

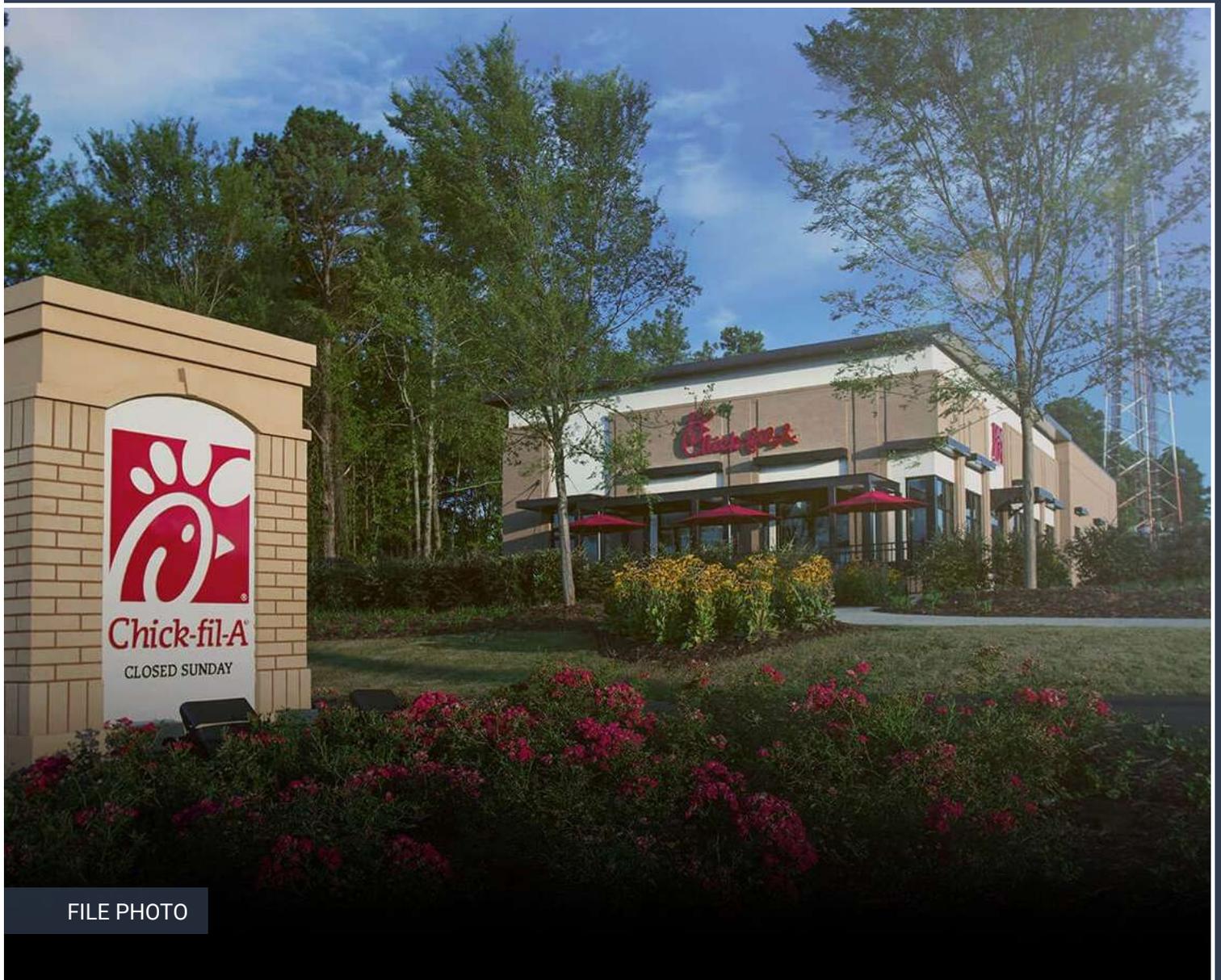
**SECURE**  
NET LEASE

# CHICK-FIL-A

**\$2,875,000 | 4.00%**

**15-YEAR CORPORATE GROUND LEASE**

SEC of State Hwy 6 & Hwy 35



FILE PHOTO

## CONTACT:

---

### MARKETING TEAM

**Bob Moorhead**  
Managing Partner  
(214) 522-7210  
bob@securenetlease.com

**Edward Benton**  
Vice President  
(713) 263-3981  
ebenton@securenetlease.com

SECURE NET LEASE ("Agent") has been engaged as an agent for the sale of the property located at 3950 Walden Road by the owner of the Property ("Seller"). The Property is being offered for sale in an "as-is, where-is" condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. The enclosed materials are being provided solely to facilitate the prospective investor's own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent nor the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein. Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller. Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller's obligations hereunder have been satisfied or waived. By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller and Agent.



## TABLE OF CONTENTS

---

<b>INVESTMENT OVERVIEW</b>	<b>3</b>
<b>TENANT OVERVIEW   IN THE NEWS</b>	<b>5</b>
<b>LEASE OVERVIEW   AERIAL</b>	<b>7</b>
<b>LOCATION OVERVIEW</b>	<b>9</b>
<b>ALVIN AREA OVERVIEW</b>	<b>11</b>
<b>SITE PLANS</b>	<b>13</b>

# INVESTMENT OVERVIEW

PRICE:	\$2,875,000   4.00%
NET OPERATING INCOME:	\$115,000
BUILDING AREA:	TBD +/- Square Feet
LAND AREA:	1.7366 +/- Acres
GUARANTOR:	Corporate Guaranty - CHICK-FIL-A, INC.
YEAR BUILT:	2020
LANDLORD RESPONSIBILITY:	None
OCCUPANCY:	100%

## INVESTMENT HIGHLIGHTS



**15-YEAR  
CORPORATE  
GROUND LEASE**



**LOCATED OFF EAST  
HWY 6 (22,500 VPD)**



**NEAR WALMART  
SUPERCENTER  
(10,000 VISITORS)**



**CLOSE PROXIMITY  
TO DENSE RETAIL  
AREA**

- ✓ 15-year corporate ground lease with 10% rent increases, options to extend the term for 8(5)-year periods.
- ✓ The subject Chick-fil-A is strategically located off East Highway 6, which has approximately 22,500 vehicles passing daily.
- ✓ Less than a mile away from the subject property is the Walmart Supercenter of Alvin, which has approximately 10,000 visitors each week.
- ✓ Chick-fil-A is surrounded by other retail stores such as HEB, Kroger, AutoZone, CVS and Planet Fitness



**Chick-fil-CO**

**THE ORIGINAL  
CHICKEN SANDWICH**

24180

FILE PHOTO

Secure Net Lease | 4

# TENANT OVERVIEW



## CHICK-FIL-A

Chick-fil-A, Inc. is the largest quick-service chicken restaurant chain in the United States, based on domestic annual sales. Supported by a strong brand and award-winning restaurant designs and architecture, the family-owned, privately-held company is strategically expanding and uniquely positioned for continued future growth.

Chick-fil-A is notorious for having strong franchised restaurant operators, proven by the fact that Chick-fil-A maintains a franchisee turnover rate of less than 5% per year. The company only accepts about 0.4% of the applicants who apply every year. For net lease investors, it is reassuring to know that Chick-fil-A NNN leases have a corporate guarantee by Chick-fil-A, Inc.

<b>LESSEE:</b>	Chick-fil-A
<b>WEBSITE:</b>	<a href="https://www.chick-fil-a.com/">https://www.chick-fil-a.com/</a>
<b>GUARANTOR:</b>	
<b>S&amp;P RATING:</b>	N/A
<b>HEADQUARTERS:</b>	Atlanta, GA
<b>FOUNDED:</b>	1946
<b>LOCATIONS:</b>	2,363
<b>COUNTRIES:</b>	3
<b>EMPLOYEES:</b>	26,000
<b>REVENUE:</b>	10.5 Billion



# IN THE NEWS

---

## **CHICK-FIL-A IS ONE OF THE MOST PROFITABLE FAST-FOOD CHAINS IN THE US - HERE'S WHY THEY'RE SO SUCCESSFUL**

*Source: Business Insider*

The success story of Chick-fil-A, the most profitable fast-food chain in America on a per-location basis, began with a diner opened in the right place at the right time.

In 1946, the late Chick-fil-A founder and longtime chair and CEO Samuel Truett Cathy opened a diner named the Dwarf Grill. It was located in Hapeville, Georgia, a suburb of Atlanta.

In December of the following year, the Ford Motor Company opened an assembly plant adjacent to Cathy's restaurant, which provided a steady stream of customers and revenue.

The next piece of the success puzzle: A pressure fryer that allowed cooks to churn out fried chicken sandwiches as quickly as fast food chains like McDonald's or Burger King could make hamburgers.

A few years later, in 1967, the first Chick-fil-A restaurant was opened. According to Franchise Times, Chick-fil-A is one of the fastest growing fast-food franchises, with over 2,000 stores across the US.

But while steady, the expansion has not been rapid, and therein lies the key to this company's success: Caution and control from the top down.

Only a select few people get the privilege of running a Chick-fil-A, and each of these operators are in turn encouraged to run their location with a dedication to caring and compassion for their employees.

Franchisees have been known to cover costs for a worker's education or support them during a personal emergency, or to encourage employees to follow their dreams, even if doing so will ultimately lead the worker to leave the chain.

This culture of caring seems to have directly translated to how Chick-fil-A employees treat customers. In 2018, for the third year in a row, the company was rated Americans' most beloved fast-food restaurant in the American Customer Satisfaction Index's annual survey.

Chick-fil-A thrives because customers value the pleasant dining experience they have come to count on from the restaurant, an experience that likely results from the top-down corporate culture of the company.

The fact that their food consistently receives high marks for taste doesn't hurt, though. Nor does a growing commitment to a healthier menu.

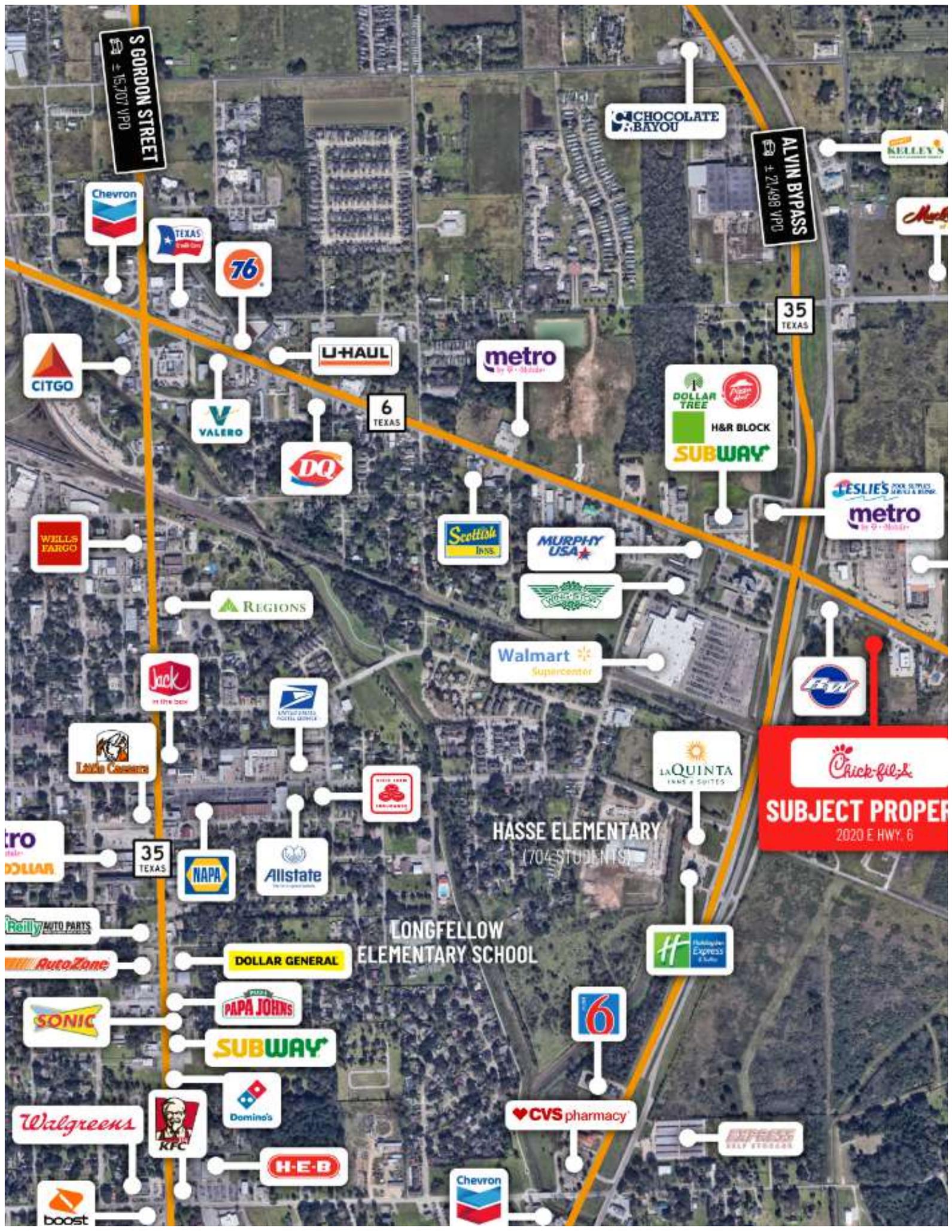
Over the course of the last ten years, Chick-fil-A proactively removed all trans fat from its foods, committed to antibiotic free meats by 2019, and established an Innovation Center where food scientists, dietitians, and chefs work in tandem to develop recipes.

[CLICK HERE TO VIEW MORE](#)

# LEASE SUMMARY

---

<b>Lease Term:</b>	15--years
<b>Options:</b>	8, 5-Year Periods
<b>Projected Rent Commencement:</b>	Early April 2020
<b>Projected Lease Expiration:</b>	Early April 2035
<b>Lease Type:</b>	Absolute NNN Ground Lease
<b>Taxes:</b>	Tenant
<b>Insurance:</b>	Tenant
<b>Common Area Maintenance:</b>	Tenant
<b>Roof, Structure, Parking Lot:</b>	Tenant
<b>Rent Increases:</b>	10% Every 5 Years in Primary Term & Option Periods
<b>Annual Rent Years 1-5:</b>	\$115,000
<b>Annual Rent Years 6-10:</b>	\$126,500
<b>Annual Rent Years 11-15:</b>	\$139,150
<b>Option 1   Years 21-25:</b>	\$153,065
<b>Option 2   Years 26-30:</b>	\$168,372
<b>Option 3   Years 31-35:</b>	\$185,209
<b>Option 4   Years 36-40:</b>	\$203,730
<b>Option 5   Years 41-45:</b>	\$224,102
<b>Option 6   Years 46-50:</b>	\$246,513
<b>Option 7   Years 51-55:</b>	\$271,164
<b>Option 8   Years 56-60:</b>	\$298,280



S GORDON STREET  
± 15,707 VPD

CHOCOLATE BAYOU

ALVIN BYPASS  
± 27,498 VPD

35 TEXAS

6 TEXAS

35 TEXAS

6

HASSE ELEMENTARY  
(704 STUDENTS)

LONGFELLOW  
ELEMENTARY SCHOOL

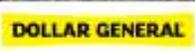
**Chick-fil-z**  
**SUBJECT PROPERTY**  
2020 E HWY. 6



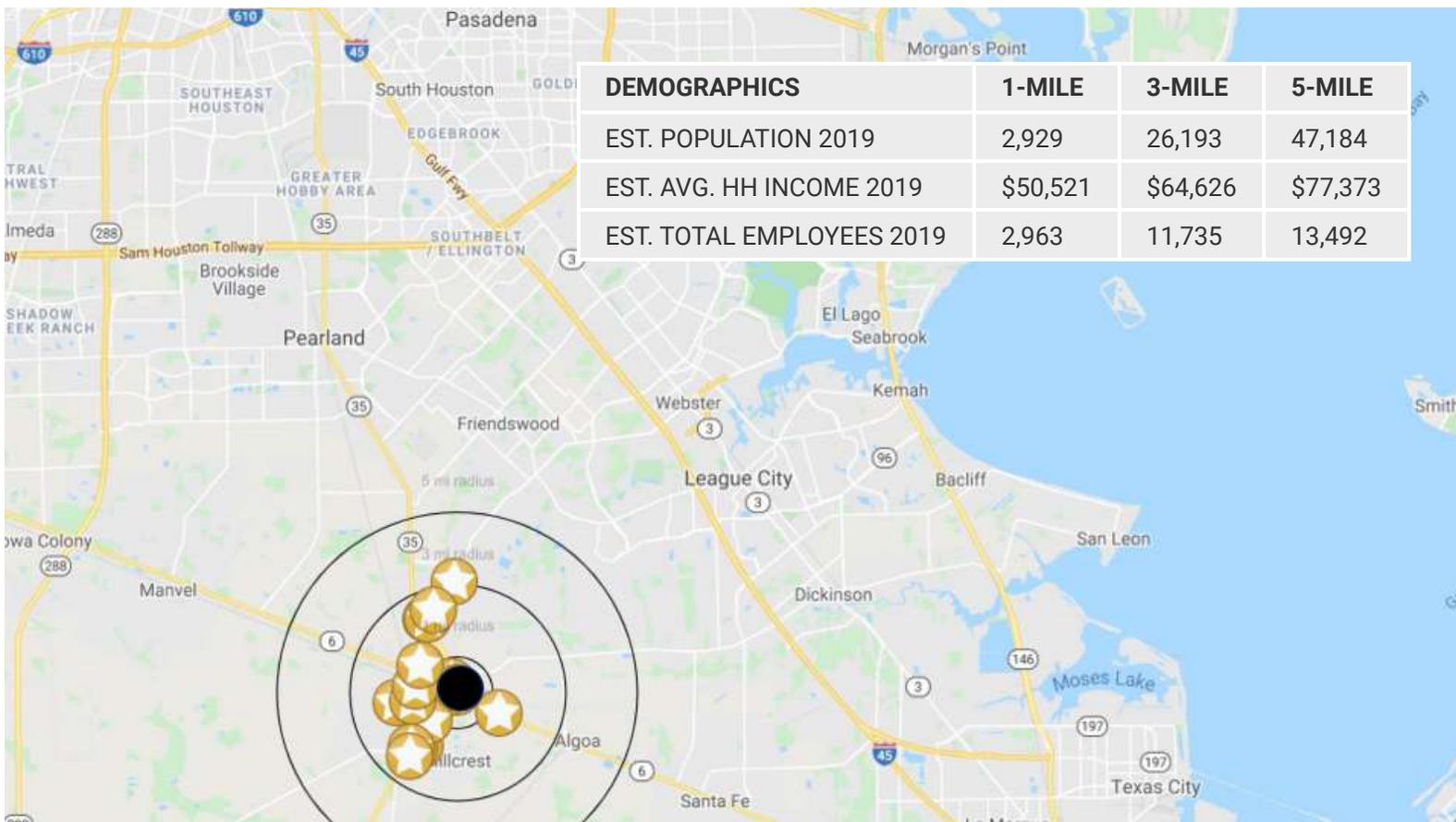
35 TEXAS



**SUBJECT PROPERTY**  
2020 E HWY. 6



# LOCATION OVERVIEW



## ECONOMIC DRIVERS

[Click here for google maps link](#)

### COMPANY (EMPLOYEES)

- State of Texas (5,000)
- Alvin Community Colleges (600)
- Hewlet Packer Service Inc. (300)
- Alvin Independent School District (300)
- Walmart Inc. (300)
- Sears Hometown and Outlet Stores, Inc. (203)
- Education Corporation of America (200)
- Alvin Autoland, Inc. (188)
- T&L Lease Service, Ltd . (130)
- Smith Jones & Associates Inc. (130)
- The Kroger Co (114)
- Thelma Ley Anderson Family YMCA (112)
- Ford Ron-Carter Inc. (100)
- Home Depot U.S.A. Inc. (100)
- Alvin Motorcars LLC (100)
- Accent Food Services, LLC (71)
- Chca CClear Lake, L.P. (70)
- Frank's International, LLC (70)

# IMMEDIATE TRADE AREA

---

## ALVIN, TX

The subject Chick-fil-A is strategically located off East Highway 6, which has approximately 22,500 vehicles passing daily. Alvin is a city in the U.S. state of Texas within the Houston-The Woodlands-Sugar Land metropolitan area and Brazoria County. As of the 2010 Census, the city population was 24,236. Within a very close proximity to the Chick-fil-A are several retail giants such as Walmart Supercenter, HEB, Auto Zone, Planet Fitness, The Home Depot and Office Depot.

Alvin was originally named "Morgan" by the town's residents in honor of the settlement's original resident, Santa Fe employee Alvin Morgan; upon discovery that the name Morgan had been taken, the town named itself after Morgan's first name. Alvin then received a land grant from the state of Texas prior 1891.

Alvin's claim to fame is the Baseball Hall of Famer Nolan Ryan, who moved with his family to the city in 1947 as an infant and lived there until he moved to Round Rock in 2003.



Alvin Football Stadium

# ALVIN, TX



## ALVIN

Located twenty five miles from southeast of Houston in northeast Brazoria County, on land originally granted to the Houston Tap and Brazoria, Alvin is home to 26,474 residents and has much to offer our citizens and visitors alike.

## GREATER HOUSTON MSA

The Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (MSA), colloquially known as Greater Houston, is the 5th largest in the U.S. with a population of 6,997,384 as of 2018.

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.

CNN/Money and Money Magazine have recognized 5 cities in the Greater Houston area the past 3-years as part of its 100 Best Places to Live in the U.S. From 2000 to 2030, the metropolitan area is projected by Woods & Poole Economics to rank 5th in the nation in population growth—adding 2.66 million people. Houston has historically been among the fastest-growing metropolitan areas in the U.S.; it was the fastest-growing in absolute terms during the 2013–2014 census year, adding 156,371 people. The area grew 25.2% between 1990 and 2000—adding more than 950,000 people—while the nation’s population increased only 13.2% over the same period, and from 2000 to 2007 alone, the area added over 910,000 people. The Greater Houston Partnership projects the metropolitan area will add between 4.1 and 8.3 million new residents between 2010 and 2050. Greater Houston has the 7th-highest metropolitan-area gross domestic product in the U.S., valued at \$490 billion in 2017. A major trade center anchored by the Port of Houston, Houston MSA has the 2nd-highest trade export value of all MSAs, at over \$84 billion in 2016, accounting for 42% of the total exports of Texas. Metropolitan Houston is home to the headquarters of 21 Fortune 500 companies, ranking 4th among all MSAs. Only 26 nations other than the U.S. have a GDP exceeding the Greater Houston GMP. Mining, which in Houston is almost entirely oil and gas exploration and production, accounts for 11 percent of Greater Houston’s GMP.

Houston has become a global city, with strengths in culture, medicine, and research. Houston is home to

the Texas Medical Center—the largest medical center in the world—several universities (including Rice University, Texas Southern University, and The University of Houston), and two of the largest systems of higher learning in the U.S. (The Houston and Lone Star Community College systems). The University of Houston’s annual impact on the Houston-area’s economy alone equates to that of a major corporation: \$1.1 billion in new funds attracted annually to the Houston area, \$3.13 billion in total economic benefit, and 24,000 local jobs generated.

Houston Medical Center

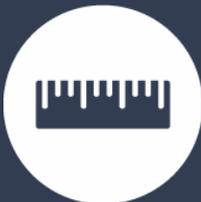


Galveston Bay and the Buffalo Bayou together form one of the most important shipping hubs in the world, and the Port of Houston, the Port of Texas City, and the Port of Galveston are all major seaports located in Greater Houston. The Port of Houston ranks 1st in the U.S. in international waterborne tonnage handled and 2nd in total cargo tonnage handled. The area is one of the leading centers of the energy industry, particularly petroleum processing, and many companies have large operations in this region. The MSA comprises the largest petrochemical manufacturing area in the world, including for synthetic rubber, insecticides, and fertilizers. Much of metro area’s success as a petrochemical complex is enabled by the Houston Ship Channel. The area is also the world’s leading center for building oilfield equipment, and is a major center of biomedical research, aeronautics, and high-technology.

# SITE PLAN



20 +/- PARKING SPOTS



1.7366 +/- ACRES



TBD +/- SQ. FT.



# SECURE

---

NET LEASE

*WE LOOK FORWARD TO HEARING FROM YOU!*

---

**DALLAS OFFICE**

3100 Monticello Avenue  
Suite 220  
Dallas, TX 75205  
(214) 522-7200

**LOS ANGELES OFFICE**

123 Nevada Street  
El Segundo, CA 90245  
(424) 220-6430