



(S&P: AA-)

“Corporate” 7-Eleven / Laredo Taco” 19525 McDonald Street, Lytle, Texas



Glen Berhow
Managing Director

SVN | Net Lease / The Berhow Team

1801 North Pearl Street, Suite 3002

Dallas, Texas, 75201

469.828.1950 direct

glen.berhow@svn.com

www.svn.com





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19525 McDonald Street, Lytle, Texas Investment Overview & Property Highlights



SVN | Net Lease is pleased to present this Fee Simple Corporate 7-Eleven / Laredo Taco opportunity in the San Antonio, Texas MSA @ 19525 McDonald Street in Lytle, Texas. Lytle, Texas is just 20 miles Southwest of San Antonio and the very large 2.47 Acre Parcel includes Diesel Fuel Pumps. This Build to Suit Opportunity opened in June of 2023 and is 7-Eleven Store #42132. It originated with a (15) Year Prime Lease Term with (5) Year Option Periods. This is an Absolute NNN Lease with 7.5% Rent Increases each (5) Years.

Located at the McDonald Street Exit at I-35 this 7-Eleven / Laredo Taco is adjacent to HEB Grocery, CVS, McDonalds, Taco Bell, Whataburger, Burger King, Auto Zone, O'Reilly Auto Parts. This Location has 50,000+ VPD with great Ingress & Egress from the Interstate. This HEB is Ranked #19 of 340 Texas Stores which is in the Top 6% per Placer Ai.

Property Highlights:

- 2023 – New Build to Suit
- NNN Lease
- (15) Year Prime Lease Term
- (5) 5 Year Options with 7% Rent Increases
- Corporate 7-Eleven #42132
- Laredo Taco

Investment Overview:

Asking Price:	\$9,688,888.00
Asking Cap Rate:	4.50%
Net Operating Income:	\$435,999.96
Gross Leasable Area	4,650 SF
Parcel Size:	2.47 Acres
Year Built:	2023
Prime Lease Term:	6.1.2023 - 5.31.2038
Lease Option Periods:	(5) 5 Year Options



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19525 McDonald Street, Lytle, Texas Lease Terms / Option Terms / Rent Schedule



Prime Lease Term: 6.1.2023 – 5.31.2038

Years 1-5 (Prime Term)	\$435,999.96 Annual Rent / \$36,333.33 Monthly Rent
Years 6-10 (Prime Term)	\$468,699.96 Annual Rent / \$39,058.33 Monthly Rent
Years 11-15 (Prime Term)	\$503,853.00 Annual Rent / \$41,987.75 Monthly Rent

Option Periods; (5) 5 Year Option Periods

Years 16-20 (First Option Period)	Annual Rent \$541,641.00 / Monthly Rent \$45,136.75
Years 21-25 (Second Option Period)	Annual Rent \$582,264.12 / Monthly Rent \$48,522.01
Years 26-30 (Third Option Period)	Annual Rent \$625,933.92 / Monthly Rent \$52,161.16
Years 31-35 (Fourth Option Period)	Annual Rent \$672,879.00 / Monthly Rent \$56,073.25
Years 36-40 (Fifth Option Period)	Annual Rent \$723,344.88 / Monthly Rent \$60,278.74



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19525 McDonald Street, Lytle, Texas Retail Trade Area Aerial





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19525 McDonald Street, Lytle, Texas Subject Property Photos



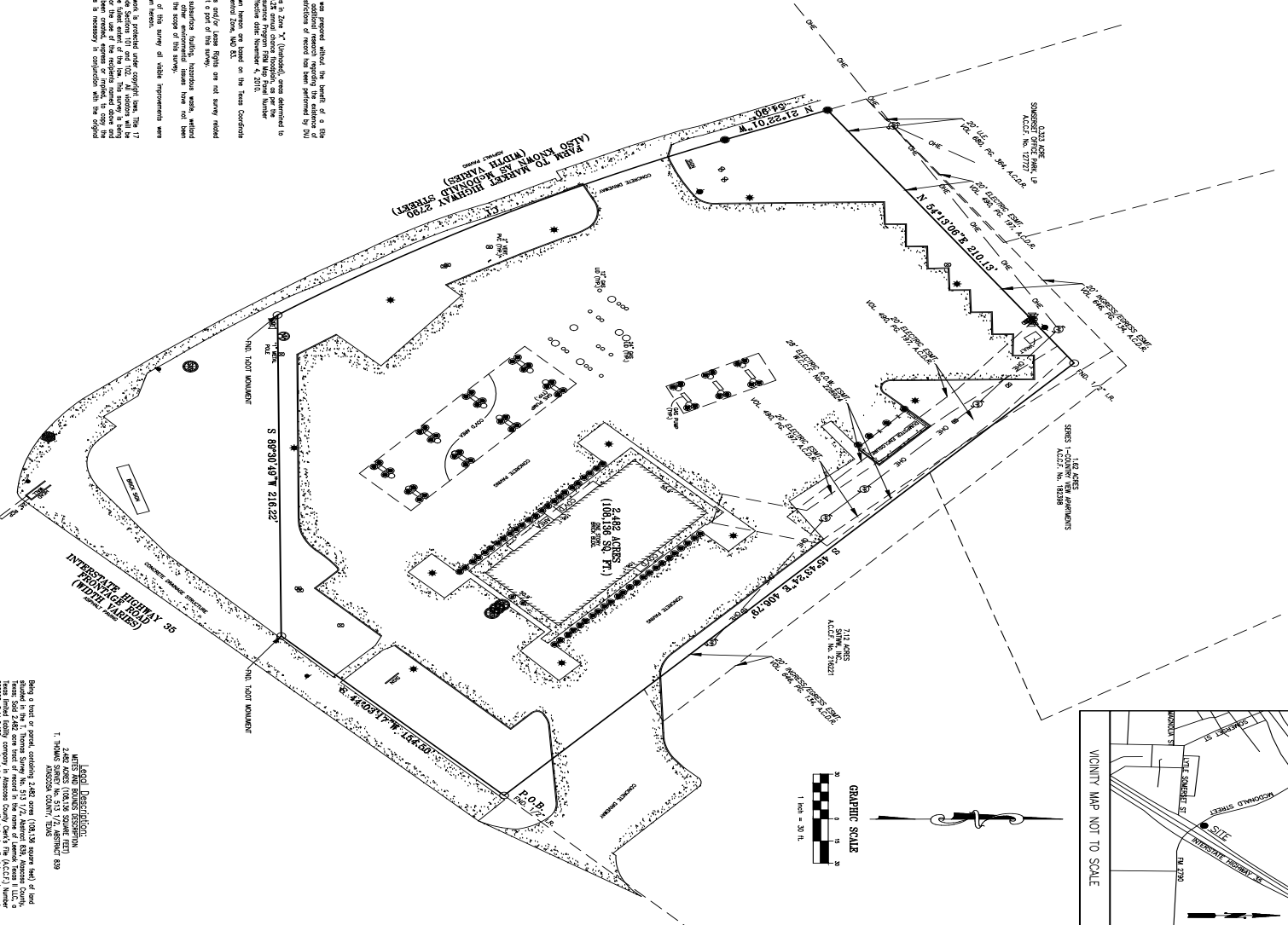


19525 McDonald Street, Lytle, Texas ALTA Survey

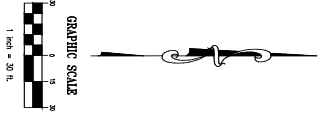
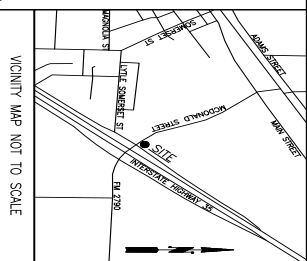


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CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	1106.28	259.77	292.22	N 27°54.51' W	13°09.28'



- NOTES:**
1. This survey was prepared under the authority of a Title Commitment, to additional sessions regarding the existence of any other recorded instruments of record has been performed by DVI.
 2. This land, less 7.564 acres, is otherwise more adequately described by a plat of subdivision recorded in the Public Record System, State Central Zone, NAD 83.
 3. Surveying thereon has been on the Texas Coordinate System, State Central Zone, NAD 83.
 4. Mineral Rights and/or Lease Rights are not survey marked and therefore not a part of this survey.
 5. Surface or subsurface utilities, hazardous waste, without identification, are shown for information purposes but not shown.
 6. All the lines of this survey of utility improvements were located and shown hereon.
 7. This original work is protected under copyright law. This 17 United States Code Sections 101 and 102. All contents will be provided solely for the use of the recipient named above and any other use, in whole or in part, without the written consent and survey marked as is necessary to conform with the original transaction.



LEGAL DESCRIPTION:
 2,482 ACRES (108,138 SQUARE FEET)
 1. HUNTER SWARTY, No. 513 1/2, ABSTRACT 839
 ADDICION COUNTY, TEXAS

Being a tract of ground, containing 2,482 acres (108,138 square feet) of land, more or less, bounded on the north and east by the McDonald Street, on the south by the Lytle Street, and on the west by the Interstate Highway 35, and being on the southeast right-of-way (ROW) line of Interstate Highway 35 (Frederick Road (both ways)).

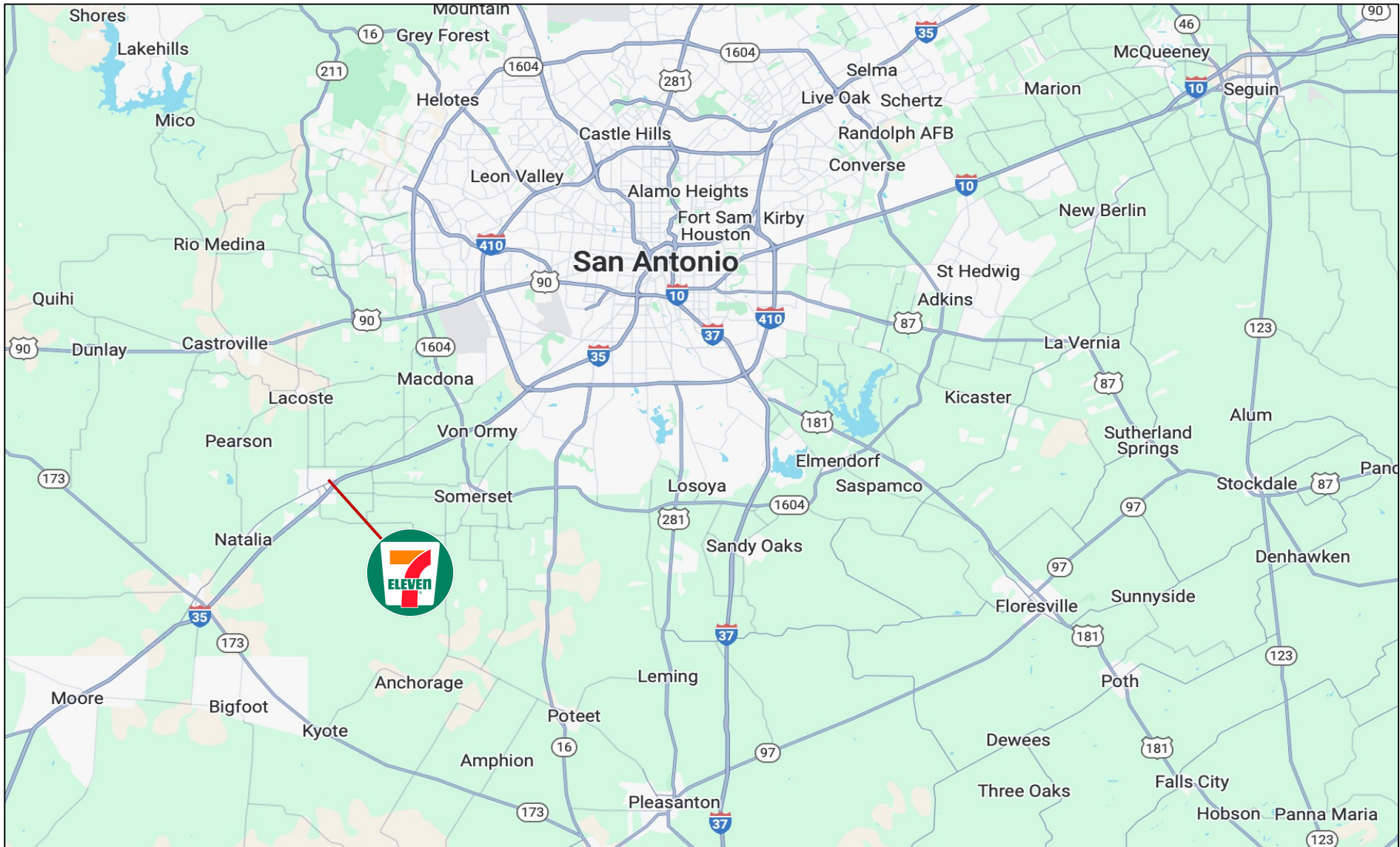
THENCE, containing the southeast line of the herein described tract and the northeast line of Interstate Highway 35 (Frederick Road (both ways)) 14.4 degrees 03 minutes 17 seconds West, a distance of 124.453 feet to a 100-foot monument found for the southeast corner of the herein described tract, and being on the northeast right-of-way (ROW) line of Interstate Highway 35 (Frederick Road (both ways)) 29° 09' 00\"/>

beginning at 1/2 inch iron rod found by the east corner of the herein described tract, and being on the northeast right-of-way (ROW) line of Interstate Highway 35 (Frederick Road (both ways)) 29° 09' 00\"/>



(S&P: AA-)

19525 McDonald Street, Lytle, Texas Regional Location Map





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19525 McDonald Street, Lytle, Texas Tenant Profile



7-Eleven

7-Eleven, Inc. is the world’s largest convenience store chain operating, franchising, and licensing more than 56,000 stores in 18 countries, of which approximately 10,000 are located in North America. 7-Eleven is also one of the nation’s largest independent gasoline retailers. They are well known for the Big Gulp® foundation soft drink, Big Bite® grill items, the Slurpee® beverage, and its freshly brewed coffee. Each store also offers a selection of about 2,500 different products and services tailored to meet the needs and preferences of local guests. Stores typically vary in size from 2,400 to 3,000 square feet. The company operates, franchises, and licenses approximately 8,600 stores in the U.S. and Canada. Of the close to 7,800 stores the company operates and franchises in the United States, more than 6,400 are franchised. 7-Eleven is given an investment grade Standard and Poor’s bond rating of AA- and Moody’s long-term rating of Baa1. 7-Eleven was founded in 1927 in Dallas, Texas and is currently headquartered in the same city.

Industry	Convenience
Lease Structure	NNN or GL
S&P Bond Rating	AA-
Moody’s Bond Rating	Baa1
Stock Symbol	
Website	https://www.7-eleven.com/
Holding Company	Seven & i Holdings Co., Ltd.



(S&P: AA-)

19525 McDonald Street, Lytle, Texas Bonus Depreciation



Net Lease Gas Stations Offer Bonus Depreciation Investment Opportunity

Gas stations are unique and attractive assets for investors looking to top off their portfolios. Triple net lease gas stations offer passive cash flow, often with the stability of reputable tenants and corporate guarantees, but there's one more reason buyers are excited: bonus depreciation deductions.

What is bonus depreciation?

"In many cases, gas stations are eligible for the 100% Bonus Depreciation deduction in year one of ownership. Depreciation-motivated purchasers of gas stations generally seek to offset significant capital gains or other passive income on their tax bills with the generous Bonus Depreciation deduction that gas station ownership affords them. Investors should always consult a tax professional before making their investment decisions."

Gas stations in particular have seen a lot of interest. The market closed on hundreds of gas station sales year-to-date, with many buyers motivated to take advantage of the 100 percent bonus depreciation deduction.

Under the Tax Cut and Jobs Act passed in 2017, up to 100 percent bonus depreciation will be allowed through 2022. This rate will phase out by 20 percent each year until 2027, so the rate will drop to a maximum of 80 percent in 2023.

You're probably wondering exactly what qualifies a gas station to be eligible for the 100% bonus depreciation. The tax code doesn't provide us with a definition for gas stations, or as the IRS refers to them 'retail motor fuel outlets.' However, in the late 90s the IRS released Coordinated Issue Papers ("CIP") for Petroleum and Retail Industries Convenience Stores, which does provide a detailed definition and qualifying criteria.

As per the CIP paper, a C-store at the gas station will qualify as a 'retail motor fuel outlet' if they met *any* of the three following criteria:

1. 50% or more of its gross revenues generated from petroleum sales
2. 50% or more of its floor space devoted to petroleum marketing sales
3. The C-store building is 1400 square feet or less

"If the C-store passes any of the above tests, the entire depreciable basis (net of land) is eligible for a 15-year recovery period, and 100% bonus depreciation if acquired and placed in service after September 27, 2017. "However, if they don't meet any of the three criteria, the depreciation period for a C-Store building is 39-years.



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19525 McDonald Street, Lytle, Texas

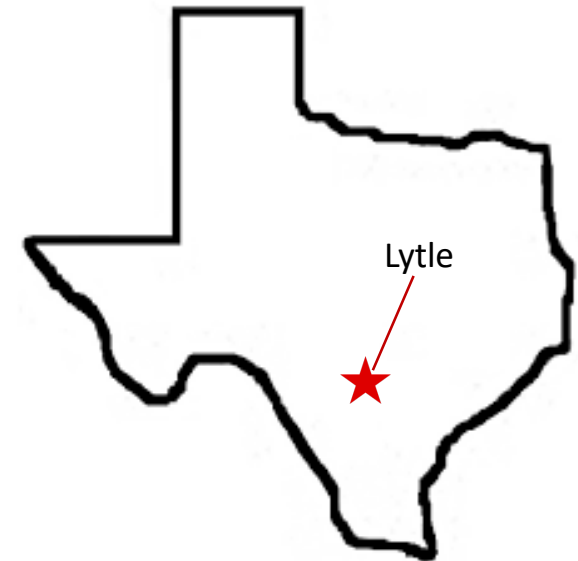
About Lytle, Texas



Lytle is a city in Atascosa, Bexar, and Medina counties in Texas, United States. The population was 2,914 at the 2020 census. It is part of the San Antonio Metropolitan Statistical Area. Downtown San Antonio is located 25 miles (40 km) to the northeast via I-35, while Laredo is 133 miles (214 km) to the south. The United States Census Bureau reports that Lytle covers a total area of 4.5 square miles (12 km²), with 4.45 square miles (11.5 km²) being land and 0.04 square miles (0.10 km²) being water. The city offers a peaceful, small-town atmosphere with a mix of historic and modern amenities.

Lytle Highlights:

- Lytle hosts various community events and festivals throughout the year, such as the Lytle Jamboree, which brings together residents and many visitors for celebrations, food, and entertainment
- The town features several historical landmarks and sites that reflect its past, including old buildings and markers that offer insights into Lytle's history and heritage.
- Lytle is experiencing gradual growth and development, with new businesses and amenities enhancing the quality of life for residents and attracting newcomers.
- Located just 25 miles (40 km) south of San Antonio and 133 miles (214 km) north of Laredo, Lytle offers easy access to other Metropolitan areas.





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19525 McDonald Street, Lytle, Texas 1 . 3 . 5 Mile Demographic Summary



Executive Summary

19525 FM-2790, Lytle, Texas, 78052
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 29.23044
Longitude: -98.78854

	1 mile	3 miles	5 miles
Population			
2010 Population	1,782	6,253	13,485
2020 Population	1,945	7,164	15,177
2024 Population	2,054	7,670	16,014
2029 Population	2,202	7,952	16,524
2010-2020 Annual Rate	0.88%	1.37%	1.19%
2020-2024 Annual Rate	1.29%	1.62%	1.27%
2024-2029 Annual Rate	1.40%	0.72%	0.63%
2020 Male Population	48.5%	50.0%	50.5%
2020 Female Population	51.5%	50.0%	49.5%
2020 Median Age	38.9	37.8	37.8
2024 Male Population	49.4%	50.7%	51.0%
2024 Female Population	50.6%	49.3%	49.0%
2024 Median Age	39.4	38.5	38.5

In the identified area, the current year population is 16,014. In 2020, the Census count in the area was 15,177. The rate of change since 2020 was 1.27% annually. The five-year projection for the population in the area is 16,524 representing a change of 0.63% annually from 2024 to 2029. Currently, the population is 51.0% male and 49.0% female.

Median Age

The median age in this area is 38.5, compared to U.S. median age of 39.3.

Race and Ethnicity

2024 White Alone	52.9%	49.3%	47.7%
2024 Black Alone	1.2%	1.4%	1.4%
2024 American Indian/Alaska Native Alone	1.3%	1.5%	1.5%
2024 Asian Alone	1.0%	0.6%	0.5%
2024 Pacific Islander Alone	0.0%	0.1%	0.1%
2024 Other Race	16.2%	17.8%	18.8%
2024 Two or More Races	27.3%	29.3%	30.0%
2024 Hispanic Origin (Any Race)	72.4%	73.9%	74.2%

Persons of Hispanic origin represent 74.2% of the population in the identified area compared to 19.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 78.2 in the identified area, compared to 72.5 for the U.S. as a whole.

Households

2024 Wealth Index	51	65	70
2010 Households	638	2,031	4,289
2020 Households	680	2,289	4,792
2024 Households	725	2,509	5,138
2029 Households	787	2,634	5,368
2010-2020 Annual Rate	0.64%	1.20%	1.12%
2020-2024 Annual Rate	1.52%	2.18%	1.65%
2024-2029 Annual Rate	1.65%	0.98%	0.88%
2024 Average Household Size	2.80	3.04	3.10

The household count in this area has changed from 4,792 in 2020 to 5,138 in the current year, a change of 1.65% annually. The five-year projection of households is 5,368, a change of 0.88% annually from the current year total. Average household size is currently 3.10, compared to 3.15 in the year 2020. The number of families in the current year is 3,903 in the specified area.



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19525 McDonald Street, Lytle, Texas 1 . 3 . 5 Mile Demographic Summary



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	1 mile	3 miles	5 miles
Mortgage Income			
2024 Percent of Income for Mortgage	16.2%	18.2%	20.2%
Median Household Income			
2024 Median Household Income	\$57,153	\$65,921	\$67,443
2029 Median Household Income	\$63,458	\$73,738	\$76,109
2024-2029 Annual Rate	2.11%	2.27%	2.45%
Average Household Income			
2024 Average Household Income	\$73,303	\$86,270	\$88,293
2029 Average Household Income	\$82,352	\$98,187	\$101,249
2024-2029 Annual Rate	2.36%	2.62%	2.78%
Per Capita Income			
2024 Per Capita Income	\$25,208	\$28,029	\$28,354
2029 Per Capita Income	\$28,661	\$32,290	\$32,934
2024-2029 Annual Rate	2.60%	2.87%	3.04%
GINI Index			
2024 Gini Index	34.7	35.6	36.5
Households by Income			
Current median household income is \$67,443 in the area, compared to \$79,068 for all U.S. households. Median household income is projected to be \$76,109 in five years, compared to \$91,442 all U.S. households.			
Current average household income is \$88,293 in this area, compared to \$113,185 for all U.S. households. Average household income is projected to be \$101,249 in five years, compared to \$130,581 for all U.S. households.			
Current per capita income is \$28,354 in the area, compared to the U.S. per capita income of \$43,829. The per capita income is projected to be \$32,934 in five years, compared to \$51,203 for all U.S. households.			
Housing			
2024 Housing Affordability Index	144	127	113
2010 Total Housing Units	692	2,261	4,782
2010 Owner Occupied Housing Units	436	1,537	3,381
2010 Renter Occupied Housing Units	202	494	908
2010 Vacant Housing Units	54	230	493
2020 Total Housing Units	744	2,542	5,328
2020 Owner Occupied Housing Units	470	1,780	3,882
2020 Renter Occupied Housing Units	210	509	910
2020 Vacant Housing Units	68	248	545
2024 Total Housing Units	786	2,768	5,673
2024 Owner Occupied Housing Units	542	2,010	4,244
2024 Renter Occupied Housing Units	183	499	894
2024 Vacant Housing Units	61	259	535
2029 Total Housing Units	848	2,899	5,864
2029 Owner Occupied Housing Units	609	2,150	4,501
2029 Renter Occupied Housing Units	177	484	867
2029 Vacant Housing Units	61	265	496
Socioeconomic Status Index			
2024 Socioeconomic Status Index	41.1	43.2	44.1

Currently, 74.8% of the 5,673 housing units in the area are owner occupied; 15.8%, renter occupied; and 9.4% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.1% are renter occupied; and 10.0% are vacant. In 2020, there were 5,328 housing units in the area and 10.2% vacant housing units. The annual rate of change in housing units since 2020 is 1.49%. Median home value in the area is \$217,945, compared to a median home value of \$355,577 for the U.S. In five years, median value is projected to change by 8.57% annually to \$328,700.



(S&P: AA-)

19525 McDonald Street, Lytle, Texas Information About Brokerage Services



Information About Brokerage Services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License

Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you,

you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date