



**NEW 20-YEAR ABSOLUTE NNN LEASE
(INCOME-TAX FREE STATE)
LUFKIN, TEXAS**

ACTUAL SITE

4101 SOUTH MEDFORD DRIVE | LUFKIN, TEXAS 75901

ADVISORY TEAM

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BROKER OF RECORD

Paul Blackburn

Blackburn Properties
LIC # 376821



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HIGHLIGHTS



PRICE	CAP RATE	NOI
\$3,391,000	5.75%	\$195,000

POINTS OF INTEREST

Retailers | Entertainment: Lufkin has retailers such as Target, Walmart, Sam's Club, Home Depot, Lowe's, Hobby Lobby, Burlington, T.J. Maxx, Big Lots, JCPenney, Burkes Outlet, Academy Sports + Outdoors, Ross, Old Navy, Belk, Conn's Home Plus, PetSmart, Bath & Body Works, Shoe Carnival, Cavenders, Five Below, Harbor Freight Tools, Boot Barn, ABC Supply Co., Office Depot, DD's Discounts, Ashley, Rent-A-Center, H-E-B, Brookshire Brothers, Cinemark, AMC Theatres, etc.

Higher Education: Less than 3 miles from **Angelina College** - a public community college with 4,195 students; 4 miles from **Texas Bible College** - a private, non-profit college with 119 students

Healthcare: 4 miles from **St. Luke's Memorial Hospital** - a 271-bed, hospital that is home to East Texas' largest emergency department; 3½ miles from **Woodland Heights Medical Center** - a 149-bed facility with complete inpatient and outpatient services

NEW 20-YEAR ABSOLUTE NNN LEASE

The Subject Property benefits from a brand new 20-year Absolute NNN lease with attractive 7% rental escalations every 5 years with four 5-year options to renew.

TENANT

Ram-Z Custard, LLC owns & operates 36 locations across Texas, Oklahoma, Arkansas, Missouri & Kansas (9 Freddy's and 27 Schlotzsky's) **All units back the performance of the lease!**

BRAND NEW CONSTRUCTION

Freddy's latest prototype with 7-car stack in drive-thru - Opened for business June 2023!

LARGE PARCEL | TRAFFIC COUNTS

Situated on a large ±1.13-acre lot in a dominant retail corridor - outparcel to a Home Depot, across the street from Target & Lufkin Mall with excellent visibility/access on S Medford Dr where traffic counts exceed 51,420 CPD!

2023 DEMOGRAPHICS (5-MI)

2023 Population	44,899
2023 Households	17,427
2023 Average Household Income	\$69,744

TEXAS IS AN INCOME TAX FREE STATE

PROPERTY OVERVIEW & RENT ROLL

SITE ADDRESS	4101 South Medford Drive Lufkin, Texas 75901
LESSEE	Ram-Z Custard, LLC
GUARANTOR	Ram-Z Restaurant Group, LLC
LESSEE ENTITY TYPE	Franchise
GROSS LEASABLE AREA	±3,148 SF
LOT SIZE	±1.13 acres
YEAR BUILT	June 2023
OWNERSHIP	Fee Simple (Building & Land)
EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
LEASE TERM	20 years (New)
RENTAL INCREASES	7% every 5 years
RENT COMMENCEMENT DATE	July 1, 2023
EXPIRATION DATE	June 30, 2043
OPTIONS	Four 5-Year Renewal Options



RENT ROLL

	TERM	ANNUAL RENT	CAP RATE
Years 1-5	07/01/23 to 06/30/28	\$195,000	5.75%
Years 6-10	07/01/28 to 06/30/33	\$208,650	6.15%
Years 11-15	07/01/33 to 06/30/38	\$223,256	6.58%
Years 16-20	07/01/38 to 06/30/43	\$238,883	7.04%
			6.38% AVG ANNUAL RETURN
RENEWAL OPTIONS			
1st Option	07/01/43 to 06/30/48	\$255,605	
2nd Option	07/01/48 to 06/30/53	\$273,498	
3rd Option	07/01/53 to 06/30/58	\$292,642	
4th Option	07/01/58 to 06/30/63	\$313,127	

TENANT OVERVIEW



Freddy's Frozen Custard & Steakburgers, a fast-casual restaurant concept, known for its cooked-to-order steakburgers made with lean 100 percent ground beef, all-beef hot dogs, crispy shoestring fries, cheese curds & frozen custard treats made with freshly churned chocolate or vanilla frozen custard.

Freddy's has become one of the fastest growing franchises in the U.S. starting in 2002 with a single restaurant in Wichita, Kansas to more than 400 locations today in the U.S. & internationally.

<https://www.freddys.com/>

ABOUT THE TENANT

Ram-Z Custard, LLC owns & operates 36 locations across Texas, Oklahoma, Arkansas, Missouri & Kansas (9 Freddy's & 27 Schlotzsky's)!

ABOUT PARENT COMPANY

On March 3, 2021, **Thompson Street Capital Partners ("TSCP")** acquired Freddy's.

TSCP is a middle-market private equity firm that helps transform already-exceptional businesses into market leaders. Based in St. Louis, Missouri, they invest globally in the Life Sciences & Healthcare, Software & Technology, and Business & Consumer Services and Products sectors. They partner with management teams to increase value by accelerating growth, both organically and via complementary acquisitions.

20+ Years

200+ Investments

7 Funds

\$4.5 Billion Assets Under Management

<https://www.tscp.com/>

ACTUAL EXTERIOR SITE PHOTOS

As of July 24, 2023



SITE PLAN

📍 Outparcel to a Home Depot

📅 Brand new construction - opened June 2023

📍 Freddy's latest prototype

📍 7-car stack in drive-thru

📍 GLA: ±3,148 SF

📍 Lot Size: ±1.13 acres



EAST



First United
Pentecostal Church

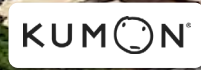
Chestnut Drive
Baptist Church



Freddy's



Parks & Wildlife
Department

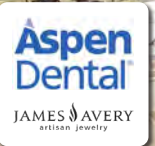


US-59/S Medford Dr | 51,422 CPD

S Chestnut St | 12,432 CPD

WEST

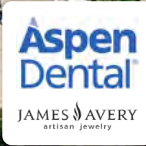
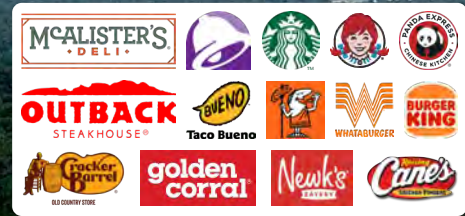
City of
LUFKIN



US-59/S Medford Dr | 51,422 CPD



SOUTHWEST



US-59/S Medford Dr | 51,422 CPD



LUFKIN



ZOOMED OUT



WOODLAND HEIGHTS
MEDICAL CENTER
149 BEDS

ST CYPRIAN'S
EPISCOPAL SCHOOL
176 STUDENTS

TROUT
ELEMENTARY
268 STUDENTS

LOOP
287

DOLLAR
GENERAL

AAA
SELF-STORAGE

BOYS & GIRLS CLUBS
OF AMERICA

FAMILY
DOLLAR

BIG LOTS!
CITITRENDS

Goodwill
DOLLAR GENERAL

Ivan Smith
FURNITURE

LUFKIN
MIDDLE SCHOOL
1,690 STUDENTS

KURTH PRIMARY
272 STUDENTS

LUFKIN MALL



US-59/S Medford Dr || 51,422 CPD

LOWE'S

CINEMARK



TOYOTA

HONDA

Loves

DOLLAR
GENERAL

FAMILY
DOLLAR

Pilot
Jack
MOES

BURLEY
PRIMARY SCHOOL
411 STUDENTS
SLACK
ELEMENTARY
506 STUDENTS

MUSTANG CAT

AutoZone
PAPA JOHN'S
McDonald's
Popeyes

SELF
STORAGE

PINECREST
METHODIST RETIREMENT COMMUNITIES

TRACTOR
SUPPLY CO.

COURTYARD
BY MARIOTT

LAQUINTA
BY WYNDHAM

sam's club

Walmart

HOBBY
LOBBY

belk

DOLLAR
TREE

Academy
SPORTS+OUTDOORS

Burlington

CAVENDER'S

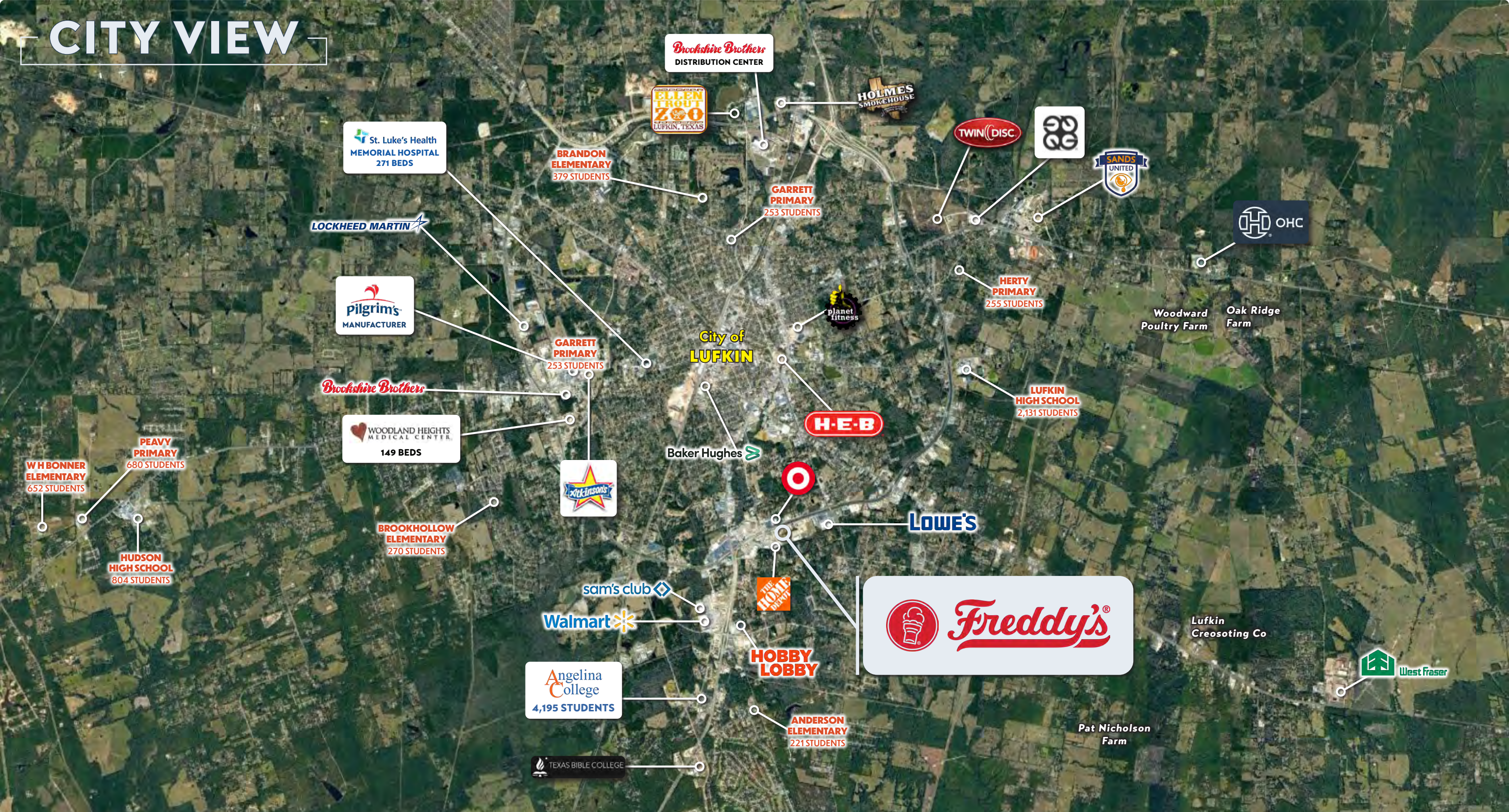
golden
corral

Newk's
Cafe

T

Cracker Barrel
OUTBACK
STEAKHOUSE
McALISTER'S
DELICIOUS
cricket
Coke
Starbucks
AT&T

CITY VIEW



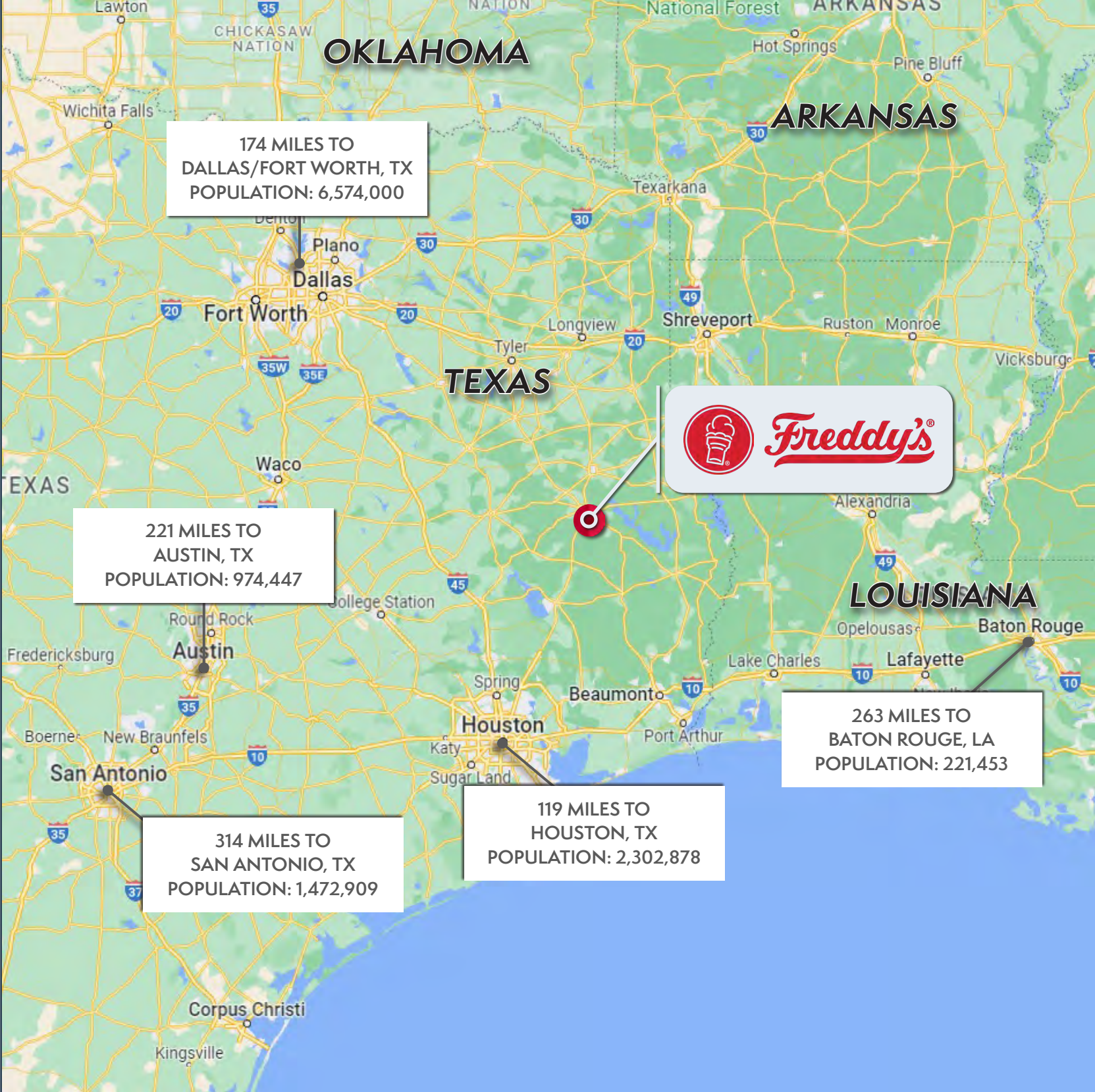
LUFKIN SYNOPSIS

Lufkin is the largest city in Angelina County, Texas and the county seat. The city is situated in Deep East Texas and about 60 miles west of the Texas-Louisiana border. Visitors enjoy beautiful parks and open spaces, cultural arts, and a broad range of recreational activities. Downtown Lufkin features numerous unique retail and antique shops, eating establishments, professional businesses, and also includes a historic walking tour describing the history of Lufkin.

5 core industries are present in Lufkin: forest products, aerospace & military defense, manufacturing, medical and food products. Lumber manufacturing & production companies include **Georgia Pacific, Overseas Hardwoods Company (OHC), Lufkin Creosoting Company** and **Sterling Lumber Company**. Aerospace & military defense in Lufkin is a growing industry with award-winning **Lockheed Martin** plant where 400 people produce launcher & missile electronics. Manufacturing companies in Lufkin include **Twin Disc** (producing power take-offs & clutches for heavy duty industrial equipment), **Baker Hughes** (energy technology company), **Angelina Tank & Manufacturing** (storage tanks), **PID Services** (precision machining, fabrication, blasting, painting, control systems & crating), **H & H Pipe Steel, Aaxion** (hydraulic equipment supplier), **T&B Construction Services** (steel fabricator), **Luftex** (manufactures components & provide services for industrial gearboxes, etc. Lufkin is the medical hub of a 12-county region & possesses 2 major, award-winning hospitals: **CHI St. Luke's Health Memorial Lufkin** and **Woodland Heights Medical Center**. The food product industry in Lufkin includes **Pilgrim's Pride Chicken, Atkinson Candy Company, Brookshire Brothers Corporate, Holmes Smokehouse** and **William George Produce Company**.

2023 DEMOGRAPHICS

	1-MI	3-MI	5-MI
2023 Population	2,958	29,888	44,899
Daytime Demographics Age 16+	4,873	31,095	40,899
Median Age	33.9	35.0	35.2
Average Household Income	\$68,213	\$69,434	\$69,744



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FOR MORE INFORMATION:

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