

7-Eleven (S&P: AA-) With RARE Annual Increases

Mansfield, Ohio



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Offering Memorandum

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The Property - Investment Summary

Property	7-Eleven Gas and Convenience Store
Tenant Name	7-Eleven, Inc.
Credit Rating	S&P: AA-
Address	2264 South Main Street Mansfield, Ohio 44907
Major Market	Mansfield-Bucyrus CSA
Market Population	220,000
Building Size	3,692 Square Feet
Building Type	Brick
Acreage	0.56 Acres
Year Renovated	2007
Pumps	5
Initial Lease Term	20 Years
Rent Commencement	June 28, 2007
Lease Expiration	June 30, 2027
Lease Type	Triple Net
Rental Increases	Annually
Net Operating Income	\$226,415
CAP Rate	5.2%
Price	\$4,354,000



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Mansfield, Ohio

The Property - Property Description

Investment Highlights

- Strong Corporate Tenant - 7-Eleven, Inc. Carries a Stellar Credit Rating of AA- by Standard & Poors
- RARE ANNUAL INCREASES - Rent Increases Annually During the Initial Term and Options
- Ideal 1031 - Triple Net Hands-Off Lease Requires Tenant to Perform All Maintenance, Repairs, and Replacements
- Heavily-Trafficked Location - Situated at the I-71 Mansfield Exit Half-Way Between Cleveland and Columbus, Linking Over 5 Million People
- Part of the Mansfield-Bucyrus CSA – Over 220,000 Residents
- Retail Synergy - Many National Retailers Surround the Property Including Wal-mart, Starbucks, Chipotle, McDonald's, and More

Property Description

For sale to qualified investors is the fee-simple interest the 7-Eleven gas and convenience store located at a major I-71 highway exit in Mansfield, Ohio. This 7-Eleven offering features RARE annual rental increases during the initial lease term and options, allowing the investor to increase their return each and every year of the lease. Annual increases combined with the triple-net nature of the investment, requiring no repairs or replacements on the part of the owner, render this a very unique 7-Eleven offering compared to others on the market. The property is located on Interstate 71 which connects Cleveland to Columbus, and is the major daily commuter route between the two cities of over 5 million people. Additionally, the property is at the highway exit into Mansfield CSA, which itself has a resident population of over 220,000 people. Because this interchange caters to the large resident and Interstate traffic, many retailers and interchange service business have chosen to located here. Among those are Walmart, Chipotle, Starbucks, McDonald's, Arby's, Burger King, Steak n Shake, Cracker Barrel, Hampton Inn & Suites, Super 8, Travelodge, and more.

Mansfield, Ohio

Mansfield is the county seat of Richland County, Ohio, and is the principal city in the Mansfield-Bucyrus CSA, with a population of over 220,000 people. Mansfield draws workers and retail customers from neighboring communities up to 30 miles away. It is also the largest city in the Mid-Ohio region of the state, which is generally considered to extend from Marion, Delaware, Knox, Morrow, Crawford, Ashland and Richland counties in the south, to the Firelands area south of Sandusky to the north. Mansfield is located on I-71 midway between Cleveland and Columbus.



Large Employers in Mansfield include steel manufacturer AK Steel, Honda supplier Newman Technology Incorporated, Hyundai Ideal Electric Company, Therm-O-Disc, The Gorman-Rupp Company, Crane Plumbing, Sabin Robbins Converting Company, carousel manufacturer Carousel Works StarTek, and Mansfield Engineered Components, a designer and manufacturer of motion control components for the appliance, transportation, medical casegoods and general industrial markets. Mansfield's healthcare industry includes MedCentral Health System, the city's largest employer and the largest in Richland County.

Mansfield has also been used as a location for several major Hollywood movies; among the notable of these are The Shawshank Redemption, Air Force One, and Tango & Cash, all of which featured the Ohio State Reformatory as a backdrop for pivotal scenes.

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Mansfield, Ohio

The Property - Property Photos



7-Eleven (S&P: AA-) with RARE Annual Increases

Mansfield, Ohio

Performance & Tenancy - Rent Roll

Tenant Name	Square Feet	Lease Term		Rental Rates			Recovery Type	Comments/Options
		Begin	End	Begin	Annually	Monthly		
7-Eleven, Inc.	3,692	6-28-2007	6-30-2027	7-1-2020	\$226,415.00	\$18,867.91	NNN	Triple-net lease. Tenant pays all property taxes, insurance and CAM directly. Tenant is responsible for maintenance, repairs, and replacements.
				<u>Options</u>				
				7-1-2027	CPI Increase			Options: Four (4) — Five (5) year options. Tenant to give Landlord not more than 18 months and not less than 12 months notice of its intent to renew.
				7-1-2032	CPI Increase			
				7-1-2037	CPI Increase			
				7-1-2042	CPI Increase			Rental Increases: Base rent increases annually by an amount equal to the lesser of 2% or the annual CPI adjustment.



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Mansfield, Ohio

Performance & Tenancy - Tenant Information



7-Eleven Inc. is an international chain of convenience stores headquartered in Dallas, Texas. The chain was founded in 1927 as an ice house storefront in Dallas and was named Tote'm Stores between 1928 and 1946. The company has one of the most prolific growth stories in American chain store history, and currently 7-Eleven operates, franchises, and licenses 68,236 stores in 17 countries, making it one of the largest retail companies in terms of locations in the world. The company is privately held and carries a Standard & Poors credit rating of AA-, which is considered to be "high grade" credit and nearly the top tier.

In the United States 7-Eleven sells Slurpee drinks, a partially frozen soft drink introduced in 1965, and Big Gulp beverages, introduced in 1976. Other products include: 7-Select private-brand products, coffee, fresh-made daily sandwiches, fresh fruit, salads, bakery items, hot and prepared foods, gasoline, dairy products, carbonated beverages and energy drinks, juices, financial services, and product delivery services. Offering beverages in sizes up to 128 ounces (Team Gulp), 7-Eleven has long been known for their large drink sizes and 24-hour accessibility. The company has continued to innovate their industry over the years, and in February 2020, they opened a cashierless location at 7-Eleven headquarters in Irving, Texas.

7-Eleven, Inc. (Privately Held)	S&P : AA-
Founded	1927
Locations	68,236
Countries	17
States	32
Number Of Employees	+ 45,000

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Mansfield, Ohio

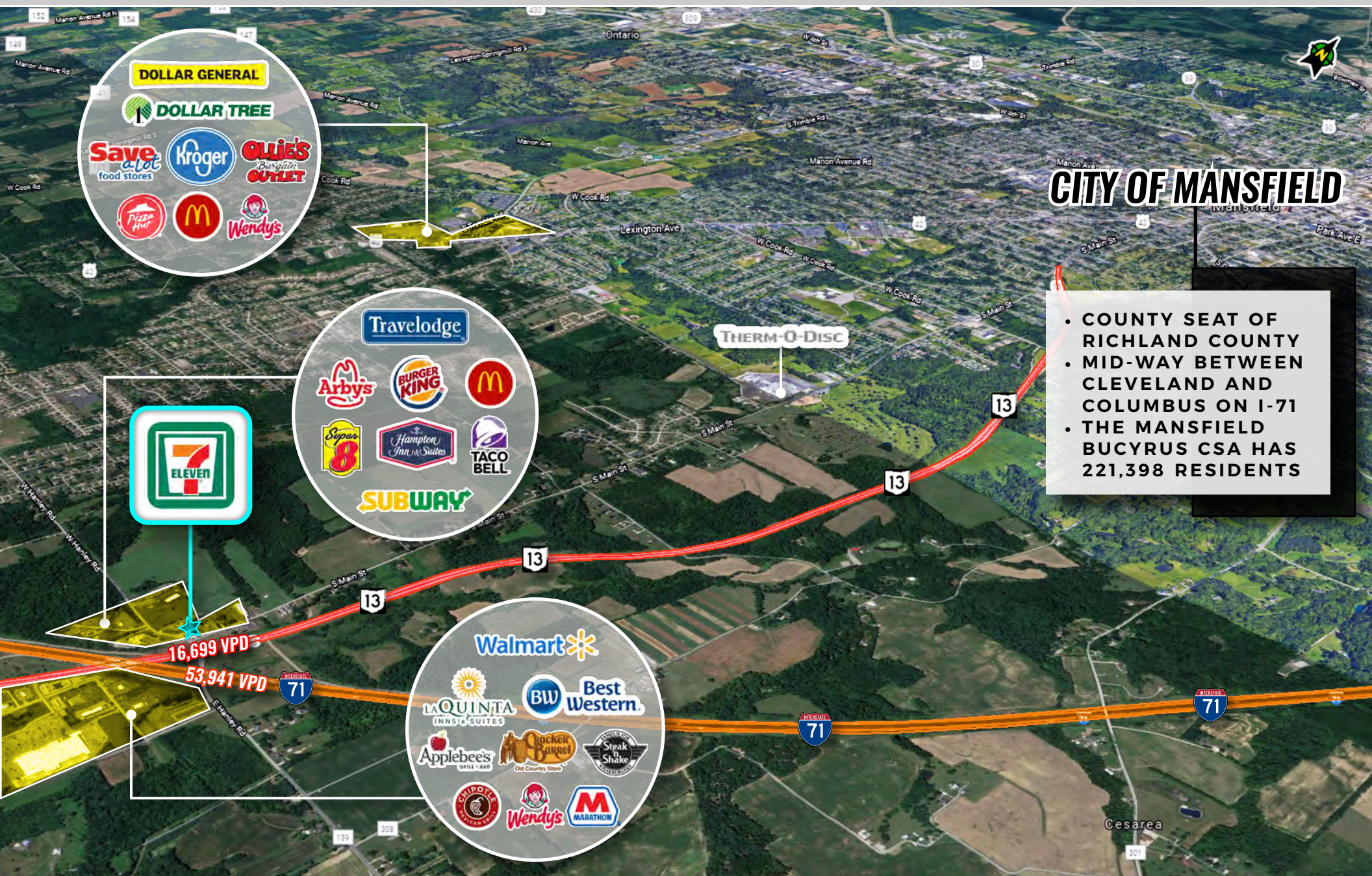
Market Overview - Retail Aerial



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Mansfield, Ohio

Market Overview - Market Aerial



7-Eleven (S&P: AA-) with RARE Annual Increases

Mansfield, Ohio

Market Overview - Regional Map



7-Eleven (S&P: AA-) with RARE Annual Increases

Cleveland, Ohio

Market Overview - Local Map



7-Eleven (S&P: AA-) with RARE Annual Increases

Cleveland, Ohio

Market Overview - Demographics

	2 mi	4 mi	6 mi	8 mi
Population				
2020 Estimated Population	17,515	50,850	84,009	103,806
2025 Projected Population	17,268	49,826	82,459	102,052
2010 Census Population	17,660	51,219	84,839	103,864
2000 Census Population	17,733	56,715	87,133	107,263
Households				
2020 Estimated Households	7,989	21,714	33,461	41,036
2025 Projected Households	7,871	21,262	32,786	40,277
2010 Census Households	8,084	21,874	33,630	41,056
2000 Census Households	7,503	22,738	34,843	41,743
Age (2020)				
Est. Population Under 10 Years	10.4%	11.7%	10.9%	10.6%
Est. Population 10-19	11.4%	12.6%	12.1%	12.2%
Est. Population 20-30	11.6%	12.2%	13.8%	14.0%
Est. Population 30-44	14.9%	16.7%	17.8%	17.2%
Est. Population 45-59	18.0%	18.6%	18.8%	19.0%
Est. Population 60-74	22.1%	19.6%	18.5%	18.9%
Est. Population 75 Years or Over	11.5%	8.6%	8.1%	8.2%
Income (2020)				
Est. HH Inc \$200,000 or more	2.1%	1.7%	1.5%	1.5%
Est. HH Inc \$150,000 to \$199,999	2.4%	2.2%	2.4%	2.6%
Est. HH Inc \$100,000 to \$149,999	10.8%	8.2%	8.5%	9.4%
Est. HH Inc \$75,000 to \$99,999	14.2%	11.0%	10.6%	11.4%
Est. HH Inc \$50,000 to \$74,999	18.7%	18.2%	18.7%	19.1%
Est. HH Inc \$35,000 to \$49,999	17.1%	16.5%	16.0%	16.0%
Est. HH Inc \$25,000 to \$34,999	11.4%	12.2%	13.4%	13.2%
Est. HH Inc \$15,000 to \$24,999	11.1%	15.2%	14.9%	14.0%
Est. HH Inc Under \$15,000	12.4%	14.8%	13.9%	12.8%
Est. Average Household Income	\$ 62,882	\$ 55,814	\$ 55,889	\$ 57,737
Est. Median Household Income	\$ 48,350	\$ 42,292	\$ 42,065	\$ 43,736
Est. Per Capita Income	\$ 28,681	\$ 23,834	\$ 22,260	\$ 22,824