

BRAND NEW CONSTRUCTION DRIVE-THRU QSR

Absolute NNN Investment Opportunity
Grand Opening Q1 2022

POPEYES



4520 N. Sonoma Ranch Blvd | Las Cruces, New Mexico

EL PASO MSA

REPRESENTATIVE PHOTO



SRS

NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



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OFFERING SUMMARY



OFFERING

Asking Price \$3,204,000

Cap Rate 5.15%

Net Operating Income \$165,017

PROPERTY SPECIFICATIONS

Property Address	4520 N. Sonoma Ranch Boulevard Las Cruces, New Mexico 88011
Rentable Area	3,347 SF
Land Area	1.07 AC
Year Built	Under Construction (Opening Q1 2022)
Tenant	Legacy Chicken, LLC
Sales Reporting	Yes - Contact Agent for Details
Guaranty	Franchisee - 21-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 (Franchisee Guaranty)	3,347	TBD	20 Years	Year 1	-	\$13,751	\$165,017	4 (5-Year)
				Year 6	7%	\$14,714	\$176,568	7% Increase at Beg. of Each Option
				Year 11	7%	\$15,744	\$188,928	
				Year 16	7%	\$16,846	\$202,153	

Note: Tenant has 10-Day Right of First Refusal to Purchase (ROFR)

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 21 unit entity. Guarantee is projected to grow to a 30-unit operator
- Tenant currently owns and operates 6 Popeyes in this market
- 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

Dense Retail Corridor | Strong National Tenant Presence | Direct Residential Consumer Base

- The asset is ideally situated within a dense retail corridor, and is within proximity to several shopping centers including Triviz Plaza, a 133,214 SF neighborhood shopping center anchored by Kohl's
- Other nearby national/credit tenants include Walmart Supercenter, Goodwill, Lowe's Home Improvement, Ashley Home Furniture, Walgreens, and more
- Popeyes is within walking distance to multiple apartment complexes including Sonoma Pointe (48 units), Sonoma Palms (192 units), Willow Springs (200 units), and more, providing a direct consumer base from which to draw

Direct Access to Major Highway | Drive-Thru Equipped | Brand New Construction

- The property benefits from nearby direct on/off ramp access to U.S. Highway 70 (45,700 VPD), a major east-west route that connects North Carolina to Arizona
- Building is equipped with a drive-thru, providing ease and convenience for customers
- Set to complete in Q1 2022, the building will feature state of the art, brand new high-quality construction with modern amenities and design

PROPERTY OVERVIEW



Location



Las Cruces, New Mexico
Dona Ana County
El Paso MSA

Parking



There are approximately 35 parking spaces on the owned parcel.
The parking ratio is approximately 10.46 stalls per 1,000 SF of leasable area.

Access



N. Sonoma Ranch Boulevard: 1 Access Point

Parcel



Parcel Number: 4-009-131-438-195
Acres: 1.07
Square Feet: 46,609

Traffic Counts



N. Sonoma Ranch Boulevard: 3,000 Vehicles Per Day
U.S. Highway 70: 45,700 Vehicles Per Day

Construction



Under Construction: Opening Q1 2022

Improvements



There is approximately 3,347 SF of existing building area

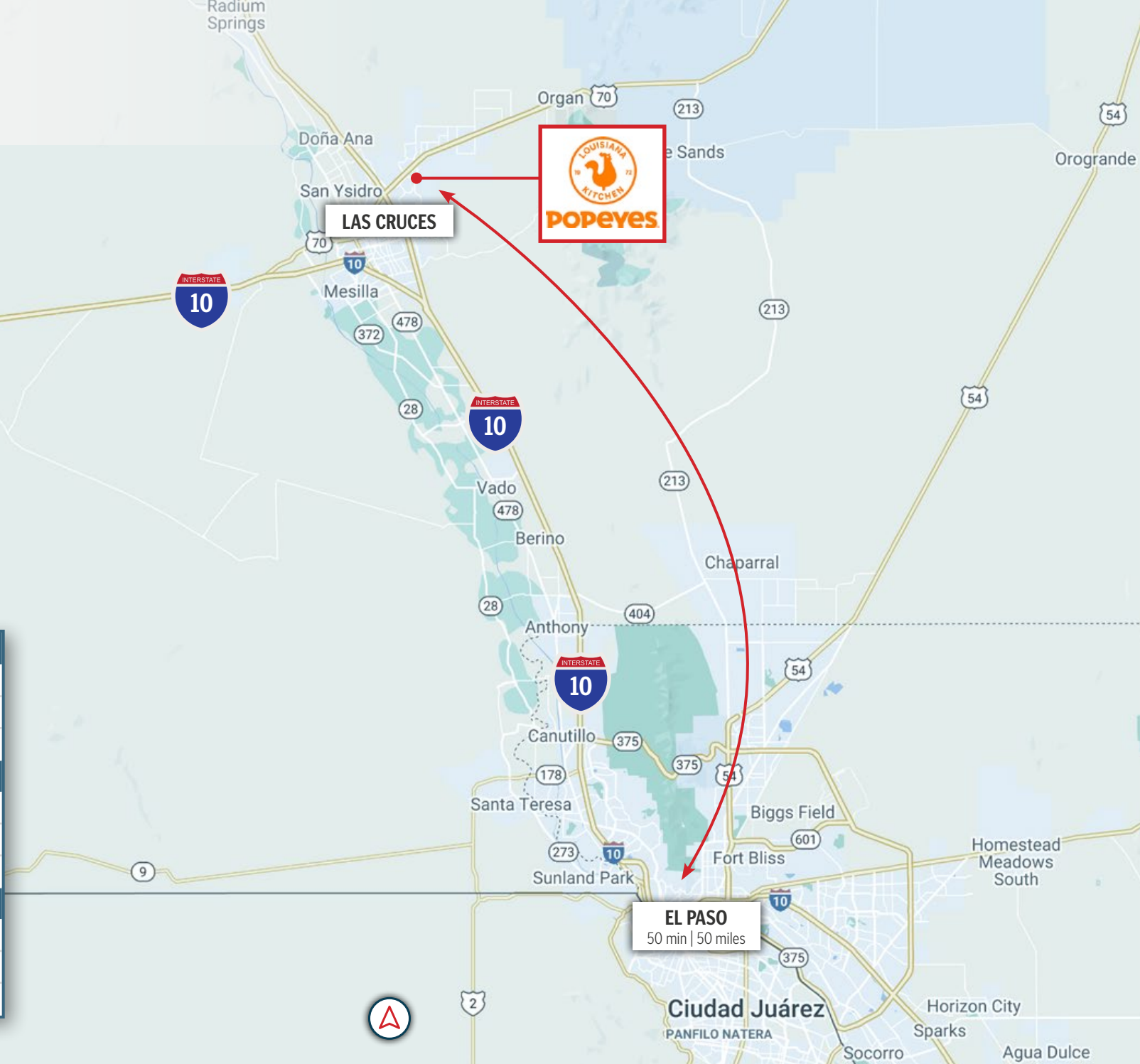
Zoning



C3: Commercial

LOCATION MAP

2021 POPULATION	
1 Mile	4,417
3 Miles	38,567
5 Miles	92,590
2021 AVERAGE HOUSEHOLD INCOME	
1 Mile	\$85,623
3 Miles	\$76,994
5 Miles	\$63,059
2021 TOTAL EMPLOYEES	
1 Mile	1,452
3 Miles	7,740
5 Miles	28,111





3,000
VEHICLES PER DAY

N. SONOMA RANCH BLVD.

PYLON SIGN



AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2021 Estimated Population	4,417	38,567	92,590
2026 Projected Population	4,795	41,369	96,351
2021-2026 Annual Rate	1.66%	1.41%	0.80%
2021 Median Age	37.2	37.3	36.2
HOUSEHOLDS & GROWTH			
2021 Estimated Households	1,758	15,285	37,073
2026 Projected Households	1,914	16,466	38,754
Projected Annual Growth 2021 to 2026	1.71%	1.50%	0.89%
INCOME			
2021 Estimated Average Household Income	\$85,623	\$76,994	\$63,059
2021 Estimated Median Household Income	\$69,940	\$60,729	\$49,425
DAYTIME POPULATION			
2021 Estimated Total Businesses	85	553	2,363
2021 Estimated Total Employees	1,452	7,740	28,111





LAS CRUCES, NEW MEXICO

Las Cruces, also known as “The City of the Crosses”, is the seat of Doña Ana County, New Mexico, United States. As of 2020, the population was 104,672, making it the second largest city in the state, after Albuquerque. Las Cruces is the largest city in both Doña Ana County and southern New Mexico. It is the principal city of a metropolitan statistical area which encompasses all of Doña Ana County and is part of the larger El Paso–Las Cruces combined statistical area.

Las Cruces is the economic and geographic center of the Mesilla Valley, the agricultural region on the floodplain of the Rio Grande which extends from Hatch to the west side of El Paso, Texas. Las Cruces is the major commercial, trade, service and financial center of southern New Mexico. It is located in the south-central part of the state, at the intersection of two major interstate highways, and served by both rail and air.

Las Cruces is the home of New Mexico State University (NMSU), New Mexico’s only land-grant university. The city’s major employer is the federal government on nearby White Sands Test Facility and White Sands Missile Range. The Organ Mountains, 10 miles to the east, are dominant in the city’s landscape, along with the Doña Ana Mountains, Robledo Mountains, and Picacho Peak. Las Cruces lies 225 miles south of Albuquerque, 48 miles northwest of El Paso, Texas and 46 miles north of the Mexican border at Santa Teresa. Major employers in Las Cruces are New Mexico State University, Las Cruces Public Schools, the City of Las Cruces, Memorial Medical Center, Walmart, MountainView Regional Medical Center, Doña Ana County, Doña Ana Community College, Addus HealthCare, and NASA.

Las Cruces is rich in attractions that celebrate the city’s history and cultural diversity. The annual Whole Enchilada Fiesta is a huge event held every September where downtown Las Cruces is transformed into one big street party complete with food, live music, rides, a parade, and the creation of a very large enchilada.



EL PASO, TEXAS

El Paso is located on the north bank of the Rio Grande in western Texas. Today, El Paso is the sixth-largest city in Texas and one of the emerging Southwestern cities quickly joining the ranks of the country's new urban centers. The City of El Paso had a population of 698,613 as of July 1, 2019.

The petroleum, mining and defense industries boost the city's strong economy, with US military installation Fort Bliss a leading employer. The city's history, Latin flavor and proximity to Mexico attract thousands of visitors each year. El Paso is the largest metro area along the Texas - Mexico border and boast a best in class business friendly operating environment. The region represents one of the largest manufacturing centers in North America and is recognized as globally competitive. El Paso is a top performing economy and continues to experience positive economic growth by attracting new businesses and helping existing companies to grow.

The El Paso Centennial Museum on the UTEP campus, established to commemorate the 100th anniversary of the state, celebrates Texas history. Prehistoric drawings can be viewed 32 miles northeast of the city at Hueco Tanks State Historical Park, which is also a perfect place for hiking and rock climbing. Fort Bliss has 2 museums and hosts many annual events such as the Amigo Air Show, Oktoberfest, Showtime, USA and Armed Forces Day. Other historic sites and museums in the El Paso area include Magoffin Home State Historical Park, the Wilderness Park Museum, the Border Patrol Museum and the El Paso Museum of Art.

The comfortably dry heat of the El Paso sun allows outdoor recreation throughout the year. El Paso has 7 public golf courses, including highly-acclaimed Painted Dunes. Across the New Mexico state border are several getaway spots allowing hiking, hunting and fishing. A 2-hour drive to Ruidoso will access horse racing, hunting and fishing, and mountains offering great skiing in the winter months. Cohen Stadium in northeast El Paso hosts minor league baseball home games of the El Paso Diablos, the AA affiliate of the Arizona Diamondbacks.

BRAND PROFILE



POPEYES

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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1.7K+

RETAIL
TRANSACTIONS
company-wide
in 2020

500+

NET LEASE
PROPERTIES SOLD
in 2020

\$1.9B

NET LEASE
TRANSACTION VALUE
in 2020

LOUISIANA KITCHEN

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