

3rd Quarter 2013

Newsletter Marabella Commercial Finance



7-Eleven's Rapid Expansion Benefiting the Net Lease Market!!

What started out as an ice house in Oak Cliff, Texas back in 1927 has grown and evolved into the world's largest convenience retailer. Based in Dallas, Texas, 7-Eleven, Inc. operates, franchises or licenses more than 50,000 stores in 16 countries, more than 10,000 of which are located in North America. 7-Eleven licensees and affiliates operate 40,000+ locations in countries including Japan, Australia, Taiwan, Singapore, Philippines, Sweden, Denmark, South Korea, Thailand, Norway, Malaysia, China, Indonesia, Macau, Mexico, Canada and Hong Kong. At this time 7-Eleven is the world's largest convenience retailer. 7-Eleven has achieved this rapid growth through its Business Conversion Program, Acquisition, Lease Remodel (existing buildings) and Build-To-Suit-Tenant Finish (new buildings). Demographically the company is seeking a mix of residential and daytime worker population at a minimum of 5k within a ½ mile radius. The company prefers middle-income areas for expansion with a strong percentage of the population in the 18



-to-34-year-old range. Standard and Poor's Rates 7-Eleven, Inc.'s Bond's as AA- with a stable outlook which has given 7-Eleven Landlords an edge when seeking financing for 7-Eleven Corporate Leased Fee Simple and Ground Leased properties. Marabella Commercial Finance has arranged financing for eight of the freestanding 7-Eleven Gas stations in the past. The fact that 7-Eleven is an Investment Grade Credit allows for a lower interest rate, longer amortization, and better overall loan terms. Marabella Commercial Finance is currently targeting newly developed Fee Simple and Ground Leased Corporate 7-Eleven, Inc. properties with a minimum of 15 to 25 years remaining in the primary term of the lease. Marabella believes it can arrange a 5/7/10/15 year fixed rate financing with a 25 to 30 year amortization for the 7-Eleven properties. Currently for 7-Eleven transactions we are offering a 5 year fixed at – 4.00% to 5.00% a 7 year fixed in the 4.375% to 5.00% and a 10 year fixed rate loan in the 4.50% to 5.75% range. Leverage is in the 50% to 75% range with a minimum DCR of 120% to 135%. To watch the YouTube Video Feed Interview in which Shari Eckert interviewed Christian Marabella at the 7-Eleven Booth in San Diego in September of 2012 go to the following URL: <http://youtu.be/1Gt4j3bj5kU>. **Contact Christian S. Marabella directly to review your 7-Eleven finance options today at (760) 479-0800. Or visit our website at: <http://www.marabellafinance.com>.**

Marabella Arranges Financing For a Walgreen, CVS and Jack in The Box Property in 3rd Qtr. 2013. For the Walgreen Marabella arranged a loan amount of approximately \$3,900,000 (61% LTV). The final pricing came in right around 5.40% and this loan offered the Borrower a 10 year fixed rate period with a 30 year amortization. This was a CMBS loan due to the fact the Borrower wanted a completely Non-Recourse loan with Standard Carve-outs. The CVS had similar loan terms but the rate was slightly lower at around 5.375% and the loan amount for this property was \$2,600,000. Both of these properties were purchased by the same Sponsor who was involved in a 1031 exchange. The Jack In The Box loan came to approximately \$1,125,000 and the maximum loan to value on this property that the Direct Lender allowed was 75% LTV. The interest rate was fixed for 5 years at 4.25% and adjusted in the second five year period with a total loan term of 10 years. The Sponsor for this loan owned the property free and clear of any debt and was pulling out cash to purchase additional Net Lease Properties. If you require financing for a Walgreen, CVS, Jack In The Box, 7-Eleven or any other Net Leased Property call Marabella today at (760) 479-0800. We have offices in La Jolla, Carlsbad, Costa Mesa, and Beverly Hills California if you would like to meet at our office. Or we can schedule an online "Go To Meeting" to review your Net Lease financing needs. We will be attending the ICSC San Diego on 9/18/13.

All rates and terms are subject to change without notice. Certain other loan terms and costs will apply to all loans.