

## INVESTMENT OFFERING



**CHIPOTLE**

1289 US Hwy 72

Athens (Huntsville MSA), AL 35611



REPRESENTATIVE PHOTO

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Prospective purchasers of the Property are advised that changes may have occurred in the physical or financial condition of the Property since the time this Marketing Package or the financial statements herein were prepared. Prospective purchasers acknowledge that this Marketing Package and the financial statements herein were prepared by Broker, and not by Owner, and are based upon assumptions or events beyond the control of both Broker and Owner, and therefore may be subject to variation. Other than current and historical revenue and operating expense figures for the Property, Owner has not, and will not, provide Broker or any prospective purchaser with any projections regarding the Property. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

The Marketing Package is a solicitation of interest only and is not an offer to sell the Property. The Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expression of interest or offers to purchase the Property and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice.

The Owner shall have no legal commitments or obligations to any entity reviewing the Marketing Package or making an offer to purchase the Property unless and until such offer is approved by Owner pursuant to its Governing Authorities and the signature of the Owner or Owner's representative is affixed to a Real Estate Purchase Agreement prepared by Owner.

This Marketing Package is confidential. By accepting the Marketing Package, you agree (i) that you will hold and treat the Marketing Package and its contents in the strictest confidence, (ii) that you will not photocopy or duplicate any part of the Marketing Package, (iii) that you will not disclose the Marketing Package or any of its contents to any entity without the prior authorization of the Owner, and (iv) that you will not use the Marketing Package in any fashion or manner detrimental to the Owner or Broker.

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT BROKER FOR MORE DETAILS.

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**WERTZ**  
REAL ESTATE INVESTMENT SERVICES



# FINANCIAL OVERVIEW

## OFFERING SUMMARY

PRICE	\$3,485,800
DOWN PAYMENT	100% / \$3,485,800
RENTABLE SQUARE FEET	2,560 SF
CAP RATE	4.25%
YEAR BUILT / RENOVATED	2021
LOT SIZE	30,492 +/- SF
TYPE OF OWNERSHIP	Fee Simple

## TENANT SUMMARY

TENANT TRADE NAME	Chipotle
OWNERSHIP	Public
LEASE GUARANTOR	Corporate
LEASE TYPE	Absolute NNN
ROOF & STRUCTURE	Tenant Responsible
ORIGINAL LEASE TERM	Fifteen (15) Years
RENT COMMENCEMENT DATE	03/01/2021 (est.)
LEASE EXPIRATION DATE	02/28/2036 (est.)
TERM REMAINING ON LEASE	Fifteen (15) Years
INCREASES	10% Every 5-Years
OPTIONS TO RENEW	(4) 5-Year Options
RIGHT OF FIRST REFUSAL	No



REPRESENTATIVE PHOTO

## ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL RENT	MONTHLY RENT
Years 1-5	\$148,146.67	\$12,345.56
Years 6-10	\$162,961.34	\$13,580.11
Years 11-15	\$179,257.47	\$14,938.12
Years 16-20 (Option 1)	\$197,183.22	\$16,431.94
Years 21-25 (Option 2)	\$226,901.54	\$18,908.46
Years 26-30 (Option 3)	\$238,591.69	\$19,882.64
Years 31-35 (Option 4)	\$262,450.86	\$21,870.91
BASE RENT		\$148,146.67
NET OPERATING INCOME		\$148,146.67
TOTAL RETURN YR-1	4.25%	\$148,146.67

# TENANT OVERVIEW



## CHIPOTLE MEXICAN GRILL, INC.

Chipotle Mexican Grill (NYSE: CMG) is a leading fast-casual restaurant chain serving burritos, burrito bowls, tacos, and salads. The company currently operates more than 2,600 restaurants in the United States, Canada, United Kingdom, France, and Germany. The restaurant is popular for its fast and healthy meals made directly in front of the customer with high-quality, raw ingredients and classing cooking techniques. Chipotle leads the way in sustainable business practices as they partner with humane and environmentally friendly farmers, ranchers, and suppliers. The company has a “Food with Integrity” business model that pledges to source the most responsible and highest-quality ingredients for customers.

Chipotle’s revenue in 2019 was \$5.6 billion, an increase of 14.8% over the prior year, driven by new restaurant openings and an 11.1% increase in comparable restaurant sales. The company’s revenue is expected to surpass \$6.6 billion by 2021 as they continue to drive growth with new store openings and innovative restaurant concepts. The chain recently added “Chipotlanes” at dozens of locations allowing customers to pick up mobile orders via drive-thru lanes.



PROPERTY NAME	Chipotle
PROPERTY ADDRESS	1289 US Hwy 72 Athens (Huntsville MSA), AL 35611
PROPERTY TYPE	Net Lease Quick Service Restaurant
OWNERSHIP	Public
LEASE GUARANTOR	Corporate
STOCK SYMBOL	CMG
BOARD	NYSE
TERM REMAINING ON LEASE	Fifteen (15) Years
OPTIONS TO RENEW	(4) 5-Year Options
LEASE TYPE	Absolute NNN
LANDLORD RESPONSIBILITY	None
INCREASES	10% Every 5-Years
YEAR 1 NET OPERATING INCOME	\$148,146.67
NO. OF LOCATIONS	2,600+
HEADQUARTERED	Newport Beach, CA
WEBSITE	<a href="http://www.chipotle.com">www.chipotle.com</a>
YEARS IN THE BUSINESS	Since 1993



# EXECUTIVE SUMMARY

## INVESTMENT OVERVIEW

The subject property is a freestanding Chipotle drive-thru located in Athens (Huntsville MSA), AL. The brand new 15-year absolute NNN lease is corporately guaranteed by Chipotle Mexican Group, Inc. (NYSE: CMG) and includes 10% rental increases every 5-years in the primary term and in the (4) five-year option periods. The property is strategically located at a busy signalized intersection adjacent to a Chick-Fil-A doing approximately \$7 million in sales annually. The site benefits from its excellent visibility and frontage along one of the most heavily trafficked thoroughfares in the Athens/Huntsville area (US Highway 72), which boasts over 37,000 vehicles per day. Huntsville is the fastest growing metro in Alabama and by 2023 it will be the most populated metro in the state.

National retailers in the immediate vicinity include Chick-Fil-A, Panera Bread, Bojangles, Starbucks, Dollar General, Wal-Mart, Lowe's, Zaxby's, Dollar Tree, Pizza Hut, Popeyes, KFC, AutoZone, GameStop, Sonic Drive-In, O'Reilly Auto Parts, ALDI, AT&T, McDonald's, Wendy's, Taco Bell, Burger King, Dunkin' Donuts, Cracker Barrel, Publix, Verizon, and many more. This is an excellent opportunity for an investor to purchase a stable, long term corporately guaranteed investment with zero landlord responsibility.



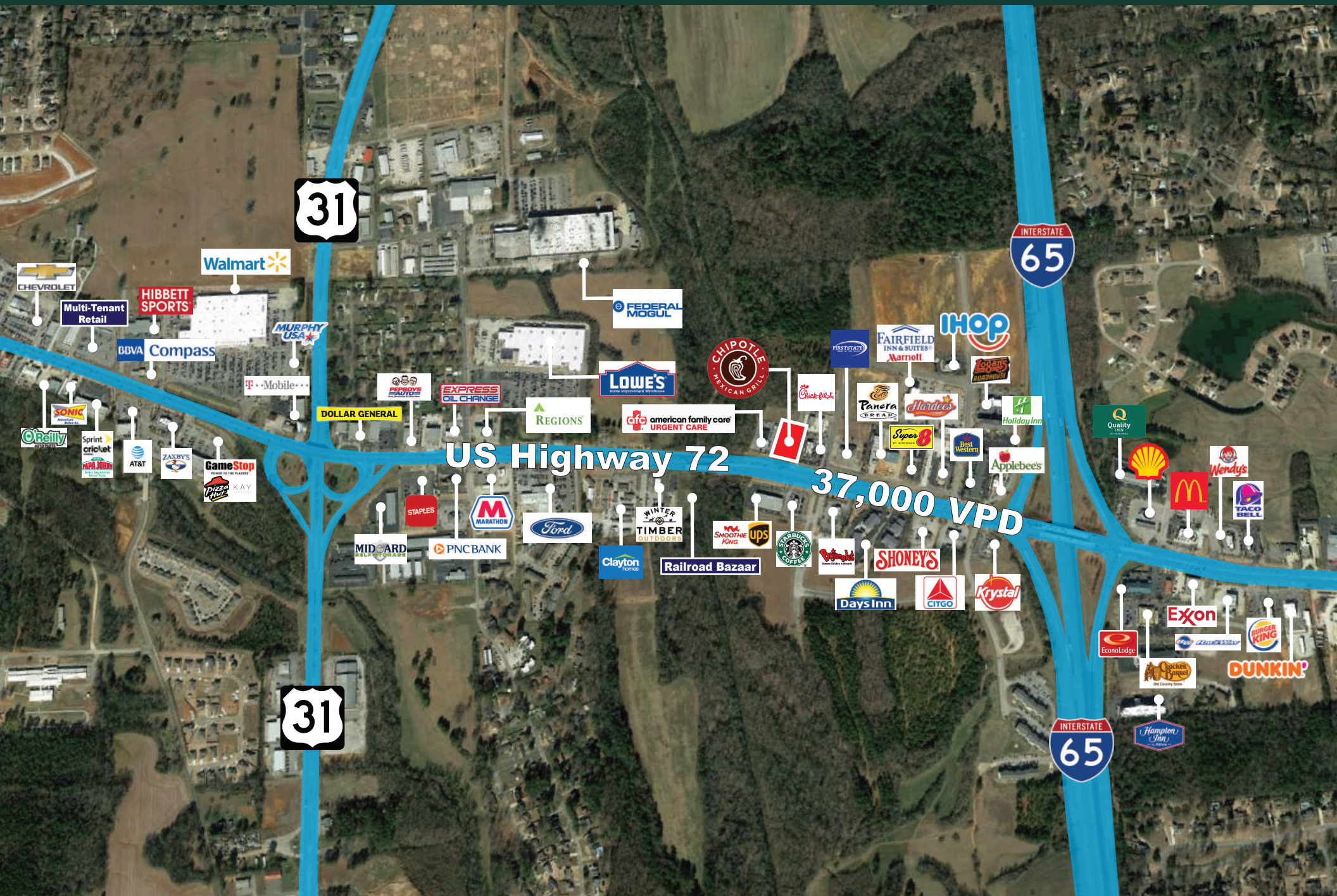
## INVESTMENT HIGHLIGHTS

- Brand New 15-Yr Abs NNN Lease w/ 10% Increases Every 5-Yrs
- Pride of Ownership Asset Featuring Chipotle's Latest "Chipotlane" Prototype Design w/ Drive-Thru
- Corporately Guaranteed Lease by Chipotle (NYSE: CMG) w/ Over \$5.6 Billion in Revenue & Market Cap of \$28.59 Billion
- Adjacent to Chick-Fil-A doing \$7 Million in Sales Annually
- Traffic Counts Exceed 37,000 Vehicles Per Day
- Huntsville is the Fastest Growing Metro in Alabama (By 2023 it will be the Most Populated Metro in the State)





## AERIAL PHOTO



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.



An aerial photograph of a commercial property, outlined in red. The property is situated at a street intersection. To the left of the property is a building with a sign for 'american family care URGENT CARE'. To the right is a large building with a 'Chick-fil-A' sign. Further right is a 'Chevron' gas station. Behind the property is a 'CHIPOTLE MEXICAN GRILL'. The property itself appears to be under construction or recently completed, with some construction equipment visible. A text box in the bottom left corner states: 'Adjacent to a Chick-Fil-A doing \$7 Million in Store Sales Annually'. The background shows a wooded area.

# SUBJECT PROPERTY

**american family care**  
**URGENT CARE**

The logo for Chipotle Mexican Grill, featuring a red circular emblem with a white chili pepper in the center and the words 'CHIPOTLE' and 'MEXICAN GRILL' around the perimeter.

The Chick-fil-A logo, featuring the brand name in a red, cursive script with a red chicken head icon above the 'i'.

The Chevron logo, consisting of two overlapping chevrons, one blue and one red, with the word 'Chevron' in blue text above them.

**Adjacent to a  
Chick-Fil-A doing  
\$7 Million in Store  
Sales Annually**

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**Adjacent to a Chick-Fil-A doing \$7 Million in Store Sales Annually**

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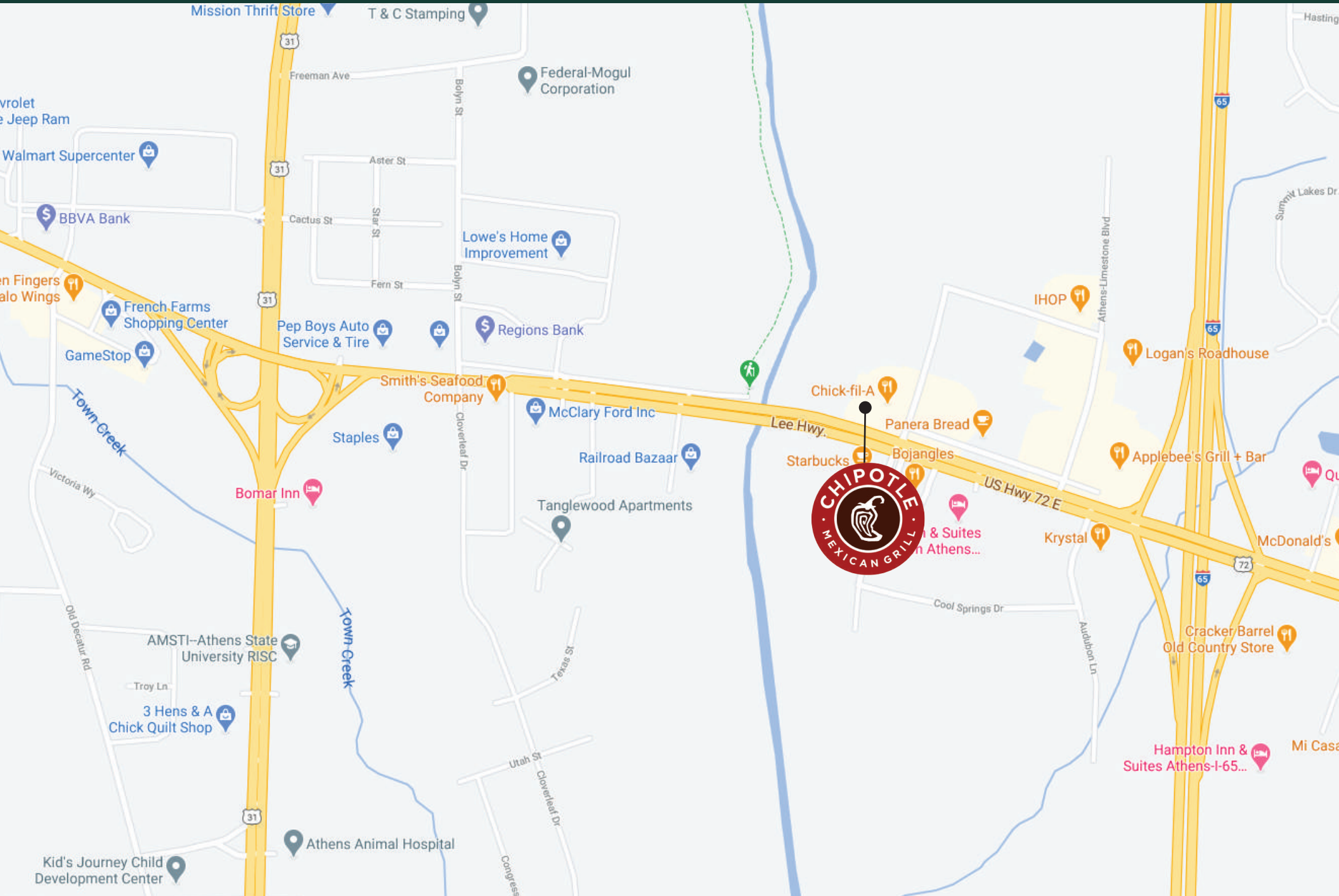
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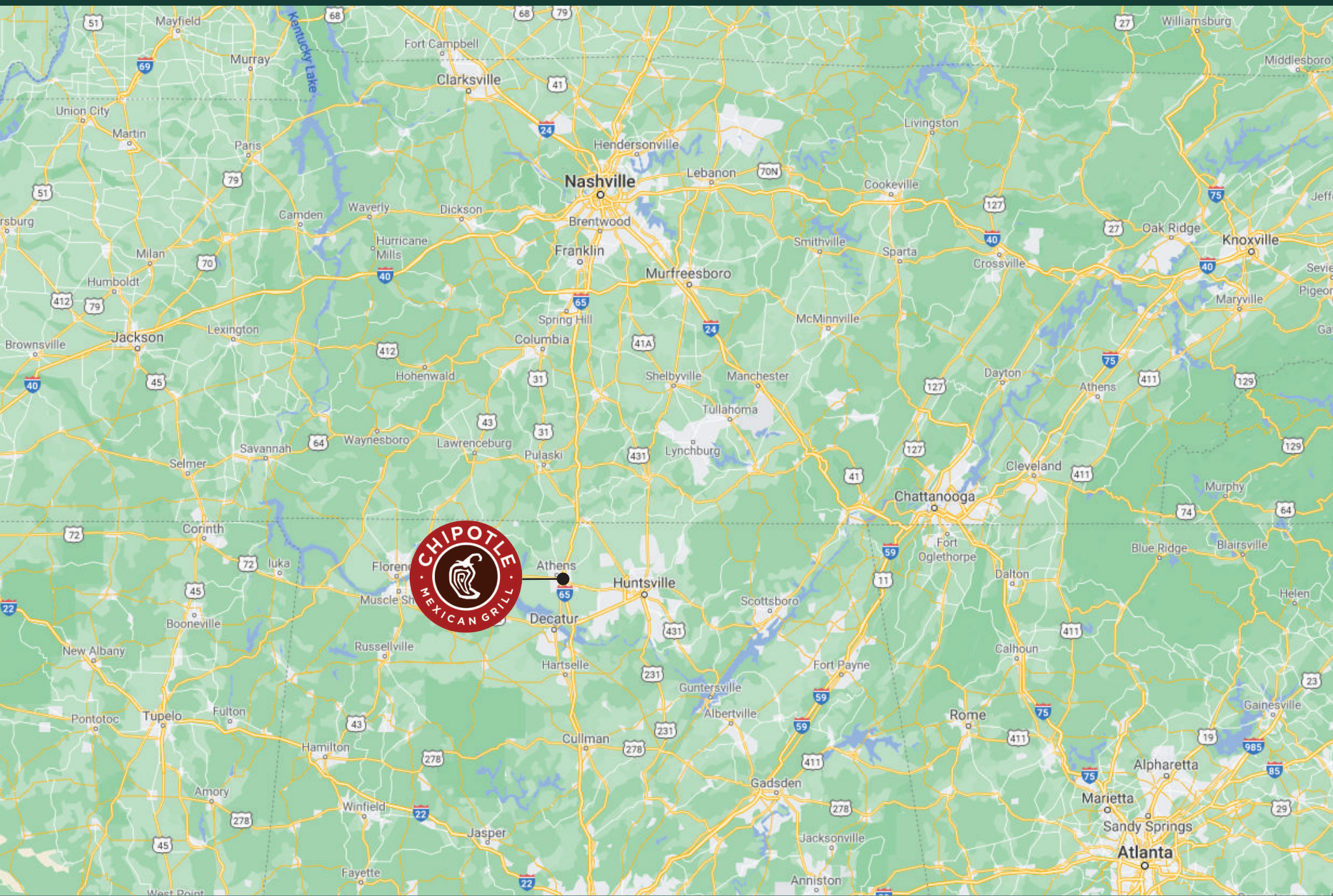
# LOCATION MAP



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# AREA MAP



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# MARKET OVERVIEW

## HUNTSVILLE, ALABAMA

Athens is a city in Limestone County, Alabama, United States. The community is a growing eastern suburb of Huntsville located just 20 miles east of downtown. Athens is part of the Huntsville Metropolitan Area, which is the fastest growing and 2nd most populous metro area in Alabama after the Birmingham Metropolitan Area. The Huntsville Metropolitan Statistical Area is included in the Huntsville–Decatur–Albertville, AL Combined Statistical Area. This CSA spans up to 6 counties in north Alabama with about 790,000 people making this the 64th largest CSA in the country. Huntsville is the largest city in the area with a population of 205,079 people, and a metro population of 475,458. Decatur is the second largest city with a population of 58,815 people, and a metro population of 164,233. Albertville has a population of 23,421 and a metro population of 98,776. In 2005, Forbes magazine named the Huntsville-Decatur Combined Statistical Area as 6th best in the nation for doing business, and number one in terms of the number of engineers per total employment.

Huntsville's main economic influence is derived from aerospace and military technology. Redstone Arsenal, Cummings Research Park (CRP), and NASA's Marshall Space Flight Center comprise the main hubs for the area's technology-driven economy. CRP is the second largest research park in the United States and the fourth largest in the world. University of Alabama in Huntsville is a center for technology and engineering research in the area. There are commercial technology companies such as the network access company ADTRAN, computer graphics company Intergraph and designer and manufacturer of IT infrastructure Avocent. Cinram manufactures and distributes 20th Century Fox DVDs and Blu-ray Discs out of their Huntsville plant. Sanmina-SCI has a presence in the area. Fifty-seven Fortune 500 companies have operations in Huntsville.



**64th Largest Metropolitan**  
Region in the Country



**Ranked as the Fastest**  
Growing Metro Area in Alabama



**Home to Fifty-Seven**  
Fortune 500 Companies



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# DEMOGRAPHIC REPORT

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POPULATION	3 MILE	5 MILES	10 MILES
2026 Projection	21,142	37,929	89,375
2021 Estimate	20,213	36,075	84,550
2010 Census	17,923	30,410	69,358
Percent Change 2010-2021	12.78%	18.63%	21.90%
Percent Change 2021-2026	4.60%	5.14%	5.71%
Median Age	40.83	40.84	40.22

HOUSEHOLDS	3 MILE	5 MILES	10 MILES
2021 Est. Avg. HH Income	\$75,122	\$78,748	\$86,071
2026 Projection	9,067	15,605	34,147
2021 Est. Households	8,620	14,779	32,158
2010 Census	7,504	12,338	26,038
Percent Change 2010-2021	14.87%	19.78%	23.50%
Percent Change 2021-2026	5.19%	5.59%	6.18%

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Listed with Alabama broker  
DZ Net Lease Realty, LLC license 98934



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## Conclusion

After reading this consumer information booklet, you should sign a brokerage agreement that contains a statement of the services to be provided by the real estate professional. Remember, if you do not sign a brokerage agreement, by law, the licensee working with you will be considered a transaction broker. Ask your real estate licensee to clarify and explain anything in this booklet that you do not fully understand before signing a contract for real estate brokerage services. You are encouraged to sign the disclosure form and retain a copy for your records.

### Acknowledged and Accepted:

#### Seller/Landlord

By: \_\_\_\_\_ Date: \_\_\_\_\_

#### Buyer/Tenant

By: \_\_\_\_\_ Date: \_\_\_\_\_

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# A Consumer Information Booklet

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## What Consumers Need To Know When Working With A Real Estate Broker

Published as a public service by the Alabama Real Estate Commission and developed with the assistance of the Alabama Research and Education Center at the University of Alabama.



Revised September 8, 1998

As real estate transactions have become more complex and varied, the types of real estate brokerage arrangements available to the public have evolved to meet the changing needs of consumers entering this market. This booklet is intended to provide buyers and sellers with a description of the different types of brokerage arrangements so that consumers can choose the type of brokerage services best suited to their needs.

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## Know Your Rights

At the initial contact between a licensee (both sales persons and brokers) and the public, the licensee shall be considered to be a transaction broker. As soon as reasonably possible and before the exchange of confidential information, Alabama law requires the licensee to provide you with a written disclosure form that describes different types of brokerage arrangements. You are encouraged to read and sign this disclosure form.

After disclosure you may then choose the type of brokerage agreement best suited to your needs. This brokerage agreement will contain a statement of the specific brokerage services the broker will provide. In the absence of a signed brokerage agreement, the transaction brokerage relationship will remain in effect. Make sure you talk to the real estate licensee with whom you are working to determine the type of services you need or will receive under alternative brokerage arrangements.

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## Customer or Client?

The most important thing you need to know when working with a real estate licensee is whether you

are a client or a customer. A licensee owes certain duties to a client that are different from the services the licensee performs for a customer.

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## Agent and Client

**An agent is a person who acts for or represents you in negotiations with other parties. The client or principal is the person the agent represents.** The licensee when acting as an agent must loyally represent the best interest of the client by placing the interests of the client ahead of the interests of any other party. In a real estate transaction, when a real estate salesperson is employed as an agent, the salesperson is obligated to negotiate the best price and terms for his or her client.

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## What is a Customer?

**A customer is a person who is provided services by a real estate broker, but who is not a client of the broker.** In this case, the real estate licensee is not acting as an agent. The actual services you receive from a real estate broker depend on the arrangement that is established between you and the licensee. The different types of real estate agreements are described below.

There are basically three types of real estate brokerage relationships that can be established between the consumer and a real estate licensee: Single agency, limited consensual dual agency, and a transaction brokerage arrangement.





## Transaction Brokerage

**Transaction brokerage describes a brokerage arrangement whereby the real estate licensee assists one or more parties, who are customers, in a contemplated real estate transaction, without being the agent, fiduciary, or advocate of that party to the transaction.** This means that real

estate brokers and salespeople can act as intermediaries between buyers and sellers. With this type of brokerage arrangement, home buyers and sellers are customers and not clients of the licensee with whom they are working. The basic function of the licensee is to bring buyers and sellers together so that a real estate sale can be completed. Sellers will employ the licensee to help market their real estate by identifying qualified buyers and showing their properties to prospective purchasers. This will usually also involve advertising properties for sale in newspapers and other media. Sellers will commonly also rely on the expertise, experience, and advice of the real estate licensee to help make their property ready for sale and determine an appropriate asking price. Buyers, in turn, rely on the services of brokers to find and show them suitable real estate that they can afford and have the desired characteristics. Real estate professionals may also help consumers obtain mortgage financing as well as assist them with finalizing the real estate sale and recording the deed and other documents associated with the sale.

Transaction brokerage arrangements are usually best suited for consumers who are primarily interested in the marketing services and expertise that can be provided by real estate professionals, but who do not need an agent to represent them in the negotiations for the sale or purchase of real estate. Under transaction brokerage, the licensee must provide brokerage services to all parties honestly and in good faith and avoid showing favoritism to either buyer or seller. Alabama law also requires all licensees exercise reasonable care and skill when providing brokerage services, answer all questions completely and accurately, and present all written purchase offers to sellers promptly and in a truthful manner.

Licensees must also keep confidential any information given to them in confidence, unless disclosure of this information is required by law. For sellers, this means that licensees must answer a buyer's questions about the condition of the property completely and honestly. In addition, the buyer must be told about any hidden defects known to the licensee that could affect the health or safety of occupants.

## Single Agency

**A single agency arrangement describes a relationship whereby the real estate licensee represents only one party in a real estate sales transaction.** In the case of a single agency brokerage arrangement, the real estate licensee represents either the buyer or the seller, but not both parties to the real estate transaction. This type of brokerage arrangement is most appropriate for consumers who need the advice and negotiating skills of real estate professionals in addition to their marketing services. If a seller enters into a single agency agreement with a real estate broker, the broker is referred to as a seller's agent. Under this arrangement the broker must represent only the seller in the negotiations with buyers. Here the broker will seek the highest possible price and best possible sale terms for the seller. This type of brokerage arrangement can involve the use of subagents, especially in situations where properties are marketed through a multiple listing service.

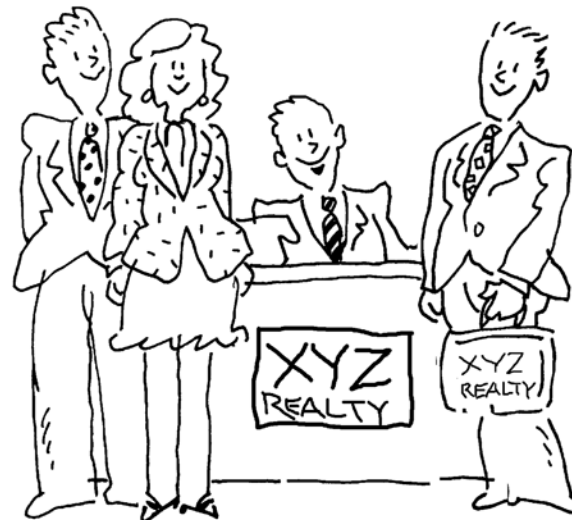
**Subagents are empowered to act for another broker in performing real estate services for that broker.** The subagent owes the same duties to the broker's client as the broker. If a broker is an agent of the seller, then the subagent is also the seller's agent. When examining properties advertised through a multiple listing service it is important for buyers to determine whether the licensee that is showing them properties is acting in the capacity of a transaction broker, seller's agent, or as a subagent of the seller.

Buyers should exercise care with respect to the information they reveal to licensees working as seller agents. For example, if you are the customer it would not be wise to tell a licensee the maximum price you would be willing to pay for a particular property when considering making

a formal purchase offer. If you are the customer, the broker's primary responsibility is to the seller. In this case, the licensee, as the seller's agent, must convey such information to the seller.

**A buyer's agent describes a real estate licensee who is employed by and represents only the buyer in a real estate transaction.** This relationship is created by a written transaction. This transaction should clearly state the service the agent will perform for the buyer as well as specify how the licensee is paid for services rendered in connection with the real estate sale. In this case, the buyer is the client or principal and the real estate broker is the agent of and represents the buyer in dealings with sellers.

This type of real estate brokerage agreement should be used when the buyer needs guidance and representation when negotiating with sellers to purchase real estate. Buyers moving to a new location and who are unfamiliar with local market conditions would be those consumers most likely to benefit from this type of agency arrangement. It is becoming increasingly common in multiple listing situations for the selling broker (a licensee working with and showing properties to the buyer) to be an agent of the buyer and the listing broker to represent the owner-seller. Here, both the buyer and seller, working through their respective agents, could negotiate at arm's length with the benefit of professional help.



## Limited Consensual Dual Agent

**Limited consensual dual agency is an agency relationship where the real estate brokerage company represents both the buyer and the seller in the same real estate transaction.** Consensual dual agency requires the licensee to obtain the written consent of both the buyer and the seller to act as their agent. The two most common circumstances where dual agency is encountered are (1) when two or more salespersons licensed under the same broker each represent a different party to the transaction, and (2) when one licensee represents both the buyer and seller in the same sales transaction.

**One major advantage of limited consensual dual agency is that it allows broader marketing opportunities than single agency arrangements.** With this type of transaction, salespeople can show houses of owners that they represent as agents to their buyer clients. Consensual dual agency is common in the larger real estate markets where real estate companies often have a large number of properties listed for sale. Many of these properties may be desirable to their buyers. With a dual agency agreement, these properties can be shown to their buyer clients.

**In the case of dual agency, the principle function of the licensee is to help both parties reach mutually satisfactory outcome to their negotiations.** The dual agent must avoid showing favoritism to either party and refrain from revealing confidential information that could prove detrimental to one side or the other. Although buyers and sellers may not benefit from the full range of services or agent loyalty that could otherwise be provided with a single agency arrangement, consensual dual agency does offer consumers more assistance and guidance than would be possible under a transaction brokerage agreement.

When considering signing a dual agency agreement, it is very important that you talk with the broker to determine the types of service that will be provided, and what types of information you will share with the broker and broker's other clients.