



15-Year Absolute NNN Ground Lease • Brand New Construction • Los Angeles MSA



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM
HAWAIIAN GARDENS, CALIFORNIA



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REAL ESTATE ADVISORS



OFFERING MEMORANDUM

HAWAIIAN GARDENS, CALIFORNIA

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OFFERING SUMMARY

7-ELEVEN



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LOCATION

7-Eleven

12300 Carson Street

Hawaiian Gardens, CA 90716



OFFERING SUMMARY

Price:	\$3,625,000
Current Net Operating Income (NOI):	\$145,000
Current Capitalization Rate:	4.00%
Net Rentable Area:	2,940
Year Built:	2020
Lot Size (Acres):	0.45

LEASE TERMS

Lease Commencement:	Q1 2021
Lease Expiration:	15 Years
Lease Type:	Absolute NNN Ground Lease
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$12,083
Annual Rent:	\$145,000
Rental Increases:	10% Every 5 Years
Renewal Options:	Three 5-Year @ 10% Increases

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



REPRESENTATIVE PHOTO

7-ELEVEN®

QUICK FACTS

#1

**LARGEST RETAILER
IN THE WORLD**

\$120B

**IN SYSTEM
WIDE SALES**

71K+

**TOTAL
LOCATIONS**

S&P AA-

**INVESTMENT
GRADE CREDIT**





- **Single-Tenant 7-Eleven Ground Lease:**

- Absolute NNN ground lease; zero landlord responsibilities
- Brand new construction
- New 15-year initial lease term with 10% increases every 5 years, including three 5-year options
- Corporate guaranteed lease with Investment Grade tenant (S&P: AA-)
- 7-Eleven has 71,100 locations globally (11,800 USA) and \$120 billion in annual sales
- 7-Eleven has more units than any other retailer or food service provider in the world and consistently ranks as one of the top U.S. franchises

- **7-Eleven Announced it Expects to Hire 20,000 New Store Employees Nationwide to Meet Increased Demand Due to COVID-19**

- **Hard Corner Signalized Location:** Excellent exposure, identity, and visibility along E. Carson Street (35,000 cars per day)

- **Outstanding Freeway Accessibility:** The subject property is located less than 1-mile from the on/off ramp to Interstate 605, a high-traffic California freeway with over 208,000 cars per day



REPRESENTATIVE PHOTO

INVESTMENT HIGHLIGHTS

7-ELEVEN



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- **Dominant Retail Trade Area:** The property is approximately 1-mile from Long Beach Towne Center, a regional power center anchored by Walmart Supercenter, Sam's Club, Lowe's and Edwards Cinema; other tenants include Ashley Furniture HomeStore, Michaels, Party City, PetSmart and Ross Dress for Less
 - Other national retailers driving traffic to the trade area include 99 Cents Only, Albertsons, Big Lots, Food 4 Less, HomeGoods, JoAnn Fabrics, Marshalls and The Home Depot
 - **Hawaiian Gardens Casino** –200,000 square foot casino located less than 1-mile from the property; attracts thousands of annual visitors to the immediate area
- **Affluent Demographics:** Average household incomes in excess of \$115,000 within a 3-mile radius of the subject property
- **Dense, Infill Location with High Barriers to Entry:** Over 556,000 people within a 5-mile radius of the subject property
- **Los Angeles MSA:** Hawaiian Gardens is approximately 20 miles from Downtown Los Angeles and Los Angeles International Airport, 20 miles to John Wayne/Orange County Airport and 10 miles to the Long Beach Airport



REPRESENTATIVE PHOTO



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



NORTH ELEVATION



TOP VIEW

7-ELEVEN RENDERINGS

INTERSECTION VIEW

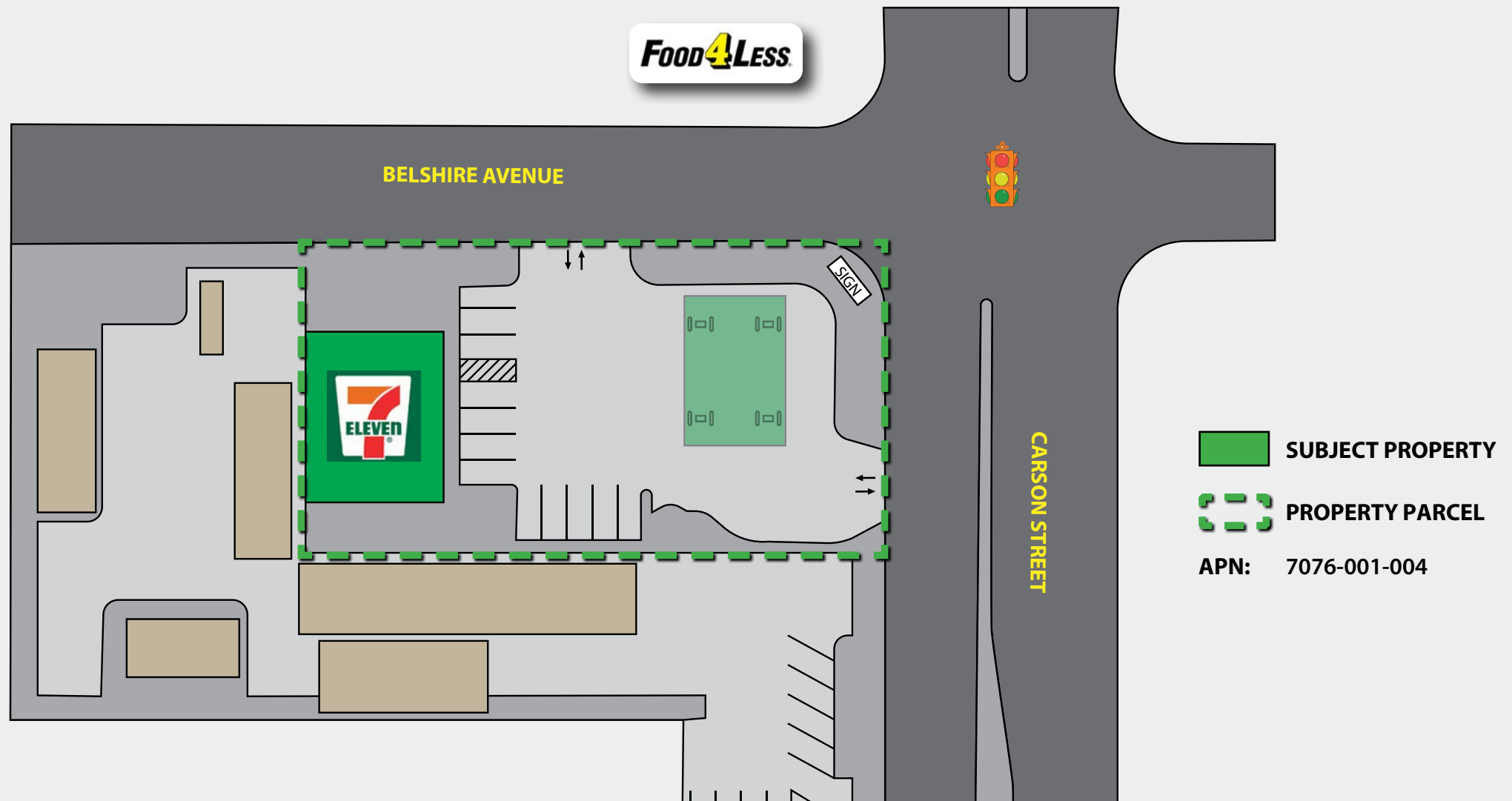


SITE PLAN / PARCEL MAP

7-ELEVEN



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AERIAL OVERVIEW

7-ELEVEN



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DEMOGRAPHICS

Population:

1-Mile Radius	37,146
3-Mile Radius	210,454
5-Mile Radius	556,621

Household Income:

1-Mile Radius	\$91,718
3-Mile Radius	\$115,546
5-Mile Radius	\$105,464

CYPRESS CENTER WEST SHOPPING MALL



EL DORADO CENTER



HAWAIIAN GARDENS TOWNE CENTER



HAWAIIAN GARDENS SQUARE SHOPPING CENTER



CARSON STREET 35,000 CPD

SUBJECT PROPERTY



GARDENS SHOPPING MALL



AERIAL OVERVIEW

7-ELEVEN



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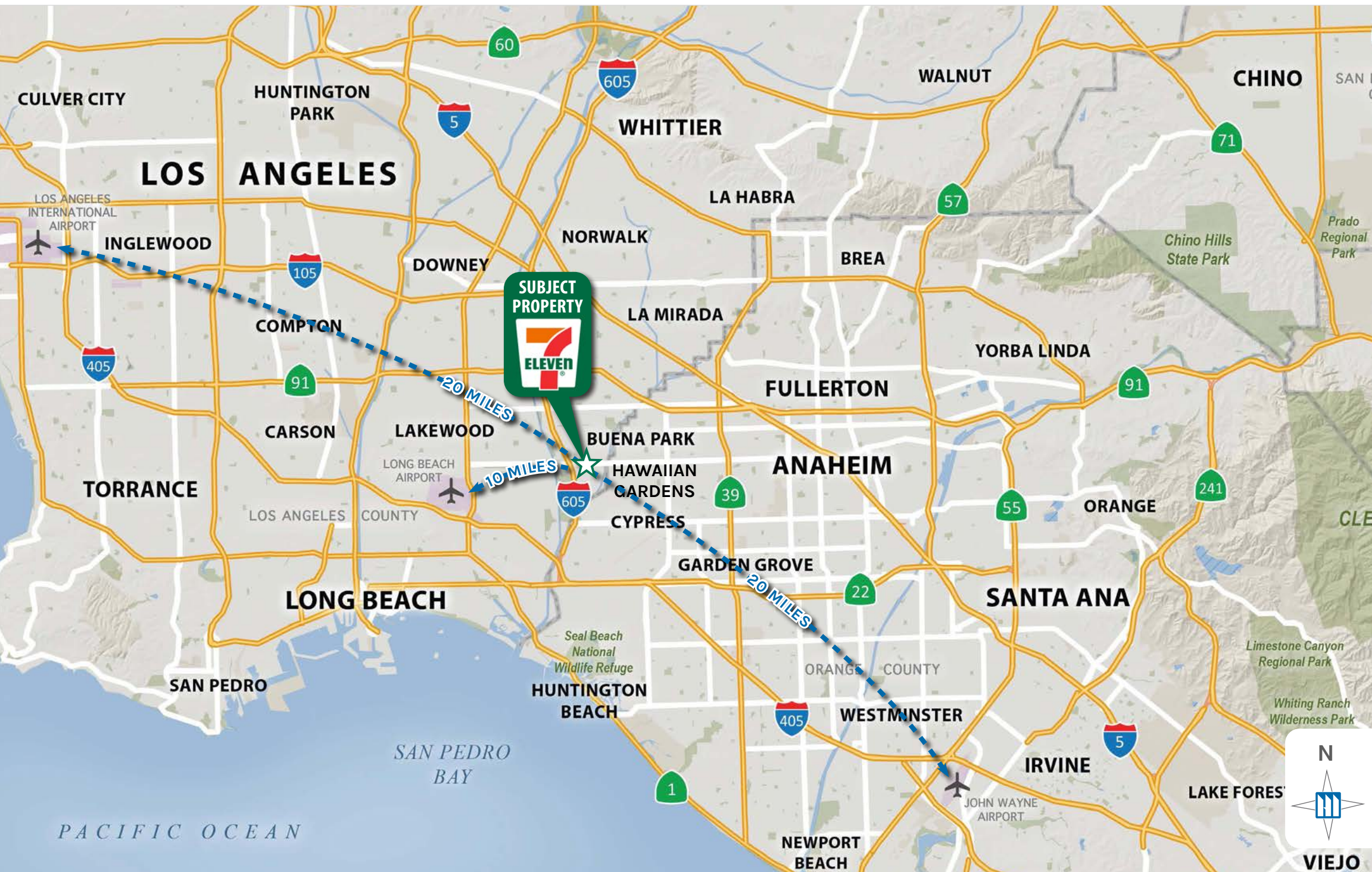


REGIONAL MAP

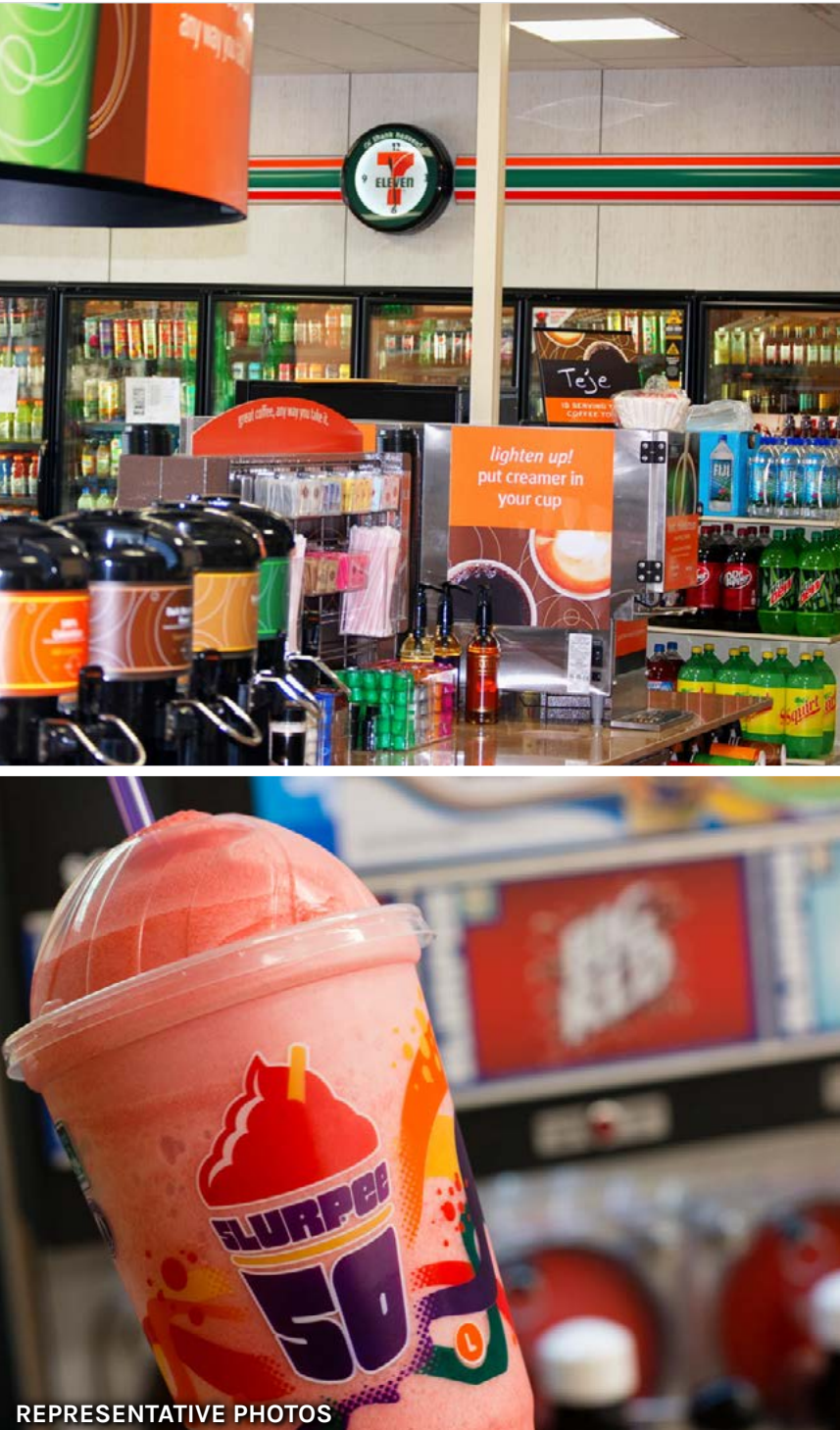
7-ELEVEN



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7-ELEVEN

7-Eleven is an American-Japanese international chain of convenience stores, headquartered in Irving, Texas that operates, franchises, and licenses in 17 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 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 \$120 billion in-store net sales in 2019. The company estimates in-store net sales to reach \$168 billion by 2024. 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.

According to Joseph DePinto, 7-Eleven President and Chief Executive Officer, "Part of what makes 7-Eleven's brand so iconic is our global presence and our continued growth." There are 71,100 stores across the world with 11,800 locations in North America; 97% 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. On average, the company adds another store to its worldwide operations every three hours. 7-Eleven, Incorporated is a wholly-owned subsidiary of Tokyo-based Seven & I Holdings Co., Limited.

TOP HONORS

- ➔ #4 "Top Global Franchises" - Entrepreneur Magazine (2020)
- ➔ #4 "Best Convenience Store Franchises" - FranchiseRanking.com (2020)
- ➔ #1 "Top 202 Convenience Stores" - CSP (2019)
- ➔ #1 "Top Global Franchises" - Entrepreneur Magazine (2017)
- ➔ "Silver Level Military Friendly Employer" - Victory Media (2017)

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

Locations: 71,100 Globally (11,800 USA) | **Company Type:** Private



7-Eleven to Add Up to 20,000 Jobs in Face of Coronavirus

By Greg Lindenberg | March 20, 2020



7-Eleven Inc. said it expects in the coming months to hire as many as 20,000 new store employees, either directly or by independent 7-Eleven franchisees, to meet the increased demand for 7-Eleven products and services amid the COVID-19 pandemic.

"7-Eleven is a neighborhood store, and it's our priority to serve the communities in which we operate during this unprecedented crisis," said 7-Eleven President and CEO Joe DePinto. "This will provide job opportunities and ensure 7-Eleven stores remain clean and in-stock with the goods our customers need during this critical time."

7-Eleven also anticipates the new store employee positions will help meet a surge in mobile orders through its 7Now delivery app, which offers delivery of essentials and nonessentials to more than 30 million U.S. households. Store employees will fulfill 7Now delivery orders that include grocery staples such as milk and bread; over-the-counter medicine; a range of food and beverage options such as pizza and Slurpee drinks; beer and wine in participating markets; and more. The service typically delivers orders in about 30 minutes; however, in the current environment, demand may affect delivery times, the company said.

- 7-Eleven is No. 1 on the Top 40 update to CSP's 2019 Top 202 ranking of U.S. c-store chains by number of retail outlets. CSP will release the complete 2020 list in June.

"Locally owned and operated 7-Eleven stores are really going above and beyond to serve their communities," DePinto said. "I'd like to thank 7-Eleven franchisees and corporate store employees for everything they are doing to provide necessary products and services to customers in need."



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Hawaiian Gardens, California

- City in Los Angeles County, measuring 0.9 square miles
 - Located 20 miles from downtown Los Angeles
- Bordered by the cities of Long Beach, Lakewood, and Cypress
- 14,189 total population; population is comprised of young, Spanish-speaking families
 - Median age is 31 years, well below the national average of 37 years
 - Average household size is 3.7 persons per household, higher than the state average of 3 persons per household

ECONOMY

- By employment, the largest economic sectors include manufacturing (15.9%), retail trade (11.9%), health care and social assistance (11.2%), and accommodation and food services (10.7%)
- As one of seven Los Angeles County cities that allows gambling, nearly 80% of the city's revenue comes from the local casino (\$13.2 million annually).
 - **Hawaiian Gardens Casino** - The casino underwent a \$90 million renovation in 2016, which expanded the casino to over 200,000 square feet
 - ◆ Largest employer in the city (2,000+ employees)
 - **Hawaiian Gardens Bingo Club** - The largest bingo club in Southern California

TRANSPORTATION

- Located in the Gateway Region; easy access to Los Angeles' booming economic hub, but away from the confines and cost of the city
- Gateway to Southern California: central location to three major highways; within 40 miles of four airports (including Los Angeles Airport); and within 20 miles of the Los Angeles and Long Beach harbors
 - Located immediately off the 605 freeway, which has 200,000 trips per day in each direction

City of Hawaiian Gardens *Highlights*



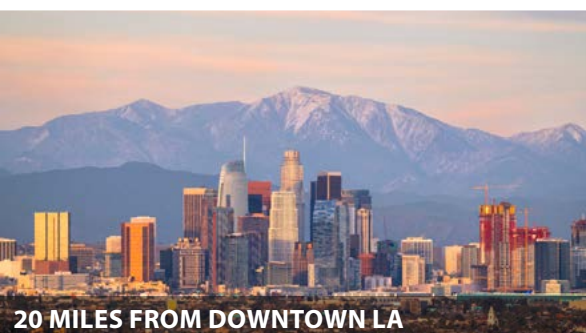
**POPULAR PIT-STOP
ALONG THE 605 FREEWAY**



**THE CASINO IS THE #1
EMPLOYER IN THE CITY**



**MANUFACTURING IS
THE LARGEST SECTOR**



20 MILES FROM DOWNTOWN LA



HAWAIIAN GARDENS CASINO



MCLAREN - TIRES & TRACKS



Los Angeles County

- Largest county in the U.S. with an estimated population of 10.15 million
 - Accounts for 26% of California's total population
 - Spans 4,083 square miles, larger than the land areas of Rhode Island and Delaware combined
- The "City of Angels" is known for its global economy, tourism destinations, world-famous entertainment industry, and rapidly increasing amount of venture capital investment in startups

ECONOMY

- \$1.15 trillion gross metropolitan product (2019); 2nd largest in the nation behind New York City
- Diverse economy includes strong international trade, entertainment (television, motion pictures, and recorded music), aerospace, technology, petroleum, healthcare, fashion, apparel and tourism sectors
 - 40% of the inbound U.S. containerized freight is handled by the ports in Long Beach and Los Angeles
 - Largest manufacturing center in the country (347,000 employees); one of the nation's leading urban-industrial hubs
 - Tech giants such as Google, Apple, and Netflix operate in the county
- 5+ million labor force with 1.5 million being college graduates
 - 81,900 new jobs created from November 2018 to November 2019, reflecting 1.8% employment growth
 - ◆ Health care and social assistance accounted for 89% of the employment growth
- The \$207.8 billion creative economy is a prominent industry that is highly concentrated and expanding; employs 429,000
 - All five major film studios (Warner Bros., Paramount Pictures, Universal Pictures, Sony Pictures, and Walt Disney Studios) are located within the region
 - Direct and indirect employment generated by the creative industries constitutes 19.7% of the county's total employment
- 4,682 foreign-owned firms within the county employ 212,510 workers



LOS ANGELES SKYLINE



HEART OF THE ENTERTAINMENT INDUSTRY



UNIVERSAL PICTURES STUDIOS

\$1.15T

**GROSS METROPOLITAN
PRODUCT IN 2019**



**81,000 NEW JOBS;
1.8% GROWTH**



**HOME TO MAJOR
WORLDWIDE CORPORATIONS**

\$100K+

**AVERAGE HOUSEHOLD
INCOME**



ENTERTAINMENT & TOURISM

- #3 "12 Cities in North America that Attracted the Most Tourists from Around the World" - Business Insider (2018)
- Entertainment capital of the world with a record 50 million people visiting Los Angeles County in 2018, generating an economic impact of \$36.6 billion (a 4.9% increase over 2017)
 - Tourism accounts for one in every 8.5 jobs in the county, generating \$2.9 billion in state and local tax revenues in 2018
- **Exposition Park** - A 160-acre park consisting of the Los Angeles Memorial Coliseum (home of USC's football team), Banc of California Stadium, science centers, history museums, gardens and more; 4 million annual visitors
- **Staples Center** - "The world's most successful arena" is home to NBA Lakers and Clippers, NHL Kings and WNBA Sparks
 - More than 4 million guests and 250 events annually; \$345 million generated annually
 - Estimated to have a \$32 billion economic impact on the city during the two decades it has been open
- **Los Angeles Convention Center** - More than 2 million visitors and over 350 events annually; \$683 million in total economic impact

TRANSPORTATION

- Trade and logistics are at the heart of the economy; western commercial gateway to Mexico and the Pacific Rim
- Key transportation and distribution hub with six airports, two major ports, and an extensive freeway and rail network
 - Port of Los Angeles and Port of Long Beach are the nation's #1 and #2 ranked busiest seaports, and two of the top 10 leading domestic freight gateways; key component to trade within the Pacific Rim
 - Los Angeles International Airport (LAX) is the 4th busiest commercial airport and 10th busiest cargo airport in the world
 - 8 major interstate highways run through Los Angeles County: 5, 105, 405, 605, 10, 110, 210 and 710
- Offers one of the best large public transportation systems in the U.S. via the Los Angeles County Metropolitan Transportation Authority (the major operator of bus and rail service) with 1,433 square miles of operating area



BANC OF CALIFORNIA STADIUM



LOS ANGELES FREEWAY INTERCHANGE



PORT OF LOS ANGELES



**50 MILLION
VISITORS IN 2018**



**"WORLD'S MOST SUCCESSFUL
ARENA" - STAPLES CENTER**



**10TH BUSIEST CARGO
AIRPORT IN THE WORLD**



**TOP PUBLIC TRANSPORTATION
SYSTEM IN THE U.S.**



DEVELOPMENT

- 28,000 new housing units were under construction in Los Angeles County at the end of June 2019
- **Gerald Desmond Bridge** - A \$1.5 billion cable-stayed bridge over the Port of Long Beach supported by two 515-foot towers, making it the second-tallest structure of its kind in the U.S.
- **SoFi Stadium** - A 75,000-seat football stadium in Inglewood that will be home to the NFL Rams and Chargers; the most expensive stadium ever built in the U.S., costing more than \$5 billion
 - Additional developments around the stadium include a 500,000 square-foot shopping center, 2,500 apartments and homes, 300-room hotel, Central Park and 500,000 square feet of office space
- **Crenshaw/LAX Line** - An 8.5-mile light rail line stretches between the Metro's Green Line in the south and the E (formerly Expo) Line in the north; 9 stations will offer connections to Leimert Park, Hyde Park, Inglewood and Westchester
 - The new Crenshaw Line will connect to LAX's under-construction automated people mover system
- **Angels Landing** - \$1.2 billion project in the heart of Downtown Los Angeles
 - 570 residential units, two hotels, 50,000 square feet of commercial space and a charter school

EDUCATION

- Home to 116 colleges and universities
- **University of Southern California (USC)** - 48,500 students across 22 academic schools and units; \$5.5 billion endowment
 - One of California's strongest economic engines with a multibillion-dollar impact on local and state economies
 - ◆ \$8 billion in economic activity in California each year; \$80 billion projected over the next decade
 - One of the largest private employers accounting for 42,315 jobs in the region
- **University of California, Los Angeles (UCLA)** - A public research university that is the 4th oldest of the 10-campus University of California system; offers 337 undergraduate and graduate degree programs to 46,000 students; \$5.39 billion endowment
- Los Angeles County has 78 school districts with a total student population of 1.43 million students



GERALD DESMOND BRIDGE



SOFI STADIUM



USC VILLAGE



**28,000 NEW HOUSING
UNITS UNDER CONSTRUCTION**

#1

**MOST EXPENSIVE U.S.
STADIUM - SOFI STADIUM**

\$8B

**ANNUAL ECONOMIC
IMPACT FROM USC**



**116 COLLEGES & UNIVERSITIES
WITHIN THE COUNTY**



	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2024 Projection	37,550	213,487	564,482
2019 Estimate	37,146	210,454	556,621
2010 Census	36,183	205,017	540,780
2000 Census	36,608	204,976	536,108
Growth 2010-2019	2.66%	2.65%	2.93%
Growth 2019-2024	1.09%	1.44%	1.41%
Households			
2024 Projection	11,080	69,585	185,936
2019 Estimate	10,935	68,474	182,954
2010 Census	10,572	65,990	175,605
2000 Census	10,618	66,023	175,743
Growth 2010-2019	3.43%	3.76%	4.18%
Growth 2019-2024	1.33%	1.62%	1.63%
2019 Est. Population by Single-Classification Race			
White Alone	16,095	100,092	277,309
Black or African American Alone	2,396	9,807	28,722
American Indian and Alaska Native Alone	301	1,263	3,952
Asian Alone	8,354	67,514	139,768
Native Hawaiian and Other Pacific Islander Alone	234	1,052	3,117
Some Other Race Alone	7,838	19,488	73,530
Two or More Races	1,878	10,948	29,364
2019 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	18,353	55,159	185,979
Not Hispanic or Latino	18,793	155,295	370,642
2019 Est. Average Household Income	\$91,718	\$115,546	\$105,464

CONFIDENTIALITY AGREEMENT

7-ELEVEN



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The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

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\$6.6 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



GLOBEST. INFLUENCERS
in retail & net lease sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.