

SECURE  
NET LEASE

7-ELEVEN

\$3,208,000 | 4.65% CAP

NEW 15-YEAR CORPORATE ABSOLUTE NNN LEASE

3012 E. University Dr., Denton, TX 76209 (Dallas)



SUBJECT PROPERTY

## CONTACT:

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### MARKETING TEAM

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SECURE NET LEASE ("Agent") has been engaged as an agent for the sale of the property located at 3012 E. University Dr., Denton, TX by the owner of the Property ("Seller"). The Property is being offered for sale in an "as-is, where-is" condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. The enclosed materials are being provided solely to facilitate the prospective investor's own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent nor the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein. Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller. Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller's obligations hereunder have been satisfied or waived. By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller and Agent.



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# INVESTMENT OVERVIEW

PRICE   CAP:	\$3,208,000   4.65%
NET OPERATING INCOME:	\$149,166
BUILDING AREA:	2,506 +/- Square Feet
LAND AREA:	0.74 +/- Acres
YEAR RE-BUILT:	2019
LANDLORD RESPONSIBILITY:	None
OCCUPANCY:	100%

## INVESTMENT HIGHLIGHTS



**NEW 15-YEAR CORP.  
ABS. NNN LEASE**



**SIGNALIZED  
INTERSECTION  
LOCATION**



**CLOSE PROXIMITY  
TO TWU (15K  
STUDENTS)**



**CLOSE PROXIMITY  
TO UNT (37K  
STUDENTS)**

- ✓ **Located at intersection of two highways.** 7-Eleven is located at the southwest quadrant of US-380 "University Dr. (38,343 VPD) and Loop 288 (28,967 VPD).
- ✓ **Immediate trade area features above average demographics.** Within a 5-mile radius of the subject 7-Eleven the immediate trade area features above average population demographics of 119,901 people and 55,024 employees.
- ✓ **Close proximity to two colleges.** The University of North Texas (37,393 students) is approximately 4-miles southwest of the subject 7-Eleven, and Texas Woman's University (15,000 students) is located approximately 2.5-miles southwest of the subject property.
- ✓ **New 15-year corporate absolute triple net lease, projected to open/commence early-March 2019.** Corporate absolute triple net lease with no landlord responsibility, and 10% rent increases every 5-years in the primary term and option periods for a great hedge against inflation.
- ✓ **Signalized hard corner intersection location, approximately 3-miles northeast of downtown Denton, TX.** Located at the signalized intersection of two popular thoroughfares/commercial corridors in the region, US-380 and Loop 288, approximately 41-miles northwest of downtown Dallas, TX.

University of  
North Texas  
(37,973 students)  
(Approx. 4-miles)

Texas Women's  
University  
(15,000 students)  
(Approx. 2.5-miles)

Woodlands of  
Denton Apartments  
(148 units)

MINGO RD.  
(± 7,038 VPD)



Denton Bible  
Church  
(+3,500 weekly  
attendance)



US - 380  
"UNIVERSITY DR."  
(± 38,343 VPD)



LOOP 288  
(± 28,967 VPD)



380

380

LOOP  
288

LOOP  
288

# TENANT OVERVIEW



## 7-ELEVEN

7-Eleven is now part of an international chain of convenience stores, operating under Seven-Eleven Japan Co., Ltd., and surpassed McDonald’s in 2007 as the world’s largest retailer. 7-Eleven is also one of the nation’s largest independent gasoline retailers. The company’s largest markets are in the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand.

7-Eleven Accolades include: Ranked #1 on Entrepreneur magazine’s Top Global Franchises List; #1 spot on Entrepreneur magazine’s Franchise 500’s Top 10 Most Popular Retail Companies, and #2 in Forbes magazine’s Top 20 Franchises to Start; No. 2 on FranchiseRanking.com for Best Convenience Store Franchise Company USA, and among GI jobs magazine’s Top 100 Military Friendly Employers.

LESSEE:	7-Eleven, Inc. a Texas Corporation
WEBSITE:	<a href="http://www.7-eleven.com">www.7-eleven.com</a>
S&P RATING:	AA-
HEADQUARTERS:	Irving, TX
FOUNDED:	1927
LOCATIONS:	Over 67,000
COUNTRIES:	18
EMPLOYEES:	Over 45,000
REVENUE:	\$5.1 Billion (2018)



# IN THE NEWS

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## POSITIONING 7-ELEVEN FOR THE FUTURE

*Source: David Bennet - Convenience Store Decisions (October 12, 2018)*

**President and CEO Joe DePinto shares with Convenience Store Decisions how a customer-obsessed culture is propelling the world's largest convenience retailer forward.**

With success comes growth. Today, a new 7-Eleven store opens somewhere in the world every 3.5 hours. Convenience, 7-Eleven style, remains in high demand.

The Irving, Texas-based c-store chain, a subsidiary of Seven & I Holdings Co., operates, franchises and/or licenses more than 67,000 stores... making it the largest convenience retailer in the world. President and CEO Joe DePinto recently shared with Convenience Store Decisions his take on the headwinds and disruption in the c-store and retail environment and how 7-Eleven is not only addressing the complex business challenges now, but also how the company plans to maintain its leadership position in the industry, going forward.

Since he was appointed president and CEO of 7-Eleven in 2005, DePinto has led the charge of building long-term sustainable growth in part by implementing programs designed to satisfy its franchisees and its customers. During the last 13 years, however, U.S. retail has been reformed drastically by demographic, technological, behavioral and entrepreneurial changes. Just in the last few years, the explosion of e-commerce has forced c-stores to rethink how they do business and evaluate what kind of job they're doing to meet consumer demand. How well 7-Eleven is doing on a daily basis is what DePinto and his executive team concern themselves with every day at its headquarters, known as the 7-Eleven Store Support Center. For a company that was preoccupied with customer satisfaction when DePinto took the helm in 2005, 7-Eleven now identifies itself as a customer-obsessed and digitally-enabled company.

"The consumer is changing as fast as I've ever seen," DePinto said. "Product life cycles are a lot shorter. (Consumers) are much more demanding and discerning. They have instant information about products and locations from their smart devices. They can look at Yelp reviews. That is creating this wave of change.

"The best retailers are going to recognize this change, listen to the customer and make the changes customers want," DePinto added. "That is exactly what we are doing. That's how 7-Eleven is going to win."

For a large corporation like 7-Eleven, nimbleness and flexibility are key and can be challenging in a marketplace punctuated by declining disposable income of low- and lower-income Americans, the encroachment of dollar stores and aggressive quick-service restaurants (QSRs), and the growth of e-commerce, DePinto said. "There has been a buzz about retail channels blurring," DePinto said. "In my opinion, there are no more channels. I think the customer is deciding and they are looking for—particularly the low-income consumer—quality at a strong value. The message I have is: We need to recognize that, and certainly our supplier partners need to recognize that we need products at a fair cost, so we can compete in a changing world..."

[CLICK HERE TO VIEW MORE](#)

# LEASE SUMMARY

Lease Term:	15-Years
Options:	Four, Five Year Periods
Rent Commencement/Store Opening:	March 7, 2019
Lease Commencement:	April 1, 2019
Lease Expiration:	March 31, 2034
Lease Type:	Corporate Absolute NNN Lease
Taxes:	Tenant Responsibility
Insurance:	Tenant Responsibility
Common Area Maintenance:	Tenant Responsibility
Roof & Parking Lot:	Tenant Responsibility
Structure & Foundation:	Tenant Responsibility
Rent Increases:	10% Every 5 Years in Primary Term & Option Periods
Annual Rent Years 1-5:	\$149,166
Annual Rent Years 6-10:	\$164,083
Annual Rent Years 11-15:	\$180,491
Option 1   Years 16-20:	\$198,540
Option 2   Years 21-25:	\$218,394
Option 3   Years 26-30:	\$240,234
Option 4   Years 31-35:	\$264,257
ROFO to Purchase:	Yes




**Ryan High School**  
(2,460 students)

**McKinney Park Apartments**  
(250 units)


LOOP  
288

**2 apartment complexes**  
(330 units)


**5 complexes apartments**  
(1,149 units)

**Residential Subdivision**

**2 apartment complexes**  
(284 units)

 **MCKINNEY ST.**  
(± 14,187 VPD)

**Alexander Elementary**  
(642 students)

 **LOOP 288**  
(± 28,967 VPD)



**Townhome Development**

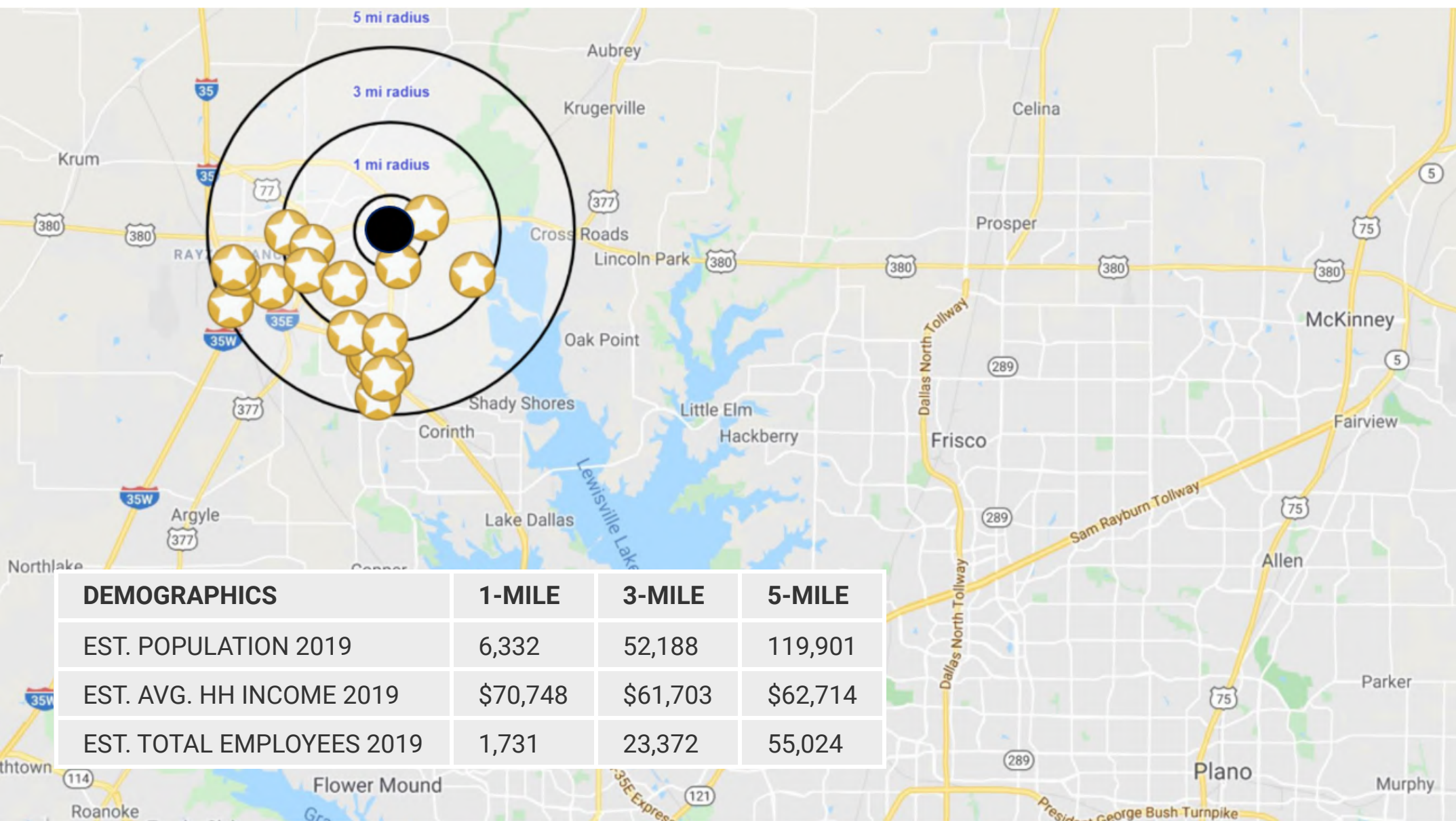
LOOP  
288

380

 **US – 380**  
"UNIVERSITY DR."  
(± 38,343 VPD)

380

# LOCATION OVERVIEW



## ECONOMIC DRIVERS

[Click Here For Property Video Link](#)

### COMPANY (EMPLOYEES)

- University of North Texas (5,500 + 37,973 students)
- Texas Roadhouse (2,200)
- Holloman Corporation (1,500)
- Texas Dept. of Aging & Disability Service (1,500)
- Texas Women's Univeristy (1,200 + 15,000 students)
- Denton Regional Medical Center (900 + 208 beds)
- Labinal Salisbury, LLC (800)
- Sally Holdings LLC (720)
- City of Denton (662)
- Victor Equipment Company (564)
- 22 Acquisition Corp. (520)
- County of Denton (500)
- Walmart, Inc. (460)
- Wolt Com Inc (383)
- Jostens, Inc. (350)
- Senior Care Centers, LLC (349)
- Denton County MHMR Center (300)
- United Copper Industries, LLC (300)

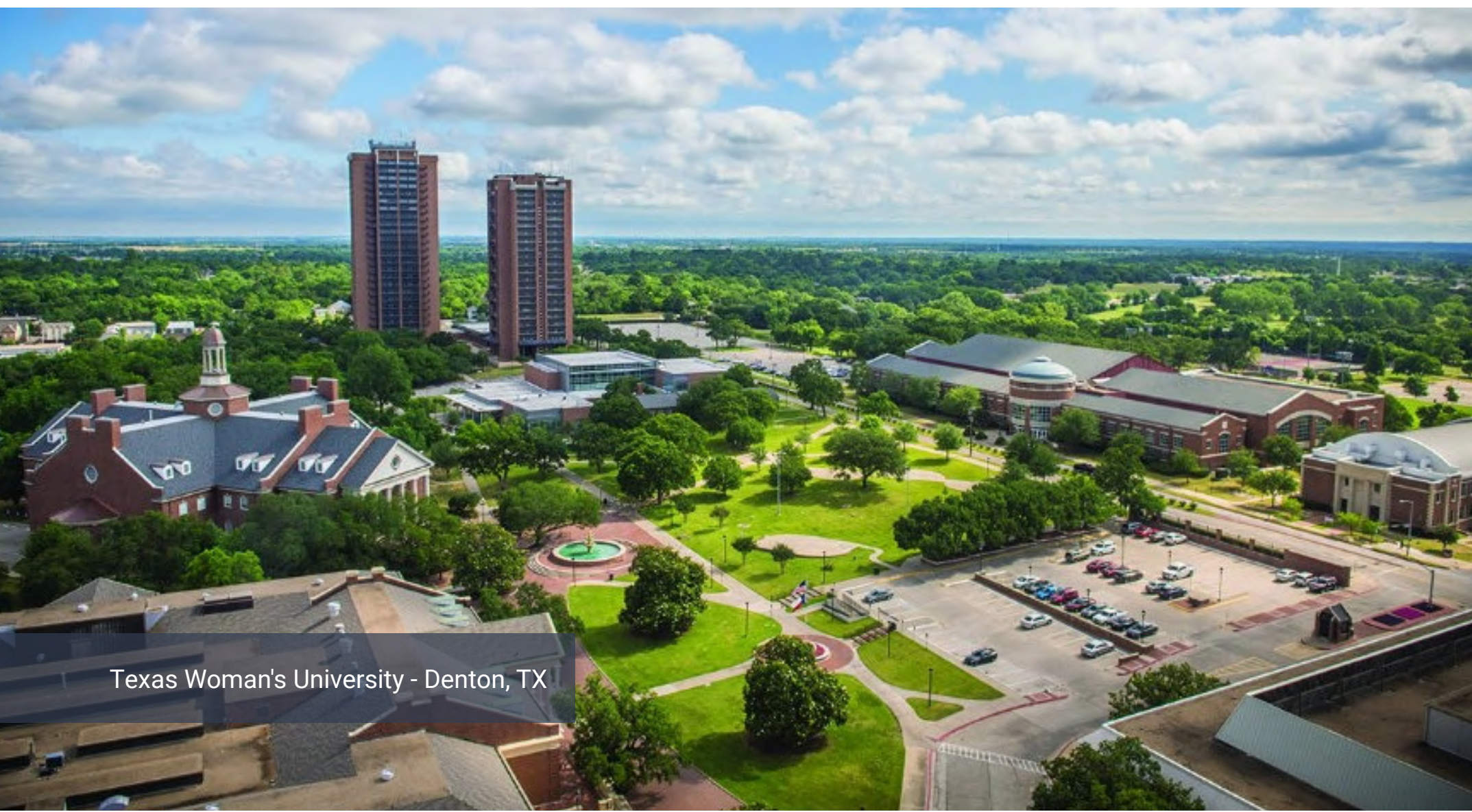
# IMMEDIATE TRADE AREA

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## DENTON, TEXAS

7-Eleven is strategically located along US-380 “University Dr.” (38,343 VPD) at the southwest quadrant of the hard corner signalized intersection with Loop 288 (28,967 VPD) in Denton, TX. US-380 is a popular thoroughfare in Denton and all of North Texas that provides access to Texas Women’s University and the high traffic highway, I-35 (87,928 VPD). The subject property stands to gain from Texas Woman’s University (15,000 students) being 2.5-miles southwest of the property, and the University of North Texas (37,973 students) being 4-miles southwest of the subject 7-Eleven. Additionally, the immediate trade area features over 119,000 people and over 55,000 employees within a 5-mile radius. The subject 7-Eleven is approximately 3-miles northeast of downtown Denton, TX, and 41-miles northwest of downtown Dallas, TX.

Denton is a city in and the county seat of Denton County, Texas. As of 2011, Denton was the 7th fastest growing city with a population over 100,000 in the country. As of 2017, the population was 136,268 people. Located on the far north end of the Dallas–Fort Worth metroplex in North Texas on Interstate 35, Denton is known for its active music life; the North Texas State Fair and Rodeo, Denton Arts and Jazz Festival, and 35 Denton Music Festival attract over 300,000 people to the city each year. With over 52,900 students enrolled at the two universities located within Denton, the city is often characterized as a college town. As a result of the universities’ growth, educational services play a large role in the city’s economy.





# DALLAS, TEXAS AREA



## DALLAS, TX

Dallas is the 3rd-largest city in Texas and the 9th-largest in the U.S. with a population of 1,341,000. Dallas is recognized as a leader internationally within industrial and financial sectors. DFW International Airport is one of the largest and busiest airports in the world. Dallas has more shopping centers per capita than any other city in the U.S. and is home to two super regional center malls, the Dallas Galleria and North Park Center (2nd largest mall in Texas). Dallas is home to the 3rd-largest concentration of Fortune 500 companies in the U.S. and is the largest economic center in the DFW Metroplex. Dallas is also ranked 6th in the US and 14th in world rankings of GDP by the Organization for Economic Co-operation and Development.

## DALLAS AND THE METROPLEX

Dallas is the only city in the South Central and Southwest regions of the U.S. to be rated as a “beta plus” world city by the Globalization and World Cities Study Group & Network.

High demand in the residential sector has increased the volume of home sales in the Dallas area, especially in the cities located more or less north of downtown Dallas. Executive and luxury homes built on golf course and lake front lots, elegant gated estates, horse properties with acreage, as well as fine homes in both recently developed and well-established suburban neighborhoods are all available in the north Dallas suburbs area. North Dallas cities and towns are routinely ranked among the best suburbs in the DFW Metroplex, and top Dallas suburbs for families and the public schools that serve them typically dominate objectively compiled best DFW school districts, DFW’s best K-12 schools and best DFW public high schools lists.

Dallas is the best-ranked city on the Regulatory Climate Index thanks to its efficient local regulations. Entrepreneurs and small businesses can expect a welcoming business environment across all five areas of local regulation. Dallas scores above average across each meaningful measure of an interaction that a business has with a local government agency through procedure, time, and cost. These rankings reflect the city’s continuing efforts to develop programs and initiatives to strengthen the business environment, provide access to capital, and encourage economic growth at the local level.

Dallas already features an Uptown district that is known for its vibrant lifestyle, luxury office and living spaces, and high-end restaurants. Soon the city will be adding a Midtown district.

Dallas Midtown is being developed in the Valley View – Galleria area of Dallas. The new urban living and retail center will be bordered by 635 on its South, Spring Valley Road to its North, Dallas Tollway to its West and Preston Road to its East.

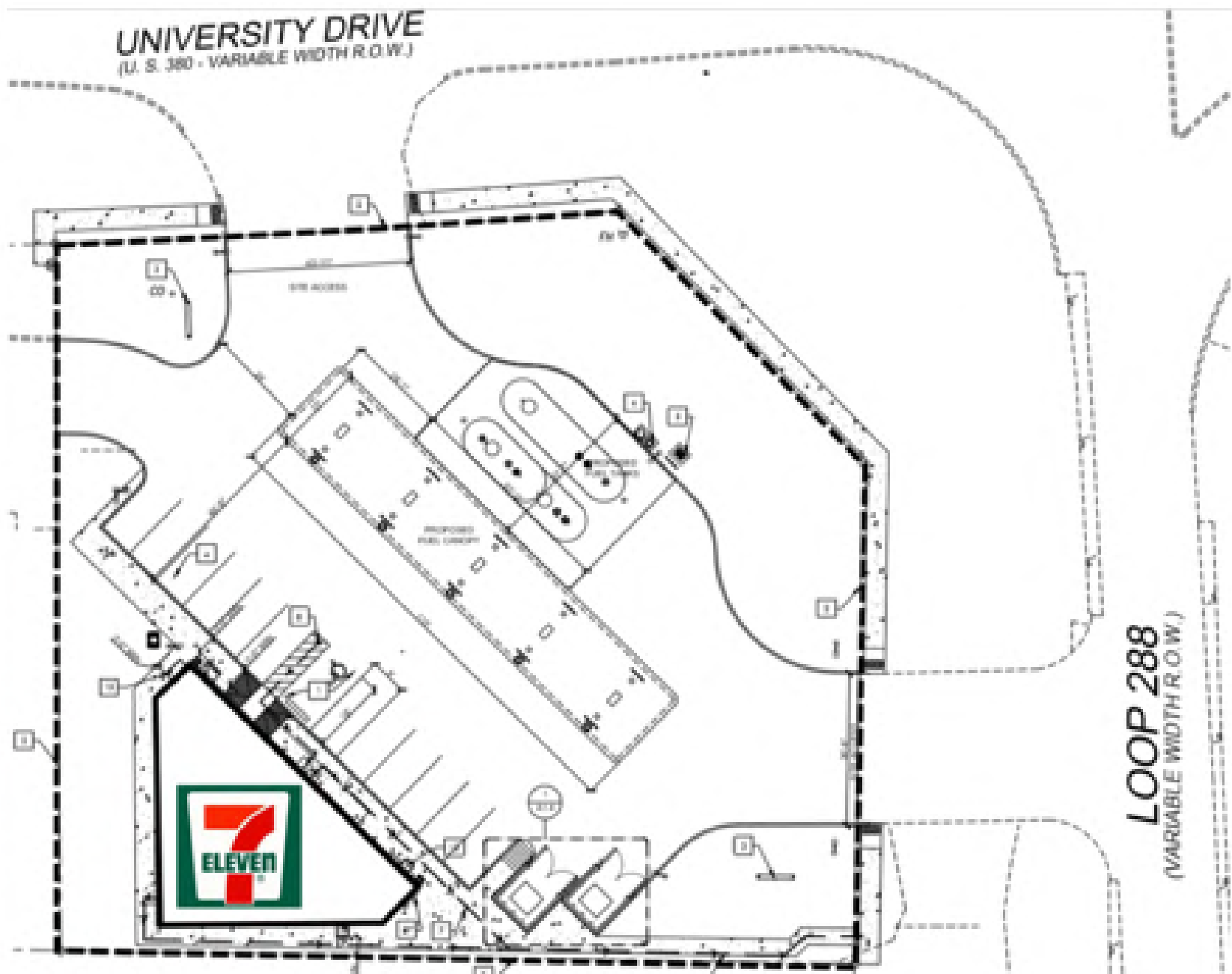
*Photo: Dallas Midtown*



The \$4 Billion renovation provides an urban atmosphere within the heart of the population of North Dallas. The innovative development encompasses unique design concepts never before seen in our region. “This development will create a city within a city. With restaurants, shopping, housing and office space, Dallas Midtown will completely redefine this part of Dallas,” said Linda Koop, Former City Council Member and State Representative. Plan highlights include hike and bike trails connecting to White Rock Lake, parks and open space, two luxury hotels, iconic office towers, luxury condo units for sale, a 10 screen AMC movie theater, boutique shopping, restaurants and entertainment venues.

The Metroplex has one of the highest concentrations of corporate headquarters in the United States. 20 Fortune 500 companies are headquartered in the area. ExxonMobil is headquartered in Irving, Texas. The Metroplex also contains the largest Information Technology industry base in the state (often referred to as Silicon Prairie or the Telecom Corridor), due to the large number of corporate IT projects and the presence of numerous related firms. The Telecom Corridor located just north of Dallas in Richardson is home to more than 5,700 companies including Texas Instruments which employs over 10,000 people at its HQ. The region benefits from more than 60 colleges and universities, such as TCU, SMU, UNT, UTD, UTA, DBU, Texas Wesleyan, Texas A&M University School of Law, and many others.

# SITE PLAN



13 +/- PARKING SPOTS



0.74 +/- ACRES



2,506 +/- SQ. FT.



380

Village East Apartments  
(133 units)

Denton Bible Church  
(+3,500 weekly attendance)

Texas Women's University  
(15,000 students)  
(Approx. 2.5-miles)



University of North Texas  
(37,973 students)  
(Approx. 4-miles)



Alexander Elementary  
(642 students)

5 complexes apartments  
(1,149 units)



MCKINNEY ST.  
(± 14,187 VPD)

2 apartment complexes  
(330 units)

LOOP 288



LOOP 288  
(± 28,967 VPD)

The Loop Apartments  
(158 units)

The Roxton Apartments  
(126 units)



MINGO RD.  
(± 7,038 VPD)

US - 380  
"UNIVERSITY DR."  
(± 38,343 VPD)

380



Ryan High School  
(2,460 students)

McKinney Park Apartments  
(250 units)

LOOP 288

# SECURE

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## NET LEASE

***WE LOOK FORWARD TO HEARING FROM YOU!***

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### **DALLAS OFFICE**

3100 Monticello Avenue  
Suite 220  
Dallas, TX 75205  
(214) 522-7200

### **LOS ANGELES OFFICE**

123 Nevada Street  
El Segundo, CA 90245  
(424) 220-6430

# TEXAS DISCLAIMER

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## **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:

- shall treat all parties honestly;
- may not disclose that the owner will accept a price less than the asking price submitted in a written offer unless authorized in writing to do so by the owner;
- 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
- may not disclose any confidential information or any information that a part 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.