

SECURE
NET LEASE



File Photo

7 Brew Coffee

\$1,633,500 | 6.00% CAP

3314 West Loop 250 N, Midland, TX 79707

- ✓ 15-Year Absolute NNN Ground Lease with 10% Rental Increases Every 5 Years
- ✓ Extremely Affluent area with an Average HH Income of over \$177,000 within a 1 and 3 Mile Radius.
- ✓ Located Along W. Loop 250 (52,700+ VPD), and off of N Midkiff Road (21,500+ VPD). Surrounded by national tenants including Raising Cane's, McDonald's, Burger King.
- ✓ Directly Across the Street from the Midland Park Mall, Which Features Over 635,000 Sqft and 89 Retailers
- ✓ Midland is Ranked the Fastest Growing Mid-Sized City in the U.S. Midland ISD proposed a \$1.67B bond package in August

7 Brew is so much more than just a coffee stand. It's the concept of **cultivating kindness** and joy with every drink – through their **service**, speed, **quality**, energy and atmosphere. It's contagious and it's changing the **drive-thru coffee industry**.



DOWNTOWN MIDLAND

MIDLAND MEMORIAL HOSPITAL MAIN CAMPUS (226 BEDS)



LEGACY SENIOR HIGH SCHOOL (2,339 STUDENTS)

RUSK ELEMENTARY SCHOOL (392 STUDENTS)

MIDLAND PARK MALL

- 635,000+ SQFT OF RETAIL
- 89+ TENANTS
- SIMON PROPERTY MALL



N MIDKIFF ROAD (21,500 VPD)

JARED



W LOOP 250 N (52,700 VPD)



HAWAIIAN BROS ISLAND GRILL



Subject Property



BLUE RIDGE APARTMENT HOMES (290 UNITS)

MEN'S WEARHOUSE
five BELOW
SKECHERS
carter's
DXL BIG + TALL
chico's
FIVE GUYS
FIREHOUSE SUBS
Panera

MIDLAND AIRPARK

BARNES & NOBLE
CAVENDER'S
SHOE CARNIVAL
BEST BUY
Olive Garden
IHOP

GODDARD JUNIOR HIGH SCHOOL (1,059 STUDENTS)

ExtraSpace Storage

HOBBY LOBBY
Market Street DISCOUNT TIRE
BIG LOTS!

Party City

Fairfield BY MARRIOTT

Office DEPOT

FURNITURE ROW
Real Furniture. Real Value.

NATURAL GROCERS

HomeGoods
TJ-maxx

NORTHERN TOOL & EQUIPMENT

Chevron

Valvoline

N MIDKIFF ROAD (21,500 VPD)

BURGER KING

DK

McDonald's

Michaels
Where Creativity Happens

Aaron's

CAFO

LOOP 250

W LOOP 250 N (52,700 VPD)

Cane's
Coke's CHICKEN FINGERS

SEVEN BREW
DRIVE THRU COFFEE

HAWAIIAN BROS
ISLAND GRILL

Subject Property

INVESTMENT OVERVIEW

7 BREW COFFEE MIDLAND, TX



File Photo

CONTACT FOR DETAILS

Kyle Varni

Vice President
(469) 694-4189

kvarni@securenetlease.com

\$1,633,500

6.00% CAP

NOI

\$98,000

Building Area

±510 SF

Land Area

±0.71 AC

Year Built

2024

Lease Type

Ground Lease

Occupancy

100%

- ✓ **15-Year Absolute NNN Ground Lease** with 10% Rental Increases Every 5 Years, Plus (3), 5-Year Options to Renew
- ✓ **Extremely Affluent Area** with an Average HH Income of over \$177,000 within a 1 and 3 Mile Radius.
- ✓ **Located Along W. Loop 250 (52,700+ VPD)**, a major thoroughfare for the Midland area, and off of N Midkiff Road (21,500+ VPD). Surrounded by national tenants including Raising Cane's, McDonald's, Burger King.
- ✓ **Located Directly Across from Midland Park Mall**, a 635,788+ square foot shopping mall with 6 anchor tenants including Dillard's, JCPenny, and Dick's Sporting Goods. The mall also includes over 100 more stores including Bath & Body Works, Champs Sports, Coach, Old Navy, Ulta, and many more.
- ✓ **Subject Property is Only 1 Mile from Midland College**, a public community college with over 5,180 enrolled students and over 800 employees. Midland College makes up 704,752 square feet and has a 224 acre campus.
- ✓ **Unlike Most Coffee Chains, 7 Brew's Unique Business Model Centers Solely on Drive-thru Business**, with no interior sit-down space in their compact 500-square-foot stands. 7 Brew has grown to over 210 locations and continuing to expand rapidly with a recent investment from Blackstone, the world's largest commercial RE owner.
- ✓ **Midland is Projected to be the Fastest Growing Mid-Sized-City in the Country.** Kenan Institute's American Growth Project ranked Midland first due to the city's potential gross domestic product (GDP). High contributions in the oil & gas pegged Midlands GDP at 9.4%

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

7 BREW COFFEE MIDLAND, TX

7 Brew Coffee

Lessee: 7 CREW ENTERPRISES, LLC

Guarantor: 7 CREW ENTERPRISES, LLC

LOCATIONS

210+

STATES

26



7brew.com

7 Brew was born from a desire to change drive-thru coffee into a fun, mind-blowing experience for everyone. The dream came alive with their first “stand” in Rogers, AR in 2017 and their 7 original coffees.

Today, they serve a wide array of **specialty coffees**, smoothies, chillers, teas, and exclusive 7 Energy, a premium energy drink that can be infused with over **20,000 flavor** combinations. 7 Brew cultivates kindness and joy with every drink – through their **service, speed**, quality, energy and atmosphere.

7-Brew is a **drive-through coffee** concept that offers no interior seating. Customers typically order from their vehicles – face to face with the order taker. Some locations with high pedestrian traffic areas have walk-up windows. The product is **amazing and customizable**, but the real **attraction** to this brand is the way these units are operated, and the people working there.



IN THE NEWS

7 BREW COFFEE MIDLAND, TX

7 Brew's growth is driven by its culture/capital connection

ALICIA KELSO, SEPTEMBER 27, 2023 (NATION'S RESTAURANT NEWS)

One of the biggest narratives from this year's Datassential Top 500 report is the accelerated growth of the coffee segment. Gone are the days when it was Starbucks versus Dunkin' with various QSRs, like McDonald's and Wendy's, vying for a coffee veto vote.

Now, caffeine-seeking consumers have their pick of dozens of coffee-focused startups, all of which are **growing** at a swift clip. One of those concepts is Arkansas-based 7 Brew Drive-Thru Coffee, which was founded in **2016** and has since surpassed **100 units** in 22 states. The **company's growth** story has plenty of intrigue and is backed by heavyweights, including an acquisition from parent company Brew Culture, formed by a group of entrepreneurs in **2020** and led by CEO John Davidson.

7 Brew, which recently surpassed 100 locations, had about 2,000 development agreements signed at the end of 2022, with no end in sight.

A year later, the company received a majority investment from Drink House Holdings, created by Jimmy John's founder Jimmy John Liautaud, and Jamie Coulter, Lone Star Steak House founder. Liautaud and 7 Brew have since found themselves in a legal battle over ownership of the **rapidly expanding chain**, and are seeking to resolve the matter through mediation.

In December, 7 Brew brought on Nicole Miller Regan to serve as its CFO. She had previously spent over **20 years** as a Wall Street analyst, most recently as managing director and head of the consumer equity research practice at Piper Sandler. Regan believes 7 Brew's fledgling franchising program is the company's key differentiator in an **increasingly crowded segment** and it is part of what attracted her to the brand.

EXPLORE ARTICLE



7 Brew lands an investment from Blackstone to accelerate restaurant growth

ALICIA KELSO, FEBRUARY 15, 2024 (NATION'S RESTAURANT NEWS)

Arkansas-based drive-thru beverage concept 7 Brew Coffee has received a growth equity investment from Blackstone Growth to accelerate its expansion across the U.S. Terms of the transaction were not disclosed.

7 Brew first opened in 2017 and has since grown to more than 190 locations, generating a more than **185% growth rate** from **2021 to 2022**, according to Technomic Ignite data. During a recent interview, CFO Nicole Miller Regan said there were **approximately 2,000 stands** under development agreements at the end of **2022**.

Blackstone has over \$1 trillion in assets under management in several sectors.

"The **opportunity** is just massive, and anything is possible. The whole idea of what we're doing translates across the globe. We want to break sales and development records," she said.

This Blackstone investment will certainly help toward that goal. Blackstone has over **\$1 trillion in assets** under management in several sectors.

"We are on a strong **growth trajectory** thanks to our outstanding team, the Brew Crew, and are so excited to have found in Blackstone a true partner who understands our culture and whose global reach and incredible resources will enable us to reach this next stage of **growth**," 7 Brew CEO John Davidson said in a statement. "Blackstone brings everything we are looking for to help serve our customers and support our franchisees – industry and market knowledge, franchisee relationships, data sciences, operations, and real estate expertise."

EXPLORE ARTICLE



LEASE OVERVIEW

7 BREW COFFEE MIDLAND, TX




| | |
|-----------------------|---|
| Initial Lease Term | 15-Years, Plus (3), 5-Year Options to Renew |
| Rent Commencement | February 26, 2024 |
| Lease Expiration | February 26, 2039 |
| Lease Type | Absolute NNN Ground Lease |
| Rent Increases | 10% Every 5 Years |
| Annual Rent YRS 1-5 | \$98,000.00 |
| Annual Rent YRS 6-10 | \$107,800.00 |
| Annual Rent YRS 11-15 | \$118,580.00 |
| Option 1 | \$130,438.00 |
| Option 2 | \$143,481.80 |
| Option 3 | \$157,829.98 |
| Option 4 | \$173,612.98 |
| Option 5 | \$190,974.28 |

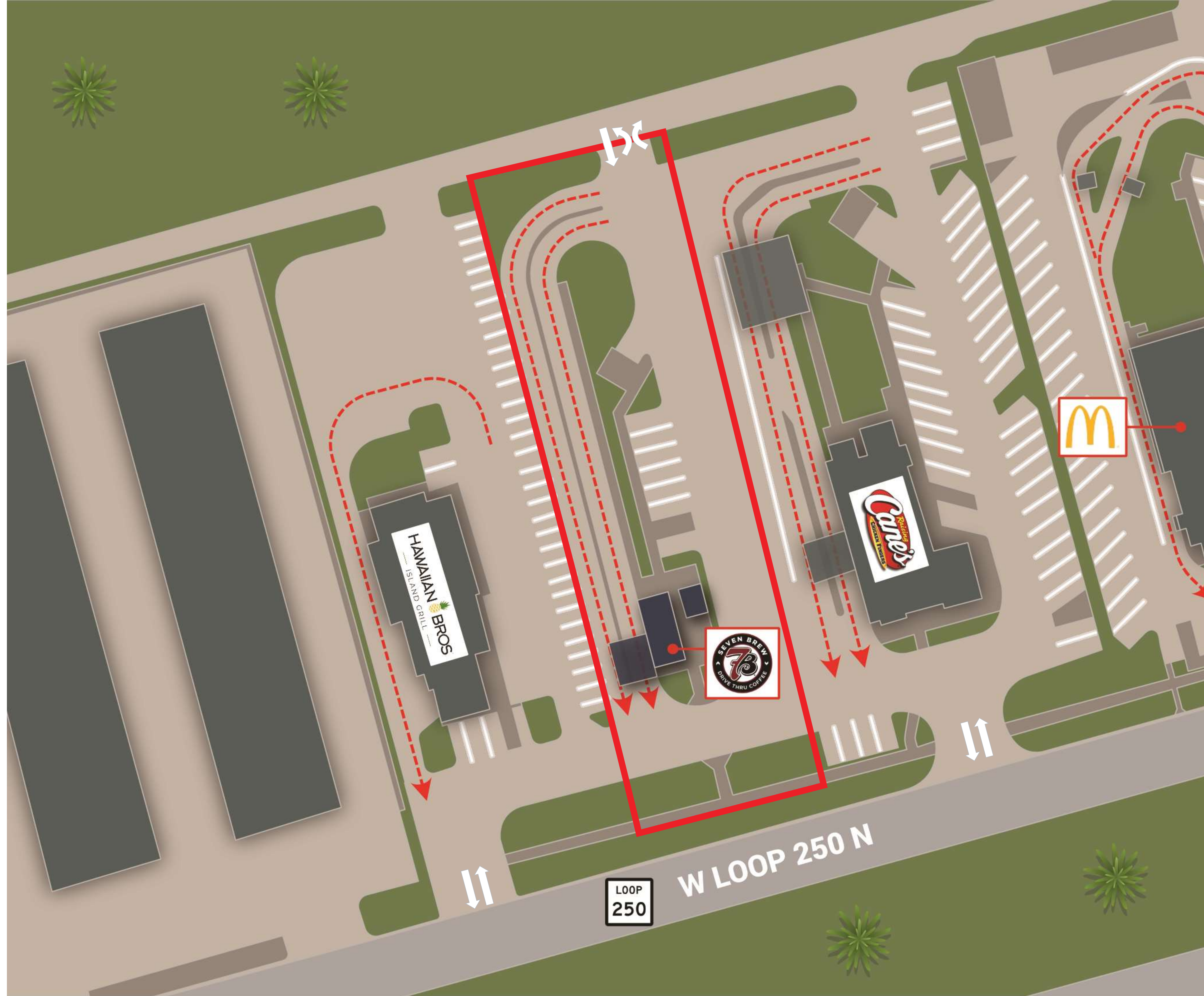
This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



SITE OVERVIEW

7 BREW COFFEE MIDLAND, TX

| | | | |
|---|---------------|--|----------|
|  | Year Built | | 2024 |
|  | Building Area | | ±510 SF |
|  | Land Area | | ±0.71 AC |



NEIGHBORING RETAILERS

- Walmart Supercenter
- Raising Cane's
- McDonald's
- Dick's Sporting Goods
- Big Lots!
- Hobby Lobby
- Party City
- Bath and Body Works
- T.J. Maxx
- Best Buy



HOBBY LOBBY
Market STREET
DISCOUNT TIRE
BIG LOTS!

MEN'S WEARHOUSE
five BELOW
SKECHERS
carter's
DXL
 BIG + TALL

chico's
FIVE GUYS
BURGERS and FRIES
FIREHOUSE SUBS
 FOUNDED BY FIREMEN™
CHIPOTLE
 MEXICAN GRILL
Panera
 BREAD™

Office DEPOT
OfficeMax
Jason's deli
chili's
ExtraSpace Storage
OUTBACK
 STEAKHOUSE™
TALBOTS

HAWAIIAN BROS
 ISLAND GRILL
Cane's
TACO BELL
BURGER KING
McDonald's
DK
Valvoline

ExtraSpace Storage
PartyCity

Midland AIRPARK
Domino's
DK

RENEW NORTH PARK I & II
 (200 UNITS)

W LOOP 250 N
 ±52,700 VPD

HAWTHORNE HOUSE
 (126 UNITS)

BARNES & NOBLE
BEST BUY
CAVENDERS
SHOE CARNIVAL
Olive Garden
IHOP

SEVEN BEANS DRIVE THRU COFFEE
SUBJECT PROPERTY
 3314 W. LOOP 250 N.

PET SMART
HAVERTYS
 FURNITURE • EST 1885

HomeGoods
T.J. MAXX
Michael's
Aaron's
NATURAL GROCERS
Burlington
NORTHERN TOOL + EQUIPMENT
H&R BLOCK
ups

Papa Murphy's
State Farm
Domino's
DOLLAR TREE
goodwill

MATTRESS FIRM
 Save Money. Sleep Happy.
sleep number.
PLATO'S CLOSET
GNC
Starbucks
Pizza Hut
Jersey Mike's

Orangetheory FITNESS
CAFO
SUBWAY
TACO VILLA

EMERSON ELEMENTARY SCHOOL
 (436 STUDENTS)

GODDARD JUNIOR HIGH SCHOOL
 (1,059 STUDENTS)

MIDLAND COLLEGE
EARLY COLLEGE HIGH SCHOOL AT MIDLAND COLLEGE
 (342 STUDENTS)

Walmart Supercenter
PAPA JOHN'S
Wendy's
Chick-fil-A
TEXAS ROADHOUSE
PANDA EXPRESS

LOOP 250

Rosa's Cafe
Chuy's
SONIC
FAZOLI'S
ups

MIDLAND PARK MALL
 • 635,000+ SQFT OF RETAIL
 • 89+ TENANTS
 • SIMON PROPERTY MALL

JCPenney
Dillard's
ROSS
OLD NAVY
DICK'S SPORTING GOODS
VANS
VICTORIA'S SECRET
AMERICAN EAGLE
KIRKLAND'S
CHAMPS
Foot Locker
SPRINT
LONGHORN STEAKHOUSE
Chick-fil-A

PARKER ELEMENTARY SCHOOL
 (533 STUDENTS)

TARGET

USPS.COM
AT&T
Walgreens

SMOOTHIE KING
Pizza Hut

Exxon

BR
 Baskin Robbin

NORTHRIDGE COURT APARTMENT HOMES
 (385 UNITS)

United supermarkets

DK

FANNIN ELEMENTARY SCHOOL
 (598 STUDENTS)

AutoZone
FAS TRAINING
McALISTER'S DELI
JJ

CORNERSTONE VILLAGE APARTMENTS
 (120 UNITS)

H-E-B
Starbucks

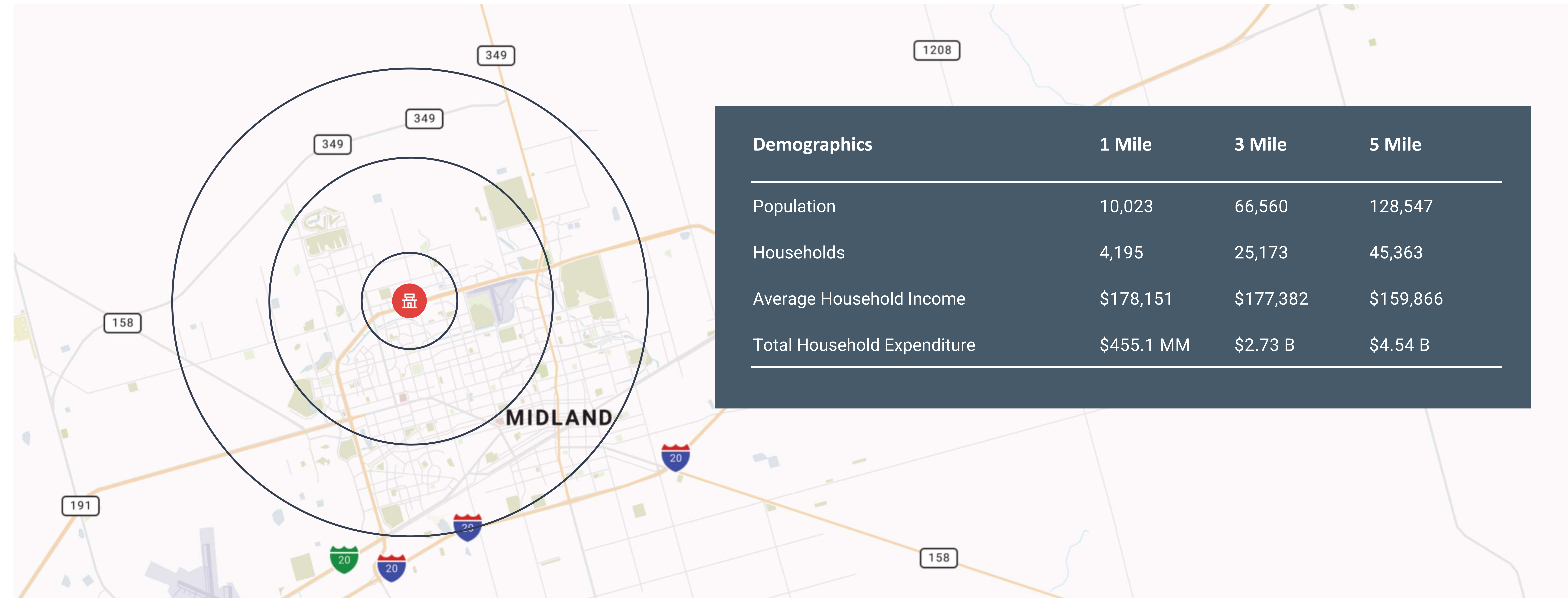
WHATABURGER

LEGACY SENIOR HIGH SCHOOL
 (2,339 STUDENTS)

N MIDKIFF ROAD
 ±21,500 VPD

LOCATION OVERVIEW

7 BREW COFFEE MIDLAND, TX



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. Midland Independent School District (2,876)
2. Endeavor Energy Recourses (1,300)
3. City of Midland (1,026)
4. Midland County (1,000)
5. Midland Memorial Hospital (950)
6. Conoco Phillips (900)
7. Chevron (830)
8. H-E-B (700)
9. Walmart (680)
10. XTO Energy, Inc. (400)

LOCATION OVERVIEW

7 BREW COFFEE MIDLAND, TX

Midland-Odessa MSA

Texas

 338,085
Population

 \$100,708
Average Household Income



2nd Largest Oil and Gas
Shale in the World

Permian Basin

Accounts for 40% of U.S
Oil Production

Permian Basin

Heart of the Permian Basin

Midland and Odessa are sibling cities about 20 miles apart and jointly promoted as “Two Cities, No Limits.” Like many other Texas communities, Midland and Odessa began as stations along a railroad—halfway points between Dallas and El Paso along the Texas and Pacific Railway. Early on, the area relied primarily on ranching. Midland became a prominent cattle shipping center for Texas as well as a regional financial hub by 1890.

Today, Midland –Odessa is a thriving community in the heart of the Permian Basin oil region, which is the 2nd largest oil and gas shale in the world. The Permian Basin accounts for 40% of the U.S oil production and is expected to lead Texas in GDP Growth.

The beginnings of the oil boom in the Permian Basin—which encompasses two counties in New Mexico and 55 counties in West Texas—arrived in the 1920s. Scores of investors and oilfield workers moved to the area, and by 1929, a total of 36 oil companies had established offices in Midland. Demand for oil and petrochemicals rose during World War II, helping transform Odessa into the world’s largest inland petrochemical complex.

From that point forward, the area’s economy was closely tied to the energy industry, rising with the oil booms and contracting with the busts. After years of decline that began with the 1980s oil bust, the Permian Basin and its economic center, Midland–Odessa, were regenerated by the shale oil boom of the late 2000s. Investment grew in the prolific formation even during periods of soft oil and gas prices, as its infrastructure, industry know-how and technological advancement helped make retrieving energy deposits relatively inexpensive.

IN THE NEWS

7 BREW COFFEE MIDLAND, TX

MISD voters could pass one of largest bonds in Texas history

STEWART DOREEN, AUGUST 1, 2023 (MRT)

If Midland voters pass both propositions that are expected to be placed on a November ballot, the Midland ISD bond referendum will mark the fifth-largest amount ever approved for a school district in Texas history.

The Midland ISD Bond Planning Committee has recommended to the school board that a **two-proposition bond** referendum be put on the **Nov. 7 ballot**. The Midland ISD board will meet later this month to discuss the presentation and decide what goes on the ballot.

Proposition A calls for two new high schools (\$1.077 billion), middle school additions and renovations (\$225.3 million) and safety, security and accessibility measures (\$58.7 billion). The total amount (not including interest) would be \$1.361 billion.

Proposition B calls for renovations and deferred maintenance of aging facilities (\$260.2 million) and a new elementary in northeast Midland (\$57 million). The total amount (not including interest) would be **\$317 million**.

The information shows a majority of the districts in the **top 15 of bonds** were either larger metropolitan districts (Dallas, Austin, Houston, San Antonio ISD) or districts having to deal with a tremendous suburban **growth** (Plano, Prosper and Forney).

If an election is called by the school board, as expected, Midland voters would face an unprecedented opportunity to invest in the school district. The largest bond passed in Midland ISD history is **\$163 million in 2012**. Voters in Midland have passed two other bond referendums over \$100 million (the \$115 million hospital election in 2009 and the **\$100 million** Road Bond in 2017).

EXPLORE ARTICLE



Midland projected to be the fastest-growing economy amongst mid-size cities

JASON FREUND, FEBRUARY 24, 2023 (NEWS WEST 9)

Midland was one of five Texas cities to have overall growth projections alongside Amarillo, Lubbock, Killeen and El Paso. Meanwhile, Midland finished higher than other cities such as Albany, Santa Barbara and Fort Collins.

I believe their **growth projections** are comprised of job creations and gross domestic product of the region," said Sara Harris, the executive director of Midland Development Corporation. "That is based primarily on the energy industry; we have seen significant **increases in activity** and oil and gas sectors due to **higher price increases** for commodity.

This comes from the Kenan Institute's American Growth Project, which ranked Midland first on a list of 100 mid-size cities in regards to potential gross domestic product (GDP) growth.

High contributions from the oil and gas industry alongside spikes in energy prices pegged Midland's 2022 GDP at **9.4%**.

While that **GDP growth rate** is projected to lower to 6.7% in 2023, it is still four percent higher than second place Amarillo's **2.5% GDP growth rate**.

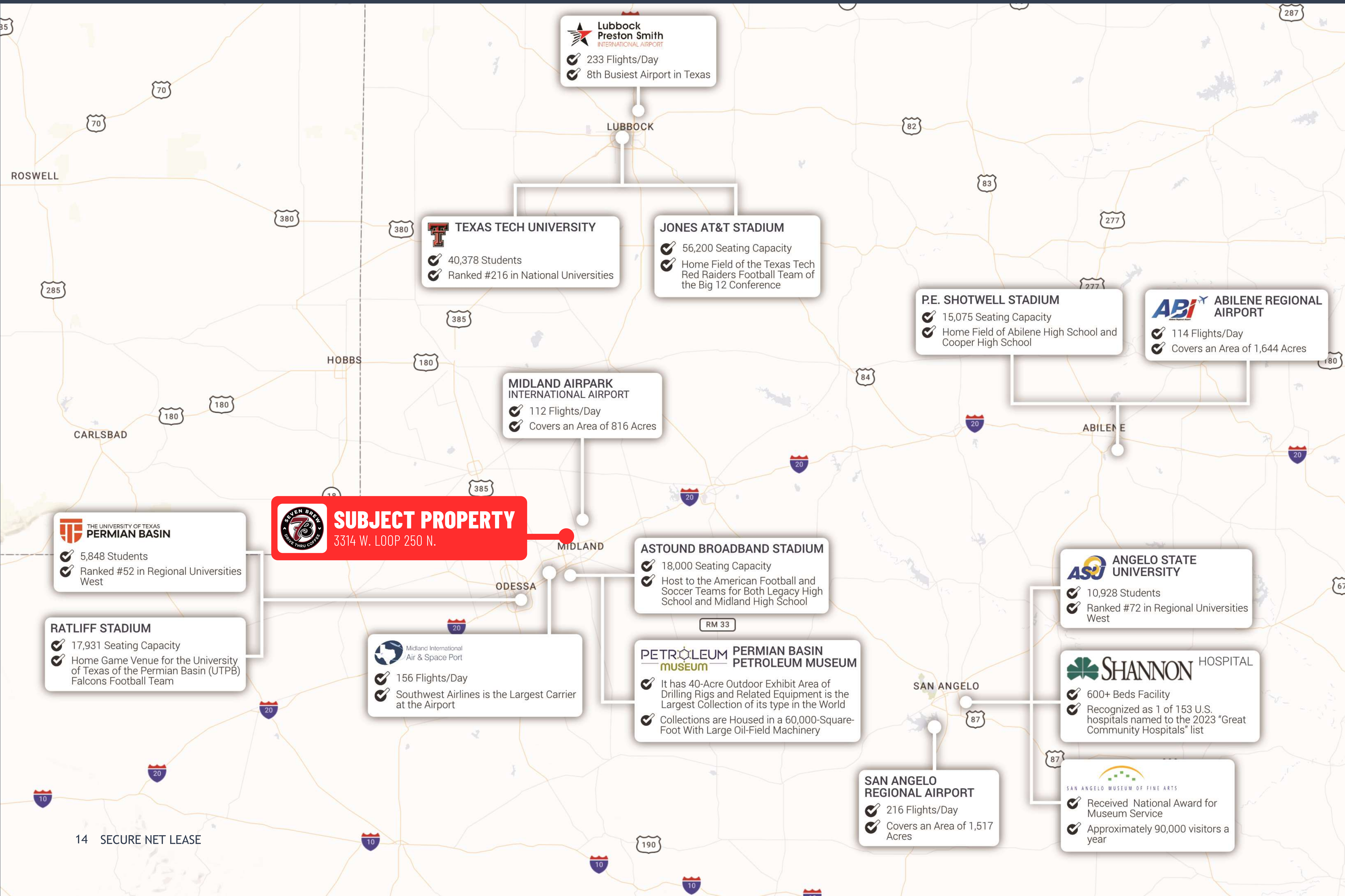
The driving force behind this **growth** comes from increased prices for West Texas Intermediate oil and overall price increases for natural gas, leading to a boom in the energy field.

EXPLORE ARTICLE



METRO AREA

7 BREW COFFEE MIDLAND, TX



Lubbock Preston Smith INTERNATIONAL AIRPORT

- ✓ 233 Flights/Day
- ✓ 8th Busiest Airport in Texas

TEXAS TECH UNIVERSITY

- ✓ 40,378 Students
- ✓ Ranked #216 in National Universities

JONES AT&T STADIUM

- ✓ 56,200 Seating Capacity
- ✓ Home Field of the Texas Tech Red Raiders Football Team of the Big 12 Conference

P.E. SHOTWELL STADIUM

- ✓ 15,075 Seating Capacity
- ✓ Home Field of Abilene High School and Cooper High School

ABI ABILENE REGIONAL AIRPORT

- ✓ 114 Flights/Day
- ✓ Covers an Area of 1,644 Acres

MIDLAND AIRPARK INTERNATIONAL AIRPORT

- ✓ 112 Flights/Day
- ✓ Covers an Area of 816 Acres

7 BREW COFFEE DRIVE THRU COFFEE

SUBJECT PROPERTY

3314 W. LOOP 250 N.

THE UNIVERSITY OF TEXAS PERMIAN BASIN

- ✓ 5,848 Students
- ✓ Ranked #52 in Regional Universities West

RATLIFF STADIUM

- ✓ 17,931 Seating Capacity
- ✓ Home Game Venue for the University of Texas of the Permian Basin (UTPB) Falcons Football Team

ASTOUND BROADCAST STADIUM

- ✓ 18,000 Seating Capacity
- ✓ Host to the American Football and Soccer Teams for Both Legacy High School and Midland High School

ASU ANGELO STATE UNIVERSITY

- ✓ 10,928 Students
- ✓ Ranked #72 in Regional Universities West

Midland International Air & Space Port

- ✓ 156 Flights/Day
- ✓ Southwest Airlines is the Largest Carrier at the Airport

PETROLEUM MUSEUM

- ✓ It has 40-Acre Outdoor Exhibit Area of Drilling Rigs and Related Equipment is the Largest Collection of its type in the World
- ✓ Collections are Housed in a 60,000-Square-Foot With Large Oil-Field Machinery

SHANNON HOSPITAL

- ✓ 600+ Beds Facility
- ✓ Recognized as 1 of 153 U.S. hospitals named to the 2023 "Great Community Hospitals" list

SAN ANGELO REGIONAL AIRPORT

- ✓ 216 Flights/Day
- ✓ Covers an Area of 1,517 Acres

SAN ANGELO MUSEUM OF FINE ARTS

- ✓ Received National Award for Museum Service
- ✓ Approximately 90,000 visitors a year

CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 320-2321

CALL FOR ADDITIONAL INFORMATION

Kyle Varni

Vice President
(469) 694-4189

kvarni@securenetlease.com

TEXAS DISCLAIMER

7 BREW COFFEE MIDLAND, TX

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 the owner knows.

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:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- 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
- May not disclose any confidential information or any information that a part 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.