



## OFFERING MEMORANDUM

707 Kalamath Street | Denver, CO



SPECIALIZED MARKETING BY  
 **LEGEND**  
INVESTMENTS  
A DIVISION OF LEGEND PARTNERS

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## THE OFFERING

# 7-ELEVEN | DENVER

Legend Investment Group is pleased to present investors with the rare opportunity to acquire a new construction 7-Eleven service and gas station located in Denver, CO. This asset represents an ideal passive urban investment opportunity, with a 15-year NNN lease corporately backed by 7-Eleven (7-Eleven, Inc. | S&P AA-), and features favorable 7.5% base rent escalations every five years.

The building was recently constructed in August 2017 and was built to 7-Elevens newest specifications, and features four dual-dispensing gas pumps.

This 7-Eleven is located at the irreplaceable hard corner of 7th Avenue and Kalamath Street, and is positioned to capture southbound traffic along Kalamath Street; which leads traffic out of Downtown Denver to Colorado's major interstate and highways including, 6th Avenue I-25 and I-70.





# DOWNTOWN DENVER

DOWNTOWN  
AQUARIUM

PEPSI CENTER

UNION STATION

COORS FIELD

SPORTS  
AUTHORITY  
FIELD

METRO STATE & CU DENVER  
CAMPUS

CONVENTION CENTER

LINCOLN  
PARK

GOLDEN TRIANGLE

10TH & OSAGE  
LIGHT RAIL STATION



WEST  
HIGH SCHOOL

SANTA FE  
ARTS DISTRICT

DENVER  
HEALTH

8th Ave

7th Ave

30,000 vpd

8th Ave

7th Ave

6

60,000 vpd

6th Ave

6

Kalamath St

Santa Fe Dr

Broadway

Lincoln St

Speer Blvd

SOUTH  
BROADWAY  
RETAIL  
CORRIDOR



# HIGHLIGHTS

## INVESTMENT GRADE TENANT

7-Eleven is a premier chain of convenience stores that is publicly traded under the parent company Seven & I Holdings Co. (TYO: 3382). 7-Eleven Inc. the operating subsidiary for 7-Eleven's in the US has investment grade credit, rated AA- by Standard & Poor's.

## BRAND NEW CONSTRUCTION AND LONG-TERM LEASE

Construction was completed in August 2017 with the site being built to 7-Elevens newest specifications. The primary lease term is 15 years with 7.5% increases every 5 years and four 5-year option periods thereafter.

## NNN LEASE WITH MINIMAL MANAGEMENT

Tenant is responsible for all maintenance and repairs; including roof, HVAC and drive-lanes and parking areas. Landlord Responsibilities are limited to foundation (slab) and structural soundness of building.

## MAJOR TRAFFIC CORRIDOR

7-Eleven is perfectly positioned along Kalamath Street, a major traffic corridor and access road to 6th Avenue & I-25, Colorado's major interstate and highway.



# INVESTMENT SUMMARY



**PRICE** \$2,885,000  
**CAP** 4.75%

**IN-PLACE NOI** \$137,020

**TERM REM.** 15 Years

**LEASE TYPE** NNN







## PROPERTY SUMMARY

**ADDRESS**

707 N. Kalamath St  
Denver, CO, 80204

**BLDG. AREA**

2,681 SF

**GAS PUMPS**

4 Dual Gas Pumps

**LOT SIZE**

0.60 AC

**YEAR BUILT**

2017

**LEASE TYPE**

NNN

**PARKING**

15 Spaces

**PARCEL #**

050-442-004-0000

# LEASE ABSTRACT

**Tenant:****Corporate Guarantor:**

7-Eleven Inc. (S&P: AA-)

**Lease Type:**

NNN

**Property Address:**

707 North Kalamath St, Denver, CO, 80204

**Rent Commencement:**

August 23, 2017

**Lease Expiration:**

August 22, 2032

**Term Remaining:**

15 Years

**Current Annual Rent:**

\$137,020

**Current Monthly Rent:**

\$11,418.33

**Rent Increases:**

7.5% Base Rent Increase Every 5 Years, Including Renewal Periods

**Extension Options:**

Four (4) - five (5) year options

**Rent Schedule:**

	Annual Rent	Period End Date
Years 1 to 5	\$137,020	08/22/2022
Years 6 to 10	\$147,297	08/22/2027
Years 11 to 15	\$158,344	08/22/2032

**Real Estate Taxes:**

Tenant shall reimburse Landlord for all taxes and assessments levied against the Premise during the Term.

**Tenant Maintenance:**

Tenant agrees to maintain, repair and replace: the interior and exterior non structural portions of the building including: electrical, plumbing, HVAC, roof and roof membrane, landscaped areas, parking and driveways and the gas facility.

**Insurance:**

Tenant agrees, at Tenant's expense, to maintain in force continuously throughout the Term, commercial general liability insurance covering the Premises.

**Utilities:**

Tenant agrees to pay all charges for gas, electricity, telephone, sewer, water and any other utilities used by Tenant on the Premises.

**Landlord's Responsibility:**

Landlord agrees to maintain the foundation, slab and structural soundness of the Premises at Landlord's sole cost and expense.

**Indemnity**

Tenant shall indemnify and hold Landlord harmless from any claim, liability, loss, cost or obligation...arising from any damage or injury caused by the use of the Premises by Tenant.







Lipan St

7th Ave

40,000 vpd

Kalamath St

7th Ave





DOWNTOWN AQUARIUM

PEPSI CENTER

UNION STATION

COORS FIELD

DOWNTOWN DENVER

CONVENTION CENTER

**7-ELEVEN®**

## HIGH VOLUME LOCATION ALONG MAJOR HIGHWAY ACCESS POINT

7-Eleven is positioned along Kalamath Street, a one-way south-bound roadway that provides direct access from Downtown Denver to Colorado's major highways and interstates including 6th Avenue & I-25. Kalamath sees over 40,000 VPD, with an additional 30,000 vehicles accessing 6th Avenue via West 8th Avenue.



Kalamath St

40,000 vpd

Speer Blvd

8th Ave

30,000 vpd

Santa Fe Dr

.3 MILES TO   
9 MILES TO 



60,000 vpd

6th Ave





# TENANT SUMMARY



**7-Eleven, Inc.** is a premier chain of convenience stores operating or franchising more than 61,500 stores in 17 Countries, including over 9,000 locations in the United States. 7-Eleven is the largest network of convenience stores with more outlets than any other retailer or vendor and has continued to grow at a rapid pace, adding over 4,000 new stores to its international operations in 2016. 7-Eleven, Inc. is a subsidiary of Seven & i Holdings, Ltd., a diversified Japanese retail holdings company with over \$47 Billion in asset as of fiscal year end 2016.



**www.7-eleven.com**



**LOCATIONS | 61,500 (Total) | 9,000+ (U.S.)**



**CREDIT | S&P: AA-, Moody's: Baa (7-Eleven, inc.)**



**PARENT COMPANY | Seven & Holdings, Ltd.**



**YEAR FOUNDED | 1927**



# DEMOGRAPHICS



POPULATION



AVG. HOUSEHOLD INCOME



HOUSEHOLDS



BUSINESSES



DAYTIME POPULATION

1 MILE

17,640

\$74,896

9,299

3,118

39,594

3 MILE

243,870

\$82,851

116,259

21,145

249,043

5 MILE

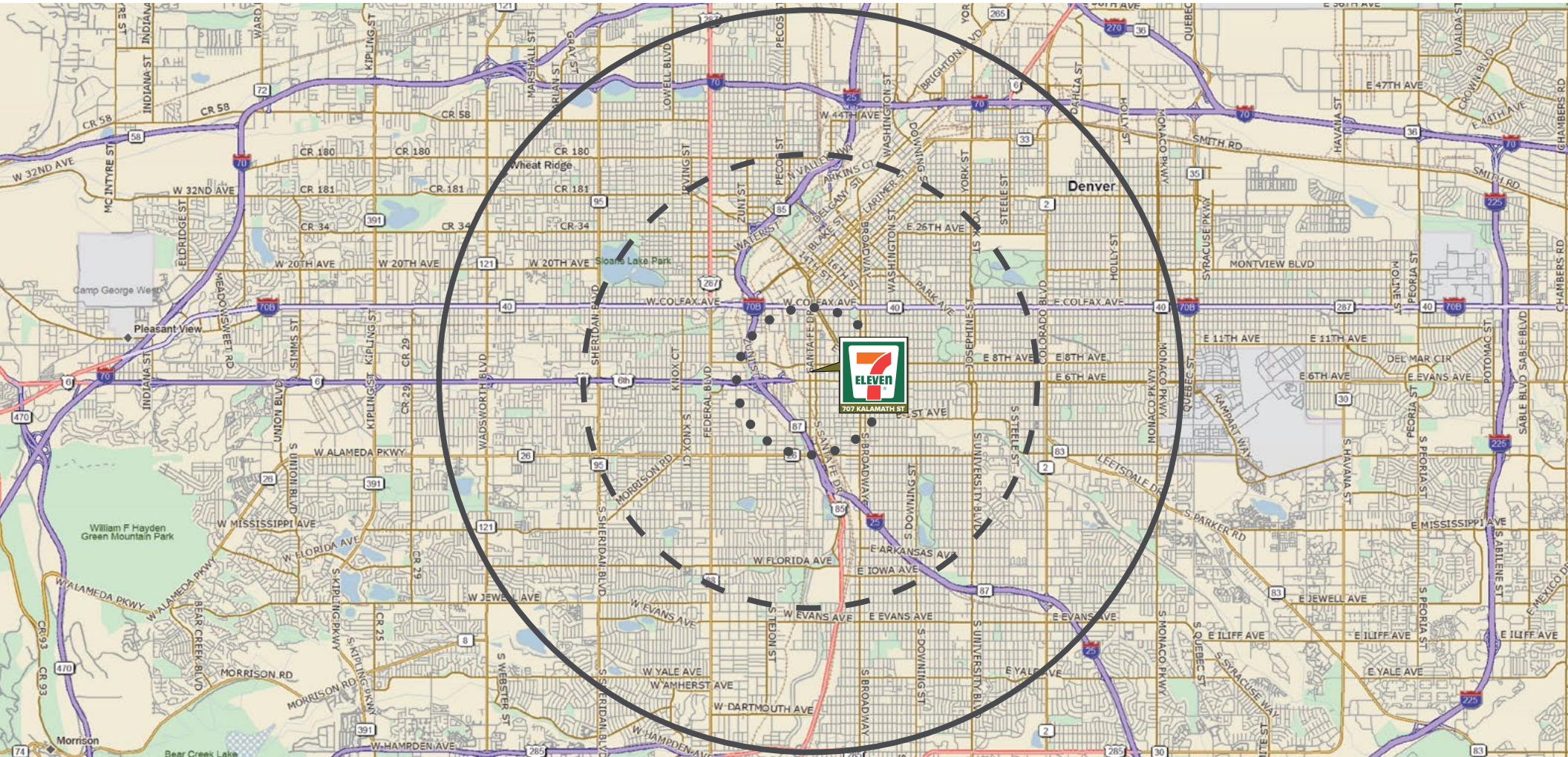
537,812

\$85,553

237,806

37,133

397,360







# LA ALMA-LINCOLN PARK NEIGHBORHOOD

As one of Denver's oldest neighborhoods, La Alma-Lincoln Park is a vibrant, mixed-use urban community filled with parks, major health services, an art district and cultural facilities all within close proximity to Downtown Denver. As one of Denver's oldest neighborhoods, La Alma-Lincoln Park is lined with a diverse mix of historic houses accompanied by urban mixed-use projects that have revitalized the community.

The La Alma-Lincoln Park neighborhood is best known for the Santa Fe Art District, one of Colorado's designated Creative Districts with more than 60 art galleries, studios and innovative businesses. The area showcases the neighborhood's Hispanic roots with colorful murals and exhibitions around every corner, to the Latino influenced eateries surrounding the area. The Art District is also home to numerous craft breweries and the Buckhorn Exchange, Denver's oldest dining establishment.

The neighborhood is well-served by a variety of transportation options, including light rail stations, bus service and multiple bike routes and B-Cycle (Denver's rent-a-bike program) stations. The neighborhood has a bright future, with plans to continue adding new mixed-use transit oriented developments that provide Denver a vital core of arts, cultural, and commercial uses.





# COLORADO

As a market, Colorado is continuing to show signs of stability and positive growth for the future. Colorado was the **second-fastest growing state** in terms of population between 2014 and 2015. In addition to higher-than-average economic performance, the state's unique assets include: **a good quality of life, low business costs,** and **an educated workforce.** Colorado's growing population will continue to help keep the residential real estate market healthy and bring more commercial activity state-wide. Currently 682,545 people call Denver home (the 21st most populous city in the U.S.) with **2.7 million people** within the Denver Metro area.





# COLORADO ECONOMY

Over the past decade Colorado has continued to excel as one of the nation's top performing economies. According to figures released by the U.S. Bureau of Economic Analysis, Colorado's per-capita **disposable income is \$52,059**, ranking 15th among the states and **5% higher than the national average**. And **at only 2.3%, Colorado has the lowest unemployment rate in the nation**.

In addition to strong consumer spending, economic and business growth has continued to exceed national averages, with Colorado ranking **4th in GPD growth** and **3rd in employment growth**. Colorado has continued to have higher levels of new business activity compared to the national average, and many statistics show Colorado among the top states for entrepreneurship.

**#1** No. 1 economy in the U.S. - **U.S. News and World Report, 2017**

**1st** Best place for business and careers - **Forbes, 2017**

**1st** Best metro area for economic & job growth - **Area Development**

## COLORADO FORTUNE 500 COMPANIES



## COLORADO FORTUNE 1000 COMPANIES





## **707 KALAMATH STREET Affiliated Business Disclosure and Confidentiality Agreement**

This Offering Memorandum has been prepared by Legend Investment Group (LIG) for use by a limited number of parties and has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it, and make no guarantee, warranty or representation about it. It is your responsibility to confirm, independently, its accuracy and completeness. All projections have been developed by LIG, Owner and designated sources, are based upon assumptions relating to the general economy, competition, and other factors beyond the control of Owner, and therefore are subject to variation. No representation is made by LIG or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, LIG, Owner and their employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the property or Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the property will be made available upon written request to interested and qualified prospective investors. Owner and LIG each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information, which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or LIG and that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the property and you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owner or LIG. If you have no interest in the property, please return the Offering Memorandum forthwith.





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