

SECURE

NET LEASE



Project Pollo - Absolute NNN Lease

Dynamic and Fast Growing QSR Concept

\$1,610,000 | 5.75% CAP

6705 Fondren Road, Houston, TX 77036

- ✓ Brand New 10-Year Absolute NNN Lease with Project Pollo, LLC
- ✓ 3.5% Annual Rent Increases in Primary Term
- ✓ Ideally Situated in Dense High-Traffic Retail Corridor
- ✓ Stellar Population Density and Income Demographics
- ✓ Houston is the 5th Largest MSA in US with Steady Population Growth

Project Pollo, a **growing young chain** from San Antonio, is a buzzy and innovative **new vegan restaurant** concept that **specialized in fried "chicken"** sandwiches.



INVESTMENT OVERVIEW

PROJECT POLLO HOUSTON, TX



CONTACT FOR DETAILS

Edward Benton

Executive Vice President
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ebenton@securenetlease.com

\$1,610,000

5.75% CAP

NOI

\$92,565.00

Building Area

±2,550 SF

Land Area

±0.48 AC

Year Built / Renovated

1972 / 2021

Lease Type

Absolute NNN

Occupancy

100%

- ✓ **Brand new 10-year absolute NNN lease** with 3.5% annual rent increases in primary term; plus four (4) 5-year renewal options.
- ✓ **Project Pollo, a brand new plant-based chicken fast casual dining chain** featuring an entirely vegan menu aims to make animal-free meat alternatives mainstream by opening 100 shops all across the United States by 2024.
- ✓ **Subject property is ideally situated in dense high-traffic retail corridor** along Southwest Freeway (171,517 VPD); adjacent to PlazAmericas Shopping Mall offering over 150 stores with a diverse variety of retailers, restaurants, entertainment, carts and kiosks. Occupying 83,000 square feet, the Mercado at PlazAmericas is filled with numerous stores and small businesses providing unique items and services.
- ✓ **Stellar population density and income demographics** with over 576,090 people and an average household income of \$99,283 within a 5-mile radius of the subject property, respectively.
- ✓ **Once predominantly oil and gas focused, today Houston is home to a number of growing industries** including healthcare, aerospace/aviation, advanced manufacturing, transportation/logistics, life sciences/biotech and more.
- ✓ **Greater Houston is the 5th Largest MSA** and the 13th fastest growing MSA in the United States. The total population in 2020 is estimated to be 7,122,240 people.
- ✓ **Subject Property is located in the Great State of Texas which is the World's 9th largest economy** with a state domestic product totaling \$1.9 trillion.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

PROJECT POLLO HOUSTON, TX

Project Pollo

Lessee: Project Pollo, LLC

LOCATIONS

14



PROJECTPOLLO
BIRDY & BURGER

projectpollo.com

Project Pollo, a growing young chain from San Antonio, is a buzzy and innovative new vegan restaurant concept that specialized in fried "chicken" sandwiches. Project Pollo started out in 2020 as a food cart but is growing rapidly, with four locations in its hometown San Antonio, and one in Austin which opened in December.

Project Pollo was built around one simple mission, challenging chicken by putting **people over profits** and offering pollo with a purpose. Project Pollo sought out to redefine consumer behavior by **offering convenience, quality, and accessibility**. Inevitably the future of mass consumption is plant based; they want to **lead** that front, to put one on every corner and have affordable options in every community that surrounds them.

Project Pollo offers **vegan versions** of basic chicken dishes, including tenders, buffalo-chicken macaroni and cheese and an array of breaded sandwiches. Side items such as french fries topped with cashew queso, pico de gallo, grilled jalapeños and chipotle ranch cater to those averse to meat substitutes. The startup is poised to open up to a **dozen locations** in the **San Antonio and Austin** markets by the end of 2021.



IN THE NEWS

PROJECT POLLO HOUSTON, TX

Project Pollo Pioneers a New Model in the Plant-Based Segment

BEN COLEY, MARCH 29, 2021 (QSR MAGAZINE)

Project Pollo is an atypical concept created during atypical times. It's unusual nature starts with its name. The restaurant, which debuted in September 2020 in San Antonio, is actually plant-based—or as the tagline says, “chickenless chicken.”

Founder Lucas Bradbury did that intentionally. He's well aware of the potential confusion and the negative feedback he received. “Not sketchy,” he says. “Not like, ‘Oh, by the way, you just ate plants.’ Not like that, because we tell everybody that comes in for the first time, ‘Hey, this is **100 percent** made of soy. Would you like to try a sample?’ We **educate them fully** at the point of sale and out the window as to what they're getting involved with. And I would say that you'll see probably **about nine out of 10 times** we've created a guest. We've created somebody that will return.”

Since its first store opened in September, Project Pollo has debuted a new restaurant about every 34 days. The sixth location is scheduled for April 14. Six more units are planned for 2021 in Austin and Dallas, and another 12 are projected to open in 2022 in Houston and Dallas.

Whether that's **\$3, \$9, or even zero dollars**, Project Pollo will give consumers a meal. The chain asks for a **\$5.50 donation**—which covers the cost for three people—but it's not required.

“I feel like at the end of day as an entrepreneur, as a business person, it's my job to take care of the people around me,” Bradbury says. “And if that means that I go through the rest of **my life feeding people at cost**, and I'm still alive and I still have a roof over my head and my family still fed and other people are getting taken care of, I've won. It's not a matter of **maximizing profits**. I'm telling you, it's putting people over profits in choosing the best path for success for what we think is the right thing to do.”

EXPLORE ARTICLE



San Antonio-based Project Pollo aims to upend chicken industry with new plant-based product

FERN GLAZER, JUL 08, 2021 (NATION'S RESTAURANT NEWS)

If the introduction of plant-based chicken to restaurant menus made 2020 the unofficial year of the vegan chicken, then entrepreneur Lucas Bradbury is chief chicken enlightener.

As the vegan concept — launched mid-pandemic — approaches the opening of its **12th location** in a year, Bradbury shared the inside scoop on the Chikn **development process**, keeping menu prices down, and why otherwise carnivorous customers are flocking to the **emerging brand**. This interview has been condensed and edited for clarity.

The founder of Project Pollo, a new quick-serve concept out of Texas that serves a proprietary alternative-chicken product called Chikn, Bradbury is on a mission to upend the chicken industry by offering quality, convenient, affordable plant-based “pollo with purpose.”

It's **important** for us to use a product that resembles the **feel and texture** of what our guests are used to in regard to real chicken. We want it to be crispy on the outside with a tender juicy patty that tears and shreds the same. This isn't a fried piece of tofu. This is the future of chicken.

I created the original recipe. It wasn't practical for me to continue to make it, but many manufacturers said no. We didn't have the volume, or they had other proteins on site, which meant a risk of cross-contamination. We reached out to a broker, and they **connected us with a manufacturer** out of Taiwan that co-packs and manufactures private label. We sent my recipe. They said, “Let us send you our formula.” I wasn't too optimistic. Going into it I thought there'd be **several different revisions**. But they've been making plant-based alternatives for decades, and they gave me something proprietary that makes it unique for our brand.

EXPLORE ARTICLE



LEASE OVERVIEW

PROJECT POLLO

HOUSTON, TX

Initial Lease Term	10-Years, Plus (4), 5-Year Options to Renew
Rent Commencement	9/18/2021
Lease Expiration	9/30/2031
Lease Type	Absolute NNN
Rent Increases	3.5% Annual Increases In Primary Term, Two (2) 5yr Options
Annual Rent YR 1 (Current)	\$92,565.00
Annual Rent YR 2	\$95,804.76
Annual Rent YR 3	\$99,157.92
Annual Rent YR 4	\$102,628.44
Annual Rent YR 5	\$106,220.52
Annual Rent YR 6	\$109,938.24
Annual Rent YR 7	\$113,786.04
Annual Rent YR 8	\$117,768.48
Annual Rent YR 9	\$121,890.48
Annual Rent YR 10	\$126,156.60

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.





WESTPARK TOLLWAY
±55,100 VPD

FONDREN ROAD
±27,933 VPD

SOUTHWEST FREEWAY
±77,157 VPD



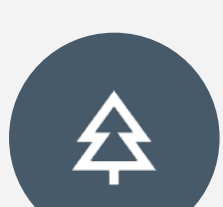
SUBJECT PROPERTY
6705 FONDREN RD.

Logos and Labels on Map:

- Top Left:** UNITED STATES POSTAL SERVICE, FAMILY DOLLAR, cricket wireless, metro by T-Mobile, McDonald's, Shell, WESTPARK TOLLWAY, Exxon.
- Top Center:** Public Storage, CONOCO, Shadow Ridge Apartments (213 Units), CHESTNUT HILL APARTMENTS (460 Units), Villa Barcelona Apartments (314 Units).
- Top Right:** SONIC, Chevron, College of Biblical Studies, Hilton Hotels & Resorts, metro by T-Mobile, Holiday Inn Express, AN IHG HOTEL, Comfort Inn.
- Middle Left:** AutoZone, T-Mobile, boost mobile, BURGER KING, ARTISAN WEST APARTMENTS (495 Units), URBAN PALMS APARTMENT HOMES (659 Units), BELARA APARTMENTS (224 Units), CLAY STADIUM, VISTA ON GESSNER (805 Units).
- Middle Center:** boost mobile, Burlington, CHAMPS SPORTS, Rainbow, Foot Locker, America's Cinemas, Jockey, DOMINO'S, Walgreens, FOOTACTION, SUBWAY, MATTRESS FIRM.
- Middle Right:** AT&T, 59, 69, INTERSTATE TEXAS, CHEVROLET, CARMAX, ASHFORD CRESCENT OAKS APARTMENTS (429 Units), SHARPSTOWN PARK APARTMENTS (156 Units), JANE LONG ACADEMY (915 STUDENTS).
- Bottom Left:** Public Storage, metro by T-Mobile, Fiesta, COUNTRY CLUB VILLAGE APARTMENT (139 Units), PARKGREEN ON GESSNER APARTMENTS (120 Units), ED WHITE ELEMENTARY SCHOOL (806 STUDENTS), SUMMERFIELD APARTMENTS (110 Units), CVS pharmacy, planet fitness, Church's & Chicken.
- Bottom Center:** PARKWAY/PARKGREEN ON BELLAIRE APARTMENTS (654 Units), PAT NEFF ELEMENTARY SCHOOL (778 STUDENTS), SHARPSTOWN INTERNATIONAL SCHOOL (1,119 STUDENTS), 8330 CARVEL APARTMENTS (76 Units), NEFF EARLY LEARNING CENTER (687 STUDENTS), Chick-fil-A, Jack in the Box, Firehouse Subs, WING-STOP, BURGER KING, WHATABURGER, SHIPLEY DONUTS, CHIPOTLE MEXICAN GRILL, Pep Boys, HOUSTON BAPTIST UNIVERSITY, HBU STADIUM, Memorial Hermann Southwest Hospital (543 BEDS).
- Bottom Right:** CVS pharmacy, O'Reilly AUTO PARTS, SHIPLEY DONUTS.

SITE OVERVIEW

PROJECT POLLO HOUSTON, TX

	Year Built	1972/2021
	Building Area	±2,550 SF
	Land Area	±0.48 AC

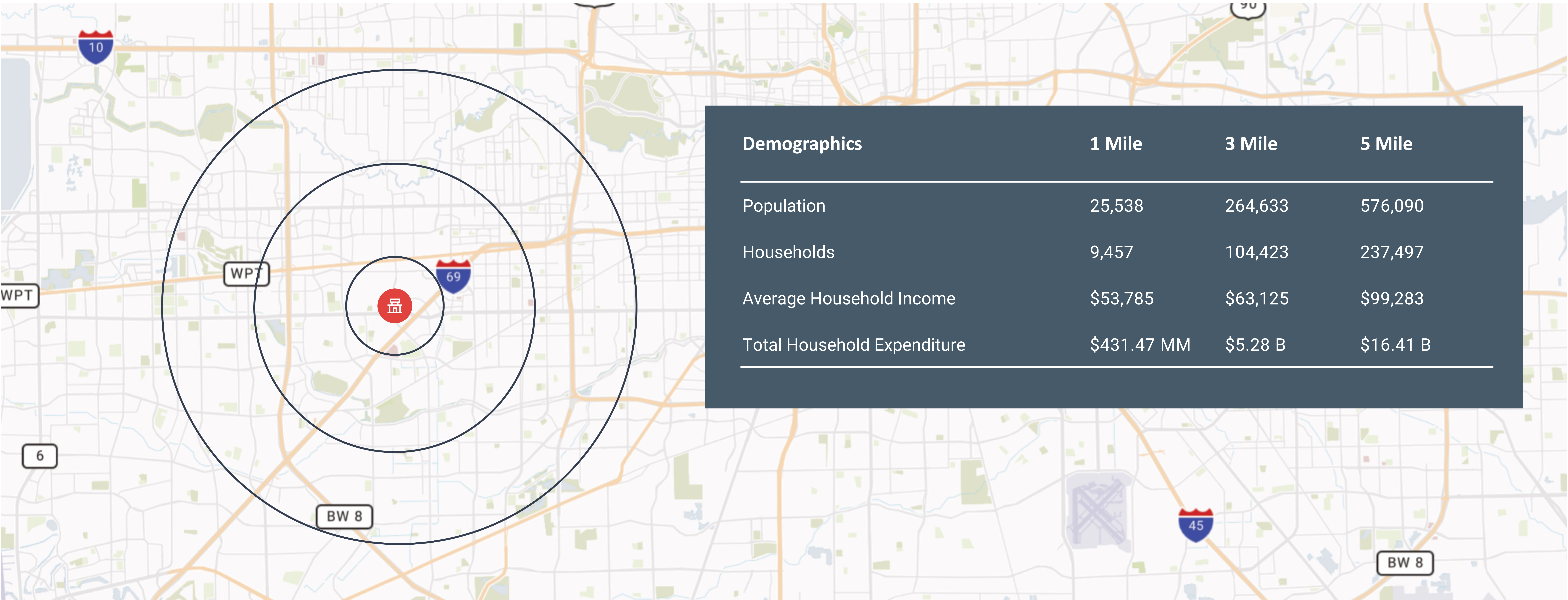
NEIGHBORING RETAILERS

- Burlington
- Rainbow
- Family Dollar
- CVS
- Walgreens
- Foot Locker
- Planet Fitness
- Pep Boys
- AutoZone Auto Parts
- Mattress Firm



LOCATION OVERVIEW

PROJECT POLLO HOUSTON, TX



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. Walmart (37,000)

2. Memorial Hermann Health System (24,108)

3. H-E-B (23,732)

4. The University of Texas MD Anderson Cancer Center (21,086)

5. McDonald's Corp (20,918)

6. Houston Methodist (20,000)
7. Kroger (16,000)

8. United Airlines (14,941)

9. Schlumberger (12,069)

10.Shell Oil Co. (11,507)

11.Exxon Mobil Corp (11,000)

12.Texas Children's Hospital (10,992)
- 13.HCA (10,830)

14.Landry's (10,800)

15.UTMB Health (9,928)

LOCATION OVERVIEW

PROJECT POLLO HOUSTON, TX

Houston Texas

2.33 MM
Population

\$51,203
Median Household Income

Houston is home to the Texas Medical Center—the largest medical center in the world

HOME

Galveston Bay and the Buffalo Bayou together form one of the most important shipping hubs in the world

HUBS

The Houston-Sugar Land-Baytown Metropolitan Statistical Area (MSA), colloquially known as Greater Houston, is the 5th largest in the United States with a population of 6,772,852 as of 2016.

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 is 2nd to New York City in Fortune 500 headquarters.

In 2006, Greater Houston ranked 1st in Texas and 3rd in the U.S. within the category of "Best Places for Business and Careers" by Forbes.

The Greater Houston Gross Metropolitan Product (GMP) in 2005 was \$308.7 billion, up 5.4 percent from 2004 in constant dollars. By 2016, the GMP rose to \$491 billion, 6th in the nation. Only 26 nations other than the United States 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. 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. Houston is home to several universities (including Rice University, Texas Southern University, and The University of Houston), and two of the largest systems of higher learning in the United States (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. 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 United States.

IN THE NEWS

PROJECT POLLO HOUSTON, TX

Houston crowned one of the world's top cities of the future in new report

NATALIE HARMS, AUGUST 26, 2020 (CULTURE MAP HOUSTON)

Houston comes in third on a prestigious new list ranking which cities are on track for continued global business success. The inaugural fDi Tier 2 Cities of the Future 2020/21 evaluated second-tier cities — defined as non-capital cities with a population under 8 million. Last year, Houston ranked in the No. 5 position on fDi's North American ranking. In this new report for 2020/2021, the city ranks No. 3 overall. Houston also takes the No. 3 spot for human capital and lifestyle and ranks No. 7 for economic growth potential.

The report evaluated **116 data points** across the five categories: economic **potential**, **cost** effectiveness, business friendliness, **connectivity**, and human capital and lifestyle.

With superior global access, a business-friendly climate, exceptional quality of life and a highly educated workforce, Houston is well positioned to continue to build on that momentum in the years ahead.

"This ranking is further evidence of Houston's place among the **world's great global cities**," says Susan Davenport, chief **economic development** officer for the Greater Houston Partnership, in a news release. "Houston today competes at **a higher level** than ever before when it comes to foreign direct investment and our business ties to cities and countries around the world.

San Francisco comes in **at No. 1 on the list**, and Montreal ranks as **No. 2**. Texas has a stronghold on the list, with Austin and Dallas also appearing in the **top 20, at Nos. 11 and 19, respectively**.

EXPLORE ARTICLE



Texas recognized as second best state for business, while Houston expected to see key economic growth

JOHN EGAN, DECEMBER 30, 2019 (INNOVATION MAP)

Houston and the rest of Texas received two early Christmas presents signaling that their economies continue to percolate.

In a report released December 23, **economic** forecasting and analysis firm Oxford Economics predicted Houston and Dallas-Fort Worth will enjoy a **greater share** of **economic growth** through **2023** than any other mega-metro area in the U.S. except San Francisco.

In a recent forecast, the Greater Houston Partnership envisions the Houston area adding 42,300 jobs in 2020, mostly outside the energy sector.

Meanwhile, Forbes magazine declared on December 19 that Texas is the **second-best state for business**, behind only North Carolina. Texas previously sat in **the No. 3 spot** on the Forbes list, preceded by North Carolina and Utah.

Through **2023**, Oxford Economics forecasts average compound **GDP growth of 2.4 percent** in Houston and Dallas-Fort Worth. Among the country's **10 biggest** metro areas, only the projection for San Francisco is **higher (2.7 percent)**.

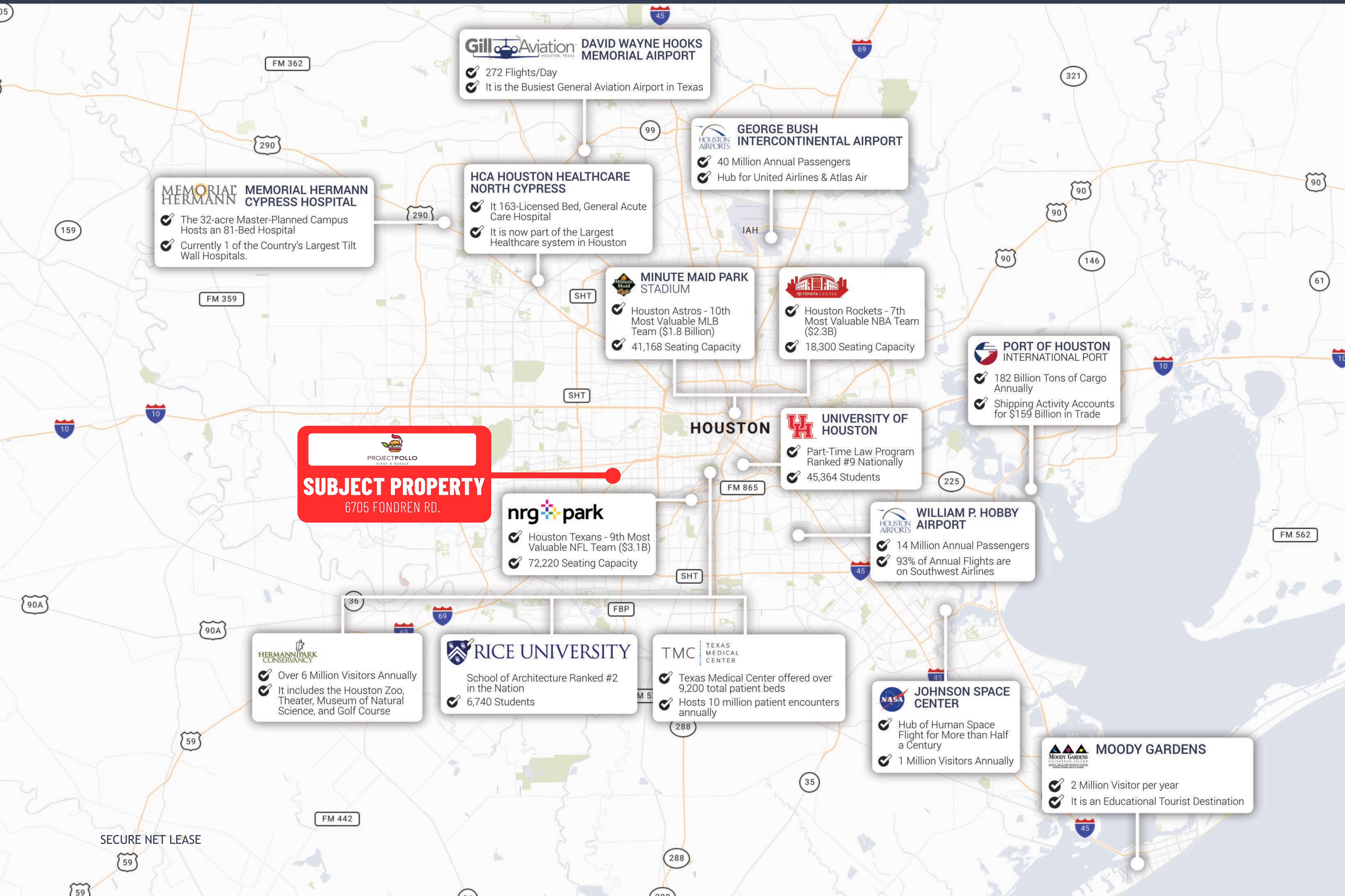
For Houston, the **2.4** percent figure would be an improvement over recent economic performance. From 2014 to 2018, the region's GDP growth rate was **1** percent, while it was **1.5** percent for 2015-19. In the 2020-21 timeframe, the growth rate for Houston is expected to be **1.9** percent.

EXPLORE ARTICLE



THE HOUSTON-THE WOODLANDS-SUGAR LAND METROPOLITAN STATISTICAL AREA (MSA)

PROJECT POLLO HOUSTON, TX



CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 224-6430

CALL FOR ADDITIONAL INFORMATION

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TEXAS DISCLAIMER

PROJECT POLLO HOUSTON, TX

Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information 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 subagency 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 the owner knows.

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:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- 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
- May not disclose any confidential information or any information that a part 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 that Act and associated with the broker to communicate with and carry out instructions.