

# OFFERING MEMORANDUM

1226-1230 US 377 | PILOT POINT, TX  
\$1,999,000 | 5.39% CAP



**CORPORATE MCDONALD'S LEASE WITH OPTIONS TO 2062  
FIXED 10% RENT INCREASES EVERY 5 YEARS  
RAPID GROWTH AREA JUST BEYOND NORTHERN DALLAS SUBURBS**



ACTUAL SITE | PHOTOS TAKEN MAY 2021



ACTUAL SITE | PHOTOS TAKEN MAY 2021

## MCDONALD'S | PILOT POINT, TX

# EXECUTIVE SUMMARY

**\$1,999,000**  
PRICE

**5.39%**  
CAP

**\$107,664 \***  
NOI

*\*McDonald's rent is as of April 2022 and the seller will reimburse the rent difference at close.*

LOCATION

1226-1230 US-377  
Pilot Point, TX (Dallas MSA)

MCDONALD'S  
LEASE TYPE

Standard McDonald's  
Corporate Lease

MCDONALD'S  
OPTIONS

(4) 10-year Options to Extend

MCDONALD'S  
RENTAL INCREASES

10% Every 5 Years

JP REALTY & ALLSTATE  
LEASE TYPE

Standard Texas  
Association of Realtors Leases

LAND SIZE

±0.92 Acres

BUILDING SIZE

±5,756 Square Feet

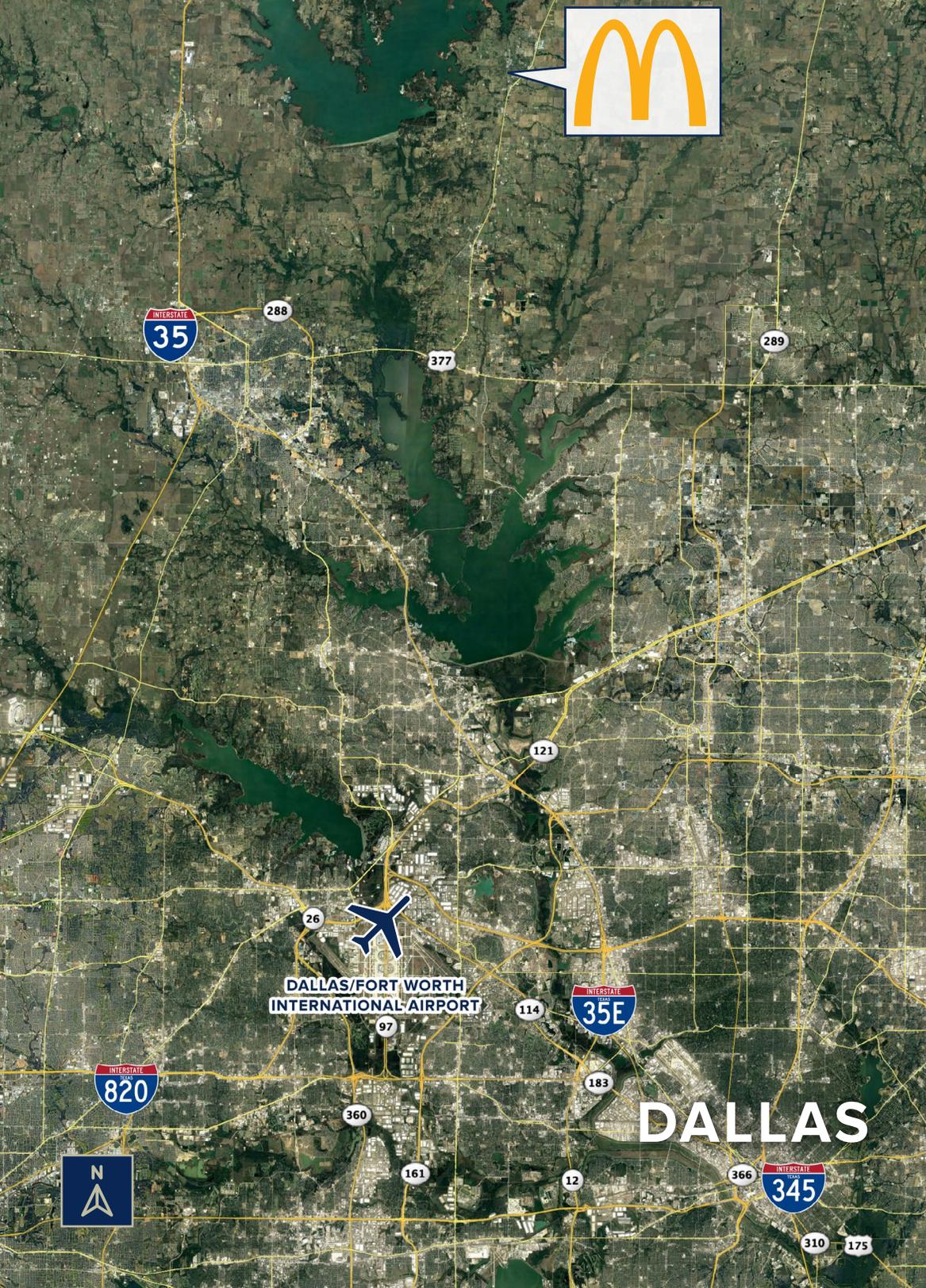


MCDONALD'S | PILOT POINT, TX

## RETAIL INVESTMENT GROUP IS PLEASED TO BE THE EXCLUSIVE LISTING BROKERAGE FOR MCDONALD'S IN PILOT POINT, TEXAS

This McDonald's property has a Standard McDonald's Corporate Lease which consists of four 10-year options and 10% increases every 5 years. The building is ±5,756 square feet on ±0.92 acres of land and was built in 2012.

The property is situated on the major thoroughfare of Highway 377 through Pilot Point. Pilot Point is located just north of Dallas, Texas. This location services the many small towns surrounding Denton, TX.



## PROPERTY OVERVIEW

- McDonald's recently completed an extensive interior renovation at their own cost, further displaying their commitment to the site
- CAM and Property Tax contributed monthly by tenants to annual budget with end of year reconciliation
- Rapidly expanding North Dallas MSA location
- McDonald's represents 67% of the rental income, while the two ancillary units are leading support tenancies on soft rents
- Highly desired location within the income tax-free state of Texas
- McDonald's end cap has a drive-thru component which was operating during the recent renovation
- Nearby retailers include: Dairy Queen, Signal Sign, Axtell Pharmacy, The Trailer Specialist, AdvanceCare Veterinary Hospital, Extend Care Services and various equine service business serving this famous horse breeding community



MCDONALD'S | PILOT POINT, TX

**BUSY  
DRIVE-THRU**



# RENT ROLL

Tenant	Sq. Ft.	% Total	Lease Start	Lease Expiration	Contract Rent		Expense Reimbursements		Total Collectable
					\$/Year	\$/SF/Year	CAM	Expenses	
McDonald's *	2,994	52.0%	Mar-12	Mar-22	\$71,935 *	\$24.03	\$11,655	\$11,655	\$71,935
JP Realty	1,381	24.0%	Feb-16	Aug-24	\$18,632	\$13.49	\$4,785	\$4,785	\$18,632
Allstate Agent	1,381	24.0%	Jun-16	May-26	\$17,098	\$12.38	\$4,785	\$4,785	\$17,098
<b>Totals</b>	<b>5,756</b>	<b>100.0%</b>			<b>\$107,664</b>	<b>\$18.70</b>	<b>\$21,224</b>	<b>\$21,224</b>	<b>\$107,664</b>

\*McDonald's rent is as of April 2022 and the seller will reimburse the rent difference at close.



**SITE  
PLAN**



Not to scale. Site overlay is approximate. Buyer to verify all information.



ACTUAL SITE | PHOTOS TAKEN MAY 2021



## ABOUT MCDONALD'S



**+37,000**  
Locations



**1940**  
Founded



**±50 STATES**  
in the U.S.



**+100**  
Countries

McDonald's Corporation is an American fast food company, founded in 1940 as a restaurant operated by Richard and Maurice McDonald, in San Bernardino, California, United States. They rechristened their business as a hamburger stand, and later turned the company into a franchise, with the Golden Arches logo being introduced in 1953 at a location in Phoenix, Arizona. In 1955, Ray Kroc, a businessman, joined the company as a franchise agent and proceeded to purchase the chain from the McDonald brothers.

McDonald's is one of the world's leading food service brands with over 37,000 restaurants in more than 100 countries, serving 70 million people each day. The McDonald's Corporation revenues come from the rent, royalties, and fees paid by the franchisees, as well as sales in company-operated restaurants. According to two reports published in 2018, McDonald's is the world's second-largest private employer with 1.7 million employees (behind Walmart with 2.3 million employees). As of 2020, McDonald's has the ninth highest global brand valuation.





LAKE RAY ROBERTS

PILOT POINT HIGH SCHOOL

WASHINGTON ST

**DOLLAR GENERAL**

LIBERTY ST

**ACE**  
The helpful place.

377

MASSEY STADIUM

*Brookshire Brothers*

PILOT POINT ELEMENTARY SCHOOL  
PILOT POINT MIDDLE SCHOOL



WASHINGTON ST

**O'Reilly**  
AUTO PARTS  
PROFESSIONAL PARTS PEOPLE

STRITTMATTER RD

SHARKAROSA WILDLIFE RANCH

FOUTCH RD





## MCDONALD'S | PILOT POINT, TX

### ABOUT PILOT POINT

Pilot Point was founded in 1853 and served as a strategic river navigational location for many years before local rivers were dammed and converted to lakes that now attract many visitors. The City itself remains small in land area, but it joins with other surrounding communities to provide an excellent lifestyle for residents. Local soils are a rare mix of sand and clay and have been popular for peanut, beef, and cotton growing. The area is presently a national leader for quarter-horse breeding and training, and growing tulips. The close proximity to Dallas' major city businesses and services has gentrified the area with many wealthy residents on small acre farms. The North Dallas urban sprawl is less than 12 miles away and is closing in rapidly. Commercial properties of this quality at under \$2M are rare.



# DEMOGRAPHICS

## POPULATION

	1 Mile	3 Miles	5 Miles
 <b>2021 Estimate</b>	1,937	4,857	5,546
<b>2026 Projection</b>	2,113	5,314	6,001



FOOD AWAY FROM HOME SPENDING OF  
**NEARLY \$7,000,000**  
 WITHIN 5-MILES

## 2021 Household Income

	1 Mile	3 Miles	5 Miles
 <b>Avg Household Income</b>	\$78,251	\$83,251	\$87,473
<b>Med Household Income</b>	\$68,076	\$66,490	\$68,483



2021 AVERAGE HOUSEHOLD INCOME OF  
**OVER \$87,000**  
 WITHIN 5-MILES

## Households

	1 Mile	3 Miles	5 Miles
 <b>2021 Estimate</b>	706	1,653	1,901
<b>2026 Projection</b>	769	1,802	2,048

## Traffic Counts

 <b>US Hwy 377</b>	±9,167 VPD
<b>Washington St &amp; Southside Dr</b>	±2,145 VPD
<i>CoStar 2020</i>	

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