



*Achieve  
Ambitions*



Confidential Offering Memorandum  
30255 TX-494 Loop, Kingwood, TX 77339

## ***JLL Net Lease Properties Group***

**Pierce Owens**

*Senior Vice President*

+1 713 425 5912

[pierce.owens@am.jll.com](mailto:pierce.owens@am.jll.com)

**Donna Kolius**

*Executive Vice President*

+1 713 425 5856

[donna.kolius@am.jll.com](mailto:donna.kolius@am.jll.com)





An aerial photograph of a commercial property featuring a modern building with a mix of brick and dark grey siding, a large paved parking lot with red-painted lines, and a smaller structure with a gabled roof. The scene is set under a clear blue sky with some distant trees and other commercial buildings visible in the background.

# Contents

---

Executive Summary	03
-------------------	----

---

Property Overview	05
-------------------	----

---

Tenant Overview	07
-----------------	----

---

Location Overview	09
-------------------	----

---

Market Overview & Aerial	14
--------------------------	----

---

JLL Contacts	17
--------------	----

---



# Summary

## Investment Summary

Slim Chickens – Kingwood, TX

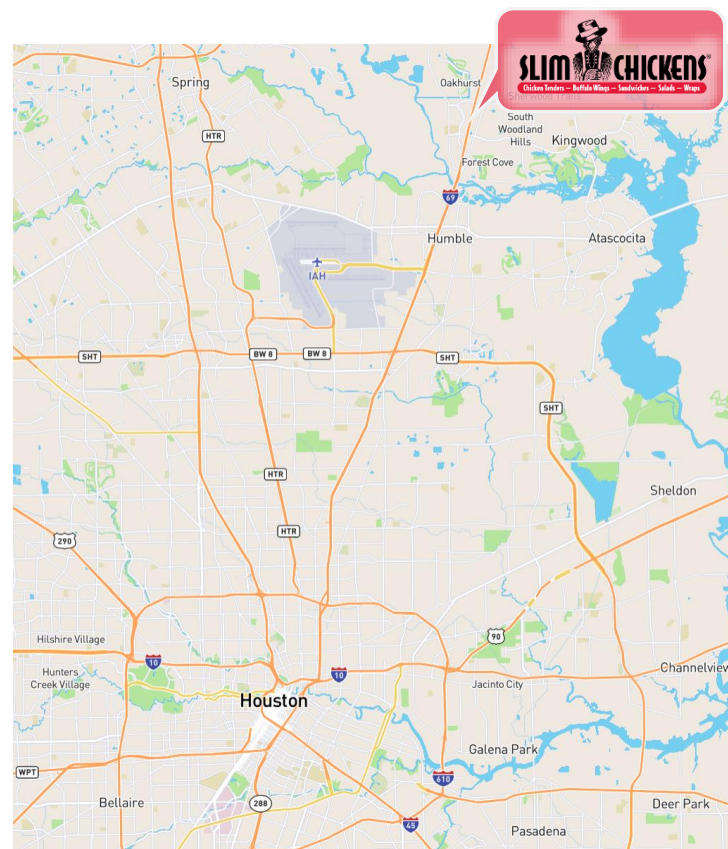


# The Offering

JLL is pleased to offer for sale the fee-simple interest in a single-tenant, absolute triple net leased Slim Chickens (the “Property” or “Asset”). Located in Kingwood, Texas, 20 miles northeast of downtown Houston, this location is situated in The Village at Northpark, a newly developed retail center in Kingwood, providing security in the stability of the location and granting future ownership an outstanding opportunity to capitalize on a location surrounded by superb anticipated growth.

## INVESTMENT HIGHLIGHTS

- **Superb Location:** The subject Property is part of the newly developed, class “A” retail center, The Village at Northpark, located at the intersection of Interstate Highway 59 North and Northpark Drive, Kingwood. Interstate Highway 59 leads directly to Houston’s George Bush Intercontinental Airport and Downtown Houston. The center includes other eateries and draws an evening crowd via the ShowBiz Cinema and the proposed Home2 Suites.
- **Strong Demographics and Household Incomes:** Kingwood is predominantly a bedroom community for employees working in Houston and surrounds. The Slim Chickens is located on the way home for many residents who commute from work in Downtown and other business communities south of Kingwood. Total population is 8,452 and 52,482 within a 1 mile and 3 mile radius respectively. Average Household Income is \$75,143 and \$99,949, within a 1 mile and 3 mile radius respectively. With a daytime population of over 21,000 people within the 1-mile radius, Slim Chickens will be supported by a strong lunch presence.
- **Attractive Lease Structure:** The Property is subject to a 15 year NNN lease featuring zero landlord responsibilities with 10 percent rent escalations and three, five-year options for extension, providing future ownership with a long-term, passive investment.
- **Fast Casual Concept, New Construction:** The Property is currently under construction and is expected to open in March. This “fast casual” dining experience will bring a nice change to patrons versus the various Quick-Serve restaurants nearby. Its menu is more varied than most of its competition by offering more selections, healthier food, salads, wraps, platters and dessert. Services offered include drive-thru pick up, dine-in, and catering. According to its website, there are seventy three (73) Slim Chickens locations, twenty (20) of which are located within the Houston MSA.
- **Strong Texas Franchisee Operator:** Cain Holding Group operates over twenty (20) Panera Bread and Slim Chickens locations in Texas. According to the Houston Chronicle, they are committed to a 25-restaurant expansion across the greater Houston area over the next 7 to 10 years.





# Property

## Property Overview

Slim Chickens – Kingwood, TX



## Property



The Property is ideally positioned as an outparcel to a Showbiz Cinema at The Village at Northpark in Kingwood, Texas. Situated just 0.3 miles from Interstate 69, the Property benefits from strong commuter traffic exiting Houston after work. Additionally, dense neighborhood and multi-family developments have taken place in the Kingwood area as Houston continues to grow at an unparalleled pace. Not only is this QSR chicken concept growing and thriving in the U.S., the value of the underlying real estate at this location will continue to appreciate as demand in this area becomes higher with the escalating population density.

### BUILDING AND LEASE SPECIFICATIONS

Address	30255 TX-494 Loop, Kingwood, TX 77339
Price	<b>\$2,711,111</b>
Cap Rate	<b>6.75%</b>
NOI	\$183,000
Building Size	+/- 2,869 SF
Parcel Size	+/- 1.15 acres
Year Built	2018
Tenant	Slim Chickens
Guarantor	The Cain Holding Group SC, LLC
Lease Type	Absolute NNN
Remaining Primary Lease Term	14 years
Rent Escalations	10% every 5 years
Renewal Options	3, 5-year options

### RENT SCHEDULE

Lease Year	Monthly Rent	Annual Rent	% Increase
1-5	\$15,250	\$183,000	-
6-10	\$16,775	\$201,300	10%
11-15	\$18,453	\$221,430	10%
Option 1	\$20,298	\$243,573	10%
Option 2	\$22,328	\$267,930	10%
Option 3	\$24,560	\$294,723	10%







# Tenant

## Tenant Overview

Slim Chickens – Kingwood, TX

# The Tenant

## *Slim Chickens Overview*

- Slim Chickens – a fast casual chicken restaurant – was founded by Tom Gordon and Greg Smart in 2003 with a mission to bring southern hospitality and fresh handmade food to the community.
- Slim Chickens specializes in fresh, made to order hand-breaded chicken tenders, buffalo wings, and handmade dipping sauces.
- The Company currently operates approximately 73 locations in 10 states. It has long term plans to open 600 stores by 2025.
- The Company recently hired Mark Mears as Chief Marketing Officer, who has a proven track record for innovation and growth with restaurants like Noodles & Co., The Cheesecake Factory, Schlotzsky's, and Mimi's Café, among others.

## *Cain Holding Group Overview*

- Cain Holding Group is a Panera Bread and Slim Chickens franchisee led by Chuck Cain, Robert Drisdali, and Charley Donaldson.
- The group is based in Spring, TX and operates over 20 Panera's and Slim Chickens. Slim Chickens announced they plan to open 20 new units throughout the Houston area over the next 7 to 10 years.
- The Cain Group has achieved annual revenues of approximately \$60 million.





# Location

## Location Overview

Slim Chickens – Kingwood, TX



# Location

## The Kingwood Area

The Asset is located in the 14,000 acre master-planned community of Kingwood. Kingwood was created in 1971 as a joint venture between the Friendswood Development Company and King Ranch. It is also the largest master-planned community in Harris County and has a population of over 80,000 residents. Kingwood is known as the "Livable Forest" due to its heavily forested location including 500 acres of nature preserves and parks. The 20,000 square foot Kingwood Emergency center was recently opened and will offer 24/7 service. New retailers have also moved into the area over the past 12-18 months including H-E-B, Aldi, Francesca's Clothing, Raising Cane's, and Coco's Crepes.



## Location Highlights - Kingwood

**High Traffic Location with Outstanding Visibility:** The Asset has excellent frontage along Loop 494 (Old U.S. Highway 59) which sees in excess of 39,000 vehicles per day. The Asset is located approximately .25 miles from U.S. 59 which has direct access to downtown Houston.

**Location within The Village at Northpark Shopping Center:** The Asset is located within a 135,000 square foot shopping center, featuring numerous national tenants. Co-Tenants include Showbiz Cinemas, Whataburger, Cracker Barrel, Taco Bell, & Sonic. Directly next to the Asset is the recently opened Learning Experience.

**Immense Surrounding Development:** Several major developments in the immediate area are set to add significant multifamily and retail, further bolstering the strength of the market and demonstrating the immense growth Kingwood is projected to experience.

**Outstanding Demographic Profile + Daytime Population:** The Asset is located in the Houston-Woodlands-Sugar Land metro area within the greater Houston MSA. In the Asset's immediate vicinity are various business which drive strong daytime population numbers. With a daytime population of 21,124 in the one-mile, and 95,366 in the three-mile; the Asset will benefit from a strong population base during the day. Additionally, the Property boasts an average household income of nearly \$99,000 within a 3-mile radius, with an average home value of approximately \$222,000.

## Demographic Information

	1-mile radius	3-mile radius	5-mile radius
<b>POPULATION</b>			
2023 Projection	10,717	58,938	133,717
2018 Estimate	8,827	51,824	116,849
2018 Number of Households	4,126	20,238	42,356
<b>ESTIMATED HH INCOME</b>			
Less than \$35,000	25.4%	20.1%	19.7%
\$35,000 - \$49,999	12.1%	10.0%	9.9%
\$50,000 - \$74,999	24.6%	18.6%	17.5%
\$75,000 - \$99,999	15.5%	14.9%	14.0%
More than \$100,000	22.3%	26.5%	39.9%
Average HH Income	\$75,371	\$98,718	\$106,005
Median HH Income	\$59,892	\$76,685	\$79,076
<b>Estimated Home Value</b>			
Average Home Value	\$215,179	\$222,371	\$232,751
Median Home Value	\$218,771	\$200,371	\$198,355



Area overview



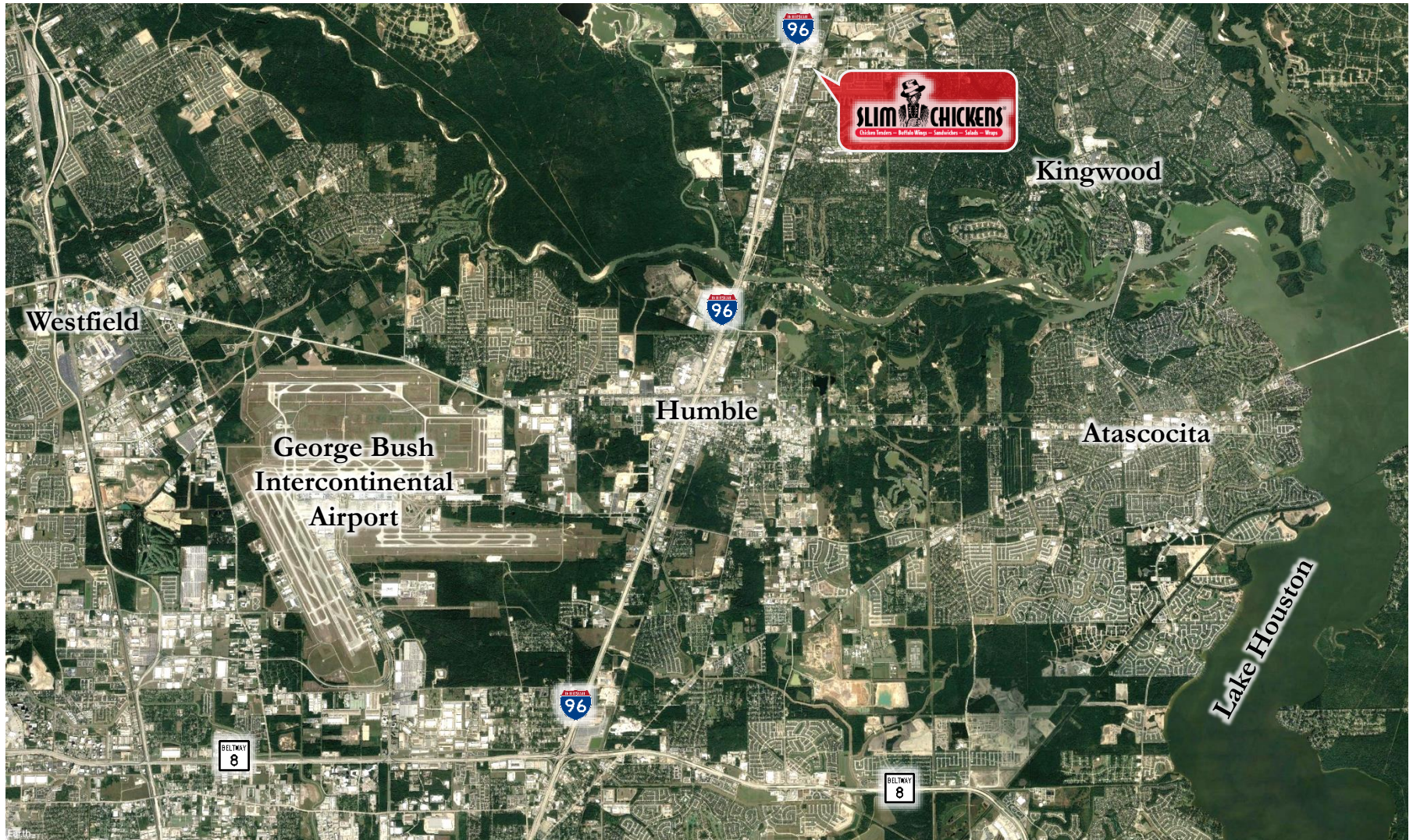


## Area Development





## Regional Map





# Market

---

## Market Overview

Slim Chickens – Kingwood, TX





# Market



## *The Houston metro area*

The Greater Houston region continues to be one of the top MSAs in terms of net expansion, ranking number 2 behind Maricopa County in Arizona, according to Census data. As a pro-business environment with low operating costs and favorable demographics, Houston has become a preferred corporate destination. The influx of national and multi-national corporations to the region has fueled steady growth in Houston's retail market and bolstered the underlying real estate fundamentals in the region. In more recent years, Houston has become a primary destination for core real estate investment capital, including foreign investment capital.

### A Global Marketplace

- Historically known as the "Energy Capital of the World," and often characterized as a "gateway market" due to its strategic location on the Gulf of Mexico, the Houston-Sugar Land-Baytown Metropolitan Statistical Area (Houston MSA) is home to the largest concentration of energy and energy-related businesses across the globe.
- Adding to its appeal, Houston's mid-continental geographic location has proven to be one of its greatest assets. With its proximity to the Southern Hemisphere and having the infrastructure to accommodate the needs of numerous global interests, Houston has become an international destination and one of the world's most dynamic cities.

### Economic Outlook

- Over the past 25 years, Houston's economy has experienced tremendous growth, development and diversification. Government officials, developers, entrepreneurs, and other business leaders have actively pursued a wide range of projects serving to promote increased economic progress.
- Commercial and residential development continues to boom in the city due to a constant influx of individuals in the Houston MSA. Houston will continue to rank among the country's preeminent growth markets, driven by its solid economic base and built on industries with healthy fundamentals.

### Affluent & Expanding Population

- Houston is the fourth largest city in the United States with an estimated 2.2 million residents, while the Houston MSA ranks as the fifth-most populous metropolitan area with more than 6.6 million people.
- Houston was the fastest growing metro area in the United States from 2000-2010 with over 1.2 million new residents, exceeding the population growth of New York and Chicago combined during the same timeframe.
- Furthermore, the city of Houston trailed only New York City in 2015 population growth, adding over 40,000 residents. Driven by a diverse economic landscape and dynamic social setting, the Houston MSA population is expected to grow to more than 7 million by 2020.

#### Houston Retail Market Overview

	Market	Submarket
As of 2Q2018	Houston	Montgomery County
Total Inventory (SF)	163,046,395	12,715,719
Total Vacancy	3.2%	3.2%
12-month Net Absorption (SF)	1,361,918	203,438
NNN Rental Rate	\$20.12	\$22.30



## Information About Brokerage Services

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

11-2-2015



### TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

### A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

### A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

**AS AGENT FOR OWNER (SELLER/LANDLORD):** The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

**AS AGENT FOR BUYER/TENANT:** The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

**AS AGENT FOR BOTH - INTERMEDIARY:** To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

**AS SUBAGENT:** A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

### TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

**LICENSE HOLDER CONTACT INFORMATION:** This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Jones Lang LaSalle Brokerage, Inc.	591725	renda.hampton@am.jll.com	214-438-6100
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Bradley Stone Selner	399206	renda.hampton@am.jll.com	214-438-6100
Designated Broker of Firm	License No.	Email	Phone
Mark Raines	591725	mark.raines@am.jll.com	713-425-4037
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Pierce Owens, Donna Kolius	510337; 309164	pierce.owens@am.jll.com; donna.kolius@am.jll.com	713-425-5912; 713-425-5856
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at [www.trec.texas.gov](http://www.trec.texas.gov)



## *Contact Information*

### ADVISORS

#### Pierce Owens

Senior Vice President  
JLL Capital Markets

+1 713 425 5912

[pierce.owens@am.jll.com](mailto:pierce.owens@am.jll.com)

#### Donna Kolius

Executive Vice President  
JLL Capital Markets

+1 713 425 5856

[donna.kolius@am.jll.com](mailto:donna.kolius@am.jll.com)



1400 Post Oak Blvd, Suite 1100 | Houston, TX 77056

[www.us.jll.com/capitalmarkets](http://www.us.jll.com/capitalmarkets)

Copyright © Jones Lang LaSalle IP, Inc. 2018

This publication is the sole property of Jones Lang LaSalle and must not be copied, reproduced or transmitted in any form or by any means, either in whole or in part, without the prior written consent of Jones Lang LaSalle.

The information contained in this publication has been obtained from sources generally regarded to be reliable. However, no representation is made, or warranty given, in respect of the accuracy of this information.

We would like to be informed of any inaccuracies so that we may correct them. Jones Lang LaSalle does not accept any liability in negligence or otherwise for any loss or damage suffered by any party resulting from reliance on this publication. Jones Lang LaSalle Americas, Inc., California license # 01223413. Jones Lang LaSalle Americas, Inc. License # 19262.



