



# TACO CABANA

**15 YEAR ABSOLUTE NNN GROUND LEASE  
OUTPARCEL TO HEB AND HOME DEPOT ANCHORED SHOPPING CENTER**

**HOUSTON, TX**



# Contact the team

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# TACO CABANA

12714 W LAKE HOUSTON PKWY, HOUSTON, TX 77044

**\$2,500,000**  
**PRICE**

**5.00%**  
**CAP**

NOI:	<b>\$125,000</b>
LEASE TYPE:	<b>NNN GROUND LEASE</b>
LEASE TERM:	<b>15-YEARS</b>
LEASABLE AREA:	<b>34,238 SF</b>
BUILDING SIZE:	<b>2,925 SF</b>
YEAR BUILT:	<b>2014</b>
YEAR RENOVATED:	<b>2020</b>

**DRIVE-THRU WITH OUTDOOR DINING PATIO,  
OUTPARCEL TO HEB & THE HOME DEPOT  
ANCHORED CENTER**



# Investment Highlights



## THE OFFERING

The offering provides an opportunity to acquire an absolute net ground lease Taco Cabana in Houston, TX. The 15-year lease, signed in 2020, has 14 years remaining and three 5-year options to renew. The tenant, Texas Taco Cabana, L.P., is a wholly owned subsidiary of publicly traded Fiesta Restaurant Group Inc.

Located off of Beltway 8 in suburban Houston, the third-fastest growing county in the U.S., the subject is positioned at the entrance to The Home Depot and HEB Supermarket anchored shopping center. The property benefits from its retail location at the entrance to Summerwood, an affordable luxury residential community in northeast Houston. The drive-thru pad is situated adjacent to Chase Bank and a multi-tenant strip center.

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## HIGHLIGHTS

- **Houston suburbs are one of the fastest growing areas in the U.S.**
- **Absolute Net Lease – Zero Landlord maintenance or expense responsibilities**
- **Just off highway exit - located less than .25 mile east of Texas 8 Beltway**
- **14 years remaining on 15 year lease with three additional 5-year options**
- **Fiesta Restaurant Group Inc - \$554MM 2020 Revenue (NASDAQ: FRGI)**
- **Drive-thru surrounded by The Home Depot, HEB Supermarket/Pharmacy/Gas Station, Chase Bank, Starbucks, and McDonald's**



# Income & Expense

<b>PRICE</b>		<b>\$2,500,000</b>
<b>Capitalization Rate:</b>		<b>5.00%</b>
Total Rentable Area (SF) <sup>1</sup>		34,238
<b>STABILIZED INCOME</b>		<b>PER SQUARE FOOT</b>
Scheduled Rent	\$3.65	\$125,000
Effective Gross Income	\$3.65	\$125,000
<b>LESS</b>		<b>PER SQUARE FOOT</b>
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
<b>EQUALS NET OPERATING INCOME</b>		<b>\$125,000</b>

1 - The building within the premises is approximately 2,925 square feet.

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# Rent Roll

Tenant Info		Lease Terms		Rent Summary				
Tenant Name	Sq. Ft.	Term		Current Rent	Monthly Rent	Yearly Rent	Monthly Rent/Ft	Yearly Rent/Ft
Taco Cabana	34,238	10/01/20	09/30/25	\$125,000	\$10,417	\$125,000	\$0.30	\$3.65
		10/01/25	09/30/30		\$11,458	\$137,500	\$0.33	\$4.02
		10/01/30	09/30/35		\$12,604	\$151,250	\$0.37	\$4.42
	Option 1	10/01/35	09/30/40		\$13,865	\$166,375	\$0.40	\$4.86
	Option 2	10/01/40	09/30/45		\$15,251	\$183,013	\$0.45	\$5.35
	Option 3	10/01/45	09/30/50		\$16,776	\$201,314	\$0.49	\$5.88
TOTALS:	34,238			\$125,000	\$10,417	\$125,000	\$0.30	\$3.65

1 - The building within the premises is approximately 2,925 square feet.



# Site Plan



2,925  
RENTABLE SF



0.79  
ACRES



31  
SPACES





# Tenant Overview



## ABOUT TACO CABANA

Taco Cabana is a fast casual restaurant chain specializing in Mexican-inspired food. The chain is headquartered in San Antonio, TX, where the original restaurant was opened in 1978.

Most of Taco Cabana's 143 restaurants have a drive-thru and are open 24 hours a day. Restaurants feature open display cooking that enables guests to observe fajitas being prepared on an open grill, a tortilla machine pressing and grilling fresh flour tortillas, and the preparation of other menu items.

Fiesta Restaurant Group, Inc. (NASDAQ: FRGI) owns, operates and franchises the Pollo Tropical® and Taco Cabana® restaurant brands. The brands specialize in the operation of fast casual/quick service restaurants that offer distinct and unique flavors with broad appeal at a compelling value.

As of January 3, 2021, there were 143 Company-owned Taco Cabana restaurants, and six franchised Taco Cabana restaurants in the U.S. Total Company revenue for FY 2020 was \$554 Million.

143

COMPANY OWNED  
AND FRANCHISED  
LOCATIONS



# Surrounding Retail





# Retail Aerial

## DOWNTOWN HOUSTON

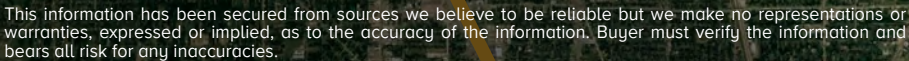




# Retail Aerial









# Demographics



## POPULATION

	1-MILE	3-MILES	5-MILES
2010	2,916	18,688	83,689
2019	5,138	31,842	130,627
2024	5,480	37,247	148,109



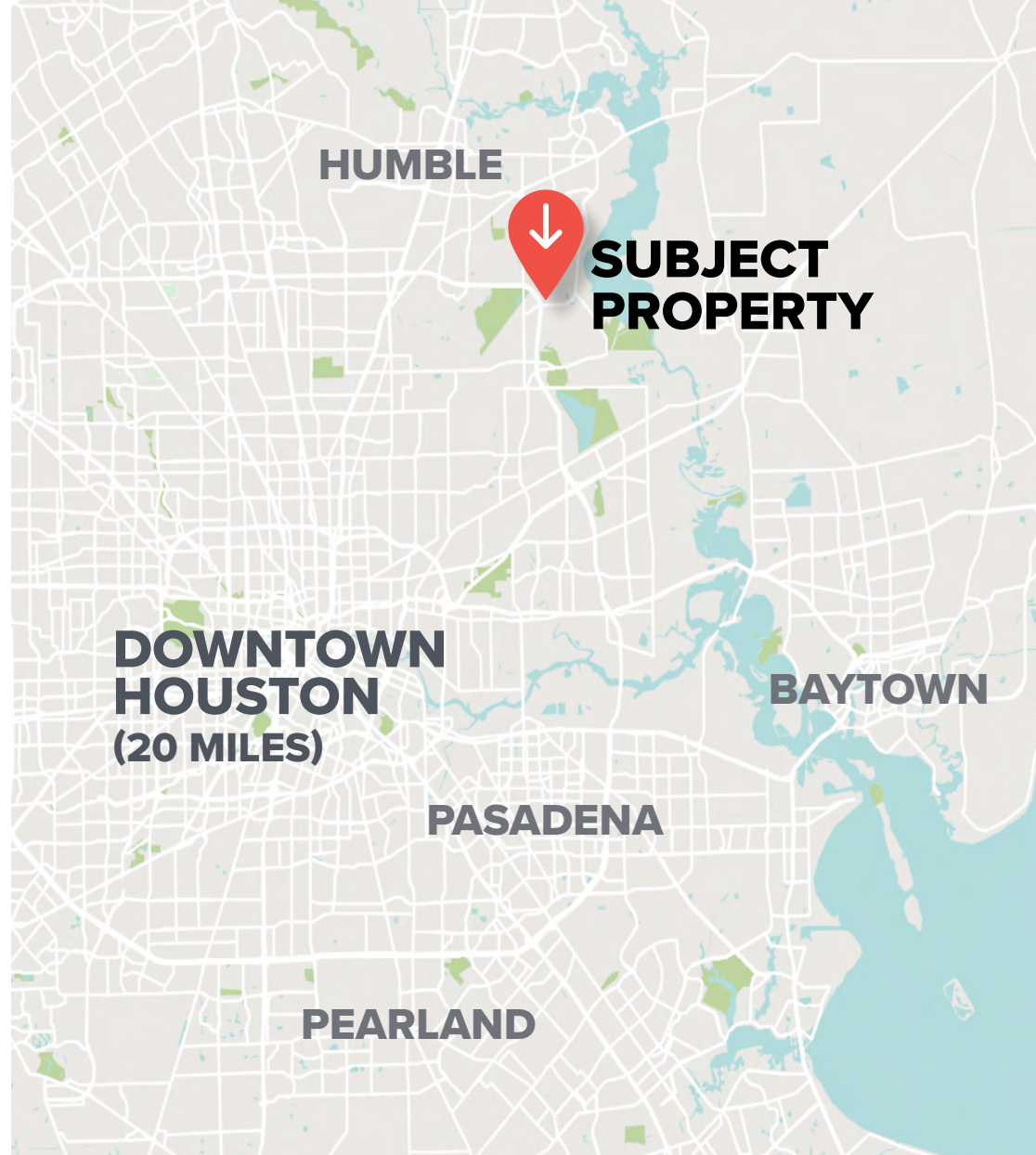
## 2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$150,169	\$128,436	\$110,213
Median	\$126,124	\$104,819	\$85,946

## TOP EMPLOYERS - HOUSTON

EMPLOYER	# OF EMPLOYEES
Walmart	37,000
Memorial Hermann Health System	24,108
H-E-B	23,732
University of Texas	21,086
Houston Methodist	20,000

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**THE AVERAGE HOUSEHOLD  
INCOME WITHIN A 5-MILE RADIUS  
IS OVER \$93K**



# HOUSTON, TEXAS



**HOUSTON** is the most populous city in the state of Texas and the fourth-most populous city in the United States, with a population of 2.303 million within a land area of 599.59 square miles. Located in Southeast Texas near the Gulf of Mexico, the Greater Houston metro area is the fifth-most populated MSA in the United States.

Houston boasts more than 14 colleges and universities with more than 315,000 students enrolled in over 500 degree and certification programs in the city. Four distinct state universities are located in Houston. The University of Houston is a nationally recognized Tier One research university, and is the flagship institution of the University of Houston System. The third-largest university in Texas, the University of Houston has nearly 44,000 students on its 667-acre campus in southeast Houston.

**ECONOMY** **HOUSTON** is recognized worldwide for its energy industry—particularly for oil and natural gas—as well as for biomedical research and aeronautics. Leading in health care sectors and building oilfield equipment, outside New York City, Houston has more Fortune 500 headquarters than any other U.S. municipality within its city limits. Nicknamed the “Space City”, Houston is a global city, with strengths in business, international trade, entertainment, culture, media, fashion, science, sports, technology, education, medicine, and research.

**6.77 MILLION**



**HOUSTON MSA  
POPULATION  
(ESTIMATED)**





**HOUSTON** is home to two major airports, George Bush International Airport, **one of the country's busiest airports** and international hubs, and William P. Hobby Airport. **The Port of Houston is a 25-mile-long complex of nearly 200 private and public industrial terminals** along the 52-mile-long Houston Ship Channel. The port is consistently ranked 1st in the United States in foreign waterborne tonnage; 1st in U.S. imports; 1st in U.S. export tonnage and 2nd in the U.S. in total tonnage.

The Texas Medical Center, located in Houston, is **the largest medical complex in the world**, serving more than 10 million patients per year.

The city has major profession league teams in almost every sport including: MLB - the Houston Astros, NBA - the Houston Rockets, NFL – the Houston Texans, MLS - the Houston Dynamo, and MLR - the Houston Sabercats.

## GENERAL STATS

**#1 LARGEST CITY IN TEXAS**

**5TH LARGEST MSA IN THE U.S.**

**#7 U.S. NEWS & WORLD REPORT  
BEST PLACES TO LIVE**

**#1 BEST CITY FOR COLLEGE  
GRADUATES NAMED BY MONEY**

**20 FORTUNE 500  
HEADQUARTERS RANKING 4TH**

**3.21 MILLION JOBS IN THE METRO**

**1ST LARGEST MEDICAL COMPLEX  
IN THE WORLD**





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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