

375 W. MADISON AVE. | EL CAJON, CA



## OFFERING MEMORANDUM



EXCLUSIVELY OFFERED BY:

**CHUCK KLEIN**

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NET LEASE INVESTMENTS



# DISCLAIMER

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Cushman & Wakefield has been retained as exclusive advisor to the Seller for the sale of the 7-Eleven parcel (the “Property”), approximately 2,584 square feet on 0.32 acres located at the 375 W. Madison Ave., El Cajon, CA.

This Offering Memorandum has been prepared by Cushman & Wakefield for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by Cushman & Wakefield, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Cushman & Wakefield, therefore, are subject to variation. No representation is made by Cushman & Wakefield or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Cushman & Wakefield, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, and omitted from, this

Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. This Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner and Cushman & Wakefield each expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and its legal counsel, and any conditions to Owner’s obligations thereunder have been satisfied or waived. Cushman & Wakefield is not authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources

available to the public (such contents as so limited herein are called the “Contents”), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or Cushman & Wakefield, (iv) to not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or Cushman & Wakefield, and (v) to return it to Cushman & Wakefield immediately upon request of Cushman & Wakefield or Owner.

*The information contained herein has been obtained from the owner of the property or from other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.*

**If you have no further interest in the Property, please return this Investment Offering Memorandum forthwith.**

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# EXECUTIVE SUMMARY

## INVESTMENT OVERVIEW



### OFFERING TERMS

PRICE  
**\$2,500,000**

CAP  
**4.40%**

RENT  
**\$110,000**



ADDRESS: 375 W. Madison Ave.,  
El Cajon, CA

BUILDING SIZE: ~2,584 square feet

LAND SIZE: ~0.32 acres

APN: 482-283-08-00

ORIGINAL LEASE  
COMMENCEMENT: August 1, 1993

LEASE EXPIRATION: July 31, 2028

RENT ADJUSTMENT: 10% increase every 5 years

LEASE TYPE: Absolute Net

OPTIONS: Two (2) additional five (5) year renewal options

# INVESTMENT HIGHLIGHTS

## INVESTMENT OVERVIEW

### ABSOLUTE NNN LEASE

- » 10% rent increases every 5 years

### INVESTMENT GRADE TENANT

- » Rated AA- by Standard and Poors

### HIGH TRAFFIC PROXIMITY

- » Just South of the I-8 and Highway 67 Interchange
- » Interstate 8: ~148,000 vpd
- » West Madison Avenue: ~10,600 vpd
- » North Magnolia Avenue: ~25,100 vpd

### STRONG DEMOGRAPHICS

- » Densely populated with more than 27,000 people in a 1 mile radius
- » Over 167,000 Population with an Average Household Income in excess of \$78,000 in a 3 mile radius

### STRATEGIC LOCATION

- » 7-Eleven has been successfully operating at this location for nearly 26 years
- » 1 mile West of El Cajon Valley High School (~1,772 students)
- » 3 Miles West of Granite Hills High School (~2,345 students)



**FIXED RENTAL  
INCREASES**

**10%**

EVERY 5  
YEARS



**DENSELY  
POPULATED**

**167,000+**

3 MILE  
RADIUS



**8 YR POPULATION  
GROWTH**

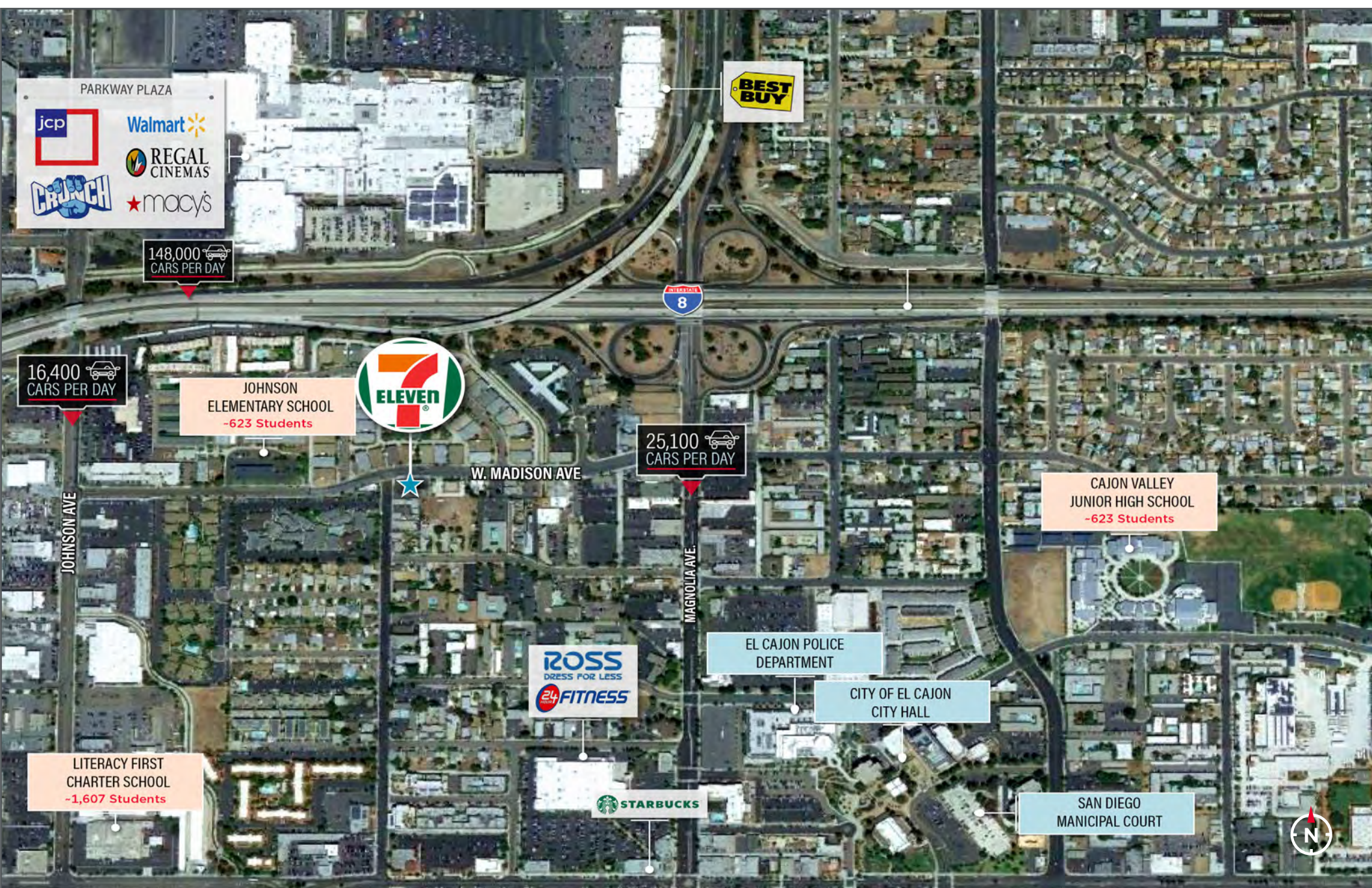
**~6.37%**

3 MILE  
RADIUS



# SURROUNDING RETAIL

# PROPERTY OVERVIEW





# SURROUNDING AREA

## PROPERTY OVERVIEW





# TENANT PROFILE

## PROPERTY OVERVIEW



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

<b>TENANT TRADE NAME:</b>	7-Eleven
<b>OWNERSHIP:</b>	Wholly owned subsidiary of Seven & I Holdings Co. Limited
<b>TENANT:</b>	7-Eleven Incorporated
<b>LEASE GUARANTOR:</b>	7-Eleven Incorporated
<b>S&amp;P CREDIT RATING:</b>	AA-
<b>MOODY'S CREDIT RATING:</b>	Baa1
<b># OF LOCATIONS (2018):</b>	63,600+

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 7 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 63,600 stores in 18 countries, of which approximately 10,900 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



TOP GLOBAL  
FRANCHISES LIST

**#1**

ENTREPRENEUR  
MAGAZINE



TOP 20 FRANCHISES  
TO START

**#3**

FORBES  
MAGAZINE

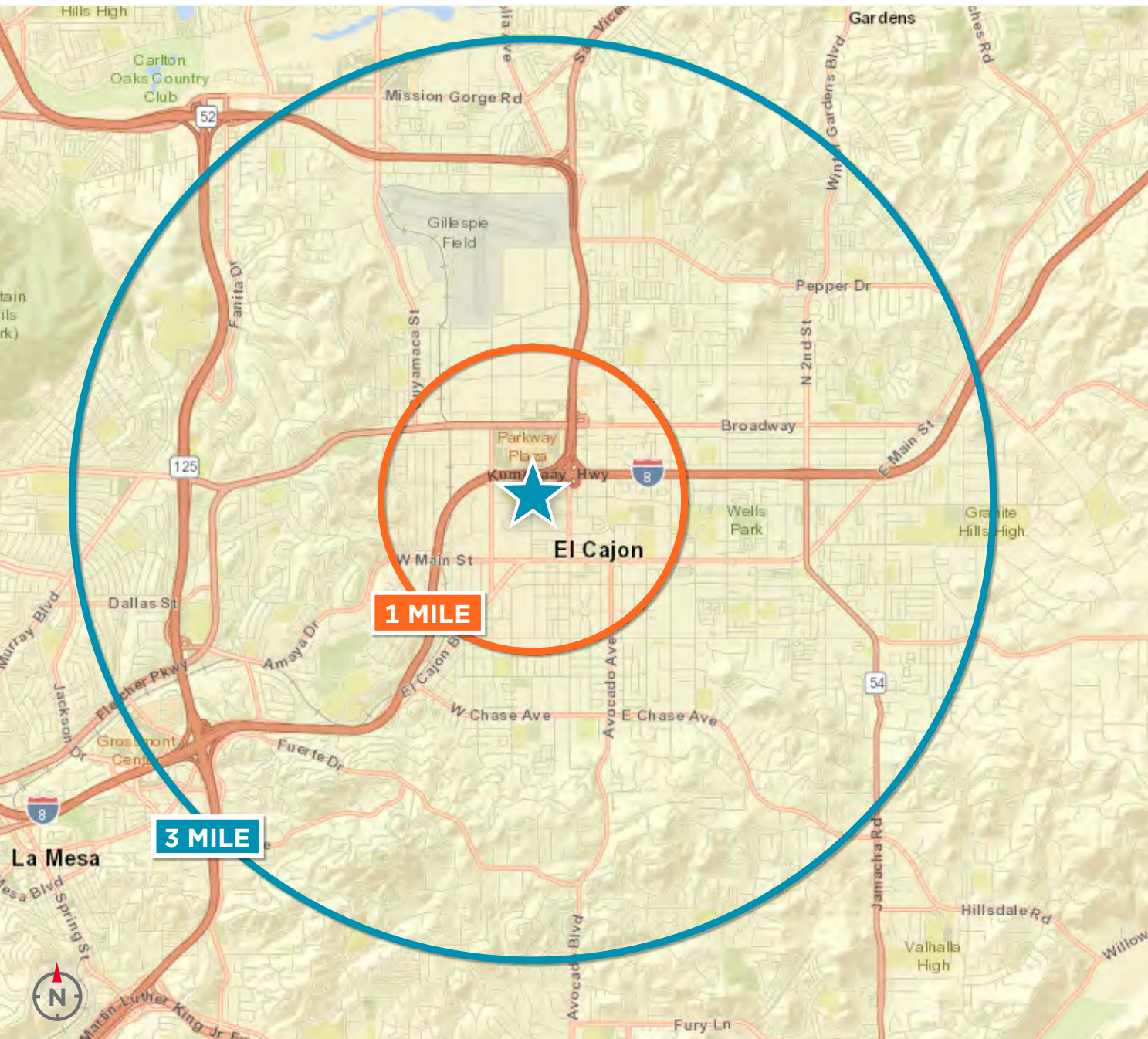
- LARGEST OPERATOR, FRANCHISOR & LICENSOR OF CONVENIENCE STORES
- SILVER LEVEL MILITARY FRIENDLY EMPLOYER FOR 2017 (VICTORY MEDIA)
- #1 ON STORES MAGAZINE TOP 100 RETAILERS FOR 2016

being Japan, the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand. The company operates, franchises and licenses more than 8,700 stores in the U.S. and Canada.

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.

# DEMOGRAPHICS

## AREA OVERVIEW



**~6.37%**  
3 MILE RADIUS



**167,000+**  
3 MILE RADIUS

### POPULATION

1 MILE	3 MILE
27,162	167,483

### AVERAGE HH INCOME

1 MILE	3 MILE
\$58,151	\$78,276



# EL CAJON, CALIFORNIA

## AREA OVERVIEW

As the sixth largest city in San Diego County, El Cajon is recognized as a wonderful location to live, work and play. El Cajon boasts a diverse and vibrant community, safe and attractive neighborhoods, many parks and recreation centers, award-winning schools, libraries, and other amenities. El Cajon is a full-service city, with first-class police and fire departments. Ultimately, El Cajon is a shining example of a local government that provides exceptional municipal service with an innovative mindset.

El Cajon is located 15 miles east of downtown San Diego and 20 miles north of Mexico, situated between the beaches and the mountains and is often referred to as “the Sunny Side of San Diego”. The high desert region is known for eco-tourism offering golf, hiking, paragliding, biking, fishing and climbing. The area also features world-class resorts and Las Vegas style casinos. The city has a total of 14.4 square miles, bordered by La Mesa and San Diego to the west, Santee to the north, Spring Valley to the south, and unincorporated San Diego County to the east. The city’s population is 102,337 and San Diego County’s is more than 3 million, making it the second most populous county in California (first being Los Angeles County).

The community’s vitality is evident in its dynamic business environment. El Cajon is home to both global and nationally known corporations such as Taylor Guitars, one of the premier guitar manufacturing companies in the world. The City is also home to a long-time retail mall, Parkway Plaza, that boasts over 170 stores and entertainment venues, such as an 18-screen Regal Cinema, Macy’s, Best Buy, JCPenney, Dick’s Sporting Goods Forever 21, H&M, and more. El Cajon is also known for the many car dealerships, with 14 currently within its borders, including Mercedes-Benz, BMW, and Lexus. Additionally, El Cajon has an

energetic downtown, with shops and restaurants that the entire family can enjoy. El Cajon’s location and attributes make it attractive and accessible to small investors and entrepreneurs, which enhances the City’s many business districts.

El Cajon is also home to Gillespie Field, the oldest and largest of San Diego County’s eight airports. In addition to the airport itself, Gillespie Field includes two business parks, which provide more than 3,000 jobs in the City of El Cajon and a \$110 million boost to the local economy in direct, indirect and induced revenues.

<https://www.cityofelcajon.us/>  
<https://eastcountychamber.org/>  
<https://downtownelcajon.com/>  
<https://www.cajonvalley.net/>  
<https://www.census.gov/quickfacts/elcajoncitycalifornia>  
[https://en.wikipedia.org/wiki/El\\_Cajon,\\_California](https://en.wikipedia.org/wiki/El_Cajon,_California)





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