



Black Bear Diner

BROWNSVILLE, TX



STRIVE

Black Bear Diner

3867 N Expy
Brownsville, TX 78520

OFFERING SUMMARY

| | |
|----------------------|-------------|
| Price | \$3,820,000 |
| Cap Rate | 5.35% |
| Net Operating Income | \$204,500 |
| Year Built | 2020 |
| Gross Leasable Area | 5,500 SF |
| Lot Size | 1.84 Acres |

LEASE SUMMARY

| | |
|--------------------|-------------|
| Lease Term | 10 Years |
| Lease Commencement | 06/01/2021 |
| Lease Expiration | 05/31/2031 |
| Remaining Term | 9.5 Years |
| Lease Type | NN |
| Roof & Structure | Landlord |
| Options | 4 x 5 Years |

ANNUALIZED OPERATING DATA

| Year(s) | Commencement | Annual | Increase |
|----------------------|--------------|-----------|----------|
| 1-5 | 6/1/2021 | \$204,500 | - |
| 6-10 | 6/1/2026 | \$224,949 | 10.00% |
| 11-15 | 6/1/2031 | \$247,444 | 10.00% |
| 16-20 | 6/1/2036 | \$272,189 | 10.00% |
| 21-25 | 6/1/2041 | \$299,408 | 10.00% |
| 26-30 | 6/1/2046 | \$329,349 | 10.00% |
| NET OPERATING INCOME | | \$204,500 | |



For Financing Options, Please Contact:



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High St Capital
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A full-service family restaurant chain, Black Bear Diner was founded in 1995 by Bruce Dean and Bob Manley. They opened the first diner in California and began franchising the brand in 2002. Today the company is based out of Redding, California. Black Bear Diners specialize in American fare, serving food for breakfast, lunch and dinner. True to its name, each restaurant is decorated with bear-themed statues and murals on the walls.

COMPANY SUMMARY

| | |
|---------------------|--|
| Company | Black Bear Diner |
| Ownership | Private |
| Number of Locations | 140+ Worldwide |
| Years in Business | 26 Years |
| Headquarters | Redding, CA |
| Website | www.blackbeardiner.com |



- Long-Term Lease - Strong Real Estate Fundamentals
- Located on Expressway 83 the "Retail Row" of Brownsville
- Brownsville is Home to SpaceX and newly developed Tesla Dealership. **Click Here** for more information on SpaceX in Brownsville
- Strong Corporate Guarantee with 100+ Locations
- 10 Year Initial Term with 10% Increases Every Five Years & 3 x 5 Year Options
- Beautiful New Construction - Built in 2021 with Market Rents
- High Visibility on Expressway 83 on a Major Thoroughfare In The Rio Grande Valley - Traffic Counts Exceed 114,030 Vehicles Per Day
- Surrounding National Retailers Include Walmart, Verizon, Best Buy, Olive Garden, Taco Bell, Starbucks, Pizza Hut, AT&T, Ross, Marshalls, IHOP, and Many More
- Strong Demographics - Population in a Five Mile Radius Exceeds 154,726. Growth in a One Mile Radius Exceeded 7.00% from 2010 to 2021. **Click Here** for more information on growth in Brownsville
- Annual Household Income in a 1-Mile Radius is \$71,313 - Higher Than the National Average

SNAPSHOT



115,030

Estimated Vehicle
Per Day

\$71,313

Average Household
Income

7.00%

Population Growth
2010-2020

154,726

Population:
5 Mile Radius

Brownsville sees impact throughout the years thanks to SpaceX



BOCA CHICA BEACH, Texas (KVEO)- Without a doubt, SpaceX has brought a lot to South Texas, specifically to Boca Chica. But it has also had a major impact on the city of Brownsville.

Brownsville Mayor, Trey Mendez, visited memory lane when SpaceX was first starting out in Cameron County.

McAllen astronaut reflects on time spent in space and SpaceX
 “I remember in September of 2019, I was at the SpaceX facility for an event where Elon Musk spoke and really started to talk about starship and the plans for a starship and everything they were going to be doing,” said Mendez.

Slowly but surely, everything SpaceX set out to do is slowly happening. Mayor Mendez said the city of Brownsville continues to grow and SpaceX has had a big part in that.

“We’ve seen a pretty big surge over the last couple years specifically over the last 6 months some of that has coincided with SpaceX growth they’ve really ramped up operations they’ve got about 1,400 employees right now and they’re looking for more,” he said.

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With SpaceX outside city limits, Mendez said Brownsville does not profit from tax revenues or property taxes. While that would also be a benefit for the city, Mendez adds they do see indirect benefits from their operations.

Hope is on the horizon for downtown Brownsville

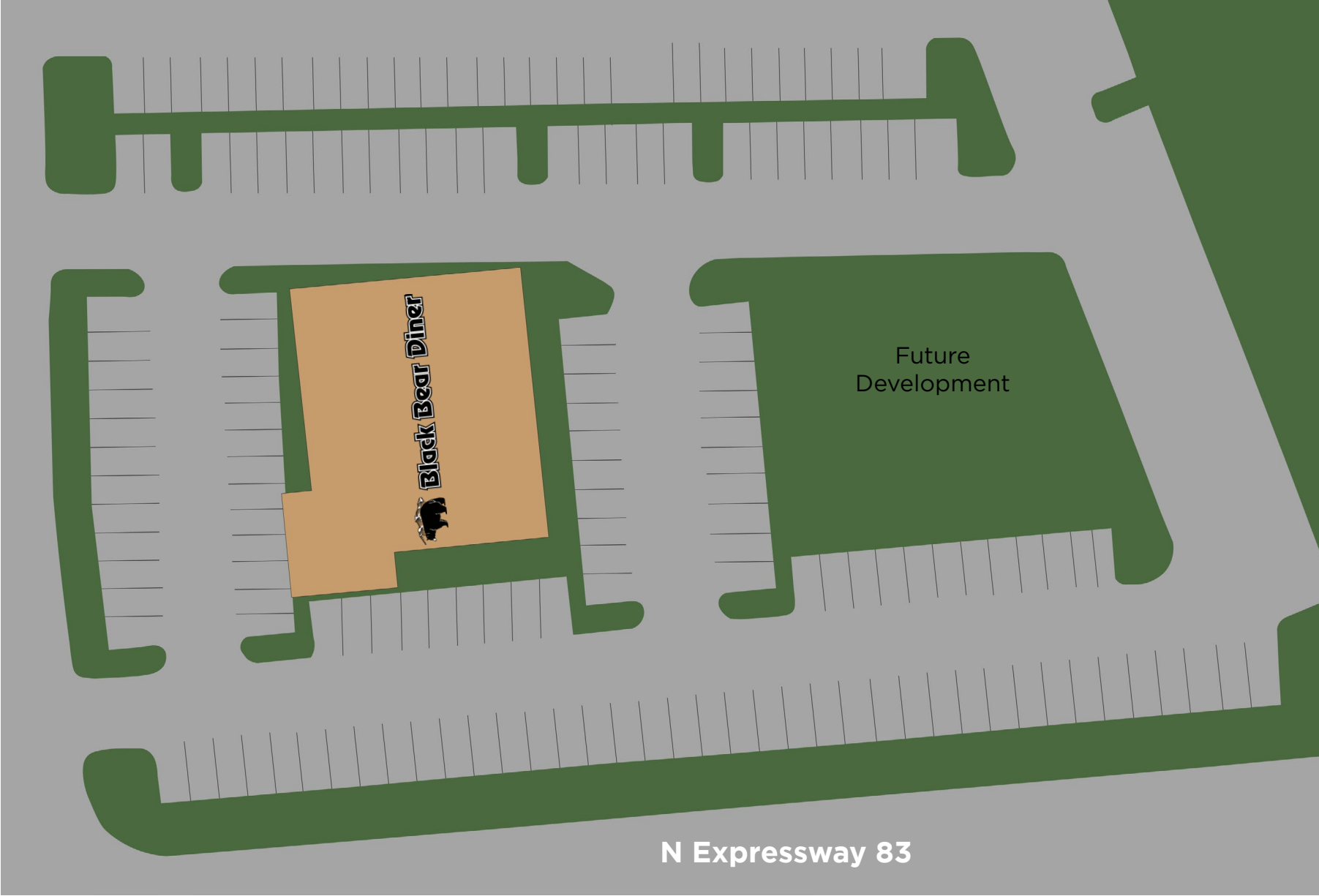
“People that have moved here people that are purchasing houses people that eating locally or staying at hotels things like that so we do see an indirect impact and it’s a pretty big indirect impact,” he said.

According to Mendez, now that SpaceX could have a contract with NASA in the near future, the possibilities could be endless and bigger than they anticipated.

“Other space-related companies that are interested in coming to Brownsville as a result of what’s happening out there that doesn’t necessarily launch companies but that are involved in other facets of space or the space industry,” said Mendez.

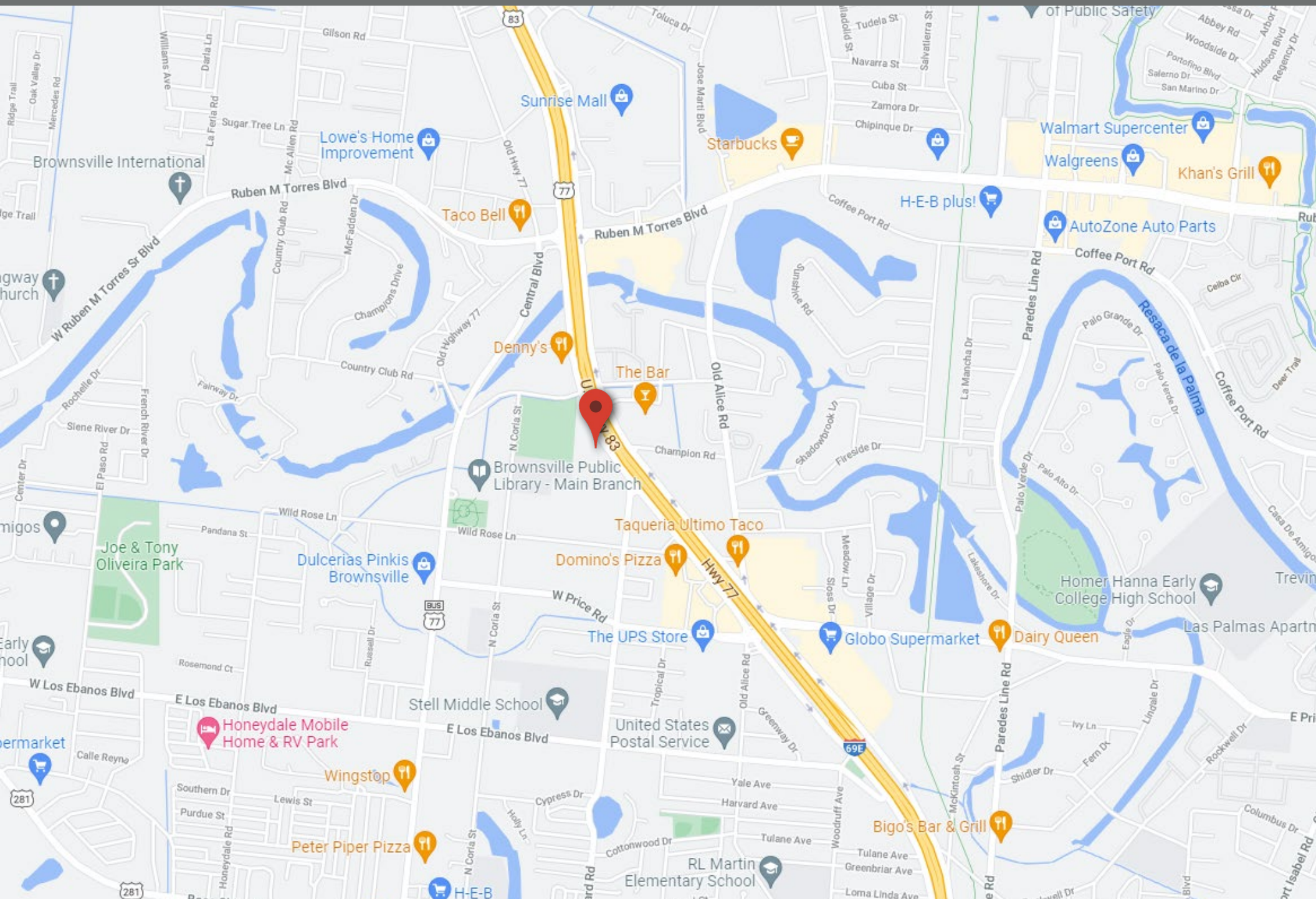
“The last time they launched last week I saw probably a couple of hundred people on the side of the road between here and Port Isabel which I wasn’t expecting so that was interesting to see families, real people of all ages with their eyes on the sky looking at what was happening,” said Mendez.

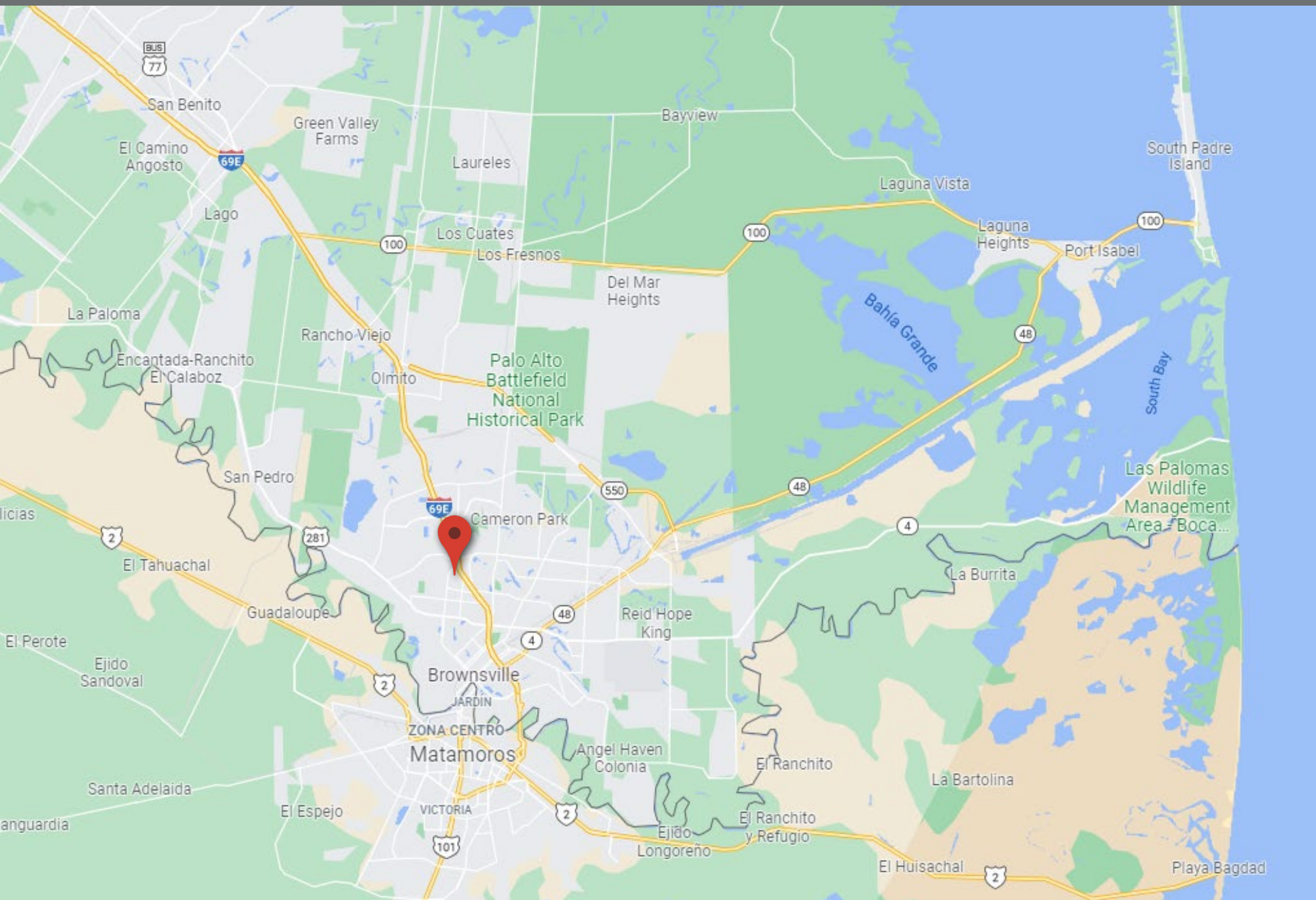
As for the future of Brownsville, Mendez is excited for what the space industry will bring.













OVERVIEW

Brownsville, Texas, is a city in Cameron County in the U.S. state of Texas. It is the sixteenth-most populous city in Texas with an estimated population of 182,781 as of 2019. The 2018 U.S. Census Bureau estimate placed the Brownsville-Harlingen metropolitan area population at 423,163, making it the eighth most populous metropolitan area in the state of Texas. In addition, the international Brownsville-Matamoros, Mexico, Metropolitan Area was estimated to have a population of 1,136,995.

The city is located at the southernmost tip of Texas in the United States. It is on the northern bank of the Rio Grande river and directly north and across the border from Matamoros. Brownsville was founded in 1848 by American entrepreneur Charles Stillman after he developed a successful river boat company nearby. It was named after Major Jacob Brown, who fought and died while serving as a U.S. Army soldier during the Mexican-American War.

Brownsville's economy is based mainly on its international trade with Mexico under the North American Free Trade Agreement (NAFTA). Due

to Matamoros' *maquiladora* (or textile factory) boom, Brownsville experienced growth in industry during the late 1980s. The city is home to one of the fastest growing manufacturing sectors in the United States and has been recognized as having one of the best pro-business climates in the United States.

Additional economic activity is derived from the service and manufacturing industries. Government and the University of Texas Rio Grande Valley, which was founded in 2014 after the merger of the University of Texas at Brownsville and University of Texas-Pan American, are both large contributors to the local economy.

Brownsville holds a strong Mexican culture. Charro Days, a two-nation fiesta holiday celebrating the friendship between the cities Brownsville and Matamoros takes place during February. Brownsville's idiosyncratic geographic location has also made it a wildlife refuge center. Several state parks and historical sites are protected by the Texas Parks and Wildlife Department.



| | 1 Mile | 3 Mile | 5 Mile |
|--------------------------------|-----------|-----------|----------|
| Population | | | |
| 2010 Population | 10,019 | 87,431 | 147,170 |
| 2020 Population | 10,175 | 93,881 | 154,726 |
| 2025 Population Projection | 10,185 | 94,896 | 155,830 |
| Annual Growth 2010-2020 | 0.10% | 0.70% | 0.50% |
| Annual Growth 2020-2025 | 0.00% | 0.20% | 0.10% |
| Median Age | 35 | 31.5 | 31.6 |
| Bachelor's Degree or Higher | 28% | 22% | 19% |
| U.S. Armed Forces | 1 | 49 | 88 |
| Population by Race | | | |
| White | 9,773 | 91,110 | 150,601 |
| Black | 65 | 609 | 1,011 |
| American Indian/Alaskan Native | 70 | 508 | 867 |
| Asian | 208 | 1,112 | 1,368 |
| Hawaiian & Pacific Islander | 13 | 62 | 101 |
| Two or More Races | 46 | 480 | 778 |
| Hispanic Origin | 9,257 | 87,343 | 145,062 |
| Housing | | | |
| Median Home Value | \$113,082 | \$116,213 | \$99,015 |
| Median Year Built | 1989 | 1993 | 1988 |

Demographic data © CoStar 2021

| | 1 Mile | 3 Mile | 5 Mile |
|---------------------------|----------|----------|----------|
| Households: | | | |
| 2010 Households | 3,131 | 25,677 | 42,942 |
| 2020 Households | 3,214 | 27,588 | 45,225 |
| 2025 Household Projection | 3,222 | 27,882 | 45,553 |
| Annual Growth 2010-2020 | 0.40% | 1.00% | 1.00% |
| Annual Growth 2020-2025 | 0.10% | 0.20% | 0.10% |
| Owner Occupied | 1,976 | 18,517 | 29,301 |
| Renter Occupied | 1,247 | 9,365 | 16,252 |
| Avg Household Size | 3.1 | 3.4 | 3.4 |
| Avg Household Vehicles | 2 | 2 | 2 |
| Total Consumer Spending | \$91.6M | \$798M | 1.3 |
| Income | | | |
| Avg Household Income | \$72,313 | \$66,552 | \$61,135 |
| Median Household Income | \$52,784 | \$49,698 | \$43,520 |
| < \$25,000 | 987 | 7,642 | 13,988 |
| \$25,000 - 50,000 | 549 | 6,222 | 11,005 |
| \$50,000 - 75,000 | 578 | 4,768 | 7,204 |
| \$75,000 - 100,000 | 348 | 3,360 | 4,974 |
| \$100,000 - 125,000 | 257 | 2,325 | 3,449 |
| \$125,000 - 150,000 | 235 | 1,585 | 2,245 |
| \$150,000 - 200,000 | 65 | 662 | 1,004 |
| \$200,000+ | 195 | 1,024 | 1,356 |

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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 STRIVE 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.



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:
 - 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.

exclusively listed

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