

CHURCH'S CHICKEN

PORTFOLIO

TEXAS

AVAILABLE AS A PORTFOLIO



CHURCH'S CHICKEN PORTFOLIO

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

PORTFOLIO HIGHLIGHTS

- ▶ NNN Corporate Leases w/ drive-thru
- ▶ All three (3) leases renewed early in April 2020
- ▶ No renewal options remaining; final renewal option(s) expire Summer 2022
- ▶ Landlord upside opportunity to backfill properties/bring rents to market

1322 N 16TH ST, ORANGE, TX

- ▶ Corporate NNN drive-thru Tenant paying \$8.69 in rent per square foot
- ▶ Prominent retail corridor - property neighbors Kroger, McDonald's, Sherwin-Williams, and Walgreens
- ▶ Tenant has successfully operated the site since June 1970
- ▶ Final renewal option expires June 30, 2022
- ▶ 26,000 people within a 5-mile radius of the restaurant property

2780 WASHINGTON BLVD, BEAUMONT, TX

- ▶ Corporate NNN drive-thru Tenant paying \$9.42 in rent per square foot
- ▶ Beaumont High School (+2,400 enrollment) ¼ mile walking distance
- ▶ Tenant has successfully operated the site since August 1970
- ▶ Final renewal option expires June 30, 2022
- ▶ 95,000 people within a 5-mile radius of the restaurant property

3095 CALDER ST, BEAUMONT, TX

- ▶ Corporate NNN drive-thru Tenant paying \$10.68 in rent per square foot
- ▶ DENSE medical and retail corridor - Christus Medical hospital across the street
- ▶ Excellent highway access to Interstate-10
- ▶ Tenant has successfully operated the site since August 1970
- ▶ Final renewal option expires August 31, 2022
- ▶ 110,000 people within a 5-mile radius of the restaurant property

TENANT OVERVIEW

LOCATIONS	1,660+
GLOBAL MARKET	30
WEBSITE	www.churchschicken.com
STATES	29



CHURCH'S CHICKEN OVERVIEW

Church's Chicken is an American chain of fast food restaurants specializing in fried chicken, also trading outside North America and Asia as Texas Chicken.

Retired incubator salesman George W. Church Sr. had the idea in 1952 to offer fried chicken in a fast-food setting. The first Church's Fried Chicken to Go opened across the street from the Alamo in San Antonio, Texas, and sold only fried chicken. French fries and jalapenos were added to the menu in 1955. Today, the menu has expanded to include other traditional such as coleslaw, biscuits, mashed potatoes and fried okra, as well as desserts and dipping sauces.

The company, with more than 1,660 locations in 30 countries, is the third largest chicken restaurant chain behind KFC and Popeyes Louisiana Kitchen.

PORTFOLIO PRICE



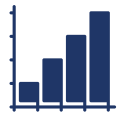
Portfolio Price

\$752,500



Total NOI

\$33,673



Cap Rate

4.47%



Total Building Area

3,832



Price Per SF

\$196

1322 N 16TH ST



3095 CALDER ST





2780 WASHINGTON BLVD



INVESTMENT SUMMARY

ADDRESS	3095 Calder St
CITY, STATE, ZIP	Beaumont, TX
GLA	±1,200 SF
LOT SIZE	±0.30 AC

DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
 POPULATION	8,246	64,858	110,661
 HOUSEHOLDS	3,403	25,978	43,382
 HH INCOME	\$75,010	\$67,589	\$68,469

ANNUALIZED OPERATING DATA

	MONTHLY BASE RENT	ANNUAL NOI	RENT/SF
9/1/2020 - 8/31/2022	\$1,068.10	\$12,817.20	\$10.68

LEASE SUMMARY

TENANT NAME	Church's Chicken
TYPE OF OWNERSHIP	Fee Simple
LEASE ENTITY/LESSEE	Corporate
SUBLESSEE	Royal Texas, LLC (± 110 Units)
LEASE TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
TERM REMAINING	1.70
LEASE COMMENCEMENT DATE	8/19/1970
LEASE EXPIRATION DATE	8/31/2022
OPTIONS	None
RENT INCREASE	None







INVESTMENT SUMMARY

ADDRESS	1322 N 16th St
CITY, STATE, ZIP	Orange, TX
GLA	±1,316 SF
LOT SIZE	±0.30 AC

DEMOGRAPHICS



	1-MILE	3-MILE	5-MILE
POPULATION	5,915	21,893	26,653



HOUSEHOLDS	2,443	8,892	10,708
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HH INCOME	\$59,308	\$64,909	\$69,056
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ANNUALIZED OPERATING DATA

	MONTHLY BASE RENT	ANNUAL NOI	RENT/SF
7/1/2020 - 6/30/2022	\$952.60	\$11,431.20	\$8.69

LEASE SUMMARY

TENANT NAME	Church's Chicken
TYPE OF OWNERSHIP	Fee Simple
LEASE ENTITY/LESSEE	Corporate
SUBLESSEE	Royal Texas, LLC (± 110 Units)
LEASE TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
TERM REMAINING	1.50
LEASE COMMENCEMENT DATE	6/9/1970
LEASE EXPIRATION DATE	6/30/2022
OPTIONS	None
RENT INCREASE	None





WEST ORANGE-STARK MIDDLE SCHOOL



Kajun Seafood & Wings



Edward Jones
MAKING SENSE OF INVESTING



AFFORDABLE
HOME FURNISHINGS

SUPERIOR
TIRE & SERVICE



FAMILY
DOLLAR



1322 N 16TH ST



NORTH 16TH STREET
± 16,000 VPD



NORTH 16TH STREET
± 16,000 VPD

INVESTMENT SUMMARY

ADDRESS	2780 Washington Blvd
CITY, STATE, ZIP	Beaumont, TX
GLA	±1,000 SF
LOT SIZE	±0.33 AC

DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
 POPULATION	10,869	44,022	93,984
 HOUSEHOLDS	4,088	16,050	33,821
 HH INCOME	\$37,476	\$48,735	\$64,595

ANNUALIZED OPERATING DATA

	MONTHLY BASE RENT	ANNUAL NOI	RENT/SF
7/1/2020 - 6/30/2022	\$785.40	\$9,424.80	\$9.42

LEASE SUMMARY

TENANT NAME	Church's Chicken
TYPE OF OWNERSHIP	Fee Simple
LEASE ENTITY/LESSEE	Corporate
SUBLESSEE	Royal Texas, LLC (± 110 Units)
LEASE TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
TERM REMAINING	1.50
LEASE COMMENCEMENT DATE	8/19/1970
LEASE EXPIRATION DATE	6/30/2022
OPTIONS	None
RENT INCREASE	None



**GATEWAY
SHOPPING CENTER**

2780 WASHINGTON BLVD

**DOWNTOWN
BEUMONT**
3 MILES AWAY



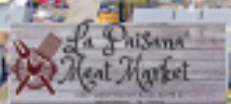
S 4TH STREET
±10,000 VPD



WASHINGTON BLVD
± 11,000 VPD

EVERYDAY
GAS STATION

L&P MARKET
CONVENIENCE MART

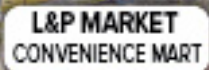


FANNET ROAD



GATEWAY SHOPPING CENTER

H-E-B **Walgreens**
DISCOUNT TIRE **Wendy's**
Chick-fil-A **Starbucks** **Cane's**
Office DEPOT **Conn's** **HomePlus**



Beaumont United High School
± 2,400 STUDENTS
1/4 MILE AWAY

S 4TH STREET
±10,000 VPD

FANNET ROAD

S 4TH STREET
±10,000 VPD

WASHINGTON BLVD
± 11,000 VPD

AREA OVERVIEW

ORANGE, TX

Orange is a city in Orange County, Texas, United States. It is the county seat of Orange County, and is the easternmost city in Texas. Located on the Sabine River at the border with Louisiana, Orange is 113 miles from Houston and is part of the Beaumont–Port Arthur Metropolitan Statistical Area. Founded in 1836, it is a deep-water port to the Gulf of Mexico.



BEAUMONT, TX

Beaumont, TX is a city that's economy is based around the Port of Beaumont, one of the nation's largest ports when measured by tonnage. The Port of Beaumont, Port Arthur and Orange make up the golden triangle in terms of being a major industrial area on the Gulf Coast. Beaumont is also one of the largest military ports in the world.

Beaumont, TX is also home to Lamar University. Various museums including, Art Museum of Southeast Texas, the Dishman Art Museum, Spindletop-Gladys City Boomtown Museum, the Edison Museum, the Fireman Museum of Texas, the McFaddin-Ward House and Beaumont Botanical Gardens bring culture to the area.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Church's Chicken Portfolio** located in **Texas** ("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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KYLE MATTHEWS

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REAL ESTATE INVESTMENT 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.

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.

Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	kyle.matthews@matthews.com	(310) 919-5757
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