



# BLACK BEAR DINER

PASADENA, TEXAS (HOUSTON MSA)

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$4,200,000 | 5.00% CAP RATE**

- » New 15-Year Absolute NNN Corporate Lease with 10% Increases Every Five Years
- » No Landlord Management
- » Prime Location in a Rapidly Growing Community
  - » Excellent Location Near the Signalized Intersection of East Sam Houston Parkway South and Vista Road
  - » Population of 259,442 Within Five Miles
  - » Walking Distance From Candlewood Suites, La Quinta Inn & Suites, and Holiday Inn Express & Suites, Super 8, and Fairfield Inn & Suites (358 Rooms Combined)
  - » Near Walmart Supercenter, Target, Hobby Lobby, Lowe's, Best Buy, The Home Depot, Regions Bank, and Many Other National Tenants
- » New 2021 Construction on Large, 1.28-Acre Parcel

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

## LEAD BROKERS

### **MICHAEL T. YURAS, CCIM**

*Executive Managing Director*

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

### **SCOTT CROWLE**

*Executive Director*

415.604.4288

scott.crowle@cushwake.com

CA RE License #01318288

### **VINCENT AICALE**

*Executive Director*

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

### **RYAN FORSYTH**

*Executive Director*

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

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[www.YAFteam.com](http://www.YAFteam.com)



# INVESTMENT OVERVIEW

<b>ADDRESS</b>	Sam Houston Tollway and Vista Road, Pasadena TX		
<b>PRICE</b>	<b>\$4,200,000</b>		
<b>CAP RATE</b>	<b>5.00%</b>		
<b>NOI</b>	\$210,000		
<b>TERM</b>	15 years		
<b>RENT COMMENCEMENT</b>	August 29, 2021		
<b>LEASE EXPIRATION</b>	August 31, 2036		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$210,000	5.00%
	6-10	\$231,000	5.50%
	11-15	\$254,100	6.05%
	16-20 (Option 1)	\$279,510	6.66%
	21-25 (Option 2)	\$307,461	7.32%
	26-30 (Option 3)	\$338,207	8.05%
	31-35 (Option 4)	\$372,028	8.86%
<b>YEAR BUILT</b>	2021		
<b>BUILDING SF</b>	5,414 SF		
<b>PARCEL SIZE</b>	1.28 acres (55,757 SF)		
<b>LEASE TYPE</b>	Absolute NNN, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		



FILE PHOTO

## NEW 15-YEAR ABSOLUTE NNN CORPORATE LEASE

- » New 15-year corporate guaranteed absolute NNN lease with four (4) five (5) year options, creating a stable, long-term investment
- » 10% rental increases every five years, providing a hedge against inflation
- » Absolute NNN lease requires zero landlord management, ideal for an out-of-area investor

## HIGH-VISIBILITY LOCATION IN A GROWING TEXAS SUBURB

- » Excellent location near the signalized intersection of East Sam Houston Parkway South and Vista Road (85,773 AADT)
- » Population of 259,442 within a five-mile radius of the location, creating a large customer base for the site
- » Surrounded by high-density single family housing developments and large townhouse complexes
- » 213,002 residents and growing within a five-mile radius
- » Projected 13 percent average annual household income increase within a one-mile radius of the site in the next five years, poising Black Bear Diner and Pasadena for concurrent growth

## CENTRAL LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Irreplaceable infill location surrounded by several local and national retailers, including Walmart Supercenter, Target, Hobby Lobby, Lowe's, Best Buy, The Home Depot, Regions Bank, and Many More
- » Within four miles of HCA Houston Healthcare Southeast (345 beds, 1,750 employees)
- » Central location near multiple Texas community hubs, including Bay Oaks Country Club, The Lone Star Flight Museum, William P. Hobby Airport, and Trinity Bay
- » Walking distance from Candlewood Suites, La Quinta Inn & Suites, and Holiday Inn Express & Suites, Super 8, and Fairfield Inn & Suites (358 rooms combined)
- » Gateway to Downtown Houston, the fourth-most populous city in the U.S. (population 2,320,268)

## NEW 2021 CONSTRUCTION IN A TAX-FREE STATE

- » New 2021 construction built to latest Black Bear Diner prototype
- » Includes 300 SF outdoor patio for added customer convenience
- » Texas has no state income tax, estate tax, or inheritance tax





LA PORTE  
MUNICIPAL AIRPORT  
(6.1 Miles)

BUFFALO BAYOU

INDUSTRIAL REGION

The Battleground  
Golf Course

Bonette Junior  
High School  
(820 students)

Cinnamon Ridge  
Apartments  
(410 units)

San Jancinto  
College  
(28,549 students)



Armand  
Bayou

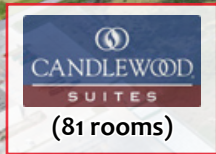


Vista Road  
(10,773 AADT)



INDUSTRIAL REGION

Sam Houston Tollway  
(75,000 AADT)







Pasadena Memorial  
High School  
(3,125 students)

Young  
Elementary School  
(612 students)

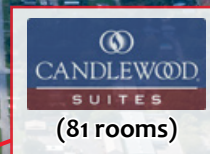
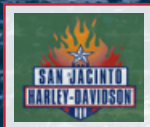
Jensen  
Elementary School  
(610 students)

Spencer Highway  
(36,570 AADT)

Vista Villa Apartments  
(327 units)

Sam Houston Tollway  
(75,000 AADT)

Vista Road  
(10,773 AADT)







Bay Oaks  
Country Club

ELLINGTON FIELD  
JOINT RESERVE BASE

Pasadena Municipal  
Golf Course

Fairway Plaza

five BELOW  
OLD NAVY  
Marshall's  
ULTA  
T-Mobile  
BARNES & NOBLE  
at&t  
BEST BUY  
Famous Footwear

Academy  
POPEYES  
LOUISIANA KITCHEN  
Party City

Hampton Inn  
(90 rooms)

Walmart  
Supercenter

Arby's

jcpenny

Lowe's

EXXON

HOBBY LOBBY

THE HOME DEPOT

PEPBOYS

FAIRFIELD INN & SUITES  
Marriott  
(70 rooms)

Holiday Inn Express  
(96 rooms)

Super 8  
(48 rooms)

SAN JACINTO  
HARLEY-DAVIDSON  
MOTORCYCLES

IHOP

RED ROBIN  
BBQ

urbanAir  
ADVENTURE PARK

OUTBACK  
STEAKHOUSE

Black Bear  
Diner



REGIONS

CommunityBank  
OF TEXAS

LAQUINTA  
INN  
(63 rooms)

CANDLEWOOD  
SUITES  
(81 rooms)

Peter Piper

Cheddar's  
SCRATCH KITCHEN

Office DEPOT

TARGET

it3  
Family Food & Fun

H-E-B

Vista Road  
(10,773 AADT)

Sam Houston Tollway  
(75,000 AADT)



INDUSTRIAL REGION



Oakwood Village  
Apartments  
(208 units)

The Battleground  
Golf Course

Bonette Junior  
High School  
(820 students)

**CINEMARK**  
CENTURY THEATRES. CinéArts. Tinseltown

Golden Acres  
Elementary School  
(393 students)



**CVS**  
pharmacy



**CANDLEWOOD**  
SUITES  
(81 rooms)



**LA QUINTA**  
INN  
(63 rooms)

**CommunityBank**  
OF TEXAS

**Cheddar's**  
SCRATCH KITCHEN



Vista Road  
(10,773 AADT)

**REGIONS**

**Holiday Inn Express**  
(96 rooms)

**Super 8**  
(48 rooms)



**OUTBACK**  
STEAKHOUSE



**FAIRFIELD INN & SUITES**  
Marriott  
(70 rooms)



Sam Houston Tollway  
(75,000 AADT)



**urbanAir**  
ADVENTURE PARK



# TENANT SUMMARY



Black Bear Diner is one of the fastest-growing franchises in the country. Founded in 1995 by Bruce Dean and Bob Manley in Mt. Shasta, California, Black Bear Diner brings home-style comfort food classics and personal service to the dining experience. The quickly growing family dining concept, open for breakfast, lunch and dinner, offers a vast, enticing menu anchored in hearty portions and excellent value, with service rooted in genuine hospitality.

The franchise now operates 144 locations in 14 states and growing. Black Bear Diner has been consistently recognized for its significant growth and outstanding performance – Winner of Top Disruptor from Nation's Restaurant News. The company is a disruptor in the family-dining segment for its growth and performance and will continue to focus on serving home-style comfort food classics and bringing personal service back to the dining industry as the brand continues to execute its expansion plan in Texas and California.

For more information, please visit <https://blackbeardiner.com/>.

<b>OWNERSHIP</b>	Private	<b>HEADQUARTERS</b>	Redding, CA
<b>LOCATIONS</b>	144	<b>REVENUE</b>	\$100M

# LEASE ABSTRACT

<b>TENANT</b>	Bear Tracks Holdings, LLC (Coporate)		
<b>ADDRESS</b>	<a href="#">Sam Houston Tollway and Vista Road, Pasadena TX</a>		
<b>RENT COMMENCEMENT</b>	August 29, 2021		
<b>LEASE EXPIRATION</b>	August 31, 2036		
<b>RENEWAL OPTIONS</b>	Four (4) options of five (5) years		
<b>RENT PER YEAR</b>	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$210,000	5.00%
	6-10	\$231,000	5.50%
	11-15	\$254,100	6.05%
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	26-30 (Option 3)	\$338,207	8.05%
	31-35 (Option 4)	\$372,028	8.86%
<b>REAL ESTATE TAXES</b>	Tenant shall pay all real estate taxes directly.		
<b>INSURANCE</b>	Tenant is responsible for all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant shall be responsible for self-maintenance of premises.		
<b>MAINTENANCE BY LANDLORD</b>	None		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

Excellent location near the signalized intersection of Sam Houston Tollway and Vista Road (85,773 AADT combined). The site features a prime location in a highly populated area, with 259,442 residents living within a five-mile radius of the property, creating a large and consistent customer base for the site. This Black Bear Diner location greatly benefits from being surrounded by high-density single family housing developments and large townhouse complexes. The property has an average annual household income of \$85,178 within one mile of the location. With a projected 13 percent average annual household income increase within a one-mile radius of the site in the next five years, Black Bear Diner and Pasadena are poised for significant concurrent growth.

Visibility to the property is increased by the site's centralized location near large employers, retailers, and community hubs. The site features an irreplaceable infill location surrounded by several local and national retailers, including Walmart Supercenter, Target, Hobby Lobby, Lowe's, Best Buy, The Home Depot, Regions Bank, and many more. The property is also within four miles of one of Pasadena's largest employers, HCA Houston Healthcare Southeast (345 beds, 1,750 employees). The site is centrally located near multiple Texas community hubs, including Bay Oaks Country Club, The Lone Star Flight Museum, William P. Hobby Airport, and Trinity Bay. And it is walking distance from Candlewood Suites, La Quinta Inn & Suites, and Holiday Inn Express & Suites, Super 8, and Fairfield Inn & Suites (358 rooms combined). The property also benefits from its proximity to Downtown Houston, the fourth-most populous city in the U.S. (population 2,304,580).

## ACCESS

Access from Vista Road and interparcel access from East Sam Houston Parkway South

## TRAFFIC COUNTS

Vista Road	10,773 AADT
Sam Houston Tollway:	75,000 AADT
Spencer Highway	36,570 AADT)

## PARKING

104 parking stalls

## YEAR BUILT

2021


## NEAREST AIRPORT

William P. Hobby Airport (HOU | 11.5 miles)



**P**  
**104**  
PARKING  
STALLS

  
**2021**  
YEAR BUILT

  
**NEAREST  
AIRPORTS**  
WILLIAM P. HOBBY  
AIRPORT



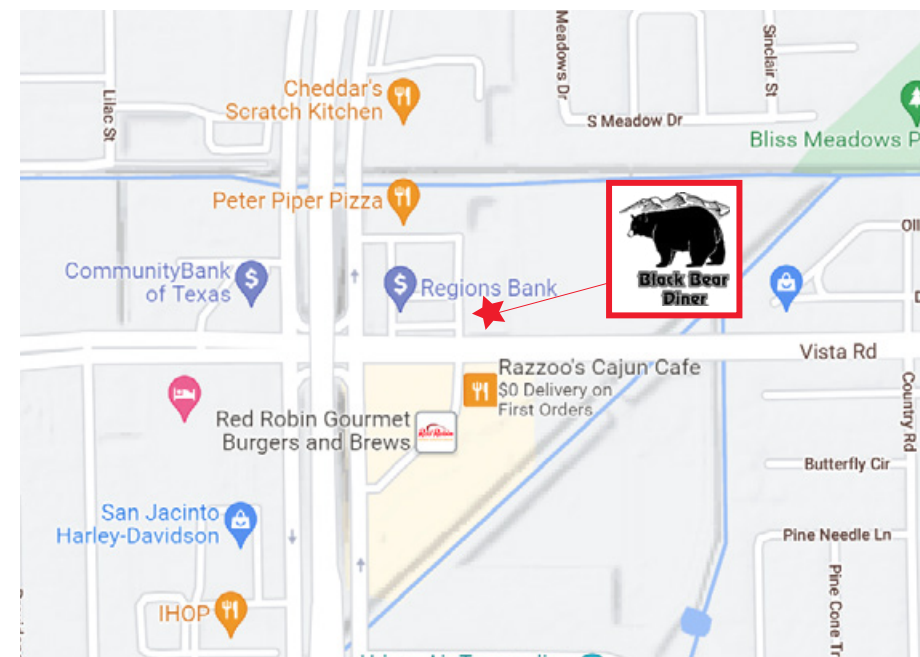
# AREA OVERVIEW

Pasadena is the second-largest city in the Greater Houston metro, with a population of 153,350. The city's key economic sectors include exploration for petroleum and gas, petroleum refining, petrochemical processing, solar panel manufacturing, maritime shipping, aerospace, and healthcare. The city's economy is closely linked to the nearby Houston Ship Channel and the Bayport shipping terminal and industrial district, as well as the National Aeronautics and Space Administration (NASA)'s Lyndon B. Johnson Space Center in the bordering Clear Lake Area. The Pasadena Refining System, a partnership of Petrobras and Astra Holding USA, is headquartered in Pasadena. The nearby Bayport Industrial District, one of the nation's largest chemical processing complexes, is vital to employment in Pasadena. High-tech businesses in the area related to the Johnson Space Center have developed as well, and the opening of the Bayport shipping terminal is rapidly adding to the municipal economic base.

Pasadena is located within the Houston–Sugar Land–Baytown Metropolitan Statistical Area (MSA), the fifth-largest metropolitan area in the U.S., with 6.8 million residents. The Houston MSA is growing rapidly; from 2000 to 2030, the metropolitan area is projected to rank fifth in the nation in population growth—adding 2.66 million people. The metro area is the largest economic and cultural center of the American South and is included in the Texas Triangle megapolitan area, anchored by the metro areas of Houston, Dallas–Fort Worth, and San Antonio. The Texas Triangle is home to more than 70 percent of all Texans. In the next 40 years, the population of the Texas Triangle has been projected to grow more than 65 percent, or an additional 10 million people, leading to 78 percent of Texans living and working within the Texas Triangle.

- » Pasadena has experienced more than \$2.5 billion in capital investment in the last three years.
- » Pasadena has ample rail access and extensive frontage along the Houston Ship Channel, leading to the Port Houston, which ranks first in foreign tonnage and second in total tonnage in the United States.
- » The city of Pasadena boasts a low cost of living and more affordable housing options than in other parts of the Houston Metro – with average home prices averaging approximately \$180,000.

LARGEST EMPLOYERS IN PASADENA, TEXAS	# OF EMPLOYEES
PASADENA ISD	8,400
SAN JACINTO COLLEGE	2,645
THE BOEING COMPANY	2,500
TURNER INDUSTRIES	2,092
HCA HOUSTON HEALTHCARE	1,750
UNIVERSITY OF HOUSTON-CLEAR LAKE	1,587
LYONDELL CHEMICAL CO	1,175
KANEKA NORTH AMERICA	1,111
CITY OF PASADENA	1,082
PINNACLE ART	438



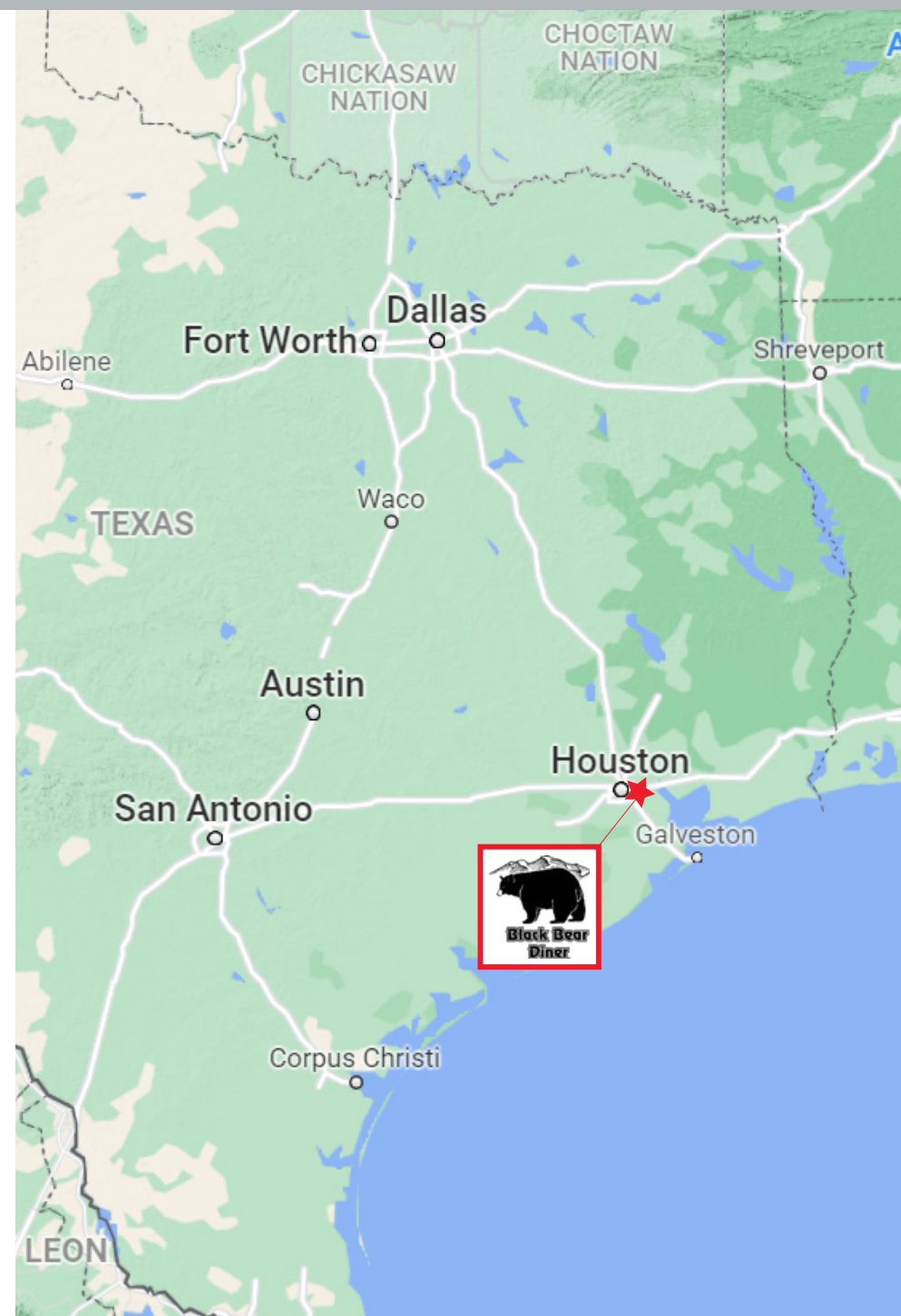


# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>7,691</b>	<b>103,161</b>	<b>259,442</b>
Households	2,750	35,850	83,549
Families	2,112	25,657	62,759
Average Household Size	2.80	2.86	3.09
Owner Occupied Housing Units	2,046	20,756	49,460
Renter Occupied Housing Units	703	15,094	34,089
Median Age	36.6	34.7	33.1
<b>Average Household Income</b>	<b>\$85,178</b>	<b>\$75,979</b>	<b>\$78,943</b>
2026 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>7,884</b>	<b>106,809</b>	<b>269,653</b>
Households	2,815	36,980	86,445
Families	2,163	26,456	64,950
Average Household Size	2.80	2.87	3.11
Owner Occupied Housing Units	2,115	21,881	52,163
Renter Occupied Housing Units	700	15,099	34,282
Median Age	37.8	35.9	34.2
<b>Average Household Income</b>	<b>\$96,352</b>	<b>\$84,682</b>	<b>\$87,722</b>



**POPULATION OF 259,442**  
**WITHIN FIVE MILES**





# INFORMATION ABOUT BROKERAGE SERVICES



## 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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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



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*Executive Managing Director*

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michael.yuras@cushwake.com

CA RE License #01823291

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*Executive Director*

415.604.4288

scott.crowle@cushwake.com

CA RE License #01318288

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*Executive Director*

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

### **RYAN FORSYTH**

*Executive Director*

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

**[www.YAFteam.com](http://www.YAFteam.com)**

Cushman and Wakefield Inc. LIC. # 00616335