

LITTLE CAESARS

BRAND NEW 20-YEAR TRIPLE NET (NNN) SALE LEASBACK



OFFERING MEMORANDUM

1618 N 23rd St
McAllen, TX 78501

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any

guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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McAllen, TX 78501



Little Caesars®

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Investment Highlights

PRICE: \$1,571,429 | CAP: 5.25% | RENT: \$82,500

About the Investment

- ✓ Long-Term, 20-Year Absolute Triple Net (NNN) Lease Commencing Upon the Close of Escrow
- ✓ Attractive Rental Increases of Ten Percent (10%) Every Five Years
- ✓ Four (4), Five (5)-Year Tenant Renewal Options, Bringing the Potential Lease Term to 40 Years
- ✓ Strong Franchisee Guarantee | Sizzling Caesars Operates over 300 Little Caesars

About the Location

- ✓ Dense Retail Corridor | Pizza Hut, Walgreens, Sonic, Wingstop, Family Dollar, Burger King, Planet Fitness, and Many More
- ✓ Densely Populated Area | Population Exceeds 240,000 Individuals Within a Five-Mile Radius with Growth Projections over the Next Five Years
- ✓ Strong Academic Presence | McAllen High School | Located Less than One Mile from the Subject Property with a Total Enrollment of 2,300+ Students
- ✓ Heavily Trafficked Area | North 23rd Street, North Bicentennial Blvd, and Quince Avenue | Experience Average Daily Traffic Counts of Approximately 31,000, 21,300 and 6,100, Respectively
- ✓ Located Less than Seven Miles from Mission Regional Medical Center | A 297-Bed Full-Service Medical Facility Featuring a Level IV Trauma Center
- ✓ Compelling Location Fundamentals | Located in the Rio Grande Valley | A Major Tourist Destination in Texas

About the Tenant / Brand

- ✓ Little Caesars has been Successfully Operating for 50 Years
- ✓ One of the Largest Pizza Chains in the World with over 4,500 Locations
- ✓ Known for its Hot-N-Ready Pizza and Famed Crazy Bread, Little Caesars has Been Named "Best Value in America" for the Past Twelve Years
- ✓ Little Caesars Offers Strong Brand Awareness with one of the Most Recognized and Appealing Characters in the Country
- ✓ Sizzling Platter, LLC Operates 5 Brands Across 12 States and 2 Countries





Financial Analysis

PRICE: \$1,571,429 | CAP: 5.25% | RENT: \$82,500

PROPERTY DESCRIPTION

Property	Little Caesars
Property Address	1618 N. 23rd St.
City, State ZIP	McAllen, TX 78501
Building Size (SF)	1,650
Lot Size (Acres)	+/- 0.53 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,571,429
CAP Rate	5.25%
Annual Rent	\$82,500
Rent Per SF	\$50.00

LEASE SUMMARY

Property Type	Net-Lease Restaurant
Tenant / Guarantor	Little Caesars
Original Lease Term	20-Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	Ten (10%) Percent Every 5 Years
Options to Renew	Four (4), Five (5)- Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$82,500	\$6,875	-
Year 2	\$82,500	\$6,875	-
Year 3	\$82,500	\$6,875	-
Year 4	\$82,500	\$6,875	-
Year 5	\$82,500	\$6,875	-
Year 6	\$90,750	\$7,563	10.00%
Year 7	\$90,750	\$7,563	-
Year 8	\$90,750	\$7,563	-
Year 9	\$90,750	\$7,563	-
Year 10	\$90,750	\$7,563	-
Year 11	\$99,825	\$8,319	10.00%
Year 12	\$99,825	\$8,319	-
Year 13	\$99,825	\$8,319	-
Year 14	\$99,825	\$8,319	-
Year 15	\$99,825	\$8,319	-
Year 16	\$109,808	\$9,151	10.00%
Year 17	\$109,808	\$9,151	-
Year 18	\$109,808	\$9,151	-
Year 19	\$109,808	\$9,151	-
Year 20	\$109,808	\$9,151	-

INVESTMENT SUMMARY

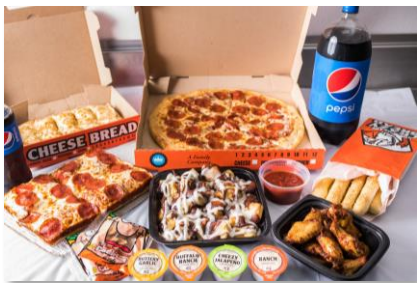
Marcus & Millichap is pleased to present the exclusive listing for a Little Caesars located at 1618 N. 23rd St in McAllen, TX. The site consists of roughly 1,650 rentable square feet of building space. This Little Caesars is subject to a 20-year triple-net lease that commences upon the close of escrow. The annual rent will be \$82,500 and is scheduled to increase by ten percent (10%) every 5 years throughout the base term. Base rent will reset to FMV in each of the four, five-year option periods.



Concept Overview

About Little Caesars

Little Caesars has become the world's third largest carryout pizza chain in the world with over 3.5 billion in sales across 4,500 locations throughout the United States, Europe, Asia, and the Middle East. The company was founded in 1959 and is based in Detroit, Michigan. Over the past five years, the franchise has grown by 1,000 stores and systemwide sales have increased by over \$1.5 billion dollars. Average unit sales have increased over 50 percent in the past five years. Little Caesars is consistently rated number one in value and affordability by Sandelman & Associates QuickTrack study annual Awards of Excellence, which ranks 148 fast food and pizza restaurant chains. Little Caesars garnered the top spot for "value for the money" for the ninth consecutive



About Sizzling Platter, LLC

Sizzling Platter, LLC is a proven restaurant platform focused on adding and scaling segment leading brands in outstanding demographic areas across the United States and select international markets. The Company is headquartered in Murray, Utah at the foot of the Wasatch Mountains. They operate under five different brands across 15 States and two countries. Their operating territory in the United States currently includes the Pacific Northwest, Intermountain West, Mid-West Southwest, South, Southeast and Mid Atlantic regions under the Little Caesars, Dunking Donuts, Wingstop, Red Robin Gourmet Burgers, and Sizzler Family Steakhouse brands. Their brands emphasize convenience and value for consumers with operations and systems designed to minimize customer wait time while providing quality food that everyone can enjoy.



Surrounding Area

1618 N 23rd St, McAllen, TX 78501



Little Caesars

Marcus & Millichap



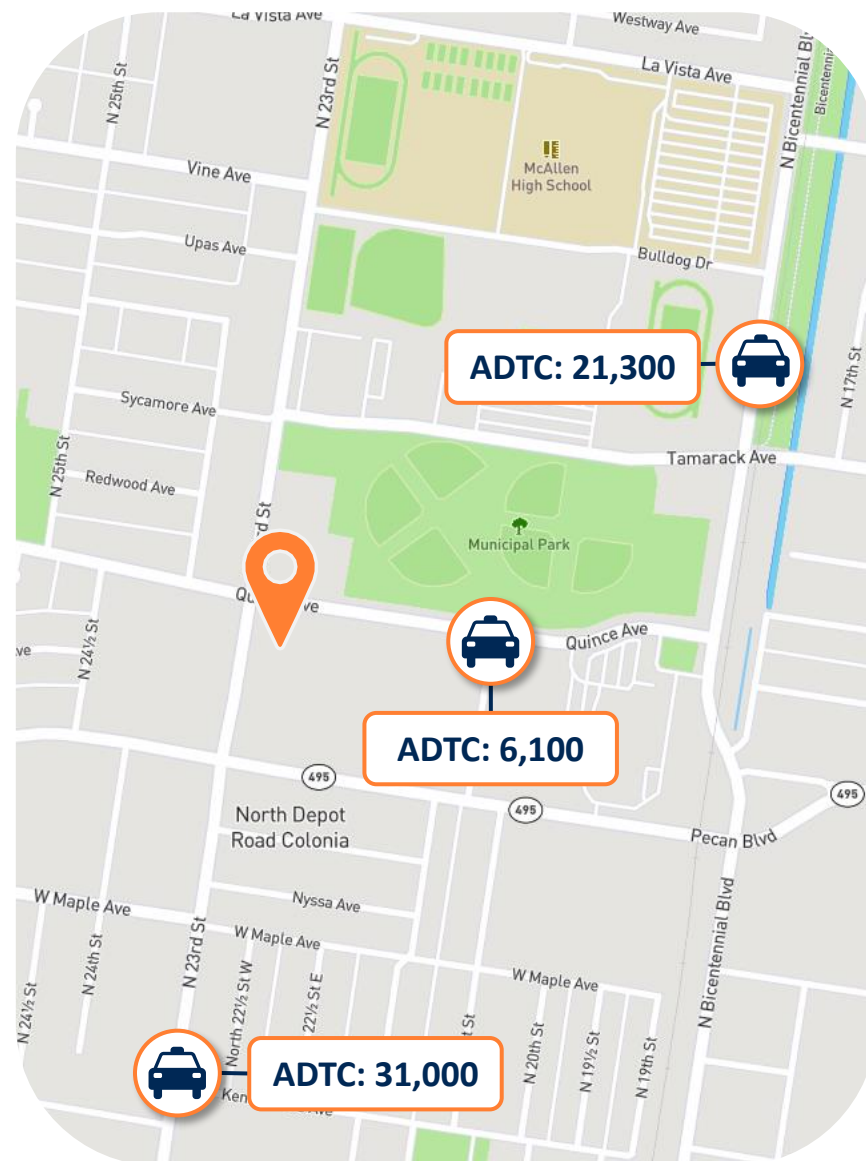
Location Overview

1618 N 23rd St, McAllen, TX 78501

Little Caesars is situated on North 23rd Street, which boasts average daily traffic counts of 31,000 vehicles. North 23rd Street intersects with Quince Avenue and runs parallel to North Bicentennial Boulevard which bring an additional 6,100 and 21,300 vehicles into the immediate area, respectively. There are approximately 110,000 individuals residing within a three-mile radius of the subject property and 240,000 individuals within a five-mile radius.

The subject property benefits from being well-positioned in strong residential neighborhood surrounded by national and local tenants, shopping centers, academic institutions and medical centers. Major national tenants in the surrounding area include: Pizza Hut, Walgreens, Sonic, Wingstop, Family Dollar, Burger King, Planet Fitness, as well as many more. The subject Little Caesars benefits from being located less than one mile from McAllen High School where over 2,300 students are enrolled. The subject property is located less than seven miles from Mission Regional Medical Center. Mission Regional Medical center is a full service 297-bed facility featuring a Level IV Trauma Center.

McAllen is located at the southern tip of the state in the Rio Grande Valley and is the largest city in Hidalgo County. McAllen is located 70 miles west of the Gulf of Mexico. The Rio Grande Valley began its rapid development with the introduction of irrigation in 1898 and the construction of the railroad in 1904, turning the region into a major agricultural center. Today, the area is transforming into a major international trade area. The city is developing first rate commercial, retail, industrial, medical, retirement, and educational facilities. The McAllen Foreign Trade Zone (FTZ) is a pivotal foreign trade zone, as is the McAllen Miller International Airport, which facilitates air cargo needs. Under U.S. and Mexican laws and NAFTA provisions, the FTZ designation offers specific cost-saving opportunities to manufacturers. Products can be brought into the FTZ duty-free. Services have expanded to include full logistic support services, including public warehouse services such as pick and pack, order processing, inventory control, incoming/outgoing quality inspection and kitting. As well as being major trade center there are various industry clusters in the town. These include auto assembly, consumer products, distribution & logistics, and medical manufacturing.





1618 N 23rd St, McAllen, TX 78501





Regional Map

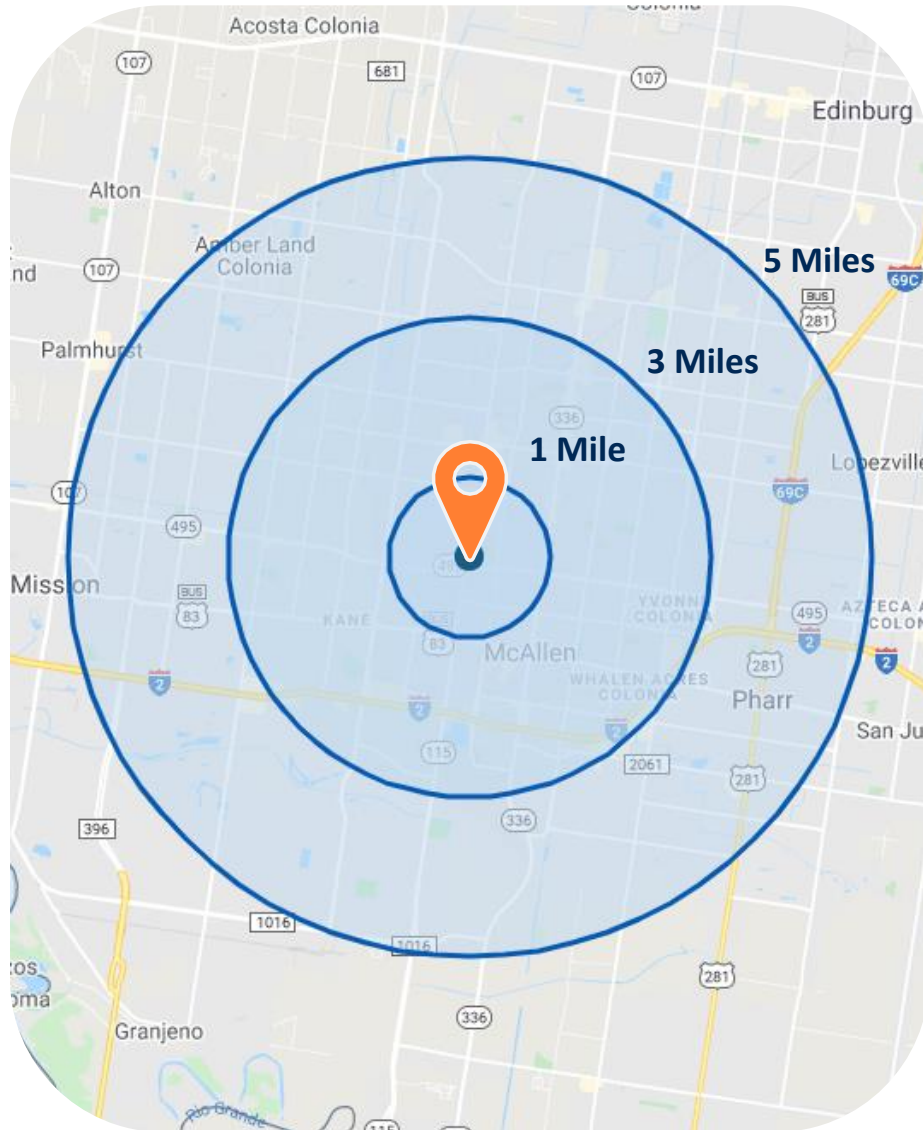
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Demographics

1618 N 23rd St, McAllen, TX 78501



	1 Mile	3 Miles	5 Miles
POPULATION			
2025 Projection	19,429	117,274	261,705
2020 Estimate	18,881	110,702	240,468
2010 Census	18,312	102,488	213,300
2000 Census	18,039	87,853	163,557
INCOME			
Average	\$46,129	\$65,418	\$70,453
Median	\$31,630	\$43,254	\$46,958
Per Capita	\$15,081	\$22,095	\$22,928
HOUSEHOLDS			
2025 Projection	6,401	39,802	85,462
2020 Estimate	6,171	37,224	78,007
2010 Census	5,833	33,504	67,540
2000 Census	5,525	27,849	50,850
HOUSING			
2020	\$94,958	\$119,466	\$118,015
EMPLOYMENT			
2020 Daytime Population	23,453	153,012	291,853
2020 Unemployment	6.87%	4.64%	4.33%
2020 Median Time Traveled	21 Mins	20 Mins	21 Mins
RACE & ETHNICITY			
White	80.84%	82.88%	84.07%
Native American	0.02%	0.05%	0.03%
African American	0.81%	1.03%	1.04%
Asian/Pacific Islander	0.45%	2.28%	2.25%



Market Overview

1618 N 23rd St, McAllen, TX 78501

Corpus Christi, Texas



Corpus Christi is a coastal city in the South Texas region of the U.S. state of Texas and the county seat and largest city of Nueces County. The city's population was estimated to be 326,586 in 2019, making it the eighth-most populous city in Texas. The Corpus Christi metropolitan area had an estimated population of 442,600. It is also the hub of the six-county Corpus Christi-Kingsville Combined Statistical Area.

The majority of the population is employed in the services, wholesale and retail trades, and government sectors. The Port of Corpus Christi, which is the fifth-largest U.S. port and deepest inshore port on the Gulf of Mexico, handles mostly oil and agricultural products. Much of the local economy is driven by tourism and the oil and petrochemicals industry. Corpus Christi is home to Naval Air Station Corpus Christi, providing 6,200 civilian jobs to the local economy, making it the single largest employer in the city. Corpus Christi Army Depot, located on NAS Corpus Christi, is the largest helicopter repair facility in the world. Additionally located on NAS Corpus Christi is the United States Coast Guard Sector/Air Station Corpus Christi.

Corpus Christi is the original home of the headquarters of Whataburger, a fast-food restaurant operator and franchiser with 650 stores in 10 states and Mexico. Other large employers include CHRISTUS Spohn Health System at 5,400 local employees, the Corpus Christi Independent School District with 5,178, H-E-B at 5,000, and Bay Ltd. at 2,100. Other companies based in Corpus Christi include Stripes Convenience Stores and AEP Texas.



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:
 - 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.

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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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Marcus & Millichap

EXCLUSIVE NET-LEASE OFFERING

