



OFFERING MEMORANDUM

MR. GATTI'S PIZZA

2708 N MAIN STREET, TAYLOR, TEXAS

TABLE OF CONTENTS

3

INVESTMENT OVERVIEW

OFFERING SUMMARY
FINANCIAL SUMMARY

5

PROPERTY OVERVIEW

TENANT PROFILE
PROPERTY PHOTOS
AERIAL

10

MARKET OVERVIEW

MARKET OVERVIEW
DEMOGRAPHICS
AREA MAP



OFFERING SUMMARY



\$3,700,000

LIST PRICE

7.50%

CAP RATE

INVESTMENT SUMMARY

Address 2708 N Main St., Taylor, TX

Building Size 12,848 SF

Lot Size 1.59 AC

Year Built 2012

Term Remaining 8+ Years

Lease Type Absolute Net

INVESTMENT HIGHLIGHTS

- Long Term, Absolute Net Mr. Gatti's Pizza with a Multi-Unit Concept Operator
- Strong Unit Level Performance for Mr. Gatti's Concept
- Attractive Rent Growth in Lease Term and Options
- Centrally Located in Taylor with Exceptional Daily Traffic Counts
- Ideal Customer Base Surrounding Location
- Taylor is One of the Fastest Growing Austin Submarkets, Benefitting from Austin's Northeastern Expansion

FINANCIAL OVERVIEW

LEASE SUMMARY

Tenant	Mr. Gatti's Pizza
Rent Increases	Every 5 Years
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	October 1, 2022
Lease Expiration	September 30, 2032
Renewal Options	Four (4), 5-Year Options
Term Remaining on Lease	8 Years, 6 Months
Landlord Responsibility	None
Tenant Responsibility	All

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$277,516	\$23,126.40	\$21.60	7.50%
Years 5-10	\$291,392.64	\$24,282.72	\$22.68	7.88%
Option 1	\$311,435.52	\$25,952.96	\$24.24	8.42%
Option 2	\$333,020.16	\$27,751.68	\$25.92	9.00%
Option 3	\$356,146.56	\$29,678.88	\$27.72	9.63%
Option 4	\$382,356.48	\$31,863.04	\$29.76	10.33%



TENANT OVERVIEW



Mr. Gatti's Pizza, founded in 1969, is a renowned pizza chain that has delighted taste buds with its delicious offerings for decades. Today, there are over 70 locations in 20 different States across the United States.

Known for its commitment to quality ingredients and a family-friendly atmosphere, Mr. Gatti's has become a cherished destination for pizza enthusiasts. The menu boasts a variety of pizza options, from classic pepperoni to inventive specialty pies, all crafted with their signature crust and flavorful tomato sauce.

Beyond pizza, Mr. Gatti's offers a diverse selection of pasta dishes, salads, and desserts, ensuring there's something for everyone. The inviting ambiance, coupled with attentive service, makes it an ideal spot for gatherings and celebrations. With a rich history and a commitment to providing a satisfying dining experience, Mr. Gatti's Pizza has established itself as a beloved destination for those seeking a tasty and enjoyable meal.



2022 REVENUE
\$160 Million



YEAR FOUNDED
1972



NO. OF LOCATIONS
850+



HEADQUARTERS
Millwood, NY





LOCATION AERIAL



DOLLAR GENERAL
ANYTIME FITNESS
AutoZone

Walgreen's
CVS
Reilly
AUTO PARTS
verizon

TACO BELL
Pizza Hut

BoxDrop
Mattress
McDonald's

Church of Christ

HT Fitness
Taylor Choice Dental

TEXAS CAR TITLE & PAYDAY LOAN

Baylor Scott & White
HEALTH



N MAIN ST | VPD: 18,978

Texas Health and Human Services

Basler Electric Company

The Fellowship Church

LOCATION AERIAL



Williamson County Expo Center



TH Johnson Elementary School



McCoy's Building Supply

Burger King



Main Street Elementary



Taylor ISD Event Center



N MAIN ST IVPD: 18,978



The Fellowship Church



Texas Health and Human Services



HT Fitness

Basler Electric Company

MARKET OVERVIEW

AUSTIN

Known as the home of South by Southwest, the Austin-Round Rock metro covers about 4,225 square miles and consists of five counties in central Texas: Travis, Williamson, Hays, Caldwell and Bastrop. The population of the metro increased significantly in recent decades and now exceeds 2.4 million residents. Travis County holds more than half of the metro's population and is home to Austin — the capital of Texas with a population of 1.1 million people. Employment gains in the tech sector have contributed significantly to the metro's recent population and median household income growth. Tesla recently constructed a massive Gigafactory in the city that is expected to eventually employ 20,000 workers, supporting future relocations and increased demand for housing.

MAJOR TECHNOLOGY PRESENCE

Tech companies are drawn to one of the nation's most educated labor pools, boosting professional and business services growth. Firms with a local presence include Dell, IBM and Oracle.

STRONG POPULATION GAINS

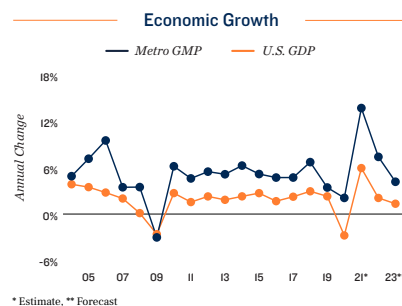
Future employment opportunities will attract skilled job seekers to the region, boosting the number of residents.

EMPLOYMENT GROWTH

In 2022, Austin added nearly 52,000 positions, expanding total employment by 4.3 percent. The employed workforce has grown nearly 50 percent in the past decade, multiple times that of the national pace.

ECONOMY

- Housed in a border state, Austin benefits from international trade agreements.
- The government is a significant driver in the local economy as Austin is the state capital and home to an IRS regional processing center, as well as military bases.
- The metro is a vibrant technology hub with industries that include semiconductor and related equipment manufacturing, along with computer and software development. High-tech firms with local operations include Meta, Apple, Tesla, Oracle and Amazon.

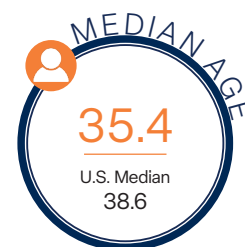


MAJOR AREA EMPLOYERS

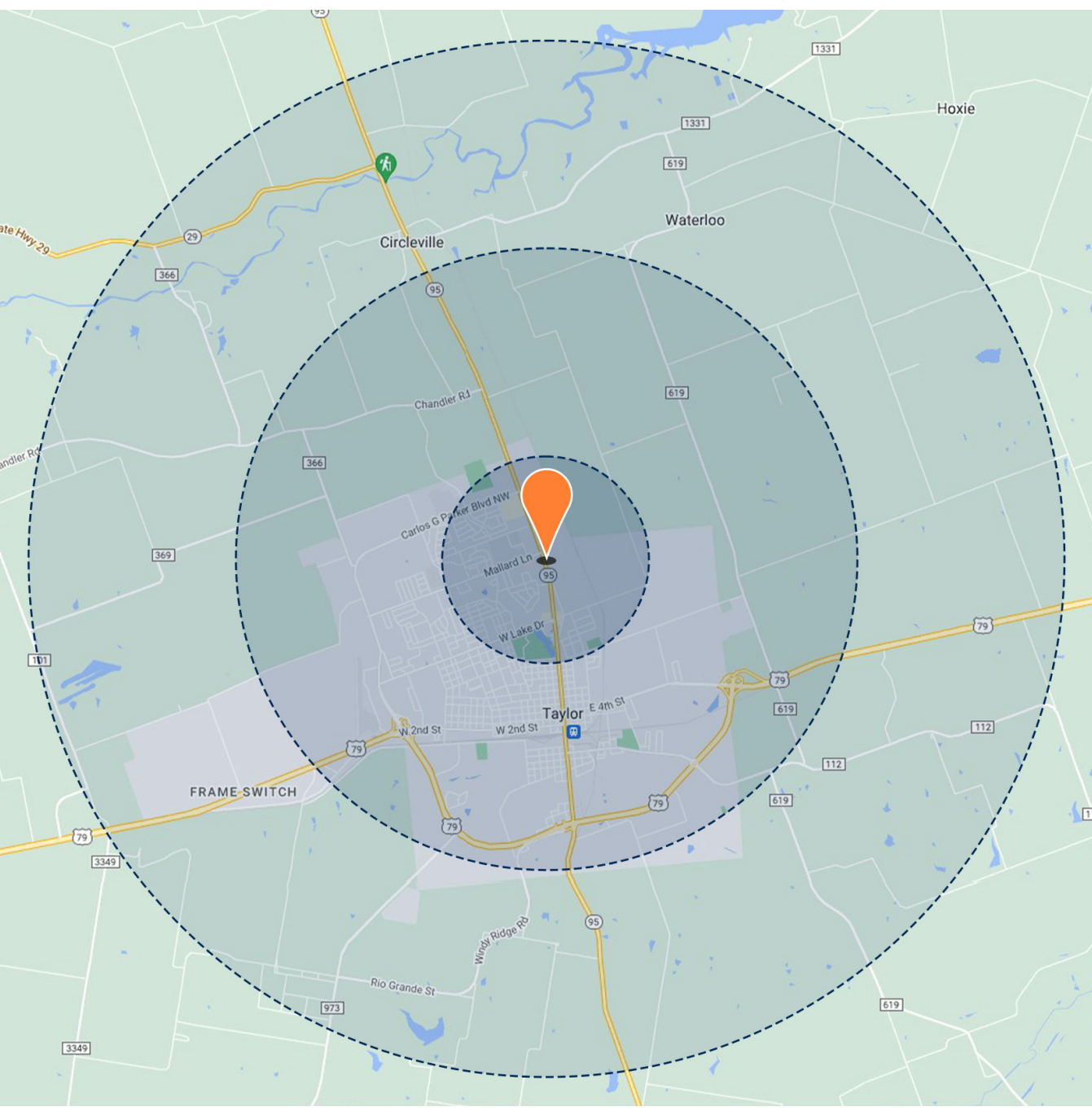
- Dell Inc.
- Ascension Seton
- IBM Corp.
- Apple Inc.
- Austin Samsung Semiconductor, LLC
- University of Texas at Austin
- NXP Semiconductors NV
- Harden Healthcare Texas LP
- ACS Enterprise Solutions, Inc.
- Texas Roadhouse, Inc.

DEMOGRAPHICS

- The metro is expected to add nearly 324,000 people through 2027, resulting in the formation of roughly 130,100 households and generating housing demand.
- Rising home prices contribute to a lower rate of homeownership, aiding the existing renter pool.
- The local population of ages 25 and older includes 43 percent of bachelor's degree holders, of which 16 percent have earned a graduate or professional degree.



DEMOGRAPHICS



POPULATION

	1 MILE	3 MILE	5 MILE
2027 Projection	5,626	18,007	19,631
2022 Estimate	5,385	17,405	18,884
2010 Census	4,669	15,303	16,421

HOUSEHOLDS

	1 MILE	3 MILE	5 MILE
2027 Projection	2,208	6,615	7,240
2022 Estimate	2,108	6,350	6,915
2010 Census	1,762	5,361	5,771

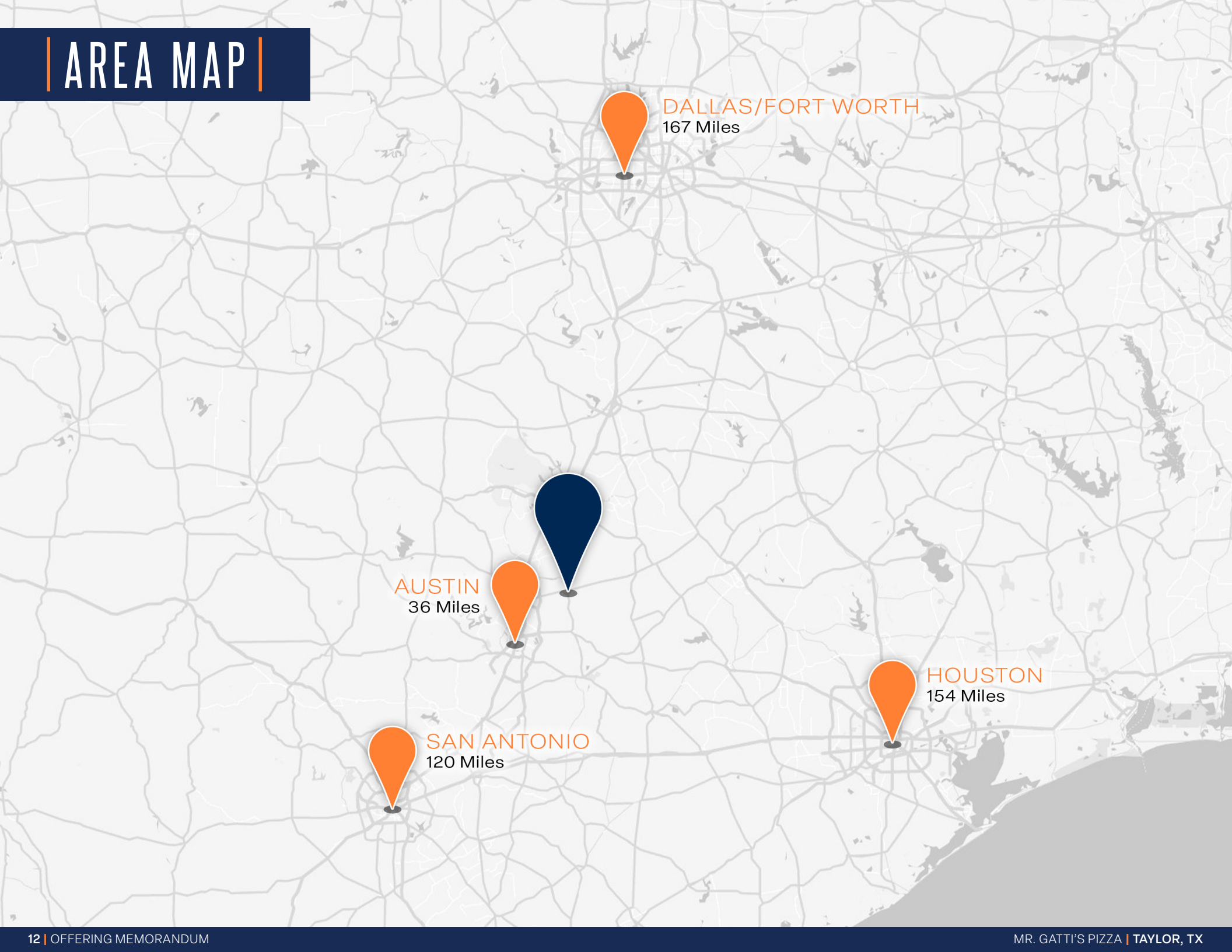
HH INCOME

	1 MILE	3 MILE	5 MILE
Average	\$81,605	\$73,123	\$74,626
Median	\$63,420	\$57,816	\$58,985
Per Capita	\$32,071	\$27,030	\$27,650

TRANSPORTATION

	1 MILE	3 MILE	5 MILE
2022 Daytime Projections	5,927	17,609	19,303
2022 Unemployment	2.44%	4.39%	4.16%
Average Time Traveled (min)	32	32	32

AREA MAP



DALLAS/FORT WORTH
167 Miles

AUSTIN
36 Miles

SAN ANTONIO
120 Miles

HOUSTON
154 Miles

NON-ENDORSMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2024 Marcus & Millichap. All rights reserved.

THIS IS A BROKER PRICE OPINION OR COMPARATIVE MARKET ANALYSIS OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decision that relies upon my work, you should know that we have not followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. This information has been secured from sources we believe to be reliable, but we make no representations of warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Seller and/or Buyer must verify the information and bear all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a trademark of Marcus & Millichap Real Estate Investment Services, Inc. © 2024 Marcus & Millichap. All rights reserved.

THE TEXAS REAL ESTATE COMMISSION (TREC) REGULATES REAL ESTATE BROKERS AND SALES AGENTS, REAL ESTATE INSPECTORS, HOME WARRANTY COMPANIES, EASEMENT AND RIGHT-OF-WAY AGENTS AND TIMESHARE INTEREST PROVIDERS. YOU CAN FIND MORE INFORMATION AND CHECK THE STATUS OF A LICENSE HOLDER AT WWW.TREC.TEXAS.GOV. YOU CAN SEND A COMPLAINT AGAINST A LICENSE HOLDER TO TREC. A COMPLAINT FORM IS AVAILABLE ON THE TREC WEBSITE. TREC ADMINISTERS TWO RECOVERY FUNDS WHICH MAY BE USED TO SATISFY A CIVIL COURT JUDGMENT AGAINST A BROKER, SALES AGENT, REAL ESTATE INSPECTOR, OR EASEMENT OR RIGHT-OF-WAY AGENT, IF CERTAIN REQUIREMENTS ARE MET. IF YOU HAVE QUESTIONS OR ISSUES ABOUT THE ACTIVITIES OF A LICENSE HOLDER, THE COMPLAINT PROCESS, OR THE RECOVERY FUNDS, PLEASE VISIT THE WEBSITE OR

TEXAS REAL ESTATE COMMISSION
P.O. BOX 12188
AUSTIN, TEXAS 78711-2188
(512) 936-3000

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

NET LEASE DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Lease property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a Net Lease property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a Net Lease property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

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

Steve Swenholt

steve.swenholt@marcusmillichap.com

(512) 338-7826

Marcus & Millichap
DIFFIE RETAIL TEAM

ACTIVITY ID #: ZAF0160074





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.

<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>