



MEXICAN GRILL

FORT WORTH, TEXAS



18 YEAR REMAINING LEASE TERM | ABSOLUTE NNN GROUND LEASE | 10% RENT INCREASES EVERY 5 YEARS



**CUSHMAN &  
WAKEFIELD**

**BRANDON PRICE**

Senior Director  
858 558 5673  
brandon.price@cushwake.com

**BLAKE TAGMYER**

Senior Director  
858 558 5670  
blake.tagmyer@cushwake.com

**KARI FISKE**

Senior Brokerage Specialist  
858 334 4032  
kari.fiske@cushwake.com

**NED ZIV**

Iceberg Net Lease  
702 321-7456  
ned@icebergnetlease.com

Listed in conjunction with Texas Broker of Record:  
Chris Harden | Cushman & Wakefield U.S., Inc.  
License No. 556104



**MEXICAN GRILL**

**5425 MCPHERSON BOULEVARD  
FORT WORTH, TEXAS 76123**



**01 OFFERING**  
Executive Summary  
Investment Highlights

**02 FINANCIALS**  
Lease & Pricing Summary

**03 TENANT**  
Tenant Overview

**04 MARKET**  
Area Overview  
Area Demographics



# 01

## OFFERING

Investment Highlights  
Executive Summary





# INVESTMENT HIGHLIGHTS

---

## THE OFFERING

- The subject property is a Chipotle Ground Lease in Forth Worth, Texas with 18 years remaining on the initial lease term.
- Price: \$3,261,194 – 3.35% cap rate

## LEASE / TENANT

- Corporate Backed Long-Term Lease – Chipotle signed a 20-year ground lease which commenced in 2020, leaving approximately 18 years remaining on the initial lease term
- Absolute NNN Lease Structure – Zero landlord responsibilities for operating or capital expenses
- Attractive 10% Rent Increases Every 5 Years – Next rent increase is scheduled for July 1, 2025
- Chipotle (NYSE: “CMG”) has over \$7.54 billion in annual revenue and market cap of \$34.4 billion

## REAL ESTATE / AREA STRENGTHS

- Outparcel to The Shops at Chisholm Trail Ranch – 250,000 sf power center anchored by Ross, Old Navy, Marshalls, Tuesday Morning, Studio Movie Grill and more
- Adjacent to Major Residential Developments – Property is sandwiched between Chisholm Trail West (1,620 planned residential units under development) and Chisholm Trail Ranch “Bluestem” (209 residential lots currently under development)
- One of the Highest Residential Growth Markets in DFW – Over 8,500 single-family lots and 3,400 multi-family units currently in progress in the immediate area
- 2 Miles North of Tarleton State University Campus – Newly constructed Texas A&M University system facility anticipated to serve 9,000 students by 2030
- Densely Populated Area 12 Miles South of Downtown Fort Worth – Over 59,800 residents within a 3-Mile Radius and over 166,000 residents within a 5-mile radius
- Extremely Affluent Area – Average Household Income Exceeds \$130,000 within a 1-mile radius

# NORTH

**20,849**  
HOUSING UNITS  
WITHIN 3-MI

Texas Health  
Harris Methodist Hospital  
SOUTHWEST HOSPITAL

HULEN MALL  
★ macy's Dillard's

DOWNTOWN  
FORT WORTH

TAVOLO PARK  
(877 RESIDENCES)

LLANO SPRINGS  
(1,202 RESIDENCES)

Walmart  
Neighborhood Market

PRIMROSE CROSSING  
AT LLANO SPRINGS  
(263 RESIDENCES)

THE MCCOY  
(360 APARTMENTS)

COTTAGES AT  
SUMMER CREEK  
(198 RESIDENCES)

THE TRAILS AT  
SUMMER CREEK  
(240 APARTMENTS)

NORTH CROWLEY  
HIGH SCHOOL  
(2,600 STUDENTS)

TRAILHEAD  
(282 APARTMENTS)

THE CROSSING AT  
CHISHOLM TRAIL

CHIPOTLE  
MEXICAN GRILL

CHISHOLM  
TRAIL WEST  
(1,620 UNITS)

THE SHOPS AT  
CHISHOLM TRAIL RANCH  
ROSS DRESS FOR LESS OLD NAVY Tuesday Morning  
Marshalls ULTA DOLLAR TREE

NORTH CROWLEY  
MIDDLE SCHOOL  
(690 STUDENTS)

CHISHOLM TRAIL  
RANCH BLUESTEM  
(209 RESIDENCES)

# EXECUTIVE SUMMARY

THE SUBJECT PROPERTY IS A 2,324 SQUARE FOOT CHIPOTLE GROUND LEASE LOCATED IN FORT WORTH, TEXAS.

Chipotle signed a 20-year ground lease which commenced in July of 2020, leaving approximately **18 years remaining on the initial lease term**. Chipotle has four 5-year renewal options thereafter. The lease includes **ten percent rent increases every 5 years** with the next increase slated to occur in July of 2025. The lease is **absolute NNN providing for zero landlord responsibilities**.

Chipotle, which is publicly traded on the NYSE under the ticker symbol "CMG", reported **annual revenues of over \$7.54 billion in 2021 and has a market cap over \$34 billion**.

Located at the intersection of McPherson Boulevard and Summer Creek Drive, the subject property is positioned as an **outparcel to The Shops at Chisolm Trail Ranch**, a 250,000 square foot power center anchored by Ross, Old Navy, Marshalls, Tuesday Morning, Studio Movie Grill, and more. The property is part of the larger Chisolm Trail Ranch development, a 600-acre master planned community featuring residential, commercial, and retail components. The property is **sandwiched between Chisolm Trail Ranch "Bluestem" (209 residential lots currently under development) and Chisolm Trail West (1,620 planned residential units under development)**. Located in one of the **highest residential growth markets within the Dallas-Fort Worth MSA**, the immediate area has over 8,500 single family lots and 3,400 multi-family units currently in progress which are projected to add over 32,800 residents.

The property is positioned approximately **two miles north of Tarleton State University Campus**, a Texas A&M University System. The \$41 million first phase of the campus, which opened in 2019, is projected to serve 5,000 students by 2025. With \$63 million of additional funding approved for phase 2, the campus is anticipated to serve 9,000 students by 2030.

Approximately **12 miles south of downtown Fort Worth**, the surrounding community is densely populated with **over 59,800 residents within a three-mile radius and over 166,000 residents within a five-mile radius**. This high growth area is anticipated to increase its population by approximately ten percent over the next four years. This affluent community boasts an **average household income of over \$130,000**.



# SOUTHWEST

TARLETON STATE UNIVERSITY

ROCK CREEK RANCH  
(4,800 LOTS)

CHISHOLM TRAIL RANCH FEATHERGRASS  
(1,072 UNITS)

MCPHERSON VILLAGE  
(453 RESIDENCES)

CHISHOLM TRAIL WEST  
(1,620 UNITS)

SUMMER CREEK MIDDLE SCHOOL  
(875 STUDENTS)

RETAIL AND MEDICAL OFFICE DEVELOPMENT

THE SHOPS AT CHISHOLM TRAIL RANCH

OLD NAVY Tuesday Morning  
halls ULTA DOLLAR TREE

CHISHOLM TRAIL PKWY (23,176 VPD)

Chick-fil&

WHATABURGER

CHIPOTLE MEXICAN GRILL

THE CROSSING AT CHISHOLM TRAIL

  
**\$130,000**  
AVG HH INCOME  
WITHIN 1 MILE

# 02 FINANCIALS

Lease & Pricing Summary





**5425 MCPHERSON BOULEVARD  
FORT WORTH, TX 76123**

**LIST  
PRICE**  
\$

**\$3,261,194**

**2023  
CAP RATE**  
%

**3.35%**



YEAR BUILT / RENOVATED  
**2020**



OWNERSHIP TYPE  
**FEE SIMPLE  
GROUND LEASE**



BUILDING SIZE  
**2,324 SQ FT**



LOT SIZE  
**1.23 ACRES +/-**





MEXICAN GRILL

TENANT	Chipotle
GUARANTOR	Corporate Guarantee
LEASE TYPE	NNN Ground Lease
LANDLORD RESPONSIBILITIES	None
LEASE TERM	20 Years
LEASE COMMENCEMENT	July 1, 2020
LEASE EXPIRATION	June 30, 2040
REMAINING LEASE TERM	18 Years
RENEWAL OPTIONS	Four, 5-Year Options
RENT INCREASES	10% Every 5 Years

## BASE RENT SCHEDULE

PERIOD	ANNUAL BASE RENT	MONTHLY BASE RENT
Current - 6/30/2025	\$109,250	\$9,104
7/1/2025 - 6/30/2030	\$120,175	\$10,015
7/1/2030 - 6/30/2035	\$132,193	\$11,016
7/1/2035 - 6/30/2040	\$145,412	\$12,118
Option 1 (5 Years)	\$159,953	\$13,329
Option 2 (5 Years)	\$175,948	\$14,662
Option 3 (5 Years)	\$193,543	\$16,129
Option 4 (5 Years)	\$212,897	\$17,741



# 03

## TENANT

Tenant Overview







MARKET CAP

**\$34.47** BILLION

REVENUE

**\$7.54** BILLION

AS OF DECEMBER 2021

**OWNERSHIP**

Public

**TICKER SYMBOL**

CMG (NYSE)

**# OF EMPLOYEES**

97,660

## TENANT OVERVIEW

---



CHIPOTLE MEXICAN GRILL, INC. IS AN AMERICAN RESTAURANT CHAIN THAT SERVES A SIMPLE MENU OF MEXICAN-INSPIRED FOOD.

Founded in Denver, Colorado, in 1993 by Steve Ells, a classically trained chef, Chipotle has grown to more 2,600 store locations, which together serve over 1 million customers daily. The company is known for its brand and marketing of "Food With Integrity," its commitment to offering fresh meal items and sourcing ingredients from ethically minded suppliers. With this premium food ethos, Chipotle helped usher in an era of "fast casual" dining experiences, many of which loosely mimicked the chain's popular approach to fresh preparation and assembly-line service.

Since going public in 2006, Chipotle's restaurant footprint has grown rapidly, and now includes locations in Europe. The company has also developed a portfolio of subsidiary brands, including Pizzeria Locale, the Asian-inspired ShopHouse Kitchen, and Tasty Made, a new burger joint. Following a series of food-safety incidents in 2015 linked to its flagship Chipotle brand, however, the company's business has suffered, and even reported its first quarterly loss in a decade. In order to rebound sales and regain the trust of consumers, Chipotle has added new menu items such as chorizo and introduced a rewards program called Chiptopia. Chipotle has zero debt and finished Q1 2020 with \$909.2 million in cash, enough to sustain the company for well over a year.

They have more than 85,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health-related professionals. Through them, Walgreens expects to continue to play a growing role in government and employer efforts to control escalating healthcare costs.

# 04

## MARKET

Area Overview  
Area Demographics





# MARKET OVERVIEW

---

## FORT WORTH, TEXAS

Fort Worth is the fifth largest city in Texas and the 13th largest city in the United States. Fort Worth boasts a population of 918,915 and has doubled in size since 2000, marking it as a notable high growth city located in the “sunbelt”. The city of Fort Worth is the fastest growing among the 20 largest US cities and is expected to add another 600,000 residents by 2040.

The city is a principal component of the Dallas–Fort Worth–Arlington MSA, often referred to as the “DFW” metroplex, which has a population of 7,573,136 and is one of the fastest growing metropolitan areas in the United States. The DFW metroplex is a 9,000–square–mile vibrant urban center located near the geographic heart of the United States. The area is equally accessible to both the East and West Coasts, as well as shipping ports in the Southern Gulf Coast. The metroplex accounts for one fourth of the total Texas population.

The breadth of opportunities, talent pool, connectivity, and resources that Fort Worth offers helps businesses compete in the local and global marketplace. Organizations know that attracting and retaining quality talent is not an easy challenge. Combined with a pro–business environment, high quality of life, and strong economy, Fort Worth is the perfect location that gives companies a real competitive advantage. Major Fort Worth employers include American Airlines, Bell Textron, BNSF Railways, Cargill, Abbott Labs, DXC Technology, Alcon, and Lockheed Martin. As of 2021, Dallas–Fort Worth is home to 22 Fortune 500 companies, the 4th–largest concentration of Fortune 500 companies in the United States.

The city’s nine major districts provide numerous options for entertainment, cultural experiences, premier shopping, and delicious cuisine. Downtown Fort Worth is the central business district of the city and is home to many commercial office buildings. Day and night, downtown is abuzz with people who are fully immersed in the best nightlife, dining and entertainment Fort Worth has to offer. Fort Worth’s population continues to boom as people flock to the city, drawn by its steady economy, topnotch entertainment, and easy–going lifestyle. At the heart of Fort Worth’s growing entertainment district, Sundance Square is the epitome of urban design and functionality and is one of the safest urban areas in the country. A 35–block development filled with boutiques, restaurants, night spots and art galleries, Sundance Square is one of the best entertainment and shopping districts in the Southwest. There are six major universities within a one–hour drive with Texas Christian University being the prominent university in Fort Worth. Located just three miles from downtown, TCU has a total undergraduate and graduate enrollment of over 10,000.







 **CHIPOTLE**



**CHIPOTLE**

5425

RESERVED  
PARKING  
  
HANDICAPPED  
PARKING ONLY

# 2021 DEMOGRAPHICS

	1 Miles	3 Miles	5 Miles	7 Miles
 <b>POPULATION</b>				
Total Population	6,414	59,880	166,803	288,567
Median Age	35.4	35.1	34.6	34.7
 <b>HOUSING</b>				
Total Housing Units	2,017	20,849	63,858	111,665
Occupied Housing Units	99.5%	98.8%	97.6%	97.3%
Vacant Housing Units	0.5%	1.3%	2.4%	2.7%
 <b>INCOME</b>				
Avg Household Income	\$130,284	\$99,536	\$92,230	\$91,218

# 2026 PROJECTED DEMOGRAPHICS

	1 Miles	3 Miles	5 Miles	7 Miles
 <b>POPULATION</b>				
Total Population	8,000	66,666	182,052	312,081
Median Age	35.8	35.6	35.2	35.5
 <b>HOUSING</b>				
Total Housing Units	2,516	23,145	69,316	120,571
Occupied Housing Units	99.8%	99.0%	97.8%	97.4%
Vacant Housing Units	0.2%	1.0%	2.2%	2.6%
 <b>INCOME</b>				
Avg Household Income	\$134,549	\$104,729	\$97,284	\$96,045



**\$92,230**  
AVERAGE INCOME

WITHIN A 5-MILE  
RADIUS OF THE  
PROPERTY

**166,803**  
POPULATION



\*Report counts include D&B business location records that have a valid telephone, known SIC code and D&B ratings as well as exclude cottage industries (businesses that operate from a residence). © 2022 Easy Analytic Software, Inc. (EASI®) All Rights Reserved, Alteryx, Inc. © 2022 Experian Information Solutions, Inc. All Rights Reserved, Alteryx, Inc. © 2022 Experian Marketing Solutions, Inc. All Rights Reserved, Alteryx, Inc.

# STATEMENT OF CONFIDENTIALITY + CONDITIONS

---

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors.

The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.





 **CHIPOTLE**

 **CHIPOTLE**

SELECTED  
PARKING  
  
PARKING

JOIN  
OUR  
TEAM

io  
GRILL



**CUSHMAN &  
WAKEFIELD**

**BRANDON PRICE**

Senior Director  
858 558 5673  
brandon.price@cushwake.com  
License No. 01822998

**KARI FISKE**

Senior Brokerage Specialist  
858 334 4032  
kari.fiske@cushwake.com

**BLAKE TAGMYER**

Senior Director  
858 558 5670  
blake.tagmyer@cushwake.com  
License No. 01329963

**NED ZIV**

Iceberg Net Lease  
702 321-7456  
ned@icebergnetlease.com



# 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.



### 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