



BRAND NEW CONSTRUCTION
7BREW COFFEE 15-YEAR ABSOLUTE
NNN LEASE IN PHARR | TEXAS
(880K Population McAllen MSA)

Marcus & Millichap
PATTON | WILES | FULLER GROUP



NEW CONSTRUCTION | 15-YEAR LEASE | 10% BUMPS EVERY 5 | ABS NNN | MCALLEN, TX MSA



Marcus & Millichap
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26,000 VPD - S Jackson Rd.



PHARR | TEXAS
(McAllen MSA)



NEW CONSTRUCTION | 15-YEAR LEASE | 10% BUMPS EVERY 5 | ABS NNN | MCALLEN, TX MSA

**HIGH PERFORMING STORE: AVER-
AGING \$35,000 PER WEEK IN SALES
SINCE JANUARY 2023 OPENING**

Marcus & Millichap
PATTON | WILES | FULLER GROUP



EXCLUSIVELY LISTED BY THE PATTON | WILES | FULLER GROUP OF MARCUS & MILLICHAP:



Craig Fuller
Senior Managing Director
National Retail Group
Cleveland Office
(216) 264-2043
CFuller@marcusmillichap.com
License: OH SAL.2008001551



Scott Wiles
Senior Managing Director
National Retail Group
Cleveland Office
(216) 264-2026
SWiles@marcusmillichap.com
License: OH SAL.2005013197



Erin Patton
Senior Managing Director
National Retail Group
Columbus Office
(614) 360-9035
EPatton@marcusmillichap.com
License: OH SAL.2004010274

TX Broker of Record:
Tim Speck
Dallas Office
(614) 360-9035
TSpeck@marcusmillichap.com
License: 9002994



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EXECUTIVE SUMMARY

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Google Map

 Click to View
Street View

OFFERING PRICE

\$2,572,000

CAP Rate 6.75%

Current Annual Rent \$173,600

Gross Leasable Area (GLA) 510 SF

Year Built 2022

Lot Size (Acres) 1.003



**1101 S Jackson Rd,
Pharr | TX 78577**



LEASE SUMMARY

Legal Tenant	TB Jackson, LLC, a Texas LLC
Lease Type	Absolute NNN
Roof & Structure	Tenant Responsible
Ownership Interest	Fee Simple
Lease Guaranty Type	2 Personal Guarantees
Original Lease Term	15 Years
Lease Signed Date	August 24, 2022
Rent Commencement Date	January 22, 2023
Lease Expiration Date	January 31, 2038
Remaining Lease Term	15 Years
Renewal Options	Four, 5-Year Options
Rent Increases	10% Every 5 Years in Current Term & Options
Sales Reporting	Yes, Annually
Percentage Rent	None
Option to Terminate / Sales Kick-Out	None
Option to Purchase	None
Right of First Refusal / First Offer	None



**DENSE
DEMOGRAPHICS:**

9,686
1-MI POPULATION

83,260
3-MI POPULATION

225,287
5-MI POPULATION

RENT SCHEDULE

Base Term	Annual Rent	Monthly Rent	% Increase	CAP Rate
Current - January 31, 2028	\$173,600	\$14,467	-	6.75%
February 1, 2028 - January 31, 2033	\$190,960	\$15,913	10%	7.42%
February 1, 2033 - January 31, 2038	\$210,056	\$17,505	10%	8.17%
Option Terms	Annual Rent	Monthly Rent	% Increase	CAP Rate
Option 1: February 1, 2038 - January 31, 2043	\$231,062	\$19,255	10%	8.98%
Option 2: February 1, 2043 - January 31, 2048	\$254,168	\$21,181	10%	9.88%
Option 3: February 1, 2048 - January 31, 2053	\$279,585	\$23,299	10%	10.87%
Option 4: February 1, 2053 - January 31, 2058	\$307,543	\$25,629	10%	11.96%



INVESTMENT HIGHLIGHTS

- Brand New Construction 7Brew Coffee 15-Year Absolute NNN Lease in Pharr, Texas (880K Population McAllen MSA)
- Absolute NNN with Zero Landlord Responsibilities
- High Performing Store: Averaging \$35,000 Per Week in Sales Since January 2023 Opening
- Fee-Simple Ownership Allowing Purchaser to Depreciate Site Improvements
- 10% Rent Increases Every 5 Years of Primary Term & Options
- Personal Guarantees from Franchisee Principals who Own Rights to Develop 27 Stores in the South Texas (Corpus Christi, McAllen, Laredo, Brownsville & More)
- Early Adopter Opportunity: Offers Higher Yield than Comparable Net Lease Properties with High Growth Trajectory
- Future of Retail: Modern, Drive-Thru Only Model Allowing Optimal Efficiency
- Coffee is a \$90+ Billion Industry with \$270 Per Capita Spending in the U.S. in 2022; Strong Anticipated CAGR of 4.3% into 2025
- 7Brew is Rapidly Growing Drive-Thru Only Coffee Chain Founded in 2016; 45 Locations in Operation in 14 States with Hundreds in Development
- 7Brew Corporate Majority Ownership is Experienced QSR Operators – Jimmy John's Founder & Major Pizza Hut Franchisee
- Franchisee Expects to Have 7 Stores in Operation by Q1 2024; 4 Stores in Operation Now with 3 More Stores Opening in the Next 6 Months
- Heavy Franchisee Investment of Approximately \$1.5 Million Per Store
- Just 0.6-Mile from I-2 Exit Ramps with 125,836VPD
- Situated Along Jackson Rd with 26,000 VPD; Just North of Ridge Rd Intersection with a Combined 46,600 VPD
- Densely Concentrated Demographics: 73,360/3-Mi & 202,270/5-Mi Population Counts
- Located in the Epicenter of Primary Retail Trade Area Straddling McAllen & Pharr; Jackson Rd is an Infill Corridor with Rapid Development Adjacent to Property
- Major Traffic Drivers within Immediate Proximity Include Costco, Topgolf, Walmart, Sam's Club, Lowe's, Target, At Home, Best Buy, Ross, Dick's, HomeGoods, Burlington, and More



#1 AIRPORT IN SOUTH TEXAS
847,387 2021 PASSENGERS



SOUTH TEXAS HEALTH SYSTEM McALLEN
South Texas Health System McAllen is the flagship hospital of the South Texas Health System & has 411 beds.



Rio Grande Regional Hospital
Rio Grande Regional Hospital has 310 beds and a team of more than 500 physicians representing over 35 specialties.

26,000 VPD - S Jackson Rd.



Top 5
of Super Regional
Malls in Texas

10M
Annual Visits



DOWNTOWN MCALLEN | TEXAS





26,000 VPD - S Jackson Rd.



LOCATED IN THE EPICENTER
OF PRIMARY RETAIL TRADE
AREA STRADDLING MCALLEN
& PHARR; JACKSON RD
IS AN INFILL CORRIDOR
WITH RAPID DEVELOPMENT
ADJACENT TO PROPERTY

ABSOLUTE NNN WITH ZERO LANDLORD RESPONSIBILITIES
10% RENT INCREASES EVERY 5 YEARS OF PRIMARY
TERM & OPTIONS



BED BATH & BEYOND PETSMART Michaels HomeGoods DICK'S SPORTING GOODS Marshalls Walmart JUST 0.6-MILE FROM I-2 EXIT
KIRKLAND'S Burlington DSW TARGET FOREVER 21 PartyCity Cnn's HomePlus SHOE CARNIVAL Office DEPOT UTRGV 6 sam's club 125,836 VPD
DOUBLE TREE BY HILTON Rio Grande Regional Hospital Best Western Hooters Applebee's Hampton Inn Ross DRESS FOR LESS Total Wine SPIRITS • BEER & MORE DOLLAR TREE WELLS FARGO Wendy's TEXAS ROADHOUSE LACKS



26,000 VPD - S Jackson Rd.



EARLY ADOPTER OPPORTUNITY:
OFFERS HIGHER YIELD THAN COMPARABLE NET LEASE PROPERTIES WITH
STRONG FRANCHISEE AND HIGH GROWTH TRAJECTORY





2nd
out of 35
(97%)



9th
out of 39
(79%)



5th
out of 79
(94%)



47
out of 83
(44%)



50
out of 121
(59%)



37
out of 142
(74%)



41
out of 148
(72%)



20
out of 61
(68%)



52
out of 207
(75%)



204
out of 400
(49%)



2.4M
Visits Within
250ft



13
out of 384
(96%)



18
out of 64
(73%)



40
out of 128
(69%)
15-Mi Restaurant Category



AREA RETAILERS PLACER.AI STATEWIDE RANKINGS



A *one-of-a-kind* **DRIVE-THRU COFFEE REVOLUTION** THAT OFFERS A FUN AND **ENERGETIC VIBE**

7BREW IS RAPIDLY GROWING DRIVE-THRU ONLY COFFEE CHAIN FOUNDED IN 2016; 45 LOCATIONS IN OPERATION IN 14 STATES WITH HUNDREDS IN DEVELOPMENT

Founded in 2016 with an initial store in Rogers, Arkansas, 7 Brew specializes in coffee, energy drinks, smoothies, sodas and tea. Its menu contains seven original specialty coffee drinks, including the Blondie, Smooth 7, White Mac and German Chocolate.

Today, Seven Brew is revolutionizing the drive-thru experience by treating people like people, igniting happiness,

and creating enduring connections with customers.

The authenticity of Seven Brew uniquely positions the concept to be successful across a wide-ranging customer demographic and geographies.

With 45 locations throughout 14 different states, 7 Brew is continuing to plan a rapid expansion with hundreds more in development.



7BREW CORPORATE MAJORITY OWNERSHIP IS EXPERIENCED QSR OPERATORS - JIMMY JOHN'S FOUNDER & MAJOR PIZZA HUT FRANCHISEE

In March 2021, a Nation's Restaurant News article announced that industry veterans Drink House Holdings had invested in the 7 Brew drive-thru coffee concept. Drink House Holdings, led by a couple of heavy hitters in the restaurant industry: Jamie B. Coulter, founder of Lone Star Steakhouse and major Pizza Hut Franchisee, and Jimmy John Liautaud, the founder and former chairman of Jimmy John's sandwich chain. Forbes puts Liautaud's net worth at **\$1.7 billion**.

Coulter said the combination of Drink House's resources, expertise, & global brand-building experience will turn Seven Brew into a leader, while maintaining the brand's original mission. Liautaud noted that drive-thru is "ripe for reinvention and rapid growth" and that Seven Brew and Drink House are in a position to disrupt the category. "We believe the drive-thru category is ripe for reinvention and rapid growth and we're well positioned to disrupt and lead," Liautaud said on the investment.



COFFEE IS A \$90+ BILLION INDUSTRY WITH \$270 PER CAPITA SPENDING IN THE U.S. IN 2022; STRONG ANTICIPATED CAGR OF 4.3% INTO 2025



Future of Retail:
MODERN, DRIVE-THRU ONLY MODEL ALLOWING OPTIMAL EFFICIENCY





9,686

Residents in 1-Mi

83,260

Residents in 3-Mi

225,287

Residents in 5-Mi



3,294

Households in 1-Mi

26,953

Households in 3-Mi

68,365

Households in 5-Mi



\$67,872

AHHI in 1-Mi

\$60,717

AHHI in 3-Mi

\$63,356

AHHI in 5-Mi

1, 3, 5-MILE DEMOGRAPHICS

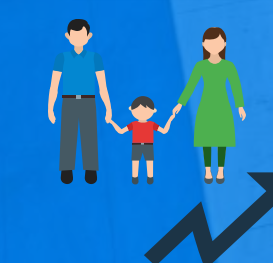
Population	1 MI	3 MI	5 MI
2010 Census Total Population	7,642	73,083	202,870
2023 Estimate Total Population	9,686	83,260	225,287
2027 Projection Total Population	10,098	85,544	230,595
Annual Growth 2010-2023	2.1%	1.1%	0.9%
Annual Growth 2023-2028	0.9%	0.5%	0.5%
Median Age	33.3	33.9	32.3
Bachelor's Degree or Higher	27%	20%	20%

Households by Income	1 MI	3 MI	5 MI
2023 Estimate			
< \$25,000	843	8,652	20,771
\$25,000 - 50,000	919	6,687	16,428
\$50,000 - 75,000	765	4,764	12,058
\$75,000 - 100,000	231	2,533	6,882
\$100,000 - 125,000	149	1,614	4,824
\$125,000 - 150,000	117	802	2,512
\$150,000 - 200,000	40	910	2,274
\$200,000+	229	993	2,615
Avg Household Income	\$67,872	\$60,717	\$63,356
Median Household Income	\$46,960	\$42,891	\$44,749

Households	1 MI	3 MI	5 MI
2010 Census Total Households	2,587	23,490	61,134
2023 Estimate Total Households	3,294	26,953	68,365
2027 Projection Total Households	3,437	27,736	70,089
Annual Growth 2010-2023	2.3%	1.7%	1.6%
Annual Growth 2023-2028	0.9%	0.6%	0.5%
2023 Owner Occupied Total Households	1,746	15,691	43,313
2023 Renter Occupied Total Households	1,692	12,045	26,776
Total Specified Consumer Spending (\$)	\$83.2M	\$678.2M	\$1.8B



DENSELY CONCENTRATED DEMOGRAPHICS:



2.1% Growth
Since 2010

225,287
5-Mi Population



**Rio Grande
Regional Hospital**



**The only certified primary
stroke center in Hidalgo
County, advanced level
three trauma center**

32,031 ER VISITS | 441 HOSPITAL BEDS | 700+ EMPLOYEES

MCALLEN | TEXAS

A vibrant metro area and a major center for retail, international trade, tourism and manufacturing with a high quality of life, an abundance of medical facilities and a young, bi-cultural community.

On the U.S.-Mexico border, population growth and diverse economic growth leads the way. Located 45 minutes west of Brownsville-Harlingen and 30 minutes north of the Mexico border, McAllen is a key economic player in South Texas. Top manufacturers, health services providers and more operate in the area for its access to key markets, a solid multimodal transportation network and a talent pool that is continually deepened by area colleges and universities enrolling thousands of students.

McAllen brandishes a warm and receptive population. Every year, thousands of winter Texans arrive to the Rio Grande Valley, where McAllen is located, during the mild fall and winter seasons, bringing millions of dollars into the local economy.



MCALLEN | TEXAS

**#1 – MOST AFFORDABLE CITIES FOR
NEW HOMEOWNERS
(MOVE.ORG – 2021)**

**#3 – BEST PLACES TO LIVE FOR
QUALITY OF LIFE IN THE U.S. IN
2020-21 (US NEWS – 2020)**

**#9 – BEST PLACES TO LIVE IN TEXAS
IN 2020-21 (US NEWS – 2020)**

**#17 – SAFEST PLACES TO LIVE IN U.S.
IN 2020-21 (US NEWS – 2020)**

**#1 – BEST CITIES TO START A HOME-
BASED BUSINESS
(JUSTBUSINESS.COM – 2020)**

**#19 – BEST CITIES FOR REMOTE
WORKERS (OWNERLY.COM – 2021)**

**#9 – SAFEST CITY IN AMERICA
(SMARTASSET – 2021)**

**#3 MOST AFFORDABLE PLACES TO
SNOWBIRD THIS WINTER
(55 PLACES – 2021)**

**CITY OF MCALLEN RANKS LOWEST
IN NATIONAL CRIME RANKING**

**MCALLEN TOPS LIST OF BEST PLACES
TO LIVE FOR WORKERS WITH A
COLLEGE DEGREE (NPR.ORG 2021)**

**#1 AIRPORT IN SOUTH TEXAS
847,387 2021 PASSENGERS**

310 BEDS | 500+ EMPLOYEES



**60-BED HEART HOSPITAL
24-HOUR EMERGENCY CENTER**



PHARR | TEXAS

GROWING & SUSTAINING A VIBRANT BUSINESS COMMUNITY

Pharr is a burgeoning city located in Hidalgo County, just minutes from the Mexican border. Hidalgo County is one of the most rapidly developing communities in the United States. In recent years, Pharr has experienced strong economic growth and development, with the population steadily increasing to over 78,000 residents. Local businesses also have access to over 800,000 people in Hidalgo County and more than 1.2 million people in the Rio Grande Valley.



A DIVERSE SOUTH TEXAS ECONOMY

McAllen-Edinburg-Mission's area economy is balanced across key industries, anchored by big names like Frito-Lay and H-E-B.

Major business clusters in McAllen-Edinburg-Mission include food and beverage production, health services, retail and transportation.

Major employers in McAllen-Edinburg-Mission include Duro Bag Manufacturing, Frito-Lay, Inc., H-E-B, Hi-Tech Plastics, Inc., Mission Paving, Mission Shippers, T-Mobile USA and Texas Citrus Exchange. Over 80 of the Fortune 500 global manufacturers have facilities in McAllen/Reynosa.



LARGE HIGHER ED SYSTEMS

From one of the state's largest community colleges to a Texas A&M campus

The University of Texas Rio Grande Valley, offers 120 undergraduate and graduate programs to nearly 30,000 students.

With 32,000 students, South Texas College has the largest enrollment among higher education institutions south of San Antonio and is the only community college in Texas to offer five baccalaureate degrees.

The Texas A&M University Higher Education Center at McAllen opened in 2018 with undergraduate degrees in agricultural economics, biomedical sciences, engineering and more, as well as a Master of Public Health degree program.

The workforce in Pharr continues to grow at a faster rate than the state or the nation. The region has a wide spectrum of occupations that range from agricultural workers to highly skilled specialists in the manufacturing sector. The local workforce has a desirable demographic profile with a median age of 29 years. Approximately 85% of the workforce is also bilingual. This robust population of young, educated individuals allows businesses to evaluate and select the best possible candidates.

Largest employers in hidalgo county

4,200	HEB FOODS
3,900	UNIVERSITY OF TEXAS RIO GRANDE VALLEY
3,100	DOCTORS HOSPITAL AT RENAISSANCE
3,000	COUNTY OF HIDALGO
2,500	WAL-MART

**FRANCHISEE EXPECTS TO HAVE 7 STORES IN OPERATION BY Q1 2024; 4 STORES IN
OPERATION NOW WITH 3 MORE STORES OPENING IN THE NEXT 6 MONTHS**
HEAVY FRANCHISEE INVESTMENT OF APPROXIMATELY \$1.5 MILLION PER STORE



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(McAllen MSA)

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Craig Fuller

Senior Managing Director
National Retail Group
Cleveland Office
(216) 264-2043
CFuller@marcusmillichap.com
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