



98-316 KAMEHAMEHA HIGHWAY, AIEA, O'AHU HI 96701



OFFERING MEMORANDUM



EXCLUSIVE INVESTMENT ADVISOR:

R. PHILLIP RAMMING

Senior Managing Director
pramming@farislee.com
(949) 221-1817
License No. 02100207

HAWAII BROKER OF RECORD:

SCOTT DeYOUNG

Senior Managing Director
sdeyoung@farislee.com
(949) 221-1835
HI RB 21827



18301 Von Karman Ave., Suite 800, Irvine, CA 92612
(949) 221-1800 | farislee.com





OFFERING PRICE:
\$4,615,000

NOI: **\$150,000** CAP RATE: **3.25%**

EST. RENTABLE SQ FT:

2,444 SF

LOT SIZE:

.32 AC (13,888 SF)

PARKING SPACES:

13 spaces

LOCATION:

Aiea, O'ahu HI

YEAR BUILT:

1987 (Renovated 2019)

TENANT NAME:

7-Eleven Hawaii, Inc.

WEBSITE:

www.farislee-aiea7eleven.com

- **RARE O'AHU HAWAII SINGLE TENANT FEE PROPERTY INVESTMENT**

- **TOP RANKED INVESTMENT GRADE TENANT (S&P AA-)**

- **FREESTANDING BUILDING**

- **ABSOLUTE TRIPLE NET LEASE INVESTMENT**

- **LONG TERM LEASE WITH 2 X 10 YEAR OPTIONS TO RENEW**

- **10% RENT INCREASE IN FEBRUARY OF 2024 AND EVERY 5 YEARS DURING OPTIONS**

- **BUILDING COMPLETELY RENOVATED AND EXPANDED BY 7-ELEVEN IN JANUARY 2019**

- **TENANT HAS A DOMINATE POSITION IN THE HAWAIIAN MARKET WITH OVER 65 LOCATIONS**

ZERO LANDLORD RESPONSIBILITIES

- Tenant pays all real property taxes, insurance, and maintenance expenses; including roof, structure and parking area

HIGH VISIBILITY CORNER

- Bus stop on heavily traveled Kamehameha Highway

CLOSE PROXIMITY TO PEARLRIDGE RAIL TRANSIT CENTER

EXCEPTIONAL LOCATION

- Household Average Income \$116,000 – 3 miles
- Population 5 year forecast 103,153 – 3 miles

INVESTMENT GRADE TENANT

- 7-Eleven Inc. the world's largest operator, franchiser and licensor of convenience stores backs this Investment. The company operates nearly 10,000 locations in the U.S. and Canada and more than 71,000 stores in 17 countries around the world

ESSENTIAL RETAILER

- As an essential retailer, the 7-Eleven has remained open and operating throughout the COVID pandemic. Rent has been paid in full each month

PRIME LOCATION

- Located in a key location on the Kamehameha Highway (Kam Highway) close to Honolulu International Airport, the Pearl Harbor National Memorial and Aloha Stadium. Traffic count over 51,000 VPD





NOT TO SCALE

LEEWARD COMMUNITY COLLEGE



3

3

PEARL HIGHLANDS CENTER



QUEEN LILUOKALANI FREEWAY

KAMEHAMEHA HWY (±51,301 VPD)

2

HARBOR CENTER



1

PEARLRIDGE CENTER



1





NOT TO SCALE

HONOLULU



QUEEN LILUOKALANI FREEWAY

KAMEHAMEHA HWY (±51,301 VPD)

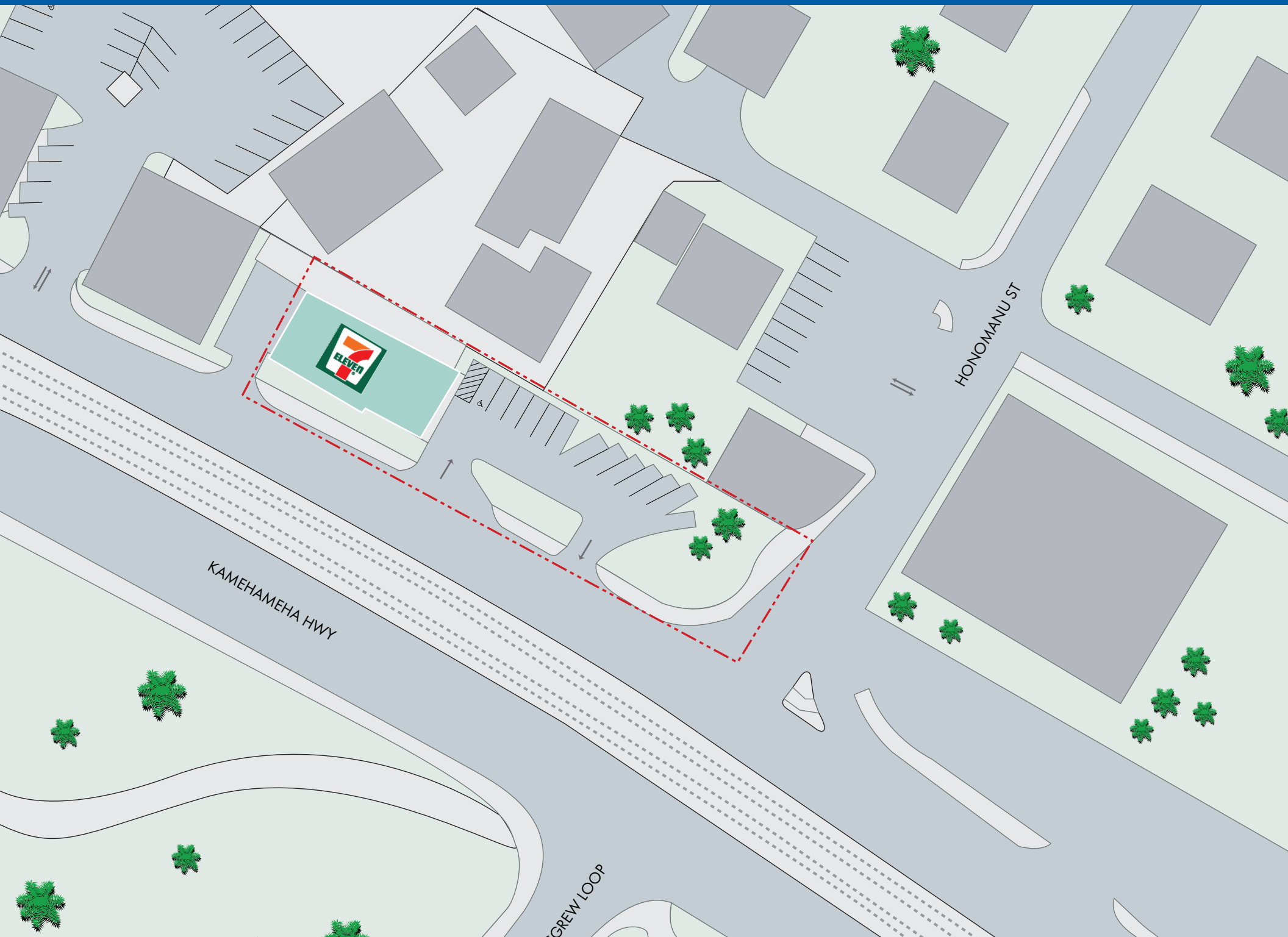
PEARL HARBOR NATIONAL MEMORIAL



PEARL HARBOR NATIONAL MEMORIAL

- 1.8 M VISITORS PER YEAR
- 5000 VISITORS A DAY
- 9 HISTORIC SITES

SITE PLAN



PROPERTY DESCRIPTION



LOCATION
98-316 Kamehameha Highway
Aiea, HI 96701



BUILT
Location was built in 1987
and renovated 2019



RENTABLE AREA
2,444 SF



LAND AREA
0.32 AC (13,888 SF)



PARKING
13 spaces (5.32 per 1,000 SF)



OWNERSHIP
Fee Simple (Land & Building)



ZONING
Per the city of Honolulu
the location is zoned as B-2
Community Business



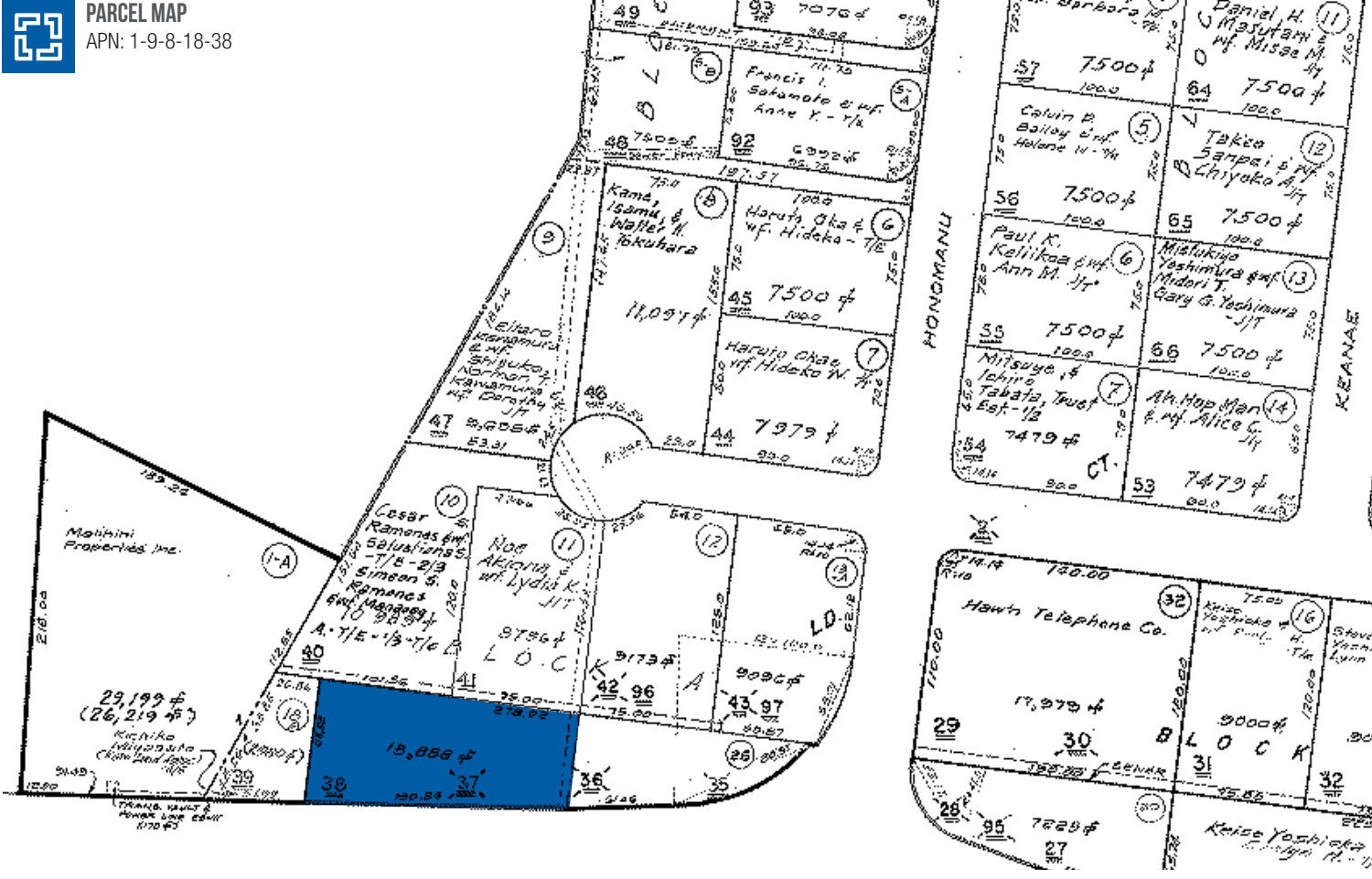
ACCESS
There are 2 access point via
Kamehameha Highway
(Route 99)

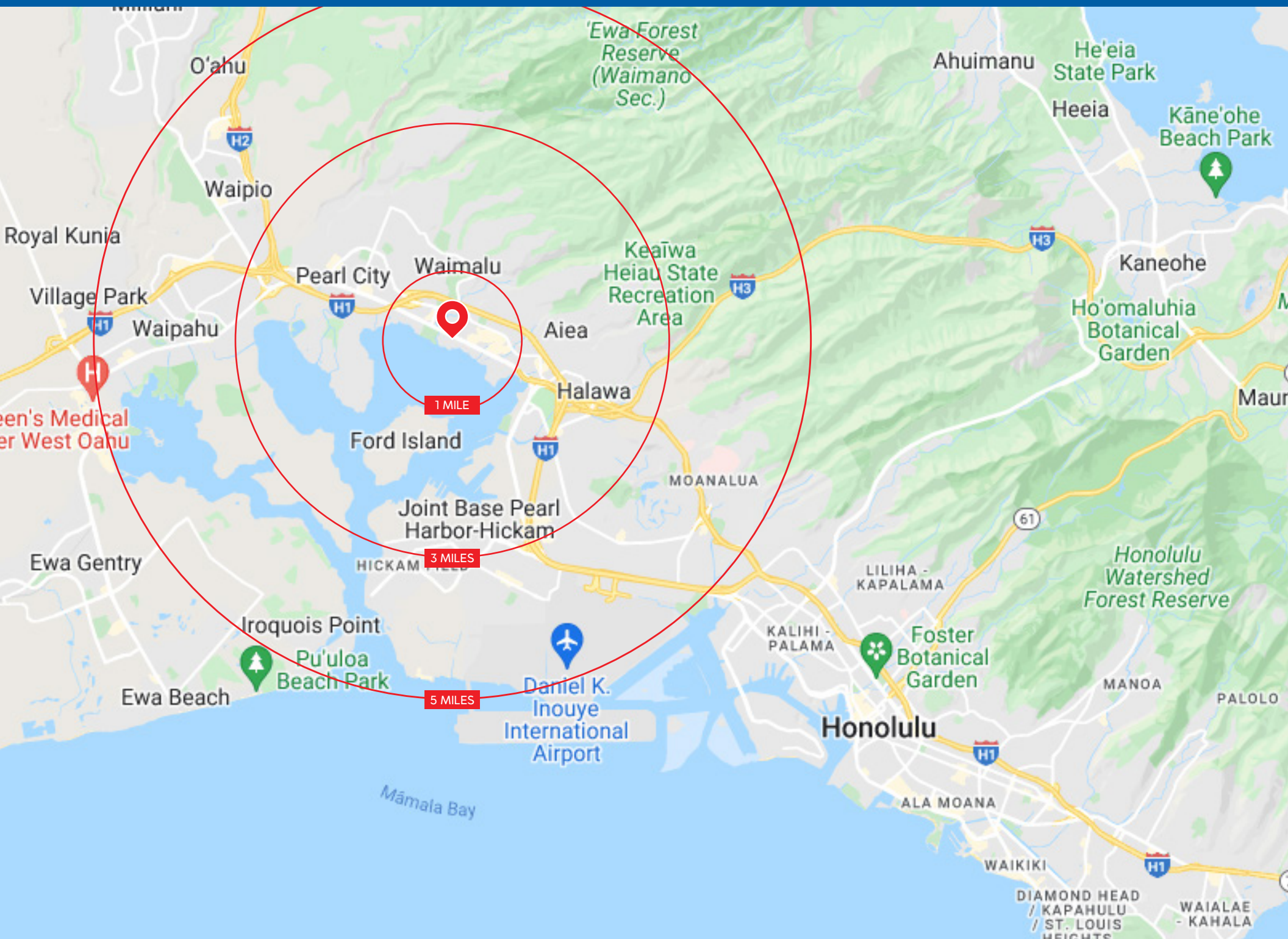


TRAFFIC COUNTS
Kamehameha Hwy. ±51,301 VPD
I H-201 ±37,492 VPD
Moanalua Rd. ±29,754 VPD
I H-1 ±221,785 VPD
Kaonohi St. ±11,066 VPD
Honomanu St. ±7,998 VPD



PARCEL MAP
APN: 1-9-8-18-38





AREA OVERVIEW

HOUSEHOLD EXPENDITURES

INDUSTRY	TOTAL SPENDING	PERCENTAGE
APPAREL	\$123,095,227	5.36%
ENTERTAINMENT, HOBBIES, PETS	\$318,896,605	13.87%
FOOD & ALCOHOL	\$624,662,337	27.18%
HOUSEHOLD	\$385,187,594	16.76%
TRANSPORTATION & MAINTENANCE	\$574,682,572	25.00%
HEALTH CARE	\$105,094,014	4.57%
EDUCATION & DAYCARE	\$166,916,179	7.26%

INDUSTRY STATISTICS

INDUSTRY	EMPLOYMENT	PERCENTAGE
TRADE TRANSPORT & UTILITIES	20,848	25.02%
INFORMATION	956	1.15%
FINANCIAL ACTIVITIES	4,605	5.53%
PROFESSIONAL & BUSINESS SERVICES	7,395	8.87%
EDUCATION & HEALTH	17,415	20.90%
LEISURE & HOSPITALITY	9,455	11.35%
OTHER SERVICES	4,654	5.58%
PUBLIC ADMIN	4,713	5.66%
NATURAL RESOURCES & MINING	67	0.08%
CONSTRUCTION	4,930	5.92%
MANUFACTURING	8,296	9.96%

98-316 KAMEHAMEHA HWY. AIEA, HI 96701

POPULATION

	1 MILE	3 MILES	5 MILES
2021 Estimated Population	18,395	102,986	216,043
Population 5 Years Forecast	18,559	103,153	216,689
Population 10 Years Forecast	18,850	104,339	219,360
Average Age	41	41	40

HOUSEHOLDS

2021 Estimated Households	6,880	31,272	64,088
Households 5 Years Forecast	6,930	31,313	64,323
Households 10 Years Forecast	7,031	31,683	65,160

INCOME

Household Average Income	\$96,423	\$116,576	\$112,507
--------------------------	----------	-----------	-----------

BUSINESS

Total Businesses	993	1,972	4,231
Total Employees	11,976	39,094	92,903

REGION

Oahu



COUNTY

Honolulu



METRO

Honolulu

HOUSING MARKET

\$530,000
AVERAGE LIST PRICE

\$877,000
AVERAGE HOME VALUE

TOP EMPLOYERS



3 miles to Pearl City



5 miles to Waipahu



9 miles to Honolulu



RENT ROLL

TENANT NAME	SF	DATE	INCREASE	MONTHLY RENTAL RATES		ANNUAL RENTAL RATES		RECOVERY TYPE	LEASE START	LEASE EXPIRATION	LEASE OPTIONS
				RENT	PSF	RENT	PSF				
Seven-Eleven	2,444	Current		\$12,500	\$5.11	\$150,000	\$61.37	NNN	2/1/2019	1/31/2029	2 (10-Year)
Hawaii, Inc.		Feb-2024	10%	\$13,750	\$5.63	\$165,000	\$67.51				Opt. 1 (Year 11-15): \$15,125.00/mo. Opt. 1 (Year 16-20): \$16,637.50/mo. Opt. 2 (Year 21-25): \$18,301.25/mo. Opt. 2 (Year 26-30): \$20,131.38/mo.



TRANSACTION SUMMARY

FINANCIAL INFORMATION

Price:	\$4,615,000
Rentable Area	2,444 SF

OPERATING INFORMATION

	In-Place	Feb-25
Gross Potential Rent	\$150,000	\$165,000
Plus Recapture	NNN	NNN
Effective Gross Income	\$150,000	\$165,000
Less Expenses	(NNN)	(NNN)
Net Operating Income	\$150,000	\$165,000
Cap Rate	3.25%	3.575%



LEASE ABSTRACT

TENANT:	Seven-Eleven Hawaii, Inc.
RENTABLE SQUARE FEET:	2,444 SF
LEASE EFFECTIVE DATE:	January 2nd, 2018
RENT START DATE:	February 1st, 2019
CURRENT LEASE EXPIRATION DATE:	January 31st, 2029
LEASE TYPE:	Lease
CURRENT LEASE TERM:	10
RENT:	Year 1-5: \$12,500.00/mo. Year 6-10: \$13,750.00/mo.
LEASE OPTIONS:	2 (10-Year)
OPTION RENT:	Opt. 1 (Year 11-15): \$15,125.00/mo. Opt. 1 (Year 16-20): \$16,637.50/mo. Opt. 2 (Year 21-25): \$18,301.25/mo. Opt. 2 (Year 26-30): \$20,131.38/mo.
PROPERTY TAXES:	Tenant responsible
INSURANCE:	Tenant responsible
CAM:	Tenant responsible
ROOF & STRUCTURE:	Tenant responsible
HVAC:	Tenant responsible

Seven-Eleven Hawaii, Inc.

2,444 SF

January 2nd, 2018

February 1st, 2019

January 31st, 2029

Lease

10

Year 1-5: \$12,500.00/mo.
Year 6-10: \$13,750.00/mo.

2 (10-Year)

Opt. 1 (Year 11-15): \$15,125.00/mo.
Opt. 1 (Year 16-20): \$16,637.50/mo.
Opt. 2 (Year 21-25): \$18,301.25/mo.
Opt. 2 (Year 26-30): \$20,131.38/mo.

Tenant responsible

Tenant responsible

Tenant responsible

Tenant responsible

Tenant responsible





7-Eleven // www.7-eleven.com

7-Eleven is a chain of convenience stores and gas stations. They operate mostly in the United States but have stores in 19 countries throughout the world. They were the first convenience store in the world and the first store to provide to-go coffee cups, offer a self-serve soda fountain, sell gas, and operate for 24 hours a day. 7-Eleven is also known for its relatively large drink sizes. Their products have become staples in cultures worldwide. In 2005, Seven & I Holdings became the parent company of 7-Eleven.

7-Eleven Hawaii, Inc.

Seven-Eleven Hawaii, Inc. is a 7-Eleven branch located in O'ahu and the Neighbor Islands. There are currently 65 stores on all the islands combined. These stores offer different food and beverage options than stores in the mainland US. They carry various options that are native to the Hawaiian culture.

Company Type:	Public (SVNDY)
Locations:	71,800+
Employees:	138,800+
2021 Revenue:	\$66.4 B
2021 Assets:	\$60.3 B
Moody's:	Baa2 Stable
S&P Rated:	AA-





The City of Honolulu

Aiea is a census-designated place (CDP) located in the City and County of Honolulu, Hawaii and its name is derived from a species of plant in the nightshade family. Aiea is the home of Pearlridge, Hawaii's largest enclosed shopping center and second largest shopping center in the state. It is also next to Aloha Stadium, home of the University of Hawai'i Warriors football team, and the host site for the Hawai'i Bowl every Christmas Eve and the National Football League's Pro Bowl every February, is located in the adjacent Halawa CDP.

Honolulu is the capital and largest city of the U.S. state of Hawaii and is the state's gateway city to the world. Honolulu is also a major hub for international business, finance, hospitality, and military defense in both the state and Oceania. The city is characterized by a mix of various Asian, Western, and Pacific cultures, as reflected in its diverse demography, cuisine, and traditions. Honolulu means "sheltered harbor" or "calm port" in Hawaiian, and it has been the capital of the Hawaiian Islands since 1845, first of the independent Hawaiian Kingdom, and after 1898 of the U.S. territory and state of Hawaii.

Honolulu's favorable tropical climate, rich natural scenery, and extensive beaches makes it a popular global destination for tourists. The City consistently performs well in several world livability rankings, based on healthcare, safety, education, culture, and other metrics. According to the 2019 Global Livability Index, it ranked 22nd out of 140 cities worldwide, the highest of any American city. It is also the second safest city in the U.S.

The Island of Oahu

Oahu, also known as "The Gathering Place", is the third-largest of the Hawaiian Islands. It is home to roughly one million people—about two-thirds of the population of the U.S. state of Hawaii. The island lies within Honolulu County and the state capital, Honolulu, is on Oahu's southeast coast. Oahu is 44 miles long and 30 miles across. Its shoreline is 227 miles long. The island is composed of two separate shield volcanoes: the Wai'anae and Ko'olau Ranges, with a broad valley or saddle (the central Oahu Plain) between them. The highest point is Ka'ala in the Wai'anae Range, rising to 4,003 feet above sea level. Today, Oahu has become a tourism and shopping haven. Over five million visitors (mainly from the contiguous United States and Japan) flock there every year to enjoy the island.



EXCLUSIVE INVESTMENT ADVISOR:

R. PHILLIP RAMMING

Senior Managing Director
pramming@farislee.com
(949) 221-1817
License No. 02100207

HAWAII BROKER OF RECORD:

SCOTT DeYOUNG

Senior Managing Director
sdeyoung@farislee.com
(949) 221-1835
HI RB 21827



18301 Von Karman Ave., Suite 800, Irvine, CA 92612
(949) 221-1800 | farislee.com

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of this property. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

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, and it is not to be used for any other purpose or made available to any other person without the express written consent of Seller or FLI. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by FLI from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

No representation or warranty, expressed or implied, is made by the Seller, FLI, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. 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, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building at the Property site.

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 FLI 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.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.