

WHATABURGER RETAIL CENTER

16772 FM 2493 | TYLER, TEXAS 75703



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LRG
THE LEVY RETAIL GROUP
MARCUS & MILLICHAP

OFFER MEMORANDUM

Whataburger Retail Center

16772 FM 2493, Tyler, TX 75703



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

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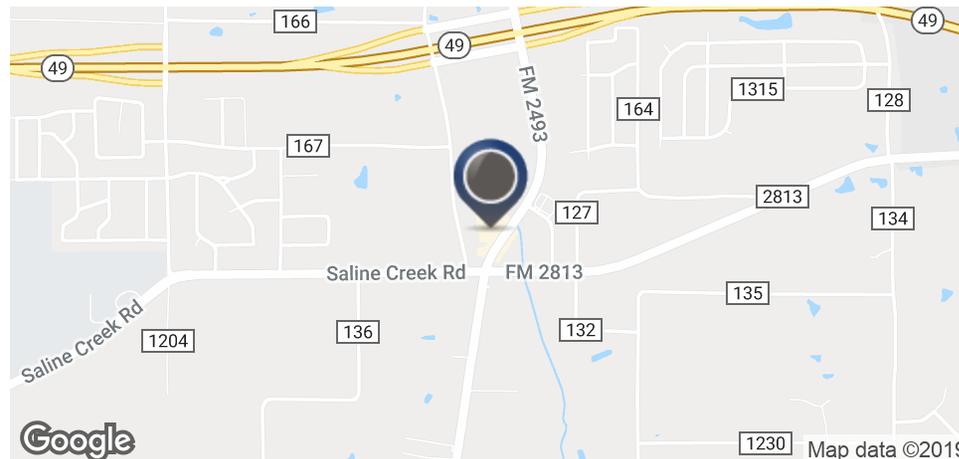
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Section 1 PROPERTY INFORMATION



Whataburger Retail Center

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OFFERING SUMMARY

Sale Price:	\$3,798,000
Building Size:	8,089 SF
Lot Size:	1.752 Acres
Price / SF:	\$469.53
Cap Rate:	6.5%
NOI:	\$246,866
Year Built:	2008

PROPERTY OVERVIEW

Marcus & Millichap is pleased to offer the opportunity to acquire an 8,089-square foot, three-tenant retail center anchored by a Whataburger restaurant in Tyler, Texas.

TENANTS

- Whataburger
- Bunny's J.D. Food Mart
- Bank OZK

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
Total Households	1,004	6,332	17,807
Total Population	2,722	17,109	43,725
Average HH Income	\$112,201	\$106,466	\$93,738

Whataburger Retail Center

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PROPERTY DESCRIPTION

Marcus & Millichap is pleased to offer the opportunity to acquire a 8,089-square foot, multi-tenant retail center located in Tyler, Texas. Whataburger Retail Center is currently 100 percent occupied, and 85 percent of the current leases are triple-net. The center is a complementary mix of internet-resistant tenants, consisting of Whataburger, Bunny's J.D. Food Mart, and Bank OZK. Bunny's convenience store has recently exercised both of their remaining renewal options, therefore providing more than 13 years remaining on the term. Constructed in 2008, the building is situated on a 1.75-acre lot.

LOCATION DESCRIPTION

The subject property sits on the west side of FM 2493 near the signalized intersection with FM 2813. Traffic counts exceed 13,000 vehicles per day in front of the property. The property is a half-mile south of Loop 49, Tyler's newly-finished toll road that serves as a bypass to travelers to avoid heavy downtown traffic. Retailers in the immediate area include Dairy Queen, Subway, Domino's Pizza, Fresh by Brookshire's, Cantina Laredo, Texas de Brazil and others.

Whataburger Retail Center is also less than three miles west of The Village at Cumberland Park, the largest shopping center in Tyler. The Village at Cumberland Park features over 45 retail stores and is anchored by H&M, Five Below, Ross Dress for Less, Studio Movie Grill, and DSW Designer Shoe Warehouse. The center, completed in 2018, is built on 78 acres and totals 700,000 square-feet of retail space.

Tyler, Texas is 100 miles southeast of Dallas, Texas located in Smith County. The city of Tyler serves as Smith County's major economic, educational, financial, medical, and cultural hub. Tyler is know as the "Rose Capital of America" due to a long history of rose production, cultivation, and processing.

Whataburger Retail Center

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BUILDING INFORMATION

Occupancy %	100.0%
Tenancy	Multiple
Year Built	2008
Type Of Ownership	Fee Simple
County	Smith

PROPERTY HIGHLIGHTS

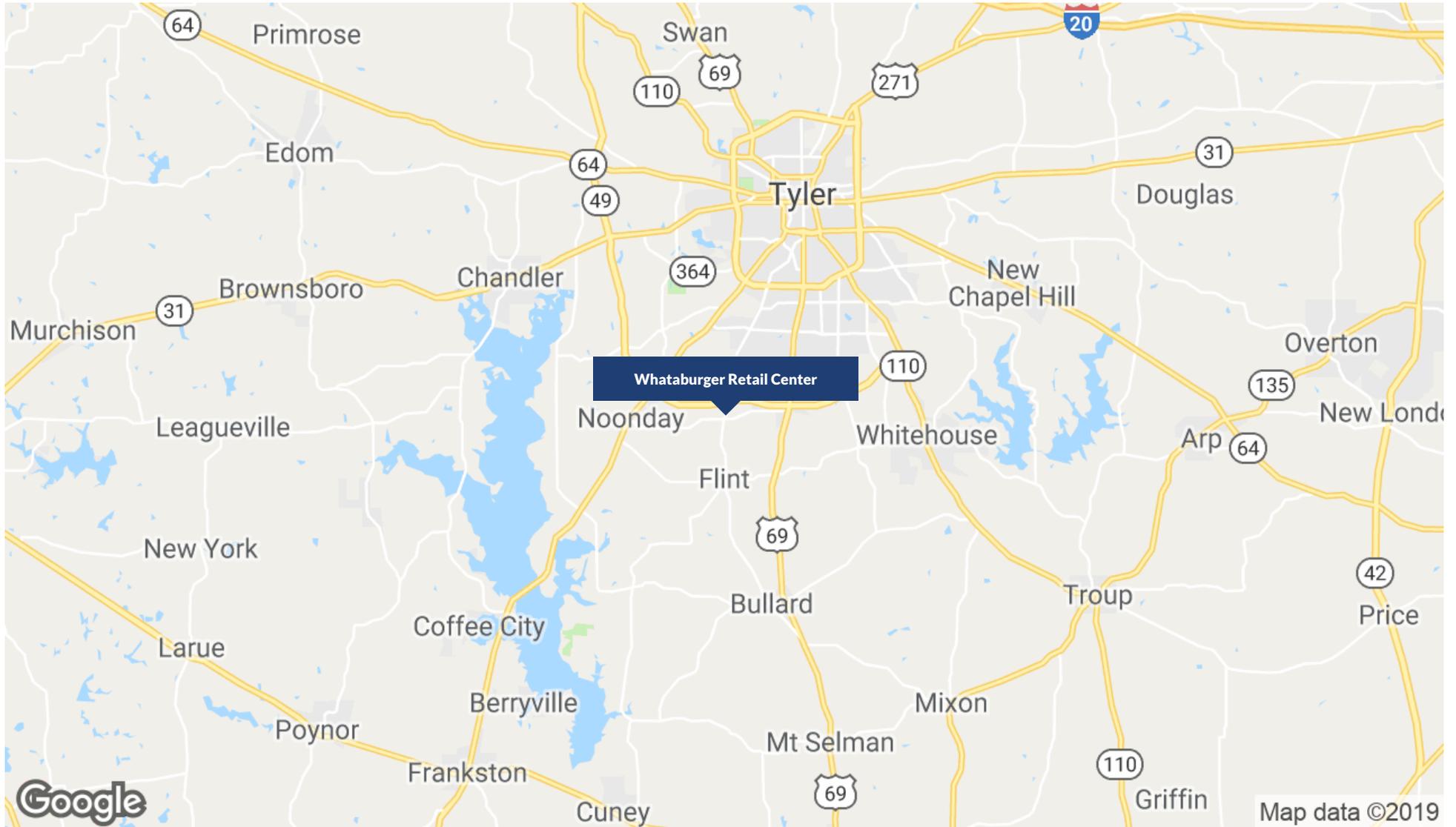
- Three-Tenant Retail Center Anchored by Whataburger (50% of the Gross Leasable Area)
- Whataburger and Bunny's Convenience Store have Occupied the Center Since the Building was Constructed
- 85 Percent of the Gross Leasable Area has Triple-Net Leases
- Bank OZK has a Gross Lease | Suite Includes Two Drive-Through Lanes
- The Convenience Store is Eligible for Accelerated Depreciation, Providing Investor Tax Benefits
- The Convenience Store has Exercised Early Two Renewal Options, Extending Their Lease Term an Additional 10 Years with Five Percent Rent Increases Scheduled Every Five Years During the Extension | Lease has a Personal Guarantee
- Located in one of Tyler's Newest Growth Corridors
- Situated on FM 2493 with Convenient Access to Loop 49
- Highly Affluent Area | One-Mile Average Household Income is \$112,200 | Three-Mile Average Household Income is \$106,466 | Five-Mile Average Household Income is \$93,738
- The City of Tyler serves as a Regional Hub for the East Texas Area | State Officials Estimate that as many as 270,000 People Visit Tyler Each Day

Section 2 LOCATION INFORMATION



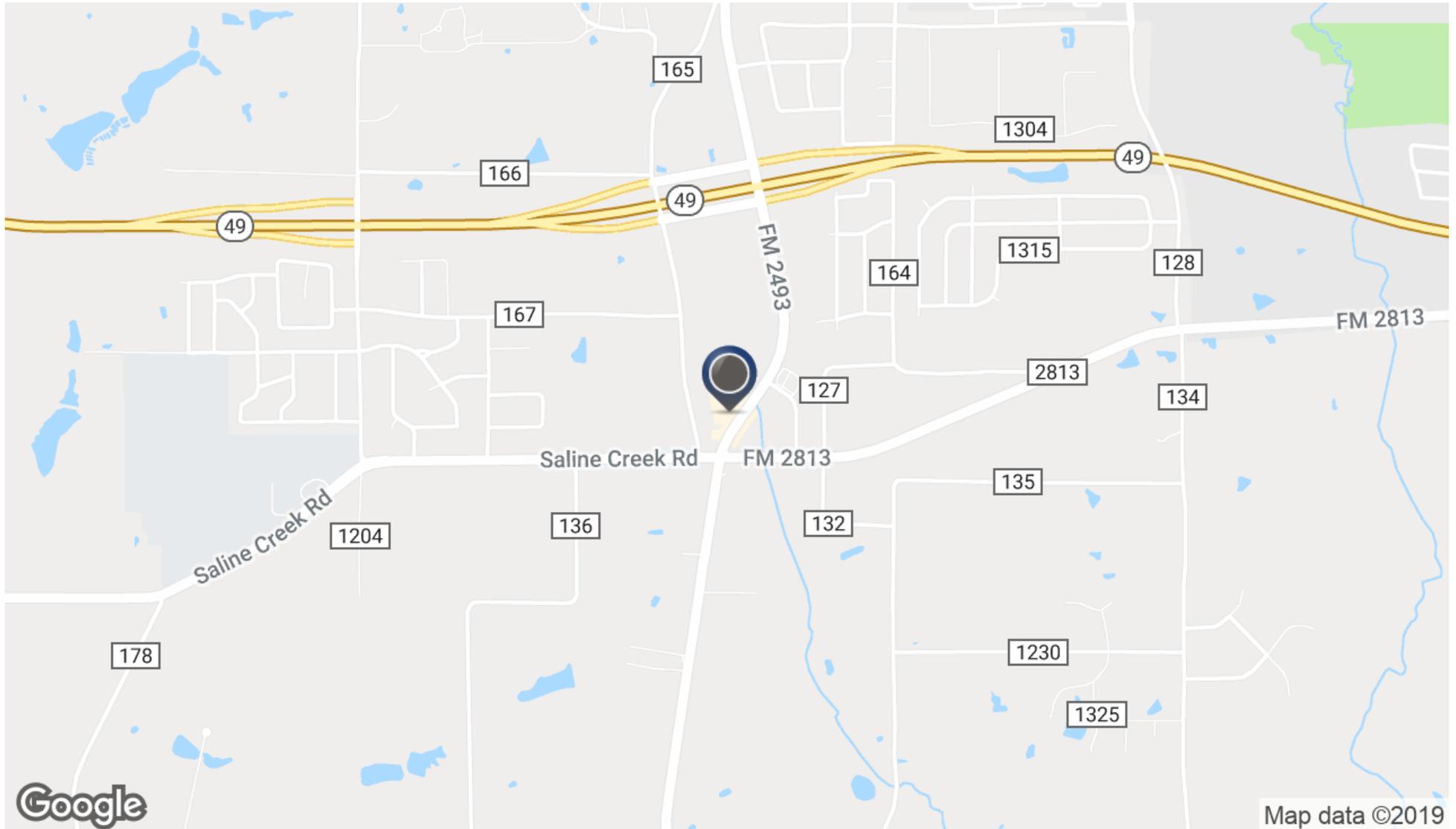
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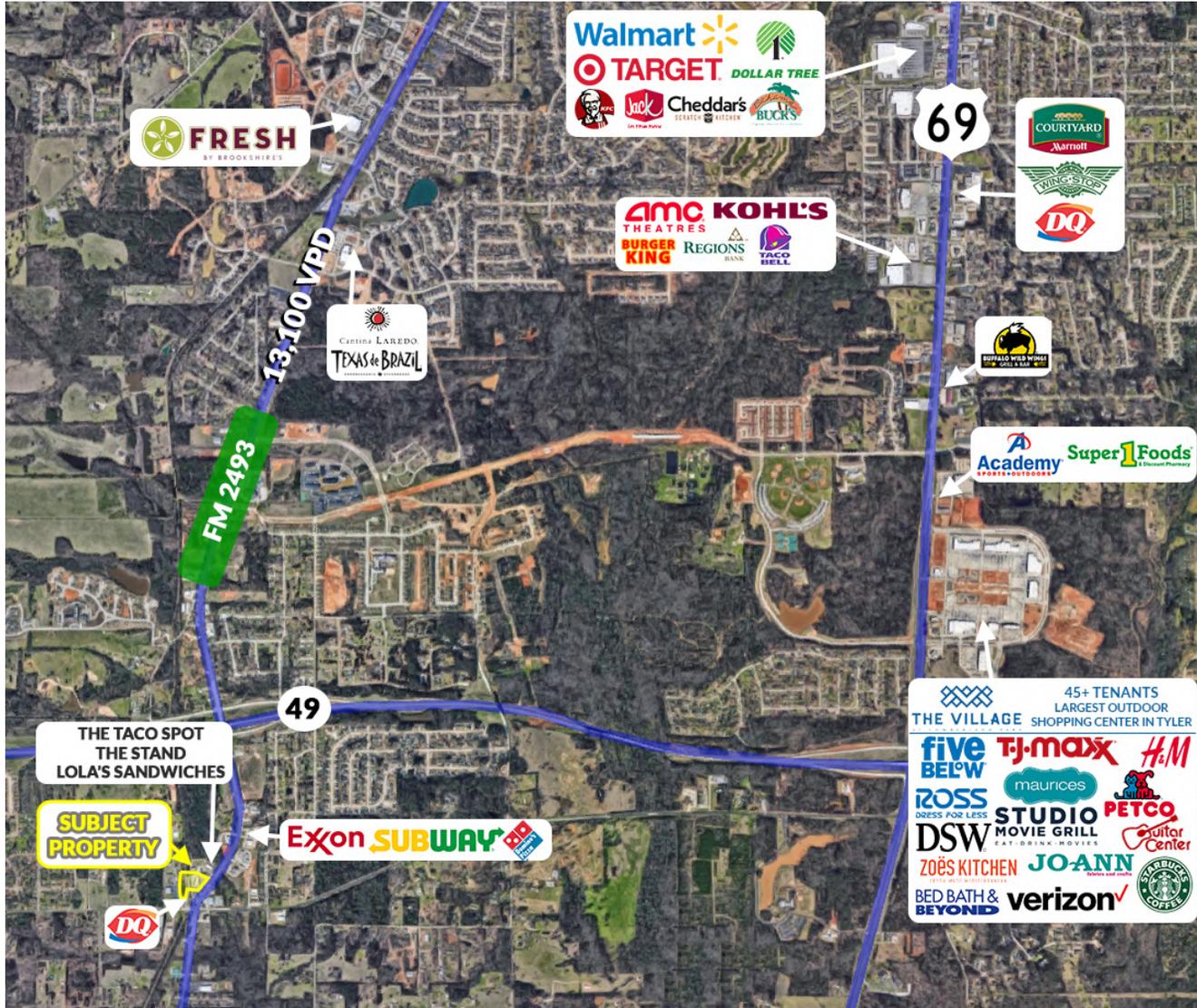
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Section 3 FINANCIAL ANALYSIS



Whataburger Retail Center

16772 FM 2493, Tyler, TX 75703



INVESTMENT OVERVIEW

CURRENT

Price	\$3,798,000
Price per SF	\$469.53
CAP Rate	6.5%

OPERATING DATA

CURRENT

Gross Income	\$306,718
Operating Expenses	\$59,852
Net Operating Income	\$246,866

FINANCING DATA

CURRENT

Down Payment	\$3,798,000
Loan Type	All Cash

Whataburger Retail Center

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INCOME SUMMARY	CURRENT	PER SF
Base Rent	\$259,500	\$32.08
Real Estate Taxes Reimbursements	\$22,262	\$2.75
Insurance Reimbursements	\$9,791	\$1.21
Common Area Maintenance Reimbursements	\$9,988	\$1.23
Management Fee Reimbursements	\$5,177	\$0.64
Gross Income	\$306,718	\$37.92
EXPENSE SUMMARY	CURRENT	PER SF
Real Estate Taxes	\$26,197	\$3.24
Insurance	\$11,522	\$1.42
Utilities	\$4,533	\$0.56
Repairs & Maintenance	\$2,820	\$0.35
Landscaping/Groundskeeping	\$4,400	\$0.54
Management Fee	\$10,380	\$1.28
Gross Expenses	\$59,852	\$7.40
Net Operating Income	\$246,866	\$30.52

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TENANT NAME	UNIT SIZE (SF)	% OF GLA	LEASE START	LEASE END	ANNUAL RENT	ESC DATE	PRICE PER YEAR	LEASE TYPE	OPTION	EXPENSE REIMBURSEMENT
Whataburger	4,035	49.88	1/18/08	12/31/28	\$126,000		\$31.23	NNN	(4) 5-Yr	\$29,854.80
Bunny's J.D. Food Mart (1)	2,839	35.1	9/17/07	10/31/32	\$107,100	1/1/2023	\$35.91	NNN		\$17,364.67
						11/01/2022	\$39.61			
						11/01/2027	\$41.59			
Bank OZK	1,215	15.02	6/01/18	5/31/20	\$26,400		\$21.73	Gross	(2) 2-Yr & (1) 5-Yr	
Totals/Averages	8,089				\$259,500		\$32.08			\$47,219.47

(1) Lease has a Personal Guarantee.

Section 4 SALE COMPARABLES



Whataburger Retail Center

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SUBJECT PROPERTY

16772 FM 2493 | Tyler, TX 75703

Sale Price:	\$3,798,000	Lot Size:	1.75 AC
Year Built:	2008	Building SF:	8,089 SF
Price PSF:	\$469.53	Cap:	6.5%
NOI:	\$246,866		



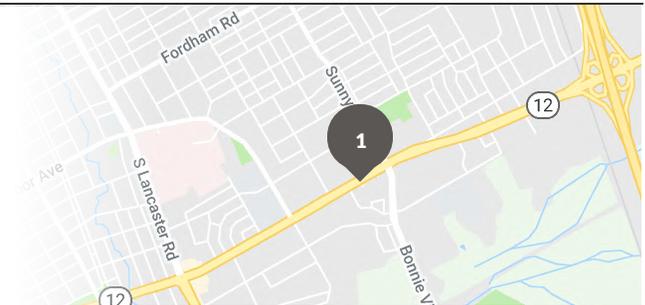
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KFC & TACO BELL

2802 East Ledbetter Drive | Dallas, TX 75216

Sale Price:	\$1,883,148	Lot Size:	0.86 AC
Year Built:	1984	Building SF:	3,113 SF
Price PSF:	\$604.93	CAP:	5.4%
Closed:	08/29/2018	Occupancy:	100%



2



STARBUCKS & CHIPOTLE

905 East Ennis Avenue | Dallas, TX 75119

Sale Price:	\$2,992,500	Lot Size:	0.994 AC
Year Built:	2016	Building SF:	4,010 SF
Price PSF:	\$746.26	CAP:	5.6%
Closed:	08/30/2017	Occupancy:	100%



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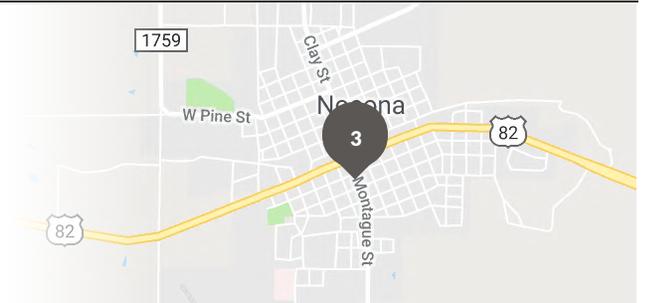


SHOPS AT KINGS FORT

250 East Highway 175 | Kaufman, TX 75142

Sale Price:	\$2,740,000	Lot Size:	1.12 AC
Year Built:	2018	Building SF:	4,175 SF
Price PSF:	\$656.29	CAP:	5.8%
Closed:	02/15/2019	Occupancy:	100%

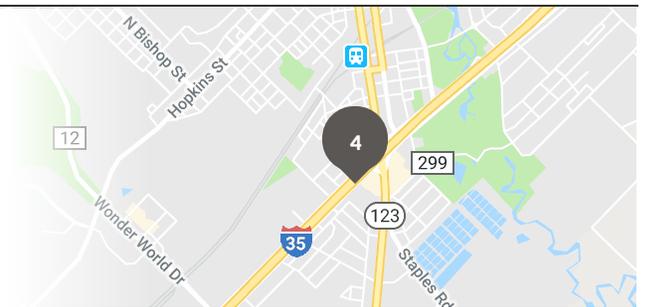
Starbucks, Verizon



STARBUCKS & NEWK'S EATERY

1303 South 1-35 | San Marcos, TX 78666

Sale Price:	\$2,790,000	Lot Size:	0.77 AC
Year Built:	2016	Building SF:	5,998 SF
Price PSF:	\$465.16	CAP:	5.81%
Closed:	08/01/2016	Occupancy:	100%

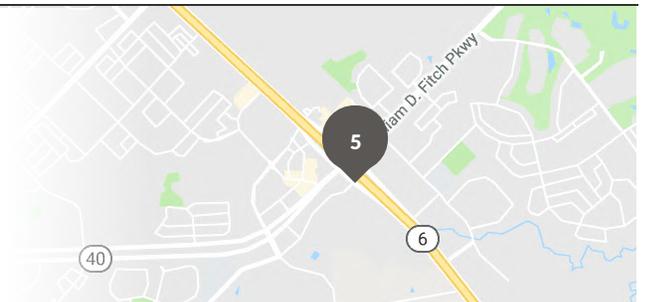


TOWER POINT PLAZA

4400 State Highway 6 South | College Station, TX 77845

Sale Price:	\$4,075,000	Lot Size:	0 AC
Year Built:	2017	Building SF:	11,410 SF
Price PSF:	\$357.14	CAP:	6.5%
Closed:	11/09/2018	Occupancy:	100%

Domino's Pizza, T-Mobile, Mattress One, Smiles N' More Dental, Fabric Care Cleaners



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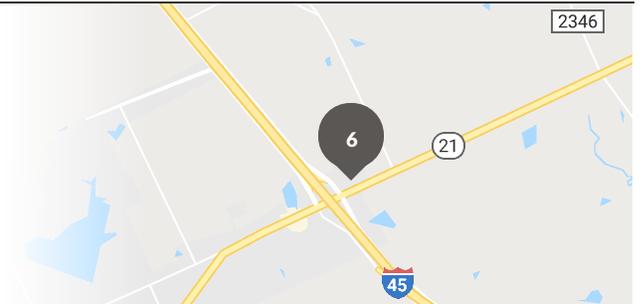
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CORRAL PLAZA

3303 E Main Street | Madisonville, TX 77864

Sale Price:	\$2,157,000	Lot Size:	2.66 AC
Year Built:	2015	Building SF:	12,169 SF
Price PSF:	\$177.25	CAP:	6.53%
Closed:	03/22/2017	Occupancy:	100%

Subway, Dickey's Barbecue Pit, Shipley Do-Nuts, Martial Arts, Electric Vape



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	SUBJECT PROPERTY	PRICE	BLDG SF	PRICE/SF	CAP	
	Whataburger Retail Center 16772 FM 2493 Tyler, TX 75703	\$3,798,000	8,089 SF	\$469.53	6.5%	
	SALE COMPS	PRICE	BLDG SF	PRICE/SF	CAP	CLOSE
	KFC & Taco Bell 2802 East Ledbetter Drive Dallas, TX 75216	\$1,883,148	3,113 SF	\$604.93	5.4%	08/29/2018
	Starbucks & Chipotle 905 East Ennis Avenue Dallas, TX 75119	\$2,992,500	4,010 SF	\$746.26	5.6%	08/30/2017
	Shops at Kings Fort 250 East Highway 175 Kaufman, TX 75142	\$2,740,000	4,175 SF	\$656.29	5.8%	02/15/2019
	Starbucks & Newk's Eatery 1303 South 1-35 San Marcos, TX 78666	\$2,790,000	5,998 SF	\$465.16	5.81%	08/01/2016
	Tower Point Plaza 4400 State Highway 6 South College Station, TX 77845	\$4,075,000	11,410 SF	\$357.14	6.5%	11/09/2018
	Corral Plaza 3303 E Main Street Madisonville, TX 77864	\$2,157,000	12,169 SF	\$177.25	6.53%	03/22/2017
		PRICE	BLDG SF	PRICE/SF	CAP	CLOSE
	Totals/Averages	\$2,772,941	6,813 SF	\$407.01	5.94%	

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★ SUBJECT PROPERTY
16772 FM 2493 | Tyler, TX 75703

1 KFC & TACO BELL
2802 East Ledbetter Drive
Dallas, TX 75216

2 STARBUCKS & CHIPOTLE
905 East Ennis Avenue
Dallas, TX 75119

3 SHOPS AT KINGS FORT
250 East Highway 175
Kaufman, TX 75142

4 STARBUCKS & NEWK'S EATERY
1303 South 1-35
San Marcos, TX 78666

5 TOWER POINT PLAZA
4400 State Highway 6 South
College Station, TX 77845

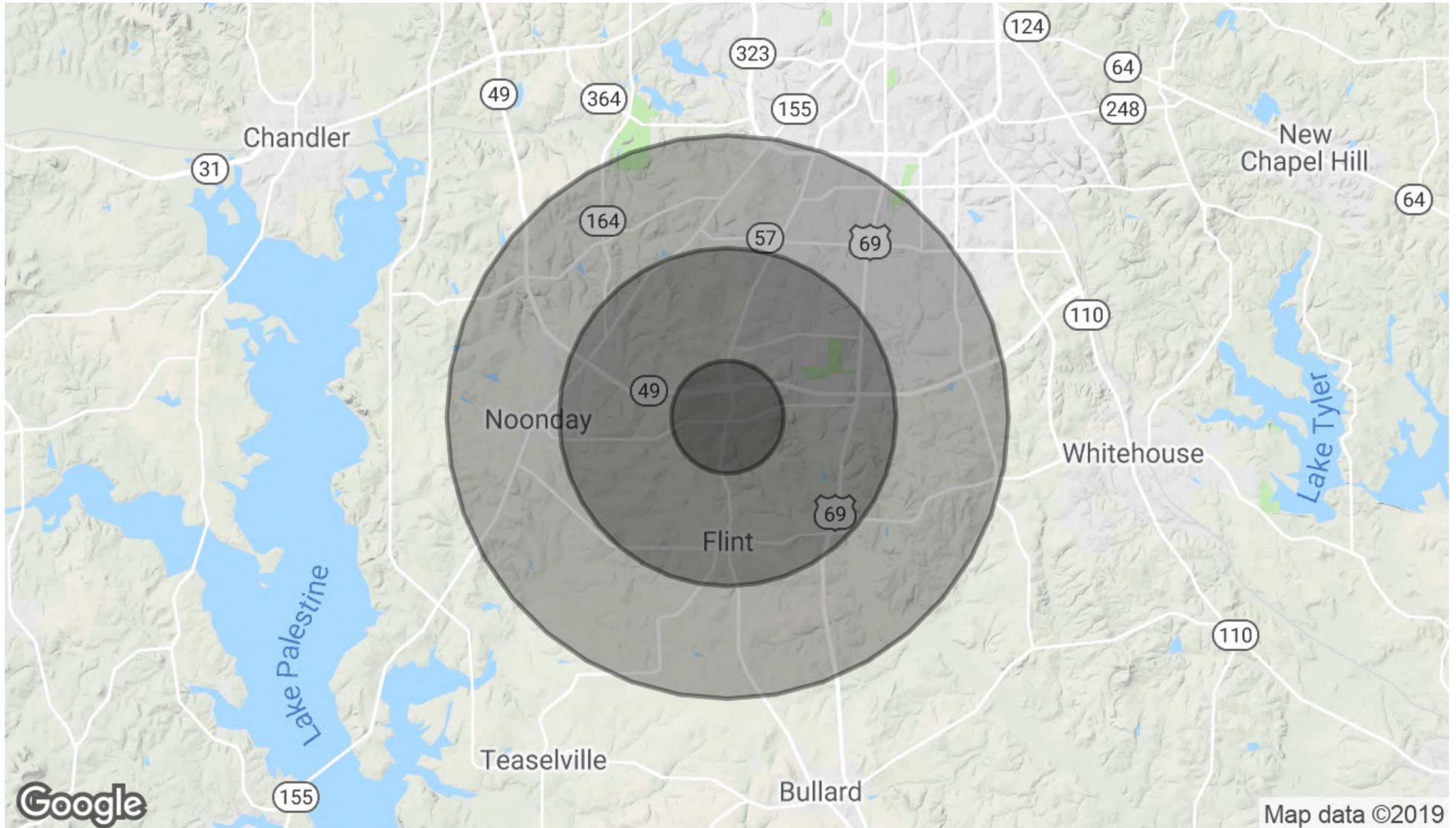
6 CORRAL PLAZA
3303 E Main Street
Madisonville, TX 77864

Section 5 DEMOGRAPHICS



Whataburger Retail Center

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Whataburger Retail Center

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POPULATION	1 MILE	3 MILES	5 MILES
Total Population	2,722	17,109	43,725
Median age	38.4	38.2	38.3
Median age (Male)	37.3	37.2	37.3
Median age (Female)	39.7	39.3	39.3
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total households	1,004	6,332	17,807
# of persons per HH	2.5	2.5	2.4
Average HH income	\$112,201	\$106,466	\$93,738
Average house value	\$245,288	\$239,706	\$209,868
RACE	1 MILE	3 MILES	5 MILES
Total Population - White	2,374	14,542	36,712
% White	87.2%	85.0%	84.0%
Total Population - Black	199	1,596	4,445
% Black	7.3%	9.3%	10.2%
Total Population - Asian	75	527	1,441
% Asian	2.8%	3.1%	3.3%
Total Population - Hawaiian	5	36	65
% Hawaiian	0.2%	0.2%	0.1%
Total Population - American Indian	12	81	230
% American Indian	0.4%	0.5%	0.5%
Total Population - Other	56	328	832
% Other	2.1%	1.9%	1.9%

* Demographic data derived from 2010 US Census



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.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

License No.

Email

Phone

Designated Broker of Firm

License No.

Email

Phone

Licensed Supervisor of Sales Agent/Associate

License No.

Email

Phone

Sales Agent/Associate's Name

License No.

Email

Phone

Buyer/Tenant/Seller/Landlord Initials

Date



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