

El Pollo Regio

LONGVIEW, TX

OFFERING MEMORANDUM



Marcus & Millichap

El Pollo Regio

LONGVIEW, TX

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As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own 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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

El Pollo Regio

LONGVIEW, TX

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PRICING AND FINANCIAL ANALYSIS

El Pollo Regio

LONGVIEW, TX

TENANT OVERVIEW

Property Name	El Pollo Regio
Property Address	1905 West Loop 281 Longview, TX 75604
Property Type	Net Leased Restaurant Fast Food
Rentable Square Feet	2,266
Tenant Trade Name	El Pollo Regio
Ownership	Private
Tenant	Franchisee
Lease Guarantor	Franchisee Guarantee
Lease Commencement Date	8/1/2010
Rent Commencement Date	8/1/2010
Lease Expiration Date	10/31/2019
Term Remaining on Lease	5 Years
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
Lease Term	9 Years
Year 1 Net Operating Income	\$48,000
Increases	N/A
Options to Renew	N/A
Options to Terminate	N/A
Options to Purchase	N/A
First Right of Refusal	N/A
No. of Locations	Approximately 30
Headquartered	Dallas, Texas
Web Site	www.elpolloregio.net

ABOUT EL POLLO REGIO:

Pollo Regio was found by Juan Jorge Bazaldua on Riverside Drive in Austin, Texas., He set up a special trailer that was outfitted with a charcoal grill, over which he cooked his special-recipe marinated chicken. The demand for his chicken was so great that it was not unusual for him to have sold everything he brought with him by noon each day and have people placing orders for the next day.

It quickly became obvious that Mr. Bazaldua needed more space so he moved into a regular storefront, and soon after opened three more branches in Austin. His original trailer is still in use and now serves as the basis of a branch in Oklahoma City.

The largest expansion for Pollo Regio has definitely been in Dallas-Fort Worth. The area has multiple franchise's, including one who's built six branches in the past two and one-half years. Pollo Regio is currently operating in all of the major Dallas/Fort Worth markets and currently has expansion plans for Austin, Houston, Waco and beyond.

FINANCIAL OVERVIEW

Location

1905 West Loop 281
Longview, TX 75604

Price	\$525,000
Down Payment	100% / \$525,000
Rentable Square Feet	2,266
Price/SF	\$231.69
CAP Rate	9.14%
Year Built	1986
Lot Size	0.74 Acres
Type of Ownership	Fee Simple

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Current Lease Term	\$48,000.00	\$4,000.00
Base Rent (\$21.18/SF)		\$48,000
Net Operating Income		\$48,000

Tenant Summary

Tenant Trade Name	El Pollo Regio
Ownership	Private
Tenant	Franchisee
Lease Guarantor	Franchisee Guarantee
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
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Rent Commencement Date	8/1/2010
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Term Remaining on Lease	5 Years
Increases	N/A
Options	N/A

PROPERTY DESCRIPTION

El Pollo Regio
LONGVIEW, TX

INVESTMENT OVERVIEW

Investment Highlights

- 9 Percent Cap Rate on Current Income
- NNN Lease with Minimal Landlord Responsibility
- Replaceable Rental Rate
- Strong Traffic Corridor
- Good Visibility and Access



Marcus & Millichap is pleased to present a freestanding, 2,266-square foot, quick-service restaurant building leased to El Pollo Regio and situated on 0.76 acres in Longview, Texas. This asset features a drive-thru window, an outside patio, a concrete parking area and great visibility on Loop 281. The property, occupied by El Pollo Regio, is conveniently located on a major cross-town thoroughfare in the northeast submarket. Traffic counts exceed 22,000 vehicles per day and average household income is \$78,000 within a one-mile radius.

The tenant's enjoyed success at this location was recently proven by the extension of their lease for another five years. The submarket offers strong support for both regional and national retailers, restaurants and financial institutions, including Ross, Walgreen, Big Lots, Mercado Monterey, Aaron's, Dollar Tree, Chick-fil-A, McDonald's, Taco Bell and Chase Bank.

PROPERTY SUMMARY

The Offering

Property	El Pollo Regio
Property Address	1905 West Loop 281 Longview, TX 75604

Site Description

Year Built	1986
Rentable Square Feet	2,266
Lot Size	0.74 Acres
Type of Ownership	Fee Simple

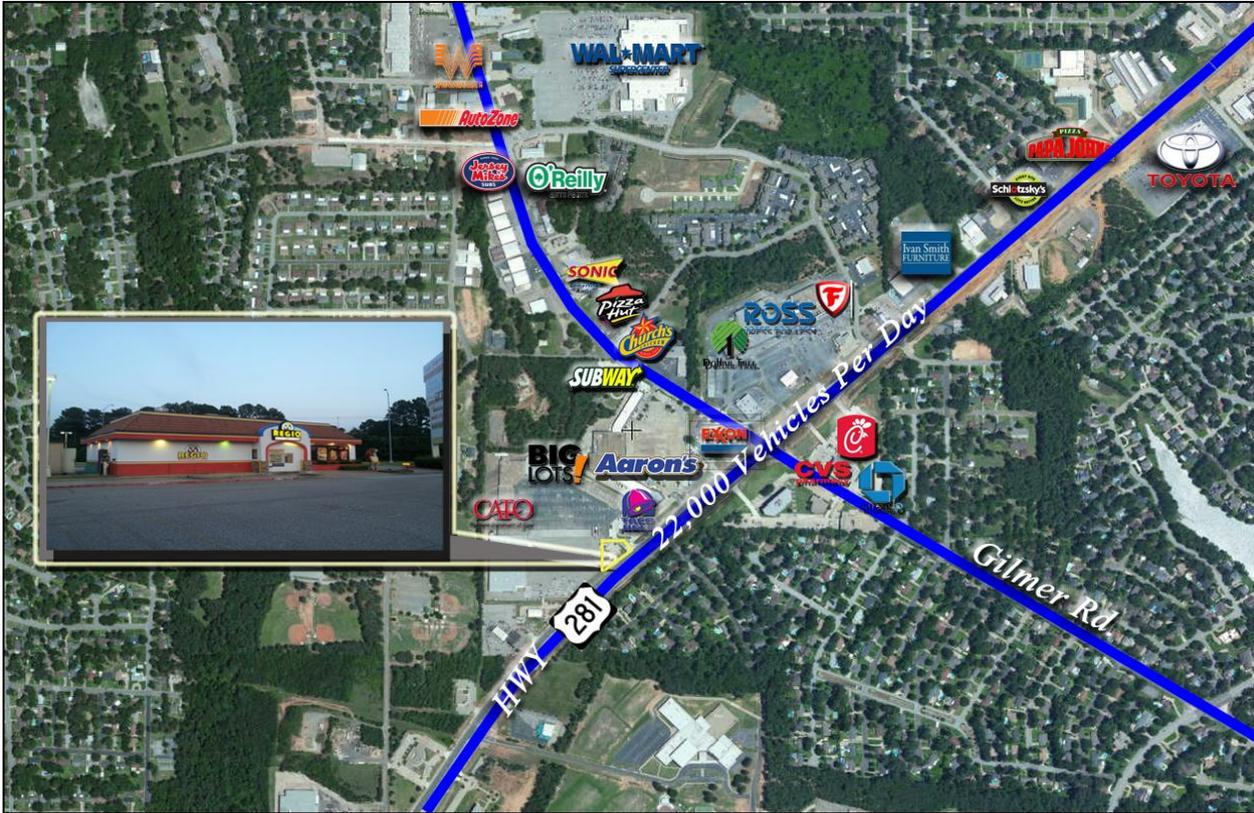


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PROPERTY PHOTOS



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Regional Map

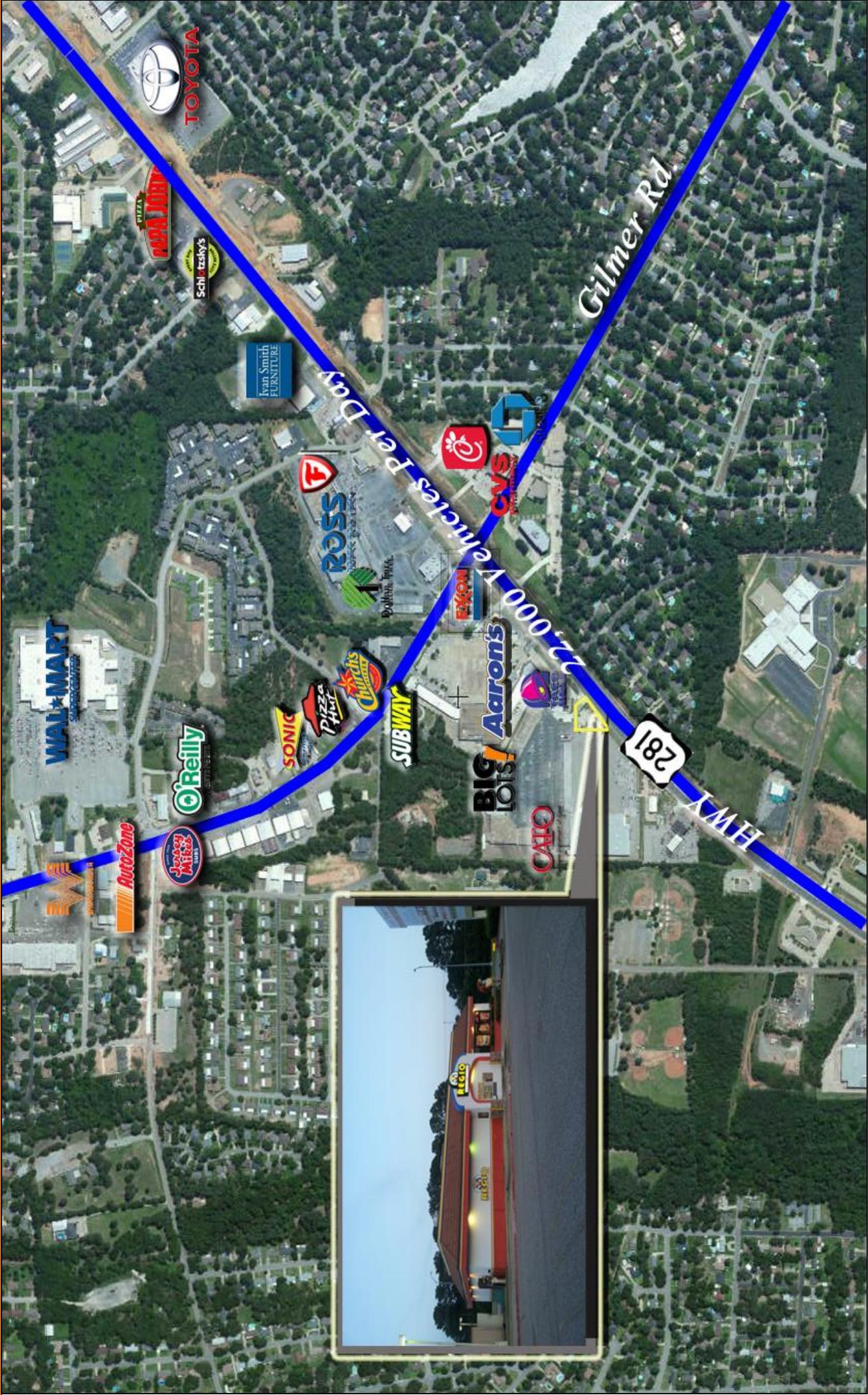
Local Map



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El Pollo Regio LONGVIEW, TX

PROPERTY DESCRIPTION



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El Pollo Regio

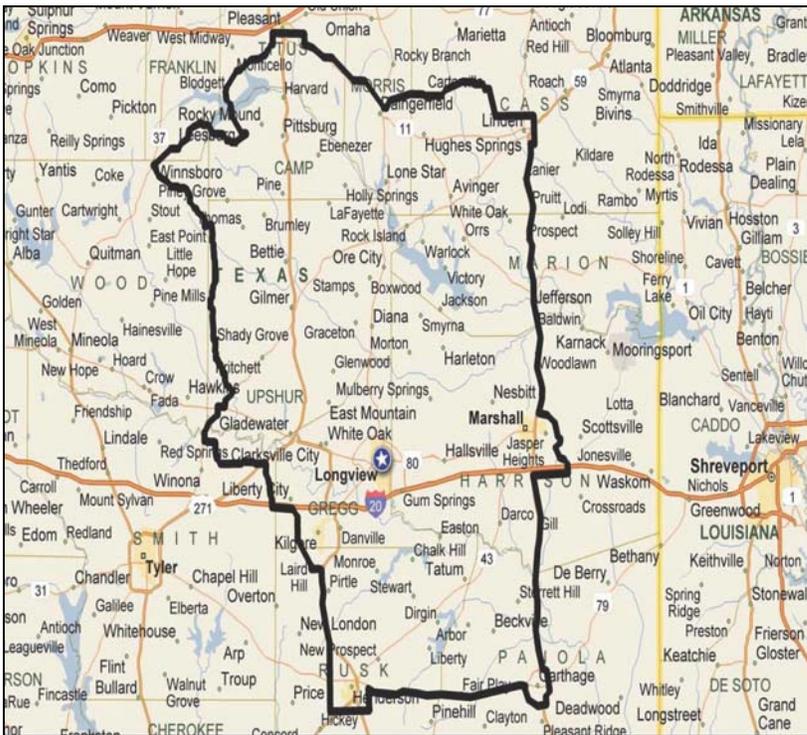
LONGVIEW, TX

LONGVIEW MSA



The Longview Metropolitan Statistical Area is a metropolitan area in northeast Texas that covers three counties - Gregg, Rusk and Upshur. It is also part of the larger Longview-Marshall Combined Statistical Area.

Longview, Texas sits in Greg County and the Longview Chamber of Commerce (LCC) is regarded as the leading business resource in the county. The LCC is one of the largest, most influential business organizations in east Texas. Longview is located on Interstate 20, two hours east of Dallas and one hour west of Shreveport, Louisiana. More than 44 million people live within one day's trucking distance of Longview. This central location in the southern United States means easy and equal access to both coasts, with weather being a virtual non-factor with regard to shipping.



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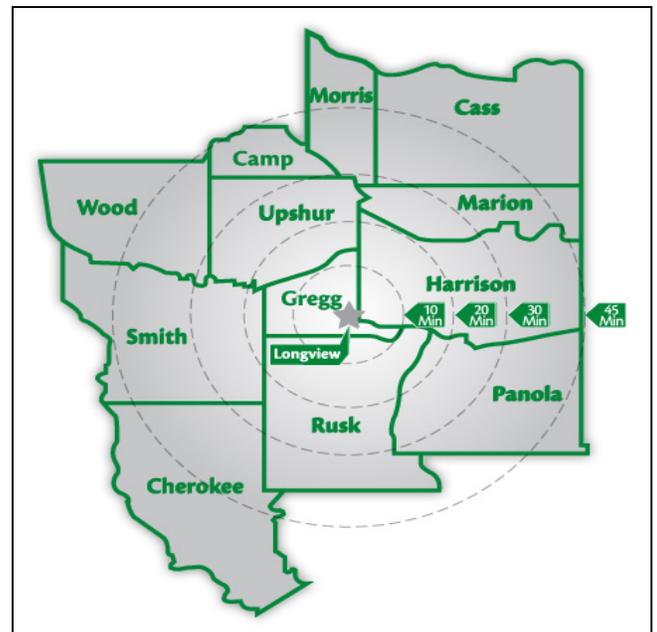
LONGVIEW ECONOMY



In recent years the city has emerged from one of East Texas's best-kept secrets. Longview received high ranks in the "100 Leading Locations for 2012: Which MSA's Rank Highest for Economic & Job Growth?" report by Area Development magazine. Out of the top 50 ranked cities overall, Longview is at No. 22. The three-county Longview metro area also added about 2,200 jobs from August 2011 to August 2012 - including 1,000 positions in the mining, logging and construction sector, which includes many energy industry jobs. Texas Workforce Commission said the leisure and hospitality industries added 300 jobs in 2011 in the Longview area, while the education and health sector and professional and the business services area each added 200 jobs in the past year.

Labor Force

Longview business and industry attracts employees from a 12-county region surrounding the city. With a population of 660,000, this region has an estimated 330,000 workers. A large manufacturing base in addition to local colleges, universities, and technical schools have contributed to an abundance of workers with a variety of skills for today's economy.

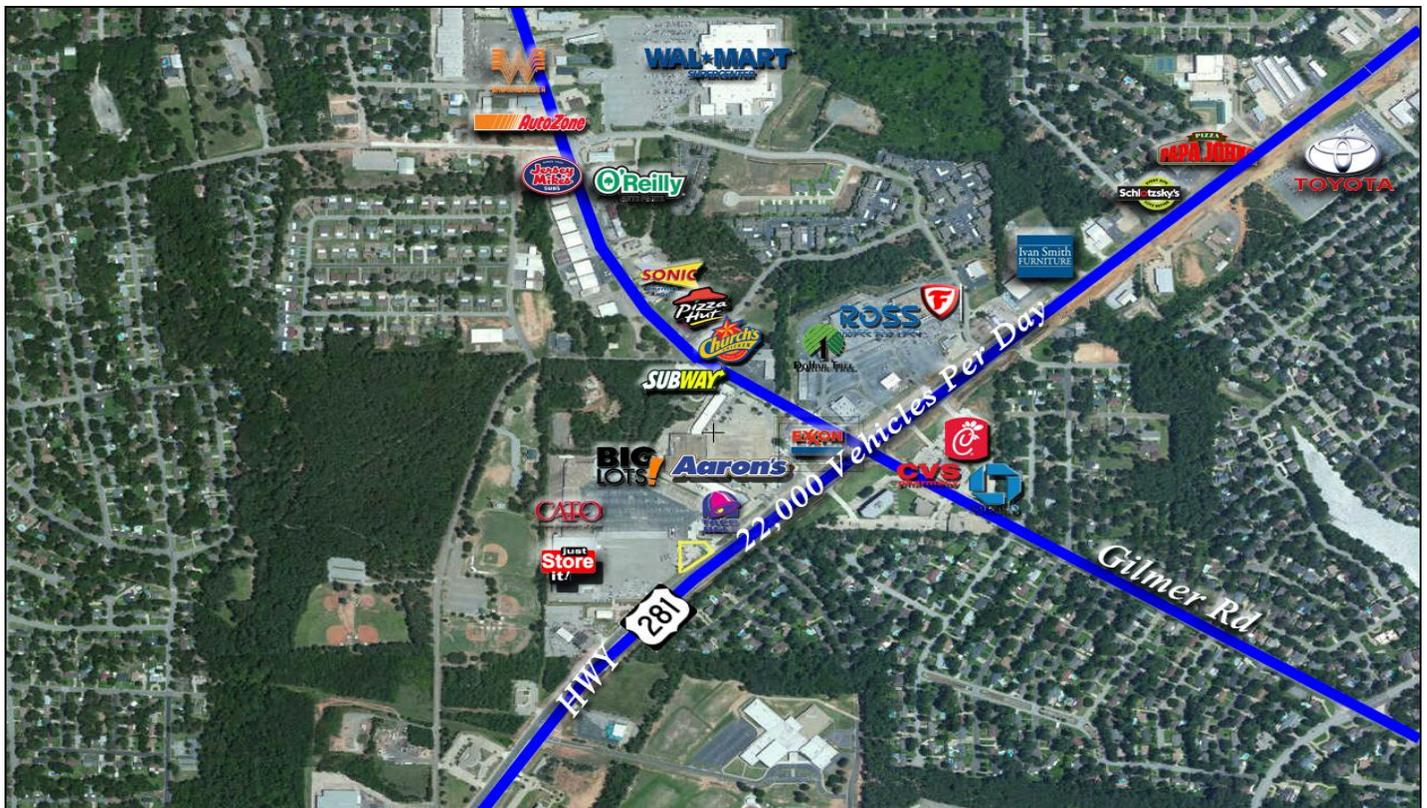


LONGVIEW



Why you should consider locating a restaurant or retail business here:

- New Walmart Super Center
- Two Recently-Completed Retail Shopping Centers
- New Full-Service Bank
- Full-Service Travel Center Now Open
- Well-Traveled Highways and Interstate, over 73,000 Vehicles per Day
- More Than 1,100 Hotel/Motel Rooms
- More Than 200 Hotel/Motel Employees
- Lear Park Sports Complex
- LeTourneau University with Approximately 3,900 Students
- Belcher Performing Arts Center with 2,000 Seats and Approximately 60 Events Each Year
- Less Than 10 Fast Food Restaurants in the Vicinity



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DEMOGRAPHIC ANALYSIS

El Pollo Regio

LONGVIEW, TX

DEMOGRAPHIC REPORT

	1 Mile	3 Miles	5 Miles
2000 Population	7,107	40,394	74,172
2010 Population	7,289	43,176	81,468
2013 Population	7,484	44,587	83,512
2018 Population	7,553	45,262	85,076
2000 Households	2,745	16,619	28,693
2010 Households	2,889	17,674	31,038
2013 Households	2,972	18,292	31,935
2018 Households	3,024	18,708	32,876
2013 Average Household Size	2.48	2.42	2.52
2013 Daytime Population	3,462	21,825	41,432
2000 Median Housing Value	\$0	\$75,664	\$78,654
2000 Owner Occupied Housing Units	67.71%	55.83%	55.77%
2000 Renter Occupied Housing Units	30.44%	36.87%	37.07%
2000 Vacant	5.60%	6.33%	7.32%
2013 Owner Occupied Housing Units	65.24%	56.24%	57.46%
2013 Renter Occupied Housing Units	34.76%	43.76%	42.54%
2013 Vacant	3.73%	5.20%	5.64%
2018 Owner Occupied Housing Units	65.19%	56.28%	57.38%
2018 Renter Occupied Housing Units	34.81%	43.72%	42.62%
2018 Vacant	3.63%	4.97%	5.34%
\$ 0 - \$14,999	9.0%	11.3%	14.5%
\$ 15,000 - \$24,999	7.6%	11.9%	12.7%
\$ 25,000 - \$34,999	9.9%	11.1%	11.0%
\$ 35,000 - \$49,999	16.8%	18.0%	17.0%
\$ 50,000 - \$74,999	21.2%	20.1%	18.8%
\$ 75,000 - \$99,999	15.2%	11.8%	10.9%
\$100,000 - \$124,999	7.9%	6.6%	6.5%
\$125,000 - \$149,999	4.9%	3.9%	3.4%
\$150,000 - \$199,999	3.4%	2.6%	2.5%
\$200,000 - \$249,999	1.7%	1.2%	1.1%
\$250,000 +	2.6%	1.6%	1.7%
2013 Median Household Income	\$57,582	\$47,791	\$44,981
2013 Per Capita Income	\$31,094	\$26,947	\$24,479
2013 Average Household Income	\$77,972	\$65,243	\$63,023

Demographic data © 2012 by Experian.

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SUMMARY REPORT

Geography: 5 miles

Population

In 2013, the population in your selected geography was 83,512. The population has changed by 12.59% since 2000. It is estimated that the population in your area will be 85,076 five years from now, which represents a change of 1.87% from the current year. The current population is 48.6% male and 51.3% female. The median age of the population in your area is 35.1, compare this to the U.S. average which is 37. The population density in your area is 949.97 people per square mile.

Households

There are currently 31,935 households in your selected geography. The number of households has changed by 11.29% since 2000. It is estimated that the number of households in your area will be 32,876 five years from now, which represents a change of 2.94% from the current year. The average household size in your area is 2.52 persons.

Income

In 2013, the median household income for your selected geography is \$44,981, compare this to the U.S. average which is currently \$53,535. The median household income for your area has changed by 29.00% since 2000. It is estimated that the median household income in your area will be \$49,460 five years from now, which represents a change of 9.95% from the current year.

The current year per capita income in your area is \$24,479, compare this to the U.S. average, which is \$28,888. The current year average household income in your area is \$63,023, compare this to the U.S. average which is \$75,373.

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 67.82% White, 18.53% African American, 0.59% Native American and 1.50% Asian/Pacific Islander. Compare these to U.S. averages which are: 72.20% White, 12.65% African American, 0.96% Native American and 5.01% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 18.82% of the current year population in your selected area. Compare this to the U.S. average of 16.55%.

Housing

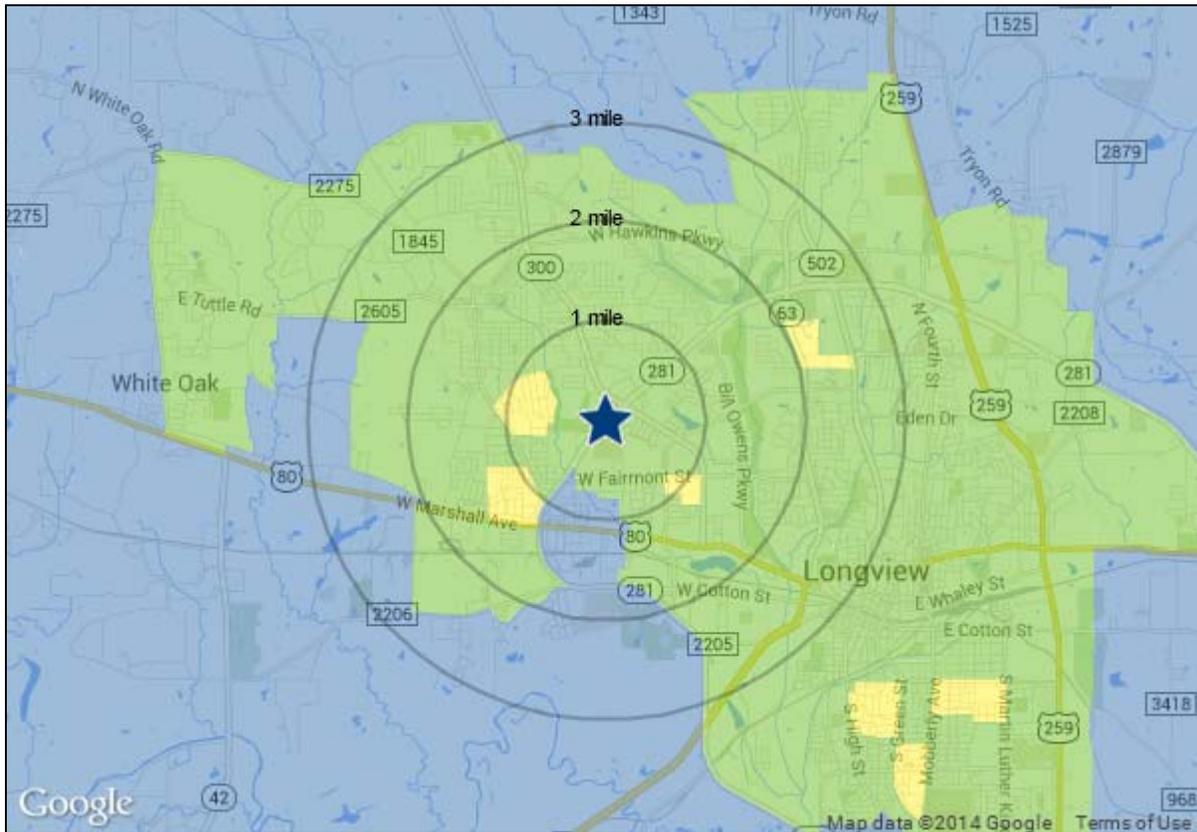
The median housing value in your area was \$78,654 in 2000, compare this to the U.S. average of \$110,781 for the same year. In 2000, there were 17,261 owner occupied housing units in your area and there were 11,473 renter occupied housing units in your area. The median rent at the time was \$404.

Employment

In 2013, there are 41,432 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 57.4% of employees are employed in white-collar occupations in this geography, and 42.5% are employed in blue-collar occupations. In 2013, unemployment in this area is 3.43%. In 2000, the median time traveled to work was 16.1 minutes.

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POPULATION DENSITY



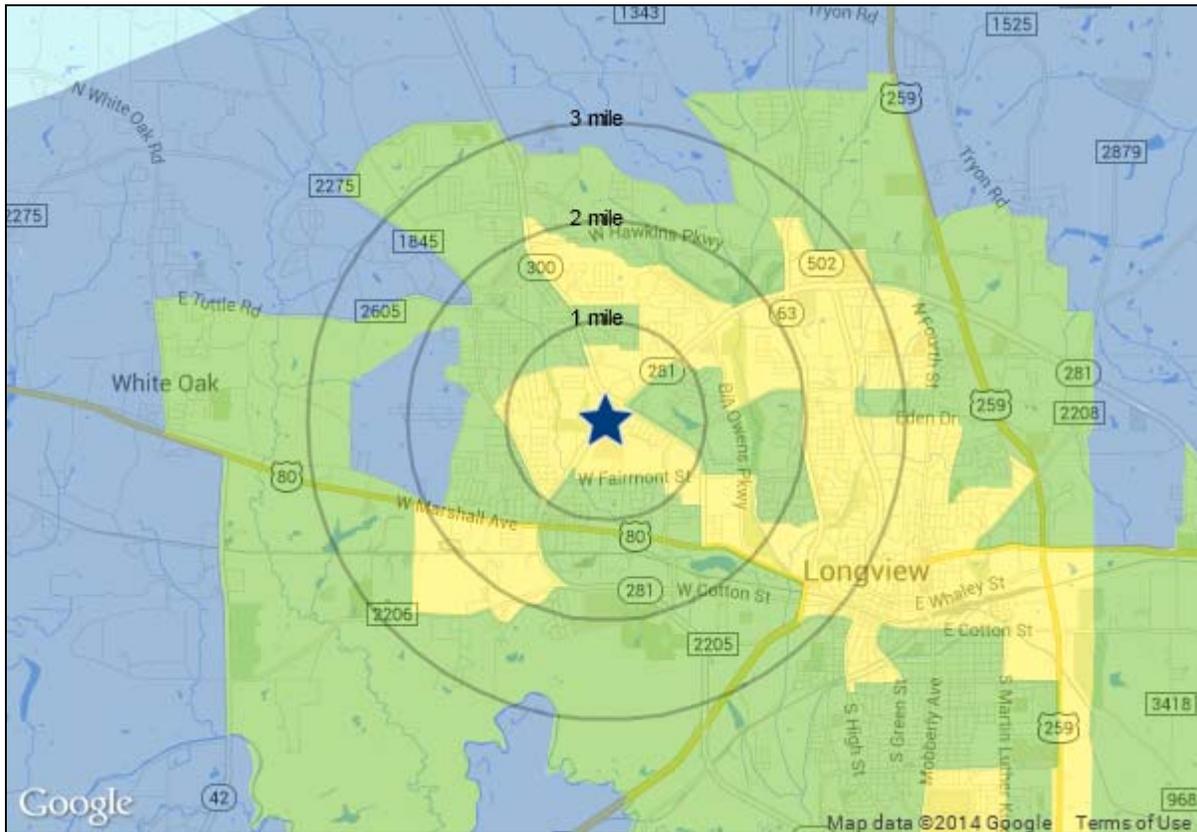
Demographic data © 2012 by Experian.

Population Density

Theme	Low	High
Low	less than 55	55
Below Average	55	475
Average	475	4100
Above Average	4100	35000
High	35000	or more

Number of people living in a given area per square mile.

EMPLOYMENT DENSITY



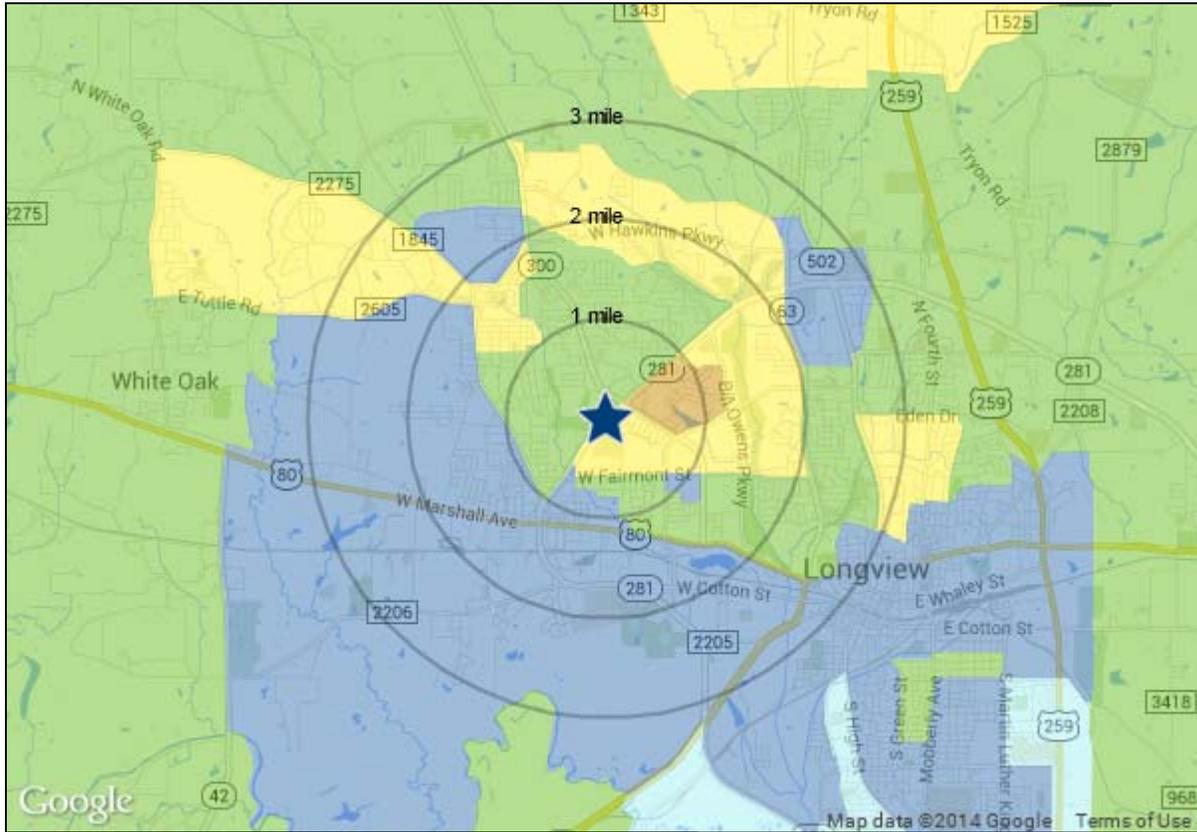
Demographic data © 2012 by Experian.

Employment Density

Theme	Low	High
Low	less than 9	9
Below Average	9	96
Average	96	1025
Above Average	1025	10875
High	10875	or more

The number of people employed in a given area per square mile.

AVERAGE HOUSEHOLD INCOME



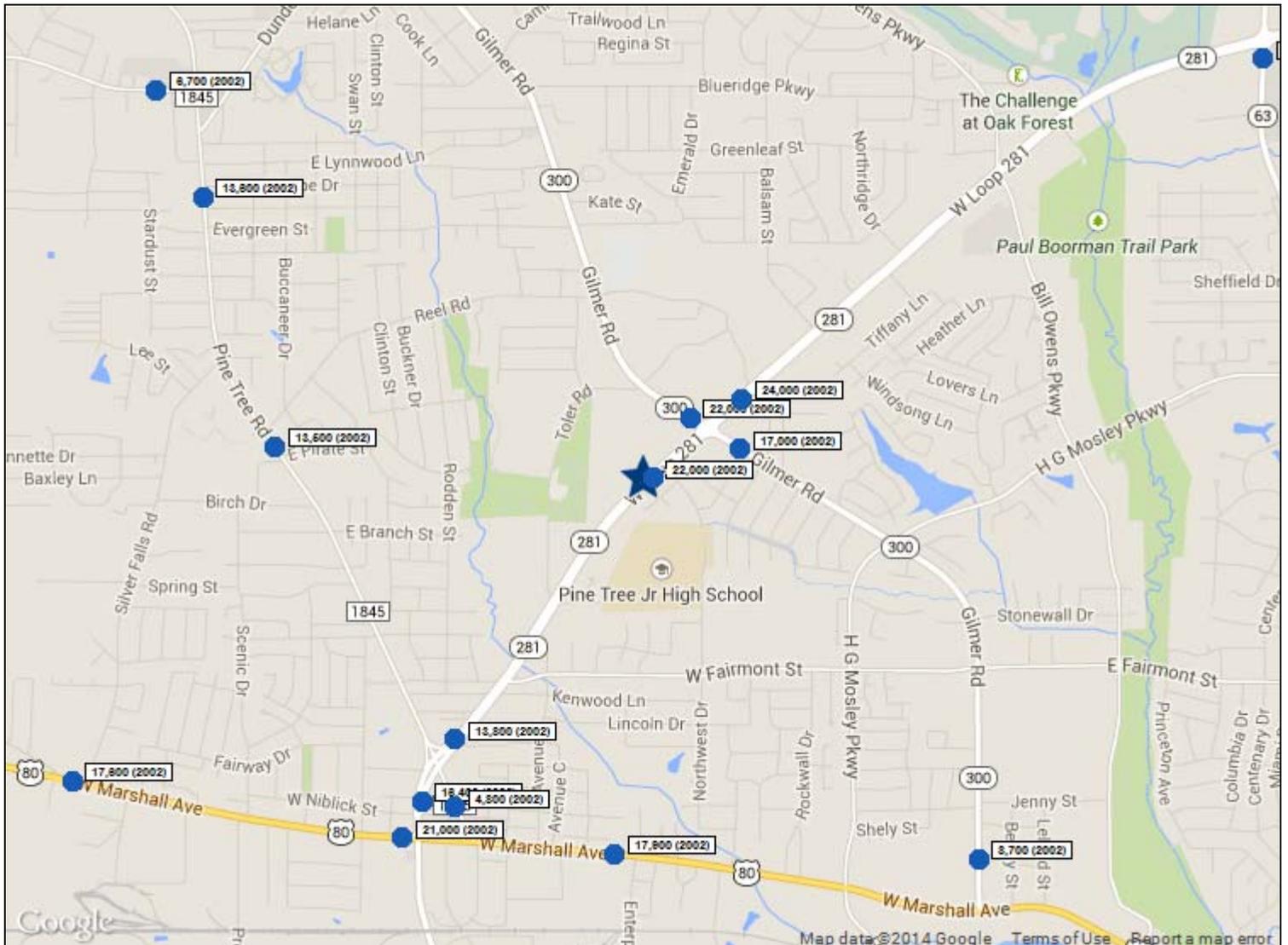
Demographic data © 2012 by Experian.

Average Household Income

Theme	Low	High
Low	less than	\$29,500
Below Average	\$29,500	\$48,500
Average	\$48,500	\$80,000
Above Average	\$80,000	\$132,500
High	\$132,500	or more

Average income of all the people 15 years and older occupying a single housing unit.

TRAFFIC COUNTS



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Two-way, average daily traffic volumes.

* Traffic Count Estimate

BROKERAGE SERVICES

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 known to the
agent.

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:

- (1) shall treat all parties honestly;
(2) may not disclose that the owner will accept a price less than
the asking price unless authorized in writing to do so by the
owner;
(3) 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
(4) may not disclose any confidential information or any
information that a party 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
of the other party.

If you choose to have a broker represent you, you should enter
into a written agreement with the broker that clearly establishes
the broker's obligations and your obligations. The agreement
should state how and by whom the broker will be paid. You
have the right to choose the type of representation, if any, you
wish to receive. Your payment of a fee to a broker does not
necessarily establish that the broker represents you. If you
have any questions regarding the duties and responsibilities of
the broker, you should resolve those questions before
proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant Date

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complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.



El Pollo Regio

LONGVIEW, TX

OFFERING MEMORANDUM

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