

OFFERING MEMORANDUM

**FOR SALE**

FULLY RENOVATED  
CO-TENANT DRIVE  
THROUGH BUILDING

**NET LEASED INVESTMENT**  
SWC PALM AVENUE AND BEYER WAY, SAN DIEGO



FOR ADDITIONAL INFORMATION  
PLEASE CONTACT:

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**HIGHLAND**  
PARTNERS CORP

## CONFIDENTIALITY AGREEMENT

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and Highland Partners Corp. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or Highland Partners Corp, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or Highland Partners Corp. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Highland Partners Corp.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to Highland Partners Corp.

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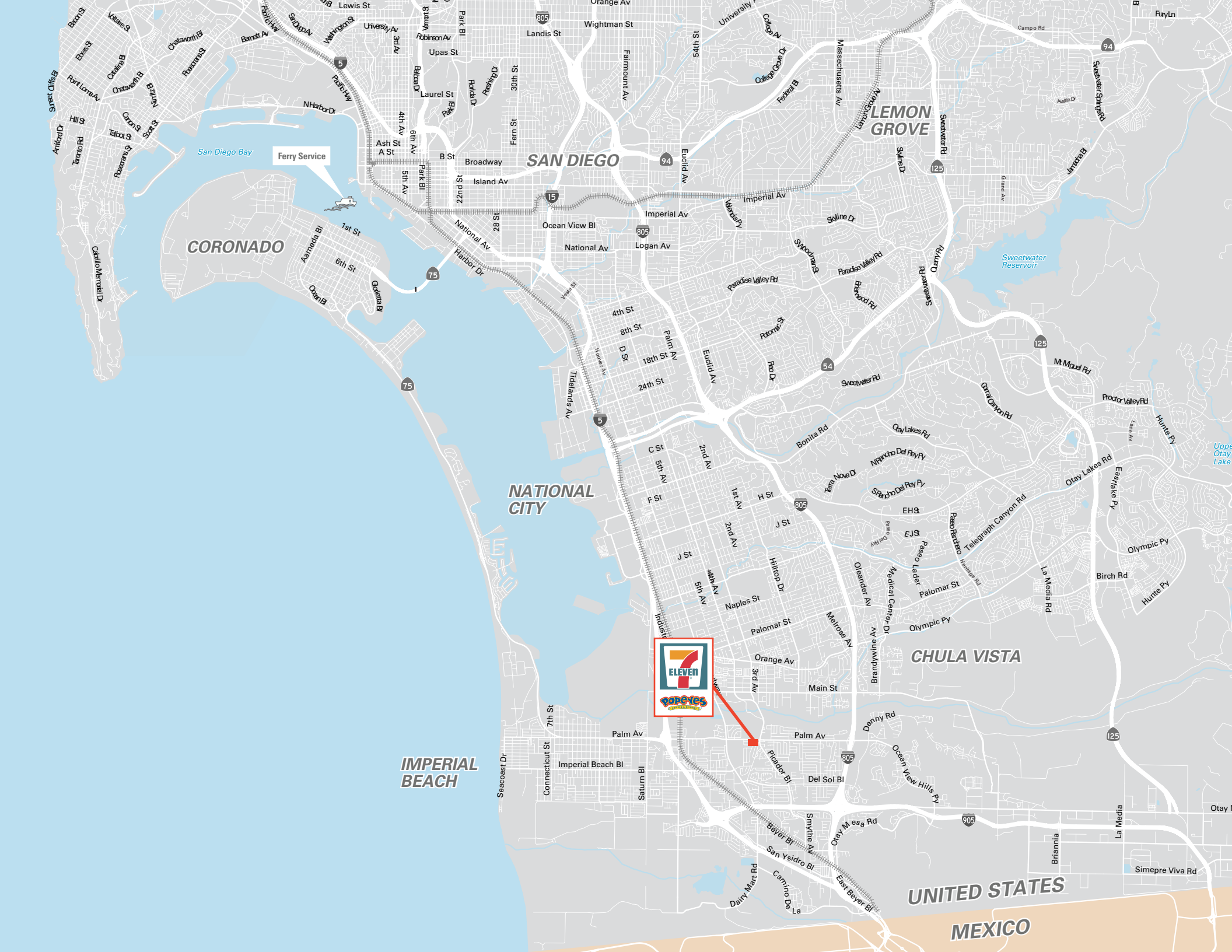
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CORONADO

SAN DIEGO

LEMON GROVE

NATIONAL CITY

CHULA VISTA

IMPERIAL BEACH

UNITED STATES

MEXICO



Ferry Service

Sweetwater Reservoir

Upper Otay Lake

Sempre Viva Rd

Map showing street names and highway numbers (5, 15, 54, 75, 805, 94, 125, 905) across San Diego, National City, Lemon Grove, and Chula Vista.

# INVESTMENT OVERVIEW

## EXECUTIVE SUMMARY

<b>TENANT:</b>	7-Eleven Popeye's Louisiana Kitchen (The Tyco Group LLC)
<b>LOCATION:</b>	SWC Palm Avenue & Beyer Way
<b>APN:</b>	630-310-49-00
<b>LAND SIZE:</b>	22,651 SF
<b>YEAR BUILT:</b>	1979 (Remodel Completed 2018)
<b>BUILDING SIZE:</b>	4,500 SF

### RENT SCHEDULE: **7-ELEVEN** (APPROXIMATELY 2,800 SF)

TERM	YEARS	ANNUAL RENT	% INCREASE
Primary	1-5	\$130,000.00	
Primary	6-10	\$143,000.00	10%+
Option 1	11-15	\$157,300.00	10%+
Option 2	16-20	\$173,030.00	10%+
Option 3	21-25	\$190,333.00	10%+
Option 4	26-30	\$209,366.00	10%+



## OFFERING TERMS

<b>Annual Rent:</b>	\$220,000 Combined
<b>Offering Price:</b>	\$4,888,888.00
<b>CAP:</b>	4.5%

### RENT SCHEDULE: **POPEYE'S LOUISIANA KITCHEN (THE TYCO GROUP LLC)** (APPROXIMATELY 1,700 SF)

TERM	YEARS	ANNUAL RENT	% INCREASE
Primary	1-5	\$90,000.00	
Primary	6-10	\$97,200.00	8%+
Option 1	11-15	\$104,976.00	8%+
Option 2	16-20	\$113,374.08	8%+
Option 3	21-25	\$122,444.04	8%+
Option 4	26-30	\$132,239.52	8%+
Option 5	31-35	\$142,818.72	8%+

SWC PALM AVENUE AND BEYER WAY

# INVESTMENT HIGHLIGHTS

## MODIFIED NNN LEASE

Minimal Landlord Responsibilities

## INVESTMENT GRADE TENANTS

7-Eleven has a Standard & Poor's AA- and

The Tyco Group is a Franchise of Popeye's Louisiana Kitchen

## STRONG DEMOGRAPHIC INFILL LOCATION

The intersection of Palm Avenue and Beyer Way features a strong population of 119,762 and an average household income in excess of \$82,738 in a one (1) mile radius.

## 24-HOUR LOCATION

7-Eleven is open 24 Hours and sells beer and wine enhancing the ability to maximize sales

## DRIVE THRU BUILDING RENOVATION

in 2017 the facility was remodeled to allow drive thru service with a drive through lane and a pick up window.

## LOCATED NEXT TO MONTGOMERY HIGH SCHOOL

Montgomery High School serves over 2,500 students in the area. Students and staff are all within a short walking distance.

## HIGH VISIBILITY AND ACCESSIBILITY

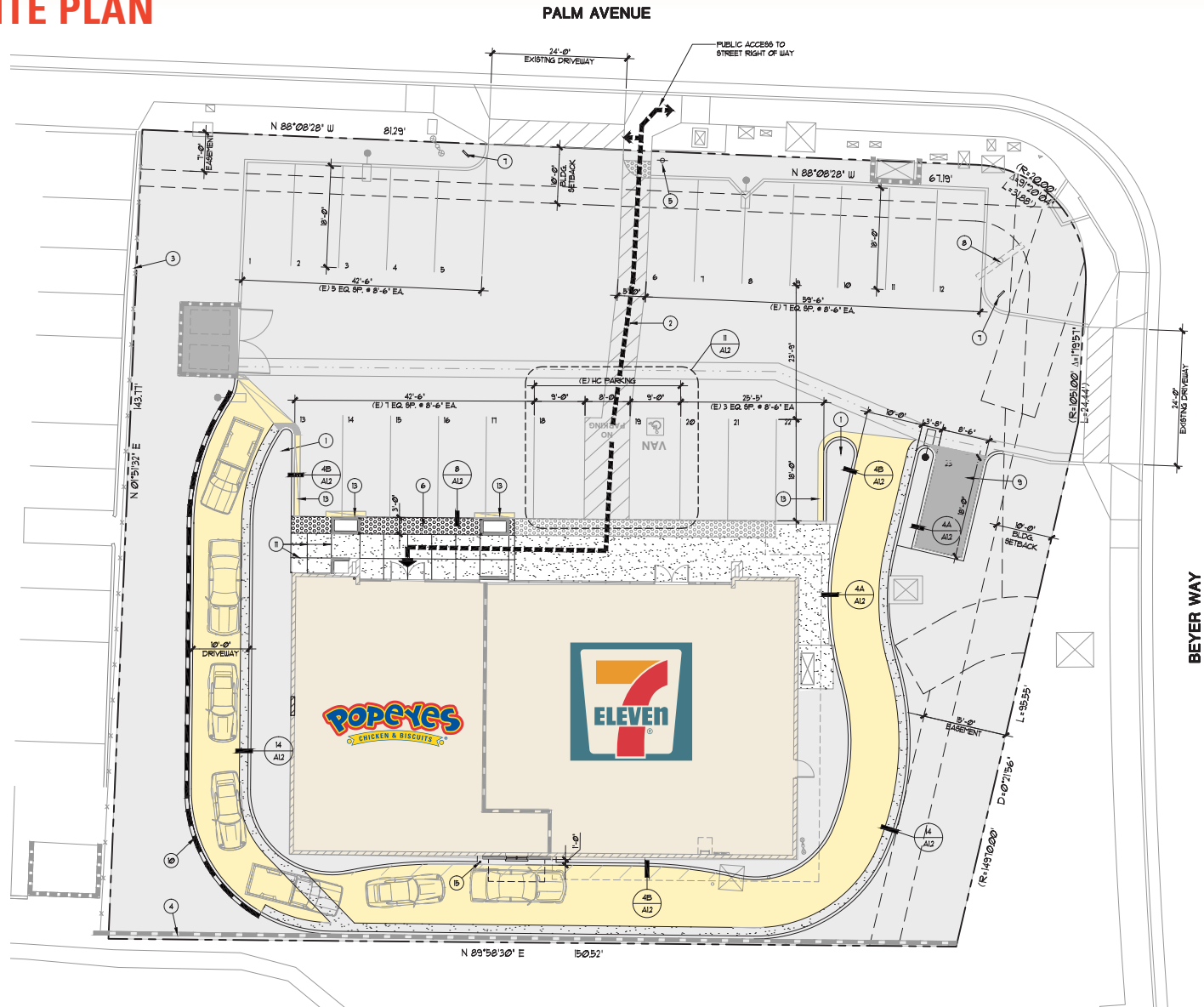
Property is situated at the SWC of Palm Avenue and Beyer Way with traffic counts in excess of 35,300 vehicles per day (2015 ADT)



SWC PALM AVENUE AND BEYER WAY

# PROPERTY OVERVIEW

## EXISTING SITE PLAN



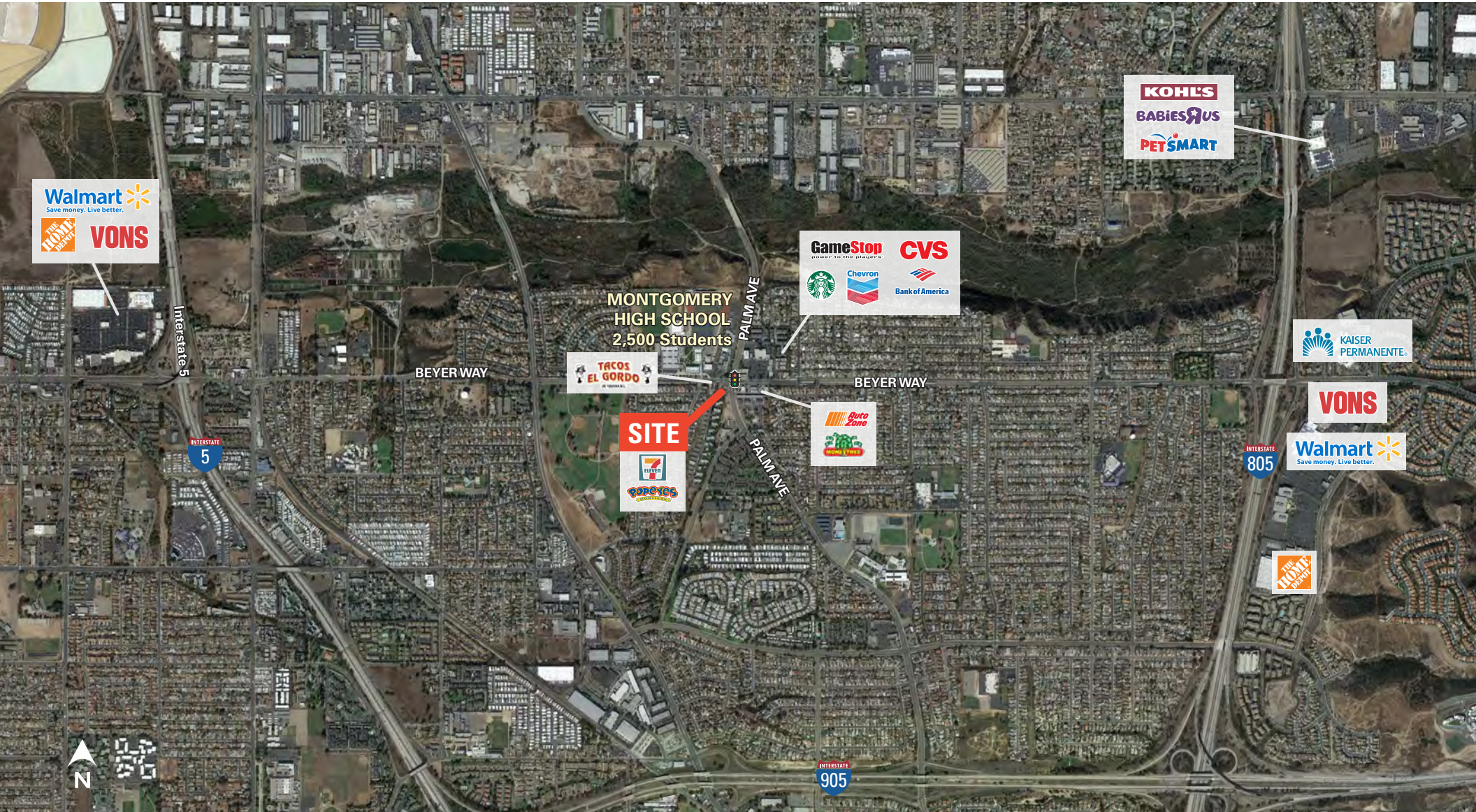
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# PROPERTY OVERVIEW



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# TENANT PROFILE



<b>S&amp;P CREDIT RATING:</b>	AA-
<b>MOODY'S CREDIT RATING:</b>	Baal
<b># OF LOCATIONS (2017):</b>	60,000+ (Worldwide)
<b># OF EMPLOYEES (2017):</b>	45,000+ (U.S. & Candada)

7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 60,000 stores in 18 countries, of which nearly 10,700 are in North America. 7-Eleven also is one of the nation's largest independent gasoline retailers. Its company's name was changed from The Southland Corporation to 7-Eleven, Inc. after approval by shareholders on April 28, 1999.

Founded in 1927 in Dallas, Texas, 7-Eleven pioneered the convenience store concept during its first years of operation as an ice company when its retail outlets began selling milk, bread and eggs as a convenience to guests.

The name 7-Eleven originated in 1946 when the stores were open from 7 a.m. to 11 p.m. Today, offering busy shoppers 24-hour convenience, seven days a week is the cornerstone of 7-Eleven's business.

7-Eleven focuses on meeting the needs of convenience-oriented guests by providing a broad selection of fresh, high-quality products and services at everyday fair prices, speedy transactions and a clean, friendly shopping environment.

Each store's selection of about 2,500 different products and services is tailored to meet the needs and preferences of local guests. Stores typically vary in size from 2,400 to 3,000 square feet and are most often located on corners for great visibility and easy access.

Well known for the Big Gulp® fountain soft drink, Big Bite® grill items, the Slurpee® beverage and its fresh-brewed coffee, 7-Eleven's food service offerings bring guests a proprietary line of prepared-fresh-daily and daily delivered deli sandwiches, wraps, breakfast sandwiches and a wide assortment fruits, salads and baked goods.

7-Eleven offers consumers a number of convenient services designed to meet the specific needs of individual neighborhoods, including automated money orders, automatic teller machines, phone cards and, where available, lottery tickets.

The company operates, franchises and licenses approximately 10,700 stores in the U.S. and Canada. Of the close to 8,500 stores the company operates and franchises in the United States, more than 6,700 are franchised.

Outside of the U.S. and Canada, there are more than 49,300 7 Eleven and other convenience stores in Japan, Taiwan, Thailand, South Korea, China, Malaysia, Mexico, Singapore, Australia, the Philippines, Indonesia, Norway, Sweden, Denmark and United Arab Emirates. 7-Eleven has announced plans to open stores in Vietnam.

7-Eleven, Inc. is privately held and became a wholly owned subsidiary of Seven-Eleven Japan Co., Ltd. in Tokyo, Japan, and its affiliates on Nov. 9, 2005.

Website: [www.7-eleven.com](http://www.7-eleven.com)

**SWC PALM AVENUE AND BEYER WAY**

# DEMOGRAPHICS - 2017

## DEMOGRAPHICS

	1-MILE	2-MILE	3-MILE
<b>POPULATION</b>			
Estimated Population (2017)	26,827	119,762	202,516
Projected Population (2022)	28,014	125,301	211,982
Census Population (2010)	25,530	112,413	189,986
Census Population (2000)	25,093	107,207	171,767
Projected Annual Growth (2017-2022)	1,187 (0.9%)	5,539 (0.9%)	9,463 (0.9%)
Historical Annual Growth (2010-2017)	1,297 (0.7%)	7,350 (0.9%)	12,533 (0.9%)
Historical Annual Growth (2000-2010)	437 (0.2%)	5,206 (0.5%)	18,218 (1.1%)
Estimated Population Density (2017)	8,545 psm	9,535 psm	7,166 psm
Trade Area Size	3.14 sq mi	12.56 sq mi	28.26 sq mi
<b>AGE</b>			
Estimated Median Age (2017)	36.5	34.5	33.9

Source: Applied Geographic Solutions 10/2017, TIGER Geography

	1-MILE	2-MILE	3-MILE
<b>HOUSEHOLDS</b>			
Estimated Households (2017)	7,142	32,769	56,593
Projected Households (2022)	7,483	34,349	59,329
Census Households (2010)	6,889	31,160	53,804
Census Households (2000)	6,703	29,830	49,551
Estimated Housholds with Children (2017)	3,471 (48.6%)	16,624 (50.7%)	28,321 (50.0%)
Estimated Average Household Size (2017)	3.75	3.65	3.57
<b>INCOME</b>			
Est. Avg. Household Income (2017)	\$82,599	\$70,509	\$73,389
Proj. Avg. Household Income (2022)	\$96,698	\$82,738	\$86,328
Est. Average Family Income (2017)	\$88,407	\$75,393	\$78,351
Est. Median Household Income (2017)	\$63,143	\$56,464	\$60,206
Proj. Median Household Income (2022)	\$73,929	\$66,195	\$70,513
Est. Median Family Income (2017)	\$69,624	\$62,280	\$65,865

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