



TRINITY

REAL ESTATE INVESTMENT SERVICES



# DAIRY QUEEN - HOUSTON MSA

9870 FM 1097 RD W, WILLIS, TX 77318

\$2,817,024

6.25% CAP

TRINITYREIS.COM

Actual Property





WILLIS, TX

**\$2,817,024 | 6.25% CAP**

- Newly Developed Dairy Queen with 17.5+ Years Remaining
- Located Just 25 Miles from Houston
- Location is Already Reporting Above Average Sales
- Booming Trade Area with 31% Growth in the 5 Mile Radius Since 2010 with an Additional 14% Projected by 2024
- Affluent Area with an Average Household Income of \$84,000/yr. in the 5 Mile Radius
- Situated on FM 1097 With +/- 17,500 VPD and Just a Half Mile From I-45 With +/- 56,000 VPD
- Lots of New Development in the Surrounding Area Including a 30,000 sf. Medical Office Building Soon to Break Ground Directly Across the Street
- 10% Increases Every 5 Years

## EXCLUSIVELY MARKETING BY:

**ERIC NORREGAARD**

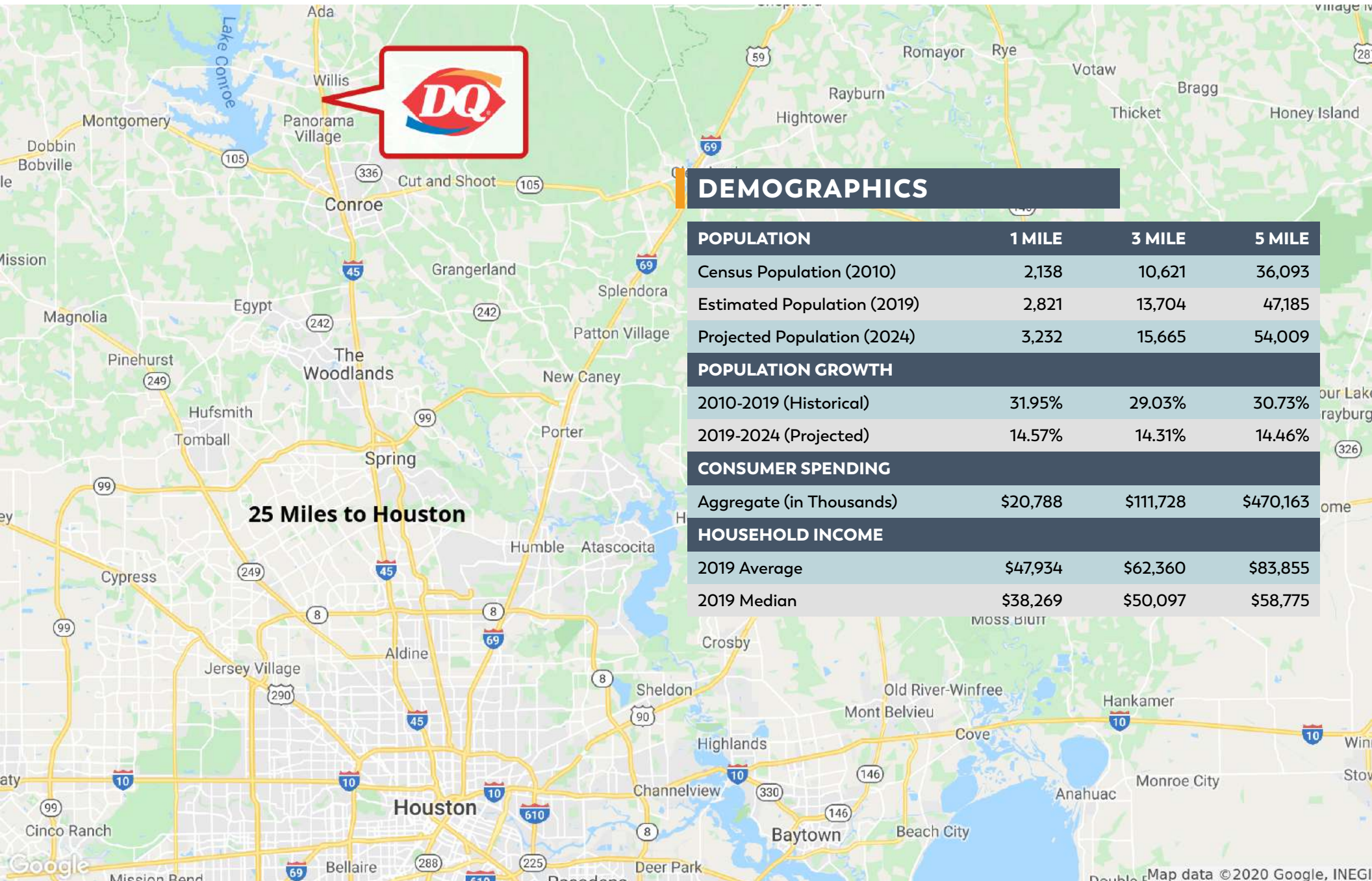
817.262.9945 | eric@trinityreis.com

## PROPERTY DETAILS:

Building Area:	3,224 SF
Land Area:	.92 AC
Year Built:	2017
Guarantor:	2 Personal Guarantees from Operators
Price (Psf):	\$873.77

## LEASE OVERVIEW:

Remaining Lease Term:	17.5+ Years
Rent Commencement:	10/9/2017
Lease Expiration:	10/31/2037
Base Annual Rent:	\$176,064
Lease Type:	NNN
Scheduled Rent Increases:	10% Every 5 Years; Next to Occur 11/1/2022
Options:	Two (2), 5-Year
Insurance:	PAID BY Tenant
Parking Lot Maintenance:	PAID BY Tenant
Property Taxes:	PAID BY Tenant
Roof & Structure:	PAID BY Tenant
HVAC:	PAID BY Tenant



## DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
Census Population (2010)	2,138	10,621	36,093
Estimated Population (2019)	2,821	13,704	47,185
Projected Population (2024)	3,232	15,665	54,009
POPULATION GROWTH			
2010-2019 (Historical)	31.95%	29.03%	30.73%
2019-2024 (Projected)	14.57%	14.31%	14.46%
CONSUMER SPENDING			
Aggregate (in Thousands)	\$20,788	\$111,728	\$470,163
HOUSEHOLD INCOME			
2019 Average	\$47,934	\$62,360	\$83,855
2019 Median	\$38,269	\$50,097	\$58,775



# RETAILER MAP

9870 FM 1097 RD W | WILLIS, TX



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Actual Property





Actual Property



## Key Demographics 5 Miles



Historical Growth  
2010 - 2019  
30.73%



Projected Growth  
2019 - 2024  
14.46%



STONE RIDGE  
VETERINARY  
MEDICAL CENTER

Cricket  
Hollow  
APARTMENT HOMES



FM 1097 Rd W - 17,500+ VPD

Actual Property



# RETAILER MAP

9870 FM 1097 RD W | WILLIS, TX









## TENANT SUMMARY

American Dairy Queen Corporation is a subsidiary of Berkshire Hathaway, Inc. DQ® operators have been providing consumers with crave-satisfying treats and food since 1940. The founders of the Dairy Queen® system were men and women who introduced a new kind of dessert treat and, in the process, developed the foundation of the franchising industry. The history of the DQ® system is a story of a unique product that created an industry. For more than 70 years, the DQ® system's recipe for success has been simple. It's been a combination of hardworking people who own and operate restaurants, and great-tasting food and tempting treats served in our establishments.

## STRATEGY

Although much has changed in the world and in the DQ® system through the years, one constant has remained: DQ® restaurants are still, and always have been, the place to find kids' sports teams celebrating a victory, business people on their lunch break and families taking time out to enjoy great food and soft serve treats. And success for the DQ® system is as simple today as it was in 1940. Satisfied customers lead to successful restaurants. Each owner of our independently owned and operated establishments worldwide is committed to nothing less than the "Fan Food not Fast Food" slogan.



## TENANT DETAILS:

Tenant Name:	Dairy Queen
Tenant Type:	Net-Leased Restaurant
Parent Company Trade Name:	Berkshire Hathaway (BRK)
Ownership:	6-Unit Franchisee   2 Personal Guarantees
No. of Locations:	6,000+ (as of August 2017)
Website:	dairyqueen.com
Year Founded:	1940
Credit Rating (S&P):	AA
No. of Employees:	30,000+/-
Headquartered:	Edina, Minnesota



- Houston is most populated city in Texas, and the 4th most populated city in the US, behind only New York City, Los Angeles, and Chicago.
- The Greater Houston area produces a GDP of 325.5B, which would rank as the world's 32nd largest economy.
- 23 Fortune 500 companies are headquartered in Houston, 2nd most in the US.
- Ranked #1 as Forbes' 'America's Fastest Growing Cities' in 2015
- The Port of Houston is the largest port in the United States, and the 10th largest in the world, in terms of tonnage handled annually.
- Houston's diverse economy is internationally competitive in the fields of energy, aeronautics, shipping, and technology industries.
- Houston's three airports serve 55 million passengers annually, including over 10 million international passengers

## WILLIS **5 MILE RADIUS** KEY DEMOGRAPHICS



**30.73%**

2010-2019  
Growth/Yr:  
Population



**\$83,855**

2019 Average  
Household Income



**14.46%**

2019-2024  
Growth/Yr:  
Population



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All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Trinity Real Estate Investment Services in compliance with all applicable fair housing and equal opportunity laws.

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Actual Property



# 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.

Regulated by the Texas Real Estate Commission

Information available at [www.trec.texas.gov](http://www.trec.texas.gov)  
IABS 1-0 / 11-2-2015



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