

RARE 15-YEAR GROUND LEASE | TROPHY FREEWAY LOCATION | RENT COMMENCED NOV 1ST, 2022



SOUTHINGTON, CT
(HARTFORD MSA)

FILE PHOTO -
SIMILAR PROTOTYPE



NNLG NATIONAL
NET LEASE GROUP

OFFERING MEMORANDUM

 **CUSHMAN &
WAKEFIELD**



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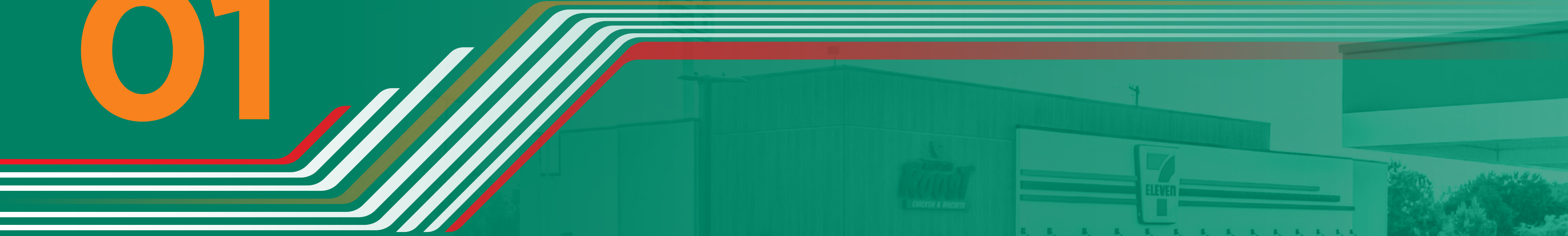
04 Market Overview



12830 El Camino Real, Suite 100
San Diego, CA 92130
United States

Listed in conjunction with Connecticut Broker of Record: Tim McNamara | CT Lic. #RES.0455589

01



Offering

Investment Highlights
Executive Summary



INVESTMENT HIGHLIGHTS

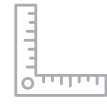
THE OFFERING

Brand-New 2023 construction, featuring a 4,714 square foot free-standing 7-Eleven with Raise the Roost leased for 15 years through October of 2037.

Price: \$6,470,589 – 4.25% Cap Rate



2023
Year Built



4,714 SF
Building Size



16.5 miles
to Hartford, CT

LEASE /TENANT

- **Absolute NNN Ground Lease:** Zero landlord responsibilities for operating or capital expenses
- **Corporate Backed Long-Term Lease:** 7-Eleven, Inc. signed a new 15-year ground lease with rent commencing on November 1st, 2022
- **Investment Grade Credit:** 7-Eleven has an “A” rating from Standard & Poor’s
- **Attractive Rent Increases:** Lease features 8.5% rent increases every 5 years in the primary term and options, providing a hedge against inflation.
- **Large Format 7-Eleven open 24hrs:** 2.20-acre site with 16 fueling stations designed for truck access
- **Raise the Roost Location:** Southern-inspired in-store restaurant concept by 7-Eleven featuring fried chicken, biscuits, wings, and sandwiches all made from scratch with grab-and-go and made-to-order options
- **7-Eleven is the Largest Convenience Retail Chain in the World:** Over 77,000 stores worldwide with annual sales exceeding \$64.74 billion

REAL ESTATE /AREA STRENGTHS

- **Highly Desirable Freeway Location:** Easily accessible via interstate-84 connecting Southington to Greater Hartford MSA serving over 85,700 vehicles daily
- **Signalized Intersection at Entrance/Exit to Interstate-84:** 7-Eleven benefits from its location at the base of the on/off ramp to Interstate-84 providing commuters convenient access from all traffic patterns
- **Positioned Along Area’s Main Retail and Traffic Corridor:** Excellent access and visibility along Queen Street with daily traffic counts exceeding 31,900 vehicles.
- **Prominent Retail Location Adjacent to Home Depot and Walmart:** Other traffic generators in the immediate area include ALDI, Chick-fil-A, Starbucks, Goodwill, Chipotle, Planet Fitness, AutoZone, McDonalds, and many others
- **Close Proximity to Shop Rite Plaza:** 145,000 SF Neighborhood Center Anchored by ShopRite, CVS Pharmacy, Petco and Jo-Ann Fabrics
- **Extremely Affluent Trade Area:** Average household income exceeds \$123,000 within a one-mile radius
- **Densely Populated Providing for Direct Residential Consumer Base:** Over 117,538 residents within a five-mile radius, which includes approximately 52,000 housing units





EXECUTIVE SUMMARY

The subject property is a **4,714** square foot **7-Eleven** with **Raise the Roost** featuring **16 fueling stations** located in **Southington, Connecticut**. Southington, which is part of **Hartford County**, is situated about 16 miles southwest of Hartford, and 80 miles northeast of New York City. 7-Eleven signed a **15-year ground lease** with **rent commencing on November 1st, 2022**, leaving **15 years remaining** on the initial lease term. The lease features extremely attractive **8.5% rent increases every 5 years** throughout the primary term, and between each of the **five, five-year renewal options**. The Tenant is operating under a highly passive **absolute NNN ground lease** with **zero landlord responsibilities** for operating or capital expenses.

7-Eleven is the world's largest operator, franchisor, and licensor of convenience stores with more than **81,000 stores** around the globe. 7-Eleven was voted the **#1 convenience store** franchise in 2021. 7-Eleven, Inc. has **annual revenues in excess of \$64.74 billion** and boasts an **"A" investment-grade credit** rating by Standard & Poor's.

The subject property is prominently positioned at a **signalized intersection** along Queen Street, the **area's main retail and traffic corridor** serving over **31,900 vehicles** daily. 7-Eleven benefits from its location at the **signalized entrance/exit to Interstate-84**, allowing commuters and customers alike **convenient access from all traffic patterns**. Interstate-84, which connects Southington to Greater Hartford MSA, experiences daily traffic in excess of **85,700 vehicles**. This **highly desirable freeway location** features **excellent visibility**, and **out-positions** any other convenience store/gas-station in the market.

The subject property is also located within a **prominent retail corridor** adjacent to **Walmart** and **Home Depot**. Other traffic generators in the immediate area including ALDI, Chick-Fil-A, Starbucks, Goodwill, Chipotle, Planet Fitness, AutoZone, McDonalds, and many others. Located near the property is **Shop Rite Plaza**, a **145,000 square foot** neighborhood center anchored by ShopRite, CVS Pharmacy, Petco, and Jo-Ann Fabrics. The property is situated in a **densely populated** area with over **52,000 housing units** and **117,538 residents** within a 5-mile radius, providing a **direct residential consumer base**. This **extremely affluent** Southington trade area boasts an **average household income in excess of \$123,000** within a one-mile radius.

SITE OVERVIEW

YEAR BUILT
2023

BUILDING AREA
4,714

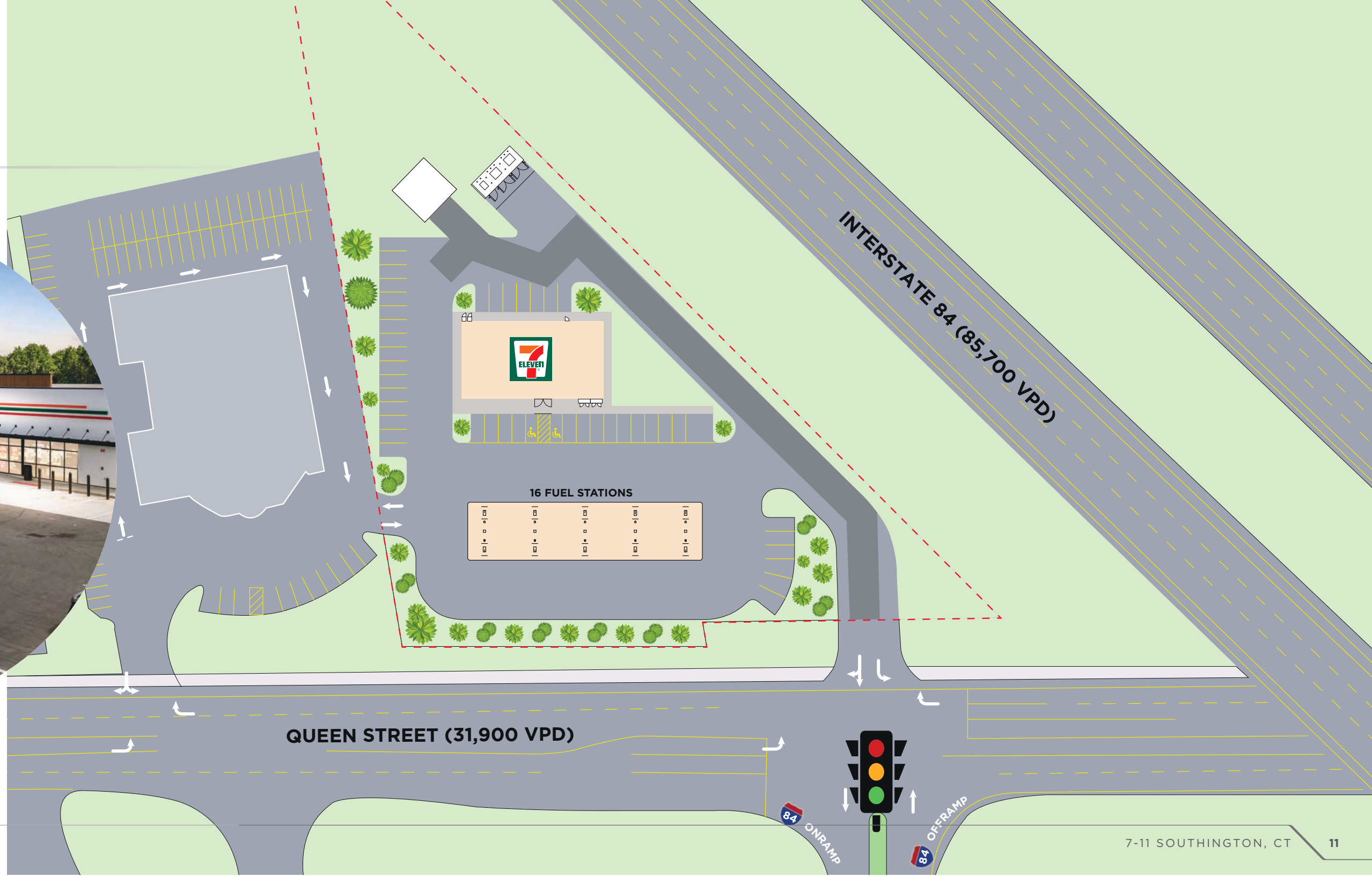
LAND AREA
2.20 Acres (95,833 SF)

PARKING
46 stalls

ACCESS POINTS
Queen Street

MPD'S
8

**FUELING POSITIONS/
GAS PUMPS**
16



EAST

SUPER CUTS
 ANYTIME FITNESS
 Get to a healthier place.
 Thalberg Elementary School
 THE HOME DEPOT
 Hawk's Landing Country Club
 ALDI
 BOB'S DISCOUNT FURNITURE BED BATH & BEYOND
 MATTRESS FIRM
 McDonald's
 6
 Holiday Inn EXPRESS
 AutoZone
 Denny's
 Days Inn
 DUNKIN' DONUTS
 Chick-fil-A
 TACO BELL
 IHOP
 DOLLAR TREE
 Price Chopper MARKET
 Queen Street (31,900 VPD)
 84
 7-Eleven Under Construction
 planet fitness
 noodles company
 Smash Burger
 STARBUCKS
 BURGER KING
 petco
 JO-ANN fabric and craft stores
 BUFFALO WILD WINGS
 chilis
 STAPLES that was easy
 ShopRite
 GNC LIVE WELL
 BJ's
 Public Storage
 Pilgrim FURNITURE & MATTRESS CITY
 planet fitness

SOUTHWEST

Southington High School
 Stop & Shop
 Valvoline
 MIDAS
 Advance Auto Parts
 GameStop power to the players
 Walmart
 Mobil
 Friendly's
 SHERWIN-WILLIAMS
 Days Inn
 Panera BREAD
 Wendy's
 planet fitness
 Wood-n-Tap
 DUNKIN' DONUTS
 Days Inn
 7-Eleven Under Construction
 Queen Street (31,900 VPD)
 84
 Holiday Inn EXPRESS
 Pilgrim FURNITURE & MATTRESS CITY

02

Financials

Lease & Pricing Summary





500 QUEEN STREET,
SOUTHINGTON, CT 06489



\$6,470,589
Price



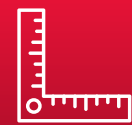
4.25%
Cap Rate



2023
Year Built



**FEE SIMPLE
GROUND LEASE**
Ownership Type



4,714 SF
Building Size



±2.20 ACRES
Lot Size

LEASE SUMMARY

Tenant	7-Eleven, Inc
Lease Guarantor	Corporate Guarantee
Credit Rating	A (S&P)
Lease Type	Absolute NNN Ground Lease
Landlord Responsibilities	None
Lease Term	15 Years
Rent Commencement	11/01/2022
Lease Expiration	10/31/2037
Remaining Lease Term	15 Years
Renewal Options	Five, 5-Year Options
Rent Increases	8.5% Every 5 Years
ROFR	Yes, 30 days

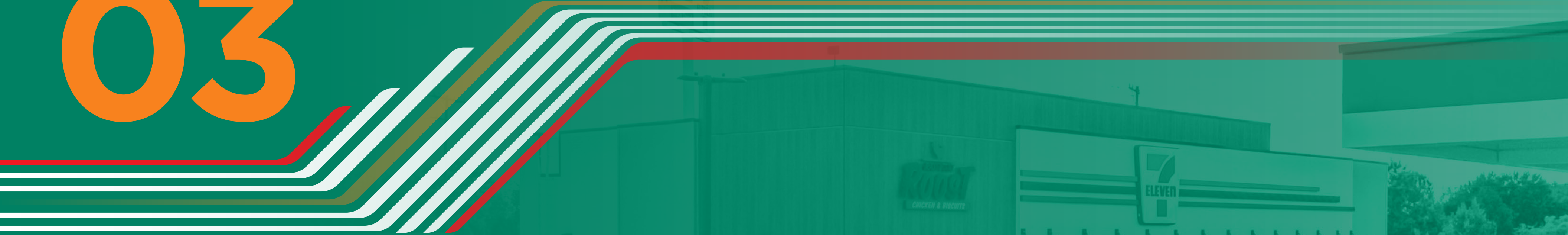
RENT SCHEDULE

Period	Annual Base Rent	Monthly Base Rent
Years 1-5	\$275,000.04	\$22,916.67
Years 6-10	\$298,374.96	\$24,864.58
Years 11-15	\$323,736.00	\$26,978.00
Option 1 (5 Years)	\$351,253.56	\$29,271.13
Option 2 (5 Years)	\$381,110.16	\$31,759.18
Option 3 (5 Years)	\$413,504.52	\$34,458.71
Option 4 (5 Years)	\$448,652.40	\$37,387.70
Option 5 (5 Years)	\$486,787.80	\$40,565.65



REPRESENTATIVE PHOTO

03



Tenant

Tenant Overview





REPRESENTATIVE PHOTO

TENANT OVERVIEW

7-11 is the premier convenience store in the United States

As proud founders of the world's first convenience store, 7-Eleven's top priority has always been to give customers the most convenient experience possible to consistently meet their needs. Based in Irving, Texas, 7-Eleven operates, franchises and/or licenses more than 13,000 stores in the U.S. and Canada. 7-Eleven aims to be a one-stop shop for consumers - a place people can always rely on to deliver what they want, when, where and how they want it. This goal continues to shape 7-Eleven's ethos, driving 7-Eleven's expansion into several sister brands including Speedway®, Stripes®, Laredo Taco Company® and Raise the Roost® Chicken and Biscuits and proprietary products and services such as 7NOW®, 7Rewards®, Speedy Rewards® and 7-Eleven Fleet™.

In January 2018, 7-Eleven acquired Stripes Convenience Stores and added their 1,030 stores to 7-Eleven's fleet. Stripes Stores offer food in more than 450 locations under the Laredo Taco Company® brand. In May 2021, 7-Eleven acquired 3,800 Speedway Stores, which operates in 36 states across the U.S., predominately in the Midwest and East Coast.

Laredo Taco Company is 7-Eleven's take on authentic Mexican food, and is famous for its authentic tacos, served on freshly made flour tortillas. Customers can find specialty tacos and meals that are not commonly offered in quick serve Mexican restaurants such as authentic barbacoa, chorizo, carne asada, carnitas, and breakfast tacos.

Raise the Roost Chicken & Biscuits is 7-Eleven's Southern-inspired chicken concept restaurant. Billed as "Chicken Worth Crossing the Road For," Raise the Roost Chicken & Biscuits presents made-to-order and grab-and-go options: hand-breaded fried chicken tenders, biscuits, bone-in and boneless wings, chicken sandwiches, and breakfast sandwiches.

A Credit Rating
(Standard & Poor's)



\$64.74B
2021 Revenue

81,000

Number of stores across the globe



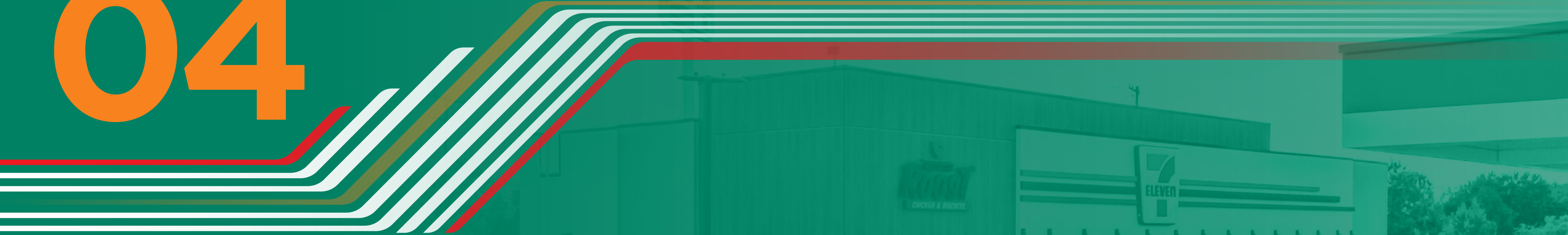
135,332
Employees

PRIVATE
Ownership



18 Number of countries where 7-11 operates

04



Market

Area Overview
Area Demographics



16.8 MILES SOUTHWEST OF HARTFORD

SOUTHINGTON, CT



**FOUNDED
1779**



**POPULATION
43,500**



**41
REGISTERED
HISTORIC
PLACES**



**AVERAGE
HOUSEHOLD
INCOME \$101K**



**AVERAGE
HOME VALUE
\$350,000**

Less than 20 miles southwest of Hartford, Southington is a growing community comprised of the villages of Plantsville, Marion and Milldale, each of which has its own post office and distinct architecture. The town rests in a valley of two mountains on its east and west sides. The Quinnipiac, Eight Mile and Ten Mile Rivers also flow through the town. The town is located along exits 28 through 32 of Interstate 84, exit 4 off Interstate 691, and is bisected by Connecticut Route 10.

Southington has the nickname of "The Apple Valley" due to the many orchards that still dot its landscape and giving name to our nationally known "Southington Apple Harvest Festival." Southington is home to the Mount Southington Ski area and Lake Compounce Amusement Park which draws thousands of visitors each year. There are recreation opportunities for all ages including parks, playgrounds, swimming pools, and public golf courses. The quaint downtown areas of Southington and Plantsville offer restaurants and shops.

Southington takes pride in being a welcoming community to all. It is a great place to live, work, play, and prosper. Southington is a wonderful place for raising a family with its excellent school system including a high school, two middle schools, and eight elementary schools.

Andover's median household income is approximately \$101,000 with the median home price valued at approximately \$350,000 and unemployment at approximately 3.5%.

HARTFORD, CONNECTICUT



Gardens at Elizabeth Park



Connecticut State Capital



Founders Bridge

Hartford was founded in 1635 and is among the oldest cities in the United States. Hartford is the capital city of Connecticut and is the core city in the Greater Hartford metropolitan area. Hartford is the 4th largest city in Connecticut with a population of 121,054 as of 2020.

Hartford's rich history is home to some of the longest standing buildings and establishments in the nation including includes Wadsworth Athenum (the country's oldest public art museum), Bushnell Park (the oldest publicly funded park), The Hartford Courant (the oldest continuously published newspaper), and Hartford Public School (the second oldest secondary school). It is also home to the Mark Twain House, where the author wrote his most famous works and raised his family, among other historically significant sites. Mark Twain wrote in 1868, "Of all the beautiful towns it has been my fortune to see this is the chief."

Nicknamed the "Insurance Capital of the World", Hartford holds high sufficiency as a global city, as home to the headquarters of many insurance companies, the region's major industry. Other prominent industries include the services, education and healthcare industries.

Hartford is a center for medical care, research, and education. Within the city of Hartford itself, hospitals include Hartford Hospital, The Institute of Living, Connecticut Children's Medical Center, and Saint Francis Hospital & Medical Center.

As Hartford is the historic international center of the insurance industry, the city is home to companies like Aetna, Conning & Company, The Hartford, Harvard Pilgrim Health Care, The Phoenix Companies, and Hartford Steam Boiler. Companies like Prudential Financial, Lincoln



National Corporation, Sun Life Financial, Travelers, United Healthcare and Axa XL also have major operations in the city.

Hartford is a burgeoning technology hub. In March 2018, Infosys announced that opening of a new technology innovation hub in Hartford, creating up to 1,000 jobs by 2022. The Hartford technology innovation hub will focus on three key sectors - insurance, healthcare, and manufacturing. Hartford has continued to attract technology companies including CGI Inc., Covr Financial Technologies, GalaxE. Solutions, HCL Technologies and Larsen & Toubro. Insurance software provided Insurity is also headquartered in the city.

In addition to housing several top companies, Hartford county is home to more than 400 properties and districts listed on the National Register of Historic Places, including 21 National Historic Landmarks. The city of Hartford houses 142 of these properties, including 7 National Historic Landmarks. Altogether, nearly 20% of the city's buildings are listed as historic or included in historic districts. Some of these historic places include Bulkely Bridge, the Connecticut State Capital, the Mark Twain House, and Bushnell Park.

Hartford's businesses are served by graduates from several local world-class institutions such as Trinity College, Capital Community College, University of Connecticut Hartford, University of Connecticut School of Business and University of Connecticut School of Law.

The first American cookbook was *American Cookery, The Art of Dressing Viands, Fish, Poultry, and Vegetables* by Amelia Simmons, published in Hartford in 1796. It was also the first cookbook to include recipes for squash and cornmeal, and it contained the first published recipe for pumpkin pie. Recently, Hartford has earned praise from Food and Wine as "a foodie destination". Food can today be found throughout the city from a very wide variety of ethnic influence.

Hartford has several sports teams including the Hartford Yard Goats (baseball), the Hartford Wolf Pack (Ice Hockey), Hartford Athletic (Soccer), and Hartford City FC (Soccer).

With flourishing industries and culture, Hartford is a great place to live and thrive.

RANKINGS

Hartford ranked **3RD BEST** medium metro market for **TELEWORKING**
- *bestplaces.net*

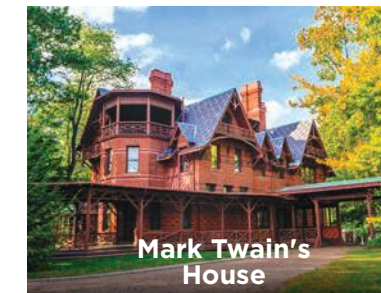
Hartford ranked **4TH MOST POPULAR CITY FOR THE HOLIDAYS**
- *bestplaces.com*

Hartford scored the **#3 RANK IN HEALTHCARE & #6 IN EDUCATION**
- *USNews.com*

West Hartford ranked **#1 BEST PLACES TO LIVE IN CONNECTICUT**
- *niche.com*



Bushnell Park



Mark Twain's House



Museum of Connecticut History

DEMOGRAPHICS

2021 DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	3,598	43,010	117,538	241,819
Median Age	47.0	43.5	41.8	40.0
HOUSING				
Total Housing Units	1,625	19,329	51,957	105,654
Occupied Housing Units	95.6%	94.5%	93.3%	92.2%
Vacant Housing Units	4.4%	5.5%	6.7%	7.9%
INCOME				
Income \$ 0 - \$9,999	2.4%	3.2%	3.9%	5.4%
Income \$ 10,000 - \$14,999	2.1%	2.4%	2.7%	3.3%
Income \$ 15,000 - \$24,999	6.6%	7.3%	7.3%	8.0%
Income \$ 25,000 - \$34,999	8.1%	7.3%	7.2%	7.7%
Income \$ 35,000 - \$49,999	9.1%	11.4%	11.6%	11.9%
Income \$ 50,000 - \$74,999	15.9%	16.5%	16.7%	16.7%
Income \$ 75,000 - \$99,999	14.3%	14.5%	15.0%	14.2%
Income \$100,000 - \$124,999	12.2%	11.5%	11.4%	10.6%
Income \$125,000 - \$149,999	8.0%	8.6%	8.1%	7.5%
Income \$150,000 +	21.2%	17.2%	16.1%	14.7%
Average Household Income	\$123,199	\$104,856	\$101,482	\$96,607

2026 PROJECTED DEMOGRAPHICS

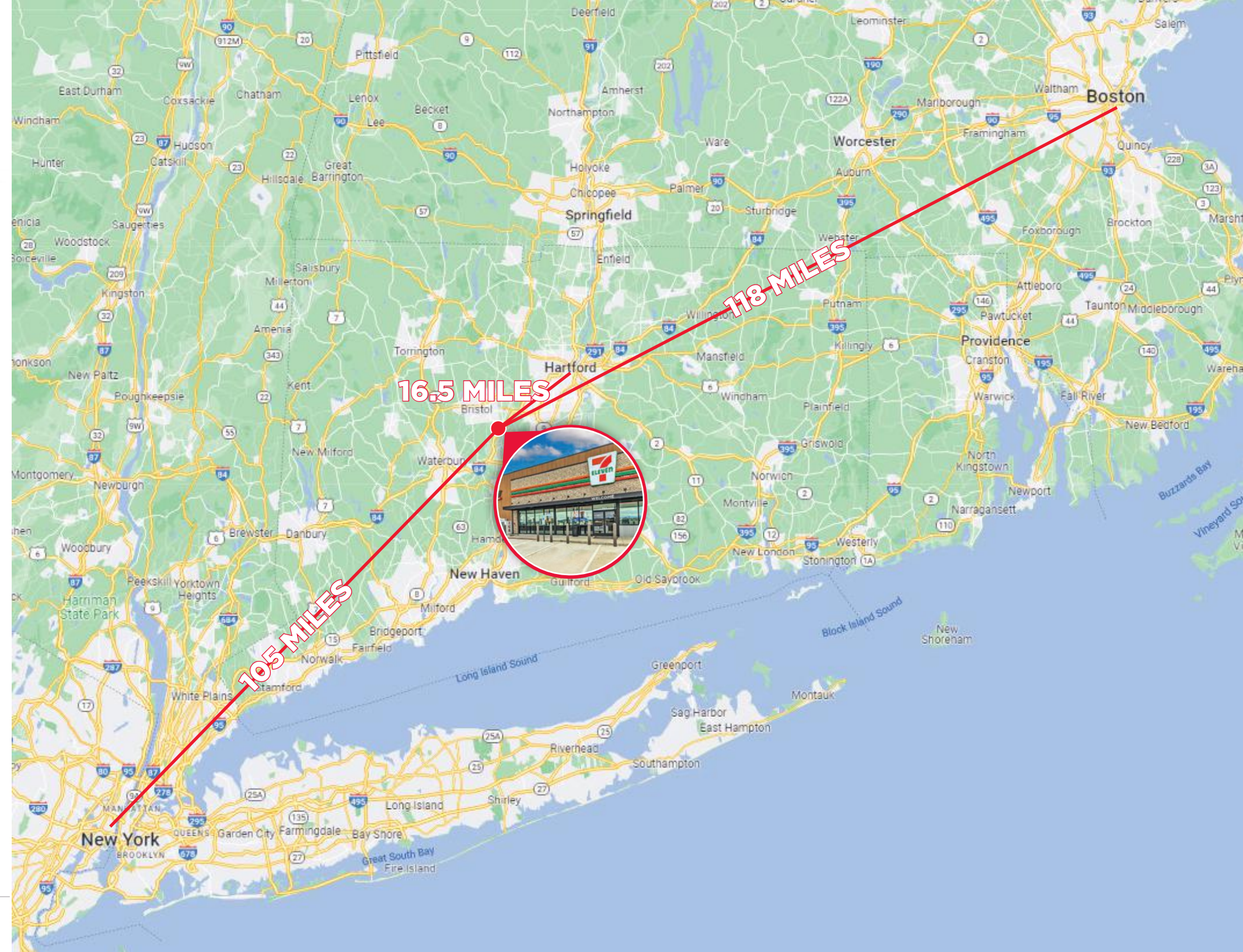
POPULATION	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	3,627	43,393	118,098	243,086
Median Age	48.0	44.4	42.8	41.0
HOUSING				
Total Housing Units	1,651	19,646	52,605	107,046
Occupied Housing Units	95.5%	94.4%	93.1%	91.9%
Vacant Housing Units	4.5%	5.6%	6.9%	8.1%
INCOME				
Income \$ 0 - \$9,999	2.1%	2.9%	3.4%	4.9%
Income \$ 10,000 - \$14,999	2.0%	2.4%	2.7%	3.3%
Income \$ 15,000 - \$24,999	6.1%	6.9%	6.9%	7.7%
Income \$ 25,000 - \$34,999	7.6%	7.0%	6.9%	7.4%
Income \$ 35,000 - \$49,999	8.7%	10.9%	11.1%	11.5%
Income \$ 50,000 - \$74,999	14.7%	15.3%	15.5%	15.6%
Income \$ 75,000 - \$99,999	14.2%	14.5%	14.9%	14.2%
Income \$100,000 - \$124,999	12.9%	12.2%	12.2%	11.3%
Income \$125,000 - \$149,999	8.7%	9.2%	8.8%	8.1%
Income \$150,000 +	23.0%	18.8%	17.6%	16.1%
Average Household Income	\$130,434	\$110,767	\$107,119	\$101,784



\$123,199
Average Household Income
within 1 mile



117,538
Total Population
within 5 miles



STATEMENT OF CONFIDENTIALITY & CONDITIONS

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental,

or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors. The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.



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REPRESENTATIVE PHOTO



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