

INVESTMENT OFFERING

Freddy's Drive-Thru

101 Mary Beth Lane
Athens (Outside Dallas), TX 75751



REPRESENTATIVE PHOTO

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DISCLAIMER

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Prospective purchasers of the Property are advised that changes may have occurred in the physical or financial condition of the Property since the time this Marketing Package or the financial statements herein were prepared. Prospective purchasers acknowledge that this Marketing Package and the financial statements herein were prepared by Broker, and not by Owner, and are based upon assumptions or events beyond the control of both Broker and Owner, and therefore may be subject to variation. Other than current and historical revenue and operating expense figures for the Property, Owner has not, and will not, provide Broker or any prospective purchaser with any projections regarding the Property. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

The Marketing Package is a solicitation of interest only and is not an offer to sell the Property. The Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expression of interest or offers to purchase the Property and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice.

The Owner shall have no legal commitments or obligations to any entity reviewing the Marketing Package or making an offer to purchase the Property unless and until such offer is approved by Owner pursuant to its Governing Authorities and the signature of the Owner or Owner's representative is affixed to a Real Estate Purchase Agreement prepared by Owner.

This Marketing Package is confidential. By accepting the Marketing Package, you agree (i) that you will hold and treat the Marketing Package and its contents in the strictest confidence, (ii) that you will not photocopy or duplicate any part of the Marketing Package, (iii) that you will not disclose the Marketing Package or any of its contents to any entity without the prior authorization of the Owner, and (iv) that you will not use the Marketing Package in any fashion or manner detrimental to the Owner or Broker.

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT BROKER FOR MORE DETAILS.

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REAL ESTATE INVESTMENT SERVICES

FINANCIAL OVERVIEW

OFFERING SUMMARY

PRICE	\$2,660,869
DOWN PAYMENT	100% / \$2,660,869
RENTABLE SQUARE FEET	3,557 SF
CAP RATE	5.75%
YEAR BUILT	2023
LOT SIZE	33,105 +/- SF
TYPE OF OWNERSHIP	Fee Simple

TENANT SUMMARY

TENANT TRADE NAME	Freddy's Frozen Custard & Steakburgers
OWNERSHIP	Private
LEASE GUARANTOR	Franchisee
LEASE TYPE	Absolute NNN
ROOF & STRUCTURE	Tenant Responsible
ORIGINAL LEASE TERM	Fifteen (15) Years
RENT COMMENCEMENT DATE	08/01/2023
LEASE EXPIRATION DATE	07/31/2038
TERM REMAINING ON LEASE	Fifteen (15) Years
INCREASES	7.50% Every 5-Years
OPTIONS TO RENEW	(5) 5-Year Options
RIGHT OF FIRST REFUSAL	No



ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL RENT	MONTHLY RENT
Years 1-5	\$153,000.00	\$12,750.00
Years 6-10	\$164,475.00	\$13,706.25
Years 11-15	\$176,810.63	\$14,734.22
Years 16-20 (Option 1)	\$190,071.42	\$15,839.29
Years 21-25 (Option 2)	\$204,326.78	\$17,027.23
Years 26-30 (Option 3)	\$219,651.29	\$18,304.27
Years 31-35 (Option 4)	\$236,125.13	\$19,677.09
Years 36-40 (Option 5)	\$253,834.52	\$21,152.88
BASE RENT		\$153,000.00
NET OPERATING INCOME		\$153,000.00
TOTAL RETURN YR-1	5.75%	\$153,000.00

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TENANT OVERVIEW



FREDDY'S FROZEN CUSTARD & STEAKBURGERS

Co-founded in 2002 by Scott Redler and Bill, Randy and Freddy Simon, Freddy's opened its first location in Wichita, Kansas, offering a unique combination of cooked-to-order Steakburgers, Vienna® Beef hot dogs, shoestring fries and frozen custard that is freshly churned throughout the day. The brand was recently acquired by private equity firm Thompson Street Capital Partners in March of 2021. Today, Freddy's has grown to more than 440 locations that serve 35 states across the nation. Freddy's has been named No. 1 on Forbes Best Franchises to Buy, The 2021 Restaurant Business 10 Fastest Growing Chains in the U.S. List, Entrepreneur's 2021 Franchise 500 top 100, Franchise Times magazine's 2020 Fast & Serious top 40 and many other nationwide and local industry awards.

ABOUT THE OPERATOR

JKLM Investments, LLC, the tenant, is an experienced and growing Freddy's multi-unit franchisee. This executive team consists of 60+ years of combined experience in the fields of food and beverage management, development, and financial services. With the operators having started a number of successful businesses and worked for reputable companies such as Whataburger, Sysco, and local bank institutions, they bring a unique expertise, background and industry understanding that not many franchisee operators possess. Their ability to successfully operate and expand has been proven not only by their continued growth and development, but through the profitability of their current locations. The company plans to continue their aggressive growth and open up additional locations in the years to come.

PROPERTY NAME	Freddy's Frozen Custard & Steakburgers
PROPERTY ADDRESS	101 Mary Beth Lane Athens (Outside Dallas), TX 75751
PROPERTY TYPE	Net Lease Quick Service Restaurant
PARENT COMPANY	Thompson Street Capital Partners
OWNERSHIP	Private
LEASE GUARANTOR	Franchisee
TERM REMAINING ON LEASE	Fifteen (15) Years
OPTIONS TO RENEW	(5) 5-Year Options
LEASE TYPE	Absolute NNN
LANDLORD RESPONSIBILITY	None
INCREASES	7.5% Every 5-Years
YEAR 1 NET OPERATING INCOME	\$153,000.00
NO. OF LOCATIONS	440+
HEADQUARTERED	Wichita, KS
WEBSITE	www.freddysusa.com
YEARS IN THE BUSINESS	Since 2002

EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

The subject property is a newly constructed Freddy's Frozen Custard & Steakburgers drive-thru located in Athens (Outside Dallas), TX. The brand new 15-year absolute NNN lease includes 7.50% rental increases every 5-years in the primary term and in the (5) five-year option periods. The property is strategically located in a dense retail trade area directly across the street from a Walmart Supercenter. The site benefits from its excellent access and visibility at the signalized intersection of East Tyler Street & Flat Creek Road with traffic counts exceeding 25,000 vehicles per day.

National retailers in the immediate vicinity include Walmart, Whataburger, Popeye's, Sonic Drive-In, Tractor Supply Company, Dollar Tree, GNC, McDonald's, Walgreens, Take 5 Oil Change, Office Depot, KFC, Schlotzsky's, Taco Bell, CVS Pharmacy, Sherwin Williams, McAlister's Deli, Chili's, Hwy 55, Burger King, Panda Express, Starbucks, Applebee's, Supercuts, and many more. This is an excellent opportunity for an investor to purchase a stable, long-term investment with zero landlord responsibility.



INVESTMENT HIGHLIGHTS

- Brand New 2023 Construction w/ Latest Drive-Thru Prototype
- 15-Year Absolute NNN Lease w/ 7.50% Increases Every 5-Years
- Directly Across the Street from Walmart Supercenter
- Excellent Access & Visibility at the Signalized Intersection of East Tyler Street & Flat Creek Road with Traffic Counts Exceeding 25,000 Vehicles Per Day
- Dense Retail Trade Area w/ National Retailers Including Wal-Mart, Whataburger, Tractor Supply, Popeyes, Sonic Drive-In, AutoZone, Walgreens, CVS, McDonald's, Starbucks, Taco Bell and Many More
- Located Outside Dallas in Income Tax Free State



REPRESENTATIVE PHOTO

AERIAL PHOTO



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SUBJECT PROPERTY



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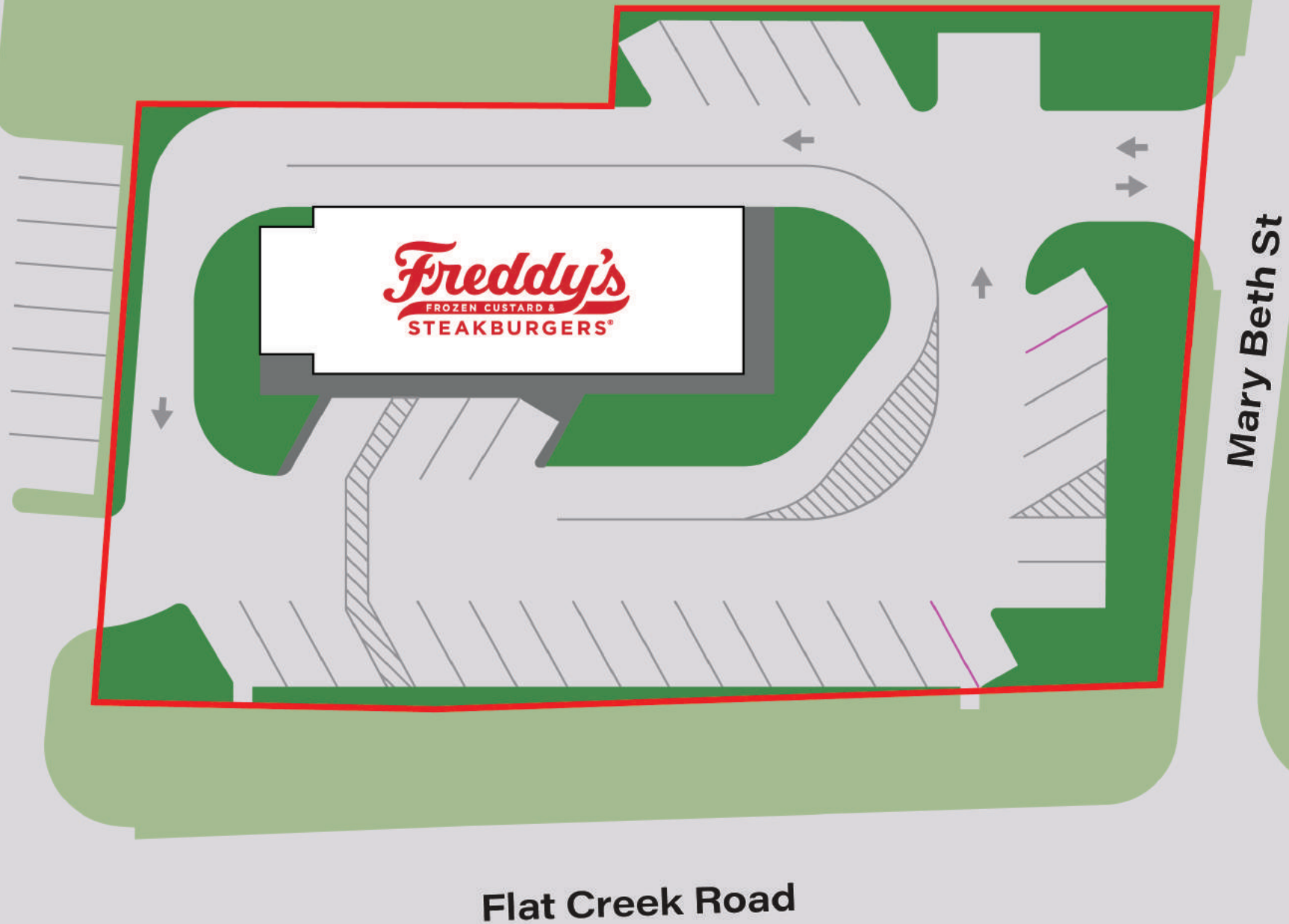
SUBJECT PROPERTY



Owned by The State of Texas
(Leased to Dallas Manufacturing)

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SITE PLAN

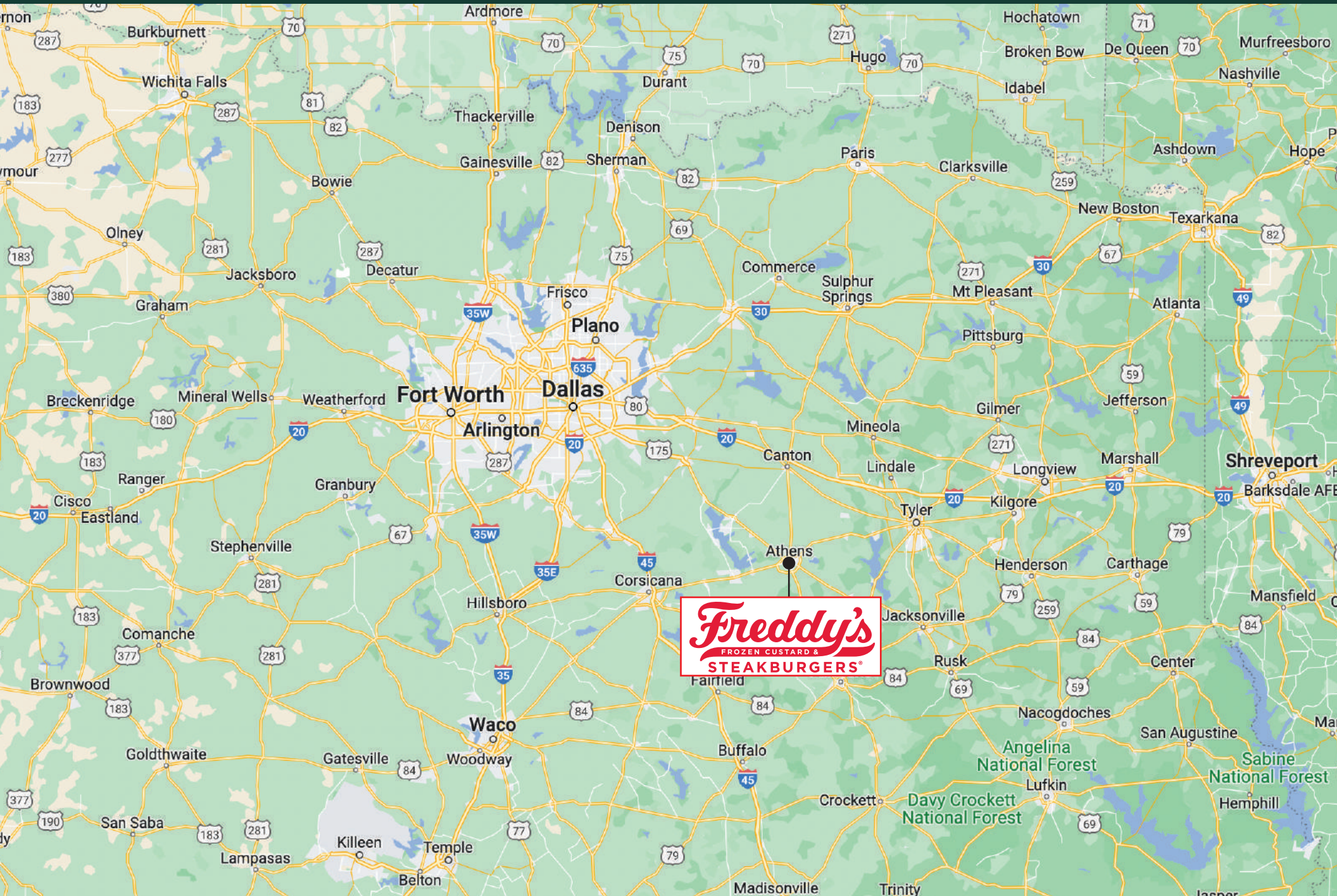


LOCATION MAP



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AREA MAP



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MARKET OVERVIEW

ATHENS (OUTSIDE DALLAS), TEXAS

Athens is a city in Henderson County, Texas, in the United States. The community is a growing suburb just outside Dallas and is located off Highway 31. Athens is located in the Dallas-Fort Worth Combined Statistical Area, with an estimated population exceeding 7.8 million people making this the fourth largest metropolitan region in the country. This CSA is made up of twenty counties in northeastern Texas and one county in southern Oklahoma.

Athens is a modern city that offers small southern town charm. Chalmers Lake, Athens Lake, Bear Creek and Coppers Creek are beautiful water bodies and popular tourist spots. One can also visit the Athens City Park, Central Park, and the Purvis Creek State Recreation Area, where a variety of recreational activities can be pursued. There are 55 colleges within 100 miles of Athens, including Trinity Valley Community College with approximately 5,000 students just 2.5 mi away from the property and the nearby University of Texas at Tyler with over 10,000 students. Athens is home to a variety of family-friendly destinations including the Texas Freshwater Fisheries Center, East Texas Arboretum and Botanical Society and the Henderson County Regional Fair Park. In addition, Athens has 4 local wineries and a craft brewery in the heart Downtown Athens, where locals and visitors enjoy the shopping, art galleries and Henderson County Historical Museum. The major markets of Dallas and Tyler are just a short drive away, making Athens an appealing place to work, live and play.



60 Miles from Dallas-Fort Worth, the 4th Largest Metropolitan in the Country



Located in the Dallas-Fort Worth CSA, Home to 22 Fortune 500 Companies



Over 55 Colleges within 100-Miles of Athens



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DEMOGRAPHIC REPORT

REPRESENTATIVE PHOTO



POPULATION	5 MILE	10 MILE	15 MILE
2028 Projection	18,006	27,664	47,911
2023 Estimate	17,827	27,200	46,971
2020 Census	17,546	26,659	45,942
Percent Change 2020-2023	1.60%	2.03%	2.24%
Percent Change 2023-2028	1.00%	1.71%	2.00%
Median Age	39.64	40.86	42.75

HOUSEHOLDS	5 MILE	10 MILE	15 MILE
2023 Est. Avg. HH Income	\$71,679	\$74,615	\$79,825
2028 Projection	6,875	10,569	18,691
2023 Est. Households	6,781	10,372	18,304
2020 Census	6,648	10,143	17,882
Percent Change 2020-2023	2.00%	2.26%	2.36%
Percent Change 2023-2028	1.39%	1.90%	2.11%

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WERTZ

REAL ESTATE INVESTMENT SERVICES

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Listed with Texas broker

DZ Net Lease Realty, LLC license 9002851



Information About Brokerage Services

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:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - 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.

<u>DZ Net Lease Realty, LLC</u>	<u>9002851</u>	<u>david@dznetlease.com</u>	<u>702.304.9900</u>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<u>David B Zacharia</u>	<u>634656</u>	<u>david@dznetlease.com</u>	<u>702.304.9900</u>
Designated Broker of Firm	License No.	Email	Phone
<u></u>	<u></u>	<u></u>	<u></u>
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
<u></u>	<u></u>	<u></u>	<u></u>
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date