

BRAND NEW 20-YR ABSOLUTE NNN LEASE
AUBREY, TEXAS

CIA commercial
investment
advisors
OFFERING MEMORANDUM



FILE PHOTO

26561 EAST UNIVERSITY DRIVE | AUBREY (DFW MSA), TEXAS 76227

ADVISORY TEAM

JUSTIN ZAHN

VICE PRESIDENT

justin@ciadvisor.com
480.718.5555 - direct
402.730.6021 - cell

PAUL BLACKBURN

BROKER OF RECORD

Blackburn Properties
License # 376821



COMMERCIAL INVESTMENT ADVISORS

CIA BROKERAGE COMPANY

9383 East Bahia Drive, Suite 130
Scottsdale, Arizona 85260
480.214.5088
www.ciadvisor.com



HIGHLIGHTS



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

POINTS OF INTEREST

Retailers | Entertainment: Retailers within 5 miles include Walmart, Atwoods, Tractor Supply Co., ALDI, Dollar Tree, Dollar General, Home Depot, Academy Sports+Outdoors, Pet Supplies Plus, Kroger Marketplace, Specs Wines, Spirits & Finer Foods; Dining options include Sonic Drive-In, Chick-Fil-A, Freddy's Frozen Custard & Steakburgers, Raising Cane's, IHOP, Panera Bread, Jack in the Box, McDonald's, MOD Pizza, Chicken Express, Torchy's Tacos, Salad and Go, etc.

Higher Education: 11 miles from **Texas Woman's University Denton** - a public university offering programs in nursing, liberal arts, fine arts, the sciences, health sciences, business & education with a total enrollment of 12,790 students; 13 miles from **University of North Texas Denton** - a 4-year public university offering bachelors, masters & doctoral degrees with total enrollment of 41,953

Healthcare: 12½ miles from **Medical City Denton** - a 208-bed, acute care hospital with more than 900 employees & 500 physicians. The hospital is a Level II Trauma Center, a Primary Stroke Center and an accredited Chest Pain Center offering advanced open heart surgery, serving Denton, Wise, Cooke & Montague counties.

BRAND NEW 20-YEAR ABSOLUTE NNN LEASE

Brand new 20-year Absolute NNN lease with attractive 7.00% rental escalations every 5 years with four 5-year options to renew.

TENANT

Ram-Z Custard, LLC owns & operates 38 locations across Texas, Oklahoma, Arkansas, Missouri & Kansas (11 Freddy's and 27 Schlotzsky's) **All units back the performance of the lease!**

BRAND NEW CONSTRUCTION

New, high quality, build-to-suit construction of Freddy's newest prototype - slated for opening Date/Rent Commencement on April 2024 (Est.)

LARGE PARCEL | TRAFFIC COUNTS

Positioned on a ±0.85-acre lot, just off the hard corner with excellent visibility/access on E. University Dr. (US-380) and Main St. where traffic counts exceed 54,790 CPD!

VERY AFFLUENT 2023 DEMOGRAPHICS

2023 Population (5-mi)	98,555
2023 Households (5-mi)	33,146

2023 Average Household Income (5-mi)	\$134,603
Historical Annual Growth 2010-2020 (3-mi)	14.0%

TEXAS IS AN INCOME TAX FREE STATE

PROPERTY OVERVIEW & RENT ROLL

SITE ADDRESS

26561 East University Drive
Aubrey, TX 76227

TENANT

Ram-Z Custard, LLC

GUARANTOR

Ram-Z Restaurant Group, LLC

LESSEE ENTITY TYPE

Franchise

GROSS LEASABLE AREA

±3,112 SF

LOT SIZE

±0.85 acre

YEAR BUILT

April 2024 (Est. - Under Construction)

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

7.00% every 5 years

RENT COMMENCEMENT DATE

April 9, 2024 (Est.)

EXPIRATION DATE

April 30, 2044

OPTIONS

Four 5-Year Renewal Options



RENT ROLL

	TERM*	ANNUAL RENT	CAP RATE
Years 1-5	04/09/24 to 04/30/29	\$195,000	5.75%
Years 6-10	05/01/29 to 04/30/34	\$208,650	6.15%
Years 11-15	05/01/34 to 04/30/39	\$223,256	6.58%
Years 16-20	05/01/39 to 04/30/44	\$238,883	7.04%

6.38% AVG ANNUAL RETURN

RENEWAL OPTIONS

1st Option	05/01/44 to 04/30/49	\$255,605
2nd Option	05/01/49 to 04/30/54	\$273,498
3rd Option	05/01/54 to 04/30/59	\$292,642
4th Option	05/01/59 to 04/30/64	\$313,127

* Estimated dates are subject to change based on construction completion and tenant opening.



Freddy's

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 38 locations across Texas, Oklahoma, Arkansas, Missouri & Kansas (11 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/>

SITE PLAN



US-380/E UNIVERSITY DR | 41,816 CPD

LOT SIZE	±0.85 Acre
GLA	±3,112 SF

AUBREY



CITY VIEW



DALLAS/FT WORTH METRO



AUBREY SYNOPSIS

Aubrey is a charming small town located in Denton County, known for its picturesque landscapes and rich history. Nestled in the heart of North Texas, Aubrey is a close-knit community that exudes a warm and welcoming atmosphere. The town is renowned for its equestrian culture, with numerous horse farms and ranches dotting the surrounding countryside. Residents and visitors often enjoy leisurely rides along the scenic trails, and Aubrey hosts various equestrian events and rodeos throughout the year. The town’s historic downtown area is lined with quaint shops and restaurants, adding to its rustic charm.

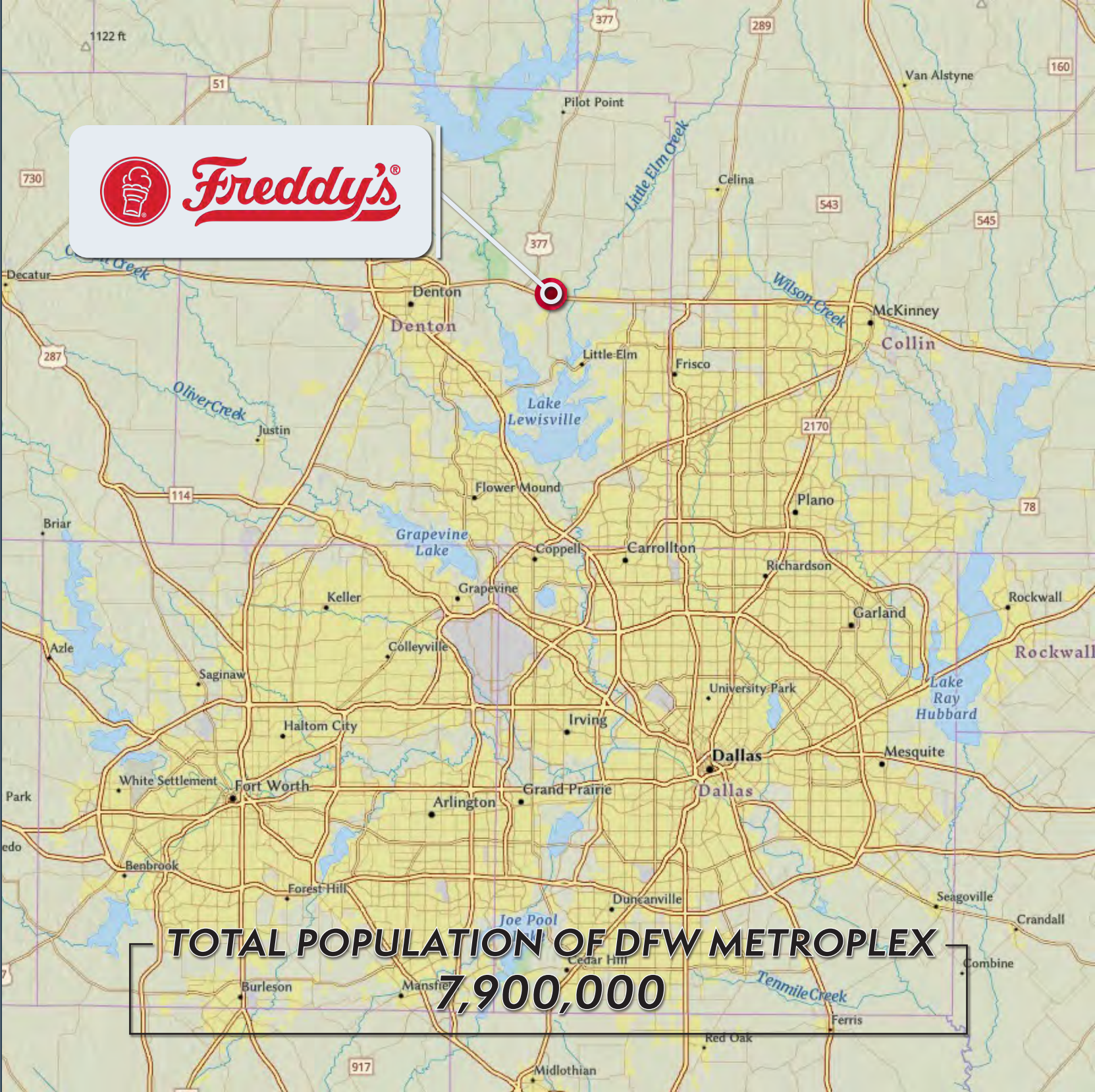
As for **Denton County**, it is home to several significant employers that contribute to the region’s economic vitality. Denton County’s largest employers include the **University of North Texas** and **Texas Woman’s University**, both of which are educational institutions offering a wide range of academic and research opportunities. Additionally, the **Texas Health Presbyterian Hospital Denton** is a major healthcare provider in the county, offering a comprehensive range of medical services to the local community.

The Dallas-Fort Worth Metroplex is a metropolitan statistical area, encompassing 11 counties. It is the economic & cultural hub for North Texas. The metropolitan region’s economy, also referred to as Silicon Prairie, is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation and logistics.

The **Top Fortune 500 companies in the Metroplex** area includes AT&T, Energy Transfer, HF Sinclair, CBRE Group, Southwest Airlines, Builders FirstSource, Texas Instruments

2023 DEMOGRAPHICS

	1-MI	3-MI	5-MI
2023 Population	10,254	43,430	98,555
2028 Projected Population	11,926	50,680	115,459
Historical Annual Growth (2010-2020)	8.5%	14.0%	11.8%
Labor Population Age 16+	7,303	32,283	74,738
Median Age	32.1	32.8	34.0
Average Household Income	\$99,939	\$118,738	\$134,603



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FOR MORE INFORMATION:

JUSTIN ZAHN

Vice President

O +1 480 718 5555

C +1 402 730 6021

justin@ciadvisor.com

PAUL BLACKBURN

Designated Broker

License # 376821

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investment
advisors