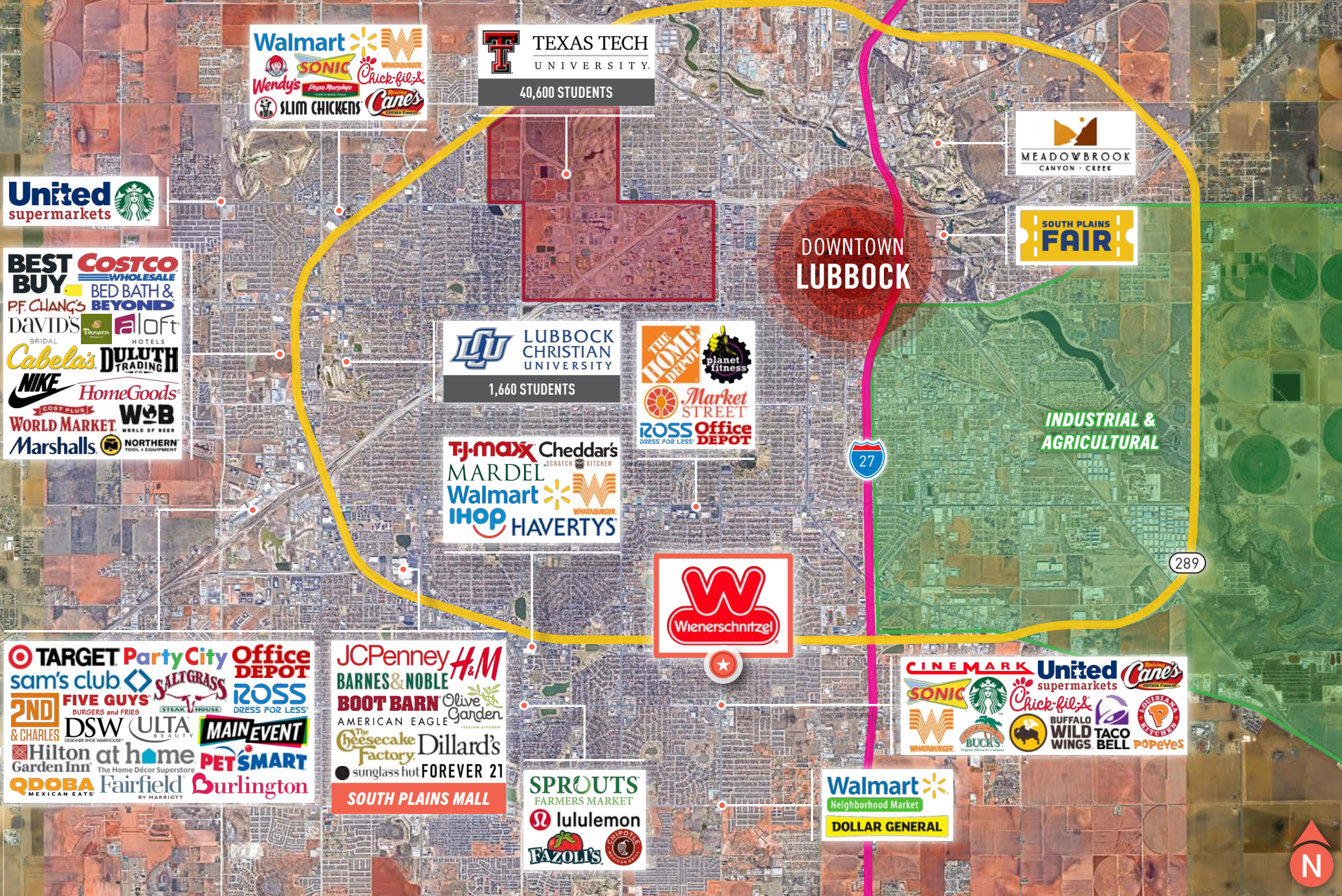


WIENERSCHNITZEL

7615 UNIVERSITY AVENUE, LUBBOCK, TEXAS



OFFERING MEMORANDUM



The information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2023 Marcus Millichap

Executive Summary

7615 University Avenue, Lubbock, TX 79423

FINANCIAL SUMMARY

Price	\$1,403,600
Cap Rate	6.0%
Building Size	1,758 SF
Net Cash Flow	6.0% \$84,214.53*
Year Built	2003
Lot Size	0.66 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Palmetto Assets #785, LLC (5+ Unit Franchisee)
Guarantor	Lowry D. Hughes III (Personal)
Roof & Structure	Tenant Responsible
Lease Commencement Date	March 16, 2010
Lease Expiration Date	April 30, 2033
Lease Term Remaining	10 Years
Rental Increases	CPI (No Greater than 2%) Annually
Renewal Options	2, 5 Year Options
Right of First Refusal	30 Days

Base Rent	\$84,214.53
Net Operating Income	\$84,214.53
Total Return	6.0% \$84,214.53

*Annual Base Rent is \$45,000.





DUTCH BROS
BRAUM'S
ICE CREAM AND DAIRY STORES
COLD STONE
CREAMERY
Chick-fil-A

WHATABURGER
BUFFALO WILD WINGS

CINEMARK

United
supermarkets

jiffy lube

DISCOUNT
TIRE

Walgreens

TACO
BELL

POPEYES
LOUISIANA KITCHEN

O'Reilly
AUTO PARTS

Chicken
EXPRESS

Starbucks

DUNKIN'
DONUTS
baskin
robbins

SONIC

tropical
SMOOTHIE CAFE

SLIM CHICKENS

KFC

The Ark
Self Storage

W
Wienerschnitzel

LAW OFFICES

35,900 CPD
UNIVERSITY AVE

wadegordon
HAIRDRESSING ACADEMY



TJ-maxx Cheddar's
MARDER
Walmart
IHOP
HVERTYS

JCPenney H&M The Cheesecake Factory
BARNES & NOBLE FOREVER 21 Olive Garden
BOOT BARN Dillard's
sunglass hut AMERICAN EAGLE
SOUTH PLAINS MALL

SCIENCE SPECTRUM
& OMNI THEATER

TARGET

51,300 CPD
TX LOOP 289

Wendy's

OneMain metro
Financial. by F-Mobile.
BANK OF AMERICA

LAW OFFICES

W
Wienerschnitzel

35,900 CPD
UNIVERSITY AVE

wade gordon
HAIRDRESSING ACADEMY

KLBK TELEVISION STATION

The Ark
Self Storage



Property Description



INVESTMENT HIGHLIGHTS

- » **10 Years Remaining on Absolute Triple-Net (NNN) Lease - 5+ Unit Franchisee**
- » Annual Rental Increases Throughout the Lease Term and Renewal Options
- » **186,671 Residents within a Five-Mile Radius in Growing Lubbock Trade Area - Projected to Increase Nearly Six Percent Over the Next Five Years**
- » Situated Along a Dense Retail Corridor Surrounded by National Tenants - Target, Cinemark, Taco Bell, Buffalo Wild Wings, Whataburger, and More
- » **Excellent Visibility Along University Avenue (35,900 Cars per Day)**
- » Located Immediately Off TX Loop 289 (51,300 Cars per Day), a Primary Connector for the Lubbock Area
- » **A 10-Minute Drive Away from 40,600+ College Students at Texas Tech University**
- » Strong Daytime Population - 255,450 Employees in the Surrounding Area



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2027 Projection	16,271	93,227	197,703
2022 Estimate	15,667	89,479	186,671
Growth 2022 - 2027	3.85%	4.19%	5.91%

Households

2027 Projection	6,681	37,811	78,215
2022 Estimate	6,406	36,133	73,486
Growth 2022 - 2027	4.29%	4.64%	6.43%

Income

2022 Est. Average Household Income	\$66,024	\$81,106	\$79,124
2022 Est. Median Household Income	\$54,580	\$59,341	\$55,904
2022 Est. Per Capita Income	\$26,998	\$32,891	\$31,755



Tenant Overview



Irvine, California

Headquarters

The Galardi Group

Parent Company

350+

Locations

1961

Founded

wienerschnitzel.com

Website

Founded in 1961 by John Galardi with a single location in Southern California, Wiener Schnitzel has grown to be the world's largest hot dog chain serving more than 120 million hot dogs a year in over 350 locations. The company is known for their chili fries, hot dogs, burgers, and the famous Tastee Freez soft serve. A majority of Wiener Schnitzel's locations can be found in California and Texas, with additional locations in Arizona, Colorado, Illinois, Louisiana, New Mexico, Nevada, Utah, and Washington.

Wiener Schnitzel has launched an aggressive growth campaign to further expand

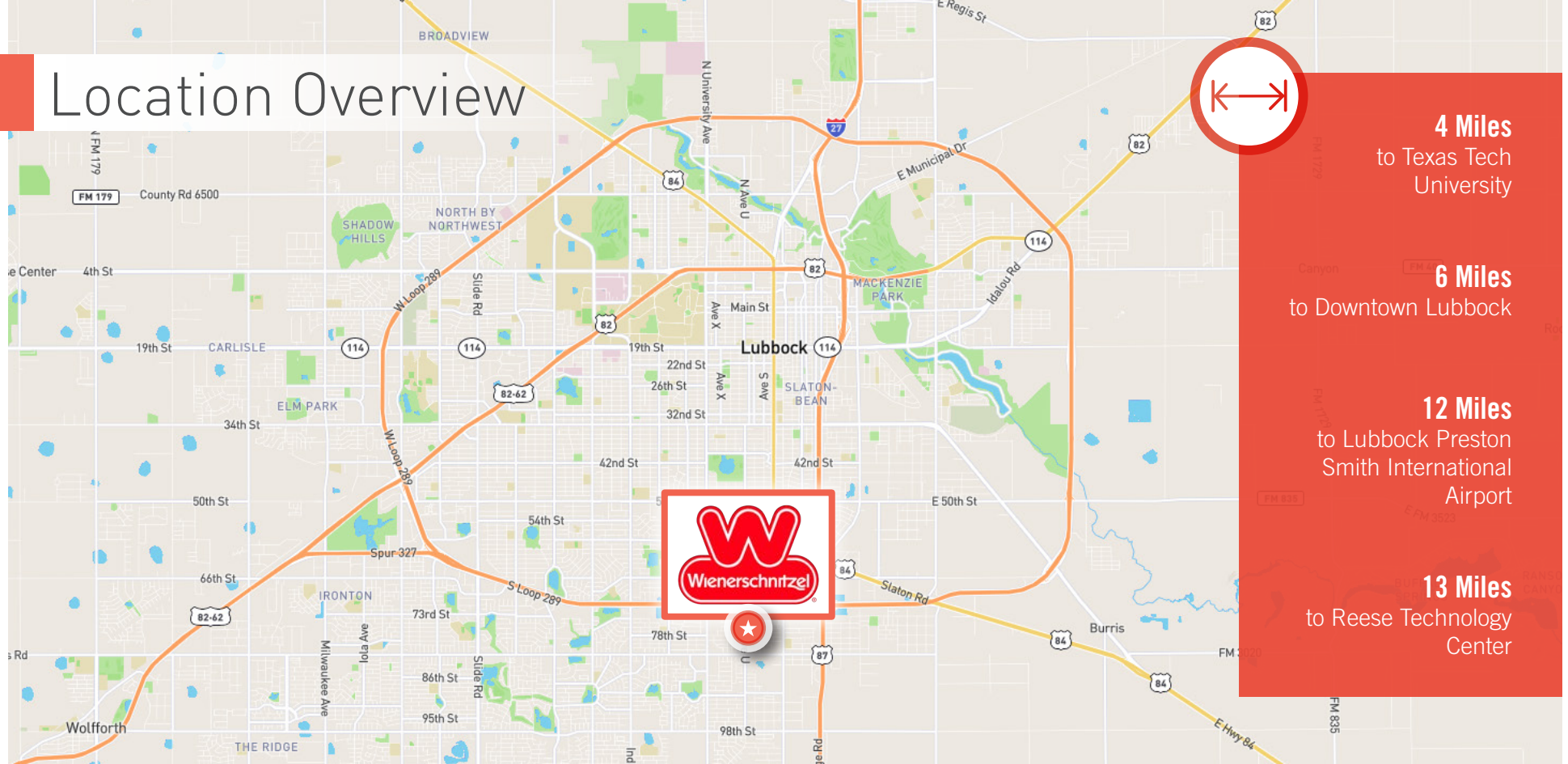
its reach in 2023. In early 2023, the company announced its "Hot Dogs for Profits" initiative aimed to attract qualified franchisees to be part of the brand's U.S. expansion. This limited-time incentive program significantly lowers the cost of entry for prospective franchisees.

The end of 2022 marked the chain's 12th consecutive year of same-store sales growth. In the past year, the brand has signed multi-unit franchise agreements in new markets in Arkansas, Idaho, Nebraska, and Texas, all set to open in 2023. Currently, over 50 units are in various stages of development across the country.

Property Photos



Location Overview



Home to Texas Tech, one of the largest universities in the state, Lubbock is also the most populous metro in the western Texas and eastern New Mexico region. The county seat of Lubbock County, the city is home to an estimated 329,000 residents. The Lubbock metro is known for its oil, cotton production, and education and health care sectors. The Midland Basin, which encompasses Lubbock, is one of the largest contiguous oil fields in the United States. Lubbock, nicknamed “Hub City,” is the economic, education, cultural, entertainment, and health-care hub of the region.

Located within Lubbock, Texas Tech University is the largest employer in the metro with nearly 21,000 employees. The university enrolls over 40,000 students each

year. Other higher education institutions in the metro include Lubbock Christian University, Wayland Baptist University, and South Plains College. Overall, the metro is home to more than 52,000 college students, providing a young and skilled labor pool.

Energy efficiency, telecommunications, and technology have a strong impact on Lubbock’s local economy, accounting for 15 percent of the city’s total gross product. The market has a thriving agriculture industry, and is the location of the United States Department of Agriculture plant, livestock, and water conservation research efforts. Monsanto has a cotton seed processing facility that contributes to the area’s cotton industry, while adding high-paying jobs to the economy.



Information About Brokerage Services

11-2-2015

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS: .

- A BROKER is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A SALES AGENT must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction.

The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Marcus & Millichap	9002994	tim.speck@marcusmillichap.com	972-755-5200
Licensed Broker/Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Tim A. Speck	432723	tim.speck@marcusmillichap.com	972-755-5200
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone
Regulated by the Texas Real Estate Commission		Buyer/Tenant/Seller/Landlord's Initials	Date

Information available at www.trec.texas.gov
IABS 1-0

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Broker of Record

License #: 9002997

Offices Nationwide

www.marcusmillichap.com**NET LEASED DISCLAIMER**

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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 Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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. Marcus & Millichap has not made any 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, PCBs or asbestos, the compliance with local, 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, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

Marcus & Millichap