



- New 10-Year Lease Extension •
- Historically Strong Performing Location •
- Absolute NNN Ground Lease •



Hanley Investment Group Real Estate Advisors, Inc. | 3500 E. Coast Highway, Suite 100, Corona del Mar, CA | Licensed in Utah & California | Utah License #6852447-CN00

OFFERING MEMORANDUM

VERNAL, UTAH



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OFFERING MEMORANDUM

VERNAL, UTAH

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EXCLUSIVELY LISTED BY:

Jeremy McChesney
Executive Vice President
jmcchesney@higrea.com
844.585.7671

Andrew Sprowl
Associate
asprowl@higrea.com
844.585.7646



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OFFERING SUMMARY

7-ELEVEN



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LOCATION

7-Eleven Ground Lease

2500 W. 500 N.

Vernal, UT 84078

OFFERING SUMMARY

Price:	\$1,273,000
Current Net Operating Income (NOI):	\$70,000
Current Capitalization Rate:	5.50%
Net Rentable Area:	2,421
Year Built:	1981
Lot Size (Acres):	0.80

FINANCING SUMMARY

All Cash or Cash to New Financing

(Contact Hanley Investment Group for Further Details)



REPRESENTATIVE PHOTO



INVESTMENT HIGHLIGHTS

7-ELEVEN



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- **Investment Grade Tenant:** (S&P AA- Rated Credit Tenant)
 - New 10-year lease extension
 - Three 5-year options with 10% increases
 - Absolute NNN lease with no Landlord maintenance responsibilities
- **Historically Strong Performing Location:** Rent-to-sales ratio is below 5% (inquire with broker for sales figures)
- **Established Location:** 38-year operating history that speaks to the success of the location
- **Rapid Population Growth:** The 1-mile trade area is projected to grow by 12% by 2023
- **Closest 7-Eleven to Uintah High School:** With a student body estimated at 1,695
- **Signalized Hard Corner Location**
- **Best in Class Retailer:** With 63,000 stores globally and \$25 billion in annual sales; 7-Eleven has more outlets than any other retailer or food service provider in the world and consistently ranks as one of the top U.S. franchises



LEASE SUMMARY (1) (3)

Tenant:	7-Eleven	Rental Increases:	10% Increases in Options
Lease Commencement:	June 16, 1981	Renewal Options:	Three 5-Year Options
Lease Expiration:	October 31, 2029	Property Taxes:	Tenant Responsibility
Lease Type:	Absolute NNN Ground Lease	Insurance:	Tenant Responsibility
Net Operating Income (2):	\$70,000	Common Area Maintenance:	Tenant Responsibility
Net Rentable Area:	2,421	Repairs & Maintenance:	Tenant Responsibility
Monthly Rent Per Square Foot:	\$2.41	Roof & Structure:	Tenant Responsibility

NOTES

- (1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.
- (2) Rent as of April 2020. Seller to provide a credit in favor of the purchaser at closing.
- (3) 7-Eleven maintains a Right of First Refusal (20-days).

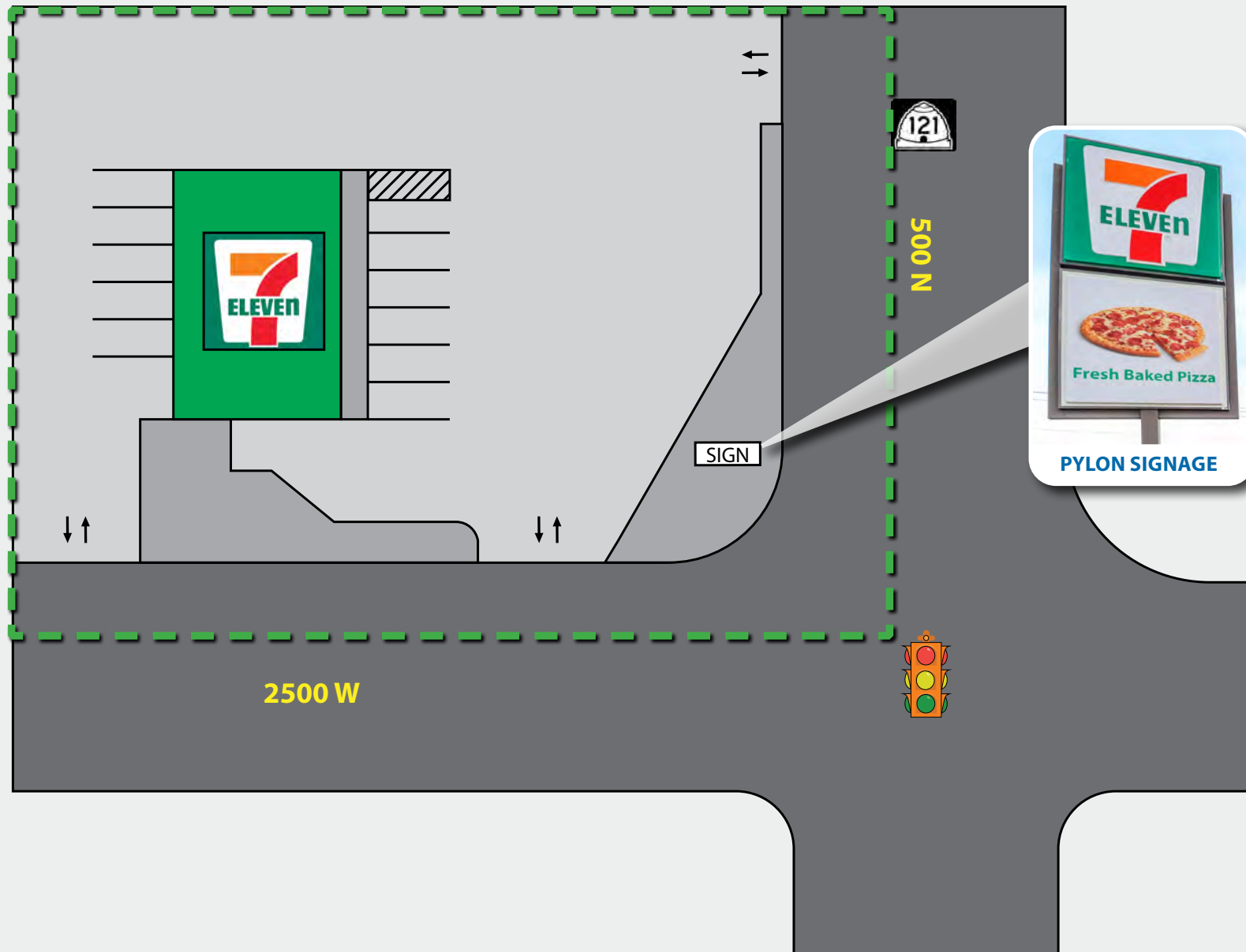


SITE PLAN / PARCEL MAP

7-ELEVEN



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SUBJECT PROPERTY



PROPERTY PARCEL

APN: 04-118-0001

* Property currently undergoing
a lot line adjustment



AERIAL OVERVIEW

7-ELEVEN



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 **MAESER ELEMENTARY**
- 623 STUDENTS -

 **ASHLEY VALLEY EDUCATION CENTER**


UINTAH HIGH SCHOOL
- 1,695 STUDENTS -

DEMOGRAPHICS

Population:	
1-Mile Radius	2,144
3-Mile Radius	16,718
5-Mile Radius	23,271
Household Income:	
1-Mile Radius	\$84,427
3-Mile Radius	\$80,342
5-Mile Radius	\$80,158


UINTAH BASIN TECHNICAL COLLEGE
- 4,153 STUDENTS -


UTAH STATE UNIVERSITY UINTAH BASIN
- 1,374 STUDENTS -

TIMBERLINE STORAGE

Mtn. High Power Sports

SUBJECT PROPERTY


500 N STREET
2500 W STREET
13,346 CPD

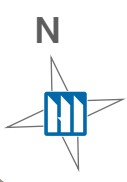


#1
LARGEST

DAYTIME
POPULATION
IN THE AREA

5.8%
POPULATION

PROJECTED
INCREASE
BY 2023

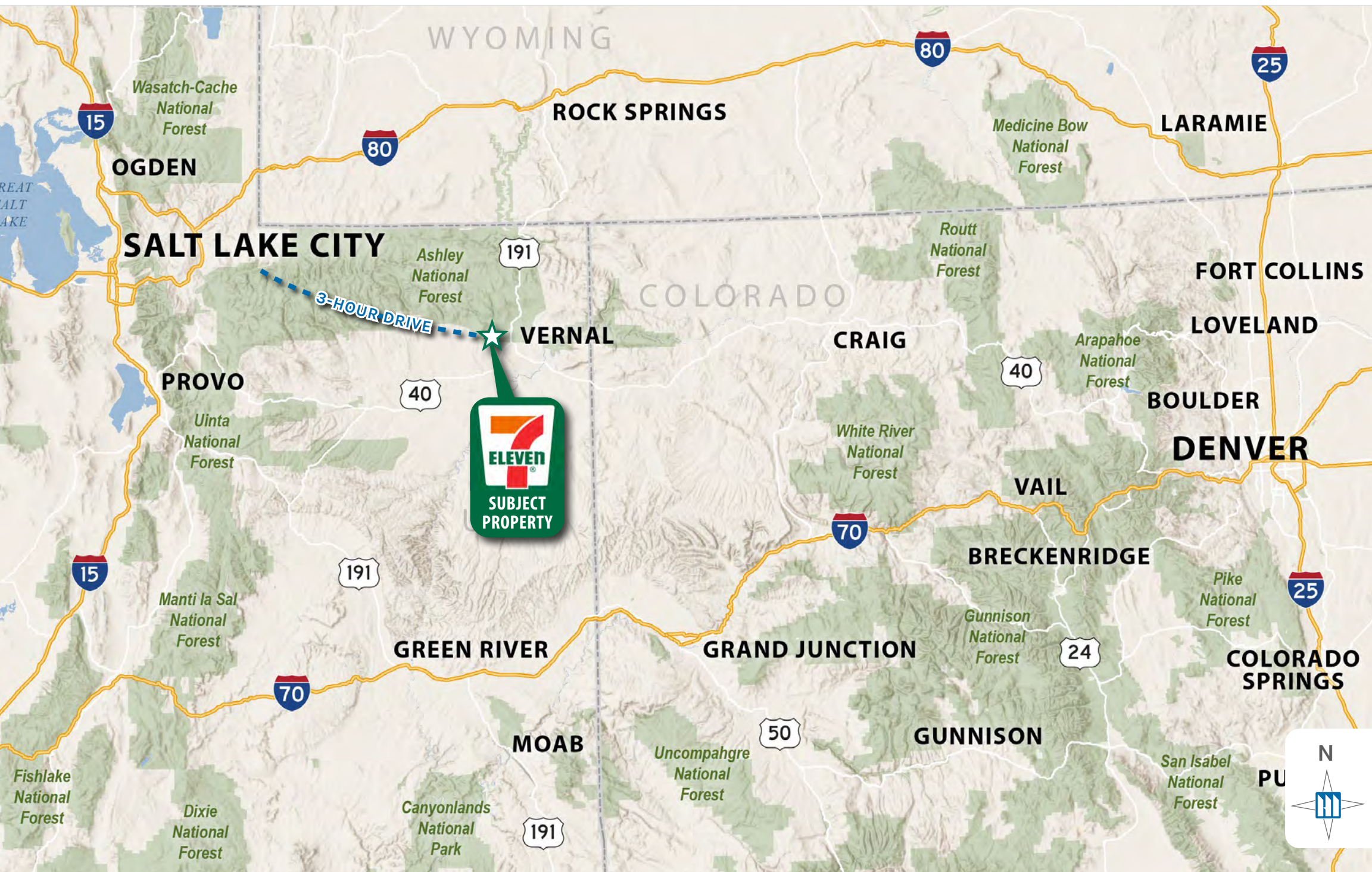


REGIONAL MAP

7-ELEVEN



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The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

TENANT PROFILE

7-ELEVEN



7-Eleven is an American-Japanese international chain of convenience stores headquartered in Irving, Texas that operates, franchises, and licenses in over 18 countries. Founded in 1927, 7-Eleven was the pioneer of the convenience concept, and was the first convenience store to start selling gas and use ATM services. Stores are usually located on corners for great visibility and accessibility.

The company's most iconic products are the Slurpee, Big Gulp soft drinks, and fresh-made coffees. Their product mix is always evolving; to better serve a culture demanding healthier options, they have added high-quality salads, side dishes, cut fruit, organic cold-press juices, and protein boxes under their private label called 7-Select. 7-Select's outstanding prices and fresh quality have led to double-digit sales increases, outselling many national brands.

7-Eleven is one of the most active franchisors, generating approximately \$25 billion in sales while maintaining a 35% gross profit margin on merchandise sales (2016). The company reported a same-store sales growth of 2.6% and invested nearly \$1.5 billion into its North American store portfolio. In early 2018, 7-Eleven closed its acquisition of 1,030 Sunoco convenience stores located in 17 states, the largest acquisition in 7-Eleven, Inc. history. This \$3.3 billion deal allowed 7-Eleven entry into Houston, the 4th largest U.S. city, and a strong presence in Corpus Christi, as well as across south Texas. The company says it is on track to open 20,000 stores in North America by 2027.

According to Joseph DePinto, 7-Eleven President and CEO, "Part of what makes 7-Eleven's brand so iconic is our global presence and our continued growth." In fact, there are 67,167 stores across the world with 11,800 locations in North America; 90% are franchises. Locations are strategically organized into geographical zones with 25% of the population living within one mile of a 7-Eleven store. Globally, 7-Eleven has more outlets than any other retailer or food service provider and processes 20 billion transaction across its global network each year. On average, the company adds another store to its worldwide operations every 3.5 hours. 7-Eleven, Incorporated is a wholly-owned subsidiary of Tokyo-based Seven & I Holdings Co., Limited.

Websites: www.7-Eleven.com | www.7andi.com/en

Locations: 67,167 Globally (11,800 North America) | **Company Type:** Private; S&P AA-

TOP HONORS

- ➔ **#2 "Top Global Franchises"** - Entrepreneur Magazine (2018)
- ➔ **#5 "Best Convenience Store Franchises"** - FranchiseRanking.com (2018)
- ➔ **#1 "Top Global Franchises"** - Entrepreneur Magazine (2017)
- ➔ **"Silver Level Military Friendly Employer"** - Victory Media (2017)
- ➔ **#1 "Top 10 Most Popular Retail Companies"** - Entrepreneur Magazine (2016)



Vernal UTAH

- County seat and largest city in Uintah County; located in northeastern Utah
- 9,600 population; 5.8% projected increase by 2023
- #1 largest daytime population in the area
- 175 miles east of Salt Lake City; 20 miles west of the Colorado border
- Largest industries include oil and gas extraction, agriculture, fishing, hunting, and mining
- Popular for recreational activities like camping, biking, hiking, cross-country skiing, and fishing
- Known for its Dinosaur National Monument
 - Attracts visitors from around the globe; monument encompasses 200,000+ acres and includes fossils, footprints, petroglyphs, and pictographs
- Uintah County is a top oil-producing area
 - Ships about 80,000 barrels of crude a day to oil refineries in North Salt Lake
 - Proposed 150-mile railroad to allow transporting oil from the basin to out-of-state markets
 - ◆ Oil companies report they could produce and sell up to 400,000 barrels a day in the Uinta Basin
 - ◆ Will create an estimated 27,000 jobs



UTAH FIELD HOUSE OF NATURAL HISTORY STATE PARK MUSEUM

City of Vernal *Highlights*

5.8%

**POPULATION
INCREASE BY 2023**

#1

**LARGEST DAYTIME
POPULATION IN AREA**

200K+

**ACRES OF DINOSAUR
NATIONAL MONUMENT PARK**



**TOP OIL-PRODUCING
COUNTY**



	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2023 Projection	2,400	18,102	25,502
2018 Estimate	2,144	16,718	23,271
2010 Census	2,008	15,544	21,590
2000 Census	1,331	12,359	16,375
Growth 2000-2010	50.86%	25.77%	31.85%
Growth 2010-2018	6.77%	7.55%	7.79%
Growth 2018-2023	11.94%	8.28%	9.59%
Households			
2023 Projection	785	6,108	8,551
2018 Estimate	693	5,584	7,721
2010 Census	641	5,114	7,061
2000 Census	434	4,092	5,406
Growth 2000-2010	47.70%	24.98%	30.61%
Growth 2010-2018	8.11%	9.19%	9.35%
Growth 2018-2023	13.28%	9.38%	10.75%
2018 Est. Population by Single-Classification Race			
White Alone	2,018	15,272	21,244
Black or African American Alone	12	77	126
American Indian and Alaska Native Alone	19	249	344
Asian Alone	14	100	128
Native Hawaiian and Other Pacific Islander Alone	8	62	88
Some Other Race Alone	35	558	724
Two or More Races	36	372	574
2018 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	129	1,806	2,378
Not Hispanic or Latino	2,015	14,912	20,893
2018 Est. Average Household Income	\$84,427	\$80,342	\$80,158

CONFIDENTIALITY AGREEMENT

7-ELEVEN



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\$6+ BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



TOP BROKERAGE GLOBALLY
in investment sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.