

7-Eleven



415 Main Street
Bradley Beach, NJ 07220

Confidential Offering Memorandum

Absolute NNN Lease | Coastal Investment Opportunity

Monmouth County | New York City MSA | Less than 40 Miles to NYC





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Summary

Investment Summary
7-Eleven – Bradley Beach, NJ



The Offering

JLL is pleased to offer for sale the fee-simple interest in a freestanding, single-tenant 7-Eleven convenience store (the “Property”) located in Bradley Beach, New Jersey. 7-Eleven, Inc. (the “Tenant”) is the world’s largest convenience store chain with over 68,000 locations worldwide. The Property is the only food retailer in the Bradley Beach township and essential to the local market. Located along the township’s main retail drag six blocks from the Jersey Shore coastline, the Property captures sales from beachgoers and township residents alike. The Property’s location along major bus routes and adjacent to the historic Bradley Beach Train Station ensures heavy foot traffic in the area. A part of Monmouth County, Bradley Beach represents a strong retail market. With over 8 years remaining on a triple-net (“NNN”) lease, nine percent increases every five years, and four, five-year options for renewal, investors will secure appreciating, long-term cash flows from an established tenant.

INVESTMENT HIGHLIGHTS

- The Asset is subject to an absolute NNN lease featuring nine percent increases every five years and four, five-year options for renewal, making it the ideal passive, long-term investment.
- Strategically positioned along Main Street, Bradley Beach’s commercial corridor, the Property has access to over 10,000 vehicles per day and commuters taking the NJ Transit bus or traveling through the Bradley Beach train station.
- Rated Baa1 and AA- by Moody’s and S&P, 7-Eleven is a strong, investment-grade tenant. 7-Eleven’s investment grade rating is a result of its formidable market share, strong brand recognition, and popular in-store offerings.
- Modern construction, a hard-corner location, and position within a high-density coastal market ensures 7-Eleven’s long-term commitment to the site.
- Bradley Beach is known as both a tranquil, coastal haven for tourists and a small, friendly community for residents. With a median annual income in excess of \$100,000, the township represents an ideal retail market.

PROPERTY SUMMARY

Address	415 Main Street, Bradley Beach, New Jersey 07720
Asking Price	\$1,645,000
Cap Rate	5.50%
NOI	\$90,470
Lease Type	Absolute NNN
Square Footage	+/- 2,385 SF
Site Size	0.3 AC
Year Remodeled	2012
Tenant	7-Eleven, Inc.
Owner Interest	Fee-Simple
Primary Term	15 Years
Lease Commencement	12/01/2012
Lease Expiration	11/30/2027
Rental Increases	9% Every 5 Years
Renewal Options	4 x 5-Year Options
ROFR	Yes

Property

The Property is located just six blocks from the beach and situated along the primary commercial drag in Bradley Beach, Main Street. The Property is positioned next to the historic Bradley Beach train station, through which NJ Transit services over 15 trains traveling the New Jersey Coast daily from Bay Head to New York City's famous Penn Station. Other retail drivers in the area include the Jersey Shore Premium Outlets and Seaview Square Mall, which contain more than 145 national banner retailers combined and service much of the Jersey Shore. While retailers abound, the dearth of food locations in the township make 7-Eleven essential. In 2012, the Property was re-built utilizing the slab of a previous Dunkin Donuts. This convenient location is open 24/7 and draws traffic for its traditional convenience items and services, including an ATM and lottery ticket sales.



BUILDING AND LEASE SPECIFICATIONS

Address	415 Main Street, Bradley Beach, New Jersey 07720
Year Remodeled	2012
Ownership Interest	Fee Simple
Parcel Size (acres)	0.3
Property Size (square feet)	+/- 2,385 SF
Parking	+/- 17 Spaces
Tenant	7-Eleven, Inc.
Lease Type	Absolute NNN ⁽¹⁾
Net Operating Income	\$90,470
Rental Increases	9.0% Every 5 Years
Extension Options	4 x 5-Year Options
Tenant Termination Option	At the expiration of the 10th Lease Year, Tenant shall have the option to terminate this Lease; The Termination Notice must be delivered by 3/5/2022, or at least two hundred seventy (270) days prior to the Early Termination Date; If the option is exercised, the Lease would then end on 11/30/2022, with all terms and conditions continuing up until that date
ROFR Option	Yes



(1) Landlord is responsible for maintaining/repairing the building's slab; not responsible for roof & load-bearing walls.

Property Photos



Location

Location Overview

7-Eleven – Bradley Beach, NJ



Location

Bradley Beach

Bradley Beach is a borough in Monmouth County, New Jersey. Only 0.59 square miles in size, Bradley Beach delivers an oversized amount of summer fun. During the summer season, the population of Bradley Beach grows from approximately 5,000 to 30,000. The township was founded in the late 1800's as a retreat for New York and Philadelphia residents, and it remains a summertime destination for travelers from surrounding metropolitan areas today. The town is only 1 hour and 45 minutes from New York City's Penn Station via train. Despite the tourist activity, Bradley Beach's pristine beaches remain uncongested due to a beach badge system that also generates revenue for the township.

In addition to being a summertime oasis, Bradley Beach is home to year-round residents who desire an affordable, coastal lifestyle with great educational and economic opportunities. Bradley Beach is relatively affordable, with average house prices 70% below those in neighboring Avon-by-the-Sea. Bradley Beach's pre-kindergarten through eighth grade school offers integrated instructional activities, enhanced learning programs, and technology instruction to its over 300 students. From there, students have the option to attend one of three high schools and, eventually, over 30 public universities in the state of New Jersey.

Bradley Beach's location within Monmouth County affords its residents exceptional economical opportunities. With over 600,000 residents earning an average income exceeding \$130,000, Monmouth County represents one of the country's most dense and affluent suburban marketplaces. Monmouth County's stable 4.1% unemployment rate speaks to its wealth of employment opportunities that are constantly expanding. Currently, Verizon Wireless is constructing a 20,000 SF facility about 10 miles outside of Bradley Beach. Over the past few years, Monmouth County has issued over \$100 million annually in non-residential construction permits in order to accommodate new businesses.



Demographic Information		
	Bradley Beach	Monmouth County
2019 Population	4,444	639,796
2019 # Households	2,178	237,748
Average Household Income	\$109,712	\$139,226
Median Household Income	\$73,589	\$102,106
% of Residents with College Exp.	74%	70%

Area Overview – Jersey Coastline



Market

Market Overview

7-Eleven – Bradley Beach, NJ



Bradley Beach, NJ

Located on the hard corner of 5th Ave and Main St., the Property is situated along Bradley Beach's main retail drag just six blocks from the coastline. In addition to catching business from the beach, the Property benefits from the local retail market drivers listed below.

Retail Anchors – Major retailers within a five-mile radius of the Property drive traffic to the area. Five miles west of the Property are the Jersey Shore Premium Outlets, a shopping destination that offers 25-65% discounts on popular brands like Vera Bradley, Lacoste, and Burberry. Located at the junction of NJ-18, NJ-66, and NJ-33, the Seaview Square Mall contains 1.1 million square feet of retail space and houses major retail tenants including Target, Costco, Burlington, and HomeGoods. These retailers benefit from not only the wealthy resident population, but also increased traffic in the summer months.

Food Desert – Since Bradley Beach township doesn't contain a grocery store, 7-Eleven's convenient food offerings are essential to Bradley Beach residents. The Property's location is consistent with 7-Eleven's strategy of expanding into "food deserts," or areas with few food retail options.

Hackensack Meridian Health Jersey Shore University Medical Center – The University medical center is a strong commercial anchor in the market and located less than two miles from the Property. Over the last year, the hospital treated over 69,000 patients.

Healthy Daytime Population – Surrounding businesses and schools within a one-mile radius of the Property support a daytime population twice that of the residential population. This robust daytime population creates an immediate market for 7-Eleven's convenient services.

Nearby Attractions – Adjacent to the Property, the historic Bradley Beach train station was originally built in 1912 and is currently serviced by NJ Transit. Over 15 trains traveling the New Jersey Coast Line from Bay Head to New York City's Penn Station travel through the whimsical but functional station each day.



Jersey Shore Premium Outlets

Area Overview – Jersey Coastline



Tenant

Tenant Overview

7-Eleven – Bradley Beach, NJ



Tenant

7-Eleven Corporation

7-Eleven is the world's largest convenience store chain with over 68,000 stores in 23 countries. Founded in 1927, 7-Eleven pioneered the convenience store concept and today offers busy shoppers 24/7 convenience and an extensive range of merchandise and services, including over 2,500 products, gasoline, and select financial services, through its store network and online partnership with Amazon.

The Property's lease is guaranteed by 7-Eleven, Inc., the U.S.-based franchisor and licensor of 7-Eleven convenience stores throughout North America. In North America, 7-Eleven, Inc. strives for market dominance and has aggressively expanded its presence to encompass more than 11,800 stores. Currently the largest player in the convenience store industry, 7-Eleven Inc. holds over 30% of the total market share.

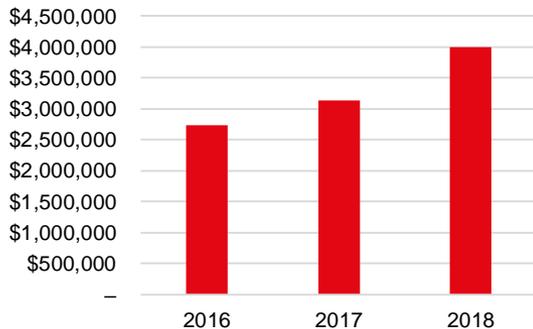
7-Eleven, Inc. carries an investment grade credit rating from both Moody's and S&P (Baa1 / AA-) with a "stable" outlook. The company's investment grade rating is attributed to its large scale, strong brand recognition, popular in-store offerings, and the strength of its parent company, Seven & I Holdings Co., Ltd., ("Seven & I Holdings").

Since 2005, 7-Eleven Inc., has operated as a wholly-owned subsidiary of Seven-Eleven Japan Co., Ltd., which is a unit of Seven & I Holdings, a Japan-based diversified retail group and one of the world's largest retailers. Seven & I Holdings store network comprises convenience stores, superstores, department stores, specialty stores, and etc.

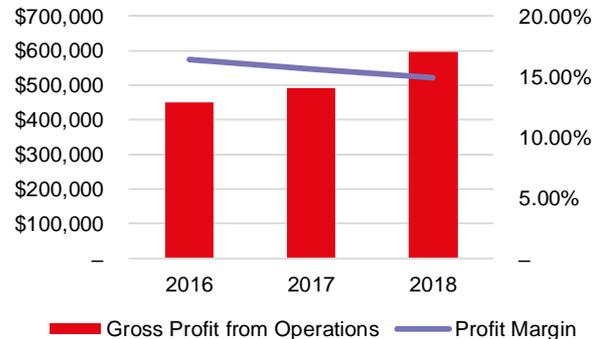


7-Eleven Overview	
Founded	1927
Credit Rating	Baa1 / AA- (Moody's / S&P)
Parent	Seven & I Holdings Co. (Japan)
Locations	68,000+
Countries	23
Headquarters	Irving, TX
Industry	Convenience Stores
Website	www.7-Eleven.com

7-Eleven, Inc. Total Store Sales



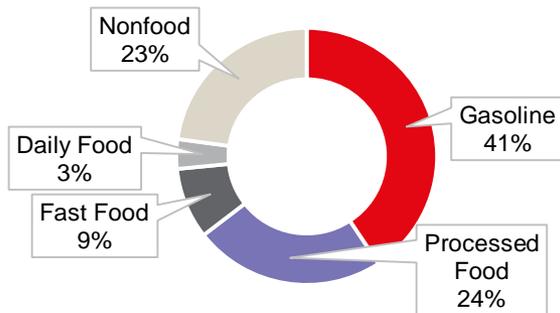
7-Eleven, Inc. Profitability



7-Eleven Growth Drivers

While gasoline sales account for most of the convenience store's total sales, other merchandise like processed food and daily food are becoming increasingly popular among customers. New premium, private-label product offerings and expanded food options helped drive sales higher. In a retail environment where convenience is key, 7-Eleven Inc. continually appeals to consumers.

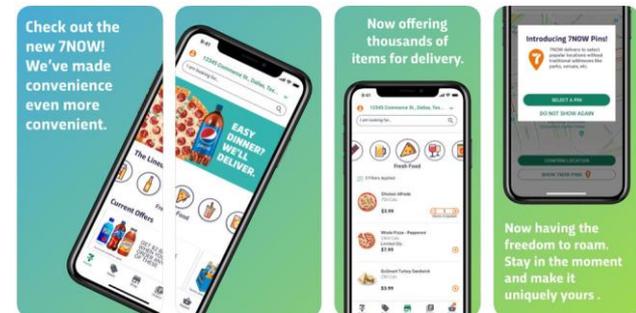
7-Eleven, Inc. Sales by Product Type



7-Eleven's mobile application, **7RewardsSM**, promotes customer loyalty by offering incentives for each purchase and access to exclusive discounts.



To appeal to the health-conscious consumer, 7-Eleven has introduced **fresh produce** and **organic items** to its product mix.



7NOW, 7-Eleven's delivery service, is redefining convenience by allowing customers in 27 major metropolitan areas to order 7-Eleven products through a mobile application for delivery to either their home address or **7NOW Pins**, defined public locations in parks, beaches, etc. that may not have traditional addresses.

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