

SUBWAY

5525 GIBSON BOULEVARD SE, ALBUQUERQUE, NEW MEXICO



OFFERING MEMORANDUM

Marcus & Millichap



DOWNTOWN
ALBUQUERQUE

NM THE UNIVERSITY OF
NEW MEXICO
22,800 STUDENTS

CNM
Central New Mexico
Community College
22,000 STUDENTS

CORONADO CENTER
JCPenney BARNES & NOBLE
BOOKSELLERS
DICK'S SPORTING GOODS The Container Store
BOOT BARN H&M macy's
FOREVER 21 KOHL'S maurices

THE DOWNS
Racetrack & Casino

TARGET NORDSTROM POTTERY BARN REGAL CINEMAS
PET SMART ANTHROPOLOGIE Dillard's
lululemon athletica **Apple** **TRADER JOE'S** **GAP**
Total Wine & More **TJ-maxx** **DAVE & BUSTERS** **ULTA**
sunglass hut **DSW** WILLIAMS SONOMA
Pier 1 imports **LUSH** **FAMOUS** **J.CREW**
FRESH HANDMADE COSMETICS footwear

Walmart **BEST BUY**
Supercenter
Sams CLUB **Office DEPOT**
Conn's **ROSS**
PET SMART **at home** **petco**
The Home Décor Superstore

THE NATIONAL MUSEUM OF
NUCLEAR
SCIENCE & HISTORY

SUBWAY

VAHealth
RAYMOND G. MURPHY
MEDICAL CENTER

THE CANYON
CLUB
at FOUR HILLS

ABQ
SUNPORT

U.S. AIR FORCE
KIRTLAND AIR FORCE BASE

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Executive Summary

FINANCIAL SUMMARY

Price	\$606,000
Down Payment	100% \$606,000
Cap Rate	5.25%
Building SF	1,841 SF
Net Cash Flow	5.25% \$31,800
Year Built	1968 / Upcoming Remodel Planned 2020
Lot Size	.40 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Subway Real Estate, LLC
Guarantor	Corporate
Roof & Structure	Tenant Responsible
Lease Commencement Date	March 17, 2010
Lease Expiration Date	April 30, 2030
Lease Term Remaining	10 Years
Rental Increases	10% Every 5 Years
Renewal Options	3, 5 Year Options
Right of First Refusal	30 Days

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 4/30/2025	\$31,800	5.25%
5/1/2025 - 4/30/2030	\$34,980	5.77%
Options	Annual Rent	Cap Rate
Option 1	\$38,478	6.35%
Option 2	\$42,326	6.98%
Option 3	\$46,558	7.68%

Base Rent	\$31,800
Net Operating Income	\$31,800
Total Return	5.25% \$31,800





jiffylube

PAPA JOHN'S

**BRAKE
MASTERS**

SUBWAY

Pizza

**planet
fitness**

AMG
SPECIALTY HOSPITAL
Healthcare Management for Complex Medical needs
Albuquerque

Starbucks

SONIC

MCDONALD'S

23,800 CPD
GIBSON BLVD SE

**BURGERS
TWISTERS**
BURRITOS

**BURGER
KING**

CESAR CHAVEZ
COMMUNITY SCHOOL

TACO BELL

**98% LEASED GROCERY
ANCHORED CENTER**

VAHealth
RAYMOND G. MURPHY
MEDICAL CENTER

Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Extension on an Absolute Triple-Net (NNN) Lease Term**
- » 10% Rental Increases Every 5 Years
- » **Tenant Planning to Remodel the Exterior, Interior and Signage in 2020**
- » 206,984 Residents in Growing Albuquerque Trade Area
- » **Corporate Guaranteed Lease**
- » Excellent Location Directly Across from AMG Specialty Hospital and Raymond G. Murphy VA Medical Center
- » **Visible to Over 23,800 Cars/Day Along Gibson Boulevard Southeast**
- » Minutes from Downtown Albuquerque and The University of New Mexico (22,800 Students)
- » **Less Than 3 Miles from Kirtland Air Force Base**, the Region's Largest Employer
- » Strong Daytime Population - 313,596 Employees within a 5-Mile Radius
- » **Close Proximity to Albuquerque International Sunport**
- » Surrounded by Major National Retailers - Planet Fitness, Starbucks, Burger King, McDonald's, Taco Bell, Sonic Drive-In, and More



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2023 Projection	14,325	84,875	209,061
2018 Estimate	14,159	84,626	206,984
Growth 2018 - 2023	1.17%	0.29%	1.00%

Households

2023 Projection	6,781	37,251	92,146
2018 Estimate	6,662	36,679	90,051
Growth 2018 - 2023	1.80%	1.56%	2.33%

Income

2018 Est. Average Household Income	\$42,514	\$50,272	\$54,781
2018 Est. Median Household Income	\$27,925	\$32,189	\$37,332
2018 Est. Per Capita Income	\$20,228	\$22,199	\$24,227



Planned 2020 Interior Remodel



Tenant Overview



Milford, Connecticut

Headquarters

Private

Company Type

42,000+

Locations

www.subway.com

Website

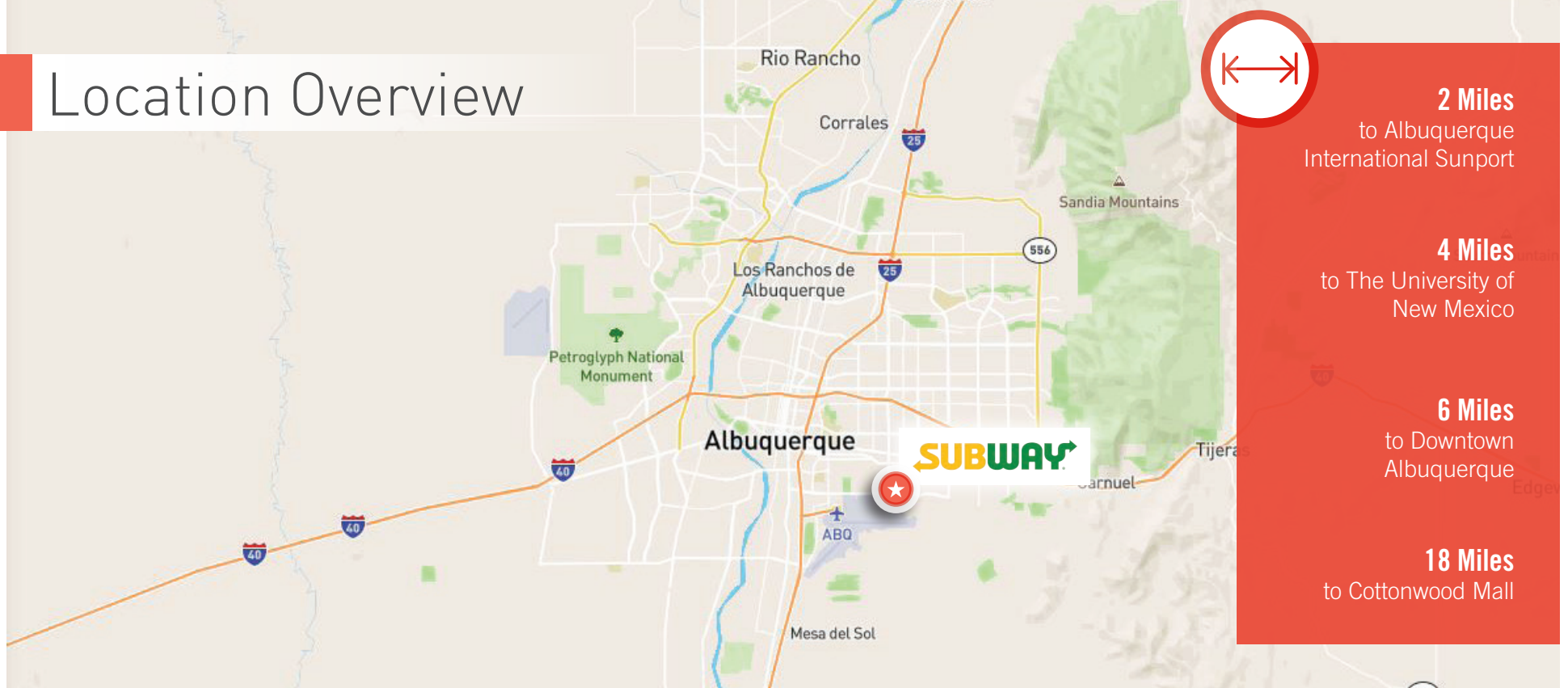
In 1965, Peter Buck and Fred DeLuca opened a restaurant in Bridgeport, CT called Pete's Super Submarines, where they served fresh, affordable, made-to-order sandwiches. Three years later, the restaurant name was changed to Subway. After the partners had expanded the brand to 16 owned-and-operated outlets in Connecticut, the first franchised restaurant opened in 1974. The brand soon began growing internationally, after its first location outside the United States opened in 1984 in Bahrain.

Today, the Subway brand is the world's largest submarine sandwich chain with more than 42,000 franchised locations in 112 countries around the world. The Subway franchise is also the largest restaurant chain in the world.

Unlike much of the fast food sold by other restaurant chains, Subway products are typically not fried and are liberally garnished with fresh vegetables. Therefore, Subway is able to position itself as a purveyor of healthier fast food.



Location Overview



The Albuquerque metropolitan area spans Bernalillo, Sandoval, Torrance and Valencia counties. The metro has grown by 25 percent since 2000, to nearly 911,500 citizens. Albuquerque is the largest city with roughly 558,700 residents followed by Rio Rancho. Over the next five years, the population of the metro will increase by 1.1 percent annually.

Albuquerque's economic activity relies partially on the government and defense sectors, which are increasing payrolls in the metro. The largest employer of the region is Kirtland Air Force Base, with more than 30,000 civilians and thousands of additional military workers. Additionally, Sandia National Laboratories, Honeywell Defense & Space Electronic Systems and Northrop Grumman provide a substantial amount of the vocational opportunities in the region.

The major drivers of the Albuquerque economy are government, defense,

manufacturing and high tech. Since recovering from the recession, the local economy is now accelerating. The U.S. military plays a vital role in the local economy, attracting private and government high-tech institutions, a well-trained labor force and capital investment to the region. The local government shows strong support for the expansions and relocations of business. Both government and business officials in the region have aggressively sought to provide tax incentives and create economic zones to encourage such growth.

The Albuquerque metro offers a wide array of recreational opportunities. Skiing, golfing, mountain biking, camping and hiking are a few of the activities available in the Sandia and Manzano mountains to the east of Albuquerque. The Sandia Peak Tramway provides access to ski resorts and an outstanding view of the beautiful mountains. Furthermore, the region is home to more than 400 miles of trails for biking and hiking.

[exclusively listed by]

Matthew Reeves
Broker of Record
License: 19583

Offices Nationwide
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