

OFFERING MEMORANDUM



11779 S PLANO RD | DALLAS, TX 75243







# TABLE OF CONTENTS

**04**

**EXECUTIVE  
OVERVIEW**

**05**

**FINANCIAL  
OVERVIEW**

**07**

**TENANT  
OVERVIEW**

**09**

**AREA  
OVERVIEW**

## LISTED BY

**CALEB BARKER**

[caleb.barker@matthews.com](mailto:caleb.barker@matthews.com)

DIRECT 214.692.2130

MOBILE 303.489.0783

LIC # 714114 (TX)

**CONRAD SARREAL**

[conrad.sarreal@matthews.com](mailto:conrad.sarreal@matthews.com)

DIRECT 214.692.2847

MOBILE 626.230.1006

LIC # 01982875 (CA)

---





# Executive Overview

---

## TACO CABANA INVESTMENT HIGHLIGHTS

- **Long-Term Corporate Lease** – Taco Cabana has ±13 years left on the original 20-year lease with four (4), 5-year options to extend Ideal 1031 exchange property, backed by Fiesta Group who has over 150 locations in Texas and over 130 locations of their other brand Pollo Tropical in Florida
- **Absolute NNN Lease** – Tenant takes care of all landlord responsibilities including tax, insurance, maintenance, roof and structure
- **Below Market Rent** – Taco Cabana is only paying ±\$26/SF while many tenants in the area are paying \$40/SF+. That suggests that the rent should be easily replaced if not increased in the future.
- **Ideal Location/High Traffic Counts** – Taco Cabana is positioned on the hard-signalized corner of Forest Ln and Plano Rd. This location sees over ± 80,000 VPD
- **Superior Positioning** – Taco Cabana sits on the SW corner of Forest Ln and Plano Rd, which outpositions many nearby competitors in the area such as McDonald's, Taco Bell, Golden Chick, Braum's, Jack in the Box, and Sonic Drive-in.
- **4th Largest MSA** – Dallas-Fort Worth is the 4th largest MSA with ± 7.4 million people in total. DFW is 4th only behind New York, Chicago, and Los Angeles
- **Strong Demographics** – The 1 mile exceeds 21,849 3 mile is 161,283 and the 5 mile is over 441,851. In addition, those figures are expected to grow by an average of ±5% over the next 5 years
- **Income Tax-Free State** – Texas is 1 of only 8 states with no state income tax
- **Annual Rental Increases** – Years 11-20 per the lease state 1% annual increases to help hedge against inflation



# Financial Overview

TACO CABANA

## Investment Summary

» ADDRESS	11779 Plano Road Dallas, TX 75243
» LIST PRICE	\$1,780,000
» CAP RATE	5.00%
» GLA	± 3,364 SF
» YEAR BUILT	1997
» NO. OF STORIES	One
» LANDSCAPING	Professional
» TOPOGRAPHY	Generally Level



## Lease Summary

Tenant Trade Name	Taco Cabana
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Lessee Entity	Corporate
Roof and Structure	Tenant Responsible
Original Lease Term	20 years
Lease Term Remaining	± 13 Years
Expiration Date	12/31/32
Increases	1% 11-20
Options	Four, 5-Year Options
ROFR	Yes, 30 days

## Annualized Operating Data

	Monthly Rent	Annual Rent	Rent P.S.F	Increases
Start	Years 1-10 \$7,416.66	\$89,000	\$26.45	
Annual increases 11-20	Year 11 \$7,490.83	\$89,890	\$26.72	1%
	Year 12 \$7,565.74	\$90,789	\$26.98	1%
	Year 13 \$7,641.40	\$91,697	\$27.25	1%
	Year 14 \$7,717.81	\$92,614	\$27.53	1%
	Year 15 \$7,794.99	\$93,539.89	\$27.80	1%
	Year 16 \$7,872.94	\$94,475.29	\$28.08	1%
	Year 17 \$7,951.67	\$95,420.05	\$28.36	1%
	Year 18 \$8,031.19	\$96,374.25	\$28.64	1%
	Year 19 \$8,111.50	\$97,337.99	\$28.93	1%
End	Year 20 \$8,192.61	\$98,311.37	\$29.22	1%







### Tenant Overview

» <b>Company Name</b>	» <b>Industry</b>
Fiesta Restaurant Group Inc	QSR
» <b>Ownership</b>	» <b>Headquarters</b>
Public	San Antonio, TX
» <b>Year Founded</b>	» <b>Website</b>
1978	<a href="http://www.tacocabana.com">www.tacocabana.com</a>

Taco Cabana is an American fast casual restaurant chain specializing in Mexican cuisine. A wholly owned subsidiary of Fiesta Restaurant Group, Inc, it is headquartered in San Antonio, Texas. As of September 2014, Taco Cabana had 166 locations throughout Texas, Oklahoma and New Mexico. Most Taco Cabana restaurants have a drive-thru and many are open 24 hours a day. Taco Cabana is known for its pink stores and semi-enclosed patio dining areas. Most menu items are handmade daily on site in open display cooking areas.

#### FIESTA RESTAURANT GROUP INC

In 2011, Carrols Restaurant Corp. announced its intentions of separating its Hispanic brands and Burger King restaurant business into two separate public companies. The Hispanic brands were placed under Fiesta Restaurant Group, the new subsidiary of Carrols Restaurant Corp. Fiesta Restaurant Group companies had combined revenue of \$439.1 million in 2010. In August 2011, Carrols Restaurant Corp named Tim Taft the CEO of Fiesta Restaurant Group, succeeding Fiesta chairman Alan Vituli. By the time the separation of the brands was complete in 2011, Fiesta Restaurant Group saw an 8.2 percent revenue increase for the year and finished at \$475.0 million in 2011. In April 2012, Carrols Restaurant Corp agreed to allow Fiesta Restaurant Group to spin-off with Taco Cabana and Pollo Tropical. The spin-off was completed on May 8, 2012.





# Area Overview

## DALLAS, TEXAS

Dallas is a city where big ideas meet big opportunity. The city revolves around a bustling downtown area that expands through an assortment of neighborhoods and commercial centers, supported by a network of freeways that exceeds almost any other city. It boasts the largest urban arts district in the nation; where you'd be more likely to come across a world-class exhibit than a broken pair of chaps. Its past and present is rich in culture, an All-American city that was built on legends.

### Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2010 Census	19,624	150,675	386,028
2019 Estimate	20,815	162,718	418,392
2024 Projection	21,849	171,859	441,851
Growth 2010-2019	6.07%	7.99%	8.38%
Growth 2019-2024	4.97%	5.62%	5.61%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2010 Census	6,656	57,782	146,607
2019 Estimate	6,968	61,813	157,856
2024 Projection	7,281	65,081	166,307
Growth 2010-2019	4.69%	6.98%	7.67%
Growth 2019-2024	4.49%	5.29%	5.35%
INCOME	1 - MILE	3 - MILE	5 - MILE
Average Household Income	\$54,236	\$76,461	\$79,452





## ECONOMY

The central core of Dallas has experienced a steady and significant growth that speaks to its highly diversified economy. It has become a hub for real estate and business, establishing itself as one of the largest concentrations of corporate headquarters for publicly traded companies such as American Airlines, Neiman Marcus, Kimberly-Clark, JCPenney, ExxonMobil and many others. In 2015, Forbes reported that Dallas is “the best place for business and careers” in Texas. It’s the perfect blend of big city living and rustic southern charm.

The Dallas economy is expected to grow over the next couple of decades making it the perfect time to not only invest in Dallas real estate but also relocate. As the 9th largest city in the country, Dallas has something for everyone. It combines clashing images of the city skyline and cowboy vibes. Yet, the city of Dallas describes itself best with the motto: “Big Things Happen Here.”





## DALLAS SPORTS

The City of Dallas and the Dallas metropolitan area is home to teams in six major sports: the Dallas Cowboys (National Football League), Dallas Mavericks (National Basketball Association), Texas Rangers (Major League Baseball), FC Dallas (Major League Soccer), Dallas Stars (National Hockey League), and Dallas Wings (Women's National Basketball Association).

Dallas area major college sports programs include Patriots baseball of Dallas Baptist University located in southwest Dallas, and the Mustangs of Southern Methodist University, located in the enclave of University Park. Neighboring cities Fort Worth, Arlington, and Denton are home to the Texas Christian University Horned Frogs, the University of Texas at Arlington Mavericks, and University of North Texas Mean Green, respectively.





## ATTRACTIONS

State Fair of Texas, which has been held annually at Fair Park since 1886. The Fair is a massive event, bringing in an estimated \$350 million to the city's economy annually. The Red River Shootout, which pits the University of Texas at Austin against The University of Oklahoma at the Cotton Bowl also brings significant crowds to the city. The city also hosts the State Fair Classic and Heart of Dallas Bowl at the Cotton Bowl. Other well-known festivals in the area include several Cinco de Mayo celebrations hosted by the city's large Mexican American population, and Saint Patrick's Day parade along Lower Greenville Avenue, Juneteenth festivities, Taste of Dallas, the Deep Ellum Arts Festival, the Greek Food Festival of Dallas, and the annual Halloween event "The Wake" featuring lots of local art and music.



## Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Taco Cabana** located at **11779 S Plano Rd | DALLAS, TX 75243** ("Property"). It has been prepared by Matthews Real Estate Investment Services. 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 Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained 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 for the Property, 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 Matthews Real Estate Investment Services 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 the Property 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 Matthews Real Estate Investment Services 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.





## Information About Brokerage Services

11-2-2015

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

### 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.

Kyle Matthews/Matthews Retail Group Inc.	<b>678067</b>	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Kyle Matthews</b>	<b>678067</b>	kyle.matthews@matthews.com	(310) 919-5757
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date





**11779 S PLANO RD | DALLAS, TX 75243**  
**OFFERING MEMORANDUM**

**EXCLUSIVELY LISTED BY**

**CALEB BARKER**

[caleb.barker@matthews.com](mailto:caleb.barker@matthews.com)

DIRECT 214.692.2130

MOBILE 303.489.0783

LIC # 714114 (TX)

**CONRAD SARREAL**

[conrad.sarreal@matthews.com](mailto:conrad.sarreal@matthews.com)

DIRECT 214.692.2847

MOBILE 626.230.1006

LIC # 01982875 (CA)

**MATTHEWS**<sup>TM</sup>