

OFFERING MEMORANDUM



ABSOLUTE NNN

Long-Term Lease With
19 Years Remaining

12872 MO-21
DE SOTO, MO

\$1,918,340 | 5.00% CAP

NNN
Retail Investment Group



One of Three Available Locations

EXCLUSIVELY LISTED BY

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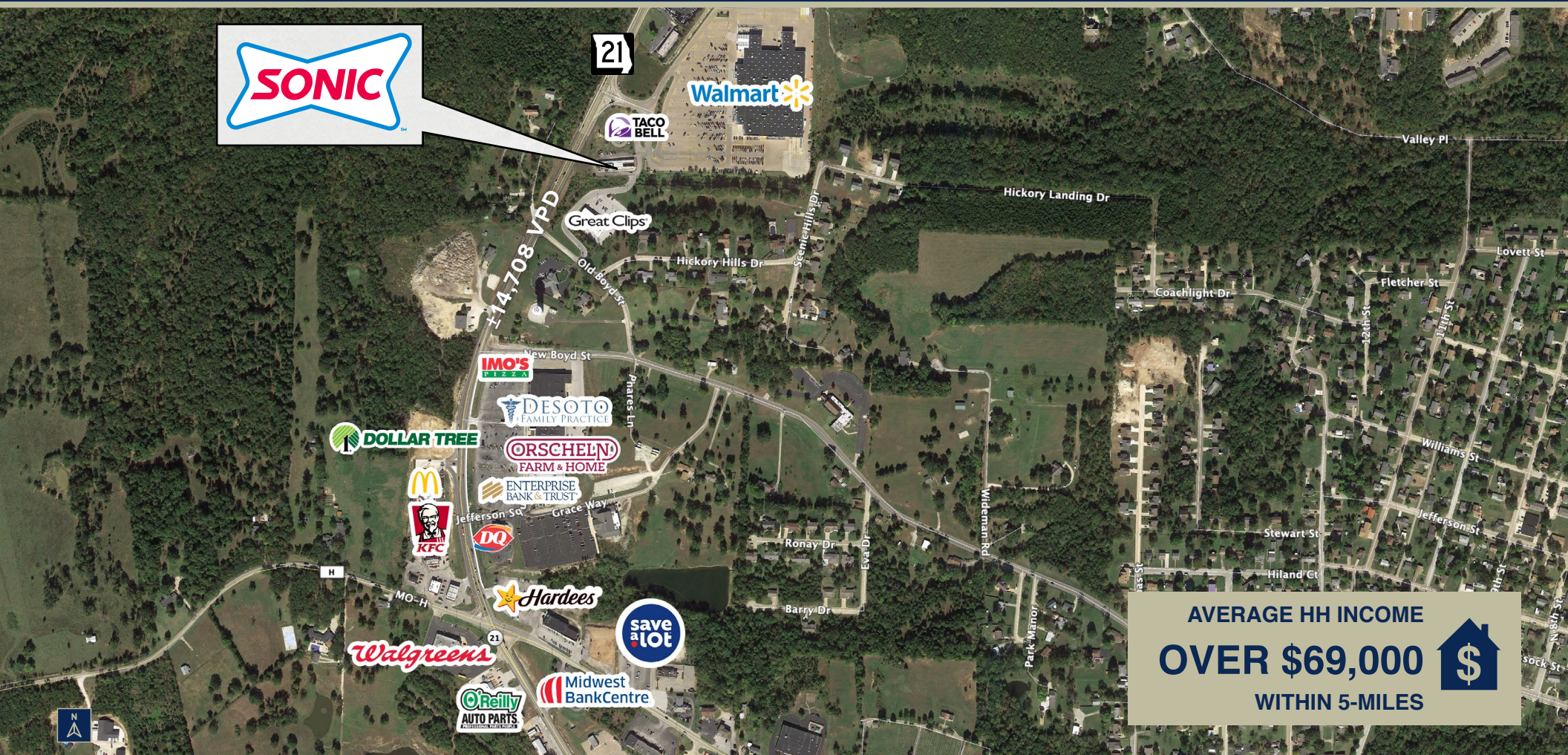
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SONIC | DE SOTO, MO

EXECUTIVE SUMMARY

\$1,918,340

PRICE

5.00%

CAP

\$95,917

NOI

LOCATION

12872 MO-21
De Soto, MO 63020

LEASE TYPE

Absolute NNN

LEASE
EXPIRATION

August 2040

LESSEE

24 Franchise Group, LLC,
a Texas limited liability company

GUARANTOR

Sweetwater Franchise Group, LLC,
a Texas limited liability company

OPTIONS

(4) 5-Year Options

INCREASES

2% Annual Increases

LAND SIZE

±1.32 Acres

BUILDING SIZE

±1,563 Square Feet

YEAR BUILT

2006

ROFR

10-Day

Retail Investment Group

480.429.4580 | retail1031.com



SONIC | DE SOTO, MO

PROPERTY HIGHLIGHTS

- Long-term (19-year) Absolute NNN lease
- Experienced 53-unit operator/guarantor
- Strong sales reported (ask broker for details)
- 2% annual increases through base term and options, generating increasing NOI and hedging against inflation
- 4 x 5-year options to extend
- Walmart Supercenter outparcel
- Nearby tenants include Walmart, Dollar Tree, Walgreens, O'Reilly Auto Parts, Save A Lot, AutoZone and more
- Pandemic, e-commerce, and recession-proof tenant
- De Soto is part of the St. Louis metropolitan area
- Two more carbon-copy deals available individually or as a portfolio (ask broker for details)



TENANT PROFILE

SONIC



±3,524
Locations



±46 States
in the U.S.



1953
Founded

INSPIRE
Brands
Parent
Company

Sonic Corp., founded in 1953 as Sonic Drive-In (and more commonly known as SONIC), is an American drive-in fast-food restaurant chain owned by Inspire Brands. SONIC has over 3,500 locations in 46 states across the U.S. In 2020, Sonic was ranked 14th in QSR Magazine's rankings of the top 50 quick-service and fast-casual restaurant brands in the nation.

With more than 32,000 restaurants in more than 65 countries worldwide, Inspire Brands, is the second largest restaurant company in the United States. The company was founded in February 2018 with a vision to invigorate great brands and supercharge their long-term growth. Inspire Brands consists of seven restaurant brands: Arby's, Baskin-Robbins, Buffalo Wild Wings, Dunkin', SONIC, Rusty Taco and Sonic Drive-In.



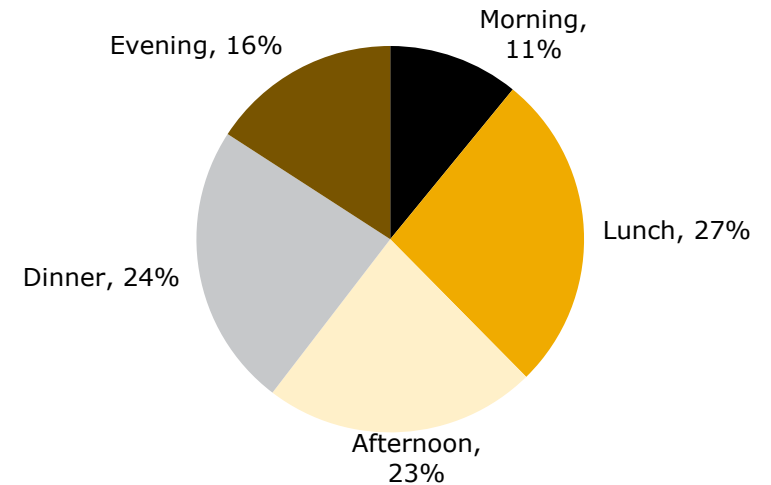
DUNKIN'



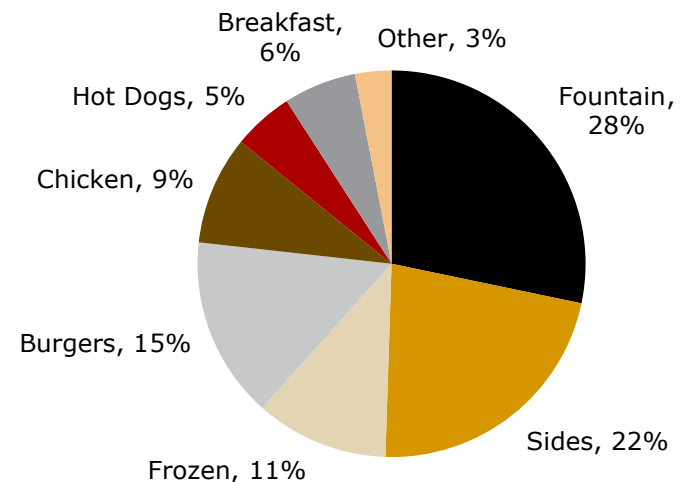
COMPANY OVERVIEW

The information in this section is based on materials provided by the Company and/or public sources. Sonic was founded in 1953 and operates and franchises the largest chain of drive-in restaurants in the United States. Sonic is best known for its drive-in concept which focuses on quality, made-to-order food products that is delivered by carhops. The Company offers a variety of product offerings including specialty drinks, ice cream desserts, burgers, chicken entrees, hot dogs and sides. Sonic maintains a diverse menu with a strategy to provide a broad range of items that appeal to target customer segments across different day-parts. The menu includes a variety of traditional and healthier choices as well as creative and fun items. Sonic's signature food items include specialty drinks, ice cream desserts, made-to-order cheeseburgers, chicken entrees, a variety of hot dogs, and various sides. Sonic Drive-Ins also offer breakfast items that include a variety of breakfast burritos. Unlike most QSR competitors, Sonic serve the entire menu all day long. Over 60% of sales are from beverages, snacks and frozen categories during LTM March 2021.

Sonic Daypart Sales Mix

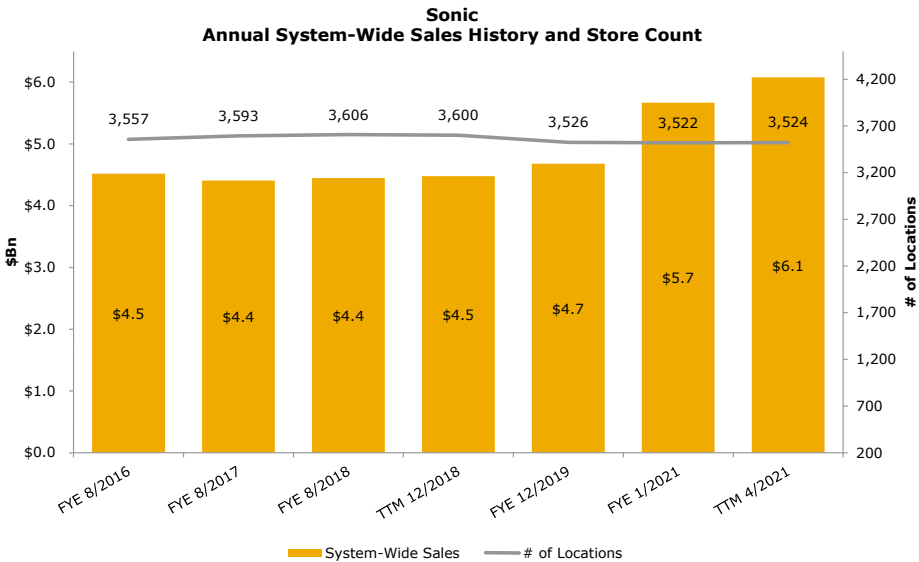
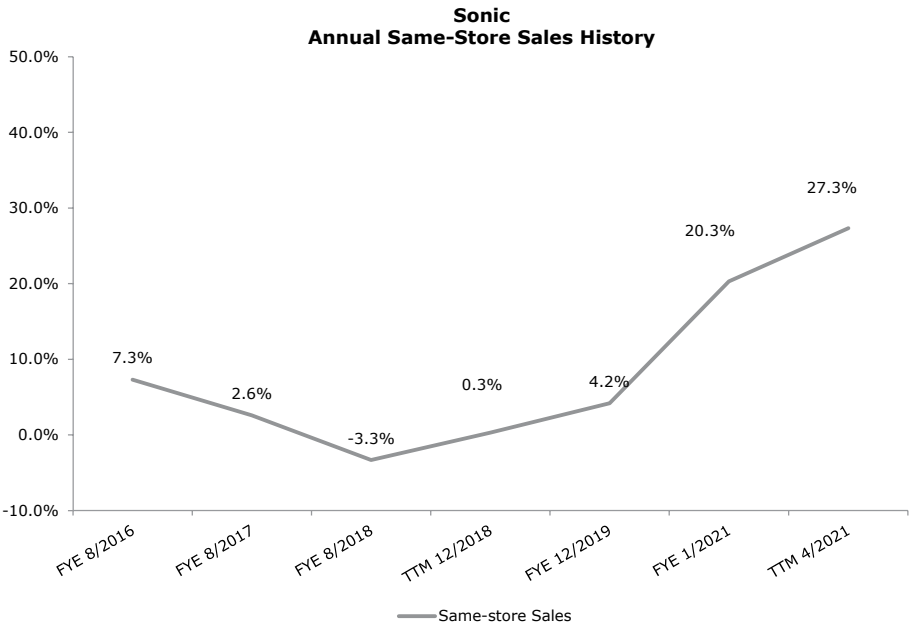


Sonic Menu Sales Mix



COMPANY OUTLOOK

As a franchisor, the Sonic’s business strategy is focused on increasing system-wide sales through SSS growth and by adding new locations to the system. Currently, the company has 3,524 drive-in restaurants across 46 states and the company believes that there is potential for 1,400 additional locations in the future. Sonic plans to continue to grow the system through several initiatives including continuing to create a unique customer experience using its drive-in model, improved relationships with third-party delivery services, mobile app improvements and constant menu innovation.



Y

Missouri-Y

WOODCREST
VILLAGE
APARTMENTSPOPULATION OF OVER
16,500 RESIDENTS
WITHIN 5-MILES

P

APG
CUSTOMS **Quick Lane**
TIRE & AUTO CENTER**PETTUS**ELKS
LODGE
689**Walmart**  **DOLLAR TREE****ORSCHELN**
FARM & HOME**save
a lot****Auto
Zone****DE SOTO
COMMUNITY
CENTER**

H

14,708 VPD

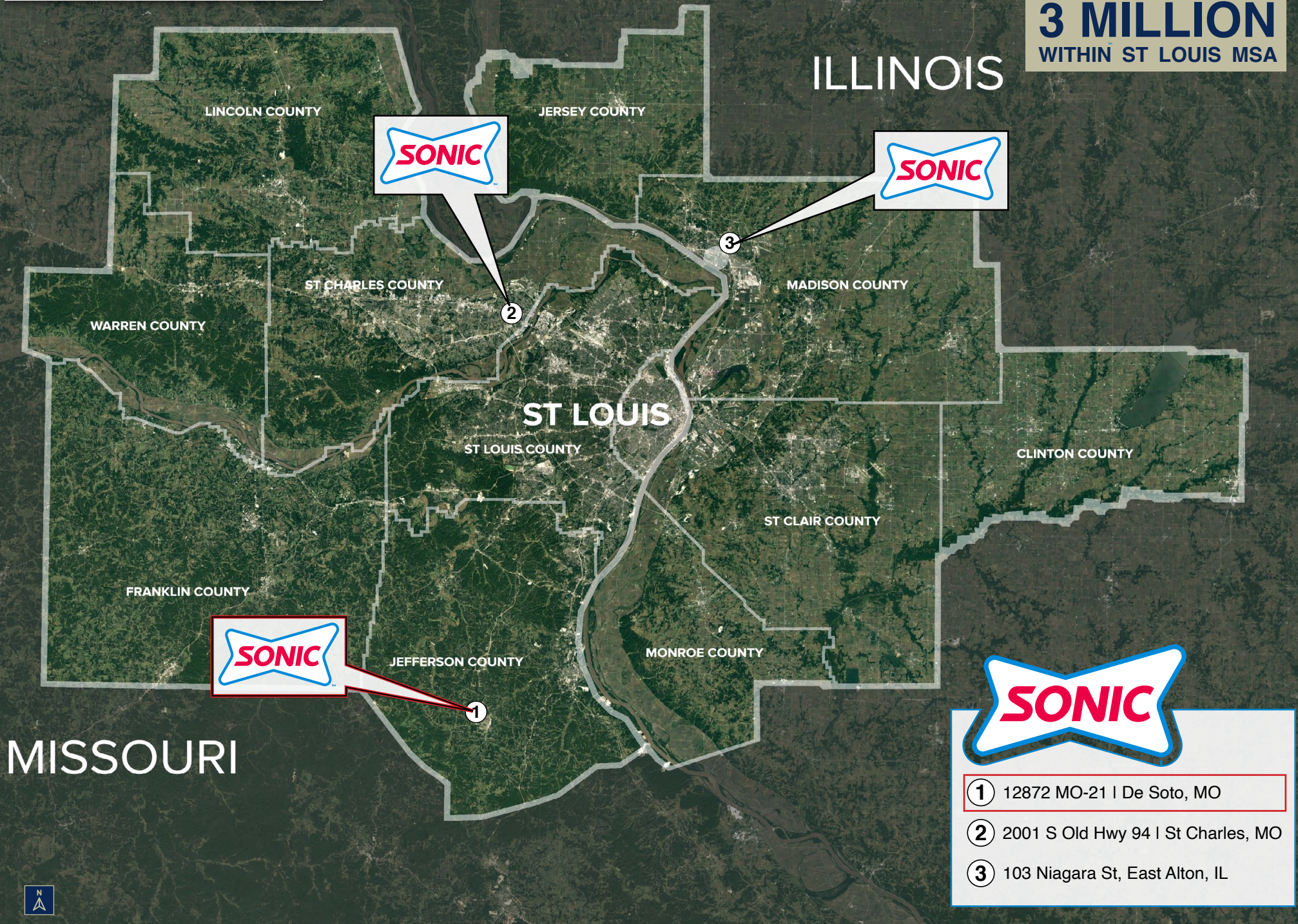
Walgreens**O'Reilly**
AUTO PARTS
PROFESSIONAL PARTS PEOPLE

State Hwy N

**DE SOTO SENIOR
HIGH SCHOOL**

One of Three Available Locations

POPULATION OF NEARLY
3 MILLION
WITHIN ST LOUIS MSA





SONIC | DE SOTO, MO

AREA OVERVIEW

De Soto, Missouri is a city in Jefferson County and was incorporated in 1869. The population of De Soto was approximately 6,400 in 2019.

The City of De Soto is located in the southeastern part of Missouri, approximately 45 miles south of St. Louis. De Soto is in Jefferson County, which is one of the fastest growing counties in Missouri.

De Soto is part of the St. Louis metropolitan area. St. Louis is the second-largest city in Missouri. Greater St. Louis is a bi-state metropolitan area that completely surrounds and includes the independent city of St. Louis, the principal city. It includes parts of both Missouri and Illinois. The city core is on the Mississippi Riverfront on the border with Illinois in the geographic center of the metro area. As of 2020, the St. Louis MSA is the 21st-largest in the nation with a population of 2,820,253.

POPULATION



±2,820,253 RESIDENTS
WITHIN ST LOUIS MSA (2020)

POPULATION



	3 Miles	5 Miles	10 Miles
2021 Est	10,126	16,888	47,262
2026 Proj	10,184	17,040	47,729



FOOD AWAY FROM HOME SPENDING OF
\$19,668,047
WITHIN 5-MILES

2021 HOUSEHOLD INCOME



	3 Miles	5 Miles	10 Miles
Avg Household Income	\$62,238	\$69,183	\$76,862
Med Household Income	\$49,022	\$56,497	\$64,550



2021 POPULATION OF
16,800 RESIDENTS
WITHIN 5-MILES

HOUSEHOLDS



	3 Miles	5 Miles	10 Miles
2021 Est	3,990	6,433	17,487
2026 Proj	4,013	6,491	17,667



State Hwy 21 @ Hwy 21 NE ±14,708 VPD
State Route 21 @ Hickory Landing Dr SE ±6,408 VPD

Costar 2020

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