

CHIPOTLE GROUND LEASE

4609 COLLEYVILLE BLVD, COLLEYVILLE (DALLAS-FORT WORTH MSA), TEXAS



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

4609 Colleyville Boulevard, Colleyville, TX 76034

FINANCIAL SUMMARY

Price	\$3,700,000
Cap Rate	4.0%
Building SF	2,436 SF
Net Cash Flow	4.0% \$148,000
Year Built	2018
Lot Size	.42 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	Chipotle Mexican Grill, Inc.
Guarantor	Corporate
Roof & Structure	Tenant Responsible
Lease Commencement Date	June 5, 2018
Lease Expiration Date	June 30, 2033
Lease Term Remaining	12 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 6/30/2023	\$147,999.96	4.00%
7/1/2023 - 6/30/2028	\$162,799.96	4.40%
7/1/2028 - 6/30/2033	\$179,079.95	4.84%
Lease Years	Annual Rent	Cap Rate
Option 1	\$196,987.95	5.32%
Option 2	\$216,686.74	5.86%
Option 3	\$238,355.42	6.44%
Option 4	\$262,190.96	7.09%

Average Base Rent (Years 1 - 5)	\$156,879.96
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Average Return (Years 1 - 5)	4.24%
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32,275 CPD
COLLEYVILLE BLVD

CENTERPARK DR

DOWNTOWN FORT WORTH



Walgreens

BRAUM'S
ICE CREAM AND DAIRY STORES

O'Reilly
AUTO PARTS

Bahama
BUCK'S
Original Shaved Ice Company

Juvia
MedSpa and Wellness

Pinnacle Bank

CENTERPARK DR

SONIC



32,275 CPD
COLLEVILLE BLVD

Jersey Mike's
SUBS
Buttermilk Sky
Bakery & Cafe

WHOLE FOODS
MARKET
ACE Hardware
petco
enterprise
elements massage
Orangetheory FITNESS
SUPERCUTS
Vineyards
ANTIQUE MALL

Property Description



INVESTMENT HIGHLIGHTS

- » 12 Years Remaining on Absolute Triple-Net (NNN) Corporate Ground Lease
- » Rent Increase in 2+ Years Brings Return Over the First 5 Years of the Lease Equal to 4.24%
- » 10% Rental Increases Every 5 Years
- » 270,358 Residents within a 5-Mile Radius - Growing Colleyville Trade Area in the Dallas-Fort Worth MSA
- » Outparcel to Whole Foods Shopping Center
- » Affluent Trade Area - Average Household Income Exceeds \$187,000 within 1 Mile
- » Close Proximity to Sprouts Farmers Market, Lowe's, Walmart Neighborhood Market, Lifetime Fitness, and More
- » Signalized Hard Corner - Visible to Nearly 35,000 Cars/Day at Intersection
- » Twenty Minutes from Dallas-Fort Worth International Airport
- » Strong Daytime Population - 291,283 Employees in Surrounding Area



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2025 Projection	7,563	91,253	282,200
2020 Estimate	7,216	86,348	270,358
Growth 2020 – 2025	4.81%	5.68%	4.38%

Households

2025 Projection	2,980	36,235	110,045
2020 Estimate	2,822	34,079	104,854
Growth 2020 – 2025	5.63%	6.33%	4.95%

Income

2020 Est. Average Household Income	\$187,640	\$157,659	\$129,361
2020 Est. Median Household Income	\$136,020	\$110,405	\$88,244
2020 Est. Per Capita Income	\$73,450	\$62,283	\$50,223



Tenant Overview

Westlake ACE Hardware



Newport Beach, California

Headquarters

NYSE: CMG

Stock Symbol

1993

Founded

2,600+

Locations

www.chipotle.com

Website

Chipotle Mexican Grill, Inc. (NYSE: CMG) is an American chain of fast casual restaurants in the United States, United Kingdom, Canada, Germany, and France, known for its large burritos, assembly-line production, and use of natural ingredients. Founded in 1993, Chipotle is one of the first chains of fast casual dining establishments, offering more than 65,000 combinations of burritos, soft tacos, crispy tacos, chips and salsa, beer, and margaritas.

The company has also released a mission statement called Food with Integrity, which highlights its efforts in using organic ingredients and serving more naturally raised meat than any other restaurant chain. The company's revenue in Q3 of 2020 was \$1.6 billion, an increase of 14.1% compared to the third quarter of 2019.

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The Dallas/Fort Worth economy continues to evolve. Companies migrating to the

Dallas/Fort Worth is home to 21 Fortune 500 companies in diverse economic sectors, including energy, food, healthcare services, telecommunications and retail. Some top names are ExxonMobil, American Airlines Group, Southwest Airlines, Fluor, AT&T, Tenet Healthcare, Kimberly-Clark and JCPenney. There is also a high concentration of privately held companies headquartered locally.



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: othat the owner will accept a price less than the written asking price; othat the buyer/tenant will pay a price greater than the price submitted in a written offer; and oany 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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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
Regulated by the Texas Real Estate Commission		Buyer/Tenant/Seller/Landlord's Initials	Date

Information available at www.trec.texas.gov
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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

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CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

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