



TOP RANKED
FRANCHISEE



NEW 20 YR
NNN LEASE



TAX FREE INCOME
STATE (TEXAS)



NEIGHBORING
NATIONAL BRANDS

121 West Boling Hwy | Wharton, TX | 77488

NEIGHBORING



FLAME GRILLING SINCE 1954

* Actual Site

OFFERING MEMORANDUM

Marcus & Millichap
THE NARAN GROUP

PROPERTY OVERVIEW

Marcus & Millichap is pleased to offer for sale a brand new construction Burger King Franchisee Absolute Triple Net (NNN) Lease investment sale opportunity located in Wharton, Texas. The store is located adjacent to the main retail corridor of Wharton, TX along West Boling Highway neighboring well performing and nationally recognized brands such as: McDonald's, Jack in the Box, Dairy Queen, Little Caesars Pizza, Pizza Hut, Church's Chicken, Hinze's Bar-B-Que, Whataburger and several other top performing tenants. Ownership includes building and land; thus, ownership has ability for taxable depreciation on the asset and management free income. Backed up by a 10 store franchisee guarantee from a local franchisee, Kolkhorst Foods, LLC, and personal guarantee which exceeds \$30 Million. In addition, the property is located next to West Boling Highway approx. 20,000 cars per day and a population of 13,000+ people within 5 miles of the subject property.

DEMOGRAPHICS

	3 Mile	5 Mile	10 Mile
Population (Current)	4,500	12,700	17,500
Total Households	1,800	5,000	6,750
Average HH Income	\$49,000	\$55,000	\$60,000

INVESTMENT HIGHLIGHTS

- **New Construction Burger King** | Brand New Construction Burger King Operated by Top Ranked Performing Local Franchisee – Kolkhorst Foods, Inc (10+ Unit Operator) whose hands-on operational style outperforms local competitors in the marketplace.
- **Strong Guarantee** | 10 Unit Franchisee Guarantee & Personal (Net Worth \$30+ Million) which provides landlord the confidence into the long term of the lease and successful tenant operations.
- **Strong Retail Corridor** | Positioned along major retail corridor and surrounding tenants which will allow the property to have superior performance in sales.
- **Strong Traffic Patterns** | Strategically located along major retail corridor with traffic counts exceeding 18,000 cars per day blended with 5-mile population of 13,000+ People.
- **Rare Brand New 20 Year Absolute Triple Net (NNN) Lease** | Property provides a rare brand new long term absolute triple net (NNN) lease with no landlord responsibilities and provides management free income.

NATIONAL BRANDS WITHIN 3 MILES



PRICING

Property Name:	Burger King
Property Address:	123 West Boiling Hwy Wharton, TX 77488
Price:	\$2,510,000
CAP Rate:	5.50%
Initial NOI / Rent:	\$138,000
Approx. Building Size:	Approx. 3,200 SF
Year Built:	2020
Approx. Lot Size:	1.30 AC

The asset will be delivered free and clear of debt and is offered as an all cash transaction. Multiple financing options are available. Contact the Listing Team to Discuss.



LEASE SUMMARY

Tenant Trade Name:	Burger King
Tenant:	Kolkorhst Foods, LLC
Lease Commencement:	Dec 2020
Lease Expiration:	Jan 2041
Original Term:	20 Years
Option Term:	Four (4), 5 Year Options
Increases:	7.5% Every 5 Years
Guarantee:	Franchisee + Personal (**Ask Broker for Details)
Lease Type:	Absolute Triple (NNN) Net
Landlord Responsibilities:	None
Tenant Responsibilities:	Insurance, Property Tax, Roof & Structure
Lease Term Remaining:	Approx. 19.5 Years Left



CLICK HERE TO VIEW MAP

RENT SCHEDULE

INITIAL TERM

Lease Term		Annual Rent	Monthly Rent	Increases
Initial Term	Year 1	\$138,000	\$11,500	
Initial Term	Year 2	\$138,000	\$11,500	
Initial Term	Year 3	\$138,000	\$11,500	
Initial Term	Year 4	\$138,000	\$11,500	
Initial Term	Year 5	\$138,000	\$11,500	
Initial Term	Year 6	\$148,350	\$12,363	7.50%
Initial Term	Year 7	\$148,350	\$12,363	
Initial Term	Year 8	\$148,350	\$12,363	
Initial Term	Year 9	\$148,350	\$12,363	
Initial Term	Year 10	\$148,350	\$12,363	
Initial Term	Year 11	\$159,476	\$13,290	7.50%
Initial Term	Year 12	\$159,476	\$13,290	
Initial Term	Year 13	\$159,476	\$13,290	
Initial Term	Year 14	\$159,476	\$13,290	
Initial Term	Year 15	\$159,476	\$13,290	
Initial Term	Year 16	\$171,437	\$14,286	7.50%
Initial Term	Year 17	\$171,437	\$14,286	
Initial Term	Year 18	\$171,437	\$14,286	
Initial Term	Year 19	\$171,437	\$14,286	
Initial Term	Year 20	\$171,437	\$14,286	

OPTIONS

Lease Term		Annual Rent	Monthly Rent	Increases
Option 1	Year 21	\$184,295	\$15,358	7.50%
Option 1	Year 22	\$184,295	\$15,358	
Option 1	Year 23	\$184,295	\$15,358	
Option 1	Year 24	\$184,295	\$15,358	
Option 1	Year 25	\$184,295	\$15,358	
Option 2	Year 26	\$198,117	\$16,510	7.50%
Option 2	Year 27	\$198,117	\$16,510	
Option 2	Year 28	\$198,117	\$16,510	
Option 2	Year 29	\$198,117	\$16,510	
Option 2	Year 30	\$198,117	\$16,510	
Option 3	Year 31	\$212,976	\$17,748	7.50%
Option 3	Year 32	\$212,976	\$17,748	
Option 3	Year 33	\$212,976	\$17,748	
Option 3	Year 34	\$212,976	\$17,748	
Option 3	Year 35	\$212,976	\$17,748	
Option 4	Year 36	\$228,949	\$19,079	7.50%
Option 4	Year 37	\$228,949	\$19,079	
Option 4	Year 38	\$228,949	\$19,079	
Option 4	Year 39	\$228,949	\$19,079	
Option 4	Year 40	\$228,949	\$19,079	



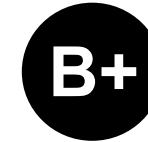
Burger King is a global chain of hamburger fast food restaurants with more than 17,000 locations worldwide. Burger King is the second largest fast food hamburger chain in the world with more than 17,000 locations and parent company is Restaurant Brands International (NYSE: QSR) which is also the parent company of Popeye's and Tim Hortons.



RBI Total Revenue
\$5 Billion (2020)



Burger King with 17,000
Stores Worldwide



S&P Credit
Rating B+

NEWS ARTICLE



4 Restaurant Stocks to Buy That Will Thrive After the Pandemic

"Casual-dining restaurants still have a difficult winter ahead, but looking beyond that, the picture brightens for them considerably, Wells Fargo argues. Analyst Jon Tower upgraded BJ's Restaurants (ticker: BJRI), Darden Restaurants (DRI), Restaurant Brands International (QSR), and Yum Brands (YUM) to Overweight from Equal Weight on Thursday. As the world comes "out of a year unlike any other in modern history for the restaurant industry, we expect chains to benefit..."

TENANT & GUARANTEE OVERVIEW



**Kolkhorst
Foods, LLC**

Kolkhorst Foods, LLC is a multi unit franchisee of Burger King and head quartered out of South Texas. Kolkhorst Foods, LLC operates 10+ units and is poised to open several more locations within the coming years. This organization primarily operates in the Fast-food Restaurant, Chain business / industry within the Eating and Drinking Places sector. This organization has been operating for approximately 10 years.



Top Ranked Burger
King Franchisee



15 Locations within
Next 2 Years



10 Unit Guarantee + Personal
Guarantee (\$30 Million)





HIBBETT

SPORTS



**TRACTOR
SUPPLY CO**



SHERWIN-WILLIAMS



CIRCLE K

H-E-B



15,000 VPD



SUBJECT
PROPERTY



15,000 VPD







MCDONALDS



**SUBJECT
PROPERTY**





ACTUAL PROPERTY PICTURES

Marcus & Millichap
THE NARAN GROUP



OPENED DURING
COVID



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

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BROKER OF RECORD BY:



NATIONWIDE COLLABORATION

*Culture of Collaboration to
Achieve Investment Goals*



COSTAR POWER BROKERAGE

*Top Investment Sales
Brokerage Firm Nationwide*



#1 NET LEASE BROKERAGE

*Top Net Lease Brokerage
Firm Nationwide*



80+ OFFICE NATIONWIDE

*Sources Buyer & Sellers
Across the US*



SHARED DATABASE

*Cross Collaboration of
Off & On Market Properties*



SPECIALIZE FAST FOOD

*Un-Paralleled
Specialty Expertise*