



Sonic

NWQ Blanco Road & West Hildebrand Avenue, San Antonio, Texas 78212



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CONFIDENTIAL OFFERING MEMORANDUM

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PROPERTY	Sonic	PRICE	\$3,368,421
LOCATION	2301 Blanco Road, San Antonio, Texas 78212	CAP RATE	4.75%



OVERVIEW

- Hard corner location on Blanco Rd and W Ridgewood Ct
- Over 20,000 cars pass daily between Blanc Rd and W Ridgewood Ct
- Population of over 160,000 people within 3 miles
- Situated inside of a dense residential area

PRICE	\$3,368,421
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CAP RATE	4.75%
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San Antonio is the 7th largest metropolitan area in the nation



376,883 population within 5 miles



\$57,644 average household income within 1 mile

INVESTMENT OVERVIEW

Sonic (the "Property") is located at 2301 Blanco Rd in San Antonio, Texas. The Property is a standalone, hard corner development inside of a residential neighborhood. The Property was constructed in 1995 and is currently in operation. Upon execution, a new 10 + year lease will be signed for the Property. Population within 3 miles of the Property is over 160,000 with around 20,000 cars passing by daily.

TOP INVESTOR MARKET

The City of San Antonio is the seventh largest city in the nation by population, as well as the second most populous city in Texas and the southern United States. The city is home to 6 Fortune 500 companies and in 2018 Forbes ranked San Antonio as the eighteenth fastest growing city in the U.S. The city's central location relative to other Texas MSAs and Mexico has been a major selling point for companies and investors looking to capitalize on the flow of people and goods coming north from the border. The economy of San Antonio is a healthy mix of business services, manufacturing, health care, biosciences, communications, corporate and regional offices, government, real estate, and tourism industries. More than 20 million people visit the City of San Antonio per year to see attractions such as the Alamo and the San Antonio River Walk. Overall, this property offers an investor a well-positioned, absolute net retail asset with a long operating history.

TENANT PROFILE

Sonic is the nation's largest drive-in restaurant chain serving more than 3 million customers per day at over 3,500 locations across the country. Since 1953 Sonic has offered signature menu items, 1.3 million drink combinations and friendly service by iconic carhops. Sonic is owned by Inspire Brands, the private holding company who also owns Arby's, Buffalo Wild Wings, Rusty Taco, and Jimmy John's. In November 2020, Inspire Brands agreed to acquire Dunkin' Brands Group, which owns Dunkin' Donuts and Baskin Robbins, for a reported price of \$11.3 billion.



Sonic Drive-In is the nation's largest drive-in restaurant chain serving more than 3 million customers per day at over 3,500 locations across the country. Since 1953 Sonic has offered signature menu items, 1.3 million drink combinations and friendly service by iconic carhops. Sonic is part of the Inspire Brands family of restaurants.

Inspire Brands was founded in February 2018 with a vision to invigorate great brands and supercharge their long-term growth. In an industry facing increasing disruption, our leaders saw an opportunity to build a restaurant company unlike any other – one that brings together differentiated yet complementary brands and aims to make them stronger than they would be on their own. In just two years, the Inspire portfolio has grown to encompass more than 11,000 Arby's, Buffalo Wild Wings, Sonic Drive-In, Rusty Taco, and Jimmy John's restaurants across 14 countries and all 50 states. Collectively, our brands generate more than \$14.6 billion in annual sales, making Inspire one of the top five largest restaurant companies in the United States. In November 2020, Inspire Brands agreed to acquire Dunkin' Brands Group, which owns Dunkin' Donuts and Baskin Robbins, for a reported price of \$11.3 billion.

BRAND NAME	Sonic	OPERATOR/TENANT NAME	Let's Shake, LLC
OWNERSHIP	Private	OWNERSHIP	Private
SALES VOLUME	\$5.68 billion (2021)	# OF LOCATIONS	44
# OF LOCATIONS	3,500+	HEADQUARTERED	Dallas, TX
HEADQUARTERED	Oklahoma City, OK	WEBSITE	www.sscpmanagement.com
WEBSITE	www.sonicdrivein.com www.inspirebrands.com	YEARS IN BUSINESS	7 years
YEARS IN BUSINESS	60 years		

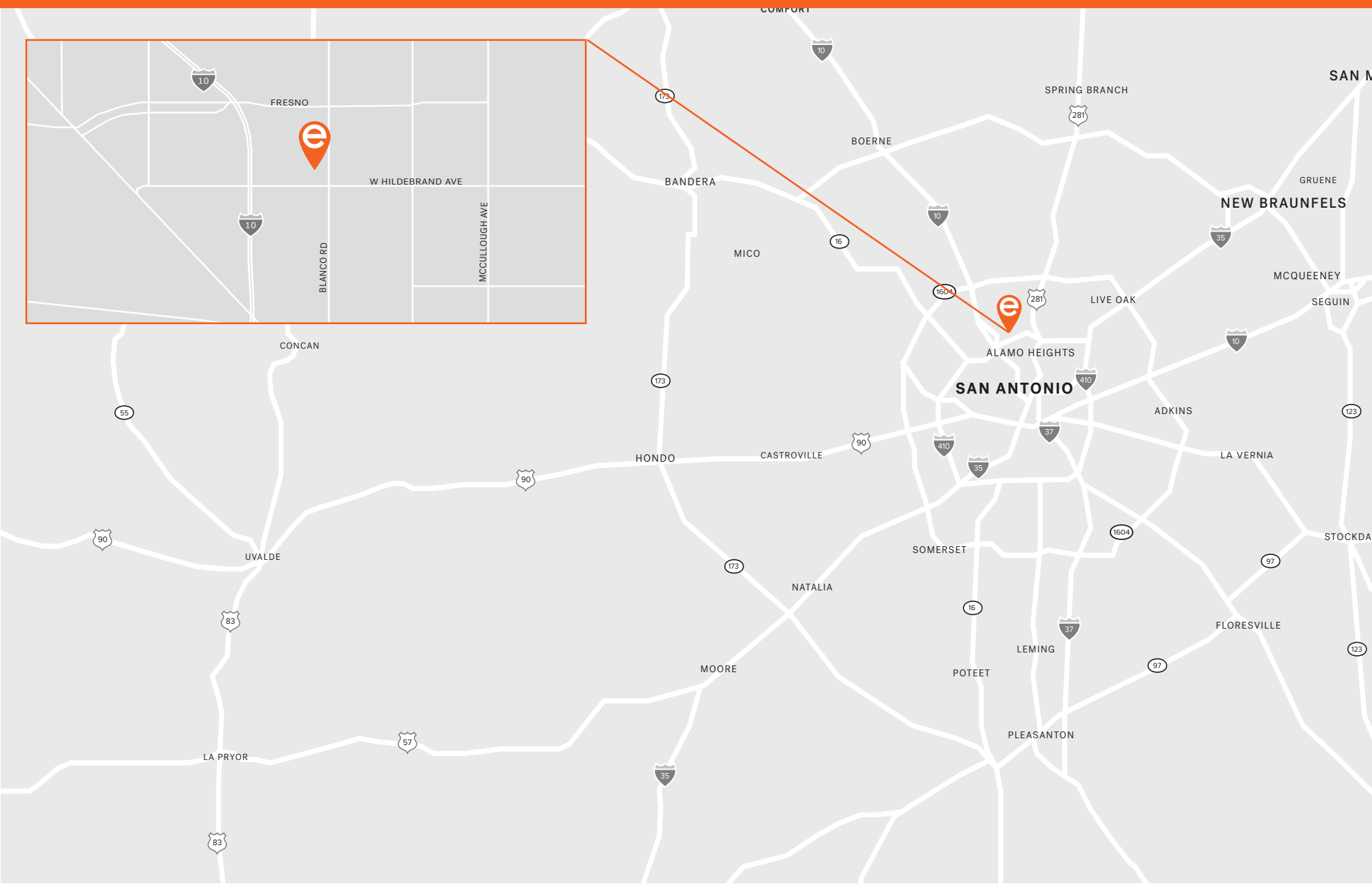
The Property

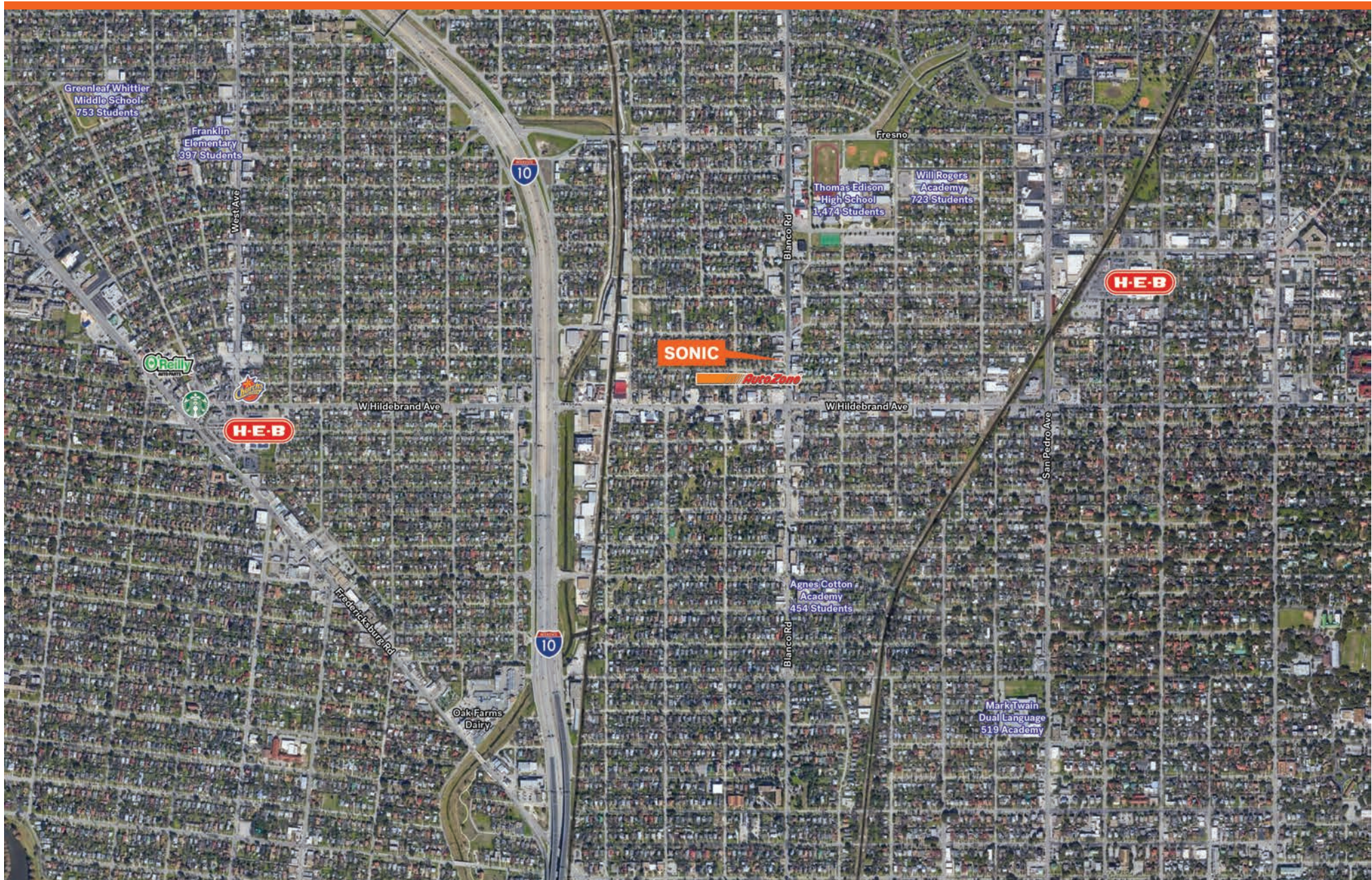
ADDRESS	2301 Blanco Road San Antonio, Texas 78212
LAND AREA	0.55 ac
GLA	1,208 sf
YEAR BUILT	1995
OCCUPANCY	100%
PARKING	34 spaces including 3 handicap 28.15 per 1,000 sf
ZONING	I-1 - General industrial district
TAX AUTHORITY / ID	Bexar County / 154667
BUILDING EXTERIOR	Masonry and stucco exterior
ROOF	Flat
HVAC	Roof mounted
SITE LIGHTING	Pole and building mounted lights
PARKING LOT	Good condition. Concrete

2021 DEMOGRAPHIC SNAPSHOT

	1 Mile	3 Mile	5 Mile
TOTAL POPULATION	20,705	151,049	376,883
POPULATION GROWTH 2021-2026	2.47%	5.53%	6.43%
AVERAGE HH INCOME	\$57,644	\$58,534	\$58,502







The Financials

ANALYSIS SUMMARY

ANALYSIS START DATE	7/1/2022
HOLD PERIOD	10
LAND AREA	24,002
IN-PLACE OCCUPANCY	100.00%

PURCHASE SUMMARY

PRICE	\$3,368,421
PRICE PSF (IMPROVEMENTS)	\$2,788.43
PRICE PSF (LAND)	\$140.34
IN-PLACE NOI	\$160,000
IN-PLACE CAP RATE	4.75%
YEAR 1 NOI	\$160,000
YEAR 1 CAP RATE	4.75%

REVERSION ANALYSIS

YEAR 11 NOI	\$206,507
RESIDUAL CAP RATE	5.25%
SALES PRICE	\$3,933,467
PRICE PSF (IMPROVEMENTS)	\$3,256.18
PRICE PSF (LAND)	\$163.88

RETURNS

	ALL-CASH
AVERAGE CASH ON CASH / YIELD ON EQUITY	5.31%
IRR	6.32%
MULTIPLE	1.68x



Lease Summary

TENANT	SUITE	SF	% OF GLA	LEASE START	LEASE EXPIRATION	DATE	MONTHLY RENT	ANNUAL RENT	RENT PSF	EXPENSE REIMBURSEMENT METHOD	OPTIONS
Sonic	100	1,208	100.00%	11/1/2020	10/31/2027	CURRENT	\$13,333.33	\$160,000	\$132.45	Absolute NNN	4x5 Year Renewal Options w/ 10% Base Rent Escalations Each Option Period.
						11/1/2025	\$14,666.67	\$176,000	\$145.70		
	OCCUPIED SF	1,208	100.00%								
	TOTAL AREA	1,208	100.00%			TOTAL IN-PLACE RENT		\$160,000			

The Market



POPULATION
29,346,468



**2nd FASTEST
GROWING
ECONOMY
IN THE U.S.**



**TOP STATE FOR
JOB GROWTH**
343,000 JOBS CREATED IN 2019

2nd

**LARGEST CIVILIAN
LABOR WORKFORCE:**
13.9+ MILLION WORKERS

50

**FORTUNE 500
COMPANIES
CALL TEXAS HOME**



BEST STATE FOR BUSINESS
FOR THE 17TH YEAR IN A ROW BY
CHIEF EXECUTIVE MAGAZINE



FORT WORTH

MORE THAN 8.8 MILLION VISITORS
ANNUALLY

DALLAS

#1 FASTEST GROWING HOUSING MARKET 2018
#1 TOP 20 BUSINESS-FRIENDLY CITY

HOUSTON

#2 FASTEST GROWING HOUSING MARKET 2018
#7 TOP 20 BUSINESS-FRIENDLY CITY

AUSTIN

#1 BEST PLACE TO LIVE 2018
#12 TOP 20 BUSINESS-FRIENDLY CITY

SAN ANTONIO

#14 BEST PLACE TO LIVE 2018



OVER 3,000 COMPANIES
HAVE LOCATED OR EXPANDED
FACILITIES IN TEXAS SINCE 2009



LARGEST MEDICAL CENTER
Texas Medical Center, Houston
2ND LARGEST CANCER CENTER
MD Anderson, Houston



AWARDED 2020 GOVERNOR'S CUP
FOR THE MOST TOTAL ECONOMIC
DEVELOPMENT PROJECTS: **781**



**NO STATE
INCOME TAX**



Region Central
County Bexar, Medina, Comal
MSA San Antonio-New Braunfels
Access I-35, I-10 & I-37
Trade Area 504.6 Sq. Miles



10TH FASTEST GROWING CITY

IN THE U.S. WITH 8.55% GROWTH FROM 2010-2016

#1

METRO FOR ECONOMIC GROWTH POTENTIAL
SAN ANTONIO IS THE 15TH BEST CITY FOR JOB GROWTH



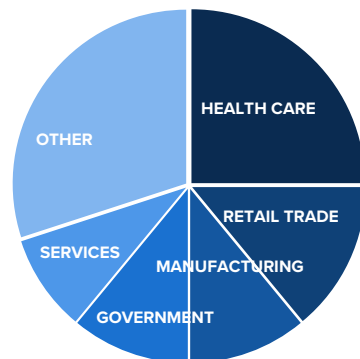
HOME TO 6 MILITARY BASES

DIRECTLY EMPLOYS 77,000 PEOPLE

INDUSTRY PROFILE

HEALTH CARE 25%
RETAIL TRADE 14%
MANUFACTURING 11%
GOVERNMENT 11%
SERVICES 9%
OTHER 30%

742,613 EMPLOYEES
4% UNEMPLOYMENT RATE



DEMOGRAPHICS

POPULATION	1,486,361
TOTAL HOUSEHOLDS	539,376
AVERAGE HOUSEHOLD INCOME	\$64,361
MEDIAN AGE	34.7
BACHELOR DEGREE +	26%
CIVILIAN LABOR FORCE	728,967

LARGEST EMPLOYERS

JOINT BASE SAN ANTONIO	80,000 Employees
H-E-B	20,000 Employees
USAA	18,300 Employees
RANDOLPH AIR FORCE BASE	11,000 Employees
METHODIST HEALTHCARE SYSTEM	9,600 Employees
TOYOTA/RELATED SUPPLIERS	6,500 Employees
HARLAND CLARKE	5,000 Employees
JP MORGAN CHASE	5,000 Employees
WELLS FARGO	5,000 Employees
RACKSPACE	2,000 Employees

	1 MI RADIUS	3 MI RADIUS	5 MI RADIUS
POPULATION			
TOTAL POPULATION	20,705	151,049	376,883
TOTAL DAYTIME POPULATION	15,139	171,843	436,937
% PROJECTED ANNUAL GROWTH 2021 TO 2026	2.47%	5.53%	6.43%
2026 PROJECTED POPULATION	21,216	159,403	401,110
% FEMALE POPULATION	49%	49%	50%
% MALE POPULATION	51%	51%	50%
MEDIAN AGE	36.4	36.5	35.4
BUSINESS			
TOTAL EMPLOYEES	7,951	90,819	262,586
TOTAL BUSINESSES	441	4,712	13,390
% WHITE COLLAR EMPLOYEES	28%	38%	39%
HOUSEHOLD INCOME			
ESTIMATED AVERAGE HOUSEHOLD INCOME	\$57,644	\$58,534	\$58,502
ESTIMATED MEDIAN HOUSEHOLD INCOME	\$45,522	\$42,698	\$42,398
ESTIMATED PER CAPITA INCOME	\$24,997	\$28,802	\$27,806
HOUSEHOLD			
TOTAL HOUSING UNITS	8,219	61,388	153,864
% HOUSING UNITS OWNER-OCCUPIED	9.37%	10.85%	10.75%
% HOUSING UNITS RENTER-OCCUPIED	90.63%	89.15%	89.25%
RACE & ETHNICITY			
% WHITE	82.53%	82.00%	79.33%
% BLACK OR AFRICAN AMERICAN	1.53%	3.21%	4.90%
% ASIAN	0.86%	0.78%	1.15%
% OTHER	15.08%	14.01%	14.61%
% HISPANIC POPULATION	82.13%	75.04%	72.08%
% NOT HISPANIC POPULATION	17.87%	24.96%	27.92%



Disclaimer

Edge Realty Capital Markets LLC exclusively presents the listing of Sonic ("Property") for your acquisition. The owner is offering for sale the Property through its exclusive listing with the team.

Edge Realty Capital Markets LLC and owner provides the material presented herein without representation or warranty. A substantial portion of information must be obtained from sources other than actual knowledge and not all sources can be absolutely confirmed. Moreover, all information is subject to changes by the parties involved as to price or terms before sale, to withdrawal of the Property from the market, and to other events beyond the control of Edge Realty Capital Markets LLC or owner. No representation is made as to the

value of this possible investment other than hypothetical scenarios. It is encouraged that you or any of your affiliates consult your business, tax and legal advisors before making a final determination of value or suitability of the Property for acquisition.

As a condition of Edge Realty Capital Markets LLC's consent to communicate the information contained herein—as well as any information that may be communicated to you subsequently either verbally or in writing by Edge Realty Capital Markets LLC, owner or agents of either of these parties regarding the Property – it is required that you agree to treat all such information confidentially.



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