

MATTHEWS™



1115 S Dal Paso St, Hobbs, NM 88240

**Retail
Investment Opportunity**

Offering Memorandum

Exclusively Listed By



Anthony Karimian

Associate

(747) 307-3673

anthony.karimian@matthews.com

License No. 02248570 (CA)



Conrad Sarreal

First Vice President & Director

(214) 692-2847

conrad.sarreal@matthews.com

License No. 01982875 (CA)

In-State Broker

Brian Brockman

License #: 20241

Bang Realty-New Mexico Inc

bor@bangrealty.com

513-898-1551

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Property Overview

Stripes

1115 S Dal Paso St, Hobbs, NM 88240



Investment Highlights

Investment Highlights

- **Rare 15+ Year Extension** – 7-Eleven recently extended the lease through 2041, matching the term of many new construction investments while preserving their standard 10% rent increases every 5 years. This rare long-term extension reflects the tenant's long-term commitment and favor over this location.
- **Strongest Credit in the Sector** – 7-Eleven operates more than 9,300 U.S. stores and 75,700+ locations worldwide and carries an A- S&P credit rating, the strongest among major U.S. convenience store operators.
- **100% Bonus Depreciation** – As a fee simple gas station investment, buyers may be eligible to depreciate up to 100% of qualifying improvements in the first year, creating a significant tax advantage. **(Please consult your CPA.)**
- **NNN Expenses Fully Reimbursed** – Both tenants reimburse their pro-rata share of taxes, insurance, repairs, and maintenance, helping preserve predictable net operating income over the investment.
- **Downside Protection** – Nipa Hut recently signed a new five-year lease at just \$7.17 PSF, well below market rents in the low teens PSF. This favorable rent level reduces future leasing risk while providing meaningful rental upside over the long term.
- **#1 Oil-Producing County in the U.S.** – Located in Lea County, the nation's leading crude oil-producing county with 1M+ barrels produced daily, Hobbs serves as a regional hub for major energy companies including ExxonMobil, Chevron, ConocoPhillips, Occidental Petroleum, and EOG Resources, along with hundreds of oilfield service providers.
- **Adjacent to the Midland-Odessa Energy Hub** – Just west of the Texas state line, Hobbs benefits from its proximity to the Midland-Odessa MSA, one of the world's premier energy markets. Together, the two regions function as an interconnected economic corridor, with businesses, contractors, and workers moving seamlessly across state lines, reinforcing the area's long-term economic vitality and consumer spending.
- **Near Intersection of Two Major Thoroughfare:** The property is positioned near the intersection of Highway 62 and Highway 18, two of Hobbs' most useful commercial corridors, which combine for 20,000+ vehicles per day, providing excellent visibility and accessibility to the property.





±13 Minutes

Walmart Supercenter

LOWE'S

THE HOME DEPOT

TEXAS STARBUCKS

±11 Minutes

Albertsons CVS pharmacy

BURGER KING

HOTWORX

DUNKIN' planet fitness

±7 Minutes

HOBBY LOBBY

O'Reilly AUTO PARTS

SONIC

BIG 5 SPORTING GOODS

WELLS FARGO

HARBOR FREIGHT QUALITY TOOLS LOWEST PRICES

DOLLAR TREE

ALLSUP'S

WELLS FARGO

Casey's

Aaron's

FAMILY DOLLAR

McDonald's

±9 Minutes

Staples

Advance Auto Parts

McDonald's

KFC

TACO BELL

Auto Zone

±7 Minutes

Wendy's

Wienerschnitzel

JCPenney

Walgreens

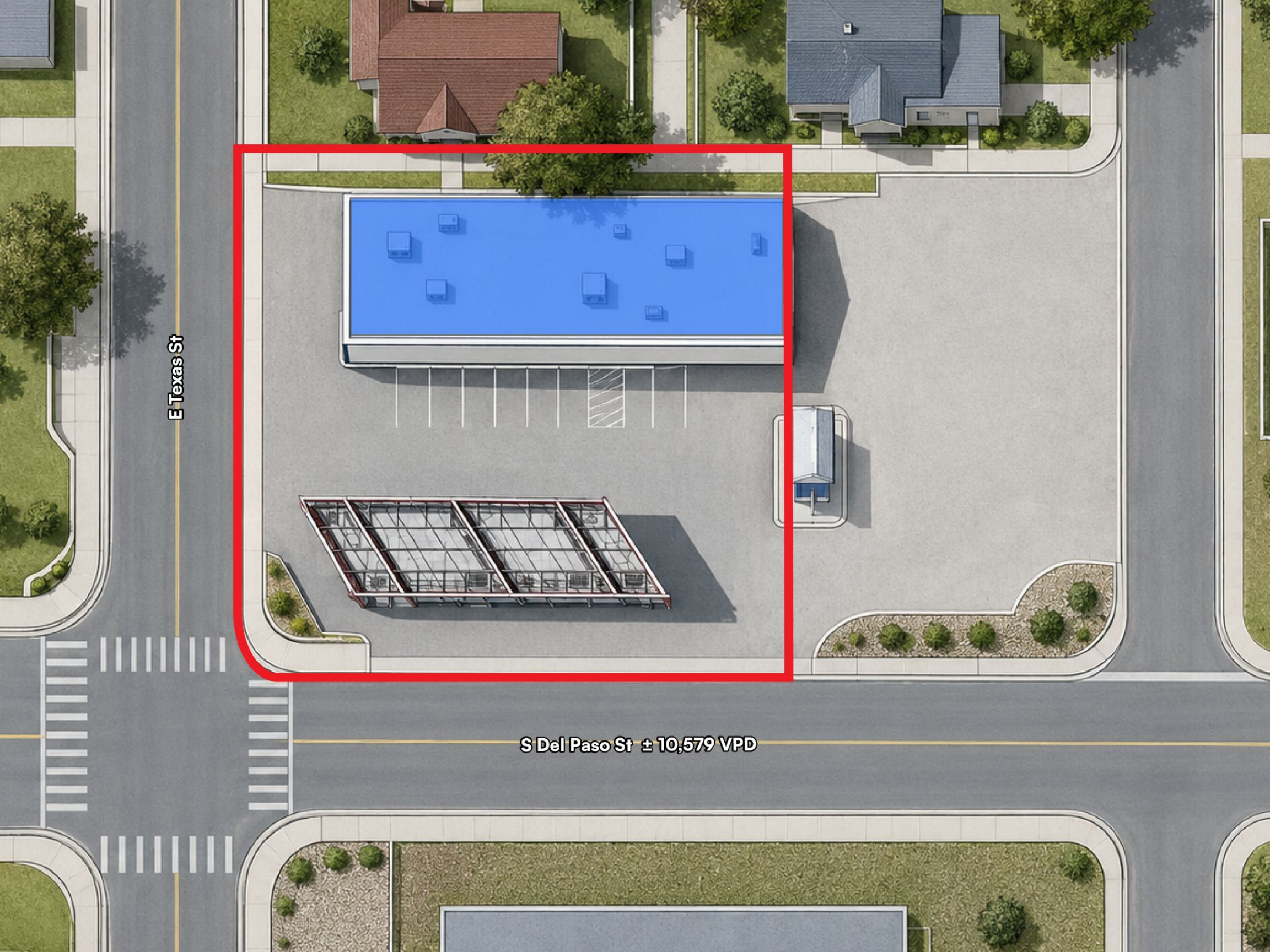
Subject Property

DOLLAR GENERAL

S Del Paso St # 10,579 VPD

E Texas St

S Del Paso St ± 10,579 VPD



1115 S Dal Paso St
Hobbs, NM 88240

±5,358 SF
GLA

±0.50 AC
Lot Size

2000
Year Built

NNN
Lease Type

\$456.75
Price Per SF



Financial Overview

Stripes

1115 S Dal Paso St, Hobbs, NM 88240



Financial Summary

\$2,447,273

List Price

5.50%

Cap Rate

10%

7-Eleven Increases

15.5 Years

7-Eleven Inc. Lease

Property Details

Tenant Trade Name	Stripes (7-Eleven)
Type of Ownership	Corporate
Lease Guarantor	7-Eleven, Inc
Lease Type	NNN
Landlords Responsibilities	None
Original Lease Term	10 Years
Original Rent Commencement Date	06/01/2016
Lease Expiration Date	12/31/2041
Term Remaining via Extension	±15.5 Years
Increases	10% Every 5
Options	Two, 5 Year Options
Tenant Trade Name	Nipa Hut
Type of Ownership	Private
Lease Type	NNN
Landlords Responsibilities	None
Original Lease Term	5 Years
Rent Commencement Date	06/04/2025
Lease Expiration Date	12/31/30
Term Remaining on Lease	±4.25 Years
Increases	None
Options	None

Rent Roll

Tenant	% of GLA	GLA SF	Lease Term	Monthly Rent	Annual Rent	Increases	Rent PSF
Stripes	75%	4,018	Current - 12/31/31	\$10,416.70	\$125,000		\$31.11
			1/1/32 - 12/31/36	\$11,458.33	\$137,500	10%	\$34.22
			1/1/37 - 12/31/41	\$12,604.17	\$151,250	10%	\$37.64
Nipa Hut	25%	1,339	Current - 12/31/30	\$800	\$9,600		\$7.17
Total	100%	5,358		\$11,216.70	\$134,600		\$25.12



Tenant Overview

Year Founded
1927

Headquarters
Irving, TX

Ownership
Seven & I Holdings

Employees
±152,000

Locations
±85,000

Credit Rating
A- (S&P)

Status
Public Company



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 7NOW, 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.

Tenant Overview

Year Founded
1938

Headquarters
Irving, TX

Ownership Status
Subsidiary of 7-Eleven

Employees
10,000+

Locations
525+

Annual Revenue
\$53 Billion



Tenant Overview

Stripes® Convenience Stores is a leading convenience store and fuel retailer with a strong presence across Texas and neighboring markets. The brand has built a loyal customer base through its combination of fuel services, convenience retail, and proprietary food offerings, most notably the highly recognized Laredo Taco Company®. Today, Stripes operates as a subsidiary of 7-Eleven, Inc., benefiting from the operational scale, supply chain efficiencies, and financial backing of one of the world's largest convenience store operators. The brand remains a dominant neighborhood retailer in many South Texas communities and continues to leverage 7-Eleven's merchandising, loyalty, and digital initiatives while maintaining its regional identity.

Why Invest in Stripes?

- **Backed by an Industry-Leading Parent Company** - Stripes is a wholly owned subsidiary of 7-Eleven, Inc., one of the world's largest convenience store operators. The brand benefits from the financial strength, operational expertise, and extensive supply chain of a global organization with more than 85,000 stores worldwide, providing long-term stability and significant institutional backing.
- **Market-Leading Regional Brand with Strong Customer Loyalty** - Stripes has established a dominant presence throughout Texas and Louisiana, particularly in South Texas. Its strong regional brand recognition, coupled with the highly successful Laredo Taco Company® foodservice concept, drives recurring customer traffic and enhances store-level performance.
- **Resilient Convenience Retail Business Model** - The company's diversified revenue streams—including fuel sales, convenience merchandise, beverages, and prepared foods—help generate consistent cash flow across varying economic cycles. Convenience stores have historically demonstrated resilience due to their essential, everyday consumer offerings.
- **Continued Investment in Growth and Digital Innovation** - As part of the 7-Eleven network, Stripes benefits from ongoing investments in store modernization, loyalty programs, mobile ordering, delivery partnerships, and data-driven merchandising. These initiatives strengthen customer engagement, improve operational efficiency, and position the brand for sustained long-term growth.

Market Overview

Stripes

1115 S Dal Paso St, Hobbs, NM 88240



Hobbs, NM

Market Demographics



40,863

Total Population

\$64,021

Median HH Income

10,688

of Households

58.00%

Homeownership Rate

23,400

Employed Population

4.10%

% Retail Vacancy

32.5

Median Age

\$171,973

Median Property Value

Local Market Overview

Hobbs, New Mexico, functions as a high-energy industrial and residential engine for the Permian Basin, defined by its position in one of the most productive oil and natural gas regions in the country. The real estate market behaves as a dynamic and demand-driven environment where housing availability has historically struggled to keep pace with rapid workforce expansion. Single-family homes move quickly, particularly new developments in the northern sections of the city, while the market maintains a relatively accessible price structure compared to broader regional trends. Municipal leadership actively drives growth through targeted development incentives, spurring multi-family construction and master-planned subdivisions to ease persistent housing shortages.

The local economy is heavily insulated by energy production, mining, and supporting logistics sectors, bringing a steady stream of skilled industrial professionals into the area. Demographically, Hobbs features a hardworking, family-centric population alongside a large seasonal workforce reliant on robust rental and temporary housing options. While economic activity remains closely tied to global energy cycles, ongoing efforts to diversify into healthcare, nuclear technology, and retail help stabilize long-term growth.

Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	9,050	32,508	43,649
Current Year Estimate	8,666	31,441	42,224
2020 Census	8,119	30,915	41,444
Growth Current Year-Five-Year	0.90%	0.70%	0.70%
Households	1-Mile	3-Mile	5-Mile
Five-Year Projection	2,991	11,067	15,226
Current Year Estimate	2,859	10,688	14,694
2020 Census	2,669	10,489	14,374
Growth Current Year-Five-Year	0.90%	0.70%	0.70%
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$76,079	\$91,952	\$102,923

Hobbs, NM

Attractions

Hobbs is one of southeastern New Mexico's key economic hubs, driven by its position in the Permian Basin, one of the most productive oil-producing regions in the world. Lea County, where Hobbs is located, is recognized as one of the top oil-producing counties in the U.S., supporting thousands of energy-sector jobs and continued demand for housing, retail, restaurants, and services.

The city also offers several local attractions, including Zia Park Casino, Hotel & Racetrack, the Western Heritage Museum, Lea County Cowboy Hall of Fame, Harry McAdams Park, and nearby community events tied to the area's strong western and energy heritage. Hobbs originally grew from an early 1900s settlement into a major oil boomtown following the discovery of oil and natural gas in the late 1920s, creating the foundation for the city's long-term role as a regional employment and retail center.



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First Vice President & Director

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bor@bangrealty.com

513-898-1551

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **1115 S Dal Paso St, Hobbs, NM, 88240** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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