Hey Darlin' SALOON

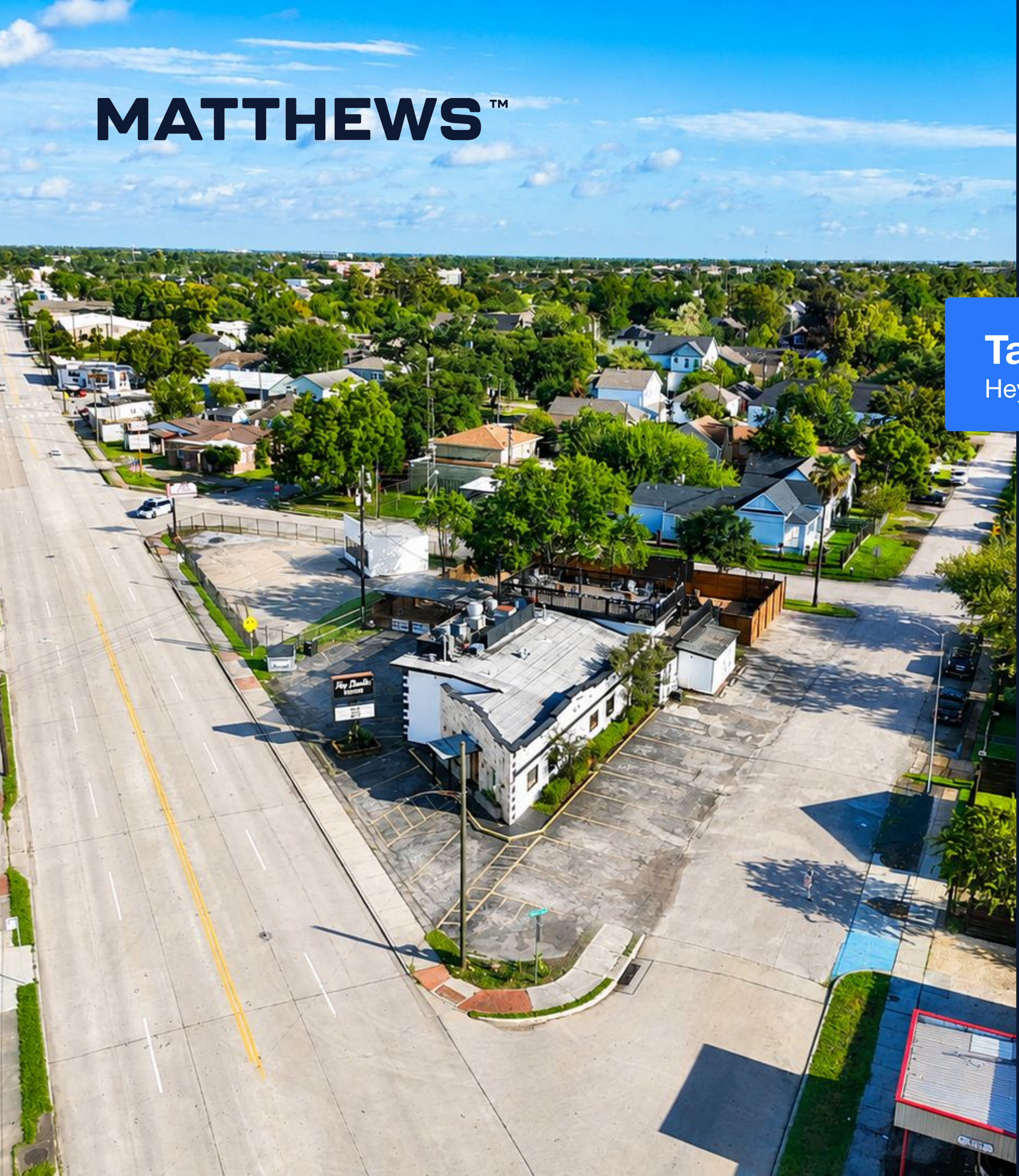
4002 N Main St
Houston, TX 77009

Single Tenant Retail Investment Opportunity

Offering Memorandum

MATTHEWS™


Downtown Houston
±2.8 Miles Away
Additional Parking
Subject Property
Exclusively Listed By
Joshua Longoria
Associate Vice President
(281) 760-3339
joshua.longoria@matthews.com
License No. 825925 (TX)
Patrick Graham
Broker of Record
Broker Lic. No.: 528005 (TX)
Firm Lic. No.: 9005919 (TX)
MATTHEWS™



MATTHEWS™

Table of Contents

Hey Darlin' Saloon

04 Property Overview

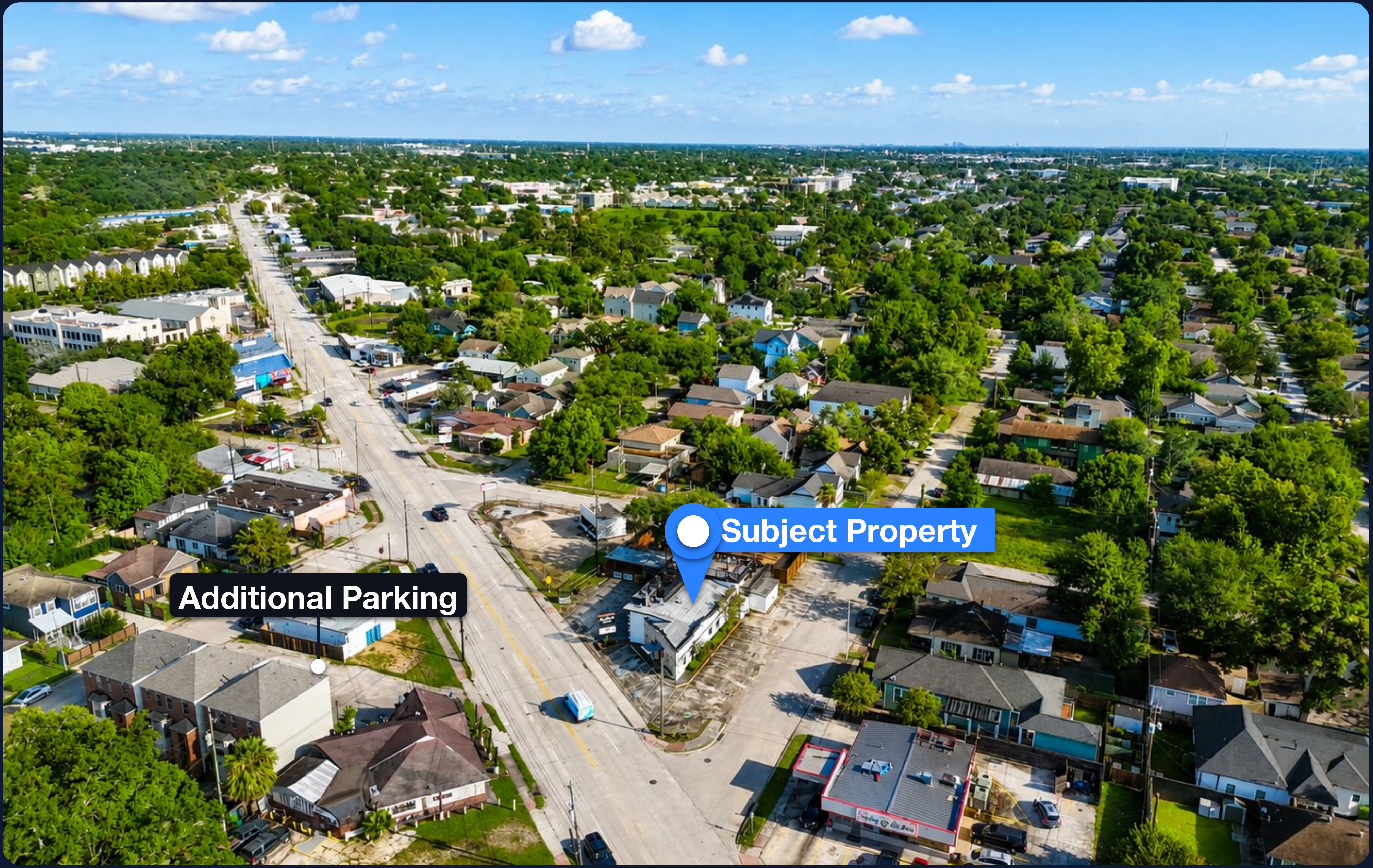
09 Financial Overview

11 Tenant Overview

13 Market Overview

Property Overview

Hey Darlin' Saloon
4002 N Main St Houston, TX 77009



Investment Highlights

$2,307,692	6.50%	±17,763 SF
List Price	Cap Rate	Combined Lot Size

Property Highlights

- **Brand-New 5-Year Lease —** Tenant recently executed a fresh five-year term running through May 2031, giving a new owner a long runway of secured, in-place income from day one.
- **Personally Guaranteed —** The lease carries a personal guaranty, adding a layer of credit security beyond the operating entity.
- **3% Annual Rent Increases —** Built-in annual escalations grow NOI every year, providing an inflation hedge and steady appreciation of the income stream throughout the hold.
- **Attractive In-Place NOI of $150,000 —** Stabilized cash flow with a clear, contractually scheduled growth path.
- **Recent Major Renovation Completed by Tenant —** The tenant invested significant capital improving the property, signaling strong commitment to the location and substantially reducing a new owner's near-term capital expenditure exposure.
- **One-5-Year Renewal Option —** Provides the potential for an extended hold and reduced rollover risk beyond the initial term.
- **Passive, Net-Lease Structure** — Minimal landlord management responsibilities — ideal for a 1031 exchange buyer or passive investor seeking truly mailbox-money income.
- **Fee Simple Ownership** — Buyer acquires both the land and improvements outright (±17,763 SF of land / ±3,013 SF building).

Location Highlights

- **Premier Near-Heights / North Main Location (77009)** — Situated in one of Houston's most sought-after and rapidly gentrifying infill corridors, just north of Downtown and adjacent to the Greater Heights — a trendy, walkable, high-demand submarket.
- **Explosive Population Growth** — The immediate 1-mile trade area has grown more than 44% since 2020, with another ~25% projected over the next five years — among the strongest infill growth trajectories in the city.
- **Affluent, Densifying Demographics** — Average household income of $120,497 within one mile, well above the broader Houston median, reflecting the area's continued upscale residential influx.
- **Dense, Built-In Customer Base** — Approximately 110,000+ residents within a 3-mile radius support the tenant's restaurant and entertainment concept.
- **Major-Metro Fundamentals** — Located in Houston, the 4th-largest U.S. city, anchored by a diverse economy spanning energy, the Texas Medical Center (the world's largest medical complex), aerospace, and Port Houston (the top U.S. port by international tonnage).
- **Irreplaceable Infill Real Estate** — Limited developable land in the corridor and rising surrounding values support long-term land appreciation independent of the income stream.


S
MEOW WOLF RADIO TAVE HOUSTON
Holiday Inn
WHITE OAK SOCIAL
H-TOWN BREWING CO
RAVEN TOWER
WHITE OAK MUSIC HALL
Downtown Houston
3 Miles Away
TARGET
PETSMART
STAPLES
THE HOME DEPOT
Chick-fil-A
Chili's
Kroger
I-45
±208,000 VPD
McDonald's
Travis Elementary School
±762 Students
WHATABURGER
SUBWAY
Starduster Heights
Norhill, Houston
±1,235 Homes
SHIPLEY DO-NUTS
MAKE LIFE DELICIOUS
Sara's Ice House
Subject Property
N Main St ± 6,000 VPD


N
Melwood St
Walton St
N Main St ± 6,000 VPD

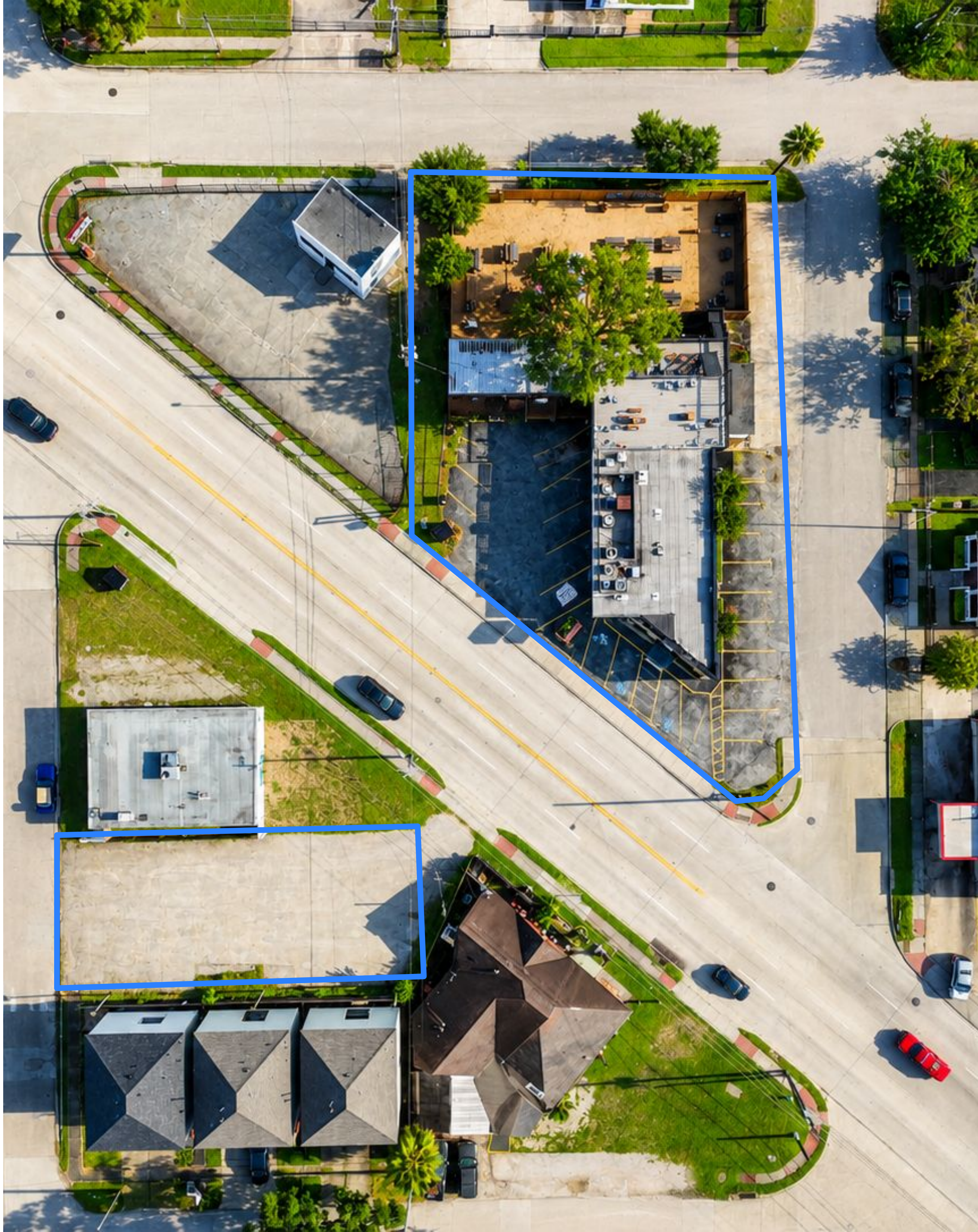
Hey Darlin' Saloon
4002 N Main St Houston, TX 77009

±3,013 SF
GLA

1940/2025
Year Built/Renovated

±17,763 SF
Combined Lot Size

NNN
Lease Type



Financial Overview

Financial Summary

$2,307,692	**6.50%**	**$150,000**	**±17,763 SF**
List Price	Cap Rate	NOI	Lot Size

Property Details

Tenant Trade Name	Hey Darlin' Saloon
Type of Ownership	Fee Simple
Lease Guaranty	Personal
Lease Type	NNN
Roof, Exterior Structure and Foundation	Landlord Responsible
Original Lease Term	5 Years
Rent Commencement Date	11/9/2025
Lease Expiration Date	05/8/2031
Term Remaining on Lease	±4.5 Years
Increase	3.00% Annually
Options	One, 5-Year Options

Annualized Operating Data

Lease Years	Monthly Rent	Annual Rent	Cap Rate
Months 7-18	$12,500.00	$150,000	6.50%
Months 19-30	$12,875.00	$154,500	6.70%
Months 31-42	$13,261.25	$159,135	6.90%
Months 43-54	$13,659.09	$163,909	7.10%
Months 55-66	$14,068.86	$168,826	7.32%
Option 1			
Months 67-78	$14,350.00	$172,203	7.46%
Months 79-90	$14,63.00	$175,647	7.61%
Months 91-102	$14,93.00	$179,160	7.76%
Months 103-114	$15,229.00	$182,743	7.92%
Months 115-126	$15,533.00	$186,396	8.08%

Tenant Overview

Location
Houston, Texas

Ownership Status
Privately held

Locations
1

Credit Rating
S&P – Not Rated

Tenant Overview

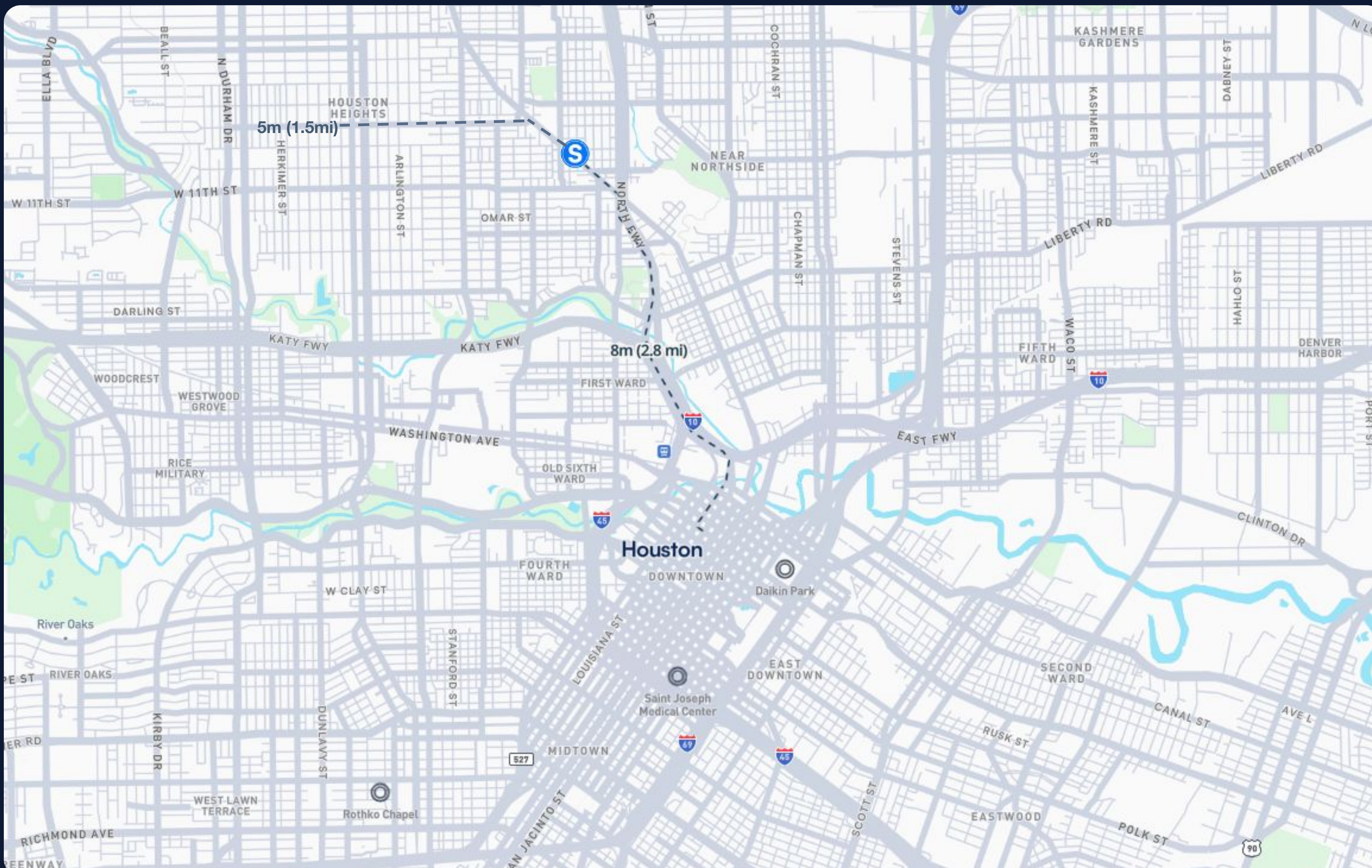
Hey Darlin' Saloon is a newly established, locally owned hospitality concept located at 4002 N. Main Street in Houston's Heights area. Opened on May 28, 2026, the modern Texas saloon combines the character of a traditional Southern neighborhood bar with a contemporary entertainment-driven experience centered around cold beer, handcrafted cocktails, food, live music, sports viewing, games, and a large outdoor beer garden. The concept occupies the former Space Cadet Bar & Grill location, which underwent a comprehensive remodel prior to Hey Darlin' Saloon's opening.

Why Invest in Hey Darlin' Saloon?

- **Operator Experience**: Ownership team brings more than 20 years of combined bar-industry experience
- **Concept**: Modern Texas/Southern-style saloon featuring beer, cocktails, food, sports viewing, live entertainment, pool tables, arcade games and an expansive outdoor beer garden
- **Marketing Strategy**: Community-oriented positioning supported by social-media engagement, live music and watch parties, beverage promotions, local partnerships, customer-review initiatives and experiential programming designed to generate repeat neighborhood traffic
- **Investment Appeal**: Experienced local ownership, a fully remodeled location, diversified food-and-beverage demand drivers and a community-focused operating strategy provide a foundation for establishing the concept as a recurring destination within Houston's Heights market

Market Overview

Hey Darlin' Saloon
4002 N Main St Houston, TX 77009



Houston, TX

Houston is one of the nation's premier consumer markets, supported by its large and rapidly expanding population, diverse economic base, and strong visitor activity. As the fifth-largest metropolitan area in the United States, Houston benefits from sustained population growth that continues to drive demand for retail, dining, entertainment, and essential services across the region. The market's economic diversity, anchored by energy, healthcare, aerospace, manufacturing, and technology industries, supports a broad consumer base and strong household spending. Significant tourism and business travel activity further enhance retail demand, reinforcing Houston's position as one of the most attractive retail investment markets in the country.

Source: CoStar Group, Houston First, Houston Facts & Figures | **2025 Dataset**

5th-Largest U.S. Metro
8M+ Total Population

92.6M+
Annual Visitors

$16.6B+
Visitor Spending (2024)

Employment

Houston supports one of the largest and most diversified employment bases in the United States, anchored by globally significant energy, healthcare, manufacturing, aerospace, logistics, and professional services industries. Widely recognized as the Energy Capital of the World, the region has evolved into a major hub for life sciences, technology, and advanced manufacturing while maintaining its leadership in global energy markets. Houston's business-friendly environment, strategic Gulf Coast location, and concentration of Fortune 500 headquarters continue attracting corporate investment and workforce growth.

2025 Employment Statistics

Total Jobs	26 Fortune 500 HQs
3.5M+	**#3 in U.S. Metros**

Major Job Expansions & Corporate Investment

Axiom Space

1,000+ jobs · **World's first commercial space station**

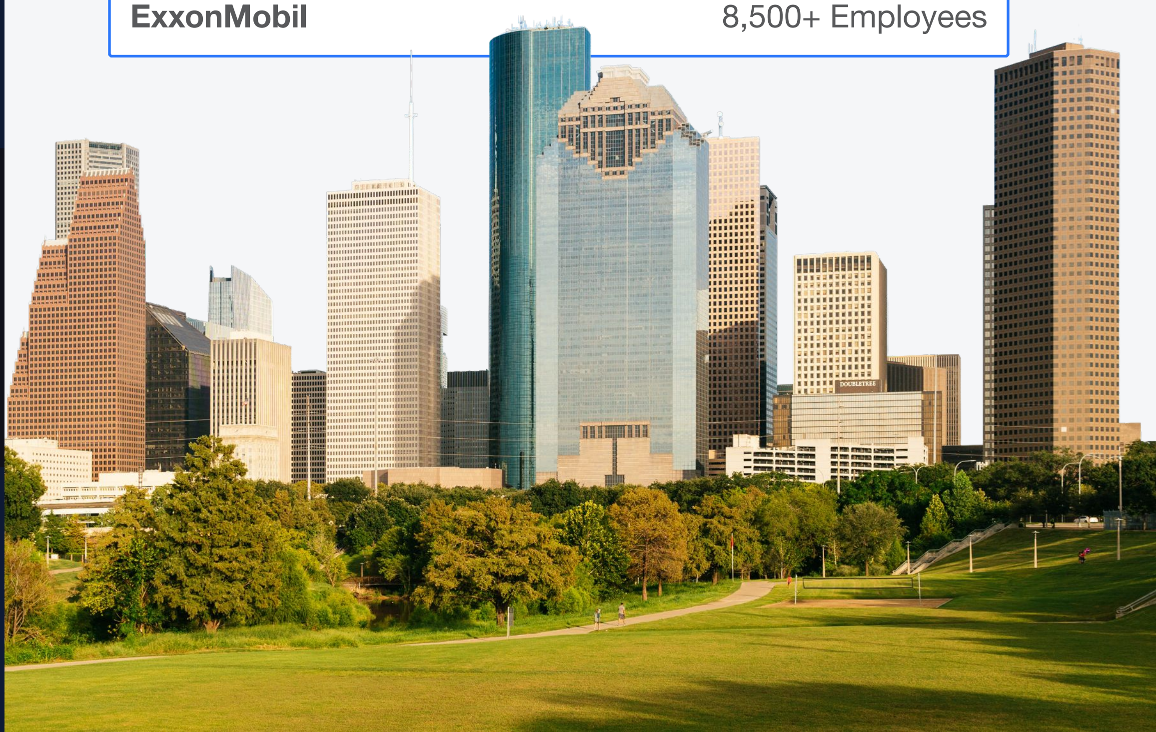
Eli Lilly

600+ jobs · **$5.9B-$6.5B biomanufacturing facility**

Source: U.S. Bureau of Labor Statistics, Greater Houston Partnership, Harris County Economic Development, Fortune 500, Texas Medical Center | **2025 Dataset**

Top Employers

Employer	Employees
Largest Employer: TMC Texas Medical Center	100,000+ Employees
Memorial Hermann Health	30,000+ Employees
Houston Methodist	30,000+ Employees
MD Anderson Cancer Center	25,000+ Employees
United Airlines	14,000+ Employees
Shell	9,000+ Employees
ExxonMobil	8,500+ Employees



Houston Retail Performance

444M+
Square Feet of Retail Inventory

5.3%
Vacancy Rate

7.3%
Market Cap Rate

4.4M
SF Under Construction

$25.01
Market Asking Rent Per Square Foot

$254
Market Sale Price Per Square Foot

Houston's retail market ranks as one of the nation's largest consumer economies. The region's substantial inventory base, development activity, and relatively low vacancy rate demonstrate retailer demand and confidence in long-term growth. Strong asking rents and sale prices highlight Houston's ability to attract investment, while the current cap rate environment continues to provide opportunities for investors seeking stable income and long-term appreciation. Supported by robust population growth, job creation, and consumer spending, Houston remains one of the most active and resilient retail markets in the United States.

Source: CoStar Group | **2025 Dataset**

Submarket Strength

Luxury & Flagship

Uptown Houston

The Galleria · River Oaks

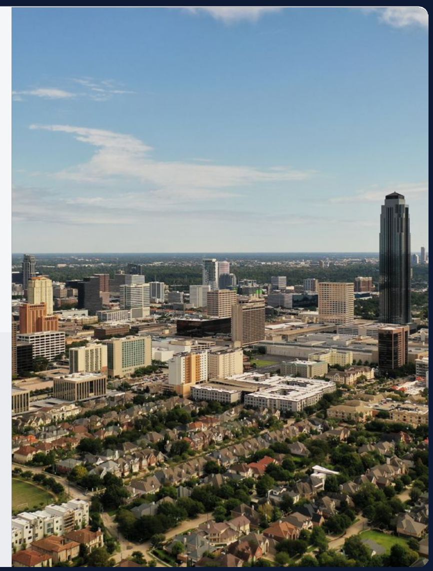
200K+ daytime employees
Historically low 2% retail availability

The Galleria

400+ retailers, restaurants, entertainment

2.4M+ SF
Retail space

30M+
Annual Visitors



Regional Destination

The Woodlands

North Houston · Montgomery County

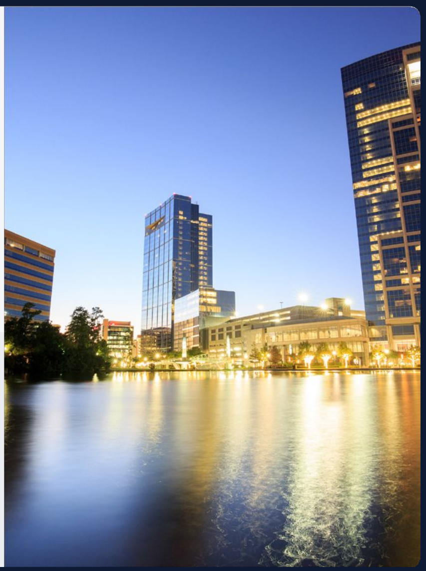
Montgomery County population exceeds 750,000 residents

Woodlands Mall

10M+ annual visitors

120K+ Residents

80K+ Jobs



High-Growth Suburb

West Houston

Katy · Energy Corridor · Cinco Ranch

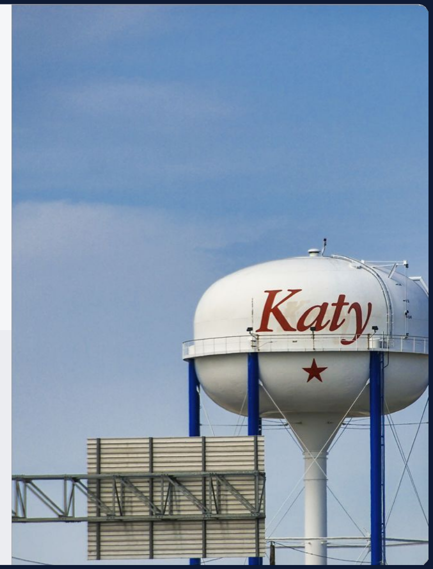
Energy Corridor supports 94K+ employees in 300+ companies

Katy Independent School District

96,000+ students

Katy Mills

10M+ visitors annually



Affluent Trade Area

Sugar Land

Fort Bend County

Fort Bend County population exceeds 900,000 residents

Sugar Land Town Square

4.5M+ annual visitors

24M+ SF of commercial development

Source: CoStar Group, Placer.ai, U.S. Census Bureau, Uptown Houston District, The Galleria Houston, The Woodlands Area Economic Development Partnership, Energy Corridor District, Katy ISD, Sugar Land Economic Development Corporation | **2025 Dataset**

MATTHEWS™

Exclusively Listed By

Joshua Longoria
Associate Vice President
(281) 760-3339
joshua.longoria@matthews.com
License No. 825925 (TX)

Patrick Graham
Broker of Record
Broker Lic. No.: 528005 (TX)
Firm Lic. No.: 9005919 (TX)

11-2-2015

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.

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.

Matthews Real Estate Investment Services, Inc.	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Designated Broker of Firm	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
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