



1625 TX-351 ABILENE HIGHWAY 351 | ABILENE, TX 79601

OFFERING MEMORANDUM



REPRESENTATIVE PHOTO

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REPRESENTATIVE PHOTO

## EXCLUSIVELY LISTED BY



### **JOSH BISHOP**

*Senior Vice President & Senior Director*

Direct (214) 692-2289

Mobile (315) 730-6228

josh.bishop@matthews.com

License No. 688810 (TX)

### **KYLE MATTHEWS**

*Broker of Record*

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 I-20 and Highway 351 exceed  $\pm 43,000$  vehicles daily
- » Subject property is located  $\pm 0.7$  miles from Abilene Christian University
- » 5-Mile population of  $\pm 133,387$  residents
- » Average household income of \$82,092 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**

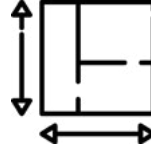
# FINANCIAL OVERVIEW



**\$2,612,244**  
PRICE



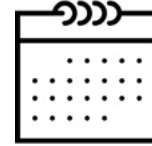
**4.90%**  
CAP RATE



**±3,751 SF**  
GLA



**±1.22 AC**  
LOT SIZE



**2023**  
YEAR BUILT

## TENANT SUMMARY

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

## ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
Years 1-5	\$10,666.67	\$128,000.00	-	4.90%
Years 6-10	\$11,733.33	\$140,800.00	10.00%	5.39%
Years 11-15	\$12,906.67	\$154,880.00	10.00%	5.93%
Option 1	\$15,617.07	\$187,404.80	10.00%	7.17%
Option 2	\$17,178.77	\$206,145.28	10.00%	7.89%
Option 3	\$18,896.65	\$226,759.81	10.00%	8.68%

## FINANCING INQUIRIES

For financing options reach out to:

**Patrick Flanagan**

patrick.flanagan@matthews.com

+1 (214) 550-0277





DAVID'S AUTO

PLEASANT HILLS MOBILE HOME COMMUNITY



PIERSON PROPERTIES

FRONTIER INN



HARDIN-SIMMONS UNIVERSITY  
1,700 STUDENTS



MILK & HONEY BAKERY

STATE HWY 351 ± 17,000 VPD



ABILENE CHRISTIAN UNIVERSITY  
4,500 STUDENTS



R F DIESEL REPAIR



WILDCAT DISC GOLF COURSE







Walmart

Jason's deli  
DOLLAR TREE

GOLDEN CHICK

Cracker Barrel  
Old Country Store

Pepper's

Starbucks

verizon  
T-Mobile

Chick-fil-A

HEFF'S  
Burgers

MURPHY  
USA

DQ

ALLSUP'S

Coca-Cola  
SOUTHWEST  
BEVERAGES

TACO  
CASA

SUBWAY

PANDA EXPRESS  
CHINESE KITCHEN

WING-STOP  
SHERWIN  
WILLIAMS

Raising  
Cane's  
CHICKEN FINGERS

STATE HWY 351 ± 17,000 VPD

LOWE'S

20 ± 26,000 VPD

EXECUTIVE  
INN

Holiday Inn  
Express

SUBJECT  
PROPERTY

motel  
6

Comfort

HOME2  
SUITES BY HILTON

QUALITY  
INN & SUITES

HOOTERS

Residence  
Inn  
Marriott

COURTYARD  
BY MARRIOTT



## TENANT PROFILE

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### 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

## ABILENE, TX

Abilene is a city in West Texas located off Interstate 20 about 150 miles west of Fort Worth, Texas. Home to more than 125,000 residents, it is the county seat of Taylor County and the principal city in the Abilene Metropolitan Statistical Area. The area is supported by manufacturing, three small colleges and universities, and the Dyess Air Force Base. Abilene's cultural aspects are centered on this mix of the local college and university campuses, the agriculture community of the surrounding area, and the established evangelical churches.

Downtown is typical Texas western, with an attractive mix of older and newer buildings. Good residential areas surround the town, with the strongest lying south and southwest. The cost of living is very attractive, and the summer climate is better than most areas of Texas. Abilene has a good balance of qualities and represents typical, small-town Texas life.

## DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2020 Population	23,289	60,830	123,196
2023 Population	24,777	63,469	133,387
2028 Population Projection	25,611	65,387	138,122
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2020 Households	8,895	22,932	45,757
2023 Households	9,607	24,168	50,058
2028 Household Projection	9,961	24,953	51,981
INCOME	1 - MILE	3 - MILE	5 - MILE
2023 Avg HH Income	\$66,989	\$77,093	\$82,092







## ECONOMY

Abilene is the economic, educational, medical, and cultural center of the west-central Texas area. The city's major industries include defense, manufacturing, and education. The presence of the Dyess Air Force Base economically impacts the well-being of the community as it is home to the 7th Bomb Wing of the Air Force Global Strike Command and the 317th Air Lift Group of Air Mobility Command. Abilene also has lots of manufacturing plants in its vicinity that produce beverages, baked goods, animal foods, engines, shipping containers, and many other products. The city is also home to three major private universities: Abilene Christian University, Hardin-Simmons University, and McMurry University. The fastest-growing sections of the city are growing to the southwest, along Southwest Drive, the Winters Freeway, and the Buffalo Gap Road corridor; the southeast, along Loop 322, Oldham Lane, Industrial Drive, and Maple Street; and in the northeast near the intersection of SH 351 and I-20. Many developments have begun in these three areas within the last few years. Overall, Abilene has a gross metro product of \$8.1 billion and has a cost of living 7% below the national average.

A railroad divides the city down the center into north and south. The historic downtown area is on the north side of the railroad. There are three lakes in the immediate area: Lytle Lake on the western edge of Abilene Regional Airport, Kirby Lake on the southeast corner of the US 83/84 and Loop 322 interchange, and Lake Fort Phantom Hill in Jones County in northern Abilene providing numerous opportunities for water recreation to residents and visitors alike.



**#20 "BEST CITIES  
TO BUY A HOUSE  
IN AMERICA."**

NICHE.COM

## TOP EMPLOYERS







## POINTS OF INTEREST

### FRONTIER TEXAS!

- This museum is a must-visit for anyone interested in the history of the Texas frontier. With interactive exhibitions that incorporate life-sized holographic characters and audio-visual projections, it combines cutting-edge technology to bring history to life. Along with literature and souvenirs with Texas themes, the museum also features a gift shop.

### THE GRACE MUSEUM

- The Grace Museum is housed in a gorgeously renovated 1909 building and is situated in the heart of downtown Abilene. The museum displays artwork by local and regional artists as well as historical artifacts. Additionally, there is a Children's Museum where children can engage in interactive learning.

### ABILENE ZOO

- With more than 1,000 species from all over the world, the Abilene Zoo is a well-liked family attraction. Lions, tigers, giraffes, zebras, and many other creatures may be found at the zoo. Additionally, a playground, picnic area, and petting zoo are there.

### DOWNTOWN ABILENE

- A busy district with old buildings, restaurants, stores, and art galleries is downtown Abilene. The downtown area is also home to a number of public art projects, such as sculptures and murals. The Abilene Artwalk, the Abilene Downtown Association's "City Sidewalks" event, and the West Texas Book Festival are just a few of the annual activities held in the downtown area.

### THE ABILENE PHILHARMONIC ORCHESTRA

- The Abilene Philharmonic Orchestra is a professional orchestra that gives concerts all year round, including both classical and pop music. The orchestra performs at the Abilene Convention Center and includes talented musicians from all over the world.

### ABILENE STATE PARK

- Just outside of Abilene is the stunning natural region known as Abilene State Park. The park has spaces for camping, fishing, picnics, and hiking. There is a swimming pool as well, which is available throughout the summer.



# 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 **1625 TX-351 Abilene Highway 351, Abilene, TX 79601** (“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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**JOSH BISHOP**

*Senior Vice President & Senior Director*

Direct (214) 692-2289

Mobile (315) 730-6228

josh.bishop@matthews.com

License No. 688810 (TX)

**BROKER OF RECORD**

Kyle Matthews

LIC # 9005919 (TX)

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

REPRESENTATIVE PHOTO





## 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.

11-2-2015



### 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.

Matthews Real Estate Investment Services	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	licensing@matthews.com	866-889-0050
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