



**BURGER
KING**

OFFERING MEMORANDUM
Net Leased Restaurant

Marcus & Millichap

3650 S Clack St
Abilene, Texas

- EXPERIENCED, MULTI-BRAND OPERATOR
- NEW 20 YEAR ABSOLUTE NNN LEASE
- TEXAS LOCATION

ACT ID ZAD0480024



FINANCIAL OVERVIEW

PRICE: \$2,688,200 | RENT: \$125,000

Property Address	3650 S Clack St
City, State, Zip	Abilene, TX 79606
Estimated Building Size (SF)	3,250 SF
Lot Size	0.78 Acres
Year Built	1992/2019

LEASE SUMMARY

Property Type	Net Leased Restaurant
Ownership	Fee Simple
Tenant	19 Unit Operator (15 Burger Kings & 4 Popeyes)
Lease Commencement Date	Close of Escrow
Lease Expiration	20 Years
Lease Term Remaining	20 Years
Lease Type	Absolute NNN Lease
Roof & Structure	Tenant Responsibility
Options to Renew	Four 5-Year Options
Base Term Rental Escalations	7.5% Every Five Years
Rent to Sales Ratio	8.98%
Right of First Refusal	Yes

ANNUALIZED OPERATING DATA

Annual Rent	\$125,000
Rental Escalations	7.5% Every 5 Years
Average Cap Rate	6.07%

RENT SCHEDULE	ANNUAL RENT	MONTHLY RENT	CAP RATE
Years 1-5	\$125,000.00	\$10,416.67	4.65%
Years 6-10	\$134,375.00	\$11,197.92	5.00%
Years 11-15	\$144,453.13	\$12,037.76	5.37%
Years 16-20	\$155,287.11	\$12,940.59	5.78%
Option I Years 21-25	\$166,933.64	\$13,911.14	6.21%
Option II Years 26-30	\$179,453.67	\$14,954.47	6.68%
Option III Years 31-35	\$192,912.69	\$16,076.06	7.18%
Option IV Year 36-40	\$207,381.14	\$17,281.76	7.71%



INVESTMENT OVERVIEW

Property Address	3650 S Clack St
City, State, Zip	Abilene, TX 79606
Estimated Building Size (SF)	3,250 SF
Lot Size	0.78 Acres
Year Built	1992/2019
Net Operating Income	\$125,000

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present for sale this single-tenant, absolute triple-net lease Burger King Restaurant investment opportunity located at 3650 S Clack St Abilene, TX. The property consists of a large 0.78 acre parcel improved with an approximately 3,250-square foot building with three points of ingress and egress. It is located on the corner intersection of South Clack Street and Curry Lane. The restaurant will have a brand new 20-Year Absolute NNN Lease at the close of escrow with a seasoned RBI Brands Franchisee. Annual Lease rent is set at \$125,000 with 7.5 percent rental increases every five years in the base term, as well as the four, five-year renewal options.

The restaurant is located directly off the exit of Highway 84 in the center of the retail corridor of Abilene. Traffic counts along Highway 84 exceed 34,000 cars per day. Population within five miles exceeds 103,600. Dyess Air Force Base, home of the 7th Bomb Wing, is located 8 miles from the property. Within the immediate trade area is located Target, Academy Sports, Walmart, Chick-fil-A, Whataburger, Tractor Supply, and Best Buy to name a few.

INVESTMENT HIGHLIGHTS

- **BRAND NEW 20 YEAR ABSOLUTE NNN LEASE**
- **DENSE RETAIL CORRIDOR**
- **LOW RENT TO SALES RATIO**
- **CORNER LOCATION**



BURGER KING

rbi restaurant
brands
international



Burger King (BK) is an American global chain of hamburger fast food restaurants. Headquartered in the unincorporated area of Miami-Dade County, Florida, the company was founded in 1953 as Insta-Burger King, a Jacksonville, Florida-based restaurant chain. After Insta-Burger King ran into financial difficulties in 1954, its two Miami-based franchisees David Edgerton and James McLamore purchased the company and renamed it "Burger King". Over the next half-century, the company would change hands four times, with its third set of owners, a partnership of TPG Capital, Bain Capital, and Goldman Sachs Capital Partners, taking it public in 2002. In late 2010, 3G Capital of Brazil acquired a majority stake in the company, in a deal valued at US\$3.26 billion. The new owners promptly initiated a restructuring of the company to reverse its fortunes. 3G, along with partner Berkshire Hathaway, eventually merged the company with the Canadian-based doughnut chain Tim Hortons, under the auspices of a new Canadian-based parent company named Restaurant Brands International.

Burger King

Headquartered	Miami, FL
Website	www.BK.com
Parent Company	RBI, Inc
Credit Rating	B-
Stock Ticker	QSR
2020 Sales (Burger King)	\$20B
Current Price	\$56.96 as of 2/2/2022
52 Wk High/Low	\$71.12/\$53.47
Store Count	25,496
No. of Employees	45,487



Remodeled in 2019

**BURGER
KING**

0.78 ACRES

34,000 VEHICLES
PER DAY

CORNER
LOCATION

DENSE RETAIL
CORRIDOR



KOHL'S



TRACTOR SUPPLY CO



Dillard's
The Style of Your Life



EXPRESS

CVS
pharmacy

DAVID'S BRIDAL



Subject Property





Abilene, Texas

Abilene, Texas is a city located in Taylor and Jones Counties in Texas,. Its population was 125,182 at the 2020 census, making it the 27th-most populous city in the state of Texas. It is the principal city of the Abilene metropolitan statistical area, which had an estimated population of 169,893, as of 2016. It is the county seat of Taylor County. Dyess Air Force Base is located on the west side of the city.

Abilene is located off Interstate 20, between exits 279 on its western edge and 292 on the east. It is 150 miles west of Fort Worth. The city is looped by I-20 to the north, US 83/84 on the west, and Loop 322 to the east. A railroad divides the city down the center into north and south. The historic downtown area is on the north side of the railroad.

POPULATION

2026 Projection		
1-MILE	3-MILES	5-MILES
8,493	54,541	105,809

2021 Population		
1-MILE	3-MILES	5-MILES
8,522	53,845	103,672



INCOME

Average		
1-MILE	3-MILES	5-MILES
\$66,467	\$70,064	\$68,757

Median		
1-MILE	3-MILES	5-MILES
\$52,385	\$50,692	\$48,718



HOUSEHOLDS

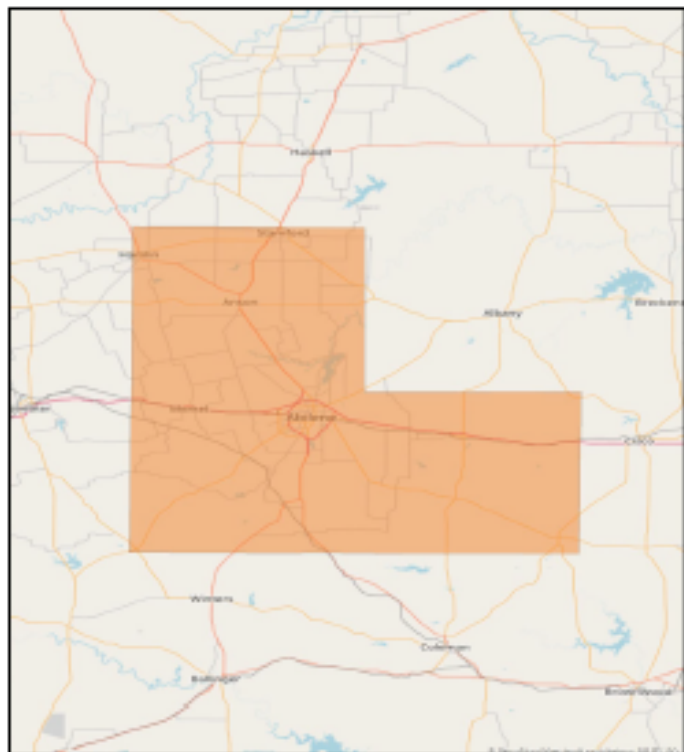
2026 Projection		
1-MILE	3-MILES	5-MILES
4,095	23,012	42,468

2021 Households		
1-MILE	3-MILES	5-MILES
4,079	22,570	41,346



ABILENE

The Abilene metro is located in west central Texas, roughly 180 miles west of Dallas. Interstate 20 traverses the metro, which consists of three counties: Taylor, Jones, and Callahan. The metro is growing at a slower pace than the U.S. but is expected to gain roughly 3,200 residents through 2025. The majority of the metro's population lives in the city of Abilene, which is the seat of Taylor County and had a population of 121,000 in 2020. Abilene is the only city of the metro with more than 5,000 people.



METRO HIGHLIGHTS



MILITARY

Dyess Air Force Base is a major employer with approximately 14,000 military members, family members, and civilian workers.



CULTURAL AMENITIES

Frontier Texas!, the Grace Museum, Abilene Zoo and the Center for Contemporary Arts are among the cultural offerings in the metro.



HIGHER EDUCATION

Several universities, including Abilene Christian and Hardin-Simmons, are located in Abilene. The two schools have a combined enrollment of more than 5,000 students. The area universities keep the median age well below the national average.

ECONOMY

- The metro is an energy center. With wind farms and Cline Shale, the Abilene area has become a major energy producer in Texas.
- Dyess Air Force Base employs more than 5,000 people making it Abilene's largest employer. The base is strategically important as well. It is home to the 7th Bomb Wing and many associate units including the 317th Airlift Wing and Air Force Office of Special Investigations Detachment 222.
- Food processing and manufacturing fuel the Abilene economy as well. AbiMar Foods, Coca-Cola, Broadwind Towers, Eagle Aviation Services and Tige Boats are sizable employers in West Central Texas.

DEMOGRAPHICS

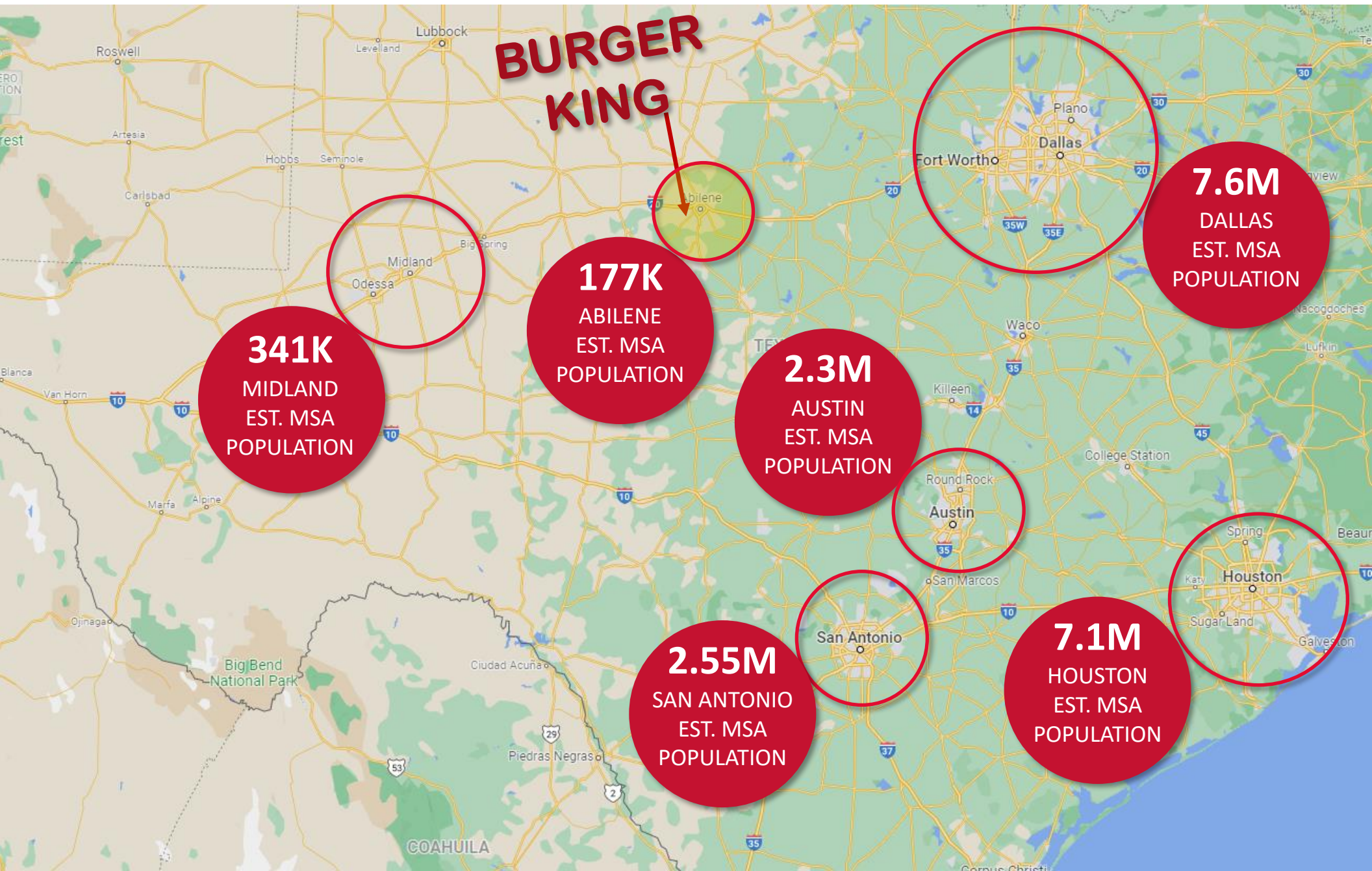


* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

BURGER KING

LOCATION MAP



NON-ENDORSEMENT AND DISCLAIMER NOTICE

SPECIAL COVID-19 NOTICE

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Information About Brokerage Services

11-2-2015

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction.

The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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<u>Tim A. Speck</u>	<u>432723</u>	<u>tim.speck@marcusmillichap.com</u>	<u>972-755-5200</u>
Designated Broker of Firm	License No.	Email	Phone
<u></u>	<u></u>	<u></u>	<u></u>
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
<u></u>	<u></u>	<u></u>	<u></u>
Sales Agent/Associate's Name	License No.	Email	Phone

Regulated by the Texas Real Estate Commission

Buyer/Tenant/Seller/Landlord's Initials

Date

Information available at www.trec.texas.gov

IABS 1-0



exclusive listing

Burger King | Abilene, TX

Tim Speck
TX Broker of Record
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