

# DAIRY QUEEN SALE

1211 S First Street  
Clayton, NM 88415

*For more information contact:*

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## PROPERTY HIGHLIGHTS

- Price Slashed \$150,000. Now Priced \$525,000
- Former Dairy Queen Sale Former Tenant Ceased Operations 6-30-18
- Adjacent Valero Gas station is Gas only / Not a Convenience Store! Providing another Draw to this location.
- Clayton is the economic center of an area spanning 65 miles
- All Income Data is Pro Forma



# CONFIDENTIALITY AND DISCLAIMER

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## CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and confidential. It is intended to be reviewed only by the party receiving it directly from Bailey Real Estate Advisors, LLC and should not be made available to any other person or entity without the written consent of Bailey Real Estate Advisors, LLC. The Purpose of this Offering Memorandum is to provide a summary of unverified information to prospective buyers, and to establish only a preliminary level of interest in the subject property. The information and data contained herein is not a substitute for a thorough due diligence/evaluation investigation. Any potential buyer is strongly encouraged to hire professionals to determine the condition and status of all salient matters regarding the property. Bailey Real Estate Advisors, LLC has not made any investigation, and makes no warranty or representation, with respect to the income, expenses, lease rate escalations for the subject property, the projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, 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 Offering Memorandum has been obtained from sources we believe to be reliable; however, Bailey Real Estate Advisors, LLC has not verified, and will not verify, any of the information contained herein, nor has Bailey Real Estate Advisors, LLC 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. **Reading below this statement constitutes your understanding and acceptance of this disclaimer.**

### Non-Endorsement Notice

Bailey Real Estate Advisors, LLC is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this offering memorandum. 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 of Bailey Real Estate Advisors, LLC, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Bailey Real Estate Advisors, LLC, 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  
BAILEY REAL ESTATE ADVISORS, LLC AGENT FOR MORE DETAILS.**

# INCOME PROPERTY DISCLAIMER

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## INCOME-PROPERTY DISCLAIMER

Bailey Real Estate Advisors, LLC hereby advises all prospective purchasers of income-producing property as follows:

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable. However, Bailey Real Estate Advisors, LLC has not and will not verify any of this information, nor has Bailey Real Estate Advisors, LLC conducted any investigation regarding these matters. Bailey Real Estate Advisors, LLC makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. **As the Buyer of an income-producing property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase.** This Offering Memorandum is not a substitute for your thorough due diligence/examination investigation of this investment property. Bailey Real Estate Advisors, LLC expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Bailey Real Estate Advisors, LLC is the listing agent for the subject property, and as such, represents only the interests of the Seller (See attached Working With Real Estate Agents brochure). Any projections, proforma, opinions, assumptions or estimates used in this Offering Memorandum are for example only and do not represent the current or future performance of this property. The value of an income-producing 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 income-producing 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 should 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, and should not be considered as such. Similarly, the lease rate and rent escalations for some properties, including newly-constructed facilities or newly-acquired locations, may be determined 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 personal or corporate 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 value of the real property/fixtures, and the value of any long-term lease, including the likelihood of locating a replacement tenant or tenants and the financial stability of those tenants. Buyer should consider the ramifications 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 Offering Memorandum you agree to release Bailey Real Estate Advisors, LLC, and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this income-producing property.**

SECTION I

# ***Investment Analysis***

# EXECUTIVE SUMMARY

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415

## Acquisition Costs

|  |           |
|--|-----------|
| Purchase Price, Points and Closing Costs | \$525,000 |
| Investment - Cash                        | \$168,750 |
| First Loan                               | \$506,250 |

## Investment Information

|                   |           |
|-------------------|-----------|
| Purchase Price    | \$525,000 |
| Price per Tenant  | \$525,000 |
| Price per Sq. Ft. | \$169.63  |

## Income, Expenses & Cash Flow

|                           |            |
|---------------------------|------------|
| Gross Scheduled Income    | \$51,750   |
| Total Vacancy and Credits | \$0        |
| Operating Expenses        | \$0        |
| Net Operating Income      | \$51,750   |
| Debt Service              | (\$35,514) |
| Cash Flow Before Taxes    | \$16,236   |

## Financial Indicators

|  |         |
|--|---------|
| Cash on Cash Return Before Taxes       | 9.62%   |
| Optimal Internal Rate of Return (yr 5) | 15.77%  |
| Debt Coverage Ratio                    | 1.46    |
| Capitalization Rate                    | 9.86%   |
| Gross Income / Square Feet             | \$16.72 |

SECTION II

***Pricing and Financial***

# INVESTMENT DETAILS

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415

## ANALYSIS

Analysis Date March 2019

## PROPERTY

Property Dairy Queen Sale  
Property Address 1211 S First Street  
Clayton, NM 88415  
  
Year Built 1989



## PURCHASE INFORMATION

Property Type Commercial  
Purchase Price \$525,000  
Fair Market Value \$675,000  
Tenants 1  
Total Rentable Sq. Ft. 3,095  
Resale Valuation 1.0% (annual appreciation)  
Resale Expenses 4.0%

## FINANCIAL INFORMATION

Down Payment \$168,750  
Discount Rate 10.00%

## LOANS

| Type       | Debt      | Term     | Amortization | Rate | Payment | LO Costs |
|------------|-----------|----------|--------------|------|---------|----------|
| Adjustable | \$506,250 | 25 years | 25 years     | 5.0% | \$2,959 |          |

## INCOME & EXPENSES

|                        |          |
|------------------------|----------|
| Gross Operating Income | \$51,750 |
| Monthly GOI            | \$4,313  |
| Total Annual Expenses  | \$0      |

## Contact Information

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# INTERNAL RATE OF RETURN ANALYSIS

Dairy Queen Sale  
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## BEFORE TAX IRR

| TIME               | CASH FLOWS  | TIME            | CASH FLOWS |
|--------------------|-------------|-----------------|------------|
| Initial Investment | (\$168,750) |                 |            |
| End of Year 1      | \$16,236    | End of Year 11  | \$19,743   |
| End of Year 2      | \$16,624    | End of Year 12  | \$19,743   |
| End of Year 3      | \$17,406    | End of Year 13  | \$19,743   |
| End of Year 4      | \$18,200    | End of Year 14  | \$19,743   |
| End of Year 5      | \$19,006    | End of Year 15  | \$19,743   |
| End of Year 6      | \$16,785    | End of Year 16  | \$19,743   |
| End of Year 7      | \$17,615    | End of Year 17  | \$19,743   |
| End of Year 8      | \$18,457    | End of Year 18  | \$19,743   |
| End of Year 9      | \$19,312    | End of Year 19  | \$19,743   |
| End of Year 10     | \$19,743    | End of Year 20* | \$644,245  |

IRR = 13.76%

\* (\$19,743 + \$624,502)

## AFTER TAX IRR

| TIME               | CASH FLOWS  | TIME            | CASH FLOWS |
|--------------------|-------------|-----------------|------------|
| Initial Investment | (\$168,750) |                 |            |
| End of Year 1      | \$16,236    | End of Year 11  | \$19,743   |
| End of Year 2      | \$16,624    | End of Year 12  | \$19,743   |
| End of Year 3      | \$17,406    | End of Year 13  | \$19,743   |
| End of Year 4      | \$18,200    | End of Year 14  | \$19,743   |
| End of Year 5      | \$19,006    | End of Year 15  | \$19,743   |
| End of Year 6      | \$16,785    | End of Year 16  | \$19,743   |
| End of Year 7      | \$17,615    | End of Year 17  | \$19,743   |
| End of Year 8      | \$18,457    | End of Year 18  | \$19,743   |
| End of Year 9      | \$19,312    | End of Year 19  | \$19,743   |
| End of Year 10     | \$19,743    | End of Year 20* | \$644,245  |

IRR = 13.76%

\* (\$19,743 + \$624,502)

SECTION III

***Property Description***

# PROPERTY DESCRIPTION

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## Dairy Queen Sale

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Bailey Real Estate Advisors is pleased to present a former Dairy Queen in Clayton, New Mexico. The Property, on the east side of South 1st Street (US Highway 87/64) has 2 curb cuts leading directly on site from the 4-lane highway with center turn lane bordered by concrete curbs and, sidewalks. The site boasts easily accessible road frontage along a busy highway, allowing for good traffic flow through the site. The opportunity for further development is offered by the larger than normal fast food lot size. The improvement is a free-standing fast food restaurant with a drive-up window. The guest area with tile flooring, and recessed lighting, provides 80 interior seats including the private 20-seat party room allowing for parties, meetings etc., as well as the 16-seat outdoor area. The improvement sits on a reinforced concrete slab with stucco façade and brick wainscoting, supporting the Flat Membraned Roof with Aluminum Panel Mansard roof along the North South and West sides of the building. On the east wall of the building is the large walk-in cooler.

In addition to limited competition and a loyal local consumer base, the subject particularly benefits from its main thoroughfare location. Clayton serves as a notable crossroads for tourists heading from Texas to Colorado, Kansas, Oklahoma, and Texas to Taos, New Mexico, along U.S. Highways 56/412, 64, 87 and State Highway 402: all of which intersect in Clayton the county Seat of Union County. Clayton has become a major stop for travelers and truckers for fast food, fuel, hotel stays, groceries, etc. Overall, this region is considered stable and should continue to be for many years. Slightly over half, or 2,484 Union County residents, name Clayton as "home", and the rest of the population lives in outlying areas of the county. Students enrolled in the Clayton schools travel by bus up to 65 miles one-way to arrive at school and come from as far away as ranches on the Oklahoma border.

Clayton has a rich history of commerce dating back to its founding in the 1800s. The railroad and nearby ranches caused Clayton to become a major livestock shipping center. The town still thrives as a ranching and farming community but has expanded its commerce to include multiple eating establishments, numerous shops, several dollar stores, two convenience stores, and multiple motels, campgrounds, Golf Courses, Museums and the County fairgrounds. The Ranch Market is the town's grocery store which has served the community faithfully for many years. Main Street and First Street are lined with shops including two flower stores and the town's western wear store. The town still maintains its small-town, country charm as the historic Hotel Eklund and the Luna Theater have been in operation for more than one hundred years, standing as a reminder to the town's earlier, simpler Days. Bordering the Colorado, Texas and the Oklahoma panhandle, Union County is home to natural wonders, national grasslands, large ranches and dinosaur tracks. Nearby attractions include sites along the Historic Santa Fe Trail, Clayton Lake State Park, Outlaw Black Jack Ketchum's gravesite and the Kiowa National Grasslands. Folsom, site of the discovery of the historic Folsom Man from ca. 12,000 BC, located between Clayton and Raton. Capulin Volcano National Monument offers views of New Mexico and parts of four contiguous states: Kansas, Texas, Colorado and Oklahoma. The Five State Location Utilizes Tourism as a prime industry.

<http://intruehealth.com/cialis-online/>

[http://www.claytonnm.com/index.php?option=com\\_content&view=article&id=108&Itemid=566](http://www.claytonnm.com/index.php?option=com_content&view=article&id=108&Itemid=566)

[https://en.wikipedia.org/wiki/Clayton,\\_New\\_Mexico](https://en.wikipedia.org/wiki/Clayton,_New_Mexico)

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# PROPERTY PHOTOS

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415



From Street



Side View



Drivethrough Lane and Rear



Cashiers Front



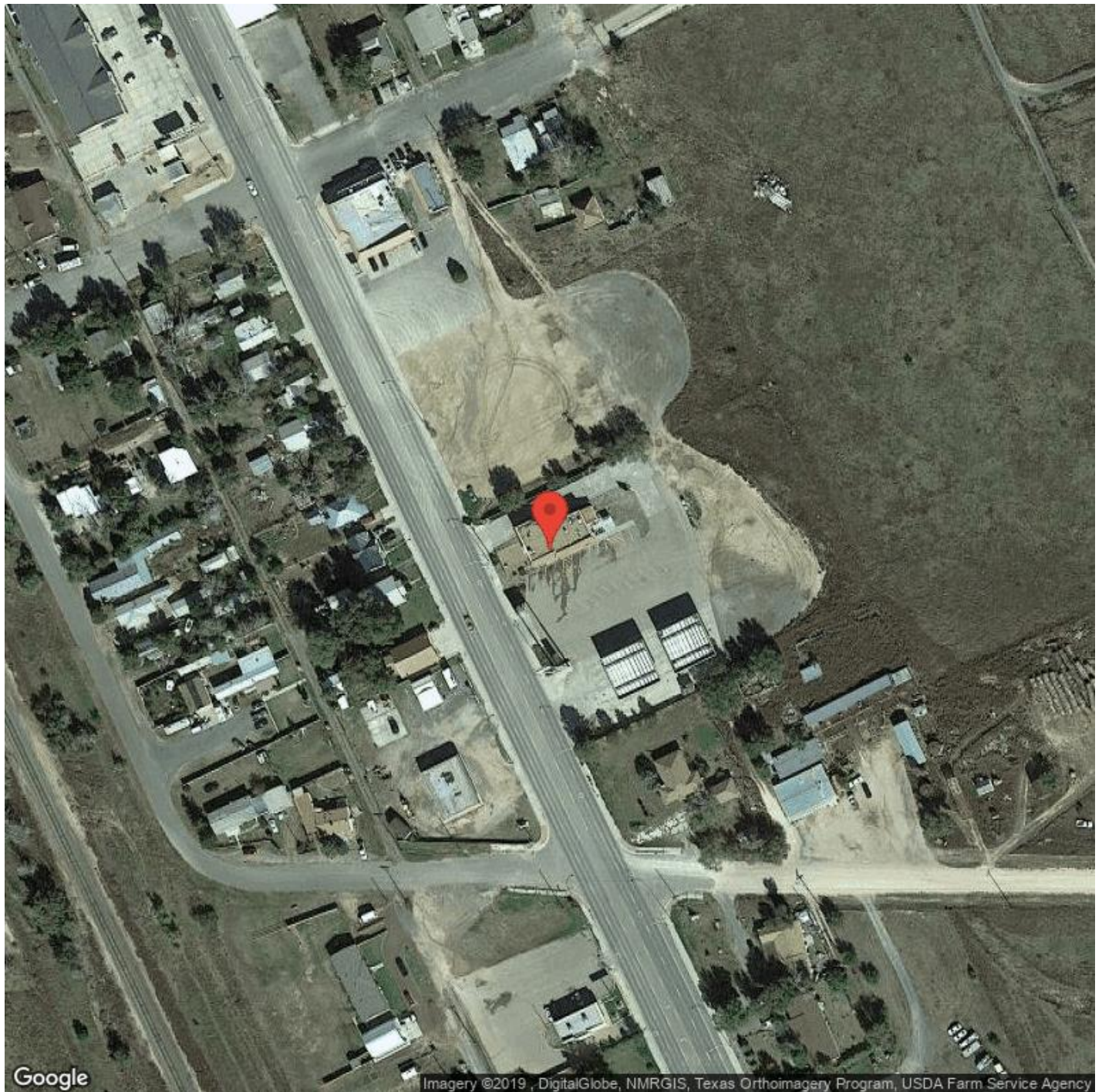
Kitchen



Interior Seating

# AERIAL MAP

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415



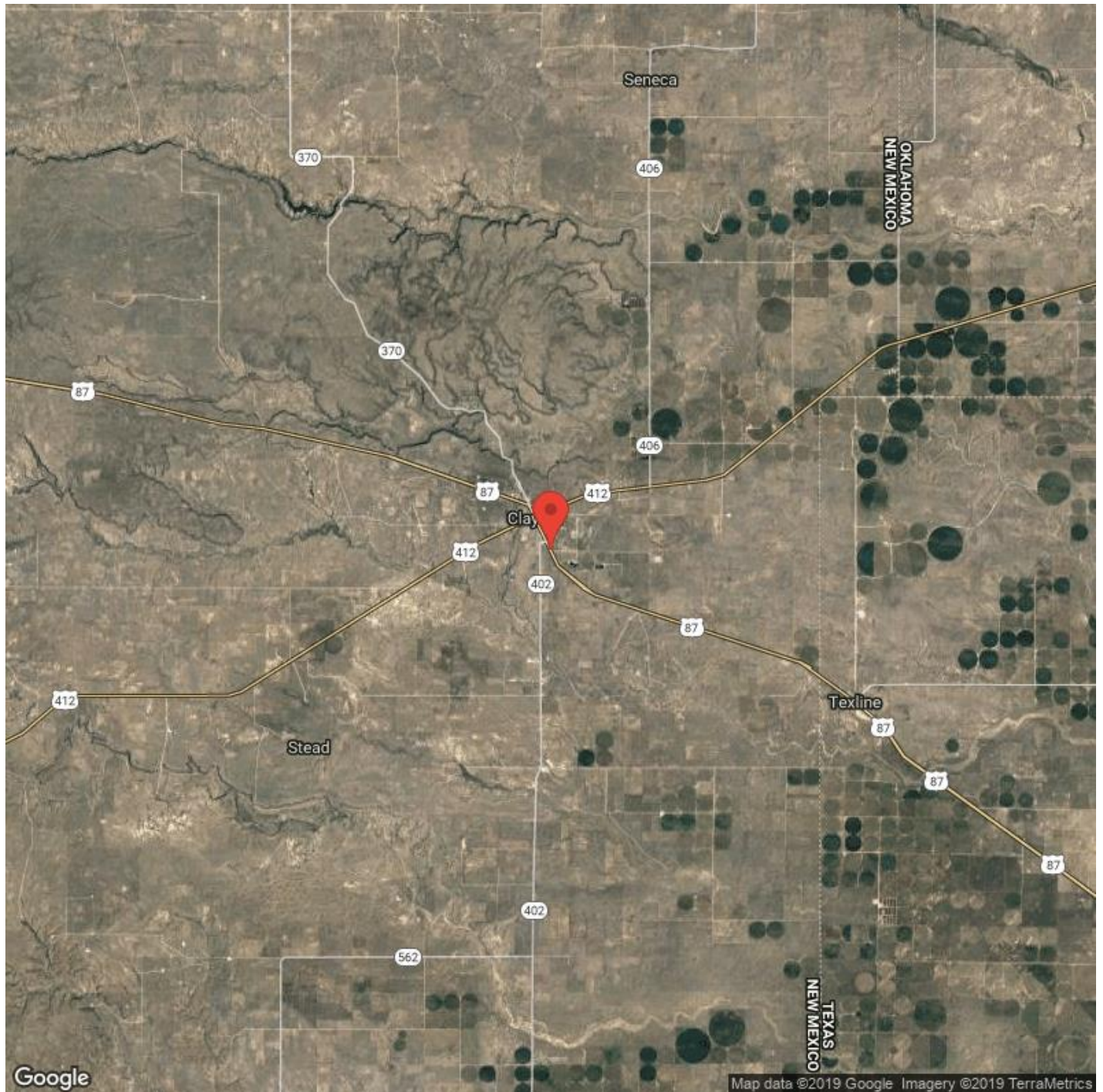
# LOCATION MAP

Dairy Queen Sale  
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# REGIONAL MAP

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415



SECTION IV

***Demographics***

# DEMOGRAPHICS

Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415



| <u>Population Characteristic</u> | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> | <u>Household Income</u>       | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> |
|----------------------------------|---------------|---------------|---------------|-------------------------------|---------------|---------------|---------------|
| Ages 0-4                         | N/A           | 128           | 128           | Median Household Income       | N/A           | \$42,000      | \$42,000      |
| Ages 5-9                         | N/A           | 208           | 208           | < \$10000                     | N/A           | 83            | 83            |
| Ages 10-14                       | N/A           | 186           | 186           | \$10000-\$14999               | N/A           | 47            | 47            |
| Ages 15-19                       | N/A           | 174           | 174           | \$15000-\$19999               | N/A           | 32            | 32            |
| Ages 20-24                       | N/A           | 140           | 140           | \$20000-\$24999               | N/A           | 60            | 60            |
| Ages 25-29                       | N/A           | 114           | 114           | \$25000-\$29999               | N/A           | 56            | 56            |
| Ages 30-34                       | N/A           | 91            | 91            | \$30000-\$34999               | N/A           | 62            | 62            |
| Ages 35-39                       | N/A           | 73            | 73            | \$35000-\$39999               | N/A           | 38            | 38            |
| Ages 40-44                       | N/A           | 63            | 63            | \$40000-\$44999               | N/A           | 66            | 66            |
| Ages 45-49                       | N/A           | 54            | 54            | \$45000-\$49999               | N/A           | 52            | 52            |
| Ages 50-54                       | N/A           | 67            | 67            | \$50000-\$60000               | N/A           | 78            | 78            |
| Ages 55-59                       | N/A           | 67            | 67            | \$60000-\$74000               | N/A           | 40            | 40            |
| Ages 60-64                       | N/A           | 76            | 76            | \$75000-\$99999               | N/A           | 75            | 75            |
| Ages 65-69                       | N/A           | 84            | 84            | \$100000-\$124999             | N/A           | 39            | 39            |
| Ages 70-74                       | N/A           | 78            | 78            | \$125000-\$149999             | N/A           | 9             | 9             |
| Ages 75-79                       | N/A           | 63            | 63            | \$150000-\$199999             | N/A           | 5             | 5             |
| Ages 80-84                       | N/A           | 38            | 38            | > \$200000                    | N/A           | 29            | 29            |
| <u>Race Characteristic</u>       | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> | <u>Characteristic Housing</u> | <u>1 Mile</u> | <u>3 Mile</u> |               |
| Non Hispanic White               | N/A           | 1,611         | 1,611         | Housing Units                 | N/A           | 1,034         |               |
| Population Black                 | N/A           | N/A           | N/A           | Occupied Housing Units        | N/A           | 797           |               |
| Population Am In/AK Nat          | N/A           | 14            | 14            | Owner Occupied Housing Units  | N/A           | 552           |               |
|                                  |               |               |               | Renter Occupied Housing Units | N/A           | 245           |               |
|                                  |               |               |               | Vacant Housing Units          | N/A           | 237           |               |

# DEMOGRAPHICS

Dairy Queen Sale  
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## Population

Male  
Female  
Total Population

## 1 Mile

N/A  
N/A  
N/A

## 3 Mile

935 (52.80 %)  
836 (47.20 %)  
1,771

## 5 Mile

935 (52.80 %)  
836 (47.20 %)  
1,771

## Age Breakdown

Ages 0-4  
Ages 5-9  
Ages 10-14  
Ages 15-19  
Ages 20-24  
Ages 25-29  
Ages 30-34  
Ages 35-39  
Ages 40-44  
Ages 45-49  
Ages 50-54  
Ages 55-59  
Ages 60-64  
Ages 65-69  
Ages 70-74  
Ages 75-79  
Ages 80-84  
Ages 85+

## 1 Mile

N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A

## 3 Mile

128 (7.23 %)  
208 (11.74 %)  
186 (10.50 %)  
174 (9.82 %)  
140 (7.91 %)  
114 (6.44 %)  
91 (5.14 %)  
73 (4.12 %)  
63 (3.56 %)  
54 (3.05 %)  
67 (3.78 %)  
67 (3.78 %)  
76 (4.29 %)  
84 (4.74 %)  
78 (4.40 %)  
63 (3.56 %)  
38 (2.15 %)  
67 (3.78 %)

## 5 Mile

128 (7.23 %)  
208 (11.74 %)  
186 (11.74 %)  
174 (9.82 %)  
140 (7.91 %)  
114 (6.44 %)  
91 (5.14 %)  
73 (4.12 %)  
63 (3.56 %)  
54 (3.05 %)  
67 (3.78 %)  
67 (3.78 %)  
76 (4.29 %)  
84 (4.74 %)  
78 (4.40 %)  
63 (3.56 %)  
38 (2.15 %)  
67 (3.78 %)

# DEMOGRAPHICS

Dairy Queen Sale  
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| <u>Household Income</u> | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> |
|-------------------------|---------------|---------------|---------------|
| Median Income           | N/A           | \$42,000      | \$42,000      |
| Less than \$10,000      | N/A           | 83            | 83            |
| \$10,000 - \$14,999     | N/A           | 47            | 47            |
| \$15,000 - \$19,999     | N/A           | 32            | 32            |
| \$20,000 - \$24,999     | N/A           | 60            | 60            |
| \$25,000 - \$29,999     | N/A           | 56            | 56            |
| \$30,000 - \$34,999     | N/A           | 62            | 62            |
| \$35,000 - \$39,999     | N/A           | 38            | 38            |
| \$40,000 - \$44,999     | N/A           | 66            | 66            |
| \$45,000 - \$49,999     | N/A           | 52            | 52            |
| \$50,000 - \$59,999     | N/A           | 78            | 78            |
| \$60,000 - \$74,999     | N/A           | 40            | 40            |
| \$75,000 - \$99,999     | N/A           | 75            | 75            |
| \$100,000 - \$124,999   | N/A           | 39            | 39            |
| \$125,000 - \$149,999   | N/A           | 9             | 9             |
| \$150,000 - \$199,999   | N/A           | 5             | 5             |
| Greater than \$200,000  | N/A           | 29            | 29            |

| <u>Housing</u>        | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> |
|-----------------------|---------------|---------------|---------------|
| Housing Units         | N/A           | 1,034         | 1,034         |
| Occupied Units        | N/A           | 797           | 797           |
| Owner Occupied Units  | N/A           | 552           | 552           |
| Renter Occupied Units | N/A           | 245           | 245           |
| Vacant Units          | N/A           | 237           | 237           |

| <u>Race Demographics</u>      | <u>1 Mile</u> | <u>3 Mile</u> | <u>5 Mile</u> |
|-------------------------------|---------------|---------------|---------------|
| Population Non Hispanic White | N/A           | 1,611         | 1,611         |
| Population Black              | N/A           | N/A           | N/A           |
| Population Am In/Ak Nat       | N/A           | 14            | 14            |

SECTION V

## ***Agency Disclosure***

## WORKING WITH REAL ESTATE AGENTS

*NOTE: Effective July 1, 2001, in every real estate sales transaction, a real estate agent shall, at first substantial contact directly with a prospective buyer or seller, provide the prospective buyer or seller with the following information [NC Real Estate Commission Rule 21 NCAC 58A.0104(c)].*

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is working for you as **your** agent or simply working **with** you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

### SELLERS

#### *Seller's Agent*

If you are selling real estate, you may want to "list" your property for sale with a real estate firm. If so, you will sign a "listing agreement" authorizing the firm and its agents to represent you in your dealings with buyers as your *seller's agent*. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

**Duties to Seller:** The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But **until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.**

**Services and Compensation:** To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and • otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

#### *Dual Agent*

You may even permit the listing firm and its agents to represent you **and** a buyer at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as a *buyer's agent* with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to amend your listing agreement to permit the agent to act as agent for both you and the buyer.

It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction.

### BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a **buyer's agent**). You may be willing for them to represent both you and the seller at the same time (as a **dual agent**). Or you may agree to let them represent only the seller (**seller's agent** or **subagent**). Some agents will offer you a choice of these services. Others may not.



## ***Buyer's Agent***

***Duties to Buyer:*** If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your *buyer's agent*, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. But **until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.**

***Unwritten Agreements:*** To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as a *buyer's agent* without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Be sure to read and understand any agency agreement before you sign it. Once you sign it, the agent must give you a copy of it.

***Services and Compensation:*** Whether you have a written or unwritten agreement, a *buyer's agent* will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have a **written** agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A *buyer's agent* can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your *buyer's agent* is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

## ***Dual Agent***

You may permit an agent or firm to represent you **and** the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your *buyer's agent* or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your *buyer's agent* will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a *dual agent's* loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

## ***Seller's Agent Working with a Buyer***

If the real estate agent or firm that you contact does not offer *buyer agency* or you do not want them to act as your *buyer agent*, you can still work with the firm and its agents. However, they will be acting as the *seller's agent* (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a *buyer's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller - not you - and therefore must try to obtain for the seller the best possible price and terms for the seller's property. Furthermore, a *seller's agent* is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you *in writing* if they are *sellers' agents* before you say anything that can help the seller. But **until you are sure that an agent is not a seller's agent, you should avoid saying anything you do not want a seller to know.**

*Seller's agents* are compensated by the sellers.

Dairy Queen Sale  
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**FOR BUYER/SELLER**

*This is not a contract*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
**Bailey Real Estate Advisors, LLC**

*Firm Name*

\_\_\_\_\_  
**Dennis Bailey**

*Agent Name*

\_\_\_\_\_  
**181090**

*License Number*

**Disclosure of Seller Subagency**

**(Complete, if applicable)**

☒ When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the **SELLER**.  
For more information, see "Seller's Agent Working with a Buyer" in the brochure.

Agent's Initials Acknowledging Disclosure: \_\_\_\_\_

ds  


The North Carolina Real Estate Commission  
P.O. Box 17100 • Raleigh, North Carolina 27619-7100  
919/875-3700 • Web Site: [www.ncrec.gov](http://www.ncrec.gov)  
REC 3.45 1/1/09

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**WORKING WITH REAL ESTATE AGENTS**  
*Agents must retain this acknowledgment for their files.*

*This is not a contract*

By signing, I acknowledge that the agent named below furnished a copy of this brochure and reviewed it with me.

\_\_\_\_\_  
*Buyer or Seller Name (Print or Type)*

\_\_\_\_\_  
*Buyer or Seller Name (Print or Type)*

\_\_\_\_\_  
*Buyer or Seller Signature*

\_\_\_\_\_  
*Buyer or Seller Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
**Bailey Real Estate Advisors, LLC**  
*Firm Name*

\_\_\_\_\_  
**Dennis Bailey**  
*Agent Name and License Number* **181090**

***Disclosure of Seller Subagency***  
***(Complete, if applicable)***

☒ When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER.  
For more information, see "Seller's Agent Working with a Buyer" in the brochure.

Buyer's Initials Acknowledging Disclosure: \_\_\_\_\_

# ABOUT BREA

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Dairy Queen Sale  
1211 S First Street | Clayton, NM 88415

## About Bailey Real Estate Advisors, LLC

Bailey Real Estate Advisors, LLC was formed to focus on assisting clients in Purchasing and Selling income-producing properties. The Founder, Dennis Bailey, CCIM, after serving as the Director of RE/MAX Select's Commercial Division, recognized that the best method of assisting clients would be from an independent company that is focused on income producing real estate.

Bailey Real Estate Advisors, LLC provides broad spectrum real estate brokerage services to buyers, tenants, sellers and landlords of retail, office, industrial, and residential investment properties. Our Brokers and Advisors guide clients through all aspects of the acquisition process including market and competitive analysis, location and site analysis, financial analysis, and political and legal analysis, regardless of property category. The Leadership and Brokers of Bailey Real Estate Advisors have over 20 Years of Brokerage Experience spanning over half of the United States.

# PROFESSIONAL BIO

Dairy Queen Sale

1211 S First Street | Clayton, NM 88415

Dennis' Career in Real Estate began in 1996 in San Antonio, Texas, moving to North Carolina in 2000. Dennis Represents buyers and sellers as a Real Estate Broker and Broker/Owner of Bailey Real Estate Advisors, LLC and is responsible for providing broad spectrum real estate brokerage services to buyers, tenants, sellers and landlords of retail, office, industrial, and residential investment properties. Dennis advises clients through all aspects of the acquisition process including market and competitive analysis, location and site analysis, financial analysis, and political and legal analysis, regardless of property category. He guides clients through negotiations, due diligence, loan acquisition and commitment, and closing.

Dennis has helped clients buy and sell real estate in North Carolina, South Carolina, Virginia, West Virginia, Tennessee, Mississippi, Alabama, Louisiana, and Georgia. Dennis formed Bailey Real Estate Advisors, LLC to concentrate on Net-Leased Properties.

Dennis was 2014 inductee into the RE/MAX Hall of fame, and was 2nd highest producing RE/MAX Commercial Agent in the Carolinas in 2011 and 3rd highest in 2009. Dennis is a Certified Commercial Investment Member (CCIM), Graduate of the Charlotte Region Commercial Board of REALTORS Commercial Certificate Program (2002), Graduate of the Realtor Institute (GRI) and also holds the professional designations ABR, SRES, SFR, and CRS.

Dennis has served in many leadership roles in the REALTOR community including as a Director, Chairman of Professional Standards Committees, Chairman of Grievance Committees, and as Chairman of Legislative Actions Committees. Dennis is the Immediate Past President of Cleveland County Association of REALTORS for 2017.

Dennis has been involved in politics as an activist since the mid-2000's, and held office as a City Councilman for Ward 4, and Mayor Pro Tempore' from 2010-2017.

Dennis also served as Vice-Chairman of the Gaston-Cleveland-Lincoln Metropolitan Planning Organization (MPO) responsible for prioritizing transportation projects. from 2014-2017

Dennis was twice elected to serve as Director (Division 12) on the North Carolina League of Municipalities (NCLM) and previously on the General Govt. Legislative Action Committee.

Born in Shelby, NC, Dennis Joined the United States Air Force in 1980, served briefly as a Airframe Repair Specialist, then as an National Security Agency (NSA) Signals Intelligence Analyst and Information Warfare Analyst and Superintendent. Dennis Retired from the USAF and returned to his home town in Shelby NC.

