



# LUPE TORTILLA GROUND LEASE

MISSOURI CITY, TX (HOUSTON MSA)



CAPITAL PACIFIC



REPRESENTATIVE PHOTO



## LUPE TORTILLA

9215 HWY 6, MISSOURI CITY, TX 77459 

**\$3,200,000**

**PRICE**

**5.50%**

**CAP**

LEASABLE SF

**6,970 SF**

LAND AREA

**1.44 AC**

LEASE TYPE

**GROUND LEASE**

LEASE EXPIRATION

**8/31/2038**

YEAR BUILT

**2018**

**New construction 20-year ground lease**

**Average household incomes in a 3-mile radius exceed \$141k**

**Located at the gateway to Sienna Plantation (Click [HERE](#) for info)**

**10% rental escalations every 5 years in base term and options**

**HEB Grocery located directly across the street**

**Located on Highway 6 with traffic counts in excess of 49,900**

# Investment Highlights

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**THE OFFERING** provides an investor the opportunity to acquire a corporately owned and operated, new-construction Lupe Tortilla on a 20-year ground lease. The lease has attractive 10% rental increases every 5 years throughout the base term and option periods. The property is located at the gateway to Sienna Plantation, a 10,000 acre, upscale master-planned community. The first Lupe Tortilla restaurant opened in 1983 and now there over 23 locations. The subject property will be their 15th Houston MSA location.

The subject property is situated along Highway 6, and benefits from excellent visibility and high traffic counts of 49,900. The tenant has excellent synergy with nearby, high-volume retailers including H-E-B Grocery, Academy Sports, and Walmart Supercenter.

**MISSOURI CITY** is an affluent Houston suburb with 44% of the total households earning more than \$100,000 annually. The Houston–The Woodlands–Sugar Land MSA is currently the fifth most populous MSA in the U.S., and is predicted to climb above 7 million in 2018. Name-brand companies such as Amazon and FedEx have brought thousands of jobs to Houston. Currently there are 2,000 Fortune 500 companies headquartered in Houston.

## REPRESENTATIVE PHOTO



**CORPORATE TEX-MEX CONCEPT WITH 23 LOCATIONS**

# Contact the team

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# Lupe Tortilla is Currently Under Construction

**THE SUBJECT PROPERTY IS CURRENTLY UNDER CONSTRUCTION AND IS SLATED TO BE COMPLETE IN THIRD QUARTER 2018. RENT COMMENCEMENT IS ESTIMATED FOR AUGUST 31, 2018.**





# Zoomed-Out Aerial



**HOUSTON**  
25 MILES

**49,900**  
VPD

**28,850**  
VPD

## SIENNA PLANTATION

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# Zoomed-In Aerial



6

HOUSTON  
25 MILES

49,900  
VPD

6

## SIENNA PLANTATION

SIENNA PARKWAY

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# Submarket Overview

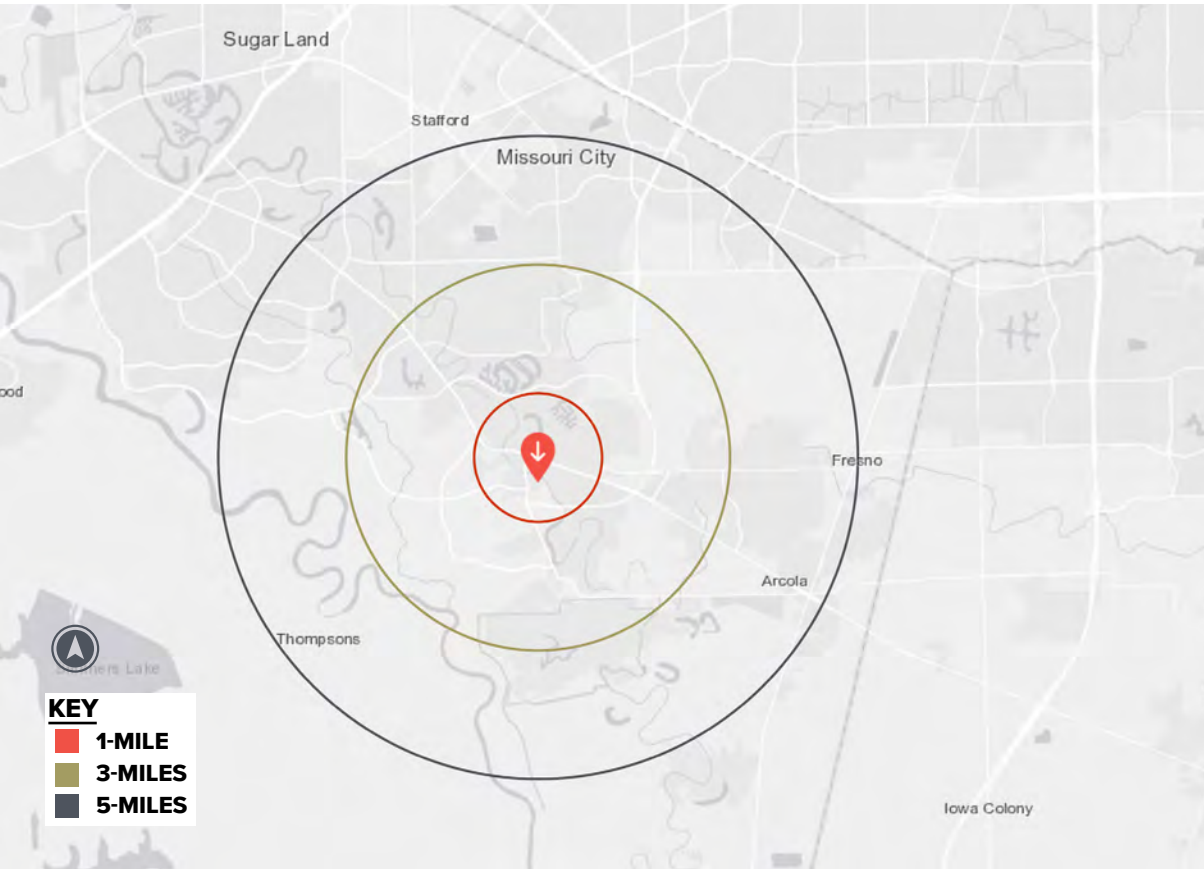
REPRESENTATIVE PHOTO



## RETAILERS IN CLOSE PROXIMITY INCLUDE:

- |                     |                   |                |
|---------------------|-------------------|----------------|
| H-E-B Grocery       | Target            | CVS            |
| Walmart Supercenter | Hobby Lobby       | Wells Fargo    |
| Academy Sports      | Ross              | Domino's Pizza |
| ALDI                | Bed Bath & Beyond | Whataburger    |
| Kroger              | PetSmart          | Papa Murphy's  |
| Lowe's              | Kohl's            | Dunkin' Donuts |

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## BUSINESS SUMMARY

TOTAL	1-MILE	3-MILES	5-MILES
Businesses	157	900	2,491
Employees	1,241	8,014	22,717
Residential Population	5,857	64,959	156,048

**KEY**

- 1-MILE
- 3-MILES
- 5-MILES



## SIENNA PLANTATION



HIGHWAY 6 - 49,900 VPD

SUBJECT PROPERTY

RETAIL STRIP CENTER - ALSO AVAILABLE - PLEASE SEE BROKER FOR DETAILS

**SUBJECT PROPERTY IS LOCATED ACROSS FROM SIENNA VILLAGE SHOPPING CENTER, SERVICING THE 14,000+ RESIDENTS LIVING IN SIENNA PLANTATION. SIENNA PLANTATION IS A 10,000-ACRE MASTER-PLANNED UPSCALE COMMUNITY THAT BOASTS WORLD-CLASS AMENITIES, ACCLAIMED ON-SITE SCHOOLS AND HOME DESIGNS FROM THE NATION'S LEADING HOME BUILDERS.**

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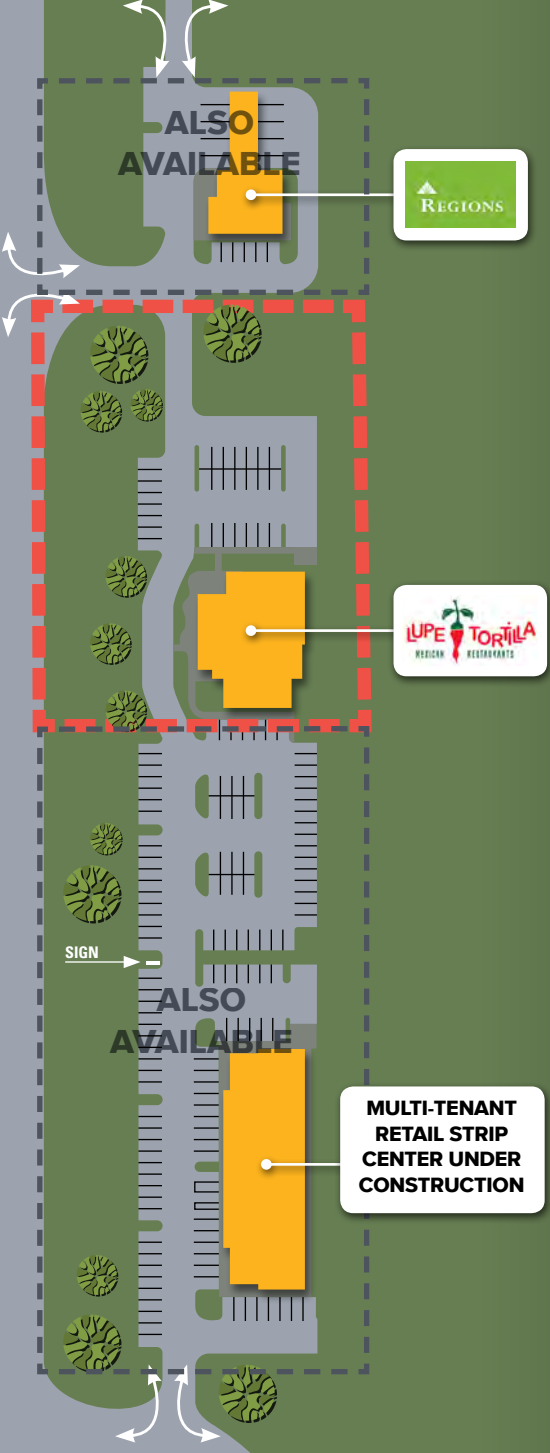
# Site Plan

**sf**

**6,650  
RENTABLE SF**

**ac**

**1.117  
ACRES**



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# Tenant Overview



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## LUPE TORTILLA

Lease is signed by: RDM, INC., a Texas corporation

Originally launched in 1983, the founders Stan and Audrey Holt launched Lupe Tortilla in a 40-year-old farmhouse. The husband and wife duo operated the single location until 1997, when the Houston-based company opened two more locations after their sons, Judson and Peter, graduated from the Culinary Institute of America. Today, there are 23 locations and counting.

Remaining authentic has been the company's philosophy since it was founded, even if it is tedious work. Lupe Tortilla values its product, which is always high quality and consistent in how it's produced. In addition, Lupe's purchasing director came from US Foods and allows the company to "take a dual approach" with its suppliers.

### QUICK FACTS ABOUT LUPE TORTILLA:

- Lupe Tortilla has become an "institution" in Texas because of its commitment to quality, delicious taste, and moderately-priced menu
- Each restaurant embodies a fun, comfortable atmosphere to match the authenticity of it's dishes
- The menu features over 60 different items
- Voted amongst the Top 10 Tex-Mex restaurants in Houston (Houston Press)

Click [HERE](#) to learn more about Lupe Tortilla

23

LOCATIONS  
THROUGHOUT TEXAS



# Lupe has become a Texas institution!



In 1983, Stan and Audrey Holt launched Lupe Tortilla in a 40-year-old farmhouse. The husband and wife duo operated the single location until 1997, when the Houston-based company opened two more locations after their sons, Judson and Peter, graduated from the Culinary Institute of America.

**“For Lupe Tortilla, expanding further will come at the right time with the right location - and not at the expense of its authenticity.”**

“That was in 2000 and we came back to Houston to assist our parents in opening those locations in the West University area of Houston,” CEO and president Judson Holt recalls. “We took a break after that to build systems and figure things out. At the time, our locations were replicas of the farmhouse and we decided to rebrand our buildings in order to be more accessible. So we remodeled and rebranded, ultimately keeping the elements that worked.”

Soon, Lupe opened its fifth location and opened a new location every eight months until it had seven stores. “We took a pause to ensure the volume of what we were doing was good,” Hudson says.

Today, the original 50-seat, 22-menu item Tex-Mex concept is thriving with 23 locations. “We are on pace to open two to three locations annually,” Holt says. “We currently have two locations under construction. Fourteen of our current locations are located in Houston; we’re almost in every suburb of the city.

[VIEW FULL ARTICLE](#)



## SOUTHEAST TEXANS ARE LOOPY FOR LUPE

When it comes to restaurants, Southeast Texans are suckers for name recognition — and we love our Tex Mex. The per capita percentage of Tex Mex restaurants in these parts is a little ridiculous.

So it comes as no surprise that the new Lupe Tortilla, a Houston-based franchise, has been blowing sales predictions out of the water — and boasting wait times of up to two hours for a table.

**“Is it worth a visit? You bet. And if you’re like most Southeast Texans, you’ll be back.”**

It took Holt 14 years to open his second Lupe Tortilla. Beaumont is the 18th store in 30 years. Committed to quality, it is apparent in numerous ways, most notably in the food’s freshness. Holt said he’s sticking around awhile to make sure that the reputation of the restaurant he founded 30 years ago stays intact.

[VIEW FULL ARTICLE](#)



## ZAGAT-RATED 4.3 (OUT OF 5 STARS):

“best fajitas around”

“served in massive tortillas that are pretty dang amazing”


“long waits during prime hours”

“dependable”




# Demographics

## POPULATION

	1-MILE	3-MILES	5-MILES
2010	3,608	44,443	125,666
2017	5,857	64,959	156,048
2022	7,356	80,463	189,714

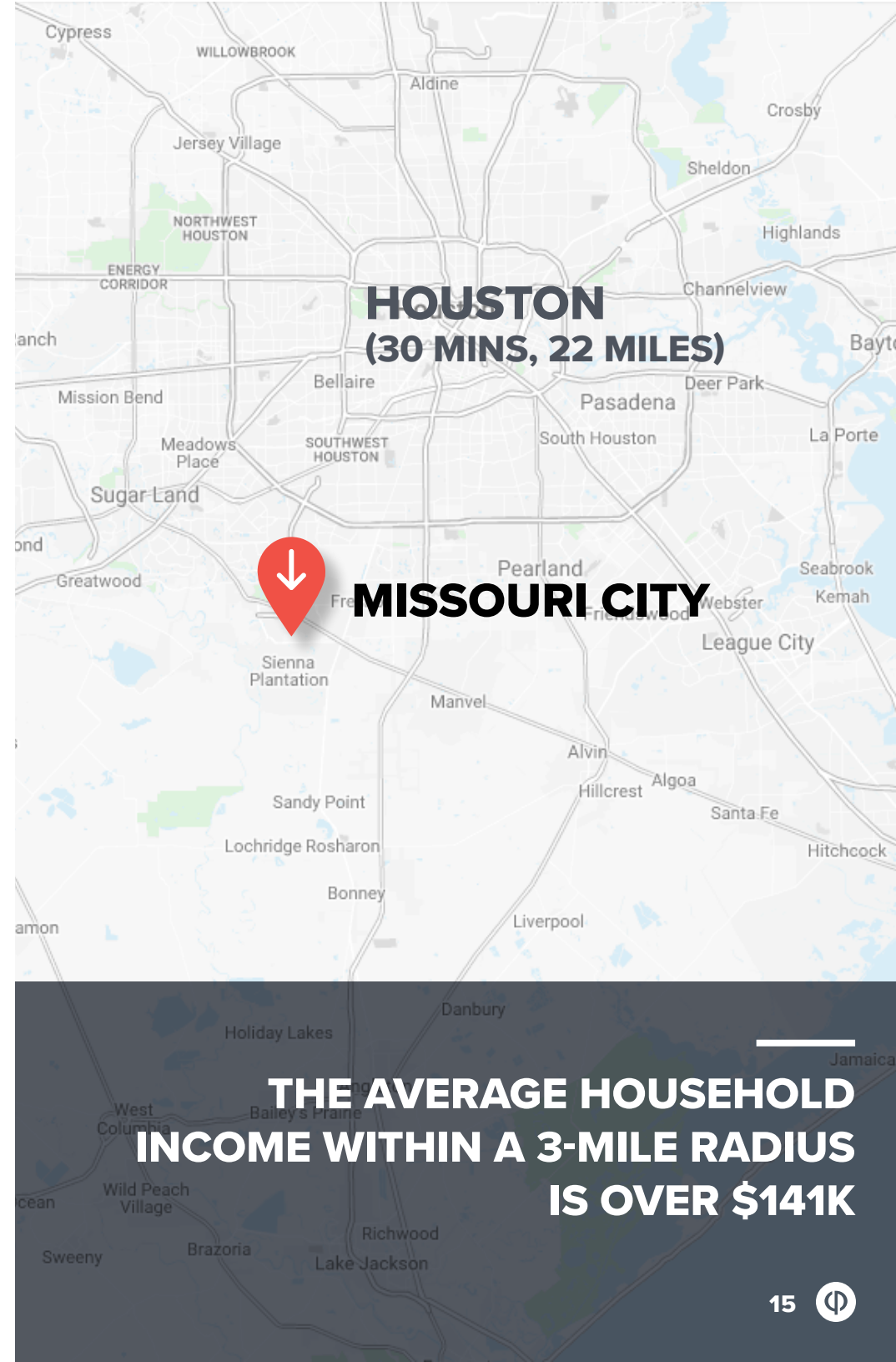
## 2017 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$143,281	\$141,811	\$122,073
Median	\$116,457	\$110,798	\$92,329

## TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Walmart	37,000
Memorial Hermann Health System	24,108
H-E-B	23,732
The University of Texas MD Anderson	21,086
McDonald's Corp	20,918

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# Sienna Plantation - Upscale Master-Planned Community

## ABOUT

Sienna plantation is a master-planned community located in Missouri City with a population of over 13,000 residents. Originally a sugar and cotton plantation, developers began construction of single family homes in the 1970's and 1990's.

## RESIDENTIAL UNITS

Entitled for 16,500-plus residential units and more than 5 million square feet of non-residential space, Sienna Plantation has 7,500 homes with an average new home price of more than \$490,000 in 2017.

## RECREATION

More than 3,000 acres dedicated to parkland, golf, recreation areas, lakes and undeveloped green space. Sienna Plantation includes Camp Sienna, a premier sports park, and Sienna Stables, featuring horseback riding instruction and stables on-site. A fourth recreation center and pool complex — Sawmill Lake Club —opened in 2017.

## LOCATION

Sienna Plantation is located in Missouri City in Fort Bend County, Texas, approximately 28 miles from Houston. It has a direct connection to Fort Bend Parkway, with non-stop access to Loop 610 in Houston.

## TAX BASE

Sienna Plantation boasts a \$3 billion+ tax base, after starting with \$11 million in 1997.

## EDUCATION

Sienna Plantation has five public schools, a public library, six daycare facilities, five churches, and an 18-hole golf course and club on site. Donald Leonetti Elementary opened in 2017, and Ronald Thornton Middle School is slated to open in 2018.

Click [HERE](#) for more information.





# HOUSTON, TEXAS



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**HOUSTON** is the most populous city in the state of Texas and the fourth-most populous city in the United States, with a census-estimated 2016 population of 2.303 million within a land area of 599.59 square miles. Located in Southeast Texas near the Gulf of Mexico, it is the principal city of the Greater Houston metro area, which is the fifth-most populated MSA in the United States. Four distinct state universities are located in Houston. The University of Houston is a nationally recognized Tier One research university, and is the flagship institution of the University of Houston System. The third-largest university in Texas, the University of Houston has nearly 44,000 students on its 667-acre campus in southeast Houston.

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## ECONOMY

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Houston is recognized worldwide for its energy industry—particularly for oil and natural gas—as well as for biomedical research and aeronautics. Leading in health care sectors and building oilfield equipment, outside New York City, Houston has more Fortune 500 headquarters than any other U.S. municipality within its city limits. The Port of Houston ranks first in the United States in international waterborne tonnage handled and second in total cargo tonnage handled. Nicknamed the “Space City”, Houston is a global city, with strengths in business, international trade, entertainment, culture, media, fashion, science, sports, technology, education, medicine, and research. Houston is forecasted to have as many as 70,000 new jobs in 2018.



**HOUSTON  
POPULATION  
(ESTIMATED)**

**2.303  
MILLION**





# We'd love to hear from you.

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**CHRIS PETERS**

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**RICK SANNER**

**DAVE LUCAS**

**ZANDY SMITH**

**JACK NAVARRA**

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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.

11-2-2015



## 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.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ Designated Broker of Firm	_____ License No.	_____ Email	_____ Phone
_____ 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