



BURGER KING (SAN ANTONIO MSA)
101 Farm to Market 306 | New Braunfels, TX

THE
Boulder
GROUP

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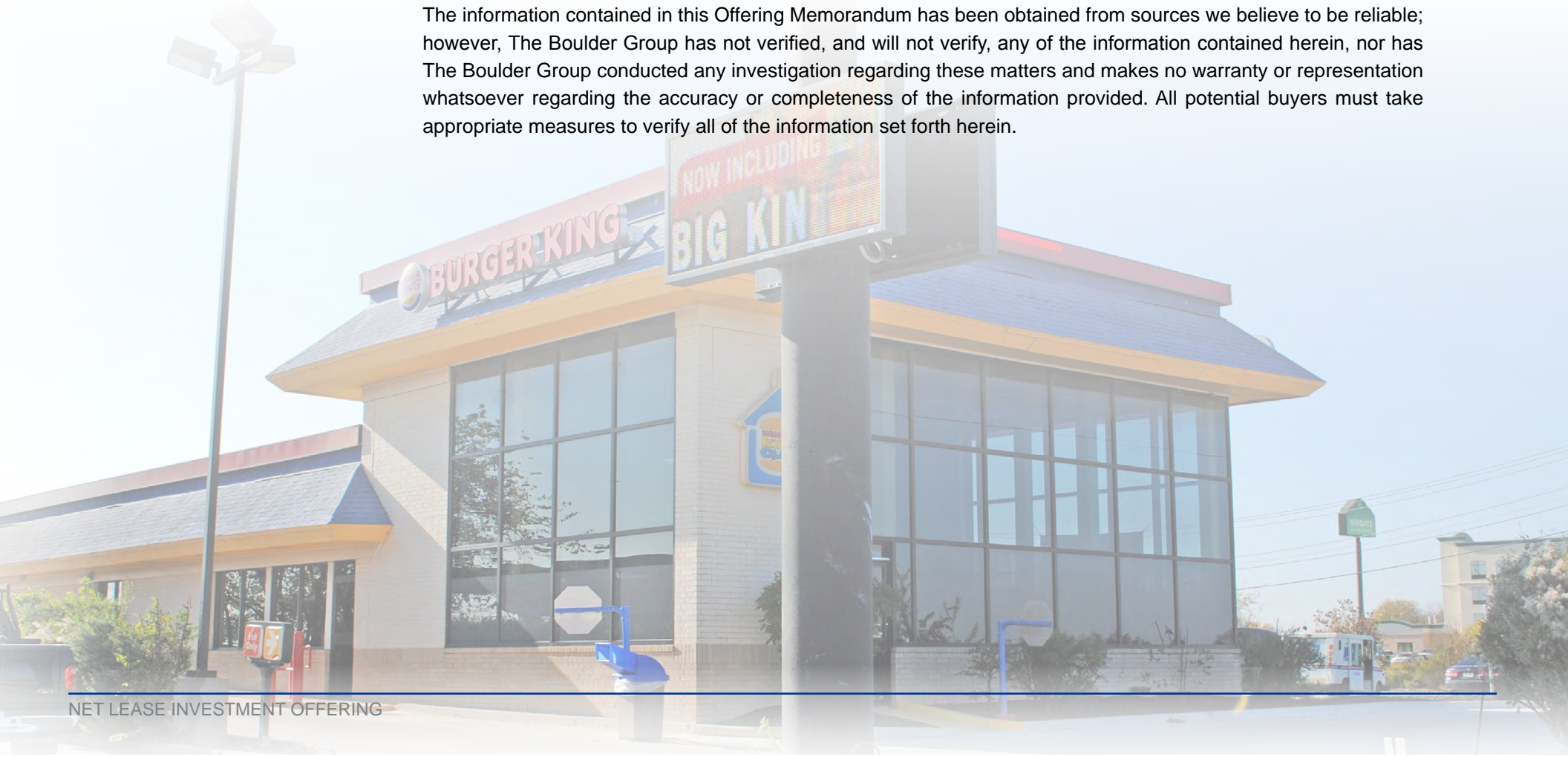


**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.





The 4,196 square foot Burger King building is strategically located along Interstate 35 in a dominant retail corridor in the San Antonio MSA. The Burger King has excellent visibility to the approximately 115,000 vehicles per day that travel along Interstate 35. The Burger King is well located in a major retail destination. A brand new HEB grocery store is currently being constructed just north of the property. The property is located across the interstate from the Town Center at Creekside, which is anchored by Target, JCPenney, Best Buy, Belk, Dick's Sporting Goods, TJ Maxx, Hobby Lobby and Walgreens. Additionally, the property is benefitted by its proximity to the recently constructed Resolute Health Hospital (138 beds). The Burger King is located in the immediate vicinity to a 1.3 million square foot Walmart distribution center that employs over 700 people. The surrounding area is experiencing tremendous expansion with annual population growth projected to be over 3.2% within three miles. There are approximately 60,000 people living within a five mile radius earning average household incomes of \$73,000.

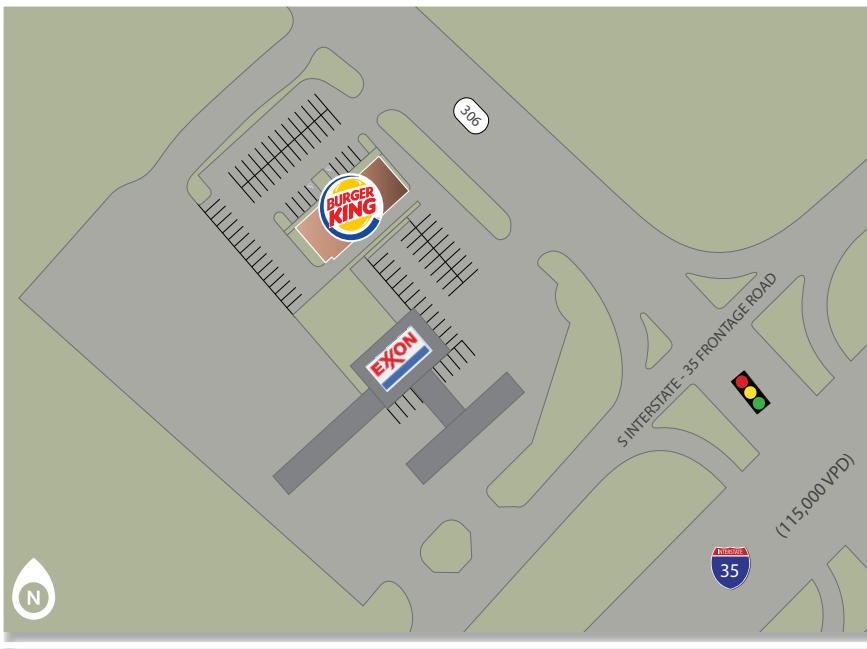
The lease has over 16 years remaining and features 5% rental escalations in year 5, 10, and each renewal option period. The lease is triple net and features zero landlord responsibilities. The lease is guaranteed by Magic Fries, LLC, the entity operating all of the Sun Holdings, Inc.'s Texas Burger King restaurants. Sun Holdings, Inc. is the 9th largest total Franchise owner in the United States.

Property Overview:

Price:	\$2,241,527
Cap Rate:	5.50%
Net Operating Income:	\$123,284
Rent Schedule:	5% in Year 5, 10 & Each Renewal Option
Renewal Options:	Three 5-Year
Rent Commencement:	October 1, 2015
Lease Expiration:	September 30, 2032
Tenant:	Fritz Management, LLC
Guarantor:	Magic Fries, LLC
Year Built:	2000
Building Size:	4,196 SF
Land Size:	0.78 Acres
Lease Type:	NNN

Property Highlights:

- Located within the San Antonio MSA
- Long term lease with over 16 years remaining
- 5% rental escalations in year 5, 10, and each renewal option period
- Absolute triple net lease with no landlord responsibilities
- 3.26% annual projected population growth within three miles of the property
- Located along Interstate 35 with excellent visibility to approximately 115,000 VPD
- Dominant retail destination that features Target, JCPenney, Best Buy, Belk, Dick's Sporting Goods, TJ Maxx, Hobby Lobby, Walgreens and a HEB grocery store which is under construction across the street
- Immediate vicinity to a 1.3 million square foot Walmart distribution center that employs over 700 people
- Tenant is required per the lease to remodel the premises to meet Franchisor's current branding requirements within 2 years



Demographic Report:

Population	3-Mile	5-Mile	7-Mile
Total Population	23,973	60,953	82,092
Total Households	8,935	22,905	30,059
Annual Population Growth	3.26%	2.62%	2.92%

Income	3-Mile	5-Mile	7-Mile
Median Household Income	\$57,516	\$58,347	\$60,964
Average Household Income	\$71,459	\$74,465	\$78,947



TENANT
PROFILE:

Magic-Fries Holdings is the guarantor of the Buda, Texas property. Magic-Fries Holdings is owned by Guillermo Perales who is the CEO of Sun Holdings, Inc. Magic-Fries Holdings is the entity operating all of the Sun Holdings, Inc's Texas Burger King restaurants. Sun Holdings, Inc. is the 9th largest Franchise owner in the United States. In total, Sun Holdings owns and operates 280 Burger Kings, 100 Popeye's, 68 Arby's, 24 Golden Corrals, 36 Cici's Pizza, 15 Krispy Kreme locations, 89 T-Mobile stores and 10 restaurants in different airports. Their operations have created 14,000 local jobs, and they plan to continue to grow. Sun Holdings, Inc. was founded in 1997 by now President and CEO Guillermo Perales.

In 2014 alone, he was awarded the Empire Builder Award from the Greater Dallas Hispanic Chamber of Commerce, Multi Unit Franchisee Magazine ranked him seventh Multi Unit Brand, and the Dallas Business Journal ranked him first Largest North Texas Hispanic Owned Business and Largest North Texas Minority Owned Business. Since 1997, he has produced an annual growth rate of 50 percent for his company and quickly turned himself into the largest Latino franchise owner in the United States.

Burger King, often abbreviated as BK, is an American global chain of hamburger fast food restaurants headquartered in unincorporated Miami-Dade County, Florida, United States. The company began in 1953 as Insta-Burger King, a Jacksonville, Florida-based restaurant chain. After Insta-Burger King ran into financial difficulties in 1954, its two Miami-based franchisees, David Edgerton and James McLamore, purchased the company and renamed it Burger King. Over the next half century, the company would change hands four times, with its third set of owners, a partnership of TPG Capital, Bain Capital, and Goldman Sachs Capital Partners, taking it public in 2002. In late 2010, 3G Capital of Brazil acquired a majority stake in BK in a deal valued at US\$3.26 billion. The new owners promptly initiated a restructuring of the company to reverse its fortunes. 3G, along with partner Berkshire Hathaway, eventually merged the company with Canadian-based doughnut chain Tim Hortons under the auspices of a new Canadian-based parent company, Restaurant Brands International.

Restaurant Brands International Inc. is a publicly traded company (NYSE: QSR) with a market capitalization in excess of \$7 billion. As of October 8, 2015, it franchised or owned approximately 19,000 restaurants in approximately 100 countries and U.S. territories worldwide. Today there are approximately 14,000 Burger King locations worldwide.

Website: www.bk.com
 Number of Burger King Locations: 14,000
 Parent Company Stock Symbol: NYSE: QSR
 Parent Company Market Capitalization: \$7 billion



MARKET
OVERVIEW:

San Antonio is the seventh most populous city in the United States of America and is the second most populous city in the state of Texas with a population of 1,409,019. It was the fastest growing of the top 10 largest cities in the United States from 2000 to 2010, and the second from 1990 to 2000. As of 2013, the San Antonio MSA had an estimated population of 2,270,000 people, making it the 25th largest metropolitan area in America. More than 26 million people visit San Antonio per year. According to Forbes, San Antonio is the ninth fastest growing metro area. Additionally, Forbes ranked San Antonio second nationally for the most economic momentum moving forward.



San Antonio is home to six Fortune 500 companies and the South Texas Medical Center, the only medical research and care provider in the South Texas region. The Fortune 500 companies headquartered in San Antonio include Valero Energy Corporation, Tesoro Corporation, USAA, CST Brands Inc, NuStar Energy, and Clear Channel. San Antonio is strategically located as a significant distribution hub for products exchanged between Mexico and the United States. Over 50% of all goods exchanged between the US and Mexico travel through San Antonio.

San Antonio holds much of its economic base in the tourism, health, and biotech industries but has also experienced strong and growing activity related to exploration and production in the Eagle Ford Shale. Over 26 million people visit San Antonio per year. The Alamo and the Riverwalk remain amongst the most visited destinations. The city is home to the five-time NBA champion San Antonio Spurs and hosts the annual San Antonio Stock Show & Rodeo, one of the largest such events in the country.

San Antonio is served by four major interstates: Interstate 35, Interstate 10, Interstate 37, and Interstate 410. The San Antonio International Airport (SAT) is located in Uptown San Antonio, approximately eight miles north of Downtown.

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