

OFFERING MEMORANDUM

# 7-ELEVEN

LA MESA, CALIFORNIA

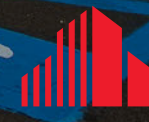


EXCLUSIVELY OFFERED BY:

**CHUCK KLEIN**

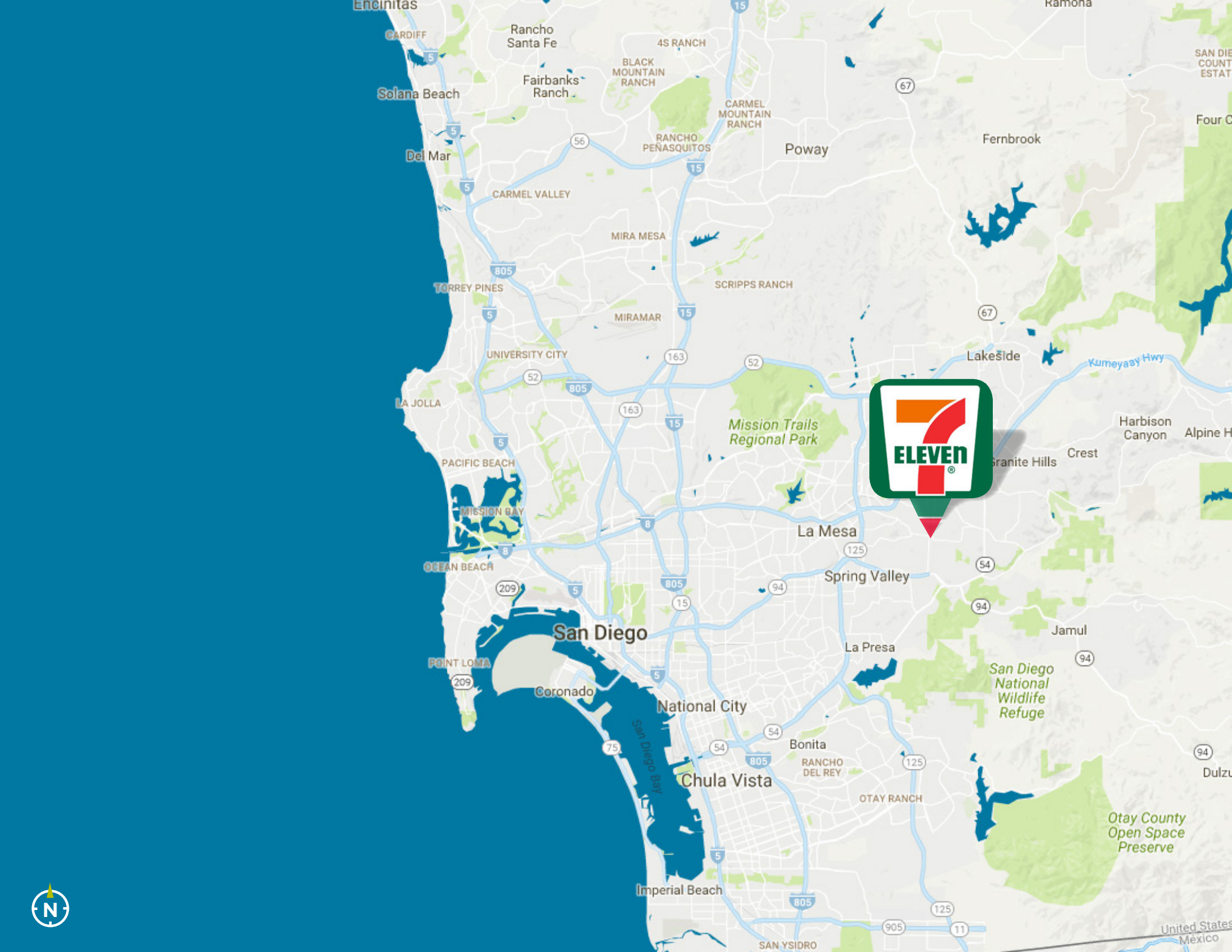
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NET LEASE INVESTMENTS



**CUSHMAN &  
WAKEFIELD**





## EXECUTIVE SUMMARY

## INVESTMENT OVERVIEW

<b>TENANT:</b>	7-Eleven
<b>LOCATION:</b>	4610 Avocado Boulevard La Mesa, CA 91941
<b>APN:</b>	497-113-25; 497-113-26
<b>BUILDING SIZE:</b>	2,400 square feet
<b>LAND SIZE:</b>	-0.45 acres
<b>YEAR BUILT:</b>	1972
<b>RENT COMMENCEMENT:</b>	January 1, 2017
<b>LEASE EXPIRATION:</b>	June 30, 2027
<b>PRIMARY LEASE TERM:</b>	New 10 year lease extension

<b>OPTIONS:</b>	Four (4) five (5) year options
<b>RENT ADJUSTMENT:</b>	12% increase in year 6; 10% every 5 years thereafter
<b>LEASE TYPE:</b>	Absolute NNN

### RENT SCHEDULE:

TERM	YEARS	LEASE DATE	MONTHLY RENT	ANNUAL RENT	% INCREASE
Primary	1 - 5		\$13,167	\$158,000	
Primary	6 - 10	7/1/22	\$14,747	\$176,960	12%
Option 1	11 - 15	7/1/27	\$16,221	\$194,656	10%
Option 2	16 - 20	7/1/32	\$17,843	\$214,122	10%
Option 3	21 - 25	7/1/37	\$19,628	\$235,534	10%
Option 4	26 - 30	7/1/42	\$21,591	\$259,087	10%

## OFFERING TERMS

PRICE  
**\$3,326,315**

CAP  
**4.75%**

ANNUAL RENT  
**\$158,000**







**HIGH INCOME  
NEIGHBORHOOD**  
**\$141K**  
AHHI 1 MILE  
RADIUS



**RECENT LEASE  
RENEWAL**  
**10 YRS**  
WITH 9.5 YEARS  
REMAINING



**RENTAL  
INCREASES**  
**12%**  
IN PRIMARY  
TERM



**INVESTMENT  
GRADE TENANT**  
**AA-**  
STANDARD  
& POOR'S



» **ABSOLUTE NNN LEASE**

No Landlord Responsibilities

» **HIGH INCOME INFILL LOCATION**

Prestigious Mt. Helix/Fuerte Hills location featuring a population of over 8,500 and an average household income in excess of \$141,000 in a 1 mile radius

» **ABOVE-MARKET RENTAL INCREASE**

12% increase in Year 6

» **LONG-TERM TENANCY**

7-Eleven has been at this location since 1972

» **24-HOUR LOCATION**

Store is open 24/7 and sells beer & wine, enhancing ability to maximize sales

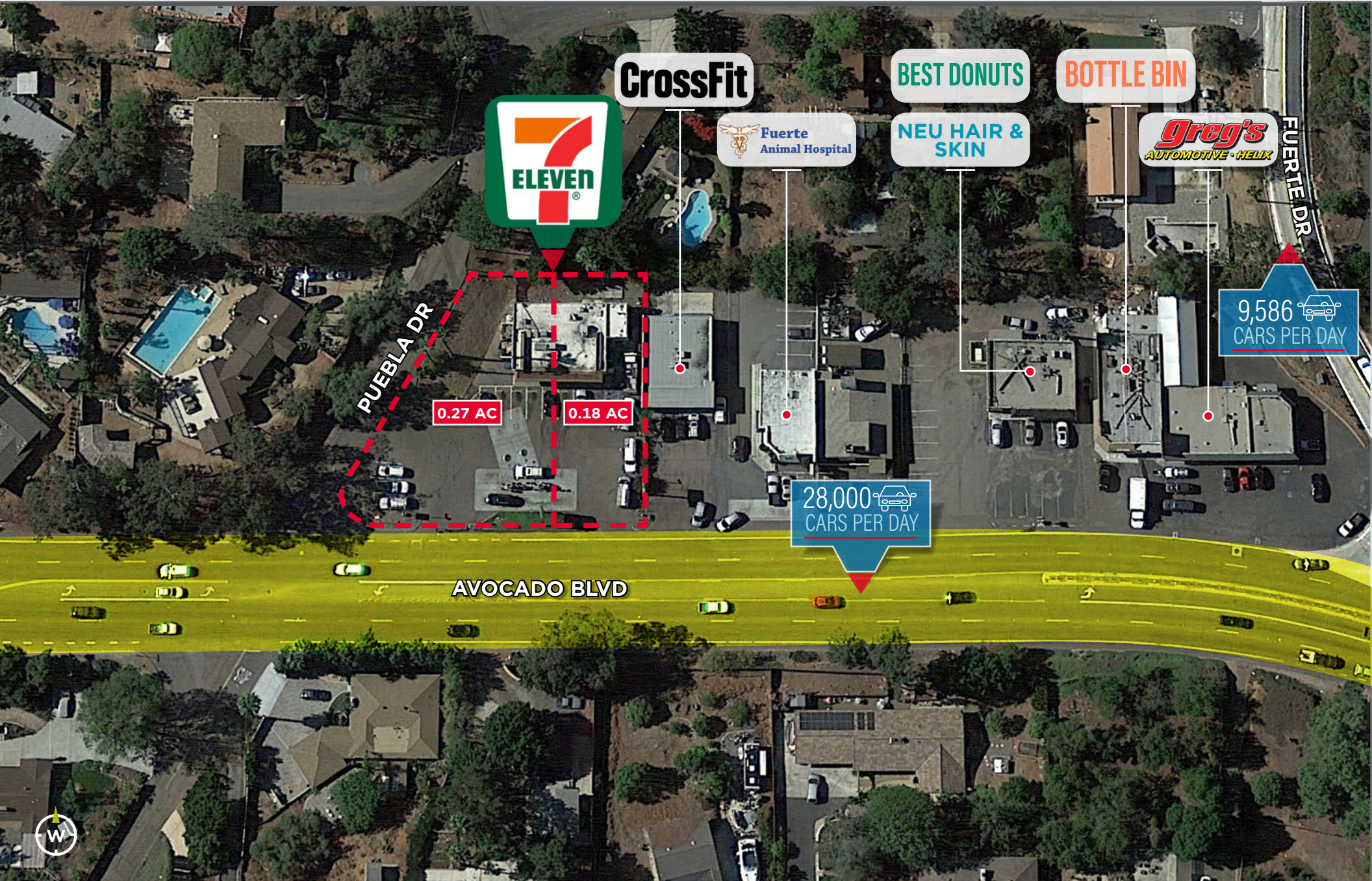
» **LIMITED COMPETITION**

Only one other national brand gas station within 1.5 miles

» **HIGH VISIBILITY AND ACCESSIBILITY**

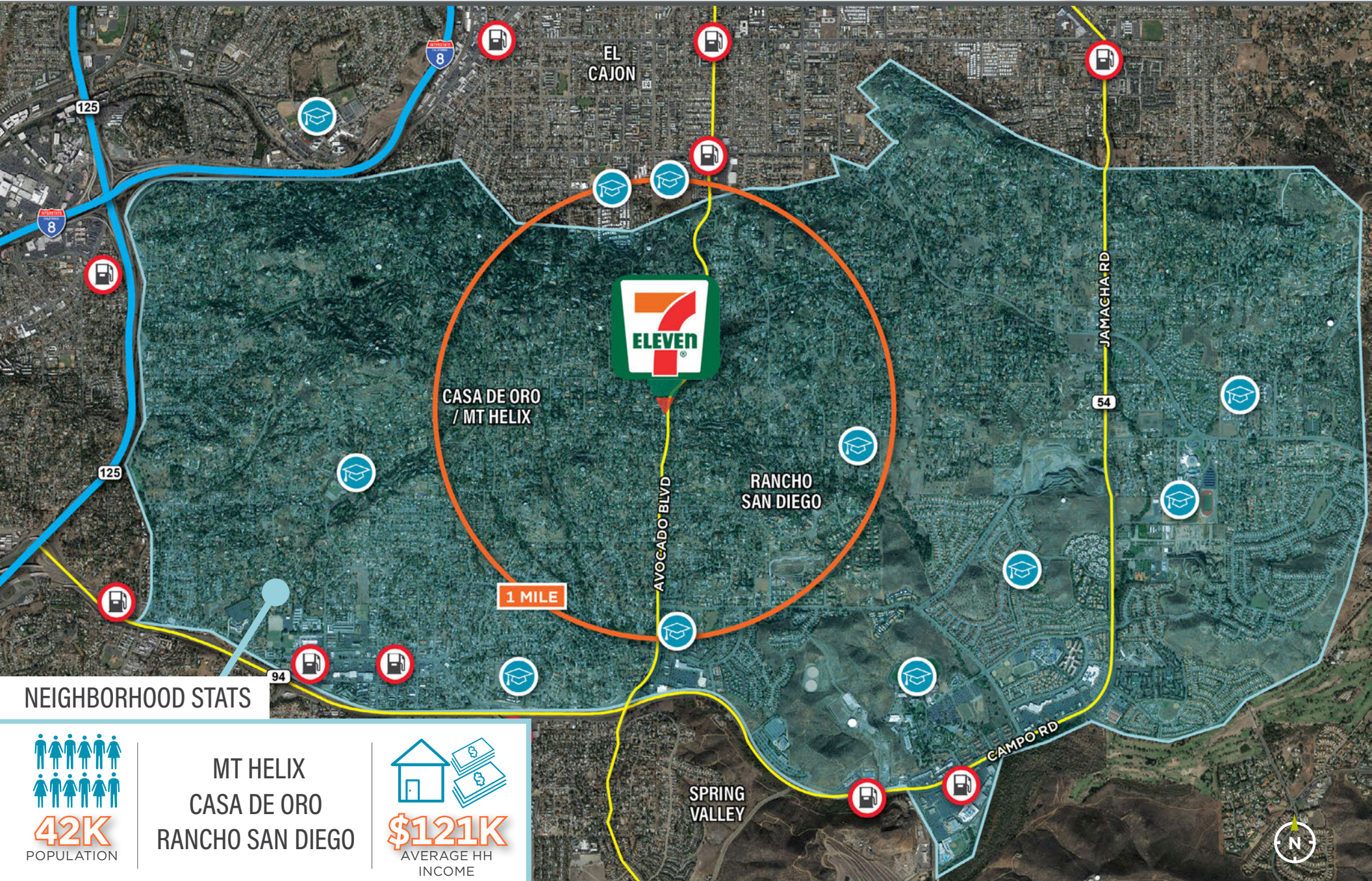
Property is situated at the intersection of Puebla Dr and Avocado Blvd with traffic counts in excess of 28,000 vehicles per day







# NEIGHBORHOOD GAS COMPETITOR MAP



## NEIGHBORHOOD STATS



MT HELIX  
CASA DE ORO  
RANCHO SAN DIEGO





# 7-ELEVEN®

<b>S&amp;P CREDIT RATING:</b>	AA-
<b>MOODY'S CREDIT RATING:</b>	Baal
<b># OF LOCATIONS (2015):</b>	56,600+ (Worldwide)
<b># OF EMPLOYEES (2015):</b>	45,000+ (U.S. & Canada)

7-Eleven is part of an international chain of convenience stores, operating under Seven-Eleven Japan Co. Ltd, which in turn is owned by Seven & I Holdings Co. of Japan. Founded in 1927, 7-Eleven focuses on providing a broad selection of fresh, high quality products at everyday fair prices, serving over seven million customers per day in North America alone. According to their company website, approximately 25% of the U.S. population lives within one mile of a 7-Eleven Store.

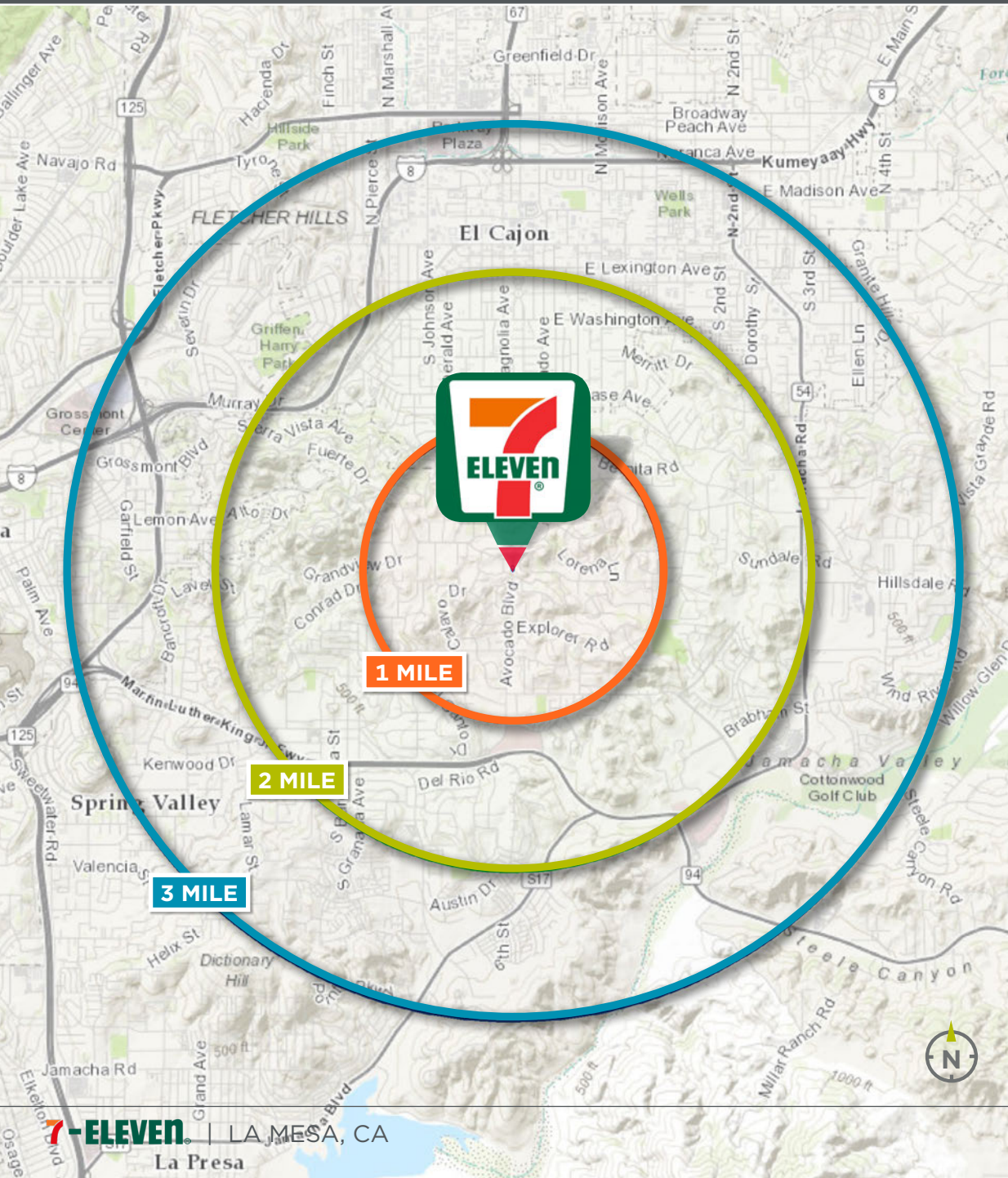
7 Eleven is the world's largest convenience store chain with more than 56,600 stores in 18 countries, of which approximately 10,500 are in North America. The US subsidiary of the Japanese firm has its headquarters in the One Arts Plaza building in downtown Dallas, Texas. Its stores are located in 18 countries, with its largest markets being Japan, the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand. The company operates, franchises and licenses more than 8,600 stores in the U.S. and Canada. Of the 7,800 stores the company operates in the United States, more than 6,400 are franchised.

The name 7-Eleven originated in 1946 when the stores were open from 7 a.m. to 11 p.m. Today, offering busy shoppers

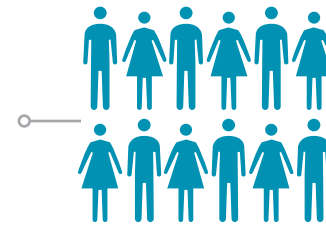


24-hour convenience, seven days a week is the cornerstone of 7-Eleven's business. 7-Eleven focuses on meeting the needs of convenience-oriented guests by providing a broad selection of fresh, high-quality products and services at everyday fair prices, speedy transactions and a clean, friendly shopping environment. Each store's selection of about 2,500 different products and services is tailored to meet the needs and preferences of local guests.

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



**1 MILE RADIUS**  
**\$141K**  
 AVERAGE HH  
 INCOME



**3 MILE RADIUS**  
**146K**  
 RESIDENTS

POPULATION

1 MILE	2 MILE	3 MILE
8,659	58,438	146,324

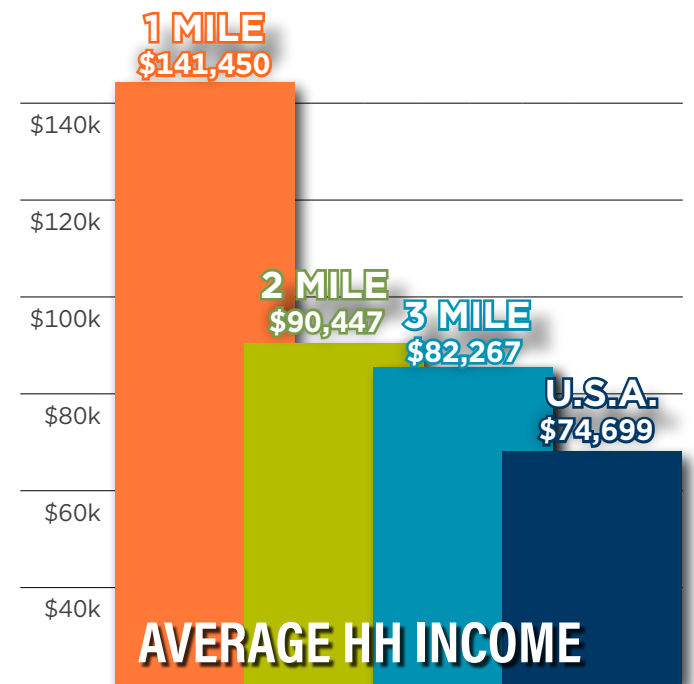
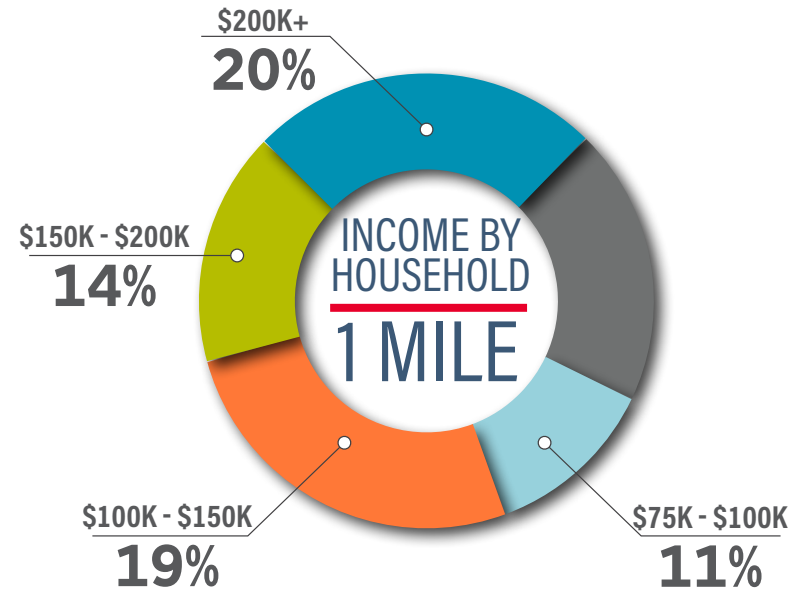
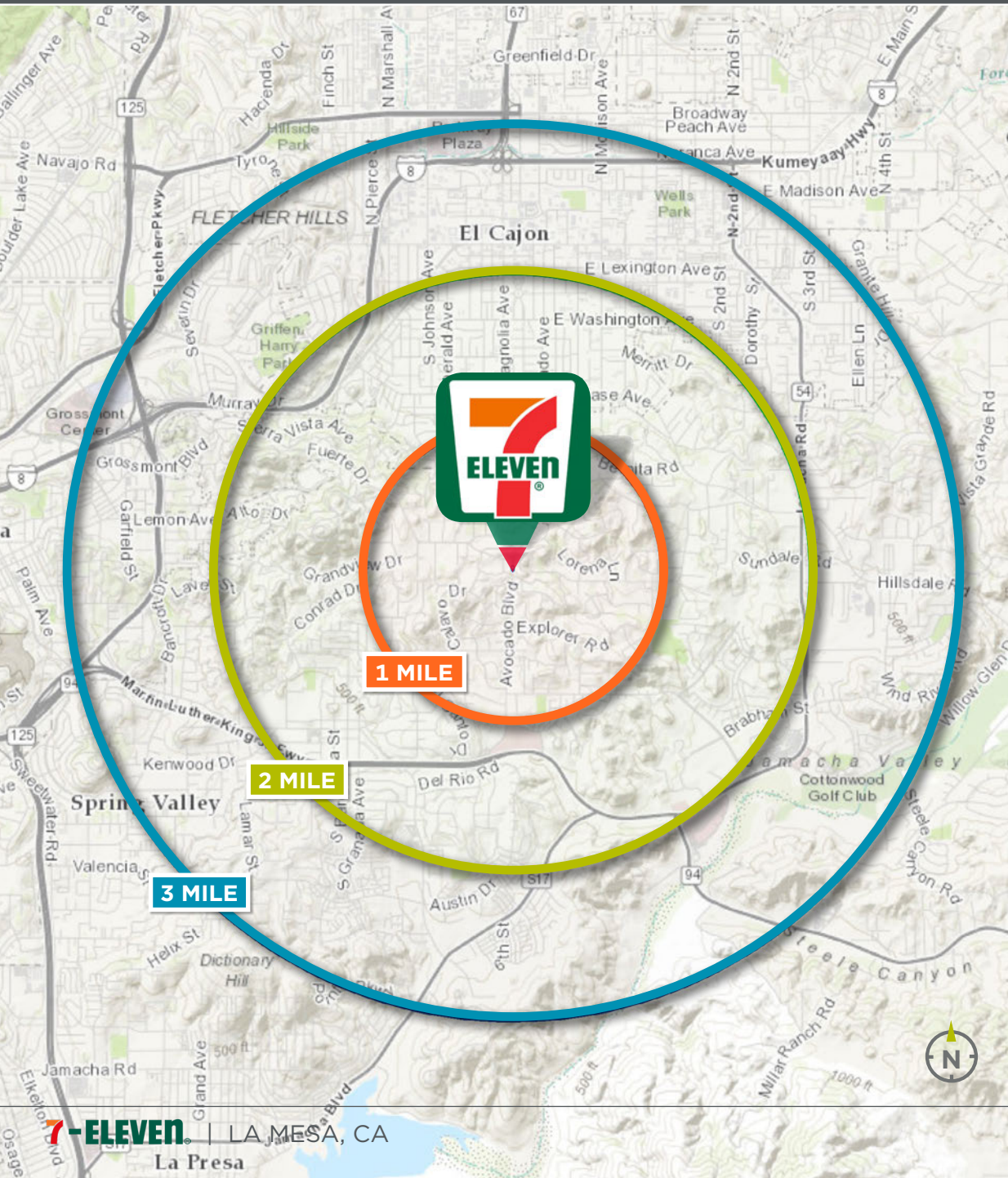


AVERAGE HH INCOME

1 MILE	2 MILE	3 MILE
\$141,450	\$90,447	\$82,267









# CITY OF LA MESA

La Mesa is a city in San Diego County, California. The population was 57,065 at the 2010 census, up from 54,749 at the 2000 census. The City of La Mesa has been known as the "Jewel of the Hills" since its early beginnings. More than 57,000 people now call this desirable city their home. Local merchants and business owners bask in year round sunshine as they showcase their goods and services outside for shoppers to see. This unique downtown business community offers a variety of restaurants, big box and family owned retail stores and many recreational parks for locals and visitors to enjoy.

La Mesa is famous for its Oktoberfest celebration, Farmer's Market, Car Show, Flag Day parade, Christmas in the Village and many Art Galleries and antique shops. The La Mesa area boasts several outdoor activities including fishing, boating, biking and running at Lake Murray, panoramic views from Mount Helix, and hiking Cowles Mountain and nearby Mission Gorge Trails.

La Mesa enjoys a multi-faceted and successful Economic Development Strategy, based on maintaining the quality of life in La Mesa that is

dependent on local programs to sustain economic growth and to internally create job opportunities. The strategy fosters a business-friendly climate where diverse retail, industrial and manufacturing companies are welcome. Public and private partnerships, such as the award-winning Grossmont Trolley Station/Fairfield project that include mixed-use, transit-oriented, smart-growth elements.

The largest employers in the La Mesa area are Sharp/Grossmont Hospital, LM-SV School District, the Auto Club, Drew Ford auto dealers, Wal-Mart, Costco, Grossmont Gardens Retirement Center, Target Stores, the City of La Mesa, and Kaiser Medical Offices.

The schools in La Mesa are operated by two districts. The La Mesa-Spring Valley School District operates most of the elementary and middle schools in the city, while the Grossmont Union High School District district operates Helix High School and the Gateway day schools.



# SAN DIEGO COUNTY

The County of San Diego is currently home to 3.2 million people, the second most populous county in California. The median age of San Diego County is a relatively young 35 years, with over 50% of its population less than age 35 and only 11% age 65 or over. Over 34% of San Diego's workforce over the age of 25 holds a bachelor's degree or higher and the average household income is a notable \$84,359 per year. According to Forbes magazine, San Diego ranks as the fifth wealthiest city in the United States. The University of California San Diego, University of San Diego, San Diego State University and other local universities are well-respected throughout the country and the world.

San Diego has a large civilian labor force of approximately 1.56 million workers. Leading employment sectors in the region (by number of employees) include: Government (223,100); Trade, Transportation & Utilities (207,300); Professional & Business Services (204,000); and, Leisure & Hospitality (131,900). The region's 8.8% unemployment rate (May 2012) continues to outperform the state of California (10.4%).



California  
<http://www.sandiego.gov/>  
<https://www.sandiego.org/>  
<http://www.sandiego.com/>

<http://www.cityoflamesa.com>

<http://lamesachamber.net>

<https://www.youtube.com/user/CityofLaMesa>

[https://en.wikipedia.org/wiki/La\\_Mesa,\\_California](https://en.wikipedia.org/wiki/La_Mesa,_California)

<https://www.sandiego.gov>

<https://www.sandiego.org>

<http://www.sandiego.com>

<http://sdchamber.org>

<http://www.sandiegocounty.gov>

<https://visitsandiego.com>

[https://en.wikipedia.org/wiki/San\\_Diego](https://en.wikipedia.org/wiki/San_Diego)



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