



OFFERING MEMORANDUM

**MATTHEWS™**  
REAL ESTATE INVESTMENT SERVICES

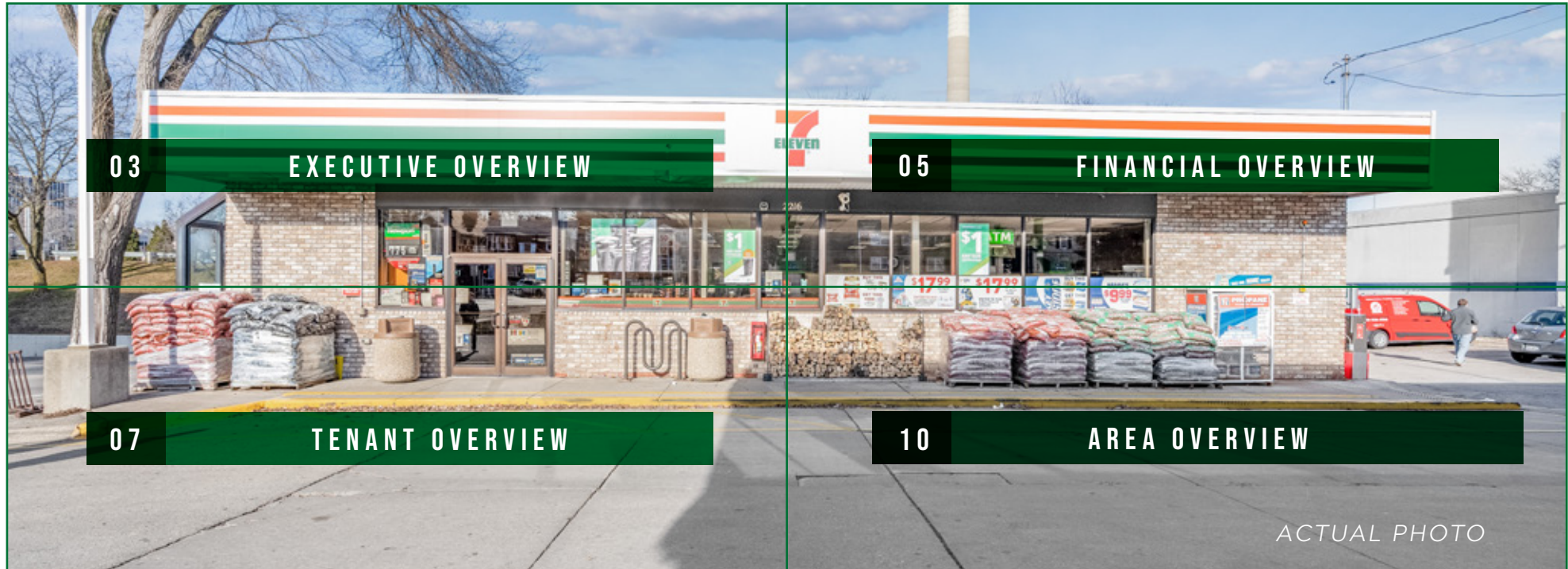
**7-ELEVEN W/ GAS**

**2216 UNIVERSITY AVE  
MADISON, WI 53726**

ACTUAL PHOTO



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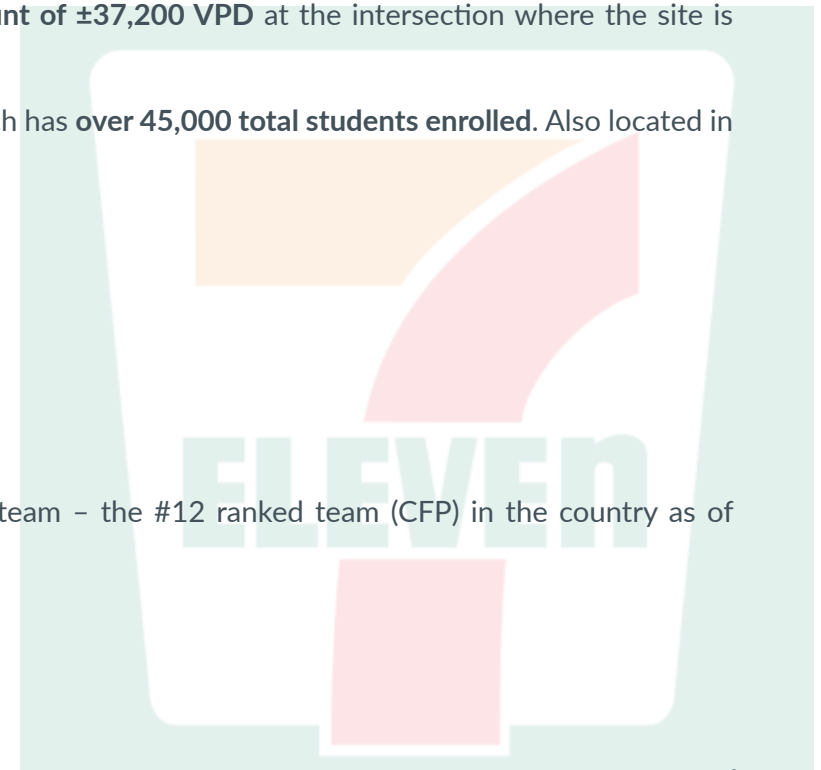
## INVESTMENT HIGHLIGHTS

### STRONG, SECURE TENANT AND LEASE

- » Highly sought-after tenant: 7-Eleven operates, franchises, and licenses more than 70,000 stores throughout 18 countries with over 11,000 in North America alone
- » **Corporately Guaranteed lease by Investment-grade credit, AA- rating** from Standard & Poor's
- » Property remodeled and converted to a 7-Eleven in 2012 where the Tenant signed a new, 15-year lease.
- » **Rare 1.50% annual rental increases every 5 years** during initial terms and options – great hedge against inflation
- » **Over 7.5 years remaining** on the initial term of the lease during which an investor will see an **average return of ±5.51%**

### LOCATION

- » Signalized corner location off University Ave & Walnut St, which have a **combined traffic count of ±37,200 VPD** at the intersection where the site is located; one block from Campus Dr which boasts approximately ±37,400 VPD
- » **University Location** – located a couple blocks from the **University of Wisconsin - Madison** which has **over 45,000 total students enrolled**. Also located in proximity to **Edgewood College** which has approximately **2,650 total students enrolled**
- » Across the street from UW Health University Hospital, a 505-bed regional referral center
- » Consistent growth: **population has grown over 8%** in the 3 and 5-mile radius since 2010
- » **Average Household Income exceeds \$100,000** within the 1-mile radius
- » **Only Gas station for over a 2-mile stretch** on University Ave
- » Just over **half-a-mile** from **Camp Randall Stadium**, home of the Wisconsin Badgers football team – the #12 ranked team (CFP) in the country as of November 21, 2019
- » Population is expected to grow to over 102,000 residents within the 3-mile radius by 2025





# FINANCIAL OVERVIEW



**SALE PRICE**  
\$2,801,500



**CAP RATE**  
5.15%



**NOI**  
\$144,280

## PROPERTY SUMMARY

• <b>TENANT</b>	7-Eleven
• <b>PROPERTY ADDRESS</b>	2216 University Ave Madison, WI 53726
• <b>GLA</b>	±3,819 SF
• <b>LOT SIZE</b>	25,743 SF (0.59 Acres)
• <b>YEAR BUILT/REMODELED</b>	1989/2012
• <b>ROOF AND STRUCTURE RESPONSIBLE</b>	Landlord





## ANNUALIZED OPERATING DATA: 7- ELEVEN

Lease Commence	Monthly Rent	Annual Rent	CAP
Current - 6/17/20	\$12,023.33	\$144,280	5.15%
6/18/20 - 6/17/21	\$12,203.68	\$146,444	5.23%
6/18/21 - 6/17/22	\$12,386.74	\$148,641	5.31%
6/18/22 - 6/17/23	\$12,572.54	\$150,870	5.39%
6/18/23 - 6/17/24	\$12,761.13	\$153,134	5.47%
6/18/24 - 6/17/25	\$12,952.54	\$155,431	5.55%
6/18/25 - 6/17/26	\$13,146.83	\$157,762	5.63%
6/18/26 - 6/17/27	\$13,344.04	\$160,128	5.72%
Option 1 (Avg)	\$13,956.66	\$167,480	5.98%
Option 2 (Avg)	\$15,035.29	\$180,423	6.44%
Option 3 (Avg)	\$16,197.28	\$194,367	6.94%
Option 4 (Avg)	\$17,449.07	\$209,389	7.47%

## TENANT SUMMARY

Tenant Trade Name	7-Eleven Inc.
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Structure & Roof Replacement	*Landlord Responsible
Original Lease Term	15 Years
Rent Commencement	6/18/12
Lease Expiration Date	6/17/27
Term Remaining	±7.6 Years
Increases	1.5% Annually
Options	Four (4), Five (5) Year Options

\*Landlord responsible to maintain foundation, slab, and structural soundness in addition to roof replacement; Tenant is responsible for roof maintenance



# TENANT OVERVIEW



## THE OFFERING

PROPERTY NAME	7-Eleven
Property Address	2216 University Ave Madison, WI 53726

### SITE DESCRIPTION

Number of Stories	One
Year Built/Renovated	1989/2012
GLA	±3,819 SF
Lot Size	±25,743 SF (0.59 Acres)
Type of Ownership	Fee Simple

## TENANT OVERVIEW

» Company Name	» Year Founded	» Headquarters
7-Eleven	1927	Irving, TX
» Ownership	» Industry	» Website
Private	Convenience Store	www.7-eleven.com

**AA-**  
Credit Rating (S&P)

7-Eleven is the world's largest convenience store chain operating, franchising and licensing more than 70,000 stores in 18 countries and is also one of the nation's largest independent gasoline retailers. As the pioneer of the convenience store concept, 7-Eleven strives to meet 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 maintains a selection of approximately 2,500 different products and services tailored to meet the needs and preferences of its local clientele.

**#1**

Entrepreneur's  
Magazine Top Global  
Franchises List

**TOP C-STORE**

Team Members

**#3**

Forbes' Top 20 Franchises  
to Start



## SURROUNDING TENANT MAP



# AREA OVERVIEW



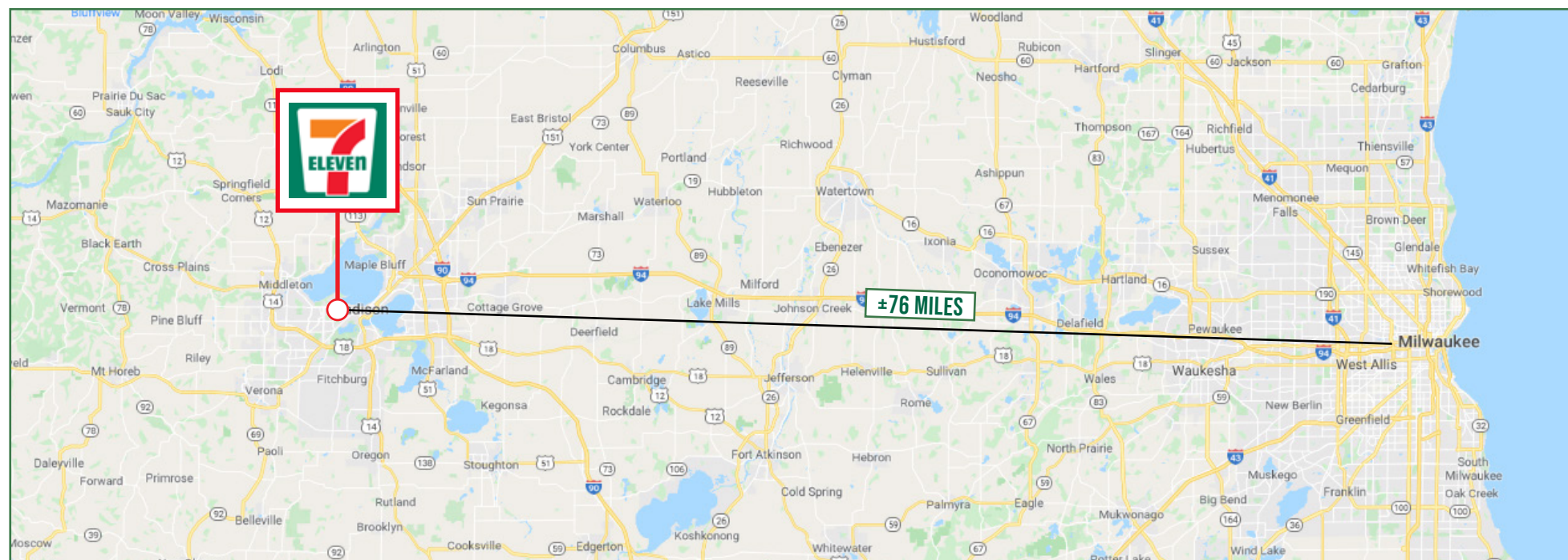
## MADISON, WI

Established on a narrow isthmus of land between Lake Mendota and Lake Monona in central Wisconsin, Madison is a city that blends urban sophistication, charm and progressive thinking with natural beauty and small-town ease. As the capital of Wisconsin, Madison is the second largest city in the state, after Milwaukee, and consistently ranks as one of the best places to live, work and raise a family.

Consequently, Madison is growing larger and becoming more diverse, dynamic and cosmopolitan; The city is poised to add over 50 thousand residents in the coming future. Near the central downtown area, the University of Wisconsin – Madison campus brings a college-town atmosphere to the city with its student body of over 40,000 students. With an ideal location along the shore of Lake Mendota, the university campus, like many city businesses and residences, enjoys attractive lake views as well as access to recreational opportunities such as fishing and boating.

## DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2025 Projection	17,882	102,366	225,629
2020 Estimate	17,509	98,959	218,714
2010 Census	16,771	90,631	201,952
Growth 2020- 2025	2.13%	3.44%	3.16%
Growth 2010 - 2020	4.40%	9.19%	8.30%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2025 Projection	6,891	46,519	103,594
2020 Estimate	6,650	44,352	99,541
2010 Census	6,114	38,927	89,521
Growth 2020- 2025	3.62%	4.89%	4.07%
Growth 2010 - 2020	8.77%	13.94%	11.19%
INCOME	1 - MILE	3 - MILE	5 - MILE
2019 Est. Average Household Income	\$100,981	\$85,425	\$93,377



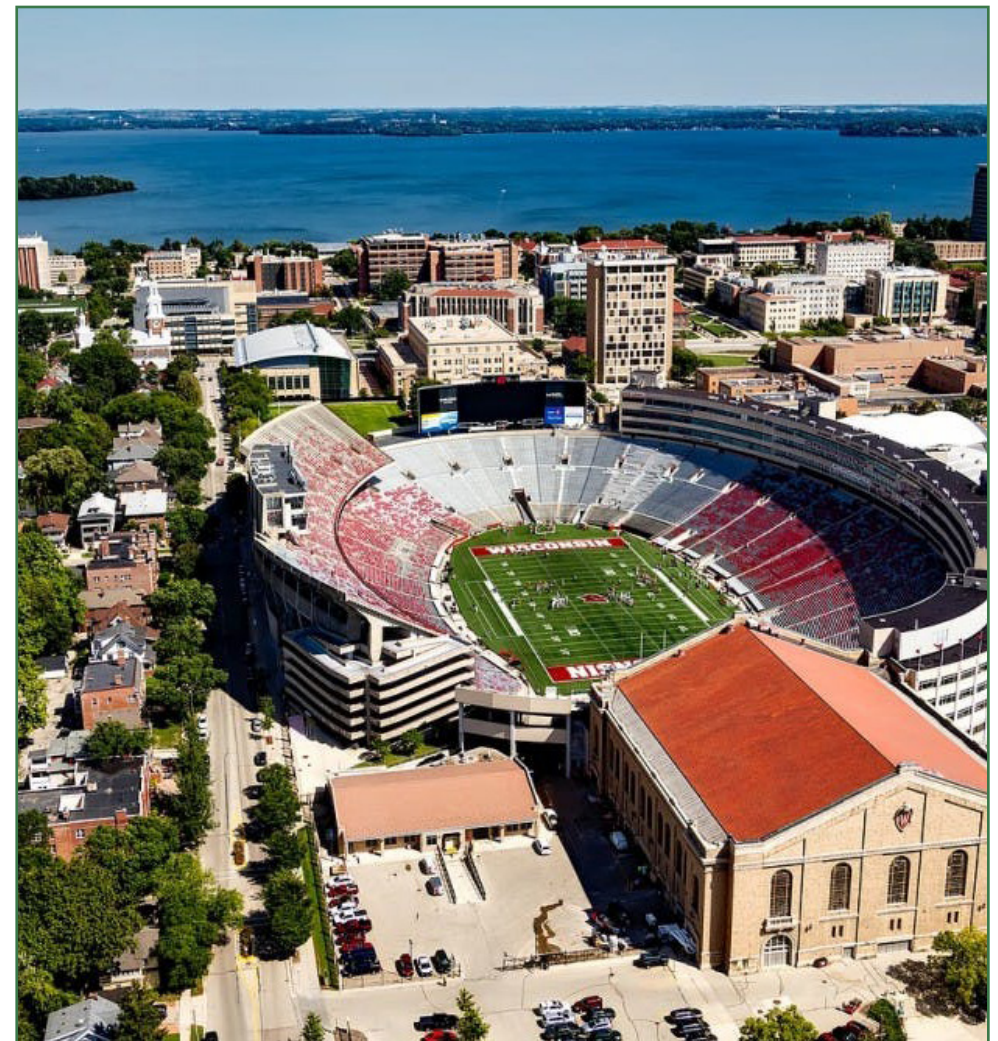
## THE UNIVERSITY OF WISCONSIN-MADISON

The University of Wisconsin–Madison is a public research university in Madison, Wisconsin. UW–Madison is the official state university of Wisconsin, and the flagship campus of the University of Wisconsin System. It was the first public university established in Wisconsin and remains the oldest and largest public university in the state. The 933-acre main campus, located on the shores of Lake Mendota, includes four National Historic Landmarks. The University also owns and operates a historic 1,200-acre arboretum, 4 miles south of the main campus.

UW–Madison is organized into 20 schools and colleges, which enrolled 30,361 undergraduate and 14,052 graduate students in 2018. Its comprehensive academic program offers 136 undergraduate majors, along with 148 master's degree programs and 120 doctoral programs. A major contributor to Wisconsin's economy, the University is the largest employer in the state, with over 21,600 faculty and staff.

The UW is one of America's Public Ivy universities, which refers to top public universities in the United States capable of providing a collegiate experience comparable with the Ivy League. UW–Madison is also categorized as a Doctoral University with the Highest Research Activity in the Carnegie Classification of Institutions of Higher Education. It had research expenditures of more than \$1.1 billion, the third highest among universities in the country. As of November 2018, the current CEOs of 14 Fortune 500 companies have attended UW–Madison, the most of any university in the United States.

The Wisconsin Badgers compete in 25 intercollegiate sports in the NCAA Division I Big Ten Conference and have won 28 national championships. Wisconsin students and alumni have won 50 Olympic medals (13 gold, 24 silver, and 13 bronze).



**45,300**  
STUDENTS ENROLLED

**21,600**  
FACULTY & STAFF

**936 AC**  
CAMPUS SIZE

**\$2.985 B**  
ENDOWMENT

**NCAA D I**  
ATHLETICS

## ECONOMIC DEVELOPMENT

For the past few decades, Madison has experienced steady economic advancement, making it less susceptible to recession. Established businesses and businesses looking to expand or grow have access to a variety of assistance programs offered by the city. Emerging industries are reshaping Madison's workforce, which has historically attracted many businesses due to the area's high level of education.

Currently, the economy is evolving from a government-base to a consumer services and high-tech base, with emphasis in the health, biotech and advertising fields. Underpinning the boom is the development of high-tech companies, many fostered by the University of Wisconsin – Madison working with local businesses and entrepreneurs.

Additionally, construction is at an all-time high as the city is investing in downtown housing developments fueled by the proximity of the university, one of the city's largest employers, and large private-sector employers offering steady work.





## MILWAUKEE, WISCONSIN

Situated on Lake Michigan in southeastern Wisconsin, the Milwaukee metropolitan area is the largest metropolitan area in the state. It is a part of the Great Lakes Megalopolis and draws commuters from outlying areas such as Madison, Chicago, and the Fox Cities. Encompassing Milwaukee, Waukesha, Washington and Ozaukee Counties, Metro Milwaukee covers 1,460 square miles by land area. The metro area's economy has been evolving from that of the goods-producing industry to one that is more service-based. A majority of its workforce continues to be in manufacturing, although recent job growth has largely been in the service-providing sector.

Also, a commercial and cultural center for Wisconsin, the city of Milwaukee is the hub of Greater Milwaukee and the largest city in the state. Six Fortune 500 companies have their international headquarters established in this self-sufficient city: Harley-Davidson, Manpower, Rockwell Automation, and Johnson Controls, Northwestern Mutual, and Joy Global. In the spirit of progress, Milwaukee has recently renovated its downtown area, creating an area of lakefront parks and museums. These architectural improvements reflect both the city's cherished old-world traditions and modern attitude. With a full complement of culture, performing arts, and recreational amenities, Milwaukee continues to attract businesses and young professionals looking to live in a 21st-century city.

## TOP EMPLOYERS

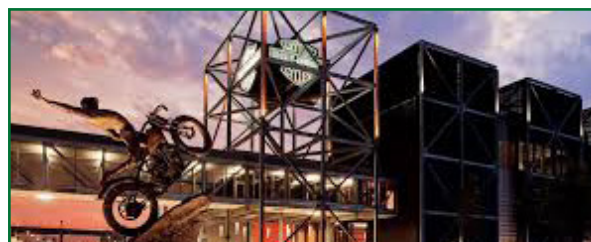
COMPANY NAME	# OF EMPLOYEES
Aurora Health Care	26,800
Ascension Wisconsin	15,500
Wheaton Franciscan Healthcare	12,000
Froedtert & Community Health	10,900
Roundy's	8,400
Kohl's Corp.	7,800
Quad/Graphics, Inc.	7,500
GE Healthcare Technologies	6,000
Medical College of Wisconsin	5,400
Northwestern Mutual	5,000

## POINTS OF INTEREST



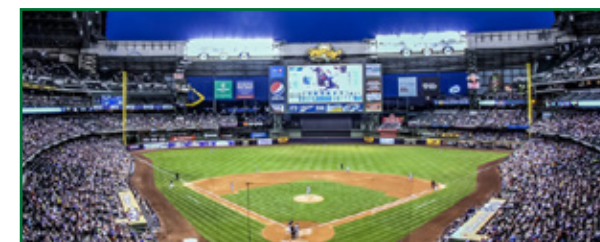
MILWAUKEE ART MUSEUM

From its origins in Milwaukee's first art gallery, the Milwaukee Art Museum has become an icon for the city. It is one of the largest museums in the country, showcasing 30,000 works of art to over 400,000 visitors a year.



HARLEY-DAVIDSON MUSEUM

Located on the riverfront, the Harley-Davidson Museum chronicles the history of the Harley-Davidson back to the oldest known motorcycle. The 20-acre museum campus houses more than 450 motorcycles and artifacts.



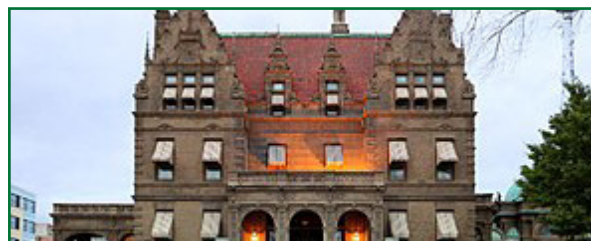
MILLER PARK

Named after the Miller Brewing Company, Miller Park is the homefield of the Milwaukee Brewers. The grand, brick structure is one of the largest construction projects in Wisconsin history with an impressive retractable roof.



GREAT LAKES DISTILLERY

For those of legal drinking age, the Great Lakes Distillery in the heart of Milwaukee offers small batch products made with old world methods. This world class artisan distillery is committed to providing quality spirits that exhibit craftsmanship.



PABST MANSION

Once home to Captain Frederick Pabst, founder of the Pabst Brewing Company, Pabst Mansion is a house museum that preserves the legacy of the Pabst family. In 1979, the mansion was placed on the National Register of Historic Places.



MILWAUKEE COUNTY ZOO

Spanning 200 wooded acres, the Milwaukee County Zoo houses over 2,000 mammals, birds, fish, amphibians and reptiles in specialized habitats. The zoo's objective is to inspire public support and participation in global conservation of animal species.



HISTORIC THIRD WARD

Three blocks south of downtown Milwaukee, the Historic Third Ward is known as Milwaukee's Arts and Fashion District. The area offers the city's most dynamic array of restaurants, spas, theaters, galleries and shopping, all in a historic warehouse setting.



MILWAUKEE PUBLIC MARKET

Bursting with high quality selections of artisan products and freshly-made prepared foods, the Milwaukee Public Market is Milwaukee's most unique downtown food destination. It is located in the vibrant Historic Third Ward neighborhood.



MILWAUKEE RIVERWALK

The Milwaukee RiverWalk winds through the city, tying together three distinct riverfront neighborhoods. Permanent and changing art exhibitions create a unique outdoor gallery that unifies Downtown, Beerline B., and the Historic Third Ward.



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **7-Eleven** located at **2216 University Ave, Madison, WI 53726** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

# 7-ELEVEN W/ GAS

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