



NET LEASE INVESTMENT OFFERING



7-ELEVEN RETAIL CONDO (CORPORATE)
351 BOWERY
NEW YORK, NEW YORK (MANHATTAN)



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single-tenant 7-Eleven retail condominium located in Manhattan within the Bowery neighborhood. 7-Eleven is committed to this location as evidenced by their recent 15-year lease extension, which now expires in December 2034. The lease features 10% rental escalations every five years in the primary term and a 15% rental escalation in the renewal option. 7-Eleven is an investment grade tenant with a Standard & Poor's rating of AA-. This location is open 24 hours and a top performing location for 7-Eleven.

The 2,156 square foot retail condominium 7-Eleven is located along the border of NoHo and the East Village along the east side of Bowery between East 3rd & 4th Street. The condominium is situated at the base of a fifteen-story residential condominium and has 43 feet of frontage on Bowery. The property is located in close proximity to New York University (51,000+ students) and is steps away from the Broadway-Lafayette and Astor Place subway stations. The 7-Eleven is located in a highly dense area with 286,722 people living within one mile of the property and over 1,120,000 living within three miles. Additionally, the property is located in an affluent neighborhood of Manhattan, with an average household income of \$157,919 within three miles of the property. The property is also located near numerous luxury boutique retail shops and restaurants.

7-Eleven signed a 15-year lease extension in 2019, which now expires December 31, 2034. The lease features 10% rental escalations every five years and a 10% rental escalation in the one 5-year renewal option period. This is a rare opportunity to acquire irreplaceable real estate. 7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 64,319 stores in 18 countries. 7-Eleven is also one of the nation's largest independent gasoline retailers and was ranked #1 by Entrepreneur Magazine in the 2017 annual "Franchise 500" ranking.



INVESTMENT HIGHLIGHTS

- Located in Manhattan within the Bowery neighborhood
- Rare opportunity to acquire irreplaceable real estate
- Strong performing store as evidenced by recent lease extension
- Long term lease with 15 years remaining
- Corporately guaranteed
- 7-Eleven is an investment grade rated tenant (S&P: AA-)
- 10% rental escalations every five years and a 15% rental escalation in the renewal option
- Positioned in close proximity to New York University (51,000+ students) and is steps away from the Broadway-Lafayette and Astor Place subway stations
- Located in a highly dense area with 286,722 people living within one mile of the property and over 1,120,000 living within three miles
- Located in an affluent neighborhood of Manhattan with an average household income of \$157,919 within three miles of the property



PROPERTY OVERVIEW

Price:	\$6,915,032	
Cap Rate:	4.75%	
NOI:	\$328,464	
Rent Schedule:	<u>Escalation Date</u>	<u>Rent</u>
	Current	\$345,920
	January 1, 2025	\$380,512
	January 1, 2030	\$418,563
	January 1, 2035 (Option 1)	\$481,347
Lease Expiration Date:	December 31, 2034	
Renewal Options:	One 5-Year	
Tenant:	7-Eleven, Inc.	
Standard & Poor's Rating:	AA-	
Year Built	2009	
Lease Type:	Condominium	
Building Size:	2,162 SF	



PROFORMA ANALYSIS

Ordinary Income/Expense

Income

Rental Income

Base Rent \$345,920

CAM \$19,828

Real Estate Taxes¹ \$59,146

Total Rental Income \$424,894

Total Income \$424,894

Expenses²

CAM \$(19,828)

Insurance³ \$(4,476)

Real Estate Taxes \$(72,126)

Total Expense⁴ \$(96,430)

Net Operating Income \$328,464

Footnotes:

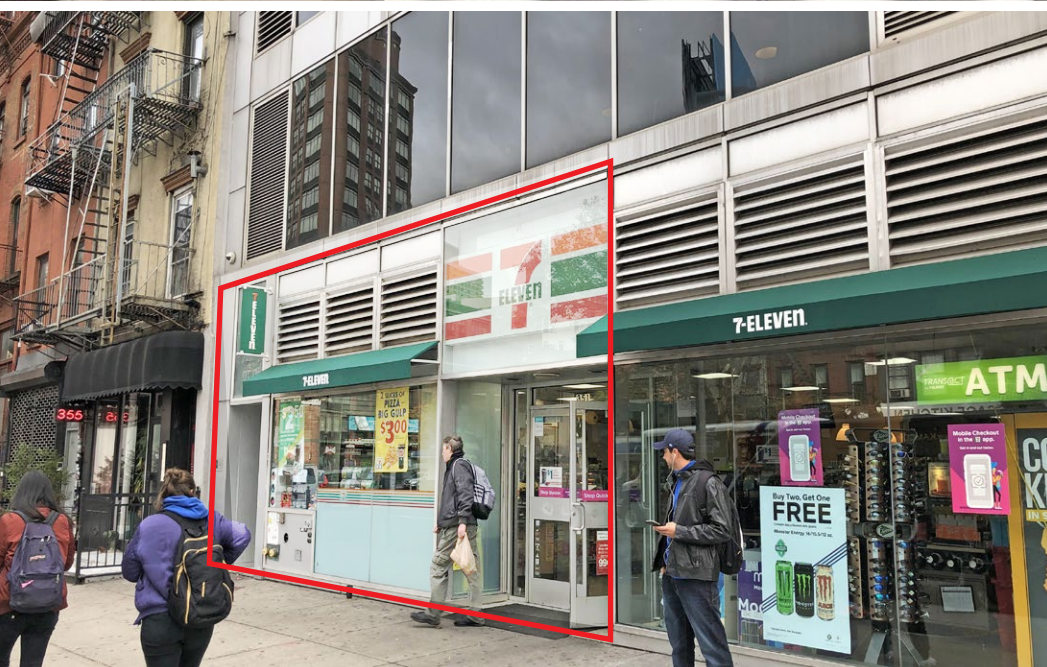
1) 7-Eleven pays 100% of increase over 2010/11 base year which was \$12,980.

2) All expenses were based on figures provided by ownership.

3) 7-Eleven does not reimburse Insurance.

4) 7-Eleven pays 100% of condominium charges.





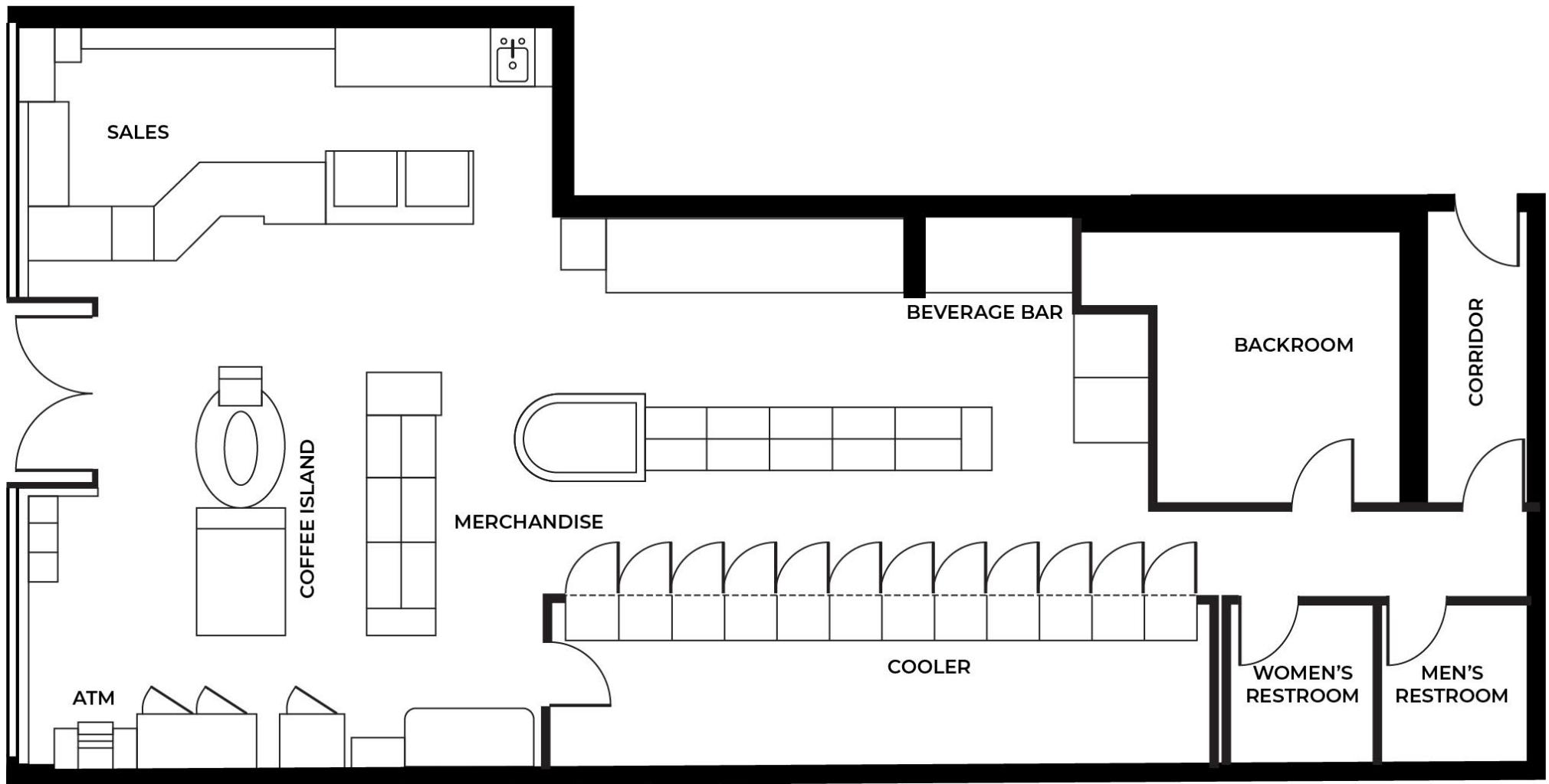


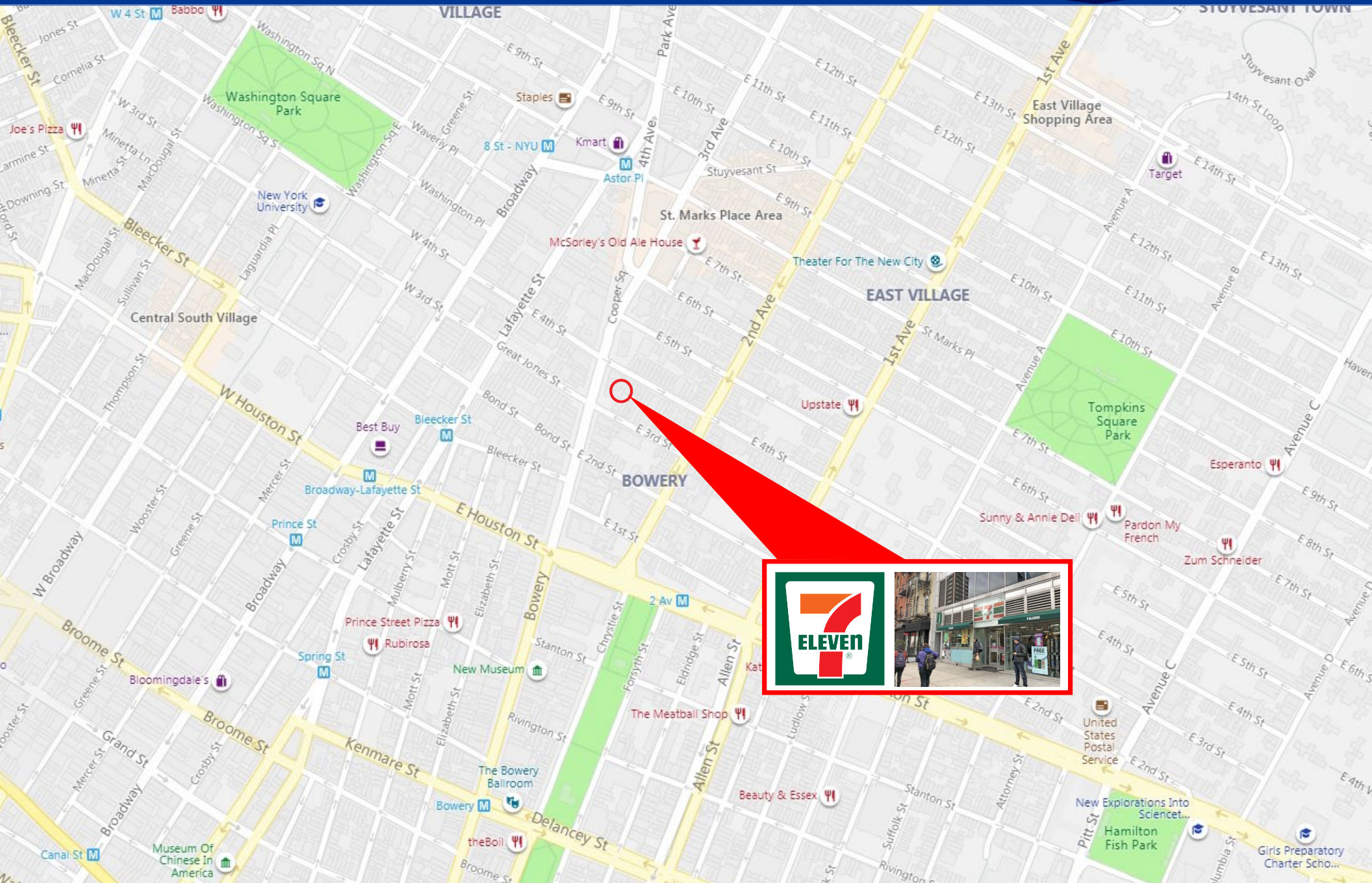
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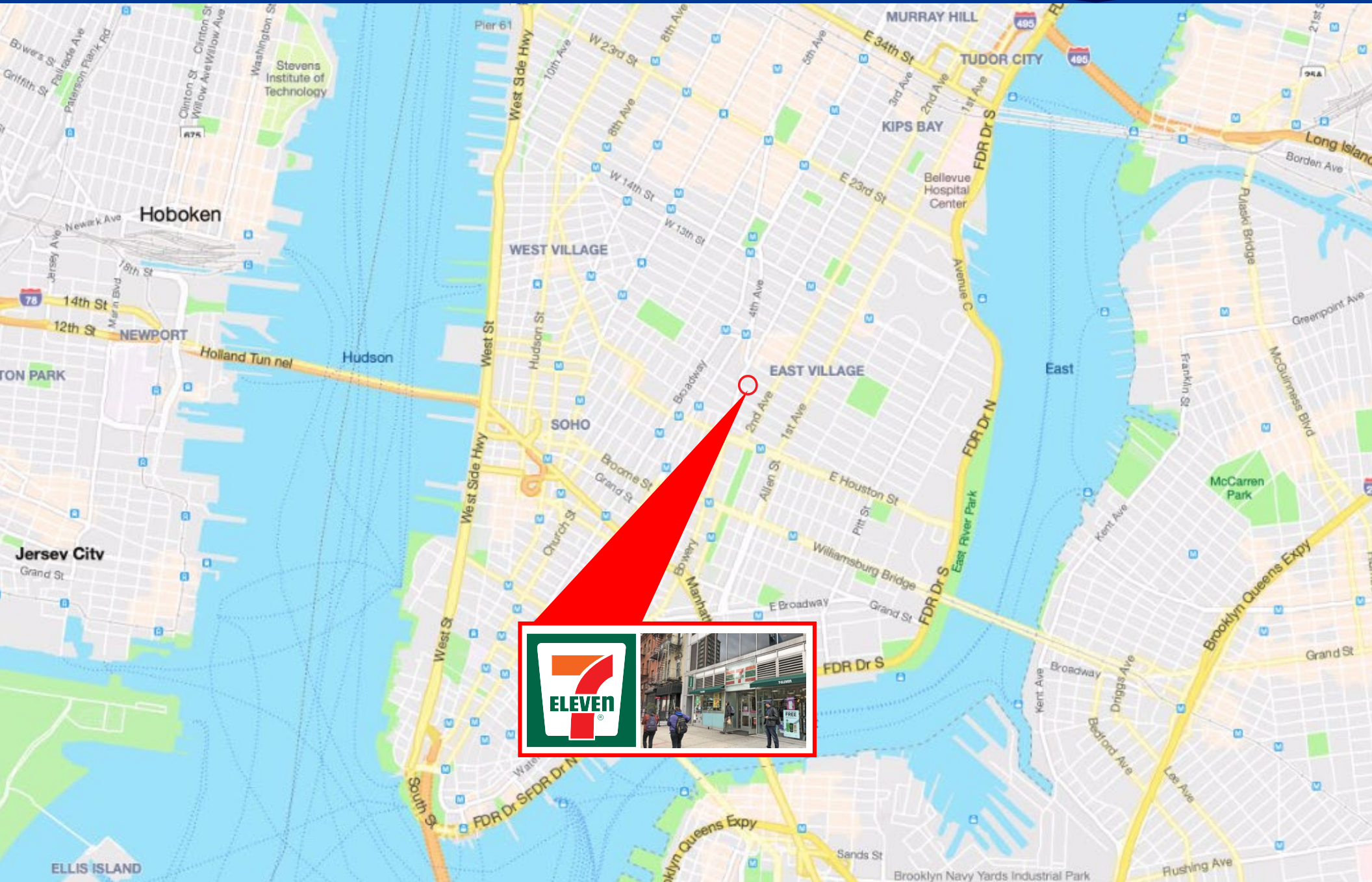
RETAILER
MAP



FLOOR PLAN







DEMOGRAPHICS

POPULATION

	1-Mile	3-Mile	5-Mile
Total Population:	286,722	1,129,356	2,749,327
Total Households:	142,471	554,483	1,237,661

INCOME

	1-Mile	3-Mile	5-Mile
Average Household Income:	\$145,716	\$157,919	\$137,582
Median Household Income:	\$94,621	\$106,278	\$87,337



MARKET OVERVIEW

Despite the obstacles traditional retailers throughout the U.S. are facing due to e-commerce, New York retail fundamentals are better positioned given its unmatched density and concentration of wealth. Fundamentals are stable as the metro continues to see gains in employment and earnings coupled with high levels of tourism paving the way for continued consumer spending. New York is a strong choice for core investors given its desirability to retailers, unparalleled density, and history of above-average income growth.

7-Eleven has continued to thrive in today's market because they are much more e-commerce resistant than traditional retailers, grocery and convenience stores. 7-Eleven provides consumers traveling on the go a quick and convenient way to shop. Consumers can satisfy a need (coffee), a hunger (a salad or hotdog), an impulse (you just remembered you need to milk), or a wish (buying that lottery ticket). These are all things the local grocery store, mass merchandiser and especially an e-commerce provider cannot provide.



THE BOWERY

The Bowery is a street and neighborhood in the southern portion of the New York City borough of Manhattan. The street runs from Chatham Square at Park Row, Worth Street, and Mott Street in the south to Cooper Square at 4th Street in the north. The eponymous neighborhood runs roughly from the Bowery east to Allen Street and First Avenue, and from Canal Street north to Cooper Square/East Fourth Street. To the south is Chinatown, to the east are the Lower East Side and the East Village, and to the west are Little Italy and NoHo. It has historically been considered a part of the Lower East Side.



CITY OF NEW YORK, NEW YORK

New York City is the most populous city in the United States. With an estimated population of over 8,537,000 people distributed over a land area of about 302.6 square miles, New York City is also the most densely populated major city in the United States. Located at the southern tip of the state of New York, the city is the center of the New York metropolitan area, one of the most populous urban agglomerations in the world with an estimated 23.7 million residents. A global power city, New York City has been described as the cultural, financial, and media capital of the world, and exerts a significant impact upon commerce, entertainment, research, technology, education, politics, and sports. Home to the headquarters of the United Nations, New York is an important center for international diplomacy.

Situated on one of the world's largest natural harbors, New York City consists of five boroughs, each of which is a separate county of New York State. The five boroughs – Brooklyn, Queens, Manhattan, The Bronx, and Staten Island – were consolidated into a single city in 1898. The city and its metropolitan area constitute the premier gateway for legal immigration to the United States. As many as 800 languages are spoken in New York, making it the most linguistically diverse city in the world. New York City is home to more than 3.2 million residents born outside the United States, the largest foreign-born population of any city in the world. In 2013, the tri-state New York Metropolitan Statistical Area (MSA) produced a gross metropolitan product (GMP) of nearly US\$1.4 trillion. If greater New York City were a country, it would have the 12th highest GDP in the world.

Many districts and landmarks in New York City are well known, and the city received a record 61 million tourists in 2016, hosting three of the world's ten most visited tourist attractions in 2013. Several sources have ranked New York the most photographed city in the world. Times Square, iconic as the world's "heart" and its "Crossroads", is the brightly illuminated hub of the Broadway Theater District, one of the world's busiest pedestrian intersections, and a major center of the world's entertainment industry. The names of many of the city's bridges, skyscrapers, and parks are known around the world. Anchored by Wall Street in the Financial District of Lower Manhattan, New York City has been called both the most economically powerful city and the leading financial center of the world, and the city is home to the world's two largest stock exchanges by total market capitalization, the New York Stock Exchange and NASDAQ. Manhattan's real estate market is among the most expensive in the world. Manhattan's Chinatown incorporates the highest concentration of Chinese people in the Western Hemisphere, with multiple signature Chinatowns developing across the city. Providing continuous 24/7 service, the New York City Subway is one of the most extensive metro systems worldwide, with 472 stations in operation. Over 120 colleges and universities are located in New York City, including Columbia University, New York University, and Rockefeller University, which have been ranked among the top universities in the world.

www1.nyc.gov



7-ELEVEN

7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 67,480 stores in 18 countries. 7-Eleven is also one of the nation's largest independent gasoline retailers. 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 perishable items as a convenience to guests. The company's iconic products have become a substantial part of American culture from its well-known Big Gulp® fountain soft drink and Big Bite® grill items to 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. The name 7-Eleven originated in 1946 when the stores were open from 7:00AM to 11:00PM. 7-Eleven was ranked #1 by Entrepreneur Magazine in the 2017 annual "Franchise 500" ranking. It is an investment grade rated company with a Standard & Poor's rating of AA-.

Website:	www.7-eleven.com
Founded:	1927
Number of Locations:	67,480
Number of Employees:	45,000+
Standard & Poor's Rating:	AA-
Headquarters:	Irving, Texas



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The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.

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