

OFFERING MEMORANDUM

- NATIONAL TENANT, ABSOLUTE NNN
- SURROUNDED BY 756K SQ FT OF RETAIL
- EXPLOSIVE GROWTH & TOP AFFLUENT LOCATION
- 25 MILES NORTH OF HOUSTON, TX
- 5-MILE POPULATION 196,800+

TCP
TOUCHSTONE
COMMERCIAL PARTNERS



25955 NORTHWEST FWY, CYPRESS, TX 77429

[CLICK TO VIEW 360° PROPERTY AERIAL](#)



*ACTUAL SITE



25955 NORTHWEST FWY, CYPRESS, TX 77429

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Exclusively Listed By
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Broker of Record Brian Brockman, Bang Realty-Texas, Inc. TX Lic #701472

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable. Touchstone Commercial Partners however makes no guarantee, representation or warranty, expressed or implied, about the accuracy or completeness of the information provided. All buyers must conduct full due diligence and independently verify the accuracy and completeness of the information contained herein and bear all risk for any inaccuracies. Touchstone Commercial Partners encourages all interested buyers to seek advice from tax, financial and legal advisors before making any real estate purchase and transaction.

INVESTMENT HIGHLIGHTS

Taco Cabana // Cypress, TX



NATIONAL TENANT

41-Yr Operating History
306 Locations (Including Pollo Tropical)
10,480+ Employees



LONG SITE OPERATING HISTORY

15+ Years At Location
4.8+ Years Remaining
2 Of 5 Year Options



SURROUNDED BY 756K SQ FT OF RETAIL

Three Shopping Centers
170+ National and Regional Retailers
Exit Off U.S. 290 Freeway: 162,300+ VPD



HIGHLY AFFLUENT MARKET

Average Household Income: \$134,400+ (3-mile)
Population: 72,270 (3-mile), 196,800 (5-Mile)
89% Of Residents Are Homeowners



25 MILES NORTH OF HOUSTON, TX

Houston - 4th Largest Economy In America
#6 Top Business Friendly Cities In The World
21 Fortune 500 Headquarters



*ACTUAL SITE

INVESTMENT SUMMARY

Taco Cabana // Cypress, TX

TOUCHSTONE COMMERCIAL PARTNERS is pleased to offer for sale a single-tenant net leased Taco Cabana restaurant located in Cypress, Texas, a highly affluent suburb 25 miles north of Houston. This property has an absolute NNN with zero landlord responsibilities and the tenant recently exercised their 1st of three five-year renewal options, with 10% increase in each option. This is an excellent opportunity for a 1031 Exchange or passive investor seeking valuable real estate with a dominant regional tenant.

The property benefits from phenomenal traffic exposure along U.S. 290 Highway (162,300+ VPD) and is situated at the key entrance point to the Cypress Town Center, a 284K square feet shopping center anchored by Target, TJ Maxx, Ross For Less, Michael's and Best Buy. Along with two other shopping centers directly across the street, there are over 756K square feet of retail immediately surrounding the Taco Cabana property featuring some of the biggest national retailers such as Home Depot, Lowe's, Walmart, Kroger, JC Penny and Cinemark Theatres.

The city Cypress has undergone explosive growth since the early 1990s and today has over 182,400+ residents, an average household income of \$134,50, and 89% of its residents are homeowners. Cypress is part of Harris county which has a population of 4.72 million (67% growth since 1990) and boasts the 3rd Most Populous County, the #2 GDP Growth, and the #1 County In Exported Goods (\$68.2 billion) in the USA.

Harris county is also home to Houston, the 4th largest economy in America and the Energy Capital of the World. Collectively the region has pioneered some of biggest advances in human achievements including the first heart transplant, the NASA's program, the birthplace of nanotechnology and M.D. Anderson Cancer Center, the #1 cancer research center. Harris county also ranks 3rd with 21 Fortune 500 companies including ConocoPhillips, Halliburton, Waste Management and Sysco.

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INVESTMENT SUMMARY

Taco Cabana // Cypress, TX



TENANT	
GUARANTOR	Taco Cabana Corp
PROPERTY ADDRESS	25955 Northwest Fwy, Cypress, TX 77429
LEASE COMMENCEMENT	2/21/05
LEASE EXPIRATION	12/31/25
LEASE LENGTH	4.8+
LEASE TYPE	NNN
RENEWAL OPTIONS	3 Five-Year Options (Currently in 1st Renewal Option)
RENT INCREASES	10% Each Option
LANDLORD MAINTENANCE	None
PROPERTY TAX	Tenant Responsibility
INSURANCE	Tenant Responsibility
REPAIRS & MAINTENANCE	Tenant Responsibility
UTILITIES	Tenant Responsibility

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OFFERING SUMMARY



\$1,721,120
Sale Price



5.8%
Cap Rate



\$99,825
Annual NOI



2005
Year Built



\$463.41
Price / Square Foot



1.19 Acres
Land Size



*ACTUAL SITE

FINANCIAL OVERVIEW

Taco Cabana // Cypress, TX



TENANT

TENANT	SF LEASED	START DATE	END DATE	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/SF	YEARLY RENT/SF
Taco Cabana	3,714	2/21/05	12/31/25	\$8,318.75	\$99,825	\$2.24	\$26.88

RENT ROLL

OPTION PERIOD	YEAR	RENT INCREASE	MONTHLY RENT	YEARLY RENT	YEARLY RENT/SF	CAP RATE
Option 2	21-25	10%	\$9,151	\$109,808	\$29.57	6.88%
Option 3	26-30	10%	\$10,066	\$120,788	\$32.52	7.56%

EXPENSES

YEARLY BUDGET

Property Taxes	\$0
Insurance	\$0
Maintenance	\$0

NET OPERATING INCOME

NOI

Income	\$99,825
Expenses	\$0
NOI	\$99,825

TENANT OVERVIEW

Taco Cabana // Cypress, TX



With over 40 years of operating history, Taco Cabana is a dominant regional fast-casual and quick-service restaurant based in Texas with over 153 locations. Taco Cabana is owned Fiesta Restaurant Group, Inc. (NASDAQ:FRGI), the parent company of both Taco Cabana and Pollo Tropical, with a combined 306 restaurants, an annual revenue of \$660.9 million in 2019 and over 10,480 employees.

Taco Cabana specializes in Tex-Mex-inspired food made fresh by hand from unique authentic recipes and ingredients. Taco Cabana prepares all its food in each restaurant by hand every day – chopping vegetables, simmering beans, rolling flautas – using original family recipes. Every year, Taco Cabana chops about 7.8 million pounds of fresh tomatoes to make its famous, fresh salsa and pico de gallo. Diners can get Taco Cabana's fresh, handmade food at the convenient drive-thrus at all locations and enjoy Happay Hour specials every day featuring quality tequila margaritas.



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SITE PLAN

Taco Cabana // Cypress, TX



CYPRESS TOWN CENTER INGRESS/EGRESS

TACO CABANA

US-290 FRONTAGE



AERIAL MAP

Taco Cabana // Cypress, TX



CYFAIR TOWN CENTER / 433, 677 SQ FT

JCPenney

Buffalo Wild Wings

Kroger

Pizza Hut

CINEMARK

GameStop

TACO BELL

290

162,300+ VEHICLES PER DAY

CYPRESS MILL PLAZA / 116,800 SQ FT

THE HOME DEPOT

Walmart

Bank of America

WELLS FARGO

Denny's

DOLLAR TREE

SONIC

HOBBY LOBBY

Jack in the box

PANDA EXPRESS



AERIAL MAP

Taco Cabana // Cypress, TX



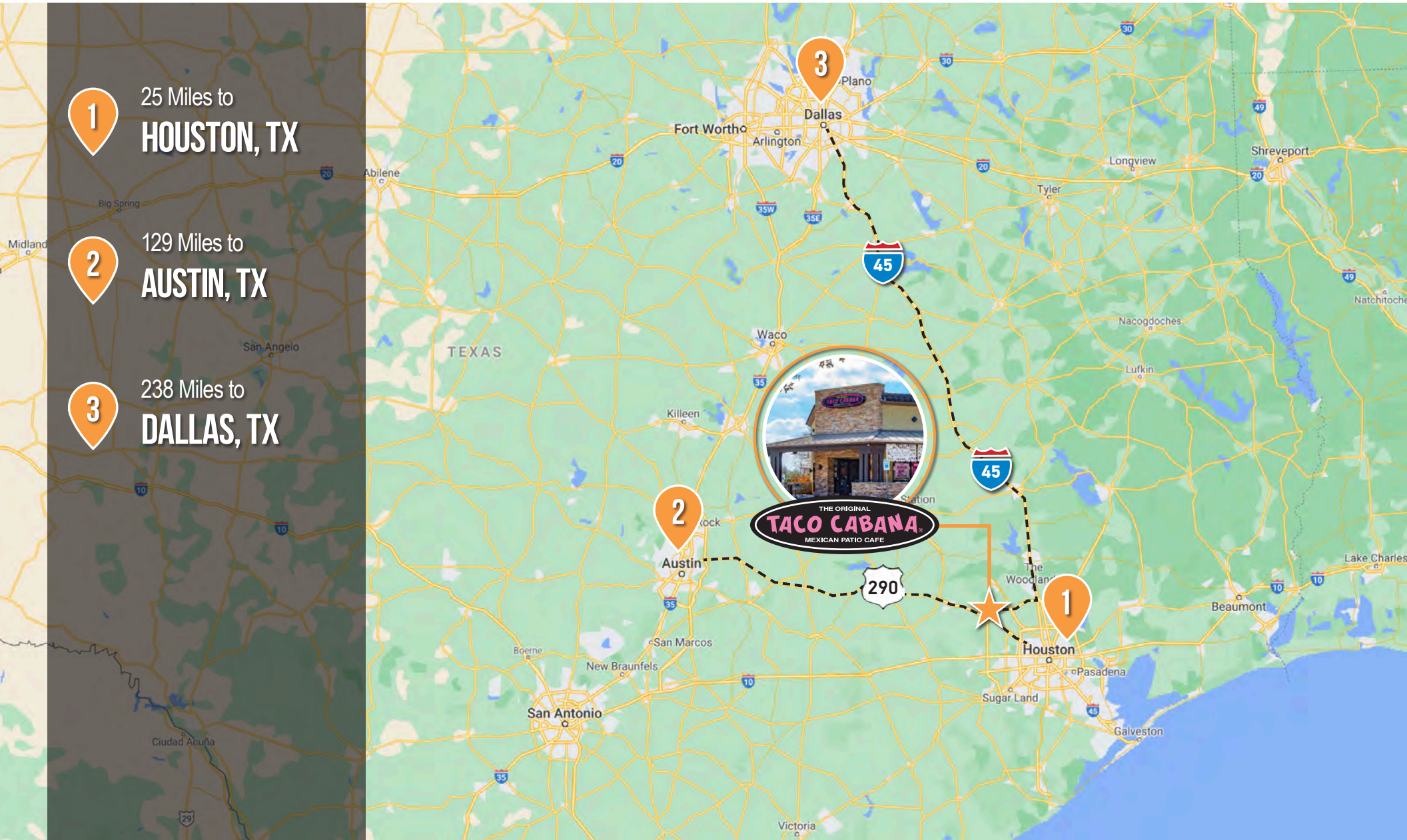
AERIAL MAP

Taco Cabana // Cypress, TX



REGIONAL OVERVIEW

Taco Cabana // Cypress, TX



CITY OVERVIEW

Taco Cabana // Cypress, TX

“THE CITY WITH NO LIMITS”

Cypress, Texas, an affluent suburb 25 miles north of Houston, has undergone explosive growth since the early 1990s and today has over 182,400+ residents, an average household income of \$134,50, and 89% of its residents are homeowners. Cypress is part of Harris county which has a population of 4.72 million (67% growth since 1990) and boasts the 3rd Most Populous County, the #2 GDP Growth, and the #1 County In Exported Goods (\$68.2 billion) in the USA.

Harris county has a labor force of 2.44+ million with 30% of adults having Bachelor's degrees including 87,500 engineers and architects. The county also includes Houston, the 4th largest economy in America and the Energy Capital of the World. Collectively the region has pioneered some of biggest advances in human achievements including the first heart transplant, the NASA's program, the birthplace of nanotechnology and M.D. Anderson Cancer Center, the #1 cancer research center and part of the Texas Medical Center, the largest medical complex in the world with over 106,000+ employees.

The top industries include advanced manufacturing & technology, aerospace and aviation, distribution and logistics, biotechnology and life science and energy. Harris county is home to the 3rd most Fortune 500 companies (21) including ConocoPhillips, Halliburton, Waste Management and Sysco. Other industry giants with over 10,000 employees include Memorial Hermann Health System, Walmart, Kroger, United Airlines, Shell, ExxonMobil and HCA. The greater Houston area also has over 60 colleges including the popular Rice University, University of Houston and Baylor College of Medicine.

Given that Texas has no state or local income tax, Cypress residents enjoy a low cost of living at 8% below the national average. The greater Houston area provides a plethora of life styles to satisfy all with 6 professional major league teams, over 10,000 restaurants representing over 70 countries, 150 museums and art galleries and 795 parks within the county boundaries.

CYPRESS AND HARRIS COUNTY DEMOGRAPHICS



4.72M
Total
Population



3RD
Most Populous County
In The US



#2
GDP Growth
In The US



#1 COUNTY
in Exported Goods
In The US



TEXAS MEDICAL CENTER
Largest Medical Complex
In The US



21
Fortune 500
Headquarters

DEMOGRAPHICS

Taco Cabana // Cypress, TX



NASA



Texas Medical Center



Herman Park



Miller Outdoor Theatre

DEMOGRAPHICS

1 MILE

3 MILE

5 MILE

POPULATION

Estimated Population	4,337	72,271	196,893
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HOUSEHOLDS

Estimated Households	1,466	23,992	65,301
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HOUSEHOLD INCOME

Average Household Income	\$130,042	\$134,484	\$129,761
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10 MILE RADIUS



POPULATION
729,262



HOUSEHOLDS
251,623



INCOME
\$108,300



CYPRESS, TX



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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:
 - 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.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ 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