

ROSENBERG FIESTA

OFFERING MEMORANDUM



CBRE



ROSENBERG FIESTA

3707 Avenue H | Rosenberg, Texas

CBRE CONTACTS

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THE MARKET





EXECUTIVE SUMMARY

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CBRE's Houston Retail Investment Sales Group and Net Lease Property Group are pleased to present the opportunity to acquire Rosenberg Fiesta (the "Property"); a 35,179-square foot NNN retail asset embedded within a strong market and high-growth area of Southwest Houston. The Property is strategically positioned in Fort Bend County, which is ranked one of the fastest-growing and affordable counties in the U.S., and is highly coveted by retailers focusing on middle-market demographics. The Property is occupied by Fiesta Mart, which has 15 years of term remaining at full NNN, providing new ownership long term cash flow and minimal landlord responsibilities.



PROPERTY DETAILS



TENANT

Fiesta



SIZE

35,179 SF



LAND AREA

3.24 AC



YEAR BUILT

1981



LEASE TYPE

Full NNN



PRICE

\$3,014,366



CAP RATE

7.10%



NOI

\$214,020

INVESTMENT HIGHLIGHTS

STRONG CREDIT TENANT

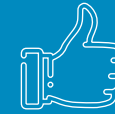
- One of the largest Hispanic-focused supermarket companies in the nation
- More than 120 Stores Across the Southwest U.S. 63 Fiesta Marts
- Revenues in Excess of \$3 Billion



**30-YEAR
TENURE**



Full NNN Grocery Tenant with Zero
Landlord Responsibilities



Priced Below Replacement Cost with a
Quality Investment Basis to the Dirt



15 Years of Firm Term Remaining



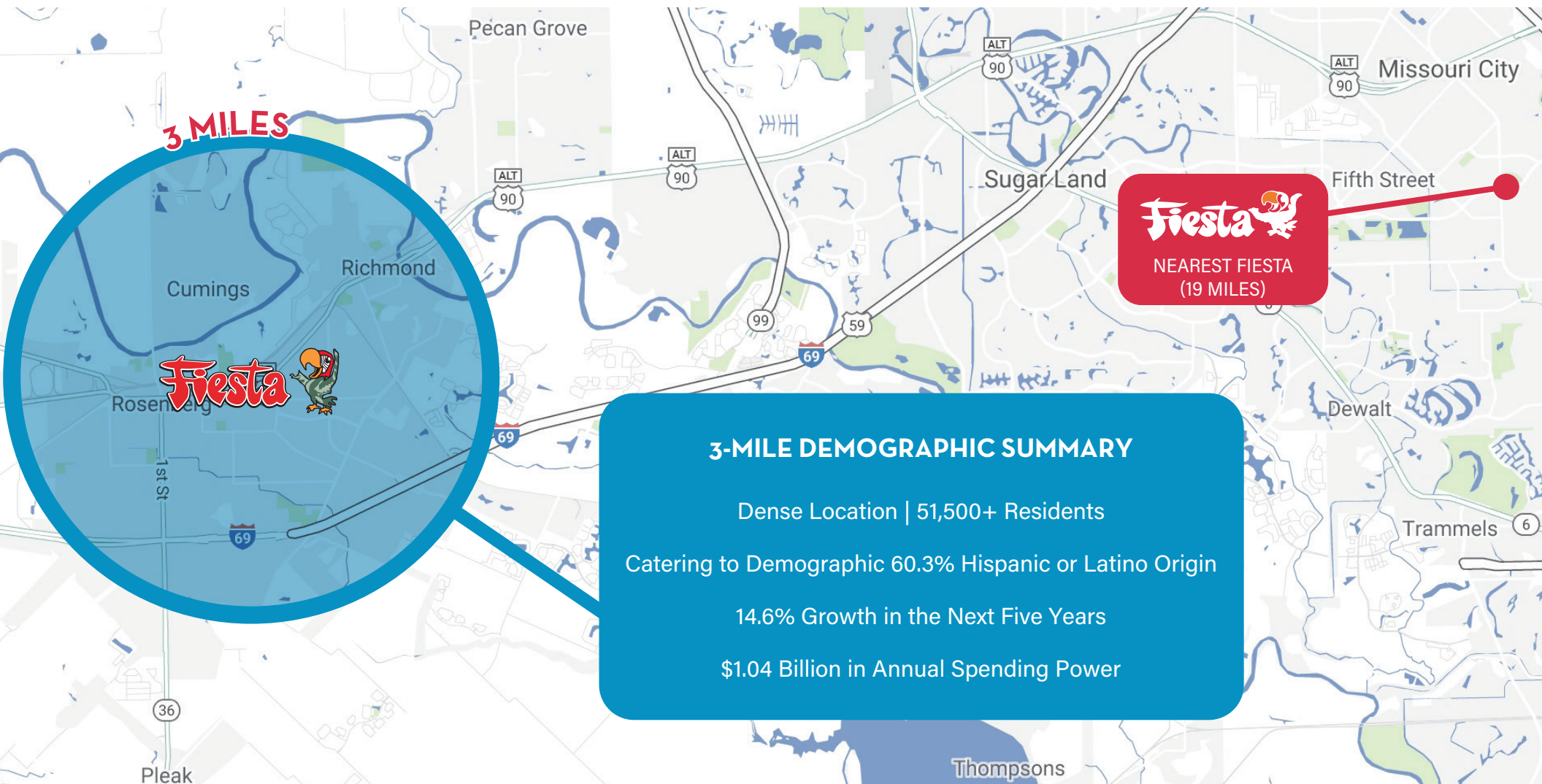
10% Rent Escalations Every Five Years



Four (4) Five-Year Renewal Options

HIGH QUALITY LOCATION WITH TARGET DEMOGRAPHICS

Located along Avenue H, the main thoroughfare from South Houston to Rosenberg, the Property sees approximately 22,000 vehicles per day and serves a population of over 51,500 within a 3-mile radius, a figure expected to increase 15% in the next five years. Marketed as a "Hispanic-focused supermarket", Fiesta caters towards an immediate area population that is over 66% Hispanic.





UNDERSERVED MARKET | EXPANSIVE TRADE AREA

With the nearest Fiesta nearly 20 miles away, the Property benefits directly from a lack of full-service Hispanic grocers in southwest Houston, allowing for the center to capture an expanded trade area.

GALLERIA

DOWNTOWN
HOUSTON

DOLLAR GENERAL UT★Physicians
OPORTUN TODAY'S VISION
FUSION KITCHEN planet fitness Northstar Urgent Care

DOLLAR TREE PAPA JOHN'S
MELROSE CITI TRENDS
dd's DISCOUNTS FAMILY DOLLAR

SHERWIN-WILLIAMS

Little Caesars ROSENBERG Food Services Corp.
SW seven WIRED BERCHER

LAMAR HIGH SCHOOL
1,727 STUDENTS

LAMAR JUNIOR HIGH
913 STUDENTS

WALMART

Extreme Sports
INDOOR TRAINING FACILITY
BASEBALL AND SOFTBALL ACADEMY

AVENUE H - 21,076 VPD
CenterPoint Energy

RAC

World Finance
enterprise

Royal HOME CENTER
THRIFT FAMILY THRIFT CENTER

McDonald's

ROSENBERG
FIESTA

TENANT PROFILE



Recently acquired by Bodega Latina Corporation, a California-based company which owns the El Super chain, Fiesta Mart operates 60+ supermarkets in Texas, concentrated completely in Houston, Austin, and Dallas-Fort Worth markets. Bodega Latina's purchase of Fiesta was a strategic decision to capture more minority grocery store market share and will contribute to the 120+ stores that Bodega will own across the southwest U.S. Bodega Latina reports roughly \$3 billion in annual revenues.

Targeting largely Hispanic consumers, Fiesta is known for carrying a wide array of ethnic ingredients catering not only to Hispanic, but also Vietnamese, Thai and African consumers. Fiesta Mart is more than just a grocery store; it also offers convenient in-store courtesy booths where you can pay your utilities, cash checks, send money through Western Union, purchase license tags, and buy Texas Lottery Tickets, serving as a multi-purpose staple in the community.





PROPERTY DETAILS

ROSENBERG
FIESTA

CBRE

PROPERTY DESCRIPTION



3707 Avenue H | Rosenberg, Texas 77471

YEAR BUILT	LAND AREA	SIZE	PARKING SPACES	PARKING RATIO
1981	3.24 AC	35,179 SF	226	6.42/1,000 SF

INGRESS/EGRESS

The Property is accessible via six (6) primary access points located along the east south site boundaries. There are three (3) located along Silverado Trail, while the remaining three (3) are accessible from Avenue H.

TRAFFIC COUNTS

Avenue H:	21,076 VPD
Jennetta St:	1,066 VPD
Old Richmond:	2,214 VPD
Total:	24,356 VPD

FLOOD PLAIN

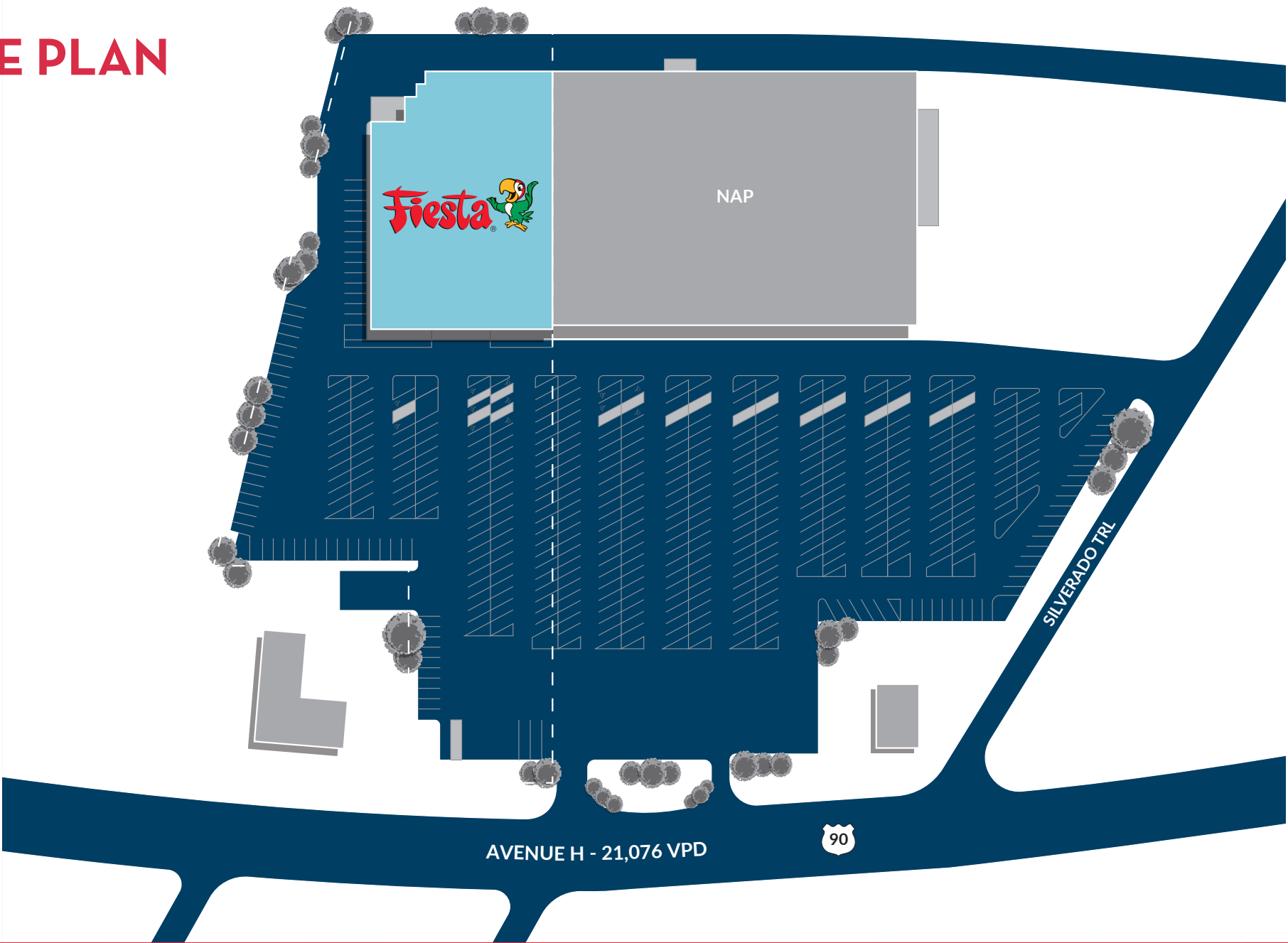
According to the Federal Emergency Management Agency (FEMA) – National Flood Insurance Program (NFIP) – Flood Insurance Rate Map (FIRM) – for Fort Bend County, Texas and incorporated areas – map no. 48157C0245L, dated April 2, 2014, the property lies in zone X, which is outside the 0.2% annual chance floodplain.

LEGAL DESCRIPTION

Parcel #	Legal Description	Acreage
0061-00-064-0020-901	0061 J W MOORE, TRACT 64, ACRES 3.24	3.2399
Total:		3.24



SITE PLAN



LEASE ABSTRACT

TENANT	Fiesta Mart, LLC	TERM	ANNUAL RENT
LEASE TYPE	NNN	5/1/2020 – 4/30/2025	\$214,020 (current)
COMMENCEMENT DATE	4/27/15	5/1/2025 – 4/30/2030	\$234,352
EXPIRATION DATE	4/30/36	5/1/2030 – 4/30/2035	\$257,788
		5/1/2035 – 4/30/2036	\$284,855
LEASE TERM REMAINING	15 years		
LAND SIZE (ACRES)	3.24		
RSF	35,179		
NOI	\$214,020		
RENT INCREASES	10% Every 5 Years		
RENEWAL OPTIONS	Four (4) Five (5) Year Options at \$8.91, then Market		
TENANT OBLIGATIONS	"Tenant shall, at its sole cost and expense, keep the entirety of the Demised Premises, including the structural and non-structural portions thereof, the interior and exterior of the buildings, and all systems and equipment located thereon, in good, functioning condition. It is understood that Tenant's responsibilities shall include the repair, ongoing maintenance, and replacement of the foundation, slab, the exterior and interior walls, the structural portions of the Demised Premises, all lighting, heating, ventilating, HVAC, plumbing and other electrical, mechanical and electromotive installation, equipment and fixtures"		
LANDLORD OBLIGATIONS	"Landlord shall have no responsibility whatsoever to repair or maintain the Demised Premises or any part thereof, or any buildings, improvements, furnishings, fixtures, equipment or other personal property located thereon or therein."		
INSURANCE	Tenant pays 100% pro rata share		
IMPOSITIONS (TAXES)	Tenant pays 100% pro rata share		
UTILITIES	Tenant shall contract directly with all utility providers serving the Leased Premises		

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
PLACE OF WORK			
2020 Businesses	391	1,856	2,608
2020 Employees	3,264	20,630	27,536
POPULATION			
2020 Population - Current Year Estimate	11,330	51,508	99,550
2025 Population - Five Year Projection	12,953	59,470	119,581
2010-2020 Population Growth	4.6%	17.6%	38.0%
2020-2025 Population Growth	13.6%	14.6%	18.7%
RACE & ETHNICITY			
White	59.0%	58.0%	57.0%
Black or African American	15.5%	14.7%	16.9%
Asian	0.8%	2.6%	5.8%
American Indian or Alaska Native	0.5%	0.7%	0.5%
Pacific Islander	0.1%	0.0%	0.0%
Other Race	20.6%	20.8%	16.5%
Two or More Races	3.5%	3.2%	3.2%
Hispanic	65.6%	60.3%	47.9%
White Non-Hispanic	17.5%	21.9%	28.3%
DAYTIME POPULATION			
2020 Daytime Population	9,827	49,364	89,952
HOUSEHOLDS			
2020 Households - Current Year Estimate	3,784	16,970	32,423
2025 Households - Five Year Projection	4,332	19,676	39,094
2010-2020 Household Growth Rate	6.4%	20.3%	39.3%
2020-2025 Household Growth Rate	13.7%	15.0%	19.1%
HOUSEHOLD INCOME			
2020 Average Household Income	\$58,897	\$70,117	\$90,302
2025 Average Household Income	\$63,802	\$77,132	\$99,640
HOUSING VALUE			
2020 Average Value of Owner Occ. Housing Units	\$160,722	\$211,085	\$267,900



THE MARKET

ROSENBERG
FIESTA

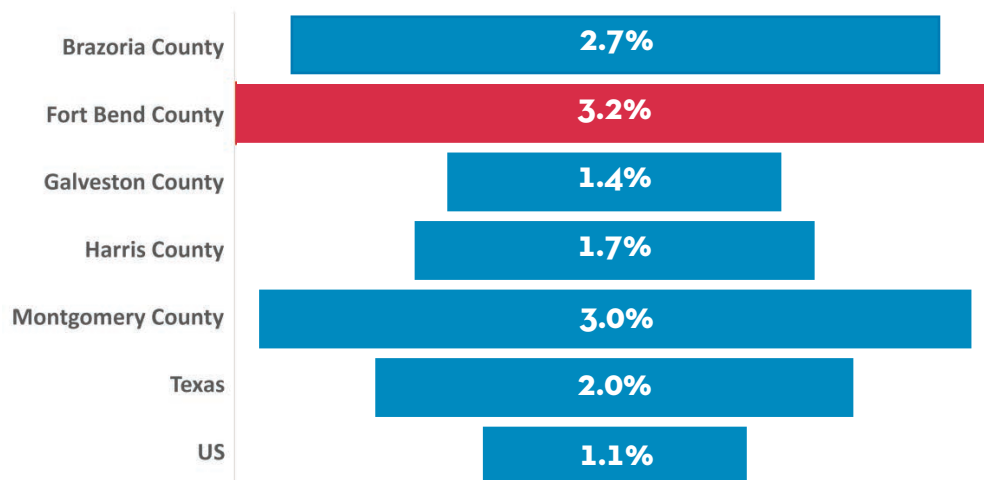
CBRE

FORT BEND COUNTY

One-third of Houston-area residents now live outside of Harris County, according to recent data from the Greater Houston Partnership.

Fort Bend County grew at a rate of 33.5 percent and added 197,598 residents from July 2010 to July 2019, per GHP's July 2019 Economy at a Glance report. Fort Bend County not only led the Houston area counties in population growth rate, it ranked as the 10th fastest-growing county in the United States from 2010 to 2018. Domestic migration figures, which include anyone who moved to Houston from other areas of the U.S., show that Fort Bend County added 108,430 net residents during the same timeframe, representing 42.5 percent of the Houston area's total gain of 254,904 net domestic residents.

EMPLOYMENT GROWTH | JUNE 2018 - JUNE 2019



Source: U.S. Bureau of Labor Statistics

INTERNATIONAL INVESTMENT

With its proximity to Houston, Fort Bend County is home to national and international companies such as SABIC Technology Center, Minute Maid, Texas Instruments, Fluor Corporation, and Schlumberger, as well as small to medium-sized companies focused on the manufacturing, distribution, and service arenas. The workforce, business climate, and quality of life make Fort Bend the perfect place for foreign investment.

“GREATER HOUSTON’S FINEST ADDRESS”

FORT BEND COUNTY FACTS & ACCOLADES

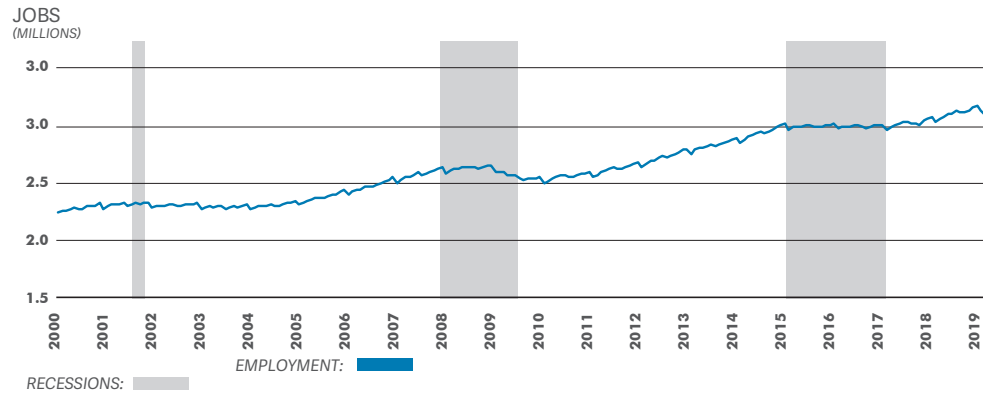
- Strongest Purchasing Power in Greater Houston, Fifth Strongest in the US
- 5.2% Average GDP Growth over the Past 10 Years
- \$26 Billion Total GDP in 2019
- Home to Three of the Nation's Top 35 Master Planned Communities
- 21st Among 3110 Counties on the Innovation Index of US Counties
- Highest Level of Educational Attainment in the Greater Houston Region
- 9th in the Nation in the Ratio of Job Growth to Population Growth
- 5th in Texas and 15th in the Nation for Incoming Investment

HOUSTON OVERVIEW

OVERALL EMPLOYMENT CONTINUES TO CLIMB

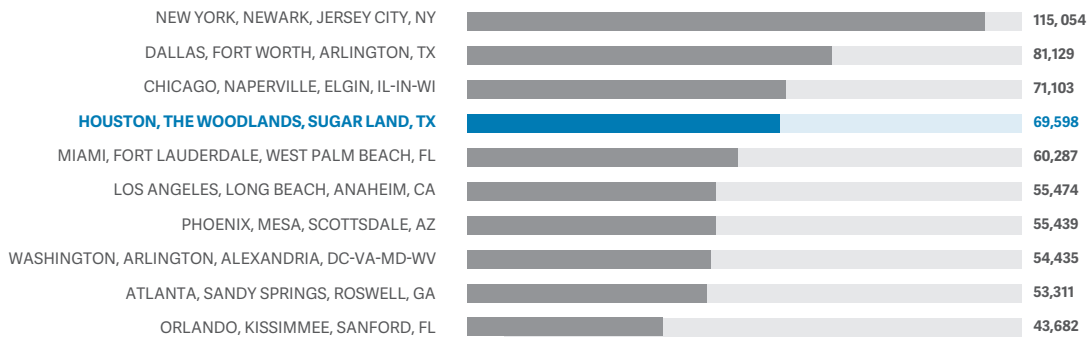
HEALTHY ECONOMIC INDICATORS SHOW CONTINUING GROWTH FOR HOUSTON

EMPLOYMENT GROWTH



79,800 JOBS ADDED MAY 2018 - MAY 2019

TOP 10 METROS WITH MOST PROJECTED NEW JOBS 2019

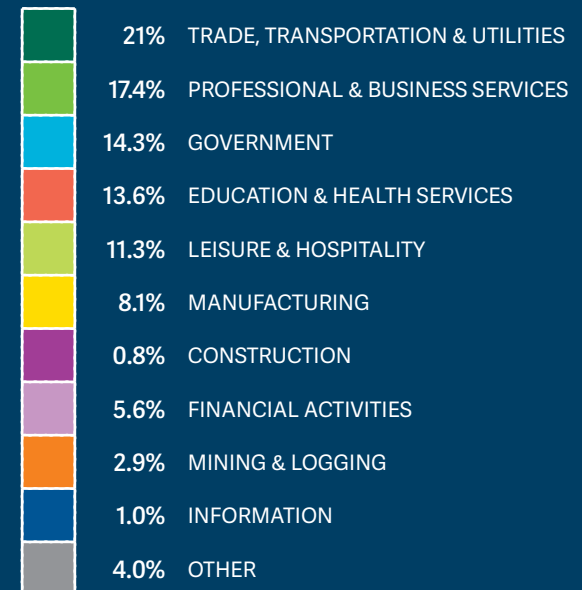
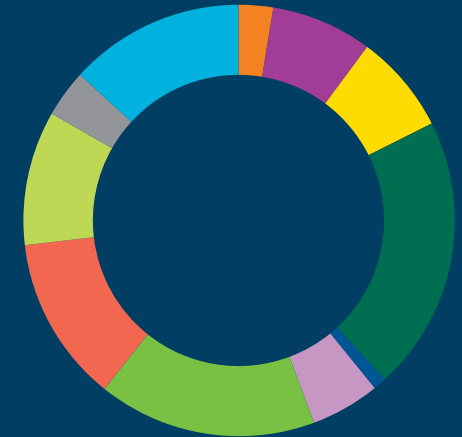


241,300 JOBS FORECASTED BY 2024

INCREASINGLY DIVERSIFIED

\$439B
CURRENT GMP

GMP EXPECTED
2X BY 2040



Source: Bureau of Labor Statistics



ENERGY SECTOR



\$3.7B IN RENEWABLE ENERGY INVESTMENT SINCE 2014

25% OF ALL OIL AND GAS EXTRACTION JOBS IN THE US ARE LOCATED IN HOUSTON

237K ENERGY RELATED EMPLOYMENT

4,600+ ENERGY RELATED ESTABLISHMENTS LOCATED WITHIN THE GREATER HOUSTON AREA

25% OF THE US REFINING CAPACITY IS ALONG THE TEXAS GULF COAST WITH A REFINING CAPACITY OF **4.8M BARRELS/DAY**

HOUSTON COMPANIES CONTROL OVER **103K OF US PIPELINE**

Source: Greater Houston Partnership, April 2019

TEXAS MEDICAL CENTER



THE LARGEST MEDICAL CENTER IN THE WORLD

106,000+ EMPLOYEES

10M PATIENT VISITS PER YEAR

8TH LARGEST BUSINESS DISTRICT IN THE US

\$3B IN CONSTRUCTION PROJECTS UNDERWAY

TMC'S CAMPUS ENCOMPASSES **50M** DEVELOPED SQ.FT

Source: The Texas Medical Center, October 2018

PORT OF HOUSTON



RANKED 1ST IN FOREIGN TONNAGE, IMPORTS, EXPORT TONNAGE, & BREAKBULK AMONG US PORTS

LARGEST TEXAS PORT

4 REGIONAL SEAPORTS
HOUSTON, TEXAS CITY, FREEPORT, GALVESTON

194.3M METRIC TONS IN TRADE PER ANNUM

LARGEST GULF COAST CONTAINER PORT HANDLING 68% OF US GULF COAST CONTAINER TRAFFIC & 96% OF TEXAS CONTAINER TRAFFIC

Source: Greater Houston Partnership, March 2019

HOUSTON AIRPORT SYSTEM



58.1M PASSENGERS IN THE 12 MONTHS ENDING IN NOVEMBER 2018, UP 7.5% YEAR-OVER-YEAR

182 NON-STOP DESTINATIONS TO 37 COUNTRIES

6 DOMESTIC & 20 INTERNATIONAL CARRIERS AT GEORGE BUSH INTERCONTINENTAL (IAH) AIRPORT

5 DOMESTIC & 1 INTERNATIONAL CARRIERS AT WILLIAM P. HOBBY AIRPORT

Sources: Greater Houston Partnership, HAS, January 2019

PETROCHEMICAL INDUSTRY



LARGEST PETROCHEMICAL IN THE U.S. **2ND LARGEST** IN THE WORLD

HOUSTON ALONE ACCOUNTS FOR OVER **42%** OF THE NATION'S BASE PETROCHEMICAL CAPACITY

CREATION OF APPROXIMATELY **1.175M JOBS** IN THE STATE OF TEXAS **2.7M** JOBS NATIONWIDE

APPROXIMATELY **\$265M** IN THE STATE OF TEXAS **\$617B** NATIONWIDE

Sources: Greater Houston Partnership, March 2019, Ocean Insight

AEROSPACE/AVIATION



\$4.5B TOTAL ECONOMIC IMPACT ANNUALLY

ONE OF THE NATION'S **LICENSED SPACEPORTS**

100+ MAJOR EMPLOYERS INCLUDES:
BOEING,
LOCKHEED MARTIN,
BROWN & ROOT,
AND
JOHNSON ENGINEERING

Source: Greater Houston Partnership, October 2017

DISCLOSURE AND AGREEMENT

AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described

in this Memorandum (the "Property"), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgement of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates' interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms' length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. **ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.**

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

NOTES

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