OFFERING MEMORANDUM

BURGER KING

SAN ANTONIO
TEXAS

New 18 Year NNN Lease to Commence COE

Marcus & Millichap
NNN DEAL GROUP

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BREAKFAST
Ch'KING

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INVESTMENT SUMMARY

14235 POTRANCO RD, SAN ANTONIO, TX 78254

PRICE: $3,326,315 **CAP: 4.75%** **RENT: $158,000**

OVERVIEW

Price	$3,326,315
Gross Leasable Area (GLA)	3,168 SF
Lot Size	0.88 Acres
Net Operating Income (Future Rent)	$158,000
CAP Rate	4.75%
Year Built	2019

SUGGESTED LEASE ABSTRACT

Lease Type	NNN
Lease Term	18 Years
Lease Start	COE
Renewal Options	4x5
Increase	Rent bumps 7% every 5-years
Landlord Obligation	None At All

SUGGESTED ANNUALIZED OPERATING DATA

Lease Term	Annual Rent
Years 1-5	$158,000
Years 6-10	$169,060
Years 11-15	$180,894
Years 16-18	$193,556
Option 1*	$207,102
Option 2	$221,599
Option 3	$237,110
Option 4	$253,707

* Escalations every 5 years equates to option escalations happening mid-term of each option period to maintain 5 year consistency.

BURGER KING
FLAME GRILLING SINCE 1954
14235
Bacon Cheeseburger
BUY ONE, GET ONE FOR $1
$1
Coke
Guardian

DRIVE THRU

BURGER KING

INVESTMENT HIGHLIGHTS

- Brand new 18-year lease with 4, 5-year options to follow to commence upon close of escrow
- QSRs' have shown to be Covid-19, e-commerce and recession resistant operations
- Long term true NNN fee simple location offers 7% rent bumps every five years, giving an owner the ability to stay ahead of inflation
- Location has a vital drive through which combats against possible dining restrictions
- Truly passive investment opportunity. No landlord obligations

91,988
TOTAL POPULATION WITHIN 5-MILE RADIUS

$95,304
AVERAGE HOUSEHOLD INCOME WITHIN 5-MILE RADIUS

14,012 VPD - POTRANCO RD
13,783 VPD - TEXAS RESEARCH PKWY

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BURGER KING
14235

INVESTMENT HIGHLIGHTS

The Seller operates 14 units. This units lease will be operating under the Stevenson Ranch operator.

Strong store sales with 8.69 rent:sales ratio. Call agent for more details about unit performance

This stable investment opportunity offers a risk averse investor the opportunity to own a successful QSR location in a densely trafficked and populated area of San Antonio, Texas.

The investment offers e-commerce, recession and pandemic Resistance.

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BREAKFAST
DELIVERY AVAILABLE
ON THE BK APP

Langley Elementary School
450 Students
Future Development
18.30 acrea of
retail/mixed use
CVS pharmacy
Little Caesars
SONIC
Little Caesars
at&t
Peachwave -
Frozen Yogurt
Domino's Pizza
Palazzo
Nail Bar
TACO BELL
Dr Joe J Bernal
Middle School
Life Storage
H-E-B
The UPS Store
SportClips
HAIRCUTS
BURGER KING
REDBIRD RANCH
5,403 LOTS
Potranco Self
Storage
POTRANCO
RUN
534 LOTS
Christian
Brothers
Bill Miller
Bar-B-Q
QT
POPEYES
LOUISIANA KITCHEN
Phase II
Apartments
POTRANCO RD - 14,012 VPD
PAPA JOHNS
Southern Freeze
Daiquiri
Available
Under Contract
VALERO
Under Contract
Future Multifamily
Development
McDonald's
Esperanza
Apartments
244 Units
Under Contract
Phase II
Apartments
ARCADIA PATH
221
Available
Under Contract
Available
TEXAS RESEARCH PKWY - 13,782 VPD
citibank
Corporate Office
& Operations
Center
4,000 +/-
Employees
Wernli Elementary
School

BURGER KING

TENANT SUMMARY

BURGER KING

Burger King is one of the world's most recognized consumer brands. Over 11 million guests visit Burger King restaurants around the world each day due to the restaurant chain's affordable and high-quality food. It is the second largest fast food hamburger chain in the world and is known for its original "Whopper" hamburger. Burger King is headquartered in Miami, FL, and currently operates in over 100 countries and has approximately 14,000 locations. The restaurant chain operated a fully franchised business model, making nearly all restaurants owned and operated by independent franchisees.

HISTORY: Burger King was founded in 1954 by James W. McLamore and David Edgerton in Miami. The restaurant chain's signature burger, the "Whopper," was introduced in 1957. During this time, McDonald's was still selling only small hamburgers, creating large success for Burger King. The first franchised Burger King was sold by McLamore and Edgerton in 1959, beginning a long journey of franchised restaurants. Burger King expanded outside the U.S. in 1963 by opening a restaurant in Puerto Rico.

In October 2010, 3G Capital purchased Burger King Corporation for $4 billion, turning the restaurant chain into a privately held company. 3G Capital is a global multi-million-dollar investment firm, with a strong history of operational excellence. The firm focuses on developing and retaining-top tier talent and is in close partnership with management teams at its portfolio companies. In 2012, Daniel Schwartz became Chief Executive Officer, after moving up in the ranks for several years prior, and within 18 months, Burger King's stocks doubled. His business model focused on ensuring Burger King appealed to the masses despite being a 60-year-old hamburger chain. He implemented new initiatives such as bringing plant-based patties to the menu and creating super bowl commercials which engaged younger generations of consumers. Although he is no longer CEO of 3G Capital, his lasting impact on the company ensured success for generations to come. In 2014, 3G Capital acquired Tim Hortons and combined the company with Burger King to create Restaurant Brands International, RBI. Popeye's was also acquired by 3G Capital, placing eh restaurant under RBI. This has made RBI one of the world's largest quick service restaurant companies, with over 26,000 restaurants across the globe.

In 2019, systemwide growth for RBI was driven primarily by Burger King. Systemwide sales at Burger King increased over 9% to $23 billion, which included a comparable sales growth of over 3%. There was also net restaurant growth of just below 6%. In addition, systemwide international sales have grown from $8 billion five years ago to $13 billion in 2019. This has made international business a large portion of Burger King's revenue. International sales at Burger King grew almost 15% in the fourth quarter of 2019. The U.S. also continues to see strong store sales, especially after the "Impossible Whopper", a plant-based version of the world-famous burger was introduced to Burger King's menu.

BURGER KING

MIAMI, FLORIDA

HEADQUARTERS

17,796 +/-

LOCATIONS

FRANCHISED LOCATION

SUBJECT SITE

PUBLIC (TSX:QSR) PARENT COMPANY

OWNERSHIP

RESTAURANT BRANDS INTERNATIONAL

BURGER KING PARENT COMPANY

$1.27(BIL)

REVENUE 2018 (PARENT COMPANY)

2.2%

BURGER KING'S SAME STORE SALES GROWTH 2018

WWW.RBI.COM

WEBSITE

H-E-B
The UPS Store
SportClips
HAIRCUTS
at&t
Domino's Pizza
TACO BELL
BURGER KING
POTRANCO RD - 14,012 VPD

BURGER KING

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BURGER KING
Sam Houston Way
Stevens Pkwy
Montessa Park
Tahoe Ave
Rosetta
Ricadonna
Gemma
Evelina
Annuziata
Volante
Bella Vista Pl
Caprese Hl
Bella Donna
Tramonto Hl
Trilby
Spello Cir
Palatine Hl
Piaz. Pl
Potranco Rd
Sun Sierra
Sundance Hunt
Sundance Ft
Solar Crst
Tribeca
Silas Crk
Nicholas Cv
Sungr. Vw
Sunset Lk
Sun Gdn
Cessna
Kedros
Laurel Br
Knob Crk
Citibank Dr
Tripoli
Kotili
Dimitra
Isaris
Arcadia Path
Sanibel
Falls Smt
Ares Wy.
Argos Star
Spanish Wells
Pillard Smt
Texas Research Pkwy
Omicron Dr
Zetar Dr
Theta Dr
Lambda Dr
Atticus Dr
Sirius Cir
Proteus St
Achilles Dr
Cerberus Dr
Running Wolf
Costa Leon
Verde Azul
Tortuga Verde
Sueno Pt
W Grosenbacher Rd
BRIGGS RANCH GOLF CLUB
Rustlers Trl
Roundup
Sleepy Oaks Ln
Village Dr
Oak Meadow Ln
Laurel Ridge Dr
N Rolling Oaks Ln
Grove Pt
Grove Bnd
Hol. Bk. Dr
N Rolling Vw
Deer Country
S Rolling Vw
Creek Bluff Dr
Ridge View Dr
S Rolling Oaks Ln
Cipresso Palco
Villa Taranto
Palma Noce
Ville Serene
Capri
Prato Brezza
Birchwood Bay
Blue Juniper
Texas Mulberry
Talley Rd
Westcreek Vw
Gardenia Ps.
Pt. Sound
Point Spgs
Point Vly
Pt. Mdw
Point Sunset
Jeff Rnch
Coal Mine Rise
Ozona Rnch
Reid Rnch
Ranch Fls
Snowy Egret
Night Heron
Field Sparrow
Pintail
Cinnamon Teal
Reeves Loop
McKays Lark
Rose Spoonbill
Hollimon Pkwy
Perch Mnr
Perch Horizon
Cardinal Way
Coopers Hawk
Cardinal Song
Poolside Dr
Redbird Pass
Perch Mdw
Red Quill Nest
Redbird Song
Birdstone Ln
Fort Marcy
Firenze Ave
Stagehand Rd
Raceland Rd
Sebastian Farm

LOCATION OVERVIEW

SAN ANTONIO, TEXAS

San Antonio is the seventh most populous city in the United States and the second most populous city in both Texas and the Southern United States. San Antonio's notable attraction includes the River Walk, the Tower of the Americas, SeaWorld, the Alamo Bowl, and Marriage Island. Commercial entertainment includes Six Flags Fiesta Texas and Morgan's Wonderland amusement parks. According to the San Antonio Convention and Visitors Bureau, the city is visited by about 32 million tourists a year. It 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 United States.

The U.S. Armed Forces have numerous facilities in and around San Antonio; Fort Sam Houston is the only one within the city limits. Lackland Air Force Base, Randolph Air Force Base, Lackland AFB/Kelly Field Annex, Camp Bullis, and Camp Stanley are outside the city limits. Kelly Air Force Base operated out of San Antonio until 2001, when the airfield was transferred to Lackland AFB. The remaining parts of the base were developed as Port San Antonio, an industrial/business park and aerospace complex. 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.

Lackland Air Force Base is home to more than 120 Department of Defense and associate organizations, including the 37th Training Wing, the largest training wing in the U.S. Air Force. Lackland is the Air Force's only site for enlisted basic military training, and also offers professional and technical skills, and English language training for members of the U.S. Air Force, other military services, government agencies, and allies. Its four primary training functions graduate more than 86,000 students annually. In 2005, Lackland was recommended for joint basing for the three major installations around the city: Fort Sam Houston, Lackland AFB and Randolph AFB. In 2009, all 3 bases were included into Lackland AFB.

San Antonio has a diversified economy with a gross domestic product (GDP) of approximately $96.8 billion. This ranks the city fourth in Texas and 38th in the United States. San Antonio's economy focuses primarily on military, health care, government-civil service, financial services, oil and gas, and tourism. Within the past twenty years, the city has become a significant location for American-based call centers and has added a sizable manufacturing sector centered around automobiles.

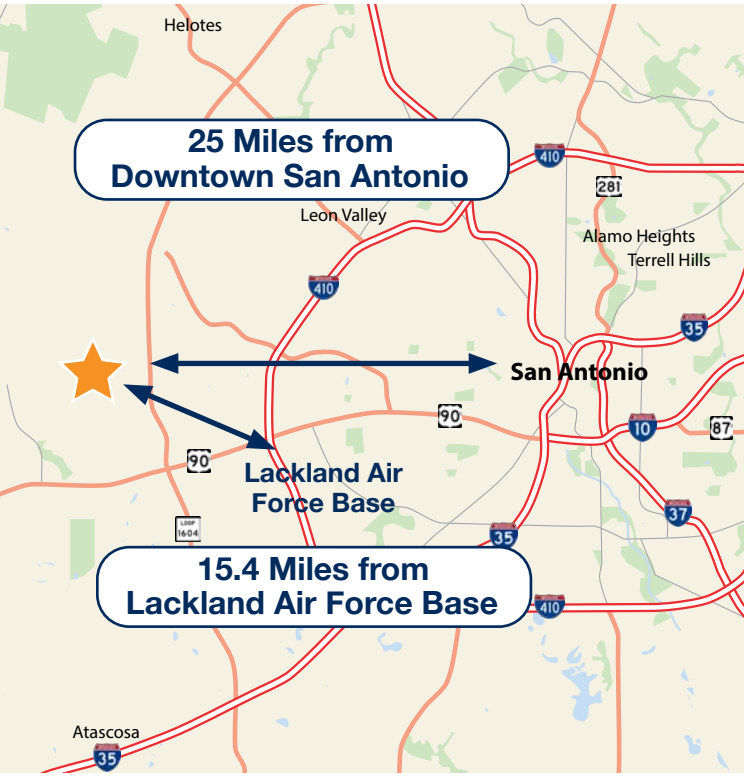
Located about 10 miles northwest of Downtown is South Texas Medical Center, a conglomerate of various hospitals, clinics, and research (Southwest Research Institute and Texas Biomedical Research Institute) and higher educational institutions.

LOCATION OVERVIEW (CONTINUED)

Over twenty million tourists visit the city and its attractions every year, contributing substantially to its economy, primarily due to The Alamo and the River Walk. The Henry B. Gonzalez Convention Center alone hosts over 300 events annually with more than 750,000 convention delegates from around the world. Tourism provided over 130,000 jobs, and it had an economic impact of $13.6 billion in the local economy. The City of San Antonio received $195 million in the same year from the hospitality industry, with revenues from hotel occupancy tax, sales taxes and others.

San Antonio is the headquarters of six Fortune 500 companies: Valero Energy, Andeavor (formerly Tesoro Corp), USAA, iHeartMedia, NuStar Energy, and CST Brands, Inc., H-E-B, the 13th-largest private company in the US is also based in San Antonio. Other companies headquartered in the city include Bill Miller Bar-B-Q Enterprises, Carenet Healthcare Services, Security Service Federal Credit Union, Visionworks of America, Frost Bank, Harte Hanks, Kinetic Concepts, SWBC, NewTek, Rackspace, Taco Cabana, Broadway Bank, Zachry Holdings/Zachry Construction Company, Randolph-Brooks Federal Credit Union, SAS, and Whataburger. The North American Development Bank, a development institution jointly held by the governments of the U.S. and Mexico, is headquartered in San Antonio as well. Other notable companies that maintain sizable presences in the city include Hulu, OCI, Kaco New Energy, Silver Spring Networks, Toyota, Argo Group, EOG Resources, Microsoft, Cogeco Peer1, and Boeing.

In 2015, San Antonio was ranked at No. 50 by Forbes magazine on their list of the Best Places for Business and Careers, while being listed as the 15th best market for job growth.



MAJOR EMPLOYERS SAN ANTONIO, TEXAS

COMPANY	Employees
Joint Base San Antonio	73,707
H.E.B. Food Stores	22,000
United Services Automobile Association	19,400
Northside Independent School District	13,498
City of San Antonio	11,183
Methodist Healthcare System	9,620
North East Independent School District	8,386
San Antonio Independent School District	7,338
Baptist Health Systems	6,383
Wells Fargo	5,152

LOCATION HIGHLIGHTS

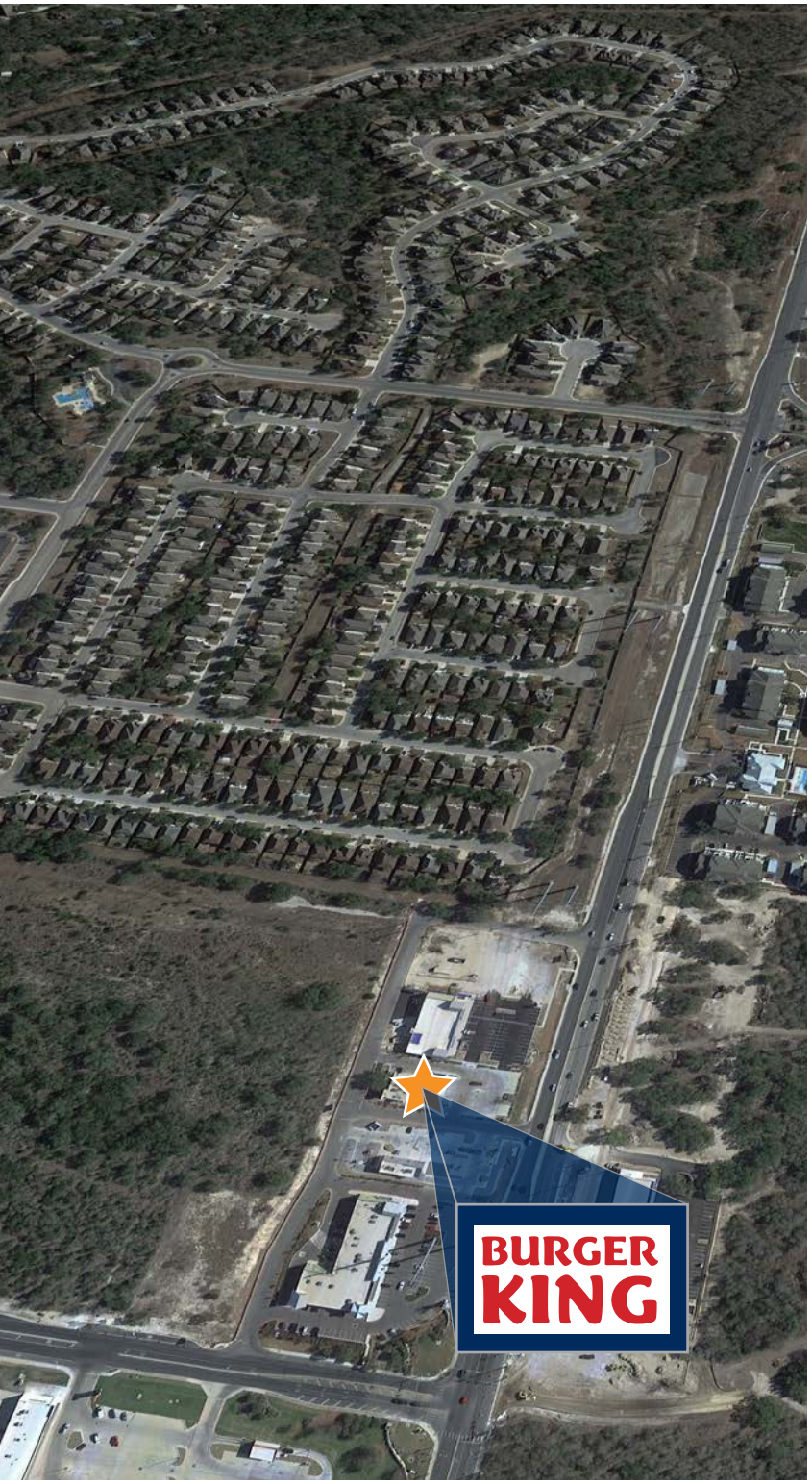
SAN ANTONIO, TX
NEAR LACKLAND AIR FORCE BASE

Located just 25 Miles from Downtown San Antonio

Located near the Country's largest Air Force Base Training Center

Congested Traffic Counts exceed 14,000+ Vehicles Per Day

Strategically located for high visibility and ease in ingress/egress



DEMOGRAPHICS / SAN ANTONIO, TX

91,988
Total Population Within 5-Mile Radius

$95,304
Average Household Income
Within 5-Mile Radius

$78,548
Median Household Income
Within 5-Mile Radius

30,322
Total Households in 5-Mile Radius

105%
From 2010

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POPULATION	1 MILE	3 MILES	5 MILES
2025 Projection	3,414	24,361	91,988
2020 Estimate	2,713	19,960	74,456
Growth 2020 - 2025	25.87%	22.05%	23.55%
2000 Census	609	3,411	18,838
2010 Census	1,575	12,785	46,198
Growth 2000 - 2010	158.54%	274.84%	145.24%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2025 Projections	1,126	7,947	30,322
2020 Estimate	895	6,490	24,400
Growth 2020 - 2025	25.80%	22.44%	24.27%
2000 Census	211	1,206	5,917
2010 Census	518	4,105	14,784
Growth 2000 - 2010	145.26%	240.31%	149.87%

HOUSEHOLDS BY INCOME (2020 Est.)	1 MILE	3 MILES	5 MILES
$200,000 or More	5.91%	4.40%	4.20%
$150,000 - $199,999	8.34%	7.79%	6.57%
$100,000 - $149,999	27.66%	25.88%	22.73%
$75,000 - $99,999	20.73%	20.15%	19.53%
$50,000 - $74,999	17.32%	19.24%	21.06%
$35,000 - $49,999	7.64%	8.53%	10.20%
$25,000 - $34,999	5.04%	5.41%	6.32%
$15,000 - $24,999	3.20%	3.96%	4.45%
$10,000 - $14,999	1.65%	1.87%	1.83%
Under $9,999	2.51%	2.77%	3.11%
2020 Est. Average Household Income	$109,557	$101,033	$95,304
2020 Est. Median Household Income	$90,142	$84,908	$78,548
2020 Est. Per Capita Income	$36,166	$32,885	$31,427

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2020 Estimated Population by Age	2,713	19,960	74,456
Under 4	8.1%	8.8%	8.0%
5 to 14 Years	17.4%	17.5%	16.5%
15 to 17 Years	4.6%	4.9%	4.8%
18 to 19 Years	2.5%	2.6%	2.6%
20 to 24 Years	4.6%	5.3%	5.9%
25 to 29 Years	5.8%	6.2%	6.8%
30 to 34 Years	8.1%	8.5%	8.5%
35 to 39 Years	9.1%	9.3%	8.6%
40 to 49 Years	13.7%	14.1%	13.8%
50 to 59 Years	9.9%	9.0%	9.6%
60 to 64 Years	4.3%	3.6%	4.1%
65 to 69 Years	3.4%	2.7%	3.6%
70 to 74 Years	2.6%	2.1%	2.8%
Age 75+	6.1%	5.5%	4.5%
2020 Median Age	34.4	32.9	33.2
2020 Population 25 + by Education Level	1,706	12,152	46,341
Elementary (0-8)	1.97%	2.18%	2.74%
Some High School (9-11)	3.00%	3.66%	5.52%
High School Graduate (12)	18.51%	18.80%	19.93%
Some College (13-15)	26.38%	27.84%	27.15%
Associates Degree Only	11.48%	10.97%	11.58%
Bachelors Degree Only	23.94%	22.73%	20.17%
Graduate Degree	13.67%	12.75%	11.79%

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SAN ANTONIO
TEXAS

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