

INVESTMENT OFFERING

Freddy's Drive-Thru

7001 I-30 Frontage Road
Greenville (Dallas MSA), TX 75402



ACTUAL SITE

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DISCLAIMER

This Marketing Package was prepared by Wertz Real Estate Investment Services and DZ Net Lease Realty, LLC ("Broker") solely for the use of prospective buyer considering the purchase of the Property within (the "Property") and is not to be used for any other purpose. Neither the Broker nor the Owner of the Property make any representation or warranty, expressed or implied, as to the completeness or accuracy of the material contained in the Marketing Package.

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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WERTZ
REAL ESTATE INVESTMENT SERVICES

FINANCIAL OVERVIEW

OFFERING SUMMARY

PRICE	\$2,884,586
DOWN PAYMENT	100% / \$2,884,586
RENTABLE SQUARE FEET	3,030 SF
CAP RATE	4.75%
YEAR BUILT	2022
LOT SIZE	0.94 +/- Acres
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	02/08/2022
LEASE EXPIRATION DATE	02/07/2037
TERM REMAINING ON LEASE	Fifteen (15) Years
INCREASES	7.50% Every 5-Years
OPTIONS TO RENEW	(4) 5-Year Options
RIGHT OF FIRST REFUSAL	No



ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL RENT	MONTHLY RENT
Years 1-5	\$137,017.83	\$11,418.15
Years 6-10	\$147,294.17	\$12,247.51
Years 11-15	\$158,341.23	\$13,195.10
Years 16-20 (Option 1)	\$170,216.82	\$14,184.74
Years 21-25 (Option 2)	\$182,983.08	\$15,248.59
Years 26-30 (Option 3)	\$196,706.81	\$16,392.23
Years 31-35 (Option 4)	\$211,459.83	\$17,621.65
BASE RENT		\$137,017.83
NET OPERATING INCOME		\$137,017.83
TOTAL RETURN YR-1	4.75%	\$137,017.83

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	7001 I-30 Frontage Road, Greenville (Dallas MSA), TX 75402
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	(4) 5-Year Options
LEASE TYPE	Absolute NNN
LANDLORD RESPONSIBILITY	None
INCREASES	7.5% Every 5-Years
YEAR 1 NET OPERATING INCOME	\$137,017.83
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 Greenville (Dallas MSA), TX. The brand new 15-year absolute NNN lease includes 7.50% rental increases every 5-years in the primary term and in the (4) five-year option periods. The property is strategically located directly in front of a Home Depot anchored shopping center. The site benefits from its excellent visibility along one of the most heavily trafficked thoroughfares in Greenville (I-30) which boasts over 53,000 vehicles per day. Interstate 30 is the major thoroughfare going from Greenville to downtown Dallas. The Greenville population has been rapidly growing and is expected to grow another 6.0% over the next 5-years.

National retailers in the immediate vicinity include Home Depot, Wal-Mart, Burger King, Popeye's, Panda Express, Chili's, Exxon, Hyundai, Whataburger, Wendy's, Taco Bell, Starbucks, Chick-fil-A, Lowe's, Hobby Lobby, Tractor Supply, 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 2022 Construction w/ Latest Drive-Thru Prototype
- 15-Year Abs NNN Lease w/ 7.50% Increases Every 5-Years
- Outparcel to Home Depot Anchored Shopping Center
- Traffic Counts Exceed 53,000 Vehicles Per Day on I-30
- Average Household Income Exceeds \$73,000 (5-Mile Radius)
- 6.0% Expected Population Growth Over the Next 5-Years



AERIAL PHOTO

6.0% Expected
Population Growth
Over Next 5-Years



SUBJECT PROPERTY



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

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LOCATION MAP



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AREA MAP



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MARKET OVERVIEW

DALLAS-FORT WORTH, TEXAS

The Dallas-Fort Worth Combined Statistical Area (CSA) includes 11 counties in the state of Texas. It is the economic and cultural hub of North Texas. Residents of the area also refer to it as DFW (airport code), or the Metroplex. The Dallas-Fort Worth-Arlington metropolitan statistical area's population was 7,573,136 according to the U.S. Census Bureau's 2019 population estimates, making it the most populous metropolitan area in both Texas and the Southern United States, the fourth-largest in the U.S., and the tenth-largest in the Americas. In 2016, the Dallas-Fort Worth metroplex had the highest annual population growth in the United States.

The metropolitan region's economy is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation and logistics. As of 2020, Dallas-Fort Worth is home to 24 Fortune 500 companies, the third-largest concentration of Fortune 500 companies in the United States behind New York City (70) and Chicago (34). In 2016, the metropolitan economy surpassed Houston to become the fourth-largest in the U.S. The Dallas-Fort Worth metroplex boasted a GDP of just over \$620.6 billion in 2020. If the Metroplex were a sovereign state, it would have the twentieth largest economy in the world as of 2019. In 2015, the conurbated metropolitan area would rank the ninth-largest economy if it were a U.S. state. In 2020, Dallas-Fort Worth was recognized as the 36th best metropolitan area for STEM professionals in the U.S.

The Dallas-Fort Worth metroplex comprises the highest concentration of colleges and universities in Texas. The UT Southwestern Medical Center is home to six Nobel Laureates and was ranked No. 1 in the world among healthcare institutions in biomedical sciences. The Metroplex is also the second most popular metropolis for megachurches in Texas (tied with the Greater Houston metropolitan area), ranked the largest Christian metropolitan statistical area in the U.S., and has one of the largest LGBT communities in Texas since 2005.



Most Populous Metro

in Texas and the Southern
United States



4th Largest MSA

in the Nation with an Economic
Output of \$471.2 Billion in 2016



Host to Over 60,000

Students Across its Higher
Education Facilities



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DEMOGRAPHIC REPORT

ACTUAL SITE



POPULATION	5 MILE	10 MILE	15 MILE
2027 Projection	35,271	52,562	93,832
2022 Estimate	33,555	49,692	88,421
2010 Census	29,342	42,291	71,709
Percent Change 2010-2022	14.36%	17.50%	23.30%
Percent Change 2022-2027	5.11%	5.78%	6.12%
Median Age	36.45	37.53	38.13

HOUSEHOLDS	5 MILE	10 MILE	15 MILE
2022 Est. Avg. HH Income	\$73,255	\$80,336	\$84,242
2027 Projection	13,223	19,586	33,736
2022 Est. Households	12,573	18,508	31,789
2010 Census	11,126	15,888	26,127
Percent Change 2010-2022	13.01%	16.49%	21.67%
Percent Change 2022-2027	5.17%	5.83%	6.13%

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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>
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Designated Broker of Firm	License No.	Email	Phone
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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