



3225 Mchenry Ave | Modesto, CA 95350

Retail
Investment Opportunity

Offering Memorandum



MATTHEWS™



EXCLUSIVELY LISTED BY



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PROPERTY OVERVIEW

7-Eleven

3225 Mchenry Ave Modesto, CA 95350



INVESTMENT HIGHLIGHTS

Property Highlights

- **High Foot Traffic:** Ranks in the 80th percentile nationally and in the 77th percentile in the state. (Alpha Maps).
- **Early Option Renewal:** 7-Eleven exercised their 5 year option early, showing a strong commitment to the location.
- **Proven Location:** 7-Eleven has successfully operated at this location for 12+ years.
- **Hedge Against Inflation:** 10% rental increases every 5 years.
- **Hard Signalized Corner:** Enhancing accessibility and customer flow from surrounding residential neighborhoods and commercial areas.
- **High Traffic Volume and Visibility:** McHenry Avenue is one of Modesto's busiest thoroughfares, with approximately 37,000+ in average daily traffic counts, ensuring excellent exposure for a convenience store.
- **Competitive Pricing & Accessibility:** The acquisition price remains modest compared to many single-tenant net lease 7-Eleven investments.
- **Cheap Rent:** The current rent is below average compared to 7-Eleven's nationally, providing additional security of 7-Eleven's long-term viability at this location.
- **Easy Access:** multiple points of access are located on both streets.
- **Open 24/7:** Configured to support continuous, around-the-clock operations, providing flexibility for users requiring uninterrupted access.
- **Stable and Recession-Resistant Industry:** Provides you with a consistent and reliable income stream.
- **Main Retail Corridor:** Nearby tenants include, Target, Walmart Super Center, Barnes & Noble, Dutch Bros, Wells Fargo, Bank of America, Marshalls, Sherwin Willaims, Verizon, PNC Bank, Cit Bank, Carls Jr., Hobby Lobby, Chase Bank, Dollar Tree, Burlington, Safeway, Habit Burger & Grill, Starbucks, CVS, Orangetheory Fitness, McHenry Village Shopping Center, Guitar Center, Ross, AutoZone and much more.



INVESTMENT HIGHLIGHTS



Tenant Highlights

- **Top-Rated Tenant:** 7-Eleven has investment-grade credit, rated 'A-' by Standard and Poor's.
- **Iconic Brand:** 85,000+ Locations Worldwide, 13,000+ in the United States and Canada.

Demographic Highlights

- **Dense Infill Market:** Approximately 128,000+ residents within 3 miles and 256,000+ residents within 5 miles.
- **Growing Population and Demographics:** Annual growth rate of 0.53%, supported by job creation outpacing population expansion.
- **Robust Local Economy and Job Growth:** Modesto's economy is anchored by manufacturing, agriculture and emerging circular economy initiatives. The area's proximity to the Bay Area (about 90 minutes away) attracts commuters, while local unemployment remains low and industries like logistics and food processing provide steady employment. This economic stability supports consistent demand for convenience retail, with potential for growth in consumer spending as the population expands.



← Bay Area
90 Minutes W



Promenade Shopping Center
ROSS BARNES & NOBLE
DRESS FOR LESSSM **COLD STONE** CREAMERY
S **AutoZone**
SKECHERS

North Point Landing /
McHenry Corridor Anchor
Walmart
Supercenter

Emerald Pointe Apartments
±164 Units

Dutch Bros



Marshalls

TARGET

BANK OF AMERICA

SHERWIN WILLIAMS

KFC

Wienerschnitzel

FARMERS
INSURANCE

7-ELEVEN

Chevron

Subject Property



LEE'S CHINESE KITCHEN

GREAT SMILES
DENTAL
FAMILY AND COSMETIC DENTISTRY

Dos
COMPADRES
RESTAURANT & BAR

McHenry Ave ± 37,000 VPD

McHenry Village Shopping Center

SPROUTS FARMERS MARKET **CVS pharmacy** Great Clips[®]

SKY ZONE TRAMPOLINE PARK **RISE** ORTHODONTICS

Goodwill

DOLLAR TREE



Burlington

HOBBY LOBBY

IN-SHAPE
FAMILY FITNESS

SAFeway

Hartford Place Apartments
±21 Units

Standiford Elementary
±415 Students

PNC

Woodrow Park

DriveTime

ARCO

LEE'S CHINESE KITCHEN

verizon

McHenry Ave ± 37,000 VPD

7 ELEVEN

Subject Property

GREAT SMILES DENTAL
FAMILY AND COSMETIC DENTISTRY

Chevron



SHERWIN WILLIAMS

P. Westford's Pub

3225 Mchenry Ave.
Modesto, CA 95350

±3,000 SF
GLA

2013
Year Built

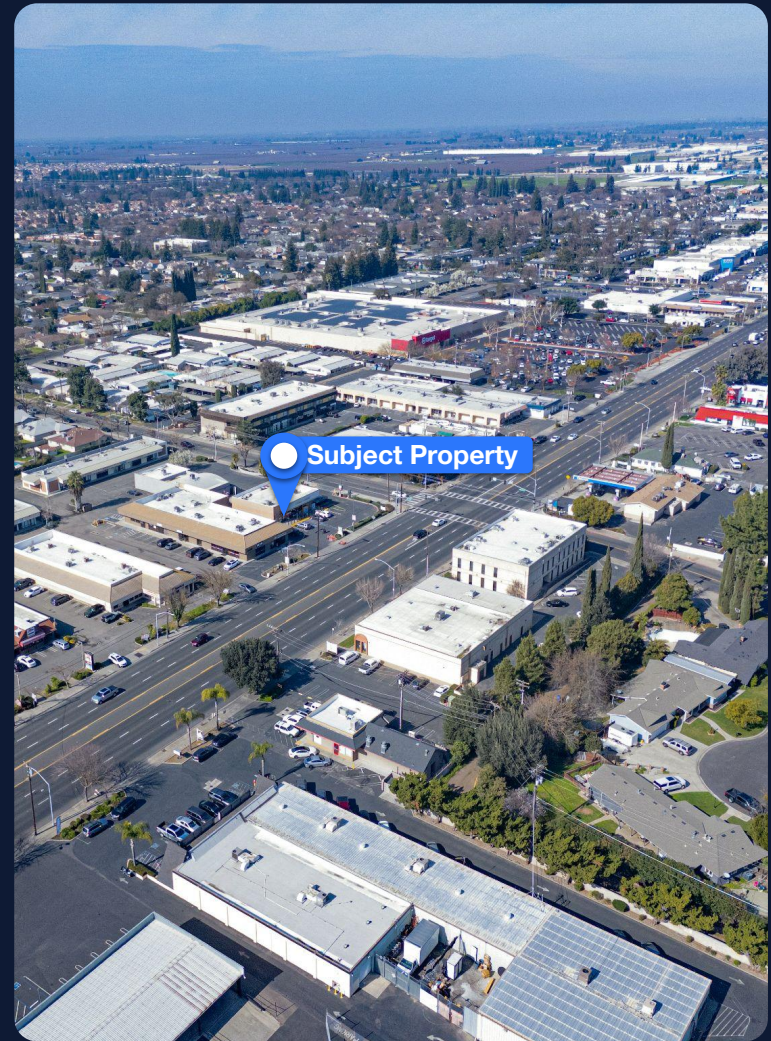
±37,000
Vehicles Per Day

NNN
Lease Type

12
Parking Spaces



PROPERTY PHOTOS



FINANCIAL OVERVIEW

7-Eleven

3225 Mchenry Ave Modesto, CA 95350



FINANCIAL SUMMARY

\$1,900,000

List Price

4.69%

Cap Rate

\$89,100

Annual Rent

±0.32 AC

Lot Size

Property Details

| | |
|---------------------------------|-----------------------|
| Tenant | 7-Eleven |
| Lease Type | NNN |
| Type of Ownership | Fee Simple |
| Lease Guarantor | Corporate |
| Maintain Foundation & Structure | Landlord Responsible |
| Original Lease Term | 10 Years |
| Rent Commencement Date | 1/1/2014 |
| Lease Expiration Date | 12/31/2033 |
| Term Remaining on Lease | ±7.5 Years |
| Increases | 10% Every 5 Years |
| Options | Three, 5-Year Options |

Annualized Operating Data

| Lease Commence | Monthly Rent | Annual Rent | Cap Rate |
|-----------------------|-------------------|-----------------|--------------|
| Current | \$7,425.00 | \$89,100 | 4.69% |
| 1/1/2029 - 12/31/2033 | \$8,167.50 | \$98,010 | 5.16% |
| Option 1 | \$8,984.25 | \$107,811 | 5.67% |
| Option 2 | \$9,882.68 | \$118,592 | 6.24% |
| Option 3 | \$10,870.94 | \$130,451 | 6.87% |



TENANT SUMMARY

Year Founded
1927

Headquarters
Irving, TX

Ownership Status
Seven & I Holdings

Employees
±152,000

Locations
±85,000

Credit Rating
A- (S&P)

Annual Revenue
\$81.5B



Tenant Overview

7-Eleven, Inc. stands as a globally recognized leader in the convenience-retailing sector, operating an expansive network of stores that define its robust market presence and brand strength. As a wholly owned subsidiary of Seven-Eleven Japan (part of Seven & I Holdings), the company benefits from strong financial backing and strategic global integration. With a reputation for innovation—from proprietary loyalty platforms to rapid delivery offerings—7-Eleven continues to set the standard in customer convenience and retail adaptability.

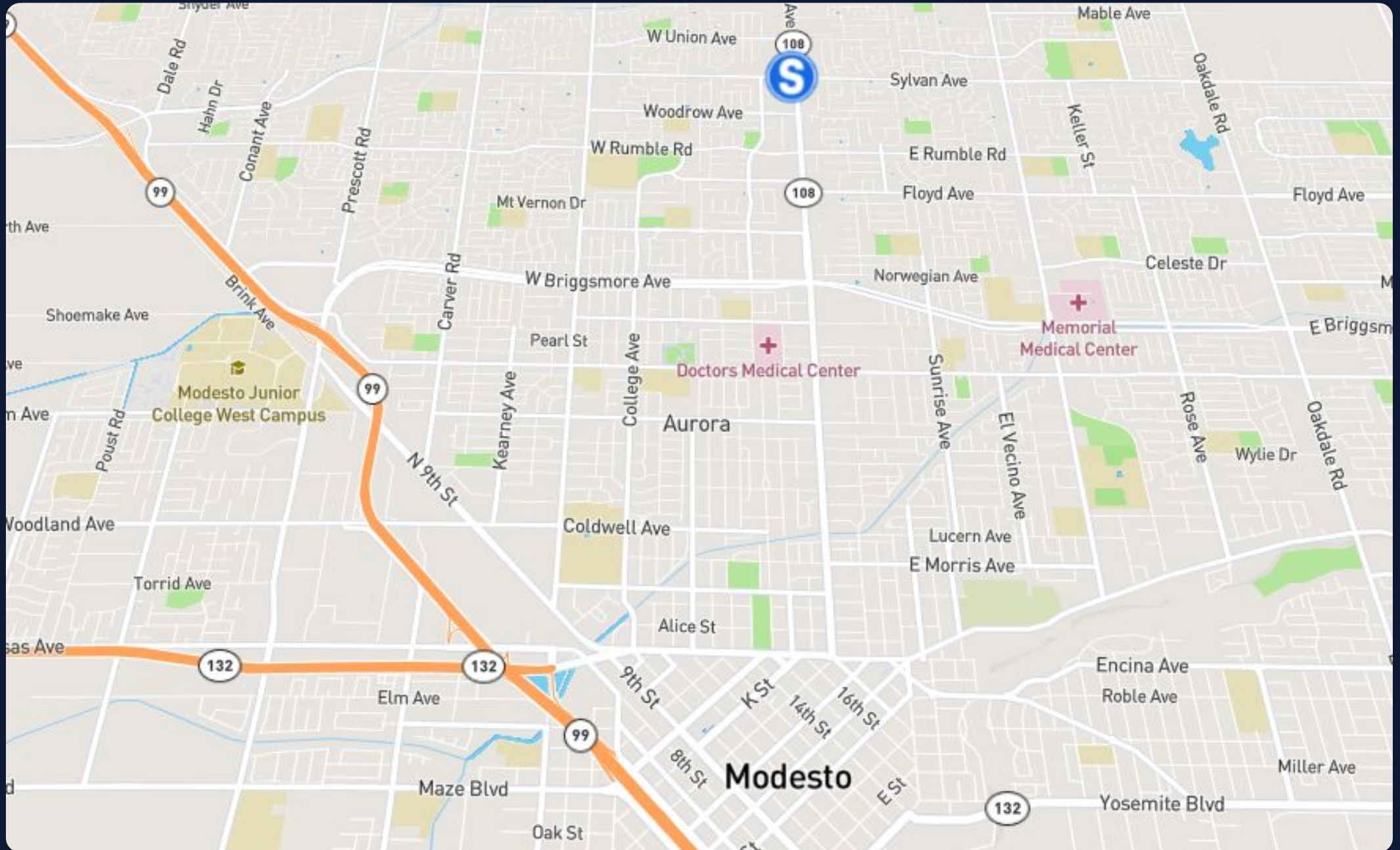
Why Invest in 7-Eleven?

- **Extensive Global Footprint:** Operates approximately 85,000 locations across 20 countries, including nearly 13,000 stores in North America—making it the world’s largest convenience retailer by store count.
- **Strong Parent Company Backing:** Fully owned by Seven & I Holdings Co., Ltd., a Tokyo-based retail conglomerate with significant capital resources and a long-term commitment to international growth.
- **Growth Through Strategic Acquisitions:** Demonstrated expansion strategy through major acquisitions such as Speedway and Stripes, solidifying market leadership in high-traffic, high-growth U.S. regions.
- **Loyalty and Digital Innovation:** Drives repeat customer engagement through proprietary platforms like 7Rewards and 7 NOW, aligning with evolving consumer expectations around convenience and mobile access.
- **Diversified Retail Format:** Offers a wide array of essential products and services—including fuel, grocery staples, hot food, and parcel lockers—supporting stable, recurring revenue in both urban and suburban markets.

MARKET OVERVIEW

7-Eleven

3225 Mchenry Ave Modesto, CA 95350



MODESTO, CA

Local Market Overview

Modesto is a Central Valley hub and the county seat of Stanislaus County, anchored by a diverse economy, affordable housing relative to coastal California, and strong ties to the broader Northern California megaregion. The city's population has grown modestly, with 2026 estimates at about 221,500 residents, reflecting steady in-migration and a stable labor force that supports retail, services, and logistics sectors. Modesto's household profile skews slightly younger than the statewide average (median age ~35), and households benefit from median incomes near \$79–80 K, while still maintaining broader affordability compared to larger California metros. The mix of residential and employment opportunities continues to attract households seeking value and proximity to major northern California employment centers.

Modesto's role as a Central Valley crossroads enhances its real estate appeal. With major transportation arteries like Highway 99 and proximity to Interstate 5, the region supports businesses in agriculture, distribution, manufacturing, and services. Local amenities — including expanding retail corridors, parks, and education providers like Modesto Junior College — contribute to quality of life, while housing market indicators suggest balanced demand from buyers and renters alike. The city's real estate market trends indicate moderate price growth and active residential and commercial activity, underscoring Modesto as a compelling value-oriented market within California's broader ecosystem.

Property Demographics

| Population | 3-Mile | 5-Mile | 10-Mile |
|-------------------------------|-----------|-----------|-----------|
| Five-Year Projection | 128,230 | 254,577 | 414,084 |
| Current Year Estimate | 128,715 | 256,683 | 418,387 |
| 2020 Census | 127,168 | 254,543 | 414,894 |
| Growth 2020-Current Year | 1.22% | 0.84% | 0.84% |
| Households | 3-Mile | 5-Mile | 10-Mile |
| Five-Year Projection | 46,939 | 87,050 | 136,516 |
| Current Year Estimate | 46,412 | 86,066 | 134,843 |
| 2020 Census | 46,394 | 85,511 | 133,638 |
| Growth Current Year-Five-Year | 1.13% | 1.14% | 1.24% |
| Growth 2020-Current Year | 0.04% | 0.65% | 0.90% |
| Income | 3-Mile | 5-Mile | 10-Mile |
| Average Household Income | \$112,865 | \$112,551 | \$113,514 |



221,500
Total Population

\$80,471
Median HH Income

73,959
of Households

61%
Homeownership Rate

21.2%
% Bachelor's Degree

35
Median Age

\$442,700
Median Property Value

Economy

Modesto's economy is driven by a diversified mix of agriculture and food processing, healthcare, education, logistics, and retail services, positioning the city as a key employment center within California's Central Valley. Its strategic location along the Highway 99 and Interstate 5 corridors provides efficient access to Northern California's major markets, supporting distribution and manufacturing activity while offering businesses lower operating costs relative to coastal metros. A stable public-sector presence, regional medical centers, and educational institutions further contribute to consistent employment and economic resilience.

Attractions

Modesto offers a blend of urban amenities and regional lifestyle appeal, highlighted by a growing downtown with dining, entertainment, and cultural venues, as well as access to numerous parks and community spaces. The city's central location places residents within convenient reach of Yosemite National Park, the Sierra Nevada foothills, and nearby wine regions, making it an attractive base for outdoor recreation. These quality-of-life factors, combined with relative housing affordability, enhance the city's appeal to residents and support sustained population and real estate demand.



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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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