



PROPERTY

JACK IN THE BOX

LOCATION

**2709 REED ROAD
HOUSTON, TX 77051**

SHOP^{COS.}

SHOP^{COS.}

CONFIDENTIAL OFFERING MEMORANDUM

JACK IN THE BOX

LOCATION

2709 REED ROAD
HOUSTON, TX 77051

OFFERED BY

Will Lightfoot

WILL@SHOPCOMPANIES.COM / 405-205-8489 / 619 WEST MAIN STREET, OKLAHOMA CITY, OK 73102

Jason Little

JASON@SHOPCOMPANIES.COM / 405-613-8943 / 619 WEST MAIN STREET, OKLAHOMA CITY, OK 73102

TABLE OF CONTENTS

1	EXECUTIVE SUMMARY	Investment Highlights	5
		Lease Abstract	6
		Tenant Profile	7
2	PROPERTY OVERVIEW	Locator Map.....	9
		Aerials.....	10
		Site Plan	15
3	TRADE AREA OVERVIEW	Houston Area Overview	17
		Demographics	18



DISCLAIMER: This confidential Offering Memorandum has been prepared by Shop Investment Sales, LLC ("SIS") for use by a limited number of parties and has been obtained from sources believed to be reliable. The material contained herein shall be used for the purposes of evaluating the Property for acquisition and shall not be used for any purpose or made available to any other person without the express written consent of SIS. SIS and Owner make no guarantee, warranty, or representation about the information contained herein. It is your responsibility to confirm, independently, its accuracy and completeness. You should conduct your own independent investigation and assessment of the contents of this Offering Memorandum, make such additional inquiries as you deem necessary or appropriate and form your own projections without reliance upon the material contained herein. No representation is made by SIS or Owner as to the accuracy or completeness of the information, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the Property. The information contained in this presentation is highly confidential and subject to change. By accepting and reviewing this Offering Memorandum, you agree to maintain the confidentiality of the information contained herein and agree that you will not reproduce or distribute such information to any other person or use such information for any purpose other than to evaluate your potential interest in the Property and will not use the presentation or any of the contents in any manner detrimental to the interest of the Owner or SIS. SIS expressly disclaims any and all liability for statements or representations, express or implied, contained herein or for omissions from the Offering Memorandum or for any other written, oral or other format of communication transmitted to any entity/prospective investor in the course of its evaluation of the proposed transaction. At their sole discretion Owner and SIS each expressly reserve the right to reject any or all expressions of interest or offers regarding the Property and/or terminate discussions with any entity/prospective investor at any time with or without notice. Owner shall have no legal commitment or obligations to any entity/prospective investor reviewing this Offering Memorandum or making an offer to purchase the Property unless and until such offer is approved by Owner, a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.



EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

- Jack in the Box Inc. (NASDAQ: JACK) Corporate Sale-Leaseback
- Established, High Performing Store, Very Low Rent to Sales Ratio
- At Close of Escrow, Tenant will Execute a New Absolute NNN, 20-Year Lease
- 8% Rent Escalations Every 5 Years During Primary Term and in Each of Six (6), 5-Year Options
- Central Houston Location – Minutes from Reliant Stadium & NRG Park, Rice University, Texas Medical Center, and Downtown
- Just Off South Fwy, the Primary Southern Access into Downtown Houston (134,552 VPD at Reed and South Fwy)
- Texas is an Income Tax Free State



EXECUTIVE SUMMARY

LEASE ABSTRACT

Offering Price:	\$2,170,000
Cap Rate:	4.00%
Tenant:	Jack in the Box
Location:	2709 Reed Rd, Houston, TX 77150
Building Square Feet:	2,008 SF
Land Area:	+/-0.66 Acres
Rent Commencement:	At Close of Escrow
Lease Expiration:	20 Years From Commencement
Base Lease Term:	20 Years
Renewal Options:	Six (6), 5-Year Options
Rent Increases:	8% Every 5 Years including Renewals
Lease Type:	Absolute NNN (Zero Landlord Responsibilities)
Year Built	2003
Roof & Structure:	Tenant Responsibility



Rent Schedule:

Years	Annual Rent	Monthly Rent
1-5	\$86,800	\$7,233
6-10	\$93,744	\$7,812
11-15	\$101,244	\$8,437
16-20	\$109,343	\$9,112
21-25 (Renewal Option #1)	\$118,090	\$9,841
26-30 (Renewal Option #2)	\$127,538	\$10,628
31-35 (Renewal Option #3)	\$137,741	\$11,478
36-40 (Renewal Option #4)	\$148,760	\$12,397
41-45 (Renewal Option #5)	\$160,661	\$13,388
46-50 (Renewal Option #6)	\$173,514	\$14,459

TENANT PROFILE



Jack in the Box is an American fast-food restaurant chain founded in 1951, in San Diego, California, where it is headquartered.

The chain has over 2,200 locations, primarily serving the West Coast of the United States. Restaurants are also found in selected large urban areas outside the West Coast, including Phoenix, Denver, Albuquerque, El Paso, Dallas-Fort Worth, Houston, Austin, San Antonio, Oklahoma City, Baton Rouge, Nashville, Charlotte, Kansas City, St. Louis, Indianapolis, and Cincinnati as well as one in Guam. Food items include a variety of chicken tenders and French fries along with hamburger and cheeseburger sandwiches and selections of internationally themed foods such as tacos and egg rolls.

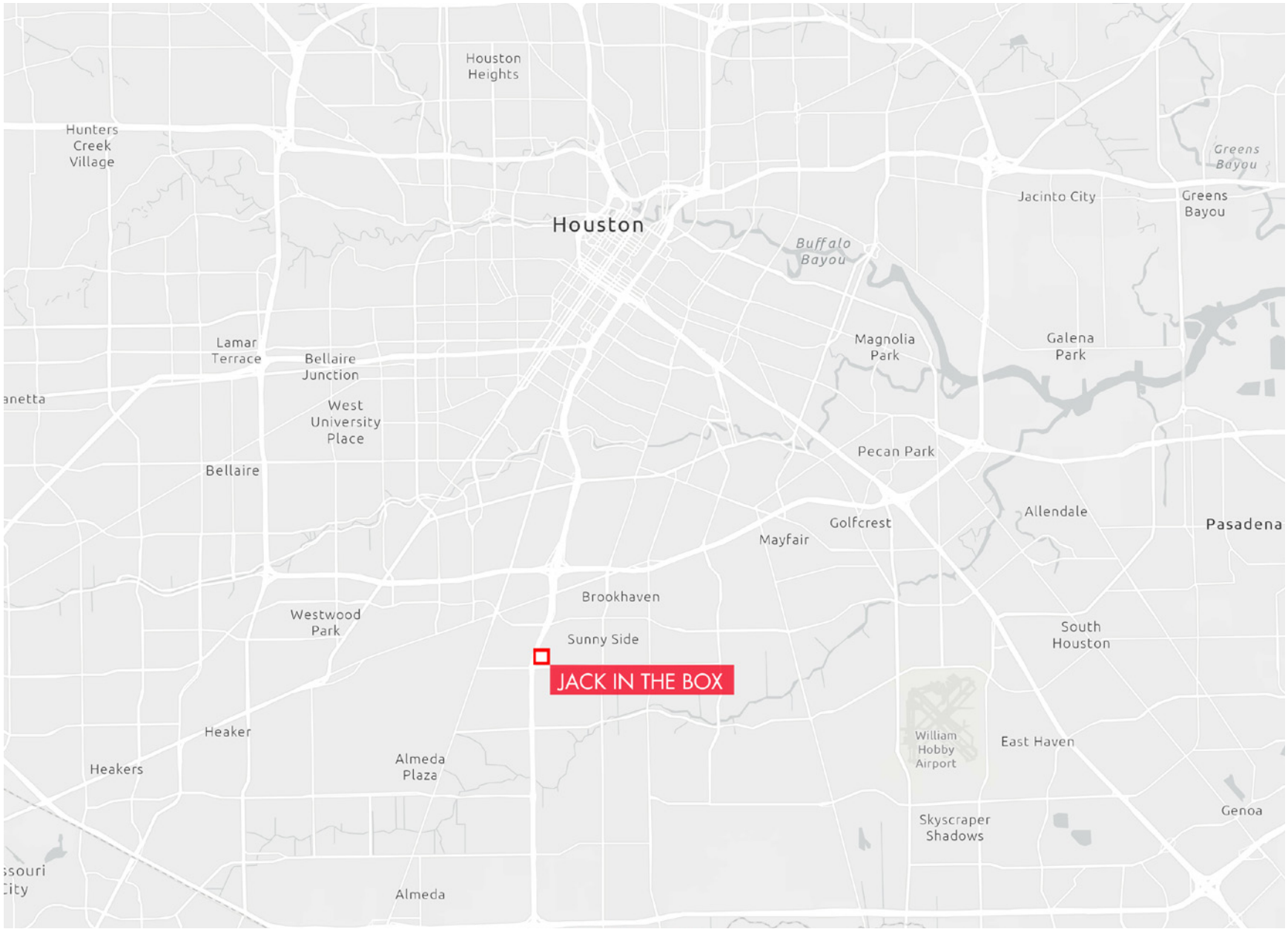
Jack in the Box performed well during the Covid-19 pandemic, owing to its strong drive thru business. The company reported \$1.02 billion in revenue in 2020, a 7.5% increase from 2019. Same store sales rose 4% on average in 2020.

www.jackinthebox.com



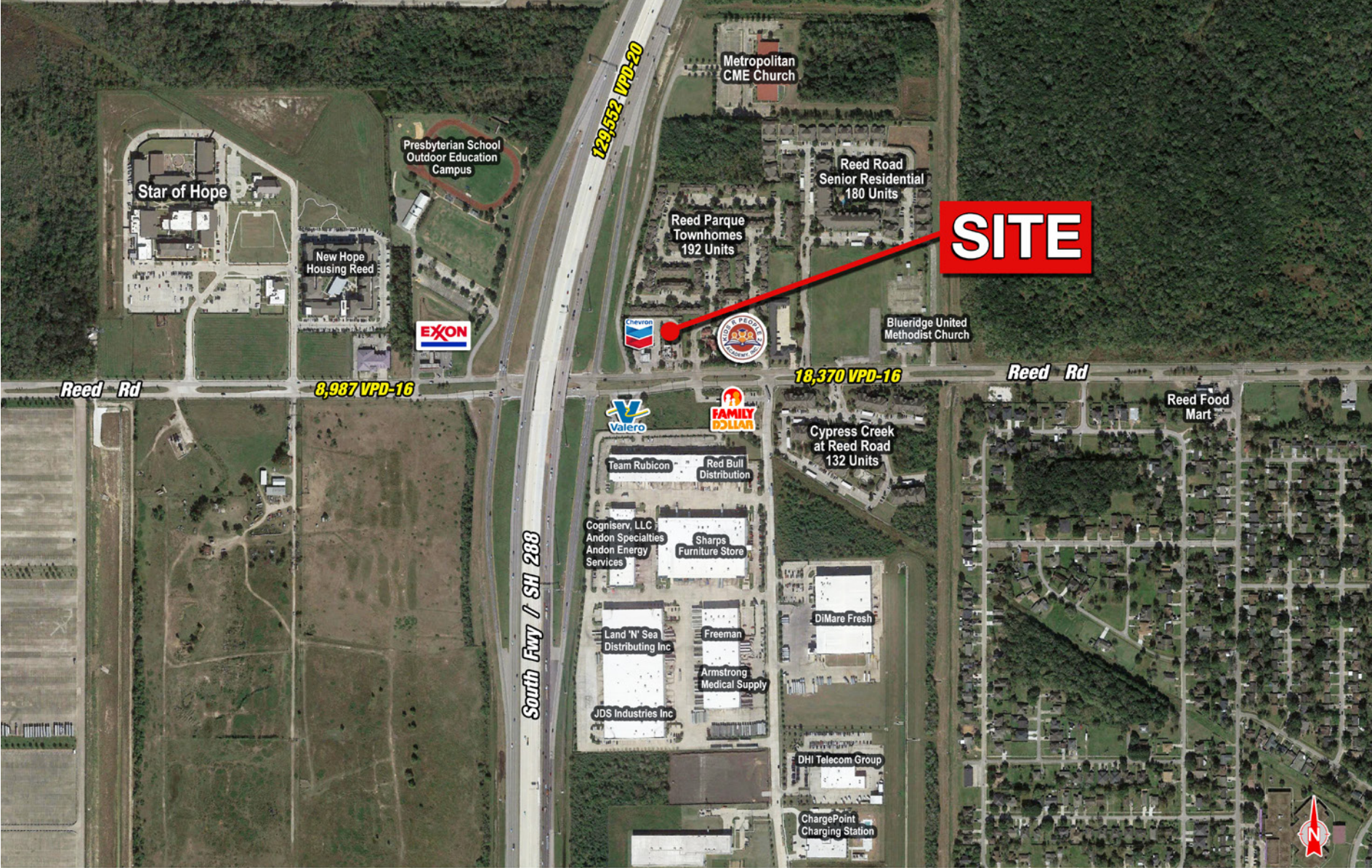


PROPERTY OVERVIEW



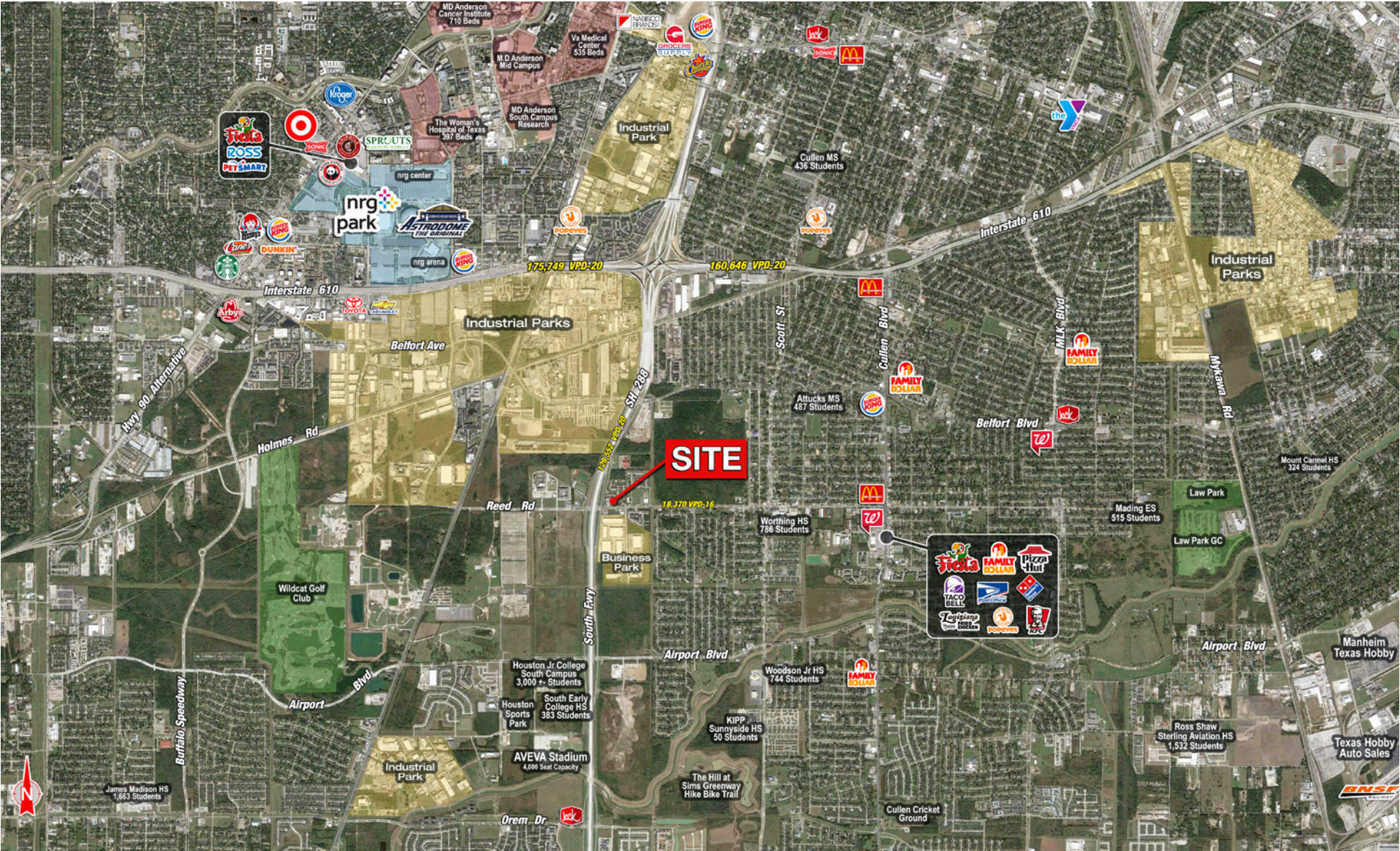
SHOPCOMPANIES.COM

PROPERTY OVERVIEW



SHOPCOMPANIES.COM

PROPERTY OVERVIEW



PROPERTY OVERVIEW



PROPERTY OVERVIEW



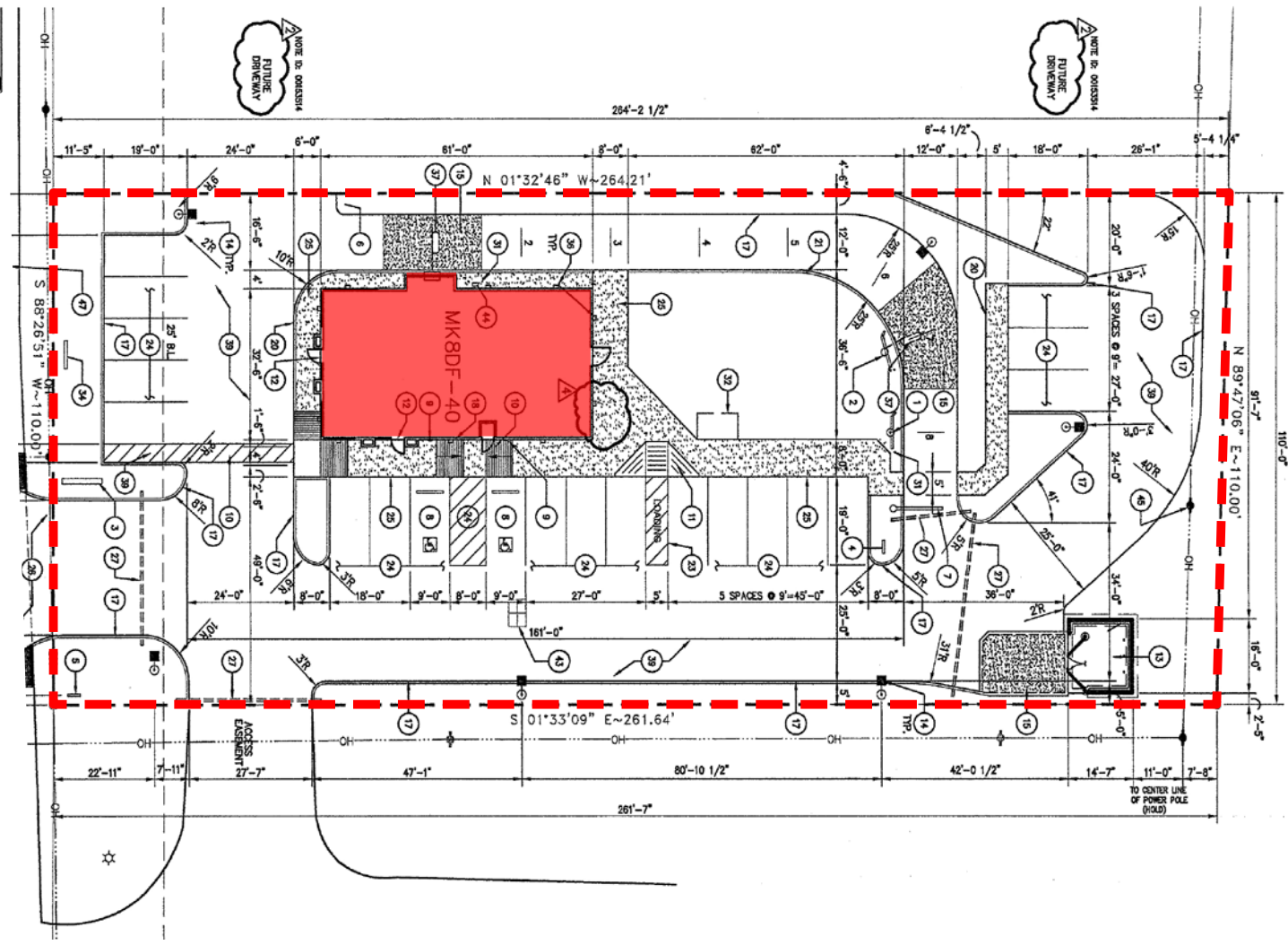
PROPERTY OVERVIEW



PROPERTY OVERVIEW

SITE PLAN

REED ROAD (15,459 VPD-18)





HOUSTON AREA OVERVIEW

HOUSTON, TX



Houston is the most populous city in the U.S. state of Texas, fourth-most populous city in the United States, most populous city in the Southern United States, as well as the sixth-most populous in North America, with an estimated population of 2,320,268 in 2019. Located in Southeast Texas near Galveston Bay and the Gulf of Mexico, it is the seat of Harris County and the principal city of the Greater Houston metropolitan area, which is the fifth-most populous metropolitan statistical area in the United States.

In the mid-20th century, Houston's economy diversified, as it became home to the Texas Medical Center—the world's largest concentration of healthcare and research institutions—and NASA's Johnson Space Center, home to the Mission Control Center.

Houston's economy since the late 19th century has a broad industrial base in energy, manufacturing, aeronautics, and transportation. Leading in healthcare sectors and building oilfield equipment, Houston has the second-most Fortune 500 headquarters of any U.S. municipality within its city limits (after New York City). The Port of Houston ranks first

in the United States in international waterborne tonnage handled and second in total cargo tonnage handled.

Nicknamed the "Bayou City", "Space City", "H-Town", and "the 713", Houston has become a global city, with strengths in culture, medicine, and research. The city has a population from various ethnic and religious backgrounds and a large and growing international community. Houston is the most diverse metropolitan area in Texas and has been described as the most racially and ethnically diverse major metropolis in the U.S. It is home to many cultural institutions and exhibits, which attract more than 7 million visitors a year to the Museum District. The Museum District is home to nineteen museums, galleries, and community spaces.

Houston is recognized worldwide for its energy industry—particularly for oil and natural gas—as well as for biomedical research and aeronautics. Renewable energy sources—wind and solar—are also growing economic bases in the city. The city and area have also been growing centers for technology.

SHOPCOMPANIES.COM

TRADE AREA OVERVIEW

DEMOGRAPHICS

Variable	1 mile	3 miles	5 miles
2021 Total Population	6,321	99,024	294,162
2026 Total Population (Esri)	6,761	105,387	314,727
2010 Total Population (Esri 2019)	4,991	87,170	259,537
2000 Total Population (U.S. Census)	3,650	72,116	225,815
2000-2010 Population Annual Compound Growth Rate (U.S. Census)	2.79%	1.86%	1.41%
2019-2024 Population: Annual Growth Rate (Esri)	1.35%	1.25%	1.36%
2021 Total Daytime Population	5,564	117,661	419,866
2021 Median Age (Esri)	34.6	32.5	33.8
2021 Total Households (Esri)	2,461	40,623	113,700
2026 Total Households (Esri)	2,621	43,135	121,812
2010 Total Households (Esri 2019)	1,949	35,527	99,549
2000 Total Households (U.S. Census)	1,345	28,704	86,811
2010-2019 Families: Annual Growth Rate (Esri)	2.12%	1.14%	1.01%
2021 Average Household Income (Esri)	\$54,278	\$57,600	\$91,301
2021 Median Household Income (Esri)	\$37,810	\$44,071	\$55,160
2021 Per Capita Income (Esri)	\$21,836	\$23,267	\$35,412
2021 Education: Less than 9th Grade (Esri) (%)	5%	5%	6%
2021 Education: 9-12th Grade/No Diploma (Esri) (%)	8%	8%	7%
2021 Education: High School Diploma (Esri) (%)	24%	23%	19%
2021 Education: Some College/No Degree (Esri) (%)	24%	23%	18%
2021 Education: Associate's Degree (Esri) (%)	5%	6%	5%
2021 Education: Bachelor's Degree (Esri) (%)	19%	16%	20%
2021 Education: Graduate/Professional Degree (Esri) (%)	9%	15%	22%
2021 Total (SIC01-99) Businesses	113	3,021	10,396
2021 Total (SIC01-99) Employees	1,482	61,651	278,113



Will Lightfoot

619 WEST MAIN STREET, OKLAHOMA CITY, OK 73102

WILL@SHOPCOMPANIES.COM

405-205-8489

Jason Little

619 WEST MAIN STREET, OKLAHOMA CITY, OK 73102

JASON@SHOPCOMPANIES.COM

405-613-8943

SHOP^{COS.}