

7-Eleven® Macedonia, OH
Dark Store

Marcus & Millichap



OFFERING MEMORANDUM

316 East Highland Road
Macedonia, Ohio 44056

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Table of Contents

| | |
|-------------------------|-------|
| Investment Highlights | 4 |
| Investment Overview | 5 |
| Financial Analysis | 6 |
| Tenant Overview | 7 |
| Surrounding Area | 8 |
| Location Overview | 9 |
| Property Photos | 10-11 |
| Surrounding Area Photos | 12 |
| Maps | 13-15 |
| Demographics | 16 |





Investment Highlights

7-ELEVEN®

PRICE: \$2,910,000 | CAP: 7.50% | RENT: \$218,250

About the Investment

- ✓ 13 Years Remaining on an Original 20-Year Triple-Net (NNN) Lease
- ✓ Investment Grade Credit: 7-Eleven Corporate (S&P: AA-)
- ✓ Extremely Attractive Two Percent Annual Rental Increases – Perfect Hedge Against Inflation
- ✓ Excellent Owner/User Development Opportunity

About the Location

- ✓ Major Retailers in Surrounding Area Include: Walmart, Tractor Supply Co., The Home Depot, Lowe's, Target, Walgreens, Hobby Lobby, Best Buy, 84 Lumber, Chipotle, Subway, Chili's, and McDonald's among various others
- ✓ Average Household Income of Over \$101,200 in a Five-Mile Radius
- ✓ Over 63,000 Individuals Within a Five-Mile Radius
- ✓ Strategic Positioning – Traffic Counts of Over 60,000 Vehicles on U.S. Interstate 271 and Over 35,000 Vehicles on Ohio Route 8

About the Tenant/Brand

- ✓ 7-Eleven Inc. is a Japanese-owned American international chain of convenience stores, headquartered in Dallas, Texas
- ✓ As of 2013, 8,144 7-Eleven franchised units exist across the United States.
- ✓ 7-Eleven America has its headquarters in the Cypress Waters development in Irving, Texas.
- ✓ Seven-Eleven Japan Co., Ltd., operates, franchises, and licenses 66,579 stores in 17 countries as of June 2018.



INVESTMENT OVERVIEW



Marcus & Millichap is pleased to present the exclusive listing for dark 7-Eleven property located at 316 East Highland Road in Macedonia, OH. 7-Eleven ceased operations in November of 2018. Built in 1990, and renovated in 2008, the property consists of a 3,616 square foot building, and sits on 1.24 acres of land.

This 7-Eleven property is has approximately 13 years remaining on its original 20-year triple-net (NNN) lease. The current rent is \$218,250 and is subject to 2% annual rental increases.

7-Eleven Inc. is a Japanese-owned American international chain of convenience stores, headquartered in Dallas, Texas. The chain was known as Tote'm Stores until it was renamed in 1946. Its parent company since 2005, Seven-Eleven Japan Co., Ltd., operates, franchises, and licenses 66,579 stores in 17 countries as of June 2018.





Financial Analysis



PRICE: \$2,910,000 | CAP: 7.50% | RENT: \$218,250

Property Description

| | |
|------------------------|------------------------|
| Property | 7-Eleven (Dark) |
| Property Address | 316 East Highland Road |
| City, State, ZIP | Macedonia, OH 44056 |
| Year Built / Renovated | 1990/2008 |
| Building Size | 3,616 Square Feet |
| Lot Size | +/- 1.42 Acre |
| Type of Ownership | Fee Simple |

The Offering

| | |
|----------------|-------------|
| Annual Rent | \$218,250 |
| CAP Rate | 7.50% |
| Purchase Price | \$2,910,000 |
| Price / SF | \$804 |
| Rent / SF | \$60.35 |

Lease Summary

| | |
|----------------------|----------------------------------|
| Property Type | Net Leased Gas Station & C-Store |
| Tenant / Guarantor | 7-Eleven |
| Ownership Type | Corporate |
| Original Lease Term | 20 Years |
| Lease Commencement | December 20 th , 2011 |
| Rent Commencement | December 20 th , 2011 |
| Lease Expiration | December 31 st , 2031 |
| Lease Term Remaining | 13 Years |
| Lease Type | Absolute Triple-Net (NNN) |
| Roof & Structure | Tenant Responsible |
| Rental Increases | 2% Annually |

Rent Schedule

| Lease Year(s) | Annual Rent | Monthly Rent | Rent Escalation (%) |
|---------------|-------------|--------------|---------------------|
| Year 1 | \$190,000 | \$15,833.33 | - |
| Year 2 | \$193,800 | \$16,150.00 | 2.00% |
| Year 3 | \$197,676 | \$16,473.00 | 2.00% |
| Year 4 | \$201,630 | \$16,802.46 | 2.00% |
| Year 5 | \$205,662 | \$17,138.51 | 2.00% |
| Year 6 | \$209,775 | \$17,481.28 | 2.00% |
| Year 7 | \$213,971 | \$17,830.90 | 2.00% |
| Year 8 | \$218,250 | \$18,187.52 | 2.00% |
| Year 9 | \$222,615 | \$18,551.27 | 2.00% |
| Year 10 | \$227,068 | \$18,922.30 | 2.00% |
| Year 11 | \$231,609 | \$19,300.74 | 2.00% |
| Year 12 | \$236,241 | \$19,686.76 | 2.00% |
| Year 13 | \$240,966 | \$20,080.50 | 2.00% |
| Year 14 | \$245,785 | \$20,482.10 | 2.00% |
| Year 15 | \$250,701 | \$20,891.75 | 2.00% |
| Year 16 | \$255,715 | \$21,309.58 | 2.00% |
| Year 17 | \$260,829 | \$21,735.77 | 2.00% |
| Year 18 | \$266,046 | \$22,170.49 | 2.00% |
| Year 19 | \$271,367 | \$22,613.90 | 2.00% |
| Year 20 | \$276,794 | \$23,066.18 | 2.00% |

TENANT OVERVIEW



Company Profile

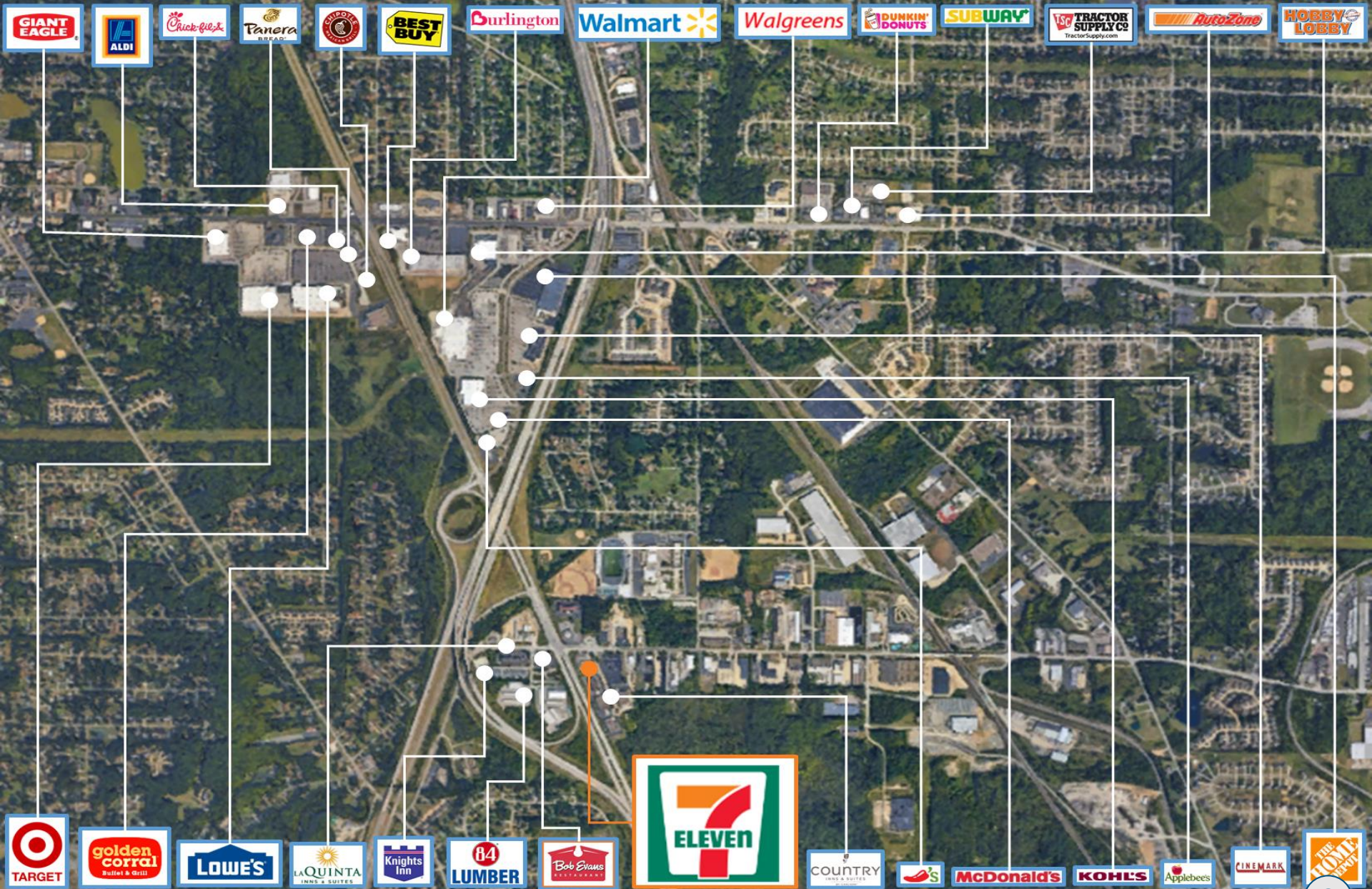
7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 60,000 stores in 18 countries, of which nearly 10,700 are in North America. 7-Eleven also is one of the nation's largest independent gasoline retailers. Its company's name was changed from The Southland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

Surrounding Area

Property Address: 316 East Highland Road, Macedonia, OH



7-Eleven (Dark) - Macedonia, OH

Marcus & Millichap



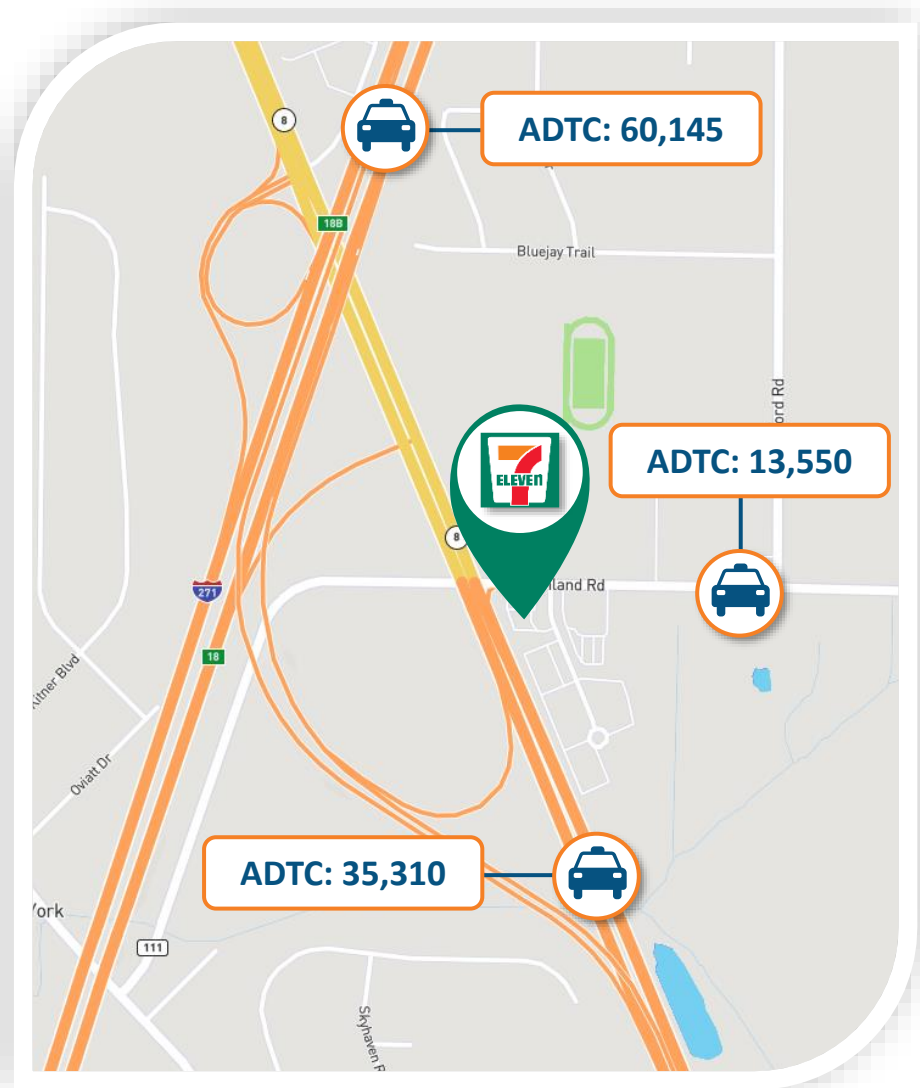
Location Overview

This 7-Eleven property is located at 316 East Highland Road in Macedonia, Ohio. East Highland Road is off of U.S. Interstate 271. Macedonia is a city in Summit County, Ohio and is part of the Akron Metropolitan Statistical Area. The property is located 18 miles north of Akron, Ohio and 23 miles south of Cleveland. The larger Cleveland-Akron-Canton Combined Statistical Area includes Summit County. The Combined Statistical Area has a population over 3.5 million people.

The subject property is well-positioned along U.S. Interstate 271 and Ohio Route 8, benefitting from its proximity to major national and local tenants. Nearby national tenants include: Walmart, Tractor Supply Co., The Home Depot, Lowe's, Target, Walgreens, Hobby Lobby, Best Buy, 84 Lumber, Chipotle, Subway, Chili's, McDonald's, Applebee's, Golden Corral, Bob Evans, Kohl's, and Cinemark, among various others. The subject property also benefits from its close proximity to many hotels, such as: La Quinta Inn & Suites, Knights Inn, and Country Inn & Suites. Nardon High School is in close proximity to the property, with more than 1,500 students enrolled.

There are approximately 37,301 people within a three-mile radius of this property and more than 63,144 within a five-mile radius. The property is situated on East Highland Road, off of U.S. State Road 8 and U.S. Interstate 271. The thoroughfares have daily traffic counts of 35,310 and 60,145 vehicles, respectively. Additionally, the average household income exceeds \$100,000 within a five-mile radius.

Located roughly 23 miles from the subject property is Cleveland, Ohio. Cleveland is the county seat of Cuyahoga County, the most populous county in the state of Ohio. The city is located on the southern shore of Lake Erie, and is the second largest city in the state of Ohio. Cleveland's geographic location on the Cuyahoga River and Lake Erie has been key to its growth. Cleveland is home to the corporate headquarters of many large companies such as Applied Industrial Technologies, Cliffs Natural Resources, Forest City Enterprises, NACCO industries, Sherwin-Williams Company, and KeyCorp. The Cleveland Clinic is the city's largest private employer with a workforce of over 37,000. Cleveland is home to three professional sports organizations including the Cleveland Cavaliers, Cleveland Indians, and the Cleveland Browns.





Property Photo





Property Photo



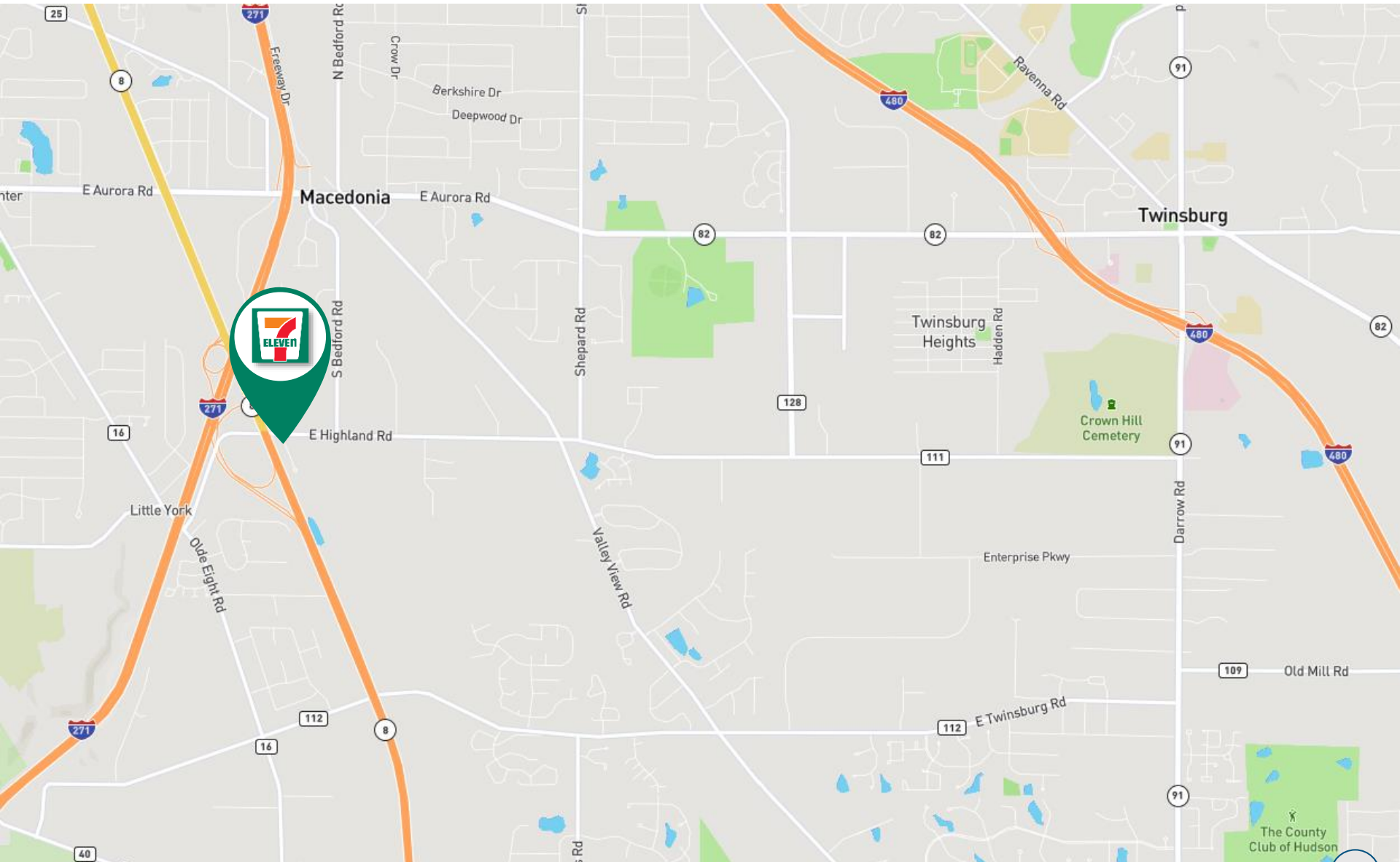


Surrounding Area Photos





Local Map



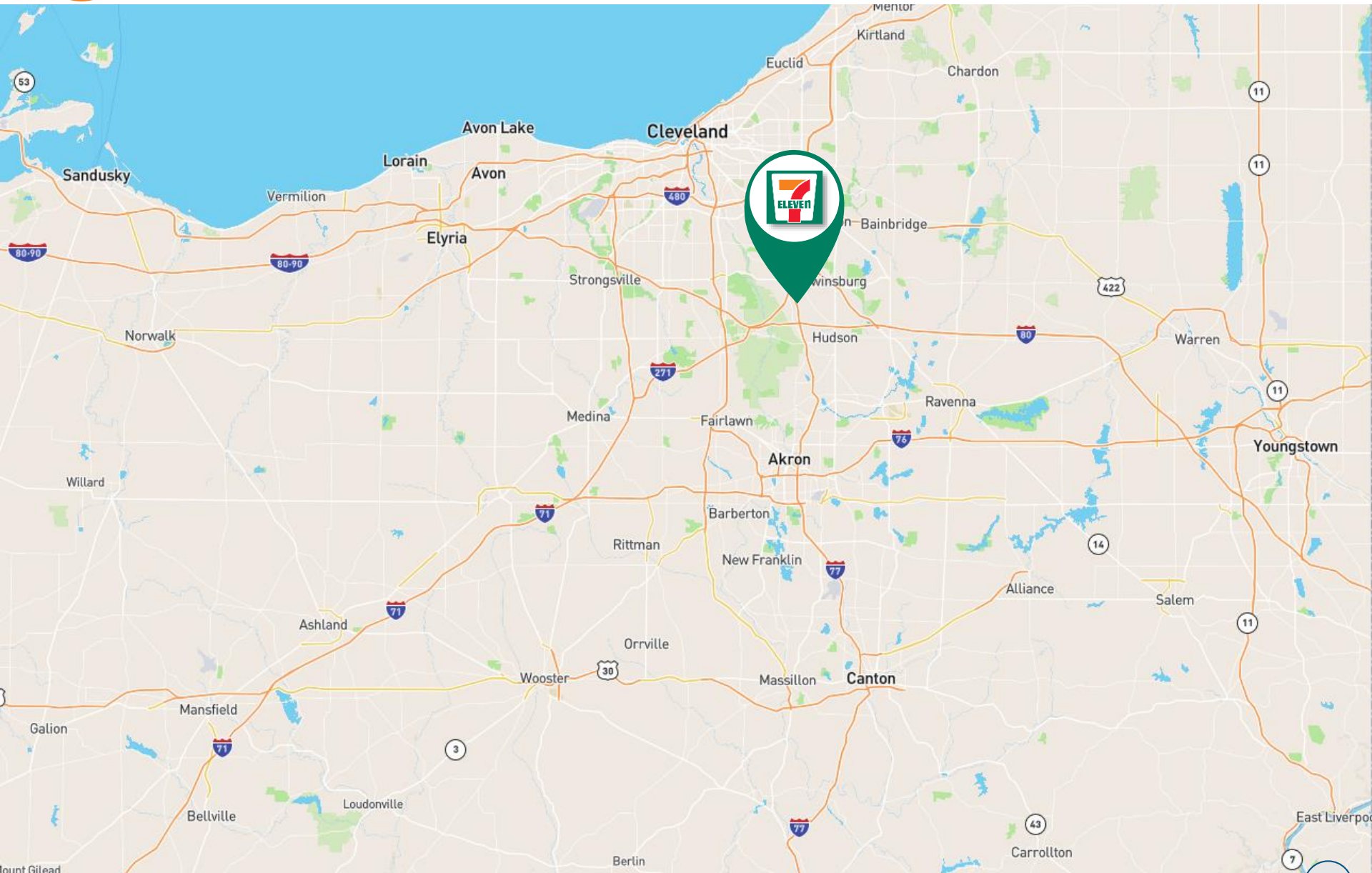
7-Eleven (Dark) - Macedonia, OH

Marcus & Millichap

13



Regional Map



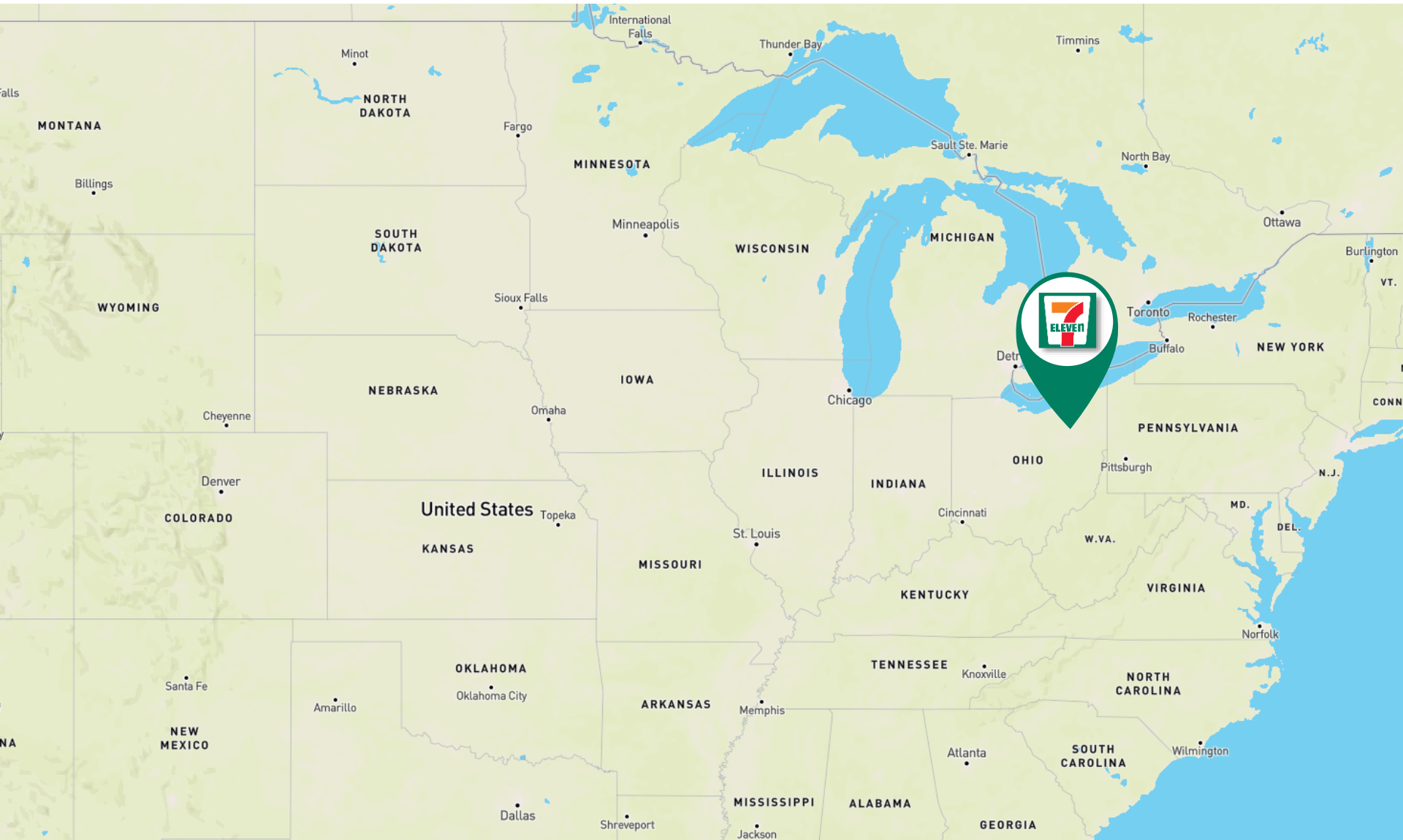
7-Eleven (Dark) - Macedonia, OH

Marcus & Millichap

14

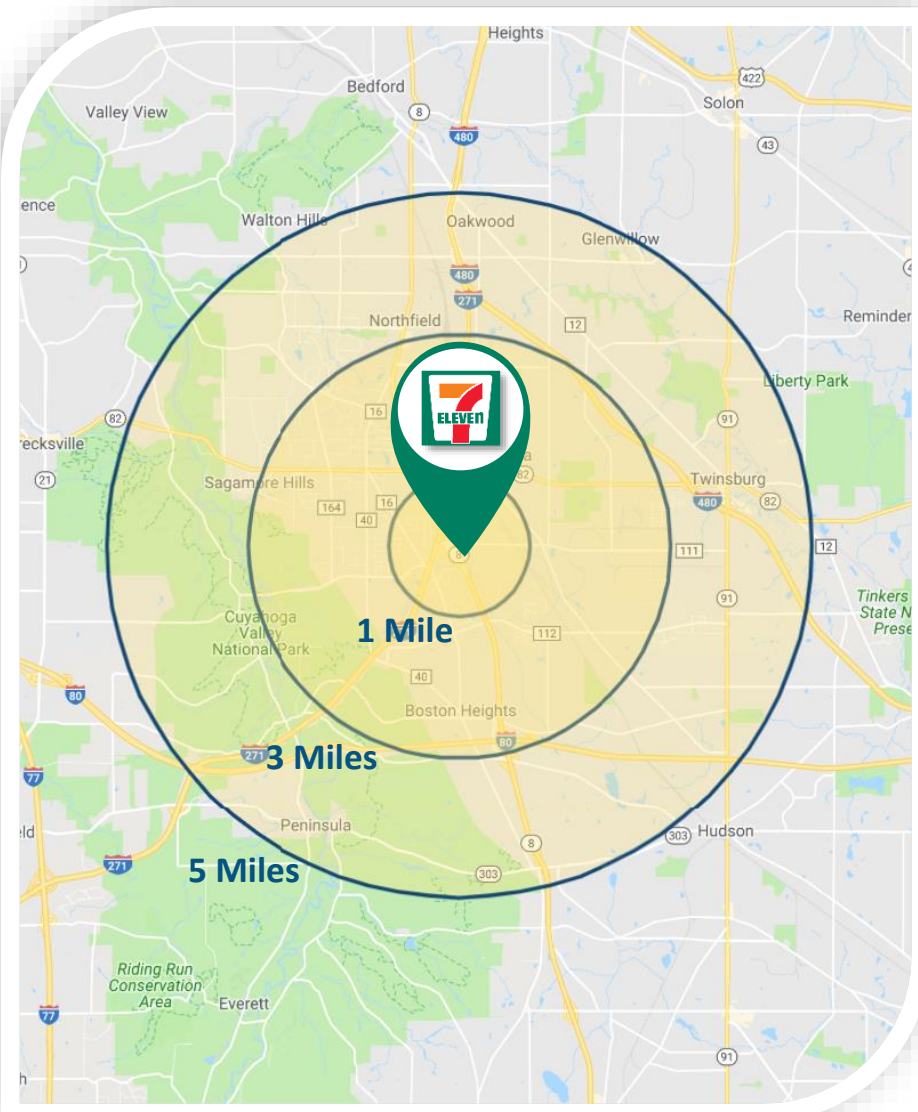


State Map





Demographics



1 Mile 3 Miles 5 Miles

Population:

| | | | |
|---------------------------------|---------|---------|---------|
| 2023 Projection | 2,548 | 27,147 | 62,978 |
| 2018 Estimate | 2,585 | 27,301 | 63,144 |
| 2010 Census | 2,749 | 27,811 | 63,260 |
| Growth 2018-2023 | (1.43%) | (0.56%) | (0.26%) |
| Growth 2010-2018 | (5.97%) | (1.83%) | (0.18%) |
| 2018 Population Hispanic Origin | 44 | 448 | 1,012 |

2018 Population by Race:

| | | | |
|---------------------------|-------|--------|--------|
| White | 2,186 | 22,314 | 50,845 |
| Black | 225 | 3,155 | 7,652 |
| Am. Indian & Alaskan | 2 | 19 | 60 |
| Asian | 140 | 1,321 | 3,402 |
| Hawaiian & Pacific Island | 0 | 2 | 7 |
| Other | 32 | 490 | 1,179 |

U.S. Armed Forces:

Households:

| | | | |
|--------------------|---------|---------|---------|
| 2023 Projection | 1,044 | 10,629 | 24,917 |
| 2018 Estimate | 1,058 | 10,689 | 24,990 |
| 2010 Census | 1,119 | 10,891 | 25,078 |
| Growth 2018 - 2023 | (1.32%) | (0.56%) | (0.29%) |
| Growth 2010 - 2018 | (5.45%) | (1.85%) | (0.35%) |
| Owner Occupied | 963 | 9,426 | 20,830 |
| Renter Occupied | 95 | 1,262 | 4,160 |

2018 Avg Household Income

\$102,570 \$101,807 \$101,249

2018 Med Household Income

\$82,349 \$84,048 \$81,708

2018 Households by Household Inc:

| | | | |
|-----------------------|-----|-------|-------|
| <\$25,000 | 97 | 1,043 | 2,968 |
| \$25,000 - \$50,000 | 130 | 1,465 | 4,069 |
| \$50,000 - \$75,000 | 249 | 2,151 | 4,382 |
| \$75,000 - \$100,000 | 182 | 1,894 | 4,010 |
| \$100,000 - \$125,000 | 102 | 1,320 | 2,911 |
| \$125,000 - \$150,000 | 137 | 1,083 | 2,443 |
| \$150,000 - \$200,000 | 71 | 856 | 1,890 |
| \$200,000+ | 91 | 877 | 2,317 |

Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

