



**120 E OVERLAND TRAIL | ABILENE, TX 79606**

**OFFERING MEMORANDUM**





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REAL ESTATE INVESTMENT SERVICES

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# INVESTMENT HIGHLIGHTS

- ◁ **ABSOLUTE NNN LEASE** – ZERO Landlord Responsibilities - Ideal for out of state investor
- ◁ **LARGEST OPERATOR IN THE STATE OF TEXAS** - 2nd Largest Operator in Denny's System
- ◁ **THIS DENNY'S IS OPERATED BY DEN-TEX CENTRAL, INC., which boasts approximately 92 units in select states**
- ◁ **PERSONAL GUARANTY** – Excellent Personal Guaranty from the Owner of Den-Tex Central, Inc., significant net worth (Contact Broker for further details)
- ◁ **RECENT ACQUISITION OF BUSINESS OPERATIONS** – The current operator acquired this business in 2017, showing a strong desire to operate at this location and commitment to the site
- ◁ **EXTENSIVE IMPROVEMENTS** – In 2019, the tenant substantially remodeled the interior and exterior of the building, another illustration of long-term commitment to the location
- ◁ **STRATEGIC RESTAURANT LOCATION** – The subject property sits off of I-20, which benefits from sees over ±25,000 VPD and is within walking distance to multiple Hotels including La Quinta Inn, Best Western, Holiday Inn, and Hampton Inn.
- ◁ **ICONIC CONCEPT** – Denny's is an iconic American brand that was founded in 1953 and has successfully navigated numerous



# FINANCIAL OVERVIEW



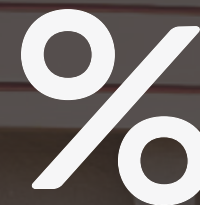
**\$2,375,000**

LIST PRICE



**\$124,700**

NOI



**5.25%**

CAP RATE

## | BUILDING INFO

Address	120 E. Overland Trail, Abilene, TX 79601
Lot Size	±0.95 AC
GLA	±4,551 SF
Price/SF	\$521.86
Rent/SF	\$27.40

*\*Pricing is in accordance with rent increase scheduled to take place on 2/15/2022*

## | DEBT QUOTE

Please contact a Matthews™ Capital Markets Agent for financing options:

Patrick Flanagan  
patrick.flanagan@matthews.com

# FINANCIAL OVERVIEW

## TENANT SUMMARY

Tenant Trade Name	Denny's
Type of Ownership	Fee Simple
Lease Type	NNN
Guarantor	Personal (See Broker For Details)
Roof & Structure	Tenant Responsible
Original Lease Term	20 Years
Current Term Commencement	02/21/17
Lease Expiration Date	02/21/2037
Term Remaining	±15 Years
Increases	7.50% Every 5 years and Start of Each Option
Options	Four (4), Five (5) Options

## ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current - 2/15/2022	\$9,666.66	\$115,999.92	4.88%
<b>2/15/2022 - 2/14/2027</b>	<b>\$10,391.66</b>	<b>\$124,699.92</b>	<b>5.25%</b>
2/15/2027 - 2/14/2032	\$11,171.03	\$134,052.41	5.64%
2/15/2032 - 2/14/2037	\$12,008.86	\$144,106.35	6.07%
Option 1	\$12,909.53	\$154,914.32	6.52%
Option 2	\$13,877.74	\$166,532.89	7.01%
Option 3	\$14,918.57	\$179,022.86	7.54%
Option 4	\$16,037.46	\$192,449.58	8.10%

*\*Pricing is in accordance with rent increase scheduled to take place on 2/15/2022*

# TENANT OVERVIEW



## The Offering

PROPERTY NAME		DENNY'S
Property Address		120 E Overland Trail Abilene, TX 79606
SITE DESCRIPTION		
Number of Stories		One
Lot Size		±0.95 AC
GLA		±4,551 SF
Type of Ownership		Fee Simple
Landscaping		Professional
Topography		Generally Level

## Tenant Overview

» Company Name	» Year Founded	» Headquarters
Denny's	1953	Spartanburg, SC
» Ownership	» Industry	» Website
Public	Restaurant	www.Denny's.com

Denny's is one of the leading full-service, family-style restaurant chains in the US, with more than 1,710 of its signature eateries located across the country. Typically open 24 hours a day, the chain is best known for its menu of breakfast items, including eggs, pancakes, and combination plates carrying such names as All-American Slam, Lumberjack Slam, and the aforementioned Grand Slam Breakfast.

Denny's also serves standard American fare (burgers, sandwiches, steak) for lunch and dinner. The company owns and operates about 165 of its restaurants, while the rest are franchised or operate under licensing agreements.

**4,000+**  
Employees

**\$ 288.6M**  
2020 Sales

**1,504+**  
Locations Worldwide



HARDIN-SIMMONS  
UNIVERSITY

OBAR  
WRECKER SERVICE, LLC

FRONTIER INN  
HOTEL



TRAVEL INN  
HOTEL



± 25,000 VPD



W LAKE RD. ± 4,900 VPD

± 25,000 VPD



**RED ARMADILLO  
SHOPPING CENTER**



CATO  
CLAIRE'S  
MOTEL 6  
RAISING CANE'S  
SUPER 8  
DAIRY QUEEN  
COMFORT INN

CRACKER BARREL  
WING STOP  
STARBUCKS  
PANDA EXPRESS  
AT&T  
MURPHY USA  
ETC.



ABILENE CHRISTIAN  
UNIVERSITY



+ 25,000 VPD



+ 25,000 VPD



+ 4,900 VPD  
W LAKE RD.

W LAKE RD.



# AREA OVERVIEW

## ABILENE, TX

Abilene is a city in West Texas located off Interstate 20 about 150 miles west of Fort Worth, Texas. Home to more than 124,000 residents, it is the county seat of Taylor County and the principal city in the Abilene Metropolitan Statistical Area. The area is supported by manufacturing, three small colleges and universities, and the Dyess Air Force Base. Abilene's cultural aspects are centered on this mix of the local college and university campuses, the agriculture community of the surrounding area, and the established evangelical churches.

Downtown is typical Texas western, with an attractive mix of older and newer buildings. Good residential areas surround the town, with the strongest lying south and southwest. The cost of living is very attractive, and the summer climate is better than most areas of Texas. Abilene has a good balance of qualities and represents typical, small-town Texas life. Total enrollment is about 4,500.

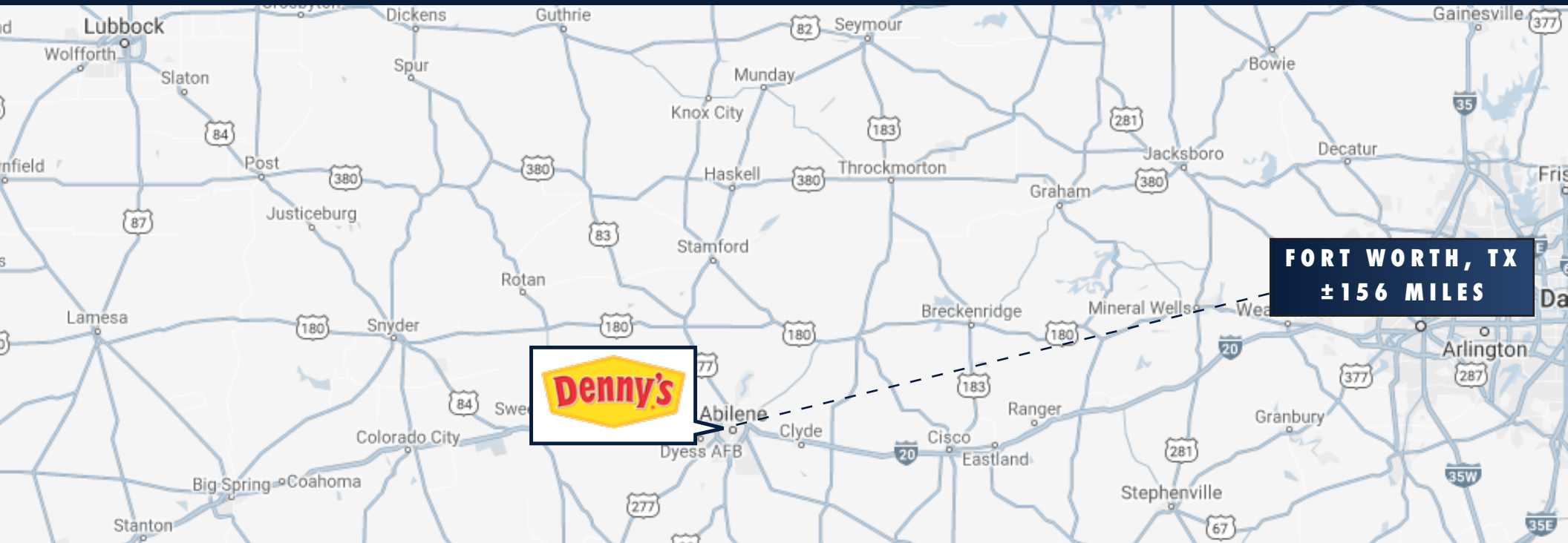
## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	2,315	33,205	67,520
2021 Estimate	2,284	32,729	66,559
Growth % 2021-2026	0.3%	0.3%	0.3%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	841	12,279	25,622
2021 Estimate	831	12,093	25,248
Growth % 2021-2026	0.2%	0.3%	0.3%
INCOME	1-MILE	3-MILE	5-MILE
2021 Avg Household Income	\$59,027	\$54,711	\$58,569
2021 Med Household Income	\$47,910	\$41,814	\$44,154

## ECONOMY

Abilene is the economic, educational, medical, and cultural center of the west-central Texas area. The city's major industries include defense, manufacturing, and education. The presence of the Dyess Air Force Base economically impacts the well-being of the community as it is home to the 7th Bomb Wing of the Air Force Global Strike Command and the 317th Air Lift Group of Air Mobility Command. Abilene also has lots of manufacturing plants in its vicinity that produce beverages, baked goods, animal foods, engines, shipping containers, and many other products. The city is also home to three major private universities: Abilene Christian University, Hardin-Simmons University, and McMurry University. The fastest-growing sections of the city are growing to the southwest, along Southwest Drive, the Winters Freeway, and the Buffalo Gap Road corridor; the southeast, along Loop 322, Oldham Lane, Industrial Drive, and Maple Street; and in the northeast near the intersection of SH 351 and I-20. Many developments have begun in these three areas within the last few years. Overall, Abilene has a gross metro product of \$8.4 billion and has a cost of living 5% below the national average.

A railroad divides the city down the center into north and south. The historic downtown area is on the north side of the railroad. There are three lakes in the immediate area: Lytle Lake on the western edge of Abilene Regional Airport, Kirby Lake on the southeast corner of the US 83/84 and Loop 322 interchange, and Lake Fort Phantom Hill in Jones County in northern Abilene providing numerous opportunities for water recreation to residents and visitors alike.



# | ABILENE, TX TOURISM

## **FRONTIER TEXAS!**

Frontier Texas! is a history museum featuring exhibits on the Old West & Texas frontier life. It is one of the few museums in the world to feature life-sized holographic figures.



## **THE GRACE MUSEUM**

The Grace Museum is positioned at the heart of downtown in a former hotel built in the early 1900s. It showcases a collection of art and photos related to Texas and offers educational programs for all ages.



## ABILENE CHRISTIAN UNIVERSITY

Founded in 1906, Abilene Christian University (ACU) is a private, non-profit university in Abilene, Texas, affiliated with the Churches of Christ. The university's 208-acre campus enjoys a city setting, offering the over 5,000 enrolled students an engaging, vibrant community. The university is comprised of 7 schools and colleges and offers 79 baccalaureate majors, 35 master's degree programs, and 3 doctoral degree programs. The ACU Wildcats participate in the Western Athletic Conference and play sports at the NCAA Division I level. ACU has 64 national team championship wins. Known for incorporating cutting-edge technology into learning, ACU has positioned itself as the leader in the integration of mobile learning technology. ACU continues to receive worldwide recognition for its innovation in and out of the classroom.

### **MOST INNOVATIVE SCHOOL**

*#2 Among Regional Universities*

### **"BEST COLLEGES"**

*U.S. News & World Report 2022*

### **#4 AMONG REGIONAL UNIVERSITIES**

*Best Undergraduate Teaching*



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Denny's** located at **120 E Overland Trail | Abilene, TX 79606** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. 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 Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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REAL ESTATE INVESTMENT SERVICES





## 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:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - 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.

Kyle Matthews/Matthews Retail Group Inc.	<b>678067</b>	<b>kyle.matthews@matthews.com</b>	<b>(310) 919-5757</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Kyle Matthews</b>	<b>678067</b>	<b>kyle.matthews@matthews.com</b>	<b>(310) 919-5757</b>
Designated Broker of Firm	License No.	Email	Phone
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