

# KUM & GO

2999 BONANZA DRIVE, ERIE, CO



OFFERING MEMORANDUM



Marcus & Millichap







# Executive Summary

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$4,530,000</b>
Down Payment	100% \$4,530,000
Cap Rate	5.65%
Building SF	4,991 SF
Net Cash Flow	5.65% \$255,937.50
Year Built	2014
Land/Lot Size	1.69 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Kum & Go
Guarantor	Corporate
Roof & Structure	Tenant Responsible
Lease Commencement Date	December 24, 2014
Lease Expiration Date	December 23, 2034
Lease Term Remaining	15 Years
Rental Increases	5% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	14 Days

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
12/24/2019 - 12/23/2024	\$255,937.50	5.65%
12/24/2024 - 12/23/2029	\$268,734.38	5.93%
12/24/2029 - 12/23/2034	\$282,171.09	6.23%
Options	Annual Rent	Cap Rate
Option 1	\$296,279.65	6.54%
Option 2	\$311,093.63	6.87%
Option 3	\$326,648.31	7.21%
Option 4	\$342,980.73	7.57%

<b>Base Rent</b>	<b>\$255,937.50</b>
<b>Net Operating Income</b>	<b>\$255,937.50</b>
<b>Total Return</b>	<b>5.65% \$255,937.50</b>







**VISTA RIDGE**  
MASTER-PLANNED COMMUNITY

**ANTHEM RANCH**  
MASTER-PLANNED COMMUNITY

PAD 5  
PAD 4  
PAD 3  
PAD 2

PAD 1 PENDING SALE

PAD 6

24,400 CPD  
E BASELINE RD

BONANZA DR





**ANTHEM RANCH**  
MASTER-PLANNED COMMUNITY



**24,400 CPD**  
E BASELINE RD

PAD 2

PAD 1  
PENDING SALE

**FUTURE DEVELOPMENT**

BONANZA DR

PAD 6



# Nearby Developments



# Property Description



## INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Lease** - Corporate Guaranty
- » 5% Rental Increases Every 5 Years
- » **92,481 Residents in Growing Erie Trade Area - Boulder MSA**
- » Households Projected to Increase 31%+ in 1-Mile Radius by 2023
- » **Excellent Visibility** - Over 24,400 Cars/Day Along E Baseline Rd (CO-7)
- » Situated at the Entrance of the Anthem Highlands Master-Planned Community, and Adjacent to the Vista Ridge Master-Planned Community
- » **Average Household Income Exceeds \$140K in Immediate Area**
- » 1 Mile Down the Road from a King Soopers Anchored Retail Center
- » Minutes from Larkridge Shopping Center - Major Retailers Include Costco, The Home Depot, Bed Bath & Beyond, Chick-Fil-A, and More
- » **Centrally Located Between Boulder (13 Miles) and Denver (23 Miles)**



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2023 Projection	7,197	40,952	105,546
2018 Estimate	5,544	35,320	92,481
Growth 2018 - 2023	29.81%	15.95%	14.13%

### Households

2023 Projection	2,821	15,331	39,327
2018 Estimate	2,148	13,108	34,139
Growth 2018 - 2023	31.37%	16.97%	15.19%

### Income

2018 Est. Average Household Income	\$140,881	\$120,984	\$127,338
2018 Est. Median Household Income	\$108,805	\$92,525	\$98,896
2018 Est. Per Capita Income	\$54,576	\$44,899	\$47,028









# Tenant Overview



**Des Moines, Iowa**

Headquarters

**Private**

Company Type

**400+**

Locations

**[www.kumandgo.com](http://www.kumandgo.com)**

Website

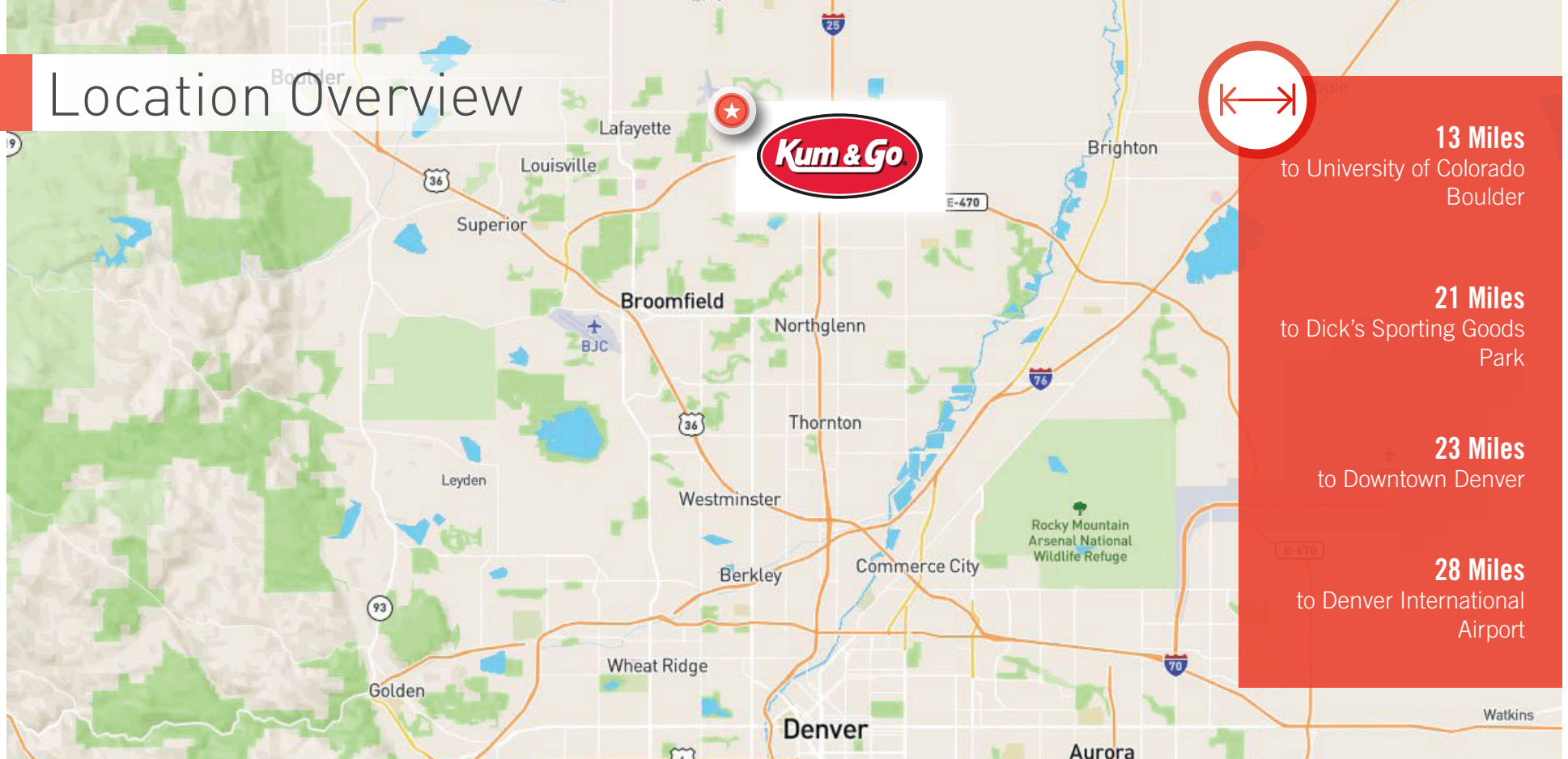
In 1959, William A. Krause and Tony S. Gentle created a convenience store concept where people could buy gas and groceries. Today, Kum & Go is still a family-owned operation run by Kyle J. Krause, son and grandson of the original founders. Kum & Go employs over 5,000 associates in more than 400 stores across 11 states throughout the Midwest. The company prides itself on not being a “typical” convenience retailer. Kum & Go sets itself apart by keeping stores sparkling clean, treating every customer like a friend, and donating time and money to great causes.

Kum & Go is part of Krause Holdings, a family of businesses which also includes Solar Transport, the Des Moines Menace soccer team, and Italian wineries Vietti and Enrico Serafino, in addition to real estate and agriculture operations.

Every year, Kum & Go donates 10% of its profits to good causes in its communities, used to build houses, provide food and clothing, and support schools. The company is also focused on sustainability, specifically on balancing the triple bottom line of People, Planet, and Profit.



# Location Overview



With majestic mountain views and progressive civic vision, Erie provides a sense of community, caring neighbors, and a contemporary town with modern amenities and comforting closeness. Growing families, young professionals, outdoor enthusiasts, and active adults are drawn to the panoramic location, scenic trails, championship golf course, recreational activities and more than 300 days of sunshine per year. Erie also boasts an award-winning 63,000 square foot Erie Community Center and 20,000 square foot Erie Community Library.

Situated in the heart of Colorado's major economic and population centers and is close proximity to world-class research and academic institutions, Erie is a full-service community. Erie's population is educated, affluent, diverse and dynamic. The city offers a higher percentage of college graduates than both the region and

the state, and premier educational and research facilities.

Erie is located in the Boulder Metropolitan Area, just west of Interstate 25 with easy access to Interstate 70, Denver International Airport and Colorado's entire Front Range. Boulder has been recognized as one of the best places to start or grow a business due to the culture of innovation and entrepreneurial support. Boulder is home to a world-class research university, more than a dozen federal research labs and growing companies in a diverse mix of industries.

Boulder is frequently recognized for its quality of life and business climate. Recent accolades include No.1 Best City for Small Business Owners, No.1 Best Community for Physical Well-Being, No.1 Most Active City in the U.S., and No.4 Best City to Launch a Startup.



# [ exclusively listed by ]

**Skyler Cooper**  
Broker of Record  
License #: ER. 100080019

Offices Nationwide  
[www.marcusmillichap.com](http://www.marcusmillichap.com)

## NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

## CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.



**Marcus & Millichap**