

**FEES SIMPLE  
INVESTMENT**

**BRAND NEW  
20 YEAR LEASE**



**TOP PERFORMING  
UNIT IN SYSTEM**

**OVER 750+  
LOCATIONS IN  
30 STATES**

**MCALLEN -  
BROWNSVILLE MSA**



VALUF<sup>■</sup>NET  
LEASE<sup>■</sup>PARTNERS<sup>©</sup>

# EXCLUSIVELY MARKETED SCOOTER'S COFFEE (HARLINGEN, TX)



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

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# INVESTMENT HIGHLIGHTS

## SCOOTER'S COFFEE (HARLINGEN, TX)



### GROWING COMPANY WITH OVER 750+ LOCATIONS | TOP PERFORMING STORE | STRONG UNIT ECONOMICS

- Top Performing Store in the Scooter's System.
- Scooter's Coffee now has 750+ stores operating across the US and has commitments to open stores in a total of 30 states as of 2024.
- Subject property was built in 2023 and has been operating as a Scooter's since then.
- Average store sales (AUV's) for Scooter's Coffee range from \$850,000 to some locations with sales north of \$1.5MM.
- Average EBITDA margins for Scooter's franchisees range from 16%-22%, significantly higher than most other QSR brands. The high EBITDA margins allow for high profitability.

### ABSOLUTE TRIPLE NET LEASE | ZERO LANDLORD RESPONSIBILITIES | BRAND NEW 20 YEAR LEASE

- Zero Landlord Responsibilities – Tenant to Pay Tax, Insurance, and Maintenance.
- 20 Year Original Lease Term starting at Close of Escrow.
- Property was Built in 2023 and has Operated as a Scooter's since then.
- The Lease Features Attractive Rental Increase of 7.5% Every 5 Years.
- Absolute Triple Net Lease that provides as a hedge against inflation.

### STRONG TRAFFIC COUNTS | HARLINGEN, MCALLEN AND BROWNSVILLE MSA WITH GROWING POPULATION

- Traffic counts of (~33,000+ VPD Intersection) per day on intersection of S 77 Carey Drive NW and S Ed Carey Drive (.17 miles away).
- The Harlingen and McAllen metro market has seen an average annual growth rate of over 2%.
- The property is immediately surrounded by other national retailers. Tenants include Panda Express, Taco Bell, Raising Cane's, McDonald's, Little Caesars Pizza.

### FRANCHISE GUARANTEE | STRONG SALES | LOW RENT TO SALES RATIO | EXPERIENCED OPERATOR

- Lease is guaranteed by the franchisee with plans to open 12 units in the Texas market.
- Store has been open since the summer of 2023 and is on track to beat average Scooter's Coffee sales.

# FINANCIAL SUMMARY

## SCOOTER'S COFFEE (HARLINGEN, TX)



### PRICING SUMMARY

Property Name	Scooter's Coffee
Property Address	2304 S 77 Sunshine Strip, Harlingen TX 78550
Price	\$2,228,571
CAP Rate	7.00% CAP
Initial NOI/Rent	\$156,000
Approx. Building Size	660 Square Feet
Year Built/Renovated	2024
Approx. Lot Size	0.89 Acres

### LOAN QUOTE

Loan to Value	50%
Equity	\$1,248,000
Debt	\$1,248,000
Amortization	25 Years
Term	5-Year Fixed

### DEMOGRAPHICS

	2 MILE	5 MILE	10 MILE
Population	31,134	98,834	156,463
Total Households	10,181	31,560	48,464
Household Income	\$57,728	\$54,659	\$59,180

### LEASE SUMMARY

Tenant	Scooter's Coffee
Guarantee	Franchisee (Future 12+ Units)
Lease Type	Absolute Triple Net Lease (NNN)
Lease Commencement	COE (Close of Escrow)
Lease Expiration	20 Years after COE
Original Term	20 Years
Option Term	Four (4) Five (5) Year Options
Increases	7.5% Every 5 Years
Landlord Responsibilities	None
Lease Term Remaining	20 Years



# RENT SCHEDULE

## SCOOTER'S COFFEE (HARLINGEN, TX)



### INITIAL TERM

Term	Year	Lease Amt Per Year	Lease Amt Per Month	% Inc
Initial	1	\$156,000	\$13,000	
Initial	2	\$156,000	\$13,000	
Initial	3	\$156,000	\$13,000	
Initial	4	\$156,000	\$13,000	
Initial	5	\$156,000	\$13,000	
Initial	6	\$167,700	\$13,975	7.50%
Initial	7	\$167,700	\$13,975	
Initial	8	\$167,700	\$13,975	
Initial	9	\$167,700	\$13,975	
Initial	10	\$167,700	\$13,975	
Initial	11	\$180,278	\$15,023	7.50%
Initial	12	\$180,278	\$15,023	
Initial	13	\$180,278	\$15,023	
Initial	14	\$180,278	\$15,023	
Initial	15	\$180,278	\$15,023	
Initial	16	\$193,799	\$16,150	7.50%
Initial	17	\$193,799	\$16,150	
Initial	18	\$193,799	\$16,150	
Initial	19	\$193,799	\$16,150	
Initial	20	\$193,799	\$16,150	

### OPTION TERM

Term	Year	Lease Amt Per Year	Lease Amt Per Month	% Inc
Option 1	1	\$208,334	\$17,361	7.50%
Option 1	2	\$208,334	\$17,361	
Option 1	3	\$208,334	\$17,361	
Option 1	4	\$208,334	\$17,361	
Option 1	5	\$208,334	\$17,361	
Option 2	1	\$223,960	\$18,663	7.50%
Option 2	2	\$223,960	\$18,663	
Option 2	3	\$223,960	\$18,663	
Option 2	4	\$223,960	\$18,663	
Option 2	5	\$223,960	\$18,663	
Option 3	1	\$240,757	\$20,063	7.50%
Option 3	2	\$240,757	\$20,063	
Option 3	3	\$240,757	\$20,063	
Option 3	4	\$240,757	\$20,063	
Option 3	5	\$240,757	\$20,063	7.50%
Option 4	1	\$258,814	\$21,568	
Option 4	2	\$258,814	\$21,568	
Option 4	3	\$258,814	\$21,568	
Option 4	4	\$258,814	\$21,568	
Option 4	5	\$258,814	\$21,568	



# PROPERTY PHOTO

SCOOTER'S COFFEE (HARLINGEN, TX)



# PROPERTY PHOTO

SCOOTER'S COFFEE (HARLINGEN, TX)



EST. 1998

SCOOTER'S  
COFFEE

# TENANT AND GUARANTEE SUMMARY

## SCOOTER'S COFFEE (HARLINGEN, TX)



**TENANT HEADQUARTERS:  
OMAHA, NE**

**TENANT:  
SCOOTER'S COFFEE**

**OPERATOR:  
SCOOTER'S COFFEE**

**GUARANTEE:  
FRANCHISEE (FUTURE 12+ UNITS)**

**TENANT LOCATIONS:  
750+ STORES**

### DESCRIPTION OF SCOOTER'S COFFEE

- Scooter's Coffee is a specialty coffee franchise founded in 1998 by Don and Linda Eckles.
- The brand is known for its drive-thru coffee kiosks and coffeehouses, offering a wide range of coffee beverages, including lattes, mochas, cappuccinos, and espresso-based drinks.
- Scooter's Coffee sources its coffee beans from around the world, focusing on high-quality Arabica beans. They have their own roasting facility to ensure freshness and consistency in their coffee products.
- Scooter's Coffee has expanded rapidly since its inception and has grown to over 750 locations in 23 states across the United States. Many of their locations are drive-thru kiosks, making it convenient for customers on the go.
- In addition to coffee, Scooter's Coffee also offers a variety of other beverages, including smoothies, teas, and hot chocolates. They also have a selection of pastries, muffins, and breakfast sandwiches to complement their drinks.
- The company is committed to giving back to the community and is involved in various charitable initiatives. They have established the Scooter's Coffee Caring for Kids Foundation, which supports organizations that focus on children's health and education.

# TENANT IN THE NEWS

## SCOOTER'S COFFEE (HARLINGEN, TX)



### THESE 10 RETAIL BRANDS ARE THE FASTEST GROWING IN THE U.S., YELP SAYS

Wednesday, April 10, 2024

The Midwestern coffee chain was founded in 1998 in Nebraska but has only recently begun aggressively expanding through franchised locations. Its standard, drive-thru-only location is only 664 square feet. The restaurant's small size makes it cheaper to operate and quicker to build, helping the chain and its franchisees accelerate development quickly.

Scooter's net new locations jumped 53% from 2022 to 2023, giving it the largest percentage growth of any restaurant brand on the list, according to Yelp. The company is committed to giving back to the community and is involved in various charitable initiatives. They have established the Scooter's Coffee Caring for Kids Foundation, which supports organizations that focus on children's health and education...

### SCOOTER'S COFFEE INCLUDED AGAIN ON ENTREPRENEUR MAGAZINE'S FRANCHISE 500 LIST

Thursday, January 25, 2024

Scooter's Coffee, known for its specialty coffee, fast drive-thru kiosks, and serving smiles, is honored to be named among the top 500 franchises by Entrepreneur's Franchise 500®. For 45 years, the annual Entrepreneur Franchise 500® has been a highly sought-after honor in the franchise industry and recognized as an invaluable resource for potential franchisees. This year, Scooter's Coffee came in at No. 2 in the highly competitive coffee category and is the only other coffee brand to break the Top 100 in the overall Franchise 500® ranking.

"Every brand on the Franchise 500 has its own unique story, but they all collectively make the same statement: Franchising is strong and resilient, is full of innovation and opportunity, and provides a powerful entrepreneurial path for many people," ...



# LOCAL MARKET

## SCOOTER'S COFFEE (HARLINGEN, TX)



### SPACEX STARBASE



### TEXAS STATE TECHNICAL COLLEGE



### CAMERON COUNTY TEXAS

- The Southernmost County in the state of Texas with a population of 421,017 with the county seat being Brownsville.
- Cameron County comprises the Brownsville- Harlingen, TX metropolitan area, which itself is a part of the larger Rio Grande Valley Region.
- Boca Chica is in Cameron County which is the site to SpaceX Starbase spaceport. It is also the residence of Elon Musk, the world's second richest person and wealthiest US citizen

### HARLINGEN

- The cost of living in Harlingen is about 18% lower than the national average which means they have more disposable income.
- A branch of the Texas State Technical College was established in Harlingen in 1967. The two-year technical state college currently offers more than 30 programs to over 5,000 students
- The University of Texas Rio Grande Valley School of Medicine Welcomed its first students in the summer of 2016
- The World Birding Center is located in Harlingen's Hugh Ramsey Nature Park. The Rio Grande Valley Birding Festival attracts thousands of visitors every November and celebrated the 30th Year Anniversary in 2023.

# AERIAL MAP

## SCOOTER'S COFFEE (HARLINGEN, TX)



# AERIAL MAP

## SCOOTER'S COFFEE (HARLINGEN, TX)



# SATELLITE MAP

## SCOOTER'S COFFEE (HARLINGEN, TX)



# REGIONAL MAP

## SCOOTER'S COFFEE (HARLINGEN, TX)



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## SHARED DATABASE

Centralized platform for up to date Off & On Market Properties



## BUYER NETWORK

Proprietary and up to date buyer contact list



## NATIONAL REACH

Network that sources buyers & sellers coast to coast



## COLLABORATION CULTURE

Embracing synergy and fostering team work to drive transactions



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