



CHICK-FIL-A GROUND LEASE

PORTLAND, TEXAS (CORPUS CHRISTI MSA)

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$4,143,000 | 3.50% CAP RATE

- » 15-Year Absolute NNN Ground Lease with 10% Rental Increases Every Five Years
 - » Store is Open and Operating (2nd-Strongest of Five Chick-fil-A Restaurants in Corpus MSA)
 - » Chick-fil-A is the Largest Chicken Chain in the United States With 2,795+ Units
 - » Only Chick-Fil-A Location Within a 15-Mile Radius
- » Strategic Location Off U.S. Highway 181 (86,000+ AADT)
 - » Located in the Heart of the Port of Corpus Christi with \$38B in Manufacturing and Petrochemical Investments Within the Past Five Years, with Another \$20B Currently Under Construction
 - » Near a Strong Performing H-E-B Store (\$80 Million), and Surrounded by Notable Tenants Such as Walmart Supercenter, Walgreens, Starbucks, Sonic Drive-In, and Many More, Promoting Crossover Shopping to the Site
 - » Near Several Schools, Providing a Major Traffic Driver to the Site
- » Affluent and Growing Corpus Christi Suburb
 - » Average Annual Household Income of \$107,378 Within One Mile
 - » 8.6 Miles From Downtown Corpus Christi (317,863 Residents), the Eighth-Most Populous City in Texas
- » 2021 Construction With Outdoor Patio Seating and a Dual-Lane Drive-Thru
- » Texas Has No State Income Tax, Estate Tax, or Inheritance Tax



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.

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**YURAS
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CROWLE**

Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	1125 US-181, Portland, Texas 78374		
PRICE	\$4,143,000		
CAP RATE	3.50%		
NOI	\$145,000		
TERM	15 years		
RENT COMMENCEMENT	August 12, 2021		
LEASE EXPIRATION	August 31, 2036		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$145,000	3.50%
	6-10	\$159,500	3.85%
	11-15	\$175,450	4.24%
	16-20 (option 1)	\$192,995	4.66%
	21-25 (option 2)	\$212,295	5.12%
	26-30 (option 3)	\$233,524	5.64%
	31-35 (option 4)	\$256,876	6.20%
	36-40 (option 5)	\$282,564	6.82%
	41-45 (option 6)	\$310,820	7.50%
	46-50 (option 7)	\$341,902	8.25%
YEAR BUILT	2021		
BUILDING SF	5,170 SF		
PARCEL SIZE	1.37 acres (59,735 SF)		
LEASE TYPE	Absolute NNN ground lease, with tenant responsible for all taxes, insurance, maintenance, and repair, including roof, structure, and parking lot		

FILE PHOTO



15-YEAR ABSOLUTE NNN GROUND LEASE WITH SCHEDULED RENTAL INCREASES

- » Chick-fil-A is the largest chicken chain in the United States with 2,795+ units
- » 15-year absolute NNN ground lease with 10% fixed rental increases every five years
- » No landlord management, making this an ideal opportunity for an out-of-area investor
- » Store is the 2nd-strongest of five Chick-fil-A restaurants in Corpus MSA
- » Only Chick-fil-A location within a 15-mile radius, and on the other side of the Bridge to Corpus Christi, providing access to 120,000 people in the trade area, and greatly increasing local traffic to the property

HIGH-VISIBILITY LOCATION WITH ACCESS TO OVER 53K VEHICLES

- » \$38 billion in industrial investments within six miles, providing 5,000 new permanent jobs
- » Proximity to newly opened Steel Dynamics plant (2,600 acres, \$1.9 billion) and Exxon plant (\$12 billion), the largest ethylene cracker plant in the world, among many other new industrial developments
- » Strategic location on U.S. Highway 181 with excellent exposure and access to over 86,000 vehicles per day
- » Adjacent to McDonald's and an outparcel to the Northshore Plaza shopping mall
- » Near a strong performing H-E-B store (\$80 million out of a 67,000 SF), and surrounded by notable tenants such as Walmart Supercenter, Walgreens, CVS, Dollar Tree, Starbucks, Sonic Drive-In, Popeyes, and more, promoting crossover shopping to the site
- » Near high-density, single family housing developments and large apartment complexes including Northshore Place Apartments (224 units), Pavilions at Northshore (336 units), and numerous others
- » 11.8 miles from Del Mar College (11,867 students) and close to several well-attended schools, including Gregory-Portland High School (1,351 students), Gregory-Portland Middle School (1,095 students), and Clark Elementary School (672 students)

AFFLUENT AND GROWING CORPUS CHRISTI SUBURB

- » Average annual household income of \$107,378 within one mile and projected to increase 10 percent by 2026, posing Chick-fil-A and Portland for concurrent growth
- » Beneficial proximity to Corpus Christi International Airport (582,916 annual passengers) and Hunt-Doyle Airport
- » 8.6 miles from downtown Corpus Christi (317,863 residents), the eighth-most populous city in Texas

2021 CONSTRUCTION IN A TAX-FREE STATE

- » Store is open and operating
- » Location includes outdoor patio seating and a dual-lane drive-thru for added customer convenience
- » Texas has no state income tax, estate tax, or inheritance tax



DUPONT

TEDA

DXY

(\$1B facility)

Chemours

(\$230M facility)

EXXON

LA QUINTA ISLAND

CHENIERE

(\$15B facility)

ALCOA

voestalpine

(\$800M facility)

NorthShore Country Club

CORPUS CHRISTI BAY

Denny's

H-E-B

WING STOP

Chick-fil-A

Walgreens

PAPA JOHN'S

Freddy's

STEAKBURGERS

(Under Construction)

McDonald's

WHATABURGER

SONIC

America's Drive-In

Wildcat Drive
(16,528 AADT)

181

U.S. Route 181
(70,000 AADT)

planet fitness

Domino's

Starbucks

AutoZone

(Under Construction)

TACO BELL

Pizza Hut

POPEYES

+ LOUISIANA KITCHEN +

CVS

pharmacy



EXXON
(\$12B facility,
opened February 2022)

Martin Marietta

Walmart
Supercenter

Academy
SPORTS+OUTDOORS

voestalpine
(\$800M facility)

Applebee's
GRILL & BAR

Denny's

Freddy's
STEAKBURGERS
(Under Construction)

Chick-fil-A

Walgreens

WHATABURGER

SONIC
America's Drive-In

WING STOP

PAPA JOHN'S

H-E-B

planet fitness

Domino's
PIZZA

Starbucks

McDonald's

TACO BELL

Pizza Hut

AutoZone
(Under Construction)

CVS
pharmacy

POPEYES
+ LOUISIANA KITCHEN +

Gregory-Portland Middle School
and TM Clark Elementary School
(1,015 combined students)

Portland Community Center

Gregory-Portland High School
(1,378 students)

U.S. Route 181
(70,000 AADT)

Wildcat Drive
(16,528 AADT)

CORPUS CHRISTI
(7 miles)



NUECES BAY

181 U.S. Route 181
(70,000 AADT)

Wildcat Drive
(16,528 AADT)



INDUSTRIAL AERIAL





 U.S. Route 181
(70,000 AADT)

 U.S. Route 181
(Frontage Road)

Wildcat Drive



Walgreens

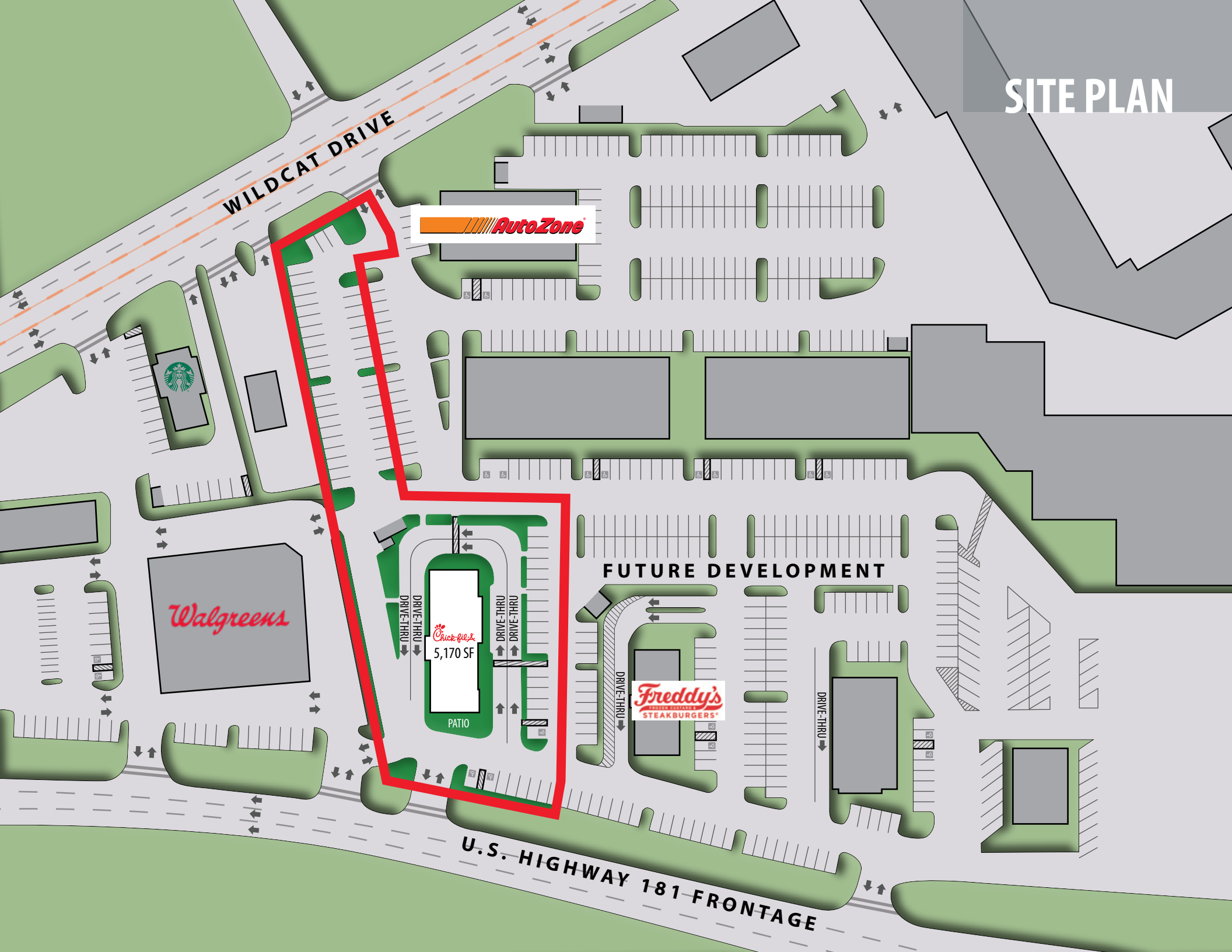
Chick-fil-A

Freddy's
STEAKBURGERS®
(Under Construction)



 **AutoZone**
(Under Construction)

SITE PLAN



TENANT SUMMARY



Atlanta-based Chick-fil-A, Inc. is a family owned and privately held restaurant company founded in 1967 by S. Truett Cathy. Devoted to serving the local communities in which its franchised restaurants operate, and known for its original chicken sandwich, Chick-fil-A serves freshly prepared food in more than 2,700 restaurants in 47 states, Washington, D.C., and Canada.

Chick-fil-A, Inc. reported record revenue and earnings in 2021, despite the COVID-19 pandemic. The Atlanta-based quick-serve operator, ranked by *Franchise Times Magazine* as the 9th largest franchise company in the United States, and reported record free-standing franchised restaurant sales as it added drive-thru lanes, dispatched outdoor order-takers with tablets, and expanded both curbside pickup and third-party delivery. Total system-wide sales generated from franchised and company-operated restaurants were \$16.7 billion in 2021 compared to \$13.7 billion in 2020, an increase of 22%.

A leader in customer service, Chick-fil-A was recognized as the number four restaurant in America by *Nation's Restaurant News* in 2021 and named America's top drive-thru by QSR Magazine in 2021. Chick-fil-A was also awarded the Employee's Choice by Glassdoor honoring top CEOs and named a Culture 500 Culture Champion in 2020.

For more information, please visit www.chick-fil-a.com.

# OF LOCATIONS	2,795+	OWNERSHIP	Private
REVENUE	\$16.7B	HEADQUARTERS	Atlanta, GA

LEASE ABSTRACT

TENANT	Chick-fil-A, Inc.		
ADDRESS	1125 US-181, Portland, Texas 78374		
RENT COMMENCEMENT	August 12, 2021		
LEASE EXPIRATION	August 31, 2036		
RENEWAL OPTIONS	Seven (7) five (5) year options		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-5	\$145,000	3.50%
	6-10	\$159,500	3.85%
	11-15	\$175,450	4.24%
	16-20 (option 1)	\$192,995	4.66%
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	31-35 (option 4)	\$256,876	6.20%
	36-40 (option 5)	\$282,564	6.82%
	41-45 (option 6)	\$310,820	7.50%
	46-50 (option 7)	\$341,902	8.25%
REAL ESTATE TAXES	Tenant shall pay for all real estate taxes.		
INSURANCE	Tenant is responsible for all insurance costs.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance, including roof, structure, and parking lot.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	Tenant shall have fifteen (15) days from receipt of an acceptable offer in order to exercise its Right of First Refusal.		

PROPERTY OVERVIEW

LOCATION

Chick-fil-A is strategically located on U.S. Highway 181 with excellent exposure and access to over 86,000 vehicles per day. The property is adjacent to McDonald's and an outparcel to Northshore Plaza shopping mall. Additionally, the property is near H-E-B and surrounded by notable tenants such as Walmart Supercenter, Walgreens, CVS, Dollar Tree, Starbucks, Sonic Drive-In, Popeyes, and many more, promoting crossover shopping to the location. The site is near high-density, single family housing developments and large apartment complexes including Northshore Place Apartments (224 units), Pavilions at Northshore (336 units), and numerous others. The property is situated less than two miles from 10 large hotels with over 700 guestrooms, providing access to an ideal customer base. The site is 11.8 miles from Del Mar College (11,867 students) and close to several well-attended schools, including Gregory-Portland High School (1,351 students), Gregory-Portland Middle School (1,095 students), and Clark Elementary School (672 students).

The property is 8.6 miles from Downtown Corpus Christi (317,863 population), the eighth-most populous city in Texas. Corpus Christi is the hub of the six-county Corpus Christi-Kingsville Combined Statistical Area. 20,423 residents live within a five-mile radius, providing a reliable customer base for the site. The property is located in an affluent Corpus Christi suburb poised for growth. The average annual household income is \$107,378 within one mile and is projected to increase 10 percent by 2026. The site maintains beneficial proximity to Corpus Christi International Airport (582,916 annual passengers) and Hunt-Doyle Airport.

ACCESS

Access from U.S. Highway 181 and Wildcat Drive

TRAFFIC COUNTS

U.S. Highway 181: 70,000 AADT

PARKING

76 parking stalls including three (3) handicap stalls

YEAR BUILT

2021

NEAREST INTERNATIONAL AIRPORT

Corpus Christi International Airport (CRP | 16.4 miles)



FILE PHOTO



76
PARKING
STALLS



2021
YEAR
BUILT



70K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
CORPUS CHRISTI
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Portland is a city in Nueces and San Patricio Counties in Texas with a population of 20,383 according to the 2020 U.S. Census. Portland is located on two beautiful bays and is a part of the Texas Coastal Bend, providing endless recreational, sports, and aesthetic possibilities. Portland residents are just minutes away from cultural centers such as the Selena Auditorium, the American Bank Center, the Art Museum of South Texas, the Texas State Aquarium, and the USS Lexington Museum. The City of Portland is strategically located close to the major financial, commercial, and industrial engines of the Coastal Bend. This combination of natural beauty, recreational and cultural richness, and easy access to employment and business prospects make Portland an ideal place to live, work, raise a family and own a business. Portland benefits from a school system that consistently receives statewide recognition for its academic, artistic, and athletics programs. The Gregory-Portland Independent School District is classified at level 5-A for all interscholastic competitions. The economic outlook within the city limits of Portland continues to be favorable for retail, casual dining, medical services offices, lodging, and financial establishments. In addition, the city will benefit from industry growth in the surrounding areas. Portland has experienced an increase in both residential and commercial growth in the past year. The city continues to welcome new hotels, retail stores, and new eateries to the business corridor. The Port of Corpus Christi continues its efforts to expand economic development in San Patricio County with plans to deepen the La Quinta Channel making the area more usable for deep water industrial development. When that occurs, shipping will increase, tonnage will grow significantly, and the area will see a further expansion of port industries. Portland continues to gain economic benefits as commercial and industrial development occurs around the city. Portland is a suburb of Corpus Christi and part of the Corpus Christi MSA.

Corpus Christi is a coastal city in the South Texas region of Texas and is the largest city on the Texas coast. The county seat of Nueces County also extends into Aransas, Kleberg, and San Patricio Counties. The city's population is 317,863 as of the 2020 U.S. Census, making it the eighth-most populous city in Texas. The Corpus Christi metropolitan area has an estimated population of 442,600, making it the 114th largest in the U.S. The city is also the hub of the six-county Corpus Christi-Kingsville-Alice combined statistical area, with an estimated population of 516,793. Nueces County and the surrounding region are culturally rich and diverse and offer excellent educational opportunities, a beautiful climate, land- and sea-based recreation, a strong economy, exceptional healthcare facilities, and affordable living. Within Nueces County, Corpus Christi is a center for petrochemical manufacturing, large-scale fabrication, marine research, maritime shipping, and tourism. The majority of the population is employed in the services, wholesale and retail trades, and government sectors. The tropical climate, exceptional outdoor opportunities, and premier health care facilities enhance Corpus Christi's progressive growth and economy, creating a perfect community in which to live and operate a business.

- » The Port of Corpus Christi, which is the fifth-largest U.S. port and deepest inshore port on the Gulf of Mexico, handles mostly oil and agricultural products. Additionally, Corpus Christi is a major trade gateway for Mexico and Latin America.
- » Corpus Christi is home to Naval Air Station Corpus Christi, providing over 5,525 civilian jobs to the local economy, making it the single largest employer in the city. Corpus Christi Army Depot, located on NAS Corpus Christi, is the largest helicopter repair facility in the world.
- » The Gregory-Portland Independent School District is classified at level 5-A for all interscholastic competitions.

MAJOR EMPLOYERS IN PORTLAND, TEXAS

OF EMPLOYEES

CORPUS CHRISTI ISD	5,888
NAVAL AIR STATION CORPUS CHRISTI	4,600
H.E.B. STORES & BAKERY	3,840
CORPUS CHRISTI ARMY DEPOT	3,400
CHRISTUS SPOHN HOSPITAL	3,000
CITY OF CORPUS CHRISTI	2,963
BAY LTD.	2,750
DRISCOLL CHILDREN'S HOSPITAL	2,512
NUECES COUNTY	2,000
KIEWIT OFFSHORE SERVICES	1,750



DEMOGRAPHIC PROFILE

2021 SUMMARY

	1 Mile	3 Miles	5 Miles
Population	10,971	19,609	20,423
Households	3,937	6,989	7,262
Families	3,020	5,305	5,520
Average Household Size	2.77	2.80	2.80
Owner Occupied Housing Units	2,572	4,473	4,672
Renter Occupied Housing Units	1,365	2,516	2,590
Median Age	37.7	36.8	36.8
Average Household Income	\$107,378	\$101,151	\$99,906

2026 ESTIMATE

	1 Mile	3 Miles	5 Miles
Population	11,339	20,500	21,336
Households	4,077	7,316	7,598
Families	3,121	5,541	5,763
Average Household Size	2.77	2.79	2.80
Owner Occupied Housing Units	2,706	4,785	4,993
Renter Occupied Housing Units	1,371	2,531	2,604
Median Age	37.7	37.1	37.2
Average Household Income	\$118,394	\$111,499	\$110,180



**AVERAGE HOUSEHOLD INCOME OF \$107,378
WITHIN ONE MILE**



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:
 - 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

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