



CIRCLE K

FORT WAYNE, INDIANA

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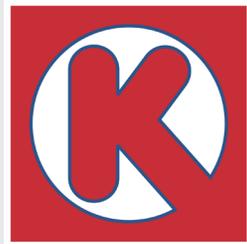
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section 1

# Executive Summary



offering summary



summary of terms



investment overview



investment highlights

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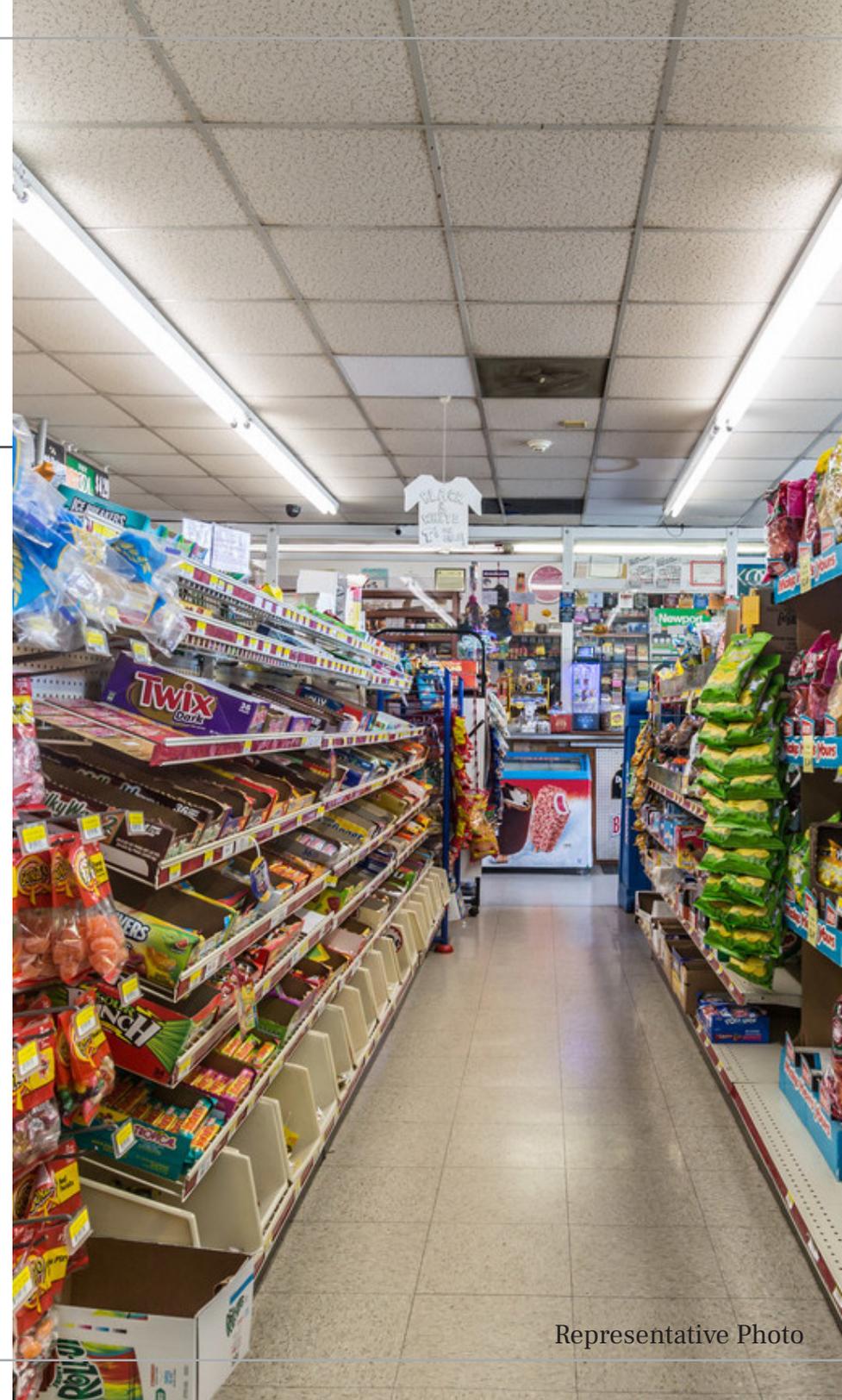
## OFFERING SUMMARY

CIRCLE K | 2304 SHERMAN BLVD. FORT WAYNE, INDIANA 46808

 \$2,748,000

Down Payment	100%	\$2,748,000
Building Square Feet		4,284 SF
Cap Rate		6.75%
Year Built		2005
Lot Size		.82 Acres

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## INVESTMENT HIGHLIGHTS

- Located Within Opportunity Zone
- Daily Traffic Counts over 20,000
- Population Within 5-Mile Radius Exceeds 170,000
- Approximately 7 Years Left on Absolute NNN Lease

# CIRCLE K

2304 SHERMAN BLVD. FORT WAYNE, INDIANA 46808

Circle K is located at 2304 Sherman Boulevard in Fort Wayne, Indiana, at the Intersection of State Blvd, which is one of the busiest traffic arteries in the city. The subject property is an approximate 4,284-square foot, single-tenant building built in 2005 on an estimated 0.82 acres of land. There are approximately 173,000 people living within a five-mile radius of the property.

Located at a signalized intersection, Circle K is visible to approximately 20,000 vehicles per day. This ideal location has neighboring national tenants that include Kroger, Dairy Queen, Arby's, Wells Fargo, Pizza Hut, Dollar Tree, Chase Bank, among others.

Circle K has approximately 6.5 years left on an absolute triple-net (NNN) lease with no landlord responsibilities and is corporate backed by Mac's Convenience Stores LLC, A Delaware limited liability company. There are three, 5-year renewal options remaining with ideal 10 percent increases in each option.

Circle K is a part of Alimentation Couche-Tard of Canada. The Company's operations currently include a network of 5,883 stores, 4,142 of which offer petroleum products, in 43 American States, the District of Columbia and ten Canadian provinces. Other operations include Europe, Mexico, Japan, China and Indonesia. Couch-Tard stores serve more than 25 million visitors per week and employ 53,000 staff members.

The Subject property is guaranteed by Mac's Convenience Stores, LLC. The first Mac's store was opened in Richmond Hill, Ontario in 1961. Expansion throughout Canada brought Mac's number of stores to 825 locations in 1986. Further expansion and restructuring, and eventually being acquired by Alimentation Couche-Tard, has made them the largest national convenience store network in Canada. After launching into the US market between 2001-2004, Couche-Tard has been counted as the second largest convenience store chain in North America since 2007.



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section 2

# Property Description



the property



local and regional maps



site plan



amenities

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## PROPERTY DESCRIPTION // Circle K

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### PROPERTY DESCRIPTION

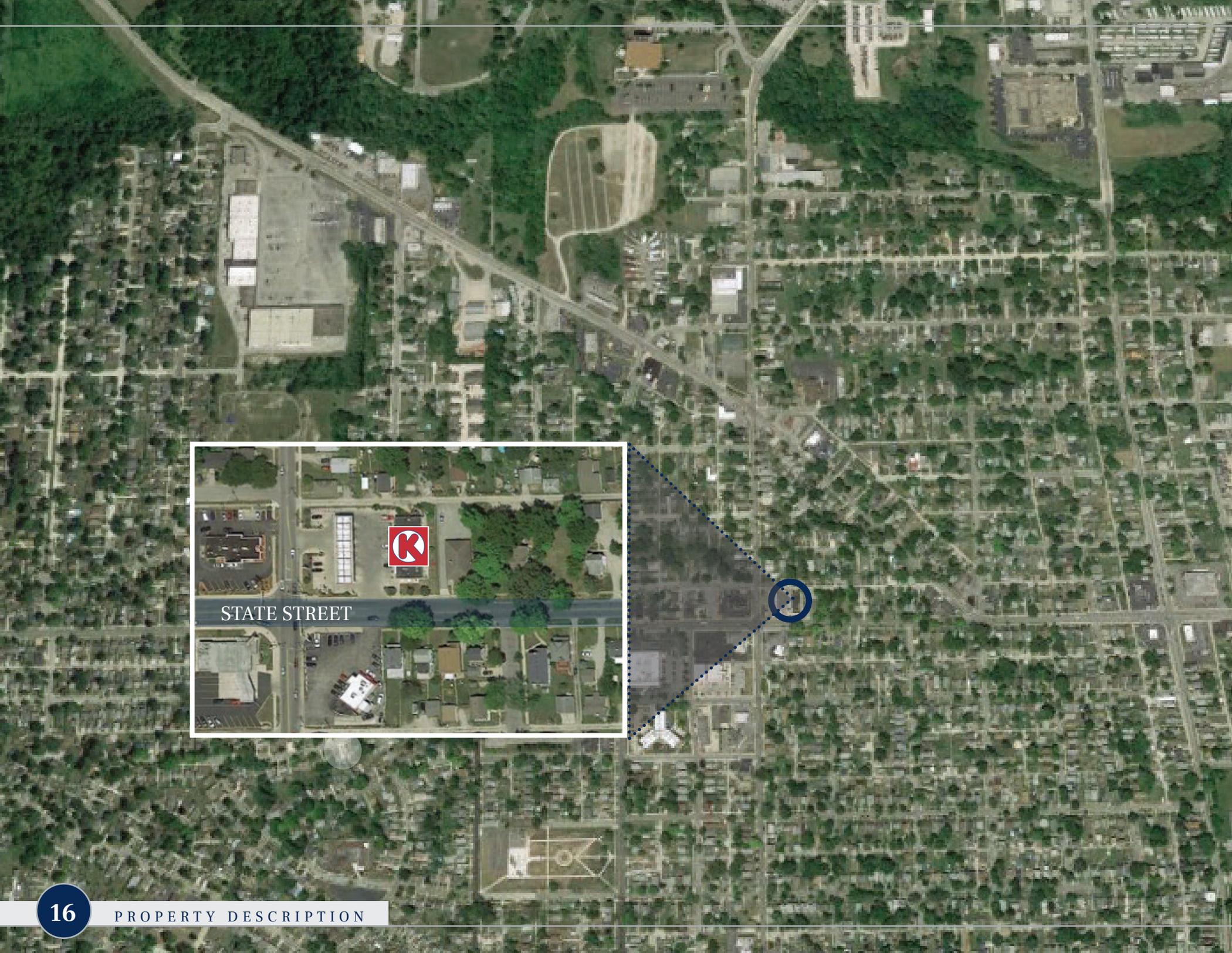
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Year Built	2005
Gross Leasable Area	4,284 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	.82 Acres

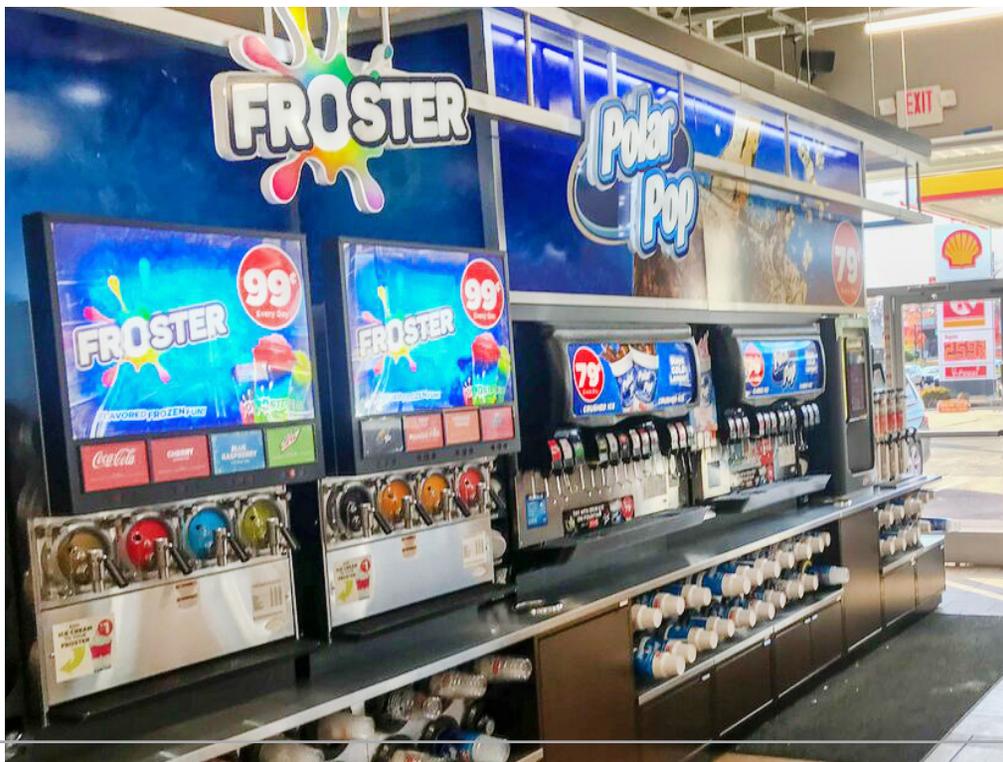
### LEASE SUMMARY

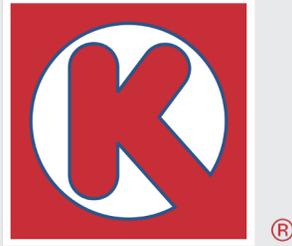
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Property Subtype	Net Leased Auto Service - Gas/Conv
Tenant	Mac's Convenience Stores
Rent Increases	10% Every Five Years
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	4/1/2005
Lease Expiration	3/31/2025
Lease Term	20
Term Remaining on Lease (Years)	6.8
Renewal Options	Three, 5 - Year Options
Landlord Responsibility	None
Tenant Responsibility	Roof, Structure, Utilities, Taxes, Insurance
Right of First Refusal / Offer	Yes



STATE STREET



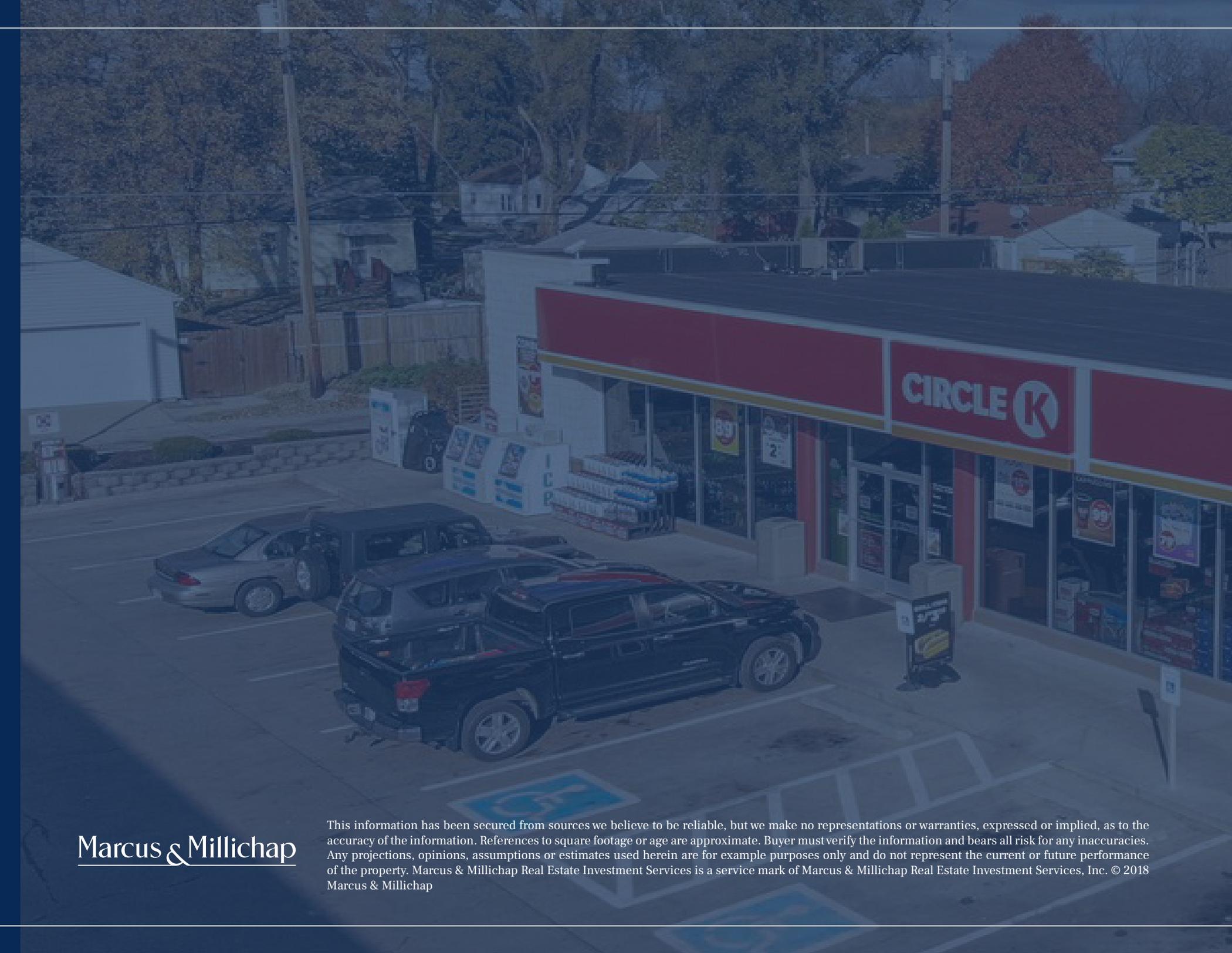


ARCOLA

FORT WAYNE

NEW HAVEN





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section 3

# Financial Analysis



property details

pricing details

rent roll summary

operating statement

cash flow

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## PRICING DETAILS // CIRCLE K

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### ANNUALIZED OPERATING INFORMATION

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Net Operating Income \$185,517

### RENT SCHEDULE

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YEAR	ANNUAL RENT	MONTHLY RENT	RENT / SF	CAP RATE
CURRENT	\$185,517	\$15,460	\$43.30	6.75%
4/1/2020 - 3/31/2025	\$198,503	\$16,542	\$46.36	7.22%
OPTION 1	\$216,368	\$18,031	\$50.51	7.87%
OPTION 2	\$235,841	\$19,653	\$55.05	8.58%
OPTION 3	\$257,067	\$21,422	\$60.01	9.35%



## Tenant Overview // Circle K

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### About Circle K

Circle K's success in the convenience retailing industry spans more than 60 years. Roots trace back to 1951 when Fred Hervey purchased three Kay's Food Stores in El Paso, Texas. Little did anyone know that these stores would serve as the beginning of Circle K - one of the nation's leading convenience store chains. During the early years, Hervey's enterprising spirit enabled the company to make its mark in the southwestern part of the United States. He grew the Circle K chain into neighboring New Mexico and Arizona, which has been the company's home base since 1957.

During the next few decades, Circle K grew its retail network through a series of acquisitions, which were incorporated into the Circle K brand. By 1975, there were 1,000 Circle K stores across the US. In 1979, Circle K entered the international market when a licensing agreement established the first Circle K stores in Japan. The company's growth continued and by 1984 sales had reached \$1 billion.

In 1999, a franchise program was introduced to support operators looking to build a business with a leading convenience store brand. Now there are more than 7,000 Circle K sites operating in the US and thirteen other countries. Circle K has become one of the most widely recognized convenience store brands, known worldwide for quality products and great customer service.



## Tenant Overview // Circle K

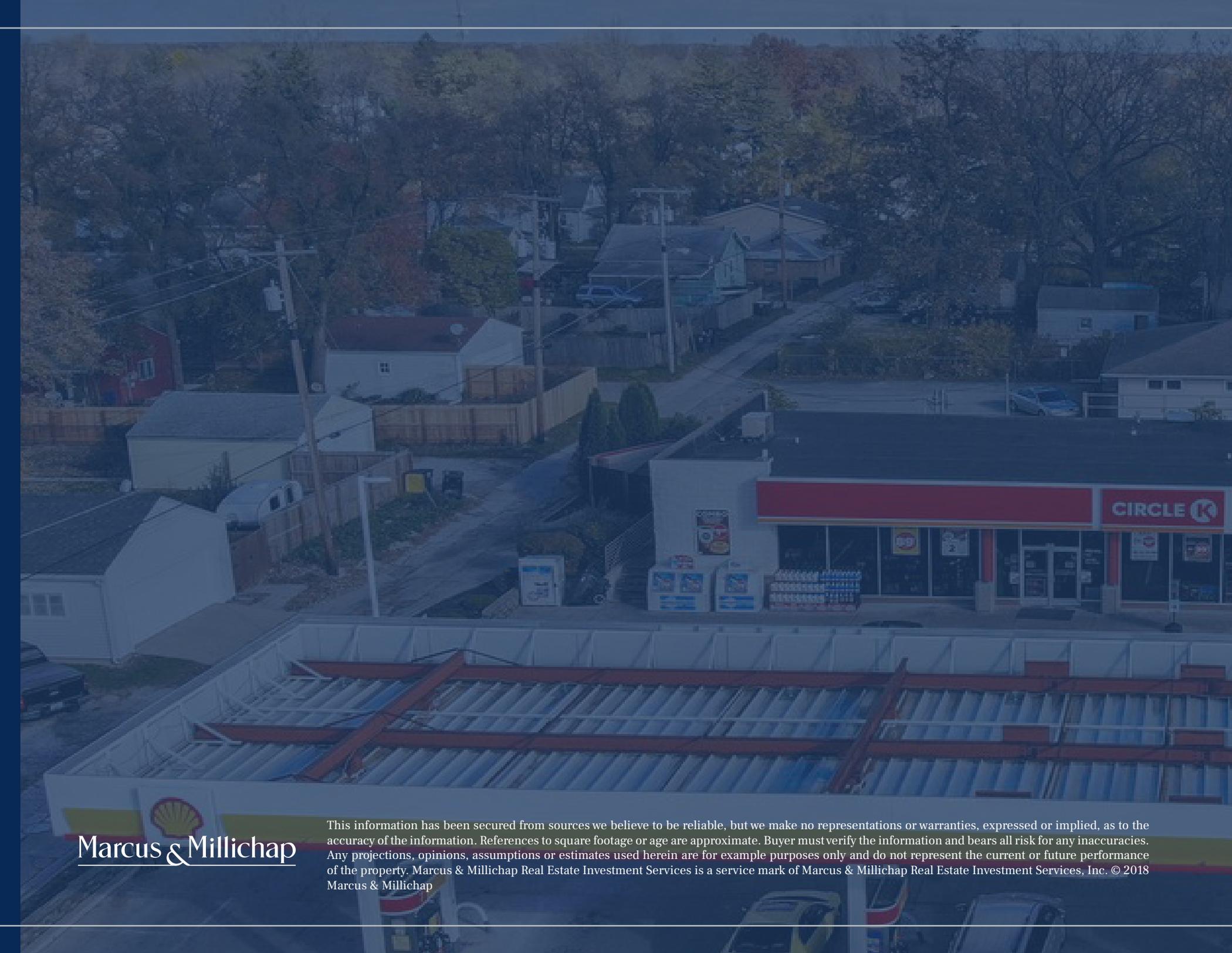
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### About Mac's

Mac's Convenience Stores is a subsidiary of Alimentation Couche-Tard Inc. (TSE : ATD.A and ATD.B). Mac's Convenience Stores has been owned and operated by Alimentation Couche-Tard since 1999.

Couche-Tard is the largest convenience store operator in Canada with a network of over 5,800 stores, more than 4,100 of which offer motor fuel. These stores are located across 10 Canadian provinces in three geographic markets (East, Centre and West), operating under the Couche-Tard and Mac's trademarks. In the United States, stores operate under the Circle K trademark across 43 American states and in the District of Columbia in eight major markets (Great Lakes, Midwest, Southeast, Florida, Gulf, Arizona, West Coast, Southwest). Globally, a network of about 3,700 licensees extends to seven other regions worldwide (China, Guam, Hong Kong, Indonesia, Japan, Macau, Mexico). Couche-Tard has also expanded its interests to Europe through acquisition of Statoil Fuel & Retail. The highly developed and promising markets are currently in Norway, Sweden, Denmark, Latvia, Estonia, Lithuania, Poland and a few shops in Russia. These eight European countries will provide a great opportunity for future growth.





  
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section 4

# Market Overview



location overview



market research



demographics

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# FORT WAYNE INDIANA

POPULATION  
72,585

# City of FORT WAYNE

The Fort Wayne metro is situated in Northeastern Indiana, roughly 125 miles northeast of Indianapolis and borders Ohio. The market consists of Allen, Wells and Whitley counties and is home to 434,000 residents with 263,000 people living in the city of Fort Wayne. The economy supports a broad range of industries, including medical devices, insurance, vehicles, craftsmanship and e-commerce.

## FORT WAYNE // Highlights

- Thriving medical industry
- Automotive industrial base
- Food and beverage industry leader

\* Forecast  
Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



## FORT WAYNE // Economy

- Boosted by Lincoln Financial, the metro is home to numerous insurance companies such as Swiss Re, American Specialty, MedPro and Brotherhood Mutual.
- More than 28,000 employees are in the auto industry, with General Motors, Dana Light Axle, Michelin/BF Goodrich and American Sportworks located here, among others.
- Access to nearby major markets and the FedEx hub in Indianapolis result in BAE Systems, General Mills and Walmart all investing in logistics infrastructure near Fort Wayne International Airport.
- Regional healthcare networks provide more than 10,000 jobs, primarily at Parkview Health Systems and Lutheran Health Network.

# FORT WAYNE // Demographics

## Population



In 2017, the population in Fort Wayne is 72,585. The population has changed by -1.55% since 2000. It is estimated that the population in Fort Wayne will be 71,111.00 five years from now, which represents a change of -2.03% from the current year. The current population is 50.03% male and 49.97% female. The median age of the population in Fort Wayne is 32.62, compare this to the US average which is 37.83. The population density in Fort Wayne is 2,562.71 people per square mile.

## Households



There are currently 29,348 households in Fort Wayne. The number of households has changed by -6.89% since 2000. It is estimated that the number of households in Fort Wayne will be 28,982 five years from now, which represents a change of -1.25% from the current year. The average household size in Fort Wayne is 2.34 persons.

## Income



In 2017, the median household income for Fort Wayne is \$35,401, compare this to the US average which is currently \$56,286. The median household income for Fort Wayne has changed by 10.29% since 2000. It is estimated that the median household income in Fort Wayne will be \$39,263 five years from now, which represents a change of 10.91% from the current year.

The current year per capita income in Fort Wayne is \$18,913, compare this to the US average, which is \$30,982. The current year average household income in Fort Wayne is \$45,143, compare this to the US average which is \$81,217.

## Race & Ethnicity



The current year racial makeup of Fort Wayne is as follows: 70.20% White, 14.78% Black, 0.07% Native American and 3.69% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 11.95% of the current year population in Fort Wayne. Compare this to the US average of 17.88%.

## Housing



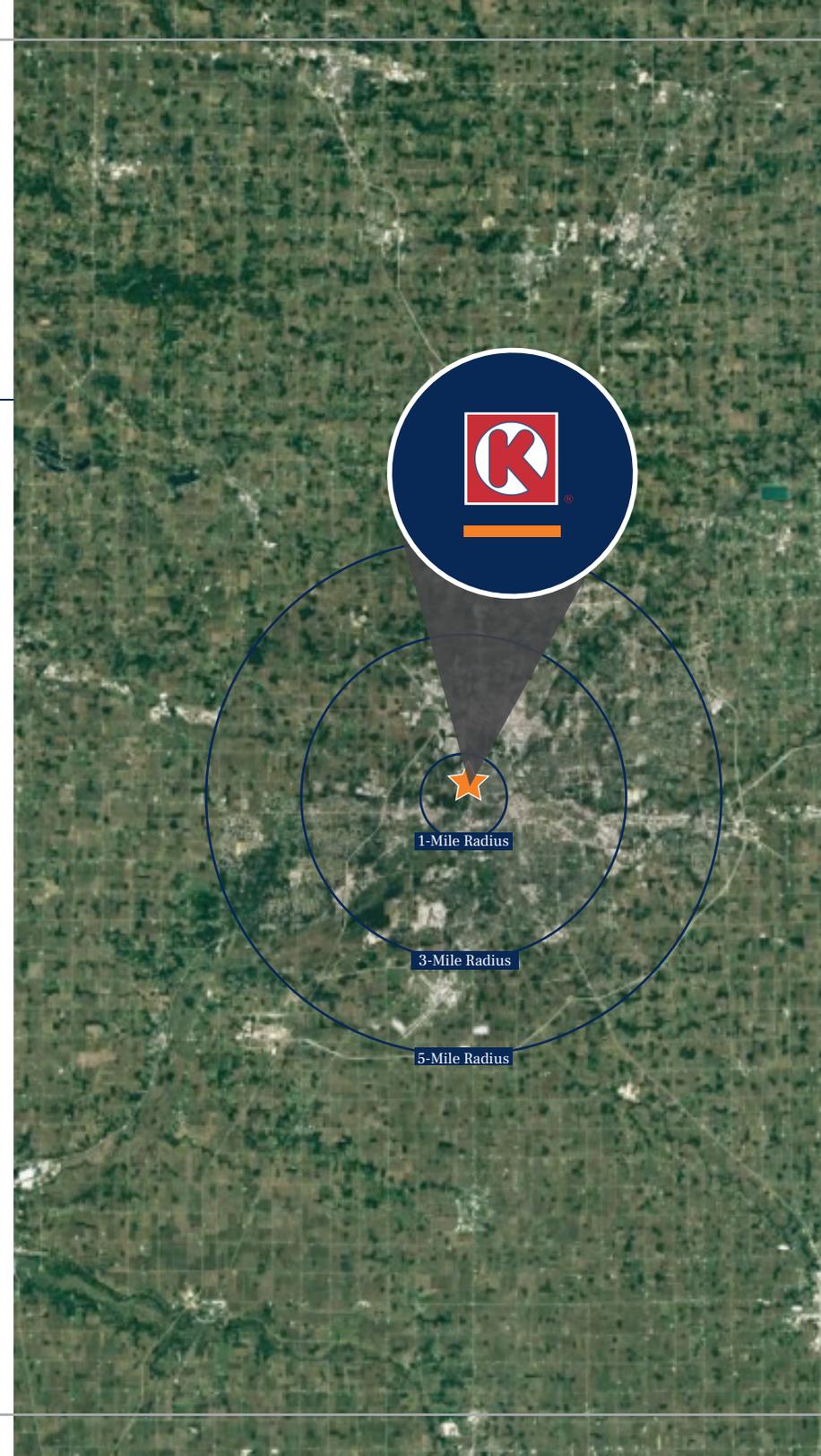
The median housing value in Fort Wayne was \$79,657 in 2017, compare this to the US average of \$193,953. In 2000, there were 17,210 owner occupied housing units in Fort Wayne and there were 14,310 renter occupied housing units in Fort Wayne. The median rent at the time was \$385.

## Employment



In 2017, there are 69,354 employees in Fort Wayne, this is also known as the daytime population. The 2000 Census revealed that 50.67% of employees are employed in white-collar occupations in this geography, and 49.49% are employed in blue-collar occupations. In 2017, unemployment in Fort Wayne is 7.46%. In 2000, the average time traveled to work was 21.00 minutes.

## DEMOGRAPHICS // Circle K



<b>POPULATION</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2022 Projection			
Total Population	12,907	71,111	172,036
2017 Estimate			
Total Population	13,335	72,585	173,171
2010 Census			
Total Population	13,140	70,924	168,025
2000 Census			
Total Population	14,564	73,726	173,239
Current Daytime Population			
2017 Estimate	12,134	124,643	227,167
<b>HOUSEHOLDS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2022 Projection			
Total Households	5,317	28,982	70,643
2017 Estimate			
Total Households	5,458	29,348	70,094
Average (Mean) Household Size	2.38	2.34	2.39
2010 Census			
Total Households	5,372	28,641	67,903
2000 Census			
Total Households	6,323	31,519	70,497
Occupied Units			
2022 Projection	5,317	28,982	70,643
2017 Estimate	6,154	33,604	78,580
<b>HOUSING BY INCOME</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
20217 Estimate			
\$150,000 or More	.56%	1.33%	2.44%
\$100,000 - \$149,000	3.96%	4.98%	6.67%
\$75,000 - \$99,999	8.44%	8.68%	9.99%
\$50,000 - \$74,999	19.35%	18.49%	20.18%
\$35,000 - \$49,999	18.57%	17.09%	16.97%
Under \$35,000	49.13%	49.42%	43.74%
Average Household Income	\$43,115	\$45,143	\$51,799
Median Household Income	\$35,609	\$35,401	\$39,913
Per Capita Income	\$17,833	\$18,913	\$21,309

<b>HOUSEHOLDS BY EXPENDITURE</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
Total Average Household Retail Expenditure	\$48,283	\$48,934	\$53,488
Consumer Expenditure Top 10 Categories			
Housing	\$12,830	\$12,953	\$14,078
Transportation	\$8,727	\$8,896	\$9,703
Shelter	\$7,435	\$7,508	\$8,125
Food	\$5,357	\$5,374	\$5,796
Personal Insurance and Pensions	\$3,780	\$3,899	\$4,496
Health Care	\$3,345	\$3,358	\$3,777
Utilities	\$2,870	\$2,892	\$3,112
Entertainment	\$2,130	\$2,128	\$2,313
Household Furnishings and Equipment	\$1,250	\$1,274	\$1,424
Apparel	\$1,168	\$1,187	\$1,294

<b>POPULATION PROFILE</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
Population By Age			
2017 Estimate Total Population	13,335	72,585	173,171
Under 20	28.88%	28.07%	28.32%
20 to 34 Years	24.25%	25.72%	24.26%
35 to 39 Years	6.96%	6.78%	6.49%
40 to 49 Years	12.54%	11.73%	11.40%
50 to 64 Years	17.26%	16.66%	17.16%
Age 65+	10.11%	11.03%	12.36%
Median Age	33.19	32.62	33.23
Population 25+ by Education Level			
2017 Estimate Population Age 25+	8,569	46,187	109,878
Elementary (0-8)	4.73%	4.63%	3.83%
Some High School (9-11)	10.62%	10.58%	9.28%
High School Graduate (12)	40.24%	33.95%	32.45%
Some College (13-15)	21.69%	24.04%	23.99%
Associate Degree Only	9.09%	8.00%	8.82%
Bachelors Degree Only	8.95%	12.42%	14.06%
Graduate Degree	2.84%	4.55%	6.20%



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