

7-Eleven

SWC Heritage Pkwy & US Business Highway 287
Mansfield, Texas



vireo REALTY
PARTNERS
CONFIDENTIAL OFFERING MEMORANDUM

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Property Information

Location

SWC Heritage Pkwy & US Bus Hwy 287
Mansfield, TX 76063

Size

3,062 SF

Price

\$3,584,270

Cap Rate

4.95%

Parking

15 spaces (5/1,000 SF)

Year Built

2018



Executive Summary

Investment Overview

- Located just north of M3 Ranch, a future 712-acre master-planned community
- 2018 construction of a 3,062 SF building
- New, 15-year Absolute NNN lease
- AA- investment grade rating by S&P
- Moody's Rating: Baa1
- Large parcel
- 10% rent increases begin at year 11 and at each option period after

Demographics	1 Mile	3 Mile	5 Mile
Total Population	6,689	23,843	93,977
Daytime Population	4,006	24,698	53,474
Median HH Income	\$73,211	\$87,752	\$97,104
Median Age	30.9	35.9	34.5

Top Investor Market

Mansfield is strategically located in the south central area of the Dallas-Fort Worth Metroplex, equidistant from both Dallas and Fort Worth. The Dallas-Fort Worth Metroplex ("DFW") is the 4th largest metropolitan area in the nation, and is currently experiencing significant growth making it a mecca for real-estate investment. DFW adds another person every four minutes, according to data from the US Census Bureau. Ease of transportation and low cost of living have fueled business expansion, attracting new employers. The local economy has added jobs at one of the fastest rates in the nation, averaging more than 100,000 per year since 2012, outpacing the national economy and resetting the bar for market performance.

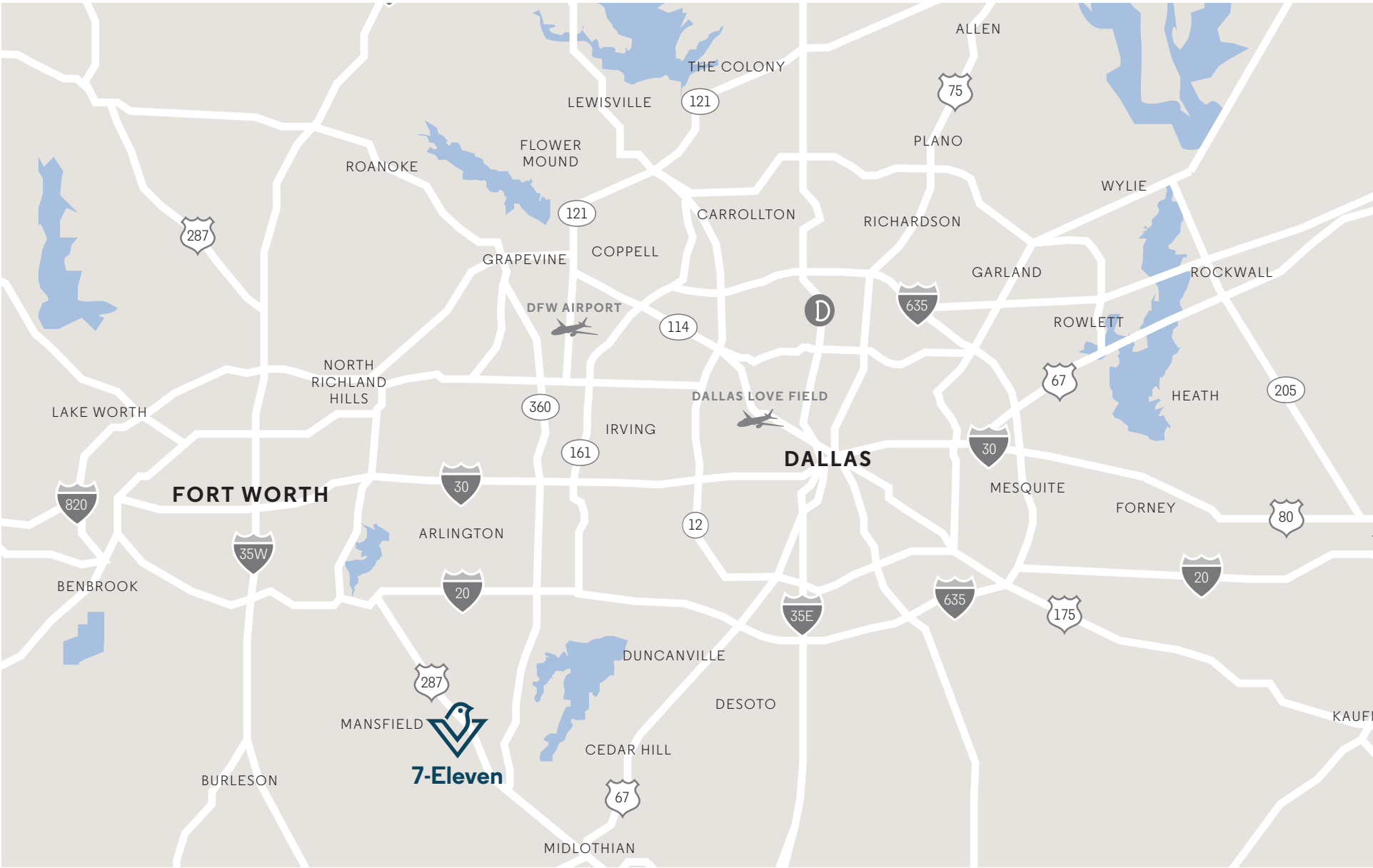
Rapidly Growing Market

7-Eleven ("Property") is conveniently located at the southeast corner of Heritage Parkway and US Business Highway 287 in Mansfield, Texas. Klein Tools, a tool manufacturer, is located at the northeast corner of the intersection. The Illinois-based company moved its manufacturing headquarters to Mansfield in 2011 and has since grown to over 500 employees. In 2018, the company was named the "Texas Small Employer of the Year" by the Texas Workforce Commission, and it was announced the same year that Klein will relocate its distribution center as well to the city, further expanding its presence in Mansfield. With the relocation, a new, state-of-the-art, 200,000 SF facility will be built near the company's existing manufacturing facilities, opening planned for 2020.

M3 Ranch, a new 712-acre master-planned community, is being developed just south of the site stretching on both sides of FM 917. Upon completion, it will feature 1,500 single-family homes, 375 townhomes, a community center, pool, clubhouse, outdoor lounge and fishing pond. Additionally, there are future plans for a school and a fire station to be developed in the project.

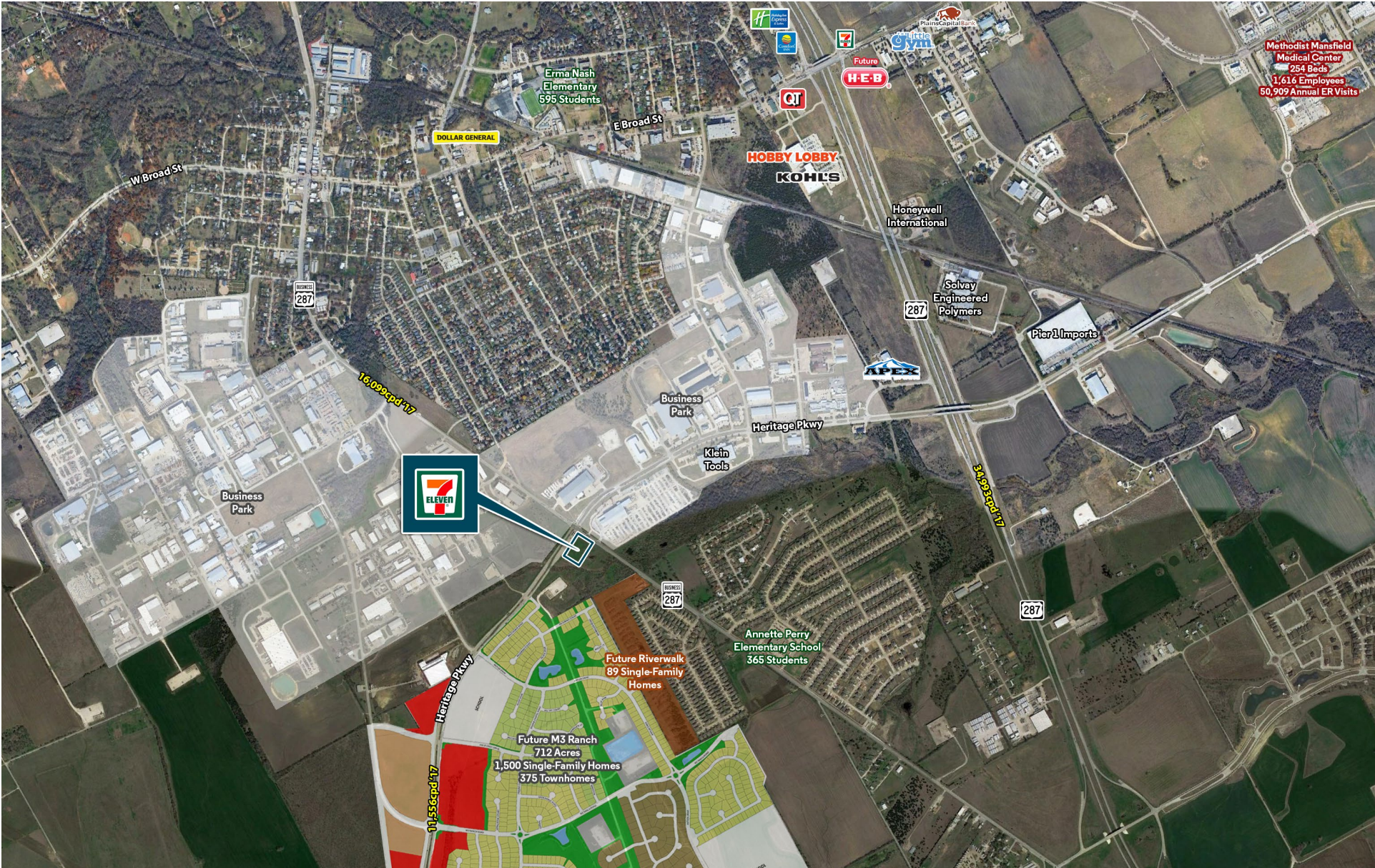
Additionally, less than 2 miles northeast of the Property sits the brand new \$15 million StarCenter facility which offers public skating, youth hockey, adult hockey and figure skating programs, as well as four multi-purpose rooms for birthday parties. The StarCenter is part of the new 430,000 SF retail development, The Shops at Broad, which features tenants such as Belk, Academy Sports + Outdoors, TJMaxx, Flix Brewhouse, At Home, Starbucks, and more. The development is scheduled to open in 2019.

Location Map

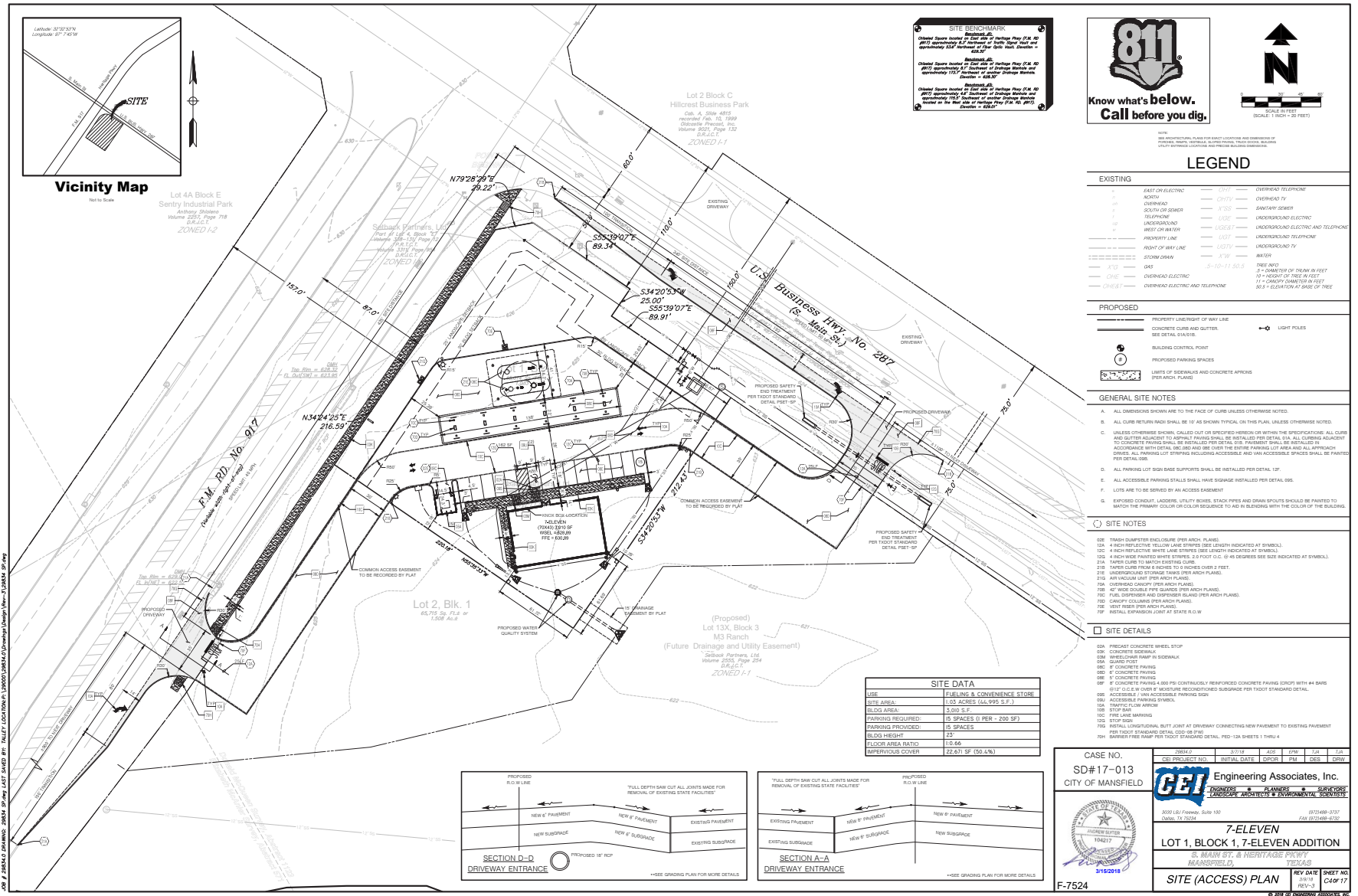


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Aerial



Site Plan



Pictures



Offering Summary

Tenant	7-Eleven
Address	SWC Heritage Pkwy & US Bus Hwy 287 / Mansfield, TX 76063
Size	3,062 SF
Lease Commencement	December 1, 2018
Lease Expiration	November 30, 2033
Options	Four (4) 5-year options
Lease Structure	Absolute NNN Lease (No Landlord Responsibility)
Price	\$3,584,270
Net Operating Income	\$177,421.32
Cap Rate	4.95%

Rent Schedule

Initial Term	Per Month	Annual
Years 1-10	\$14,785.11	\$177,421.32
Years 11-15	\$16,263.62	\$195,163.44

Renewal Options	Per Month	Annual
Years 16-20	\$17,889.99	\$214,679.88
Years 21-25	\$19,678.99	\$236,147.88
Years 26-30	\$21,646.88	\$259,762.56
Years 31-35	\$23,811.57	\$285,738.84

Tenant Profile



7-Eleven

7-Eleven Inc. is a Japanese-owned American international chain of convenience stores headquartered in Irving, Texas. Its parent company, Seven-Eleven Japan Co., Ltd., operates, franchises, and licenses 66,579 stores in 17 countries, with its largest markets being Japan, the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand.

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

Size

3,062 SF

Stock Symbol

Private

Locations

66,579

Credit Rating

S&P: AA-; Moody's: Baa1

Website

7-Eleven.com

Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

INFORMATION ABOUT BROKERAGE SERVICES

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner’s agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer’s agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner’s agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner’s agent anything the buyer would not want the owner to know because an owner’s agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer’s agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer’s agent can assist the owner but does not represent the owner and must place the interests of the buyer

first. The owner should not tell a buyer’s agent anything the owner would not want the buyer to know because a buyer’s agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker’s obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties’ consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker’s obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee’s records.

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BROKER FIRM NAME	LICENSE NO.	EMAIL	PHONE

BUYER, SELLER, LANDLORD OR TENANT	DATE
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