

# BURGER KING GROUND LEASE

NORTHEAST CORNER OF I-35 AND SWISHER ROAD  
CORINTH (DALLAS), TEXAS



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM

Marcus & Millichap





**BURGER KING**



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# Executive Summary

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$1,612,000</b>
Down Payment	100% \$1,612,000
Cap Rate	4.65%
Building SF	2,956 SF
Net Cash Flow	4.65% \$75,000
Year Built	2019
Land/Lot Size	1.31 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	Dossani Paradise Investments, LLC
Roof & Structure	Tenant Responsible
Est. Lease Commencement Date	October 2019
Est. Lease Expiration Date	October 2039
Lease Term	20 Years
Rental Increases	6% Every 5 Years
Renewal Options	4, 5 Year Options

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$75,000	4.65%
6 - 10	\$79,500	4.93%
11 - 15	\$84,270	5.23%
16 - 20	\$89,362	5.54%
Options	Annual Rent	Cap Rate
Option 1	\$94,687	5.87%
Option 2	\$10,367	0.64%
Option 3	\$106,389	6.60%
Option 4	\$112,772	7.00%

<b>Base Rent</b>	<b>\$75,000</b>
<b>Net Operating Income</b>	<b>\$75,000</b>
<b>Total Return</b>	<b>4.65% \$75,000</b>





amc  
THEATRES

ihop

CITY HOSPITAL  
EMERGENCY CARE CENTER

BANK OF AMERICA

Walmart

WHATABURGER

35E

PAPA JOHN'S  
Sprint  
DENTIST

MCDONALD'S

Denny's

Chick-fil-A

TACO BELL

Albertsons

CHIPOTLE

LOUISIANA  
POPEYES

Arby's

PANDA EXPRESS  
CHINESE KITCHEN

DISCOUNT  
TIRE

Jack  
in the box

Comfort

121,500 CPD  
INTERSTATE 35

35E

BURGER KING

FUTURE DEVELOPMENT



Walmart



OXFORD  
AT  
LAKE VIEW  
240 UNITS

Hensington Park  
294 UNITS



Walgreens



121,500 CPD  
INTERSTATE 35



BURGER KING



FUTURE DEVELOPMENT



# Property Description



## INVESTMENT HIGHLIGHTS

- » **Brand New 20-Year Absolute Triple-Net (NNN) Ground Lease**
- » 6% Rental Increases Every 5 Years
- » **Large Multi-Unit Operator of Multiple Brands**
- » 116,496 Residents in Growing Corinth Trade Area - Dallas MSA
- » **Households Projected to Increase Nearly 16% within 5-Mile Radius by 2023**
- » Average Household Income Exceeds \$119K in 5-Mile Radius
- » **Situated in Major Retail Corridor** - Walmart, Albertsons, McDonald's, Whataburger, Aldi, Walgreens, Denny's, and More
- » Brand New 2019 Construction with a Drive-Thru
- » **Excellent Visibility Adjacent to Interstate 35E - 121, 500+ Cars/Day**
- » **Minutes to Golden Triangle Mall**, 60+ Stores Anchored by Macy's, Dillard's, Barnes & Noble, DSW, JCPenney, and Ross
- » Strong Daytime Population - 83,781 Employees in Surrounding Area



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2023 Projection	9,841	42,030	133,735
2018 Estimate	9,409	37,875	116,496
Growth 2018 – 2023	4.59%	10.97%	14.80%

### Households

2023 Projection	3,736	15,303	46,994
2018 Estimate	3,503	13,641	40,532
Growth 2018 – 2023	6.65%	12.19%	15.94%

### Income

2018 Est. Average Household Income	\$99,566	\$114,426	\$119,870
2018 Est. Median Household Income	\$79,906	\$93,885	\$93,807
2018 Est. Per Capita Income	\$37,070	\$41,213	\$41,788

# BURGER KING

# Tenant Overview



## BURGER KING

Miami, Florida

Headquarters

Restaurant Brands International

Parent Company

17,800+

Locations

[www.bk.com](http://www.bk.com)

Website

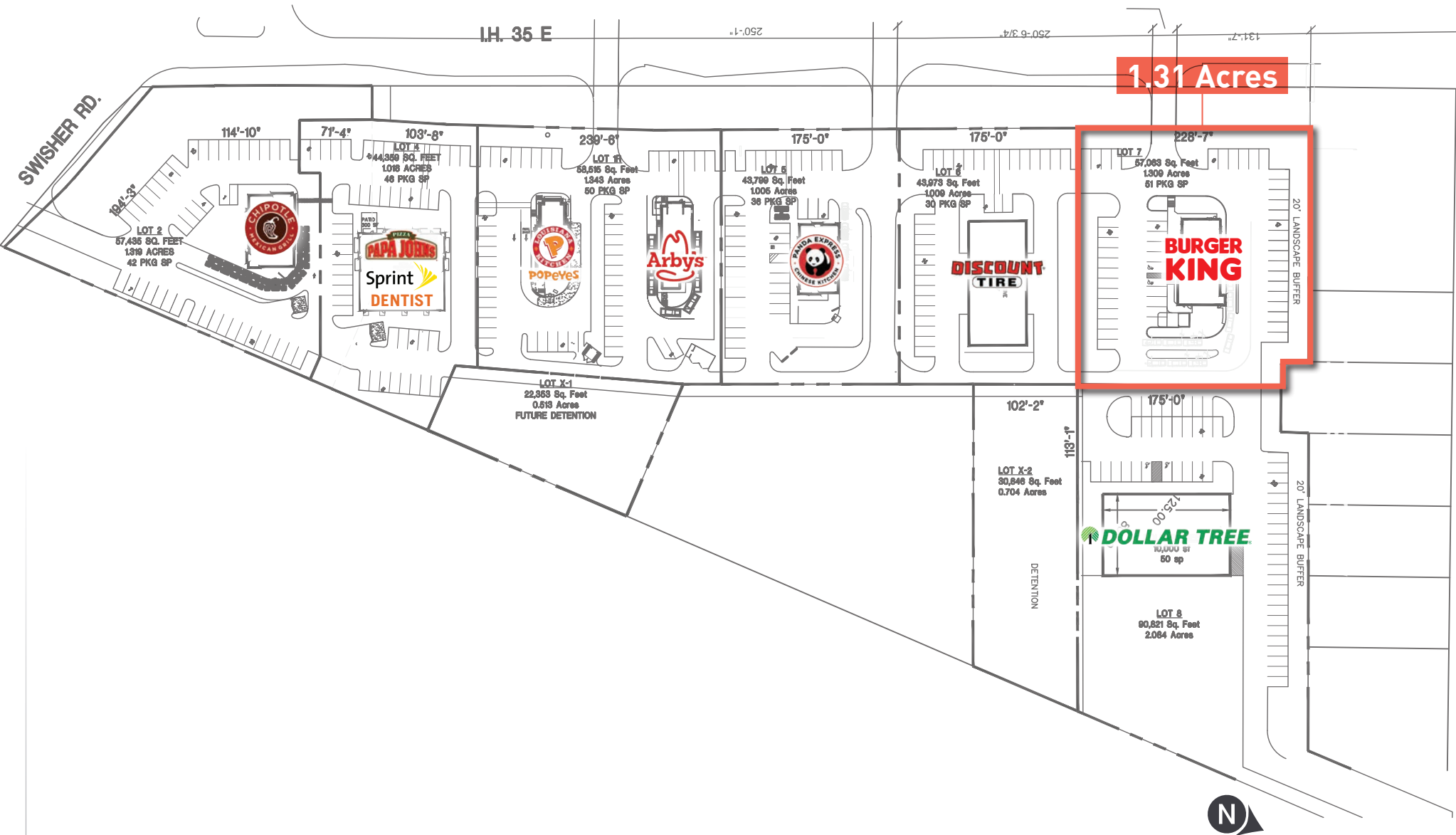
Every day, over 11 million guests visit Burger King restaurants around the world. They do so because Burger King is known for serving high-quality, great-tasting, and affordable food. Founded in 1954, the Burger King brand is the second-largest fast food hamburger chain in the world. The original Home of the Whopper, the commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined the brand for more than 50 successful years.

In 2010, 3G Capital, a global multi-million dollar investment firm focused on long term value creation, purchased Burger King Corporation, making it a privately-held company. 3G Capital's strategy is to identify and invest in opportunities that

are well-positioned for profitable, long-term growth and success across a variety of different sectors and regions. The firm's management team leverages prior investment experience, industry expertise and an extensive global network to successfully implement this strategy.

Dossani Paradise Management, headquartered in Grapevine, Texas, operates a diverse portfolio of investments including convenience stores, restaurants, real estate, and fuel distributorships. Currently, the company is a 10-unit Burger King Franchisee, 32-unit Taco Bell Franchisee, 4-unit Wingstop Franchisee, 1-unit Subway Franchisee, 1-unit A&W/Long John Silvers Franchisee, and a 17-unit C-Store/Gas operator.

# Site Plan





# Location Overview



Corinth is located in Denton County, approximately 20 miles north of downtown Dallas and 15 miles north of the Dallas/Fort Worth (DFW) International Airport. The city has excellent highway access and is located on I-35D with FM 2181 (Swisher Road) providing east-west access. The city itself has a population of just over 20,000, with over 150,000 people within a 5-mile radius.

Corinth is one of the very few remaining communities in the booming northern suburbs of Dallas and Fort Worth with developable sites for commercial, industrial, and mixed-use development, including exciting opportunities along the interstate highway. In addition to outstanding development sites and opportunities, Corinth's school districts are high performing and widely recognized for scholastic performance.

The Dallas/Fort Worth Metroplex is the fourth-largest metro in the nation and is composed of 12 counties, with an aggregate of more than 6.9 million residents. Population growth in the region was tremendous during the past decade, outpacing most U.S. metros. The population of the Metroplex is forecast to expand 1.6 percent per year through 2020.

The Dallas/Fort Worth economy continues to evolve. Companies migrating to the area are attracted by warm weather, no state income tax and a right-to-work labor policy. These qualities, combined with an educated workforce, diverse population and low housing costs, have led to extraordinary growth in the Metroplex and will continue to draw new businesses. Economic expansion will be further fueled by a rise in financial services and high-tech companies.





11-2-2015

## 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.*

### 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.



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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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, 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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