



# 7-ELEVEN (S&P : AA-)

HIGHLY DESIRABLE N. HOUSTON SUBURB

**\$3,942,000 | 4.75% CAP**

904 W. Davis Street, Conroe, Texas 77301

- ✓ Brand New, 15-Year Absolute NNN
- ✓ Largest Chain Store Operator Worldwide with Over 70,000 Stores, 12,000 + in the U.S.
- ✓ High Average Household Incomes (over \$100,000)
- ✓ Explosive Growth in the Immediate Trade Area
- ✓ Located in the Greater Houston MSA (Over 7M People, and GDP of nearly \$500B)

A photograph of a 7-Eleven gas station at night. The station features a large canopy with illuminated 7-Eleven logos and signs. Several gas pumps are visible, and a white SUV is parked in the foreground. The building is lit up, and the sky is dark with some stars visible.

7-Eleven, Inc the Irving, Texas-based c-store chain, operates, franchises and/or licenses almost 70,000 stores in 17 countries, including more than 12,000 locations in North America, making it the largest retailer in the world.

# INVESTMENT OVERVIEW

7-ELEVEN | CONROE, TEXAS

## \$3,942,000 | 4.75% CAP

 **\$187,263**  
NOI

 **±3,175 SF**  
BUILDING AREA

 **±0.72 ACRES**  
LAND AREA

 **2020**  
YR BUILT

 **100%**  
OCCUPANCY

 **ABSOLUTE NNN**  
LEASE TYPE

- ✓ **Brand New, 15-Year Absolute NNN Lease with 7-Eleven, Inc.** 10% rental increases every 5-years, starting in year 11, and continuing through each option period.
- ✓ **7-Eleven Ranked #1** on Entrepreneur Magazine's Top 500 Franchises List and one of Fast Company magazine's World's Top 10 Most Innovative Companies in Retail.
- ✓ **Dense Retail Corridor.** Other national tenants in the trade area include: McDonald's, Burger King, Popeye's, CVS, Valero, Sonic, Five Guys, Best Buy, Target, Chick-fil-A, Panera Bread, Chipotle, Wells Fargo, Home Depot, Office Depot, Walgreen's, Starbucks, Panda Express, Saltgrass and Outback Steakhouse.
- ✓ **Lake Conroe.** The subject property is located minutes from Lake Conroe, a 20,000 acre lake, located just 45 minutes North of downtown Houston, that serves as a recreational hub for all of Greater Houston.
- ✓ **Greater Houston MSA.** With a population of 6,997,384 (2018), the Greater Houston region centers on Harris County, the third-most populous county in the U.S.
- ✓ **Located along West Davis Street.** Highly populated area with recent explosive growth and an estimated cumulative traffic count of 25,400 vehicles passing daily.
- ✓ **The Subject Property is located near many Regional Headquarters, including:** Exxon (10,000 employees), McKesson (76,000 employees), Hewlett-Packard (55,000 employees) and Baker Hughes (10,000 employees).

# SECURE

## NET LEASE

CONTACT FOR DETAILS

**RUSSELL SMITH**

VICE PRESIDENT

(214) 915-8890

rsmith@securenetlease.com

**BOB MOORHEAD**

MANAGING PARTNER

(214) 522-7210

bob@securenetlease.com

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

FILE PHOTO



SECURE NET LEASE | 3

# TENANT OVERVIEW

7-ELEVEN | CONROE, TEXAS



**\$5.1 B**

REVENUE

**S&P : AA-**

CREDIT RATING

**67,000+**

LOCATIONS

## 7-ELEVEN (7-Eleven.com)

LESSEE: 7-ELEVEN, INC., A TEXAS CORPORATION

The brand name 7-Eleven is now part of an international chain of convenience stores, operating under Seven-Eleven Japan Co., Ltd., Primarily operating as a franchise. It is the largest chain store operator with approximately 65,000+ locations operating around the world, surpassing the previous record-holder McDonald's Corporation in 2007. Its stores are located in sixteen countries, with its largest markets being Japan, the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand. 7-Eleven, Inc. as a former U.S.-Originating company, is a subsidiary of Seven-Eleven Japan Co., Ltd, which in turn is owned by Seven & I Holdings Co. of Japan. The US chain has its headquarters in Irving, Texas.

The company operates, franchises and licenses more than 9,800+ stores in the U.S. and Canada. Of the more than 9,800 stores the company operates and franchises in the United States, approximately 8,000 are franchised. Outside of the U.S. and Canada, there are more than 55,300 7-Eleven and other convenience stores in Japan, Taiwan, Thailand, South Korea, China, Malaysia, Mexico, Singapore, Australia, Philippines, Indonesia, Norway, Sweden and Denmark.

7-Eleven also is one of the nation's largest independent gasoline retailers. Its company's name was changed from The Southland Corporation to 7-Eleven, Inc. after approval by shareholders on April 28, 1999.

7-Eleven focuses on meeting the needs of convenience-oriented customers by providing a broad selection of fresh, high-quality products and services at everyday fair prices, speedy transactions and a clean and friendly shopping environment. Each store's selection of about 2,500 different products and services is tailored to meet the needs and preferences of local customers. Stores typically vary in size from 2,400 to 3,000 square feet and are most often located on corners for great visibility and easy access. 7-Eleven Accolades include: Ranked #1 on Entrepreneur magazine's 2017 Top Global Franchises List; Ranked #1 spot on Entrepreneur magazine's Franchise 500's Top 10 Most Popular Retail Companies for 2016, and No.2 in Forbes magazine's Top 20 Franchises to Start. 7-Eleven is No. 2 on FranchiseRanking.com for Best Convenience Store Franchise Company USA, and among GI jobs magazine's Top 100 Military Friendly Employers.

FILE PHOTO



### POSITIONING 7-ELEVEN FOR THE FUTURE

David Bennett, October 12, 2018 (*Cstore Decisions*)

For 91 years, 7-Eleven Inc. has often been on the cutting edge of major trends across the convenience store industry.

Whether it was the company's launch of the first self-serve soda fountain, 24/7 store hours, coffee sold in to-go cups, or the first self-serve gas pumps and ATMs installed at a c-store, 7-Eleven can count many "firsts." The biggest, of course, occurred in 1927. Convenience retailing got its start when employee "Uncle Johnny" Jefferson Green approached a young Joe C. Thompson of the

President and CEO Joe DePinto shares with Convenience Store Decisions how a **customer-obsessed culture is propelling the world's largest convenience retailer** forward.

Southland Ice Co. about selling bread, milk and eggs from the front dock of an ice house. With success comes growth. Today, a new 7-Eleven store opens somewhere in the world every 3.5 hours. Convenience, 7-Eleven style, remains in high demand.

The Irving, Texas-based c-store chain, a subsidiary of Seven & I Holdings Co., operates, franchises and/or licenses more than 67,000 stores in 17 countries, including more than 11,800 locations in North America, making it the largest convenience retailer in the world.



[CLICK HERE TO READ MORE](#)

### HOW 7-ELEVEN USES TECH TO STAY AHEAD OF ITS COMPETITION

David Zax, January 15, 2018 (*Entrepreneur India*)

In 1927, an employee of Texas's Southland Ice Company named Johnny Green gave his boss a tip. Customers were requesting that the ice company sell household staples as well. The company tried it out and found great success, and the business was renamed to reflect its (then unheard-of) hours of operation. A convenience store empire was born: 7-Eleven now has 63,000 stores worldwide.

Ninety-one years later, the brand is still eager to experiment. "In this digital age," says 7-Eleven CEO Joe DePinto, "all segments of business are being disrupted." And the convenience-store brand doesn't want to be left behind. For example, it has a delivery partnership with Postmates in 35 cities (and in 2016, it tested drone delivery in Nevada in a partnership with Flirtey). In more than 8,000 stores nationwide, 7-Eleven is even dipping a toe into financial services. Customers can pay utility bills or income tax at participating stores, and in November, 7-Eleven announced a partnership with Amazon that allows shoppers to hand over cash at a store and see it immediately transformed into Amazon credit, enabling people without credit cards to shop online at the everything store.

But 7-Eleven's experiments aren't limited to whiz-bang ideas. Sometimes the simplest trials are also the most impactful. Local owners are most attuned to the needs of their neighborhood's customers, says DePinto, and the company's "retailer initiative" program allows local owners to customize each store for the neighborhood. So while you can always get a Slurpee, locations in residential neighborhoods may have more toothpaste and diapers, while urban shops near offices may have more taquitos to grab for a quick lunch. In its quest to be everything to everyone, 7-Eleven is also doubling down on sourcing regionally specific products.



[CLICK HERE TO READ MORE](#)

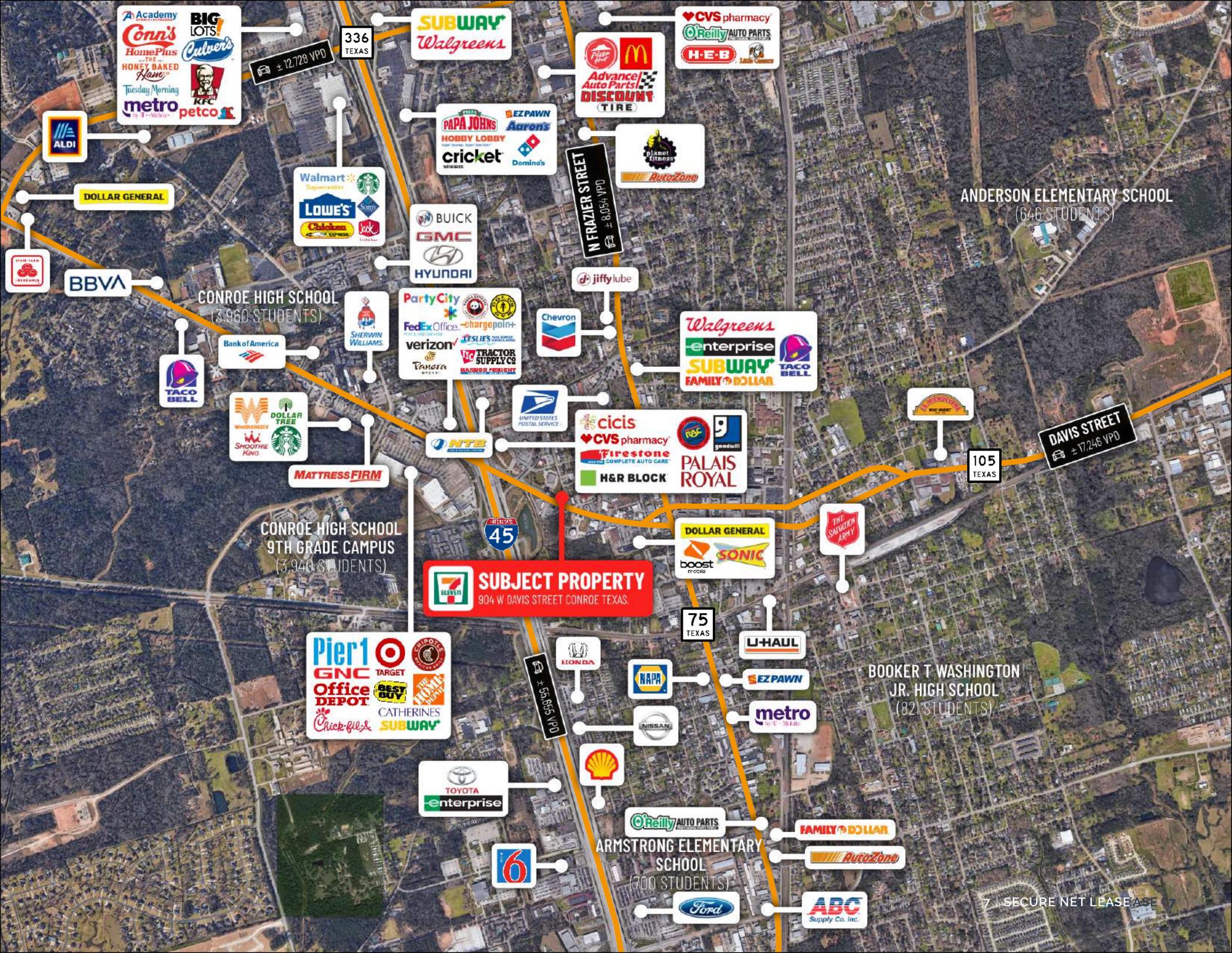
# LEASE OVERVIEW

7-ELEVEN | CONROE, TEXAS

INITIAL LEASE TERM	15 - Years
RENT COMMENCEMENT	May 2020
LEASE EXPIRATION	May 2035
LEASE TYPE	Absolute NNN
RENT INCREASES	10% Every 5-Years, Including Option Periods
ANNUAL RENT YRS 1-10	\$187,263
ANNUAL RENT YRS 11-15	\$205,989
OPTION 1*	\$226,588
OPTION 2	\$249,247
OPTION 3	\$274,171
OPTION 4	\$301,588
*	Rent shall be abated for the first 6-months of the first option period.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.





**SUBJECT PROPERTY**  
904 W DAVIS STREET CONROE TEXAS.

CONROE HIGH SCHOOL  
(3,960 STUDENTS)

CONROE HIGH SCHOOL  
9TH GRADE CAMPUS  
(3,940 STUDENTS)

ANDERSON ELEMENTARY SCHOOL  
(646 STUDENTS)

BOOKER T WASHINGTON  
JR. HIGH SCHOOL  
(821 STUDENTS)

ARMSTRONG ELEMENTARY  
SCHOOL  
(700 STUDENTS)

DAVIS STREET  
± 17,246 VPD

N FRAZIER STREET  
± 8,054 VPD

± 5,565 VPD

± 12,728 VPD

336 TEXAS

105 TEXAS

75 TEXAS

45

6

SUBWAY  
Walgreens

McDonald's  
Advance Auto Parts  
DISCOUNT TIRE

CVS pharmacy  
O'Reilly AUTO PARTS  
H-E-B

PAPA JOHN'S  
HOBBY LOBBY  
cricket

BUICK  
GMC  
HYUNDAI

Walmart  
Lowe's

DOLLAR GENERAL

BBVA

ALDI

Walgreens  
enterprise  
SUBWAY  
FAMILY DOLLAR

cicis  
CVS pharmacy  
Firestone  
H&R BLOCK  
PALAIS ROYAL

Party City  
FedEx Office  
verizon  
Panera

Walmart  
DOLLAR TREE  
SMOOTHIE KING  
Starbucks

MATTRESS FIRM

7 ELEVEN

DOLLAR GENERAL  
SONIC  
boost

Pier 1  
GNC  
Office DEPOT  
Chick-fil-d

TOYOTA  
enterprise

HONDA  
NAPA  
NISSAN

U-HAUL

EZ PAWN

metro

O'Reilly AUTO PARTS

FAMILY DOLLAR

AutoZone

Ford

ABC Supply Co. Inc.

# SITE OVERVIEW

7-ELEVEN | CONROE, TEXAS



**2020**  
YR BUILT



**±3,175 SF**  
BUILDING AREA



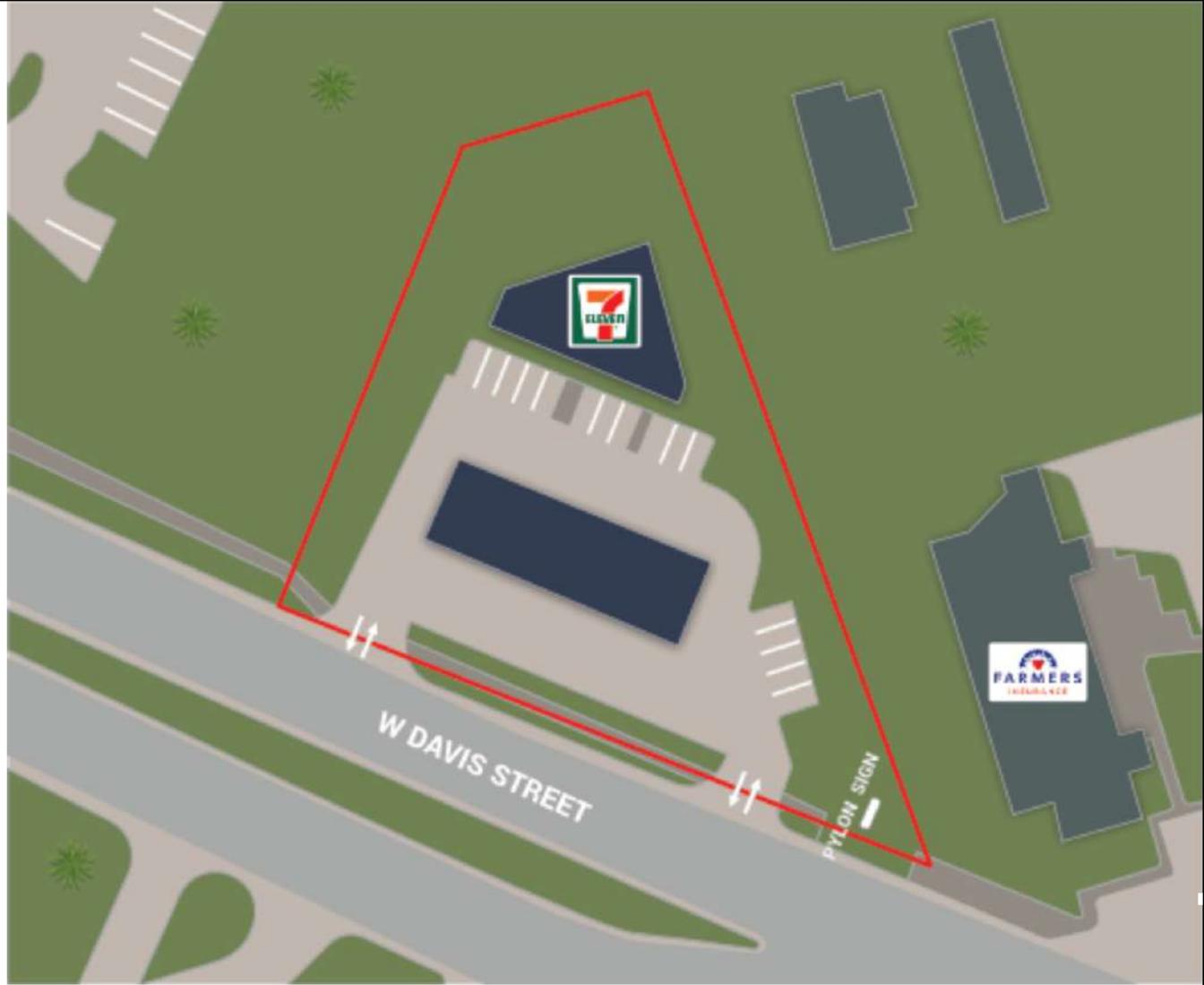
**±0.72 ACRES**  
LAND AREA

## NEIGHBORING RETAILERS

Dollar General	Goodwill
CVS	Pier1
Starbucks	Party City
Office Depot	Family Dollar
Target	Petco
The Home Depot	Subway
Best Buy	Walmart
Dollar Tree	Lowe's
Rent-A-Center	Aldi
Aaron's	Hobby Lobby

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

8 | SECURE NET LEASE

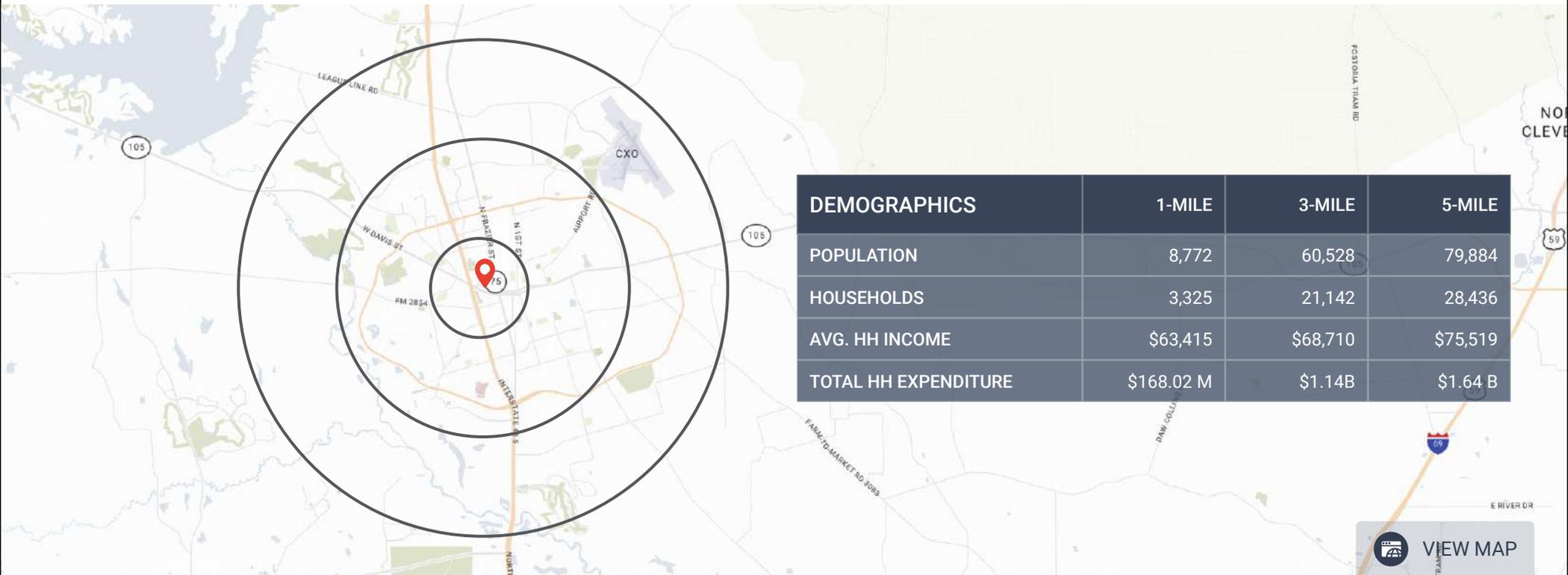


FILE PHOTO



# LOCATION OVERVIEW

7-ELEVEN | CONROE, TEXAS



DEMOGRAPHICS	1-MILE	3-MILE	5-MILE
POPULATION	8,772	60,528	79,884
HOUSEHOLDS	3,325	21,142	28,436
AVG. HH INCOME	\$63,415	\$68,710	\$75,519
TOTAL HH EXPENDITURE	\$168.02 M	\$1.14B	\$1.64 B

## ECONOMIC DRIVER'S (# of Employees in Conroe)

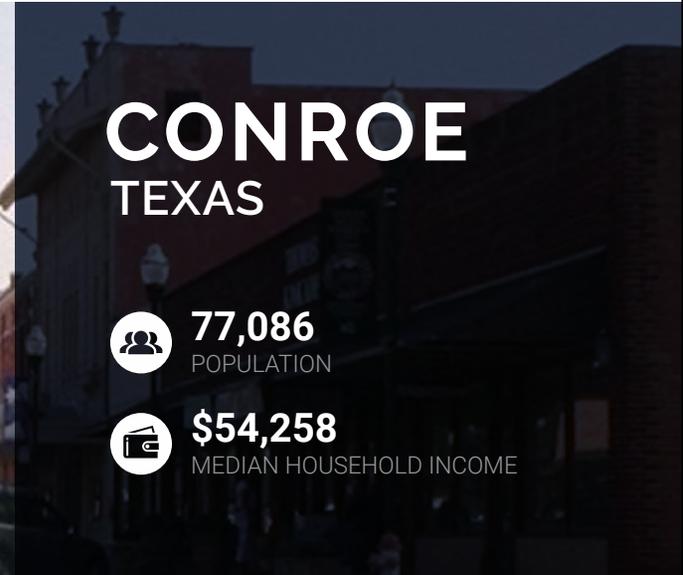
- Venator Materials LLC (4,500)
- Exxon Mobil Corporation (4,300)
- P.F. Chang's China Bistro, Inc. (2,200)
- Country Fresh, LLC (2,000)
- Insperty, Inc. (1,900)

- Swn International, LLC (1,400)
- Swn Production (1,400)
- Center Operating Company, L.P. (1,400)
- Williams Brothers Construction Co, Inc. (1,300)
- Chca Conroe, L.P. (1,200)

- Fidelity National Information Services, Inc. (1,100)
- Lonestar College System (1,100)
- Hewlet Packawrd, Inc. (1,000)

# LOCATION OVERVIEW

7-ELEVEN | CONROE, TEXAS



## CONROE TEXAS



**77,086**  
POPULATION



**\$54,258**  
MEDIAN HOUSEHOLD INCOME

The city of **Conroe** is located just 45-miles south from Houston, Texas on Interstate 45 at State Highway 105. Conroe is the county seat of Montgomery County, encompassing 38-square miles, and falls within The Woodlands-Sugar Land metropolitan area. Conroe is a thriving city with a low cost of living, favorable tax structure, growing economy, and strong school system and has become one of the premier places to live in southeast Texas. Montgomery County, with a current population 572,146, has grown an impressive 67% since 2000 and is expected to add an additional 55,000 people in the next five years. Between 2000 and 2010, Montgomery County was the 24th fastest growing county in the United States and received national recognition for its job growth over the past decade. Harper's Preserve (8-miles from the subject property) is a newly gated master-planned community that surrounds a 160-acre forested preserve area. The community includes three villages: West Village, East Village and South Village. At completion, the community will be home to 2,114 families with an average HH income of \$103,955.

**The Houston-Sugar Land-Baytown Metropolitan Statistical Area (MSA)**, colloquially known as Greater Houston, currently has a population of 6,772,852. Houston is the most populated city in Texas, and the 4th most populated city in the United States, behind only New York City, Los Angeles, and Chicago. Only 26 nations other than the United States have a GDP exceeding the Greater Houston GMP. Mining, which in Houston is almost entirely oil and gas exploration and production, accounts for 11 percent of Greater Houston's GMP.

**4th**

RANKED 4TH ON  
WHERE THE JOBS  
ARE LIST (CNN  
MONEY'S)

**5.3%**

UNEMPLOYMENT  
RATE BELOW  
TEXAS/US RATE

# IN THE NEWS

7-ELEVEN | CONROE, TEXAS

## CONROE IS THE FASTEST GROWING COMMUNITY IN THE U.S.

*(Texas Grand Ranch)*

Ten of the 15 fastest-growing cities with populations of 50,000 or more were spread across the South in 2016, with four of the top five found in Texas.

Conroe, Texas, a northern Houston suburb, was ***the fastest-growing of the 15 with a 7.8 percent increase from 2015 to 2016. That growth rate was more than 11 times that of the nation.***



CLICK HERE TO READ MORE

## CONROE BOOMING AS AMERICA'S FASTEST GROWING CITY

Monica Rhor and John D. Harden , May 25, 2017 *(Houston Chronicle)*

Barber Darold Vandewerker, left, sits in a barber's chair as Leon Apostolo, far right, cuts Roland Furstenfeld's hair in Shepard's Barber Shop on Thursday, May 25, 2017, in Conroe. Between 2015 and 2016, Conroe was the fastest-growing

The county seat for bustling Montgomery County is ***the fastest-growing city in the country among cities with more than 50,000 residents,*** according to the latest U.S. Census Bureau figures.

large city (population of 50,000 or more) at 7.8 percent, making its growth rate 11 times the nation's growth.

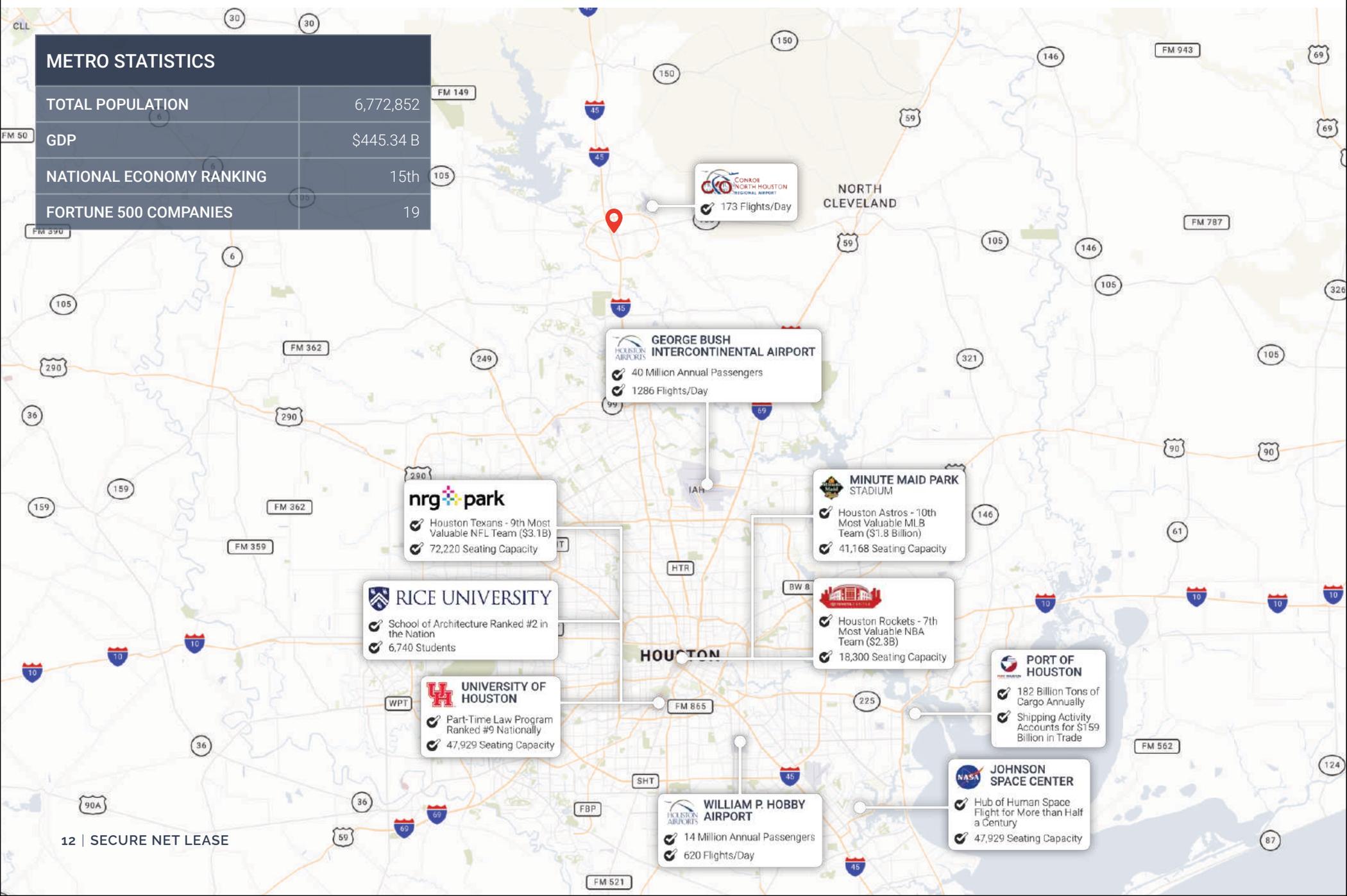


CLICK HERE TO READ MORE

# THE HOUSTON-SUGAR LAND-BAYTOWN METROPOLITAN STATISTICAL AREA

7-ELEVEN | CONROE, TEXAS

METRO STATISTICS	
TOTAL POPULATION	6,772,852
GDP	\$445.34 B
NATIONAL ECONOMY RANKING	15th
FORTUNE 500 COMPANIES	19



**CONROE NORTH HOUSTON REGIONAL AIRPORT**  
 ✓ 173 Flights/Day

**HOUSTON AIRPORTS**  
**GEORGE BUSH INTERCONTINENTAL AIRPORT**  
 ✓ 40 Million Annual Passengers  
 ✓ 1286 Flights/Day

**nrg park**  
 ✓ Houston Texans - 9th Most Valuable NFL Team (\$3.1B)  
 ✓ 72,220 Seating Capacity

**MINUTE MAID PARK STADIUM**  
 ✓ Houston Astros - 10th Most Valuable MLB Team (\$1.8 Billion)  
 ✓ 41,168 Seating Capacity

**RICE UNIVERSITY**  
 ✓ School of Architecture Ranked #2 in the Nation  
 ✓ 6,740 Students

**HOUSTON ROCKETS**  
 ✓ Houston Rockets - 7th Most Valuable NBA Team (\$2.3B)  
 ✓ 18,300 Seating Capacity

**UNIVERSITY OF HOUSTON**  
 ✓ Part-Time Law Program Ranked #9 Nationally  
 ✓ 47,929 Seating Capacity

**PORT OF HOUSTON**  
 ✓ 182 Billion Tons of Cargo Annually  
 ✓ Shipping Activity Accounts for \$159 Billion in Trade

**HOUSTON AIRPORTS**  
**WILLIAM P. HOBBY AIRPORT**  
 ✓ 14 Million Annual Passengers  
 ✓ 620 Flights/Day

**NASA**  
**JOHNSON SPACE CENTER**  
 ✓ Hub of Human Space Flight for More than Half a Century  
 ✓ 47,929 Seating Capacity

# SECURE

NET LEASE

*CALL FOR ADDITIONAL INFORMATION*

---

**DALLAS OFFICE**

3100 Monticello Avenue  
Suite 220  
Dallas, TX 75205  
(214) 522-7200

**LOS ANGELES OFFICE**

123 Nevada Street  
El Segundo, CA 90245  
(424) 220-6430

[securenetlease.com](http://securenetlease.com)

# TEXAS DISCLAIMER

7-ELEVEN | CONROE, TEXAS

## **APPROVED BY THE TEXAS REAL ESTATE COMMISSION FOR VOLUNTARY USE**

*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

### **INFORMATION ABOUT BROKERAGE SERVICES**

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties' consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written – listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests

of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- ▷ shall treat all parties honestly;
- ▷ may not disclose that the owner will accept a price less than the asking price submitted in a written offer unless authorized in writing to do so by the owner;
- ▷ may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- ▷ may not disclose any confidential information or any information that a part specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.