

- *Relocation Site from a Successful Inline Store*
- *More Than 13% Population Growth Within 1 Mile by 2020!*



**NEW CONSTRUCTION | 25 YEAR CORPORATE SALE LEASEBACK**  
**928 US-377, Aubrey TX 76227**

OFFERING MEMORANDUM

Click Image For Online  
Property Map



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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

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The Team



TACO BELL



## INVESTMENT SUMMARY

List Price:	\$1,553,400
Current NOI:	\$80,000
Initial Cap Rate:	5.15%
Average Cap Rate:	5.82%
Average NOI:	\$90,378
Land Acreage:	< One Acre
Year Built:	2017
Building Size:	2,159 SF
Google Aerial Map:	Click <a href="#">HERE</a>
Google Street View:	Click <a href="#">HERE</a>

## LEASE SUMMARY

Lease Type:	Absolute NNN
Taxes/CAM/Insurance:	Tenant Responsibility
Structure/Roof/Parking:	Tenant Responsibility
Scheduled to Open:	August 18, 2017
Original Lease Term:	25 Years
Rent Commencement:	New Lease signed @ COE
Rent Expiration:	25 Years After COE
Term Remaining:	25 Years
Rent Increases:	1% Annually
Option Periods:	Four 5 Year Options w/Increases
Lease Guarantor:	K-Mac Enterprises, Inc.

## INVESTMENT HIGHLIGHTS

- This is a Relocation Site from a Successful Inline Store
- New 25 Year Absolute NNN Lease Will Commence Upon Close of Escrow
- Brand New Construction | Restaurant will Open August 2017
- Absolute NNN Lease Requires Zero Landlord Responsibilities
- 1% Annual Increases Including the Option Periods
- Guaranteed By Top Franchisee Nationwide (290 Locations)

## LOCATION HIGHLIGHTS

- Located on Old State Highway 99 (US – 377) | 12,800 VPD
- Local Retail Corridor | Along the Main Thoroughfare of Aubrey
- 5 Mile Population Exceeds 13,000 Residents
- Explosive 13.63% Population Growth Within 1 Mile by 2020
- Average Household Income Exceeds \$94,000 Within 5 Miles



## INVESTMENT OVERVIEW

Fortis Net Lease is pleased to present a brand new free-standing Taco Bell located at 928 US Highway 377 in Aubrey, TX. At the close of escrow, the tenant, K Mac Enterprises will sign a brand new 25 year absolute NNN lease requiring zero landlord responsibilities. The entire 290 unit entity stands behind the guarantee of the lease. The lease also features 1% annual rent increases to hedge against inflation. These rent escalations are also included in the five, five year option periods.

This investment property is surrounded by many national retailers such as : Dollar General, Dollar Tree, Subway, Sonic, Healthmart Pharmacy and IGA. The five mile population exceeds 13,000 residents and has an explosive 13.63% projected growth rate within one mile by 2020. The median home value within three miles exceeds \$243,000 and the average household income within five miles exceeds \$94,000. This is an ideal opportunity for an investor to purchase a passive income real estate asset with absolutely zero management responsibilities.

## TENANT OVERVIEW

The tenant, K-Mac Enterprises, is a leading quick-service restaurant franchisee founded in 1964 and headquartered in Fort Smith, Arkansas. Over the company's 50 year history, it has grown to become one of the largest franchisee restaurant businesses in the country. K-Mac currently operates 285 restaurants in the Taco Bell, KFC and Golden Corral systems. The company has a regional concentration in the South Central region of the U.S., with restaurants located in Arkansas, Indiana, Illinois, Kentucky, Missouri, Mississippi, Oklahoma, Tennessee and Texas. K-Mac achieves over \$300 million in annual revenues. K-Mac has continually upgraded its existing asset base, having completed over 30 significant remodels since 2011. Going forward, K-Mac remains focused on continuing to grow through acquisitions and new unit development, as well as improving existing store operations.





## Aubrey, TX

Aubrey is a city in Denton County in the state of Texas. The population was 2,595 at the 2010 census. Aubrey, was officially founded 1867, when Civil War veteran Lemuel Noah Edwards (1838–1910) built the second frame house there. Edwards eventually gave each of his 10 children a lot on which to build a home. The Edwards family was instrumental in several civil developments. Dancing was not allowed, but the townspeople often gathered in the Edwards home for singing and listening music performed on an organ that Edwards had imported.

In 1881, the Texas and Pacific Railway completed a track and station in Aubrey and commenced operations.

In 1885, Edwards offered a lot to each congregation that would build a church within a year. In 1882 Edwards and Louis Caddel, Sr., donated land for a one-room schoolhouse in town. Edwards, through one of his daughters — Edna Mae Edwards (1884–1975), who married Hugh Tobin (1884–1929) — was the grandfather of Louise Tobin, a prolific big band jazz vocalist who reached national notoriety in 1932.

Eventually, Aubrey became known for the peanut farms that surrounded the town. By 2009 horse ranches surrounded Aubrey. Around that time new houses were constructed in Aubrey, replacing the grounds of the old peanut farms.

Located on the Texas Lakes Trail, 15 miles north of Denton off U.S. Highway 377 and U.S. Highway 380, in Denton County, Aubrey is in the Heart of "Horse Country, USA" and serves as a gateway to beautiful Lake Ray Roberts. It is a rural community minutes from great shopping in Frisco, Denton and Lewisville and is less than an hour commute to DFW airport.



Keep Aubrey Beautiful





**Point Bank**  
MEMBER FDIC

**SONIC**  
America's Drive-In



SUBJECT  
PROPERTY

NEW RETAIL  
DEVELOPMENT

12,800 VPD

**Chicken  
EXPRESS™**

**SUBWAY**

**DOLLAR TREE**

**DATCU**  
CREDIT UNION

**Sunrise Wood  
Designs, LLC**

FORMER SITE  
OF IN-LINE  
Taco Bell

Taco Bell  
Mexican-inspired  
fast-food chain

Old State Highway 99 (US - 377)

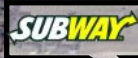




Aubrey High School



inspired fast-food chain



Aubrey Library

Aubrey Post Office

DOLLAR GENERAL

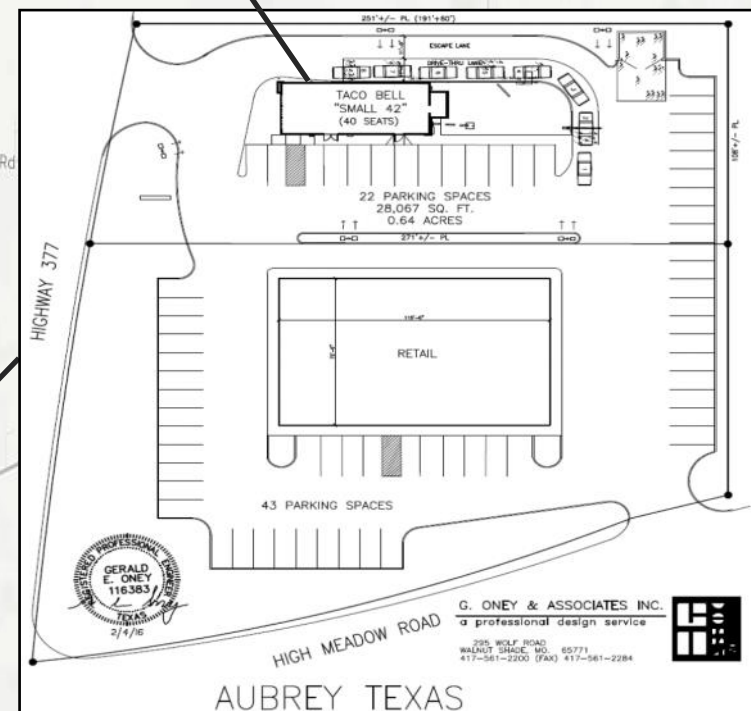


Precision Lending





13,438 People Live  
Within 5 Miles



Click Image For Online  
Property Map



Average  
Household  
Income  
Exceeds  
\$94,000  
Within 5  
Miles

TACO BELL RESTAURANT | FORTIS NET LEASE



**NOW  
HIRING**

## Top Employers in Denton County

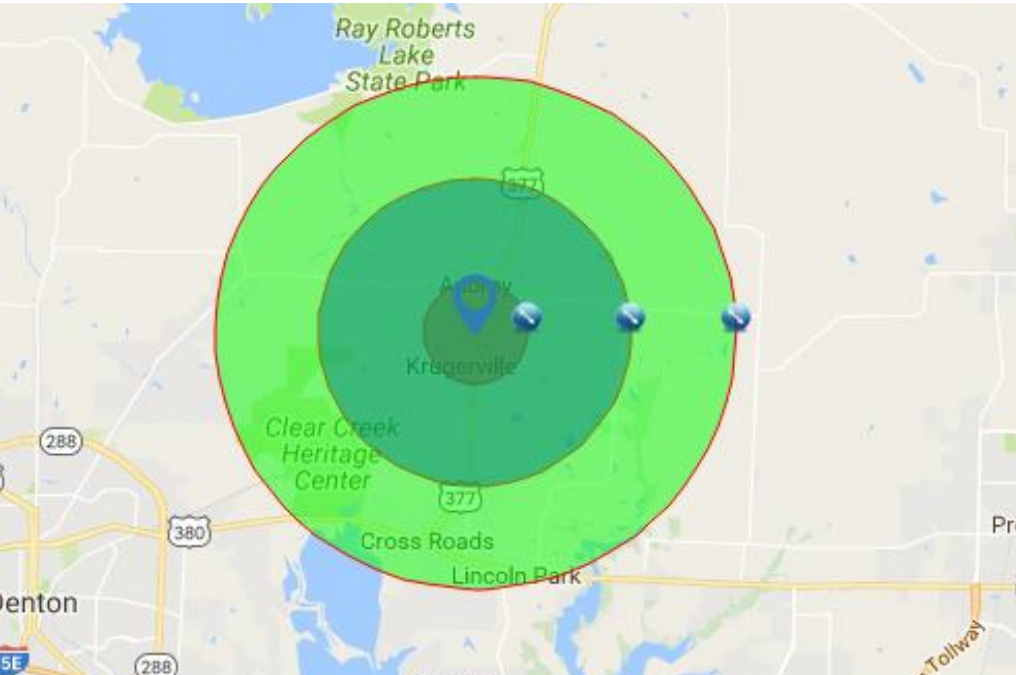
- ◆ University of North Texas
- ◆ Denton Independent School District
- ◆ Walmart
- ◆ Peterbuilt Motors Co.
- ◆ Lewisville Independent School District
- ◆ Northwest Independent School District
- ◆ Nebraska Furniture Mart
- ◆ Texas Women's University



928 US-377  
Krusville



Population	1 Mile	3 Mile	5 Mile
2016 Total Population:	3,412	6,684	13,438
2021 Population:	3,877	7,590	15,060
Pop Growth 2016-2021:	13.63%	13.55%	12.07%
Average Age:	37.00	37.00	35.40
Households			
2016 Total Households:	1,225	2,397	4,679
HH Growth 2016-2021:	13.63%	13.56%	12.22%
Median Household Inc:	\$77,123	\$77,263	\$83,690
Avg Household Size:	2.80	2.80	2.90
2016 Avg HH Vehicles:	2.00	2.00	2.00
Housing			
Median Home Value:	\$232,353	\$243,456	\$223,630
Median Year Built:	1997	1996	2000



Population:	1 Mile	3 Mile	5 Mile
2021 Projection	3,877	7,590	15,060
2016 Estimate	3,412	6,684	13,438
2010 Census	3,004	5,918	13,111
Growth 2016-2021	13.63%	13.55%	12.07%
Growth 2010-2016	13.58%	12.94%	2.49%
2016 Population Hispanic Origin	406	828	1,794
2016 Population by Race:			
White	3,270	6,376	12,491
Black	38	93	426
Am. Indian & Alaskan	38	72	128
Asian	14	34	112
Hawaiian & Pacific Island	3	6	17
Other	49	103	264
U.S. Armed Forces:	0	0	0
Households:			
2021 Projection	1,392	2,722	5,251
2016 Estimate	1,225	2,397	4,679
2010 Census	1,078	2,122	4,544
Growth 2016 - 2021	13.63%	13.56%	12.22%
Growth 2010 - 2016	13.64%	12.96%	2.97%
Owner Occupied	968	1,855	3,796
Renter Occupied	257	511	883
2016 Avg Household Income	\$87,650	\$88,281	\$94,366
2016 Med Household Income	\$77,123	\$77,263	\$83,690
2016 Households by Household Inc:			
<\$25,000	116	234	354
\$25,000 - \$50,000	272	521	799
\$50,000 - \$75,000	202	399	846
\$75,000 - \$100,000	259	497	981
\$100,000 - \$125,000	155	293	675
\$125,000 - \$150,000	105	218	467
\$150,000 - \$200,000	58	123	348
\$200,000+	57	113	210



"Horse Country. U.S."

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**FORTIS NET LEASE**  
INVESTMENT REAL ESTATE SERVICES



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