

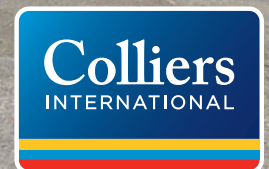
GATTI'S PIZZA | AUSTIN, TX

EXCLUSIVE NET-LEASE OFFERING MEMORANDUM

FRANCHISE AND PERSONAL GUARANTIES | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723



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FINANCIAL OVERVIEW | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723

OFFERING TERMS

Purchase Price	NOI	CAP Rate
\$1,066,650	\$80,000	7.5%

INVESTMENT SUMMARY



Tenant Trade Name	Gatti's Pizza
Location	7525 East Highway 290 Austin, Texas 78723
Price	\$1,066,050
CAP Rate	7.5%
NOI	\$80,000
Building Size	1,610 SF
Lot Size	0.4674 acres
Year Built	1972
Lease Guaranty	Franchise and Personal
Lease Type	NNN
Roof & Structure	Tenant Responsible
Lease Term	15 Years
Lease Commence	7/3/2018
Lease Expiration	7/2/2033
Rent Increases	10% every 5 years
Options	Three (3) Five (5)-Year periods

INVESTMENT OVERVIEW

- › Absolute net lease with approximately 14 years remaining | Priced at a 7.5% CAP Rate
- › 10% rental escalations every 5 years throughout the primary lease term and option periods
- › Lease guaranteed by 13-unit Gatti's Pizza operating entity and also personally guaranteed by two principals of the franchise
- › Location is owned and operated by a veteran QSR operator and former Vice President of Operations for Papa John's
- › Gatti's Pizza has been an iconic Texas pizza concept for 50 years | First location opened in Austin, TX in 1969
- › High traffic highway location | Excellent access and visibility on Highway 290
- › Located at the intersection of East Hwy 290 and Hwy 183 | Combined traffic counts exceed 141,000 vehicles per day
- › Dense population demographics | 115,000 and 315,000 people within a three and five mile radius respectively





September 25, 2018

Former Papa John's VP Buys 13 Mr. Gatti's Locations

Mr Gatti's Pizza, known for its iconic game rooms and famous pizza buffet, has announced the sale of 13 corporate locations in Austin, Texas. Effective September 18, these locations are now owned and operated by the investment group- Three Dough Boys, LLC comprised of Jeff Tisdell, Kenny Starks and Richie Jarzombek; all local Austin entrepreneurs. Tisdell and Starks were both previously Vice Presidents of Operations associated with the Papa John's Pizza Brand.

The deal marks the largest franchise agreement by Mr Gatti's for 2018 and one of the largest multi-unit agreements in the brand's history. It also introduces an experienced franchise executive to care for these locations in a prized market where the iconic Mr Gatti's concept got its start.

"Mr Gatti's has been an Austin staple for nearly 50 years," says Tisdell, President of Three Dough Boys, LLC, a Texas limited liability company. "As we approach that anniversary, I am eager to join the Mr Gatti's family to take on the Austin market and continue to grow the Mr Gatti's brand in surrounding markets, including our hometown".

Mr Gatti's in South Park Meadows will remain a corporate location, and all other Mr Gatti's franchise locations in the surrounding Austin area will remain unaffected. The new franchise relationship comes with a defined trade area development agreement for an additional 10 locations, allowing Mr Gattis' newest Franchisee the opportunity to continue expansion in the areas surrounding the Austin market.

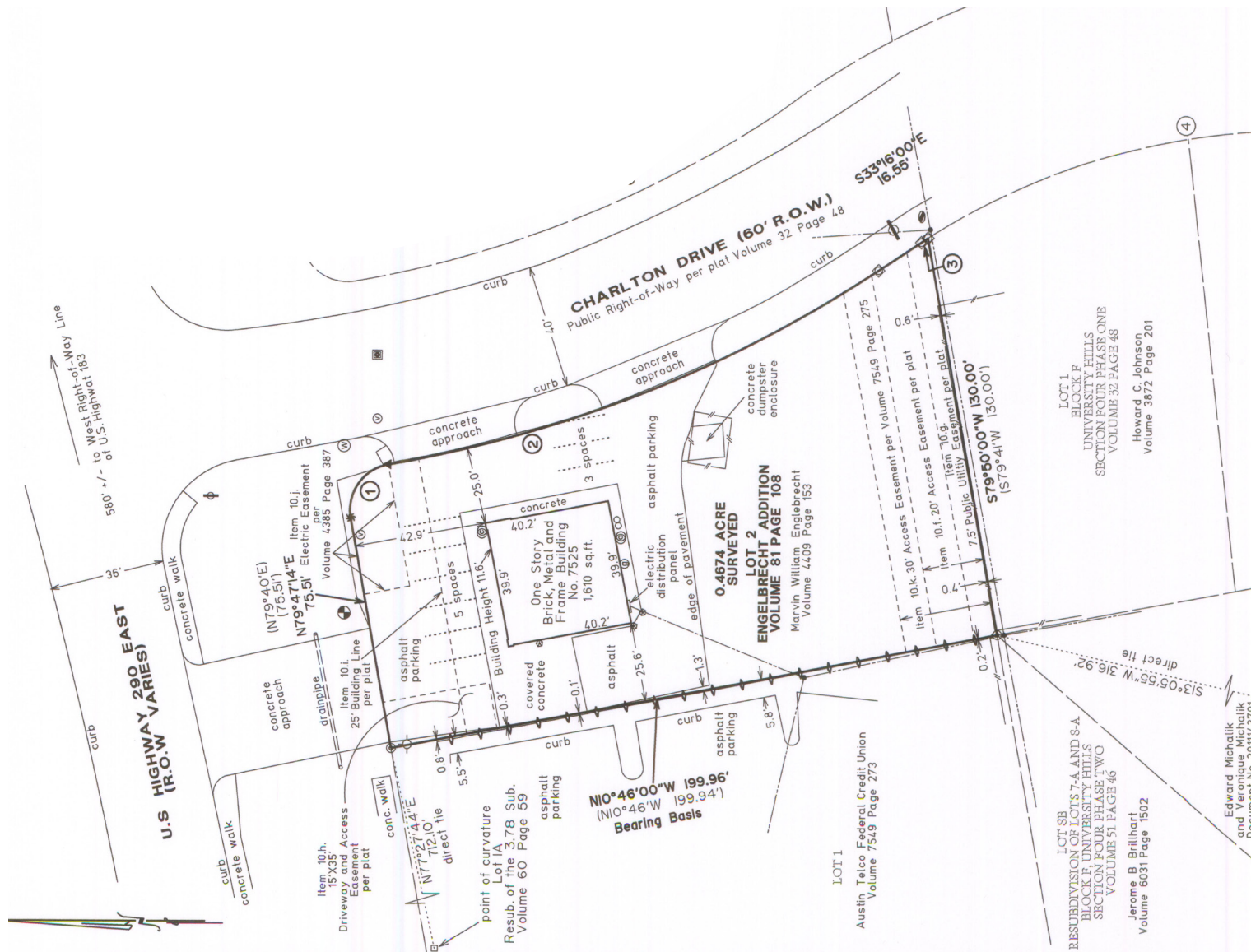
This sale comes at a time when Mr Gatti's has rebooted its brand, initiated marketing efforts and begun franchising again. The first franchise location in seven years opened in Killeen, Texas, in early 2018, with another location in Tyler, Texas opening this fall.

"Mr Gatti's is experiencing a tremendous growth period as we reenergize our brand and attract new franchisees," says Michael Poates, president of Mr Gatti's Pizza. "At the Mr. Gatti's support center in Fort Worth, we put our resources into a business model that keeps our guests coming back. We believe that providing the highest quality pizza and fun while creating great memories for our families is where the rubber meets the road.

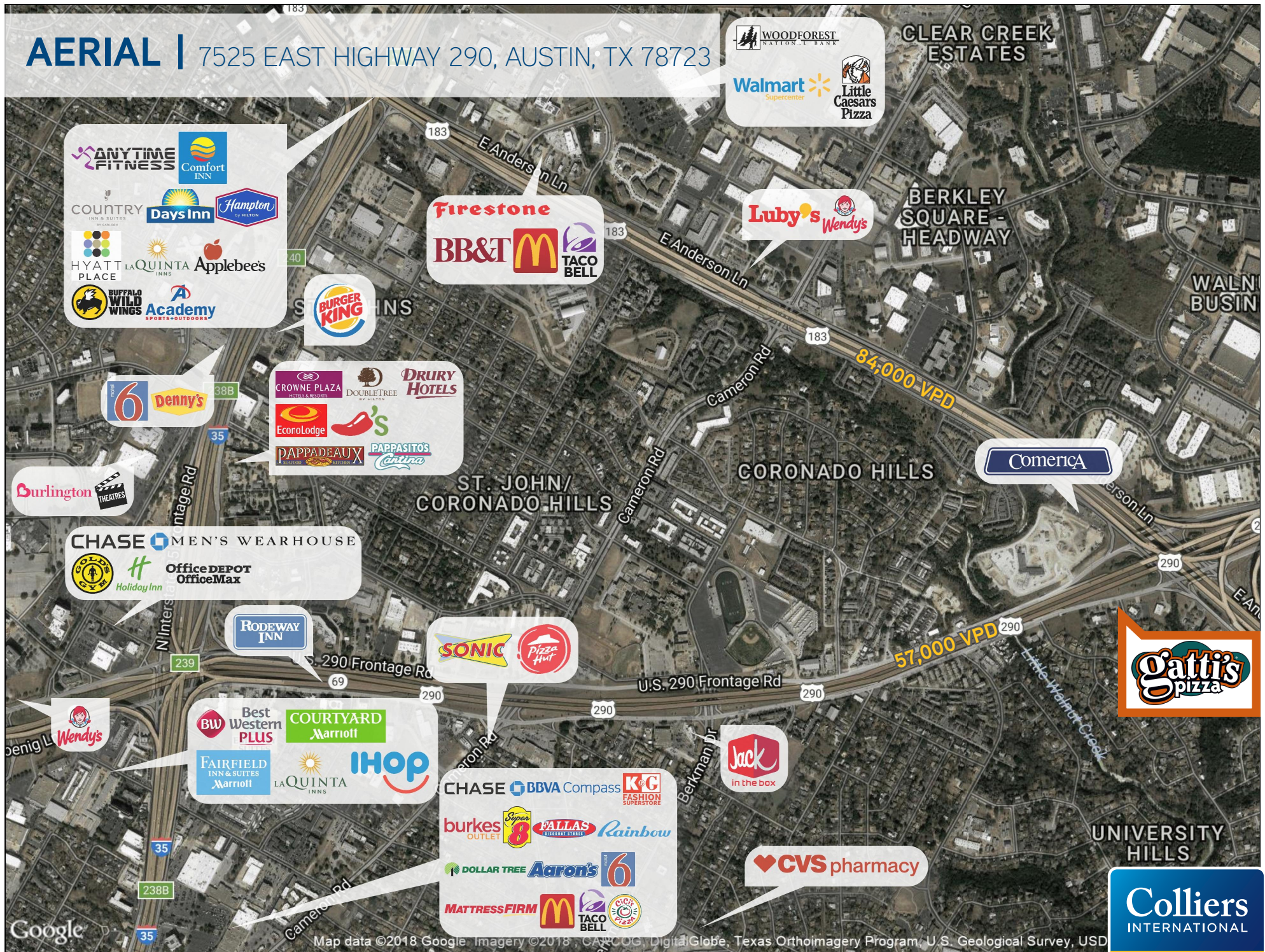
Jeff and Three Dough Boys, LLC will be a powerful addition for our brand in the Austin area, where Mr Gatti's first began almost 50 years ago."



SURVEY | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723



AERIAL | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723



WOODFOREST NATIONAL BANK

Walmart Supercenter

Little Caesars Pizza

ANYTIME FITNESS

Comfort INN

COUNTRY INN & SUITES

Days Inn

Hampton by Hilton

HYATT LAQUINTA INNS

Applebee's

BUFFALO WILD WINGS

Academy SPORTS+OUTDOORS

Firestone

BB&T

McDonald's

TACO BELL

Luby's

Wendy's

6

Denny's

CROWNE PLAZA HOTELS & RESORTS

DRURY HOTELS

EconoLodge

PAPPADEAU'S

PAPPASITOS Cantina

Burlington THEATRES

CHASE

MEN'S WEARHOUSE

GOLD'S GYM

Holiday Inn

Office DEPOT

OfficeMax

RODEWAY INN

SONIC

Pizza Hut

Best Western PLUS

COURTYARD Marriott

FAIRFIELD INN & SUITES Marriott

LAQUINTA INNS

ihop

CHASE

BBVA Compass

K&G FASHION SUPERSTORE

burkes OUTLET

Super 8

FALLAS

Rainbow

DOLLAR TREE

Aaron's

6

MATTRESS FIRM

McDonald's

TACO BELL

Chick-fil-A

Jack in the box

CVS pharmacy

Gatti's pizza

Colliers INTERNATIONAL

AERIAL | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723



Comença

AUSTIN TELCO
FEDERAL CREDIT UNION

ACTION
PAWN

TEXAS
PREPARATORY
SCHOOLS

tres Amigos
RESTAURANT & CANTINA

Gatti's
pizza

Colliers
INTERNATIONAL

LOCATION OVERVIEW | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723

Austin, the capital of the state of Texas, is the 13th most populous city in the United States. The city of Austin has established itself as a world leader in technology, innovation, energy, workforce development, music and creativity that has led to significant business expansion and overall growth. Austin is a one-of-a-kind place that's not just unique to Texas but to the whole country. It defies stereotypes: it is progressive and fiercely entrepreneurial, pro-business and pro-environment. It is easy going and hard working. Austin offers quality healthcare, low crime rates, affordable housing, outstanding schools and a low cost of living. Austin hosts a highly educated, bilingual, multi-tiered workforce and a passion for success.

Austin has made a name for itself over the past few years. In 2017, Austin was named the #3 Best Place to Start a Career. It was also named the #1 City That Has Changed the Most in 10 Years and the #1 Best Cities for Millennials in America in 2017. Austin was also named the #2 'Sweet Spot' for Affordability and Job Opportunity in 2017.

Austin is home to the University of Texas, ranked #14 in 2017 for the Best Public Colleges in the U.S. Ranked among the biggest and best research universities in the country, UT Austin is home to more than 51,000 students and 3,000 teaching faculty.



54 FORTUNE 500
COMPANIES
ARE LOCATED IN
T E X A S

#1 LARGEST ANNUAL
STATE POPULATION GROWTH

27.86 MILLION PEOPLE LIVE IN TEXAS

CHIEF
EXECUTIVE



425 COMPANIES
RANKED IN THE
INC. 5000
FASTEST GROWING
PRIVATE COMPANIES

OVER **3,000** COMPANIES
HAVE LOCATED OR EXPANDED IN
TEXAS SINCE 2009

4th
LARGEST
CITY
IN THE U.S.



#1 STATE
FOR
JOB GROWTH

DEMOGRAPHICS | 7525 EAST HIGHWAY 290, AUSTIN, TX 78723



POPULATION

	1 - Mile	3 - Miles	5 - Miles
Est. 2018	15,009	115,426	315,747
Proj. 2023	16,521	127,852	346,309

Population

The estimated 2018 population within a 5 mile radius from the subject property is 315,747 people with an estimated 122,297 households. The projected current population is made up of 52.2% males and 47.8% females. The median age is 31.



2018 AVERAGE HOUSEHOLD INCOME

	1 - Mile	3 - Miles	5 - Miles
Est. 2018	\$65,780	\$68,442	\$72,771
Proj. 2023	\$71,320	\$72,866	\$77,691

Household Income

The estimated average household income within a five mile radius from this property for 2018 is \$72,771 and is projected to be \$77,691 by 2023. The current per capita income is estimated at \$24,572.



MAJOR EMPLOYERS

Top Austin Employers

Apple
Austin Independent School District
City of Austin
Dell Technologies
Federal Government

Employment

The estimated 2018 labor force within a 5 mile radius is made up of 255,784 people over age 16 with 15,305 businesses. 52.6% of the work force are white collar workers. The average travel time to work is 21 minutes.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 7525 East Highway 290, Austin, TX. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Edward A. Benton from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Edward A. Benton you agree:

- 1) The Offering Memorandum and its contents are confidential;
- 2) You will hold it and treat it in the strictest of confidence; and
- 3) You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered. If you wish not to pursue negotiations leading to the acquisition of 7525 East Highway 290, Austin, TX or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

exclusively listed



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