

A **SINGLE-TENANT NNN** GROUND
LEASED RETAIL INVESTMENT
OPPORTUNITY



MURPHY EXPRESS ★

CBRE

CAPITAL MARKETS | NATIONAL
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DESIGN RENDERINGS - 2019 CONSTRUCTION

NEC OF S PARKER RD. & STROH RD. PARKER, CO 80134
DENVER METRO



03

INVESTMENT SUMMARY

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TENANT OVERVIEW

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LOCATION OVERVIEW

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INVESTMENT ADVISORS

INVESTMENT SUMMARY



PRICE
\$2,445,000



NOI
\$110,000



CAP RATE
4.50%



TERM REMAINING
20 Years



LEASE TYPE
NNN Ground Lease



RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	RETURN
LEASE YRS 1-5	\$110,000	4.50%
LEASE YRS 6-10	\$121,000	4.95%
LEASE YRS 11-15	\$133,100	5.44%
LEASE YRS 16-20	\$146,410	5.99%
OPTION 1: (LEASE YRS 21-25)	\$158,123	6.47%
OPTION 2: (LEASE YRS 26-30)	\$170,773	6.98%
OPTION 3: (LEASE YRS 31-35)	\$184,435	7.54%
OPTION 4: (LEASE YRS 36-40)	\$199,189	8.15%

**10% INCREASES
EVERY 5 YEARS IN
PRIMARY TERM!**



DENVER TECH CENTER
20 MIN



DENVER INTERNATIONAL
AIRPORT
35 MIN

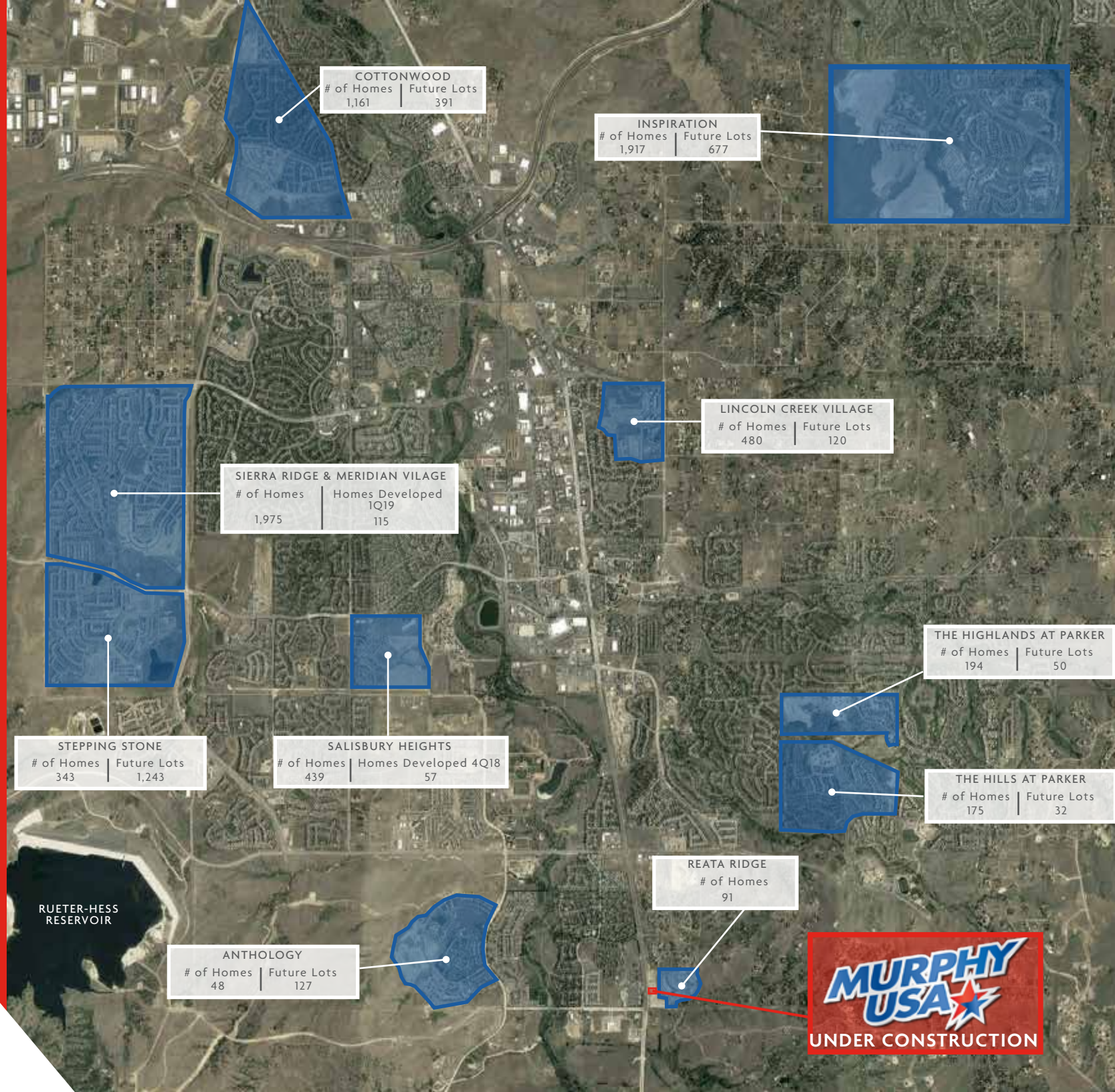


BRAND NEW CONSTRUCTION - EXPECTED COMPLETION Q3 2019



NOT TO SCALE

HOUSING DEVELOPMENTS IN PARKER



INVESTMENT HIGHLIGHTS

NNN GROUND LEASE AND INCOME STABILITY

- **NNN GROUND LEASE** – Ensures limited investor oversight and management allowing for true passive income – operating costs reside with the tenant, not the landlord.
- **STRONG TENANT** – 100% leased to Murphy Oil USA, Inc., a powerful brand that serves approximately 1.6 million customers every day across 26 states.
 - **MURPHY OIL** – Currently operates over 1,600 locations in 26 states including 1,400 Murphy USA stores and 240 Murphy Express stores.
- **LONG TERM LEASE** – Murphy USA has a 20-year Lease, providing long term reliability and durability of cash flow.
- **EXCEPTIONAL NOI GROWTH POTENTIAL** – Murphy Oil's lease features 10% rent increases every 5-years, providing strong cash flow growth and an inflationary hedge for an STNL asset.

STRONG REAL ESTATE FUNDAMENTALS

- **NEW CONSTRUCTION** – Construction of Murphy USA will be completed in Q3 of 2019 providing investors with extremely low capital improvement risk.
- **STRONG LOCATION** – Murphy USA will benefit from the synergy and increased traffic volume generated by King Soopers, Walgreens, Carl's Jr, and other brand name tenants. The building enjoys excellent access with a full movement intersection located off S. Parker Rd.
- **HOUSING & POPULATION GROWTH IN PARKER**
 - Expected population growth over next 5 Years: **2.56%**
 - Finished lots within a 3-mile radius: **14,129**
 - Average Housing Value within a 3-mile radius: **\$449,415**



DEVELOPED BY SERVICESTAR DEVELOPMENT





POINT OF DESTINATION LOCATION

- **CONVENIENT LOCATION** – Strategically located on the northeast corner of S. Parker Rd. and Stroh Rd. – S. Parker Rd. serves as the primary traffic artery through Parker’s dense residential neighborhoods and retail corridor.
 - The intersection of S. Parker Rd. and Stroh Rd. has traffic counts of over **35,200 vehicles per day**.
- **RESIDENTIAL AND COMMERCIAL DENSITY** – Proximity to both residential and commercial density keeps the property busy throughout the day and evening.

AFFLUENT DEMOGRAPHICS

- More than **4,267** people in a 1-mile radius with an Average Household Income exceeding **\$93,163**
- More than **42,054** people in a 3-mile radius with an Average Household Income exceeding **\$134,063**
- More than **84,697** people in a 5-mile radius with an Average Household Income exceeding **\$135,669**

ADDRESS

NEC of S. Parker Rd. & Stroh Rd. Parker, CO 80134

COUNTY

Douglas

TENANT

Murphy Oil USA, Inc.

LEASED

100%

BUILDING SIZE

3,445 SF

PARCEL SIZE

1.37 Acres

YEAR BUILT

Q3 2019 – Under Construction

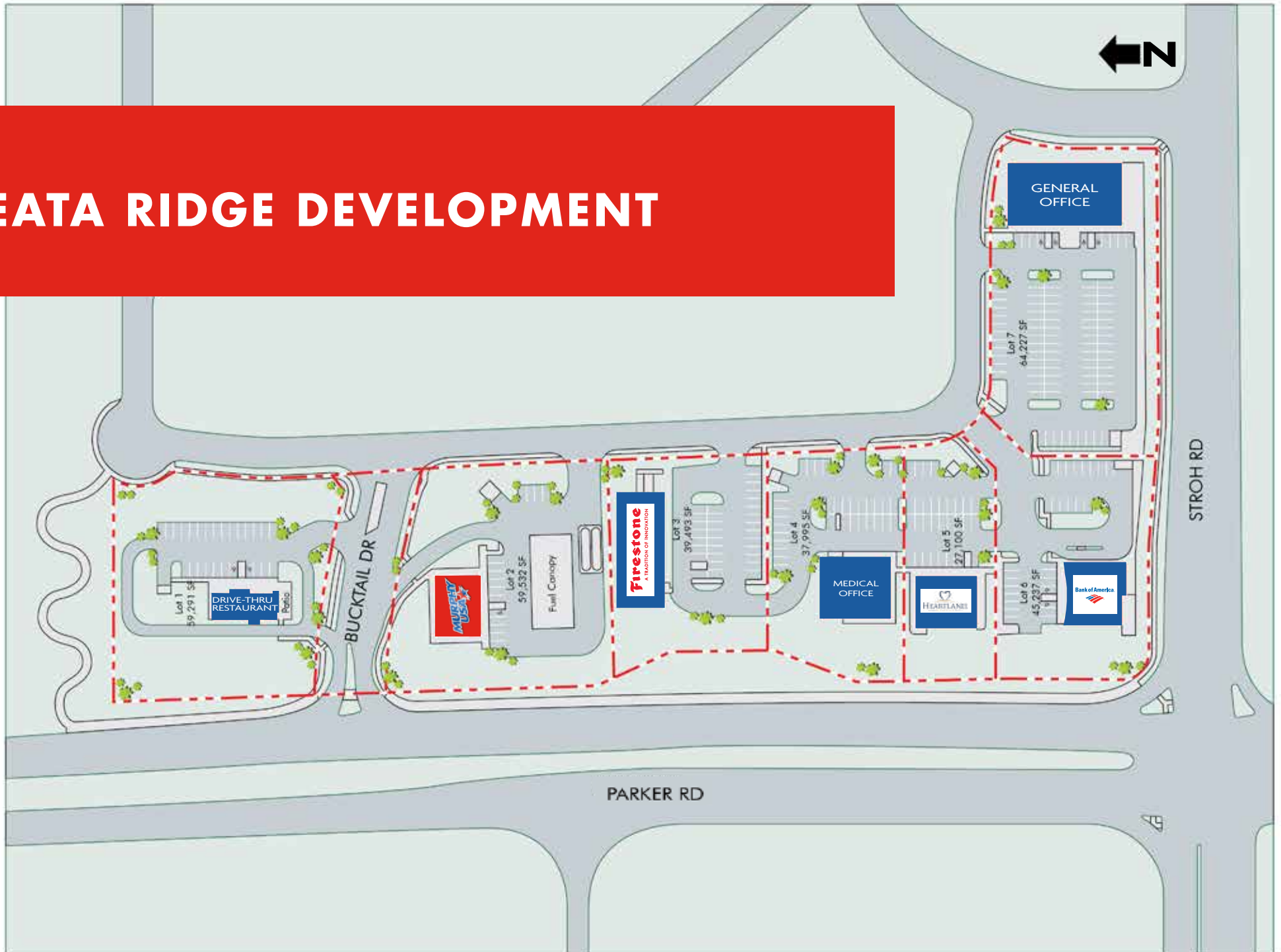
LEASE TYPE

NNN Ground Lease

OWNERSHIP

Fee Simple

REATA RIDGE DEVELOPMENT



SITE PLAN





REPRESENTATIVE PHOTO

TENANT OVERVIEW



MURPHY OIL USA, INC.

[MURPHYUSA.COM](https://www.murphyusa.com)

Murphy USA (NYSE: MUSA) is an El Dorado, AR headquartered gas and convenience store operator with over 1,400 operating units throughout 26 states under the brands Murphy USA and Murphy Express. Murphy Oil USA provides quality fuels at low prices to approximately 1.6 million customers every day. Murphy Oil USA has plans to continue growing through the opening of more Murphy USA and Murphy Express stores. In 2018 Murphy Oil was ranked on the Fortune 500 list of the largest United States corporations by revenue with a 2018 revenue of \$2.6 billion.

LEASE ABSTRACT

INITIAL TERM:	20 Years	
SIZE (SF):	1.37 Acres (59,532 SF Land Area per Site Plan)	
RENT COMMENCEMENT DATE:	July 1, 2019	
LEASE EXPIRATION:	20th anniversary of the rent commencement date	
NAME OF LESSEE:	Murphy Oil USA, Inc.	
RENT SCHEDULE:	07/01/19 - 06/30/24: \$110,000.00/year (\$9,167.00/month)	07/01/24 - 06/30/29: \$121,000.00/year (\$10,083.00/month)
	07/01/29 - 06/30/34: \$133,100.00/year (\$11,092.00/month)	07/01/34 - 06/30/39: \$146,410.00/year (\$12,201.00/month)
OPTIONS:	Four (4) 5-year options to renew	Tenant shall deliver written notice of its intent to renew to landlord not later than 180 days before the expiration of the original 20 years term or then-current option term. Lease Section 5.
	Option 1: 07/01/39 - 06/30/44: \$158,123.00/year (\$13,177.00/month)	
	Option 2: 07/01/44 - 06/30/49: \$170,773.00/year (\$14,231.00/month)	
	Option 3: 07/01/49 - 06/30/54: \$184,435.00/year (\$15,370.00/month)	
	Option 4: 07/01/54 - 06/30/59: \$199,189.00/year (\$16,599.00/month)	

LEASE ABSTRACT

TENANT RESPONSIBILITY:	Tenant shall bear all costs, expenses and liabilities of any kind or nature whatsoever related to the Premises or their ownership, occupancy, improvement, maintenance, operation, use and enjoyment that accrue or arise during or are attributable to the Term (except as otherwise expressly set forth herein) or to Tenant's obligations under this Lease, or any other sums which are expressly allocated to Tenant under the provisions of this Lease or which Tenant must incur in order to satisfy its express obligations and duties hereunder.
LEASE SECTION 4.3(B)	
LANDLORD RESPONSIBILITY:	It is the intent and agreement of the parties that the payments of Monthly Rent shall in all respects be fully net payments to Landlord; that Landlord shall not be required to furnish any services or pay or bear any costs, expenses or liabilities associated with the Premises and accruing or arising during the Term, except as otherwise expressly set forth herein.
LEASE SECTION 4.3(B)	
ADDITIONAL RENT:	Tenant shall pay to landlord, the land's proportionate share of the maintenance, repair, operating, insurance and other expenses associated with the association-maintained common areas as defined in the declaration (the "Common Facilities Costs").
LEASE SECTION 4.3	
TAXES:	Tenant shall pay directly to the taxing authorities the real property taxes and assessments, and other governmentally imposed levies, fees and charges, which are levied, assessed, charged or imposed against or in relation to premises or any part of the premises.
LEASE SECTION 6.1	
UTILITIES:	Tenant shall pay for all utilities and services furnished to, or to be used on, the Premises and/or in connection with the Improvements or other construction or other activities conducted by, through or under Tenant on the Premises, including, without limitation, electricity, water, gas, sewer, telephone service and trash collection, and for all related tap and connection fees, service commencement and consumption charges, and meter reading fees. Such charges and expenses shall be paid directly to the utility companies or other entities to which such charges and fees are payable.
LEASE SECTION 6.2	
INSURANCE:	Tenant agrees that it will at all times during the term keep in full force and effect the following insurance coverage: Commercial general liability; excess liability or umbrella liability; a business or commercial automobile liability policy covering all vehicles used by the tenant's business operation; a policy of standard insurance against loss or damage by fire, lightning, and other risks covered by ISO special form; workers compensation insurance and employee's liability insurance; underground/above ground storage tank pollution liability insurance, and any other coverages that tenant may be required to maintain from time to time by applicable laws. Tenant may self-insure if it has a net worth of at least \$200,000,000.
LEASE SECTION 10.1, 10.3	
SURRENDER OF PREMISES:	At the expiration or earlier termination of this Lease pursuant to the provisions hereof, Tenant shall quit and surrender the Premises and Improvements to Landlord without delay, in good order, condition and repair, ordinary wear and tear excepted with regard to the Improvements. Tenant shall remove fuel system improvements from the premises within 30 days following the expiration or earlier termination of the lease. Tenant at no expense to landlord, shall perform corrective action for covered contamination.
LEASE SECTION 16.1, 16.2	
FUEL SYSTEM:	Tenant shall be responsible for and undertake any annual or periodic underground storage tank fitness tests and maintenance and all reports, notices, and filings necessary to maintain the Fuel System Improvements in compliance with all applicable Laws, and otherwise in compliance with good prevailing industry practices in furtherance preventing any Releases from the Fuel System Improvements, and shall also otherwise construct, install, operate and maintain the Fuel System Improvements in accordance with applicable Laws and good prevailing industry practices.
LEASE SECTION 20.2	
CORRECTIVE ACTION:	Tenant shall: (i) pay all fines, damages, and penalties imposed by any Governmental Entity resulting from Tenant's violation of any applicable Environmental Laws relating to the Fuel System Improvements or otherwise with respect to the Premises or the uses or operations thereon; and (ii) assess, monitor, and/or remediate any Release of motor fuels or other Hazardous Substances resulting from or related to its operations of the Fuel System Improvements or otherwise in connection with uses or operations by or the presence upon the Premises of Tenant Parties during the Term, to the extent required by the Governmental Entity with oversight jurisdiction over the Premises and/or the Improvements. Any Corrective Action required by this Lease shall be performed at no cost to Landlord.
LEASE SECTION 20.3	

DRIVE TIMES



DENVER TECH
CENTER
20 MIN



DOWNTOWN
DENVER
35 MIN



DENVER
INTERNATIONAL
AIRPORT
35 MIN



COLORADO
SPRINGS
55 MIN



DENVER
INTERNATIONAL
AIRPORT

BROOMFIELD

ARVADA

INTERSTATE
25

DOWNTOWN
DENVER

6

LAKEWOOD

DTC

LITTLETON

INTERSTATE
225

AURORA

INTERSTATE
25

CENTENNIAL

MURPHY
USA

PARKER



NOT TO SCALE



LOCATION OVERVIEW

DENVER

Located 15 miles east of the front range of the Rocky Mountains, Denver’s central geographic location has played a large role in its economic success. Because Denver is within a two-hour flight of two-thirds of the United States and within four hours of every major city with a population of one million or more on the continent, it has evolved into a major national transportation and commercial hub. Denver also enjoys strategic advantages for intercontinental commerce; located on the 105th meridian, halfway between Tokyo and Munich, Denver is the largest city in the U.S. with access to both Pacific and European markets in a single business day.

With a 2018 population of over three million, Metro Denver promotes a lifestyle where family, health and career complement one another. Denver has nearly 300 days of sunshine with breathtaking vistas of Colorado’s Rocky Mountains. The city’s goal is to become “America’s Healthiest Community” by creating interlinked, walkable communities and programs that support wellness at school and work. Relatively low occupancy costs, a multimodal transportation system and a central location from both coasts, has attracted some of the country’s most successful and diverse companies to the Denver area. Both public and private sectors collaborate on economic development initiatives for the benefit of the entire region.



300+ DAYS OF ANNUAL
SUNSHINE

WINTER STORMS ARE NORMALLY
SHORT-LIVED AND SNOW MELTS
RAPIDLY IN THE REGION

DENVER OVERVIEW

FUNDAMENTALS ARE STILL STRONG NINE YEARS INTO THE BUSINESS CYCLE.



3.2 MILLION
2018 METRO
POPULATION

228,265
NET MIGRATION
SINCE RECESSION
(2010-2017)



3.0%
UNEMPLOYMENT

+2.7%
NONFARM EMPLOYMENT
(YTD SEP. 2018)



\$76,643
MEDIAN HH
INCOME

+3.6%
2017 GOP
GROWTH



\$452,200
MEDIAN
SALES PRICE
SINGLE FAMILY

+9.4%
SINGLE FAMILY
PERMITS
(YTD SEP. 2018)



**11 WORLD-CLASS SKI
RESORTS ARE WITHIN
100 MILES**



DENVER OVERVIEW



9 INDUSTRY CLUSTERS

- Aerospace
- Aviation
- Beverage Production
- Bioscience
- Energy
- Broadcasting & Telecommunications
- Energy
- Financial Services
- Healthcare & Wellness



COLORADO IS THE NATION'S MOST PHYSICALLY ACTIVE STATE



100+ PUBLIC AND PRIVATE GOLF COURSES ARE LOCATED IN METRO DENVER.

SNAP SHOT OF PARKER

Located in Douglas county, Colorado's fastest growing county Parker, CO is just 30 minutes from downtown Denver. The Town of Parker boasts a highly talented and educated workforce, a high quality of life that balances rural living with the conveniences and amenities of a large city. The local community offers ample opportunity for investors, developers, business owners and retailers. Businesses and residents can take advantage of the area's numerous recreational and cultural opportunities and excellent school system.

The Town enjoys easy access to Denver, Colorado Springs and the rest of the Front Range via the E-470 toll way, I-25, and public transportation. Denver International Airport (DIA) is located 30 minutes away, and Centennial Airport, a general aviation airport, is located just 10 minutes away. Both airports provide travelers convenient access to the rest of the country and the world.

With a population over 54,000, the 21-plus-square-mile Town of Parker boasts a median age of 35, and a median household income of \$118,524. The Town's favorable demographics include a low unemployment rate of 3.5%.





Of all U.S. counties with populations of 65,000 or greater, Douglas County ranked **4TH FOR HIGHEST PERCENTAGE OF RESIDENTS WITH AN ASSOCIATE'S, BACHELOR'S, OR GRADUATE OR PROFESSIONAL DEGREE** and ranked **7TH IN THE NATION FOR THE HIGHEST MEDIAN HOUSEHOLD INCOME.**



JOBS LOCATED IN DOUGLAS COUNTY INCREASED BY 3.7% in 2017 and establishment located in Douglas County increased by **4.4% IN 2017 FOR A TOTAL OF 12,000 BUSINESSES**



Douglas County is home to **329,00 PEOPLE**, showing **ANNUAL GROWTH OF ALMOST 2%.**



The **HOUSING GROWTH** rate in 2017 was **2.9%.**



REPRESENTATIVE PHOTO

DEMOGRAPHICS

POPULATION

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2018 POPULATION - CURRENT YEAR ESTIMATE	4,267	42,054	84,697
2023 POPULATION - FIVE YEAR PROJECTION	4,731	47,714	95,106
ANNUAL GROWTH 2010-2018	1.54%	2.58%	2.74%
ANNUAL GROWTH 2018-2023	2.09%	2.56%	2.35%
DAYTIME EMPLOYEES	688	9,078	18,388

INCOME

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2018 AVERAGE HOUSEHOLD INCOME	\$93,163	\$134,063	\$135,669
2023 AVERAGE HOUSEHOLD INCOME	\$102,991	\$144,066	\$145,728
2018 MEDIAN HOUSEHOLD INCOME	\$82,738	\$109,154	\$110,241
2018 PER CAPITA INCOME	\$36,435	\$45,258	\$46,377

HOUSEHOLDS

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2018 CURRENT YEAR ESTIMATE	1,688	14,129	28,696

HOUSING VALUE

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2018 AVERAGE HOUSING VALUE	\$308,529	\$449,415	\$454,614

TRAFFIC COUNTS

S PARKER RD. & STROH RD.	35,205 Vehicles per Day
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Confidentiality Agreement

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

Disclaimer

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner. PMStudio_May2019

NEC OF S PARKER RD. & STROH RD. PARKER, CO 80134 - DENVER METRO



REPRESENTATIVE PHOTO

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