

PORTILLO'S - 15 YEAR ABSOLUTE NNN GROUND LEASE

111 FM 1960 WEST, HUMBLE (HOUSTON), TEXAS



DEVELOPED BY



OFFERING MEMORANDUM

Marcus & Millichap

petco Walmart AMC THEATRES
 Marshalls ULTA BEAUTY OLD NAVY
 HOBBY LOBBY sam's club COSTCO WHOLESALE
 DICK'S SPORTING GOODS macy's Starbucks five BELOW
 TARGET PETSMART BARNES & NOBLE
 KOHL'S ROUND1 Academy SPORTS+OUTDOORS

Walmart Starbucks
 KOHL'S
 urbanAir ADVENTURE PARK
 CHIPOTLE MEXICAN GRILL PANDA EXPRESS CHINESE KITCHEN
 THE HOME DEPOT TEXAS ROADHOUSE
 FIREHOUSE SUBS TARGET

Dillard's TARGET
 The Cheesecake Factory macy's
 FAMOUS ZALES HOLLISTER CALIFORNIA
 footwear THE DIAMOND STORE SEPHORA
 JCPenney EXPRESS
 PANDORA Bath & Body Works
 CINEMARK ATHLETA CINNABON
MEMORIAL CITY MALL

GEORGE BUSH
 INTERCONTINENTAL
 AIRPORT

Portillo's
 HOT DOGS · BEEF · BURGERS · SALADS

sam's club THE HOME DEPOT Starbucks CHIPOTLE MEXICAN GRILL
 Walmart Academy SPORTS+OUTDOORS

petco TARGET
 Kroger TJ-maxx
 Lowe's DICK'S SPORTING GOODS H-E-B
 Michaels BEST BUY
 Panera BREAD Walmart ALDI

ROYAL OAKS
 Country Club

DOWNTOWN
 HOUSTON

SAN JACINTO
 BATTLEGROUND
 HISTORIC SITE

Walmart



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Walmart

JONES MIDDLE SCHOOL

HUMBLE ELEMENTARY SCHOOL

JCPenney
BARNES & NOBLE
★ macy's
DICK'S SPORTING GOODS
amc THEATRES
Dillard's
DEERBROOK MALL

BEST BUY
PETSMART
Marshall's
WORLD MARKET
OLD NAVY

167,125 CPD
INTERSTATE 69

47,500 CPD
FM 1960

sam's club

Kroger

HALF PRICE BOOKS
DOLLAR TREE

Total Wine & MORE

SALTGRASS
STEAK HOUSE

THE HOME DEPOT

Portillo's
HOT DOGS • BEEF • BURGERS • SALADS

BANK OF AMERICA

at home
The Home Décor Superstore

THRIFT FAMILY THRIFT CENTER
Olive Garden
Pollo Loco

Academy SPORTS+OUTDOORS
Burlington

petco
five BELOW
Michaels

69

DOLLAR TREE

planet fitness

Gordon FOOD SERVICE

HARBOR FREIGHT
QUALITY TOOLS • LOWEST PRICES



Executive Summary

111 FM 1960 West, Humble (Houston), TX 77338

FINANCIAL SUMMARY

Price	\$6,131,000
Cap Rate	5.35%
Building Size	6,250 SF
Net Cash Flow	5.35% \$328,000
Year Built	2025
Lot Size	2.210 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	Portillo's*
Guarantor	Corporate
Est. Rent Commencement Date	February 10, 2026
Est. Lease Expiration Date	February 9, 2041
Lease Term	15 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

* Tenant has a right to assign the lease if the proposed transferee has a net worth of at least \$50,000,000 at the time of the transfer, and will be released from liability.

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Years 1 – 5	\$328,000.00	5.35%
Years 6 – 10	\$360,800.00	5.88%
Years 11 – 15	\$396,880.00	6.47%
Renewal Options	Annual Rent	Cap Rate
Option 1 (Years 16 – 20)	\$436,568.00	7.12%
Option 2 (Years 21 – 25)	\$480,224.80	7.83%
Option 3 (Years 26 – 30)	\$528,247.28	8.62%
Option 4 (Years 31 – 35)	\$581,072.01	9.48%

Base Rent	\$328,000
Net Operating Income	\$328,000
Total Return	5.35% \$328,000





target **COSTCO WHOLESALE** **MAIN EVENT** **KOHL'S**

COUNTRY **Hampton** **Fairfield** BY MARRIOTT

RED LOBSTER **CAFFAS** *Southern Comfort* **Chuy's**

BEST BUY **PET SMART** **Marshall's** **WORLD MARKET** **OLD NAVY**

La-Z-boy

HOBBY LOBBY

167,125 CPD
INTERSTATE 69

chj's

Ashley HOMESTORE

SALTGRASS STEAK HOUSE

Portillo's
HOT DOGS · BEEF · BURGERS · SALADS

THE HOME DEPOT

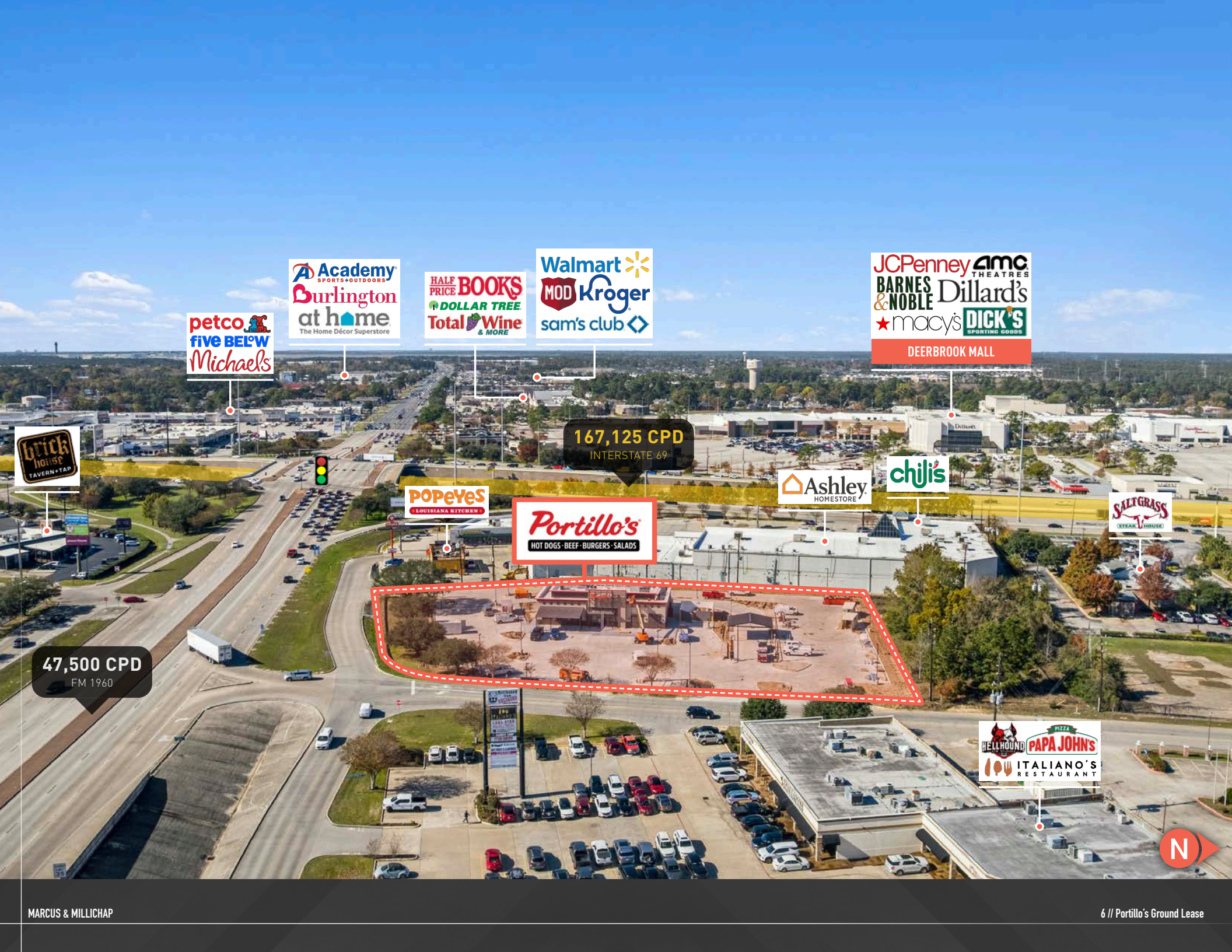
HELLHOUND **PAPA JOHN'S** PIZZA **ITALIANO'S** RESTAURANT

GOMEZ Western Wear

POPEYES LOUISIANA KITCHEN

47,500 CPD
FM 1960





petco
five BELOW
Michaels

Academy
SPORTS+OUTDOORS
Burlington
at home
The Home Décor Superstore

HALF PRICE BOOKS
DOLLAR TREE
Total Wine
& MORE

Walmart
MOD
Kroger
sam's club

JCPenney
BARNES & NOBLE
★ macy's
amc THEATRES
Dillard's
DICK'S SPORTING GOODS

DEERBROOK MALL

brick house
TAVERN+TAP

167,125 CPD
INTERSTATE 69

POPEYE'S
LOUISIANA KITCHEN

Portillo's
HOT DOGS · BEEF · BURGERS · SALADS

Ashley
HOMESTORE

chili's

SALTGRASS
STEAK HOUSE

47,500 CPD
FM 1960

HELLHOUND
PAPA JOHN'S
PIZZA
ITALIANO'S
RESTAURANT





COSMIC AIR
ADVENTURE PARK & ARCADE

planet fitness
DOLLAR TREE

HARBOR FREIGHT TOOLS

O'Reilly
AUTO PARTS
CHUCK E. CHEESE

brick house
TAVERN + BAR

McDONALD'S

167,125 CPD
INTERSTATE 69

IHOP
Chick-fil-A
BURGER KING

GOMEZ
Western Wines

POPEYES
LOUISIANA KITCHEN

Ashley
HOMESTORE

47,500 CPD
FM 1960

HELLHOUND PIZZA
PAPA JOHN'S
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HOT DOGS · BEEF · BURGERS · SALADS



Property Description



INVESTMENT HIGHLIGHTS

- » **New 15-Year Absolute Triple-Net (NNN) Ground Lease**
- » 10% Rental Increases Every 5 Years with Multiple Renewal Options
- » **Corporate Guaranty by Portillo's (NASDAQ: PTLO) - ±100 Locations**
- » Brand New High-Quality 2025 Construction with a Drive-Thru
- » **155,967 Residents within a 5-Mile Radius - Growing Trade Area in the Houston MSA**
- » Average Household Income Exceeds \$99,000 in the Surrounding Area
- » **Easily Accessible Location Immediately Off the I-69 Freeway with Excellent Frontage Along FM 1960 (±47,500 Cars per Day)**
- » Situated within a Dense Retail Corridor, Across from Deerbrook Mall and Surrounded by National Tenants: Walmart Supercenter, Sam's Club, At Home, etc.



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2029 Projection	6,825	46,186	164,427
2024 Estimate	6,680	44,452	155,967
Growth 2024 - 2029	2.17%	3.90%	5.42%

Households

2029 Projections	2,894	16,490	57,797
2024 Estimate	2,827	15,852	54,547
Growth 2024 - 2029	2.39%	4.03%	5.96%

Portillo's

HOT DOGS · BEEF · BURGERS · SALADS

Tenant Overview



Portillo's[®]

HOT DOGS · BEEF · BURGERS · SALADS



OAKBROOK, IL
Headquarters



±100
Locations



PORTILLOS.COM
Website



1963
Founded

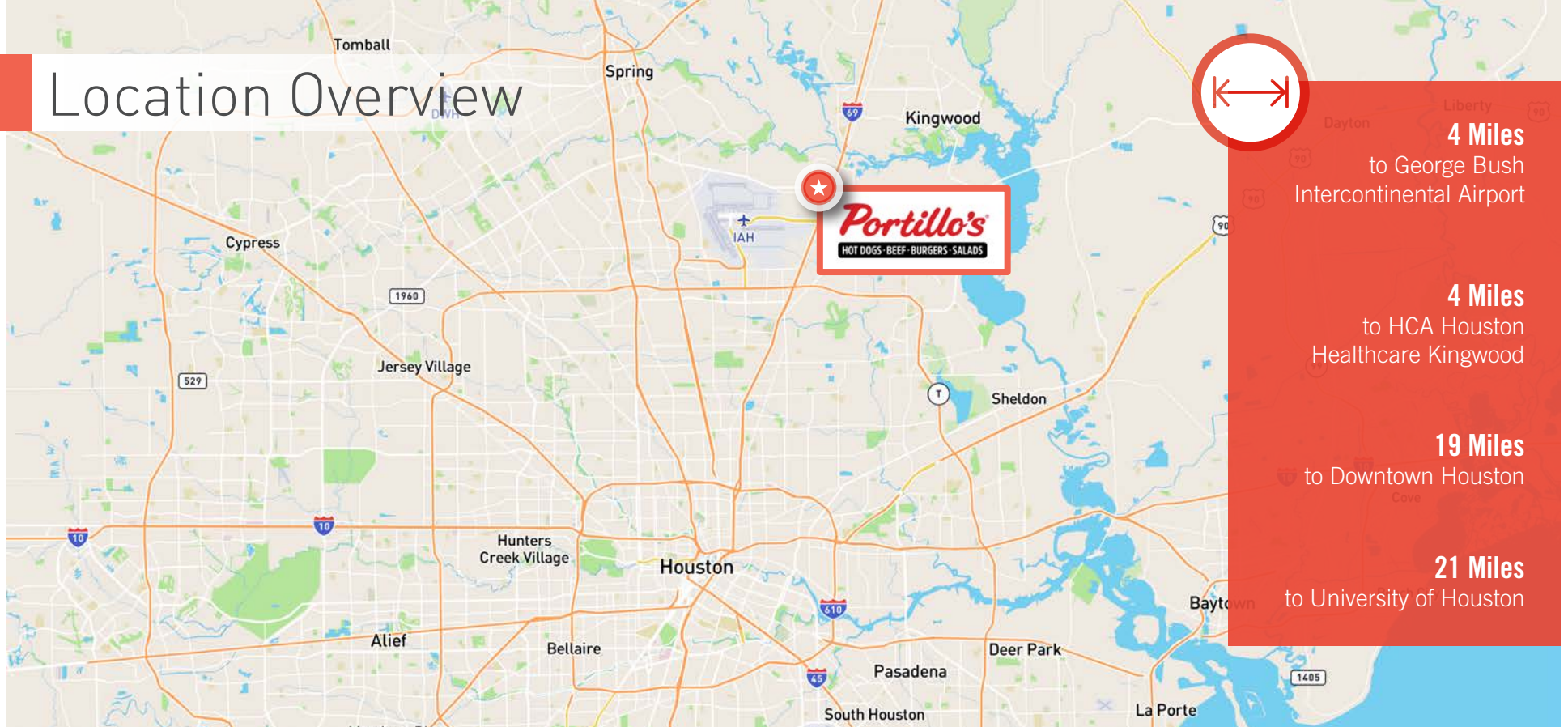
Portillo's (NASDAQ: PTLO) is a fast-casual restaurant concept known for its menu of iconic Chicago-style street food. Portillo's serves customers through high-energy, multichannel restaurants designed to ignite the senses and create a memorable dining experience.

Since its founding in 1963, Portillo's has grown into a treasured brand with a passionate nationwide following. Its diverse menu features All-American classics such as Chicago-style hot dogs and sausages, Italian beef sandwiches, chopped salads, burgers, crinkle-cut french fries, homemade chocolate cake, and milkshakes. Portillo's creates a unique consumer experience by combining the best attributes of fast casual and quick service concepts with an exciting energy-filled atmosphere and restaurant model capable of generating tremendous volumes.

Property Photos



Location Overview



Humble is a city located in the Houston metropolitan area in the northeast quadrant of Harris County, home to nearly 17,000 residents. As a suburb of Houston, Humble is linked economically to the Greater City of Houston region. Many of the area residents work in Houston's diverse business community that includes the petrochemical industry, world-renowned medical facilities, energy, and manufacturing. The city also benefits from being immediately adjacent to the Houston Intercontinental Airport.

HOUSTON METROPOLITAN AREA

As the fifth-most populous metro area in the United States, Houston houses more than 7.4 million people in southeastern Texas. Roughly one-third of residents live in the city of Houston. Local population counts also exceed

100,000 residents in Pasadena, Pearland, The Woodlands, Sugar Land and League City. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller.

The Houston metro is expected to add 629,000 people through 2028, translating to the formation of roughly 240,000 households, generating demand for housing. The metropolitan area's favorable location and climate translate to an abundance of outdoor activities. More than a dozen state parks and recreation areas lie within a short drive of Houston's city limits, as well as more than 500 local parks and open spaces, various cultural venues and museums. Johnson Space Center is a popular tourist and educational destination.



Information About Brokerage Services

11-2-2015

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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

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Sales Agent/Associate's Name	License No.	Email	Phone

Regulated by the Texas Real Estate Commission

Buyer/Tenant/Seller/Landlord's Initials

Date

Information available at www.trec.texas.gov
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investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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This offering memorandum has been prepared to provide summary, unverified financial and physical 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. Marcus & Millichap has not made any 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, PCBs or asbestos, the compliance with local, 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, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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For financing options, please reach out to:

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Tim Speck

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