



ACTUAL PROPERTY

# Financial Overview

1516 NE Killingsworth Street - PORTLAND, OREGON 97211

## OFFERING SUMMARY

PRICE	\$1,626,087
CAP RATE	5.75%
NOI	\$93,500
PRICE PER SQUARE FOOT	\$542.03
RENT PER SQUARE FOOT	\$31.17
YEAR BUILT	1938/2011
APPROXIMATE LOT SIZE	0.21 Acres
GROSS LEASABLE AREA	3,000
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	7-Eleven, Incorporated
LEASE TYPE	Double-Net (NN)
ROOF AND STRUCTURE	Landlord Responsible

## LEASE SUMMARY

LEASE COMMENCEMENT DATE	4/1/2011
LEASE EXPIRATION DATE	3/31/2021
LEASE TERM	10 Years
TERM REMAINING	3.5 Years
INCREASES	10% in Options
OPTIONS TO RENEW	3, 5-Year
OPTIONS TO TERMINATE	None
OPTIONS TO PURCHASE	None
FIRST RIGHT OF REFUSAL	Yes



**ANNUALIZED OPERATING DATA**

	BASE RENT	ANNUAL RENT	MONTHLY RENT	INCREASES
4/1/2011	3/31/2016	\$85,000.00	\$7,083.33	10%
4/1/2016	3/31/2021	\$93,500.04	\$7,791.67	10%
EXTENDED TERMS				
4/1/2021	3/31/2026	\$102,849.96	\$8,570.83	10%
4/1/2026	9/30/2026	\$0.00	\$0.00	*
4/1/2026	3/31/2027	\$56,567.52	\$4,713.96	-
4/1/2027	3/31/2031	\$113,135.00	\$9,427.92	10%
4/1/2031	3/31/2036	\$124,448.50	\$10,370.71	10%

\*Section 4 of Lease: If Tenant exercises its right to the first Extended Term, Tenant shall be entitled to free rent during the first six (6) months of Year 16 of such Extended Term

# Investment Overview

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Marcus & Millichap is pleased to present this 7-Eleven in Portland, Oregon, the largest city in the state. In 2011, 7-Eleven signed a 10-year, double-net (NN) lease with landlord responsibilities limited to roof and structure. There are more than three years remaining in the base term including three, five year options to renew, with 10 percent increases in each option. The first six months of the second renewal option feature a six-month rent abatement. The lease is backed by a corporate guaranty from 7-Eleven, Incorporated; who is consistently ranked number one on CSP Magazine's Top 202 Convenience Stores.

The subject property is located at the signalized, hard corner intersection of NE Killingsworth Street and NE 15th Avenue. This heavily trafficked intersection sees more than 18,000 vehicles per day (VPD). The subject property also received WalkScore of 91 from Redfin, making this neighborhood a "Walker's Paradise." Additionally, the property has superior access to public transit. Directly adjacent to the asset is a TriMet 8 Line Bus Stop, which provides direct access to Portland City Center.

Located in the heart of Vernon, this dense infill neighborhood has more than 357,000 residents within five miles. The area has experienced significant population growth. Since 2010, the population in the five-mile radius increased 12 percent. Additionally, less than one mile from the subject property a Natural Grocers plans to enter the market.

Additional retailers in the immediate trade area include: Walgreens, Safeway, Popeye's, Starbucks, Wells Fargo, U.S. Bank, SUBWAY, KFC, Bank of America, O'Reilly Auto Parts, and many more.

- **7-Eleven in Portland | The Largest City in Oregon**

- **More Than Three Years Remaining on Double-Net (NN) Lease Featuring Three, Five-Year Renewal Options With 10 Percent Increases in Each Option | Minimal Landlord Responsibilities**

- **Corporate Guaranty | 7-Eleven, Incorporated | Standard & Poor (S&P): AA- | Consistently Number One on CSP Magazine's Top 202 Convenience Stores**

- **Signalized, Hard Corner Intersection of NE Killingsworth Street and NE 15th Avenue | More Than 18,000 Vehicles Per Day (VPD)**

- **Asset Benefits from Being in a Very Walkable Area | Redfin Walk Score of 91: "Walkers Paradise"**

- **Directly Adjacent to the TriMet 8 Line Bus Stop | Direct Connection to Portland City Center**

- **Heart of Vernon Neighborhood | More Than 357,000 Residents Within Five Miles | Significant Growth: Population Increased 12 Percent From 2010 to 2017**

- **Natural Grocers Entering the Market Less Than One Mile from the Subject Property**

- **Nearby Concordia University | More Than 1,800 Students**

- **Additional Retailers in the Immediate Trade Area Include: Walgreens, Safeway, Popeye's, Starbucks, Wells Fargo, U.S. Bank, SUBWAY, KFC, Bank of America, O'Reilly Auto Parts, and Many More**



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# Tenant Overview - 7-Eleven

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7-Eleven is among the world's largest and most widely recognized and iconic retailers, both inside and outside the c-store channel. The company's iconic Slurpee, Big Gulp soft drinks and fresh-made coffees have helped 7-Eleven grow throughout North America and in several countries overseas.

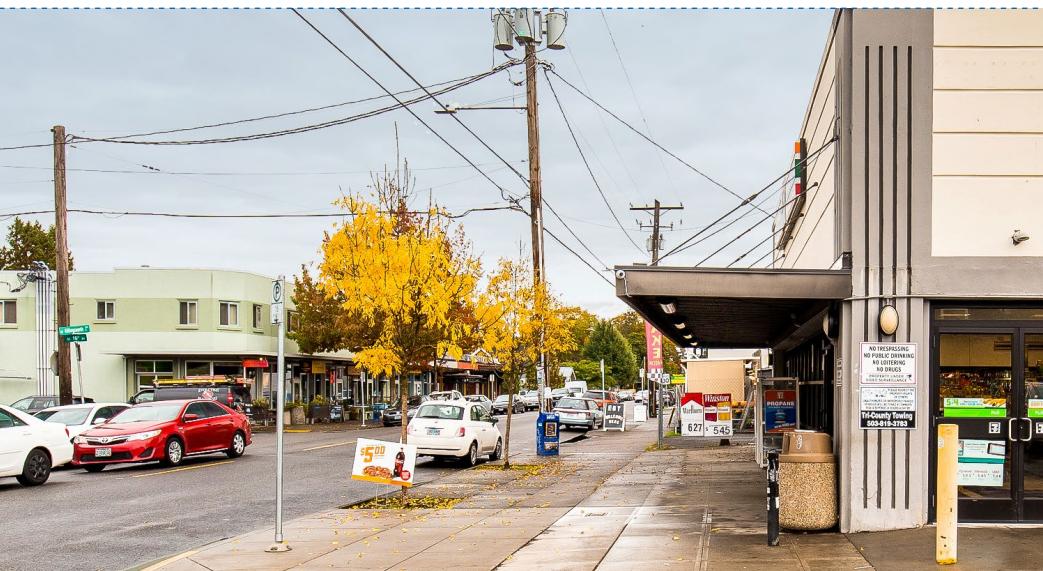
Convenience items range from cigarettes and magazines, to sweet and salty snacks, beer and wine. 7-Eleven distinguishes itself from the competition with its many proprietary and private-label items. On the foodservice front, the chain has recently rolled out its "fresh" initiative, adding more fresh food items across the chain. Technology meanwhile plays a major role in the brand's evolution, including its 7Rewards loyalty app, a new BillPay app, third-party delivery and even a promotional play around drone delivery.

For management purposes, corporate/franchised stores are organized into geographical zones. 7-Eleven, Incorporated is wholly owned subsidiary of Tokyo-based Seven & I Holdings Co, Limited; which is publicly-traded on the Tokyo Stock Exchange.

Its "Retailer Initiative" allows an operator to align product assortment with the store's customer preferences, it offers many proprietary and private-label items, and it has assembled a "restaurant-quality" team that is introducing more fresh foods to the chain.



ACTUAL PROPERTY

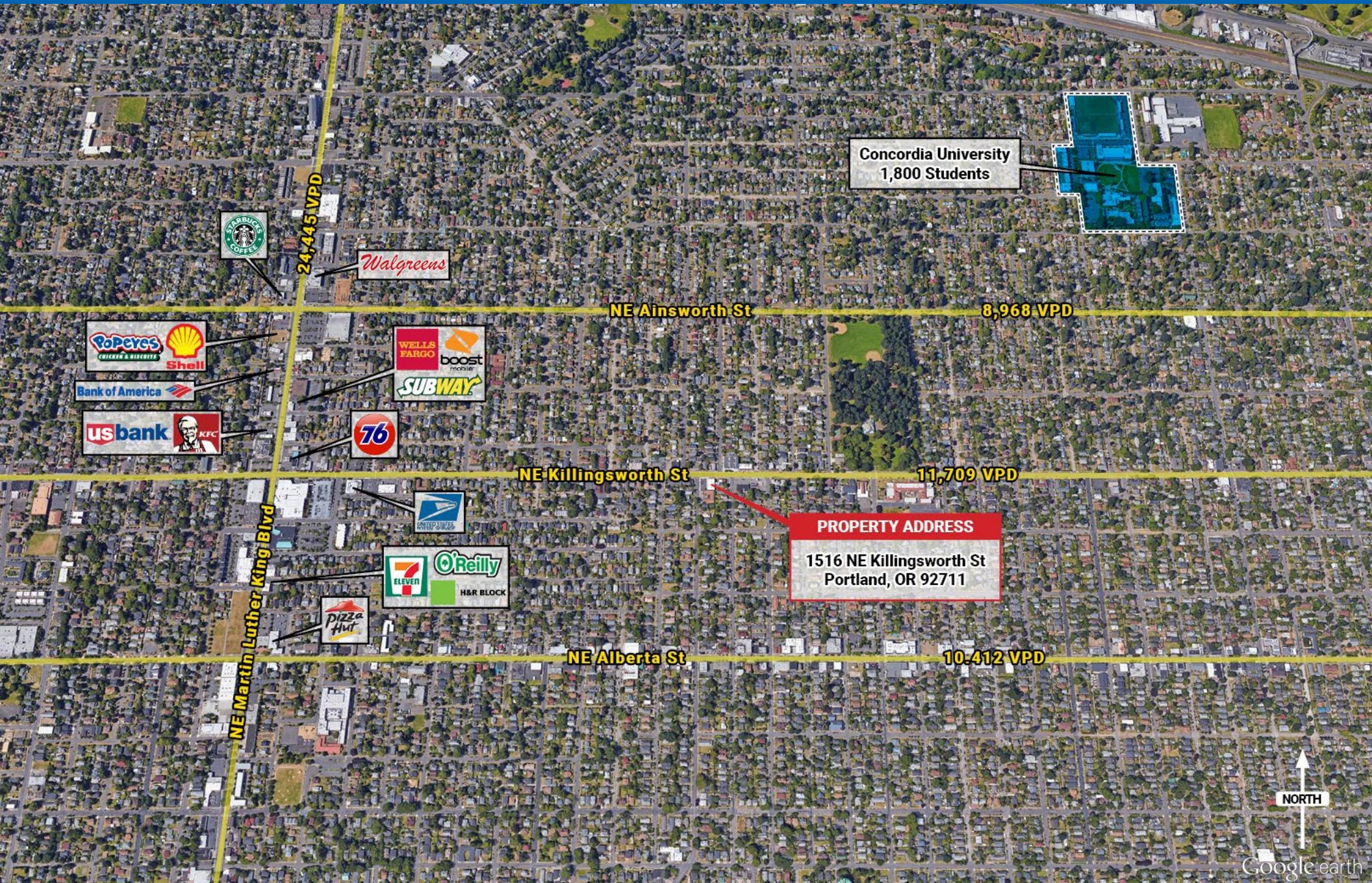


## TENANT PROFILE

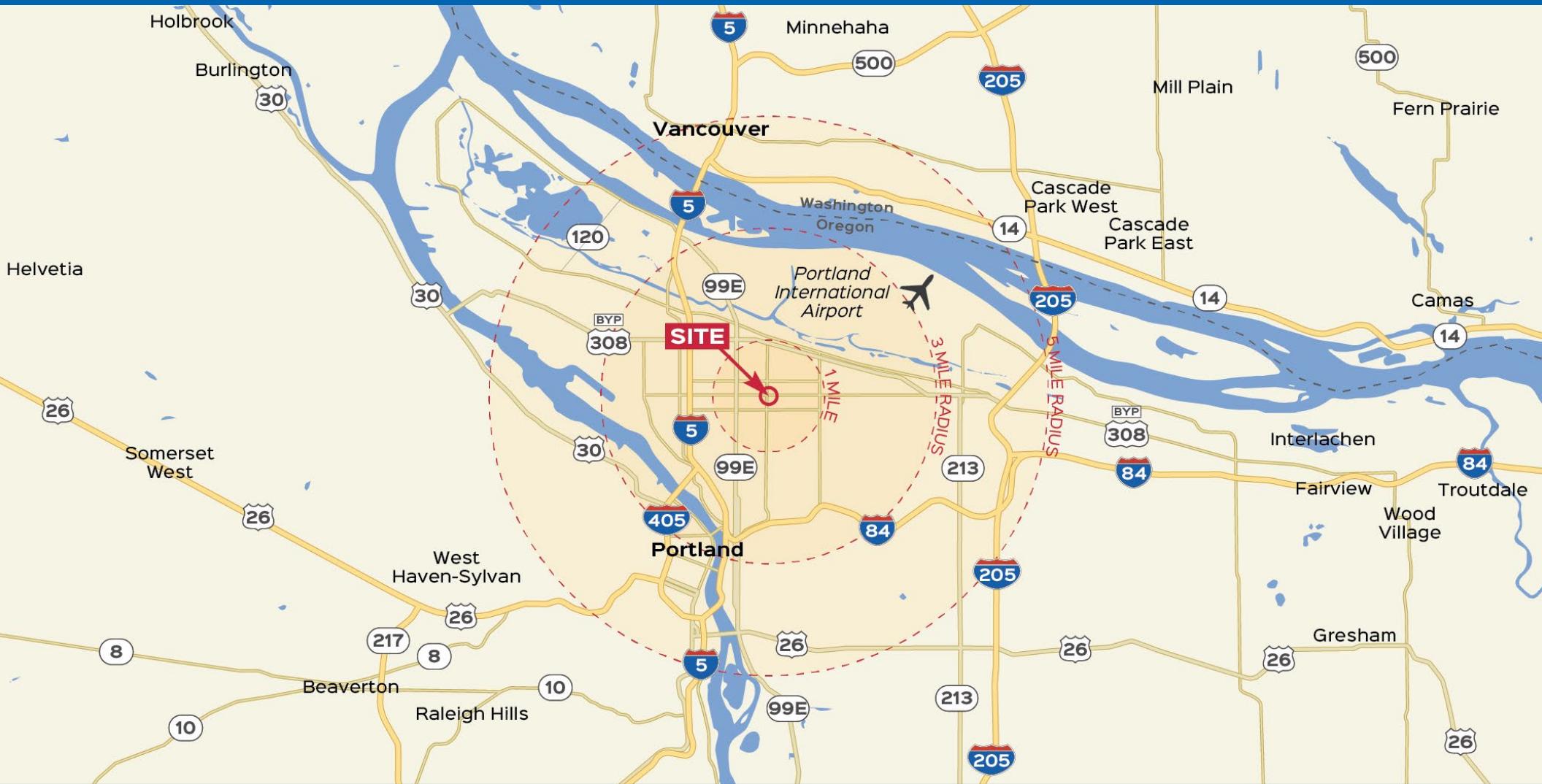
TENANT TRADE NAME	7-Eleven
OWNERSHIP	Wholly Owned Subsidiary of Seven & I Holdings Co., Limited
TENANT	7-Eleven, Incorporated
LEASE GUARANTOR	7-Eleven, Incorporated
NUMBER OF LOCATIONS	8,000 Plus
HEADQUARTERED	Irving, Texas
WEB SITE	<a href="https://www.7-eleven.com/">https://www.7-eleven.com/</a>
CREDIT RATING	AA-
RATING AGENCY	Standard & Poor (S&P)
RANK	#1 CSP Daily News, #7 Franchise 500

# Aerial Overview

1516 NE Killingsworth Street - PORTLAND, OREGON 97211



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	1-Mile	3-Mile	5-Mile
Population			
2000 Population	27,517	128,911	297,681
2010 Population	27,529	138,338	320,362
2017 Population	30,132	156,071	357,660
2022 Population	31,993	166,498	381,173

	1-Mile	3-Mile	5-Mile
Households			
2000 Households	10,471	54,252	132,477
2010 Households	11,100	61,148	146,648
2017 Households	12,037	69,264	164,334
2022 Households	12,769	73,985	175,367

	1-Mile	3-Mile	5-Mile
<b>Household (HH) Incomes</b>			
2017 Average HH Income	\$95,549	\$93,397	\$85,380
2017 Median HH Income	\$75,447	\$70,828	\$61,818
2017 Per Capita Income	\$38,169	\$41,449	\$39,230

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# Market Overview - Portland, Oregon

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Portland, Oregon has a thriving cultural scene, outstanding natural beauty, world-class dining and efficient public transportation. The city is renowned for its galleries, performance venues, and cinema. Pubs, coffee shops, farmers markets, parks, and gardens are everywhere. Culture is not hard to. The Portland Art Museum is one of the 25 largest museums in the country, and includes centers for Northwest and Native American Art. The Portland Center for the Performing Arts hosts eight resident companies.

Martini bars are very popular, especially in the Pearl District. Many venues have late night happy hours and many restaurants provide substantial discounts on food ordered after 9pm. Brew pubs are extremely popular. Portland boasts more microbreweries and brew pubs than any other city in the United States.

Portland's location is also beneficial for several industries. Relatively low energy cost, accessible resources, north-south and east-west Interstates, international air terminals, large marine shipping facilities, and both west coast intercontinental railroads are all economic advantages. Technology is a major component of the city's economy. There are more than 1,200 technology companies in metro area, which some refer to as Silicon Forest. The area also hosts facilities for software companies and online startups, some supported by local seed funding organizations and business incubators.

The Portland metro area has become a business cluster for athletic and footwear manufacturers. The area is home to the global, North American or U.S. headquarters of Nike, Adidas, Columbia Sportswear, LaCrosse Footwear, Dr. Martens, Li-Ning, Keen, and Hi-Tec Sports. While headquartered elsewhere, Merrell, Amer Sports and Under Armour have design studios and local offices in the Portland area.





# 7-Eleven

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**Broker of Record**

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