



DAIRY QUEEN

900 North Cemetery Road
Oklahoma City (Yukon), OK 73099



OFFERING MEMORANDUM

Marcus & Millichap

www.deltondoadvisorygroup.com

CONFIDENTIALITY AGREEMENT

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 Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

NEW 20-YEAR ABSOLUTE TRIPLE-NET LEASE TO BE SIGNED AT CLOSE OF ESCROW

- * Attractive 10% Increases Every Five Years Throughout the Primary Term and Option Periods
- * Experienced Operator | 19-Unit Operator (11 Unit Guaranty) with Over 35 Years of Industry Experience
- * Long-Term Passive Investment | Zero Landlord Responsibilities
- * Larger 2,674 Square Foot Prototype on an Oversized 39,204 Square Foot Parcel

EXCELLENT ACCESS AND VISIBILITY ON NORTH CEMETERY ROAD

- * Strong Demographics - Yukon is Part of Canadian County, the Fastest Growing County in Oklahoma
- * Located In A Dense Retail Corridor with Strong National Tenants Including: ALDI, Target, Petsmart, Lowes, Kohl's, Walmart and Many More
- * Cross streets North Cemetery Road and Northwest 10th Street See's a combined 31,226 Vehicles Per Day





Dairy Queen, often abbreviated DQ, is a chain of soft serve ice cream and fast-food restaurants owned by International Dairy Queen, Inc., a subsidiary of Berkshire Hathaway. International Dairy Queen, Inc., also owns Orange Julius and Karmelkorn. DQ operators have been providing consumers with treats and food since 1940 and is headquartered in Edina, Minnesota.

DQ Grill & Chill locations feature hot food, treats, table delivery and selfserve soft drinks. In most cases, they offer an expanded menu including breakfast, GrillBurgers, and grilled sandwiches, as well as limited table service (customers still place orders at the counter). They also contain self-serve soft drink fountains allowing free refills.

The franchisee at this location currently operates 19 Dairy Queen units in Colorado, Washington, Oklahoma and Oregon. They have over 35 years of operating experience with multiple concepts. Founded in 1995 they are headquartered in Laguna Hills, California.

COMPANY SUMMARY

Number of Locations:	19
Year Founded:	1995
Headquartered:	Laguna Hills, CA



FINANCIAL SUMMARY

Price:	\$2,200,000
CAP Rate:	6.25%
Gross Leasable Area (GLA)	2,674 SF
Lot Size:	39,204 SF
Year Built / Remodeled:	2016
Ownership:	Fee Simple

LEASE SUMMARY

Lease Term:	20 Years
Lease Type:	Absolute Triple-Net
Lease Commencement:	Close of Escrow
Increases:	10% Increases Every 5 years
Term Remaining:	20 Years
Options to Extend:	Four, 5-Year Options
Guaranty	11 Units

ANNUALIZED OPERATING DATA

Rent Increases	Annual Rent	Monthly Rent
Rent Commencement - Year 5	\$135,000.00	\$11,250.00
Year 6 - Year 10	\$148,500.00	\$12,375.00
Year 11 - Year 15	\$163,350.00	\$13,612.50
Year 16 - Year 20	\$179,685.00	\$14,973.75
Option 1 - Year 21 - Year 25	\$197,653.50	\$16,471.13
Option 2 - Year 26 - Year 30	\$217,418.85	\$18,118.24
Option 3 - Year 31 - Year 35	\$239,160.74	\$19,930.06
Option 4 - Year 36 - Year 40	\$263,076.81	\$21,923.07

Seller is in a contract position on the Real Estate and Business and is therefore not the current holder of title. Seller will obtain title on both the business and the property no later than the closing date of this subsequent transaction being marketed



900 North Cemetery Road
Oklahoma City (Yukon), OK 73099



OFFERING PRICE

\$2,200,000



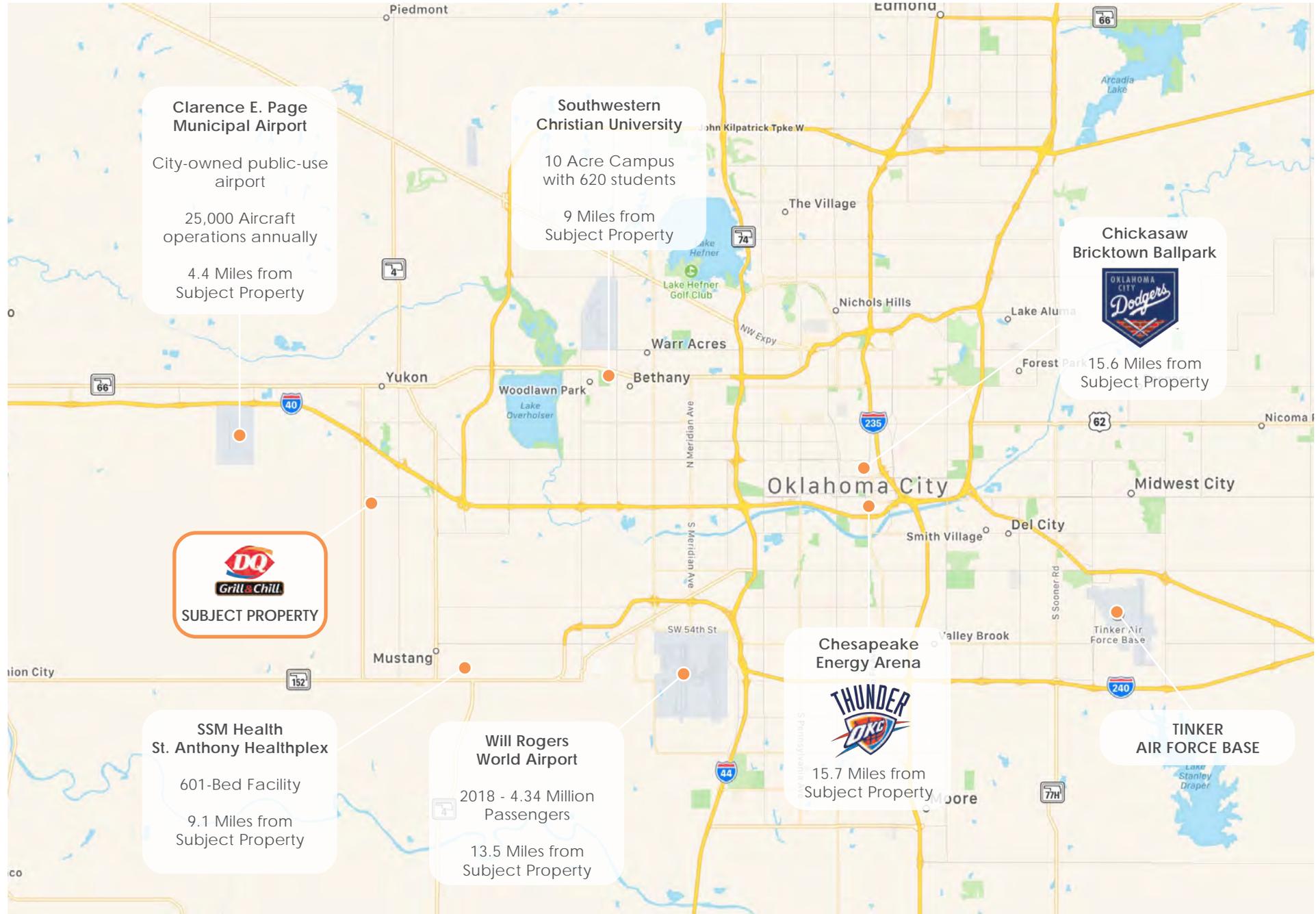
CAP RATE

6.25%



NET OPERATING INCOME

\$135,000





YUKON, OKLAHOMA

Yukon is a western suburb of Oklahoma City, it is located in the central portion of the east side of Canadian County, Oklahoma. You will find everything you need within the Yukon city limits, however, Yukon's location along I-40 and the Kilpatrick Turnpike make easy access for an evening get away to perhaps watch an Oklahoma City Thunder basketball game or Redhawks baseball game.

Yukon's cost of living is lower than the U.S. average and also has one of the lowest crime rates in the state. Whatever your interest, you will find an activity to suit you. Yukon always has an event happening whether it be an arts & crafts fair, Czech Festival, or a summer evening concert at the Chisholm Trail Park.

Excellent in the education is the commitment made by the Yukon Public Schools to the citizens of Yukon, Oklahoma. The Yukon Public School District, located west of Oklahoma City, provides an excellent education for over 8400+ students.

Of the many Yukon-area city parks, Chisholm Trail might be the highlight. In addition to being one of the best places to walk and run in the metro area, thanks to its well-decorated, boot-shaped path, Chisholm Trail Park is the site for annual favorites such as Yukon's Concerts in the Park series and the Freedom Fest July 4th celebration. It also has several pavilions and a look-out peak.



Oklahoma City, OK
15 Miles From
Subject Property



Chisholm Trail Park
Yukon, OK

DEMOGRAPHICS SUMMARY

POPULATION



In 2018, the population in your selected geography is 3,495. The population has changed by 29.40% since 2000. It is estimated that the population in your area will be 3,775.00 five years from now, which represents a change of 8.01% from the current year. The current population is 47.86% male and 52.14% female. The median age of the population in your area is 35.62, compare this to the US average which is 37.95. The population density in your area is 1,111.95 people per square mile.

INCOME



In 2018, the median household income for your selected geography is \$75,151, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 59.36% since 2000. It is estimated that the median household income in your area will be \$87,913 five years from now, which represents a change of 16.98% from the current year.

The current year per capita income in your area is \$34,023, compare this to the US average, which is \$32,356. The current year average household income in your area is \$91,757, compare this to the US average which is \$84,609.

HOUSEHOLD BY INCOME

	1-Mile	3-Mile	5-Mile
Average Household Income	\$91,757	\$83,279	\$85,331
Median House Hold Income	\$75,151	\$69,037	\$40,132
Per Capita Income	\$34,023	\$31,889	\$32,021
<hr/>			
Current Daytime Population			
2018 Estimate	2,825	35,245	46,020

RACE AND ETHNICITY



The current year racial makeup of your selected area is as follows: 85.68% White, 1.07% Black, 0.09% Native American and 2.18% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 7.17% of the current year population in your selected area. Compare this to the US average of 18.01%.

HOUSING



The median housing value in your area was \$154,035 in 2018, compare this to the US average of \$201,842. In 2000, there were 819 owner occupied housing units in your area and there were 178 renter occupied housing units in your area. The median rent at the time was \$547.

EMPLOYMENT



In 2018, there are 1,386 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 67.05% of employees are employed in white-collar occupations in this geography, and 33.74% are employed in blue-collar occupations. In 2018, unemployment in this area is 3.32%. In 2000, the average time traveled to work was 22.00 minutes.

HOUSEHOLDS



There are currently 1,295 households in your selected geography. The number of households has changed by 29.76% since 2000. It is estimated that the number of households in your area will be 1,406 five years from now, which represents a change of 8.57% from the current year. The average household size in your area is 2.66 persons.



900 North Cemetery Road
Oklahoma City (Yukon), OK 73099

EXCLUSIVELY LISTED BY:

PETER DELTONDO

Senior Vice President Investments

Direct: (949) 419-3267

Email: pdeltondo@marcusmillichap.com

License: CA 01797033

BROKER OF RECORD:

TIM SPECK

District Manager, Oklahoma

License: 149994