

**FOR SALE**

# NNN Investment Opportunity Whataburger

1313 New Warrington Rd | Pensacola, FL 32506

**Confidential  
Offering  
Memorandum**

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# Table of contents

03

Investment  
Highlights

05

Financial  
Summary

07

Area  
Overview

12

Market  
Demographics

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A photograph of a Whataburger restaurant at dusk. A large sign on the left features the Whataburger logo (a stylized 'W' with red and white stripes) and the word 'WHATABURGER' in red. The restaurant building has a red roof and stone pillars. A silver car is parked in front, and a white SUV is partially visible on the right. A sign in the window says '24 HOURS' and 'BREAKFAST Served'.

# Investment Highlights



# Executive Summary



## Property Overview

Avison Young is pleased to exclusively offer the absolute NNN, corporate Whataburger located in Pensacola, FL. This is the 25th Whataburger location ever erected and reaped the benefit of a 148% rental increase at the last renewal, demonstrating the tenant's commitment to this location.

## Offering Summary

<b>Asking Price</b>	\$1,300,000
<b>Cap Rate</b>	6.00%
<b>Annual Rent</b>	\$78,000
<b>Rent Per Square Foot</b>	\$24.00
<b>Price Per Square Foot</b>	\$398.00
<b>GLA</b>	3,264
<b>Acres</b>	0.6
<b>Year Built</b>	1989

## Investment Highlights

- Absolute NNN Lease
- Recent 148% rent increase
- Below-Average Store Rent (\$125,000)
- 3.1% Rent-to-Average Unit Sales (\$2,500,000)
- 2012 Store Remodel/Update



# Tenant Overview



Whataburger is an American privately held, regional fast food restaurant chain, headquartered and based in San Antonio, Texas, that specializes in hamburgers. The company, founded by Harmon Dobson and Paul Burton, opened its first restaurant in Corpus Christi, Texas, in 1950.



**Headquarters**  
**SAN ANTONIO, TX**



**1950**  
**FOUNDED**



**869**  
**LOCATIONS**

PLACER DATA	RANK	PERCENTILE
US Store Ranking	135/867	83%
Florida Store Ranking	11/36	69%
Pensacola Store Ranking	2/10	85%

*Placer.ai is the industry leader in accurate, reliable, accessible and compliant location analytics. Placer.ai collects geolocation and proximity data from devices that are enabled to share that information by their users, and creates anonymized and aggregated consumer profiles. Placer.ai provides instant access to location analytics derived from the foot traffic of millions of consumers, delivering visibility into offline behavior.*

**Restaurant for sale**





A photograph of a Whataburger restaurant at dusk. A large sign on the left features the Whataburger logo (a stylized 'W' with red and white stripes) and the word 'WHATABURGER' in red. The restaurant building has a red roof and a large 'W' logo on its facade. A silver car is parked in the foreground, and a white SUV is parked to the right. The text 'Financial Summary' is overlaid in the center.

# Financial Summary



# Financials

Asking Price	\$1,300,000	Tenant	Whataburger	Taxes	Tenant Responsibility
Cap Rate	6.00%	Guarantor	Whataburger Restaurants LLC	Insurance	Tenant Responsibility
Annual Rent	\$78,000	Original Lease Commencement	Aug 1, 1989	Roof and Structure	Tenant Responsibility
Rent Per Square Foot	\$24.00	Current Term	Oct 1, 2020 - Sept 30, 2025	Parking Lot	Tenant Responsibility
Price Per Square Foot	\$398.00	Options	Two, 5-Year Options	CAM	Tenant Responsibility
Building RSF	3,264	Rental Increases	10% in Each Option	HVAC	Tenant Responsibility

RENTAL PERIOD ENDING	ANNUAL RENT	MONTHLY RENT	% INCREASE	TERM
10/01/2015 - 9/30/2020	\$31,944	\$2,662	-	Previous
09/30/2021	\$78,000	\$6,500	144.18%	Current
09/30/2022	\$78,000	\$6,500	-	Current
09/30/2023	\$78,000	\$6,500	-	Current
09/30/2024	\$78,000	\$6,500	-	Current
09/30/2025	\$78,000	\$6,500	-	Current
09/30/2026	\$85,800	\$7,150	10%	Option
09/30/2027	\$85,800	\$7,150	-	Option
09/30/2028	\$85,800	\$7,150	-	Option
09/30/2029	\$85,800	\$7,150	-	Option
09/30/2030	\$85,800	\$7,150	-	Option
09/30/2031	\$94,380	\$7,865	10%	Option
09/30/2032	\$94,380	\$7,865	-	Option
09/30/2033	\$94,380	\$7,865	-	Option
09/30/2034	\$94,380	\$7,865	-	Option
09/30/2035	\$94,380	\$7,865	-	Option

## NOTES

*During the last renewal (expiration of tenant's final option), Whataburger signed a new lease at a 145% rental increase in order to meet market rates while simultaneously removing the tenant's termination language from the lease. This action from the tenant bolsters Whataburger's commitment to this location.*



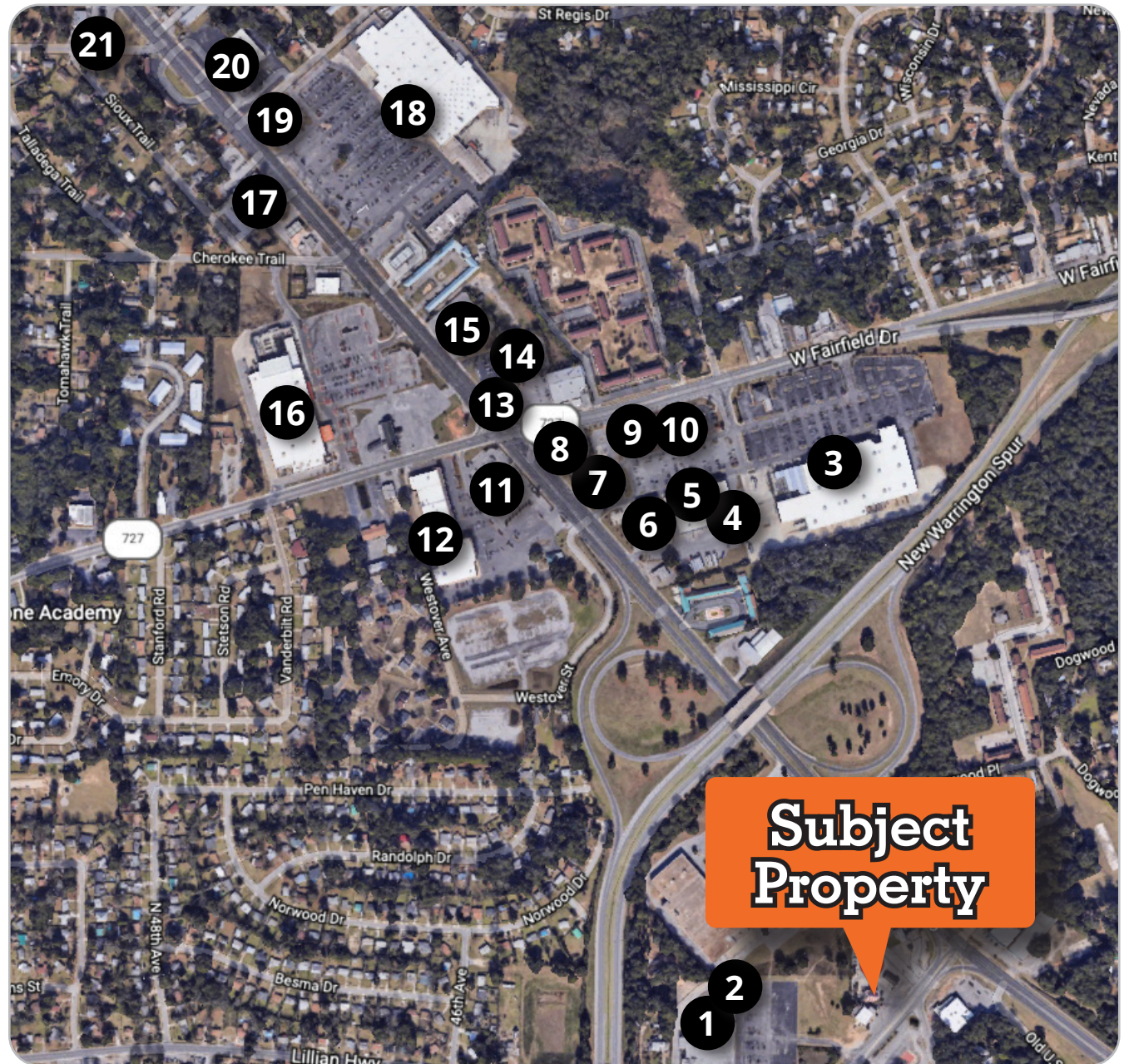


# Area Overview



# Surrounding Retailers

- 1 Grocery Advantage
- 2 Family Dollar
- 3 Lowe's Home Improvement
- 4 Office Depot
- 5 Ross Dress for Less
- 6 AutoZone Auto Parts
- 7 Chili's Grill & Bar
- 8 Burger King
- 9 Captain D's
- 10 Wells Fargo Bank
- 11 Walgreens
- 12 Aaron's
- 13 Church's Chicken
- 14 Dollar Tree
- 15 Cash America Pawn
- 16 The Home Depot
- 17 Denny's
- 18 Walmart Supercenter
- 19 Game Stop
- 20 Pep Boys
- 21 Tom Thumb





# Aerial View





A photograph of a Whataburger restaurant at dusk. A large sign on the left features a stylized red and white 'W' logo with the word 'WHATABURGER' in red capital letters below it. The restaurant building has a red roof and a large 'W' logo on its front. A silver sedan is parked in the foreground, and a white SUV is parked to the right. A sign in the window advertises '24 HOURS' and 'BREAKFAST Served 11am - 11pm'. A sign on the side of the building reads 'Full Auto A'.

# Market Demographics



# Demographics

## LOCATION INFORMATION

Population Growth '21 - '26	2.50%
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POPULATION DENSITY	2 Mile	5 Mile	10 Mile
2010 Population	33,735	131,839	264,149
2021 Population	34,613	134,868	277,462
2026 Population Projection	35,390	137,824	285,469

## TRAFFIC COUNTS

N New Warrington Rd	28,192 VPD
Mobile Hwy	24,075 VPD
N Old Corry Field	7,917 VPD



## MARKET OVERVIEW

"Pensacola retail has seen virtually no pandemic impact. The market has reeled off three straight quarters of positive net absorption and the average vacancy rate has compressed 100 basis points since the start of 2020. In the third quarter of 2021, vacancies fell to a record low. There are little to no signs of any impending weakness. Total available space on the market fell below 1 million SF in 21Q3 for the first time on record. There is virtually no space available for sublet and retail leasing volume accelerated in the second and third quarters of 2021.

Restaurants and bars, an area of heightened uncertainty during the pandemic era, have also seen an increase in leased space recently, including new leases by Izaeh's Steakhouse and Black Sheep Tavern. Supply is also of minimal concern with limited starts since 20Q1. Retail demand in Pensacola is driven by the region's strong median income and population growth and real disposable income in the market is 15% higher than the nation. Grocery and restaurant tenants have been increasingly drawn by favorable demographics and the area receives significant retail demand lift from robust tourism. While visitors to Pensacola slowed during the initial months of the pandemic, tourism rebounded in 2021 and is now exceeding pre-pandemic peak levels. The tight market conditions have sparked an increase in asking rent growth in 2021. In the third quarter, growth rates improved to a three-year high. While the pandemic will continue to pose a threat for future rent growth, the historically tight retail fundamentals and encouraging outlook should facilitate positive rent growth for the foreseeable future.

Sales volume has also significantly improved over the past year, including a pandemic era high in 21Q2 led by Tiger Point Pavilion selling for \$19.9 million in April. While the pandemic has slowed the pace of retail transactions since the start of 2020, Pensacola has not seen the dramatic negative impact felt by most peer markets across the country during this time. Market cap rates and market retail pricing have generally held flat over the past three years."

Source: CoStar





# Let's talk.

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