



SANDS INVESTMENT GROUP



Sonic

707 North Highway 36
Brazoria, TX 77422

EXCLUSIVELY MARKETED BY:



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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the 1,522 SF Sonic Located at 707 North Highway 36 in Brazoria, TX. This Deal Includes Approximately 15 Years Remaining on an Absolute Triple Net (NNN) Lease With 10% Rent Increases Every 5 Years With Additional Bonus Rent (7% of Gross Sales Over Base Rent), Providing For a Secured Investment.

OFFERING SUMMARY

PRICE	\$2,353,600
CAP	5.00%
NOI	\$117,680
PRICE PER SF	1,546.39
GUARANTOR	Franchisee

PROPERTY SUMMARY

ADDRESS	707 North Highway 36 Brazoria, TX 77422
COUNTY	Brazoria
BUILDING AREA	1,522 SF
LAND AREA	0.56 AC
BUILT	2006

ACTUAL PROPERTY IMAGE



HIGHLIGHTS

- Approximately 15 Years Remaining on an Absolute Triple Net (NNN) Lease
- 10% Rent Increases Every 5 Years With Additional Bonus Rent (7% of Gross Sales Over Base Rent)
- Strong Sales Performance With Healthy Rent-to-Sales Ratio
- Emerge! Inc. is a Growing Operator With 124-Units Across Four Brands (45-Unit Guaranty)
- Pandemic Proof of Concept
- Texas is an Income Tax-Free State
- Strong Demographics For This Area With a Population of 10,703 Residents Making an Average Household Income of \$95,035 Within a 5-Mile Radius
- Outstanding Location on the Major North South Artery and Retail Corridor Through Town Which Sees Traffic Counts Exceeding 13,000 VPD
- Brazoria is Less Than 1 Hour South of Houston, 15 Minutes West of Lake Jackson, and Just Over 1 Hour to Galveston
- Nearby Tenants Include: Buc-ee's, USPS, Domino's Pizza, Subway, O'Reilly Auto Parts, McCoy's, Dollar General and Stewart's Food Store



ACTUAL PROPERTY IMAGE

LEASE SUMMARY

TENANT	TaterToTexas Master, LLC
PREMISES	A Building of Approximately 1,522 SF
LEASE COMMENCEMENT	December 3, 2021
LEASE EXPIRATION	December 31, 2036
LEASE TERM	~15 Years Remaining
RENEWAL OPTIONS	3 x 5 Years
RENT INCREASES	10% Every 5 Years
LEASE TYPE	Absolute Triple Net (NNN)
PERMITTED USE	Fast Food
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	Yes (15 Days)

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
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1,522 SF	\$117,680	\$77.32
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Mary's
Cafe

Kenjo's
BBQ

The Kolache
Shop

Barrow Elementary
School

Rainbow
Uniforms

Righteous
Kuttz

FAMILY DOLLAR

First Baptist
Church-Brazoria



Kritter Haven
Exotic Rescue

Masonic Oak Dr

Cradle Vape CBD
Kratom Smoke Shop

Next Generation
Interiors

TJ's Lube
Stop

Four Seasons
Travel

G & H
Wrecker

Brazoria
Library

Brazoria Fire
Department



SUBWAY

Lone Star
Automotive



BRAZORIA
HERITAGE FOUNDATION

36
TEXAS

N Brooks St



BRAZORIA & COLUMBIA
VETERINARY CLINICS



Precision
Tint Service



Brazoria
RV Park

An Extra
Attic

TDECU
YOUR CREDIT UNION

Lone Star RV
& Mini Storage

SUN STOPPERS
WINDOW TINTING

Brazoria Collision
RV Repair

**Discount
Insurance**

MR. BEES
FURNITURE

Highway
36 RV Park

Smitty's
General Store

Domino's

Brazoria County
Head Start

Riverside
Enterprises Credit



Caldwell Deliver
Services

Brazoria
Tire & Auto

36
TEXAS

TOM'S
PAWN SHOP



Leonard P.
Harvey Pavilion

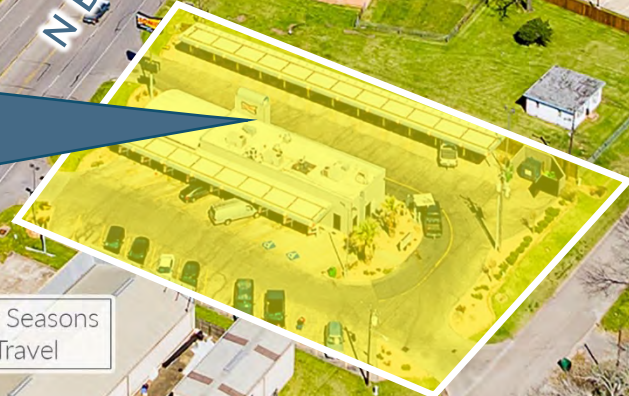
Precision
Tint Service

N Brooks St

Masonic Oak Dr

BVC
BRAZORIA & COLUMBIA
VETERINARY CLINICS

SONIC
America's
Drive-In



Four Seasons
Travel



DOLLAR GENERAL



SUBWAY



DOLLAR GENERAL



Chevron
DOLLAR GENERAL

FAMILY DOLLAR



36
TEXAS

288
TEXAS

Brazoria is a city in the U.S. state of Texas, in the Houston–The Woodlands–Sugar Land metropolitan area and Brazoria County. Brazoria sits between 2 rivers, the Brazos and the San Bernard, located 8 miles southwest of Angleton and 8.4 miles west of Lake Jackson, Texas along State Highway 36 and FM 521. The northeast edge of the community, known as Old Brazoria, is located along the Brazos River. According to the United States Census Bureau, Brazoria has a total area of 2.6 square miles. The city is served by the Columbia-Brazoria Independent School District. Two public elementary schools serve Brazoria—Barrow Elementary, which is located in the city limits, and Wild Peach Elementary, which is located outside the city limits. West Brazos Junior High School is also located in Brazoria and serves all junior high school students in the Columbia-Brazoria Independent School District. The City of Brazoria had a population of 3,454 as of July 1, 2021.

The largest industries in Brazoria, TX are Manufacturing, Construction, and Health Care & Social Assistance, and the highest paying industries are Manufacturing, Professional, Scientific, & Technical Services, and Finance & Insurance. Brazoria is served by West Brazos EMS which is operated by Sweeny Community Hospital. Proximity to Houston is beneficial to the city's economy. Houston's economy has a broad industrial base in energy, manufacturing, aeronautics, and transportation. Leading in healthcare sectors and building oilfield equipment, Houston has the second most Fortune 500 headquarters of any U.S. municipality within its city limits. Houston's economy diversified as it became home to the Texas Medical Center—the world's largest concentration of healthcare and research institutions—and NASA's Johnson Space Center, where the Mission Control Center is located. The Port of Houston ranks first in the United States in international waterborne tonnage handled and second in total cargo tonnage handled. Houston's employment base has become increasingly diverse. Today nearly half of all jobs are in non-energy fields, such as business services, technology, aerospace, medicine and manufacturing.

The City of Brazoria has two free parks for family entertainment. The Lion's Club Park located next door to Diamond S restaurant and the Wilson City Park located on the corner of New York Street and Park Drive. Located within city limits on the south side of town along Highway 36 one will find the new Brazoria Lakes RV Resort. With beautiful landscaping and First-Class Amenities such as a sparkling pool & jacuzzi, laundry facilities, concrete pads with full hook-ups, BBQ & picnic areas to a stocked fishing lake there is something for every family member to enjoy. Much of the history can be seen or experienced at the many museums in the area, such as the Brazoria County Historical Museum, the Columbia Historical Museum, or the Varner-Hogg Plantation State Park. The Brazoria National Wildlife Refuge is another interesting location in the area. Nearby attractions includes a Sea Center Texas is a marine aquarium, fish hatchery and nature center operated by Texas Parks and Wildlife Department. See saltwater aquariums showcasing the diversity of the Texas coast and tour the largest redfish hatchery in the world.





SONIC

TENANT PROFILE

SONIC, America's Drive-In, is the nation's largest chain of drive-in restaurants. Founded in 1953 in Oklahoma City, Oklahoma, SONIC has delighted guests with signature menu items, more than 1.3 million drink combinations, friendly service by iconic Carhops. SONIC is part of the Inspire Brands family of restaurants and Inspire Brands is the Subsidiary company of Roark Capital Group.

As the largest national chain of drive-in restaurants the iconic SONIC style is hard to duplicate, but SONIC's distinct brand differentiation goes far beyond the drive-in format. SONIC's one-of-a-kind menu offers a variety of options unavailable from other brands, including Real Ice Cream desserts, TOASTER® sandwiches, Molten Cake Sundaes, breakfast all day, tasty Tots, premium hot dogs and more than 1 million unique drink combinations.



COMPANY TYPE
Subsidiary



FOUNDED
1953



OF LOCATIONS
3,552



HEADQUARTERS
Oklahoma City, OK



WEBSITE
sonicdrivein.com

OPERATOR PROFILE

In 2009, the Operator gained approval to be a franchisee of Lenny's Sub shop and purchased his first unit. He was a multi-unit operator in 2010 with the purchase of 2 additional Lenny's Sub Shops and 1 Bullritos restaurant in the Houston DMA. By 2012 he diversified into Auntie Anne's, Nestle and Baskin Robbins, taking him to 7 units. In 2015 he ventured with Yum Brands to expand his portfolio to 23 units, including Kentucky Fried Chicken and Taco Bell.

In 2017 he made a major move with Sonic Restaurants and purchased and successfully transitioned the corporate Houston market, which included 34 units. In 2019, he added a 3rd major brand to the portfolio and entered the Taco Bell system through the purchase of 6 units. The next 2 years were full of New Builds and Remodels, and then in 2020, in the middle of a pandemic, he expanded to Arizona by adding another major brand through the purchase of 30 Pizza Hut stores. In 2021, Emerge continued with strategic new builds, relocations, and remodels and forecasts ending the year with 131 units.

CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



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 sub agency 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 the 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.



SANDS INVESTMENT GROUP

In Cooperation With
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