



**VALERO**

515 HARKRIDER ST, CONWAY, AR 72032

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Broker of Record: Jessica Flake Dearnley | Flake & Kelley Northwest | AR Lic # PB00069947

## INVESTMENT SUMMARY

List Price:	\$1,192,889
Current NOI:	\$80,520.00
Initial Cap Rate:	6.75%
Average NOI:	\$93,423
Average Cap Rate:	7.83%
Land Acreage:	0.41
Year Built	1990
Building Size:	1,976 SF
Price PSF:	\$603.69
Lease Type:	Absolute NNN Sale Leaseback
Lease Term:	20 Years

## INVESTMENT OFFERING

Fortis Net Lease is pleased to present a free standing Valero Gas Station & C-Store property located at 515 Harkrider St Conway, AR. This property may be purchased individually or as a portfolio. The tenant, United Lone Enterprises, will execute a 20 Year Sale Leaseback at COE. The lease is Absolute NNN requiring zero landlord responsibilities. There are three, five year options to extend. The lease also features 10% rent escalations every 5 years and throughout the option periods, as well.

This location is strategically located on Harkrider St (18,000+ VPD) at the corner of College Ave (9,500+ VPD) making this an ideal location for a gas station. The five mile population exceeds 73,000 residents. The five mile average household income exceeds \$62,000 annually. The property is in a growing market, with 3.96% 5 mile population growth expected by 2023.

**PRICE** \$1,192,889**CAP RATE** 6.75%**LEASE TYPE** Absolute NNN Sale Leaseback**TERM** 20 Years

## INVESTMENT HIGHLIGHTS

- 20 Year Sale Leaseback Executed at COE
- Absolute NNN Lease | Zero Landlord Responsibilities
- Lease is Backed with Personal Guarantee
- 10% Rent Increase Every 5 Years Including Options
- Three (3), Five (5) Year Options to Extend
- Experienced Operator with Over 30 Locations
- 5 Mile Population Exceeds 73,000 Residents
- 5 Mile Average HH Income Exceeds \$62,000 Annually
- 5 Mile Population Growth Projected at 3.96% by 2023



### PROPERTY SUMMARY

Year Built:	1990
Lot Size:	0.41 Acres
Building Size:	1,976 SF
Zoning:	C-2

### LEASE SUMMARY

Tenant:	Valero
Lease Type:	Absolute NNN Sale Leaseback
Primary Lease Term:	20 Years
Annual Rent:	\$80,520
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	COE- Close of Escrow
Lease Expiration Date:	20 Years After COE
Lease Term Remaining:	20 Years
Rent Bumps:	10% Every 5 Years Including Options
Renewal Options:	Three (3), Five (5) Year Options
Lease Guarantor:	United Lone Enterprises
Lease Guarantor Strength:	7 Units + Personal Guarantee



**PRICE:**  
1,192,889



**LEASE TERM:**  
20 YEARS



**CAP RATE:**  
6.75%



**RENT BUMPS:**  
10% EVERY 5





## OVERVIEW

Company:	Valero Energy Corporation
Founded:	January 1, 1980
Total Revenue:	\$93.98 Billion
Net Income:	\$4.065 Billion
Headquarters:	San Antonio, TX
Website:	www.Valero.com

## TENANT HIGHLIGHTS

- Valero S&P Credit Rating: "BBB-" Investment Grade
- Valero Merged with Chevron Corp. in 2011 for \$1.73 Billion
- Valero is Ranked #31 on Fortune 500
- NYSE Ticker Symbol: VLO

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-5	\$80,520	\$6,710		6.75%
6-10	\$88,572	\$7,381	10%	7.42%
11-15	\$97,429	\$8,119	10%	8.16%
16-20	\$107,172	\$8,931	10%	8.98%
Option 1	\$117,889	\$9,824	10%	9.88%
Option 2	\$129,678	\$10,806	10%	10.87%
Option 3	\$142,646	\$11,887	10%	11.95%

## TENANT INFORMATION

Valero Energy Corporation is a Fortune 500 international manufacturer and marketer of transportation fuels, other petrochemical products, and power. It is headquartered in San Antonio, TX. The company owns and operates 16 refineries throughout the United States, Canada, and United Kingdom. Before the 2013 Spinoff of CST Brands, Valero was one of the biggest retail operators in the United States with over 6,800 retail and branded wholesale outlets. Valero operates under the brands Valero, Shamrock, Diamond Shamrock, Ultramar, Beacon and Texaco with over 7,400 Locations. They own and operate 11 ethanol plants with a combined ethanol production capacity of approximately 1.45 billion gallons per year.

United Lone Enterprises & Southern Investments Group owns & operates over 30 Gas Station & C-Store Properties throughout the southeastern United States in Arkansas and Missouri. United Lone Enterprises consists of the Exxon, Valero, and Citgo brands, while Southern Investments Group also operates under the Shamrock & VP Racing brands.



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Conway is a city in the U.S. state of Arkansas and the county seat of Faulkner County, located in the state's most populous Metropolitan Statistical Area, Central Arkansas. Conway is unusual in that the majority of its residents do not commute out of the city to work. The city also serves as a regional shopping, educational, work, healthcare, sports, and cultural hub for Faulkner County and surrounding areas. Conway's growth can be attributed to its jobs in technology and higher education with its largest employers being Acxiom, the University of Central Arkansas, Hewlett Packard, Hendrix College, Insight Enterprises, and many technology start up companies. Conway is home to three post-secondary educational institutions, earning it the nickname "The City of Colleges". As of the 2017 Census Estimate, the city proper had a total population of 65,782, making Conway the eighth-largest city in Arkansas. Central Arkansas, the Little Rock–North Little Rock–Conway, AR Metropolitan Statistical Area, is ranked 75th largest in the United States with 734,622 people in 2016. Conway is part of the larger Little Rock–North Little Rock, AR Combined Statistical Area, which in 2016 had a population of 905,847, and ranked the country's 60th largest CSA.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2018	8,961	51,787	73,716
Total Population 2023	9,210	53,826	76,636
Population Growth Rate	2.78%	3.94%	3.96%
Average Age	31.2	33.2	33.9
# Of Persons Per HH	2.6	2.7	2.7
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	3,173	19,557	27,942
Average HH Income	\$36,560	\$56,461	\$62,764
Median House Value	\$110,642	\$162,150	\$171,577
Consumer Spending (Thousands)	\$51,967	\$415,195	\$640,307







TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

*The FNL Team*

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