



BURGER KING SALE-LEASEBACK

GATESVILLE, TEXAS

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$2,880,000 | 5.00% CAP RATE

- » New 20-Year Absolute NNN Lease with 10% Rental Increases
 - » Burger King is World's Second Largest Fast Food Hamburger Chain (\$1.65 Billion in Revenue)
- » High-Exposure Location and Access to Main Thoroughfares
 - » Convenient Access to U.S. Route 84 (20,000 AADT)
 - » Large 1.36 Acre Parcel
- » Central Location Near Large Employers, Retailers, and Community Hubs
 - » Across the Street from the Only Walmart Supercenter Location Within 33 Miles
 - » Central Location in Gatesville Independent School District (2,788 Students)
- » Located in an Income Tax Free State



FILE PHOTO

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Cushman & Wakefield ("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.

LEAD BROKERS

SCOTT CROWLE

Managing Director

415.604.4288

scott.crowle@cushwake.com

CA RE License #01318288

MICHAEL T. YURAS, CCIM

Executive Managing Director

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

VINCENT AICALE

Executive Director

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

RYAN FORSYTH

Executive Director

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

**YURAS
AICALE
FORSYTH
CROWLE**

Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	2733 Texas Route 36 Business, Gatesville, TX		
PRICE	\$2,880,000		
CAP RATE	5.00%		
NOI	\$144,000		
TERM	20 years		
RENT COMMENCEMENT	At end of Escrow		
LEASE EXPIRATION	20 years from the close of Escrow		
RENTAL INCREASES	10% rental increases every five years		
	YEAR	RENT	RETURN
	1-5	\$144,000	5.00%
	6-10	\$158,400	5.50%
	11-15	\$174,240	6.05%
	16-20	\$191,664	6.66%
	21-25 (Option 1)	\$210,830	7.32%
	26-30 (Option 2)	\$231,913	8.05%
	31-35 (Option 3)	\$255,105	8.86%
	36-40 (Option 4)	\$280,615	9.74%
	41-45 (Option 5)	\$308,677	10.72%
YEAR BUILT	2018		
BUILDING SF	3,072 SF		
PARCEL SIZE	1.36 acres (59,242 SF)		
LEASE TYPE	Absolute NNN sale-leaseback, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

20-YEAR SALE-LEASEBACK TO NATIONAL TENANT WITH STRONG FINANCIALS

- » Absolute NNN sale-leaseback with no landlord management, providing an ideal investment for an out-of-area investor
- » 20-year initial term, plus five (5) five (5) year options, with scheduled rental increases every five years, providing a hedge against inflation
- » Leased to an iconic tenant with brand recognition as the world's second-largest fast food hamburger chain
- » Burger King's annual revenue exceeds \$1.65 billion
- » Located in an income tax free state

HIGH-EXPOSURE LOCATION AND ACCESS TO MAIN THOROUGHFARES

- » Visibility and access to 7,900 vehicles per day directly in front of the property on Texas Route 36
- » Convenient access to U.S. Route 84 (20,000 AADT), increasing commuter traffic to the location
- » Infill location on Gatesville's primary retail corridor, attracting significant traffic to the site
- » Within 1.3 miles of five hotels, including Holiday Inn Express & Suites Gatesville (68 rooms) and Ramada by Wyndham Gatesville (63 rooms)

CENTRAL LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Across the street from the only Walmart Supercenter location within 33 miles of the site
- » Interparcel access to a well-established Walgreens location, directing foot traffic to the property
- » Surrounded by several major national retailers including Pizza Hut, Taco Bell, Ace Hardware, McDonald's, Sonic Drive-In, and many more
- » Central location in Gatesville Independent School District (within one mile of five schools with a combined enrollment of 2,788 students), significantly increasing lunchtime traffic to the site
- » 1.3 miles from the Gatesville Country Club, featuring an 18-hole, par 70 golf course





RAMADA
(63 rooms)

Gatesville
Civic Center

Texas Department Of
Public Safety

84 / U.S. Route 84
(20,000 AADT)

STANLEY
CHRYSLER • DODGE • JEEP • RAM
GATESVILLE

STANLEY
CHEVROLET • BUICK • GMC
GATESVILLE

Gatesville High School
(831 students)

Gatesville Junior
High School
(447 students)

Gatesville
Primary School
(275 students)

Gatesville
Intermediate School
(665 students)

36 / Texas Route 36
(7,900 AADT)

Gatesville
Farm & Ranch Supply

Gatesville
Chamber of
Commerce

Walgreens

MEXICAN GRILL
RODEO

DOLLAR TREE
Little Caesars

Future
Development

SHOE DEPT..
ENCORE

Future
Development

**BURGER
KING**

Aaron's

ACE
Hardware

**MURPHY
USA**

Walmart
Supercenter



DOLLAR GENERAL



TSC TRACTOR SUPPLY CO

TACO BELL

DOWNTOWN GATESVILLE
(2 miles)

SUBWAY

PIZZA HUT TEXAS FIRST STATE BANK

Gatesville Junior High School
(447 students)

Gatesville High School
(831 students)

Gatesville Elementary School
(631 students)

Gatesville Primary & Intermediate Schools
(940 students)

STANLEY
CHEVROLET • BUICK • GMC
GATESVILLE

36 / Texas Route 36
(7,900 AADT)

ACE Hardware

BURGER KING

SHOE DEPT. ENCORE

Walgreens

Aaron's

84 / U.S. Route 84
(20,000 AADT)

Future Development

Future Development

MEXICAN GRILL
RODEO

Walmart
Supercenter

MURPHY USA

DOLLAR TREE
Little Caesars



INDUSTRIAL
REGION

Texas
Department
of Public Safety

INDUSTRIAL
REGION

Aaron's

DOLLAR TREE
Little Caesars

Walmart
Supercenter

84 / U.S. Route 84
(20,000 AADT)

MEXICAN GRILL
RODEO

Walgreens

Future
Development

Future
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STANLEY
CHEVROLET • BUICK • GMC
GATESVILLE

**BURGER
KING**

**SHOE DEPT.
ENCORE**

**MURPHY
USA**

Gatesville
Chamber of
Commerce

Gatesville
Farm & Ranch Supply

36 / Texas Route 36
TEXAS (7,900 AADT)

Gatesville
Intermediate School
(665 students)



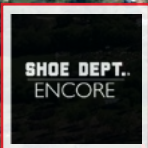
INDUSTRIAL
REGION

84 / U.S. Route 84
(20,000 AADT)

Gatesville Country Club



The Last Drive-In
Picture Show



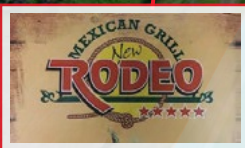
Future
Development

Future
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36 / Texas Route 36
TEXAS (7,900 AADT)

Gatesville
Chamber of
Commerce

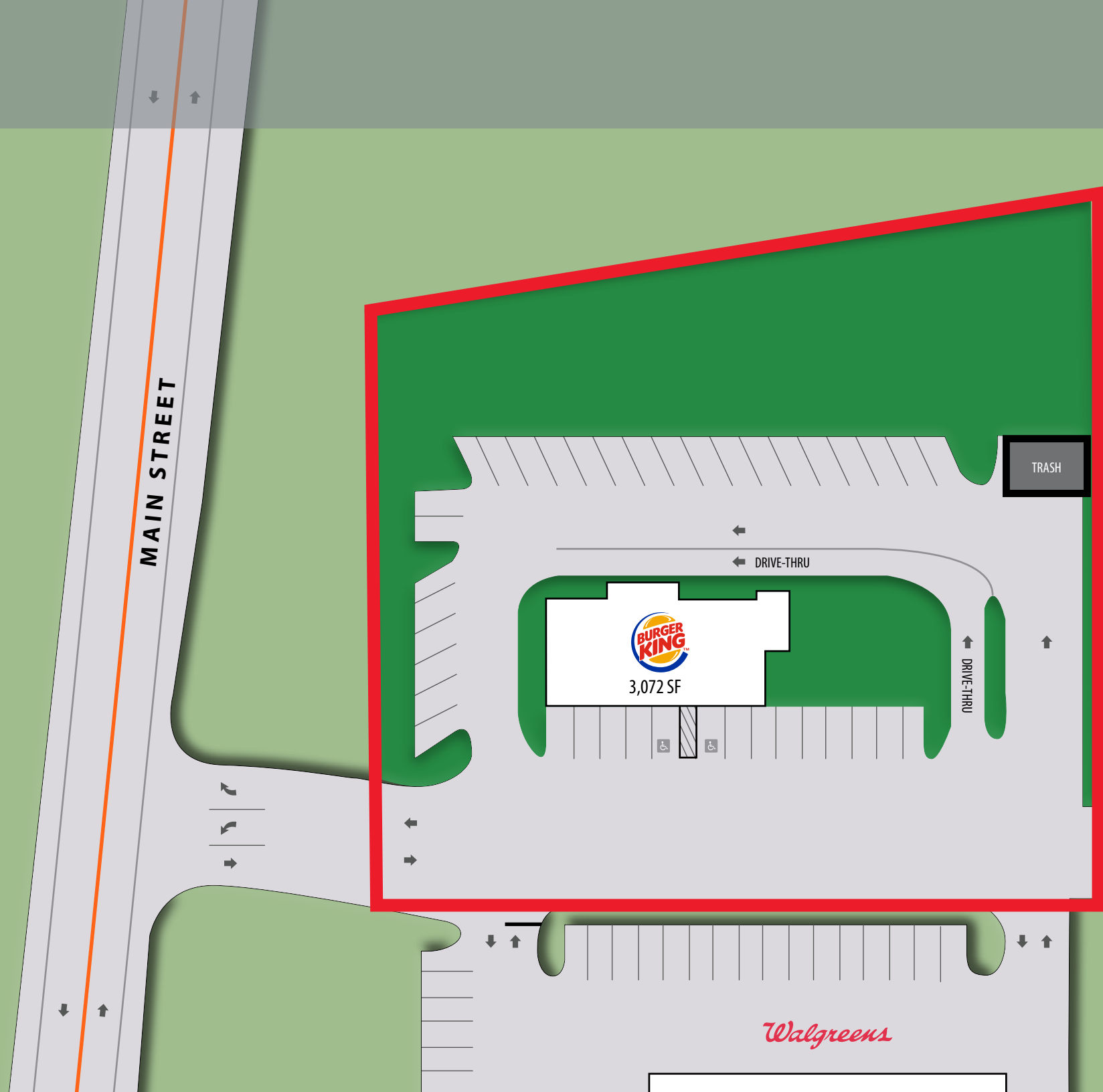
Gatesville
Farm & Ranch Supply



Gatesville
Intermediate School
(665 students)



SITE PLAN



TENANT SUMMARY



Founded in 1954, Burger King is the second largest fast food hamburger chain in the world, serving customers daily in 17,796 restaurants in over 100 countries. Burger King's menu includes burgers, fries, sodas, milkshakes, chicken, salads, breakfast items, desserts, and the Whopper, Burger King's signature product. The Whopper is well-known in the fast food industry, with Burger King billing itself as the Home of the Whopper in its advertising, signage, and in its concept store, the BK Whopper Bar.

Almost 100 percent of Burger King restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades. The Burger King brand is owned by Restaurant Brands International Inc. (TSX,NYSE: "QSR"), one of the world's largest quick service restaurant companies, with more than \$30 billion in system-wide sales and over 25,000 restaurants in more than 100 countries and U.S. territories. RBI owns three of the world's most prominent and iconic quick service restaurant brands: Tim Hortons, Burger King, and Popeyes.

For more information, please visit www.bk.com.

TICKER	TSX, NYSE: "QSR"	LOCATIONS	17,796
REVENUE	\$1.65B	HEADQUARTERS	Miami, FL

LEASE ABSTRACT

TENANT	Landmark & Landmark Group, LLC		
GUARANTOR	Full-term personal guaranty with net worth of over \$25 million		
ADDRESS	2733 Texas Route 36 Business, Gatesville, Texas 76528		
RENT COMMENCEMENT	Close of Escrow		
LEASE EXPIRATION	20 years from the Close of Escrow		
RENEWAL OPTIONS	Five (5) five (5) year options		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-5	\$144,000	5.00%
	6-10	\$158,400	5.50%
	11-15	\$174,240	6.05%
	16-20	\$191,664	6.66%
	21-25 (Option 1)	\$210,830	7.32%
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	31-35 (Option 3)	\$255,105	8.86%
	36-40 (Option 4)	\$280,615	9.74%
	41-45 (Option 5)	\$308,677	10.72%
REAL ESTATE TAXES	Tenant is responsible for all taxes.		
INSURANCE	Tenant is responsible for all insurance.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance and repair, including roof, structure, and parking lot.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is strategically located on Texas Route 36, with visibility and access to 7,900 vehicles per day directly in front of the property. Texas State Route 36 serves as the city's primary retail and transportation corridor. The site has convenient access to U.S. Route 84, a major east-west thoroughfare traversing the entirety of Gatesville and connecting Colorado and Georgia (20,000 AADT). The site is also within 1.3 miles of five hotels, including Holiday Inn Express & Suites Gatesville (68 rooms) and Ramada by Wyndham Gatesville (63 rooms), increasing foot traffic to the site.

Visibility is increased by the site's proximity near large employers, retailers, and community hubs. The property has interparcel access to a well-established Walgreens location and is across the street from the only Walmart Supercenter location within 33 miles of the site, boosting traffic to the location. Other notable national retailers surrounding the site include Pizza Hut, Taco Bell, Ace Hardware, McDonald's, Sonic Drive-In, and many more. The property maintains a central location in the Gatesville Independent School District, as the site is within one mile of five schools with a combined enrollment of 2,788 students, significantly increasing lunchtime traffic to the site. The property is also 1.3 miles from the Gatesville Country Club, which features an 18-hole, par 70 golf course.

ACCESS

Access from Texas Route 36

TRAFFIC COUNTS

Texas Route 36: 7,290 AADT
U.S. Route 84: 20,000 AADT

PARKING

39 parking stalls, including two (2) handicap stalls

YEAR BUILT

2017

NEAREST AIRPORT

Dallas Fort Worth International Airport (DFW | 145 miles)



39
PARKING
STALLS



7K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
DALLAS FORT
WORTH
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Gatesville is a city in and the county seat of Coryell County. The city is located northeast of the center of Coryell County on the east side of the Leon River, part of the Brazos River watershed. The city is minutes away from the rapidly growing military complex known as North Fort Hood, and has a beneficial location at the crossroads of U.S. Route 84 and Texas Route 36, providing an ideal location for easy access to the main transportation corridors that connect business sectors such as light industrial, agriculture, aviation, manufacturing, military contract fulfillment, and retail. Gatesville is home to Coryell Memorial Healthcare System, a community-owned healthcare organization encompassing a wide range of health services. Gatesville also offers a wide array of recreation and entertainment, including the nearby Mother Neff State Park, Gatesville County Club and Golf Course, and Raby Park.

Coryell County is a county located on the Edwards Plateau and is part of the Killeen–Temple, Texas Metropolitan Statistical Area. Coryell County, about 210 miles inland from the Gulf of Mexico, is bordered by Hamilton, Bosque, McLennan, Bell, and Lampasas counties. Agriculture, plastics and other manufacturing, and the presence of Fort Hood are important elements of the local economy. Beef cattle, forage, oats, wheat, corn, and grain sorghum are chief agricultural products of the area. Coryell County commissioners recently approved an economic development incentive package for SpaceX to expand its presence in the county. The company's McGregor testing facility is primarily in McLennan County and extends into Coryell County.

- » U.S. Route 84 runs through the city, leading east 37 miles to Waco and west 50 miles to Goldthwaite.
- » The Last Drive-In Picture Show in Gatesville is one of 17 remaining drive-in theaters in Texas; of those 17, it is one of the longest running without cessation.
- » 80 percent of the population of Texas resides within a 100-mile radius of Gatesville.

MAJOR EMPLOYERS IN CORYELL COUNTY, TEXAS	# OF EMPLOYEES
PUBLIC ADMINISTRATION	3,689
RETAIL TRADE	2,829
HEALTH CARE & SOCIAL ASSISTANCE	2,682
EDUCATIONAL SERVICES	2,616
ACCOMMODATION & FOOD SERVICES	1,946
CONSTRUCTION	1,684
OTHER SERVICES, EXCEPT PUBLIC ADMINISTRATION	1,191
ADMINISTRATIVE & SUPPORT & WASTE MANAGEMENT SERVICES	1,160
MANUFACTURING	1,089
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES	1,042



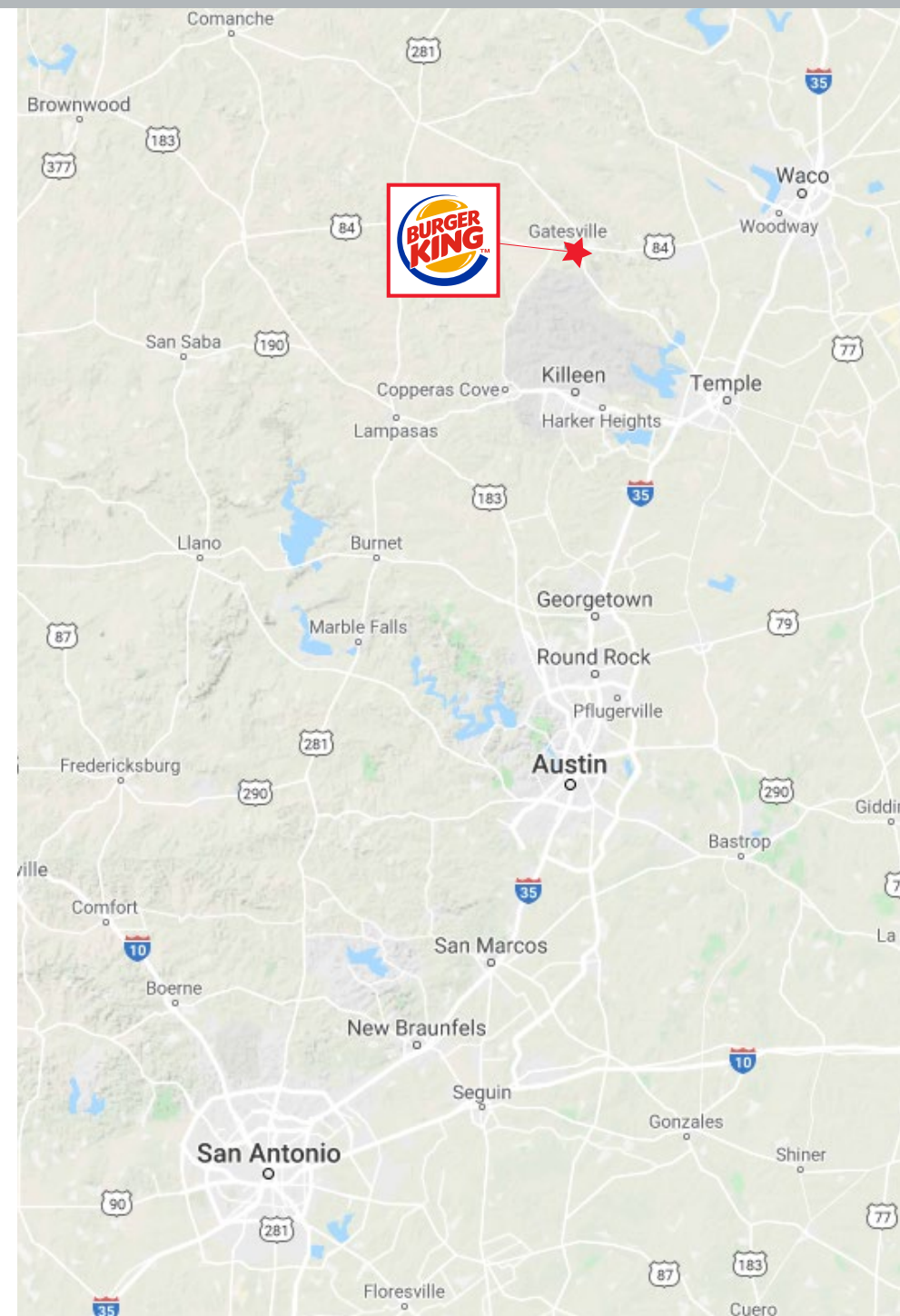
DEMOGRAPHIC PROFILE

2018 SUMMARY

	1 Mile	3 Miles	5 Miles
Population	3,305	11,313	20,779
Households	1,345	3,899	4,750
Families	856	2,601	3,199
Average Household Size	2.42	2.46	2.52
Owner Occupied Housing Units	936	2,832	3,502
Renter Occupied Housing Units	408	1,068	1,248
Median Age	37.3	37.7	38.6
Average Household Income	\$54,720	\$64,008	\$64,572

2023 ESTIMATE

	1 Mile	3 Miles	5 Miles
Population	3,543	11,766	21,261
Households	1,441	4,073	4,933
Families	915	2,711	3,316
Average Household Size	2.43	2.47	2.53
Owner Occupied Housing Units	1,017	2,969	3,645
Renter Occupied Housing Units	424	1,104	1,288
Median Age	38.0	38.2	38.9
Average Household Income	\$60,965	\$72,154	\$72,756



INFORMATION ABOUT BROKERAGE SERVICES



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.

11-2-2015



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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone
Buyer/Tenant/Seller/Landlord Initials		Date	

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Executive Managing Director

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

VINCENT AICALE

Executive Director

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vince.aicale@cushwake.com

CA RE License #01728696

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Executive Director

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Cushman and Wakefield Inc. LIC. # 00616335