

SINGLE TENANT ABSOLUTE NNN

Ground Lease Investment Opportunity



New Construction | 15-Year Absolute NNN (Ground Lease) | 10% Rental Increases



SWC TX-121 & W Russell Avenue | Bonham, Texas

DALLAS MSA

ACTUAL RENDERING



EXCLUSIVELY MARKETED BY



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OFFERING SUMMARY



OFFERING

Pricing	\$2,253,000
Net Operating Income	\$98,000
Cap Rate	4.35%

PROPERTY SPECIFICATIONS

Property Address	SWC TX-121 & W. Russell Avenue Bonham, Texas 75490
Rentable Area	3,751 SF
Land Area	1.067 AC
Year Built	1Q 2023
Tenant	Whataburger
Lease Signature	Corporate
Lease Type	Absolute NNN (Ground Lease)
Landlord Responsibilities	None
Lease Term	15 Years
Increases	10% Every 5 Years & Beg. of Each Option
Options	3 (5-Year)
Rent Commencement	March 11, 2023
Lease Expiration	March 11, 2038

RENT ROLL & INVESTMENT HIGHLIGHTS



LEASE TERM				RENTAL RATES				
Tenant Name	SF	Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options
Whataburger	3,751	March 2023	March 2038	Year 1	-	\$8,167	\$98,000	3 (5-Year)
(Corporate Signed)				Year 6	10%	\$8,983	\$107,800	
				Year 11	10%	\$9,882	\$118,580	
10% Rental Increases Beg. of Each Option								

Brand New 15-Year Lease | 10% Rental Increases | Strong Operator | Options To Extend

- The tenant, Whataburger, recently signed a brand new 15-year lease with 3 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option, steadily growing NOI and hedging against inflation
- Whataburger is privately owned and founded in 1950 when Harmon Dobson opened the first Whataburger as a small roadside burger stand in Corpus Christi, Texas
- There are more than 890 locations in 14 states and sales of more than \$3 billion annually

Absolute NNN Ground Lease | Land Ownership | Zero Landlord Responsibilities | No State Income Tax

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- Investor benefits from leased fee interest (land ownership)
- No landlord responsibilities
- Ideal, management-free investment for a passive investor in a state with no state income tax

Signalized, Hard Corner Intersection | Bonham High School | Nearby National/Credit Tenants | Dual Drive-Thru Equipped

- The asset is located at the signalized, hard corner intersection of TX-121 and West Russell Avenue with 13,000 vehicles per day
- Located less than a mile from Bonham High School (500+ students), providing a direct consumer base from which to draw
- The immediate trade area is supported by surrounding national/credit tenants such as Walmart Supercenter, Dollar Tree, AutoZone, Burger King, Sonic
- Strong tenant synergy promotes crossover store exposure to the subject property
- Whataburger is equipped with a dual drive-thru, increasing sales and productivity

Local Demographics In 10-Mile Area | Brand New Construction | Several New Developments

- More than 21,000 residents and 7,000 employees support the trade area
- \$79,822 average household income
- Brand new construction which features high quality materials, distinct design elements, and high-level finishes
- There are several new developments taking shape, including a 250-home development near Gates Hill Cemetery south of Bonham, a 150-home subdivision off Silo Road, a 400-acre mixed-use development off Silo Road, a 77-acre mixed-use development just west of the new Fix and Feed site on Hwy. 121 North, and a 50-home development off White Street

PROPERTY OVERVIEW



LOCATION



Bonham, Texas
Fannin County

ACCESS



State Highway 121: 1 Access Point
W Russel Ave: 3 Access Points

TRAFFIC COUNTS



State Highway 121: 13,000 VPD
U.S. Highway 82: 14,800 VPD

IMPROVEMENTS



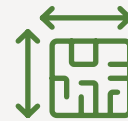
There is approximately 3,751 SF of existing building area

PARKING



There are approximately 20 parking spaces on the owned parcel.
The parking ratio is approximately 5.33 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: TBD (Undergoing Parcelization)
Acres: 1.067
Square Feet: 46,500

CONSTRUCTION



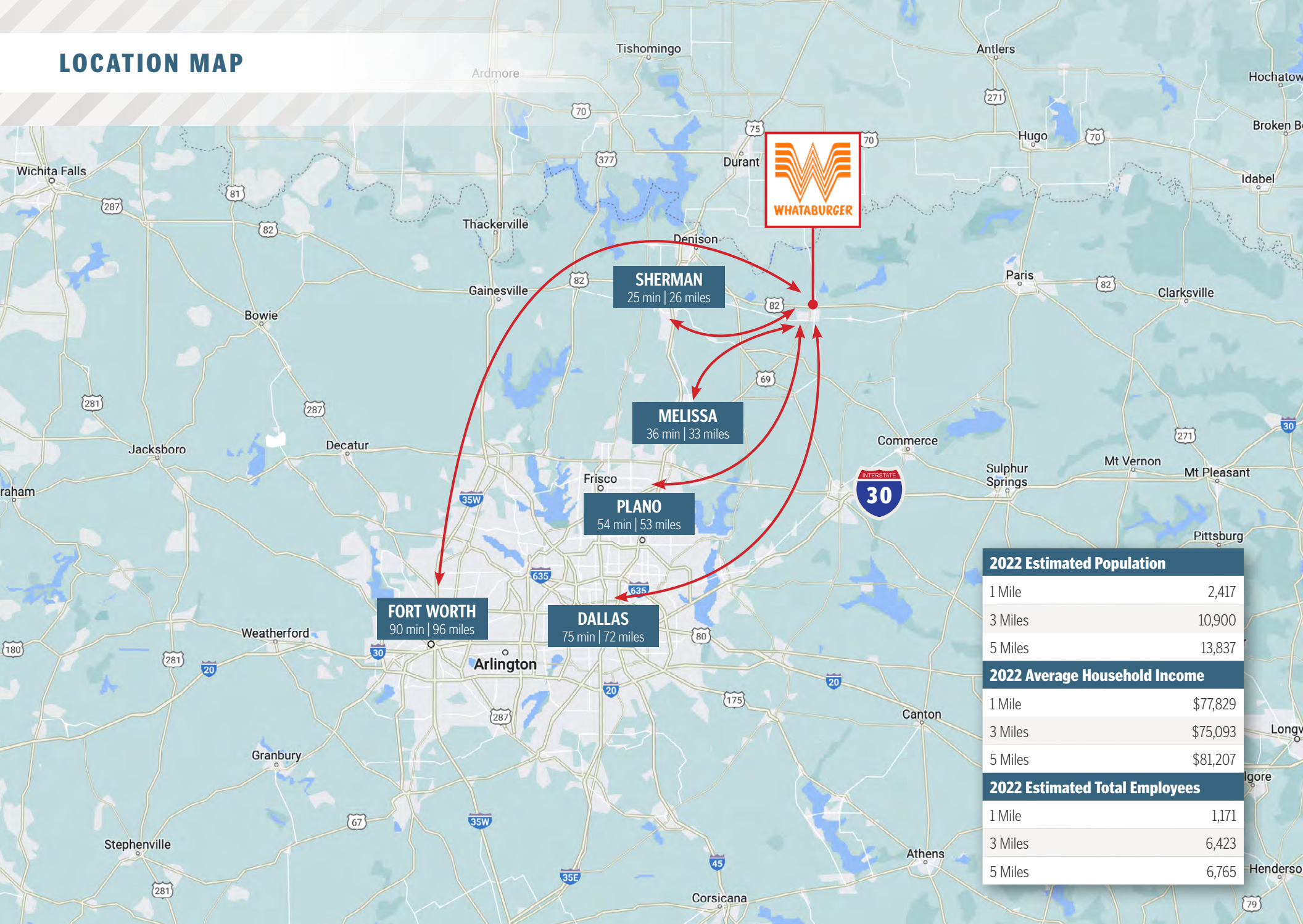
Year Built: 2023 (Under Construction)

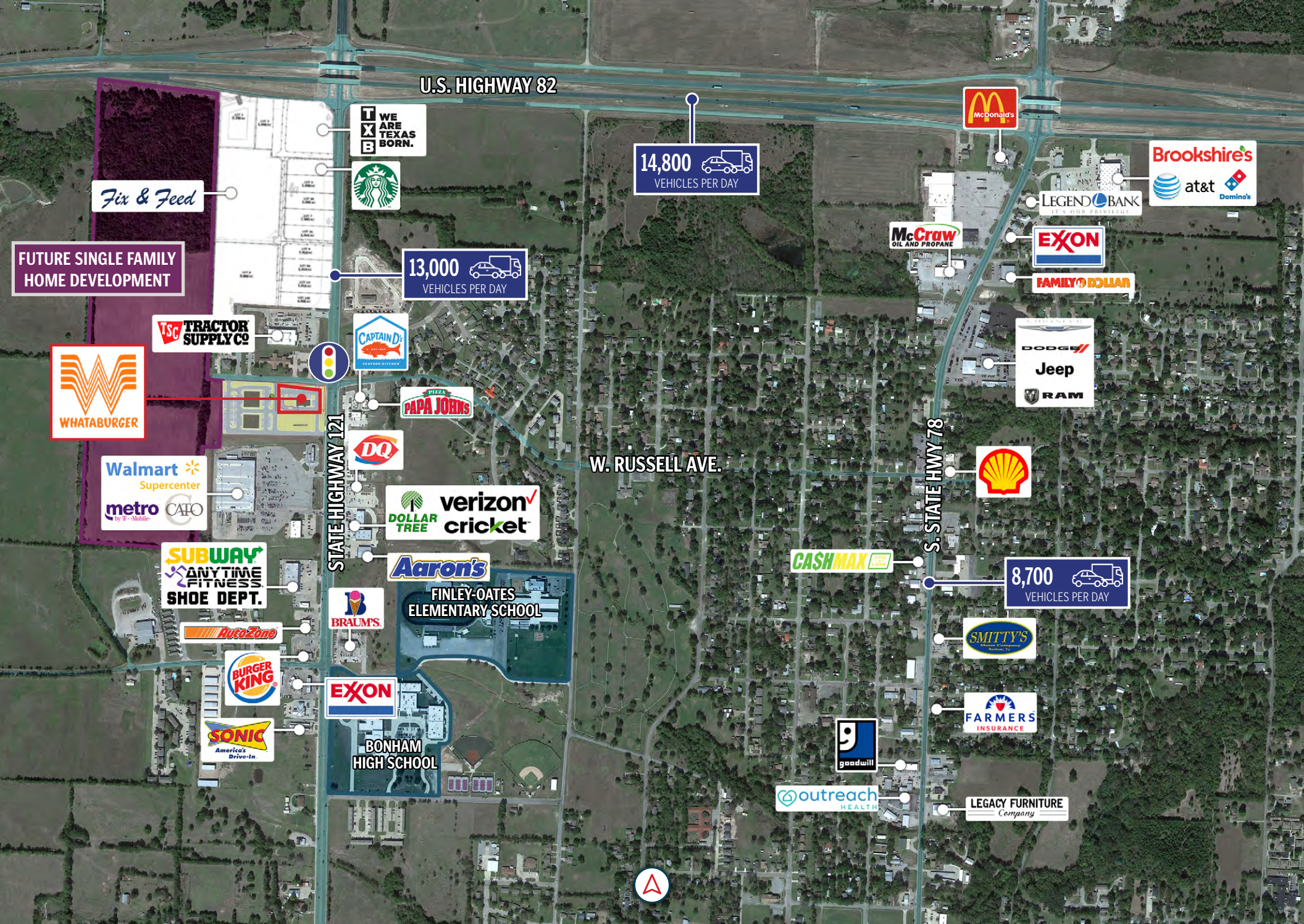
ZONING

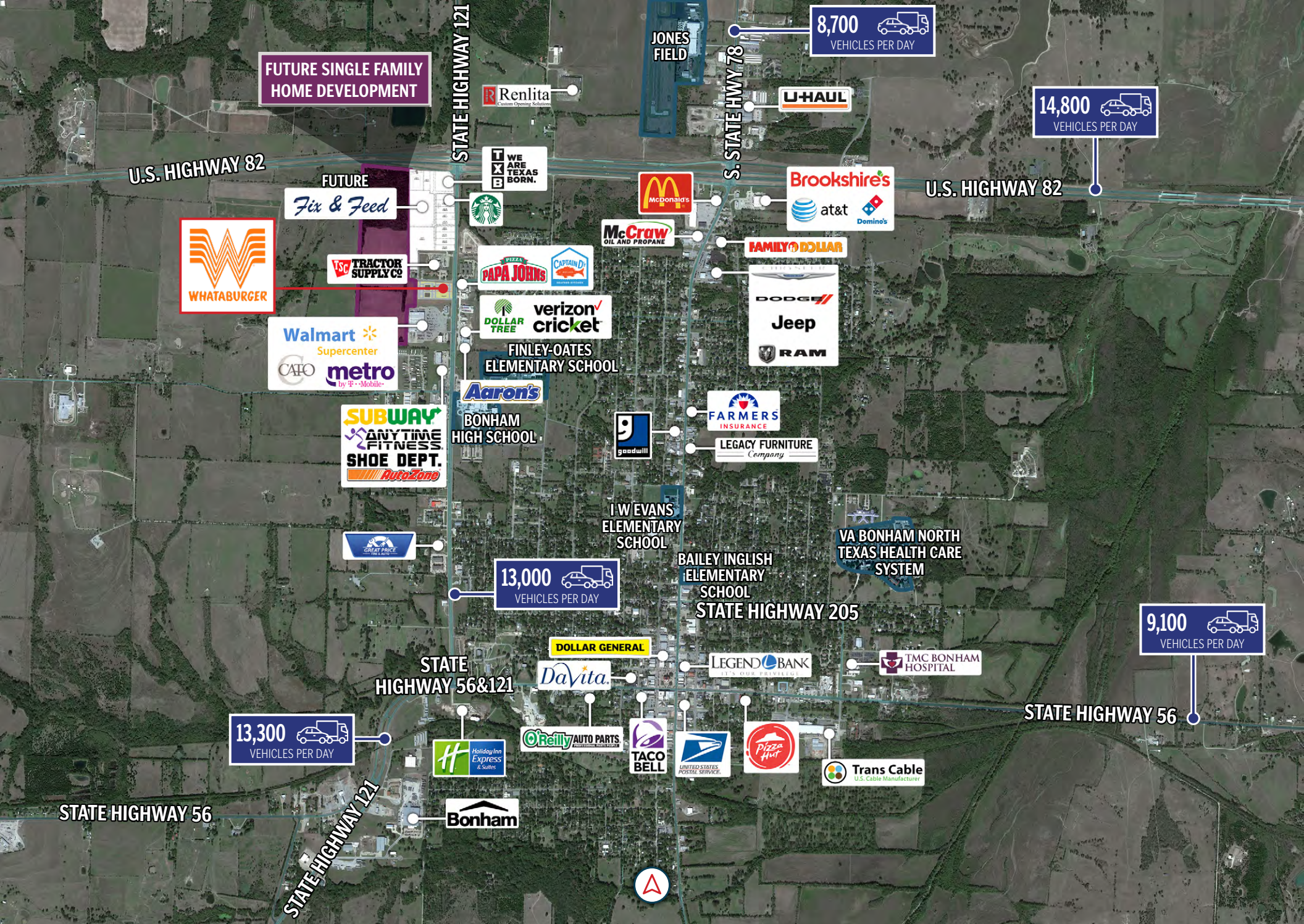


Commercial

LOCATION MAP







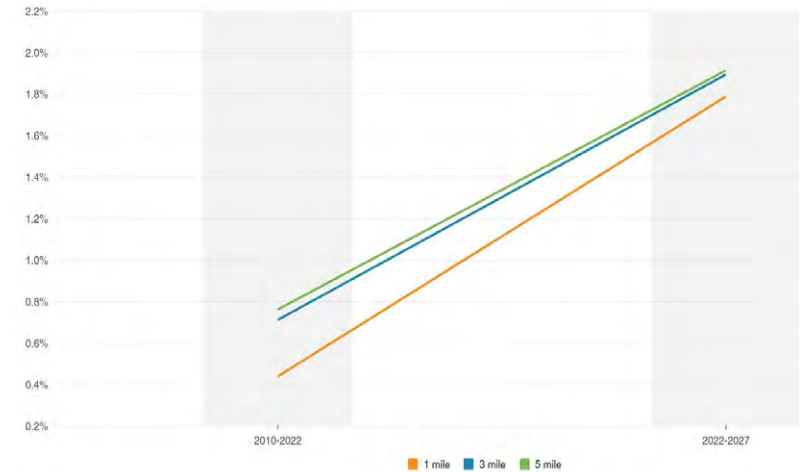


AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2022 Estimated Population	2,417	10,900	13,837
2027 Projected Population	2,633	10,572	14,100
2022 Median Age	37.7	38.2	40.2
2022 - 2027 Projected Population Growth	1.80%	1.90%	1.90%
Households & Growth			
2022 Estimated Households	1,074	3,317	4,562
2027 Projected Households	1,079	3,322	4,555
Race & Ethnicity			
2022 Estimated White	80.72%	76.88%	80.39%
2022 Estimated Black or African American	9.18%	13.81%	11.14%
2022 Estimated Asian or Pacific Islander	1.28%	0.81%	0.72%
2022 Estimated American Indian or Native Alaskan	1.24%	1.12%	1.05%
2022 Estimated Other Races	6.45%	8.72%	7.75%
2022 Estimated Hispanic	15.23%	17.48%	15.47%
Income			
2022 Estimated Average Household Income	\$77,829	\$75,093	\$81,207
2022 Estimated Median Household Income	\$49,291	\$48,350	\$53,686
Businesses & Employees			
2022 Estimated Total Businesses	101	516	572
2022 Estimated Total Employees	1,171	6,423	6,765

ANNUAL POPULATION GROWTH



BONHAM CITY COUNCIL GETS UPDATE ON PROJECT DEVELOPMENTS

By Allen Rich | Jul 13, 2022

Bonham, Texas -- If you are wondering when significant growth will hit Bonham, it's here.

That was the takeaway from the regular meeting of Bonham City Council held Monday, July 12, 2022.

Bonham Mayor H. Compton presided over the meeting with a full compliment of councilmembers present. The meeting opened with an invocation by Mark Posey, pastor of Congregational Methodist Church, but then the spotlight was on Bonham City Manager Sean Pate as he provided a snapshot of how current activity in Bonham compares with years past.

In 2015, Bonham was averaging three new housing units a year; at the halfway mark in 2022, the city is closing in on 100 new housing units this year.

The recent acceleration of growth is even more astounding. In 2021, Bonham experienced \$2.3 million of new construction. In 2022, that number is expected to jump more than 10-fold to an estimated \$27 million.

There are several new developments taking shape, including a 250-home development near Gates Hill Cemetery south of Bonham, a 150-home subdivision off Silo Road, a 400-acre mixed-use development off Silo Road, a 77-acre mixed-use development just west of the new Fix and Feed site on Hwy. 121 North, and a 50-home development off White Street.

But consider the impact of what Mr. Pate has dubbed "Project 617" - a 617-acre mixed use, master-planned community with approximately 1,500 single-family homes at full build-out, a multi-family component for condos and townhomes, and a large retail component along U.S. 82 frontage. Although full build-out may take years, this one development is a game-changer for a city with 8,800 residents. In the not-so-distant future, 4,000 people may call Project 617 home, although by that time the upscale development will have a catchy name and all the amenities that traditionally go along with a Public Improvement District.

Other noteworthy residential developments include the old golf course where Asher Oaks Development is waiting on sewer model information, an apartment complex on Hwy 121 North nearing completion, and townhouse development off of Hwy. 121 is being negotiated.

Pate said he expects one or two more voluntary annexations by year's end as developers look to secure city services.

In the commercial realm, the Fix and Feed project on Hwy. 121 North is almost ready for concrete work, and directly across the street on the east side of Hwy. 121, a developer has a new engineer under contract.

In addition, a joint project of Bonham Economic Development Corporation (BEDCo) and the City of Bonham just north of Braum's on the east side of Hwy. 121 North has resulted in signed agreements and is in design.

"The city is in good hands," Pate remarked. "We have a good team assembled. It's an exciting time to be in Bonham -- stressful but exciting."

Read Full Article [HERE](#)

NORTH TEXAS MUNICIPAL WATER DISTRICT CELEBRATES COMPLETION OF BOIS D'ARC LAKE

By Lauren Rangel | Oct. 14, 2022

FANNIN CO., Texas (KXII) - After more than 20 years, the North Texas Municipal Water District finally celebrated the end of construction at Bois d' Arc Lake, the first major reservoir to be built in Texas in 30 years.

"It's probably a once-in-a-lifetime event for many of us," said Newt Cunningham, Fannin County Judge-elect.

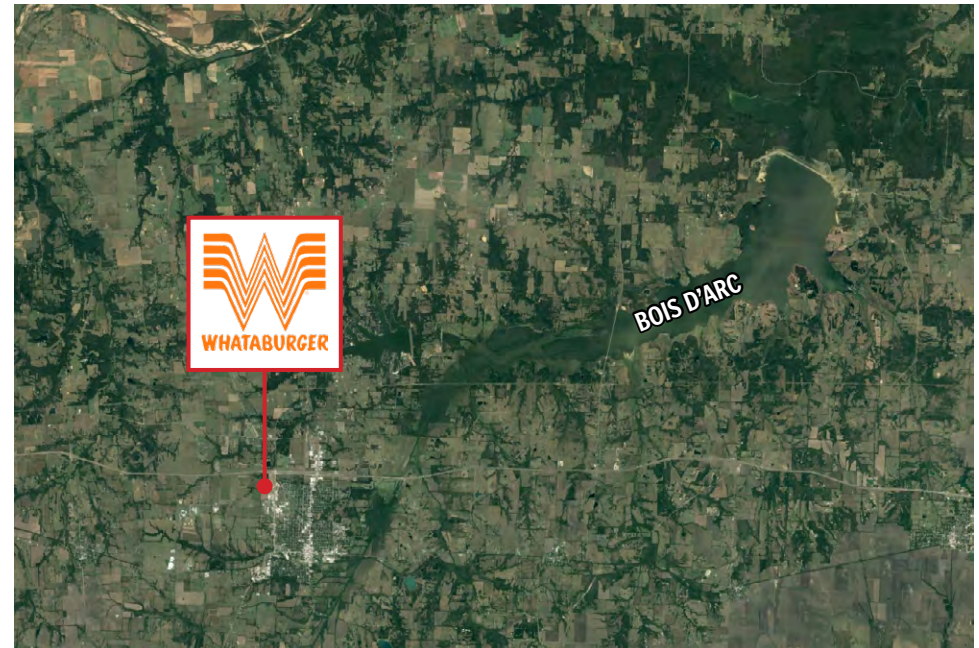
Getting to the final product took more than 1,000 construction workers, decades of planning, and \$1.6 billion.

"It's a culmination of a process that's decades-long and that in itself is significant," said Cunningham.

The North Texas Municipal Water District officially dedicated Bois d' Arc Lake Friday, and it expects the 26-square-mile lake to yield 82 million gallons of water.

"One of the most basic needs of people in our world is access to safe and reliable drinking water," said Jenna Covington. "With the tremendous growth we're seeing in the north Texas area, it's essential to provide additional drinking water to the people that are moving in."

Fannin County officials said most of the water will go south to Dallas, but the lake itself is expected to bring in a boom to the local economy.



"I think it's an opportunity for development, and I think it's up to the county to husband that development along and do what's best for the majority of the people in the county and at the same time recognize the needs of the people who need water from the lake," said Cunningham.

With most of Texoma in an extreme drought, the lake isn't open to the public yet, because of how low the levels are.

Now, Bois d' Arc Lake is just waiting on rain before it can be enjoyed by everyone.

Read Full Article [HERE](#)

BOIS D'ARC LAKE RECREATION AND ECONOMIC DEVELOPMENT

New activities like lake fishing, boating and nature viewing will expand local recreation. This will draw visitors to the area and offer new commercial and industrial opportunities. According to an independent economic analysis¹, projected benefits include:

- \$166 million of annual economic activity per year in Fannin County.
- Non-local recreational visitors to Bois d'Arc Lake could contribute \$17 million to \$22 million annually to the Fannin County economy and increase local labor income between \$6.2 and \$8.3 million.
- New permanent and weekend residents will contribute more than \$81 million annually in economic activity in Fannin County.
- At full development, property taxes on new housing alone will add \$1.9 million to Fannin County tax revenues, \$3.9 million annually to school district revenues, \$303,000 per year to local sales tax revenues, and \$183,000 annually in hotel occupancy taxes.
- Demand for waterfront and near waterfront homes will support residential construction of approximately 3,200 homes over a 30-year period.
- 2,400 new, long-term jobs in Fannin County.

Read Full Article [HERE](#)





DALLAS, TEXAS

Dallas is a major American metropolis located in the state of Texas. The city is also the largest urban center of the fourth most populous metropolitan area in the United States of America. The city proper ranks ninth in the U.S. and third in Texas after Houston and San Antonio. The city's prominence arose from its historical importance as a center for the oil and cotton industries, and its position along numerous railroad lines. The bulk of the city is in Dallas County, of which it is the county seat; however, sections of the city are located in Collin, Denton, Kaufman, and Rockwall counties. The City of Dallas is the 3rd largest city in Texas with a population of 1,320,535 as of July 1, 2022.

The City of Dallas is the largest local economy in the nation's fourth largest metropolitan area. The City is home to over 62,000 businesses. Dallas' diverse industry employment mix continues to support steady and progressive local economic growth and to dampen the negative effects of any single industry downturn. Professional and Business services were the largest employment industry within the City, marking a change from the last two years where the Trade, Transportation and Utilities sector was the largest. The Government, Education and Health Services "sectors" employment shares were the third and fourth largest in fiscal 2014.

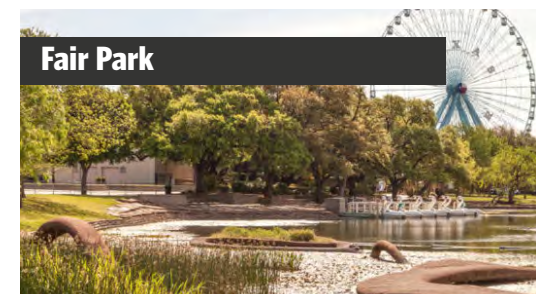
Dallas is a center of education for much of the south central United States. In addition to those located in the city, the surrounding area also contains a number of universities, colleges, trade schools, and other educational institutions.

Dallas is served by two commercial airports: Dallas/Fort Worth International Airport and Dallas Love Field. In addition, Dallas Executive Airport (formerly Redbird Airport), serves as a general aviation airport for the city, and Addison Airport functions similarly just outside the city limits in the suburb of Addison.



Dallas is proud of its big city vibe. At 68 acres in size, the Dallas Arts District is the largest self-contained urban arts district in the USA. This area includes the Museum of Art, Crow Collection of Asian Art, Nasher Sculpture Center, Morton H. Meyerson Symphony center and the AT&T Performing Arts Center. Popular Dallas attractions also include the Dallas Zoo, the Dallas Arboretum, the Texas Discovery Gardens, several historical sites and a bunch of top-rated restaurants.

Fort Worth has traditionally been a diverse center of manufacturing and is not dependent on the oil or financial sectors. Fort Worth sights are an interesting combination of sophistication and earthiness. Locals often brag that Fort Worth is, “Where the West begins,” and rightfully so. This city was founded on wealth from cattle and hardworking cowboys.





THE ECONOMY OF DALLAS-FORT WORTH MSA EMPLOYS 3.86M PEOPLE

Company	Employees
Wal-Mart Stores, Inc.	34,698
American Airline	24,700
Bank of America	20,000
Texas Health Resources	19,230
Dallas ISD	18,314
Baylor Health Care System	17,097
Lockheed Martin	14,126
JPMorgan Chase	13,500
City of Dallas	12,836
Texas Instruments	9,100



LARGEST CONCENTRATION
OF **CORPORATE HQS** IN THE

THE DFW MSA REGION ADDS **328 NEW RESIDENTS** EACH DAY
38% NATURAL INCREASE - 62% NET-MIGRATION
2019-2020 CENSUS

2019 MEDIAN
HOUSEHOLD
INCOME
\$72,265



2019 MEDIAN
DFW MSA
AGE
35.2



2019 MEDIAN
HOME
VALUE
\$253,900



MEAN TRAVEL
TIME TO
WORK
28.4 minutes



Three **Research 1** Universities



Carnegie Classification of Institutes of Higher Education R-1: Doctoral Universities

4TH

BUSIEST AIRPORT
IN THE WORLD
DFW INT'L

1ST

LARGEST
METRO
IN THE US

4TH

BUSIEST AIRPORT
IN THE WORLD
DFW INT'L

3RD

METRO-TO-METRO
MIGRATION
IN THE US



GDP
\$512.5 B

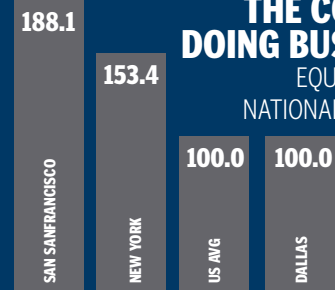
(Up 6% YOY): 2018

INDUSTRIAL MARKET
INVENTORY VACANCY RATE:

972M SF 6.8%

THE COST OF DOING BUSINESS

EQUAL TO THE
NATIONAL AVERAGE



Moody's



WHATABURGER

whataburger.com

Company Type: Private

Locations: 890+

Whataburger has focused on its fresh, made-to-order burgers and friendly customer service since 1950 when Harmon Dobson opened the first Whataburger as a small roadside burger stand in Corpus Christi, Texas. Today, the company is headquartered in San Antonio, Texas, with more than 890 locations in 14 states and sales of more than \$3 billion annually. Whataburger has 50,000 Family Members (employees) and more than 60 million customers who like to customize their Whataburgers just the way they like it.



THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

3K+

RETAIL
TRANSACTIONS
company-wide
in 2021

840+

NET LEASE
TRANSACTIONS
SOLD
in 2021

\$3.1B+

NET LEASE
TRANSACTION
VALUE
in 2021

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