



100 N 23RD STREET | CANYON, TX 79015

OFFERING MEMORANDUM



REPRESENTATIVE PHOTO

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REPRESENTATIVE PHOTO

EXCLUSIVELY LISTED BY



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BROKER OF RECORD

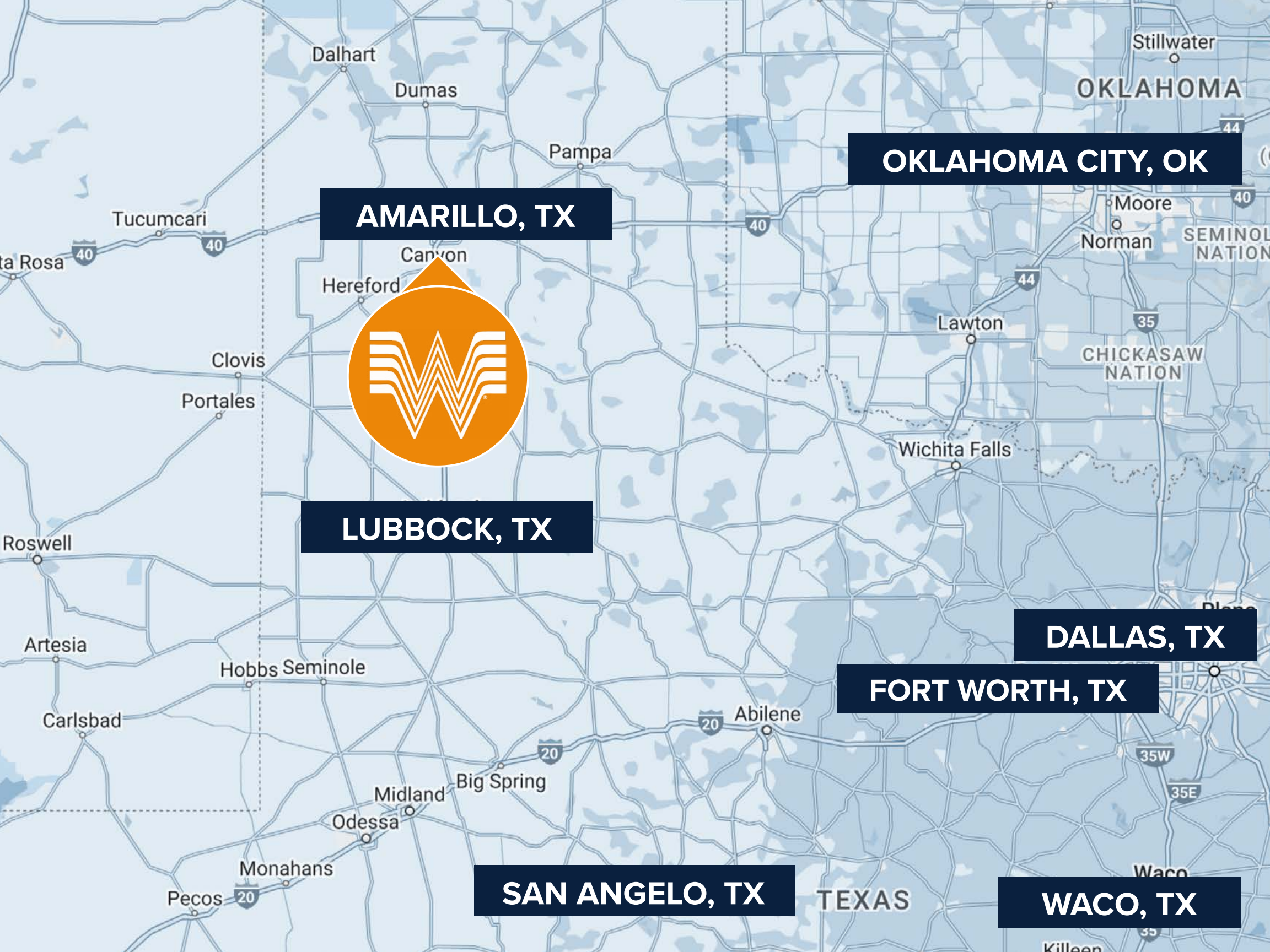
Kyle Matthews

LIC # 9005919 (TX)

INVESTMENT HIGHLIGHTS

- » Brand new 2023 construction with an estimated rent commencement of December 2023
- » 15-Year Absolute NNN ground lease with zero management responsibilities
- » Attractive 10% rental increases every 5 years for the life of the lease
- » Rare corporately guaranteed lease
- » Traffic counts at the intersection of 23rd St and 4th Ave exceed $\pm 24,000$ vehicles daily
- » Canyon is home to West Texas A&M University which has an enrollment of $\pm 10,000$ students
- » The subject property is located just across the street from West Texas University
- » 5-Mile population of $\pm 19,000$ residents
- » Average household income of \$82,000 annually within a 5-mile radius
- » Whataburger currently operates 950+ locations throughout the US with plans to continue their expansion
- » Located in an Income Tax Free State





AMARILLO, TX

OKLAHOMA CITY, OK

LUBBOCK, TX

DALLAS, TX

FORT WORTH, TX

SAN ANGELO, TX

WACO, TX

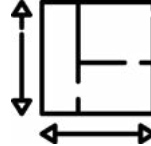
FINANCIAL OVERVIEW



\$2,200,000
PRICE



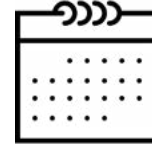
5.00%
CAP RATE



±3,156 SF
GLA



±0.824 AC
LOT SIZE



2023
YEAR BUILT

TENANT SUMMARY

Tenant Trade Name	WHATABURGER RESTAURANTS LLC
Type of Ownership	Ground
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	15 Years
Rent Commencement Date	12/20/2023
Lease Expiration Date	12/31/2038
Term Remaining on Lease	±15 Years
Increase	10% every 5 years & in Options
Options	Three, 5-Year Options

ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
Years 1-5	\$9,166.67	\$110,000.00	-	5.00%
Years 6-10	\$10,083.33	\$121,000.00	10.00%	5.50%
Years 11-15	\$11,091.67	\$133,100.00	10.00%	6.05%
Option 1	\$12,200.83	\$146,410.00	10.00%	6.66%
Option 2	\$13,420.92	\$161,051.00	10.00%	7.32%
Option 3	\$14,763.00	\$177,156.00	10.00%	8.05%

FINANCING INQUIRIES

For financing options reach out to:

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+1 (214) 550-0277



HUNSKY RD ± 10,000 VPD



27

± 15,000 VPD



STANLEY SCHAEFFER AGRICULTURE EDUCATION

LONE STAR DAIRY PRODUCTS

HIGHWAY 60 ± 14,000 VPD

LAZY S FITNESS



CONSUMER'S SUPPLY CO-OP



CANYON INTERMEDIATE SCHOOL
485 STUDENTS



DOLLAR GENERAL

4TH AVE ± 10,000 VPD

WHATABURGER
SUBJECT PROPERTY



CANYON JUNIOR HIGH SCHOOL
511 STUDENTS



REEVES-HINGER ELEMENTARY SCHOOL
711 STUDENTS



CANYON AQUA PARK



23RD ST ± 21,000 VPD



CANYON HIGH SCHOOL
1,928 STUDENTS

TENANT PROFILE

COMPANY NAME

Whataburger

OWNERSHIP

Private

INDUSTRY

QSR

HEADQUARTERS

San Antonio, TX

NO. OF EMPLOYEES

±140,000



REPRESENTATIVE PHOTO



In its 10 states and its 950+ restaurants, Whataburger has garnered a very loyal audience. In 2018 on Technomic's list of the top 500 largest restaurants in the U.S., Whataburger ranked 31st with \$2.4 billion in revenue, which spiked 6%, a testament to its growth. BDT Capital Partners, a merchant bank that invests in family and founder-led companies, made a majority investment in Whataburger. After a 20-year hiatus, Whataburger is stepping up franchising, redesigning its outlets, despite the hurdles injected by pandemic restrictions. BDT Capital Partners, which is based in Chicago, is best known in the restaurant industry for taking ownership of Krispy Kreme and Panera Bread.

Most of Whataburger's locations are down south in Texas, Oklahoma, Mississippi, Florida and Louisiana but it stretches west to New Mexico and Arizona.

AREA OVERVIEW

CANYON, TX

Canyon, TX, is a city located in the state of Texas, USA. It serves as the county seat of Randall County and is situated in the Texas Panhandle region. Canyon is located about 15 miles south of Amarillo, the largest city in the Panhandle. The city is characterized by its flat terrain, wide-open spaces, and beautiful scenery, including nearby Palo Duro Canyon, which is one of the largest and most stunning canyons in the United States. Canyon has a rich history, and it is known for its connections to the Old West and Native American culture. Visitors can explore various historical sites and museums, including the Panhandle-Plains Historical Museum, which is one of the most extensive history museums in Texas. Canyon is home to West Texas A&M University (WTAMU), a prominent public university offering various undergraduate and graduate programs. The presence of the university contributes to the city's vibrant and diverse atmosphere. Canyon is known for its friendly and welcoming community. The city offers a comfortable and relaxed lifestyle, with a strong sense of community and a low cost of living. Canyon hosts several events and festivals throughout the year, celebrating local culture, arts, and music. The city also boasts a lively arts community, with galleries and theaters offering cultural experiences to residents and visitors alike.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2028 Projection	9,106	16,595	19,325
2023 Estimate	8,781	16,037	18,817
2020 Census	8,144	15,090	18,608
Growth 2023-2028	0.7%	0.7%	0.5%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2028 Projection	3,509	6,326	7,292
2023 Estimate	3,388	6,118	7,104
2020 Census	3,188	5,819	7,086
Growth 2023-2028	0.7%	0.7%	0.5%
INCOME	1 - MILE	3 - MILE	5 - MILE
2023 Average Household Income	\$66,989	\$77,093	\$82,092





WEST TEXAS A&M UNIVERSITY

West Texas A&M University (WTAMU) is a public university located in Canyon, Texas. The university's campus is spread across approximately 170 acres in the city of Canyon. It offers a picturesque setting with modern facilities and numerous resources to support students' academic and extracurricular activities. WTAMU provides a wide range of academic programs across multiple disciplines, including agriculture, business, education, engineering, nursing, arts and sciences, and more. The university aims to deliver high-quality education and prepare students for successful careers and advanced studies. WTAMU is committed to fostering research and scholarly activities among its faculty and students. While it may not be as research-intensive as some larger universities, it still provides opportunities for undergraduate and graduate students to engage in research projects and contribute to their respective fields. The university offers a vibrant and diverse student life with various clubs, organizations, and activities catering to students' interests. These extracurricular opportunities promote leadership skills, cultural awareness, and social engagement.

+10,000
STUDENTS

+15
ATHLETIC PROGRAMS

+100
OFFERED PROGRAMS

SOURCE: [ATHLETHICADEMIX.COM](https://athlethicademix.com)

ATTRACTIONS

Canyon, TX, boasts a diverse array of attractions that capture the essence of the Texas Panhandle's natural beauty and rich cultural heritage. At the heart of its allure lies Palo Duro Canyon State Park, a breathtaking wonderland often referred to as the "Grand Canyon of Texas." Here, visitors can immerse themselves in awe-inspiring vistas, partake in exhilarating outdoor activities such as hiking and horseback riding, and bask in the serenity of nature. The city's cultural offerings are equally captivating, with the Panhandle-Plains Historical Museum serving as a treasure trove of the region's history and art. Beyond history and nature, Canyon caters to thrill-seekers and families alike with the Canyon Aqua Park, providing a splash-tastic oasis during the sizzling summer months. From its dynamic college atmosphere to its festive community events and charming downtown, Canyon beckons travelers to explore its many attractions and discover the essence of Texan hospitality.

ECONOMY

West Texas A&M University (WTAMU) is a major contributor to the local economy. The university employs faculty and staff, attracts students who spend on tuition, housing, and other living expenses, and generates economic activity through research and academic programs. Agriculture has historically been a significant component of the local economy in Canyon and the surrounding areas. Cattle ranching and farming, including wheat and sorghum cultivation, are prominent agricultural activities. Ranching, in particular, contributes to the region's economy and cultural heritage. Canyon's proximity to Palo Duro Canyon State Park, one of the main attractions in Texas, makes tourism an essential economic factor. The park draws visitors from across the state and beyond, who spend money on accommodations, dining, recreational activities, and souvenirs, benefiting local businesses and the hospitality sector. The city's retail and service sectors cater to the needs of its residents and visitors. Local shops, restaurants, and service providers offer goods and services to the community, contributing to the local economy.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **100 N 23rd Street, Canyon, TX 79015** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



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BROKER OF RECORD

Kyle Matthews

LIC # 9005919 (TX)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

REPRESENTATIVE PHOTO



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:
 - 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.

Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	kyle.matthews@matthews.com	(310) 919-5757
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

Buyer/Tenant/Seller/Landlord Initials

Date