



OFFERING MEMORANDUM

PRESERVE  
WEST  
CAPITAL



Chipotle  
San Antonio, TX

This property is listed in conjunction with Texas-licensed real estate broker Delta Commercial.

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



PROPERTY HIGHLIGHTS	1	AERIALS	5
PROPERTY OVERVIEW	2	ABOUT THE AREA	7
TENANT INFORMATION	3	DEMOGRAPHICS	9
SITE PLAN	4		

## Disclaimer

Preserve West Capital (“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.

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- New 15-Year Absolute NNN Lease to Chipotle (NYSE: CMG)
  - Scheduled 10% Rental Escalations Every 10 Years
  - No Landlord Maintenance Obligations
- Highly Functional Footprint Featuring “Chipotlane” Drive-Thru Component
  - Contactless App-Based Ordering Ideal for Pandemic Precautions
- Pandemic-Resistant Use Well-Adapted to Drive-Thru & Carry Out Business
- Excellent Access and Visibility Along Seguin Road
  - Combined AADT of 49,504
  - Close Proximity to I-410 (204,463 AADT) Arterial
- Prominent Retail Location Outparcel to Rittiman Point Shopping Center
  - Nearby Anchor Tenants Include Walmart Supercenter, Walgreens, Petco, H-E-B, CVS, & More
- Robust Demographics within 5 Mile Radius
  - Population of 212,458
  - Average Household Income of \$69,858
- San Antonio is the Second Largest City in Texas
- Approximately 9 Miles from Downtown San Antonio



## PRICE

**\$3,630,000**

**3.65% Return**

## Location

The property is located at 6302 FM 78 in San Antonio, Texas.

## Lot Size

Approximately 0.901 acres or 39,248 square feet.

## Improvements

A 2,400 square foot retail building for **Chipotle** featuring a drive-thru component.

## Lease

Leased to **Chipotle Mexican Grill, Inc.** for 15 years from November 2, 2021 through October 31, 2036 at an initial annual rent of \$132,500. There are four (4) five-year options to renew the lease. Rent is to increase by 10% every 5 years and at the start of each option period. The lease is net with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and any CAM costs associated with the parcel.

## Financing

The property will be delivered free and clear of permanent financing.

## Annual Rent

Year	Annual Rent	Return
<b>Years 1-5</b>	<b>\$132,500</b>	<b>3.65%</b>
Years 6-10	\$145,750	4.02%
Years 11-15	\$160,325	4.42%
Years 16-20 (Option 1)	\$176,358	4.86%
Years 21-25 (Option 2)	\$193,993	5.34%
Years 26-30 (Option 3)	\$213,393	5.88%
Years 31-35 (Option 4)	\$234,732	6.47%





**Chipotle Mexican Grill, Inc. (NYSE: CMG)** operates a chain of fast-casual Mexican restaurants serving burritos, tacos, burrito bowls, and salads. The company prepares the majority of its ingredients on site, and is set apart by its use of high-quality natural ingredients and fresh produce. The company has expanded its footprint dramatically in recent years, with more than 2,480 locations nationwide; because the company does not franchise, all locations are corporate stores. The chain's focus on food quality and distinctive interior design provides an experience that is more in line with a full service restaurant, coupled with the speed and convenience of fast food.

In 2019, Chipotle introduced their new “Chipotlane” drive-thru concept, allowing customers to place orders via the Chipotle app or website to be picked up at the “Chipotlane” without leaving their cars. Chipotlanes are expected to be included in more than 60% of new Chipotle restaurants. Despite stay-at-home orders in recent months, Chipotle successfully navigated the first quarter with digital sales growing more than 80% year over year.

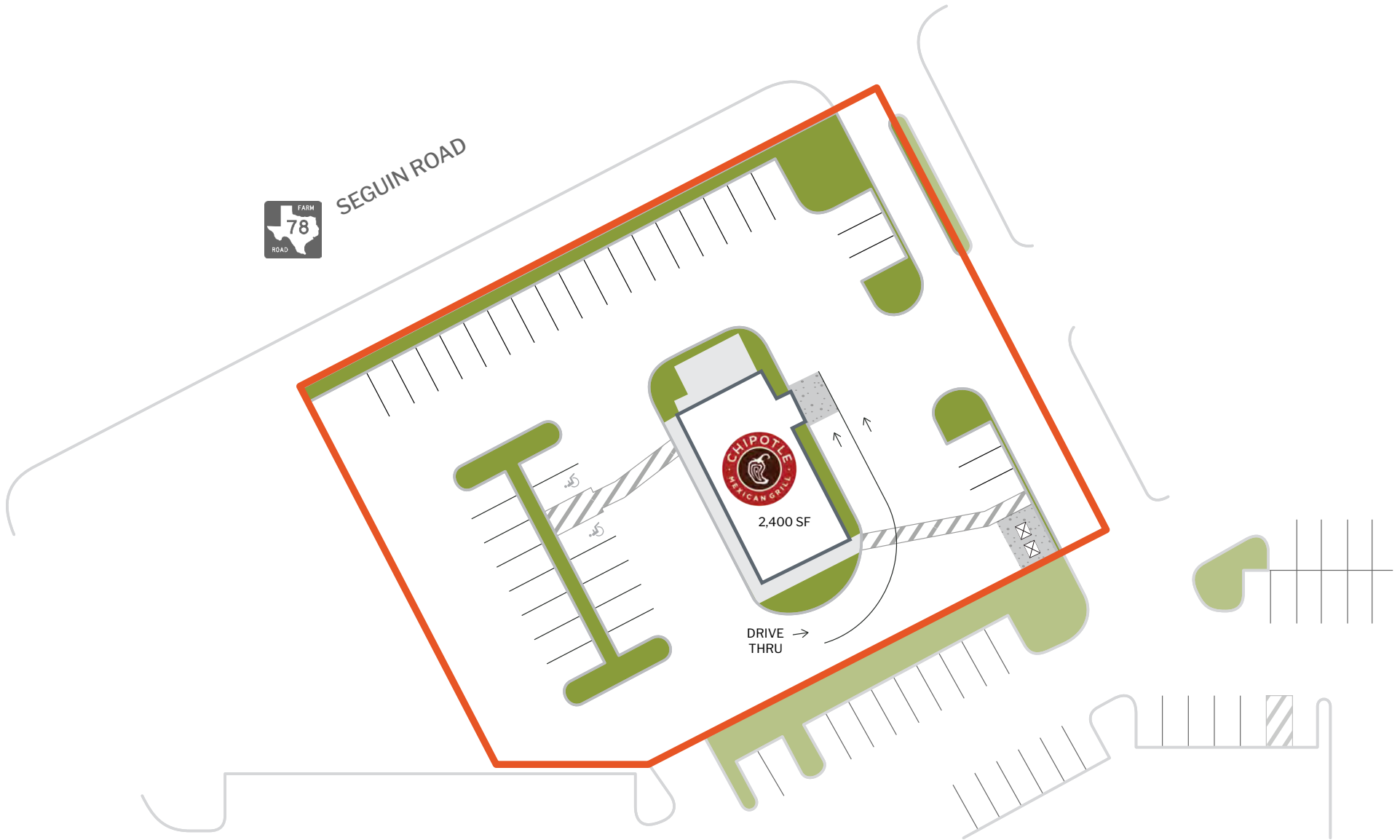
With the success of digital sales, Chipotle has unveiled a new restaurant concept, “Chipotle Digital Kitchen.” The concept will allow Chipotle to build on its growing digital sales while entering more urban and non-traditional venues that would not otherwise support a full-size restaurant. These locations will service only pick-up and delivery via app-based or third party orders as well as catering.

For 2020, the company reported revenue of \$5.98 billion, net income of \$355.8 million, and total stockholder equity of \$2.02 billion.

# SITE PLAN



SEGUIN ROAD





## AERIAL

## NORTHEAST VIEW

WOODLAKE CROSSING



ROSS  
DRESS FOR LESS

petco

GNC Great Clips  
IT'S GONNA BE GREAT!

Bank of America

Chick-fil-A

NextCare  
URGENT CARE

SALLY BEAUTY

RACK ROOM SHOES

T-Mobile



Walgreens



**Rittiman Rd**



**Woodlake  
Elementary**

## RITTIMAN POINTE



**RED RUNNE  
COFFEE**



peter  
piper  
pizza.



**Bill Miller  
Bar-B-Q**





AERIAL

SOUTHWEST VIEW



**FORT SAM HOUSTON**  
36,976 Active Duty  
& DoD Civilians



Kirby Distribution Center



San Antonio Distribution Center

**Downtown  
San Antonio**



Brooke Army Medical Center



(204,463/AADT)

Estrella on Rittiman  
New Homes

RITTIMAN POINTE



Bill Miller  
Bar-B-Q

WELLS FARGO



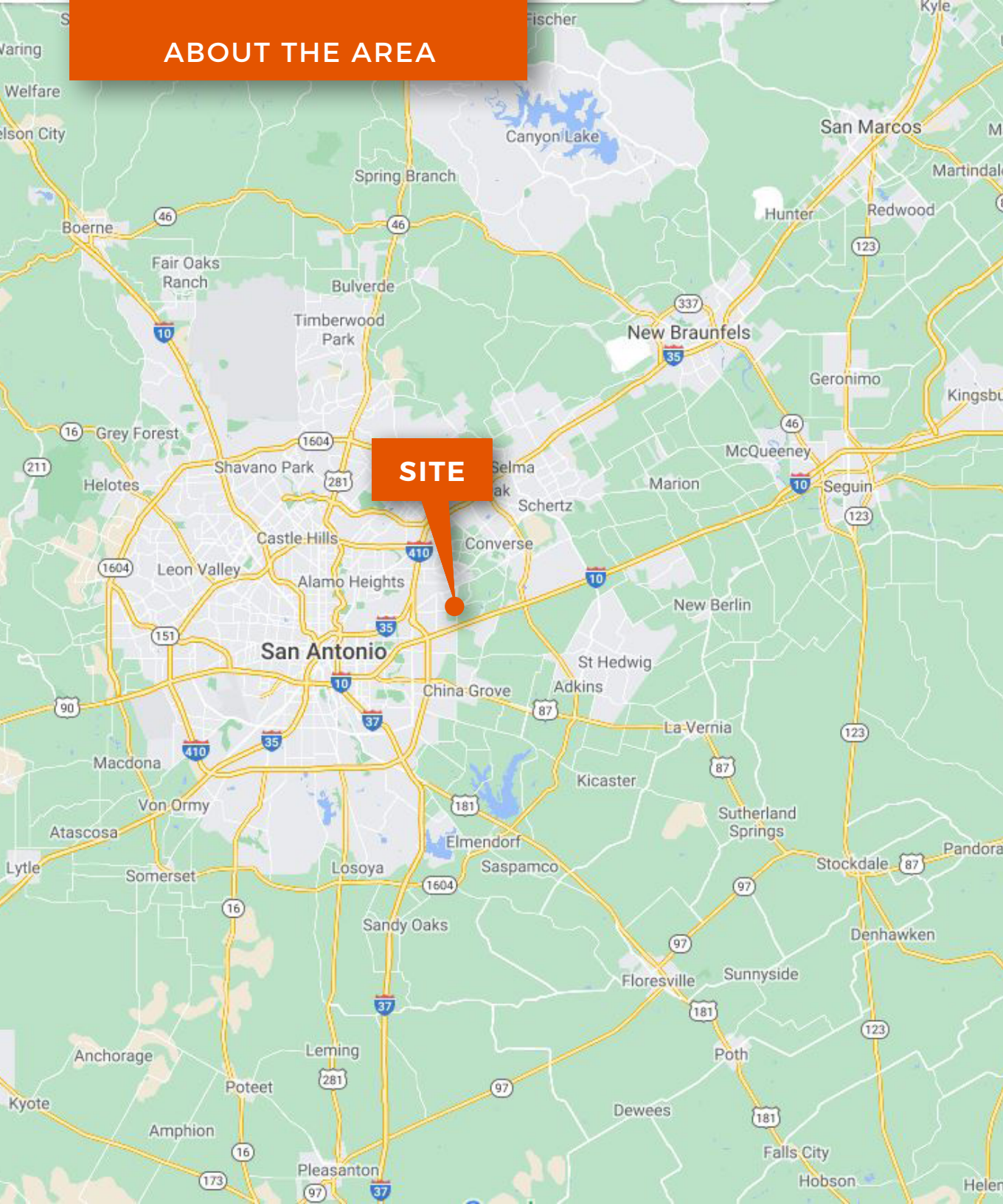
RED RUNNER  
COFFEE



Seguin Rd (25,621 AADT)



## ABOUT THE AREA



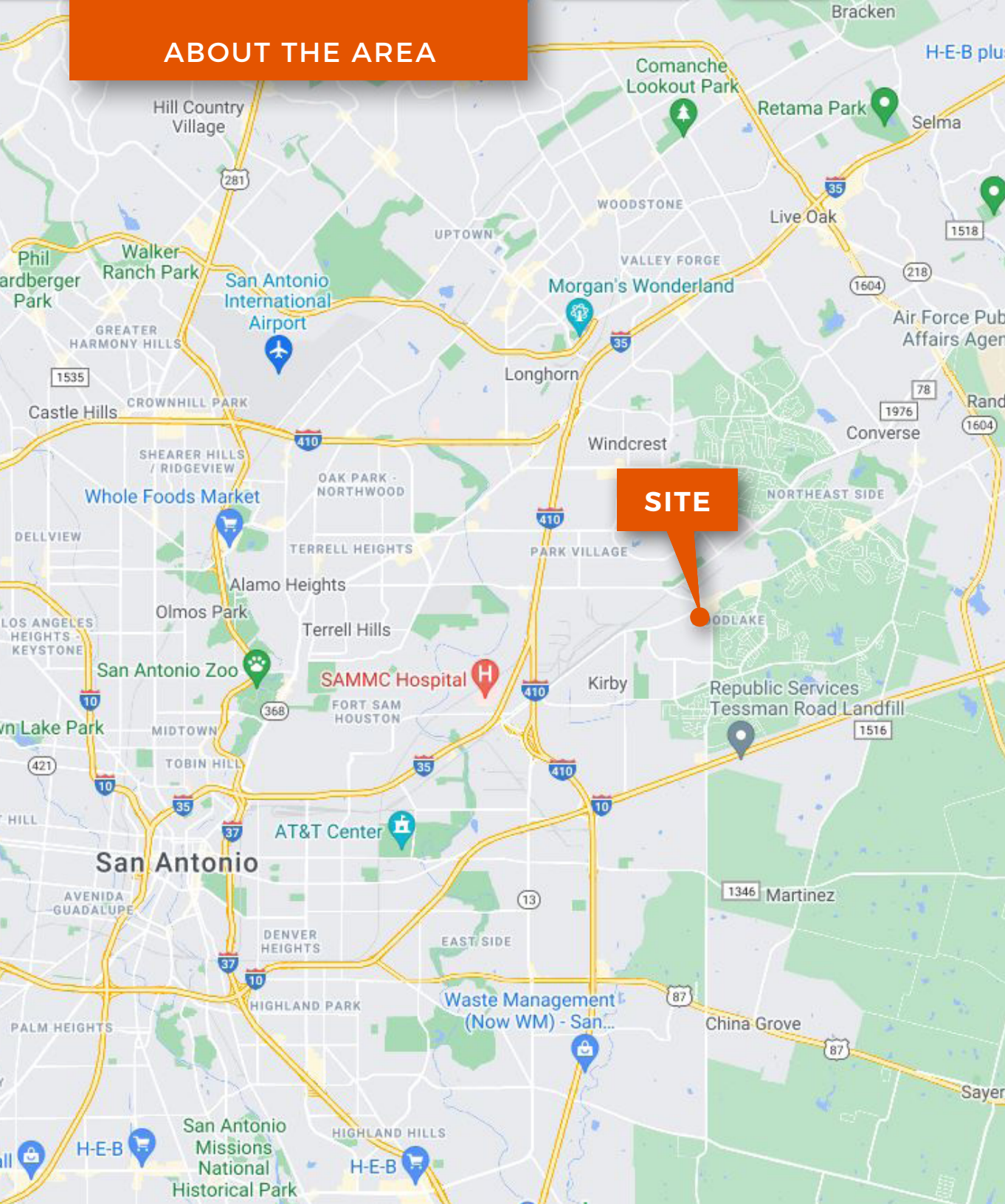
## General Overview

San Antonio, Texas, is the seat of Bexar County, the second most populous city in Texas, and the seventh most populous city in the U.S.. The city is Texas' oldest municipality and was the fastest growing of the ten largest cities in the United States from 2000 to 2010. San Antonio is a principal city of the San Antonio-New Braunfels MSA, the third largest metro area in Texas and second fastest growing in the state, and an anchor city of the Texas Triangle megapolitan area, which additionally comprises Houston, Dallas-Fort Worth, and Austin, and houses nearly 75% of Texas' population.

The city benefits from a broad economic base and a gross domestic product of \$96.8 billion, ranking 4th in Texas and 38th nationwide. The city's economy is built on a well established base of financial services, military, manufacturing, energy, cybersecurity, IT, biomedical, and biotech, among others. Major corporation with headquarters located in San Antonio include USAA, Cullen/Frost Bankers, Rackspace, H-E-B, CPS Energy, Toyota Motor Manufacturing, Southwest Research Institute, Valero Energy, Harland Clarke, KCI, Tesoro, HVHC, Security Service Federal Credit Union, The SWBC, and NuStar Energy. Other major regional employers include Lackland Air Force Base, the Fort Sam Houston U.S. Army Base, Randolph Air Force Base, Methodist Healthcare System, Baptist Health System, JP Morgan Chase, Wells Fargo, AT&T, Boeing, Accenture, Walmart, Caterpillar, Gunn Automotive Group, and more. The city is home to one of the largest active and retired military populations in the U.S., with four major military bases located within the city as part of the Joint Base San Antonio.



## ABOUT THE AREA



## Site Information

The subject property is centrally located with excellent access and visibility adjacent to the intersection of Seguin Road (25,621 AADT) and North Foster Road (23,883 AADT), approximately 3 miles from the I-410 (204,463 AADT) and I-90 (75,486 AADT) arterials. The site benefits from robust demographics with a population of 212,458 and average household income of \$69,858 within a 5 mile radius.

The site benefits from a prominent retail location in close proximity to shopping centers, major retail tenants, schools, and employers. The site is located outparcel to Rittiman Pointe shopping center, with tenants including Red Runner Coffee, Pet's Barn, Star Liquor, 7-Eleven, and more. Other shopping centers in the surrounding area include Woodlake Market, anchored by Walgreens; Woodlake Crossing, featuring Petco, Ross, and Rack Room Shoes; and Lotts Landing, anchored by Big Lots. Other major retail tenants in the surrounding area include Walmart Supercenter, H-E-B, CVS, Dollar General, and more.





# 6302 FM 78 | San Antonio, TX 78244



2021 POPULATION

**212,458**



AVG. HOME VALUE

**\$210,072**



AVG. HOUSEHOLD INCOME

**\$69,858**

Population Summary	1 Mile	3 Miles	5 Miles
2010 Total Population	13,138	84,907	179,880
2021 Total Population	16,195	102,520	212,458
2026 Total Population	17,883	111,505	231,325
<b>2021-2026 Annual Rate</b>	<b>2.00%</b>	<b>1.69%</b>	<b>1.72%</b>
Average Household Income			
2021	\$67,995	\$67,673	\$69,858
2026	\$76,497	\$75,202	\$77,680
Average Home Value			
2021	\$159,113	\$182,220	\$210,072
2026	\$212,805	\$249,362	\$276,061

## Top Employers in San Antonio

## # of Employees

Joint Base San Antonio – Lackland, Fort Sam, & Randolph	75,972
H-E-B Food Stores	22,000
USAA	17,163
Northside Independent School District	13,969
City of San Antonio	12,231
North East Independent School District	9,292
Methodist Health Care System	8,960
San Antonio Independent School District	7,374
Baptist Health Systems	6,432
Wells Fargo	5,010

*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

## Information About Brokerage Services

**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License

Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

### **If you choose to have a broker represent you,**

you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.







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