

**CHIPOTLE**

8120 SAN PEDRO DR NE  
ALBUQUERQUE, NM

OFFERING MEMORANDUM

## LISTED BY

### CONRAD SARREAL

Senior Associate

DIRECT +1 (214) 692-2847

MOBILE +1 (626) 230-1006

conrad.sarreal@matthews.com

LIC # 01982875 (CA)

### KYLE MATTHEWS

BROKER OF RECORD

Matthews Retail Group, Inc.

LIC #. 19601 (NM)

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



# TABLE OF CONTENTS

---

4

EXECUTIVE OVERVIEW

8

FINANCIAL OVERVIEW

10

TENANT OVERVIEW

11

AREA OVERVIEW



# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- **Full Corporate Guaranty** – Lease is corporately guaranteed by Chipotle's parent company, Chipotle Mexican Grill, Inc (NYSE: CMG). As of December 1, 2020, CMG's stock price is up roughly 62% from its price 12 months ago, which has been fueled by its strong performance during COVID. The stock price is \$1,300+ per share and has a market cap of \$36.8 Billion.
- **Beating the Industry** – Same-store sales, the top metric owners use to evaluate location performance, were down 12.3% in August for chain restaurants in the United States. However, Chipotle's same-store sales were up 8.3% in Q3 2020. Based on these figures, Chipotle is up an astounding net 20% among its average peers, increasing its market share among consumers. Last year, Chipotle generated \$5.5 Billion in overall sales while each location averaged nearly \$2.2 Million. This location does not report sales but based on the average, this store would be operating at a healthy sub-5% rent-to-sales ratio.
- **Absolute NNN Structure** – Tenant takes care of taxes, insurance, and all maintenance/repairs, offering a passive investment to local and out-of-state investors alike.
- **One of Albuquerque's Busiest Thoroughfares** – Subject property's plaza is located on the northeast corner of the six-laned Paseo Del Norte Blvd NE and the four-laned San Pedro DR NE that service a robust amount of traffic. Each direction of Paseo Del Norte Blvd services an average of 40,000+ VPD, totaling 80,000+ vehicles while San Pedro Dr services 16,000+.
- **Freeway Accessible** – Subject property is not only located along the busy Paseo Del Norte Blvd but also half of a mile from Interstate 25 that services roughly 140,000 VPD and connects El Paso, TX (via connection to I-10) to Albuquerque, NM to Denver, CO.
- **Premier Dining Plaza** – This Northeast corner extended to the adjacent property offers some of the industry's best eateries such as Chick-Fil-A, Panda Express, McDonald's, Blaze Pizza, Panera Bread as well as popular local options such as Slapfish and Tamashi Japanese Restaurant who each have 4.5 stars on Yelp and a combined 540 reviews.
- **Explosive Growth Market** – Households within a 1 mile radius have grown by an average of 23.85%. With that growth, comes more aggregate disposable income and a sizeable amount at that. The estimated 11,600+ residents within 1 mile and 68,000+ within 3 miles have average household incomes of \$92,000+ to \$100,000+.



after hours pediatrics



± 139,781 VPD



OVERTURE  
ALBUQUERQUE

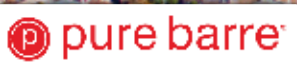
PASO DEL NORTE BLVD N.E.  
± 86,118 VPD



THE LOCALS

\*PARAMOUNT ESTATES  
\*SUNSET HILLS ESTATES  
\*TRAMWAY ESTATES  
  
HOLD AN AVERAGE INCOME OF \$160K

TRADER JOE'S



PASO DEL NORTE BLVD N.E.  
± 86,118 VPD

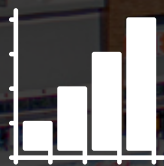




## FINANCIAL OVERVIEW



**\$1,636,800**  
LIST PRICE



**6.25%**  
CAP RATE



**±0.73 AC**  
LOT SIZE



**\$102,300**  
NOI

## BUILDING INFO

Address

8120 San Pedro Dr NE  
Albuquerque, NM 87113

Lot Size

±31,990 SF (±0.73 Acres)

Year Built

2012

GLA

± 2,186 SF

## TENANT SUMMARY

Type of Ownership	Ground Lease
Lessee Entity	Corporate
Lease Type	NNN Ground
Roof and Structure	Tenant Responsible
Term Remaining	±4 Years
Commencement Date	12/11/12
Lease Expiration Date	12/31/24
Options	4, 5-Year

## ANNUALIZED OPERATING DATA

LEASE COMMENCE	MONTHLY	ANNUAL	CAP RATE
Current	\$8,525	\$102,300	6.25%
Option 1	\$9,378	\$112,536	6.88%
Option 2	\$10,315	\$123,780	7.56%
Option 3	\$11,347	\$136,164	8.32%
Option 4	\$12,481	\$149,772	9.15%

**Please contact a Barrington Capital  
agent for financing options:**



KEVIN PUDER  
(214) 530-5803  
kevin.puder@barringtoncapcorp.com



## TENANT OVERVIEW



COMPANY NAME	Chipotle Mexican Grill, Inc.
YEAR FOUNDED	1993
HEADQUARTERS	Newport Beach, CA
WEBSITE	<a href="http://www.chipotle.com">www.chipotle.com</a>
EMPLOYEES	64,570
LOCATIONS	2,250

Chipotle Mexican Grill, Inc., often known simply as Chipotle, was founded in 1993, is a global chain of “fast-casual” restaurants. Chipotle is an American chain of fast casual restaurants in the United States, United Kingdom, Canada, Germany, and France. It is best known for its large burritos, assembly line production, and use of the responsibly sourced food with wholesome ingredients. The restaurant chain is a leader in the Mexican QSR sector. The company has over 2,622 locations Chipotle restaurants throughout the U.S., 39 international Chipotle restaurants. Chipotle restaurants are company-owned rather than franchised, and they have over 83,000 employees. Chipotle had a 2019 net income of \$350.2M. The company trades on the New York Stock Exchange under the ticker symbol CMG.

For 2020, Chipotle management is anticipating the following:

- Mid-single digit comparable restaurant sales growth
- 150 to 165 new restaurant openings
- An estimated effective full year tax rate between 26% and 29%

# AREA OVERVIEW



## POPULATION



## HOUSEHOLDS



## INCOME



	2020 ESTIMATE	2025 PROJECTION	2020 ESTIMATE	2025 PROJECTION	2020 AVG. HOUSEHOLD INCOME
1-MILE	11,667	11,514	5,243 (23.85% ↑)	5,328 (1.62% ↑)	\$92,259
3-MILE	68,243	68,430	30,673 (6.21% ↑)	31,450 (2.53% ↑)	\$100,952
5-MILE	172,736	173,796	79,313 (4.93% ↑)	81,579 (2.86% ↑)	\$92,335

*\*Subject Property Demographics*

## ALBUQUERQUE, NM

Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. The city is home to the University of New Mexico, National American University, Trinity Southwest University, and the Central New Mexico Community College. Albuquerque contains a variety of museums, galleries, shops and other points of interest. Some of these include the Albuquerque Biological Park, Museum of Natural History and Science, and Old Town Albuquerque. The Sandia and Manzano Mountains to the east offer trails, open spaces, rock climbing and several other outdoor activities along with the city's many parks.

## ECONOMY

Albuquerque's larger institutions whose employees contribute to the population are numerous and include Sandia National Laboratories, Kirtland Air Force Base, and the attendant contracting companies which bring highly educated workers to a somewhat isolated region. Intel operates a large semiconductor factory or "fab" in suburban Rio Rancho, in neighboring Sandoval County, with its attendant large capital investment. Northrop Grumman is located along I-25 in northeast Albuquerque, and Tempur-Pedic is located on the West Mesa next to I-40.

The solar energy and architectural-design innovator Steve Baer located his company, Zomeworks, to the region in the late 1960s; and Los Alamos National Laboratory, Sandia, and Lawrence Livermore National Laboratory cooperate here in an enterprise that began with the Manhattan Project. In January 2007, Tempur-Pedic opened an 800,000-square-foot mattress factory in northwest Albuquerque.

The city was rated seventh among America's Engineering Capitals in 2014 by Forbes magazine. Albuquerque ranked among the Top 10 Best Cities to Live by U.S. News & World Report in 2009 and was recognized as the fourth best place to live for families by the TLC network. It was ranked among the Top Best Cities for Jobs in 2007 and among the Top 50 Best Places to Live and Play by National Geographic Adventure magazine.

## MAJOR EMPLOYERS





## UNIVERSITY OF NEW MEXICO

### 22,244 STUDENTS

The University of New Mexico is a large, public research university in Albuquerque, New Mexico. It is New Mexico's flagship research institution, and one of the state's largest employers. UNM's multi-ethnic campus offers a unique blend of culture and academics. Students can choose from 215 degree and certificate programs, including 94 baccalaureate degrees. Business, psychology and education are the most popular areas. The Pueblo Revival architectural style that echoes nearby Native American villages can be seen on several campus buildings. Its scenic environment is close to magnificent mesas, the historic Rio Grande and Sandia Mountains.

UNM has a vibrant student life community, with more than 400 student organizations, and more than 25 Greek societies are available on campus. UNM is the first university in the country to launch a Signature School Program with the Central Intelligence Agency; enabling students to interact with analysts and learn how to join the CIA once they graduate. The UNM Formula SAE team is ranked as fifth best out of 125 in the United States and 18th best out of 500 in the world. The New Mexico Lobos' 22 varsity sports compete in NCAA Division I in the Mountain West Conference (MW).

# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Chipotle** located at **8120 San Pedro Dr NE, Albuquerque, NM 87113** (“Property”). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

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.



8120 SAN PEDRO DR NE  
ALBUQUERQUE, NM  
OFFERING MEMORANDUM

LISTED BY

---

CONRAD SARREAL

Senior Associate

DIRECT +1 (214) 692-2847

MOBILE +1 (626) 230-1006

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

LIC # 01982875 (CA)

KYLE MATTHEWS

BROKER OF RECORD

Matthews Retail Group, Inc.

LIC #. 19601 (NM)

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES