# 7-ELEVEN | BOCA RATON, FL

**Offering Memorandum** 





Brand New, 15-Year, Modified Triple Net Lease



**Brand New Construction** 



Walking Distance to Mizner
Park - Luxury Landmark in
Downtown Boca Raton



7-Eleven has Operated from this Location for Approximately 60 Years

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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.

# 7-ELEVEN

#### Overview

103 W. Palmetto Park Road, Boca Raton, Florida 33432

Price:	\$6,000,000
Cap Rate:	4.25%
Rentable Square Feet:	4,113
Annual Rent:	\$255,000*
Price PSF:	\$1,458.79
Land Area:	0.33 Acres
Year Built:	2019

<sup>\*</sup>NOI includes admin fee of 2% as permitted in the lease

Lease Expiration:

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Tenant:	7-Eleven
Website:	www.7-eleven.com
Lease Guarantor:	Corporate
Lease Type:	Modified NNN
Lease Term:	15 Years
Option Periods:	4, 5-Year Options
Rental Increases:	10% Every 5 Years Starting Year 11
Roof & Structure:	Landlord
Rent Commencement:	11/1/2019 est

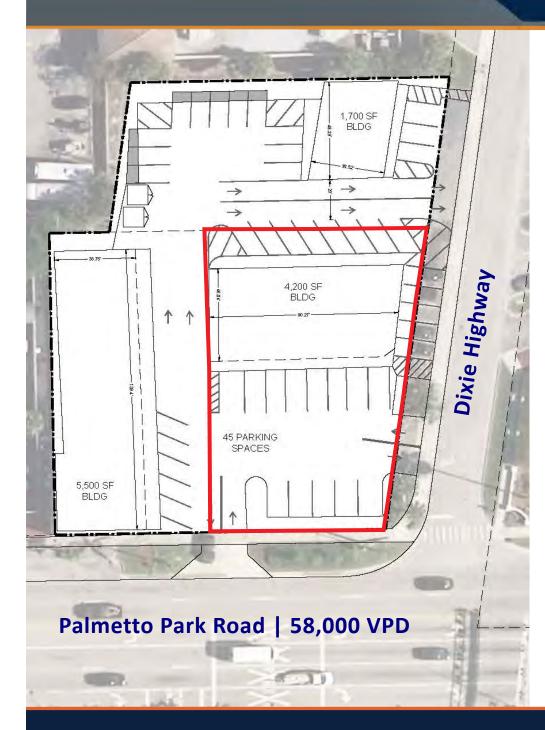
10/31/2034 est

**Lease Summary** 

Base Term	Monthly	Annual	Rent PSF
Lease Years 1-10:	\$20,833	\$250,000	\$60.78
Lease Years 11-15:	\$22,917	\$275,000	\$66.86

Option Periods	Monthly	Annual	Rent PSF
Option 1, Years 16-20:	\$25,208	\$302,500	\$73.55
Option 2, Years 21-25:	\$27,729	\$332,750	\$80.90
Option 3, Years 26-30:	\$30,502	\$366,025	\$88.99
Option 4, Years 31-35:	\$33,552	\$402,628	\$97.89

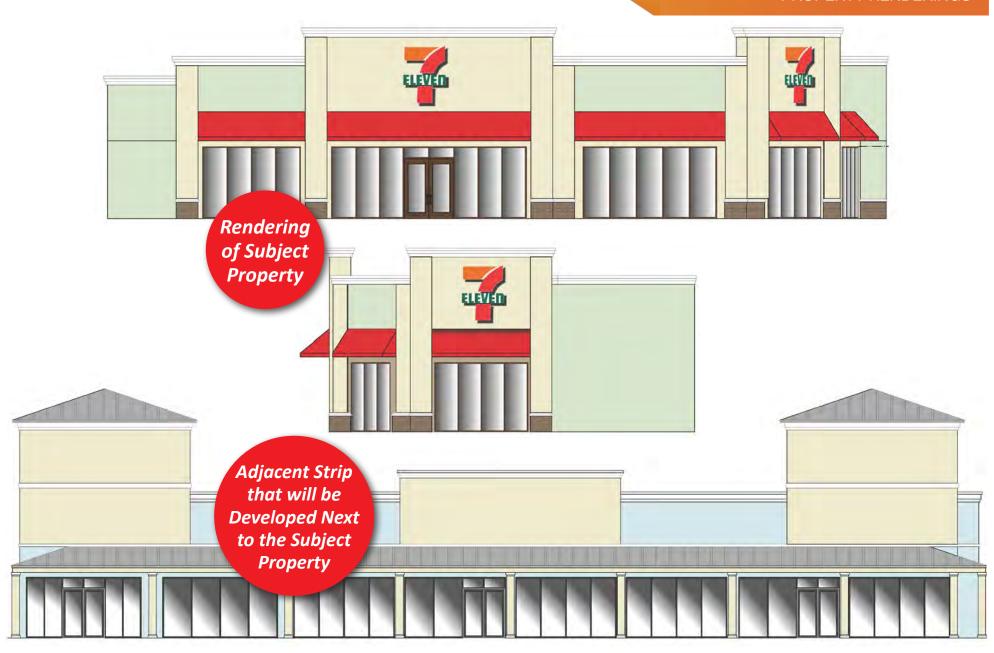




#### **Investment Highlights**

- Trophy Location in Downtown Boca Raton
- Brand New, Corporate Guaranteed, 15-Year, Modified Triple Net (NNN) Lease
- 7-Eleven has Operated Continuously from this Location for Approximately 60 Years
- Roof Warranty Will Be Transferred to Buyer at Closing
- Four, Five-Year Renewal Options with 10 Percent Rent Increases Every Five Years Beginning Year 11
- New Construction; to be Completed Approximately September 2019
- Surrounding Retailers Include Publix, The Fresh Market, Trader Joe's, Wells Fargo, Walgreens, CVS, Burger King, Tire Kingdom, Max's Grille, Lord & Taylor, Tommy Bahama, Z Gallerie, Dunkin' Donuts, Starbucks and Many More
- Walking Distance to Famed Mizner Park a Luxury Landmark in Downtown Boca Raton that Includes Retail, Office, Residential, Cultural Space, and a 5,000-Person-Capacity Amphitheater
- Boca Raton is One of the Most Affluent Places in the World With an Average Net Worth of \$21.2 Million for Taxpayers Having a Minimum Income of \$200k
- Strong Demographics; Population of More Than 180,000 Within a Five-Mile Radius of Subject Property
- Located on Palmetto Park Road with a Daily Traffic Count of More Than 58,000 Vehicles
- Adjacent to Proposed Boca Raton Administrative Campus, and Commuter Train Station (According to the City's Master Plan)
- One Mile from the Beach
- Two Miles from Florida Atlantic University With More than 30,000 Students, and Palm Beach State College

#### PROPERTY RENDERINGS





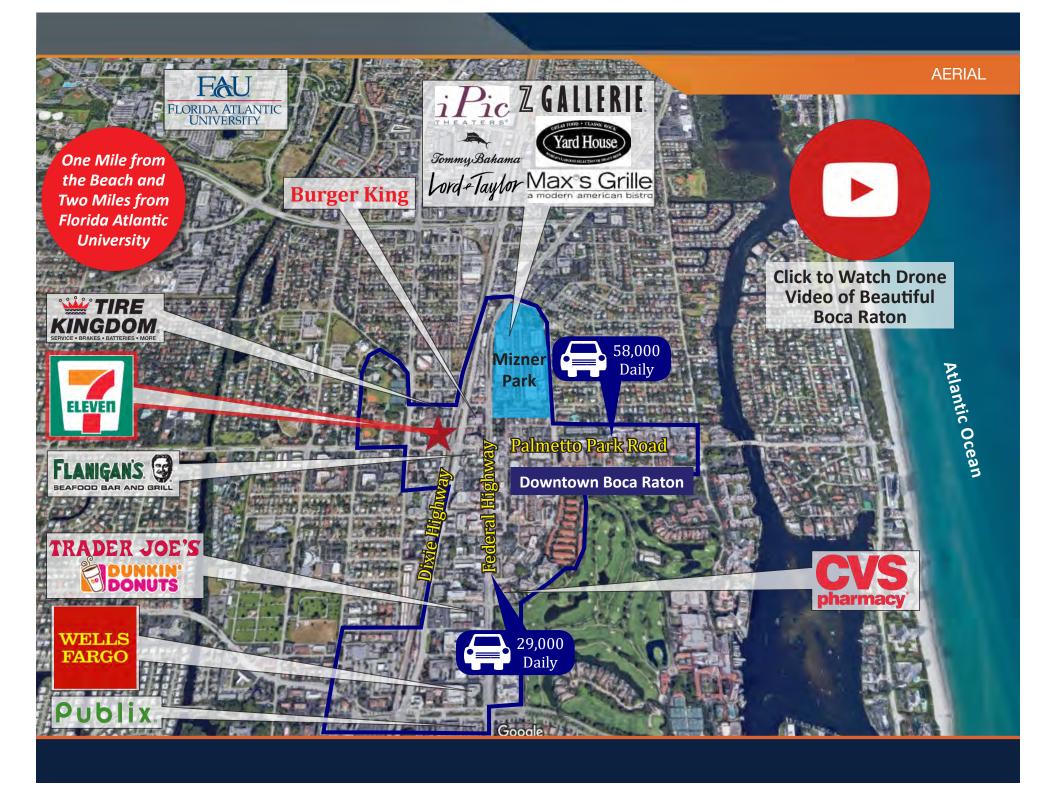


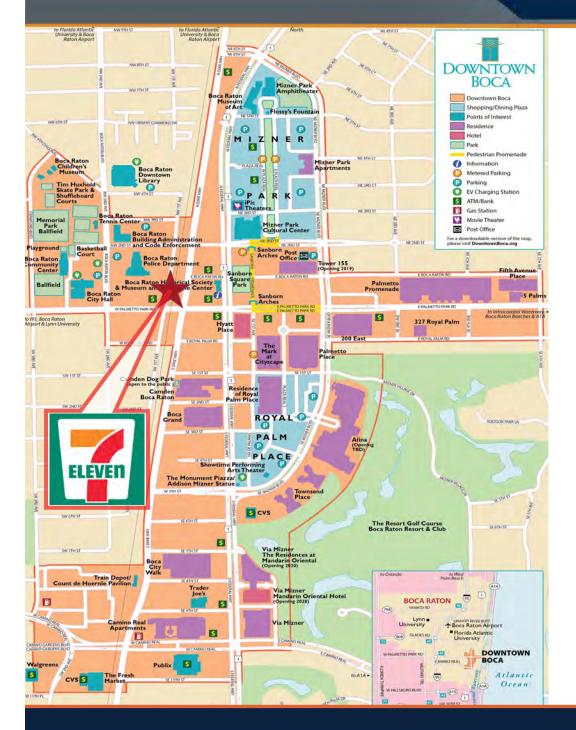
# 7-ELEVEN

7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 67,000 stores in 17 countries, of which nearly 11,800 are in North America. 7-Eleven also is one of the nation's largest independent gasoline retailers. In 1999, its company's name was changed from The Southland Corporation to 7-Eleven, Inc. after approval by shareholders.

Founded in 1927 in Dallas, 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 when the stores were open from 7 a.m. to 11 p.m. Today, offering busy shoppers 24-hour convenience, seven days a week.

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. 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.

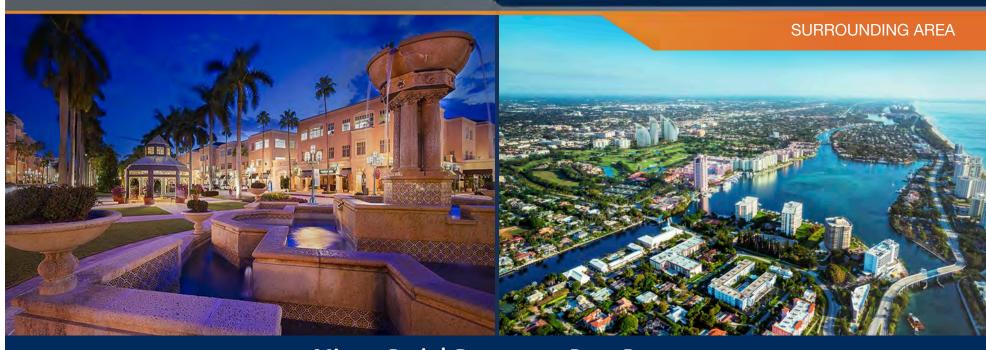




The Subject Property is Two Blocks from Mizner Park
-- a luxury landmark in Downtown Boca Raton that
includes retail, office, residential, cultural space, and a
5,000-person-capacity amphitheater







Mizner Park | Downtown Boca Raton



# Forbes Nov 20, 2018

#### **Luxury Development In Boca Raton Is Booming**

Luxury development in Boca Raton, Florida is booming. Consider when the ultra-luxe Mandarin Oriental was choosing a U.S. location for its 164-room hotel & resort with 92 luxury branded residences, the Hong Kong-based company, owned by Jardine Matheson chose Boca Raton. The Residences at Mandarin Oriental, Boca Raton is the brand's fourth in the United States and the sixth signature hotel and resort property in the country. With this coveted addition, Boca Raton now boasts the only 5-star hotel property in Palm Beach County.

The Residences at Mandarin Oriental, Boca Raton are priced from \$1.9 million to \$20 million. The Mandarin project is located in Via Mizner, a \$1 billion, two million square foot mixed-use luxury development in downtown Boca Raton, currently under construction. Penn-Florida Companies is the developer on Via Mizner and The Mandarin Oriental project. "Downtown Boca Raton has evolved into a global destination and Via Mizner, a 2,000,000 square foot urban resort, is the catalyst. The Mandarin Oriental Hotel and Residences is a testament to the caliber of the city, which is home to influential people and companies from all over the world," notes Mark Gensheimer, founder & CEO of Penn-Florida Companies.

Clearly, this city long known for migrating retiring snowbirds from the northeast is aging younger. Today, the median age in Boca Raton is 47. To serve a younger population Boca Raton boasts 46 parks and two libraries. "With the new customs facility at the Boca Raton Airport, the Mandarin Oriental, currently underway, and the influx of companies relocating to Boca Raton, this is truly an exciting time for our city," said Jessica Del Vecchio, economic development manager, City of Boca Raton. Now international passengers can fly into the Boca Raton Airport and clear customs at the Boca Raton Airport Customs and Border Protection facility which opened in May.

Mayor Scott Singer, 42, grew up in nearby Fort Lauderdale. He was attracted to Boca Raton, moving his young family there seven years ago. "We really punch above our weight class with business innovation, cultural and luxury offerings and a high quality of life usually found in much larger cities," Singer said. Boca's current population according to Del Vecchio is 91,797. Singer points to the 10,500 new jobs created/retained over the past eight years. "Now with the new U.S. Customs facility, we can attract more international investment," he adds. To date 32 corporate headquarters, including Office Depot, ADT and Cancer Treatment Centers of America call the city home.

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Boca Raton is booming with luxury development



Boca Raton's Mandarin Oriental project under construction

# **Forbes**

May 8, 2019

#### **Boca Raton Building Renown As City For All Reasons**

Sandwiched between Palm Beach and Fort Lauderdale, Boca Raton, Florida, is among the fastest-growing cities in South Florida. The city's job growth, entrepreneurial expansion and surging economic diversity is reflected in residential and commercial expansion, business development and more and more attractions available to all.

With more than 21 million square feet of office space, the city is home to half of Palm Beach County's corporate headquarters, including the bases for Office Depot and ADT Security Services. Compass Florida expanded to Boca Raton in November 2018 with the addition of the Pam and Toni Team, leaders and founding agents of the Compass Boca Raton office and the Koolik Group. After a half century on Wall Street, New York-based financial services firm Stoever Glass chose Boca for its first expansion location.

#### **Residential developments**

Among the city's residential developments, several multifamily and single-family projects stand out. One of the former is ALINA Residences Boca Raton, a luxury community that recently celebrated its groundbreaking in downtown Boca Raton. Designed to leverage a highly walkable neighborhood along Mizner Boulevard, the community will appeal to a younger, more active target market seeking a live-work-play lifestyle.

Says Yoel Shargian, CEO of Elad Group, "Elad Group's expansion into Boca Raton with ALINA Residences proves that the South Florida market, beyond just Miami, is strong with tremendous potential for growth.

"One of the key factors in ALINA's success is that the location puts residents in the center of it all. The property.... is located minutes from major dining, shopping and entertainment, further promoting downtown Boca as the walkable community it is."

Akoya Boca West, part of the Boca West Country Club, is another luxury condominium project. The community represents one of the first new for-sale residential developments to open in West Boca in more than a decade.

As for single-family developments, the standouts include Moderne Boca. Among the briskest-selling single-family developments on the market, the townhome project in West Boca has quickly reached the 90% sold mark.

Mixed-use development is also advancing in Boca Raton. A recent groundbreaking of Uptown Boca heralded the start of work on a transformational mixed-use project to create 1 million square feet of retail, entertainment and residential space, with tenants like Colorado-based anchor tenant Lucky's Market, restaurants and a movie theater.

"Uptown Boca fills a void in the marketplace," says Rick Giles, CEO of Giles Capital Group. "It will be the first fully integrated lifestyle center in Boca Raton that includes residential, a grocery store, a luxury movie theater and a host of unique dining options. Our partners for the project all have deep roots in Boca Raton. We understand the needs of the local community based on our personal experiences.

"West Boca has become a highly desirable home for families and young professionals, which is why we curated the specific mix of retail, entertainment and residential amenities."

#### Location, location, location

Among the reasons for Boca Raton's growth is its central location. Business and leisure travelers benefit from proximity to Palm Beach International Airport 21 miles north, Fort Lauderdale-Hollywood International Airport 22 miles south, and Miami International Airport 43 miles south. Major sea ports are Port Everglades and Port of Palm Beach.

Five institutions of higher learning call Boca Raton home, including Florida Atlantic University and Lynn University. Boca Raton ranks number 8 in Florida's best cities for families, out of a total 183 municipalities reviewed.

Town Center at Boca Raton attracts more than 12 million visitors a year as one of south Florida's premiere luxury shopping meccas for a blend of high-end specialty stores and restaurants. Boca Raton Museum of Art is an art and entertainment center featuring art collections as well as exhibitions and educational seminars. Other attractions include Mizner Park, Mizner Park Amphitheater and downtown Boca Raton.

Boca Raton has long been known by the sobriquet "The City For All Seasons." But given its growth and economic diversification, residents and visitors alike might prefer terming it the city for all reasons.

# SOUTH FLORIDA Business Journal



Virgin Trains USA has notified Boca Raton city officials that it wants to build a passenger rail station in the city. President Patrick Goddard sent a letter to Mayor Scott Singer Friday expressing a desire to work with the city to establish a station on city-owned land along the FEC Railway.

"I had reached out to [Virgin Trains] to express Boca Raton's interest in exploring a possible station," Singer stated in an email. "I look forward to discussing this opportunity to enhance mobility for our residents and the benefits for our world-class city."

Virgin Trains began service in 2018 with its Palm Beach to Miami route. The company is currently building an expansion to Orlando that is scheduled to begin operations in 2020.

"A Virgin Train station in Boca Raton will increase the quality of life, revitalize downtown, positively impact the environment, take cars off the road and provide a boost to Boca's economy," Goddard said in his letter. "Virgin Trains service has shown a strong and steady demand from residents and has already made a tremendous impact on the South Florida economy by creating jobs and transporting over one million passengers."

In the letter, Virgin Trains requested three parcels from the city: the parking lot/park west of the city library at 400 N.W. Second Ave. and the vacant 0.95-acre lot at 350 N.W. Fourth Street and 157 N.W. Third Street. (Within walking distance of subject property)

The station would be within walking distance of the Mizner Park Amphitheater, the Boca Raton Museum of Art, the iPic dine-in movie theater, and the Boca Raton Historical Society & Museum.

"That location is a contender because has been identified in a number of city plans as a possible train station site due to its closeness to downtown, and still be far enough to have traffic flow on Palmetto Park Road even when a train was in the station," Singer said.

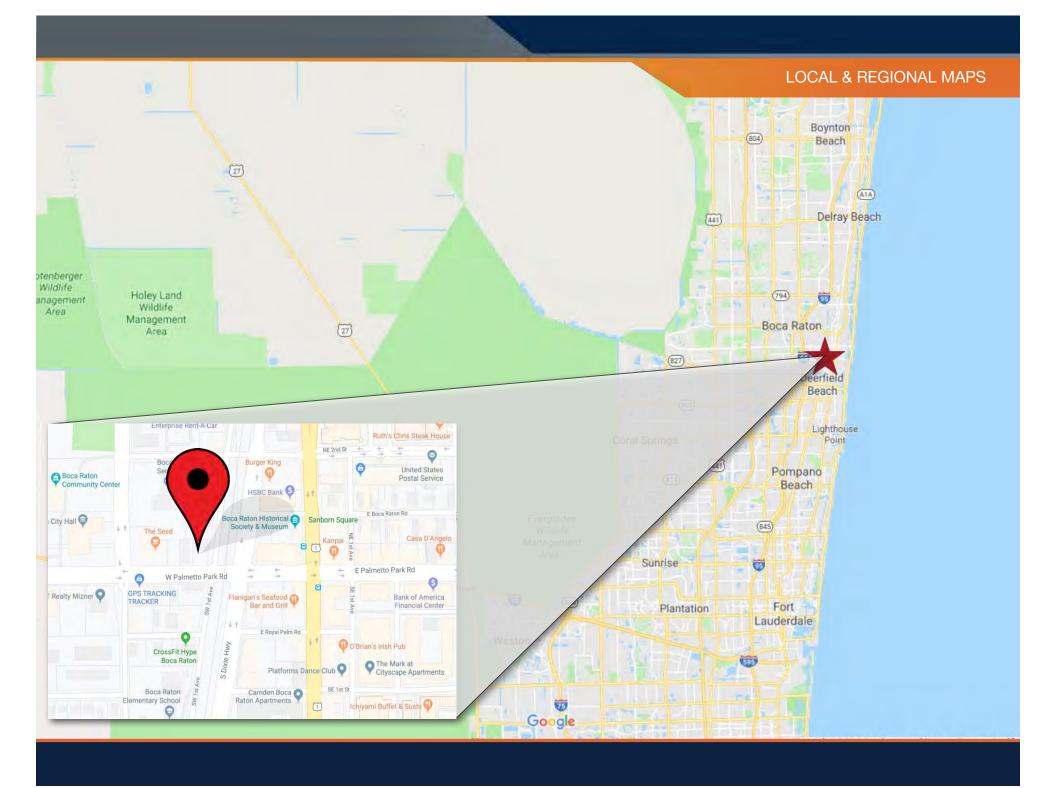
In his letter, Goddard said Virgin Trains would fund and manage construction of the train station and the associated infrastructure. It would require the city to fund construction of the station parking garage, but the company would manage the garage and its construction. He said Virgin Trains would replace the library's parking spaces and relocate the library's community garden, but didn't explain how. The city could also receive community meeting space, he added.

In addition to providing the land, the city would be required to build an elevated pedestrian bridge over Dixie Highway and to provide shuttle service from the station to locations within the city. Virgin Trains plans to attend a City Commission workshop meeting on May 22 to discuss a station, Goddard said.

"We are already connecting South Florida like never before and an additional stop in Boca will continue to connect our region in a way that strengthens our economy and culture," Goddard told the Business Journal. "Today is a first step that will kick off a formal process to evaluate this project which would be transformational and will make a lasting impact on Boca and South Florida for generations."

In its first quarter financial report, Virgin Trains said it anticipates announcing up to three new stations in the tri-county area before the end of 2019. Previously, the company had discussions about a station at Port Miami.

# **Click Here for Article**



#### PALM BEACH COUNTY

#### **OVERVIEW**

Situated along the southeastern coast of Florida, Palm Beach County encompasses 47 miles of Atlantic coastline with extraordinary beaches and numerous golf courses that draw tourists and residents. The county is Florida's third most populous with 1.4 million people and is expected to add more than 97,000 citizens through 2023. West Palm Beach is the largest city, with 108,200 people. Other prominent municipalities include Boca Raton, Boynton Beach and Delray Beach. The northern portion of Everglades National Park is located within the metro.





#### METRO HIGHLIGHTS



#### LARGE RETIREE POPULATION

Nearly a quarter of the local population base are residents age 65 and older who seek entertainment and leisure options.



#### **FAVORABLE TAX STRUCTURE**

West Palm Beach has no state income tax and has a low property tax rate, attracting additional residents to the metro.



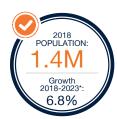
#### STRONG JOB GROWTH

Job gains are pronounced, especially in the education and health services sectors, which are driven by the local population growth.

# TITE ECONOMY

- Historically, the Palm Beach County economy benefited from an expanding population that supported strong growth in the real estate, construction and services-related sectors.
- Tourism plays an important role in the local economy, generating billions of dollars in revenue annually, including spending by cruise-ship passengers.
- Agriculture is also an important industry in the western portion of the region, where crops include winter vegetables, citrus, sugar cane and ornamental plants.
- As part of the Internet Coast, Palm Beach County has an established reputation for Internet infrastructure servicing South Florida and Latin American markets.

#### **DEMOGRAPHICS**









#### **DEMOGRAPHICS**

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	12,459	71,632	180,757
2018 Population	14,123	77,255	195,709
2023 Population	14,319	78,094	198,323
2018 Male Population	7,034	37,902	94,123
2018 Female Population	7,089	39,353	101,586
2018 Median Age	44.8	45.1	49.1

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	0.2%	0.2%	0.2%
Asian	2.8%	2.6%	2.2%
Black	9.7%	12.7%	12.5%
Hawaiian/Pacific Islander	0.1%	0.1%	0.1%
White	81.6%	79.4%	80.0%
Other	3.8%	3.0%	3.0%
Multi-Race	1.9%	2.1%	2.1%
Hispanic Ethnicity	17.2%	15.4%	14.9%
Not of Hispanic Ethnicity	82.8%	84.6%	85.1%







1 MILE	3 MILES	5 MILES
\$94,389	\$91,623	\$89,648
\$108,155	\$104,149	\$101,024
\$126,997	\$120,111	\$115,438
\$51,535	\$54,173	\$53,023
\$59,702	\$61,506	\$60,078
\$71,302	\$72,431	\$70,366
\$43,802	\$41,986	\$41,952
\$50,978	\$47,994	\$47,394
\$60,912	\$55,908	\$54,785
	\$94,389 \$108,155 \$126,997 \$51,535 \$59,702 \$71,302 \$43,802 \$50,978	\$94,389 \$91,623 \$108,155 \$104,149 \$126,997 \$120,111 \$51,535 \$54,173 \$59,702 \$61,506 \$71,302 \$72,431 \$43,802 \$41,986 \$50,978 \$47,994

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	5,769	32,412	83,945
2018 Households	6,645	35,213	91,209
2023 Households	6,857	36,011	93,585



# Marcus Millichap Wester RETAIL GROUP The Wolfe Pack of Marcus & Millichap

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With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

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With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.

Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.

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