



SANDS INVESTMENT GROUP



Sonic

806 S. Friendswood Drive
Friendswood, TX 77546

EXCLUSIVELY MARKETED BY:



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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the 1,825 SF Sonic Located at 806 S. Friendswood Drive in Friendswood, TX. This Deal Includes Over 14 Years Remaining on an Absolute Triple Net (NNN) Lease With 10% Rent Increases Every 5 Years With Additional Bonus Rent (7% of Gross Sales Over Base Rent), Providing For a Secured Investment.

OFFERING SUMMARY

PRICE	\$2,294,674
CAP	4.75%
NOI	\$108,997
PRICE PER SF	\$1,257.36
GUARANTOR	Franchisee

PROPERTY SUMMARY

ADDRESS	806 S. Friendswood Drive Friendswood, TX 77546
COUNTY	Galveston
BUILDING AREA	1,825 SF
LAND AREA	0.84 AC
BUILT	2004



ACTUAL PROPERTY IMAGE

HIGHLIGHTS

- Over 14 Years Remaining on an Absolute Triple Net (NNN) Lease
- 10% Rent Increases Every 5 Years With Additional Bonus Rent (7% of Gross Sales Over Base Rent)
- Strong Sales Performance With Healthy Rent-to-Sales Ratio
- Emerge! Inc. is a Growing Operator With 124-Units Across Four Brands (15-Unit Guaranty)
- Pandemic Proof of Concept and Recession Resistant
- Strong Demographics With a Population of 63,481 Residents Making an Average Household Income of \$128,790 Within a 3-Mile Radius
- Four Minutes From Friendswood High School With Over 2,000 Students Providing Ample Foot Traffic and a Consistent consumer base
- Texas is an Income Tax-Free State
- Located Under 30-Minutes From the Space Center Houston and NASA Johnson Space Center
- Friendswood is a Southern Suburb of Houston and is Part of the Houston-The Woodlands-Sugar Land MSA Which Has a Population Over 7 Million People
- In 2007, CNN/Money Magazine Listed Friendswood as One of 100 "America's Best Places to Live" For That Year
- Nearby Tenants Include: HEB, Jersey Mike's Subs, Popeyes, Whataburger, Chase Bank, Sherwin-Williams, McDonald's, Dairy Queen, Subway, Walgreens, Wendy's, PNC Bank, Dunn Brothers Coffee & USPS



ACTUAL PROPERTY IMAGE

LEASE SUMMARY

TENANT	TaterToTexas Master, LLC
PREMISES	A Building of Approximately 1,825 SF
LEASE COMMENCEMENT	December 3, 2021
LEASE EXPIRATION	December 31, 2036
LEASE TERM	14+ Years Remaining
RENEWAL OPTIONS	3 x 5 Years
RENT INCREASES	10% Every 5 Years
LEASE TYPE	Absolute 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 (15 Days)

SQUARE
FOOTAGE

ANNUAL
BASE RENT

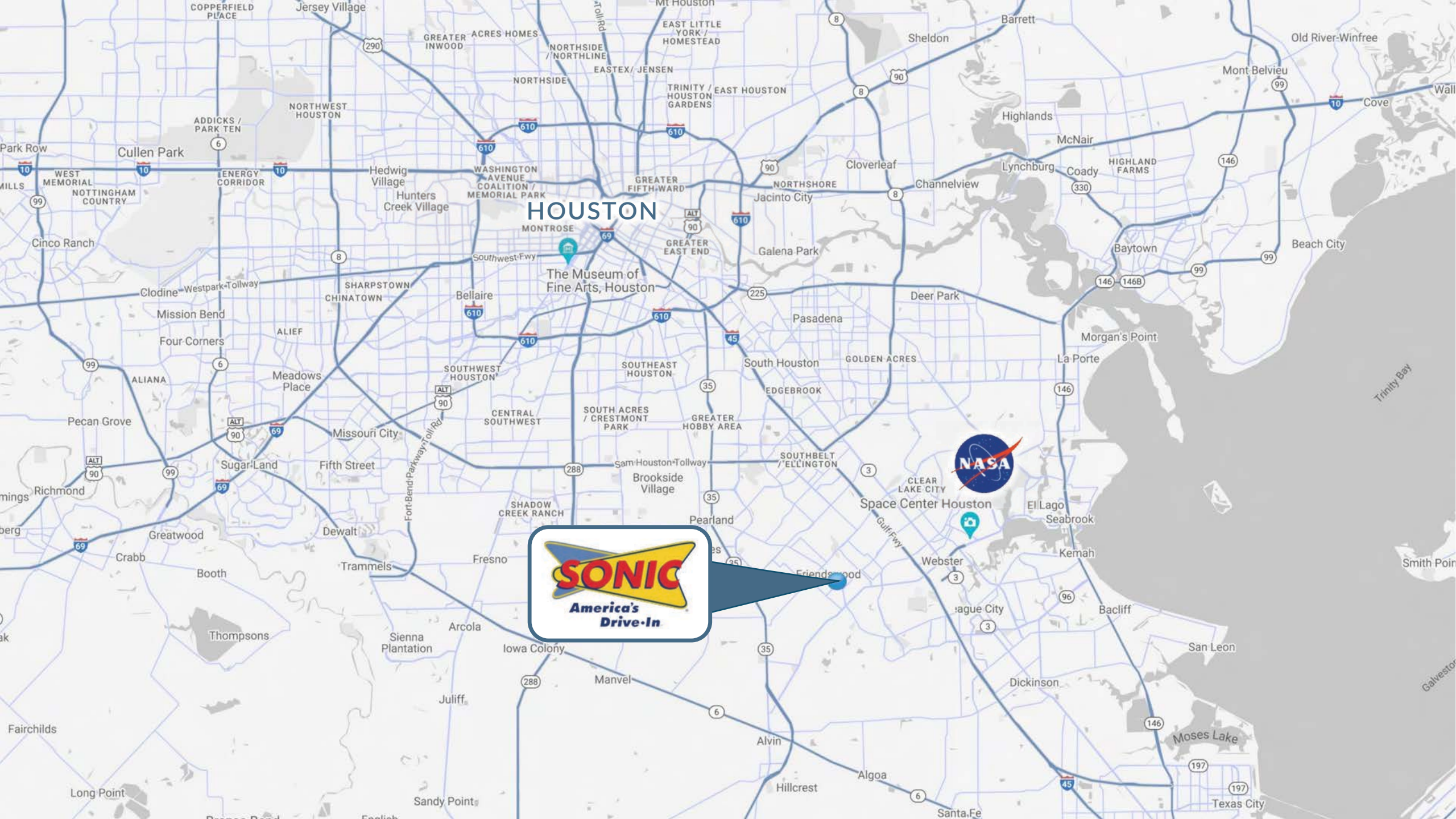
RENT
PER SF

1,825 SF

\$108,997

\$59.72







DOWNTOWN HOUSTON

Westwood Elementary School

Renwick Park

Friendswood Baptist Church

FISD Transition Center

Mary Queen Catholic Church

Stone's Throw Senior Apt

Garrett Nickelson REALTOR

Richie Construction

DELTA LIFE FITNESS

SONIC
America's Drive-In

DOLLAR TREE
cricket wireless
Tuesdays Morning
SUBWAY
ACE Hardware
O'Reilly AUTO PARTS
H&R BLOCK

Walgreens
WHATABURGER

ups
Kroger
Domino's
Wendy's

McDonald's

Sally Branson - Raymond James

Friendswood Special Education

UNITED STATES POSTAL SERVICE

Friendswood Public Library

Flawless skin lounge

Dentistry 4 Children

SHERWIN WILLIAMS

Village Square Apartments

HomeTown Bank

enterprise

Salem Square Apartments

Bancorpsouth Professional park

Perry Sons

ACORI DIAMONDS & DESIGN

CHASE

BancorpSouth

ACMB INSURANCE

ALL-PRO COMPLETE AUTO SERVICE

Between Us Tea Room & Wine Lounge

Huntington Woods

NRL Mortgage

S Friendswood Dr

STANFIELD PROPERTIES

Gateway MORTGAGE

ANYTIME FITNESS

Brookside Intermediate School

Clear Creek Community Church

Lee Family Practice Associates

Family Animal Hospital of Friendswood

Friendswood Farmers Market

Parkside Counseling Center

MORADA FRIENDSWOOD

Hope Lutheran Church

H-E-B



Aqua Dental Friendswood

TEXAS GULF BANK

Texan Air Duct Cleaning Friendswood

Friendswood Kwik Kar

Friendswood City Hall

Friendswood Fairy Trail

Friendswood Swimming Pool

Shear Pleasure Salon & Day Spa

Jasmine Journey Holistic Wellness



Autumn Oak Speech & Rehabilitation

Goodwill

ANYTIME FITNESS



S Friendswood Dr



Gulf Fwy

S Friendswood Dr

E Parkwood Dr



JCPenney ★ macy's DICK'S Dillard's **WAVE MASTER** **KREI COOP**
 BANANA REPUBLIC T.A.L.BOTS FOREVER 21
 GOLF GALAXY **LIFETIME** Olive Garden Chick-fil-A Starbucks H&M
EXPRESS **Buckle** Lane Bryant lululemon **OUTBACK** Apple **THE CHILDREN'S PLACE**
 MEN'S WEARHOUSE AÉROPOSTALE **Cane's** **CHARLEY'S** Marble SLAB CREAMERY
 Bank of America ANTHROPOLOGIE **Chesapeake Factory** **LONGHORN**
 ROOMS TO GO WHITEHOUSE BLACK MARKET **WORKSHOP**
 ETHAN ALLEN SEPHORA **affordable dentures** Bath & Body Works **Red Robin**
 VICTORIA'S SECRET **claire's** sleep & number **Total Wine**
FOSSIL P.F. CHANG'S **jamba** **MAC**
PACSUN **COTTON ON** The Container Store **chico's** **verizon**
 francesca's **zumiez** Bar Louie **aerie** **Yard House**
Foot Locker MAGGIANO'S **GNC** **ALDO** **FINISH LINE**
 AMERICAN EAGLE Abercrombie & Fitch **MICHAEL KORS** **LEGO** **VANS** **HOLLISTER** **AT&T**

Walmart sam's club Bassett
KOHL'S **McDonald's** **TEXAS ROADHOUSE** **WHATABURGER**
WOODFOREST NATIONAL BANK
CAR-TOYS **DAVID'S BRIDAL** **MATTRESS FIRM**

LOWE'S **Staples** **BEST BUY**
POTBELLY **Comerica** **T**
THE VITAMIN SHOPPE
PEI WEI **TORCHYS**

PAPASITOS Cantina **HOBBY LOBBY** **DAVE'S**
MARDEL **BED BATH & BEYOND** **buybuyBABY** **Luby's** **PRODRUCKERS**

COSTCO WHOLESALE

Academy SPORTS+OUTDOORS **TOPGOLF**

ALDI **planet fitness** **Jack in the box**

PET SMART **HomeGoods** **OLD NAVY** **target**
five BELOW **NORDSTROM** **rack** **ROSS** **DRESS FOR LESS**
Capital One **Burlington** **ULTA** **PANDA EXPRESS**
CVS pharmacy **LA Z BOY** **Starbucks** **POTTERY BARN**
JOS. A. BANK **Hallmark** **Kirkland's** **McDonald's**
Marshalls **HAND & STONE** **SALLY BEAUTY** **AT&T**
DSW **BLAZE PIZZA** **carter's** **Sun & Ski Sports**
CHUCK E. CHEESE'S **Great Clips** **FIVE GUYS**
SUBWAY **Smile Brands** **Exxon**
TRUIST **TORRID**
Petland **lush** **JOANN** **T**

CVS pharmacy **Chevron**
DOLLAR TREE **Public Storage** **O'Reilly AUTO PARTS**

WELLS FARGO **ANYTIME FITNESS**

ACE **Do it Best** **O'Reilly AUTO PARTS**
DOLLAR TREE **Walgreens**
DQ **WHATABURGER** **SUBWAY**
Tuesday Morning **cricket**

CHASE **CATF** **H-E-B**
menchie's **marco's Pizza** **PACIFIC DENTAL SERVICES** **AT&T**
PET SUPPLIES PLUS **goodwill** **tropical CAFE**

SONIC
 America's Drive-In

FRIENDSWOOD | GALVESTON COUNTY | TEXAS

Established in 1895 as a Quaker colony, the City of Friendswood is rich in heritage. The City was incorporated in 1960 and chartered a home-rule city under Texas law in 1971. Encompassing 21 square miles, Friendswood is located in southeast Texas near the Texas Gulf Coast, between downtown Houston and Galveston, spanning across two counties – northern Galveston County and southern Harris County. Residents and visitors can access Friendswood through FM 2351, FM 518, and FM 528 (NASA Parkway). Hobby Airport and Ellington Airport are located within a 15 minute drive from Friendswood, and Bush Intercontinental Airport is just 45 minutes away. Friendswood is a Southern Suburb of Houston. The City of Friendswood had a population of 40,427 as of July 1, 2021.

Friendswood is the perfect choice for many types of commercial enterprises. Known for its extraordinary demographics, including a highly educated, affluent resident base and an outstanding public school system, the city of Friendswood offers continuous business relocation and expansion assistance, including economic development incentives. Target markets include professional offices, retail, commercial, and light industrial developments. Major sectors of the area's economic base include aerospace, specialty chemicals, health care, retail, and tourism. Principal Employers in the city include Friendswood ISD, HEB, City of Friendswood, Clear Creek ISD and Kroger. Houston's employment base has become increasingly diverse. Today nearly half of all jobs are in non-energy fields, such as business services, technology, aerospace, medicine and manufacturing. Houston's economy has a broad industrial base in energy, manufacturing, aeronautics, and transportation. Houston's economy diversified as it became home to the Texas Medical Center—the world's largest concentration of healthcare and research institutions—and NASA's Johnson Space Center, where the Mission Control Center is located.

Friendswood offers several recreational facilities both for residents and visitors. You can enjoy a host of recreational activities at Stevenson Park, Friendswood City Park, Renwick Park, 1776 Park, and Randolph Park. It is worth visiting the Frank J. Brown Museum. The city also has a number of churches that retain the old-world feel. Among them are the Heritage Park Baptist Church, Hope Lutheran Church, First Baptist Church of Friendswood Family Life, Friendswood Community Church, and Friendswood United Methodist Church. Friendswood and nearby Attractions include Armand Bayou Nature Center, West Bay Common School Children's Museum, Space Center Houston, Houston Zoo, San Jacinto Battleground State Historic Site and Hermann Park. Annual special events include July 4 celebration, Memorial Day Celebration, Flap Jack Fun Run, Santa in the Park, Daddy & Daughter Dance, Youth Fishing Derby, Youth Sports Day Program, Movies in the Park and Concerts in the Park.

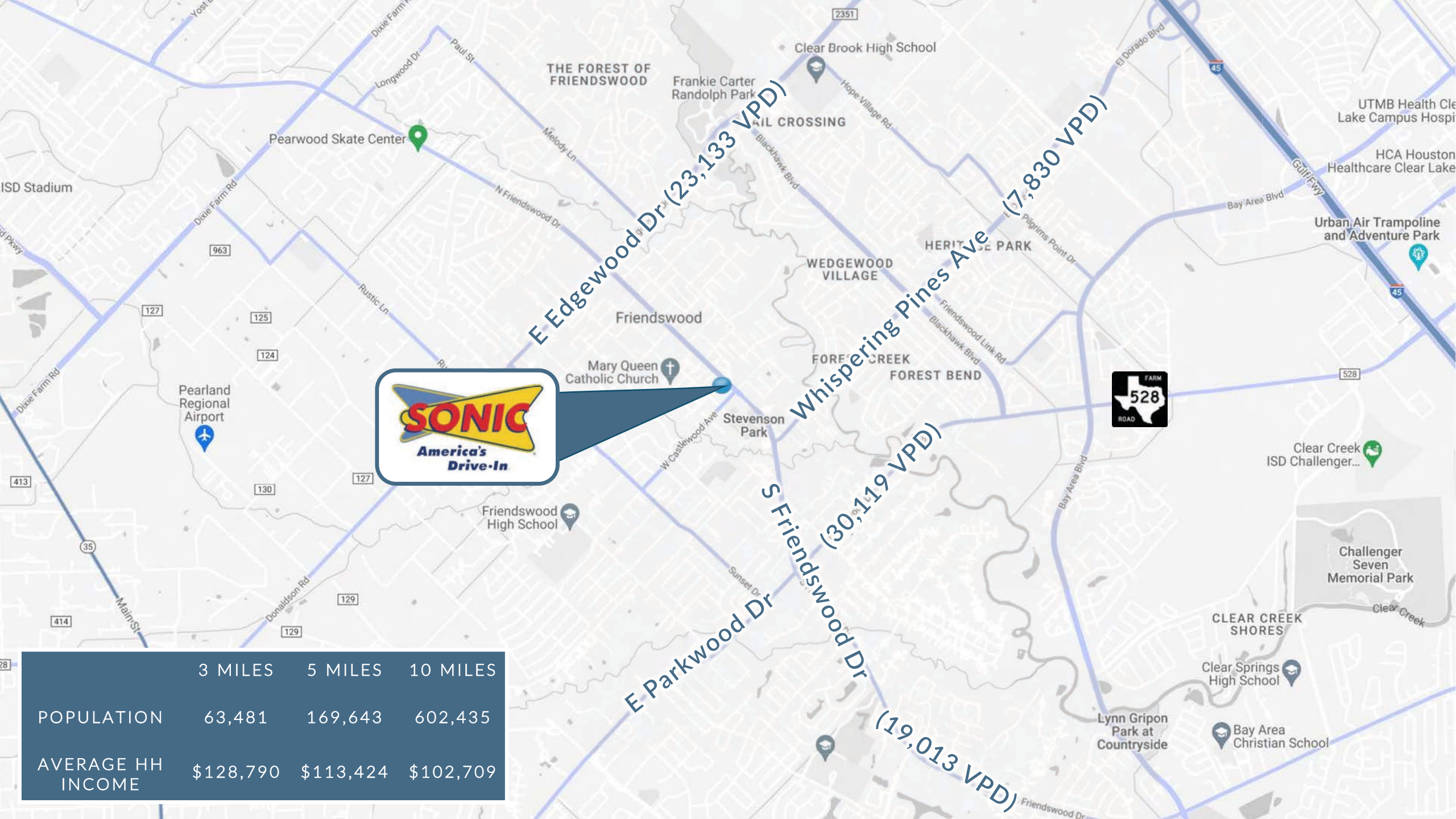


FRIENDSWOOD, TX



NASA'S JOHNSON SPACE CENTER





	3 MILES	5 MILES	10 MILES
POPULATION	63,481	169,643	602,435
AVERAGE HH INCOME	\$128,790	\$113,424	\$102,709

SONIC

TENANT PROFILE

SONIC, America's Drive-In, is the nation's largest chain of drive-in restaurants. Founded in 1953 in Oklahoma City, Oklahoma, SONIC has delighted guests with signature menu items, more than 1.3 million drink combinations, friendly service by iconic Carhops. SONIC is part of the Inspire Brands family of restaurants and Inspire Brands is the Subsidiary company of Roark Capital Group.

As the largest national chain of drive-in restaurants the iconic SONIC style is hard to duplicate, but SONIC's distinct brand differentiation goes far beyond the drive-in format. SONIC's one-of-a-kind menu offers a variety of options unavailable from other brands, including Real Ice Cream desserts, TOASTER® sandwiches, Molten Cake Sundaes, breakfast all day, tasty Tots, premium hot dogs and more than 1 million unique drink combinations.



COMPANY TYPE
Subsidiary



FOUNDED
1953



OF LOCATIONS
3,552



HEADQUARTERS
Oklahoma City, OK



WEBSITE
sonicdrivein.com

OPERATOR PROFILE

In 2009, the Operator gained approval to be a franchisee of Lenny's Sub shop and purchased his first unit. He was a multi-unit operator in 2010 with the purchase of 2 additional Lenny's Sub Shops and 1 Bullritos restaurant in the Houston DMA. By 2012 he diversified into Auntie Anne's, Nestle and Baskin Robbins, taking him to 7 units. In 2015 he ventured with Yum Brands to expand his portfolio to 23 units, including Kentucky Fried Chicken and Taco Bell.

In 2017 he made a major move with Sonic Restaurants and purchased and successfully transitioned the corporate Houston market, which included 34 units. In 2019, he added a 3rd major brand to the portfolio and entered the Taco Bell system through the purchase of 6 units. The next 2 years were full of New Builds and Remodels, and then in 2020, in the middle of a pandemic, he expanded to Arizona by adding another major brand through the purchase of 30 Pizza Hut stores. In 2021, Emerge continued with strategic new builds, relocations, and remodels and forecasts ending the year with 131 units.

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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