

Representative Photo



OFFERING MEMORANDUM

SLIM CHICKENS

14121 Culebra Road, San Antonio, TX

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OFFERING SUMMARY

\$3,500,000

LIST PRICE

6.00%

CAP RATE

QUICK FACTS

Net Operating Income	\$210,000
Price Per SQFT	\$980.39
Rent Per SQFT	\$58.82
Lease Type	Absolute Triple Net
Guarantor	Franchisee Guarantee
Term Remaining	15 Years
Square Footage	3,570 SF
Lot Size	1.47 AC
Occupancy	100%
Right of First Refusal	2024

Representative Photo



SLIM CHICKENS

14121 CULEBRA ROAD • SAN ANTONIO, TEXAS

The Diffie Retail Team is pleased to exclusively market for sale a 2024 construction Slim Chickens in San Antonio, Texas. The asset comes with a brand new, 15 year, absolute net lease backed by an experienced and growing QSR franchisee. The building was designed to fit the Slim Chickens prototype and sits on a large lot surrounded by new construction that will feature retail, mixed use and multi-family. This operator has experienced exceptional success with the Slim Chickens brand, setting massive store sales figures on each of their new builds and has a development deal in place for 45 units over the coming years. The property is also walking distance from John Harlan High School, Straus Middle School and copious amounts of residential developments providing a massive, stable customer base.

San Antonio is the third largest metropolitan area in the State of Texas and among the largest in the entire United States with a total population of almost 2.6 million. The city has also experienced steady, uninterrupted growth within the past years, with much of the growth spreading out east and north in the direction of this Slim Chickens asset. Home to professional sports teams, the riverwalk and the Alamo, San Antonio provides investors the feel of a major U.S. city combined with the steady, reliable progress of a major Texas market.

HIGHLIGHTS

BRAND NEW 15-YEAR LEASE
UPON CLOSE OF ESCROW

ABSOLUTE TRIPLE NET LEASE,
ZERO LANDLORD
RESPONSIBILITIES

EXPERIENCED, GROWING
FRANCHISEE WITH
DEVELOPMENT PLAN IN PLACE

LOCATED IN RETAIL CORRIDOR
WITH ABUNDANT NEW
CONSTRUCTION

EXCEPTIONAL SALES
PROJECTIONS IN-LINE WITH
OTHER UNITS

FINANCIAL INFORMATION

THE OFFERING

Price	\$3,500,000
Capitalization Rate	6.00%
Price/SF	\$980.39

PROPERTY DESCRIPTION

Year Built / Renovated	2024
Gross Leasable Area	3,570 SF
Type of Ownership	Fee Simple
Lot Size	1.47 AC

LEASE SUMMARY

Tenant	Slim Chickens
Rent Increases	7.5% Every 5 Years
Guarantor	Franchisee Guarantee
Lease Type	Absolute Triple Net
Lease Commencement	Close of Escrow
Initial Lease Term	15 Years
Renewal Options	Two (2), 5-Year Options
Term Remaining on Lease	15 Years
Landlord Responsibility	None
Tenant Responsibility	All

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$210,000	\$17,500	\$58.82	6.00%
Years 6-10	\$225,750	\$18,812	\$63.24	6.45%
Years 11-15	\$242,681	\$20,223	\$67.97	6.93%
Option 1	\$260,882	\$21,740	\$73.10	7.45%
Option 2	\$280,448	\$23,371	\$78.56	8.01%



TENANT OVERVIEW

In the early 2000s, Founders Tom and Greg came up with the idea for Slim Chickens. Slim Chickens now has over 180 locations in the United States, United Kingdom and Kuwait. It is one of the fastest growing quick-serving restaurants (QSR) in this decade. In 2019, 10 Point Capital, an Atlanta-based private equity firm, announced their investment in Slim Chickens to continue to help grow the company. The current expansion plan includes opening over 800 new locations over the next 10 years.

SLIMCHICKENS.COM

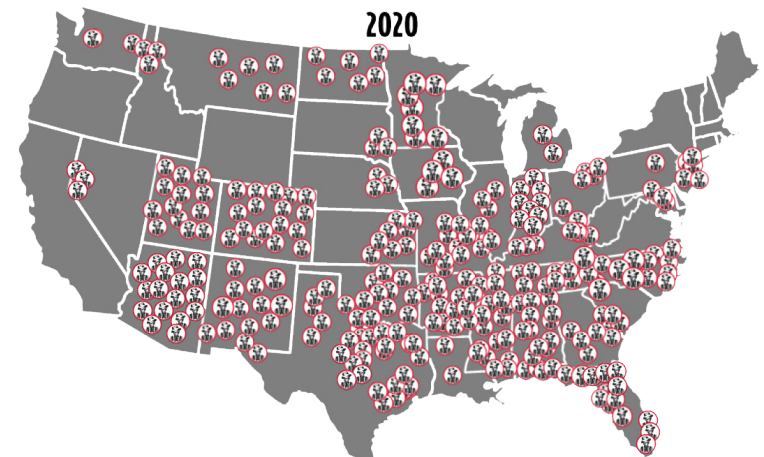


BIG STAR HOSPITALITY (FRANCHISEE)

- Successful Franchise Operations
- Development agreement with Slim Chickens for 20 units
- Own the rights to 13 counties from Georgetown to San Antonio
- Their territory encompasses some of the highest growth markets in Texas



NEW U.S DEVELOPMENT



PROPERTY PHOTOS





DUNKIN'
Gloss Dental
CARE | COMFORT | CONVENIENCE
CityVet
PAPAJOHNS®
Better Ingredients. Better Pizza.
Great Clips
IT'S GONNA BE GREAT
AIRROSTI®
WE FIX PAIN FAST



LEGACY
TRADITIONAL
SCHOOL

STRAUS MIDDLE
SCHOOL



WINGSTOES
Jockey
MILKSHAKES
SUBS
marco's
Pizza
ANYTIME
FITNESS
GLOSS NAIL
SALON
Culebra Family Dentistry

NEW CONSTRUCTION -
CAR WASH

NEW CONSTRUCTION -
DENTAL OFFICE

NEW CONSTRUCTION -
HTEAO

NEW CONSTRUCTION -
SONIC

STRAUS MIDDLE SCHOOL

JOHN M. HARLAN HIGH SCHOOL

WINGSTOP
Jersey Mike's SUBS
marco's Pizza
ANYTIME FITNESS
GLOSS NAIL SALON
Culebra Family Dentistry



NEW CONSTRUCTION - SONIC

NEW CONSTRUCTION - HTEAO

NEW CONSTRUCTION - DENTAL OFFICE

NEW CONSTRUCTION - CAR WASH

MARKET OVERVIEW

SAN ANTONIO

Home to the Alamo and famous River Walk, the San Antonio metro is located in the southern portion of central Texas and straddles the Interstate 35 corridor, one of the fastest-growing areas in the state. The metro encompasses eight counties: Bandera, Atascosa, Kendall, Comal, Bexar, Guadalupe, Medina and Wilson. Situated only 160 miles from Nuevo Laredo, Mexico, San Antonio is an easy drive on I-35 from the border and serves as a major gateway between the United States and Mexico. The area is further enhanced by an extensive transportation network that provides shipping options to domestic and international markets, as well as the Eagle Ford Shale formation that runs through Atascosa and Wilson counties. San Antonio is the most populous city in the metro, housing more than 1.5 million residents.

METRO HIGHLIGHTS



ROBUST JOB CREATION

Hiring across various industries will continue to advance as the metro expands. Some of these positions will likely be related to Eagle Ford, one of the largest oil and gas producing formations in the world.



STRONG POPULATION GROWTH

The metro maintains population growth and household formation above the national level, highlighting the need for additional housing options.

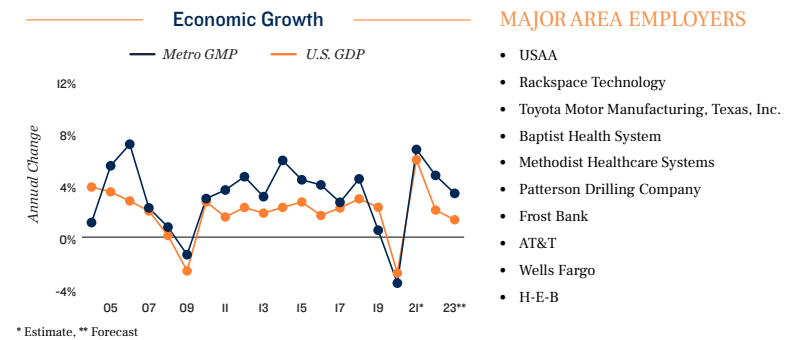


LOW COST-OF-LIVING

More affordable home prices, compared with other nearby Texas markets, and no state personal income tax contribute to a lower cost-of-living.

ECONOMY

- The Eagle Ford Shale deposit has contributed to the diversification of jobs into the energy sector. Valero's corporate headquarters are here, as well as firms like NuStar Energy.
- Lackland Air Force Base, Randolph Air Force Base, Fort Sam Houston and Camp Bullis are among the myriad military installations located in the metro.
- An important component of the health care industry is South Texas Medical Center — a conglomerate of hospitals, clinics and research, as well as higher education facilities.

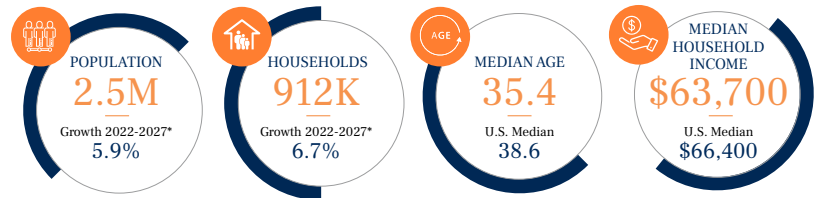


MAJOR AREA EMPLOYERS

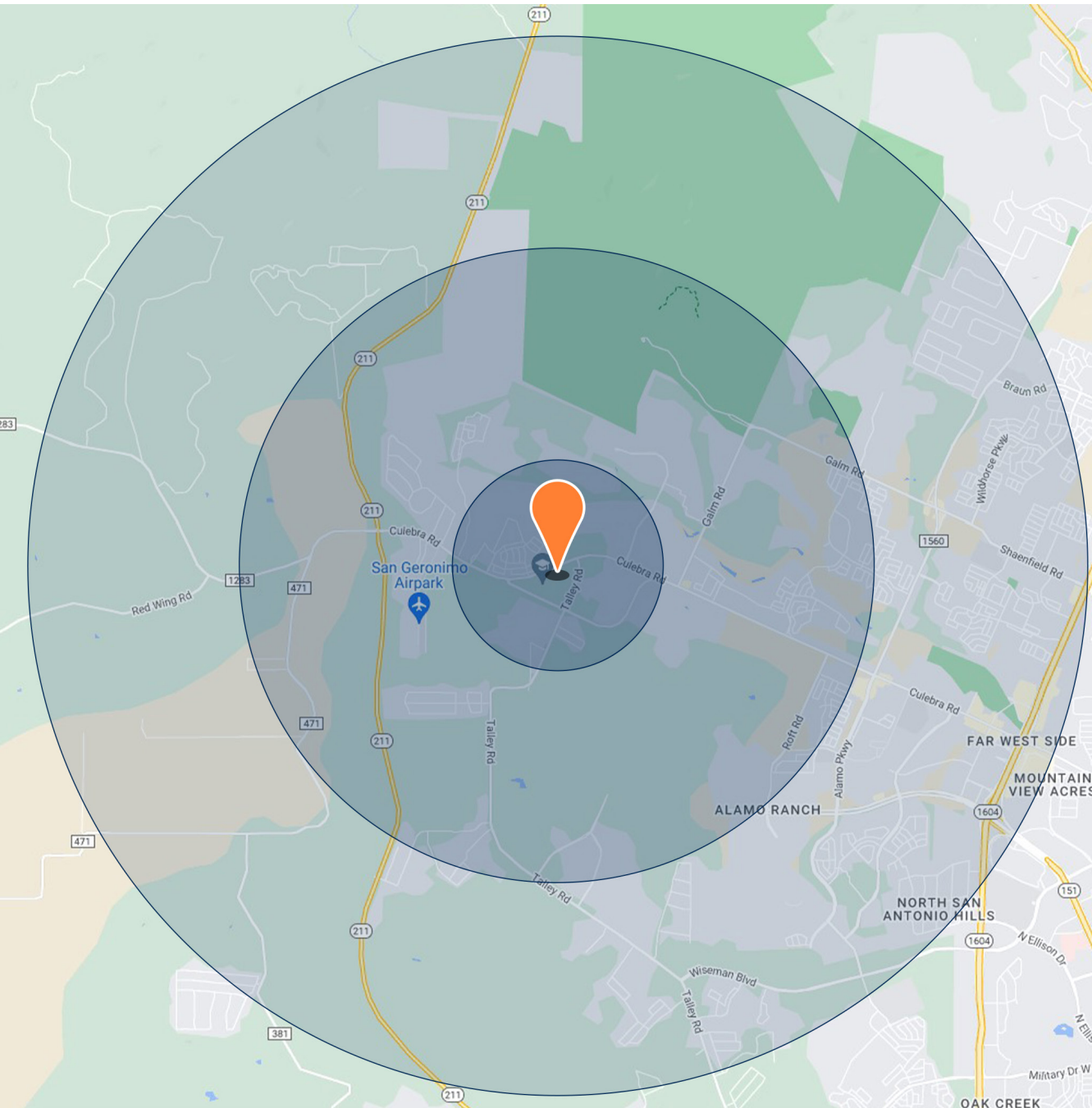
- USAA
- Rackspace Technology
- Toyota Motor Manufacturing, Texas, Inc.
- Baptist Health System
- Methodist Healthcare Systems
- Patterson Drilling Company
- Frost Bank
- AT&T
- Wells Fargo
- H-E-B

DEMOGRAPHICS

- The metro is expected to add more than 147,500 people through 2027, resulting in the formation of roughly 61,100 households.
- A relatively youthful population contributes to a homeownership rate of 63 percent, which is slightly below the national rate of 64 percent.
- Roughly 28 percent of residents ages 25 and older hold a bachelor's degree; 10 percent of residents have also earned a graduate or professional degree.



DEMOGRAPHICS



POPULATION



	1 MILE	3 MILE	5 MILE
2027 Projection	5,162	30,227	89,279
2022 Estimate	3,736	22,469	71,318
2010 Census	998	7,252	35,256

HOUSEHOLDS



	1 MILE	3 MILE	5 MILE
2027 Projection	1,970	10,616	30,679
2022 Estimate	1,426	7,858	24,184
2010 Census	382	2,544	11,655

HH INCOME



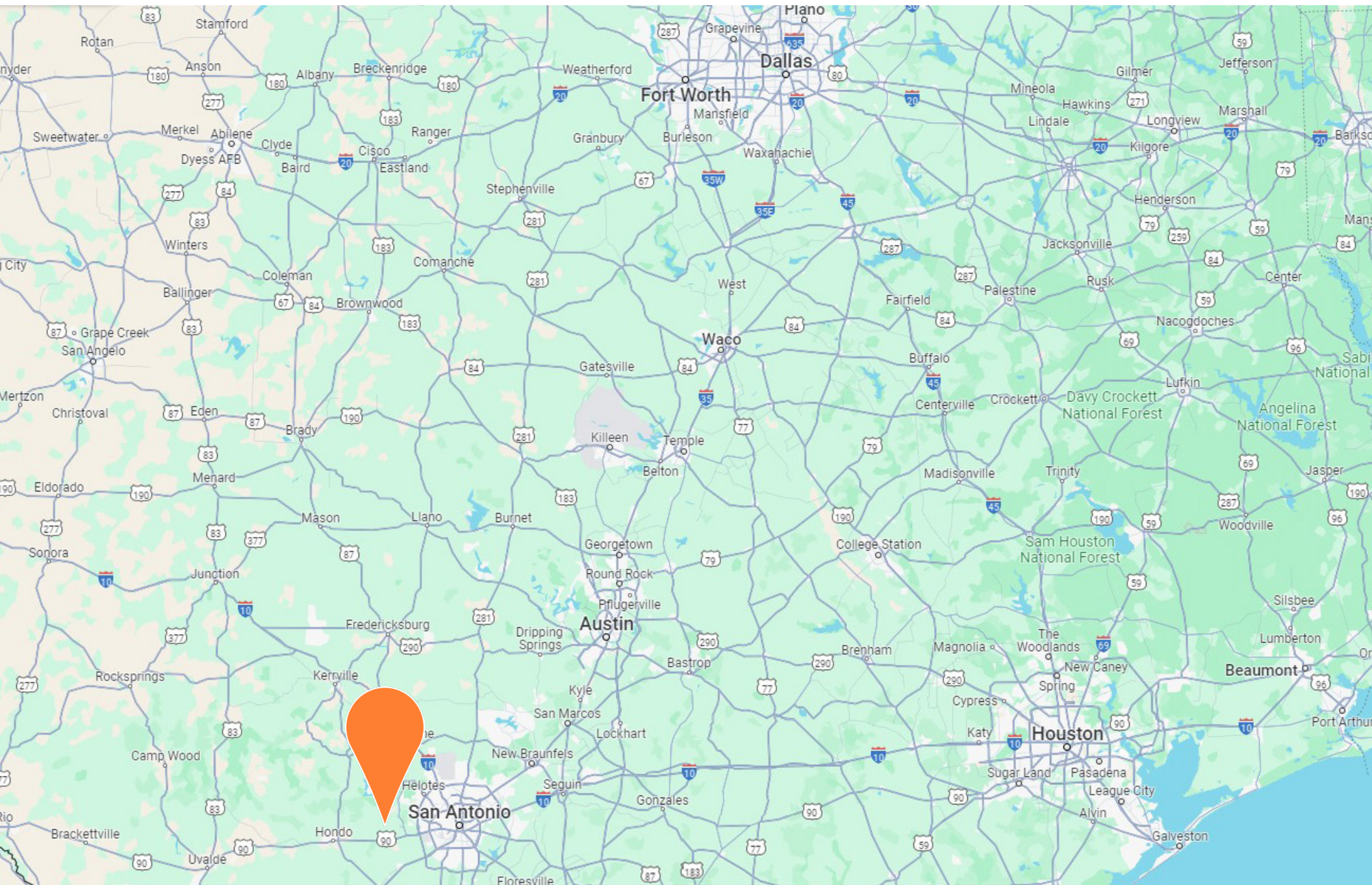
	1 MILE	3 MILE	5 MILE
Average	\$165,707	\$125,997	\$114,987
Median	\$123,303	\$91,842	\$85,169
Per Capita	\$63,238	\$44,064	\$38,992

TRANSPORTATION



	1 MILE	3 MILE	5 MILE
2022 Daytime Projections	3,482	15,212	48,415
2022 Unemployment	1.86%	2.31%	2.30%
Average Time Traveled (min)	35	34	33

AREA MAP



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NET LEASE DISCLAIMER

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

Exclusively Listed By:

Doug Diffie

doug.diffie@marcusmillichap.com

(512) 338-7872

Marcus & Millichap
DIFFIE RETAIL TEAM

Activity ID #: ZAF0160050



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.

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<hr/> Marcus & Millichap <small>Licensed Broker/Broker Firm Name or Primary Assumed Business Name</small>	<hr/> 9002994 <small>License No.</small>	<hr/> tim.speck@marcusmillichap.com <small>Email</small>	<hr/> 972-755-5200 <small>Phone</small>
<hr/> Tim A. Speck <small>Licensed Broker/Broker Firm Name or Primary Assumed Business Name</small>	<hr/> 432723 <small>License No.</small>	<hr/> tim.speck@marcusmillichap.com <small>Email</small>	<hr/> 972-755-5200 <small>Phone</small>
<hr/> Bruce Bentley III <small>Licensed Broker/Broker Firm Name or Primary Assumed Business Name</small>	<hr/> 622963 <small>License No.</small>	<hr/> bruce.bentley@marcusmillichap.com <small>Email</small>	<hr/> 512-338-7800 <small>Phone</small>