

OFFERING MEMORANDUM



ABSOLUTE NNN

Long-Term Lease With
19 Years Remaining

2001 S OLD HIGHWAY 94
SAINT CHARLES, MO

\$1,907,860 | 5.00% CAP



One of Three Available Locations

EXCLUSIVELY LISTED BY

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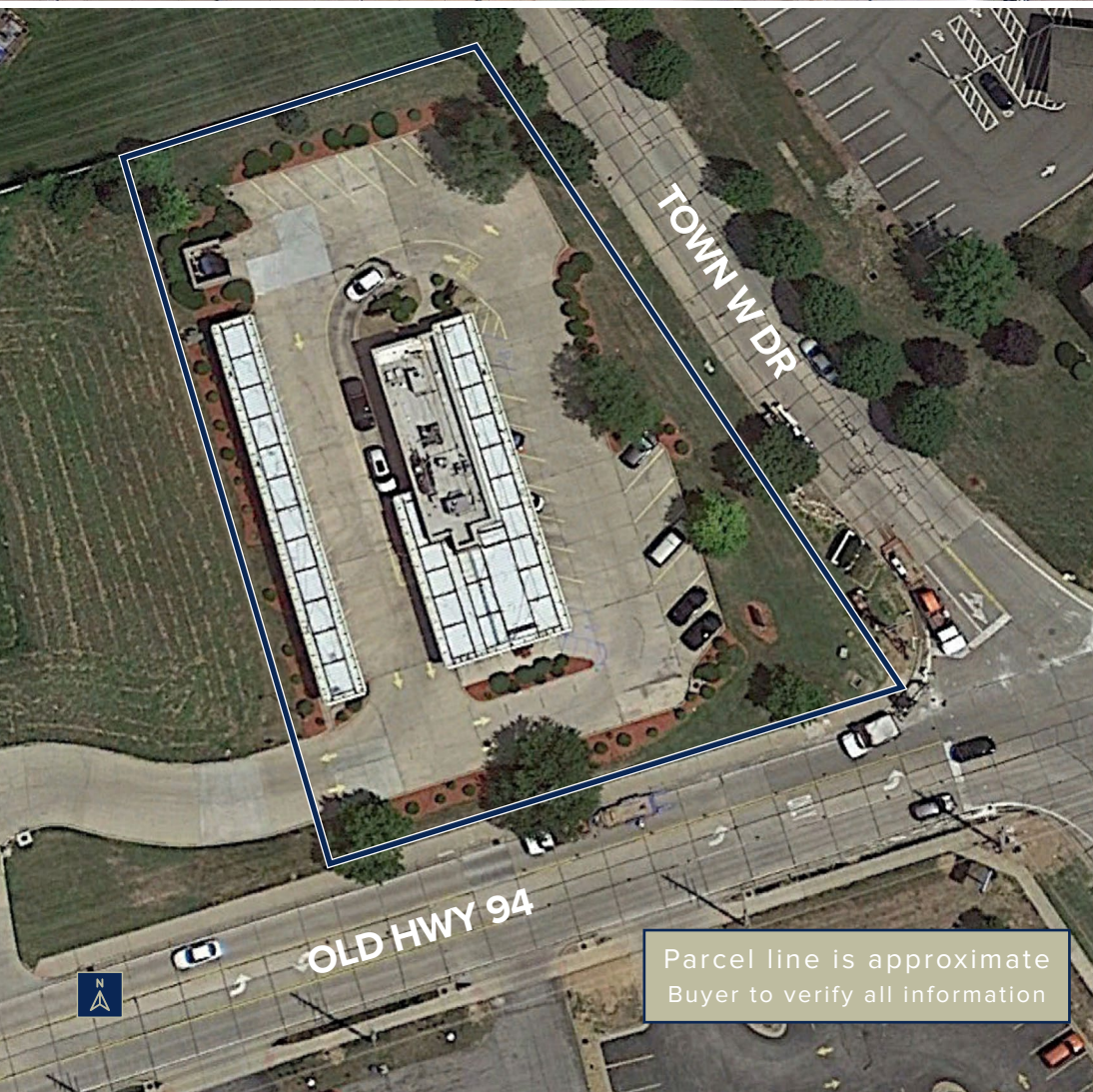
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SONIC | ST CHARLES, MO

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Parcel line is approximate
Buyer to verify all information

SONIC | ST CHARLES, MO

EXECUTIVE SUMMARY

\$1,907,860

PRICE

5.00%

CAP

\$95,393

NOI

LOCATION

2001 S Old Highway 94
Saint Charles, MO 63303

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

±0.95 Acres

BUILDING SIZE

±1,678 Square Feet

YEAR BUILT

2003

ROFR

10-Day

Retail Investment Group

480.429.4580 | retail1031.com



SONIC | ST CHARLES, 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
- St. Charles is part of the St. Louis metropolitan area, the second largest city in Missouri, with dense and affluent demographics
- Population exceeding 159,000 residents with an average household income of nearly \$98,000 within 5-miles
- Pandemic, e-commerce, and recession-proof tenant
- Located off of 1st Capitol Drive (SR-94) with over 34,500 VPD
- Two more carbon-copy deals available individually or as a portfolio (ask broker for details)

Retail Investment Group

$\pm 1,678$ SF

TOWN W DR

OLD HWY 94

ONLY

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.



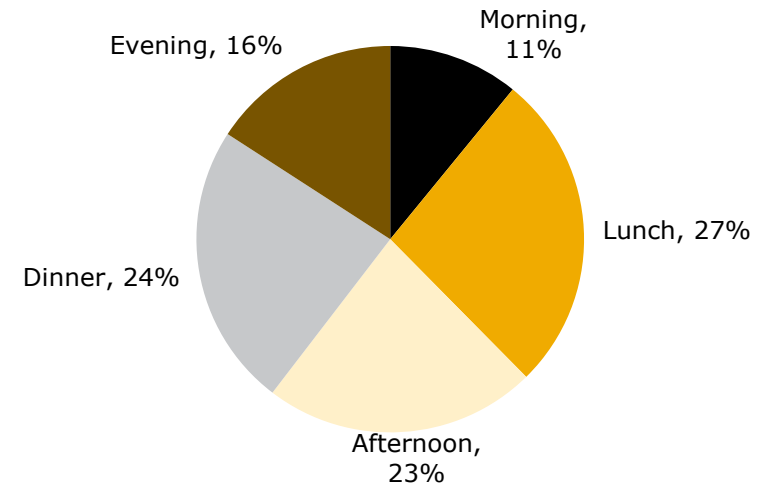
DUNKIN'



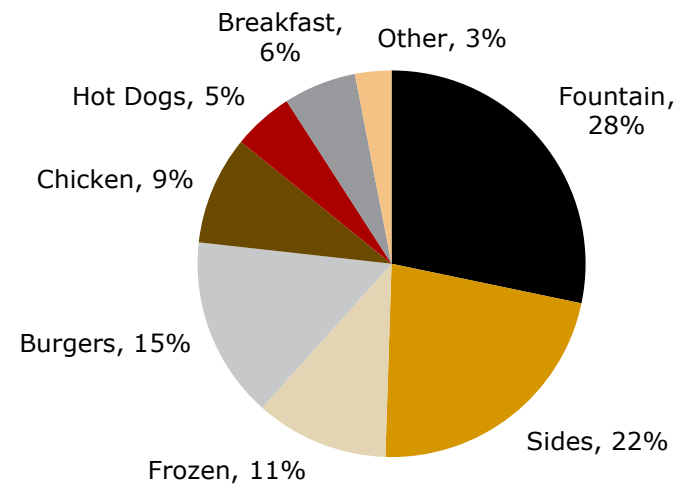
COMPANY OVERVIEW

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

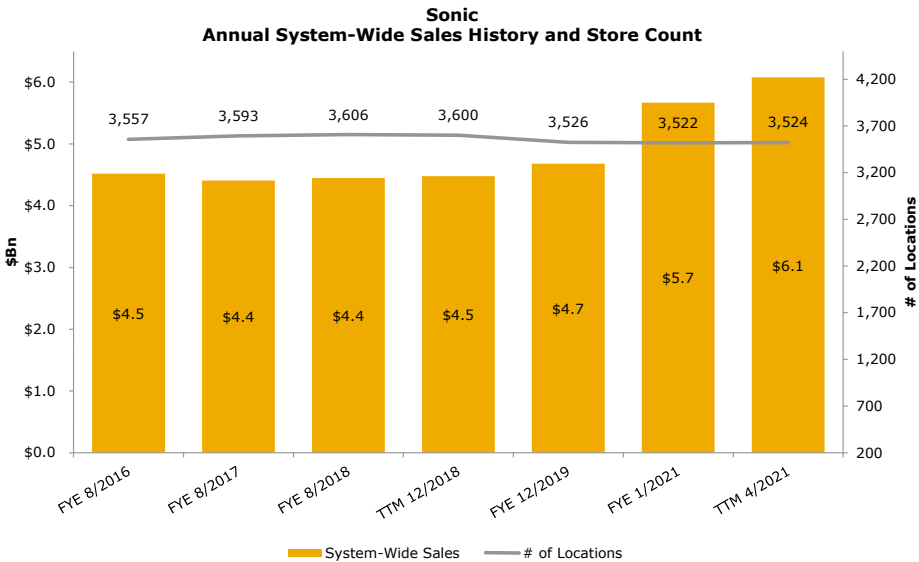
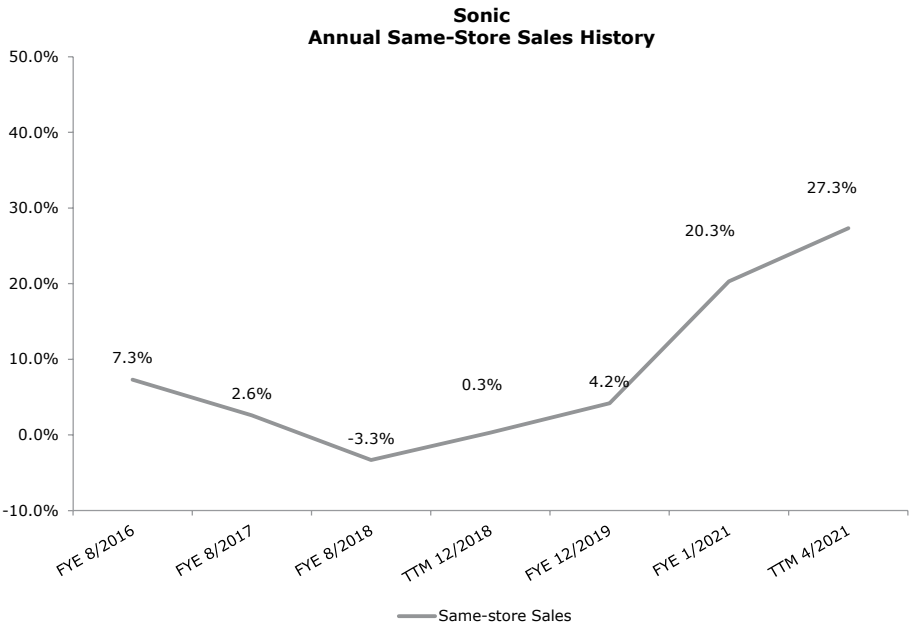


Sonic Menu Sales Mix




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.





 POPULATION OF OVER
159,000 RESIDENTS
WITHIN 5-MILES

One of Three Available Locations

POPULATION OF NEARLY
3 MILLION
WITHIN ST LOUIS MSA

ILLINOIS



2

3

ST LOUIS



1



- ① 12872 MO-21 | De Soto, MO
- ② 2001 S Old Hwy 94 | St Charles, MO
- ③ 103 Niagara St, East Alton, IL

MISSOURI





SONIC | ST CHARLES, MO

AREA OVERVIEW

Saint Charles (commonly abbreviated St. Charles) is a city in St. Charles County, Missouri. Today, over 65,000 people call St. Charles their home. The City of St. Charles is headquarters for Aspect, Our365, RX System, NewCo Enterprises, Patriot Machine, and Client Services and home to the regional offices of Coca Cola Enterprises, Sysco, and American Freightways.

St. Charles' sister city is Ludwigsburg, Germany. St. Charles is the ninth-largest city in Missouri.

St. Charles 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.

POPULATION



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

DEMOGRAPHICS

SONIC | ST CHARLES, MO

POPULATION



	1 Mile	3 Miles	5 Miles
2021 Est	10,193	84,106	159,423
2026 Proj	10,472	86,353	163,481



FOOD AWAY FROM HOME SPENDING OF
\$233,644,259
WITHIN 5-MILES

2021 HOUSEHOLD INCOME



	1 Mile	3 Miles	5 Miles
Avg Household Income	\$97,779	\$95,949	\$97,990
Med Household Income	\$76,918	\$74,598	\$79,605



2021 POPULATION OF
159,423 RESIDENTS
WITHIN 5-MILES

HOUSEHOLDS



	1 Mile	3 Miles	5 Miles
2021 Est	4,443	33,797	63,148
2026 Proj	4,561	34,689	64,743



S First Capitol Dr @ Pralle Ln NE ±34,590 VPD
Pralle Ln @ S First Capitol Dr SW ±25,648 VPD

Costar 2020

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