after Father Miguel Hidalgo y Costilla who “raised the call for Mexico’s independence from Spain.” Within the county there are two nationally protected areas: The Lower Rio Grande Valley National Wildlife Refuge as well as the Santa Ana National Wildlife Refuge that deals with everything regarding protected critical/endangered species within their jurisdiction. Some of the major highways are Interstate 2, Interstate 69C, although it is under construction, and U.S. Highway’s 83 and 281 which cover a wide range in terms of transportation. Hidalgo is home to the Old Hidalgo Pump-house Museum and World Birding Center as well as an exhibit that contains the World’s largest killer bee that came to America via Brazil.

Hidalgo is where the Hidalgo festival of lights are held for the entire month of December that attract people from all walks of life to welcome in the new year. Because Hidalgo is adjacent to the Mexican border, many of its landmarks, which still contain their native Spanish name, haven’t been renovated and still portray their Mexican style architecture. Also, Hidalgo county is home to the town of Alamo, named after the more famous Texas Alamo Mission, which is noted for its tourist attraction since it is a winter/resort town as well as a retirement town for many. It is also one of the Rio Grande Valley’s gateways into Mexico.

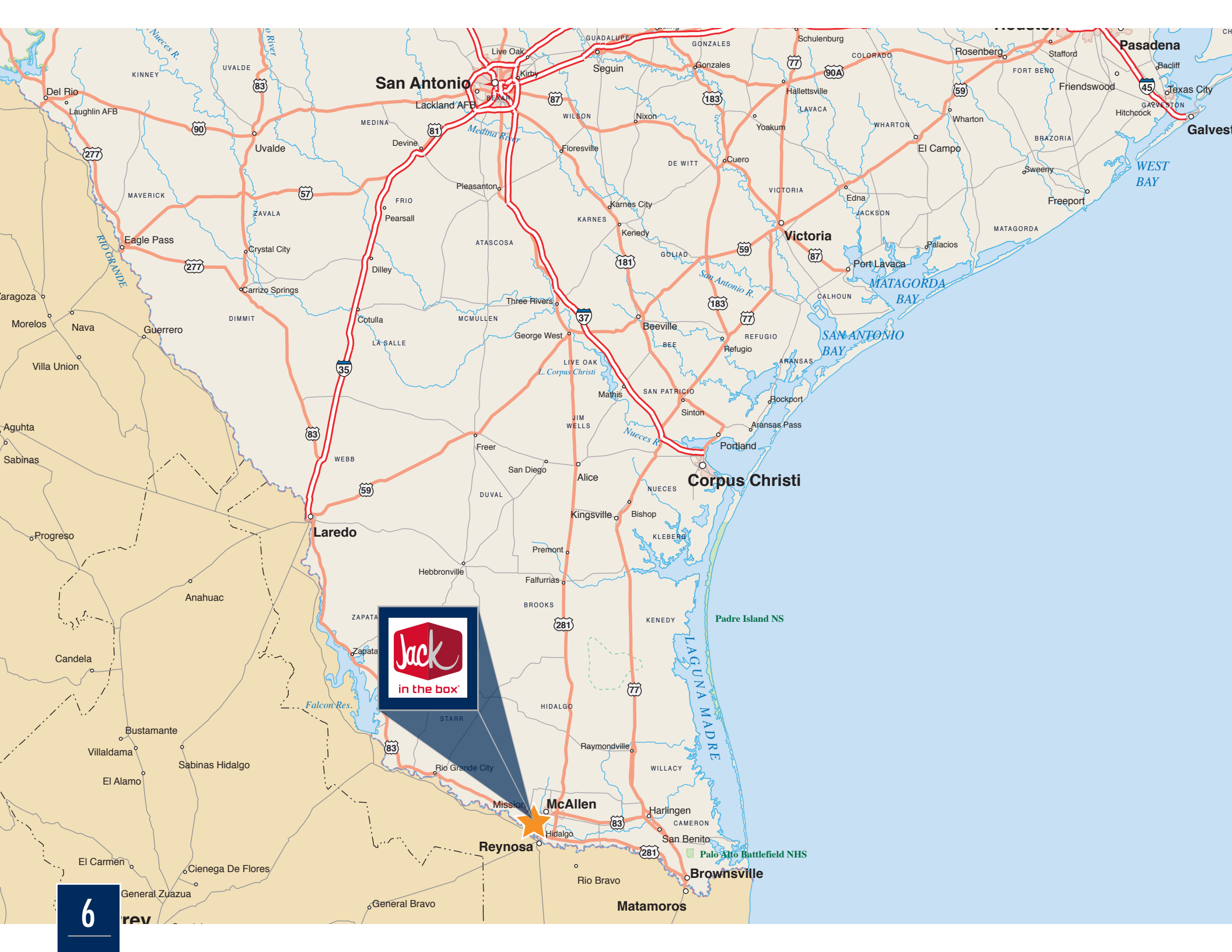
Within the immediate area surrounding the property there is a Whataburger restaurant, a payless shoe source, and it runs along the International S Boulevard which gets huge amounts of traffic daily. Just east of the JIB is the Hidalgo Independent School district as well as the Hidalgo Municipal Court and the Old Hidalgo Pump-house Museum which serves as a tourist attraction. It is just north of the mighty Rio Grande river.

McALLEN, TEXAS

McAllen is a city in southern Texas just above the county of Hidalgo (9-miles) which rests right on the USA-Mexico border buttressing up along the mighty Rio Grande.

Within the city of McAllen there is the International Museum of Art & Sciences, a huge tourist attraction mainly to college students since South Texas College is in the middle of the city. The Museum also contains lithographs of Picasso as well as other European paintings. McAllen International Airport lies within the SE portion of the city just along HWY 336. McAllen is home to many parks including Fireman’s Park home to a rather large Lake that many find themselves strolling along in the afternoon.

Additionally there are multiple historical displays peppering the city including a 1930s former Post Office known as the McAllen Heritage Center. Towards the south of the city is Quinta Mazatlán which is a Spanish Revival mansion surrounded by a thick wood home to a myriad of bird species. A few known hotel chains are located within the boundaries of McAllen including an Embassy Suites as well as a Doubletree Suites.





**HIDALGO U.S. / MEXICO
BORDER CROSSING**

DOLLAR TREE

Burger King

**Domino's
Pizza**

FALLAS

SUBWAY

**UNITED STATES
POSTAL SERVICE**

W COMA AVE - 5,253 VPD

**Jack
in the box**

Chevron

**Church's
Chicken**

**Advance
Auto Parts**

**W
WHEELER**

**Payless
SHOESOURCE**

AutoZone

**O'Reilly
AUTO PARTS**

INTERNATIONAL BLVD - 14,989 VPD

**Hidalgo
City Hall**

**Hidalgo Public
Library**

**Hidalgo
Elementary School**

**Hidalgo Early
College High**

**Ida G Diaz Junior
High School**

**UNITED STATES
-
MEXICO**



REPRESENTATIVE PHOTO

TENANT SUMMARY



JACK IN THE BOX

Jack in the Box (NASDAQ:Jack) based in San Diego, is a restaurant company that operates and franchises Jack in the Box restaurants and Qdoba Mexican grill. Jack in the Box (JIB) is one of the Nation's largest hamburger chains, with more than 2,250 stores in 21 states and Guam, and 600 Qdoba's in 47 states, District of Columbia, and Canada.

Founded in 1951, JIB pioneered a number of firsts in the quick service industry (QSR), including menu items that are now staples on most fast food menu boards, like breakfast sandwiches and portable salads.

NASDAQ:Jack

December 24, 2018 (Wall Street Report): Jack in the Box bought back at least 5% of their stock as of recent. Analysts predict that a company does this only when they believe their stock is under valued.

The Street Reports

Jack in the Box Explores Company Sale

By: Jacob Soneshine

Dec 17, 2018

Shares were rising Monday after the company said it was exploring a potential sale.

The company said it was aiming to bring immediate value to shareholders through a sale to another company, or through increasing its leverage, which seemed to indicate a potential debt capital raise.

"Potential alternatives could include, among other things, a sale of the Company or executing on the Company's previously announced plans to increase its leverage," Jack in the Box said in a press release. The release added the company already has spoken with potential buyers, but if plans for a sale fail it will seek to change its capital structure.

"That capital structure could include, among other things, a securitization or bond issuance," the company said.

[For a copy of the entire article, please click here.](#)



JACK IN THE BOX



SANDIEGO, CA

HEADQUARTERS

CORPORATE

GUARANTOR

2,200 +/-

LOCATIONS

PUBLIC

OWNERSHIP

JACK

S&P 400 COMPONENT

NASDAQ

\$2.25(BIL)

REVENUE

\$30.86(BIL)

ANNUAL SALES

WWW.JACKINTHEBOX.COM

WEBSITE



MAJOR EMPLOYERS: HIDALGO COUNTY, TX

H-E-B Grocery Stores	4,233
Pharr-San Juan - Alamo School District	4,200
Wal-Mart	3,699
University of Texas-Pan American	2,850
Edinburg Regional Medical Center	3,000
McAllen Medical Center	2,800
South Texas College	1,800
U.S. Customs & Border Protection	1,609
Hidalgo County	3,862

LOCATION HIGHLIGHTS

HIDALGO, TX OUR SOUTHERN BORDER



Located just a few minutes from our Southern Border and 9-miles south of McAllen, Texas



McAllen International Airport is located just to the north contributing to the area's traffic flow



US Customs Border Protections offices located in and around the subject site



Offering both a C-Store and a gas station along with a QSR, this site is attractive to passersby and motorists

DEMOGRAPHICS / HIDALGO, TX

 **49,567**

Total Population Within 5-Mile Radius

 **\$46,318**

Average Household Income
Within 5-Mile Radius

 **\$31,374**

Median Household Income
Within 5-Mile Radius

 **12,059**   **103.7%**
Total Households in 5-Mile Radius From 2000



POPULATION	1 MILE	3 MILES	5 MILES
2022 Projection			
Total Population	3,487	16,845	57,034
2017 Estimate			
Total Population	2,889	15,050	49,567
2010 Census			
Total Population	2,405	12,484	44,811
2000 Census			
Total Population	1,880	7,911	26,692
Current Daytime Population			
2017 Estimate	3,894	14,050	41,150
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2022 Projection			
Total Households	1,091	4,302	14,423
2017 Estimate			
Total Households	882	3,743	12,059
Average (Mean) Household Size	3.66	3.98	4.02
2010 Census			
Total Households	728	3,086	10,862
2000 Census			
Total Households	528	1,892	5,920
Occupied Units			
2022 Projection	1,091	4,302	14,423
2017 Estimate	917	3,928	12,707
HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2017 Estimate			
\$150,000 or More	2.92%	2.51%	2.92%
\$100,000 - \$149,000	8.12%	6.69%	4.63%
\$75,000 - \$99,999	5.20%	7.31%	6.40%
\$50,000 - \$74,999	16.02%	17.04%	15.99%
\$35,000 - \$49,999	12.71%	13.08%	15.54%
Under \$35,000	55.03%	53.37%	54.52%
Average Household Income	\$49,478	\$48,308	\$46,318
Median Household Income	\$30,660	\$32,557	\$31,374
Per Capita Income	\$15,108	\$12,015	\$11,270

HOUSEHOLDS BY EXPENDITURE	1 MILE	3 MILES	5 MILES
Total Average Household Retail Expenditure	\$46,832	\$48,498	\$45,144
Consumer Expenditure Top 10 Categories			
Housing	\$12,616	\$13,020	\$12,307
Transportation	\$9,725	\$10,429	\$9,836
Shelter	\$6,581	\$6,857	\$6,551
Food	\$5,181	\$5,501	\$5,101
Utilities	\$3,364	\$3,485	\$3,277
Personal Insurance and Pensions	\$3,152	\$3,397	\$3,038
Health Care	\$3,149	\$3,088	\$2,811
Entertainment	\$1,639	\$1,642	\$1,511
Household Furnishings and Equipment	\$1,347	\$1,340	\$1,245
Apparel	\$1,248	\$1,253	\$1,171

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
Population By Age			
2017 Estimate Total Population	2,889	15,050	49,567
Under 20	36.80%	38.10%	40.00%
20 to 34 Years	18.33%	19.77%	20.11%
35 to 39 Years	5.97%	6.81%	6.92%
40 to 49 Years	12.11%	12.96%	12.56%
50 to 64 Years	14.92%	13.80%	12.48%
Age 65+	11.85%	8.59%	7.96%
Median Age	29.78	27.87	26.52
Population 25+ by Education Level			
2017 Estimate Population Age 25+	1,579	8,028	25,748
Elementary (0-8)	21.08%	16.64%	22.54%
Some High School (9-11)	16.27%	16.44%	15.28%
High School Graduate (12)	23.55%	27.29%	24.32%
Some College (13-15)	14.31%	15.90%	14.38%
Associate Degree Only	3.45%	4.24%	4.00%
Bachelors Degree Only	11.12%	12.15%	10.48%
Graduate Degree	4.72%	2.88%	3.36%



REPRESENTATIVE PHOTO



in the box®

**HIDALGO
TEXAS**

LIOR REGENSTREIF

SENIOR MANAGING DIRECTOR INVESTMENTS
SENIOR DIRECTOR, NET LEASED PROPERTIES GROUP
ENCINO OFFICE

Tel: (818) 212-2730

Fax: (818) 212-2710

Lior.Regenstreif@marcusmillichap.com

License: CA 01267761

EARLEHYMAN

SENIOR MANAGING DIRECTOR INVESTMENTS
ENCINO OFFICE

Tel: (818) 212-2770

Fax: (818) 212-2710

Earle.Hyman@marcusmillichap.com

www.marcusmillichap.com/EarleHyman

License: CA 00803521



NNN DEAL
THE SINGLE TENANT RESOURCE

Marcus & Millichap