POPEYES

3500 EAST HISTORIC HWY 66
GALLUP | NEW MEXICO 87301

FILE PHOTO

CIA commercial investment advisors

OFFERING MEMORANDUM

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Highlights

PRICE
$2,500,000

CAP RATE
7.00%

NOI
$175,000

POINTS OF INTEREST

Retailers | Entertainment: Major retailers in Gallup include Walmart, Home Depot, Hobby Lobby, Marshalls, Five Below, Ashley, JCPenney, Boot Barn, Hibbett, Big 5 Sporting Goods, Dollar General, Dollar Tree, Family Dollar, Albertsons, Safeway, Shop-N-Save, Ace Hardware, Tractor Supply, Harbor Freight, AutoZone, O'Reilly Auto Parts, NAPA Auto Parts, Carquest, Goodwill, Rent-A-Center, Buddy's Home Furnishings, Walgreens

Higher Education: Less than 3 miles from **UNM Gallup** - a two-year branch campus offering vocational certificates & associate degrees in academic & technical fields serving 1,906 students

Healthcare: 5 miles from **Gallup Indian Medical Center (GIMC)** - a 99-bed hospital with the largest staff of IHS Navajo Area facilities offering clinical specialties include internal medicine, cardiology, anesthesia, OB/GYN, general surgery and much more

LONG-TERM ABSOLUTE NNN LEASE

16+ years remaining on initial 20-year Absolute NNN lease with attractive 7.0% rental escalations every 5 years - next escalation April 19, 2028

TENANT

Legacy Chicken, LLC is an experienced/seasoned 15-unit Popeyes operator in New Mexico. (***See Tenant Profile Page***)

TRAFFIC COUNTS

Situated on a large ±1.114-acre lot with excellent drive-by visibility/access on Historic Hwy 66 (main east/west corridor) with traffic counts of 14,523 CPD! Just west of I-40 with traffic counts of 26,193 CPD!

2025 DEMOGRAPHICS

Population (5-mi)	20,569
Households (5-mi)	7,302
Average Household Income (1-mi)	**$94,169**

Financial Analysis

SITE ADDRESS	3500 East Historic Highway 66 Gallup | New Mexico 87301
TENANT	**Legacy Chicken, LLC**
ENTITY TYPE	Franchise
GROSS LEASABLE AREA	±2,344 SF
LOT SIZE	±1.114 acres
YEAR BUILT	2023
OWNERSHIP	Fee Simple (Building & Land)
EXPENSE REIMBURSEMENT	This is an **Absolute NNN lease**. Tenant is responsible for all expenses.
LEASE TERM	16+ years remaining
RENTAL INCREASES	7.0% every 5 years
RENT COMMENCEMENT DATE	April 19, 2023
EXPIRATION DATE	April 18, 2043
OPTIONS	Four 5-Year Renewal Options
FINANCING	All Cash or Buyer to obtain new Financing at Close of Escrow.

Rent Roll

	TERM	ANNUAL RENT	CAP RATE
Years 1-5	**04/19/23** to 04/18/28	$175,000	7.00%
Years 6-10	04/19/28 to 04/18/33	$187,250	7.49%
Years 11-15	04/19/33 to 04/18/38	$200,358	8.01%
Years 16-20	04/19/38 to **04/18/43**	$214,383	8.58%
		AVG ANNUAL RETURN	**7.91%**

RENEWAL OPTIONS

1st Option	04/19/43 to 04/18/48	$229,389
2nd Option	04/19/48 to 04/18/53	$245,447
3rd Option	04/19/53 to 04/18/58	$262,628
4th Option	04/19/58 to 04/18/63	$281,012

Tenant Profile

Founded in 1972, **Popeyes®** has more than 50 years of history and culinary tradition. **Popeyes®** owes its beginnings to entrepreneur and culinary innovator, Al Copeland. With one small restaurant and a big idea, Copeland introduced the New Orleans–style fried chicken that has now made the brand famous throughout the world. **Popeyes®** culinary heritage is built upon the rich Cajun and creole flavor profiles that are unmistakably Louisiana. **Popeyes®** continuously draw upon and celebrate this heritage to inspire new, authentic menu creations the world craves. **Popeyes®** distinguishes itself with a unique New Orleans style menu featuring spicy chicken, chicken tenders, fried shrimp and other regional items.

Popeyes® currently operates <u>over 4,900 locations in over 25 countries</u>.

THE TENANT & OPERATOR:

Legacy Chicken, LLC is an experienced/seasoned <u>15-unit Popeyes</u> operator in New Mexico. Operator is also in the Burger King system with 15 units under new management.

THE PARENT COMPANY:

TYPE	Public
TRADED AS	NYSE: QSR
S&P CREDIT RATING	BB Stable
INDUSTRY	Restaurants: Fast Food
MARKET CAP	25.56B (09/17/26)
FOUNDED | HQ	2014 | Toronto, Canada

Restaurant Brands International Inc. (NYSE: QSR) is one of the world's largest quick service restaurant companies with nearly $45 billion in annual system-wide sales and ***<u>over 32,000 restaurants in more than 120 countries and territories</u>***.

RBI owns <u>four</u> of the world's most prominent and iconic quick service restaurant brands – TIM HORTONS®, BURGER KING®, POPEYES®, and FIREHOUSE SUBS®. These independently operated brands have been serving their respective guests, franchisees and communities for decades.

Site Plan

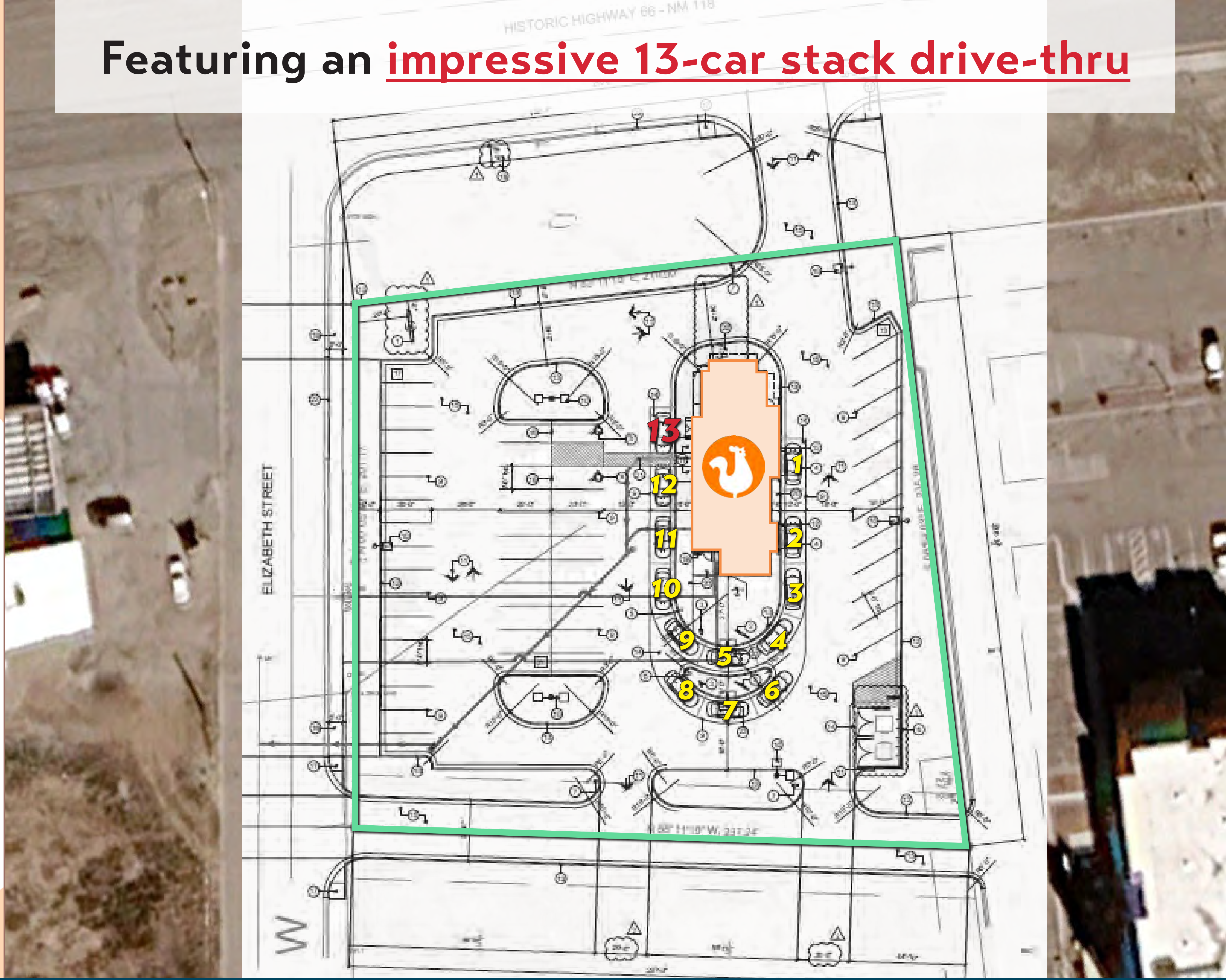
Featuring an impressive 13-car stack drive-thru

Property Specifications

County	McKinley
Parcel #	2-102-088-202-244
Lot Size	±48,556 SF (±1.114 acres)
GLA	±2,344 SF

Parking Stalls

Regular	49
Handicap	2



Gallup Synopsis

Gallup is a vibrant cultural and commercial hub in northwestern New Mexico and a gateway to Native American Art, history and heritage. Strategically located along I-40 and Historic U.S. Route 66 between Flagstaff, Arizona and Albuquerque, New Mexico, Gallup benefits from strong regional connectivity and tourism exposure. The city is surrounded by the Navajo Nation, Zuni Pueblo, and Hopi Reservation, contributing to its unique cultural identity. Gallup is renowned for authentic Native American jewelry, pottery, rugs, and artwork, while ***Red Rock Park*** offers dramatic sandstone formations, hiking trails, and scenic recreation.

Gallup's heritage is deeply connected to Historic Route 66, which arrived in 1926 & helped establish the city as a destination for travelers and Native American Arts. The annual ***Red Rock Balloon Rally***, held each December, further attracts visitors to the area.

Gallup also serves as an important regional employment and service center, with major employers including ***Gallup-McKinley County Schools, Gallup Indian Medical Center, Fire Rock Casino, Walmart and the City of Gallup.***

2026 Demographics

	1-MI	3-MI	5-MI
Population	2,668	9,903	20,569
Households	873	3,386	7,302
Labor Population Age 16+	2,016	7,595	15,782
Median Age	33.6	34.3	34.5
Average Household Income	**$94,169**	**$81,968**	**$83,085**

Major Cities/Destinations

LAS VEGAS, NEVADA

442 Miles Westbound
6.5-Hour Drive
2026 Metro Population: 3,041,000

FLAGSTAFF, ARIZONA

189 Miles Westbound
3-Hour Drive
2026 Metro Population: 145,200

ALBUQUERQUE, NEW MEXICO

134 Miles Eastbound
2-Hour Drive
2026 Metro Population: 989,000

PHOENIX, ARIZONA

285 Miles Southwestbound
4.5-Hour Drive
2026 Metro Population: 5,229,000

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