



*BP To-Go*

3608 U.S. Highway 30  
Latrobe, Pennsylvania 15605 (Pittsburgh MSA)  
Confidential Information Memorandum  
Frontage/Visibility U.S. Highway 30 | Over 8 Years of Rent From 7-Eleven, Inc.







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# Summary

## Investment Summary

BP To-Go – Latrobe, PA

# The Offering

JLL is pleased to offer for sale the fee-simple interest in a freestanding, single-tenant BP To-Go convenience store (the "Property") located in Latrobe, Pennsylvania. 7-Eleven, Inc. (the "Tenant") is currently subleasing the Property to Shiv Oil, Inc. (the "Sub-Tenant"). The rent is guaranteed by 7-Eleven throughout the remainder of the primary term. The Asset is located in the median of historic U.S. Highway 30 that sees over 22,000 daily vehicles per day. The Property's unique and unparallel location with intrinsic real estate value, ensures a strong and consistent consumer presence. With around 9 years remaining on a NNN lease, annual rent increases, and four, five-year options for renewal, investors will secure long-term cash flows from an investment grade tenant along with sought after real estate fundamentals.

## INVESTMENT HIGHLIGHTS

- The Asset is subject to an absolute NNN lease featuring rental increases every year and four, five-year options for renewal, making it the ideal passive, long-term investment.
- Rated 'Baa1' and 'AA-' by Moody's and S&P respectively, 7-Eleven is a strong, investment-grade tenant that guarantees the income for the remainder of the lease term. 7-Eleven's investment grade rating is a result of its formidable market share, strong brand recognition, and popular in-store offerings.
- Strategically positioned between U.S. Highway 30 east and U.S. Highway 30 west, the Property is seen by over 22,000 vehicles per day, with easy access to the business via four entry and exit points.
- U.S. Highway 30 serves as the retail corridor for the Latrobe trade area with numerous nationwide tenants across all industries including Lowe's Home Improvement, Walmart, Giant Eagle, Big Lots, Aldi, Walgreens and many more.
- The Latrobe customer base has an average household income of over \$77,000 with annual growth projected at 3% for the next five years.
- Westmoreland County location puts the Property 45 miles outside of downtown Pittsburgh's and within a 500-mile radius of 70% of the total U.S. population.
- Latrobe is home to Pittsburgh Steelers' training camp, which is one of the largest events in Western Pennsylvania
- A nationally recognized Saint Vincent College, regional airport, world-renowned Arnold Palmer's Latrobe Country Club golf course and entertainment history provide economic stability to one of the top-small towns in the United States.

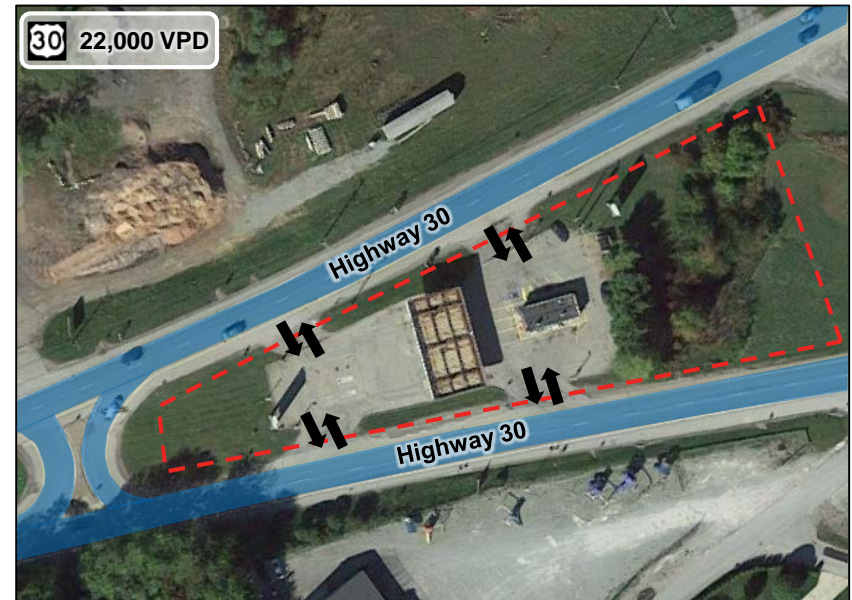
## PROPERTY SUMMARY

Address	3608 U.S. Highway 30, Latrobe, PA 15650
Price	\$1,263,777
Cap Rate	6.30%
NOI	\$79,618
Lease Type	NNN
Square Footage	758 SF
Parcel Size	1.85 Acres
Year Built	1989
Tenant	7-Eleven, Inc.
Sub Tenant	Shiv Oil, Inc.
Owner Interest	Fee-Simple
Rent Commencement	7/29/2005
Lease Expiration	7/31/2028
Rental Increases	Annual increases of 1.75% (August 1 <sup>st</sup> )
Renewal Options	4 x 5-Year Options
ROFR Option	No

# Property

## BUILDING AND LEASE SPECIFICATIONS

Address	3608 U.S. Highway 30, Latrobe, PA 15650
Year Built	1989
Ownership Interest	Fee-Simple
Parcel Size	1.85 Acres
Property Type	Freestanding Retail
Building Size (square feet)	758 SF
Parcel No.	61-14-12-0-019



- The property is strategically located directly on Highway 30, with access to drivers headed both east and west
- Location in the middle of highway provides easy access through 4 entry/exit points and U-turn capacity
- Positioned between drivers connecting from P-982 and P-217
- Located in Westmoreland County and is within 500 mile radius of 70% of the total United States population
- ~45 miles to the west of Pittsburgh Metropolitan Statistical Area



## Local Aerial

The subject property is located in Latrobe, PA which is located within the 2.3 million Pittsburgh MSA. The Asset is between the convergence of east and west travelers on Highway 30, which sees 22,000 vehicles per day drive by. It is easily accessible with U-Turn space and 4 ways to enter and exit the parcel. The section of Highway 30 that cuts through Latrobe is particularly active, driving bountiful retail business, which includes super centers, food and beverage, pharmacy, fitness, shopping and more.





*Property Photography*





# Location

## Location Overview

BP To-Go – Latrobe, PA



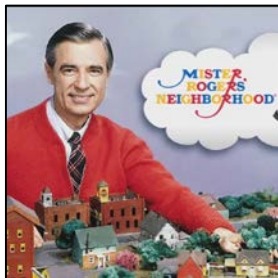
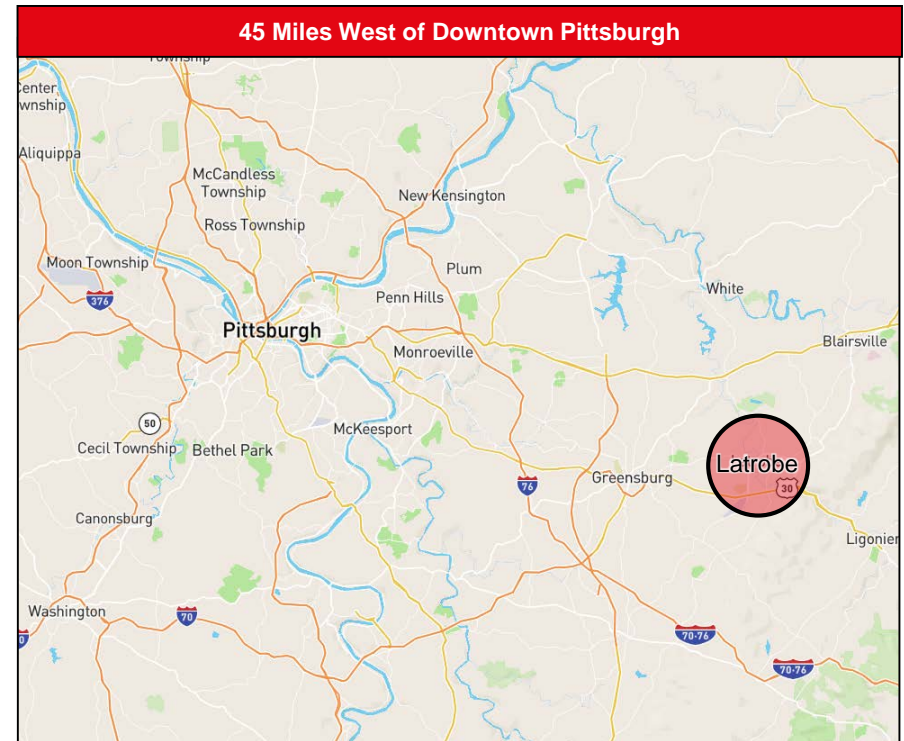
# Market

## Latrobe, Pennsylvania

Latrobe, Pennsylvania is a city located in Westmoreland County and a part of the Pittsburgh Metropolitan Statistical Area. With only 8,000 people, the town continues to withhold a strong presence, rich culture and deep history. It is consistently recognized as not only one of the top small towns in Pennsylvania, but as a place to be visited by those across the country.

Historically, the city has many claims to fame. It is the birthplace of legendary golfer Arnold Palmer. He grew up playing at, and later purchased, the Latrobe Country Club. The historic course continues to be a place to visit amongst golf fanatics. Also, Latrobe was home to famous TV personality Fred Rogers, who was the host of the PBS series Mister Roger's Neighborhood. He featured in over 900 television episodes and received over 1 million letters from fans, which can be found today at the Fred Rogers Center located in Latrobe. Aside from entertainment, the Latrobe Brewery was the original brewer of Rolling Rock beer, which has since been taken over by beer giant Anheuser-Busch InBev. The history of Latrobe is a major driver of what makes this small-town well known.

Today, Latrobe continues to be active. It is home to Saint Vincent College, which brings in 1,500+ students a year to the community. US News and World Report has ranked Saint Vincent in the first tier of National Liberal Arts Colleges in 2019, which represents the 9<sup>th</sup> consecutive year. During the NFL off-season, the Pittsburgh Steelers can be found working through training camp on campus. 2019 represented the 54<sup>th</sup> consecutive year that fans have been able to visit Latrobe to meet and great the Steelers team.



## #1

Pennsylvania Small  
Town according to  
Discover

## Top 20

Best Small Towns to  
Visit According to  
Smithsonian

## #4

Best Place to Start a  
Business in  
Pennsylvania



# Market

## Latrobe, Pennsylvania – Tourism Highlights

### Pittsburgh Steelers Training Camp

For the 54<sup>th</sup> consecutive year, Saint Vincent has hosted the Steelers preseason training camp. The event goes on for three weeks with roughly 15 open practices for the general public. The event has expanded from traditional training to fully packed fan entertainment for all ages, including meet-and-greets, play 60 fun zones, and various football experiences and drills. Each session can typically see over 5,000 fans pour in to support their team and take advantage of unique entertainment.

#### Event Highlights

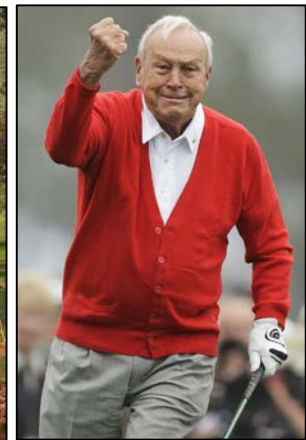
- ~10,000 fans attend annually with representation from 37 states last year
- Highway 30 serves as primarily travel route for fans coming into Latrobe
- 15 public practices in 2019, with 13 being hosted at Saint Vincent College
- Continued success led to the 3rd annual Steelers Charity Walk for brain injury research, consisting of 2 miles on Saint Vincent's nature trails
- Started the "Friday Night Lights" practice for the enjoyment of fans

### Arnold Palmer's Latrobe Country Club

Founded in 1920, Latrobe Country Club has become a legendary part of history. Deacon Palmer, at the age of 17, helped build the course before teaching his son Arnold to play on it. Arnold would go on to win four major championships, including four green jackets. In the 1960s, Deacon and Arnold added nine new holes and ten new greens to expand the course. In 2012, the course became open to the public and gained a new Springhill Suites packed with memorabilia (including his Master's trophy) and photos to celebrate the late golfer's life.

"This is a very pretty part of America, and having Latrobe Country Club right next door to where the hotel is, and having privileges for the hotel guests to play on this wonderful course, is a great magnet"

- Bill Marriott, 2012





# Market

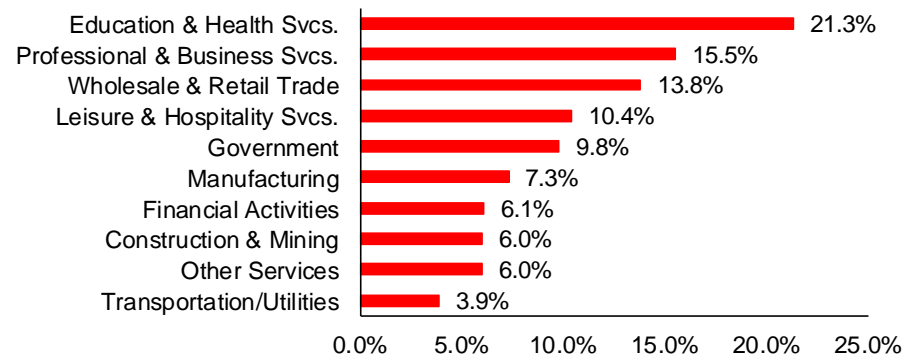
## Pittsburgh Metropolitan Statistical Area

Latrobe is located within the 10-county Pittsburgh MSA which generated a \$147.4B GDP in 2017, ranking 25th highest among national MSA's. Maintaining a 4.5% unemployment rate as of July 2019, the city of Pittsburgh has a diversified, growing economy with key sectors including finance, healthcare, energy & resources, and manufacturing. These industries are fueled by a city limits population of approximately 300,000 and an MSA wide population of 2.3M. The population is among the most educated in the nation with nearly 41,000 annual graduates from 35 regional colleges and universities. Additionally, the region has a low cost of doing business and an even lower cost of living, 94% and 93% of the national average, respectively.

The 2018 Fortune 500 included seven Pittsburgh headquartered companies on the list including Kraft Heinz, PNC Financial Services, US Steel, and Alcoa highlighting the city's focus on finance & energy/manufacturing. It is estimated that Pittsburgh derives 57% of GDP (~\$84B) from four key industry sectors: Financial & Business Services, Energy, Advanced Manufacturing, and Healthcare & Life Sciences. Economic success from mature industry sectors and a strong talent pipeline from numerous research & educational institutions has created a vibrant culture of innovation in Pittsburgh. Monetary and intellectual contributions from both public & private organizations have led to a burgeoning robotics hub, energized by \$3b in annual research & development investments.

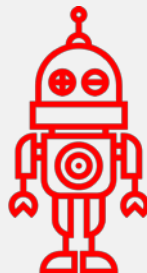


### Employment Breakdown by Industry



### The Pittsburgh Robotics Network

- Wall Street Journal bestowed Pittsburgh with the name "Roboburgh" in 1999
- The birthplace of self-driving vehicles (1984)
- +300% growth in robotics employment since 2011
- Home to the Carnegie Mellon Robotics Institute (circa 1979), first university to offer a robotics Ph.D.





# Tenant

## Tenant Overview

BP To-Go – Latrobe, PA



# The Tenants

## 7-Eleven Corporation

7-Eleven is the world's largest convenience store chain with over 68,000 stores in 23 countries. Founded in 1927, 7-Eleven pioneered the convenience store concept and today offers busy shoppers 24/7 convenience and an extensive range of merchandise and services, including over 2,500 products, gasoline, and select financial services, through its store network and online partnership with Amazon. The Property's lease is guaranteed by 7-Eleven, Inc., the U.S.-based franchisor and licensor of 7-Eleven convenience stores throughout North America. In North America, 7-Eleven, Inc. strives for market dominance and has aggressively expanded its presence to encompass more than 11,800 stores, holding over 30% of the total market share.

7-Eleven currently has a sublease with Shiv Oil, Inc. ("Shiv") who was founded in 2014 and is a local player in the gas service stations industry. Shiv is currently operating the convenience store at the location, while 7-Eleven continues to manage fuel sales. Shiv was selected based off a demonstrated partnership through the performance of their existing five sites that 7-Eleven (SEI Fuel Services, Inc. or "SEIF") supplies fuel for. Shiv is a repeat SEIF customer recognition trip winner, which is awarded to the highest performing dealers across the company.

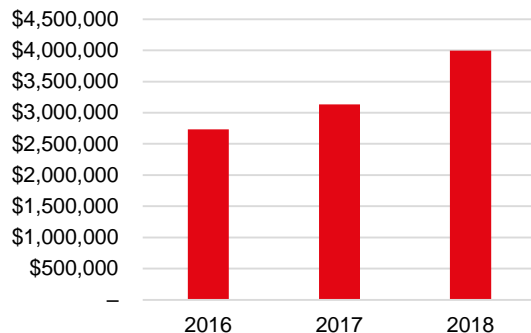
7-Eleven, Inc. carries an investment grade credit rating from both Moody's and S&P (Baa1 / AA-) with a "stable" outlook. The company's investment grade rating is attributed to its large scale, strong brand recognition, popular in-store offerings, and the strength of its parent company, Seven & I Holdings Co., Ltd., ("Seven & I Holdings"). Seven & I Holding is a Japan-based diversified retail group and one of the world's largest retailers. Seven & I Holdings store network comprises convenience stores, superstores, department stores, specialty stores, and etc.



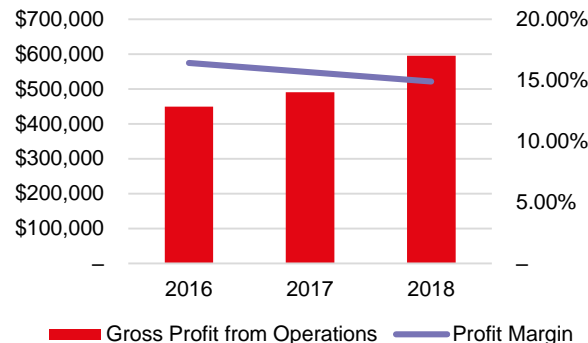
### 7-Eleven Overview

Founded	1927
Credit Rating	Baa1 / AA- (Moody's / S&P)
Parent	Seven & I Holdings Co. (Japan)
Locations	68,000+
Countries	23
Headquarters	Irving, TX
Industry	Convenience Stores
Website	www.7-Eleven.com

7-Eleven, Inc. Total Store Sales



7-Eleven, Inc. Profitability

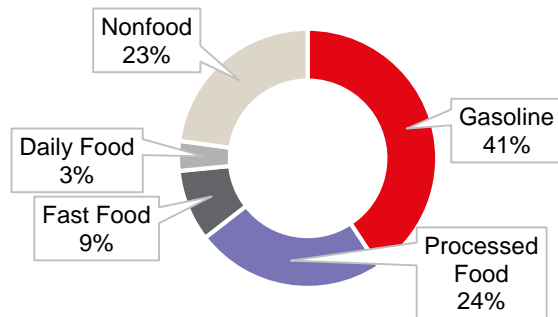




## 7-Eleven Growth Drivers

While gasoline sales account for most of the convenience store's total sales, other merchandise like processed food and daily food are becoming increasingly popular among customers. New premium, private-label product offerings and expanded food options helped drive sales higher. In a retail environment where convenience is key, 7-Eleven Inc. continually appeals to consumers.

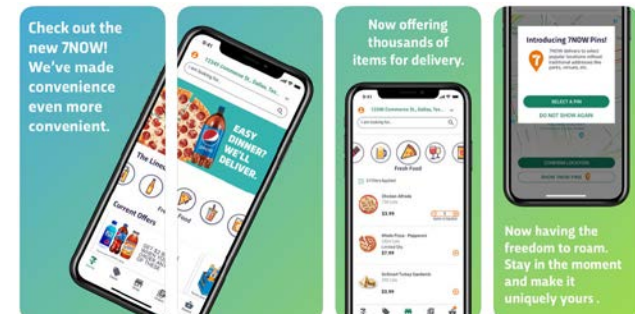
### 7-Eleven, Inc. Sales by Product Type



7-Eleven's mobile application, **7Rewards<sup>SM</sup>**, promotes customer loyalty by offering incentives for each purchase and access to exclusive discounts.



To appeal to the health-conscious consumer, 7-Eleven has introduced **fresh produce** and **organic items** to its product mix.



**7NOW**, 7-Eleven's delivery service, is redefining convenience by allowing customers in 27 major metropolitan areas to order 7-Eleven products through a mobile application for delivery to either their home address or 7NOW Pins, defined public locations in parks, beaches, etc. that may not have traditional addresses.

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