

CENTURY PARTNERS

In Association with Scott Reid & ParaSell, Inc.
A Licensed Texas Broker #9009637

Freddy's FROZEN CUSTARD & STEAKBURGERS®

Freddy's 20 Year Absolute NNN Sale-Leaseback

Conroe, Texas

- 20-Year Absolute NNN Sale-Leaseback
- Prime I-45 / Loop 336 Retail Corridor
- 2024 Construction Next to Walmart & Sam's Club
- Second-Largest Freddy's Franchisee

Offering Memorandum

1415 N Loop 336 W, Conroe, TX 77304

View Map

Advisory Team

Matt Kramer

Managing Partner
MKramer@centurypartnersre.com
(818) 601-4595 | CA DRE LIC #01995909

Scott Reid

ParaSell, Inc. - Broker of Record
Scott@parasellinc.com
(949) 942-6578 | TX License #739436

Contact Team

CENTURY PARTNERS

Century Partners Real Estate, Inc.
Los Angeles, California
(310) 362-4303 | CA DRE LIC #02235147

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47-Unit Freddy's Operator

Investment Summary



Price	Cap Rate	NOI
$2,636,364	5.50%	$145,000

Investment Highlights

- New 20-Year Absolute NNN Lease
- Frontage on N Loop 336 W a quarter mile west of I-45, in the Walmart / Sam's Club / Lowe's retail node
- Company guaranty from Lone Star Custard Holdings, LLC, the second-largest operator in the Freddy's system (47 units)

Location Highlights

- The property benefits from traffic volumes on N Loop 336 W (20,600 VPD at the site) and I-45 (141,600 VPD south of the Loop 336 interchange)
- Adjacent to a Walmart Supercenter, with Sam's Club, Lowe's, Kroger, Academy Sports, Hobby Lobby, Kohl's, and H-E-B within about a mile
- Montgomery County added about 160,000 residents from 2020 to 2025 (+25.9%) to reach 781,194
- Fast-growing trade area: +17.5% projected 1-mile population growth (2025-2030) and 102,964 residents within 5 miles

Tenant Highlights

- Lone Star Custard: the second-largest operator in the Freddy's system, with 47 restaurants across six Texas markets, including Houston
- Brand-new 20-year absolute NNN sale-leaseback with 10% increases every 5 years and (4) 5-year options
- Established brand: Freddy's boasts 580+ locations across 37 states

Shadow anchored by both Walmart Supercenter, Sam's Club, among others



Aerial

Surrounded by national retailers with direct frontage to ~22,000 VPD



Investment Summary

Lease Summary

Tenant	Lone Star Custard 44, LLC
Guaranty	Lone Star Custard Holdings, LLC (47-Unit Freddy's Operator)
Increases	10% every 5 years
Options	(4), 5-year
Lease Type	Absolute NNN (Sale-Leaseback)
Landlord Responsibilities	None
Lease Start	at Close of Escrow
Lease End	20 Years After COE

Physical Description

Address	1415 N Loop 336 W, Conroe, TX 77304
Building Size	4,000
Land Size	0.87 AC (37,897 SF)
Year Built / Renovated:	2024

Price	Cap Rate	NOI
$2,636,364	5.50%	$145,000

Period	Rent/Year	Rent/Month	Rent/SF	Cap Rate
Years 1 - 5	$145,000	$12,083	$3.02	5.50%
Years 6 - 10	$159,500	$13,292	$3.32	6.05%
Years 11 - 15	$175,450	$14,621	$3.66	6.65%
Years 16 - 20	$192,995	$16,083	$4.02	7.32%
Option 1	$212,295	$17,691	$4.42	8.05%
Option 2	$233,524	$19,460	$4.87	8.86%
Option 3	$256,876	$21,406	$5.35	9.74%
Option 4	$282,564	$23,547	$5.89	10.72%

Tenant Summary





About The Operator

The lease is guaranteed by Lone Star Custard Holdings, LLC, the second-largest operator in the Freddy's Frozen Custard & Steakburgers system. Built by Dallas-raised brothers John, Nick, and Joe DePinto, Lone Star Custard entered the Freddy's system in 2022 and has scaled to 47 restaurants across Texas, spanning the Dallas-Fort Worth, San Antonio, Austin, Houston, Rio Grande Valley, and Corpus Christi markets. With a corporate guaranty from the parent company standing behind the lease, the tenant offers credit depth backed by one of the largest and most established operating bases in the brand.

About Freddy’s Frozen Custard & Steakburgers

Co-founded in 2002 by brothers Bill and Randy Simon, along with their friend and business partner, Scott Redler, the three men named the restaurant after Bill and Randy’s father, Freddy Simon, a World War II veteran.

Today, Freddy’s restaurants from coast-to-coast serve a menu reminiscent of the all-American meals Freddy prepared for his family. Freddy’s offers a full menu of longtime favorites from steakburgers to sundaes, as well as hot dogs and chicken. Their kitchens prepare all food only after it is ordered to ensure high quality and freshness. Freddy’s locations pride themselves on being bright, clean, and efficient, with quick service and ample room for families to gather and enjoy their time together.

The Freddy’s concept is rapidly expanding, with the brand now having a presence of over 580 locations across 37 states, and it is slated to continue expanding its footprint with a strong pipeline fueled by continued franchise development success.

Market Overview

About Conroe, Texas

Conroe is the seat of Montgomery County and the northern anchor of the Houston metro on I-45, about 40 miles north of downtown Houston. The city has more than doubled since 2010, from 56,207 residents to about 115,000 in 2024, and Montgomery County grew 25.9% from 2020 to 2025 to reach 781,194 residents.

The I-45 / Loop 336 interchange is Conroe's main retail node: Walmart Supercenter, Sam's Club, Lowe's, Kroger, Academy Sports, Kohl's and H-E-B all sit within about a mile of the site. The 5-mile trade area holds 102,964 residents, projected to grow more than 17% by 2030, and Conroe ISD, which employs more than 10,000 people, anchors a stable local workforce.



Demographic Highlights

102,964
5-Mile Population

$95,242
5-Mile Average Income

Radius	1-Mile	3-Mile	5-Mile
Population (2025)	11,817	57,312	102,964
Average Income	74,337	83,811	95,242
Households	5,312	20,990	37,298

Major Employers in Conroe

CONROE INDEPENDENT SCHOOL DISTRICT

HCA Healthcare

STERIS

Montgomery County, Texas

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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.

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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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.

ParaSell, Inc.	9009637	broker@parasellinc.com	949.942.6585
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Scott Reid	739436	broker@parasellinc.com	949.942.6585
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 _____