



- 15-Year Absolute NNN Ground Lease
- 10% Increases Every 5 Years
- Signalized Location Near 10 Freeway (157,000 CPD)



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM

YUCAIPA, CALIFORNIA



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OFFERING MEMORANDUM

YUCAIPA, CALIFORNIA

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OFFERING SUMMARY

7-ELEVEN



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LOCATION

7-Eleven (Ground Lease)
31558 Yucaipa Boulevard
Yucaipa, CA 92399



OFFERING SUMMARY

Price:	\$4,375,000
Current Net Operating Income (NOI):	\$175,000
Current Capitalization Rate:	4.00%
Net Rentable Area:	3,010
Year Built:	2020
Lot Size (Acres):	1.03

LEASE TERMS (1)

Lease Commencement: (2)	Q2 2021
Lease Expiration:	15 Years
Lease Type:	Absolute NNN Ground Lease
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$14,583
Annual Rent:	\$175,000
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.
(2) Estimated lease commencement date.



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**



INVESTMENT HIGHLIGHTS

7-ELEVEN



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- **Single-Tenant 7-Eleven (Convenience Store/Gas Station):**

- Absolute NNN ground lease; zero landlord responsibilities
- Brand new 2020 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 71,000 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**

- **Outstanding Freeway Accessibility:** The subject property is located near the Interstate 10 on/off ramps, the main east/west arterial connecting Los Angeles and San Bernardino counties with over 157,000 cars per day



REPRESENTATIVE PHOTOS



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



- **Excellent Visibility and Exposure Along Yucaipa Boulevard, the City's Primary East/West Thoroughfare with Over 25,000 Cars Per Day:**
 - Ideally Positioned on the Morning Drive Side of Yucaipa Boulevard
 - Yucaipa Boulevard was recently expanded to 6 lanes in order to handle the increasing traffic along the main corridor into the city
- **Across the Street from the Brand-New Yucaipa Pointe Development, a 135,000 Square Foot Community Shopping Center:** Positioned to serve Yucaipa, Redlands, and all East Valley communities
 - Estimated delivery 2nd quarter 2021
 - The center will include a 60,000 square foot Kaiser Permanente medical office – the largest office in Yucaipa; other tenants will include Chick-fil-A, Chipotle, Ono Hawaiian BBQ, Jack in the Box and Quick Quack Car Wash among others
- **Affluent Demographics:** Average household income of approximately \$120,000 within a 3-mile radius
- **#1 Highest Employment Growth in the U.S.:** The Inland Empire has the highest employment growth in the country
- **#1 Highest Home Price Growth:** Due to the large gains in job growth, the Inland Empire also has the highest home price growth in Southern California
- **Destination Hub:** San Bernardino County has more than 300 million square feet of existing industrial, manufacturing, and distribution space, including Amazon, Big O Tires, Costco, El Super, FedEx, Kohl's, Mattel, Nordstrom, Pepsi, Petco, Skechers, Target, The Home Depot, UPS, and Walmart



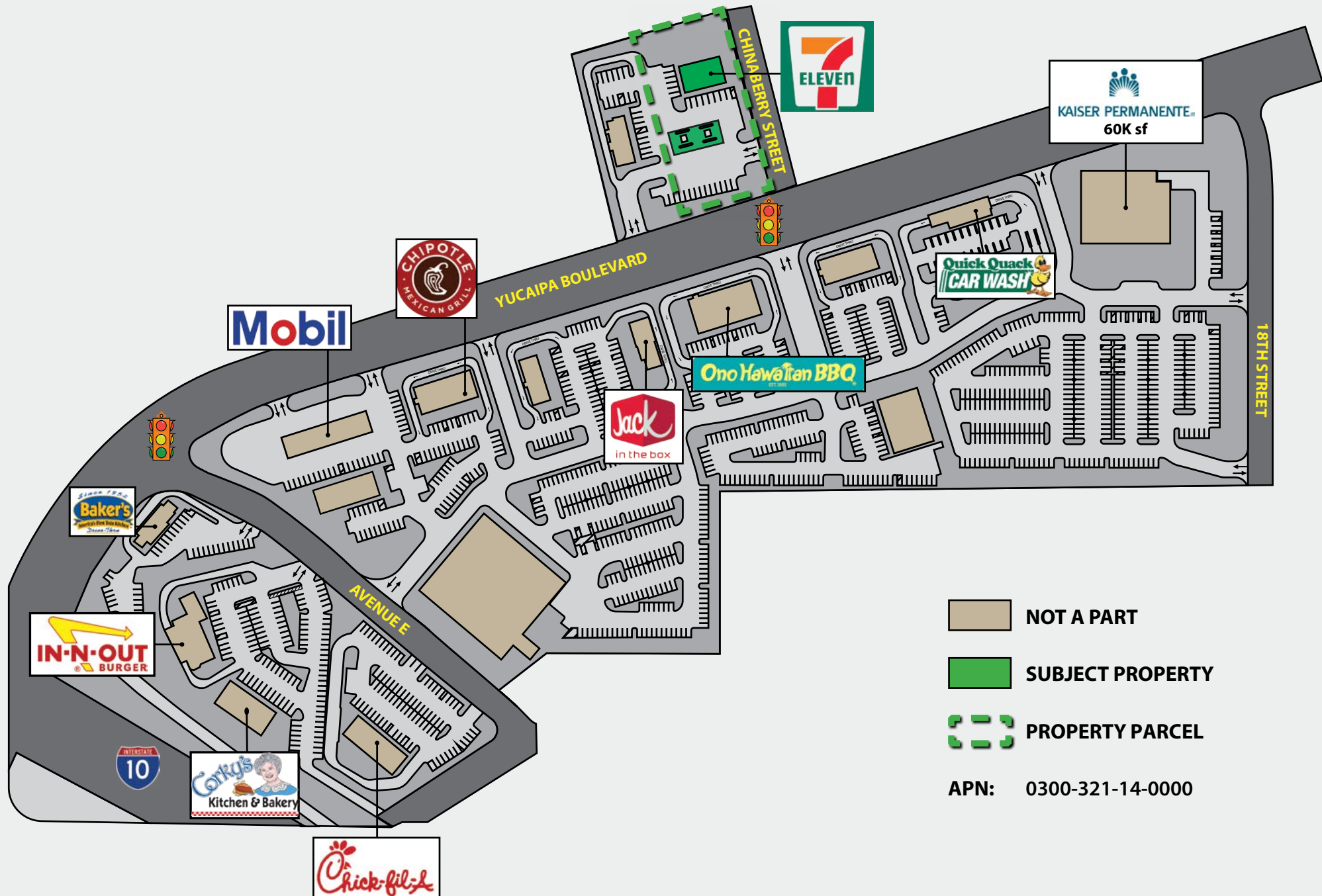
REPRESENTATIVE PHOTOS

SITE PLAN / PARCEL MAP

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AERIAL OVERVIEW

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2020 DEMOGRAPHICS



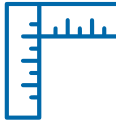
Population:

1-Mile Radius	3,988
3-Mile Radius	33,700
5-Mile Radius	116,233



Household Income:

1-Mile Radius	\$107,668
3-Mile Radius	\$119,991
5-Mile Radius	\$91,417


Yucaipa Blvd. Recently Expanded to 6 Lanes

SUBJECT PROPERTY


FUTURE RETAIL

YUCAIPA POINTE
-135,000 SF SHOPPING CENTER,
PLANNED -

25,000 CPD

YUCAIPA BOULEVARD

AVENUE E



157,000 CPD

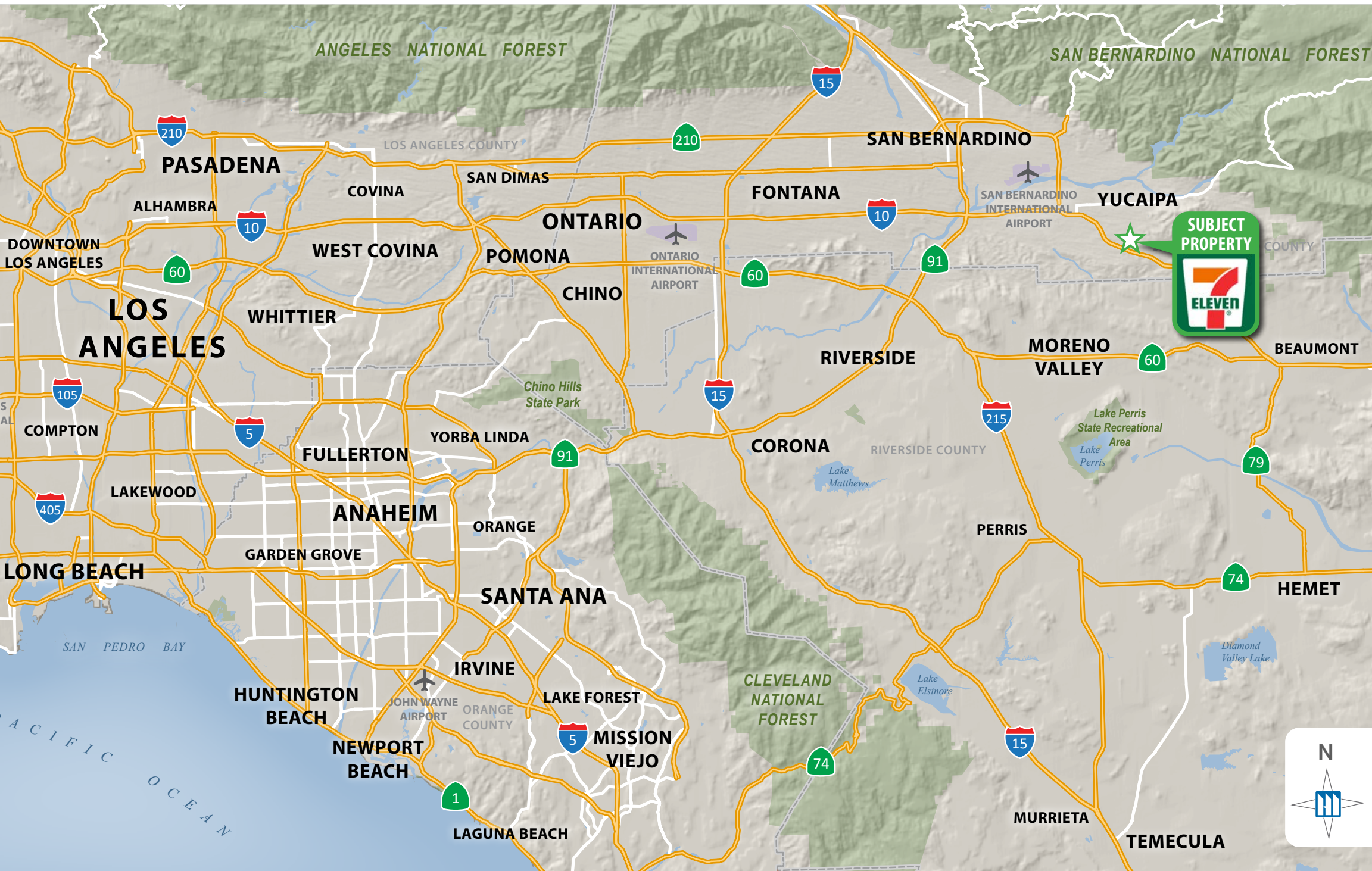


REGIONAL MAP

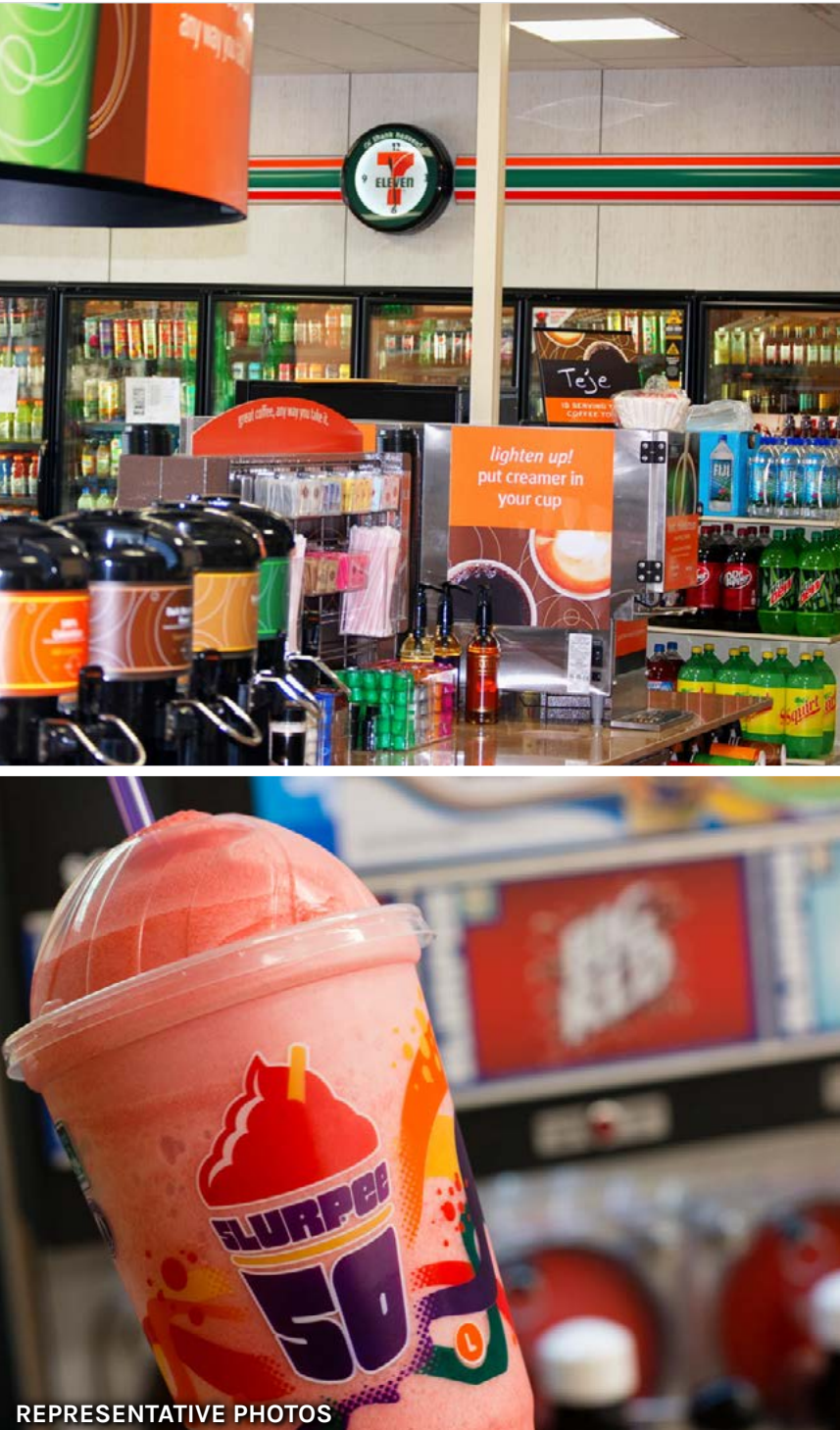
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7-ELEVEN

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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Yucaipa, California

- Located 10 miles east of San Bernardino, in San Bernardino County
- One hour drive to Los Angeles and Orange County, 2 hours to San Diego
- 54,000 population; 2.2 million population in the county
 - 75,000 population in the immediate market area, which includes parts of Redlands and Calimesa

ECONOMY

- The largest industries include retail trade, health care, social assistance and educational services
- Major employers include Sorenson Engineering and Yucaipa-Calimesa Joint Unified School District
- **Omnitrans** - Provides public transit throughout the County; \$2.7 million Yucaipa Transit Center was a joint project by Omnitrans and the City

DEVELOPMENTS

- **Performing Arts Center** - 16,200 square foot multi-purpose performing arts center; spring 2019
- **Oak Glen Riverbed** - 144 homes on 38.6 acres; currently approved and in planning
- **Yucaipa Boulevard Expansion** - Yucaipa Boulevard was recently expanded from four to six lanes in order to accommodate the increasing traffic to the immediate area"

- **Freeway Corridor Specific Plan** - 1,242-acre project that will provide a regionally significant commercial center, 2,400 residential units, and over 550 acres of open space, schools, and other amenities
- **Oak Glen Creek Specific Plan** - 200 homes, 25,000 square feet of commercial space, and open space for trails and recreational uses; ongoing
- **Yucaipa Pointe** - Planned development of a 135,000 square foot community shopping center and an apartment complex
 - Proposed tenants include Chipotle, Jack in the Box, Ono Hawaiian BBQ, Quick Quack Car Wash, and Kaiser Permanente

EDUCATION

- **Yucaipa-Calimesa Joint Unified School District** - 9,800 students and 800 employees; largest employer in the Yucaipa Valley
- **University of Redlands** - 160-acre private, nonprofit university; serves 5,000 students
- **Crafton Hills College** - Community college offering 50+ majors; serves 6,200 students
 - Received \$190 million grant to improve facilities and accommodate a 75% increase in enrollment by 2025

City of Yucaipa Highlights

\$84,947

**AVERAGE
HOUSEHOLD INCOME**



**38.3% PROJECTED
FUTURE JOB GROWTH**



**YUCAIPA POINTE 25-ACRE
PLANNED DEVELOPMENT**



Yucaipa Regional Park



Crafton Hills College



Uptown





	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2024 Projection	4,000	34,028	117,840
2020 Estimate	3,988	33,700	116,233
2010 Census	3,851	32,461	111,222
2000 Census	3,547	27,196	97,949
Growth 2000-2010	8.57%	19.36%	13.55%
Growth 2010-2020	3.56%	3.82%	4.51%
Growth 2020-2024	0.30%	0.97%	1.38%
Households			
2024 Projection	1,453	12,107	43,171
2020 Estimate	1,446	11,963	42,506
2010 Census	1,376	11,336	39,920
2000 Census	1,292	9,704	36,378
Growth 2000-2010	6.50%	16.82%	9.74%
Growth 2010-2020	5.09%	5.53%	6.48%
Growth 2020-2024	0.48%	1.20%	1.56%
2020 Est. Population by Single-Classification Race			
White Alone	3,022	25,376	83,583
Black or African American Alone	67	957	4,033
American Indian and Alaska Native Alone	39	303	1,139
Asian Alone	126	1,988	5,858
Native Hawaiian and Other Pacific Islander Alone	4	71	291
Some Other Race Alone	528	3,417	15,633
Two or More Races	195	1,532	5,450
2020 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	1,316	9,991	40,733
Not Hispanic or Latino	2,672	23,709	75,500
2020 Est. Average Household Income	\$107,668	\$119,991	\$91,417

CONFIDENTIALITY AGREEMENT

7-ELEVEN



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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.