

CORPORATE HOOTERS

HOOTERS



6028 Heards Lane, Galveston, TX 77551



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6562 Meath Circle, Huntington Beach, CA 92647

PURCHASE PRICE | \$3,750,000 | CAP RATE | 5.5%

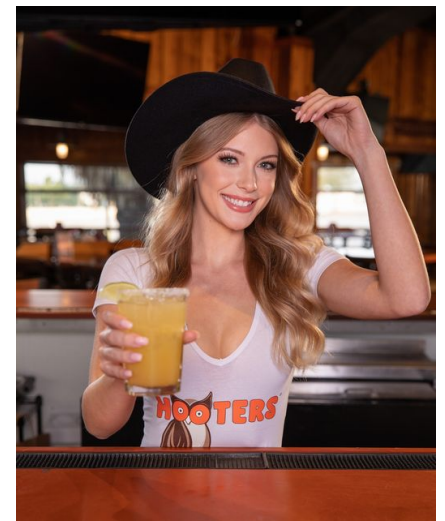
Fee Simple: Building and Land

Net Operating Income: Price	\$210,000
Per Square Foot:	\$377.80
Lease Commencement:	5/1/2017
Lease Expiration Date:	4/30/2037
Lease Type:	NNN
Increases:	\$227,850 on 5/1/2022
Options:	(4), 5 Years
Guarantor:	TW Restaurant Holdings, LLC
Rentable Square Feet:	9,926 SF
Lot Size:	1.69 acres
Complete Remodel:	2017

Approximately 17 Years Remaining on Primary Term.
Next 8.5% Rent Increase in May 2022,
Absolute NNN Lease.

ADDRESS

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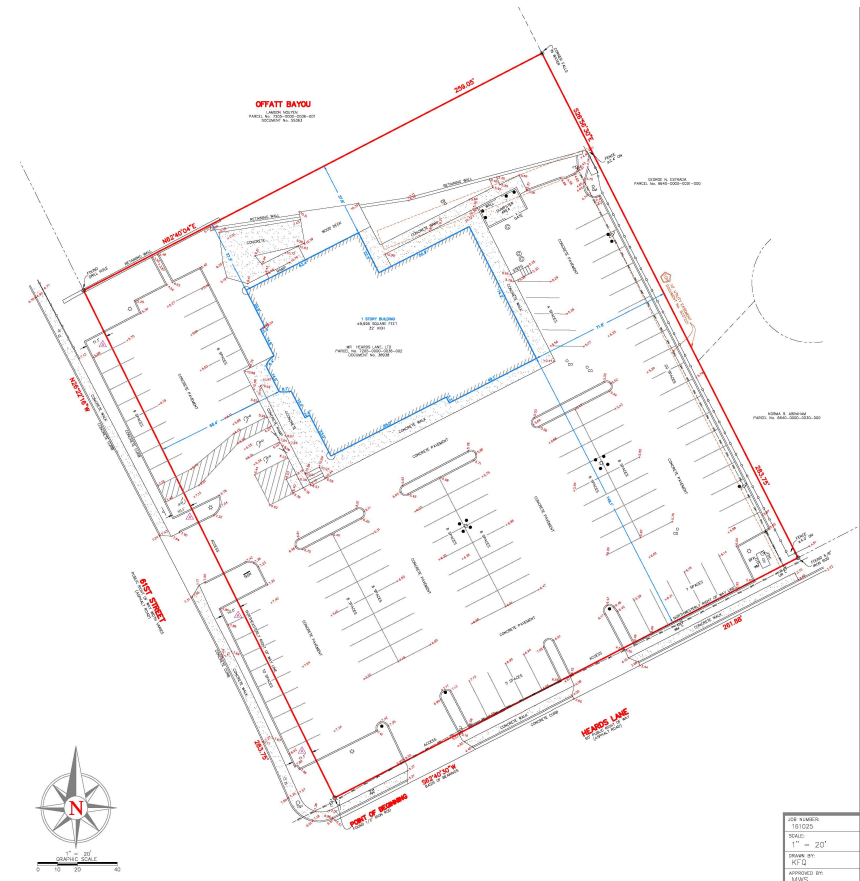
OVERVIEW - TROPHY LOCATION

INVESTMENT OVERVIEW

In November 2017 Hooters opened the a new location in the popular coastal resort town of Galveston, Texas. The new Hooters was its 49th location in the Lone Star State. Overlooking the Offatts Bayou inlet, the restaurant offers guests front row seats to cheer on their favorite sports teams while enjoying Hooters original and smoked chicken wings.

The newer 9,926-sqaure foot venue is conveniently located at 6028 Heards Lane in Galveston, and features an 852-square foot indoor/ outdoor patio with bar, as well as a beautiful outdoor seating area on the water. In addition, themed tables and artist murals highlighting Galveston's distinct beauty and connection to the water can be seen throughout the new location.

As the 49th Hooters in the state, their waterfront Galveston location is a shining example of the long-established Hooters legacy right there in Texas. The contemporary Hooters of Galveston incorporates the latest design features that deliver the familiar, fun-loving persona of the Hooters brand. From a centrally located bar featuring 32 draught beers and a wide array of cocktails and craft beers to Hooters craveable menu options, including fresh entrée salads, a great lineup of hand-formed burgers, delicious seafood dishes and fan-favorite fried pickles, Hooters is the perfect destination for just about any occasion that calls for great food and fun.



RENT ROLL

TENANT INFO		LEASE TERMS		CURRENT RENT	RENT INCREASES		OPTIONS	LEASE TYPE
TENANT	SQUARE FEET	COMMENCEMENT DATE	LEASE EXPIRATION	CURRENT BASE RENT	DATE	ANNUALLY		LEASE TYPE
TW Restaurant Holder, LLC	9,926 SF	5/10/2017	4/30/2037	\$210,000	5/10/2017 to 4/30/2022	\$210,000	(4) 5 Yr Options	Absolute NNN
					5/1/2022 to 4/30/2027	\$227,850		
					5/1/2027 to 4/30/2032	\$247,217		
					5/1/2032 to 4/30/2037	\$268,230		
					1st 5 Year Option	\$291,030		
					2nd 5 Year Option	\$319,367		
					3rd 5 Year Option	\$342,608		
					4th 5 Year Option	\$371,729		



HIGHLIGHTS -

STRONG GUARANTEE AND COMMUNITY COMMITMENT

Absolute NNN Lease backed by Hooters corporate (HOA Holdco, LLC with 430 locations in 28 countries worldwide. In 2008, the original Hooters located on the Seawall in Galveston was destroyed by Hurricane Ike. Hooters did not want to leave Galveston and located an existing vacant restaurant on the waterfront of Offatts Bayou and remodeled down to the studs the exterior and interior of this location on Heards Lane. In 2017, the location was sold as a corporate sale/leaseback with the company committing to a new 20 year NNN lease plus 20 more years of options to renew. There are approximately 17 years remaining on the primary term with 4 five year options to renew.



PLAY GROUND OF THE SOUTH

At its Golden Era in the late 1800s, Galveston Island was known as the "Playground of the South" - a booming tourist destination built on its attractive beaches, convenient location, high-traffic port and numerous attractions. Galveston has reclaimed that title in recent years with an influx of new attractions and cruise ships that keep drawing visitors to this charming historic beach town on the Texas Gulf Coast. Galveston sees over 5 million tourists annually, and these visotrs contribute almost \$1 billion to the local economy every year.

SHORT DRIVE FROM HOUSTON

From the sun-kissed beaches of Galveston Island, to the dazzling Kemah Boardwalk; from the crystal shores of Bolivar Peninsula to the vineyards of Haak Winery, the Galveston Bay Area is a place where memories are made that last a lifetime. Just a short distance from Houston, this coastal jewel offers a dizzying array of fun family activities, historical architecture, fresh Gulf seafood, world-class attractions, and unforgettable cruises.





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LOCATION
AERIAL

LOCAL MAP



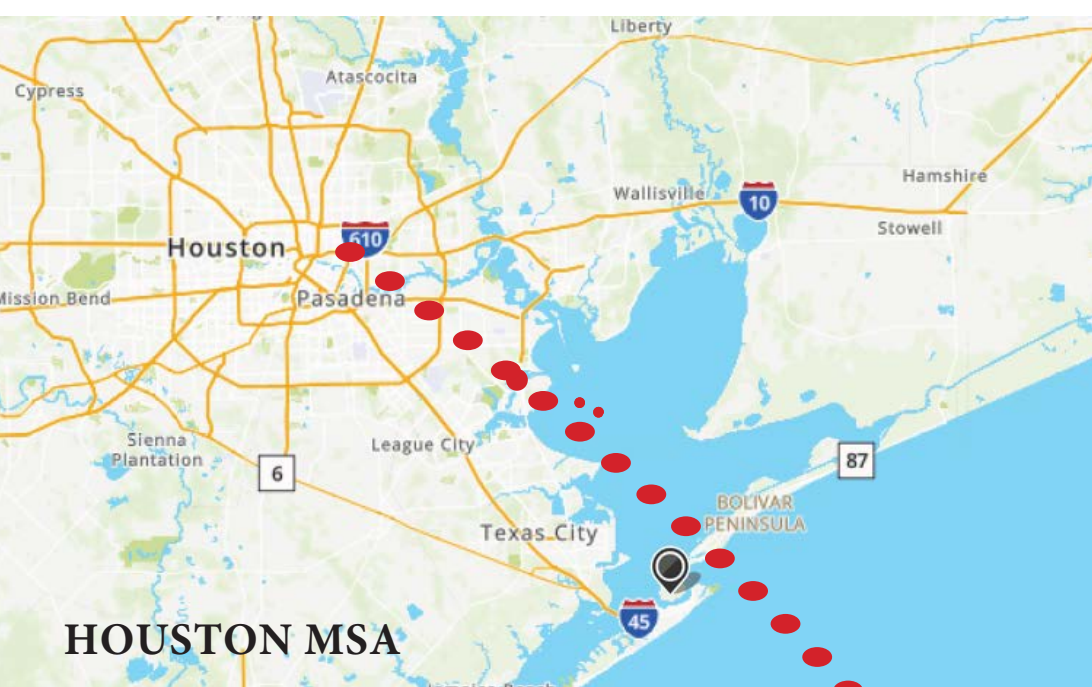


LOCATION

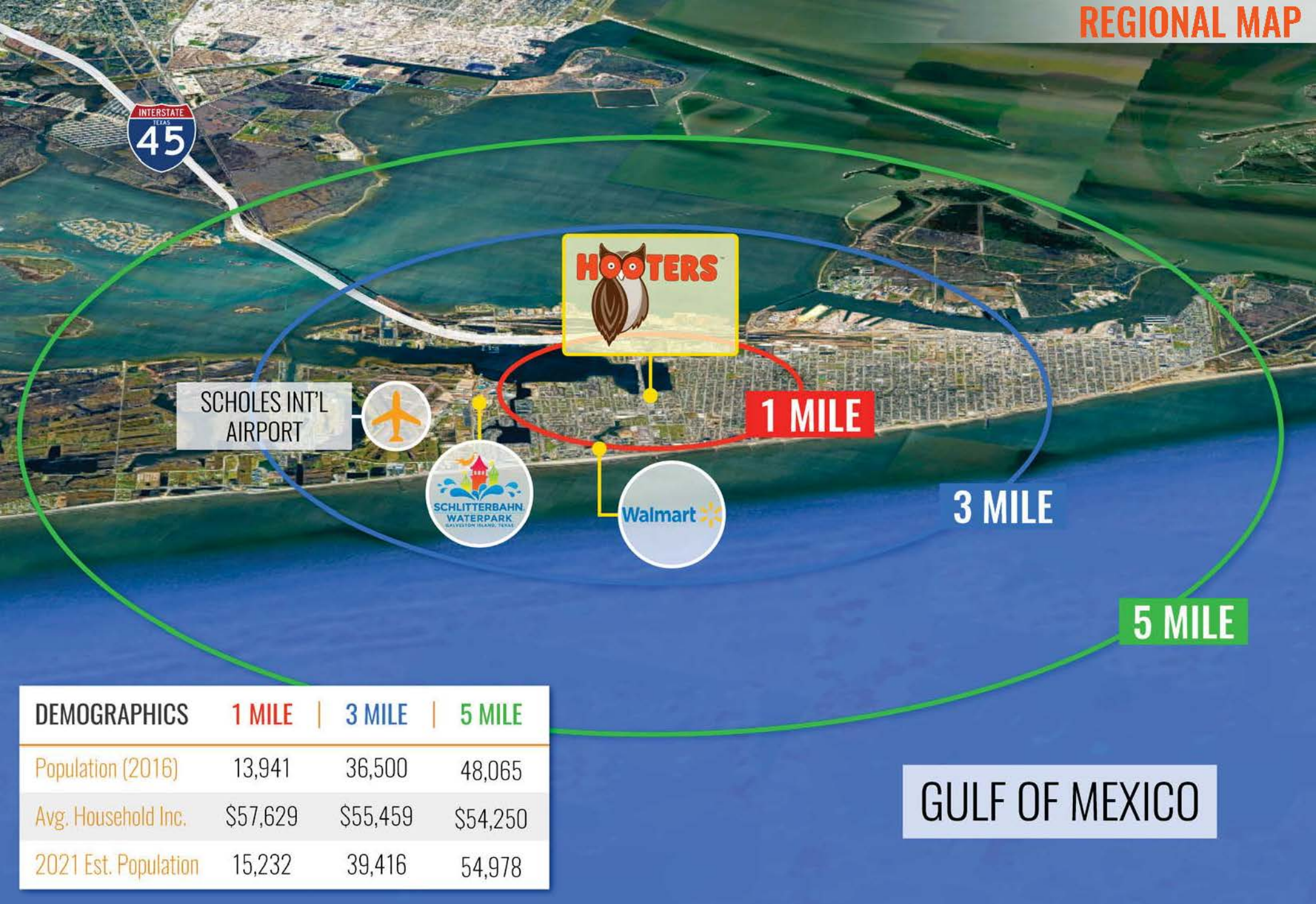
PROPERTY LOCATION

The city of Galveston is situated on Galveston Island, a barrier island off the Texas Gulf coast near the mainland coast. The city is about 45 miles southeast of downtown Houston. The island is oriented generally northeast-southwest, with the Gulf of Mexico on the east and south, West Bay on the west, and Galveston Bay on the north. The island's main access point from the mainland is the Interstate Highway 45 causeway that crosses West Bay on the island's northeast side.

HOUSTON MSA



REGIONAL MAP



SCHOLES INT'L
AIRPORT



1 MILE

Walmart

3 MILE

5 MILE

GULF OF MEXICO

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
Population (2016)	13,941	36,500	48,065
Avg. Household Inc.	\$57,629	\$55,459	\$54,250
2021 Est. Population	15,232	39,416	54,978

GALVESTON, TX

An island community rich in history and opportunity, Galveston is the ideal place to live, work, and raise a family. Once known as the "Wall Street of the Southwest," Galveston Island has an Old World charm and hospitality that tantalizes the senses and assures you of a long-lasting and pleasant memory.

Our economic base includes one of the finest deep-water ports on the Gulf Coast, the Port of Galveston. Also, Galveston is the home of one of the largest insurance companies in the United States, the American National Insurance Company. In addition, we are proud to have the first medical school and comprehensive health science center in Texas, the University of Texas Medical Branch - our largest employer. Last but not least, our thriving tourist industry continues to grow and provide attractions that make Galveston a definite tourist destination.

Galveston is also proud to be the only city in Texas with campuses of the state's two flagship university systems. The University of Texas Medical Branch provides an unparalleled quality and diversity of medical services supported by world-renowned educational and research programs. Texas A&M University at Galveston provides undergraduate and graduate programs focused in the maritime sciences, engineering, and maritime administration fields, supporting the growing maritime and offshore industries in Galveston and along the Gulf Coast. In addition to the aforementioned, Galveston is home to one of the best burn hospitals in the United States - the Shrine Burns Hospital for Children.

Our festivals such as Mardi Gras, Dickens on the Strand, and Caribbean Festival provide our visitors a festive atmosphere. Our 32 miles of beaches and Moody Gardens, which will soon be the home of one of the finest aquariums in the country, are just two of many attractions our island city has to offer.





TENANT OVERVIEW



Hooters is the registered trademark used by two American restaurant chains: Hooters, Inc., based in Clearwater, Florida, and Hooters of America, Inc. based in Atlanta, Georgia and owned by two private investment firms, TriArtisan Capital Advisors and Nord Bay Capital. Hooters of America operates and franchises more than 430 Hooters restaurants in more than 40 states and about 30 countries. The beach-themed bar-and-grills catering to sports fans are known for their spicy chicken wings and their hostesses. The first Hooters Restaurant opened in Clearwater, Florida, in 1983. In 2019, HOA reported more than \$271 million in annual companywide gross sales.



The first Hooters was opened on October 4, 1983 in Clearwater, Florida. More than three decades later, Hooters of America, LLC, the Atlanta-based operator and franchiser of over 420 Hooters locations in 29 countries, has grown into an international sensation. Hooters of America, LLC owns 160 units.

Known for its wings, waitresses also known as "Hooters Girls," and endless sports on wall-to-wall big screen TVs, Hooters takes pride in distinguishing itself from "ordinary dining" with its one-of-a-kind hospitality and consistently good food. Hooters, system-wide, generates and averages 68% of its sales from food, 4% from merchandise, and 28% from beer, wine, and spirits.

Continuing to rank high amongst the industry's growth leaders, Hooters has proven successful in small-town America, major metropolitan areas, and internationally. Hooters not only reaches the sports fan but also takes interest in the communities in which it operates.

Establishing the Hooters Community Endowment Fund, more than \$8 million has been raised since 1992 for local and national charities such as the American Diabetes Association, Special Olympics, Make-A-Wish Foundation, the U.S.O., the Muscular Dystrophy Association, Juvenile Diabetes Foundation, and the Jimmy V Foundation for Cancer Research.



Approved by the Texas Real Estate Commission for Voluntary Use
*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, 512-936-3000 (<http://www.trec.texas.gov>)