



5104 N STATE LINE AVE

Texarkana, AR 71854

OFFERING MEMORANDUM

LISTED BY:

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LIC NO: 688810 (TX)

BROKER OF RECORD

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Investment Highlights

- » **40-Year Operating History** – Denny's has successfully operated at this location since first opening its doors in 1970. The tenant recently exercised a 5-year renewal option in 2019 further proving their commitment to the market and location. There are currently 4.5-years remaining on the lease with one, 5-year renewal option which includes a 10% rent increase.
- » **90-Unit Operator** – The subject property is operated by Dawn Lafreeda who owns 90 Denny's locations in Texas, Arkansas, and Oklahoma. Dawn is Denny's largest individually owned franchisee and one of the largest female restaurant franchisees in the country.
- » **Absolute NNN Lease** – Tenant pays taxes, insurance, and CAM direct - making this a truly passive investment for a "hands-off" investor.
- » **Ideal Casual Dining Location** – The subject property is located at the intersection of I-30 and State Line Ave, which sees more than 56,000 vehicles daily. Additionally, the property is nestled between several hotels that drive business to this site.
- » **Growing Demographics** – Over the past decade the 1-mile radius surrounding this property has boomed by more than 9%. The population growth over the next 5 years is projected to be nearly 4.30%. The average household income is approximately \$76,000 annually, which is considered to be ideal for a casual dining concept such as Denny's.



Executive Overview



DENNY'S
5104 N. State Line Avenue
TEXARKANA, AR 71854



\$921,460
LIST PRICE



6.50%
CAP RATE



\$59,895
NOI

ANNUALIZED OPERATING DATA

	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current - 12/14/2024	\$4,991.25	\$59,895.00	6.50%
Option 1	\$5,490.38	\$65,884.56	7.15%

LEASE SUMMARY

Tenant	Denny's
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee (90 Units)
GLA	±3,500 SF
Year Built	1970
Lease Type	NNN
Roof and Structure	Tenant Responsible
Rent Commencement Date	12/15/1970
Lease Expiration Date	12/14/2024
Term Remaining	±4.50 Years
Increases	10.00% Every 5 Years
Options	One (1) five (5) year option



Company Name	Denny's Corporation (NASDAQ: DENN)
Ownership	Public
Revenue	\$491.29 M
Net Income	\$35.98 M
No. of Locations	± 1,710
No. of Employees	± 8,500
Headquartered	Spartanburg, South Carolina
Website	www.dennys.com
Year Founded	1953

Denny's is one of the leading full-service, family-style restaurant chains in the US, with more than 1,710 of its signature eateries located across the country. Typically open 24 hours a day, the chain is best known for its menu of breakfast items, including eggs, pancakes, and combination plates carrying such names as All-American Slam, Lumberjack Slam, and the aforementioned Grand Slam Breakfast. Denny's also serves standard American fare (burgers, sandwiches, steak) for lunch and dinner. The company owns and operates about 165 of its restaurants, while the rest are franchised or operate under licensing agreements.

STRATEGY

Like many other chain restaurants, Denny's markets itself as a family-friendly dining establishment featuring good value and quality food items. It relies heavily on discounted price offers and limited-time menu offerings to help drive traffic to its restaurants. Denny's has thrived by stressing value through effective marketing and national advertising campaigns. Franchisees contribute a percentage of their gross revenue to support the national media push to drive traffic to Denny's locations and many make contributions to local marketing co-operatives.

OPERATIONS

The company utilizes franchising as a means to expand and oversee its wide-ranging chain of locations without the cost of owning and operating each of them. Local operators pay royalties or licensing fees in order to use the Denny's brand and other intellectual property.

GEOGRAPHIC REACH

Denny's has 1,710 eateries, including 1,599 restaurants in the US and 111 restaurants in Canada, Chile, Costa Rica, the island of Curaçao, the Dominican Republic, El Salvador, Guam, Honduras, Mexico, Puerto Rico, New Zealand, and the UAE.



**TSC TRACTOR
SUPPLY CO**



**MAGNUSON
HOTEL**

**TEXAS
HIGH SCHOOL**



± 42,000 VPD

N. STATE LINE RD
± 14,000 VPD



**CHRISTUS.
ST. MICHAEL**

**WYNDHAM
HOTEL GROUP**



**WAFFLE
HOUSE**

**BAYMONT
INN & SUITES**

Denny's



± 42,000 VPD



N. STATE LINE RD
± 14,000 VPD



Area Overview



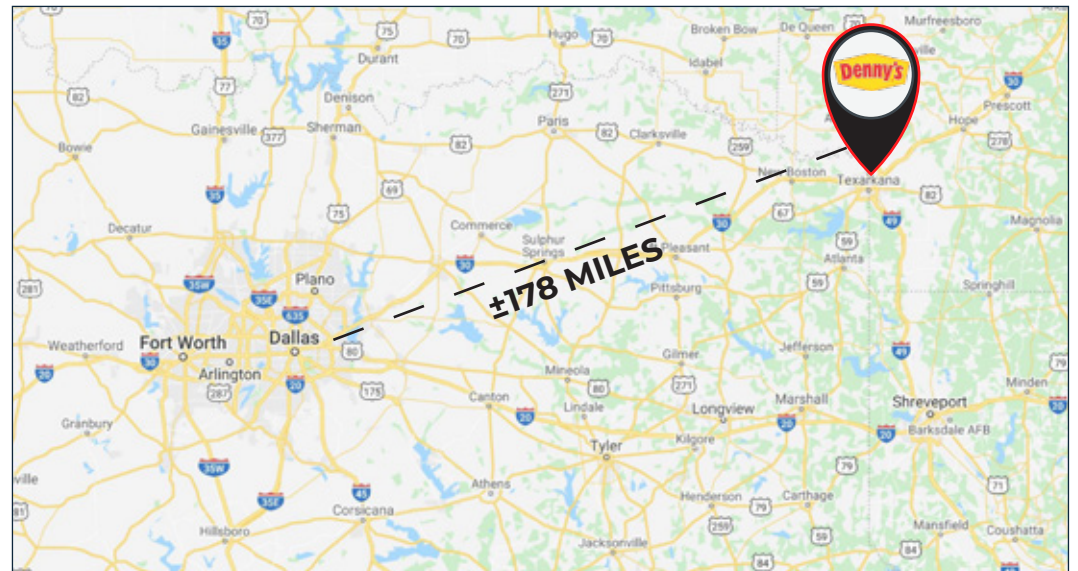
Demographics

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	4,597	36,506	65,398
2020 Estimate	4,408	35,858	63,910
2010 Census	4,042	35,723	62,768
Growth % 2020-2025	4.29%	1.81%	2.33%
Growth % 2010-2020	9.05%	0.38%	1.82%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	1,791	15,289	26,437
2020 Estimate	1,729	15,012	25,756
2010 Census	1,620	14,914	25,077
Growth % 2020-2025	3.59%	1.84%	2.64%
Growth % 2010-2020	6.73%	0.66%	2.71%
INCOME	1-MILE	3-MILE	5-MILE
Average HH Income	\$76,810	\$72,998	\$67,993

Texarkana, AR

The Texarkana Metropolitan Area is a two-county region anchored by the twin cities of Texarkana, Texas and Texarkana, Arkansas, which sit on the state line between the two states. Texarkana is a subset of the broader Ark-La-Tex region and had a population of over 150,000 as of the 2016 census. Located at the crossroads of Interstates 30, 49 and the future Interstate-69, Texarkana is conveniently located and easily accessible to larger cities such as Dallas and Little Rock. The city is located in the Piney Woods, an oak-hickory forest atop the flat Gulf Coastal Plain.

Texarkana began as a railroad and lumber center and developed in the 20th century as a regional agricultural processing, retail, wholesale, and service center. Today the Texarkana area is a diversified economy whose pattern of employment categorized by industry is very similar to the entire state of Arkansas. Unemployment in Texarkana was 2.7% as of April 2018, which is well below the national average.



Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Denny's** located in **5104 N State Line Avenue, Texarkana, AR 71854** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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