



SANDS INVESTMENT GROUP



Taco Bell

340 N Sunset Strip Street
Kenedy, TX 78119

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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the 1,400 SF Taco Bell Located at 340 N Sunset Strip Street in Kenedy, TX. This Deal Includes Over 15 Years Remaining on an Absolute Triple Net (NNN) Lease With Zero Landlord Responsibilities, Providing For a Secured Investment.

OFFERING SUMMARY

PRICE	\$1,052,632
CAP	4.75%
NOI	\$50,000
PRICE PER SF	\$751.88
GUARANTOR	Delect Foods, Inc

PROPERTY SUMMARY

ADDRESS	340 N Sunset Strip Street Kenedy, TX 78119
COUNTY	Karnes
BUILDING AREA	~1,400 SF
LAND AREA	0.85 AC
YEAR BUILT	2014



TACO BELL

HIGHLIGHTS

- Brand New 15 Year Absolute Triple Net (NNN) Lease
- 10% Rent Increases Every 5 Years Allowing Investors to Hedge Against Inflation
- Strong Sales Performance With Very Healthy Rent-to-Sales Ratio
- Emerge Inc. is a Growing Operator With 124-Units Across Three Brands (28-Unit Guaranty)
- Target Demographic For Taco Bell With 5,187 Within a 3-Mile Radius and Median Household Income of \$50,000
- Property is Located an Hour South of San Antonio and an Hour North of Corpus Christi
- Located Directly Off of Hwy 181 (the Main Retail Artery) Which Sees Traffic of 17,458 VPD
- Next to HEB Grocery Anchored Center Providing Great Retail Synergy
- Excellent 1031 Exchange Property at a Low Price Point With Strong Upside
- Essential Use Tenant With Drive-Thru, Pandemic and Recession Resistant
- Income Tax-Free State (Texas)
- Nearby Tenants Include: H-E-B, Sonic, Pizza Hut, McDonald's, Quality Inn & Suites and More



LEASE SUMMARY

TENANT	Taco Bell
PREMISES	A Building of Approximately 1,400 SF
LEASE COMMENCEMENT	Close of Escrow
LEASE EXPIRATION	15 Years From Close of Escrow
LEASE TERM	15 Years
RENEWAL OPTIONS	4 x 5 Years
RENT INCREASES	10% Every 5 Years
LEASE TYPE	Triple Net (NNN)
PERMITTED USE	Fast Food
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	Yes

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
1,400 SF	\$50,000	\$35.71



SAN ANTONIO





Otto Kaiser
Memorial Hospital



Schlumberger

Walmart
Supercenter



CANDLEWOOD
SUITES

ConocoPhillips

Great Clips
IT'S GONNA BE GREAT

Cowboy
Liquors



Blue Diamond
Entertainment

Glorias
Restaurant

Pecan Grove
RV Resort

MMR
CONSTRUCTION



TSC TRACTOR
SUPPLY CO



N Sunset Strip St

Kenedy
RV Park

KWIK-N-KLEEN
Car Wash & Ice



Lone Star
Real Estate

Lion
Stadium

Kenedy
Middle School

Living Villa
Cappelli

Against The
Grain Barbershop





FieldHouse Inn & Conference Center

Ball Park

Smart's Air Conditioning

Kenedy Church of Christ

Mccarty Equipment Co



DOLLAR GENERAL

O'Reilly AUTO PARTS

VALERO



H-E-B

TELLUS

Town Oaks Apartments

DNOV (Kenedy) (TX-J3)

Pogue Agri Partners

South Texas Satellite

HANSAL FLEX

Good Shepherd Lutheran Church

Kenedy HS Baseball Field

181

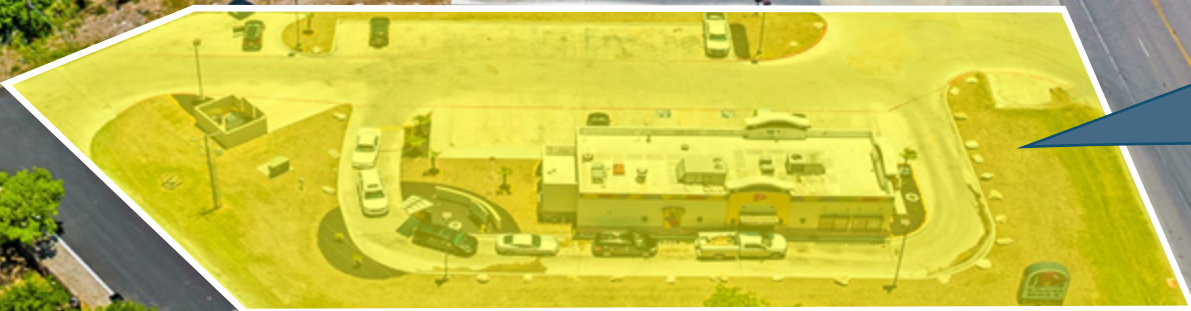
N Sunset Strip St

Alamo Lumber Co

Kennedy Supreme Carwash

WELLS FARGO

MICROTEL BY WYNDHAM





N Sunset Strip St

181

Super 8
Hampton
by Hilton Express

Walmart Supercenter
HIBBETT SPORTS
ANYTIME FITNESS
SUBWAY
CANDLEWOOD SUITES
Great Clips

TACO BELL

Quality

TSC TRACTOR SUPPLY CO.

Do it Best

WELLS FARGO
MICROTEL
BY WYNDHAM

72
TEXAS

Ashland
always solving

DQ
Church's
CHICKEN

AutoZone
Pizza Hut
SUBWAY

SONIC
O'Reilly
AUTO PARTS

W Main St

H-E-B
McDonald's

Valero
BURGER KING
DOLLAR GENERAL

CITGO
NAPA
cricket

K E N E D Y | K A R N E S C O U N T Y | T E X A S

Kenedy is a city in Karnes County, Texas. Kenedy is a small town with big opportunities. The City of Kenedy had a population of 3,736 as of July 1, 2021. The formal boundaries for the City of Kenedy encompass a land area of 3.67 sq. miles. Kenedy is located in south-central Karnes County. U.S. Route 181 runs through the west side of the city, leading northwest 6 miles (10 km) to Karnes City, the county seat, and 60 miles (97 km) to San Antonio. To the south US-181 leads 31 miles (50 km) to Beeville and 88 miles (142 km) to Corpus Christi. With a 2020 population of 1,581,730, San Antonio is the 2nd largest city in Texas (after Houston) and the 7th largest city in the United States. The city is located in the south-central part of Texas, and the southwestern corner of an urban region known as the Texas Triangle.

Kenedy is a the perfect place to live and do business. As Karnes County largest city, Kenedy is an economic center for the surrounding agricultural area. The largest industries in Kenedy, TX are Educational Services, Other Services, Except Public Administration, and Public Administration, and the highest paying industries are Retail Trade, Construction, and Finance & Insurance, & Real Estate & Rental & Leasing. Due to its proximity to the major city of San Antonio, Kenedy can benefit from its economic factors. San Antonio's economy focuses primarily on military, health care, government-civil service, financial services, oil and gas, and tourism. Within the past twenty years, the city has become a significant location for American-based call-centers and has added a sizable manufacturing sector centered around automobiles. San Antonio is a city of biosciences and health with one out of every six San Antonians is employed in the industry. The South Texas Medical Center is the epicenter of an industry that produced more than \$42 billion in regional economic impact in 2019.

Take a day and enjoy the newly renovated park that includes a basketball court, baseball diamonds, sand volleyball court, walking trail, picnic area, playground, and veteran's memorial. The hills come alive in the spring with beautiful displays of wildflowers, Kenedy Market Days is the third Saturday of every month with booths from local farmers and artisans. Nearby tourist attractions include Karnes County Historical Society, Karnes County Courthouse, Panna Maria - the Oldest Polish Settlement in the USA and Wow's Longhorn Museum. The city of San Antonio is visited by approximately 26 million tourists every year. Commercial entertainment includes SeaWorld and Six Flags Fiesta Texas theme parks. San Antonio is famous for the historical Spanish missions, Alamo, River Walk, Tower of the Americas and Alamo Bowl. The city hosts the annual San Antonio Stock Show & Rodeo, one of the largest in the country.



KARNES COUNTY COURTHOUSE



KENEDY, TX





N Sunset Strip St
(17,458 VPD)

W Main St (8,624 VPD)



	3 MILES	5 MILES	10 MILES
POPULATION	5,187	7,455	12,531
AVERAGE HH INCOME	\$68,965	\$81,991	\$83,601

T A C O B E L L

TENANT PROFILE

Taco Bell Corp., a subsidiary of Yum! Brands, Inc. (NYSE: YUM), is the world's leading Mexican-inspired quick service restaurant (QSR) brand. Taco Bell serves made-to-order and customizable tacos and burritos and other specialties with bold flavours, quality ingredients, breakthrough value, and best-in-class customer service to over 40 million customers weekly across the globe. Under our parent company, Yum! Brands Inc. Taco Bell is part of a family of fast food powerhouses which include both KFC and Pizza Hut. The company and its franchisees operate more than 7,600 restaurants in the United States alone. There are currently more than 600 Taco Bell restaurants across 30 countries outside of the United States. Yum! Brands, Inc., based in Louisville, Kentucky, has nearly 44,000 restaurants in more than 135 countries and territories. The company's restaurant brands – KFC, Pizza Hut and Taco Bell – are the global leaders of the chicken, pizza and Mexican-style food categories. Worldwide, the Yum! Brands system opens over six new restaurants per day on average, making it a leader in global retail development.

Outside of the restaurants, fans can access Taco Bell through the mobile app, desktop on Ta.co and delivery through the partnership with Grubhub. Taco Bell became the first QSR to launch a mobile app in U.S. restaurants for both drive-thru and dining orders. In 2016, Taco Bell was named as one of Fast Company's Top 10 Most Innovative Companies in the World. We provide educational opportunities and serve the community through our nonprofit organization, the Taco Bell Foundation, and support fans and team members with their passions through programs such as the Live Más Scholarship. We provide access to sports, gaming and new music through our Feed The Beat program.



COMPANY TYPE
Subsidiary



FOUNDED
1962



OF LOCATIONS
7,600+



HEADQUARTERS
Irvine, CA



WEBSITE
tacobell.com

T A C O B E L L

OPERATOR PROFILE

Kamal Singh began his restaurant career in 2009 by acquiring a single unit in a regional sandwich chain, Lenny's Sub Shop. He grew that business by acquiring two additional Lenny's units before later selling all three units to purchase a portfolio of Auntie Anne's and Baskin Robins in high traffic shopping centers. In 2015, Kamal was approved to develop in the YUM franchise system. He has since aggregated a portfolio of 26 Kentucky Fried Chicken and Taco Bell restaurants.

In 2017, Kamal purchased 34 Sonic Drive-In restaurants from Sonic corporate in the Houston market. Kamal has organically grown his portfolio through new unit development among all three brands. In 2021, Kamal acquired a portfolio of 15 additional Sonic Drive-Ins, strategically located in the neighboring Galveston market. The Emerge Inc. portfolio of brands currently owns and operates 124 QSR restaurants.

CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



ABOUT BROKERAGE SERVICES

Before working with a real estate broker, you should know that the duties of a Broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with the Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary.

The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) Shall treat all parties honestly;
- (2) May not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) May not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.



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In Cooperation With
Sands Investment Group Austin, LLC
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