

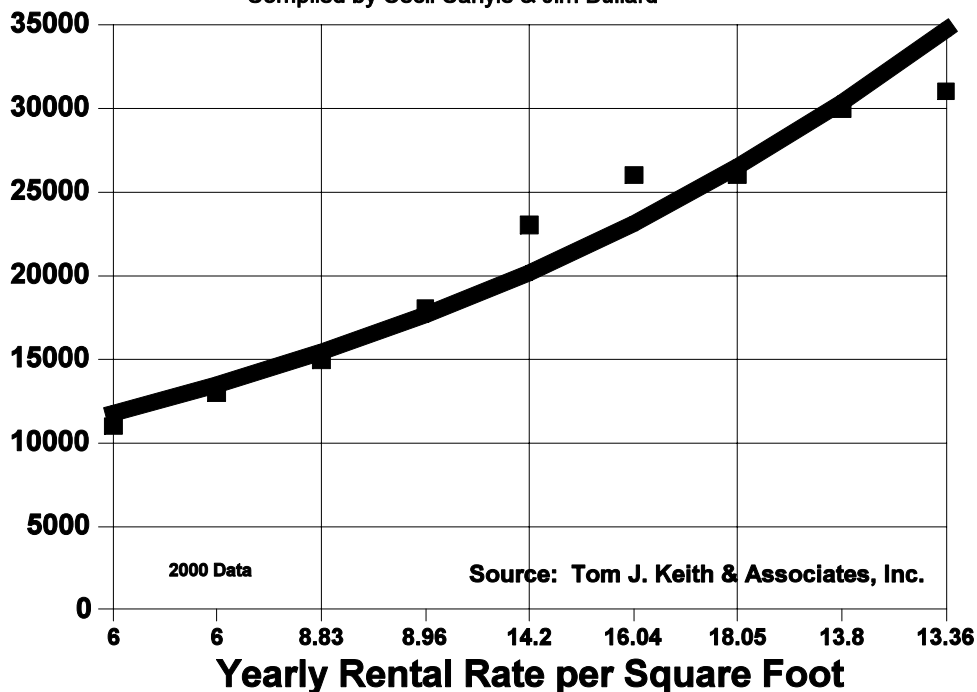
THE INFLUENCE OF TRAFFIC COUNT ON RENTAL RATES OF CONVENIENCE STORES

The details of nine leases of convenience stores leased to a national convenience store company are included herein. The rent per square foot for each lease is verified and these leases are between two convenience store operators who are knowledgeable about the business. All nine properties were leased for 15 years with 5 percent increases every 5 years plus four five year renewal options. The rent ranges from \$6.00 to \$18.05 per square foot on an absolute net basis.

The only variable known that will dictate the rental rate appears to be the traffic count and a chart is prepared and included herein that shows the relationship between the rent and the traffic.

Correlation Between Rental Rate & Traffic Count

Compiled by Cecil Carlyle & Jim Bullard



It must be noted that all the nine leases have gas pump facilities but there is no way to determine how these two parties treat the value of the gas pumps. It appears that the gas pumps are property of the tenant and have very little value to the landlord. The lease requires the tenant to remove all gas related equipment at the expiration of the lease or at any time the lease is terminated early.

K:\WORD\4\TJKA\TRAFFIC COUNT

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