



Single Tenant NNN
Offering Memorandum

*Actual Photo

The Offering Memorandum contains select information pertaining to the business and affairs of **Kum & Go** (“property”). It has been prepared by Prime Net Lease. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Prime Net Lease. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their offices, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

Owner and Prime Net Lease expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offer Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to the prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executive Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Prime Net Lease or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

BY ACCEPTING THIS CONFIDENTIAL OFFERING MEMORANDUM, YOU AGREE TO RELEASE PRIME NET LEASE AND HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF THIS NET LEASED PROPERTY.

EXCLUSIVELY PRESENTED BY

MICHAEL MATUSIK

Vice President

Direct | 714.874.4004

Fax | 717.797.0004

mmatusik@primenetlease.com

License: CA 01888322

www.primenetlease.com



PAUL R MATUSIK

President

Direct | 714.875.2400

Fax | 717.797.0004

pmatusik@primenetlease.com

License: CA 01351021

www.primenetlease.com



In Association with: Bang Realty, Inc RE# 40628603 (Minnesota)

INVESTMENT OVERVIEW

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Investment Summary

Offering Summary

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Market Overview

Demographics



Prime Net Lease is pleased to offer the opportunity to acquire the fee simple interest in a recently built, free standing, Kum & Go located in Adrian, Minnesota. The subject property was built in 2006 by Kum & Go, which signed a brand new 20 year Absolute NNN lease.

The original corporately guaranteed lease has just under 7 years remaining on its initial term, which commenced on February 21, 2007. This absolute net lease has a 1.5% annual rental increases every year and grants the Tenant four successive options to extend the lease. Each option is for five years, and also includes the annual rental increases of 1.5% throughout all of the option periods.

The subject property is located on North Maine Ave, just off Interstate 90 heading towards town. Interstate 90 serves as the main route from Wisconsin all the way to Seattle, WA. The location has several points of ingress/egress allowing for very easy access in and out of the location and has a very large parking lot to accommodate truckers.

This 24 Hour Kum & Go location has 16 fuel pumps, 4 trucker fueling stations, and the store has Kum & Go's signature 'Go Fresh Market' serving breakfast, hot sandwiches, pizza, and much more. Kum & Go has leased out part of the building to Subway to help increase foot traffic to the store.





PRICING INFORMATION

Offering Price	\$2,629,460
Net Operating Income	\$177,481.96
Cap Rate	6.75%
Price Per Square Foot	\$513.77
Tenant	Kum & Go, L.C.
Guarantor	Corporate
Lease Type	Absolute NNN
Landlord Responsibilities	None

PROPERTY INFORMATION

Property Address	305 N Maine Avenue, Adrian, MN 56110
Rentable Square Feet	5,118
Land Area	7.20 Acres
Year Built	2006
Ownership Type	Fee Simple

FAVORABLE LEASE



- 6.6 Years remaining on the initial 20-year lease.
- Corporate Guaranteed Lease.
- 1.5% Annual Rental Increase during the base term.
- Four, 5-Year Renewal Options with 1.5% annual rental increases throughout option periods.

ZERO LANDLORD RESPONSIBILITY



- Absolute NNN Lease
- There are Zero Management responsibilities, perfect for buyers looking for a “hands-off” investment while reaping all the benefits of owning real estate.

STRONG TENANT



- Kum & Go, L.C. is the 18th Largest Convenience Store Operator in the Nation
- 400+ Corporate locations across 11 states.
- 2020 marks Kum & Go's 61st Year in Business.

100% BONUS DEPRECIATION



- Fee simple ownership of a convenience store and Gas Station provides the landlord the opportunity to use accelerated Bonus depreciation model.
- Consulting your Accountant or Tax Attorney is advised.

ESSENTIAL AMAZON PROOF BUSINESS



- Essential Business that unaffected throughout the COVID-19 pandemic.
- Open and paying rent on time in full throughout the pandemic.
- No requests for temporary rent abatement nor rent reduction.

LOCATION



- Excellent location just off of the I-90 freeway, which sees high traffic counts and serves as the main route from Seattle, WA all the way to Wisconsin.
- Strategically located large 7.20 acres parcel to accommodate Trucker parking.
- Limited Competition in the Area



Tenant	Square Footage SF	Term Remaining	Term		Rental Increase	Monthly Rent	Monthly Rent Per SF	Annual Rent	Annual Rent Per SF
Kum & Go, L.C.	5,118	6.6 years	Current	02/20/2021		\$14,790.16	\$2.89	\$177,481.96	\$34.68
(Corporate)			02/21/2021	02/20/2022	1.5%	\$15,012.01	\$2.93	\$180,144.19	\$35.20
			02/21/2022	02/20/2023	1.5%	\$15,237.19	\$2.98	\$182,846.35	\$35.73
			02/21/2023	02/20/2024	1.5%	\$15,465.75	\$3.02	\$185,589.05	\$36.26
			02/21/2024	02/20/2025	1.5%	\$15,697.74	\$3.07	\$188,372.88	\$36.81
			02/21/2025	02/20/2026	1.5%	\$15,933.20	\$3.11	\$191,198.48	\$37.36
			02/21/2026	02/20/2027	1.5%	\$16,172.20	\$3.16	\$194,066.45	\$37.92
		Option 1	02/21/2027	02/20/2028	1.5%	\$16,414.78	\$3.21	\$196,977.45	\$38.49

Term Commencement	Term Expiration	Renewal Options	Rental Increases	Landlord Responsibilities	Tenant Responsibilities	Guarantee	Right of First Refusal
02/21/2007	02/20/2027	Four, 5-Year Options	1.5%	None	Absolute NNN	Corporate	Yes, 14 Days



Revenues: \$2.7 Billion in 2018

Rank: 18th Largest Convenience Store operator in the nation

Rank: 177th Largest private company as ranked by Forbes

W.A. Krause and T.S. Gentle founded Kum & Go, L.C. on September 1, 1959. When the two Hampton entrepreneurs opened their small full-service gas station, they couldn't have known it was only the beginning of a business which would become known for unmatched ingenuity and courageous risk-taking.

In 1963, based on a desire to further serve customers, Kum & Go, L.C. introduced the convenience store concept by offering fuel and merchandise - converting their "gas station" into a "station store." By late 1977, Kum & Go had grown to 65 convenience stores employing 327 people. The 1980s brought further innovations in convenience with the addition of quick serve restaurants - including Blimpie, Taco John's and Burger King - in several stores. Kum & Go opened its first store in Des Moines in 1984.

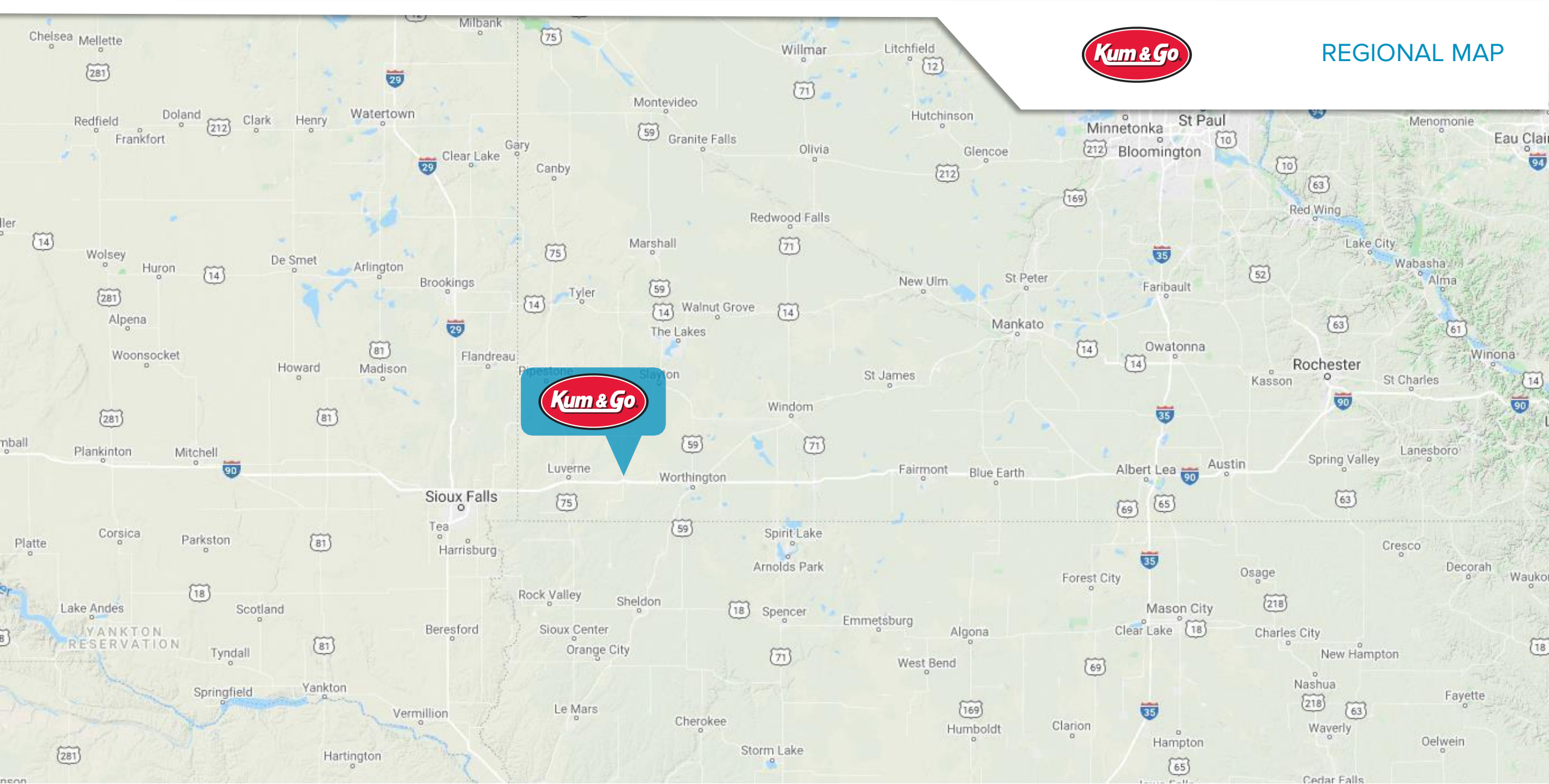
In 1988, the headquarters were moved from Hampton to West Des Moines - the fastest growing city in Iowa. By the end of the 80s, Kum & Go had 134 stores across the Midwest. In 1996, Kum & Go opened 22 new stores. In 1997, the company opened 14 new stores. In 1998, Kum & Go added 122 new stores. In early 1999, the company capped a decade of phenomenal growth with the acquisition of an additional 45 stores. In 2002, Iowa gained another 12 stores, including seven in Des Moines, two in Fort Dodge and one each in Oskaloosa, Carroll and Grinnell.

The pioneering spirit of Kum & Go's founders continue to drive the company forward into the future. As the fifth largest privately held, company-operated convenience store chain in the United States, Kum & Go operates more than 400 stores in 11 states throughout the Midwest. Thanks to the efforts of its more than 5,000 associates, Kum & Go continues to strive for excellence in customer service and convenience - serving more than 400,000 customers each day.

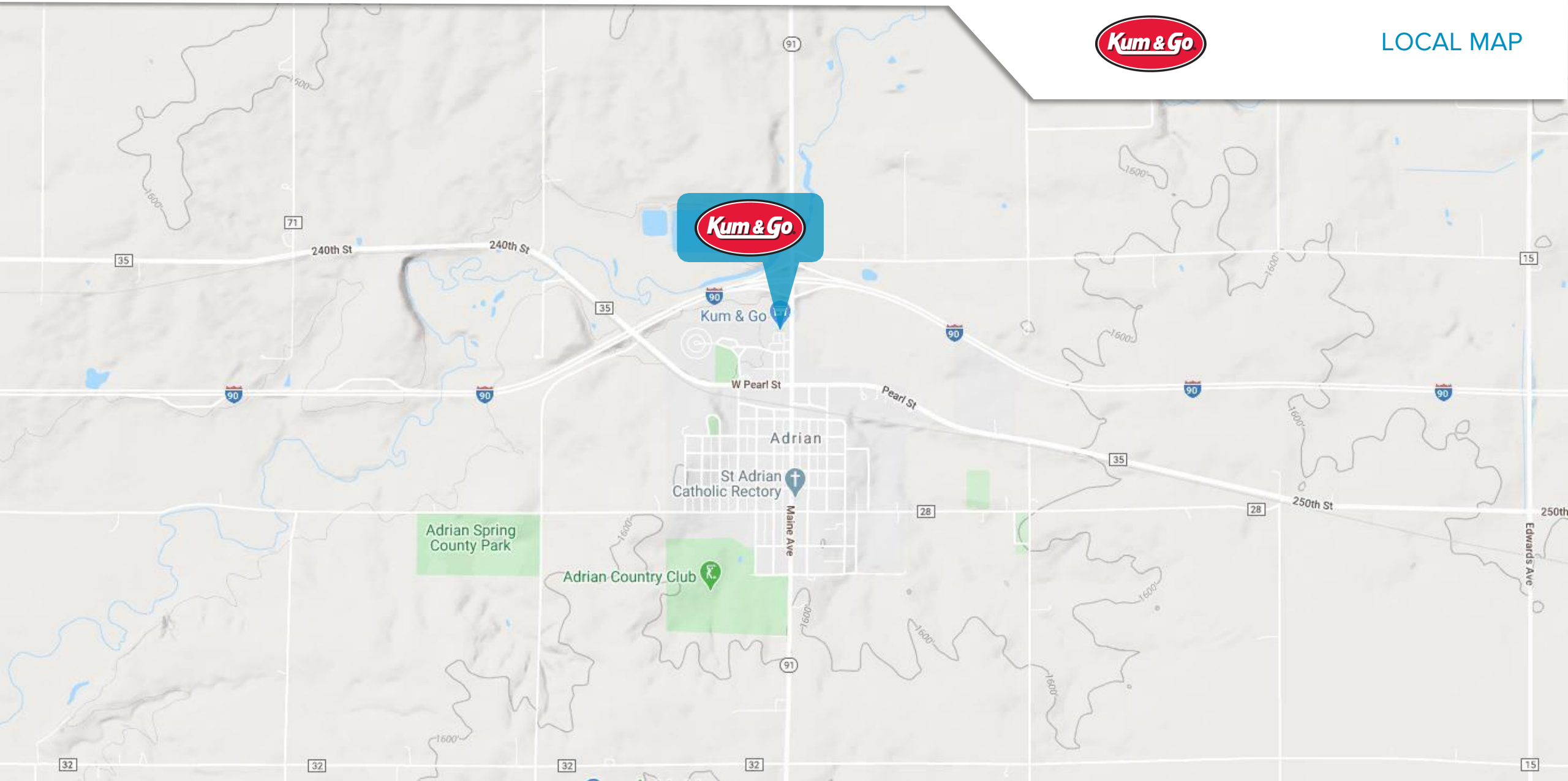


Kum & Go Headquarters

Website	www.kumandgo.com
Founded	1959
Headquarters	Des Moines, Iowa
Number of Locations	400 ±
Number of Employees	5,000 ±



REGIONAL MAP







AERIAL MAP



Adrian is a small but progressive community located in the western portion of Nobles County in Southwestern Minnesota. The City was established in 1876 as an expansion of the St. Paul-Dakota Railroad and was named in honor of Adrian Iselin, the mother of one of the railroad company's directors.

Over the years, Adrian has maintained a solid economic base due to its agricultural ties and the many businesses that provide employment. The City itself is administered by a five member council, consisting of four council persons and a presiding mayor. Various city departments and appointed boards assist the council in the delivery of needed services to the community. In addition to the City's efforts there are numerous clubs, organizations, churches, and the school which all play an important part in moving the community forward and enhancing the quality of life in Adrian.

The City of Adrian is an equal opportunity employer and provider.

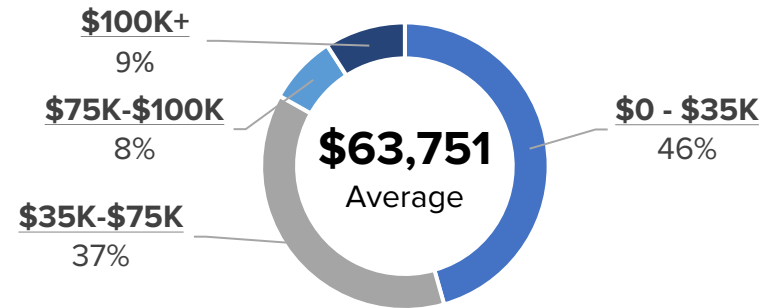
Adrian's early development was largely fostered by the efforts of John Ireland, bishop of the St. Paul Roman Catholic Diocese. Through the Catholic press, he encouraged Catholics from eastern cities to come to Minnesota, and he used his personal wealth to buy land near Adrian to sell to the new arrivals. In 1877, he bought 20,000 acres (81 km²) of land; seven months later he made an additional purchase of 35,000 acres (140 km²).

In 1877, 100,000 bushels of grain were shipped from the Adrian station, and the town population totaled 193 people as of 1880. By 1882 the local parish reported 250 Catholic families living in the area. The town population increased to 671 in 1890 and 1,258 in 1900. Growth slowed thereafter, as some of Adrian's rail trade had shifted to the towns of Ellsworth, Lismore and Wilmont. In 1893, Adrian tried but failed to split Nobles County into two parts in order to become a county seat.

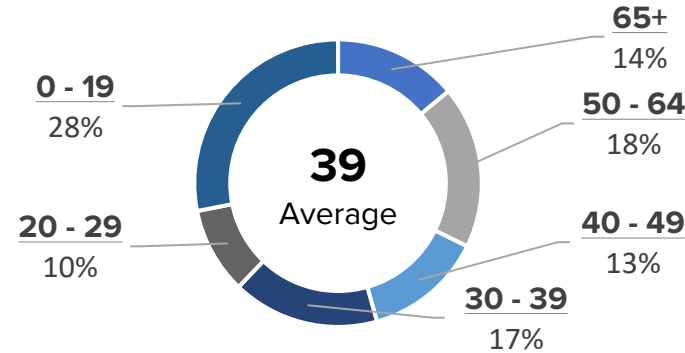




HOUSEHOLD INCOME



AGE DISTRIBUTION



	1 MILE	3 MILE	5 MILE
Total Population	1,302	1,524	1,809
2010 Population	1,203	1,404	1,663
2024 Population	1,304	1,523	1,802
Employees	684	712	785
Total Businesses	N/A	N/A	N/A
Average Household Income	\$63,751	\$65,171	\$66,797
Median Household Income	\$51,566	\$52,170	\$52,827
Total Consumer Spending	\$36.2M	\$41.65M	\$48.88M
Median Age	39.5	40	40.6
Households	528	605	707
Percent College Degree or Above	27%	27%	26%
Average Housing Unit Value	N/A	N/A	N/A