

# Taco Bell

303 US Highway 90 E  
Hondo, TX 78861



COME SEE US  
ON SUNDAY  
FOR 99¢ TACO S



SANDS INVESTMENT GROUP



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SANDS INVESTMENT GROUP

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# INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the 2,274 SF Taco Bell Located at 303 US Highway 90 E in Hondo, 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	\$1,389,474
CAP	4.75%
NOI	\$66,000
PRICE PER SF	\$611.02
GUARANTOR	Delect Foods, Inc

## PROPERTY SUMMARY

ADDRESS	303 US Highway 90 E Hondo, TX 78861
COUNTY	Medina
BUILDING AREA	2,274 SF
LAND AREA	0.63 AC
YEAR BUILT	2016





# 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 Healthy Rent-to-Sales Ratio
- Emerge Inc. is a Growing Operator With 124-Units Across Three Brands (28-Unit Guaranty)
- Sustainable and Stabilized Rent at \$29.02/SF
- Essential Use Tenant With Drive-Thru, Pandemic and Recession Resistant
- Limited Competition in the Area
- Strong Demographics With Average Household Income \$69,204 Within 3-Miles
- Centrally Located in a Retail Corridor With Multiple Points of Ingress and Egress From I-90
- Property is Well Positioned Close to a Walmart Supercenter, and the I-90 and I-173 Interchange Which Sees Nearly 24,470 VPD
- Adjacent to South Texas Regional Airport (Formerly Hondo Air Force Base)
- Income Tax-Free State (Texas)
- Nearby Tenants Include: Walmart, McDonald's, Golden Chick, Burger King, Whataburger, Best Western Bedroom Inn-Hondo and Executive Inn-Hondo





ACTUAL PROPERTY IMAGE

# LEASE SUMMARY

TENANT	Taco Bell
PREMISES	A Building of Approximately 2,274 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
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2,274 SF	\$66,000	\$29.02
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SAN ANTONIO





McDowell  
Middle School

Hondo  
High School

Presidio  
Apartments

**H-E-B**  
**SONIC**  
**O'Reilly  
AUTO PARTS**  
**NAPA**  
**Pizza Hut**  
**Little Caesars**  
**Church's**

**MEDINA ELECTRIC  
COOPERATIVE, INC.**  
The Electric Energy Company

Medina County  
Environmental

Medina County  
District Clerk's Office

Southwest Gulf  
Railroad Company

Stewart's  
Automotive

Hondo Isd  
Auxiliary Operations

Sherry's  
Arts & Crafts

**TSC TRACTOR  
SUPPLY CO.**



**Domino's**



**CHRISTIAN'S**

H & H  
Pawn Shop

Brian Place  
Apartments



H & H  
Pawn Shop

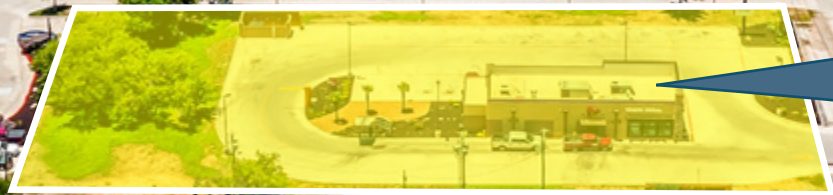


Bill Miller  
Bar-B-Q



**GOLDEN  
CHICK**

**BW Best  
Western**



Miguel's  
Country Kitchen

**TACO  
BELL**





Mumme's

South  
Texas Maize

WATKINS  
STEAK HOUSE

173  
TEXAS

Exxon



Expedia

Hondo AG  
Supply Inc.

PEERLESS  
EQUIPMENT SINCE 1948

Stone Yard  
Dove Hunt

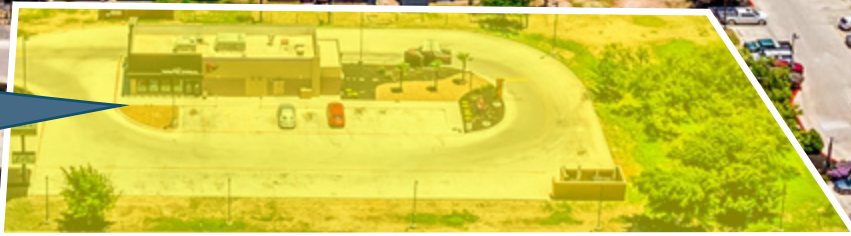
18th St

90

Silver Creek Specialty Meats  
and Gourmet Coffee

Miguel's  
Country Kitchen

Forest Ln



BW Best  
Western





cricket  
True Value  
metro  
by T-Mobile

Church's  
CHICKEN

DOLLAR GENERAL

ANYTIME  
FITNESS

Little Caesars  
DQ

O'Reilly  
AUTO PARTS  
NAPA  
DOLLAR TREE

H-E-B  
SONIC  
Pizza Hut

Walmart  
Supercenter  
Great Clips  
TSC  
TRACTOR  
SUPPLY CO  
SUBWAY

WHATABURGER

TACO  
BELL

173  
TEXAS

90

19th St

EXECUTIVE  
INN

BURGER  
KING

McDonald's  
BW | Best Western  
Hotels & Resorts  
GOLDEN  
CHICK



## HONDO | MEDINA COUNTY | TEXAS

Hondo, Texas is a city in and the county seat of Medina County, Texas. Located on US Highway 90 West within the Eagle Pass, Laredo and San Antonio triangle. Hondo is a growing, rural town just 40 miles outside of San Antonio, Texas. The city of Hondo was first settled in 1881 and incorporated in 1942. According to the United States Census Bureau, the city has a total area of 9.6 square miles. Hondo is a great place to stay and relax, play, shop, and dine. Hondo is becoming one of the highest growing regions in the State. The City of Hondo is well known for its' iconic sign that states, "This is God's Country please don't through it like hell". This trademark has been used by the city for over 80 years to preserve the city's natural beauty and culture of offering its many tourism, convention, and public relations campaigns. The City of Hondo had a population of 9,212 as of July 1, 2021.

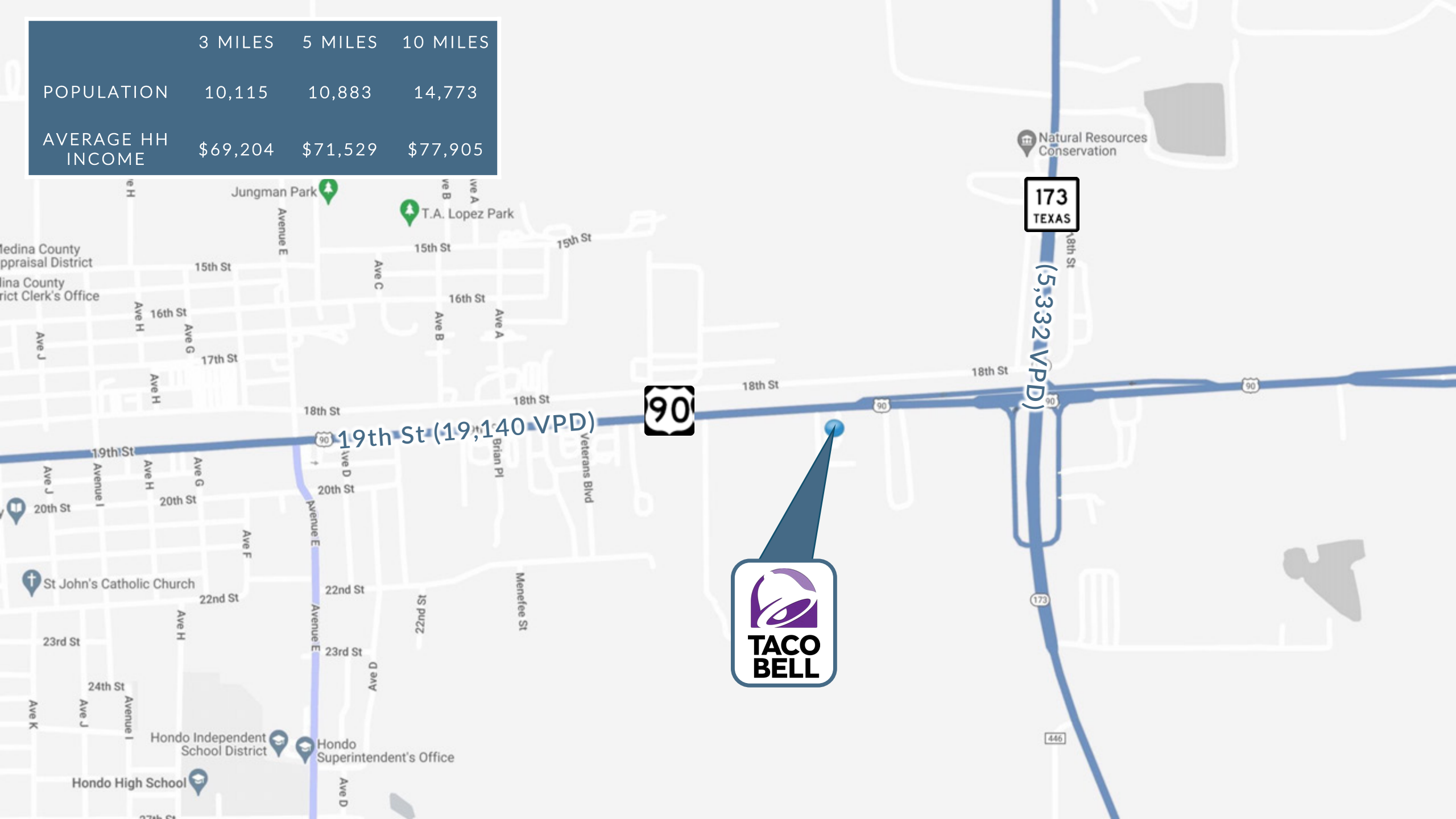
Hondo offers a low cost of doing business through readily available land, low taxes, reliable and sustainable sources of electricity, natural gas and water. The city has a favorable business climate that is enthusiastically supported by community leaders and community as a whole. The South Texas Regional Intermodal Park and Airport consists of 975 acres of available land ready for development. The intermodal park is located one half mile from US Highway 90 and parallel to the Union Pacific Railroad line. Hondo's proximity to the greater San Antonio metropolitan network of roadways allows for easy transit and flexibility for new business ventures. Largest industries in the city include Government, Retail Trade, Accommodation and Food Services & Healthcare. Largest employers in the city include: Texas Department of Corrections, Hondo ISD, Super Wal-Mart, Medina County, Medina Healthcare System and Hondo Rail among the top. Due to its proximity to the major city of San Antonio, Hondo 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.

Hondo is a family-oriented community that offers a variety of outdoor activities from camping, fishing, walking and hiking trails, hunting, the South Texas MAIZE, and wild game safaris. Hondo is widely known for hosting seasonal festivals and fairs. The Cowboy Country Roundup is held every spring. The Hondo Army Air Field Fly-in is held every May. In October, come stuff yourself with delicious barbeque at the Wild Game Festival. The Hometown Holiday event in December is a great time to enjoy the white, frosty snow with the family. There is also great late night shopping that takes place during this event. One can also visit the City Golf Course, Hondo Nature Trail, Hondo Public Library and the Army National Guard Recruiter. There's plenty of shopping for antiques, collectibles and specialty items in downtown Hondo. One can also spend time at the Medina County Museum complex, which covers a city block. Anyone can catch a first-run movie at the restored, 1940s-era Raye Theater.





	3 MILES	5 MILES	10 MILES
POPULATION	10,115	10,883	14,773
AVERAGE HH INCOME	\$69,204	\$71,529	\$77,905





# 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](http://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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