



15-Year Absolute NNN Ground Lease • 10% Increases Every 5 Years • Brand New Construction



REPRESENTATIVE PHOTO



OFFERING MEMORANDUM
INDIO, CALIFORNIA



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OFFERING MEMORANDUM

INDIO, CALIFORNIA

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OFFERING SUMMARY

7-ELEVEN



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LOCATION

7-Eleven
NWC Golf Center Parkway & Avenue 45
Indio, CA 92201



OFFERING SUMMARY

| | |
|--|-------------|
| Price: | \$3,255,000 |
| Current Net Operating Income (NOI): | \$135,000 |
| Current Capitalization Rate: | 4.15% |
| Net Rentable Area: | 3,100 |
| Year Built: | 2020 |
| Lot Size (Acres): | 1.03 |

LEASE TERMS (1)

| | |
|--------------------------------|--------------------------------|
| Lease Commencement: (2) | Q1 2021 |
| Lease Term: | 15 Years |
| Lease Type: | Absolute NNN Ground Lease |
| Roof & Structure: | Tenant Responsibility |
| Monthly Rent: | \$11,250 (\$3.63/sf) |
| Annual Rent: | \$135,000 (\$43.55/sf) |
| Rental Increases: | 10% Every 5 Years |
| Renewal Options: | Three 5-Year @ 10% Each Option |

- (1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.
(2) Estimated lease commencement date.



REPRESENTATIVE PHOTOS



INVESTMENT HIGHLIGHTS

7-ELEVEN



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- **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 more than 71,100 locations globally (11,800 North America) 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

- **Hard Corner Signalized Intersection Location:** Ideally situated at the Northwest corner of Golf Center Parkway and Avenue 45

- **Excellent Accessibility, Identity, and Visibility Along the Interstate 10 Freeway:**

- Located less than a quarter mile from Interstate 10, a primary east/west arterial connecting Los Angeles to San Bernardino County, Riverside County, and Phoenix, Arizona
- Benefits from a 25-foot pylon sign visible from the Interstate 10
- First gas station situated at the first signal southbound on Golf Center Parkway coming from Interstate 10



**Fastest Growing City
in Coachella Valley**

#1

City in the U.S. for Live Music

REPRESENTATIVE PHOTO



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

INVESTMENT HIGHLIGHTS

7-ELEVEN



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- **Indio is the Largest and Fastest Growing City in the Coachella Valley with Over 92,000 People**
- **Strong Population Growth:** Indio's population has grown over 120% since 2000, making it one of the fastest growing cities in California
- **Close Proximity to Established Master-Planned Residential Population:** Terra Lago, a 1,200+ unit master planned community and golf course is less than 1.5 miles from the property
- **Site of Planned or Recently Constructed Developments:** Over 2,700 housing units are planned or under construction
- **Major Tourist Attraction:** Indio attracts over 1.4 million visitors each year; home to the Coachella Valley Music and Arts Festival and Stagecoach Festival
 - **Coachella Valley Music & Arts Festival:** The largest music festival in the world attracting over 250,000 visitors
 - **Stagecoach:** The second largest music festival in the world attracting over 85,000 visitors
 - **Riverside County Fair & National Date Festival:** 315,000 visitors
 - **Fantasy Springs Resort and Casino:** 12-story, 250-room luxury hotel and 100,000 square foot special events and entertainment center



#2

Top Emerging Travel
Destination in the U.S.

REPRESENTATIVE PHOTO



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SITE PLAN / PARCEL MAP

7-ELEVEN



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AERIAL OVERVIEW

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REGIONAL MAP

7-ELEVEN



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160
Hotels

Located in Coachella Valley

130
Golf Courses

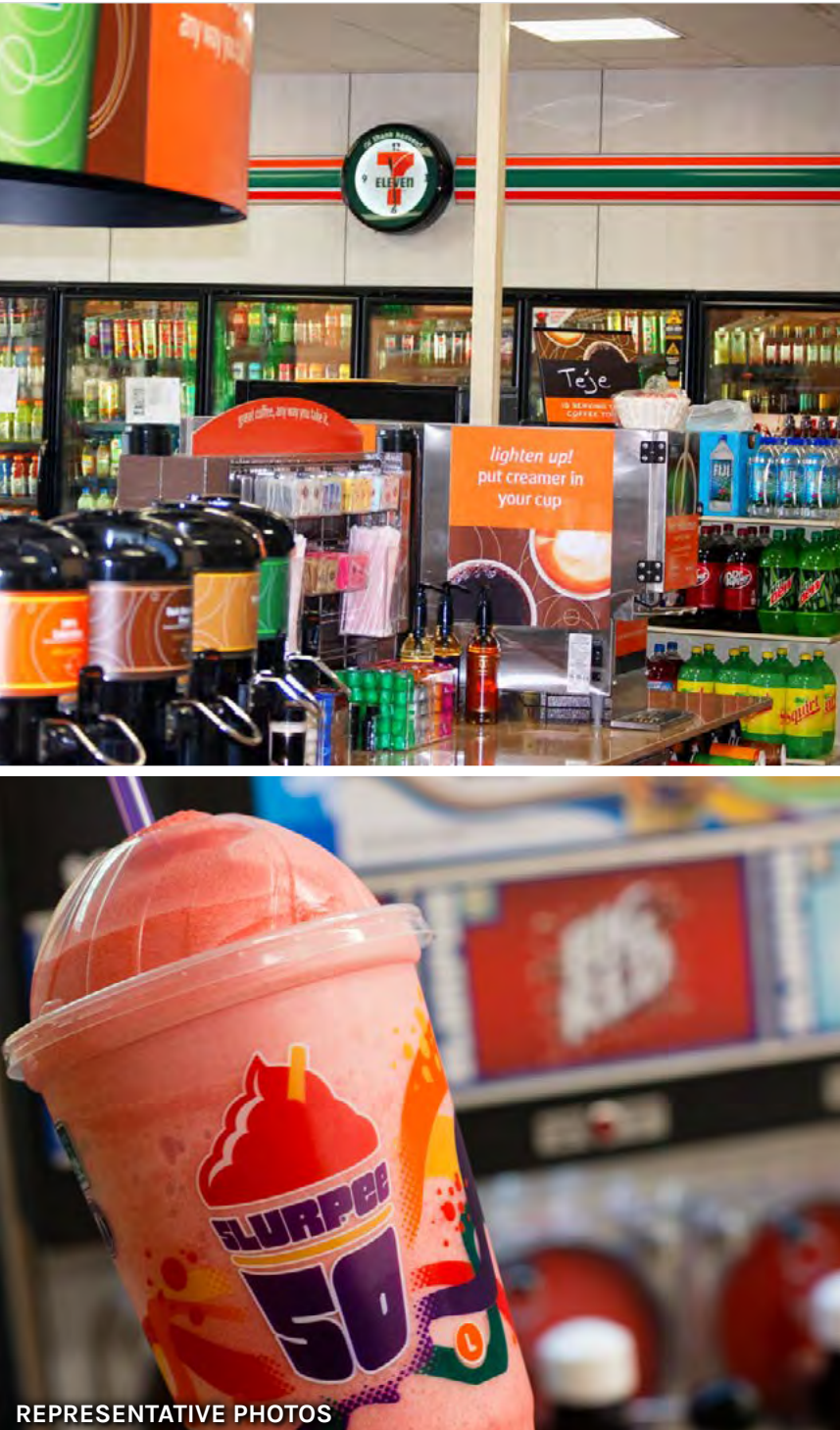
Located in Palm Springs Area



PALM SPRINGS INTERNATIONAL AIRPORT (PSP)

- 2.3 million annual passengers
- Named one the top 10 U.S. "Most Stress Free Airports" by smartertravel.com





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 typically 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

Palm Springs Life



Indio: Resurgence as the Heart of the Valley

By Judith Salkin | December 17, 2019

Today, the “City of Festivals” welcomes business and manufacturing and boasts an incredible mix of arts and culture.

Whether you cruise through the Coachella Valley on Interstate 10 or Highway 111, all roads lead to Indio, which was a midpoint for the Southern Pacific Railroad as a water stop in 1876, when the city was founded.

Mayor Lupe Ramos Amith, who has spent her entire life in Indio and is serving her third term in the rotating mayoral position, credits the city’s resurgence to residents and a City Council and staff who recognize the need to preserve the city’s past while moving into the future. “As we move forward, we know we have to make sure that the opportunities for education, work, housing are all available to help keep our youth here and to be able to keep our business community thriving by providing the educated workers that they need, too,” Ramos Amith said.

PSL [CLICK FOR ARTICLE](#)

Desert Sun.

PART OF THE USA TODAY NETWORK



Greater Palm Springs Area Still A Draw During Hot Summer Months. Here's How Tourism Industry Turns Up The 'Chill'

By Sherry Barkus | August 8, 2019

The heat is on and the major events that draw people to the desert, filling hotel rooms as well as shops and restaurants, are long gone for another season. But even with triple-digit temperatures, the area is still a tourism draw and industry experts say they have seen a steady increase in summer visitors over the past few years.

“The savvy traveler has come to recognize Palm Springs as a great value during the summer months while the vibe of Palm Springs continues to evolve,” said Matt Shough, general manager of the Saguaro in Palm Springs. “This year, especially with a longer and wetter winter in many parts of California, even more people from the coastal drive markets are looking for sunshine.”

 [CLICK FOR ARTICLE](#)

85K

People Per Day in Attendance to the StageCoach Music Festival

STAGECOACH

\$106
MILLION

Economic Impact in the City of Indio



250K

People in Attendance to the Coachella Valley Music Festival

COACHELLA





- ◆ 250 HOTEL ROOMS, 2,000 SLOT MACHINES AND VIDEO POKER, 40 TABLES AND 100,000 SQUARE FOOT, 3,700-SEAT SPECIAL EVENTS CENTER SPACE
- ◆ 18-HOLE EAGLE FALLS GOLF COURSE
- ◆ FANTASY LANES - ON-SITE 24-LANE BOWLING ALLEY WITH ARCADE, VIDEO GAMES, A SNACK BAR, AND SPORTS LOUNGE FOR ADULTS
- ◆ HOME TO THE BISTRO FINE DINING ALONG WITH MULTIPLE CASUAL RESTAURANTS, QUICK EATS, AND BARS



Indio, California

- Located in Riverside County, in the Coachella Valley of Southern California's desert region
- 92,989 population; largest city in the Coachella Valley
- Known as the "City of Festivals"; ranked #1 "City in the U.S. for Live Music" by Matador Network (2018)
 - #2 "Top Emerging Travel Destination" in the U.S. - Trivago (2018)
- 8th "Fastest Growing City in California" - WalletHub (2018)
- 3rd "Fastest Growing City in Southern California" - WalletHub (2018)

ECONOMY

- Top employers include County of Riverside, Desert Sands Unified School District, Fantasy Springs Resort Casino, and John F. Kennedy Memorial Hospital
- Tourism is the #1 economic driver in the city
- **Empire Polo Club** - Hosts the Coachella Valley Music & Arts Festival, and Stagecoach Country Music Festival;
 - Combined, the two festivals gross more than of \$100 million and bring in nearly 300,000 concert-goers
- 30,000 snowbirds move to Indio during the winter months

DEVELOPMENTS

- 2,700+ housing units are planned or under construction
- **Downtown Indio** - Proposal includes bringing housing,

retail, restaurants, and arts & entertainment to revitalize downtown; to be completed Spring 2020

- **College of the Desert Expansion** - Expanding downtown campus from 40,000 square feet to 80,000 square feet and 4,320 students to 9,640 students; to be completed winter 2022
 - Also purchased 3rd site for future 20,000 square foot Child Development Center south of the first building; to be completed by 2023
- **The Palms Center** - Development that will include a 12-screen movie theater, 93-room Hampton Inn & Suites by Hilton and restaurant; anticipated groundbreaking in Spring 2020
- **Indio Grand Marketplace** - An expansion and redevelopment of the former Indio Fashion Mall, plus an additional 20 acres of land; 40-acre, 240,000 square foot mixed-use development with over 400 new residential units as well as a hospitality element

City of Indio Highlights

1.4M

**VISITORS
ANNUALLY**



**#3 FASTEST GROWING
CITY IN SOUTHERN CA**

#2

**TOP EMERGING
TRAVEL DESTINATION**



EMPIRE POLO CLUB



COACHELLA MUSIC & ARTS FESTIVAL



STAGECOACH COUNTRY MUSIC FESTIVAL



Coachella Valley

- Also known as the Palm Springs/Indio Metropolitan Area; A desert valley in Southern California that extends from Riverside County to the San Bernardino Mountains
- A major winter destination, the valley's population fluctuates from almost 500,000 in April to around 200,000 in July and around 800,000 by January
- A premium golfing destination with over 125 golf courses and hosting some of the popular events in California
 - One of "America's 12 Best Golf Vacations" by EscapeHere (2018); 8 of Golfs Digest's "Best Golf Courses in California 2018" are in the region

ECONOMY

- Tourism is the largest employer and the #1 contributor to the local economy employing 19,000+
 - \$4 billion generated annually
 - 12M+ estimated number of day and overnight visits annually
- Major annual events include: Coachella Music and Arts Festival, Stagecoach Festival, PGA/LPGA Golf Tournaments, BNP Paribas Tennis Open, Food and Wine Festival, and Palm Springs International Film Festival
- **Palm Springs International Airport** - 5 minutes from downtown Palm Springs; 2.3 million passengers pass through annually
- Golf generates nearly \$1.1 billion in overall economic activity, thousands of jobs (7.3% of total employment), and roughly \$83.3 million in state and local taxes
- Coachella Valley houses approximately 150+ hotels with 15,000 hotel rooms
 - 801 rooms were under construction in 2018-19, increasing hotel supply by 10% in 2020
- Plans to increase tourism to 16.8 million by 2026; a 30% increase from 2018
- **Agua Caliente Casino Resort & Spa** - 16-story hotel tower with 2,200-seat showroom and 2,000 slot machines; new 10,000-seat sports arena slated to open in Fall 2021
- **Fantasy Springs Resort Casino** - 250-room hotel, 100,000 square foot casino floor with 2,000 slot machines, 7 dining choices, a 3,500-seat special events center, bowling at Fantasy Lanes and championship golf at Eagle Falls Golf Course
- **The Indian Wells Tennis Garden** - 29 tennis courts with 16,100-seat stadium; #2 largest tennis-specific venue in the world and home of the BNP Paribas Tennis Open



\$4B

**GENERATED ANNUALLY
FROM TOURISM**



**TOURISM EMPLOYS
19,000+ PEOPLE**



**\$1.1B
ECONOMIC IMPACT**



AGUA CALIENTE CASINO RESORT & SPA



PALM SPRINGS INTERNATIONAL AIRPORT



INDIAN WELLS TENNIS GARDEN



| | <u>1-Mile</u> | <u>3-Mile</u> | <u>5-Mile</u> |
|---|-----------------|-----------------|-----------------|
| Population | | | |
| 2024 Projection | 8,874 | 90,439 | 152,862 |
| 2019 Estimate | 8,715 | 86,291 | 146,128 |
| 2010 Census | 8,246 | 79,421 | 134,369 |
| 2000 Census | 7,557 | 52,640 | 87,098 |
| Growth 2000-2010 | 9.12% | 50.88% | 54.27% |
| Growth 2010-2019 | 5.69% | 8.65% | 8.75% |
| Growth 2019-2024 | 1.82% | 4.81% | 4.61% |
| Households | | | |
| 2024 Projection | 2,369 | 25,911 | 45,947 |
| 2019 Estimate | 2,316 | 24,617 | 43,720 |
| 2010 Census | 2,120 | 21,849 | 38,935 |
| 2000 Census | 1,836 | 14,331 | 24,077 |
| Growth 2000-2010 | 15.47% | 52.46% | 61.71% |
| Growth 2010-2019 | 9.25% | 12.67% | 12.29% |
| Growth 2019-2024 | 2.29% | 5.26% | 5.09% |
| 2019 Est. Population by Single-Classification Race | | | |
| White Alone | 4,572 | 45,570 | 82,752 |
| Black or African American Alone | 121 | 1,752 | 2,630 |
| American Indian and Alaska Native Alone | 108 | 932 | 1,374 |
| Asian Alone | 132 | 1,605 | 2,952 |
| Native Hawaiian and Other Pacific Islander Alone | 7 | 78 | 117 |
| Some Other Race Alone | 3,468 | 33,300 | 51,437 |
| Two or More Races | 290 | 2,804 | 4,474 |
| 2019 Est. Population by Ethnicity (Hispanic or Latino) | | | |
| Hispanic or Latino | 7,616 | 69,977 | 108,997 |
| Not Hispanic or Latino | 1,099 | 16,314 | 37,131 |
| 2019 Est. Average Household Income | \$52,746 | \$62,840 | \$71,496 |

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.