

# PORTILLO'S - 15 YEAR ABSOLUTE NNN GROUND LEASE

111 FM 1960 WEST, HUMBLE (HOUSTON), TEXAS



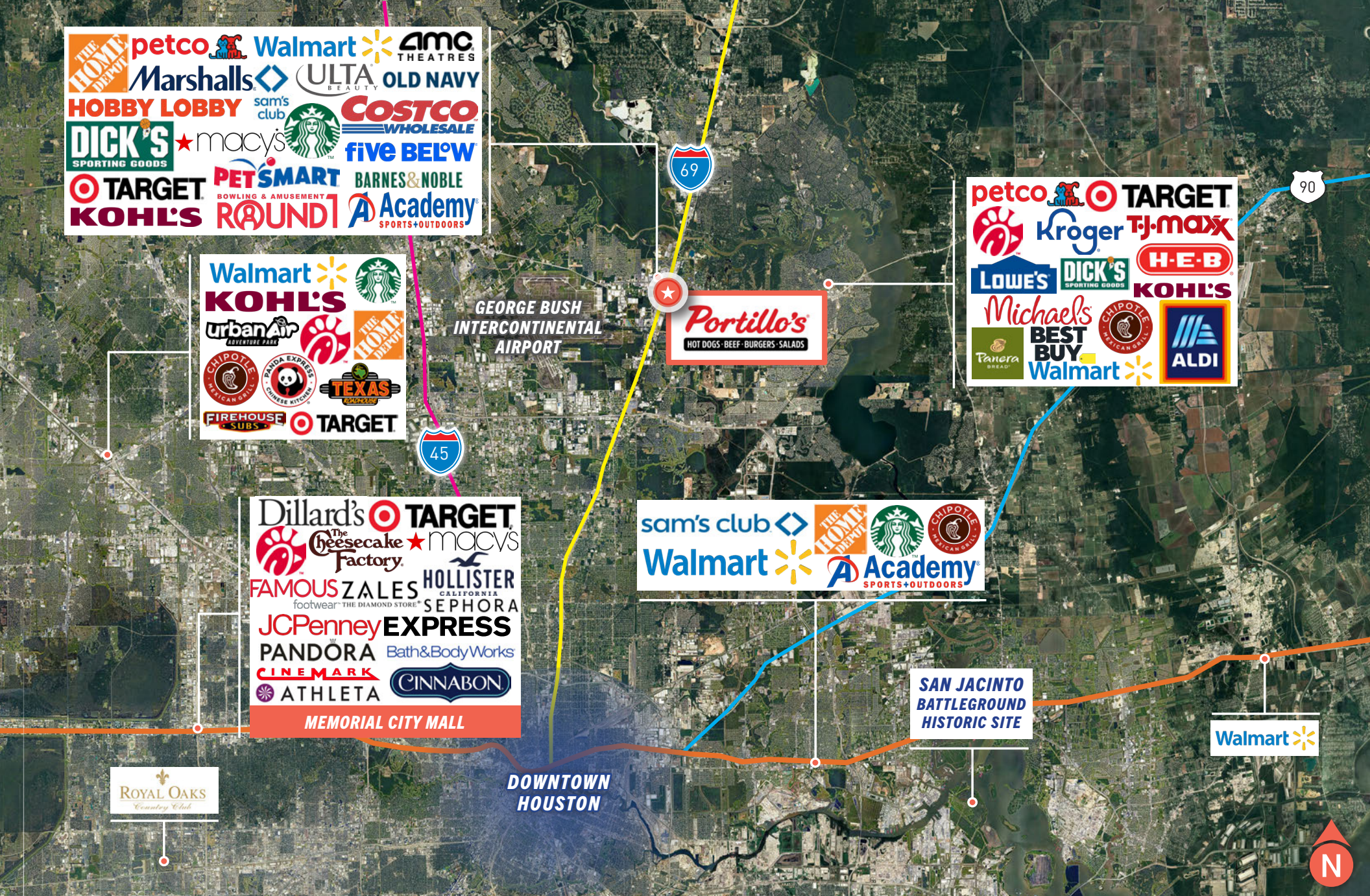
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OFFERING MEMORANDUM

Marcus & Millichap





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JONES MIDDLE SCHOOL

HUMBLE  
ELEMENTARY SCHOOL

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

BEST BUY  
PETS MARI  
COST PLUS  
Marshall's  
WORLD MARKET  
OLD NAVY

Walmart

sam's club

Kroger

HALF PRICE BOOKS  
DOLLAR TREE

Total Wine  
& MORE

167,125 CPD  
INTERSTATE 69

SALTGRASS  
STEAK HOUSE

THE HOME DEPOT

BANK OF AMERICA

47,500 CPD  
FM 1960

Portillo's  
HOT DOGS • BEEF • BURGERS • SALADS

at home  
The Home Décor Superstore

THRIFT  
FAMILY THRIFT CENTER  
Olive Garden  
Pollo Pasa

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

<b>Price</b>	<b>\$6,560,000</b>
Cap Rate	5.0%
Building Size	6,250 SF
Net Cash Flow	5.0% \$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

<b>Lease Years</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 1 – 5	\$328,000.00	5.00%
Years 6 – 10	\$360,800.00	5.50%
Years 11 – 15	\$396,880.00	6.05%
<b>Renewal Options</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Option 1 (Years 16 – 20)	\$436,568.00	6.66%
Option 2 (Years 21 – 25)	\$480,224.80	7.32%
Option 3 (Years 26 – 30)	\$528,247.28	8.05%
Option 4 (Years 31 – 35)	\$581,072.09	8.86%

<b>Base Rent</b>	<b>\$328,000</b>
<b>Net Operating Income</b>	<b>\$328,000</b>
<b>Total Return</b>	<b>5.0% \$328,000</b>















167,125 CPD  
INTERSTATE 69



47,500 CPD  
FM 1960





# 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%





# Tenant Overview



**OAKBROOK, IL**  
Headquarters



**±100**  
Locations



**PORTILLOS.COM**  
Website



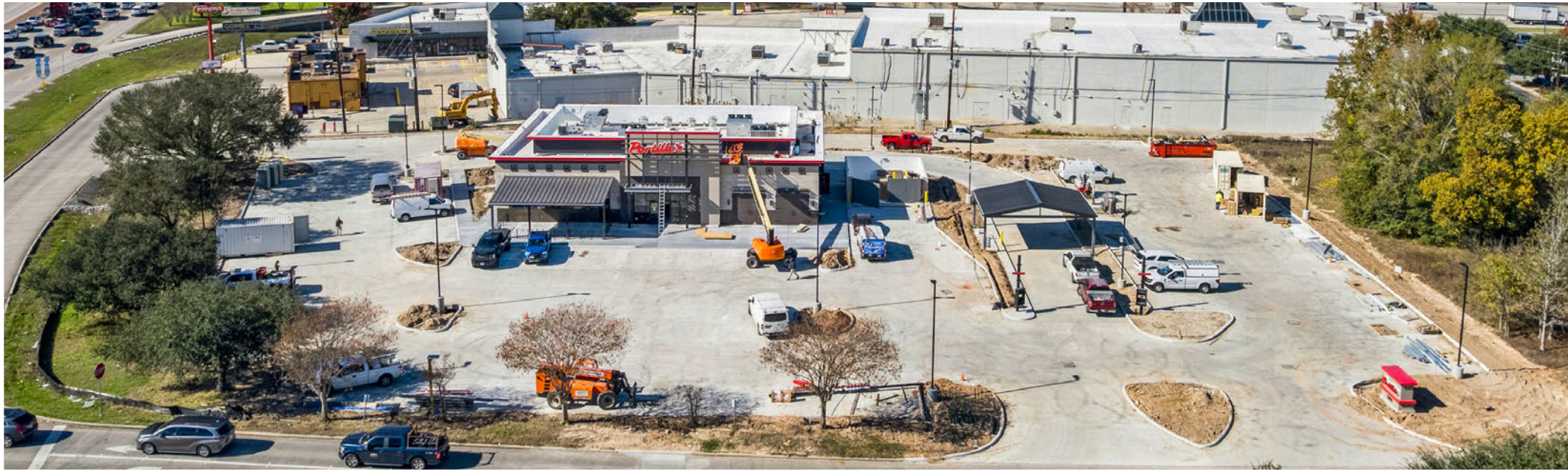
**1963**  
Founded

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

A map of the Houston, Texas area. A red star marks the location of Portillo's, which is labeled with its logo: "Portillo's" in red script and "HOT DOGS • BEEF • BURGERS • SALADS" in black text on a white background. The map shows major highways (Interstates 10, 69, 45, 610, and State Routes 529, 1960, 1405) and various neighborhoods including Tomball, Spring, Kingwood, Cypress, Jersey Village, Sheldon, Houston, Hunters Creek Village, Alief, Bellaire, Pasadena, Deer Park, Baytown, South Houston, and La Porte. The IAH airport is also indicated. A red double-headed arrow icon is positioned above the Portillo's location.

Distance	Destination
4 Miles	to George Bush Intercontinental Airport
4 Miles	to HCA Houston Healthcare Kingwood
19 Miles	to Downtown Houston
21 Miles	to University of Houston

HOUSTON METROPOLITAN AREA

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: othat the owner will accept a price less than the written asking price; othat the buyer/tenant will pay a price greater than the price submitted in a written offer; and oany 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
Regulated by the Texas Real Estate Commission		Buyer/Tenant/Seller/Landlord's Initials	Date

Information available at [www.trec.texas.gov](http://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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