

SUBJECT LAND PARCEL



NET LEASE INVESTMENT OFFERING



SPACEX (LEASED LAND – 80 TOTAL ACRES)
BOCA CHICA BOULEVARD AND REMEDIES AVENUE
BROWNSVILLE, TEXAS 78521



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale single tenant net leased land parcels leased to SpaceX. The properties are located in Brownsville, Texas. The tenant has over 9 years remaining on their current lease that commenced in January 2021. The lease features no landlord responsibilities and 10% rental escalations every five years. This investment provides a unique opportunity to acquire 80 acres of land leased to one of the country's most influential companies. Texas also is an income tax free state.

Approximately 0.82 acres of the land is located within the main compound, the Starbase and additional 79 acres is on the western coast across a bay with potential for future use and development by SpaceX. The location is adjacent to both SpaceX's launch facility and tracking station. The tenant is estimated to produce \$85 million in tax revenue for the city of Brownsville and generates roughly \$51 million in annual salaries for the roughly 500 jobs to be created by 2024. Brownsville has a storied history with roots in the early industrial boom of the United States. It is home to one of the fastest manufacturing sectors in the United States. Brownsville is also recognized as having one of the best pro-business climates in the United States.

Starbase is a spaceport, production, and development facility for the Starship rockets developed by SpaceX. Some of the most ambitious interstellar research, development, and implementation is carried out daily at this location. Discussions about this base commenced as early as 2011, and SpaceX CEO Elon Musk mentioned interest in a private launch site for their commercial launches in September of that same year. This location along the Rio Grande River in the south of Texas was one of seven potential locations for the new commercial launch facility. Ultimately, SpaceX and its leadership choose this site due to its ideal location along the Gulf of Mexico on the east side for a safe flight path in 2014 SpaceX began to develop the land in Brownsville, originally acquiring 41 acres and leasing another 57. This location became the first non-governmental launch site that the company has under their control. Later in 2013 five lots of the Spanish Dagger subdivision were purchased by the company. Later in 2014 they had amassed some 36 acres of land under ownership and an additional 56 acres under lease.

The purpose of the Starbase location in Brownsville is to develop and test the Starship SN15. This is a reusable, 394 ft vessel capable of efficiently carrying over 100 tons in cargo. The intended purpose and uses of this starship is to distribute satellites more efficiently, further, and at a lower marginal cost per launch than the current methods. Another goal with the Starship is to land on Mars. As of March 2020, there were 500 people employed at the facility, with most of the workforce involved in 24/7 production operations.

<https://visitbtx.com/spacex>



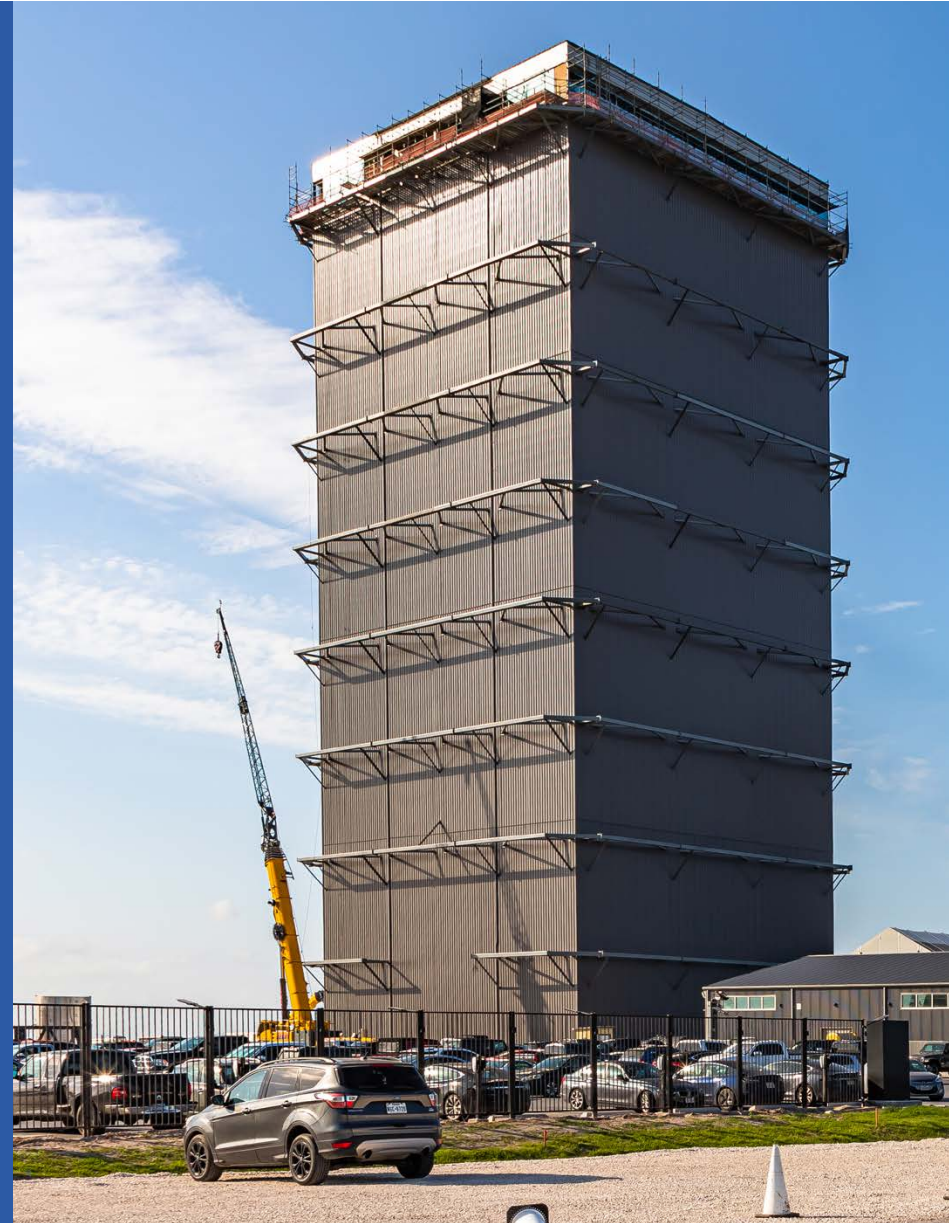
INVESTMENT HIGHLIGHTS

- Positioned within the Brownsville MSA
- New 10-year lease with renewal options
- Location is essential to the tenants' operations
- 10% rental escalations every five years
- Unique opportunity to acquire nearly 80 acres of land leased to of the country's most influential companies (\$12,048/Acre)
- Texas is an income tax free state
- Location was selected by SpaceX over dozens of others due to its proximity to the ocean and support from the local government
- SpaceX is Brownsville's largest private employer
- Site provides SpaceX with an exclusive launch site that would allow the company to accommodate its launch manifest and meet tight launch windows
- The base is exclusively used for the Starship, an innovative reusable space craft that has the potential to help colonize Mars, and change space travel forever



PROPERTY OVERVIEW

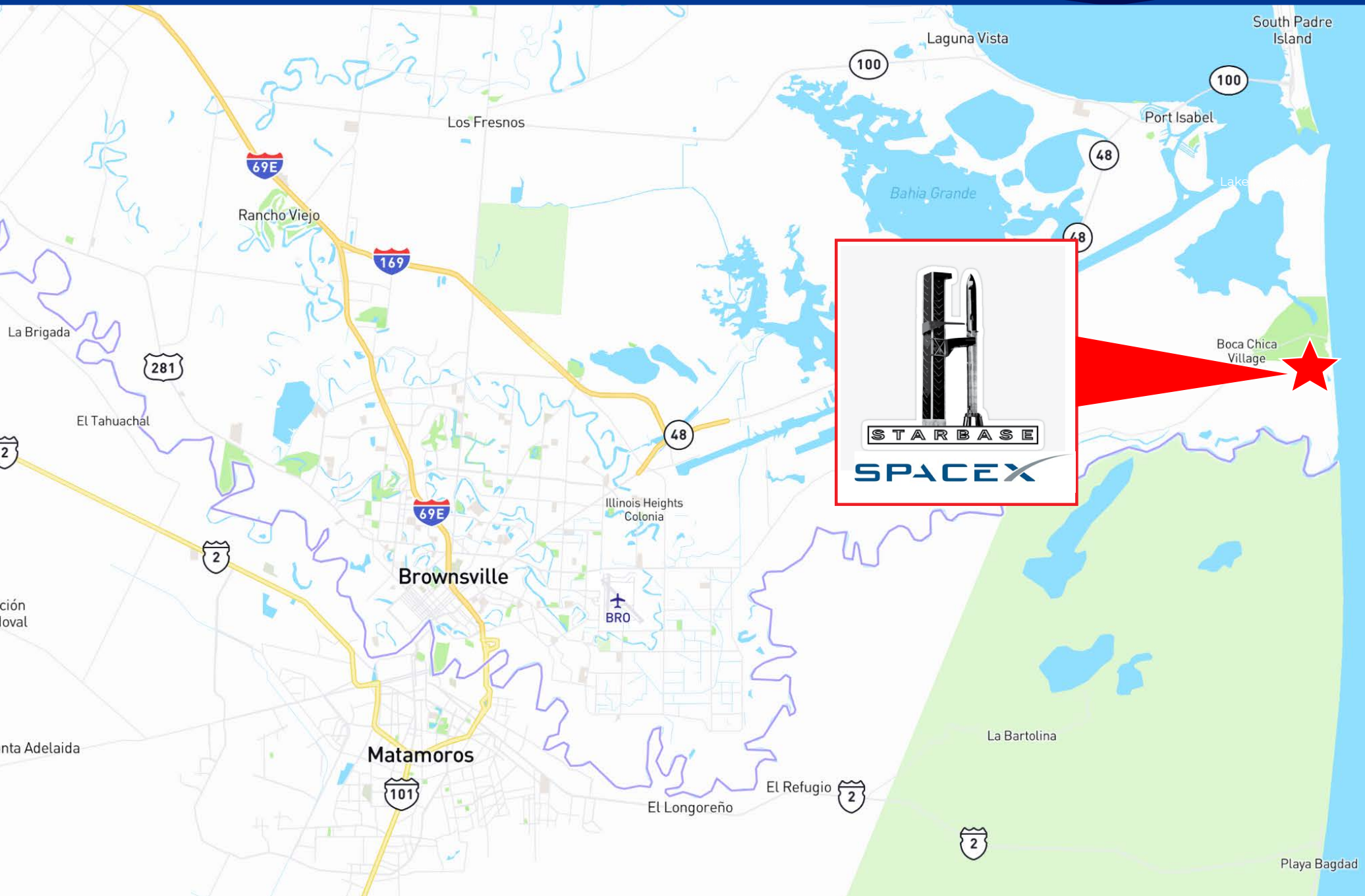
Price:	\$995,000
Cap Rate:	Confidential
Price Per Acre:	\$12,488/AC
Rent Commencement Date:	1/13/2022
Lease Expiration Date:	1/31/2032
Initial Lease Term:	10 Years
Renewal Options:	Two 5-year
Rental Escalations:	10% every five years
Tenant:	Space Exploration Technologies Corporation dba SpaceX
Lease Type:	NNN
Lot Size:	79.93











DEMOGRAPHICS

POPULATION

	10-Mile	15-Mile
Total Population:	9,500	23,370
Total Households:	3,718	7,657

INCOME

	10-Mile	15-Mile
Median Household Income:	\$43,444	\$48,884
Average Household Income:	\$79,710	\$74,877



CITY OF **BROWNSVILLE, TEXAS**

Brownsville is a city in Cameron County in the U.S. state of Texas. It is on the western Gulf Coast in South Texas, adjacent to the border with Matamoros, Mexico. The city covers 145.2 sq mi and has a population of 186,738. It is the 139th-largest city in the United States and 18th-largest in Texas. It is part of the Matamoros–Brownsville metropolitan area. The city is known for its year-round subtropical climate, deep-water seaport, and Hispanic culture.

Due to significant historical events, the city has multiple houses and battle sites listed under the National Register of Historic Places. It was the scene of several key events of the American Civil War, such as the Battle of Brownsville and the Battle of Palmito Ranch. The city was also involved in the Texas Revolution, as well as the Mexican American War. Brownsville's idiosyncratic geographic location has made it a wildlife refuge center. Several state parks and historical sites are protected by the Texas Parks and Wildlife Department. Brownsville has a storied history with roots in the early industrial boom of the United States. It is home to one of the fastest manufacturing sectors in the United States. Brownsville is also recognized as having one of the best pro-business climates in the United States.



CONFIDENTIALITY & DISCLAIMER

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 The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder 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.

EXCLUSIVELY LISTED BY:



RANDY BLANKSTEIN
President
847-562-0003
randy@bouldergroup.com

Listed in conjunction with TX license #701472

JIMMY GOODMAN
Partner
847-562-8500
jimmy@bouldergroup.com

The Boulder Group
3520 Lake Avenue, Suite 203
Wilmette, Illinois 60091

www.bouldergroup.com



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.

11-2-2015



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.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ Designated Broker of Firm	_____ License No.	_____ Email	_____ Phone
_____ Licensed Supervisor of Sales Agent/ Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date