



Chick-fil-A

Denison, TX (Dallas-Fort Worth CSA)



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The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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PROPERTY HIGHLIGHTS

- New 15-Year Absolute NNN Lease to Chick-fil-A
 - Scheduled 10% Rental Escalations in Primary Term & Options
 - No Landlord Maintenance Responsibilities
- Unique Fee Simple Chick-fil-A Property Including Improvements – Benefit of Depreciation
- High Quality 2022 Construction
- Highly Functional Footprint Featuring Double Drive-Thru Component
- Near Heritage Ranch – 440 Acre Mixed Use Master Planned Community
- Five Miles from Texoma Medical Center – Largest Regional Medical Hospital
 - Largest Employer in the Area with Over 4,000 Employees
- Seven Miles from Grayson College – 5,300+ Students & Faculty



**31,966 TOTAL DAYTIME
POPULATION**
within 5 Miles



1 HOUR DRIVE
to Downtown Dallas



**\$81,492 AVERAGE
HOUSEHOLD INCOME**
within a 5 Mile Radius



**NO STATE
INCOME TAX**
in Texas



US-75: 61,995 AADT
Major North-South
Arterial Connecting
Dallas to Oklahoma



PROPERTY OVERVIEW



PRICE

\$5,904,000

4.15% CAP RATE

LOCATION

The property is located at 2801 FM 120 in Denison, Texas.

LOT SIZE

Approximately 1.854 acres or 80,760 square feet.

IMPROVEMENTS

Construction was completed in 2022 of a 4,978 square foot building with a double drive-thru component for **Chick-fil-A**.

LEASE

Leased to **Chick-Fil-A, Inc.** for 15 years from August 25, 2022 through August 31, 2037 at a current annual rent of \$245,000. There are thirteen (13) five-year options to renew the lease. Rent is to increase by 10% every 5 years and at the start of each option period. The lease is absolute net with tenant responsible for all taxes, insurance, and maintenance.

FINANCING

The property will be delivered free and clear of permanent financing.

ANNUAL RENT

Year	Annual Rent	Return
Year 1 – 5	\$245,000	4.15%
Years 6 – 10	\$269,500	4.56%
Years 11 – 15	\$296,450	5.02%
Years 16 – 20 (Option 1)	\$326,095	5.52%
Years 21 – 25 (Option 2)	\$358,705	6.08%
Years 26 – 30 (Option 3)	\$394,575	6.68%
Years 31 – 35 (Option 4)	\$434,033	7.35%
Years 36 – 40 (Option 5)	\$477,436	8.09%
Years 41 – 45 (Option 6)	\$525,179	8.90%
Years 46 – 50 (Option 7)	\$577,697	9.78%
Years 51 – 55 (Option 8)	\$635,467	10.76%
Years 56 – 60 (Option 9)	\$699,014	11.84%
Years 61 – 65 (Option 10)	\$768,915	13.02%
Years 66 – 70 (Option 11)	\$845,806	14.33%
Years 71 – 75 (Option 12)	\$930,387	15.76%
Years 76 – 80 (Option 13)	\$1,023,426	17.33%

TENANT INFORMATION



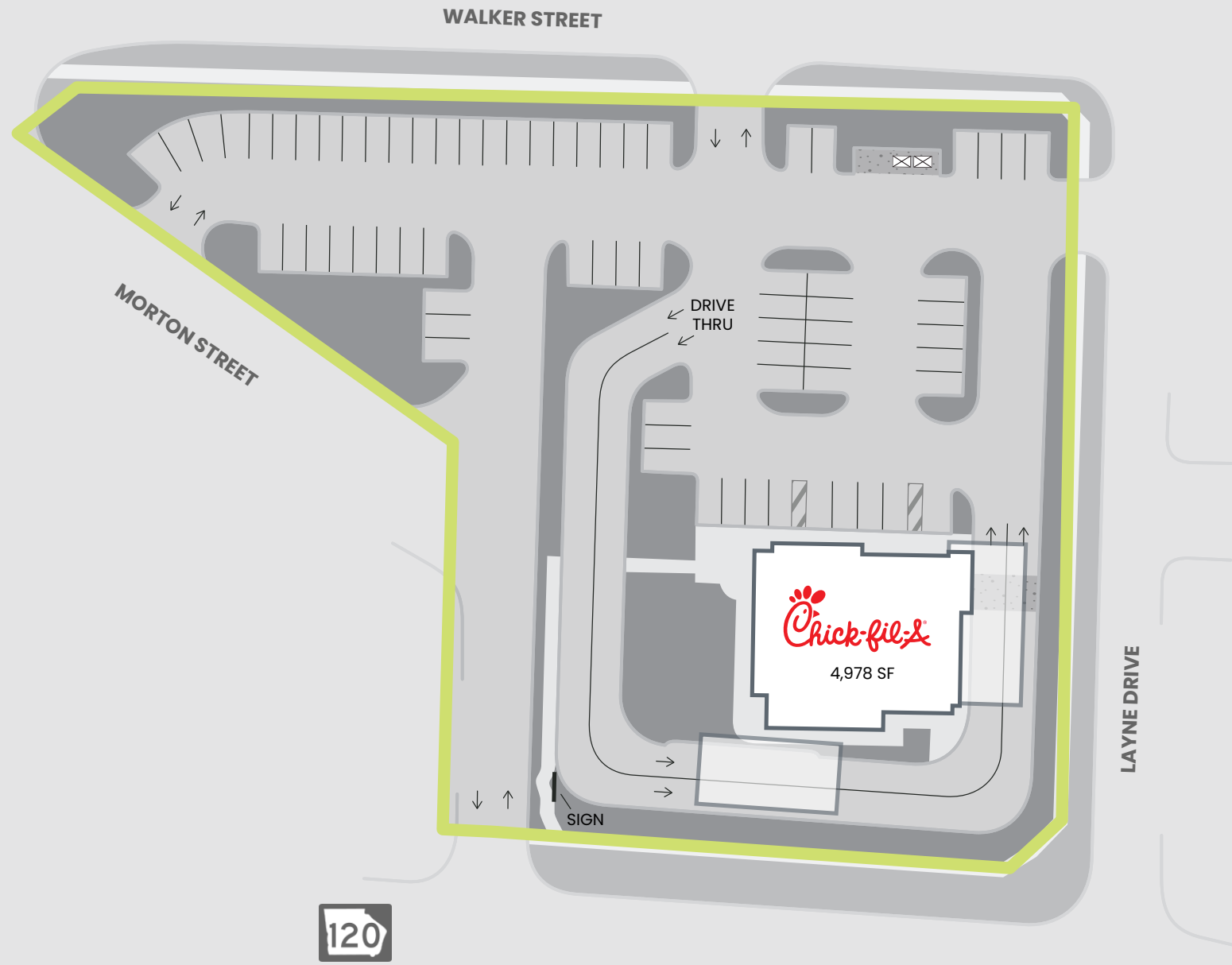
Chick-fil-A, Inc., headquartered in College Park, GA, is one of the most successful and largest fast-food chains in America. The company has more than 2,910 restaurants, primarily in the United States, the majority of which are franchised. While credited with the invention of the boneless chicken sandwich, their special waffle potato fries are a top seller in all six regions. The company initially focused on locations in shopping mall food courts but shifted its focus in the mid-80s to freestanding franchises. Though primarily concentrated in the southern United States, the chain has expanded in recent years with franchise locations in 48 states and Canada.

Chick-fil-A's average sales per restaurant consistently outpace and surpass competitors such as KFC, Popeye's, and McDonald's. Chick-fil-A uses a business model significantly different from other restaurant franchises, most notably retaining ownership of each restaurant, allowing for controlled growth. Chick-fil-A typically selects the location, builds the restaurant, and retains ownership of the store. Chick-fil-A gets a larger share of revenue from its franchises than other chains, but the formula works well for operators because the up-front cost of becoming a franchisee is lower compared to other competing chains.

For the 8th year in a row, Chick-fil-A ranked first in customer satisfaction as the most popular fast-food chain in the United States, according to the American Customer Satisfaction Index.

According to Restaurant Business, Chick-fil-A's sales in 2022 were estimated to be \$18.8 billion, up nearly 13% over 2021. Standalone locations outside of malls generated median sales in 2022 of \$8.6M per unit, up nearly 8% from 2021.

SITE PLAN



WEST AERIAL VIEW





Denison, Texas, located in Grayson County, has a population 24,479 (2020). The city is situated just 70 miles north of Dallas and is located on the Texas-Oklahoma border, making it an ideal location for businesses that want to access both states' markets. The city also benefits from easy accessibility to major transportation routes, including Highways 75 & 69, which provide access to major cities like Dallas, Fort Worth, and Oklahoma City. Denison is part of the Sherman-Denison Metropolitan Statistical Area (population: 139,336), a region in North Texas that includes both the cities of Sherman and Denison.

The unemployment rate in Denison is currently around 4%, which is lower than the state average. Over 20% of Denison's population holds a bachelor's degree or higher, which is well above the national average. The city has several educational institutions that produce highly skilled workers, including Grayson College (5,300+ students & faculty) and Southeastern Oklahoma State University (5,600+ students & faculty).

The city enjoys a thriving economy that is driven by a variety of industries. One of the city's main economic drivers is healthcare. It is home to the region's largest hospital, Texoma Medical Center, which is a 326-bed hospital and one of the largest employers in the area with over 4,000 employees. Some of the strongest points of Denison's economy include strong manufacturing industry and its strategic location as a transportation hub, with companies producing everything from aerospace parts to consumers good.



SITE INFORMATION

The subject property is prominently located with excellent access and visibility along FM 120 (15,229 AADT), just off Highway 75 (61,995 AADT), which is a major north-south arterial that connects the Dallas-Fort Worth metroplex to Oklahoma. The site benefits from robust demographics with a total daytime population of 31,966 and average household income of \$81,492.

There are a number of notable educational institutions in the immediate area. Seven miles southwest of the property is Grayson College with over 5,300 students and staff. The property further benefits from its proximity to the largest hospital in the region – Texoma Medical Center, a 326-bed hospital that is also the area's largest employer with over 4,000 staff members.

The property is strategically located within the main retail commercial node of Highway 75 in Denison. Major retailers in the area include Walmart, McDonald's, Panda Express, Starbucks, IHOP, and many others.

Nearly 5 miles southwest of the property, near the intersection of U.S. 75 and Highway 82 Heritage Ranch, a 440-acre mixed-use master-planned community. The development includes 760 single family homes and 950 multifamily units.

DEMOGRAPHICS



2022 DAYTIME POPULATION
31,966



AVG. HOME VALUE
\$211,789



AVG. HOUSEHOLD INCOME
\$81,492

2801 FM 120 | Denison, TX 75020

Population Summary	1 Mile	3 Miles	5 Miles
2010 Total Population	3,531	20,323	26,910
2022 Total Population	3,765	22,042	29,633
2027 Total Population	3,812	23,087	31,071
2022-2027 Annual Rate	4,727	21,709	31,966
2022 Total Daytime Population	0.25%	0.93%	0.95%
Average Household Income			
2022	\$71,121	\$78,374	\$81,492
2027	\$83,636	\$91,335	\$94,669
Average Home Value			
2022	\$211,789	\$198,642	\$209,564
2027	\$328,411	\$295,915	\$300,093

Top Employers in Denison

of Employees

Texoma Medical Center	4,000
Tyson Fresh Meats	1,700
Sherman Independent School District	1,137
Ruiz Foods	1,100
Walmart/Sam's	900
CIGNA	800
Denison Independent School District	722
Carrus Specialty Hospital	650
Texas Instruments	600
Coherent	577

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

Information 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 subagency 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 that 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.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.





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