



Whataburger

\$2,778,000 | 4.50% CAP

2215 W Gentry Parkway, Tyler, TX 75702

- ✓ **20-year Absolute NNN with (4) 5-year renewal options** with rental increases every 5 years in primary term and options.
- ✓ **Superb Traffic Counts with Excellent Access** - Exposure to 39,500+ VPD on Gentry Parkway.
- ✓ **Closest Whataburger location to Downtown Tyler** - Less than 0.5 miles away
- ✓ **Adjacent to Caldwell Zoo**, which hosts more than 265,000 visitors per year.
- ✓ **Whataburger is one of the fastest growing QSR chains**, with average unit volumes topping out at more than \$2.6 million.

Whataburger, a Texas favorite **fast food restaurant** chain, is **headquartered** and based in San Antonio, TX. Whataburger now operates **892 locations**, with **711 of those locations** in Texas.



INVESTMENT OVERVIEW

WHATABURGER TYLER, TX

File Photo



CONTACT FOR DETAILS

Kyle Varni

Senior Associate
(469) 694-4189

kvarni@securenetlease.com

\$2,778,000

4.50% CAP

NOI

\$125,000

- ✓ **20-year Absolute NNN with zero landlord responsibilities;** (4) 5-year renewal options with rental increases every 5 years in primary term and options.

Building Area

±3,784 SF

- ✓ **Superb Traffic Counts with Excellent Access** - Exposure to 39,500+ VPD on Gentry Parkway.

Land Area

±1.12 AC

- ✓ **Closest Whataburger location to Downtown Tyler** - Less than 0.5 miles away, Downtown Tyler spans over 400 acres and is the home to numerous attractions and businesses

Year Built

2018

- ✓ **Located Adjacent to Caldwell Zoo** - Home to more than 2,000 animals, the zoo which hosts more than 265,000 visitors per year.

Lease Type

Absolute NNN

- ✓ **Whataburger is one of the fastest growing QSR chains in the U.S.**, the company has seen system sales expand in recent years, to \$2.9 billion, with average unit volumes topping out at more than \$2.6 million.

Occupancy

100%

- ✓ **Tyler is the commercial and cultural capital of the East Texas region;** 95-miles east of the third-largest city in Texas - Dallas. Boasting an MSA population of over 225,000, Tyler has grown to be the largest community in East Texas.

- ✓ **Subject Property is located in Texas which is the World's 9th largest economy** with a state domestic product totaling \$1.9 trillion

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

WHATABURGER TYLER, TX

Whataburger

Lessee: DKT Investments, Ltd.

Guarantor: Personal Guarantee, Doyle W. Thomas

REVENUE

\$2.7 B

LOCATIONS

892+



[whataburger.com](https://www.whataburger.com)

Whataburger Restaurants has focused on its fresh, made-to-order burgers and friendly customer service since 1950 when Harmon Dobson opened the first Whataburger as a small roadside burger stand in Corpus Christi, Texas.

Dobson had a bold idea: to serve a burger so big that it took two hands to hold, and so good that after a single bite customers couldn't help but exclaim, **"What a burger!"** He named his humble burger stand, located on Ayers Street in Corpus Christi, Texas, "Whataburger." Over six decades later, today the company is headquartered in San Antonio and has **more than 880 locations across 12 States**. Approximately **600 locations** are company owned. Over **30 new Whataburger locations** are opening in Kansas, Missouri, and Tennessee in 2022. Whataburger has **50,000** 'Family Members,' aka employees, and more than **60 million customers** who like to customize their Whataburgers just the way they like it.

A variety of burgers and sandwiches, fries, breakfast foods, salads, shakes, drinks, desserts, and snacks are served **7 days a week, 24 hours a day**. Whataburger has more than **\$2.7 billion** in systemwide sales on average unit volumes of **\$2.76 million**. **In 2019**, private equity firm BDT Capital Partners acquired a majority interest in the company. Since then, Whataburger has worked to grow its **franchised locations** into new markets more aggressively as well as re-design its outlets.

DKT Investments founder Doyle W. Thomas began working for Whataburger at the age of 17. He began at the bottom as a janitor and within 6 months quickly rose the ranks to be the manager. **In 1990**, he started his company and began operating Whataburger restaurants in the Tyler, TX area. Today his firm **has 20 locations**, with plans to open more restaurants in Pittsburg, Whitehouse and Lindale and explore more sites in other surrounding areas.



IN THE NEWS

WHATABURGER TYLER, TX

Whataburger With a Side of ArrowStream

APRIL 25, 2022 (NEWSWIRE)

ArrowStream Inc., the leading end-to-end supply chain management platform for the foodservice industry, is proud to announce its new partnership with Whataburger® - adding the company to its network of over 265 chain restaurant concepts, 1,100 distribution center (DC) locations, and 9,000 foodservice suppliers.

Whataburger is a restaurant franchise headquartered in San Antonio, Texas, that specializes in made-to-order hamburgers. **Founded in 1950**, the business has expanded to **865 locations in 14 states** across the South and Southwest, with a majority found in Texas.

The 6th Largest Burger Chain in America Pairs Well with the Leading Foodservice Cloud Platform.

It is the sixth-largest burger chain in America, with over **\$3 billion** in annual revenue. Officially designated a **"Texas Treasure"** by the state legislature in 2001, Whataburger® adheres to the values and tenets of its founders - quality customer service, **fresh food served 24/7**, and compassion for its employees (called "Family Members").

Key to Whataburger's decision to partner with ArrowStream was the Foodservice Incident Management (FSIM) solution, which enables restaurants to submit product and distributor issues in **less than 60 seconds** from their phone, tablet, or computer. FSIM integrates near real-time supply chain data for heightened visibility and efficiency - allowing businesses to proactively address problems, assess the **performance of suppliers and distributors**, ensure credits are captured and protect their brand.

In addition to FSIM, the Whataburger® team is excited to leverage ArrowStream's contracted price management functionality, enabling them to streamline the communication process with their distributor on pricing updates and even have suppliers submit pricing via the Supplier Pricing Portal.

EXPLORE ARTICLE



San Antonio's beloved Whataburger stakes claim among fastest-growing restaurant chains

JOHN EGAN, NOVEMBER 9, 2021(CULTURE MAP SAN ANTONIO)

Whataburger ranks 22nd on QSR magazine's new list of the 27 fastest-growing quick-service restaurant chains in the U.S. According to QSR data, Whataburger added 14 locations from 2019 to 2020. As of the end of last year, Whataburger had 844 restaurants in the U.S.: 730 company-owned and 114 franchised restaurants.

As part of its growth strategy, Whataburger revealed in August that franchisee KMO Burger plans to **open 30 restaurants** in Kansas and Missouri in the next seven years. KMO's investors include **Kansas City Chiefs quarterback** and Texas Tech University alum Patrick Mahomes.

The chain rang up nearly \$2.7 billion in sales last year, according to QSR. Whataburger says its annual sales exceed \$2.8 billion.

Farther south, **five** Whataburger locations are scheduled to open in **2022 and 2023** in the Memphis, Tennessee, area. That'll mark Whataburger's entry into the Memphis market. Whataburger also is breaking into the Nashville and Colorado Springs, Colorado, markets. The chain is set to open **37 new locations** this year.

These expansion efforts come on the heels of Chicago-based investment firm BDT Capital Partners buying a majority stake in **Whataburger in 2019**. BDT also owns the Panera Bread and Krispy Kreme chains.

Whataburger executives vow that despite the **tremendous growth**, the chain will never overlook its Texas roots.

EXPLORE ARTICLE



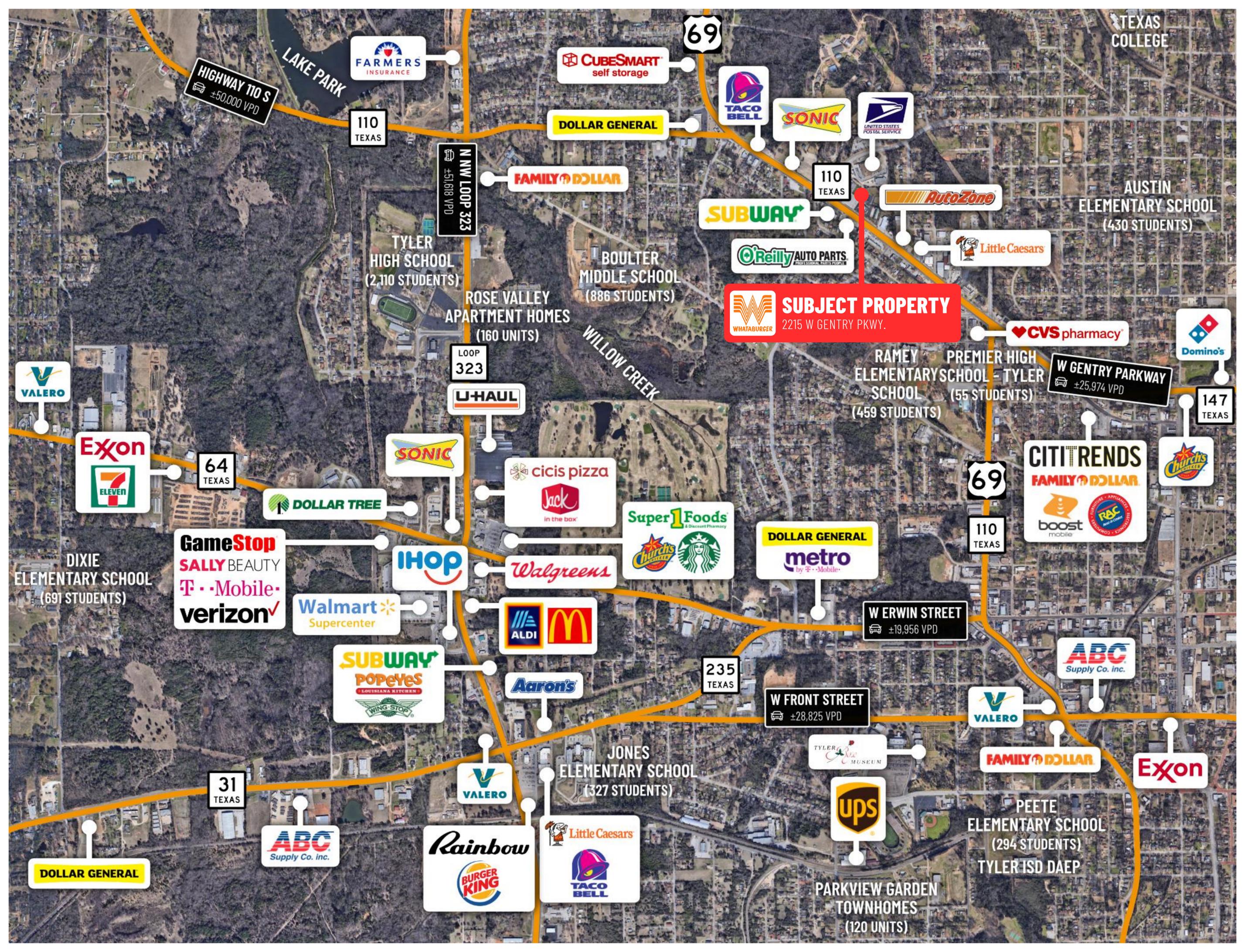
LEASE OVERVIEW

WHATABURGER TYLER, TX

Initial Lease Term	20-Years, Plus (4), 5-Year Options to Renew
Rent Commencement	December 31, 2018
Lease Expiration	December 31, 2038
Lease Type	Absolute NNN Lease
Rent Increases	Every 5 Years in Primary Term & Options
Annual Rent YRS 1-5	\$125,000
Annual Rent YRS 6-10	\$130,000
Annual Rent YRS 11-15	\$145,200
Annual Rent YRS 16-20	\$159,720
Option 1	\$175,682
Option 2	\$193,261
Option 3	\$212,587
Option 4	\$233,846

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.





TEXAS COLLEGE

HIGHWAY 110 S
±50,000 VPD



69

110 TEXAS



N NW LOOP 323
±51,618 VPD



110 TEXAS



AUSTIN ELEMENTARY SCHOOL
(430 STUDENTS)



TYLER HIGH SCHOOL
(2,110 STUDENTS)

BOULTER MIDDLE SCHOOL
(886 STUDENTS)



SUBJECT PROPERTY
2215 W GENTRY PKWY.

ROSE VALLEY APARTMENT HOMES
(160 UNITS)

LOOP 323



RAMEY PREMIER HIGH SCHOOL - TYLER
(55 STUDENTS)

W GENTRY PARKWAY
±25,974 VPD



64 TEXAS



69



147 TEXAS

DIXIE ELEMENTARY SCHOOL
(691 STUDENTS)



W ERWIN STREET
±19,956 VPD

110 TEXAS



31 TEXAS



235 TEXAS

W FRONT STREET
±28,825 VPD



JONES ELEMENTARY SCHOOL
(327 STUDENTS)



PEETE ELEMENTARY SCHOOL
(294 STUDENTS)
TYLER ISD DAEP

PARKVIEW GARDEN TOWNHOMES
(120 UNITS)

SITE OVERVIEW

WHATABURGER TYLER, TX

 Year Built | 2018

 Building Area | $\pm 3,784$ SF

 Land Area | ± 1.12 AC

NEIGHBORING RETAILERS

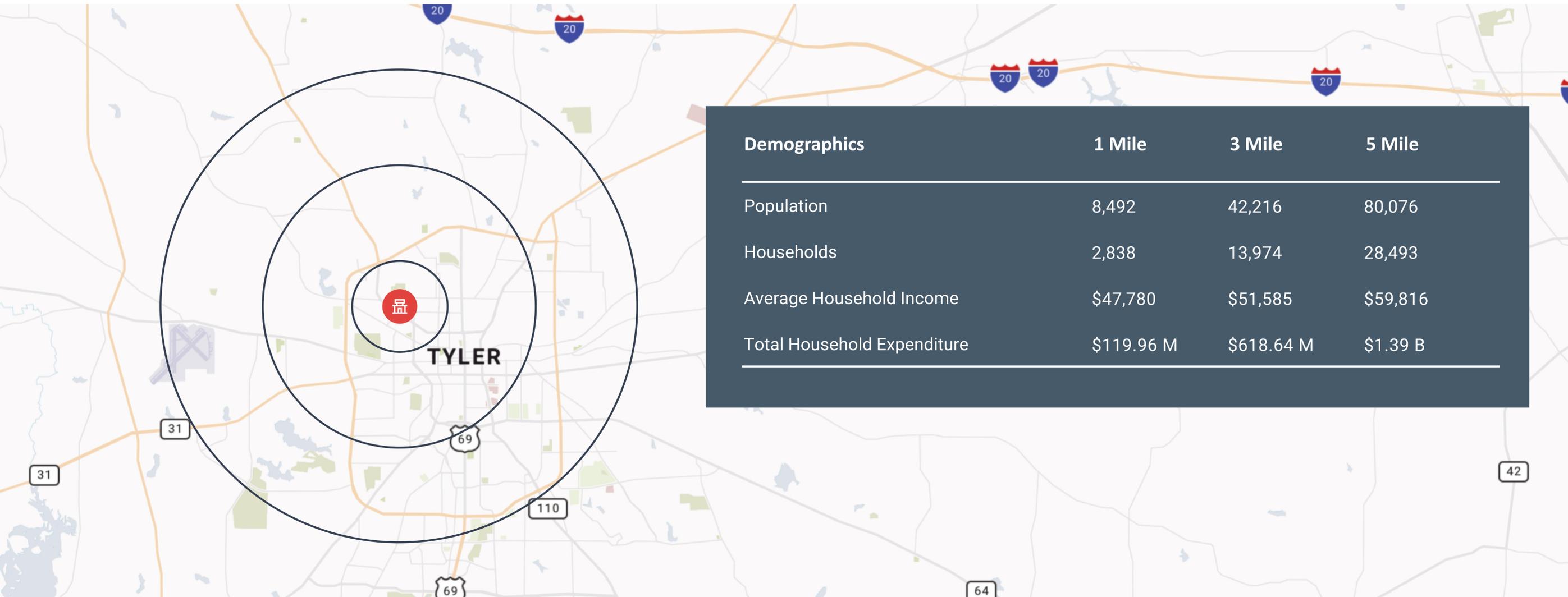
- Taco Bell
- McDonald's
- United States Postal Service
- Dollar General
- AutoZone Auto Parts
- Aaron's
- O'Reilly Auto Parts
- Dollar Tree
- CVS
- Walgreens



File Photo

LOCATION OVERVIEW

WHATABURGER TYLER, TX



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. The University of Texas at Tyler (10,527)
2. Tyler Junior College (10,106)
3. CHRISTUS Trinity Mother Frances (3,872)
4. UT Health East Texas (3,559)
5. Tyler ISD (2,563)
6. Sanderson Farms (1,845)
7. Walmart (1,521)
8. Trane Technologies (1,473)
9. UT Health Science Center at Tyler (1,460)
10. Brookshire Grocery Company (1,455)
11. Altice USA (1,150)
12. Target Distribution Center (1,000)
13. John Soules Foods (895)
14. Smith County (887)
15. City of Tyler (853)

LOCATION OVERVIEW

WHATABURGER TYLER, TX

Tyler
Texas

 103,721
Population

 \$49,254
Median Household Income



One-third of all commercially-grown rose bushes in America are produced in a 50-mile radius of Tyler.

Bloomberg reported that Tyler ranked 4th highest in per capita income growth in the nation, growing 9.3% from 2016-2018

Tyler is located off Interstate 20, exactly halfway between Dallas, Texas and Shreveport, Louisiana.

Tyler is the county seat of Smith County, located in east-central Texas.

Tyler, Texas is considered the advanced manufacturing, health care, educational, and retail center of East Texas.

The city of Tyler has long been Smith County's major economic, educational, financial, media and cultural hub. Tyler is known as the "Rose Capital of America," which is a nickname it earned from a long history of rose production, cultivation and processing.

As a regional educational and technology center, Tyler plays host to more than 20,000 higher-education students between The University of Texas at Tyler, Kilgore College, Texas College and Tyler Junior College. The city is also home to two regional, billion-dollar hospital systems. Annually, the Texas Rose Festival draws thousands of tourists to Tyler, which celebrates the role of the rose-growing industry in the local economy. Tyler is also home to the Caldwell Zoo and Broadway Square Mall. The city is surrounded by 25 prime sporting lakes offering opportunities for fishing and boating. Tyler State Park offers families 985 acres of woods around a beautiful spring-fed lake. In recent years, organizations like Heart of Tyler and the City of Tyler Main Street Program have coordinated massive rejuvenation efforts for the downtown district. Today, there are cultural attractions like Gallery Main Street, Liberty Hall and Discovery Science Place, and the district hosts major events such as the Downtown Tyler Film Festival and the Red Dirt BBQ & Music Festival.

IN THE NEWS

WHATABURGER TYLER, TX

Tyler area ranked number 1 for fastest job growth in Texas

SAGE SOWELS, FEBRUARY 7, 2022 (KETK)

Texas metro areas were ranked by the change in the number of jobs that the area had in December 2020 in comparison to December 2021.

According to the **2021 annual report** by the Tyler Economic Development Council (TEDC), the Tyler economy is predicted to **grow 6.2%** versus **4.4%** for Texas and **3.8% for the United States**.

The Tyler metro area was ranked first in Texas for job growth from December 2020 to December 2021. There were 8,800 more jobs which is an 8.3% increase, according to the Texas Workforce Commission.

The community profile for 2021 by the TEDC showed that the latest census predictions estimate the Tyler Metropolitan Statistical Area population, which includes all of Smith County, at **233,479**. This increased **33% from 2000 to 2019**.

Nationally, Tyler **ranks sixth for the largest gains** in employment by metropolitan area, according to the U.S Bureau of Labor Statistics.

EXPLORE ARTICLE



ECONOMIST: Jobs in Tyler area lost in pandemic regained, growth expected

ZAK WELLERMAN, JANUARY 7, 2022 (CBS19)

Perryman, president and CEO of economic research and analysis firm Perryman Group, presented his 38th annual Economic Forecast at the Green Acres Crosswalk Center in Tyler to just under 600 attendees Thursday.

Between 2021 and 2026, industries in the Tyler area are expected to grow at annual pace of **3.65%**, which would lead to almost **\$2 billion** in economic gain over the next five years. Employment is expected to increase by **2.17%** annually to gain **12,400** jobs by 2026, according to Perryman's report.

Renown economist Dr. Ray Perryman presented good news to business leaders in the Tyler area Thursday afternoon: all jobs lost during the pandemic have returned and growth is on the horizon.

He noted there are exciting things happening in the Tyler and Smith County, such as the UT System medical school coming to Tyler and **growth** in the biomedical field.

Both of these **expected growth rates are higher** than readings for the nation.

"We have some challenges to work through. Obviously, we're trying to get the virus under control. We have some supply chain issues," Perryman said. "As far as the output for East Texas, we're **forecasting growth** in the Tyler area."

He said the diversity of Tyler's industries helped the **economy greatly** compared to other areas, such as cities heavily dependent on tourism.

"For example, if East Texas was as dependent on oil as it was **30 years ago**, we would have gotten hit much harder," Perryman said.

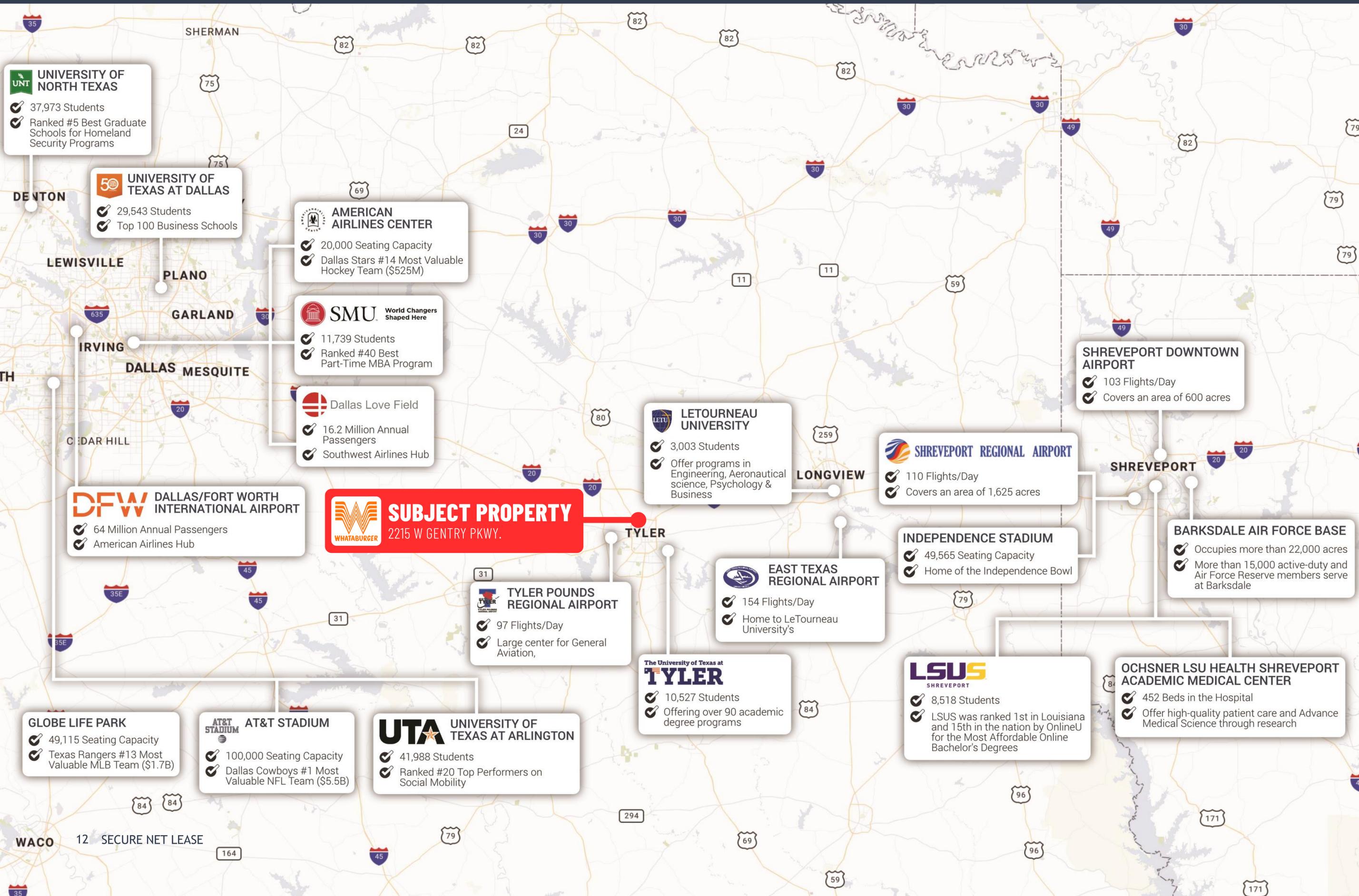
In general, Perryman said most industries and Tyler as a whole are **looking very strong**, while adding the pandemic has affected the economy over the past almost two years.

EXPLORE ARTICLE



TYLER MSA

WHATABURGER TYLER, TX



WHATABURGER
SUBJECT PROPERTY
 2215 W GENTRY PKWY.

WACO 12 SECURE NET LEASE

CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 224-6430

CALL FOR ADDITIONAL INFORMATION

Kyle Varni

Senior Associate
(469) 694-4189

kvarni@securenetlease.com

TEXAS DISCLAIMER

WHATABURGER TYLER, TX

Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information about brokerage services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties' consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

If the broker represents the owner

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written – listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information the owner knows.

If the broker represents the buyer

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

If the broker acts as an intermediary

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- May not disclose any confidential information or any information that a part specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions.