

OFFERING MEMORANDUM



**BUFFALO
WILD
WINGS**

**KILLEEN
TEXAS**

Located on Interstate 14 / U.S. Highway 190,
Central Texas's main central highway



NNN DEAL
THE SINGLE TENANT RESOURCE

Marcus & Millichap



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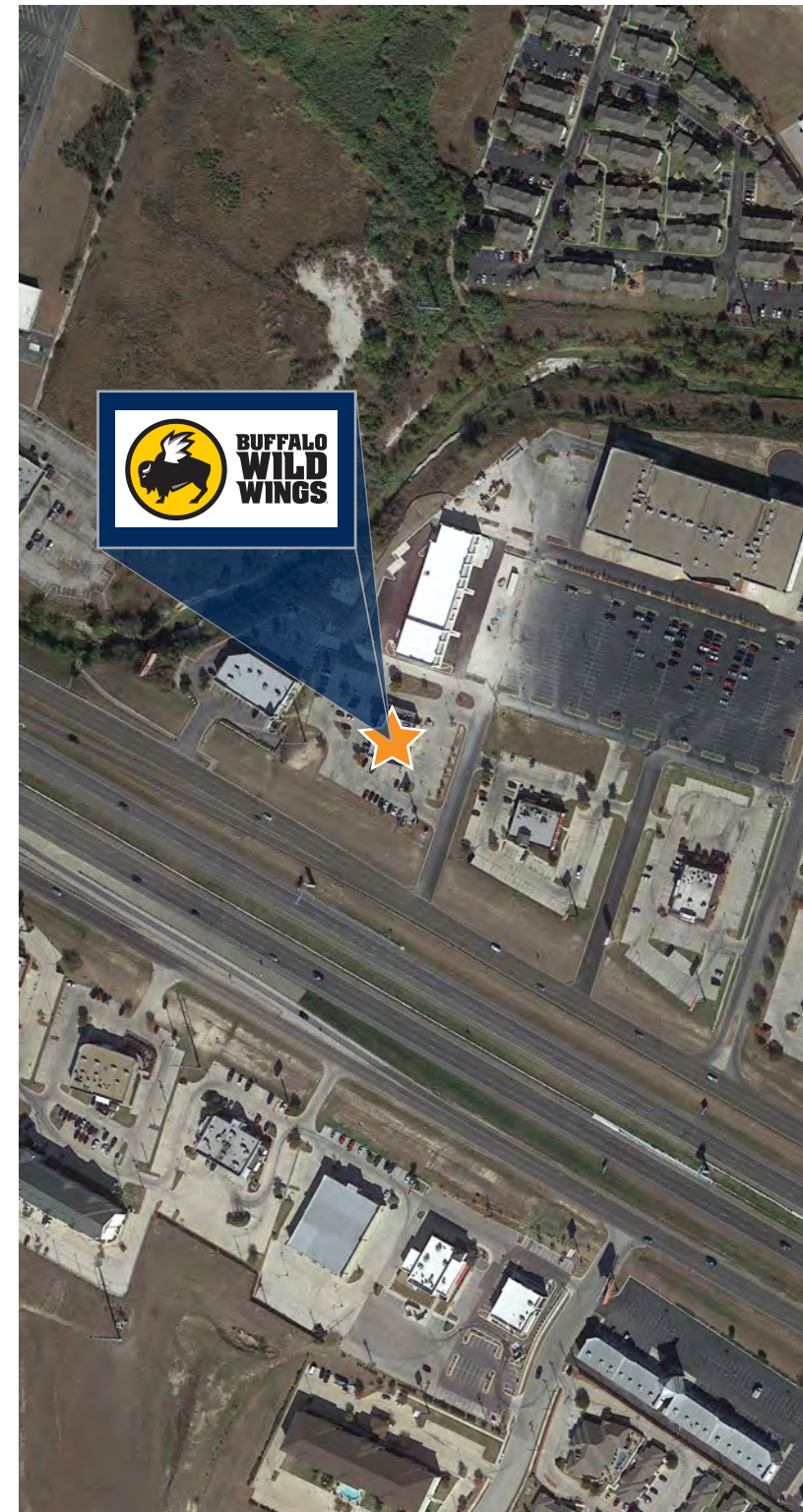
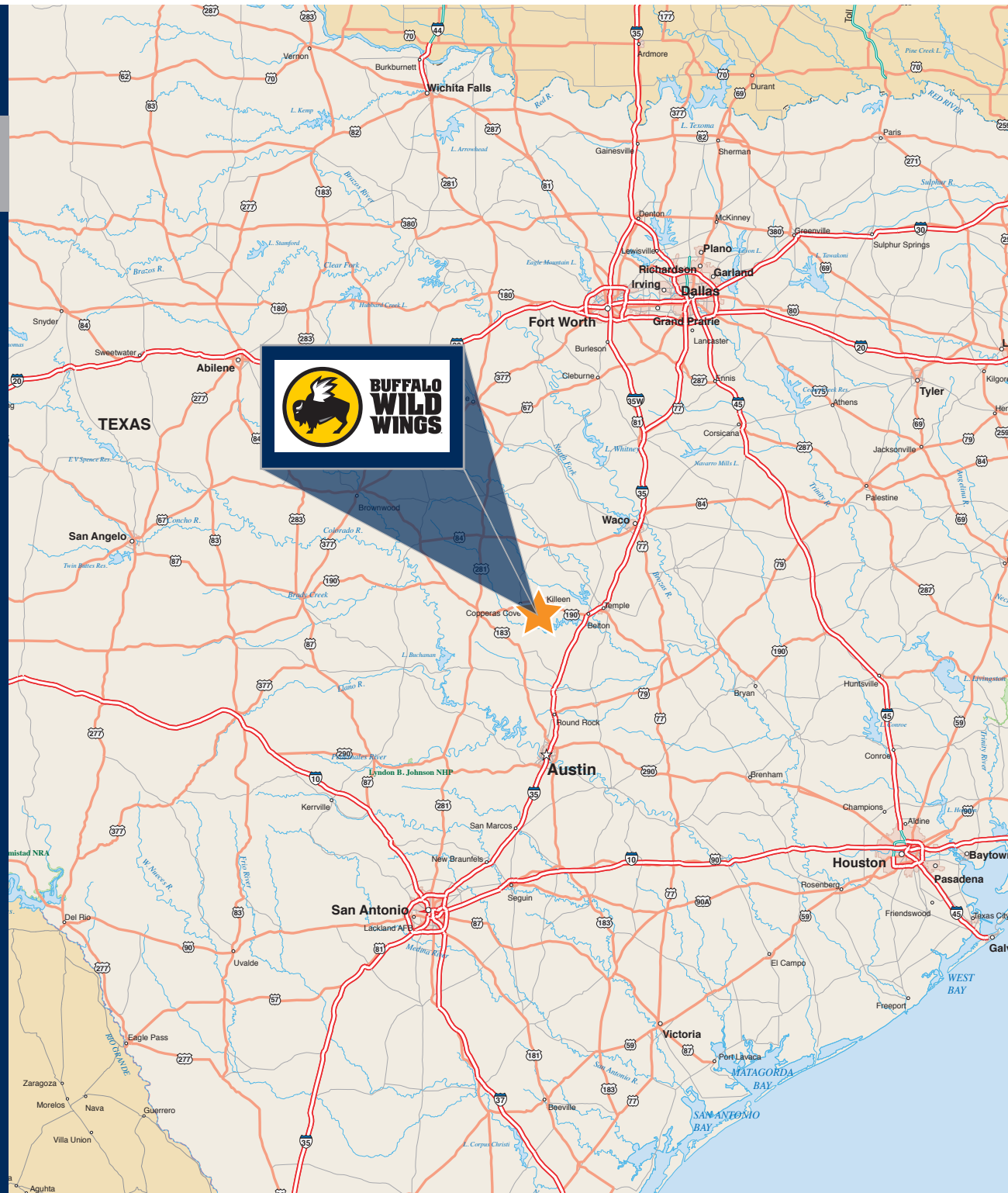


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ACTUAL SITE PHOTO



INVESTMENT SUMMARY

2401 E CENTRAL TEXAS EXPRESSWAY, KILLEEN, TX 76543

PRICE: \$3,136,363

CAP: 5.50%

RENT: \$172,500

OVERVIEW

Price	\$3,136,363
Gross Leasable Area (GLA)	5,581 SF
Lot Size (approx.)	1.52 Acres
Net Operating Income	\$172,500
CAP Rate	5.50%
Year Built / Renovated	1999

LEASE ABSTRACT

Lease Type	NNN
Lease Term	10 Years
Lease Start	5/1/2020
Lease Expiration	Est 5/1/2030
Renewal Options	4X5
Increases	Rent bump 10% rent bumps in options*
Landlord Obligation	None At All

ANNUALIZED OPERATING DATA

Lease Term	Annual Rent
5/01/2020	\$172,500**
4/30/2025	\$189,750
Option 1	\$208,725
Option 2	\$229,597

* Lease was originally 15-years (2004). Tenant extended lease for 10 years (leaving options intact) to commence May 2020. In exchange, rent was reduced to \$172,500. Priced on May 2020 rents.

** 10% rent bumps every 5-years.



INVESTMENT HIGHLIGHTS

- ◆ Guaranteed by Inspire Brands which is a division of Roark Capital
- ◆ True NNN Lease with no landlord obligations
- ◆ 4 five-year options with rent bumps that hedge against inflation
- ◆ Located on Main Retail Corridor with Numerous Surrounding National Retailers
- ◆ Nearby national retailers: Walmart Supercenter, Outback Steakhouse, Chuck E. Cheese, The Home Depot, Olive Garden, and Applebee's Grill + Bar



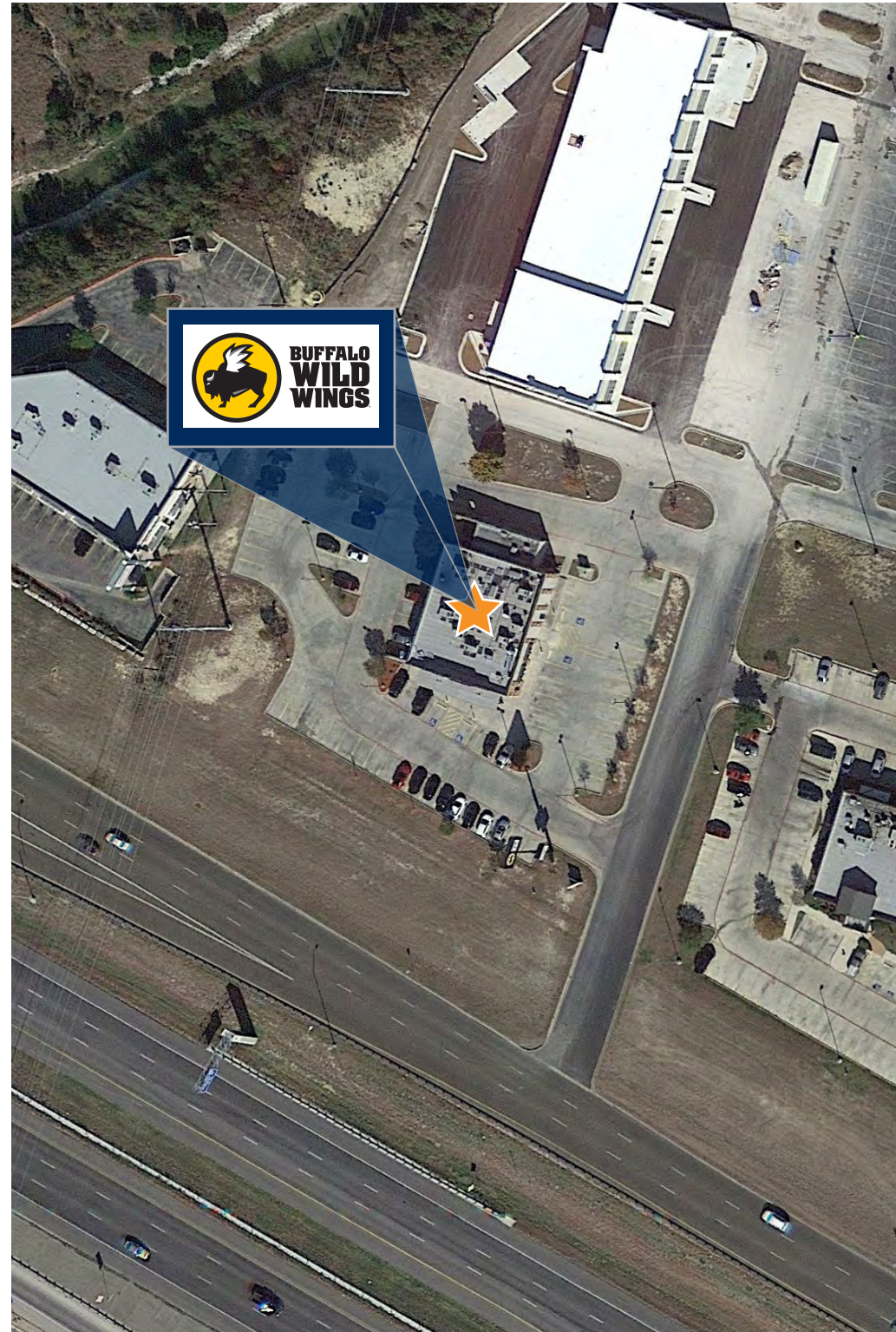
189,560
TOTAL
POPULATION
WITHIN 5-MILE
RADIUS



\$63,030
AVERAGE
HOUSEHOLD
INCOME WITHIN
5-MILE RADIUS



83,000 VPD - US HWY 190
4,690 VPD - ILLINOIS AVE



INVESTMENT HIGHLIGHTS

This passive investment opportunity is a true NNN lease and offers rent bumps to hedge against inflation. There are 4 five-year options on this 10-year lease, and no landlord obligations.

The lease originally started as a 15 year lease in 2004, but the Tenant extended for another 10-years leaving the options intact. The rents were slightly reduced to accommodate the extended term.

The site is priced on future rents (May 2020). Current rent is \$183,804. Seller to credit buyer the differential (if any) upon close of escrow.

The subject property is in Killeen, TX, which is the heart of the Grand Central Texas Region. Major highways that run through Killeen are Interstate 14/ U.S. Highway 190. The subject site is located directly on this highway. Nearby national retailers attract customers to the subject property. Various nearby retailers include: Outback Steakhouse, Chuck E. Cheese, The Home Depot, Olive Garden, and Applebee's Grill + Bar.



NNN

**True NNN Lease with
no landlord obligations**



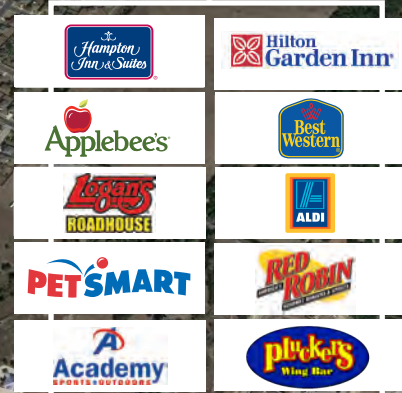
**Property located
on Interstate 14 / U.S.
Highway 190, the main
highway in Central Texas**



**Strategic in its
proximity to Fort Hood
Military Base**



**The Texas A&M University-
Central Texas, the newest
addition to The Texas A&M
University System, is
located in Killeen**





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TENANT SUMMARY

BUFFALO WILD WINGS

Buffalo Wild Wings is a casual dining restaurant and bar that is best known as a great place to gather with friends, watch sports and eat chicken wings. It has won many awards as the “Best Wings” and “Best Sports Bar” across the U.S. and continues to attract customers with its boldly flavored and delicious wings.

The first Buffalo Wild Wings restaurant opened in 1982 in Columbus, Ohio and has since grown to over 1,160 restaurants in almost every U.S. State. It began franchising in 1991 and became publicly held in 2003. Today, there are Buffalo Wild Wings restaurants all over the world in places such as Mexico, The Philippines, Saudi Arabia, and the United Arab Emirates. The company is headquartered in Minneapolis, Minnesota. They franchise and directly own their restaurants. For the fiscal year 2014, the company reported revenues of more than \$1.4 billion, as well as net earnings growth of more than 31 percent.

In 2017, the restaurant chain was purchased by Roark Capital Group for \$2.4 billion, adding to the equity firm’s stable restaurants including Arby’s, Cinnabon, Auntie Annie’s, Corner Bakery, and many more. The Atlanta-based private equity firm has raised over \$12 billion in equity capital since inception. After purchasing Buffalo Wild Wings, Roark Capital Group placed Arby’s, Buffalo Wild Wings, Rusty Tacos, and Sonic, all under a new name: Inspired Brands.

AlamoWing Killeen, LLC now known as Blazin Wings, the franchisee, privately held operator, is one of the largest Buffalo Wild Wings franchisees in the country, has a development agreement to build 42 restaurants over the next 8-10 years. As of 2007, they currently operated 15+ Buffalo Wild Wings with several more under construction. In addition, they are one of the nation’s largest Little Caesar’s Pizza franchisees with 25 locations.

- ◆ Owned by Roark Capital Group
- ◆ First store opened in 1982 in Columbus, OH
- ◆ Headquartered in Minneapolis, MN
- ◆ Roark Capital Group
 - Placed BWW under Inspired Brands



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ACTUAL SITE PHOTO

BUFFALO WILD WINGS



MINNEAPOLIS, MN

HEADQUARTERS

PAUL BROWN

CEO

1982

ESTABLISHED

ROARK CAPITAL GROUP

OWNERSHIP

1,238

LOCATIONS
(June 2017)

\$1.99 (BIL)

REVENUE
(2016)

\$94.21 (MIL)

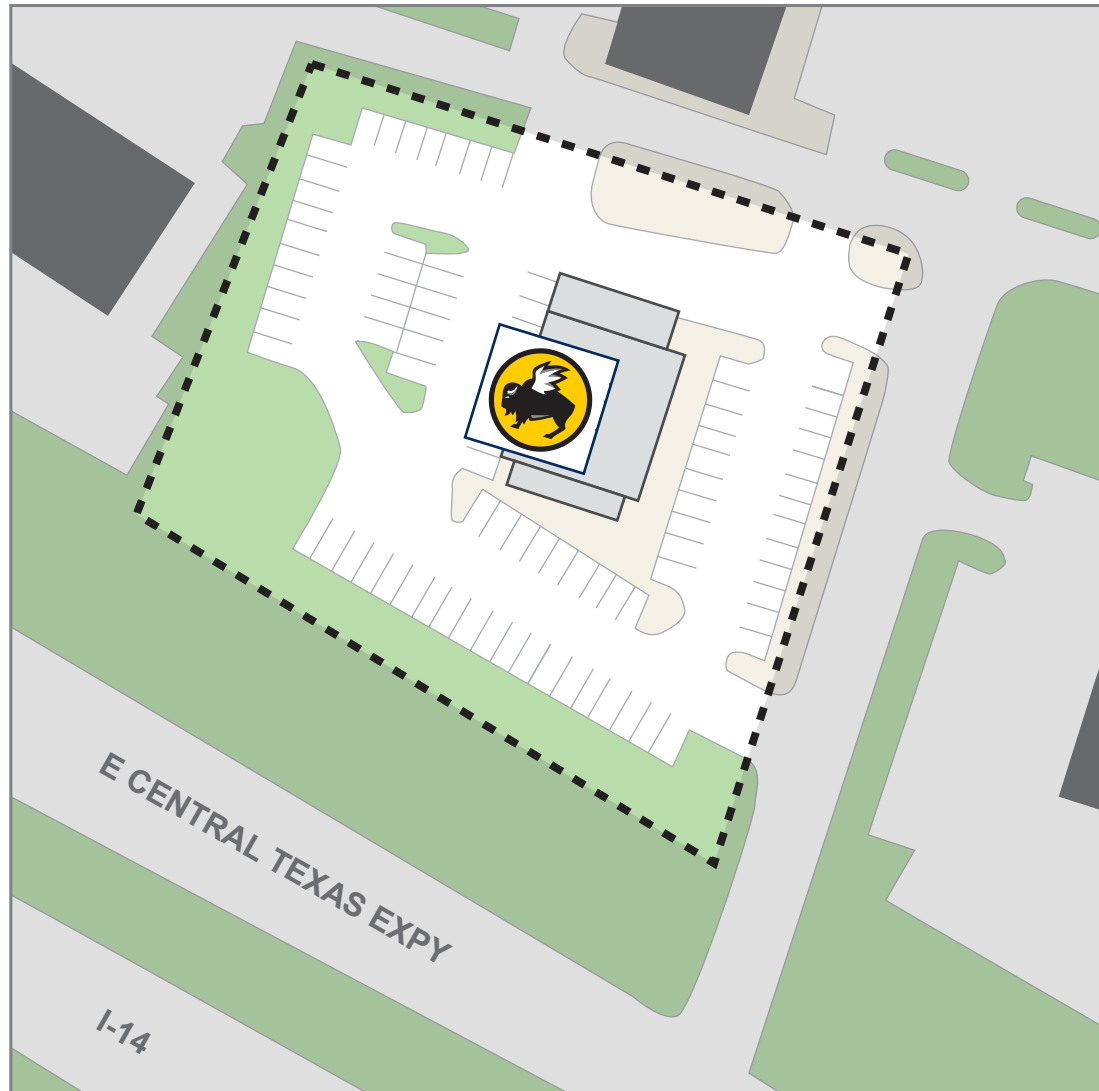
NET INCOME
(2016)

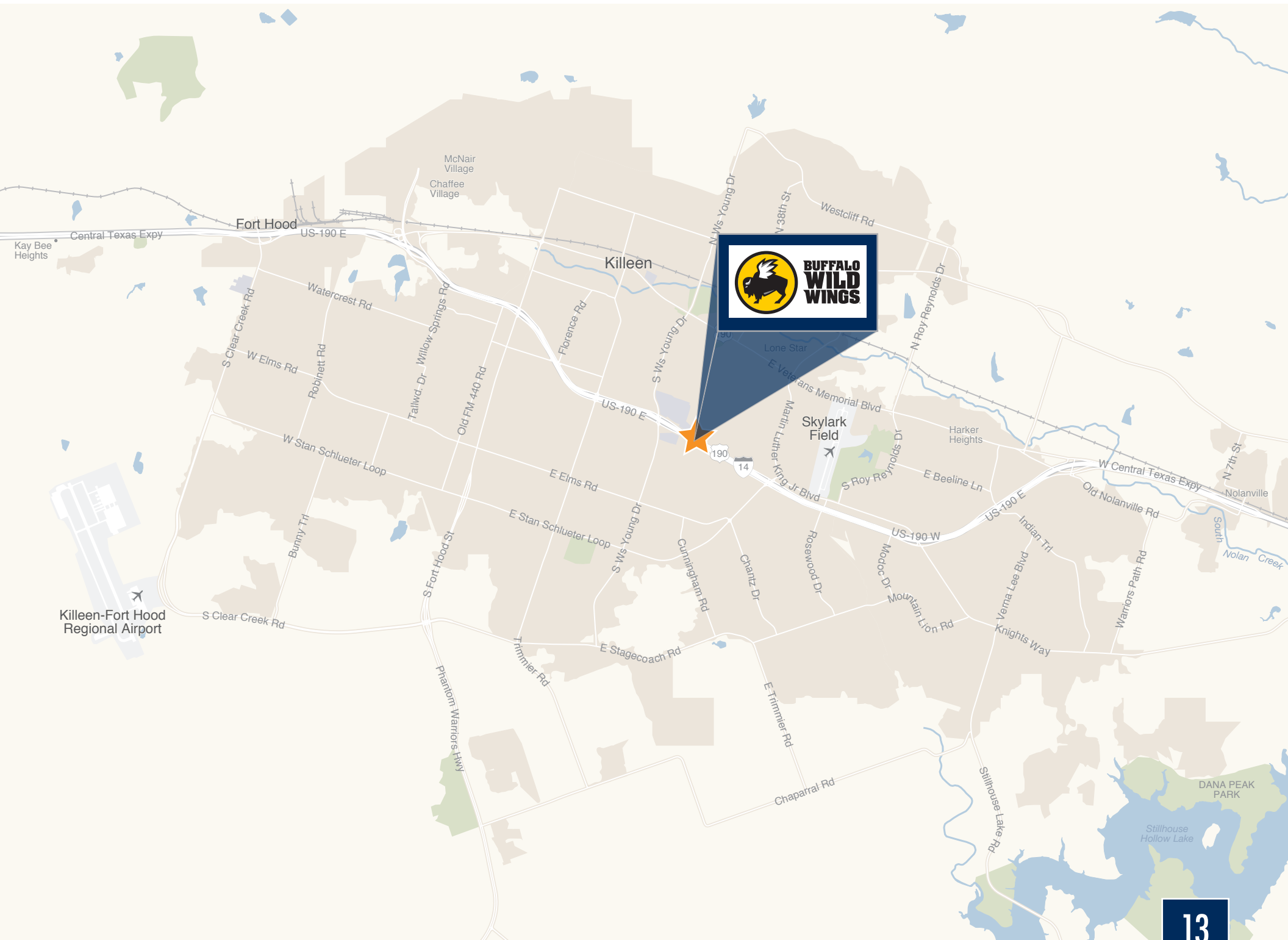
WWW.BUFFALOWILDWINGS.COM

WEBSITE



SITE PLAN







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LOCATION OVERVIEW

KILLEEN, TEXAS

Killeen is a city in central Texas, known for the Fort Hood military base and its beautiful lakeshore campground. Killeen is the 21st most populous city in Texas. Major highways that run through Killeen are Interstate 14/ U.S. Highway 190, which create the heart of the Grand Central Texas Region. These highways connect Killeen to surrounding areas in Texas and make the area easily accessible. Killeen is approximately 50 miles southwest of Waco and about 60 miles north of the capital city of Austin.

The Fort Hood Military Base in Killeen, a 214,968-acre installation, is the only post in the United States capable of stationing and training two Armored Divisions. The post is named after Confederate General John Bell Hood who led the Texas Brigade against the U.S. Army during the American Civil War. Killeen has created an extremely supportive community by having many resources and networks available for Army families.

Transportation in Killeen is easy and accessible to everyone. The HOP, operated by Hill Country Transit District, is a regional public transit system which covers over 9,000 square miles, serving a nine-county area. The system consists of three divisions: the nine-county Rural Division, the Killeen Urban Division consisting of Copperas Cove, Harker Heights, and Killeen; and the Temple Urban Division consisting of Belton

and Temple. The Killeen-Fort Hood Regional Airport is also located in Killeen. It is a small military/ commercial joint-use airport which operated alongside Robert Gray Army Airfield.

The Dana Peak Park is one of the most popular areas to visit in Killeen. It is a campground and day-time park located on a peninsula on the shoreline of Stillhouse Hollow Lake. The area offers water sports, hiking, biking, horseback riding, picnicking, hunting, fishing, and much more. There is a 6,340-acre lake, located 15 miles upstream from the Lampas and Leon Rivers, which flow into the Little River at Dana Peak Park, serving as the perfect lake for a hot summer's day.

The Texas A&M University-Central Texas is the newest addition to The Texas A&M University System, one of the largest systems of higher education in the nation. This public university has over 3,470 students and offers various undergraduate, graduate, and online degree programs. The University was established in 2009 and emphasizes access and affordability along with a great education. Whether you are in Killeen visiting Dana Peak Park or looking to pursue your next business venture, the city's easy accessibility and various attractions make it the perfect place to meet everyone's needs.



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MAJOR EMPLOYERS KILLEEN, TX

III Corp & Fort Hood Government	36,187
Military Defense Contractors & Others Defense Contractor	7,502
Killeen ISD Education	6,000
Civilian Personnel Office Government	5,493
Teleperformance Call Center	1,800
Central Texas College Education	1,488
City of Killeen Government	1,282
AdventHealth Health Care	1,000
Z-Systems Defense Contractor	413
ESP, Inc. Defense Contractor	420

LOCATION HIGHLIGHTS

KILLEEN, TX

STRATEGICALLY LOCATED NEAR FORT HOOD MILITARY BASE



Area's main highway,
Interstate 14 / U.S. Highway
190, runs through
subject property



Located in city with one
of the largest military
installations in the world:
Fort Hood



Other notable tenants in
area draw business
(i.e. Walmart Supercenter,
The Home Depot,
Outback Steakhouse,
Ford, Foot Locker, etc)



Strong visibility
for multiple points
of ingress/egress

DEMOGRAPHICS / KILLEEN, TX



189,560

Total Population Within 5-Mile Radius



\$63,030

Average Household Income
Within 5-Mile Radius



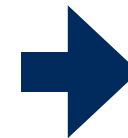
\$49,908

Median Household Income
Within 5-Mile Radius



68,938

Total Households in 5-Mile Radius



73.58%

From 2000



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POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	10,826	93,547	189,560
2018A Estimate	9,952	86,791	171,029
Growth 2018A - 2023	8.78%	7.78%	10.84%
2000 Census	7,830	65,543	108,791
2010 Census	9,554	79,639	156,018
Growth 2000 - 2010	22.02%	21.51%	43.41%

HOUSEHOLDS	1 MILES	3 MILES	5 MILES
2023 Projections	4,508	36,682	68,938
2018A Estimate	4,087	33,749	61,671
Growth 2018A - 2023	10.29%	8.69%	11.78%
2000 Census	3,061	25,113	39,714
2010 Census	3,873	31,013	56,319
Growth 2000 - 2010	26.51%	23.49%	41.81%

HOUSEHOLDS BY INCOME	1 MILES	3 MILES	5 MILES
\$200,000 or More	0.86%	2.13%	1.86%
\$150,000 - \$199,999	1.11%	1.82%	2.52%
\$100,000 - \$149,999	7.04%	8.62%	10.04%
\$75,000 - \$99,999	14.21%	13.21%	13.55%
\$50,000 - \$74,999	20.68%	21.49%	21.94%
\$35,000 - \$49,999	22.19%	16.45%	16.76%
\$25,000 - \$34,999	13.37%	12.62%	11.77%
\$15,000 - \$24,999	11.03%	12.20%	11.03%
\$10,000 - \$14,999	4.90%	4.49%	3.86%
Under \$9,999	4.62%	6.96%	6.67%
2018A Est. Average Household Income	\$54,831	\$61,063	\$63,030
2018A Est. Median Household Income	\$44,653	\$46,898	\$49,908
2018A Est. Per Capita Income	\$22,517	\$23,774	\$23,041

POPULATION PROFILE	1 MILES	3 MILES	5 MILES
2018A Estimated Population by Age	9,952	86,791	171,029
Under 4	9.6%	9.8%	9.9%
5 to 14 Years	14.6%	15.3%	15.9%
15 to 17 Years	3.3%	3.8%	4.0%
18 to 19 Years	2.3%	2.4%	2.8%
20 to 24 Years	11.1%	9.5%	10.7%
25 to 29 Years	12.6%	10.9%	11.0%
30 to 34 Years	9.5%	8.9%	9.0%
35 to 39 Years	7.2%	7.3%	7.4%
40 to 49 Years	9.5%	11.0%	10.9%
50 to 59 Years	9.3%	9.7%	8.9%
60 to 64 Years	3.4%	3.5%	3.2%
65 to 69 Years	2.8%	2.8%	2.4%
70 to 74 Years	1.8%	2.0%	1.7%
Age 75+	3.0%	3.1%	2.4%
2018A Median Age	28.5	29.2	28.0

Population 25+ by Education Level	5,880	51,400	97,027
Elementary (0-8)	2.31%	3.50%	2.52%
Some High School (9-11)	4.89%	5.80%	5.13%
High School Graduate (12)	26.66%	27.55%	26.48%
Some College (13-15)	32.58%	32.34%	33.72%
Associates Degree Only	12.67%	11.17%	11.69%
Bachelors Degree Only	15.91%	13.31%	13.91%
Graduate Degree	4.12%	5.38%	5.60%



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**KILLEEN
TEXAS**

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