

# SECURE

NET LEASE



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

Rare 10% Increases Every 5 Years

\$5,778,000 | 4.50% CAP

2600 South Richey Street, Houston, TX 77017

- ✓ **Brand New 15-Year Corporate Absolute NNN Lease**
- ✓ **10% Rent Bumps Every Five Years in Primary Term and Options**
- ✓ **Irreplaceable Hard Corner Location with Strong Traffic Counts (~32K VPD)**
- ✓ **Houston is the 5th Largest MSA in US with Steady Population Growth**
- ✓ **Strong Demographics with Dense Population and High Incomes**

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 HOUSTON, TX



## CONTACT FOR DETAILS

**Edward Benton**Executive Vice President  
(713) 263-3981

ebenton@securenetlease.com

**Bob Moorhead**Managing Partner  
(214) 522-7210

bob@securenetlease.com

\$5,778,000

4.50% CAP

## NOI

\$260,000.04

## Building Area

±3,010 SF

## Land Area

±0.951 AC

## Year Built

2020

## Lease Type

Absolute NNN

## Occupancy

100%

- ✓ **New 15-year corporate absolute NNN lease with RARE 10% rent increases every 5 years** in both the primary term and in renewal option periods.
- ✓ **7-Eleven (S&P rated AA-)** operates in 18 countries and employs over 54,000 people and is the largest chain store operator in the world with 65,000+ stores, 11,600 of which are in North America.
- ✓ **Excellent location at the hard corner of Richey Street and Allen Genoa Road in Houston, TX** which is estimated to see approximately 32,000 vehicles per day.
- ✓ **Located in the fast growing Houston MSA** with dense population demographics of 16,486, 141,686 and 321,019 people living within a one, three and five mile radius respectively
- ✓ **From 2010 to 2018, Houston added 1.1 million new residents**, an 18.2 percent increase, the fastest rate of population growth among the 10 most populous U.S. Metros.
- ✓ **Houston is the 4th largest city in the country and continues to thrive.** Houston has a regional GDP of \$490 Billion, 350,000 educated millennials and has begun and/or completed 760 expansion projects in the last two years.
- ✓ **Once predominantly oil and gas focused, today Houston is home to a number of growing industries** including healthcare, aerospace/aviation, advanced manufacturing, transportation/logistics, life sciences/biotech and more.

\*Seller cannot close escrow on this property before June 22, 2021

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.

**SECURE**  
NET LEASE

## TENANT OVERVIEW

7-ELEVEN HOUSTON, TX

## 7-Eleven

Lessee: 7-Eleven, Inc.

## REVENUE

**\$5.1 B**

## CREDIT RATING

**AA-**

## STOCK TICKER

**SVNDF**

## TOTAL LOCATIONS

**70,000**[7-eleven.com](http://7-eleven.com)

**7-Eleven is now part of an international chain of convenience stores, operating under Seven-Eleven Japan Co., Ltd., and surpassed McDonald's in 2007 as the world's largest retailer.**

7-Eleven is also one of the **nation's largest independent** gasoline retailers. The company's **largest markets** are in the United States, Canada, the Philippines, Hong Kong, Taiwan, Malaysia and Thailand.

7-Eleven Accolades include: **Ranked #1** on Entrepreneur magazine's Top Global Franchises List; **#1 spot on Entrepreneur magazine's** Franchise 500's Top 10 Most Popular Retail Companies, and **#2 in Forbes magazine's** Top 20 Franchises to Start; **No. 2 on FranchiseRanking.com** for Best Convenience Store Franchise Company USA, and among GI jobs magazine's Top 100 Military Friendly Employers.



## IN THE NEWS

7-ELEVEN HOUSTON, TX

## 7-Eleven seeking 20,000 workers across US locations, adding to 50,000 already hired since March

DANIELLA GENOVESE, SEPTEMBER 21, 2020 (FOX BUSINESS)

**7-Eleven is seeking to hire an additional 20,000 employees nationwide as it looks to meet continued demand for its products amid the COVID-19 pandemic.**

The new hires, which will fill positions across more than **9,000 U.S. stores**, will also help with orders through the company's 7NOW delivery app, which has seen an uptick in orders since the pandemic hit the country earlier this month, the company announced Monday.

**In hiring 20,000 more employees, 7-Eleven CEO Joe DePinto says the company will be able to "continue to fulfill our mission to give customers what they want, when and where they want it, whether in stores or at home."**

7-Eleven was classified as an **essential retailer**, meaning its convenience retail stores remained open since March although it quickly enhanced its cleaning procedures and added extra safety protocols to protect employees and customers.

Since then, the company -- including its independent 7-Eleven franchise owners -- has hired more than **50,000 workers** to assist in its operations during the course of the pandemic.

In **hiring 20,000 more employees**, 7-Eleven CEO Joe DePinto says the company will be able to **fulfill our mission** to give customers what they want, when and where they want it, whether in stores or at home."

EXPLORE ARTICLE



## 7-Eleven plays host to entrepreneurs' exclusive snacks, drinks

SEPTEMBER 1, 2020 (RETAIL CUSTOMER EXPERIENCE)

**Convenience retailer 7-Eleven is once again supporting innovative products with its second Sips & Snacks initiative.**

This year's program will stock **200 California stores with 84 exclusive** items from 25 up-and-coming brands, according to a press release.

The stores participating in Sips & Snacks 2.0 are located in Los Angeles and San Diego.

**"7-Eleven's Sips & Snacks initiative offers small businesses a rare opportunity to reach thousands — and potentially millions — of customers with their most innovative products."**

"This selection of sips and snacks are ones that a 7-Eleven customer might not expect to find at one of our stores," 7-Eleven Senior Vice President, Merchandising and Demand Chain Jack Stout said in the release. "7-Eleven's Sips & Snacks initiative offers small businesses a rare opportunity to reach thousands — and **potentially millions** — of customers with their most **innovative products**. We are excited to help boost emerging brands' growth, development and success by giving them the chance to test their products in a real retail environment."

The products will also be available for purchase on the **7NOW delivery app** for customers located in the Los Angeles and San Diego areas.

More than **750 companies** applied to be invited to present their brand at the company's second annual emerging brands showcase, and **65** were invited to participate in the two-day **"show and taste"** expo, according to the release.

EXPLORE ARTICLE



# LEASE OVERVIEW

7-ELEVEN HOUSTON, TX

|                         |  |
|-------------------------|--|
| Initial Lease Term      | 15-Years, Plus (4), 5-Year Options to Renew  |
| Rent Commencement       | 1/1/2021                                     |
| Lease Expiration        | 12/31/2035                                   |
| Lease Type              | Absolute NNN                                 |
| Rent Increases          | 10% Every 5 Years, In Primary Term & Options |
| Annual Rent Years 1-5   | US\$260,000.04                               |
| Annual Rent Years 6-10  | US\$286,000.08                               |
| Annual Rent Years 11-15 | US\$314,600.04                               |
| Option 1                | US\$346,060.08                               |
| Option 2                | US\$380,666.04                               |
| Option 3                | US\$418,732.68                               |
| Option 4                | US\$460,605.96                               |

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.





FOOD TOWN  
It's Your Town.

RAINTREE APARTMENTS  
(228 UNITS)

FELIX MORALES ELEMENTARY SCHOOL  
(519 STUDENTS)

FAMILY DOLLAR

SALLY BEAUTY  
cricket wireless  
metro by T-Mobile  
boost mobile  
Domino's

FOOTACTION  
claire's FINISH LINE  
CHAMPS SPORTS  
Foot Locker

Jack  
in the box

RICHEY STREET  
± 17,118 VPD



Walmart  
Supercenter

WELLS FARGO

SUBWAY  
Church's  
CHICKEN



CHASE

Advance  
Auto Parts

WILLIAMS ELEMENTARY SCHOOL  
(599 STUDENTS)



DISCOUNT  
TIRE



BOBBY SHAW MIDDLE SCHOOL  
(782 STUDENTS)

ALLEN GENDA ROAD  
± 16,085 VPD

ALLENDALE VILLAGE APARTMENTS  
(96 UNITS)

Walgreens  
DOLLAR GENERAL

O'Reilly AUTO PARTS  
PROFESSIONAL PARTS PEOPLE

Walgreens

U-HAUL

CVS pharmacy

EMERALD POINTE APARTMENTS  
(360 UNITS)

DOLLAR TREE  
ROSS DRESS FOR LESS  
dd's DISCOUNTS  
goodwill



FOOD TOWN  
It's Your Town.  
Pizza Hut  
SHERWIN WILLIAMS.

AutoZone



LOTUS SQUARE APARTMENTS  
(72 UNITS)

COURTYARD APARTMENTS  
(195 UNITS)

SOUTH SHAVER ELEMENTARY SCHOOL  
(698 STUDENTS)

**SUBJECT PROPERTY**  
2600 S RICHEY ST.



U-HAUL

FAMILY DOLLAR

SUBWAY



QUEENS INTERMEDIATE SCHOOL  
(646 STUDENTS)

NELDA SULLIVAN MIDDLE SCHOOL  
(636 STUDENTS)



THE PARK AT FERRYHILL APARTMENTS  
(111 UNITS)

QUEENS LANE APARTMENTS  
(88 UNITS)



Advance  
Auto Parts

metro by T-Mobile  
Fiesta Little Caesars  
DOLLAR TREE

GARDEN VILLA APARTMENTS  
(104 UNITS)

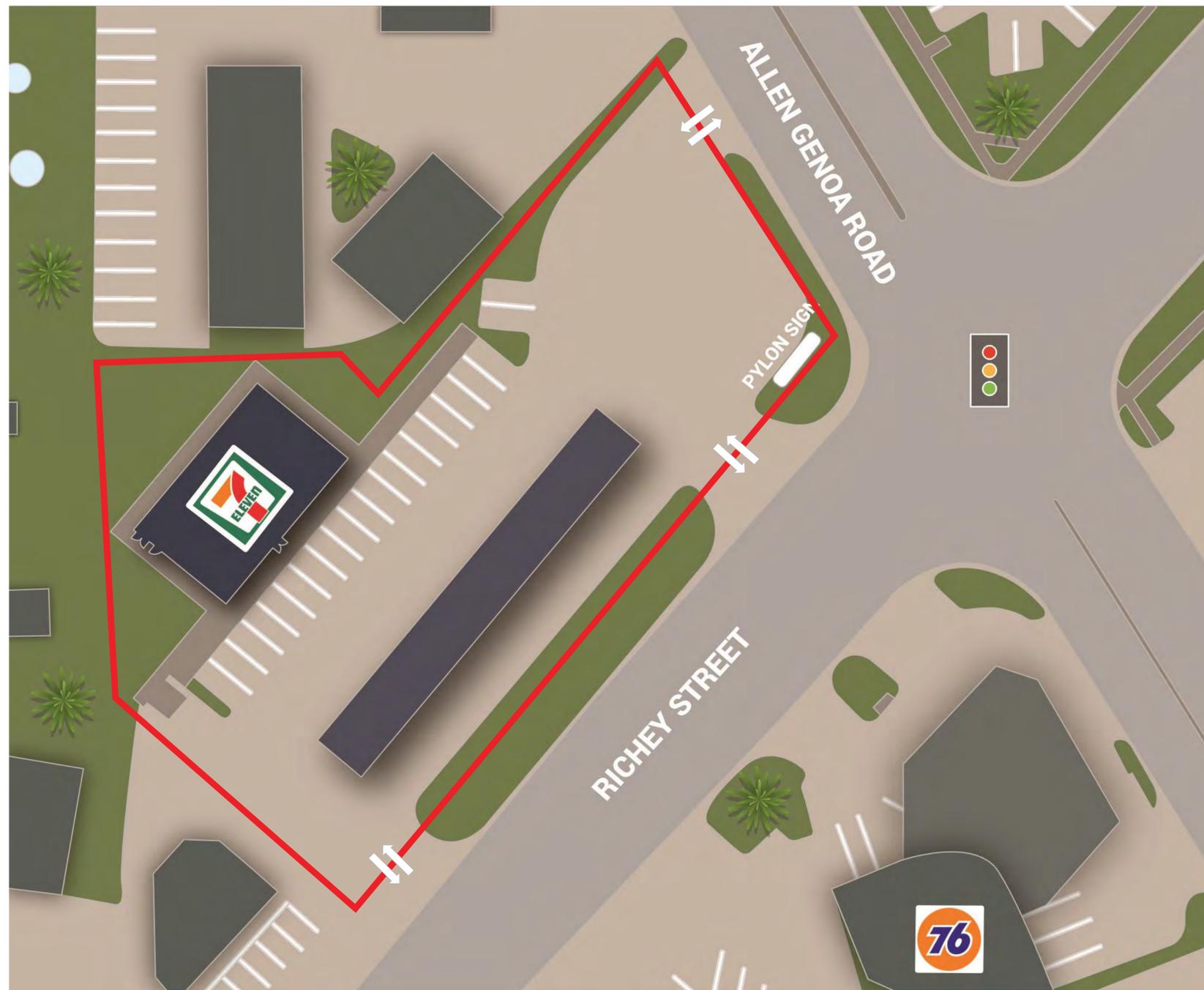
Public Storage

BAILEY ELEMENTARY SCHOOL  
(658 STUDENTS)

# SITE OVERVIEW

7-ELEVEN HOUSTON, TX

|   |               |           |
|---|---------------|-----------|
|  | Year Built    | 2020      |
|  | Building Area | ±3,010 SF |
|  | Land Area     | ±0.951 AC |



## NEIGHBORING RETAILERS

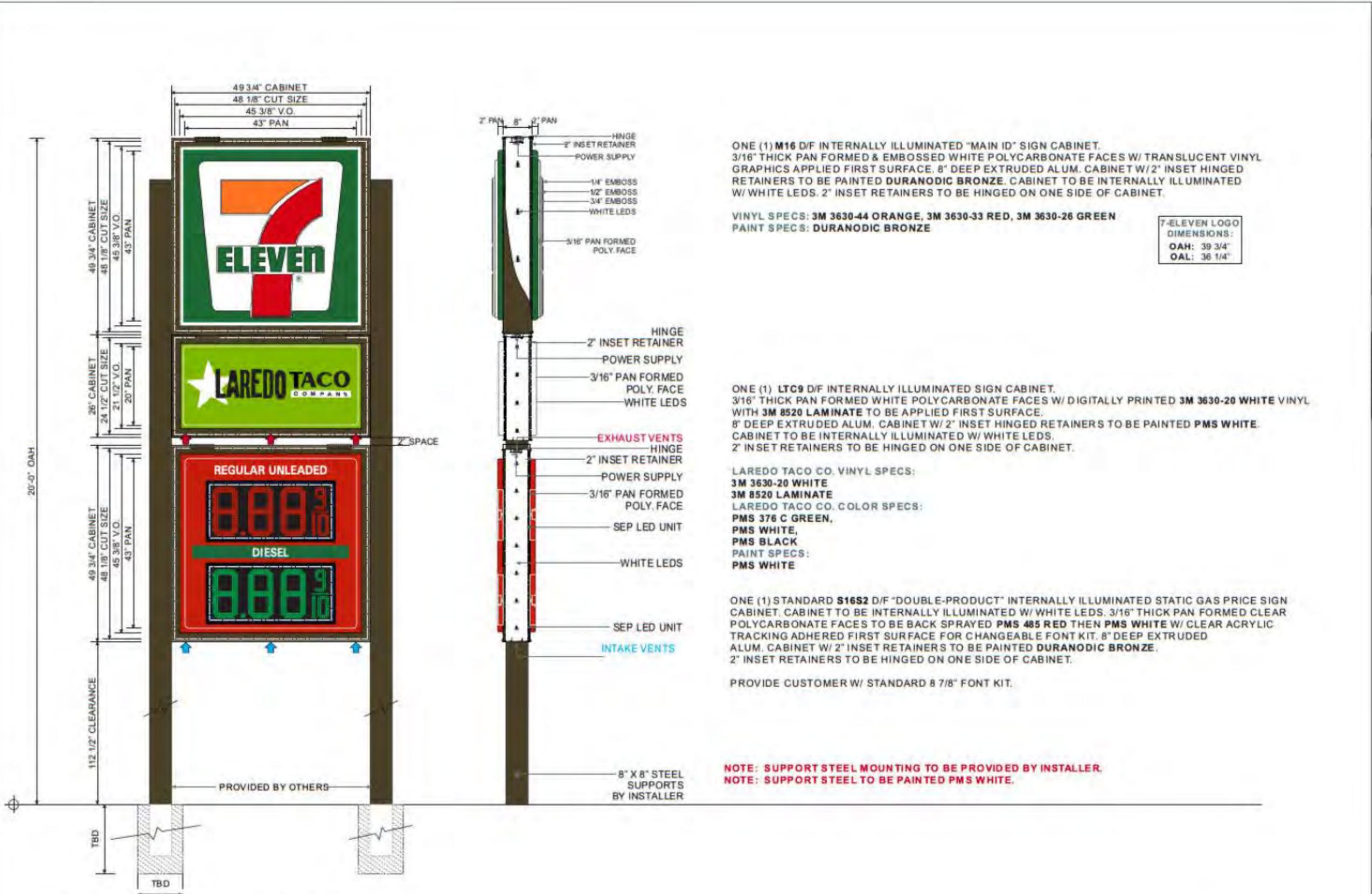
- Family Dollar
- Dollar Tree
- Dollar General
- Advance Auto Parts
- Walgreens
- U-Haul
- Ross Dress for Less
- dd's DISCOUNTS
- O'Reilly Auto Parts
- CVS





# ELEVATIONS

7-ELEVEN HOUSTON, TX

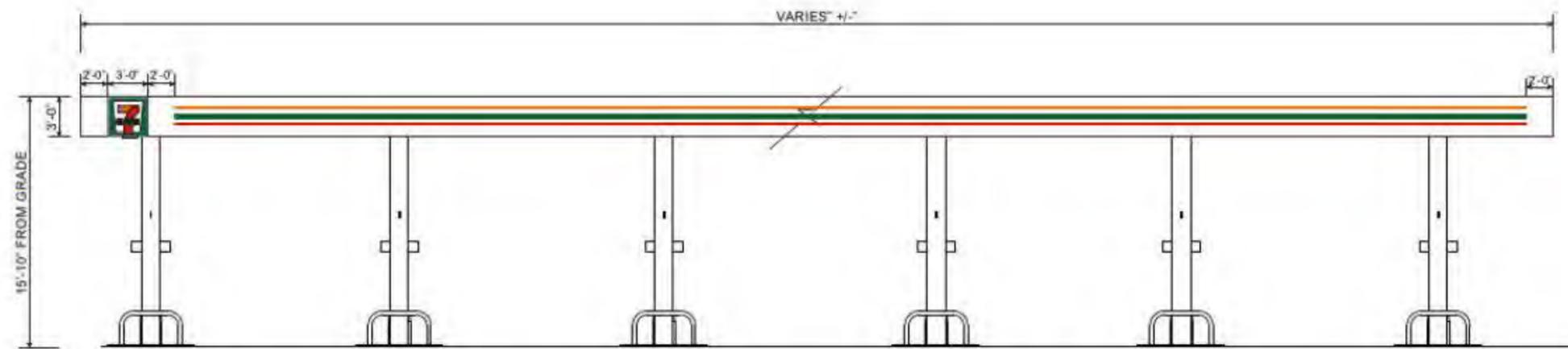


Face View & Side Detail - Pylon Sign Cabinets - Sign Type A  
1/2" = 1'-0"

Display Square Footage(Cabinets Combined): 51.6 Total

# ELEVATIONS

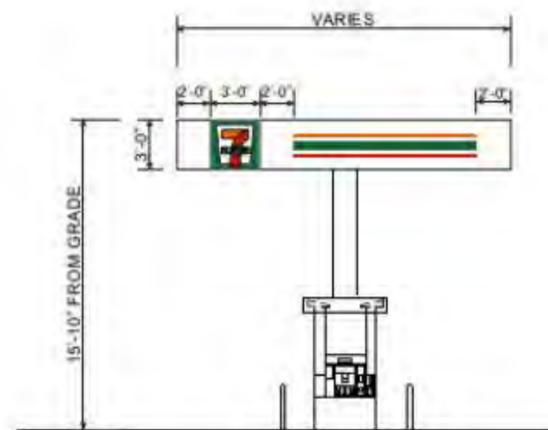
7-ELEVEN HOUSTON, TX



Standard Gas Canopy Structure - South/East Elevation - Sign E

NTS

PROPOSED ELEVATION: 108.6 SQ FT



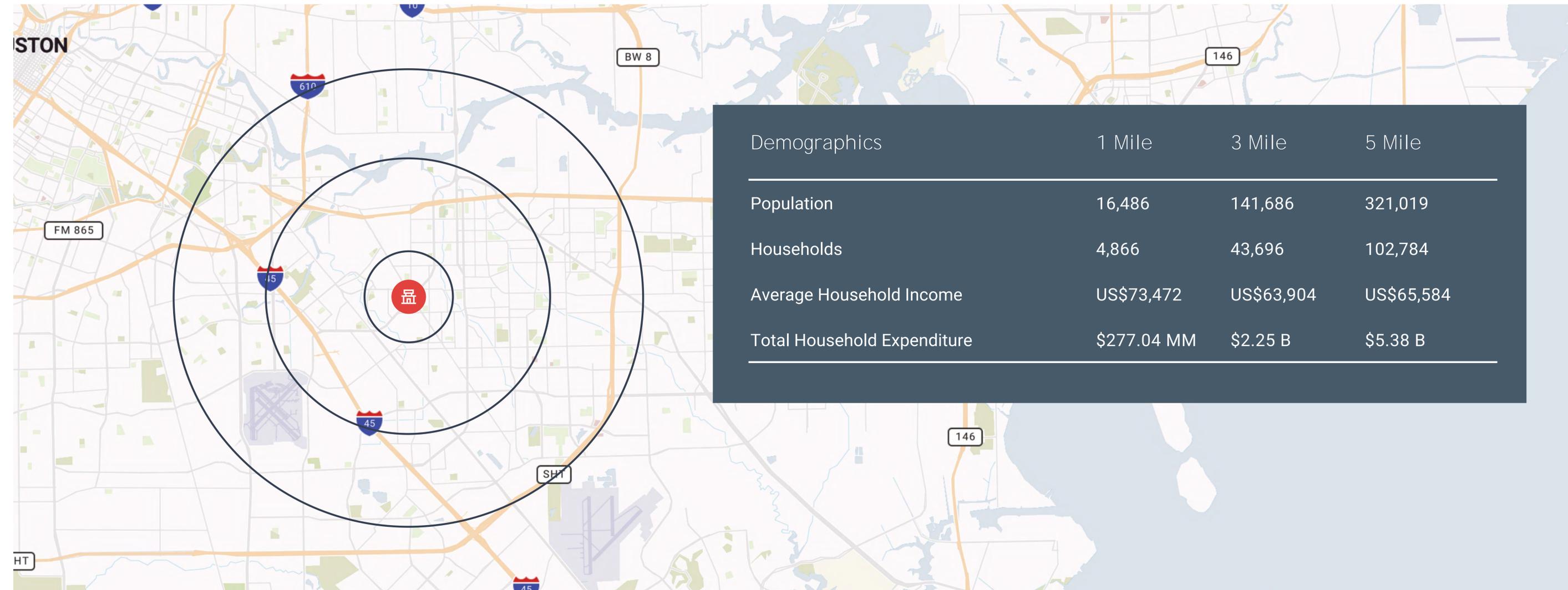
Standard Gas Canopy Structure - North Elevation - Sign E

NTS

PROPOSED ELEVATION: 108.6 SQ FT

# LOCATION OVERVIEW

7-ELEVEN HOUSTON, TX



## ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

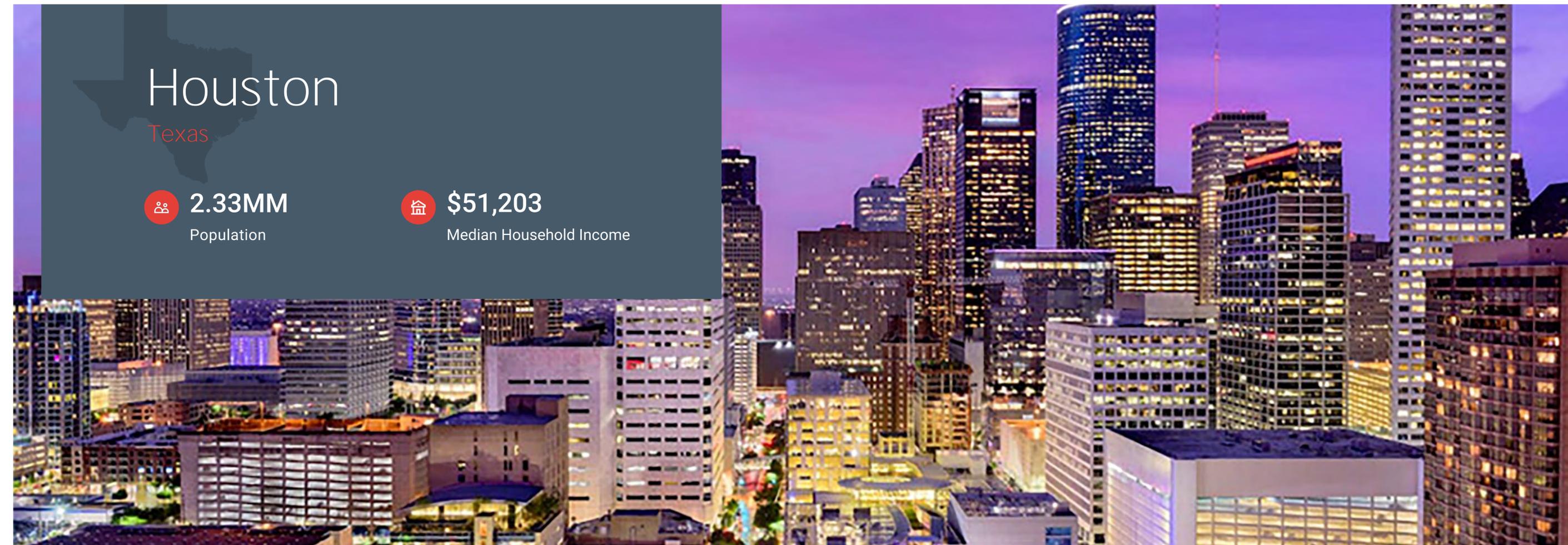
1. St. Luke's Episcopal Hospital Independent Practice Association, Inc. (4,500)
2. CHI St. Luke's Health Baylor College of Medicine Medical Center (4,000)
3. Veterans Health Administration (3,500)
4. Texas Children's Hospital (2,600)
5. Bertschi North America Inc. (2,500)
6. KS Management Services, L.L.C. (2,400)
7. Harris County Hospital District (2,200)
8. University of Texas System (1,500)
9. The Methodist Hospital (1,300)
10. Ccha Woman's Hospital (1,200)
11. University of Texas MD Anderson Cancer Center (1,200)
12. Houston Livestock Show and Rodeo Educational Fund (1,200)
13. University of Texas MD Anderson Cancer Center (1,000)
14. Shell Information Technology International Inc. (1,000)
15. Alcon Vision, LLC (1,000)

## LOCATION OVERVIEW

7-ELEVEN HOUSTON, TX

Houston  
Texas

**2.33MM**  
Population


**\$51,203**  
Median Household Income


Houston is home to the Texas Medical Center—the largest medical center in the world

## HOME

Galveston Bay and the Buffalo Bayou together form one of the most important shipping hubs in the world

## HUBS

### The Greater Houston Gross Metropolitan Product (GMP) in 2005 was \$308.7 billion, up 5.4 percent from 2004 in constant dollars.

Mining, which in Houston is almost entirely oil and gas exploration and production, accounts for 11 percent of Greater Houston's GMP.

**Houston is 2nd to New York City in Fortune 500 headquarters.**

The Houston-Sugar Land-Baytown Metropolitan Statistical Area (MSA), colloquially known as Greater Houston, is the 5th largest in the United States with a population of 6,772,852 as of 2016. From 2000 to 2030, the metropolitan area is projected by Woods & Poole Economics to rank 5th in the nation in population growth—adding 2.66 million people.

In 2006, Greater Houston ranked 1st in Texas and 3rd in the U.S. within the category of "Best Places for Business and Careers" by Forbes. By 2016, the GMP rose to \$491 billion, 6th in the nation. Only 26 nations other than the United States have a GDP exceeding the Greater Houston GMP. The area is one of the leading centers of the energy industry, particularly petroleum processing, and many companies have large operations in this region. The MSA comprises the largest petrochemical manufacturing area in the world, including for synthetic rubber, insecticides, and fertilizers. Much of metro area's success as a petrochemical complex is enabled by the Houston Ship Channel. The area is also the world's leading center for building oilfield equipment, and is a major center of biomedical research, aeronautics, and high-technology. Houston is home to several universities (including Rice University, Texas Southern University, and The University of Houston), and two of the largest systems of higher learning in the United States (The Houston and Lone Star Community College systems).

## IN THE NEWS

7-ELEVEN HOUSTON, TX

## Houston crowned one of the world's top cities of the future in new report

NATALIE HARMS, AUGUST 26, 2020 (CULTURE MAP HOUSTON)

Houston comes in third on a prestigious new list ranking which cities are on track for continued global business success. The inaugural fDi Tier 2 Cities of the Future 2020/21 evaluated second-tier cities – defined as non-capital cities with a population under 8 million. Last year, Houston ranked in the No. 5 position on fDi's North American ranking. In this new report for 2020/2021, the city ranks No. 3 overall. Houston also takes the No. 3 spot for human capital and lifestyle and ranks No. 7 for economic growth potential.

The report evaluated **116 data points** across the five categories: economic **potential**, cost effectiveness, business friendliness, **connectivity**, and human capital and lifestyle.

With superior global access, a business-friendly climate, exceptional quality of life and a highly educated workforce, Houston is well positioned to continue to build on that momentum in the years ahead.

"This ranking is further evidence of Houston's place among the **world's great global cities**," says Susan Davenport, chief **economic development** officer for the Greater Houston Partnership, in a news release. "Houston today competes at **a higher level** than ever before when it comes to foreign direct investment and our business ties to cities and countries around the world.

San Francisco comes in **at No. 1 on the list**, and Montreal ranks as **No. 2**. Texas has a stronghold on the list, with Austin and Dallas also appearing in the **top 20, at Nos. 11 and 19, respectively**.

EXPLORE ARTICLE



## Texas recognized as second best state for business, while Houston expected to see key economic growth

JOHN EGAN, DECEMBER 30, 2019 (INNOVATION MAP)

Houston and the rest of Texas received two early Christmas presents signaling that their economies continue to percolate.

In a report released December 23, **economic** forecasting and analysis firm Oxford Economics predicted Houston and Dallas-Fort Worth will enjoy a **greater share** of **economic growth** through **2023** than any other mega-metro area in the U.S. except San Francisco.

In a recent forecast, the Greater Houston Partnership envisions the Houston area adding 42,300 jobs in 2020, mostly outside the energy sector.

Meanwhile, Forbes magazine declared on December 19 that Texas is the **second-best state for business**, behind only North Carolina. Texas previously sat in **the No. 3 spot** on the Forbes list, preceded by North Carolina and Utah.

Through **2023**, Oxford Economics forecasts average compound **GDP growth of 2.4 percent** in Houston and Dallas-Fort Worth. Among the country's **10 biggest** metro areas, only the projection for San Francisco is **higher (2.7 percent)**.

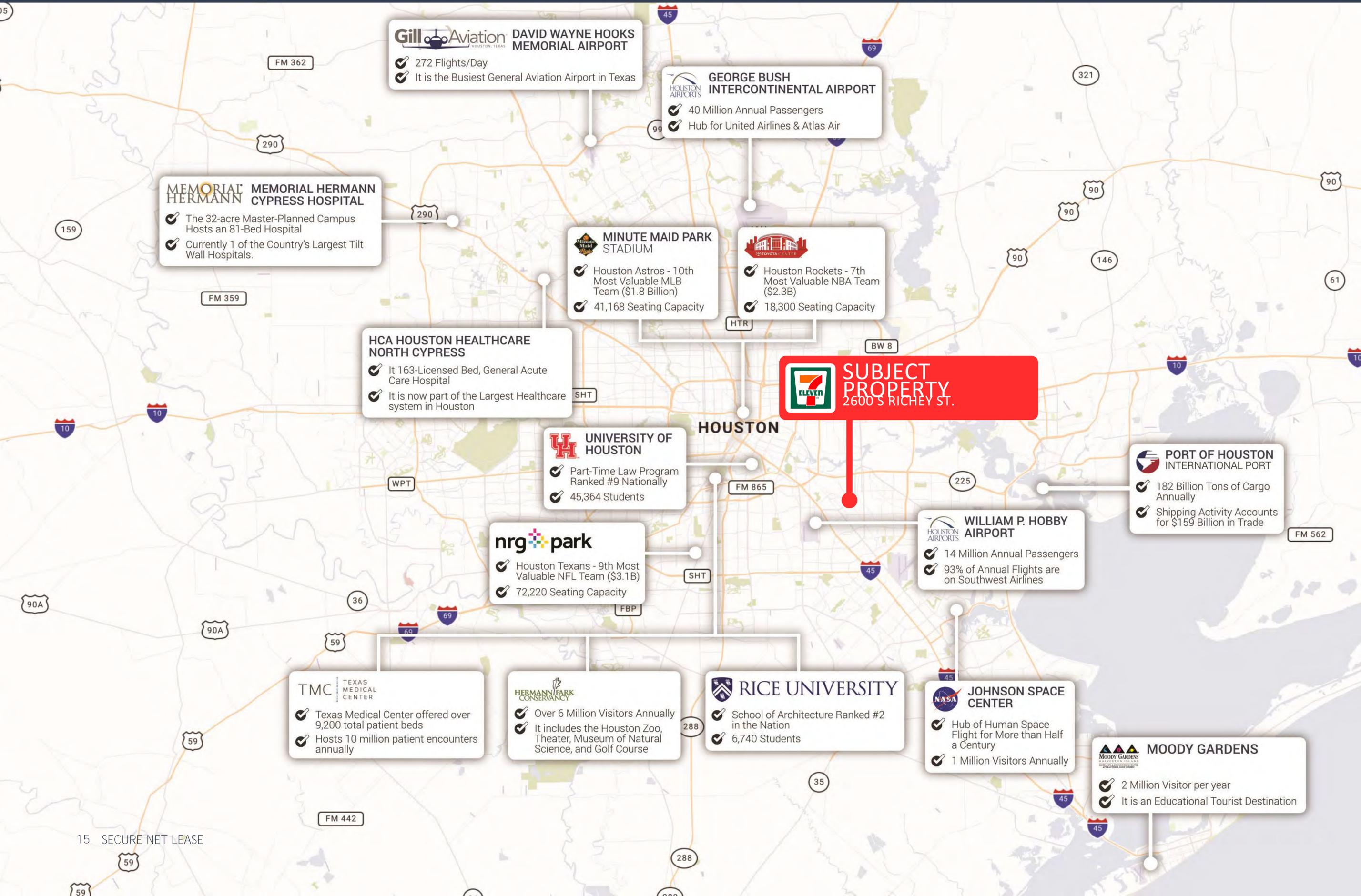
For Houston, the **2.4** percent figure would be an improvement over recent economic performance. From 2014 to 2018, the region's GDP growth rate was **1** percent, while it was **1.5** percent for 2015-19. In the 2020-21 timeframe, the growth rate for Houston is expected to be **1.9** percent.

EXPLORE ARTICLE



# THE HOUSTON-THE WOODLANDS-SUGAR LAND METROPOLITAN STATISTICAL AREA (MSA)

7-ELEVEN HOUSTON, TX



CALL FOR ADDITIONAL INFORMATION

## Dallas

### Office

10000 N Central Expressway  
Suite 200  
Dallas, TX 75231  
(214) 522-7200

## Los Angeles

### Office

123 Nevada Street  
El Segundo, CA 90245  
(424) 224-6430

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CALL FOR ADDITIONAL INFORMATION

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[ebenton@securenetlease.com](mailto:ebenton@securenetlease.com)

### **Bob Moorhead**

Managing Partner  
(214) 522-7210

[bob@securenetlease.com](mailto:bob@securenetlease.com)

# TEXAS DISCLAIMER

7-ELEVEN HOUSTON, TX

## 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 the owner knows.

### 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.