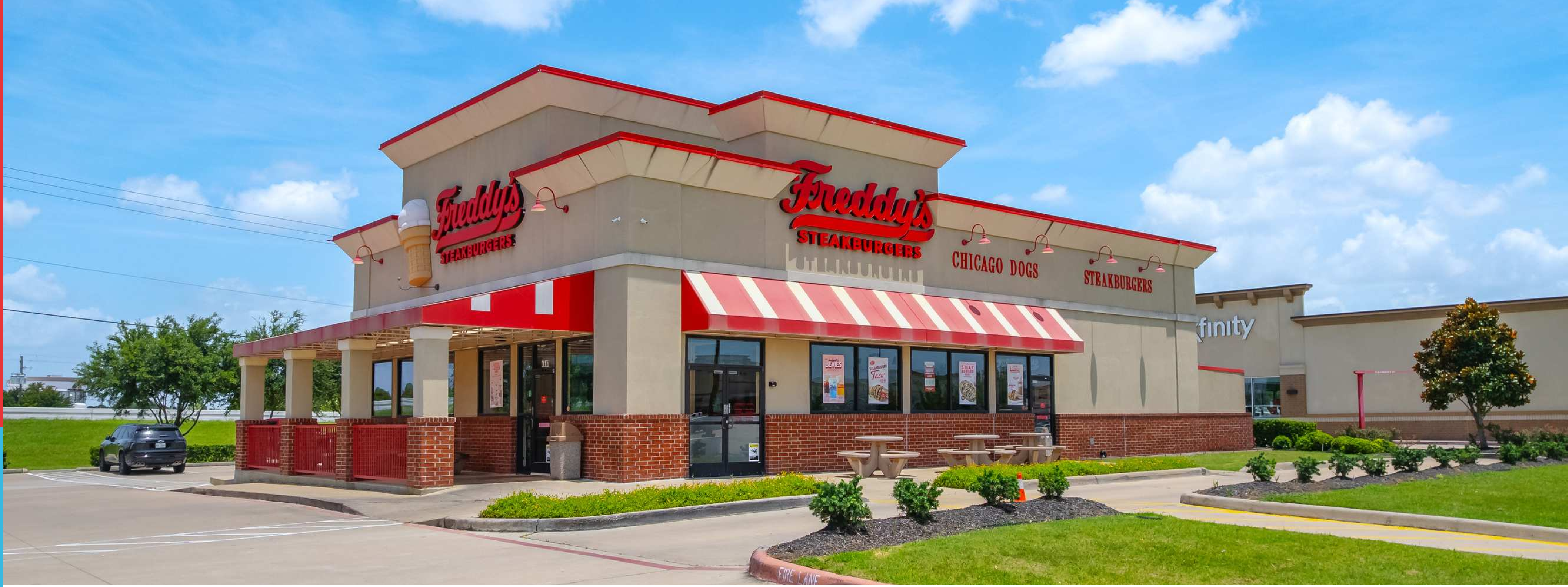

CENTURY PARTNERS

In Association with Scott Reid & ParaSell, Inc.
A Licensed Texas Broker #9009637

Freddy's FROZEN CUSTARD & STEAKBURGERS®

Freddy's 20 Year Absolute NNN Sale-Leaseback

Pasadena, Texas

- 20-Year Absolute NNN Sale-Leaseback
- Prime Beltway 8 Retail Corridor
- High-Income, High-Growth Trade Area
- Second-Largest Freddy's Franchisee

Offering Memorandum

4637 E Sam Houston Pkwy S, Pasadena, TX 77505 View Map

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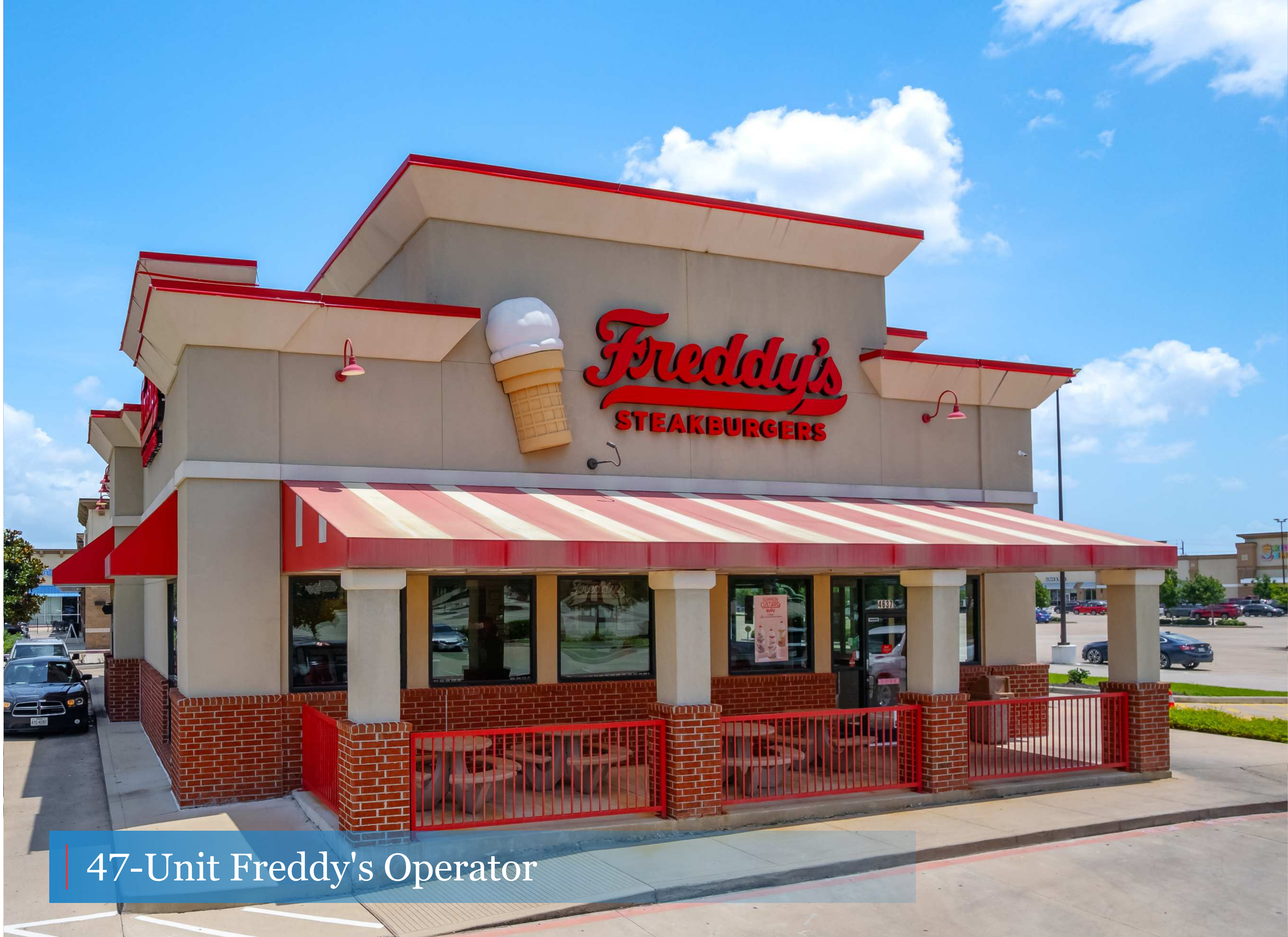
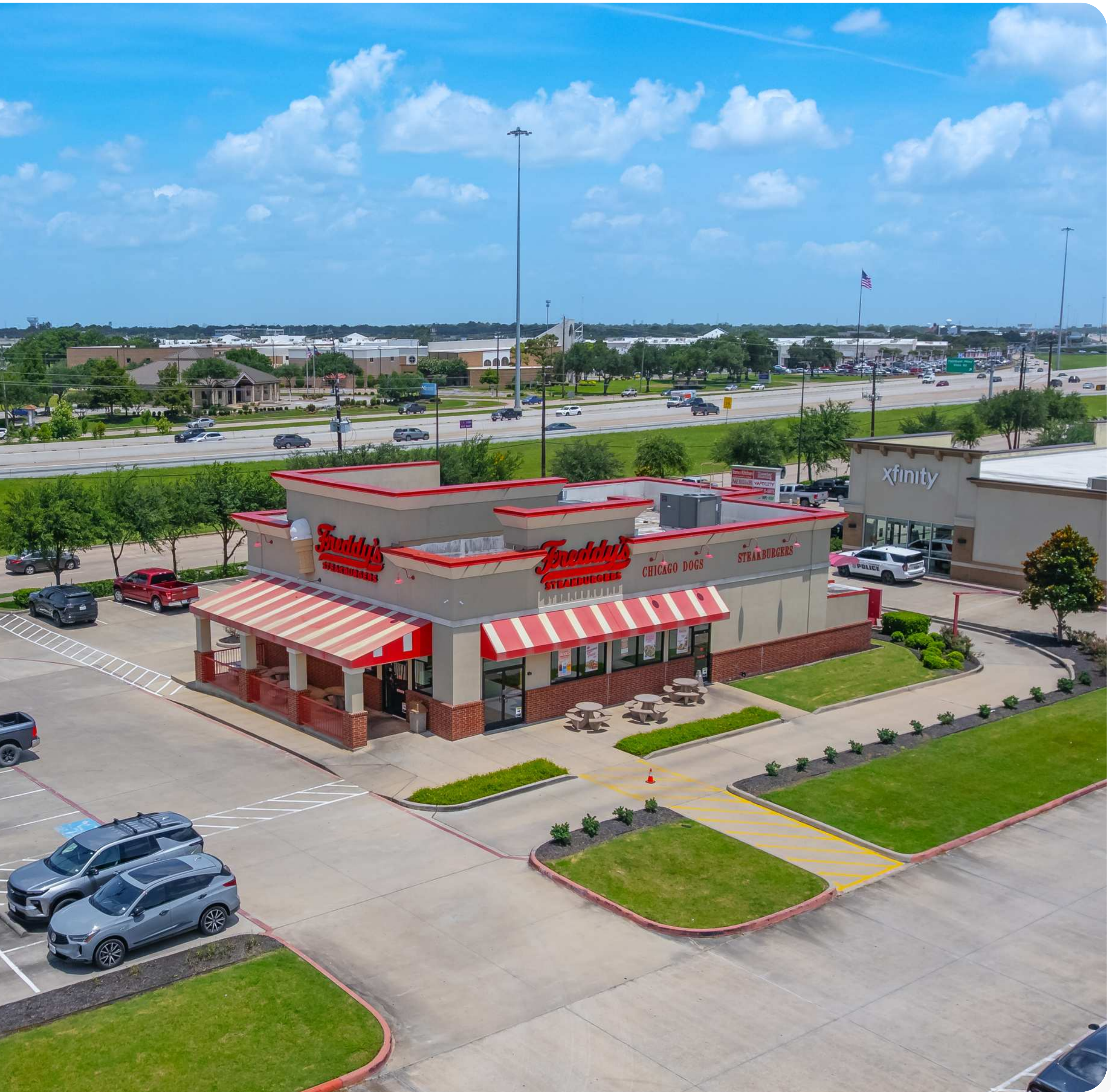


47-Unit Freddy's Operator

Investment Summary



Price	Cap Rate	NOI
$2,636,364	5.50%	$145,000

Investment Highlights

- New 20-Year Absolute NNN Lease
- Beltway 8 (Sam Houston Tollway) frontage at the Crenshaw / Fairmont node, the retail epicenter of the Pasadena trade area
- Corporate Guaranty from Lone Star Custard Holdings, LLC, the second-largest operator in the Freddy's system (47 units)

Location Highlights

- The property benefits from traffic volumes on Beltway 8 / Sam Houston Tollway (24,000 VPD at the site; 64,000 VPD with strong visibility on the tollway mainlanes)
- Outparcel of The Market at Crenshaw, shadow-anchored by Academy Sports and minutes from Walmart, Ross, HomeGoods, Marshalls, Best Buy, Super Target, Kohl's, and St. Luke's Health
- Anchored by the Houston Ship Channel petrochemical complex, a deep blue-collar daytime and shift workforce
- Affluent, fast-growing trade area: $94,547 1-mile median household income with +5.58% projected 1-mile population growth

Tenant Highlights

- Lone Star Custard: the second-largest operator in the Freddy's system, with 46 restaurants across San Antonio, Austin, the Rio Grande Valley, and Houston
- Brand-new 20-year absolute NNN sale-leaseback with 10% increases every 5 years and (4) 5-year options
- Established brand: Freddy's boasts over 580+ locations across 37 states

Aerial


Raising Cane's CHICKEN FINGERS
TACO BELL
PANDA EXPRESS CHINESE KITCHEN
Walmart
LOWE'S
KFC
Arby's
BURGER KING
THE HOME DEPOT
Nike Clearance Store
SEPHORA
BARNES & NOBLE BOOKSELLERS
BEST BUY
HomeGoods
chili's
AT&T
Michaels
PETSMART
Marshalls
PIZZA LOUNGE
personalized perfection!
South Main
BAPTIST CHURCH
Sam Houston Tollway (64,000 VPD)
East Sam Houston Pkwy S (24,000 VPD)
MOD PIZZA
xfinity

Aerial

CRENSHAW GRAND
APARTMENT HOMES
HCA Houston Healthcare
Residence Inn Marriott
Hampton Inn & Suites by HILTON
BULLRITOS
BURRITOS & TACOS
St. Luke's Health
Patients Medical Center
Trustmark
Sam Houston Tollway (64,000 VPD)
East Sam Houston Pkwy S (24,000 VPD)
Olive Garden
ITALIAN KITCHEN
Academy
SPORTS+OUTDOORS
LOUISIANA KITCHEN
POPEYES
NOTHING bundt CAKES
JOHNNY TAMALES
CANTINA

Freddy's FROZEN CUSTARD & STEAKBURGERS®

Lease Summary

Tenant	Lone Star Custard 34, LLC
Guaranty	Lone Star Custard Holdings, LLC (47-Unit Freddy's Operator)
Increases	10% every 5 years
Options	(4), 5-year
Lease Type	Absolute NNN (Sale-Leaseback)
Landlord Responsibilities	None
Lease Start	7/1/2026
Lease End	6/30/2046

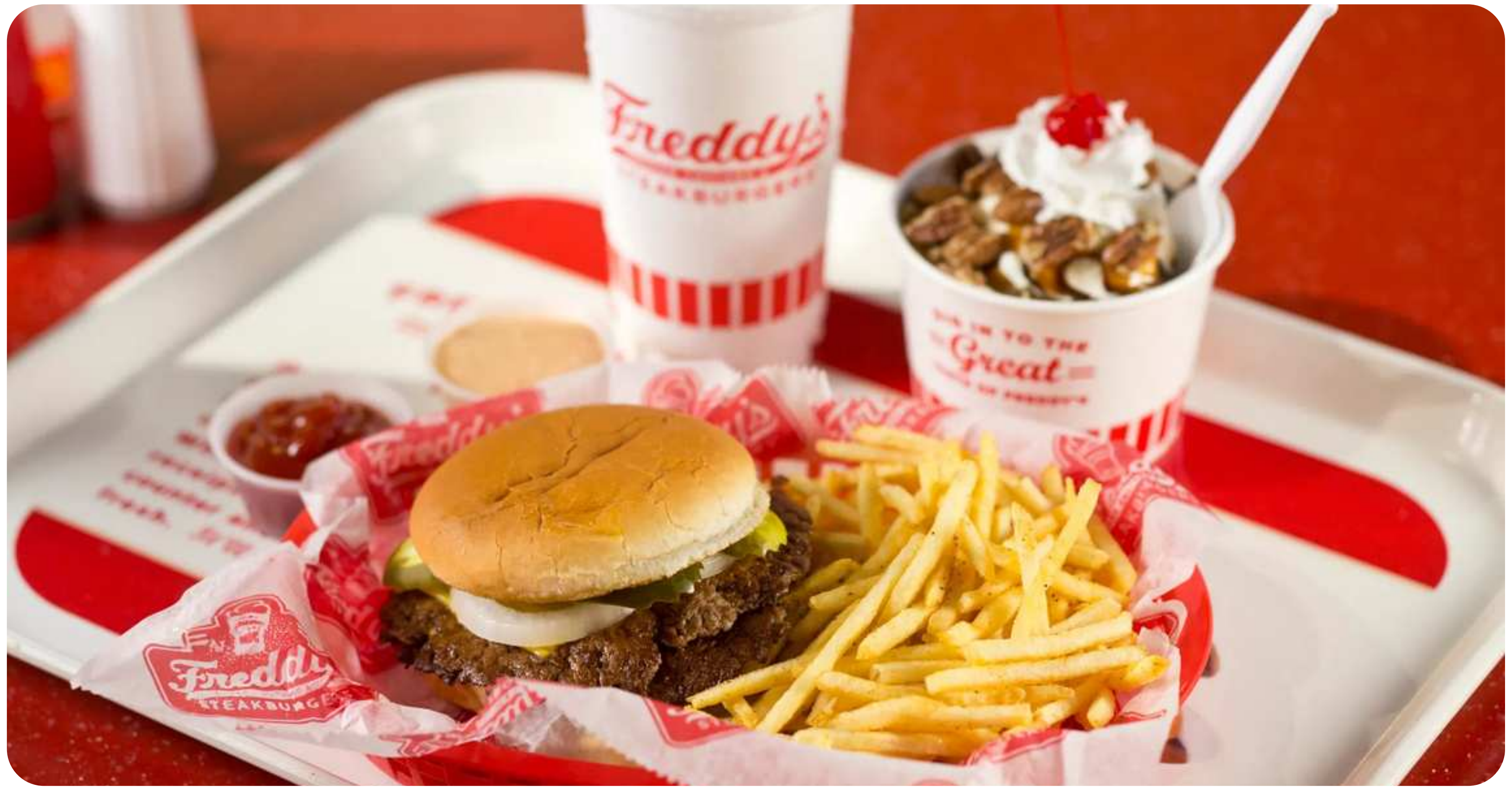
Physical Description

Address	4637 E Sam Houston Pkwy S, Pasadena, TX 77505
Building Size	4,000
Land Size	0.45 AC (19,602 SF)
Parking Ratio	0.0
Year Built / Renovated:	2017

Price	Cap Rate	NOI
$2,636,364	5.50%	$145,000

Period	Rent/Year	Rent/Month	Rent/SF	Cap Rate
Years 1 - 5	$145,000	$12,083	$3.02	5.50%
Years 6 - 10	$159,500	$13,292	$3.32	6.05%
Years 11 - 15	$175,450	$14,621	$3.66	6.65%
Years 16 - 20	$192,995	$16,083	$4.02	7.32%
Option 1	$212,295	$17,691	$4.42	8.05%
Option 2	$233,524	$19,460	$4.87	8.86%
Option 3	$256,876	$21,406	$5.35	9.74%
Option 4	$282,564	$23,547	$5.89	10.72%

Subject Property



About The Operator

The lease is guaranteed by Lone Star Custard Holdings, LLC, the second-largest operator in the Freddy's Frozen Custard & Steakburgers system. Built by Dallas-raised brothers John, Nick, and Joe DePinto, Lone Star Custard entered the Freddy's system in 2022 and has scaled to 47 restaurants across Texas, spanning the Dallas-Fort Worth, San Antonio, Austin, Houston, Rio Grande Valley, and Corpus Christi markets. With a corporate guaranty from the parent company standing behind the lease, the tenant offers credit depth backed by one of the largest and most established operating bases in the brand.

About Freddy’s Frozen Custard & Steakburgers

Co-founded in 2002 by brothers Bill and Randy Simon, along with their friend and business partner, Scott Redler, the three men named the restaurant after Bill and Randy’s father, Freddy Simon, a World War II veteran.

Today, Freddy’s restaurants from coast-to-coast serve a menu reminiscent of the all-American meals Freddy prepared for his family. Freddy’s offers a full menu of longtime favorites from steakburgers to sundaes, as well as hot dogs and chicken. Their kitchens prepare all food only after it is ordered to ensure high quality and freshness. Freddy’s locations pride themselves on being bright, clean, and efficient, with quick service and ample room for families to gather and enjoy their time together.

The Freddy’s concept is rapidly expanding, with the brand now having a presence of over 550 locations across 36 states, and it is slated to continue expanding its footprint with a strong pipeline fueled by continued franchise development success.

About Pasadena, Texas

Pasadena is the second-largest city in Harris County and a core of the Houston Ship Channel, the largest petrochemical-refining complex in the United States. The corridor surrounding the city is anchored by Shell Deer Park, Chevron Phillips Chemical's Pasadena plant, and LyondellBasell's Bayport complex, which together sustain a large, stable blue-collar and shift workforce.

The Beltway 8 / Fairmont Parkway intersection is the retail epicenter of the Pasadena trade area, drawing from both freeway commuter traffic and dense residential rooftops. Southeast Pasadena is a middle and upper-middle-income, fast-growing area: 1-mile median household income is $94,547 and the population is projected to grow more than 5% over the next five years, supported by San Jacinto College and proximity to the broader Houston metro.

Demographic Highlights

287,527
5-Mile Population

$117,590
1-Mile Average Income

Radius	1-Mile	3-Mile	5-Mile
Population (2024)	7,972	78,860	287,527
Average Income	117,590	92,447	96,142
Households	3,028	27,697	97,426

Major Employers in Laredo

Advisory Team

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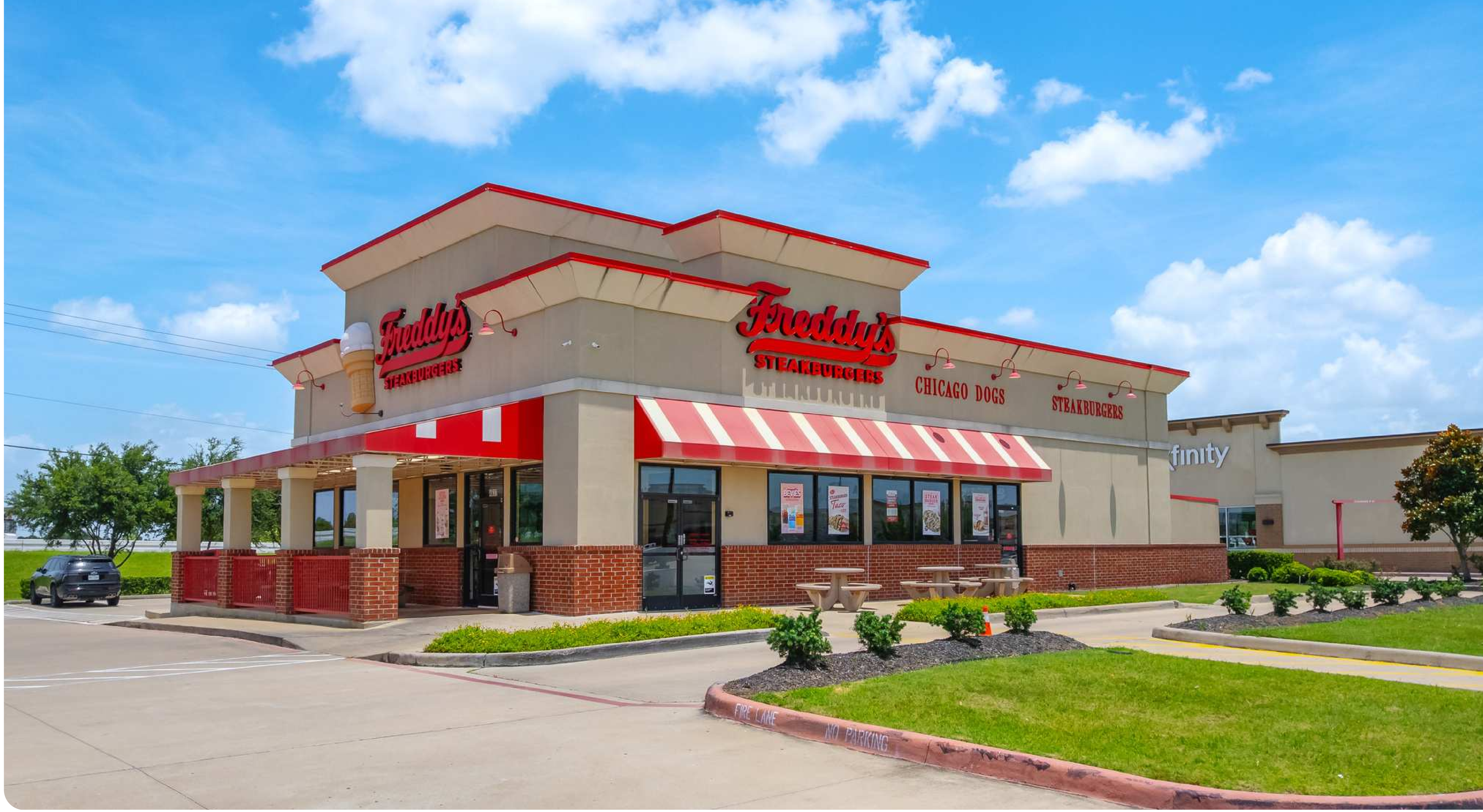

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Information About Brokerage Services

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.

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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