



RENDERED VIEW

## SCHLOTZSKY'S

141 WEST ALEXANDER BOULEVARD  
SAND SPRINGS, OKLAHOMA 74063

## OFFERING MEMORANDUM

Represented By:

**JUSTIN ZAHN**

[justin@ciadvisor.com](mailto:justin@ciadvisor.com)

Represented By:

**JUSTIN CARLSON**

[jcarlson@ciadvisor.com](mailto:jcarlson@ciadvisor.com)

### COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260  
480.214.5088 – Office | [www.ciadvisor.com](http://www.ciadvisor.com)

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**CIA**  
commercial  
investment  
advisors

# INVESTMENT OVERVIEW

SCHLOTZSKY'S  
SAND SPRINGS (TULSA MSA), OKLAHOMA

## SCHLOTZSKY'S

|                      |  |
|----------------------|--|
| LOCATION             | 141 West Alexander Boulevard<br>Sand Springs, Oklahoma 74063 |
| MAJOR CROSS STREETS  | On We Alexander Blvd, East of Wilson Ave                     |
| TENANT               | CAPITOL FOOD GROUP, LLC                                      |
| GUARANTOR            | DARIN FRANTZ (Personal)                                      |
| PURCHASE PRICE       | \$2,197,000  |
| CAP RATE             | 6.00%  |
| ANNUAL RENT          | \$131,818  |
| GROSS LEASEABLE AREA | ±1,320 SF  |
| RENTAL ESCALATIONS   | 7.50% Every 5 Years  |
| LEASE TYPE           | Absolute NNN   |
| OWNERSHIP            | (Building & Land) Fee Simple                                 |
| YEAR BUILT           | March 2022 - Est. (Under Construction)                       |
| LOT SIZE             | ±0.812 Acre  |
| LEASE EXPIRATION     | March 31, 2042 (Est.)  |
| OPTIONS              | Four 5-Year Renewal Options                                  |

## POINTS OF INTEREST

**RETAIL | ENTERTAINMENT:** Sand Springs has retailers such as Walmart, Tractor Supply Co., Atwoods, Harbor Freight Tools, Dollar Tree, Dollar General, Goodwill, ALDI, Cash Saver, Reasor's, Cato, Rent-A-Center, Advance Auto Parts, AutoZone, O'Reilly Auto Parts, Sally Beauty, Walgreens, CVS, Sherwin Williams, GameStop, MDI (Verizon), T-Mobile, AT&T, Cricket Wireless, Boost Mobile, Metro by T-Mobile, USCellular, etc.

**HIGHER EDUCATION:** Less than 5 miles from **Tulsa Community College West Campus** - a public community college that hosts the Veterinary Tech, Child Development & Early Childhood programs with 2,594 students; 8 miles from **Oklahoma State University-Tulsa** - a comprehensive research university offering various undergraduate & graduate degree programs with total enrollment of 2,475

**HEALTHCARE:** Less than 10 miles from **OSU Medical Center** (426 beds); 10 miles from **Hillcrest Medical Center** (620 beds)

## INVESTMENT HIGHLIGHTS

**LEASE:** Brand New 20-Year Absolute NNN Lease with Attractive 7.50% Rental Escalations Every 5 Years!

**TENANT | OPERATOR:** **Capitol Food Group, LLC** - Seasoned Operator in the Schlotzsky's System with Two Successful Units Open/Operating (Sand Springs, OK will be their 3rd). Tenant has Three Other Schlotzsky's Locations Under Development with Several More Planning in the Coming Near Future!

**BRAND NEW CONSTRUCTION:** New, High-Quality, Build-to-Suit Construction to Schlotzsky's Latest Walkup/Drive-Thru Prototype (See Renderings)

**TRAFFIC COUNTS | HARD CORNER:** Positioned South of US Hwy 412 (32,406 CPD), Just East of Wilson Ave (28,145 CPD) with Great Visibility & Access on Alexander Blvd (5,276 CPD) where Traffic Counts Exceed 33,420 CPD!

**2021 DEMOGRAPHICS (5-MI):** Total Population: 37,150 | Average Household Income: \$77,583





# FINANCIAL ANALYSIS

## SUMMARY

|                     |                         |                       |   |
|---------------------|-------------------------|-----------------------|---|
| TENANT              | Capitol Food Group, LLC | YEAR BUILT            | March 2022 - Est. (Under Construction)  |
| GUARANTOR           | Darin Frantz (Personal) | LOT SIZE              | ±0.812 Acre   |
| PURCHASE PRICE      | \$2,197,000             | EXPENSE REIMBURSEMENT | This is an <b>Absolute NNN lease</b> .<br>Tenant is responsible for all expenses. |
| CAP RATE            | 6.00%                   | FINANCING             | All Cash or Buyer to obtain new<br>financing at Close of Escrow.                  |
| GROSS LEASABLE AREA | ±1,320 SF               |                       |   |

## RENT ROLL

| TENANT INFO             |       | LEASE TERMS                              | RENT SUMMARY |           |                        |
|-------------------------|-------|--|--------------|-----------|------------------------|
| TENANT NAME             | SQ FT | TERM*                                    | INCREASE     | RENT      | ANNUAL INVESTOR RETURN |
| Capitol Food Group, LLC | 1,320 | Years 1-5: <b>03/17/22</b> to 03/31/27   | Current      | \$131,818 | 6.00%                  |
|                         |       | Years 6-10: 04/01/27 to 03/31/32         | 7.50%        | \$141,704 | 6.45%                  |
|                         |       | Years 11-15: 04/01/32 to 03/31/37        | 7.50%        | \$152,332 | 6.93%                  |
|                         |       | Years 16-20: 04/01/37 to <b>03/31/42</b> | 7.50%        | \$163,757 | 7.45%                  |
|                         |       | 6.71% AVG ANNUAL RETURN                  |              |           |                        |
| RENEWAL OPTIONS         |       | 1st Option: 04/01/42 to 03/31/47         | 7.50%        | \$176,039 |                        |
|                         |       | 2nd Option: 04/01/47 to 03/31/52         | 7.50%        | \$189,242 |                        |
|                         |       | 3rd Option: 04/01/52 to 03/31/57         | 7.50%        | \$203,435 |                        |
|                         |       | 4th Option: 04/01/57 to 03/31/62         | 7.50%        | \$218,693 |                        |

\* Estimated dates subject to change based on construction timeline.

# TENANT OVERVIEW

SCHLOTZSKY'S  
SAND SPRINGS (TULSA MSA), OKLAHOMA

**Schlotzsky's**

|   |                |   |                         |
|---|----------------|---|-------------------------|
| TYPE  | PRIVATELY HELD | PARENT  | FOCUS BRANDS            |
| # OF LOCATIONS  | 332            | INDUSTRY  | RESTAURANTS - FAST FOOD |
| <a href="https://www.schlotzskys.com/">https://www.schlotzskys.com/</a> |                | <a href="https://www.focusbrands.com/">https://www.focusbrands.com/</a> |                         |



**Schlotzsky's** is a privately held franchise chain of restaurants, specializing in sandwiches. The company is headquartered in Atlanta, Georgia. **Schlotzsky's has more than 330 franchised and company-owned locations worldwide.** Most locations are in the south and southwestern United States, but the company is expanding into areas across the country, particularly the north and southeast.

FOCUS Brands® is a leading developer of global foodservice franchise systems and the indirect parent company of Schlotzsky's®, as well as six other iconic foodservice brands. They are the franchisor and operator of over 6,300 ice cream shops, bakeries, restaurants, and cafes in 54 countries.

## ABOUT THE TENANT

**Darin Frantz** graduated from Oklahoma State University with a BA of Architecture in 1993. Since then, he has worked as an Architect for large hospitals until 2008. He then opened a veterinary clinic with his wife in 2008 (his wife is a Veterinarian). After opening, a new clinic was designed and opened in 2012. The gross revenue went from \$300,000 per year to \$1,500,000 per year in 3 months. Soon, an investment group came in to purchase the clinic, and that is when Schlotzsky's development began.

Currently, Darin has **2 Schlotzsky's restaurants (Branson, Missouri & Owasso, Oklahoma) and Sand Springs will be their 3rd location.** Darin has 3 other Schlotzsky's locations under development and is looking to open several more locations in the coming year.



# RENDERED VIEW DRIVE-THRU CONCEPT

SCHLOTZSKY'S  
SAND SPRINGS (TULSA MSA), OKLAHOMA





# SITE PLAN



ALEXANDER BLVD 5,276 CPD

## LOT SIZE

±0.812 Acre

## GLA

±1,320 SF

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JUSTIN ZAHN  
justin@ciadvisor.com

JUSTIN CARLSON  
jcarlson@ciadvisor.com

COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE CO. | 9383 EAST BAHIA DRIVE | SUITE 130 | SCOTTSDALE, AZ 85260 | [WWW.CIADVISOR.COM](http://WWW.CIADVISOR.COM)  
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# SAND SPRINGS



SCHLOTZSKY'S | SAND SPRINGS (TULSA MSA), OKLAHOMA



# SAND SPRINGS ZOOMED OUT



**SAND SPRINGS**  
A 25,000 SF CASINO OFFERING MORE  
THAN 600 STATE-OF-THE-ART ELECTRONIC  
GAMING DEVICES, A PLAYER'S CLUB,  
FOOD COURT, BAR & LOUNGE

THE CANYONS AT  
BLACKJACK RIDGE



**NORTHWOODS  
FINE ARTS ACADEMY**  
498 STUDENTS



**GARFIELD  
ELEMENTARY**  
441 STUDENTS

**Goodwill**



**DOLLAR GENERAL**

**Walgreens**



**Mazios**

**metro**  
by 4 Mobile



**CHARLES PAGE  
MIDDLE SCHOOL**  
1,366 STUDENTS

**HARBOR FREIGHT**  
QUALITY TOOLS LOWEST PRICES



**Schlotzsky's**

412



US HWY 412 32,406 CPD

SAND SPRINGS  
OKLAHOMA

**Walmart**

WILSON AVE 28,145 CPD



**SAND SPRINGS  
CAMPUS**



**DOLLAR TREE**

**ATWOODS**  
Ranch & Home

**SCHLOTZSKY'S | SAND SPRINGS (TULSA MSA), OKLAHOMA**



# TULSA METRO VIEW



- 3 RUNWAYS
- 4,360 ACRES
- AIRLINES - ALLEGiant, AMERICAN, DELTA, FRONTIER, SOUTHWEST & UNITED
- 1,332,433 TOTAL PASSENGERS IN 2020



**DOWNTOWN TULSA**  
FEATURES NEARLY 70,000 SF PF GAMING  
W/ 1,600 STATE-OF-THE-ART ELECTRONIC  
MACHINES, A HIGH LIMITS ROOM & 16  
TABLE GAMES W/ 146 ROOMS



**TULSA COMMUNITY COLLEGE**  
NORTHEAST CAMPUS  
4,422 STUDENTS



**Schlotzsky's**



**OKLAHOMA STATE UNIVERSITY - TULSA**  
2,475 STUDENTS



**hillcrest**  
Medical Center  
620 BEDS



**THE UNIVERSITY OF TULSA**  
3,961 STUDENTS



**Tulsa**  
A New Kind of Energy



**OSU MEDICAL CENTER**  
426 BEDS



**TULSA COMMUNITY COLLEGE**  
METRO CAMPUS  
7,162 STUDENTS



**CLYDE BOYD MIDDLE SCHOOL**  
1,048 STUDENTS



**HARRY T PRATT ELEMENTARY**  
406 STUDENTS



**TULSA COMMUNITY COLLEGE**  
WEST CAMPUS  
2,594 STUDENTS



**LIMESTONE ELEMENTARY**  
310 STUDENTS



**DOLLAR GENERAL**



**THE UNIVERSITY OF OKLAHOMA-TULSA**  
637 STUDENTS



**SAINT FRANCIS HOSPITAL**  
1,112 BEDS

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justin@ciadvisor.com

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jcarlson@ciadvisor.com

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# LOCATION OVERVIEW

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**SAND SPRINGS (TULSA MSA), OKLAHOMA**



**Sand Springs** is a city in Osage, Creek and Tulsa counties in Oklahoma. A western suburb of Tulsa, it is located predominantly in Tulsa County. The city has a total area of 21.0 square miles.

## Top Employers in Sand Springs:

1. **Sand Springs Schools** (public education w/ 947 employees)
2. **Webco Industries** (manufactures high-quality carbon steel, stainless steel & other metal specialty tubing products w/ 871 employees)
3. **Walmart Supercenter** - (retail/grocery store w/ 750 employees)
4. **City of Sand Springs** - (local government office w/ 544 employees)
5. **Tulsa Community College - West** - (a 2-year public community college w/ 281 employees)

**Tulsa** is the county seat of Oklahoma's Tulsa county and is the second largest city in Oklahoma. Tulsa is home to the headquarters of many international oil and gas-related companies, including **Williams Companies, SemGroup, ONE Gas, Syntroleum, Laredo Petroleum**, etc.

Other companies headquartered in Tulsa – the largest being the **BOK Financial Corporation, QuikTrip** (national convenience store chain), **ConsumerAffairs** (consumer review website), **Manhattan Construction Company** and **Flintco** (construction & engineering companies).

Tulsa's aerospace industry is substantial and growing, an American Airlines maintenance base at Tulsa International Airport (the city's largest employer and the largest maintenance facility in the world), home to a division of Lufthansa, the headquarters of Omni Air International and the Spartan School of Aeronautics.

## 2021 DEMOGRAPHICS

|                             | 1-MI     | 3-MI     | 5-MI     |
|-----------------------------|----------|----------|----------|
| Total Population            | 3,480    | 20,506   | 37,150   |
| Projected Population (2026) | 3,552    | 21,135   | 38,229   |
| Labor Population Age 16+    | 2,778    | 16,009   | 29,213   |
| Population Median Age       | 36.8     | 37.1     | 38.2     |
| Average Household Income    | \$61,903 | \$78,128 | \$77,583 |



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## FOR MORE INFORMATION:

### JUSTIN ZAHN

Vice President

O +1 480 718 5555

C +1 402 730 6021

justin@ciadvisor.com

### JUSTIN CARLSON

Senior Investment Advisor

O +1 480 214 5089

C +1 480 580 8723

jcarlson@ciadvisor.com

### JESSICA GIBSON

Oklahoma Designated Broker

License # 202384

