

THE ORIGINAL
TACO CABANA
MEXICAN PATIO CAFE

TACO CABANA

\$1,895,000 @ 5.25% Cap

- ❖ Absolute Ground Lease with +/- 10 Years Remaining
- ❖ Outparcel to The Village at NorthPark Shopping Center
- ❖ **STRONG** Area Traffic - 39,500+ ADT in Front of Site
- ❖ Corporate Guarantee from Texas Taco Cabana, L.P.
- ❖ Zero Landlord Responsibilities - Passive Investment

SUBJECT PROPERTY PHOTO



216 N. Coast Hwy 101, Encinitas, CA 92024

25657 US HIGHWAY 59 | KINGWOOD, TEXAS



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In Association with Texas Broker Scott Haire.

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OFFERING OVERVIEW



Taco Cabana - Kingwood, Texas (Houston MSA)

Net Lease Realty Partners is pleased to offer for sale to qualified investors a Taco Cabana Ground Leased property located in Kingwood, Texas.

The subject property was constructed in 2015 and leased to Taco Cabana under a Fifteen (15) year ground lease with absolutely no landlord responsibilities. The lease features 10% rental increases every Five (5) years and has Four (4) x 5-Year options to extend the lease. The initial lease term will expire in April 2030 and has approximately 10-Years remaining. The Taco Cabana is located as an outparcel to The Village at NorthPark, a 24-acre shopping center anchored by a new Kroger Marketplace and ShowBiz Cinema. The center is strategically located directly off Interstate 69 (104,500+ VPD), a heavily traveled interstate which leads into downtown Houston from its Northern Suburbs. The Village at NorthPark offers shoppers convenient access and excellent visibility from the Interstate. The site is located within in a dense retail corridor surrounded by numerous national retailers.

The Asset is located in the 14,000 acre master planned community of 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 Service First Auto Repair.



SUBJECT PROPERTY INTERIOR

PRICE: **\$1,895,000**

NOI: **\$99,500 / Year**

Cap Rate: **5.25%**

Remaining Term: **±10 Years**

LEASE OVERVIEW



SITE ADDRESS:



**25657 US HIGHWAY 59,
Kingwood, Texas 77339**

ASKING PRICE:

\$1,895,000

NET INCOME (NOI):

\$99,500 / YEAR

CAP RATE:

5.25%

Gross Leasable Area (GLA):

3,544 SF

Lot Size:

0.8758 ACRES

Year Built:

2015

Ownership Type:

Fee Simple

Building Notes:

Outdoor Patio & Drive-Thru

Tenant Trade Name:

Taco Cabana

Guarantee:

**Texas Taco Cabana, L.P. (Wholly Owned
Subsidiary of Fiesta Restaurant Group, Inc.
(NASDAQ: FRGI)**

Lease Type:

Absolute Ground Lease

Rent Commencement:

April 22, 2015

Original Lease Term:

15-Years

Lease Expiration:

April 21, 2030

Remaining Term:

+/- 10 Years

Rental Increases:

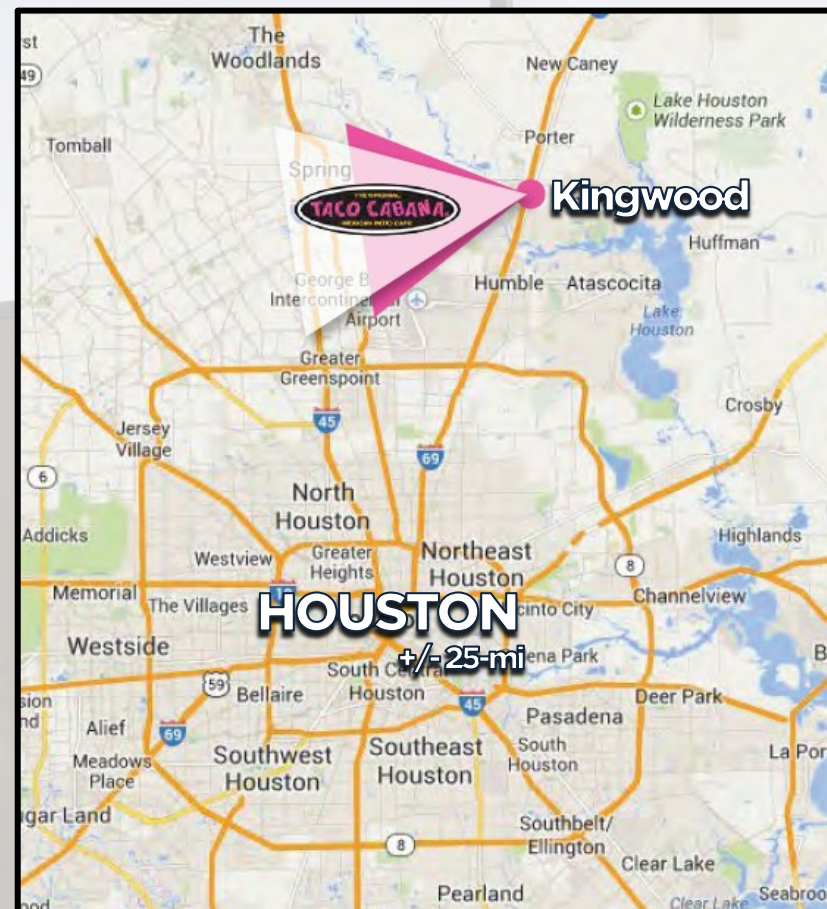
Approx. 10% Increase Every 5-years

Tenant Options:

(4) X 5 Year Options

Right of First Refusal:

No



Current**

YEARS	RENT	PERCENTAGE OF RENT INCREASE
1 - 5	\$90,000	
6 - 10	\$99,500	10.56%
11 - 15	\$109,950	10.50%
Option #1	\$121,445	10.45%
Option #2	\$134,090	10.41%
Option #3	\$147,998	10.37%
Option #4	\$163,298	10.34%

LOCAL MAP - CENTER AERIAL



THE VILLAGE AT NORTHPARK SITE PLAN



LOCAL MAP - RESIDENTIAL DEVELOPMENTS



Virtual Living at
Kingwood
Apartments

Woodridge Forest SFR Development



North Park Drive - 39,790+ ADT

US-59/I-69 - 104,500+ ADT

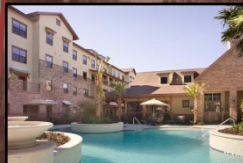
VILLAS OF KINGWOOD
apartment homes



Villas of
Kingwood
Apartments



KINGWOOD
Senior Village



Kings Manor SFR Development



REGIONAL MAP



LOCAL DEMOGRAPHICS:

1-Mile | 3-Mile | 5-Mile

Population:	7,623	54,149	112,948
AHHI:	\$81,075	\$95,935	\$104,840

Interstate-69:	104,500+ ADT
North Park Drive:	39,790+ ADT

TENANT OVERVIEW



Parent Company Overview



Fiesta Restaurant Group is a NASDAQ traded company. Fiesta Restaurant Group owns and operates 119 Pollo Tropical restaurants and 166 Taco Cabana restaurants (including one Cabana Grill® restaurant) and franchises 36 Pollo Tropical restaurants in the U.S., Puerto Rico, the Bahamas, Ecuador, Guatemala, Honduras, Panama, Trinidad & Tobago, Venezuela and the Dominican Republic; as well as 7 Taco Cabana restaurants in the U.S.

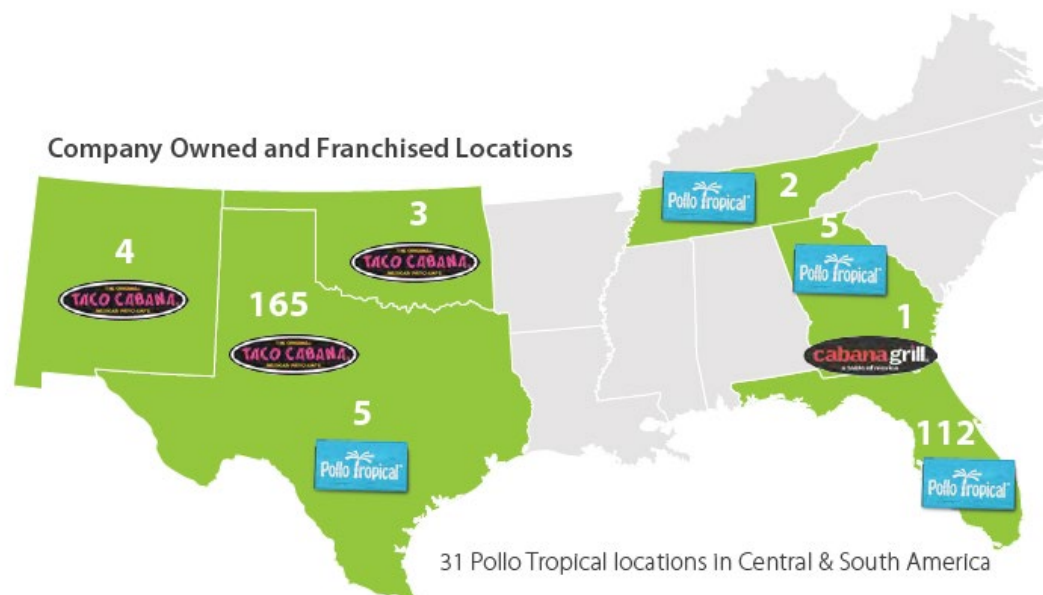


Company:	Pollo Tropical
Owner:	Fiesta Restaurant Group, Inc (NASDAQ: FRGI)
No. of Locations:	119 Corporate Owned 36 Franchises
Tenant Business:	Casual Restaurant
Founded:	1988
Website:	www.pollotropical.com



Company:	Taco Cabana
Owner:	Fiesta Restaurant Group, Inc (NASDAQ: FRGI)
No. of Locations:	166 Corporate Owned 7 Franchised
Tenant Business:	Casual Restaurant
Founded:	1978
Website:	www.tacocabana.com

Company Owned and Franchised Locations



AREA OVERVIEW



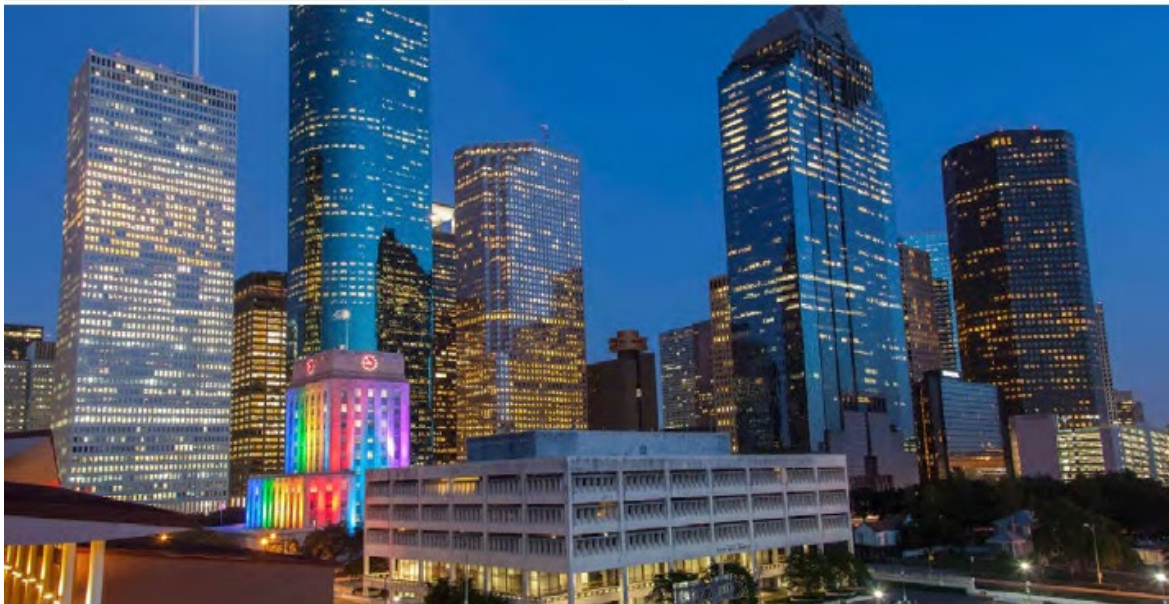
The Clubs of Kingwood Country Club



Kingwood, TX



Kingwood High School



Houston Skyline

Location Overview

Kingwood is a 14,000 acre master-planned community located in northeast Houston. The majority of the community is located in Harris County with a small portion in Montgomery County. Known as the “Livable Forest,” it is the largest master-planned community in Harris County and second-largest within the 10-county Houston–Sugar Land–Baytown MSA.

Kingwood is divided into 25 neighborhoods, commonly called “villages”. Most villages have a neighborhood pool providing free access for village residents, and most provide their own set of village-specific services.

The master-planned community is home to The Clubs of Kingwood Country Club, touted as the world’s largest Country Club. The club offers the prestige of six championship golf courses and houses more than 1,000 acres of fairways, more than any other community in Houston.

The subject property is located within The Village at Northpark, a 24-acre shopping center anchored by a new Kroger Marketplace. Other retailers in the area include Showbiz Cinema, McDonald’s, Carl’s Jr., Panera Bread, Chick-fil-a, Whataburger, Sonic, Taco Bell and Culver’s.

AREA DEMOGRAPHICS



	1 mile	3 miles	5 miles
Census 2010 Summary			
Population	5,660	42,431	89,541
Households	2,827	16,399	32,761
Families	1,514	11,445	24,121
Average Household Size	1.97	2.57	2.72
Owner Occupied Housing Units	1,115	11,055	23,670
Renter Occupied Housing Units	1,712	5,344	9,091
Median Age	33.9	37.0	36.3
2018 Summary			
Population	7,623	54,149	112,948
Households	3,722	21,060	40,933
Families	1,950	14,380	29,864
Average Household Size	2.03	2.56	2.75
Owner Occupied Housing Units	1,628	14,082	29,686
Renter Occupied Housing Units	2,094	6,978	11,248
Median Age	35.4	38.0	37.5
Median Household Income	\$63,944	\$74,887	\$79,550
Average Household Income	\$81,075	\$95,935	\$104,840
2023 Summary			
Population	9,185	61,292	127,241
Households	4,481	23,878	45,924
Families	2,349	16,164	33,393
Average Household Size	2.03	2.55	2.76
Owner Occupied Housing Units	1,978	15,920	33,375
Renter Occupied Housing Units	2,503	7,958	12,550
Median Age	35.3	38.3	37.8
Median Household Income	\$71,973	\$82,107	\$88,100
Average Household Income	\$92,785	\$108,279	\$117,994
Trends: 2018-2023 Annual Rate			
Population	3.80%	2.51%	2.41%
Households	3.78%	2.54%	2.33%
Families	3.79%	2.37%	2.26%
Owner Households	3.97%	2.48%	2.37%
Median Household Income	2.39%	1.86%	2.06%

2018 Households by Income	Number	Percent	Number	Percent	Number	Percent
<\$15,000	361	9.7%	1,397	6.6%	2,512	6.1%
\$15,000 - \$24,999	278	7.5%	1,398	6.6%	2,527	6.2%
\$25,000 - \$34,999	270	7.3%	1,467	7.0%	2,735	6.7%
\$35,000 - \$49,999	354	9.5%	2,136	10.1%	4,190	10.2%
\$50,000 - \$74,999	907	24.4%	4,145	19.7%	7,157	17.5%
\$75,000 - \$99,999	582	15.6%	3,119	14.8%	5,828	14.2%
\$100,000 - \$149,999	582	15.6%	4,163	19.8%	8,353	20.4%
\$150,000 - \$199,999	218	5.9%	1,566	7.4%	3,314	8.1%
\$200,000+	172	4.6%	1,669	7.9%	4,316	10.5%

Median Household Income	\$63,944	\$74,887	\$79,550
Average Household Income	\$81,075	\$95,935	\$104,840
Per Capita Income	\$37,155	\$37,381	\$38,083

2023 Households by Income	Number	Percent	Number	Percent	Number	Percent
<\$15,000	319	7.1%	1,253	5.2%	2,293	5.0%
\$15,000 - \$24,999	264	5.9%	1,298	5.4%	2,336	5.1%
\$25,000 - \$34,999	261	5.8%	1,376	5.8%	2,579	5.6%
\$35,000 - \$49,999	378	8.4%	2,120	8.9%	4,098	8.9%
\$50,000 - \$74,999	1,112	24.8%	4,633	19.4%	7,785	17.0%
\$75,000 - \$99,999	753	16.8%	3,603	15.1%	6,520	14.2%
\$100,000 - \$149,999	822	18.3%	5,196	21.8%	10,255	22.3%
\$150,000 - \$199,999	327	7.3%	2,191	9.2%	4,444	9.7%
\$200,000+	246	5.5%	2,210	9.3%	5,613	12.2%

Median Household Income	\$71,973	\$82,107	\$88,100
Average Household Income	\$92,785	\$108,279	\$117,994
Per Capita Income	\$42,460	\$42,245	\$42,685



2010 Population by Age	1 mile		3 miles		5 miles	
	Number	Percent	Number	Percent	Number	Percent
Age 0 - 4	403	7.1%	2,947	6.9%	6,170	6.9%
Age 5 - 9	328	5.8%	2,860	6.7%	6,619	7.4%
Age 10 - 14	291	5.1%	2,917	6.9%	7,026	7.8%
Age 15 - 19	255	4.5%	2,718	6.4%	6,525	7.3%
Age 20 - 24	490	8.7%	2,547	6.0%	5,049	5.6%
Age 25 - 34	1,181	20.9%	6,073	14.3%	11,782	13.2%
Age 35 - 44	771	13.6%	5,844	13.8%	12,657	14.1%
Age 45 - 54	724	12.8%	6,121	14.4%	13,387	15.0%
Age 55 - 64	585	10.3%	5,237	12.3%	10,908	12.2%
Age 65 - 74	301	5.3%	3,053	7.2%	5,855	6.5%
Age 75 - 84	196	3.5%	1,549	3.7%	2,655	3.0%
Age 85+	134	2.4%	563	1.3%	908	1.0%

2018 Population by Age	Number	Percent	Number	Percent	Number	Percent
Age 0 - 4	502	6.6%	3,472	6.4%	7,275	6.4%
Age 5 - 9	476	6.2%	3,598	6.6%	7,875	7.0%
Age 10 - 14	454	6.0%	3,634	6.7%	8,262	7.3%
Age 15 - 19	415	5.4%	3,183	5.9%	7,351	6.5%
Age 20 - 24	567	7.4%	3,199	5.9%	6,452	5.7%
Age 25 - 34	1,343	17.6%	7,680	14.2%	15,269	13.5%
Age 35 - 44	1,213	15.9%	7,410	13.7%	15,419	13.7%
Age 45 - 54	889	11.7%	6,795	12.5%	14,773	13.1%
Age 55 - 64	789	10.4%	6,762	12.5%	14,375	12.7%
Age 65 - 74	563	7.4%	5,180	9.6%	10,228	9.1%
Age 75 - 84	266	3.5%	2,410	4.5%	4,316	3.8%
Age 85+	145	1.9%	826	1.5%	1,354	1.2%

2023 Population by Age	Number	Percent	Number	Percent	Number	Percent
Age 0 - 4	618	6.7%	3,935	6.4%	8,238	6.5%
Age 5 - 9	559	6.1%	3,938	6.4%	8,703	6.8%
Age 10 - 14	537	5.8%	4,102	6.7%	9,220	7.2%
Age 15 - 19	525	5.7%	3,783	6.2%	8,321	6.5%
Age 20 - 24	754	8.2%	3,546	5.8%	6,811	5.4%
Age 25 - 34	1,562	17.0%	8,436	13.8%	17,313	13.6%
Age 35 - 44	1,399	15.2%	8,562	14.0%	17,865	14.0%
Age 45 - 54	1,087	11.8%	7,502	12.2%	15,874	12.5%
Age 55 - 64	895	9.7%	7,059	11.5%	14,915	11.7%
Age 65 - 74	709	7.7%	6,103	10.0%	12,196	9.6%
Age 75 - 84	384	4.2%	3,330	5.4%	6,133	4.8%
Age 85+	155	1.7%	996	1.6%	1,651	1.3%



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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

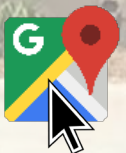
LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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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

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