



SANDS INVESTMENT GROUP



Sonic

5020 Fairmont Parkway
Pasadena, TX 77505

EXCLUSIVELY MARKETED BY:



WILL SCHUHMACHER

Lic. # 629275

512.277.5924 | DIRECT
will@SIGnnn.com



TYLER RILEY

Lic. # 02121412

424.265.5114 | DIRECT
triley@SIGnnn.com



MAX FREEDMAN

Lic. # 644481

512.766.2711 | DIRECT
max@SIGnnn.com



ELAN SIEDER

Lic. # 678407

512.649.5185 | DIRECT
elan@SIGnnn.com

2009 S. Capital of Texas Hwy, Suite 210
Westlake Hills, TX 78746
844.4.SIG.NNN

www.SIGnnn.com

In Cooperation With Sands Investment Group Austin, LLC
Lic. #9004706 BoR: Max Freedman Lic. # 644481

TABLE OF CONTENTS

04

06

07

12

14

INVESTMENT OVERVIEW

Investment Summary
Investment Highlights

LEASE ABSTRACT

Lease Summary
Rent Roll

PROPERTY OVERVIEW

Property Images
Location, Aerial & Retail Maps

AREA OVERVIEW

City Overview
Demographics

TENANT OVERVIEW

Tenant Profile

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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the 1,144 SF Sonic Located at 5020 Fairmont Parkway in Pasadena, TX. This Deal Includes Over 15 Years Remaining on an Absolute Triple Net (NNN) Lease, Providing For a Secured Investment

OFFERING SUMMARY

PRICE	\$2,052,632
CAP	4.75%
NOI	\$97,500
PRICE PER SF	\$1,794.26
GUARANTOR	TatertoTexas LLC

PROPERTY SUMMARY

ADDRESS	5020 Fairmont Parkway Pasadena, TX 77505
COUNTY	Harris
BUILDING AREA	1,144 SF
LAND AREA	0.59 AC
BUILT	1991



HIGHLIGHTS

- Brand New 15 Year Absolute Triple Net (NNN) Lease
- Strong Sales Performance With Healthy Rent-to-Sales Ratio
- Emerge Inc. is a Growing Operator With 124-Units Across Four Brands (45-Unit Guaranty)
- Essential Use Tenant With Drive Thru; Pandemic and Recession Resistant
- Strong Demographics With a Dense Population of 91,550 Making an Average Household Income of \$73,637 Within a 3-Mile Radius
- High Traffic Location With Over 44,000 VPD
- Next to St. Luke's Hospital With 61 Beds and Over \$455,539,870 in Patient Revenue
- Income Tax-Free State (Texas)
- Pasadena, TX Has Been Noted as One of the Most Under the Radar Suburbs in America
- Adjacent to a Walmart Supercenter, Target, Academy, Office Depot, Lowe's Home Improvement - Driving Traffic to the Retail Area as Destination Retailers
- Nearby Tenants Include: Starbucks, VCA Animal Medical Center of Pasadena, Waffle House, BreWingZ Restaurant & Bar, Chase Bank and Raising Cane's



ACTUAL PROPERTY IMAGE

LEASE SUMMARY

TENANT	Sonic
PREMISES	A Building of Approximately 1,144 SF
LEASE COMMENCEMENT	Close of Escrow
LEASE EXPIRATION	15 Years Following Close of Escrow
LEASE TERM	15 Years
RENEWAL OPTIONS	4 x 5 Years
RENT INCREASES	10% Every 5 Years
LEASE TYPE	Triple Net (NNN)
PERMITTED USE	Fast Food
PROPERTY TAXES	Tenant Responsibility
INSURANCE	Tenant Responsibility
COMMON AREA	Tenant Responsibility
ROOF & STRUCTURE	Tenant Responsibility
REPAIRS & MAINTENANCE	Tenant Responsibility
HVAC	Tenant Responsibility
UTILITIES	Tenant Responsibility
RIGHT OF FIRST REFUSAL	Yes

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
1,144 SF	\$97,500	\$85.23





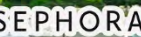


South Main Baptist Church

Cub Scouts Pack 369

The Blood Center - Pasadena

EZ TAG Store - East Area



Residence Inn by Marriott



Hawthorne at Crenshaw

Kelsey-Seybold Clinic



Bondy Intermediate School

The Medical Resort At Bay Area

Fairmont Pkwy



TODAY'S VISION

TODAY'S VISION



Turner Elementary School

Lomax Middle School

First Presbyterian Church

Pasadena Memorial High School

Connect Community Church

Dirt Cheap
DOLLAR TREE
marco's Pizza
planet fitness

Personnel Consultants Inc

ME MedExpress

Mobil 1
Lube Express

TRUIST

Waffle House
Campero

vca animal hospitals

TODAY'S VISION

Fairmont Pkwy

SONIC

Cane's
CHICKEN FINGERS

Kroger burkes
OUTLET
petco popeyes

Advance
Auto Parts
Frost
CVS pharmacy

cricket
LA FITNESS
Kentucky Fried Chicken
Pizza Hut
WELLS FARGO

Dirt Cheap
DOLLAR TREE
planet fitness
marco's
Pizza

SONIC

THE HOME DEPOT
Pep Boys
Kentucky Fried Chicken

KOHL'S
HOBBY LOBBY
target MATTRESSFIRM
CVS pharmacy verizon

Conn's
Office DEPOT
OfficeMax

Kroger BIG
LOTS!
HARBOR FREIGHT
DOLLAR TREE

99¢
only
STORES
FAMILY DOLLAR
DUNKIN'

ASHLEY JCPenney
Guitar Center CHASE
SEPHORA
Starbucks TACO BELL
Chick-fil-A

Walmart
Supercenter
LOWE'S

Sam Houston Tollway

Fairmont Pkwy

BEST BUY
Marshall's OLD NAVY
Michael's FAMOUS
footwear
ROSS PET SMART ULTA
DRESS FOR LESS
BED BATH & BEYOND five BELOW DOLLAR GENERAL

Academy Sports+Outdoors Burlington
Party City AspenDental

PASADENA | HARRIS COUNTY | TEXAS

HOUSTON, TX

The City of Pasadena is the seventeenth-largest city in Texas and the largest suburban city in the Houston metropolitan area. Pasadena is located in southeast Texas, bordering the Houston Ship Channel, and currently has a land area of 59.2 total square miles divided into 15.5 square miles of industrial area and 43.7 square miles of residential/ commercial area. It was first settled in 1893 and was incorporated on December 28, 1928. Pasadena is located about 14 miles southeast of Houston. The city is bordered by the Houston Ship Channel (Buffalo Bayou / San Jacinto River) to the north. The southeasternmost part of the city fronts Galveston Bay. The City of Pasadena had a population of 157,277 as of July 1, 2021.

The city benefits from its strategic location, relative affordability, and strong leadership. The City of Pasadena is also a rich industrial area, and its leaders have taken a combination of abundant natural resources, the advantageous location, and the determination to succeed and built a community of strong families and successful businesses. The metropolitan area offers various opportunities to serve the citizens in their professions and amenities for their leisure time. The city has connections to the energy sector, industry and manufacturing, aeronautics, and medicine creating a diversity that stabilizes the swings of the national economy. The city also has strong connections to petrochemicals and refining industries and benefits from the proximity to the Houston Ship Channel, a part of Port of Houston, which is a huge employment generator in the area. The City is continuing to grow by attracting new industries and developments and continues to pose itself to increase the attractiveness as a destination of choice for new businesses, with several existing companies already starting plan expansions. Principal employers in the city include: Pasadena ISD, Turner Industries, San Jacinto College, The Boeing Company, University of Houston-Clear Lake and HCA Houston Healthcare among the top.

Pasadena also offers a variety of family entertainment; there is something for everyone. The city offers the opportunity to golf year-round at the municipal golf course along with, local museums, athletic events, entertainment at the Pasadena Convention Center and Fairgrounds, and performances at local theaters. The annual Strawberry Festival, Pasadena Livestock Show & Rodeo, and the legendary Urban Cowboy traditions shine a bright spotlight on Pasadena. The city is also proud to host the Independence 4th Fest in July and the Holiday Lighted Parade and Holiday Tree Lighting in December. Pasadena has several museums, including the Pasadena Historical Museum and the Bay Area Museum. The Armand Bayou Nature Center is one of the largest urban wildlife and wilderness preserves in the nation. Pasadena also has a community theater, the Pasadena Little Theatre, which is one of the oldest continuously operating community theatres in the Houston area.



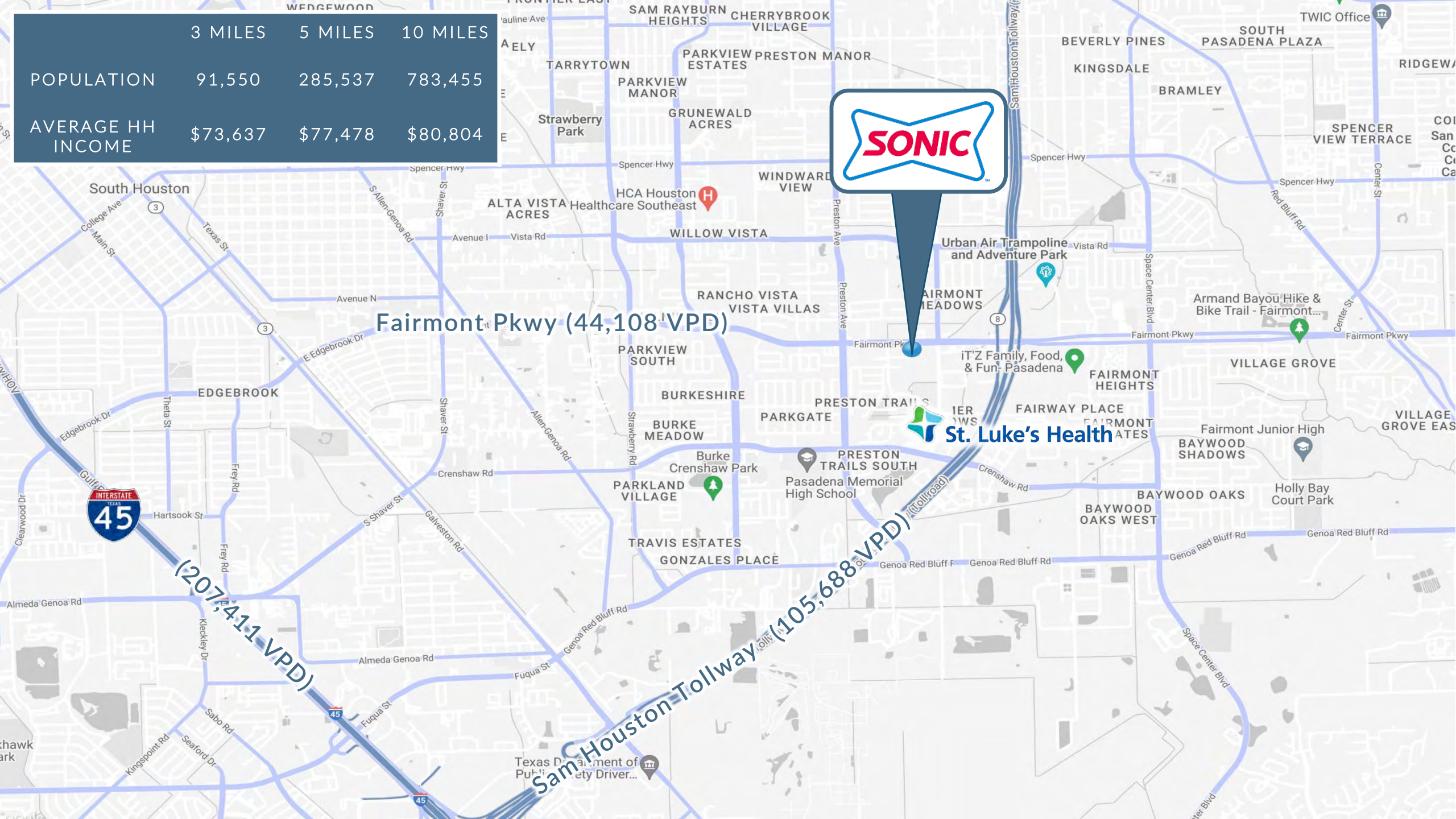
STRAWBERRY FESTIVAL



HCA HOUSTON HEALTHCARE



	3 MILES	5 MILES	10 MILES
POPULATION	91,550	285,537	783,455
AVERAGE HH INCOME	\$73,637	\$77,478	\$80,804



Fairmont Pkwy (44,108 VPD)

(207,411 VPD)

Sam Houston Tollway (105,688 VPD)

SONIC

TENANT PROFILE

SONIC, America's Drive-In, is the nation's largest chain of drive-in restaurants. Founded in 1953 in Oklahoma City, Oklahoma, SONIC has delighted guests with signature menu items, more than 1.3 million drink combinations, friendly service by iconic Carhops. SONIC is part of the Inspire Brands family of restaurants and Inspire Brands is the Subsidiary company of Roark Capital Group. As the largest national chain of drive-in restaurants the iconic SONIC style is hard to duplicate, but SONIC's distinct brand differentiation goes far beyond the drive-in format. SONIC's one-of-a-kind menu offers a variety of options unavailable from other brands, including Real Ice Cream desserts, TOASTER® sandwiches, Molten Cake Sundaes, breakfast all day, tasty Tots, premium hot dogs and more than 1 million unique drink combinations. SONIC is now among the top five burger or sandwich advertisers in most major markets with memorable and recognizable advertising starring SONIC's beloved "Two Guys."

Sonic is the nation's largest and most beloved drive-in chain, serving hot, fresh and made-to-order food for more than 60 years. The company is rapidly expanding and has available territory and ideal locations in all 50 states. Sonic is more than an iconic brand; they are a solid franchise investment focused on the future and backed by visionary leadership, robust national advertising power and operational excellence. Sonic's diverse menu gives the chain the ability to produce strong results at all times of the day, avoiding the common drop-offs most QSR restaurants encounter in the afternoon or evenings. They have an innovative menu. Sonic's ice cream and slush drinks make up more than 40 percent of their sales. Sonic maximizes profitability by perfecting multiple day parts. Whether clients stop by during breakfast, lunch, afternoon, dinner or evening, there is a menu product calling their name.



COMPANY TYPE
Subsidiary



FOUNDED
1953



OF LOCATIONS
3,546



HEADQUARTERS
Oklahoma City, OK



WEBSITE
sonicdrivein.com

OPERATOR PROFILE

In 2009, the Operator gained approval to be a franchisee of Lenny's Sub shop and purchased his first unit. He was a multi-unit operator in 2010 with the purchase of 2 additional Lenny's Sub Shops and 1 Bullritos restaurant in the Houston DMA. By 2012 he diversified into Auntie Anne's, Nestle and Baskin Robbins, taking him to 7 units. In 2015 he ventured with Yum Brands to expand his portfolio to 23 units, including Kentucky Fried Chicken and Taco Bell.

In 2017 he made a major move with Sonic Restaurants and purchased and successfully transitioned the corporate Houston market, which included 34 units. In 2019, he added a 3rd major brand to the portfolio and entered the Taco Bell system through the purchase of 6 units. The next 2 years were full of New Builds and Remodels, and then in 2020, in the middle of a pandemic, he expanded to Arizona by adding another major brand through the purchase of 30 Pizza Hut stores. In 2021, Emerge continued with strategic new builds, relocations, and remodels and forecasts ending the year with 131 units.

CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



ABOUT BROKERAGE SERVICES

Before 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 sub agency 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 the 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.

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