



OFFERING MEMORANDUM

PRESERVE
WEST
CAPITAL



Denny's
El Paso, TX

This property is listed in conjunction with Texas-licensed real estate broker Delta Commercial.

www.preservewestcapital.com



PROPERTY HIGHLIGHTS	1	AERIALS	5
PROPERTY INFORMATION	2	ABOUT THE AREA	6
TENANT INFORMATION	3	DEMOGRAPHICS	8
SITE PLAN	4		

Disclaimer

MGM Capital Corp dba Preserve West Capital ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

Michael Maffia

Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

Putnam Daily

Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064



Property Highlights

- Long-Term Absolute Net Lease to Largest Denny's Franchisee with 10+ Years
 - Scheduled Rental Escalation in October 2020
 - Lease Entity Operates 127 Denny's Locations
 - Strong Performing Location with Healthy Rent-to-Sales Ratio
- Prominent Retail Location Along Dyer Street Retail Corridor
 - 29,440 AADT
 - 2 Miles from US-54 Arterial Junction – 78,131 AADT
- Substantial Tenant Investment In Site, Ensuring Long Term Occupancy
 - 51-Year Operating History at this Location
 - \$440,000+ in Renovations and Improvements in Past Year
- Located Approximately 5 Miles from Fort Bliss Army Base
 - El Paso's Largest Employer with 45,376 Civilian and Military Personnel
 - Economic Impact of \$23.13 Billion
- Robust Demographics in Surrounding Area
 - Population of 501,256 within 10 Mile Radius
- Prominent Retail Location Neighboring Shopping Centers and Major Retail Tenants
 - Nearby Anchor Tenants include Walmart, Sam's Club, Walgreens & more
- 2 Miles from El Paso Community College – Transmountain Campus
 - 4,000+ Students Enrolled
- El Paso is Regional Economic Hub
 - Regional Population Exceeds 2.7 Million
 - Largest Bilingual/Binational Workforce in Western Hemisphere



PRICE

\$1,654,000

5.00% Return

Location

The property is located at 9567 Dyer Street in El Paso, Texas.

Lot Size

Approximately 0.79 acres or 34,760 square feet.

Improvements

A 3,711 square foot retail building for **Denny's**.

Parking

There are 55 parking spaces available on site.

Financing

This property will be delivered free and clear of permanent financing.

Lease

Leased to **Sunrise Restaurants, LLC** from March 1, 1969 through September 30, 2030 at a current annual rent of \$77,280. Rent is to increase to \$82,712 in October 2020. The lease is net with tenant responsible for all taxes, insurance, and maintenance.

The tenant has no remaining options to renew the lease; however, given their strong performance and long operating history at this location, this provides an opportunity for a Buyer to restructure with the tenant.

Annual Rent

Years	Annual Rent	Return
Current – Sept. 2020	\$77,280	n/a
Oct. 2020 – Sept. 2030	\$82,712	5.00%



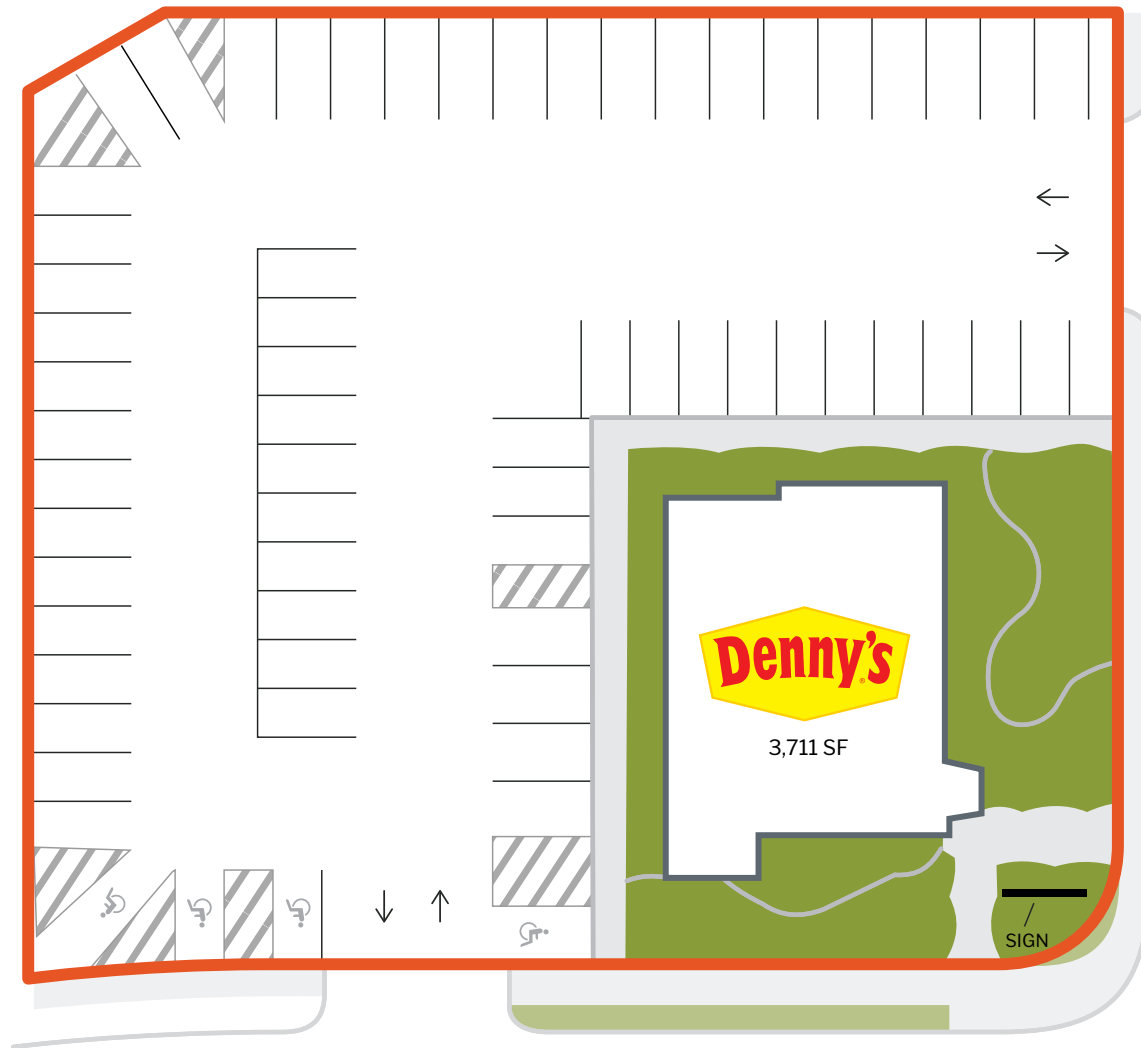
The tenant has operated at this location since 1969.



Denny's (NASDAQ: DENN) serves a wide variety of breakfast, lunch, and dinner items in a casual diner environment at more than 1,709 locations worldwide, most of which are open 24/7. The company is one of the largest franchised full-service restaurant brands in the U.S., with 1,578 U.S. and 131 international locations and combined sales of \$2.9 billion; approximately 90% of Denny's restaurants are franchised. For the fourth quarter of 2019, the company reported revenue of \$113.8 million and net income of \$18.6 million.

Sunrise Restaurants, LLC, the lease entity, is an affiliate of **WKS Restaurant Group** which operates 127 Denny's locations generating more than \$200 million in revenue annually. In October 2019, Sunrise Restaurants, LLC acquired QK Holdings, LLC, and the 94 Denny's locations it operated, emerging as the largest franchisee in the Denny's system. WKS Restaurant Group is a franchisee of Corner Bakery Café, Blaze Pizza, Wendy's, Denny's, El Pollo Loco, and Krispy Kreme Donuts, operating 302 restaurants across 16 states. WKS Restaurant Group is the largest franchisee of Denny's, El Pollo Loco, and Krispy Kreme Donuts, and is the largest Wendy's franchisee in California.

SITE PLAN



RAINTREE AVENUE

DYER STREET

AERIAL

SOUTH VIEW

Fort Bliss Army Base
45,376 Civilian & Military Personnel

University Medical
Center of El Paso

El Paso



THE UNIVERSITY OF
TEXAS AT EL PASO

25k+ Students Enrolled

Underwood
Golf Complex



(82,890 AADT)

Chapin
High School

Magoffin
Middle School



Northgate Transfer Center
New 93k SF Development



Moye
Elementary

Diana Dr (10,680 AADT)

Denny's



STAGE

CVS/pharmacy



DUNKIN'



Bank of America

wt
Western Tech

Diana Campus

Western
Crosby
Apartments

The Trails at Rancho Vista
Apartments

Irvin
High School

ROSS **dd's**
DRESS FOR LESS DISCOUNTS

POPEYES
LOUISIANA KITCHEN

POCKETS

Wendy's



Raintree Village
Apartments

baskinBRobbins

Walgreens

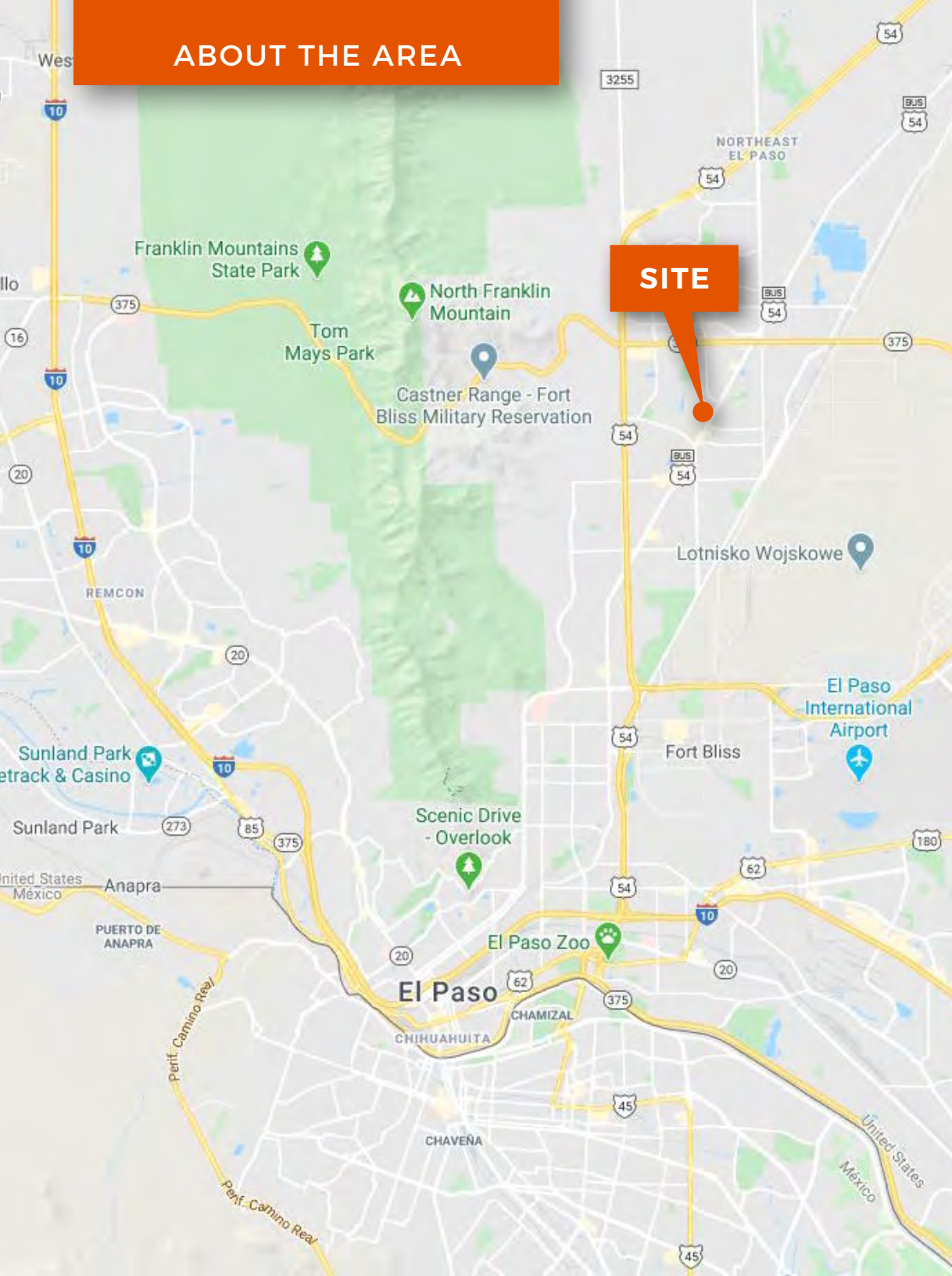


**Superlodge
MOTEL**

LONG JOHN SILVER'S

Dyer St (29,440 AADT)

ABOUT THE AREA



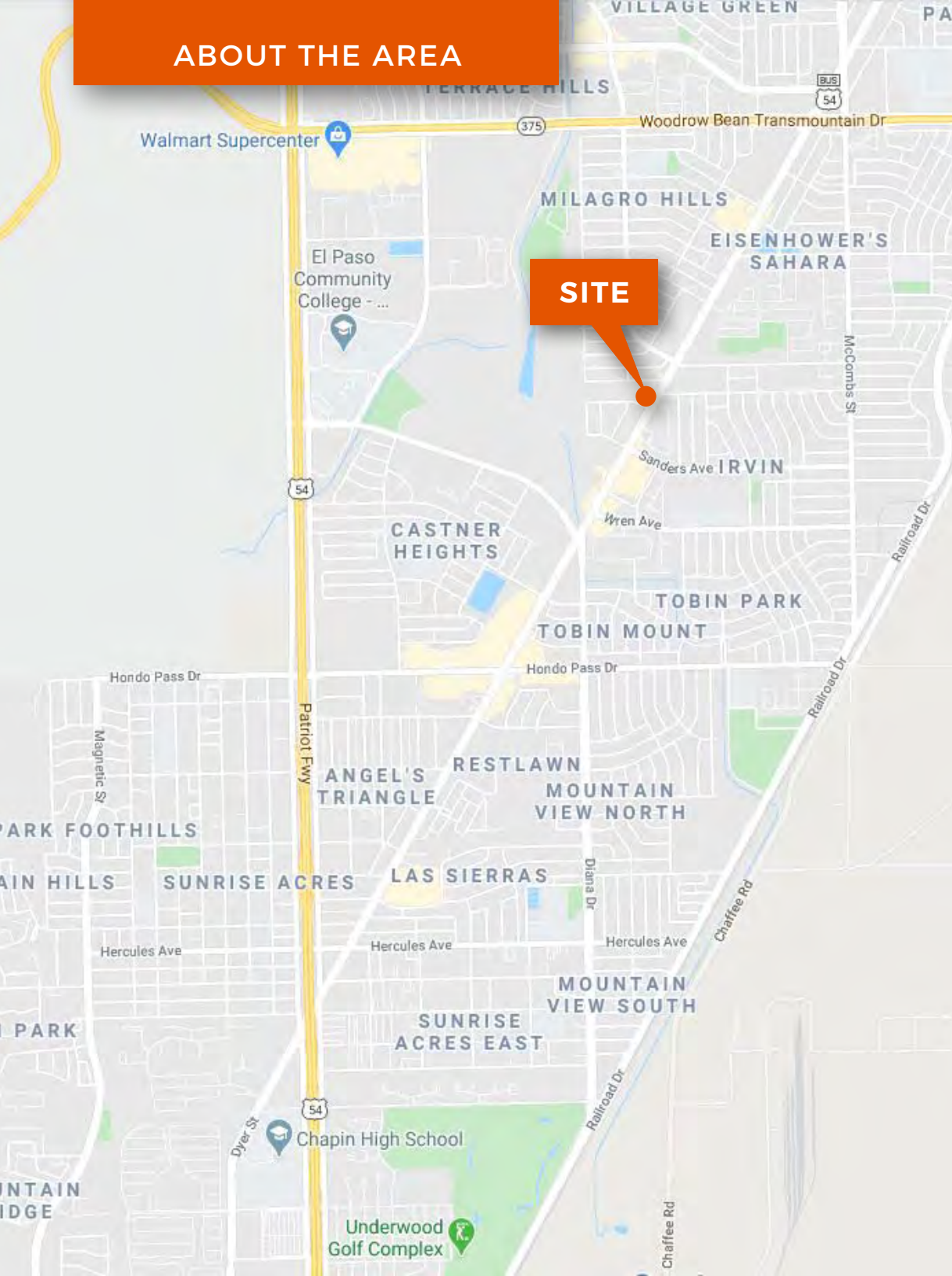
General Overview

El Paso (population 682,669) is the seat of El Paso county. The city is situated in the far western corner of Texas neighboring its border with New Mexico as well as the Rio Grande river and the U.S.-Mexico border. El Paso is the sixth largest city in Texas and the largest U.S. city on the U.S.-Mexico border, and is part of the El Paso-Juarez-Las Cruces binational metropolitan area, with a regional population exceeding 2.7 million and the largest bilingual, binational work force in the Western Hemisphere. The city also serves as the second busiest international crossing point between Mexico and the U.S. after San Diego.

The region benefits from a robust economic base in manufacturing, international trade, military and defense, oil and gas, healthcare, and more, with a GDP of approximately \$29.1 billion. The city is home to Biggs Army Airfield and Fort Bliss, the city's largest employer with an economic impact exceeding \$23 billion statewide. Major companies based in the city include Western Refining, Helen of Troy Limited, El Paso Electric, Western Refining Logistics, Fred Loya Insurance, and more. Other major companies with a significant presence in the region include AT&T, ADP, Boeing, Charles Schwab, Delphi, Dish Network, Eureka, Hoover, Raytheon, Prudential Financial, USAA, Verizon Wireless, Fred Loya, and more. The city also serves as a regional medical hub, featuring numerous state-of-the-art medical centers, including University Medical Center, the only Level I trauma center in the region. The city is also home to the Medical Center of the Americas, which provides support for expansion of the region's biomedical industry, research and innovation, product development, and startup incubation from its 440-acre medical campus.

El Paso has received recognition in recent years for economic development and quality of life. The Quality Texas Foundation acknowledged El Paso for Achievement in Organizational Development and WalletHub called it the Best Run City in Texas in 2018. El Paso has been given credit for its low cost of living by Forbes and was ranked 6th on SafeWise's Top 10 Safest Metro Cities in the U.S with populations over 300,000.

ABOUT THE AREA



Site Information

The subject property is prominently situated with excellent access and visibility along Dyer Street (29,440 AADT) approximately 1 mile from its junction with TX-375 (23,506 AADT) and approximately 2 miles from US-54 (78,131 AADT). The site benefits from robust demographics with a total daytime population of 501,256 and within 10 miles of the site. Average household income within 5 miles of the site is \$58,111.

The property benefits from a prominent retail location in close proximity to shopping centers and major retail tenants. Nearby retail centers include Plaza Nordeste, anchored by Food King and Family Dollar; Surety Village Shopping Center, anchored by Dollar Tree; Hondo Pass Centre, anchored by Food King; Crosspointe Center, featuring Navy Federal Credit Union and WestStar Bank; Kenworthy Crossing, anchored by Albertsons; North Hills Crossing, featuring Walmart Neighborhood Market, Big Lots, Petco, and Ross; and Freedom Crossing at Fort Bliss, anchored by the Fort Bliss Commissary with additional tenants including Dollar Tree, GNC, Buffalo Wild Wings, and more. Other major retail tenants in the surrounding area include Walmart, Walgreens, Sam's Club, Dollar Tree, Walmart Neighborhood Market, AMC Theaters, Lowe's Home Improvement, and more.

The property benefits from close proximity to Biggs Army Airfield and Fort Bliss, which employ more than 45,000 civilian and military personnel and house more than 10,000. In addition, the property is located approximately one mile from El Paso Community College's Transmountain Campus, with a student body of 4,000+. The site also neighbors Irvin High School and Crosby Elementary School, drawing additional traffic from parents, students, and teachers surrounding the site.



9567 Dyer St | El Paso, TX 79924



TOTAL DAYTIME POPULATION
501,256



MEDIAN HOME VALUE
\$203,096



AVG. HOUSEHOLD INCOME
\$68,370

Population Summary	3 Miles	5 Miles	10 Miles
2010 Total Population	78,486	122,277	423,771
2019 Total Population	79,147	130,544	442,492
2024 Total Population	80,481	135,357	454,605
2019-2024 Annual Rate	0.33%	0.73%	0.54%
Average Household Income			
2019	\$52,143	\$58,111	\$68,370
2024	\$58,858	\$66,274	\$78,337
Average Home Value			
2019	\$131,323	\$146,093	\$203,096
2024	\$145,504	\$164,300	\$240,353

Major Employers in El Paso	# of Employees
Fort Bliss	45,376
Clint Independent School District	14,848
El Paso Independent School District	12,017
Ysleta Independent School District	9,054
Socorro Independent School District	8,041
City of El Paso	6,836
T&T Staffing	5,348
El Paso Community College	3,167
University Medical Center	2,900
University of Texas at El Paso	2,757

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information About Brokerage Services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License

Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you,

you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.





Michael Maffia

Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

Putnam Daily

Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064

PRESERVE
WEST
CAPITAL

