

**Closed & Paying Rent
Through December 2025**

CLEAN ENVIRONMENTAL



Subject Property

For additional information, please contact:

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The Silver Group
www.TheSilver-Group.com

Purchase Price: \$911,060

Initial Cap Rate: 10%

Lease Terms:

- **Two Years Remain on Original Term**
- **ABSOLUTE NET LEASE, No Obligations**
- **Annual rent increases capped at 1.5%**

Annual Rent Schedule:

\$89,759	Year 18	
\$91,106	Year 19	current
\$92,472	Year 20	(+1.5%)

Option Rent Schedule:

TBD	5 Year Option	Dec. 2025
TBD	5 Year Option	Dec. 2030
TBD	5 Year Option	Dec. 2035
TBD	5 Year Option	Dec. 2040
TBD	5 Year Option	Dec. 2045

Rent Commenced: December 21, 2005

The subject property is a former **Stripes Convenience Store & Gas Station** located in McAllen, Texas. In March 2023, Ownership was notified that the tenant would vacate the property. *The tenant has removed the underground storage tanks, MPDs, canopy and interior equipment but continues to remain liable for rent and all expenses through December 2025. New environmental reports have been completed and ownership has a No Further Action letter.* The Property consists of a freestanding ± 2,616 sf retail building on ± 0.44 acres of land at the northeast corner of Buddy Owens Blvd. and North Ware Road. Sharing this busy intersection are **Circle K, Burger King, Family Dollar, AutoZone and Lone Star National Bank.** A new **Wing Daddy** restaurant was developed across Ware Rd. and will open in early 2024. Reports are Valvoline has acquired the vacant lot next door to Wing Daddy. Nearby traffic generators include **Target, Walmart, Chick-fil-A, McDonalds, Wendy's, Chase, Dollar Tree, Goodwill, CareNow, Boys & Girls Club, McAllen Sports Park** and several medical uses and schools. The remaining income stream is guaranteed by Stripes who is wholly owned by 7-Eleven, Inc. Rent increases in December by CPI, not to exceed 1.5%. McAllen is a major city in the Rio Grande Valley - a huge population and commerce center bordering Mexico. Over the last several decades, the emergence of maquiladoras (dual fabrication plants) has caused a surge of industrial development along the border, while international bridges have allowed Mexican businesses and residents to shop, sell and do business in the border cities along the Rio Grande. *This corner parcel at a high traffic intersection provides a secure, short-term income stream with the potential to increase value through redevelopment.*



Land Area: ± 0.445 AC ± 19,372 SF
Building Area: ± 2,616 SF



	<u>3 miles</u>	<u>5 miles</u>
Population:	100,037	227,291
Average HH Income:	\$81,051	\$74,458

The information contained herein has been received from sources we believe to be reliable, but we have made no independent investigation of the accuracy or completeness and make no representation thereto. The above is subject to errors, omissions, or withdrawal from the market. The Silver Group advises all prospective purchasers to conduct their own independent review of all due diligence materials.



Existing 2,616 sf retail building



Approximately 0.44 acre parcel



View from Buddy Owens Blvd.



Signalized intersection



Circle K at intersection



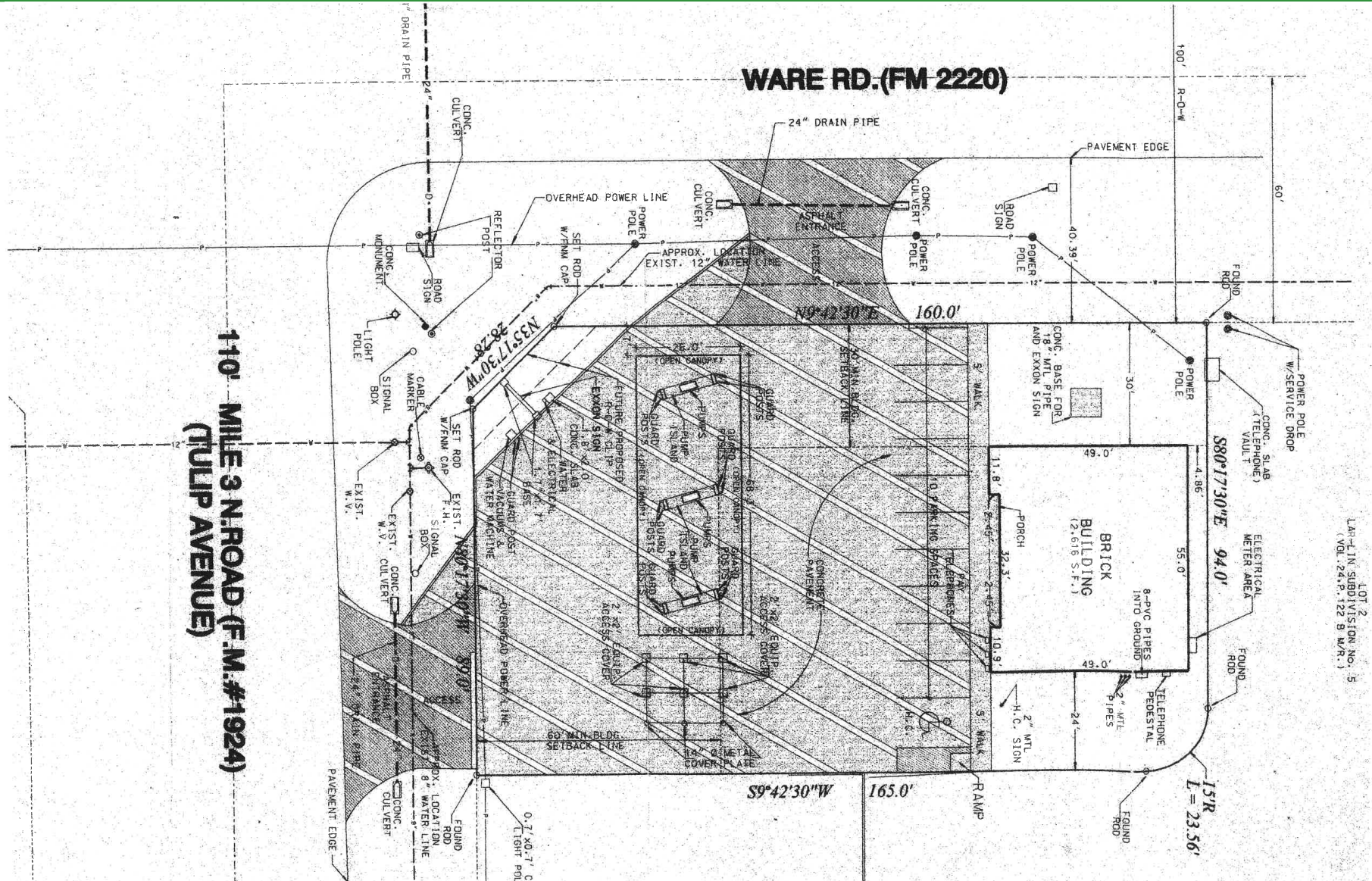
Lone Star Bank at intersection



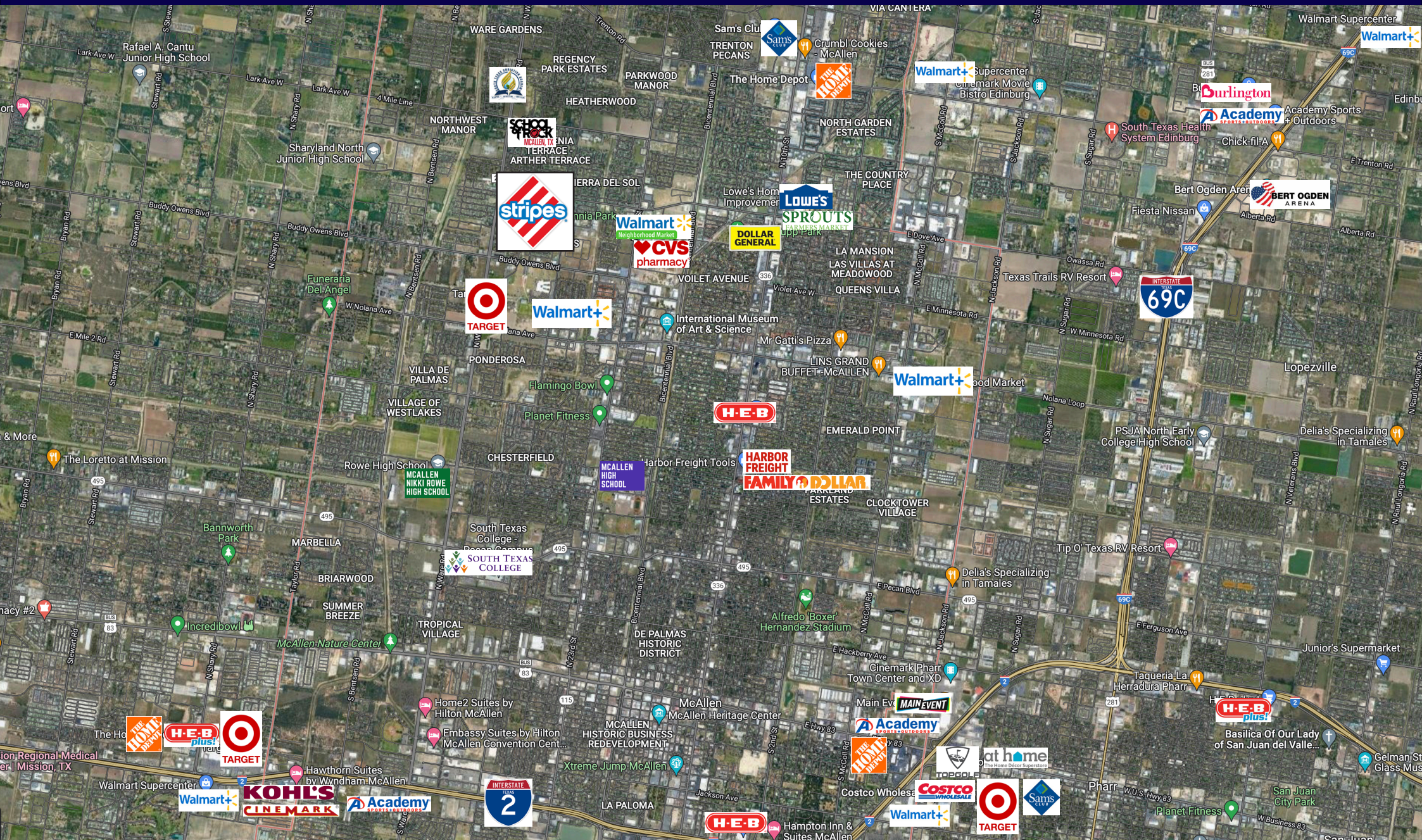
Burger King across Ware Rd.

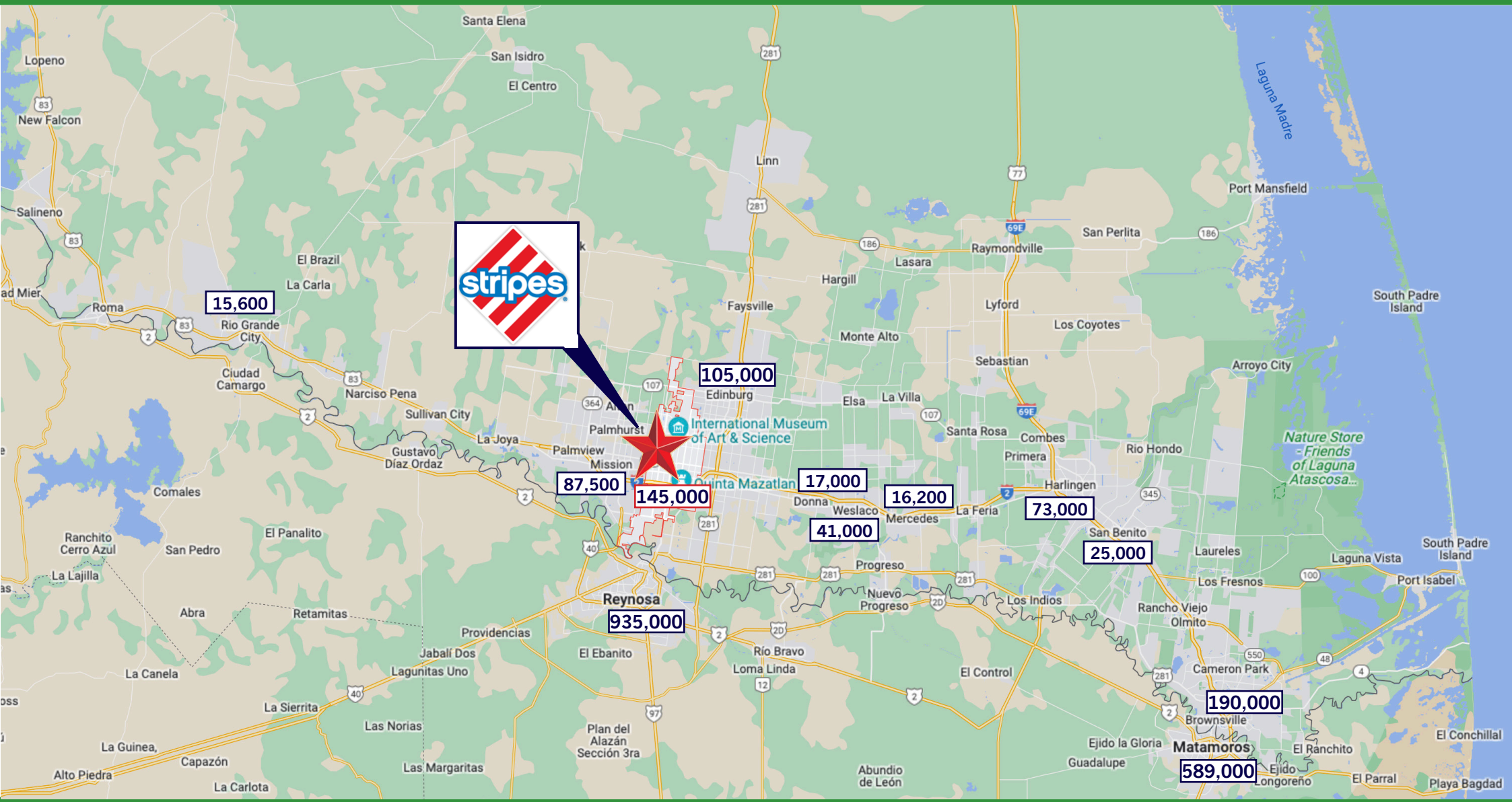


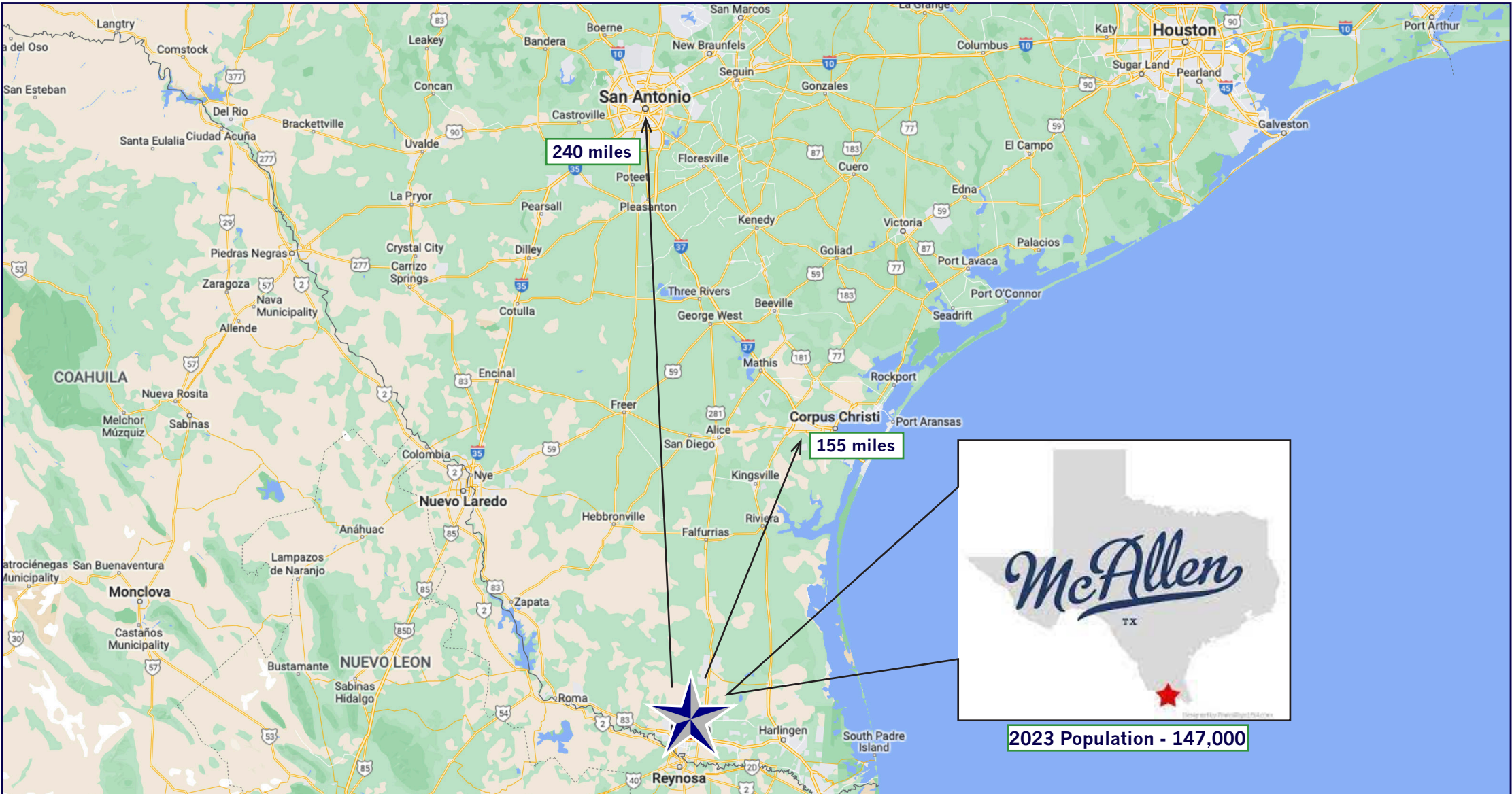
AutoZone across Ware Rd.











ABOUT THE TENANT

Stripes Stores

Owned by 7 Eleven, Inc.

Stripes Operates 400 Convenience Stores

Standard & Poors Credit Rating: A

Moody's Credit Rating: Baa2



Stripes was founded in Corpus Christi Texas in 1938 by the Susser family. The company developed a large presence in South Texas and later in Oklahoma. In 2004 the Company debuted its proprietary restaurant service brand - Laredo Taco Company, selling hot, freshly made Tex-Mex food at most locations.

In 2014, Stripes Convenience Stores was ranked #439 on the Fortune 500 and was acquired by

Energy Transfer Partners, LP, becoming part of Sunoco, LP, a master limited partnership that primarily distributes motor fuel to more than 3,330 convenience stores, independent dealers, commercial customers and distributors in 9 states.

In 2017 most Stripes locations were acquired by industry giant 7-Eleven. Today, Stripes operates approximately 400 stores in Texas, New Mexico, Oklahoma and Louisiana. Laredo Taco Company food is offered in select Stripes, 7-Eleven and Speedway locations. Stripes sells more than \$1 billion of merchandise annually.

Stripes is owned by 7-Eleven, Inc. the world's largest chain in the convenience / retailing industry. 7 Eleven operates, franchises and licenses more than 77,000 stores in 19 countries including nearly 16,000 locations in North America.

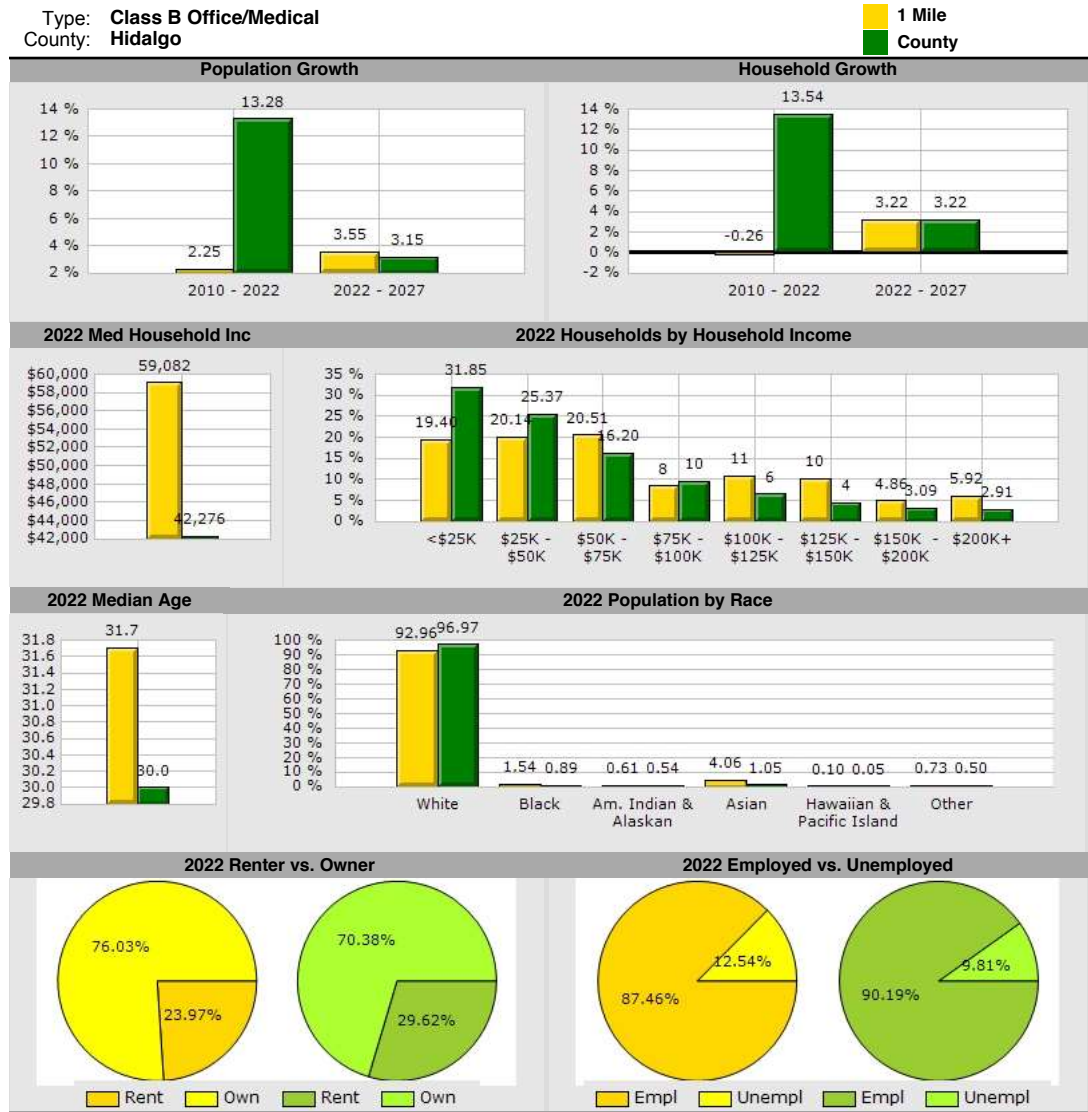
ABOUT McALLEN TEXAS

McAllen is the largest city in Hidalgo County, Texas located at the southern tip of the state in the Rio Grande Valley. The city limit extends to the U.S. border, across from the Mexican city of Reynoso. The city has a population of 147,000 residents and the surrounding MSA has a population of 1,060,000 residents.

The Rio Grande Valley began its rapid development with the introduction of irrigation in 1898 and the construction of the railroad in 1904. These major additions transformed a relatively desolate area into a major agricultural center. The introduction of the *Maquiladora* economy and the North American Free Trade Association led to an increase in cross-border trading. The Mexican government established the maquiladora program in 1964 in response to increased unemployment. The program aimed to strengthen the economy and boost industrial growth by allowing foreign owned companies to establish low cost factories in Mexico. Maquiladoras (also known as "twin plants") are manufacturing plants in Mexico with the parent company's administration facility in the United States. Maquiladoras allow companies to capitalize on the less expensive labor force in Mexico and also receive the benefits of doing business in the United States. Companies operating in the United States can send equipment, supplies, machinery, raw materials, and other assets to their plants in Mexico for assembly or processing without paying import duties. The finished product can then be exported back to the United States or to a third country.

Some of the largest employers in the McAllen area are HEB Stores (4,200 employees), McAllen ISD (4,100), Edinburg ISD (3,600), University of Texas, Rio Grande Valley (3,000), Hidalgo County (3,000), McAllen Medical Center (2,500), South Texas College (2,200), City of McAllen (2,000) and BBVA Compass Bank (1,500).

Radius	1 Mile	3 Mile	5 Mile
Population			
2027 Projection	14,224	104,786	240,011
2022 Estimate	13,736	100,037	227,291
2010 Census	13,434	90,880	195,209
Growth 2022 - 2027	3.55%	4.75%	5.60%
Growth 2010 - 2022	2.25%	10.08%	16.43%
2022 Population by Hispanic Origin			
2022 Population	12,291	86,858	199,392
2022 Population	13,736	100,037	227,291
White	12,769 92.96%	94,177 94.14%	215,340 94.74%
Black	211 1.54%	1,564 1.56%	3,019 1.33%
Am. Indian & Alaskan	85 0.62%	616 0.62%	1,395 0.61%
Asian	558 4.06%	2,850 2.85%	5,819 2.56%
Hawaiian & Pacific Island	14 0.10%	77 0.08%	184 0.08%
Other	100 0.73%	753 0.75%	1,534 0.67%
U.S. Armed Forces	0	58	168
Households			
2027 Projection	3,906	32,770	75,045
2022 Estimate	3,784	31,348	71,135
2010 Census	3,794	28,985	61,786
Growth 2022 - 2027	3.22%	4.54%	5.50%
Growth 2010 - 2022	-0.26%	8.15%	15.13%
Owner Occupied	2,877 76.03%	20,666 65.92%	46,486 65.35%
Renter Occupied	907 23.97%	10,682 34.08%	24,649 34.65%
2022 Households by HH Income			
Income: <\$25,000	734 19.40%	7,303 23.30%	18,954 26.65%
Income: \$25,000 - \$50,000	762 20.14%	6,633 21.16%	16,058 22.57%
Income: \$50,000 - \$75,000	776 20.51%	5,052 16.12%	11,400 16.03%
Income: \$75,000 - \$100,000	316 8.35%	3,688 11.77%	7,448 10.47%
Income: \$100,000 - \$125,000	406 10.73%	2,657 8.48%	5,240 7.37%
Income: \$125,000 - \$150,000	382 10.10%	2,096 6.69%	4,444 6.25%
Income: \$150,000 - \$200,000	184 4.86%	1,823 5.82%	3,478 4.89%
Income: \$200,000+	224 5.92%	2,094 6.68%	4,113 5.78%
2022 Avg Household Income	\$83,034	\$81,051	\$74,458
2022 Med Household Income	\$59,082	\$57,502	\$51,027



Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

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.

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>)