

# BRAND NEW CONSTRUCTION DRIVE-THRU QSR

Absolute NNN Investment Opportunity  
Grand Opening Q4 2021

**POPEYES**



4100 Southern Boulevard | Rio Rancho, New Mexico

## ALBUQUERQUE MSA

REPRESENTATIVE PHOTO

 **SRS** | NATIONAL  
NET LEASE  
GROUP



## EXCLUSIVELY MARKETING BY



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# OFFERING SUMMARY



## OFFERING

**Asking Price** \$3,341,000

**Cap Rate** 5.00%

**Net Operating Income** \$167,066

## PROPERTY SPECIFICATIONS

**Property Address** 4100 Southern Boulevard  
Rio Rancho, New Mexico 87124

**Rentable Area** 2,328 SF

**Land Area** 1.11 AC

**Year Built** Under Construction (Opening Q4 2021)

**Tenant** Legacy Chicken, LLC

**Sales Reporting** Yes - Contact Agent for Details

**Guaranty** Franchisee - 15-Unit Operator\*

**Lease Type** Absolute NNN

**Landlord Responsibilities** None

**Lease Term** 20 Years

**Increases** 7% Every 5 Years

**Options** 4 (5-Year)

**Rent Commencement** TBD

**Lease Expiration** 20 Years

\* Guaranty is projected to adjust to a 30-unit operator

# RENT ROLL & INVESTMENT HIGHLIGHTS



TENANT NAME	SF	Lease Term				Rental Rates		
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	ANNUALLY	OPTIONS
Legacy Chicken, LLC	2,328	TBD	20 Years	Year 1	-	\$13,922	\$167,067	4 (5-Year)
(Franchisee Guaranty)				Year 6	7%	\$14,897	\$178,761	7% Increase at Beg. of Each Option
				Year 11	7%	\$15,940	\$191,275	
				Year 16	7%	\$17,055	\$204,664	

<sup>1</sup> Tenant has 10-Day Right of First Refusal to Purchase

## Brand New 20-Year Lease | Franchisee Guaranteed | Scheduled Rental Increases | Growing Operator

- Tenant has recently signed a brand new 20-year lease with 4 (5-year) options to extend
- The lease features 7% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation
- The lease is currently guaranteed by a 15 unit entity. Guarantee is projected to grow to a 30-unit guarantee
- Tenant has signed an agreement with Popeyes corporate to develop 30 new stores in NM over the next four years. All 30 stores will be under the “Legacy Chicken, LLC” entity
- Popeyes same store sales growth increased by +11.6% from 2018-2019

## Absolute NNN Lease | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- Zero landlord responsibilities
- Ideal, management-free investment for a passive investor

## Outparcel to Grocery Anchored Tenant | Cottonwood Mall | Dense Retail Corridor | Direct Residential Consumer Base

- The asset is an outparcel to Walmart Neighborhood Market, increasing consumer draw to the immediate trade area
- Within proximity to Cottonwood mall, a 1,059,775 SF shopping mall anchored by Dillard’s and Regal Cinema
- Other nearby national/credit tenants include The Home Depot, Sam’s Club, PetSmart, Barnes & Noble, Marshalls, Big Lots, and more
- Within walking distance to multiple apartment complexes including Meadowlark (72 unit), Entrada Pointe (209 unit), Buena Vista (258 unit), and more, providing a direct consumer base from which to draw

## Signalized, Hard Corner Intersection | Drive-Thru Equipped | Brand New Construction

- Strategically located at the signalized, hard corner intersection of Southern Boulevard SE and Pat D’Arco Highway, averaging a combined 91,900 VPD
- Building is equipped with a drive-thru, providing ease and convenience for customers
- Set to complete in Q4 2021, the building will feature state of the art, brand new high-quality construction with modern amenities and design



# PROPERTY OVERVIEW



## Location



Rio Rancho, New Mexico  
Sandoval & Bernalillo County  
Albuquerque MSA

## Parking



There are approximately 38 parking spaces on the owned parcel.  
The parking ratio is approximately 16.32 stalls per 1,000 SF of leasable area.

## Access



Southern Boulevard SE: 3 Access Points  
Pat D'Arco Highway/State Highway 528: 2 Access Points

## Parcel



Parcel Number: TBD  
Acres: 1.11  
Square Feet: 48,306

## Traffic Counts



Southern Boulevard SE: 31,000 Vehicles Per Day  
Pat D'Arco Highway/State Highway 528: 60,900 Vehicles Per Day

## Construction



Year Built: 2021

## Improvements



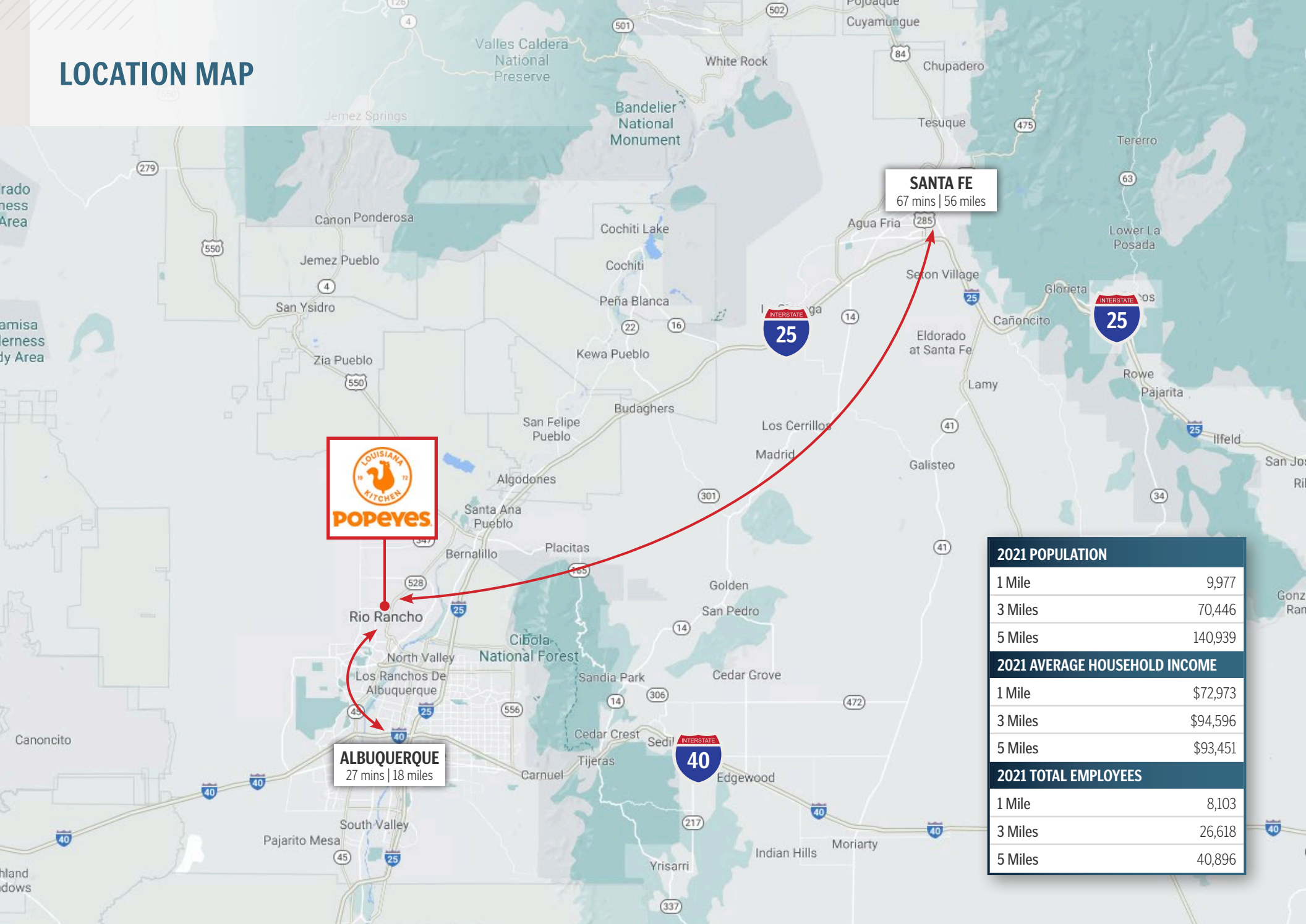
There is approximately 2,328 SF of existing building area

## Zoning



Commercial

## LOCATION MAP



### 2021 POPULATION

1 Mile	9,977
3 Miles	70,446
5 Miles	140,939

### 2021 AVERAGE HOUSEHOLD INCOME

1 Mile	\$72,973
3 Miles	\$94,596
5 Miles	\$93,451

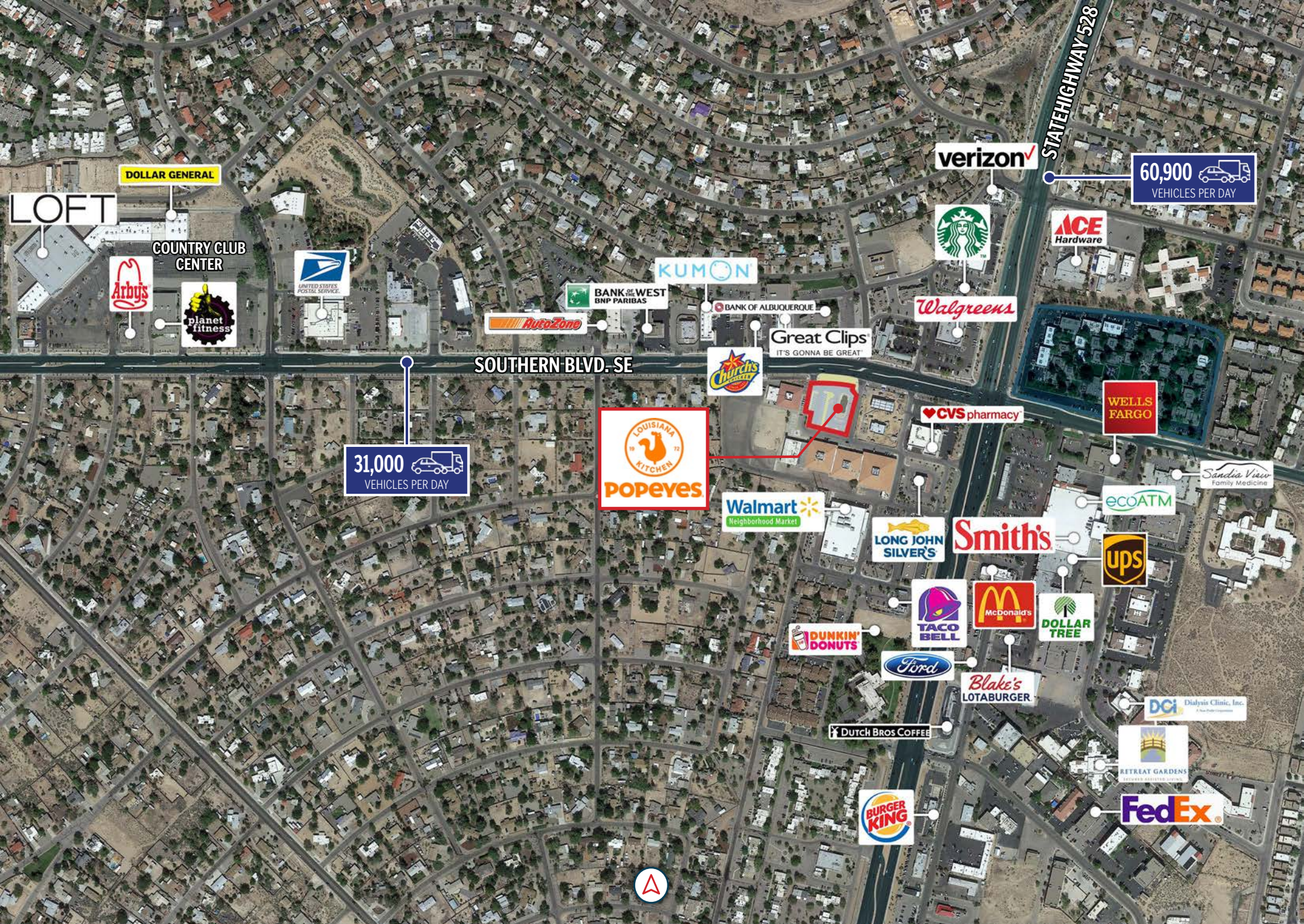
### 2021 TOTAL EMPLOYEES

1 Mile	8,103
3 Miles	26,618
5 Miles	40,896

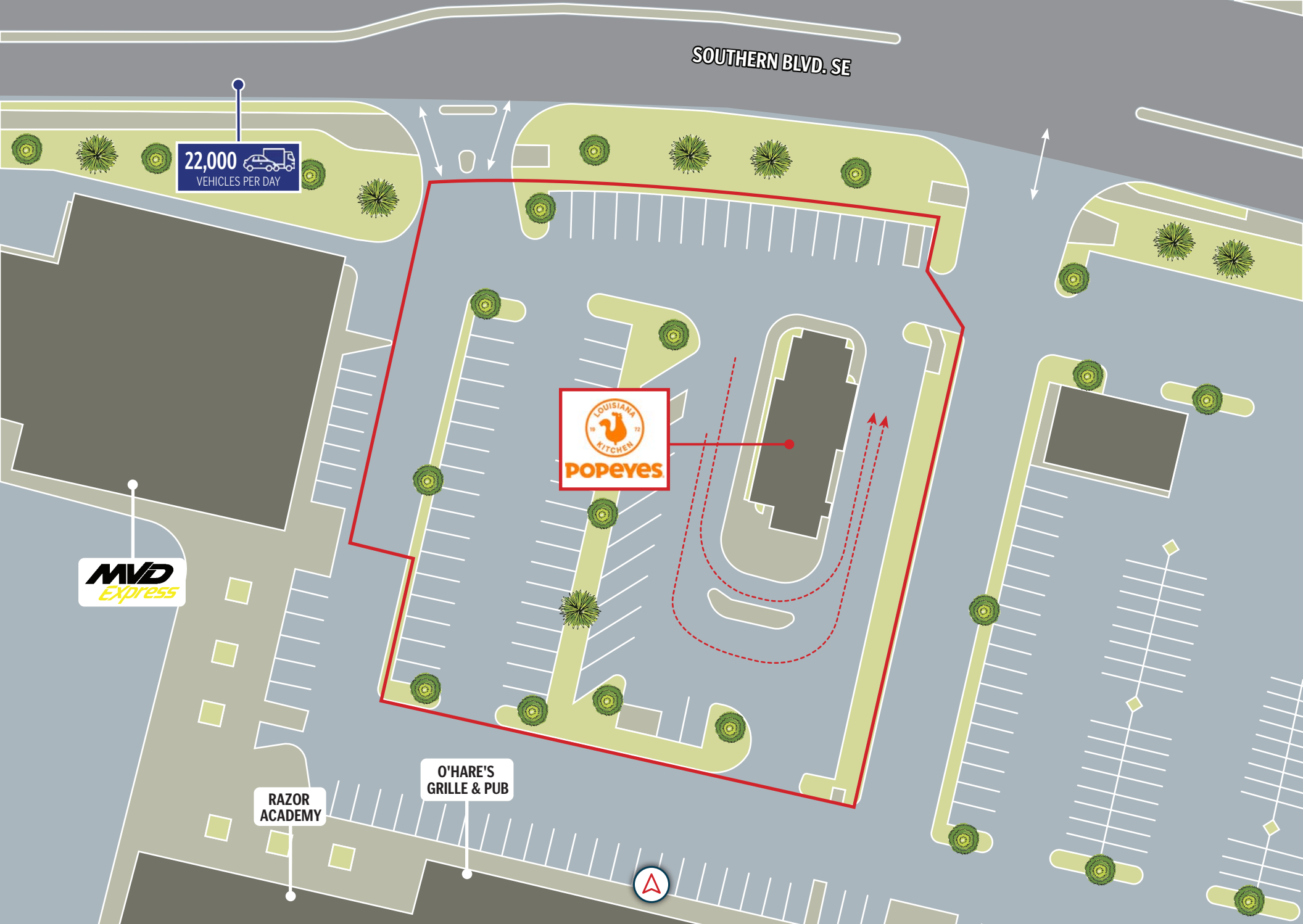














# AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
<b>POPULATION</b>			
2021 Estimated Population	9,977	70,446	140,939
2026 Projected Population	9,676	79,843	161,759
2021 Median Age	49.4	39.8	38.9
<b>HOUSEHOLDS &amp; GROWTH</b>			
2021 Estimated Households	4,483	27,535	54,176
2026 Projected Households	4,394	30,938	61,877
<b>INCOME</b>			
2021 Estimated Average Household Income	\$72,973	\$94,596	\$93,451
2021 Estimated Median Household Income	\$56,702	\$73,583	\$72,800
<b>DAYTIME POPULATION</b>			
2021 Estimated Total Businesses	570	2,286	3,584
2021 Estimated Total Employees	8,103	26,618	40,896







### RIO RANCHO, NEW MEXICO

The City of Rio Rancho is located in Sandoval County in central New Mexico, northwest and adjacent to Albuquerque, New Mexico's largest city. The metropolitan area is serviced by east-west Interstate I-40 and north-south Interstate I-25. The City of Rio Rancho is the 3rd largest city in New Mexico with a population of 102,374 as of July 1, 2020.

Rio Rancho is the fastest-growing city in the state of New Mexico and is home to many young families & new residential developments. As the newest city in a state saturated with tradition and history, Rio Rancho uniquely combines the convenience of modern master-planning and pro-business government with the cultural values intrinsic to its geographic location. With the creation of a central business district, recruitment of a motion picture studio, plans for a major university, and a rapidly growing population, the City of Rio Rancho is solidly fulfilling the moniker and self-imposed mandate as "The City of Vision."

The City of Rio Rancho prides on meeting all five tenants of a model modern community: the City has a solid economic base anchored in Intel and is quickly becoming a hub for the film industry as well; Rio Rancho recruits clean companies and is environmentally responsible; the school system ranks second in the state and has been featured in Time magazine; the City offers housing diversity, maintaining its reputation for affordable housing while making inroads towards high-end real estate.

Residents enjoy the numerous parks, trails, bicycle paths and open space located in the city. Golf enthusiasts enjoy playing golf all year long at the numerous courses. The scenic Jemez Mountains includes water falls, warm springs and attractive meadows. The top of the Tent Ricks Trail offers spectacular views. The nearby Sandia Peak Tramway is one of the longest aerial tramways in the world. Hot air balloon rides are available. There are numerous locations for mountain biking. The paved trail situated along the Rio Grand River is popular with residents. Fishing opportunities are available at the nearby lakes and streams. The scenic Luz Trail traverses through a desert landscape, a forest area, alpine meadows and impressive boulder fields.



# BRAND PROFILE



## POPEYES

[popeyes.com](http://popeyes.com)

**Company Type:** Subsidiary

**Locations:** 3,400+

**Parent:** Restaurant Brands International

**2020 Employees:** 5,200

**2020 Revenue:** \$4.97 Billion

**2020 Net Income:** \$486.00 Million

**2020 Assets:** \$22.78 Billion

**2020 Equity:** \$2.17 Billion

**Credit Rating:** S&P: BB



Founded in 1972, Popeyes Louisiana Kitchen, Inc. develops, operates, and franchises quick-service restaurants under the Popeyes Louisiana Kitchen and Popeyes Chicken & Biscuits trade names. The brand's new Chicken Sandwich introduced in 2019 has been a massive star and is more than just buzz. The fanfare around Popeyes' Chicken Sandwich produced an historical sales boost for the brand. Popeyes' comparable sales in the U.S. increased 13 percent for the year and 37.9 percent for the fourth quarter 2019. Popeyes rode momentum from the initial August launch into an event bigger relaunch, complete with a wildly successful social media campaign. The restaurant was at one point the top-trending news on Twitter and the top search on Google. This led to billions of media impressions and generated earned media worth considerably more than the size of their entire annual advertising budget. Additionally, Popeyes' foot traffic increased greatly from 2018 to 2019. Based on foot traffic analytics platform Placer.ai, when comparing all of 2018's visits to 2019, the brand saw a traffic increase of 26.8 percent for the year. There are over 3,400 Popeyes restaurants in the U.S. and around the world.





### POPEYES VS. CHICK-FIL-A

If 2019 could be summed up in a sandwich, it would be one made of fried chicken. After releasing its highly anticipated chicken sandwich in August 2019, Popeyes got involved in a social media war with a rival competitor. It all started through a tweet targeted at rival Chick-fil-A. Chick-fil-A tweeted: «Bun + Chicken + Pickles = all the [heart] for the original,» to which Popeyes responded in its own tweet, «... y'all good?» Little did the company know this would push their brand-new chicken sandwich into the limelight and reel in a record-breaking amount of foot traffic.

The tweet, which garnered over 300,000 likes, enabled Popeyes to earn 8 billion impressions on social media, which is worth about \$87 million. It also led to days' worth of long lines at Popeyes locations everywhere. The chain completely ran out of the sandwich just two weeks after its debut, selling as many sandwiches as it originally anticipated to sell through the end of September 2019.

Popeyes did not just impulsively add a chicken sandwich to its menu just to have one. It took the brand two years to develop the perfect \$4 sandwich, and while its launch was quiet, the famous tweet is attributed to making the menu item legendary.

The success of Popeyes' Chicken Sandwich effectively prompted the chicken sandwich wars among other rival brands. In May 2019, KFC announced that it would be testing its own version of the chicken sandwich. McDonald's rolled out their own takes on the boneless chicken sandwich within the past year, as well, in an attempt to match Popeyes' momentum.





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