

FREESTANDING “CHIPOTLANE” CONCEPT

Absolute NNN Investment Opportunity



With Drive Thru



1347 US-377 | ROANOKE, TEXAS

(DALLAS-FORT WORTH MSA)

ACTUAL SITE





EXCLUSIVELY MARKETING BY

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Rent Roll | Brand Profile



PROPERTY PHOTO





INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee (land ownership) in an absolute NNN, corporate guaranteed, drive-thru equipped, Chipotle investment property located in Roanoke, Texas (Dallas-Fort Worth MSA). The tenant, Chipotle Mexican Grill, Inc., has over 18 years remaining in their initial term with 3 (5-year) options to extend, demonstrating their long-term commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation. The lease is corporate guaranteed by Chipotle Mexican Grill, Inc., and is absolute NNN with zero landlord responsibilities. Chipotle Mexican Grill, Inc. is an established and nationally recognized brand with over 2,600 locations internationally.

Chipotle is strategically located along U.S. Highway 377, averaging 21,300 combined vehicles passing by daily. The building is complete with a rare freestanding drive-thru “Chipotlane” concept, providing ease and convenience for customers and allowing the ability to accommodate a higher volume of mobile orders. The site is equipped with a large monument sign, creating excellent visibility along U.S. Highway 377. Chipotle benefits from nearby on/off ramp access to State Highway 114 (44,800 VPD), a major commuter thoroughfare that starts in the Dallas-Fort Worth Metroplex and travels westward directly through Roanoke. The asset is ideally situated less than 1 mile north of Roanoke Crossing, a 409,000 SF power center anchored by Walmart Supercenter and The Home Depot. U.S. Highway 377 is the primary retail corridor serving the trade area, with other nearby national/credit tenants including Aldi, Dollar Tree, Tractor Supply Co., McDonald’s, 7-Eleven, CVS Pharmacy, Chick-fil-A and more. Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for Chipotle. Moreover, the asset is less than 4 miles east of Texas Motor Speedway, a 1,500-acre racing facility that holds multiple high-profile NASCAR and IndyCar events each year and has a seating capacity of over 181,000. Additionally, the site is surrounded by several apartment complexes including Copper Ridge Apartments (313 units), Boulder Ridge Apartments (494 units), and Chadwick Apartments (264 units), providing a direct residential consumer base from which to draw. The 5-mile trade area is supported by more than 66,000 residents and 15,600 daytime employees with an affluent average household income of over \$146,000.

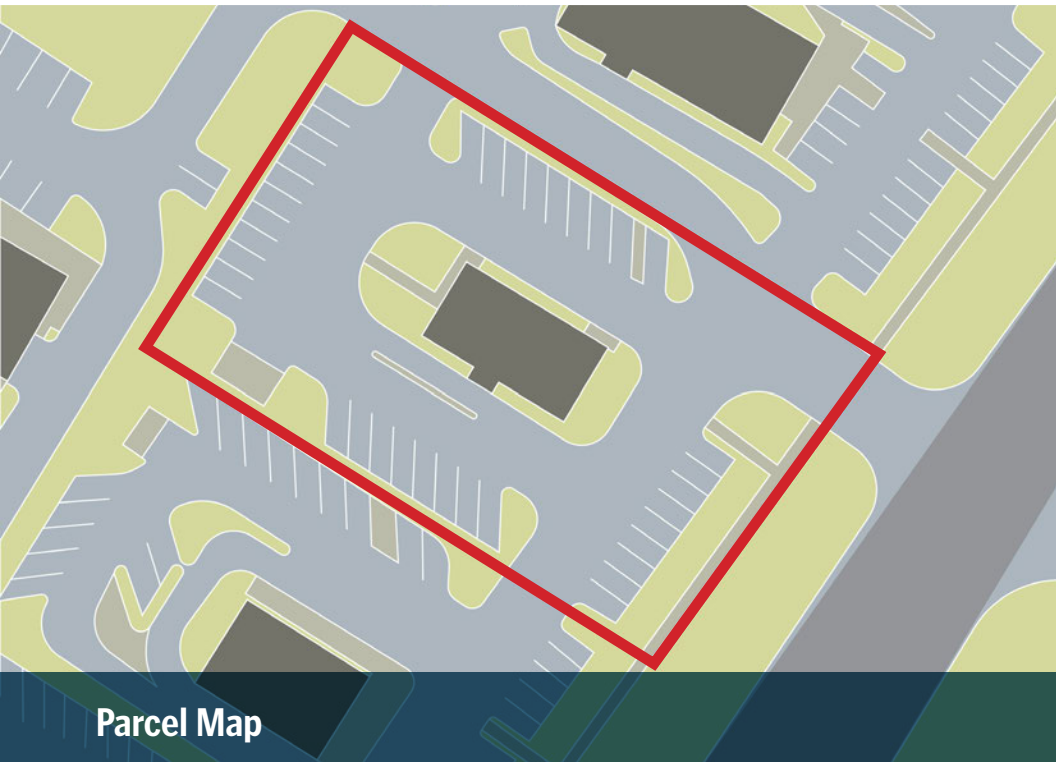


PROPERTY PHOTOS





OFFERING SUMMARY



Parcel Map

Offering

PRICING	\$3,714,000
NET OPERATING INCOME	\$130,000
CAP RATE	3.50%
GUARANTY	Corporate
TENANT	Chipotle Mexican Grill, Inc.
LEASE TYPE	Absolute NNN - Ground Lease
LANDLORD RESPONSIBILITIES	None

Property Specifications

RENTABLE AREA	2,400 SF
LAND AREA	0.87 Acres
PROPERTY ADDRESS	1347 US-377 Roanoke, TX 76262
YEAR BUILT	2019
PARCEL NUMBER	R705200
OWNERSHIP	Leased Fee (Land Ownership)



INVESTMENT HIGHLIGHTS

Over 18 Years Remaining | Corporate Guaranteed | Scheduled Rental Increases

- Corporate guaranteed by Chipotle Mexican Grill, Inc. (NYSE: CMG)
- Approximately 18 years remaining in their initial term with 3 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation
- Chipotle Mexican Grill, Inc. is an established and nationally recognized brand with over 2,600 locations internationally

Absolute NNN | Leased Fee Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- No landlord responsibilities - ground lease
- Ideal, management-free investment for a passive investor

Apartment Units Within 3-Mile Radius (1,000+) | Direct Residential Consumer Base

- Nearby apartment complexes include Copper Ridge Apartments (313 units), Boulder Ridge Apartments (494 units), and Chadwick Apartments (264 units)
- Provides a direct consumer base from which to draw

Demographics in 5-Mile Trade Area | Six-Figure Incomes

- More than 66,000 residents and 15,600 employees support the trade area
- Affluent average household income of over \$146,000

Nearby to Roanoke Crossing | Strong National/Credit Tenants | Texas Motor Speedway (362,000+ Annual Attendance)

- Situated near Roanoke Crossing, a 409,000 SF power center anchored by Walmart Supercenter and The Home Depot
- Nearby national/credit tenants include Aldi, Dollar Tree, Tractor Supply Co., McDonald's, 7-Eleven, CVS Pharmacy, Chick-fil-A and more
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for Chipotle
- Located less 4 miles east of Texas Motor Speedway, a 1,500-acre racing facility that holds multiple high-profile NASCAR and IndyCar events each year and has a seating capacity of over 181,000

Strong Regional Trade Area | Retail and Population Growth

- Projected to add 150,050 SF of retail inventory in 2020 to the trade area, an increase of 10.30% growth from the previous year
- The immediate 1-mile trade area has a projected annual population growth of 3.92%

Located Along U.S. Highway 377 | State Highway 114 | Excellent Visibility & Access | Rare Drive-Thru "Chipotlane"

- Chipotle is located along U.S. Highway 377, averaging 21,300 combined vehicles passing by daily
- Nearby on/off ramp access to State Highway 114 (44,800 VPD), a major commuter thoroughfare that starts in the Dallas-Fort Worth Metroplex and travels westward directly through Roanoke
- Rare freestanding drive-thru "Chipotlane" concept, providing ease and convenience for customers
- On average, stores with drive-thrus experience higher sales than those without
- The site is equipped with a large monument sign, creating excellent visibility

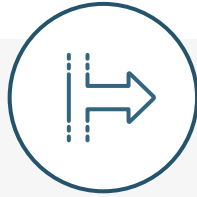


PROPERTY OVERVIEW



Location

Located in
Roanoke, TX
(Dallas-Fort Worth MSA)
Denton County



Access

Direct Access to
U.S. Highway 377

Shared Access With
CVS Pharmacy



Traffic Counts

U.S. Highway 377
21,300 Cars Per Day

State Highway 114
44,800 Cars Per Day



Improvements

There is approximately 2,400 SF
of existing building area



Parking

There are approximately
37 parking spaces
on the owned parcel.
The parking ratio is
approximately 15.42 stalls per
1,000 SF of leasable area.



Parcel

Parcel Number: R705200
Acres: 0.87
Square Feet: 38,028 SF



Year Built

2019



Zoning

BP: Business Park



CORPORATE OFFICE

LEADERSHIP CENTER

CORPORATE OFFICE

DATA CENTER

LAKEVIEW
ELEMENTARY
SCHOOL

N. U.S. HWY. 170

ROANOKE
CROSSING II
RETAIL

STATE HWY. 114

U.S. HWY. 377





21,300
CARS PER DAY

44,800
CARS PER DAY

5,700
CARS PER DAY

ROANOKE
ELEMENTARY SCHOOL

BYRON NELSON
HIGH SCHOOL
(2,552 STUDENTS)

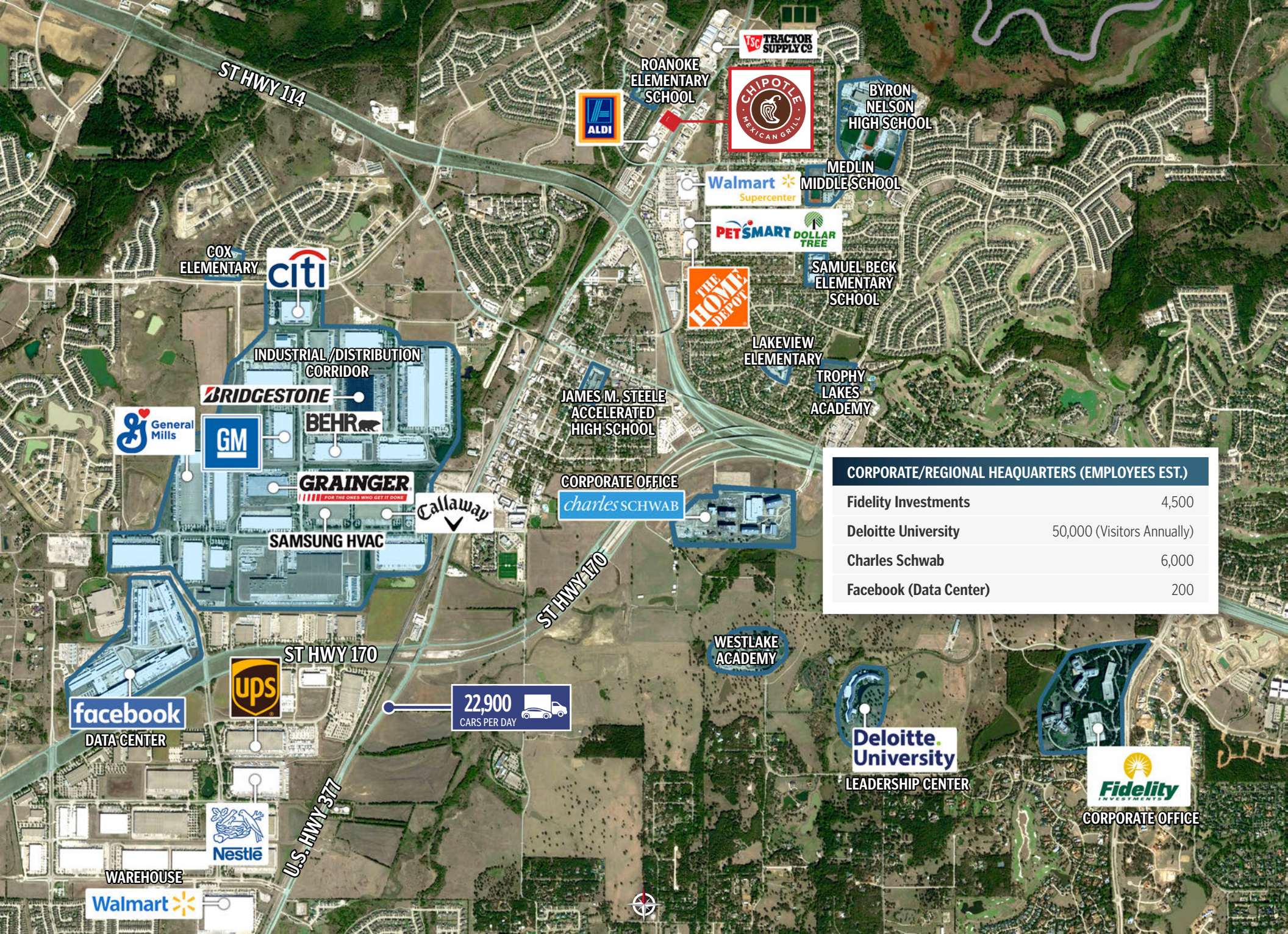
MEDLIN
MIDDLE SCHOOL

SAMUEL BECK
ELEMENTARY SCHOOL

MARSHALL CREEK RD.

STATE HIGHWAY 114

U.S. HIGHWAY 377



CORPORATE/REGIONAL HEADQUARTERS (EMPLOYEES EST.)	
Fidelity Investments	4,500
Deloitte University	50,000 (Visitors Annually)
Charles Schwab	6,000
Facebook (Data Center)	200



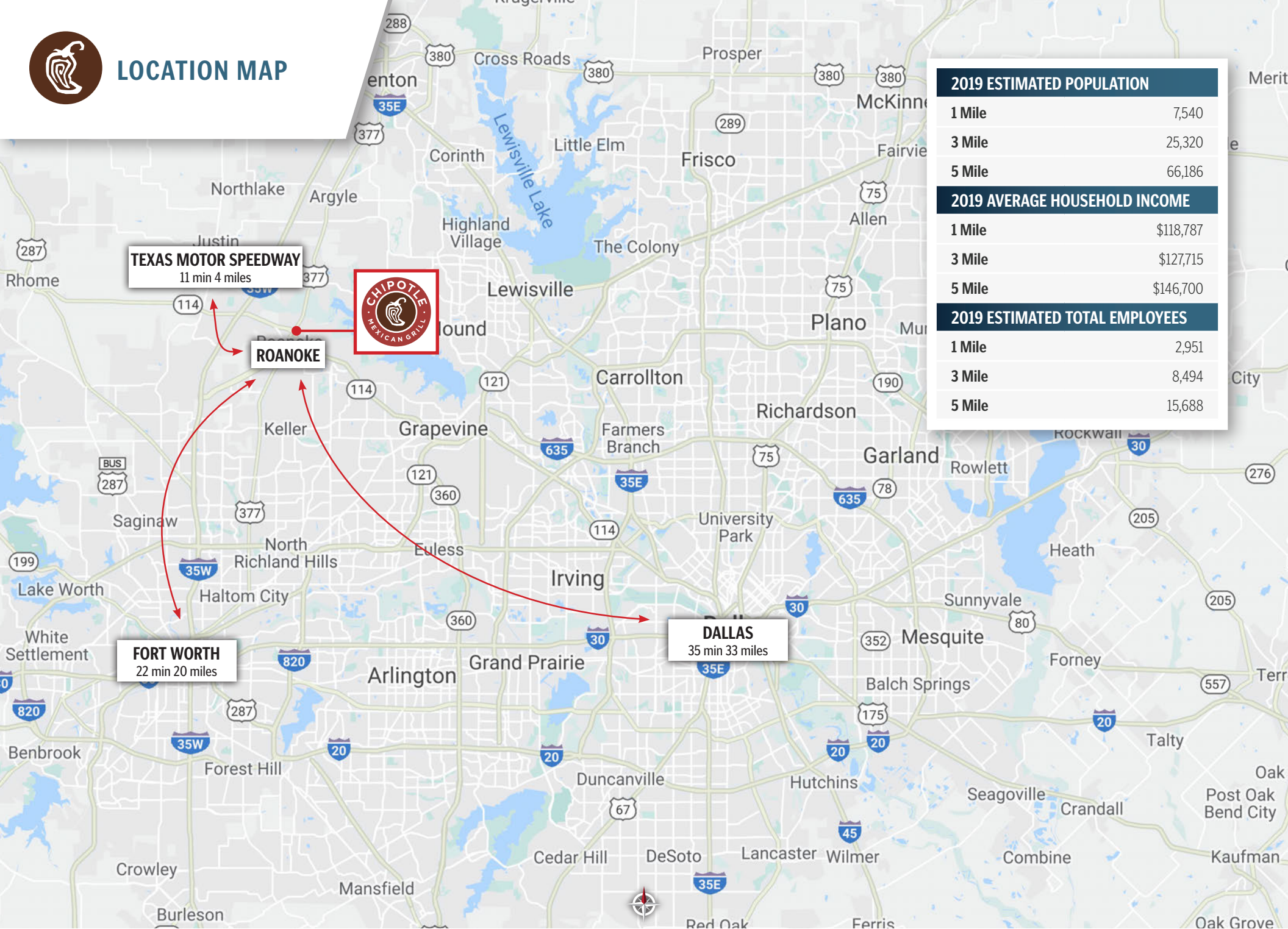


PROPERTY PHOTO





LOCATION MAP



2019 ESTIMATED POPULATION

1 Mile	7,540
3 Mile	25,320
5 Mile	66,186

2019 AVERAGE HOUSEHOLD INCOME

1 Mile	\$118,787
3 Mile	\$127,715
5 Mile	\$146,700

2019 ESTIMATED TOTAL EMPLOYEES

1 Mile	2,951
3 Mile	8,494
5 Mile	15,688



AREA OVERVIEW



Roanoke, Texas

Roanoke is a city in Denton County, Texas, United States and part of the Dallas – Fort Worth Metroplex. A small part of the city extends into Tarrant. Roanoke is home to many restaurants. The City of Roanoke had a population of 7,884 as of July 1, 2019.

The largest industries in Roanoke, TX are Health Care & Social Assistance, Finance & Insurance, and Transportation & Warehousing, and the highest paying industries are Manufacturing, Wholesale Trade, and Information. The Tom Thumb Food & Pharmacy distribution center is in Roanoke. The United Supermarkets Distribution Center is also located in Roanoke. Walmart, and The Home Depot are also in the community. The Martin-Brower Distribution Center is also located in Roanoke. There are some major food chains in Roanoke such as Subway, Wendy's, Taco Bell, Taco Bueno, Taco Casa, Sonic, Chick-fil-A, Chili's, McDonald's, Whataburger, Dairy Queen, Panda Express, Krispy Kreme, On the Border and Dickey's Barbecue. Oak Street in Roanoke is the newly redeveloped Old Town District which is the home for a number of restaurants, such as the first original Babe's Chicken Dinner House, Twisted Root Burger Company, Tacos n' Avocados, Hard 8 BBQ, Bayou Jack's Cajun Grill, Jack & Grill on Oak St., Oak Street Pie & Candy Co., Susie's Sweet Boutique, Hey Sugar Candy Store, INZO Pizza and Wine, La Familia Mexican, Craft & Vine, Fosters, Wise Guys Pizzeria, The Brew Junkie Coffee House, Mugs Cafe & Bakery, and the Classic Cafe. The large number of independent restaurateurs on Roanoke's Oak Street led to the moniker "Unique Dining Capital of the Texas".

Roanoke will soon be adding The Peabody Roanoke hotel. The project has an estimated completion date of April 2022. The Peabody will be an upscale, luxury hotel that spans 25,000 square feet on eight stories. It will have 300 rooms and suites in addition to event and office space. The amenities will include two restaurants, two bars, a spa, a fitness center and an open rooftop swimming pool. Based in Memphis, the original Peabody hotel is known for the ducks that march down a red carpet through the lobby to swim in its fountain. The ducks have become a draw for hotel visitors the world over.

Denton County is a county in the state of Texas. The county seat is Denton. Denton County is included in the Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area. County had a population of 859,064 as of July 1, 2018.



AREA ATTRACTIONS



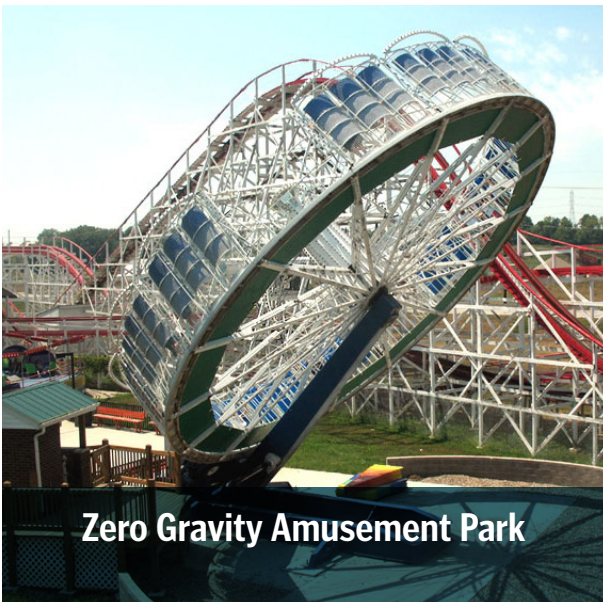
Dallas Cattle Drive Sculptures



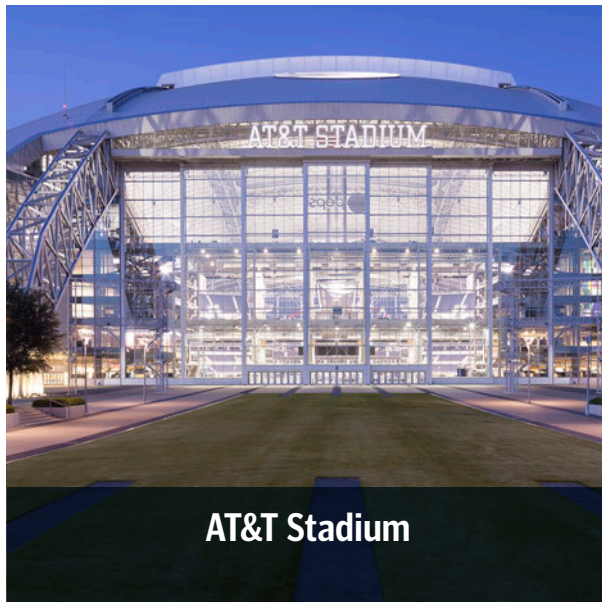
Reunion Tower



Dallas Museum of Art



Zero Gravity Amusement Park



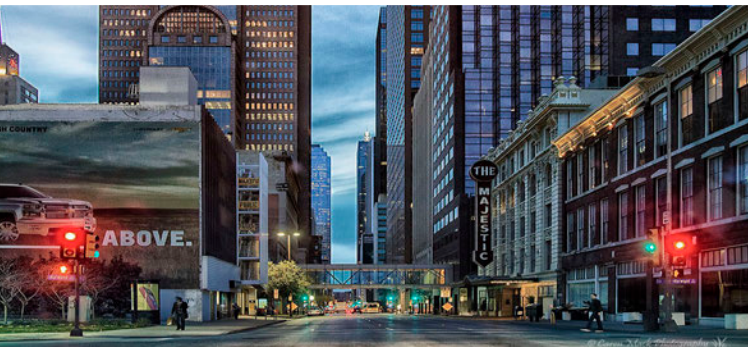
AT&T Stadium



Fair Park



AREA OVERVIEW



Dallas, Texas

Dallas is a major American metropolis located in the state of Texas. The city is also the largest urban center of the fourth most populous metropolitan area in the United States of America. The city proper ranks ninth in the U.S. and third in Texas after Houston and San Antonio. The city's prominence arose from its historical importance as a center for the oil and cotton industries, and its position along numerous railroad lines. The bulk of the city is in Dallas County, of which it is the county seat; however, sections of the city are located in Collin, Denton, Kaufman, and Rockwall counties. The DFW Metroplex is home to over 7.5 million residents, and in 2017, the metro became home to more than 146,000 new residents (leading the nation in population growth).

The City of Dallas is the largest local economy in the nation's fourth largest metropolitan area. The City is home to over 62,000 businesses. Dallas' diverse industry employment mix continues to support steady and progressive local economic growth and to dampen the negative effects of any single industry downturn. Professional and Business services were the largest employment vi industry within the City, marking a change from the last two years where the Trade, Transportation and Utilities sector was the largest. The Government and Education and Health Services sectors employment shares were the third and fourth largest in fiscal 2014.

Dallas is served by two commercial airports: Dallas/Fort Worth International Airport (DFW) and Dallas Love Field (DAL). In addition, Dallas Executive Airport (formerly Redbird Airport), serves as a general aviation airport for the city, and Addison Airport functions similarly just outside the city limits in the suburb of Addison. Two more general aviation airports are located about 35 miles north of Dallas in McKinney, and another two are located in Fort Worth, on the west side of the Metroplex. DFW International Airport is located in the suburbs slightly north of and equidistant to Downtown Fort Worth and Downtown Dallas. In terms of size, DFW is the largest airport in the state, the 2nd largest in the United States and 9th largest in the world; DFW International Airport is larger than the island of Manhattan.

Dallas maintains and operates 406 parks on 21,000 acres of parkland. The city's parks contain 17 separate lakes, including White Rock and Bachman lakes, spanning a total of 4,400 acres. In addition, Dallas is traversed by 61.6 miles of biking and jogging trails, including the Katy Trail, and is home to 47 community and neighborhood recreation centers, 276 sports fields, 60 swimming pools, 232 playgrounds, 173 basketball courts, 112 volleyball courts, 126 play slabs, 258 neighborhood tennis courts, 258 picnic areas, six 18-hole golf courses, two driving ranges, and 477 athletic fields.



AREA OVERVIEW



Fort Worth, Texas

Fort Worth is the 16th-largest city in the United States and the fifth-largest city in the state of Texas. Fort Worth, incorporated in 1873, is a political subdivision and municipal corporation of the State of Texas, located in Tarrant, Denton, Parker, Wise and Johnson Counties. The City serves a population of 833,319 as of July 1, 2015.

Fort Worth is located in North Texas, and has a generally humid subtropical climate. It is part of the Cross Timbers region; this region is a boundary between the more heavily forested eastern parts and the rolling hills and prairies of the central part. Specifically, the city is part of the Grand Prairie ecoregion within the Cross Timbers. The Dallas–Fort Worth metroplex is the hub of the North Texas region. According to the United States Census Bureau, the city has a total area of 298.9 square miles.

Fort Worth is a Sunbelt city marked by its steady growth and diverse economy. Relocation of major firms to the greater Fort Worth area, renovation of many historical landmarks, shopping areas, and a host of public-private cooperative development ventures comprise Fort Worth's economic past. For the future, the ground has already been broken for ambitious commercial, retail, and residential developments. Fort Worth is one of two major cities in the Dallas/Fort Worth metropolitan area. The Dallas/Fort Worth metropolitan area contains a population of more than 7.5 million people.

Major companies based in Fort Worth include American Airlines Group (and subsidiaries American Airlines and Envoy Air), D. R. Horton, the John Peter Smith Hospital, Pier 1 Imports, RadioShack, and the BNSF Railway. In 2013, Fort Worth-Arlington ranked 15th on Forbes' list of the Best Places for Business and Careers.

Fort Worth has traditionally been a diverse center of manufacturing and is not dependent on the oil or financial sectors. The city's industries range from clothing and food products to jet fighters, helicopters, computers, pharmaceuticals, and plastics. Fort Worth is a national leader in aviation products, electronic equipment, and refrigeration equipment. It is home to a multitude of major corporate headquarters, offices, and distribution centers.

The airline industry is critical, with both the Dallas–Fort Worth International Airport and Alliance cargo airport in or near the city; American Airlines is based there. Dallas/Fort Worth International Airport is a major commercial airport located between the major cities of Fort Worth and Dallas. DFW Airport is the world's third-busiest airport based on operations and tenth-busiest airport based on passengers.



AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2019 Estimated Population	7,540	25,320	66,186
2024 Projected Population	9,137	30,191	76,883
2010 Census Population	4,494	16,013	43,737
Projected Annual Growth 2019 to 2024	3.92%	3.58%	3.04%
Historical Annual Growth 2010 to 2019	2.55%	5.62%	4.78%
2019 Estimated Households	2,759	9,671	22,954
2024 Projected Households	3,339	11,494	26,608
2010 Census Households	1,636	6,135	15,292
Projected Annual Growth 2019 to 2024	3.89%	3.51%	3.00%
Historical Annual Growth 2010 to 2019	2.29%	5.53%	4.70%
2019 Estimated White	86.81%	87.44%	84.75%
2019 Estimated Black or African American	4.47%	4.24%	5.31%
2019 Estimated Asian or Pacific Islander	3.97%	4.19%	5.48%
2019 Estimated American Indian or Native Alaskan	0.89%	0.75%	0.59%
2019 Estimated Other Races	3.95%	3.67%	3.69%
2019 Estimated Hispanic	15.62%	13.23%	13.94%
2019 Estimated Average Household Income	\$118,787	\$127,715	\$146,700
2019 Estimated Median Household Income	\$93,906	\$102,583	\$108,685
2019 Estimated Per Capita Income	\$44,232	\$48,548	\$50,784
2019 Estimated Total Businesses	221	783	1,379
2019 Estimated Total Employees	2,951	8,494	15,688





RENT ROLL

TENANT NAME	Lease Term					Rental Rates					
	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Chipotle Mexican Grill, Inc.	2,400	8/27/2019	8/31/2039	Current	-	\$10,833	\$4.51	\$130,000	\$54.17	Absolute NNN	3 (5-Year)
(Corporate Guaranty)		(Est.)	(Est.)	9/1/2024	10%	\$11,917	\$4.97	\$143,000	\$59.58		10% Increase at Beg. of Each Option
				9/1/2029	10%	\$13,108	\$5.46	\$157,300	\$65.54		
				9/1/2034	10%	\$14,419	\$6.01	\$173,030	\$72.10		

FINANCIAL INFORMATION

Price	\$3,714,000
Net Operating Income	\$130,000
Cap Rate	3.50%
Lease Type	Absolute NNN - Ground Lease

PROPERTY SPECIFICATIONS

Year Built	2019
Rentable Area	2,400 SF
Land Area	0.87 Acres
Address	1347 US-377 Roanoke, TX 76262





BRAND PROFILE

Chipotle Mexican Grill

chipotle.com

Chipotle Mexican Grill, Inc. (NYSE: CMG) is cultivating a better world by serving responsibly sourced, classically-cooked, real food with wholesome ingredients without artificial colors, flavors or preservatives. Chipotle had over 2,600 restaurants as of December 30, 2019, in the United States, Canada, the United Kingdom, France and Germany and is the only restaurant company of its size that owns and operates all its restaurants. With more than 83,000 employees passionate about providing a great guest experience, Chipotle is a longtime leader and innovator in the food industry. Chipotle is committed to making its food more accessible to everyone while continuing to be a brand with a demonstrated purpose as it leads the way in digital, technology and sustainable business practices. Steve Ells, founder and executive chairman, first opened Chipotle with a single restaurant in Denver, Colorado in 1993.



COMPANY TYPE

Public (NYSE: CMG)

2019 EMPLOYEES

83,000

2019 REVENUE

\$5.59 B

2019 NET INCOME

\$350.16 M

2019 ASSETS

\$5.10 B

2019 EQUITY

\$1.68 B



SRS NATIONAL NET LEASE GROUP IS THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM OF SRS REAL ESTATE PARTNERS.

275+

**RETAIL
PROFESSIONALS**

25+

OFFICES

#1

**LARGEST REAL ESTATE
SERVICES FIRM**
in North America
exclusively dedicated to retail

2100+

**RETAIL
TRANSACTIONS**
in 2019
company wide

485

**PROPERTIES
SOLD**
in 2019
NNLG

\$1.5B

**TRANSACTION
VALUE**
in 2019
NNLG

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.

*Statistics are for 2019