

8501 North Navarro St | Victoria, TX | 77904



TOP RANKED
FRANCHISEE



NEW 20 YEAR
NNN LEASE



TAX FREE INCOME
STATE (TEXAS)



A+ TROPHY
LOCATION



Victoria Mall



HOBBY
LOBBY

BIG LOTS!

Aaron's

Advance
Auto Parts

MCDONALDS



Denny's



SUBJECT
PROPERTY



Navarro Street 40,000 VPD

McALISTERS
DELI

DUNKIN'
DONUTS



Taco Bueno



* 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 Absolute Triple Net (NNN) lease investment sale opportunity located within the city of Victoria, Texas. The property is a franchisee, 20 year backed lease that allows the landlord to benefit from management free income. In addition to the tenant, the city of Victoria is located approx. 125 miles south west of Houston, TX which is the nearest MSA. Victoria is the home of new development and dense business industry with new developments from a 30+ Acre, 100,000 sq. ft. shopping center to new residential community developments. In addition, Victoria continues to be on the forefront of new business and technology with strong plastic manufacturing and medical industry which is also fueling high population growth and new development. The Lease is guaranteed by a large \$30+ Million dollar personal guarantee from local franchisee, Kolkhorst Foods, LLC. The property is located along the major retail corridor within Victoria that attracts more than 40,000 cars per day.

DEMOGRAPHICS

	3 Mile	5 Mile	10 Mile
Population (Current)	26,397	54,565	80,363
Total Households	10,317	21,019	29,769
Average HH Income	\$94,771	\$82,319	\$77,966

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 combined with a large personal guarantee (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 40,000 cars per day blended with 5-mile population of 55,000+ 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.
- **Trophy Location Real Estate** | Surrounding Tenants Include: Walmart, Tractor Supply, Target, Sonic Burger, Lowe's, McDonalds, Academy Sports, and several more tenants.

NATIONAL BRANDS WITHIN 3 MILES



PRICING

Property Name:	Burger King
Property Address:	8501 N Navarro Street Victoria, TX 77904
Price:	\$4,260,000
CAP Rate:	4.00%
Initial NOI / Rent:	\$170,400 / Year
Approx. Building Size:	Approx. 2,727 SF
Year Built:	2021
Approx. Lot Size:	1.53 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:	Jan 2022
Lease Expiration:	Dec 2041
Original Term:	20 Years
Option Term:	Four (4), 5 Year Options
Increases:	7.5% Every 5 Years
Guarantee:	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. 20.0 Years Left



CLICK HERE TO VIEW MAP

RENT SCHEDULE

INITIAL TERM

Term	Year	Lease Start	Lease End	Lease Amt Per Year	Lease Amt Per Month	% Inc
Initial	Year 1	Jan 2022	- Dec 2022	\$170,400	\$14,200	
Initial	Year 2	Jan 2023	- Dec 2023	\$170,400	\$14,200	
Initial	Year 3	Jan 2024	- Dec 2024	\$170,400	\$14,200	
Initial	Year 4	Jan 2025	- Dec 2025	\$170,400	\$14,200	
Initial	Year 5	Jan 2026	- Dec 2026	\$170,400	\$14,200	
Initial	Year 6	Jan 2027	- Dec 2027	\$183,180	\$15,265	7.50%
Initial	Year 7	Jan 2028	- Dec 2028	\$183,180	\$15,265	
Initial	Year 8	Jan 2029	- Dec 2029	\$183,180	\$15,265	
Initial	Year 9	Jan 2030	- Dec 2030	\$183,180	\$15,265	
Initial	Year 10	Jan 2031	- Dec 2031	\$183,180	\$15,265	
Initial	Year 11	Jan 2032	- Dec 2032	\$196,919	\$16,410	7.50%
Initial	Year 12	Jan 2033	- Dec 2033	\$196,919	\$16,410	
Initial	Year 13	Jan 2034	- Dec 2034	\$196,919	\$16,410	
Initial	Year 14	Jan 2035	- Dec 2035	\$196,919	\$16,410	
Initial	Year 15	Jan 2036	- Dec 2036	\$196,919	\$16,410	
Initial	Year 16	Jan 2037	- Dec 2037	\$211,687	\$17,641	7.50%
Initial	Year 17	Jan 2038	- Dec 2038	\$211,687	\$17,641	
Initial	Year 18	Jan 2039	- Dec 2039	\$211,687	\$17,641	
Initial	Year 19	Jan 2040	- Dec 2040	\$211,687	\$17,641	
Initial	Year 20	Jan 2041	- Dec 2041	\$211,687	\$17,641	

OPTION TERM

Term	Year	Lease Start	Lease End	Lease Amt Per Year	Lease Amt Per Month	% Inc
Option 1	Year 21	Jan 2042	- Dec 2042	\$227,564	\$18,964	7.50%
Option 1	Year 22	Jan 2043	- Dec 2043	\$227,564	\$18,964	
Option 1	Year 23	Jan 2044	- Dec 2044	\$227,564	\$18,964	
Option 1	Year 24	Jan 2045	- Dec 2045	\$227,564	\$18,964	
Option 1	Year 25	Jan 2046	- Dec 2046	\$227,564	\$18,964	
Option 2	Year 26	Jan 2047	- Dec 2047	\$244,631	\$20,386	7.50%
Option 2	Year 27	Jan 2048	- Dec 2048	\$244,631	\$20,386	
Option 2	Year 28	Jan 2049	- Dec 2049	\$244,631	\$20,386	
Option 2	Year 29	Jan 2050	- Dec 2050	\$244,631	\$20,386	
Option 2	Year 30	Jan 2051	- Dec 2051	\$244,631	\$20,386	
Option 3	Year 31	Jan 2052	- Dec 2052	\$262,979	\$21,915	7.50%
Option 3	Year 32	Jan 2053	- Dec 2053	\$262,979	\$21,915	
Option 3	Year 33	Jan 2054	- Dec 2054	\$262,979	\$21,915	
Option 3	Year 34	Jan 2055	- Dec 2055	\$262,979	\$21,915	
Option 3	Year 35	Jan 2056	- Dec 2056	\$262,979	\$21,915	
Option 4	Year 36	Jan 2057	- Dec 2057	\$282,702	\$23,558	7.50%
Option 4	Year 37	Jan 2058	- Dec 2058	\$282,702	\$23,558	
Option 4	Year 38	Jan 2059	- Dec 2059	\$282,702	\$23,558	
Option 4	Year 39	Jan 2060	- Dec 2060	\$282,702	\$23,558	
Option 4	Year 40	Jan 2061	- Dec 2061	\$282,702	\$23,558	



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 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

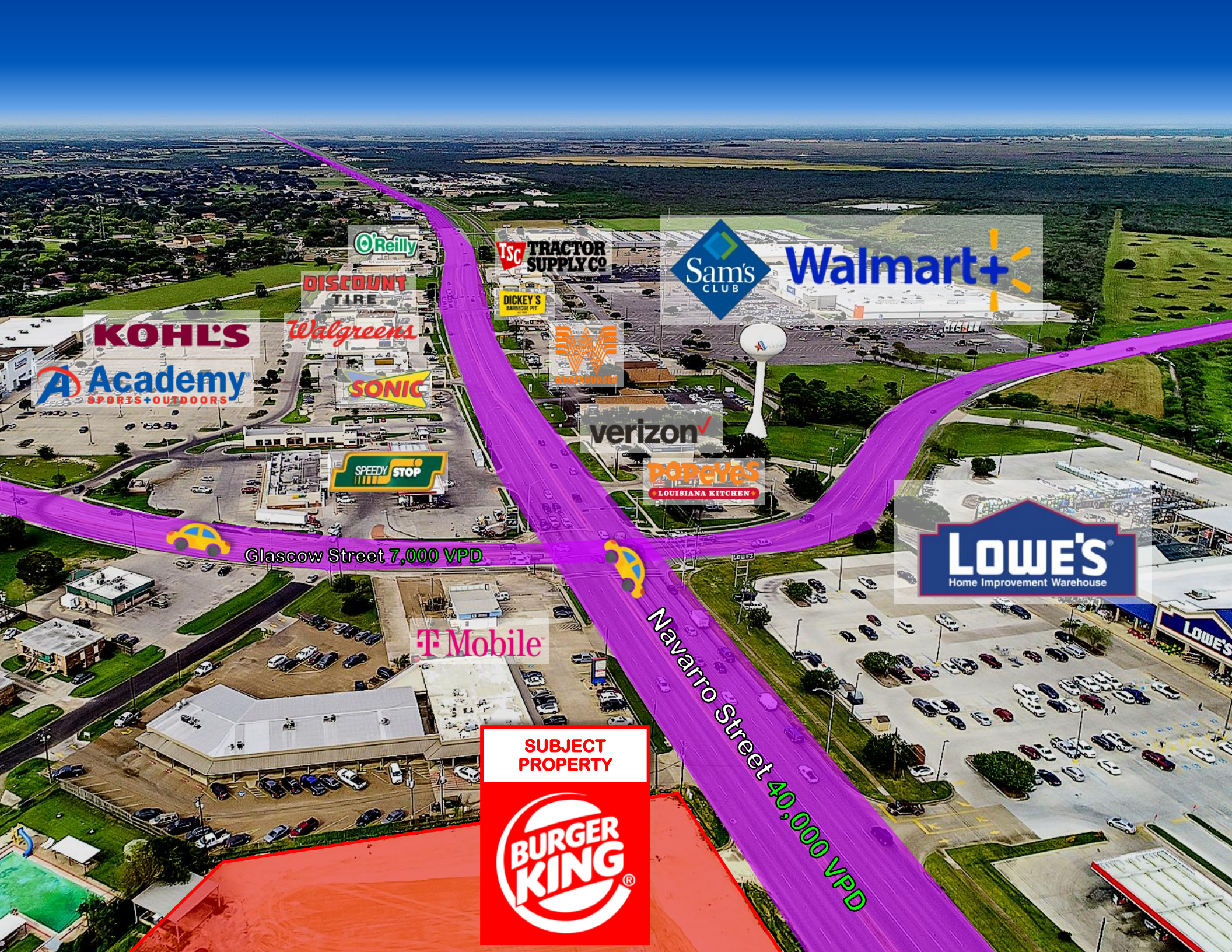


15 Locations within Next 2 Years



Personal Guarantee (\$30 Million)





KOHL'S
Academy
SPORTS+OUTDOORS

Reilly

DISCOUNT
TIRE

Walgreens

SONIC

SPEEDY STOP

TSC TRACTOR
SUPPLY CO

DICKEY'S
BARBECUE PIT

Wendy's

verizon

POPEYES
LOUISIANA KITCHEN

Sam's
CLUB

Walmart+



Glasgow Street 7,000 VPD



T Mobile

Navarro Street 40,000 VPD

LOWE'S
Home Improvement Warehouse

SUBJECT
PROPERTY

BURGER
KING



Tuesday Morning



WELLS FARGO



Walgreens



SUBJECT
PROPERTY



NEIGHBORING
TENANTS



Victoria
Mall

Victoria Mall

JCPenney



Dillard's

TJ-maxx

maurices

THE CHILDREN'S
PLACE

Buckle

SUBWAY

Foot Locker

MCDONALDS

Advance
Auto Parts

Aaron's

HOBBY
LOBBY

BIG LOTS



Denny's

ROSS

HOP

CVS

PET SMART



BED BATH &
BEYOND

Neighboring
Tenants

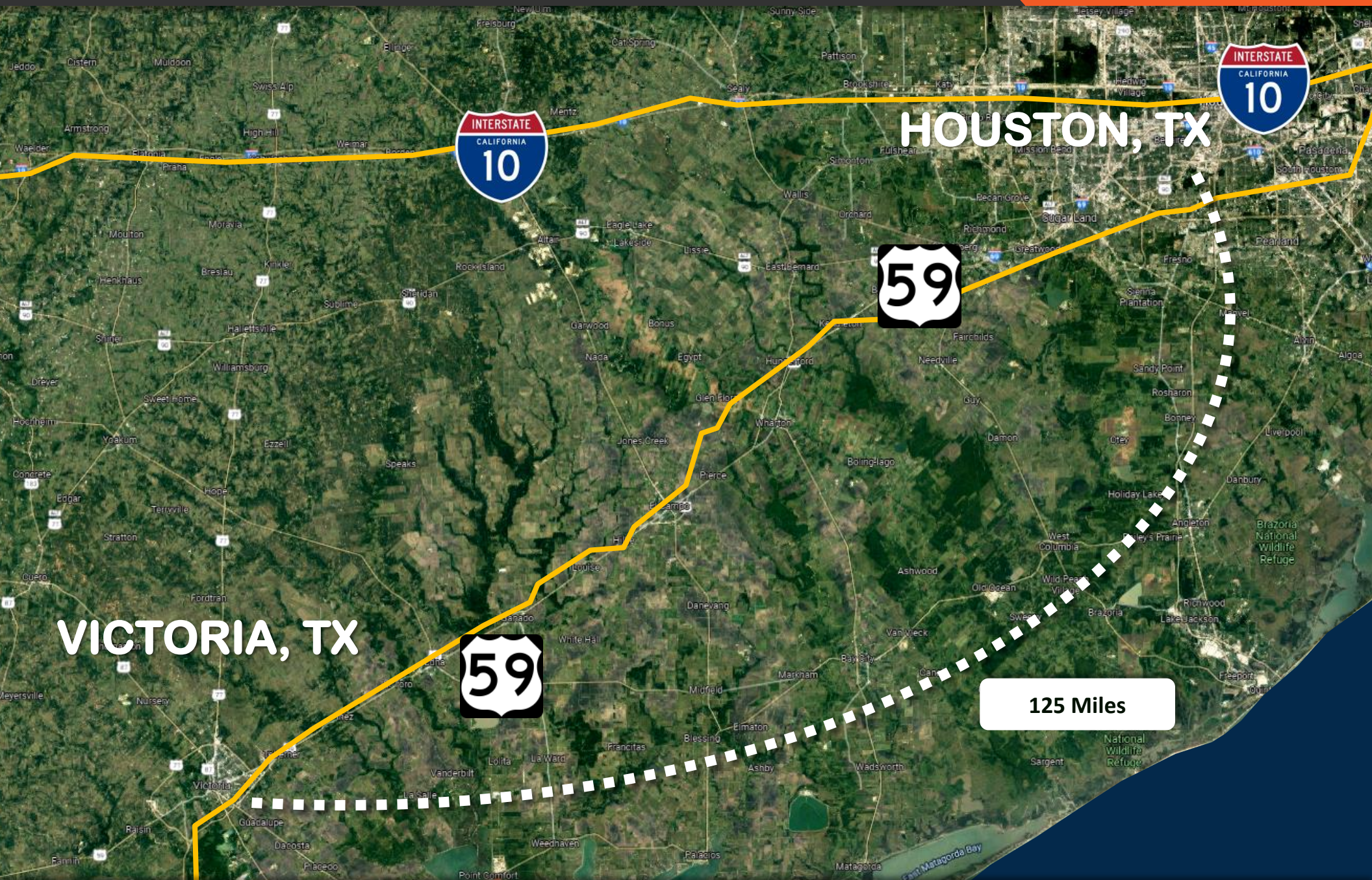
Future
Retail

Glasgow Street 7,000 VPD

Navarro Street 40,000 VPD

POPEYES
LOUISIANA KITCHEN

verizon



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Across the US*



SHARED DATABASE

*Cross Collaboration of
Off & On Market Properties*



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*Un-Paralleled
Specialty Expertise*