

7-ELEVEN [45 YR OPERATING HISTORY]

646 WEST INDIAN SCHOOL ROAD, PHOENIX, ARIZONA



OFFERING MEMORANDUM

Marcus & Millichap



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MELROSE DISTRICT
ICONIC PHOENIX NEIGHBORHOOD
HOME TO ANTIQUE SHOPS, DINING,
ENTERTAINMENT, AND BOUTIQUE SHOPS

**THE CURVE
AT MELROSE**
[204 UNITS]

**ELEVATION
ON CENTRAL**
[266 UNITS]

FLOWER CHILD
SHAKE SHACK
west elm nēktar

**ICON ON
CENTRAL**
[120 UNITS]

**BROPHY COLLEGE
PREPARATORY**
[1,400 STUDENTS]

**XAVIER COLLEGE
PREPARATORY**
[1,150 STUDENTS]

**CENTRAL
HIGH SCHOOL**
[1,900 STUDENTS]

39,000 CPD
N 7TH AVENUE

52,000 CPD
W INDIAN SCHOOL RD

**TAKE
5**
CHILDRANGE



**NATURAL
GROCERS**



Executive Summary

646 West Indian School Road, Phoenix, AZ 85013

FINANCIAL SUMMARY

Price	\$2,076,000
Cap Rate	5.0%
Building Size	2,400 SF
Net Cash Flow	5.0% \$103,812
Year Built	1978
Lot Size	Approx. 0.29 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	7-Eleven, Inc.
Guarantor	Corporate
Lease Commencement Date	April 1, 1979
Lease Expiration Date	March 31, 2029
Lease Term Remaining	5 Years
Rental Increases	15% in Options 1 & 2, and Market Value in Option 3
Renewal Options	3, 5 Year Options
Right of First Refusal	N/A
Roof & Structure	Tenant Responsible

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 3/31/2029	\$103,812.00	5.00%
Options	Annual Rent	Cap Rate
Option 1	\$119,383.80	5.75%
Option 2	\$137,291.40	6.61%
Option 3	Market Value	-

Base Rent	\$103,812
Net Operating Income	\$103,812
Total Return	5.0% \$103,812



Property Description



INVESTMENT HIGHLIGHTS

- » **5 Years Remaining on Absolute Triple-Net (NNN) Corporate Lease with 7-Eleven**
- » Visible to a Combined 91,000 Cars per Day at the Corner of North 7th Street and West Indian School Road
- » **Well Established Location with 45-Year Operating History - Tenant has Operated at the Site Since 1979**
- » Dense Phoenix Infill with 464,648 Residents within a Five-Mile Radius
- » **Situated within the Melrose District, an Iconic Phoenix Neighborhood Home to Antique Shops, Dining, Entertainment, and Boutique Shops**
- » Easily Accessible Location in Close Proximity to Three Major Highway Systems: Interstates 10 and 17 and State Route 51
- » **Surrounded by National Retailers: Safeway, Natural Grocers, McDonald's, and More**
- » Located Just North of Downtown Phoenix and Down the Road from Phoenix's Midtown District



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2027 Projection	21,619	180,774	474,073
2022 Estimate	20,659	175,659	464,648
Growth 2022 - 2027	4.65%	2.91%	2.03%

Households

2027 Projection	10,756	77,339	177,447
2022 Estimate	10,114	73,837	171,691
Growth 2022 - 2027	6.35%	4.74%	3.35%

Income

2022 Est. Average Household Income	\$65,861	\$75,078	\$74,016
2022 Est. Median Household Income	\$51,857	\$50,092	\$47,664

Tenant Overview



78,000+
Locations
Worldwide



**SEVEN & I
HOLDINGS**
Parent Company



1927
Founded



7-ELEVEN.COM
Website



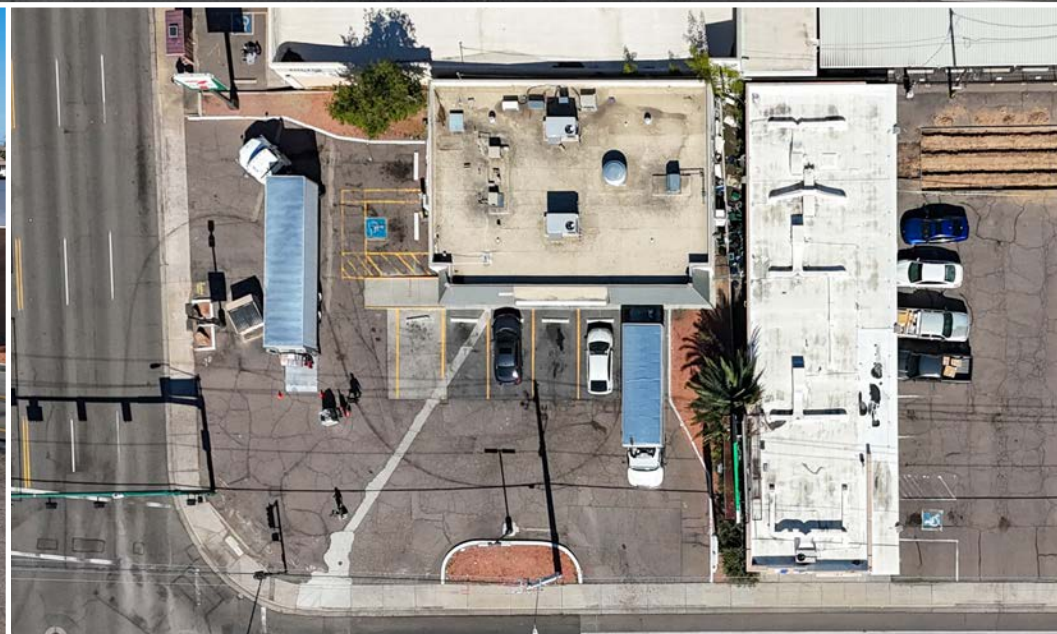
S&P A
Credit Rating



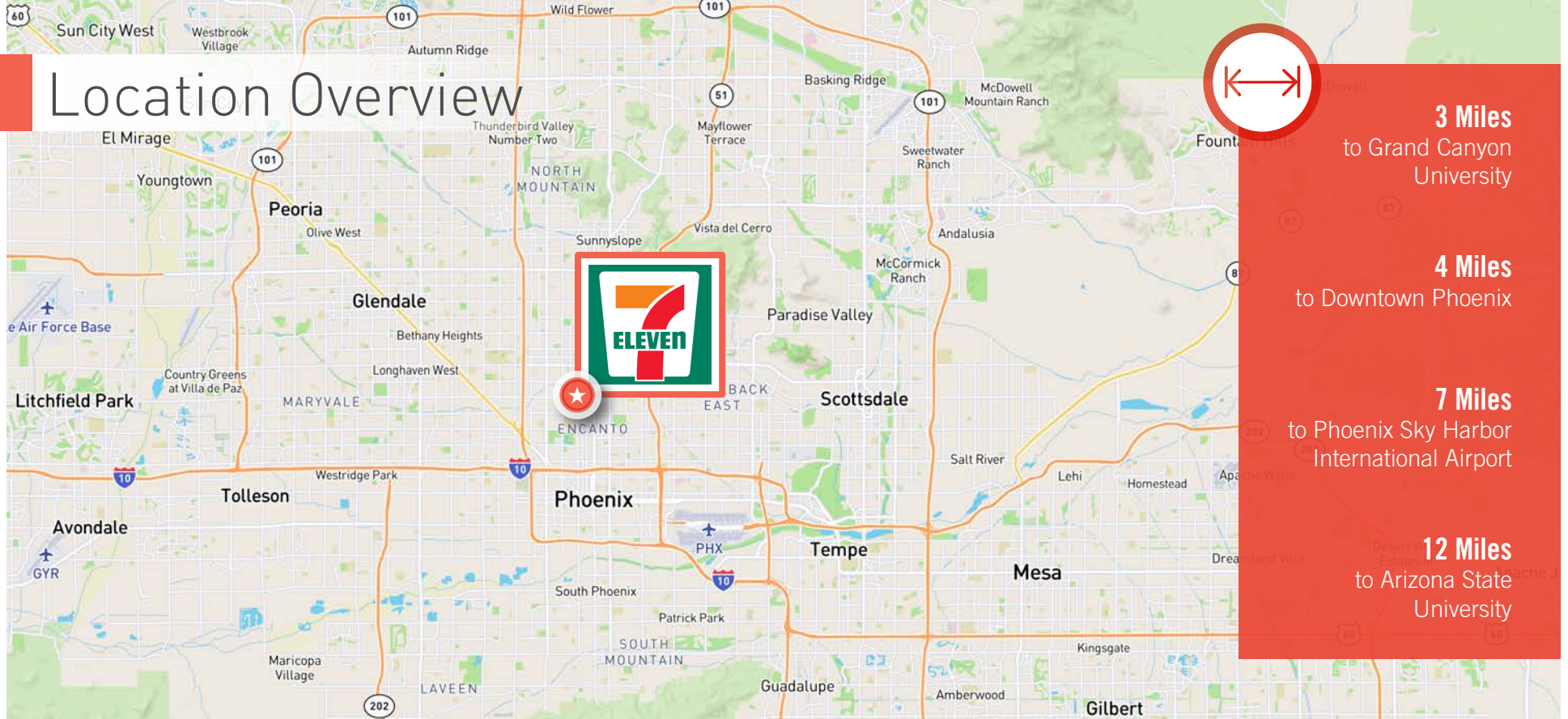
IRVING, TEXAS
Headquarters

7-Eleven Inc. is a Japanese-American international chain of convenience stores, headquartered in Dallas, Texas. 7-Eleven operates, franchises, and/or licenses more than 14,000 stores in the U.S. and Canada and 78,000 stores worldwide under the brands 7-Eleven, Speedway, Stripes, Laredo Taco Company, and Raise the Roost Chicken and Biscuits. As the first to provide to-go coffee cups, offer a self-serve soda foundation, operate for 24 hours a day, and coin the phrase “BrainFreeze,” 7-Eleven has a legacy of innovation. From its humble beginnings as the world’s first convenience store, 7-Eleven continues its pursuit of innovative ways to cater to a new, digital-savvy generation of shoppers. 7-Eleven is customer-focused, offering convenient and user-friendly technology.

Property Photos



Location Overview



The Phoenix metro consists of Maricopa and Pinal counties, and includes more than 30 incorporated and more than 30 unincorporated towns and cities. As of 2020, Metro Phoenix had 4.8 million residents, making it the nation's 11th-largest metropolitan area. The largest city is Phoenix, which encompasses about 520 square miles and boasts a population of more than 1.6 million.

As one of the primary beneficiaries of the massive shift in the U.S. population from north to south, the Phoenix metro has had little difficulty finding workers. Phoenix claims six Fortune 500 headquarters, including Freeport-McMoRan, Republic Services, Insight Enterprises, Avnet, Magellan Health, and PetSmart. Construction, high-tech manufacturing, healthcare and tourism dominate the Phoenix economy. Phoenix was the fastest growing large city in the US between 2010 and 2020 as it added over 163,000 residents.

High-tech manufacturing has been a powerful driver in the local economy for two decades. The region's relatively low cost of doing business has encouraged several manufacturers to remain and expand in the area, while luring others. The strengthening economy has drawn job seekers to the area, boosting the housing market. Phoenix offers a lower cost of living than other metros its size, a moderate climate, and a wide variety of recreational and cultural activities.

The Phoenix region boasts almost 300 days of sunshine annually, low humidity and mild winters. In addition to hiking, camping and boating, sports enthusiasts can enjoy one of the most complete lineups of major league teams found in any city, including teams in all four major sports. The Cactus League holds spring training baseball throughout the Valley, and the area has numerous golf courses and tennis courts.

[exclusively listed by]

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