

**CIRCLE K**

TM



**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

**OFFERING MEMORANDUM**

**2442 W NC 10 Hwy, Newton, NC**



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REAL ESTATE INVESTMENT SERVICES











# EXECUTIVE OVERVIEW

*2442 W NC 10 Hwy, Newton, NC*



## INVESTMENT HIGHLIGHTS

- Absolute NNN ownership ideal for hands-off landlords with the ability to capitalize on accelerated depreciation
- Strong hedge against inflation with 7.50% increases every 5 years
- Location benefits from being on a hard corner in the center of the retail corridor in Newton
- Property is an outparcel to a Food Lion-anchored shopping center on the main drive of W North Carolina 10, with Dollar General across the street
- Extremely strong corporate guarantee from Couche-Tard with a market cap of nearly \$43 billion



LIST PRICE

\$435,610



CAP RATE

6.59%



TOTAL NOI

\$28,698



GROSS LEASABLE AREA

±2,500 SF



LEASE TERM REMAINING

±2.75 Years



An aerial photograph of a commercial property located at the intersection of a major highway and a local road. The property includes a gas station with several fuel pumps, a large building with a red roof, and a parking lot. A semi-truck is parked in the lot. To the left, there is a smaller building with a sign that says "SPRINT CLEAN". The surrounding area is mostly wooded with bare trees, suggesting a late autumn or winter setting. In the background, a tall communication tower is visible against the sky.

# FINANCIAL OVERVIEW

*2442 W NC 10 Hwy, Newton, NC*



# INVESTMENT SUMMARY

LIST PRICE	\$435,610
NOI	\$28,698
CAP RATE	6.59%
TOTAL BUILDING AREA	± 2,500 SF
TOTAL LOT SIZE	± 0.40 ACRES
YEAR BUILT	1966

# TENANT SUMMARY

TENANT NAME	Circle K
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Corporate
LEAST TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
TERM REMAINING	± 2.75 Years
ORIGINAL LEASE COMMENCEMENT	October 4, 1983
RENT COMMENCEMENT	October 1, 2018
LEASE EXPIRATION DATE	September 30, 2023
INCREASES	7.5% Every 5 Years
OPTIONS	Four 5-Year Options

# PARCEL MAP





## ANNUALIZED OPERATING DATA

LEASE YEARS	MONTHLY INCOME	ANNUAL INCOME	RENT/SF	CAP RATE
Current	\$2,391.50	\$28,698.00	\$11.47	6.59%
Option 1	\$2,570.86	\$30,850.35	\$12.34	7.08%
Option 2	\$2,763.67	\$33,164.12	\$13.26	7.62%
Option 3	\$2,970.95	\$35,651.43	\$14.26	8.19%
Option 4	\$3,193.77	\$38,325.28	\$15.33	8.80%

## DEBT QUOTE

**Jesse Lillard**  
**jesse.lillard@matthews.com**

**LTV:** 65%

**Interest Rate:** 3.95%

**Amortization:** 25 Years

Loan quote provided by Matthews™ based on market conditions at this time.  
Actual rates and terms will vary based on market conditions at closing.



# TENANT OVERVIEW

2442 W NC 10 Hwy, Newton, NC







## CIRCLE K

Circle K Stores Inc. is a Canadian-owned American multinational chain of convenience stores. In 1999, a franchise program was introduced to support operators looking to build a business with a leading convenience store brand. In 2003, Circle K was acquired by Alimentation Couche-Tard and has developed into a global brand represented in over 20 countries.

In September 2015, Couche-Tard announced that Circle K would become the worldwide brand of all of its convenience stores, replacing Mac's, Kangaroo Express, and Statoil brands. This global rebrand included the introduction of a new logo incorporating elements of its existing brands, improvements to its product offerings and technology, and investing in store-level improvements aimed at improving the customer experience.

Circle K is the neighborhood corner store on thousands of corners. The bright-red Circle K logo is a beacon for customers seeking a convenient place to find quality products and a great shopping experience around the world.



### WEBSITE

[www.circlek.com](http://www.circlek.com)



### LOCATIONS

± 15,000 Locations



### HEADQUARTERS

Tempe, AZ









W. NORTH CAROLINA 10  
± 11,000 VPD



STARTOWN RD  
± 12,000 VPD



# AREA OVERVIEW

2442 W NC 10 Hwy, Newton, NC





# NEWTON, NC

Newton is located in Catawba County, positioned in the triangle formed by Asheville to the northwest, Winston-Salem to the northeast, and Charlotte to the southeast, all within an hour-and-a-half drive. Over the past several years, Newton has diversified and balanced its threatened traditional manufacturing base. A productive partnership with Catawba County and regional economic development organizations has produced a comprehensive methodology for identifying and recruiting new business and industry, both manufacturing and non-manufacturing. The transition from a traditional manufacturing economy to a more modern, diversified structure has benefited from a pool of skilled, productive workers loyal to the area. Business North Carolina magazine ranked the region as having the second-best business environment of the state's 50th largest communities.

Newton is home to the annual Soldiers Reunion, featuring almost a week of patriotic and entertaining activities for area residents, including a parade in downtown. The event is the oldest patriotic celebration in the nation that is not based on a holiday.

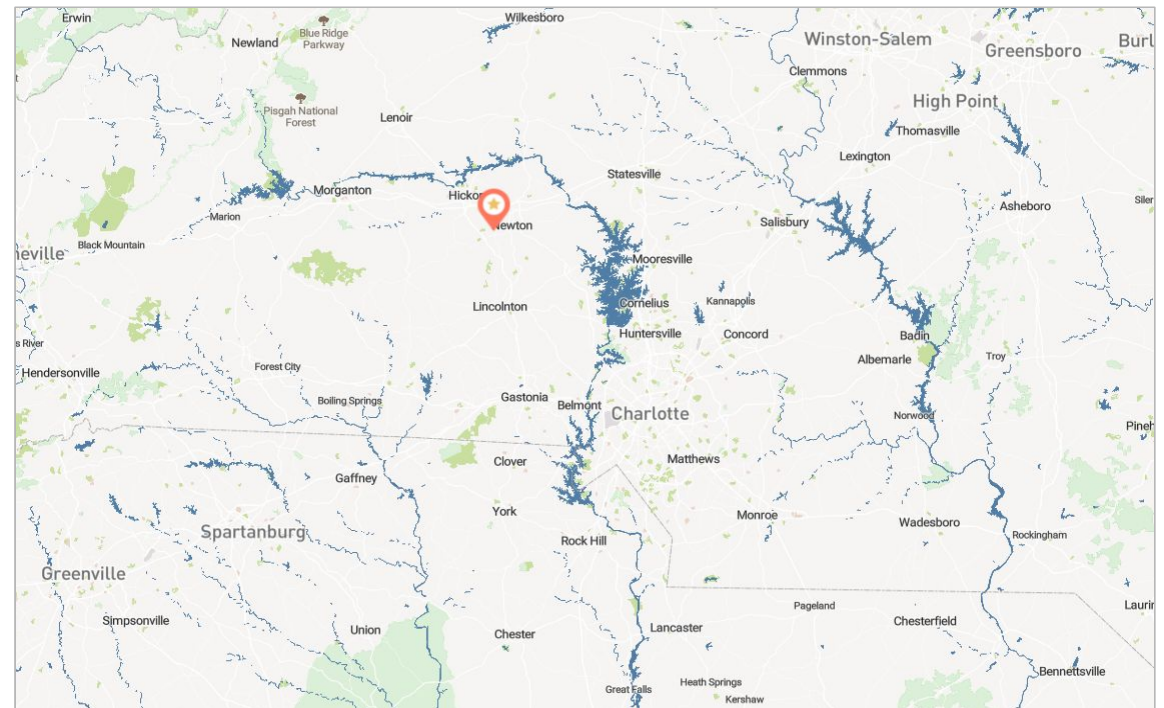
## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	2,389	11,767	32,716
2020 Estimate	2,341	11,386	31,628
2010 Census	2,353	11,256	31,065
Growth 2020-2025	2.05%	3.35%	3.44%
Growth 2010-2020	-0.51%	1.16%	1.81%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	889	4,661	12,921
2020 Estimate	873	4,520	12,547
2010 Census	856	4,357	12,038
Growth 2020-2025	1.83%	3.11%	2.98%
Growth 2010-2020	1.89%	3.75%	4.23%

INCOME	1-MILE	3-MILE	5-MILE
Average Household Income	\$90,255	\$75,835	\$68,937

## REGIONAL MAP



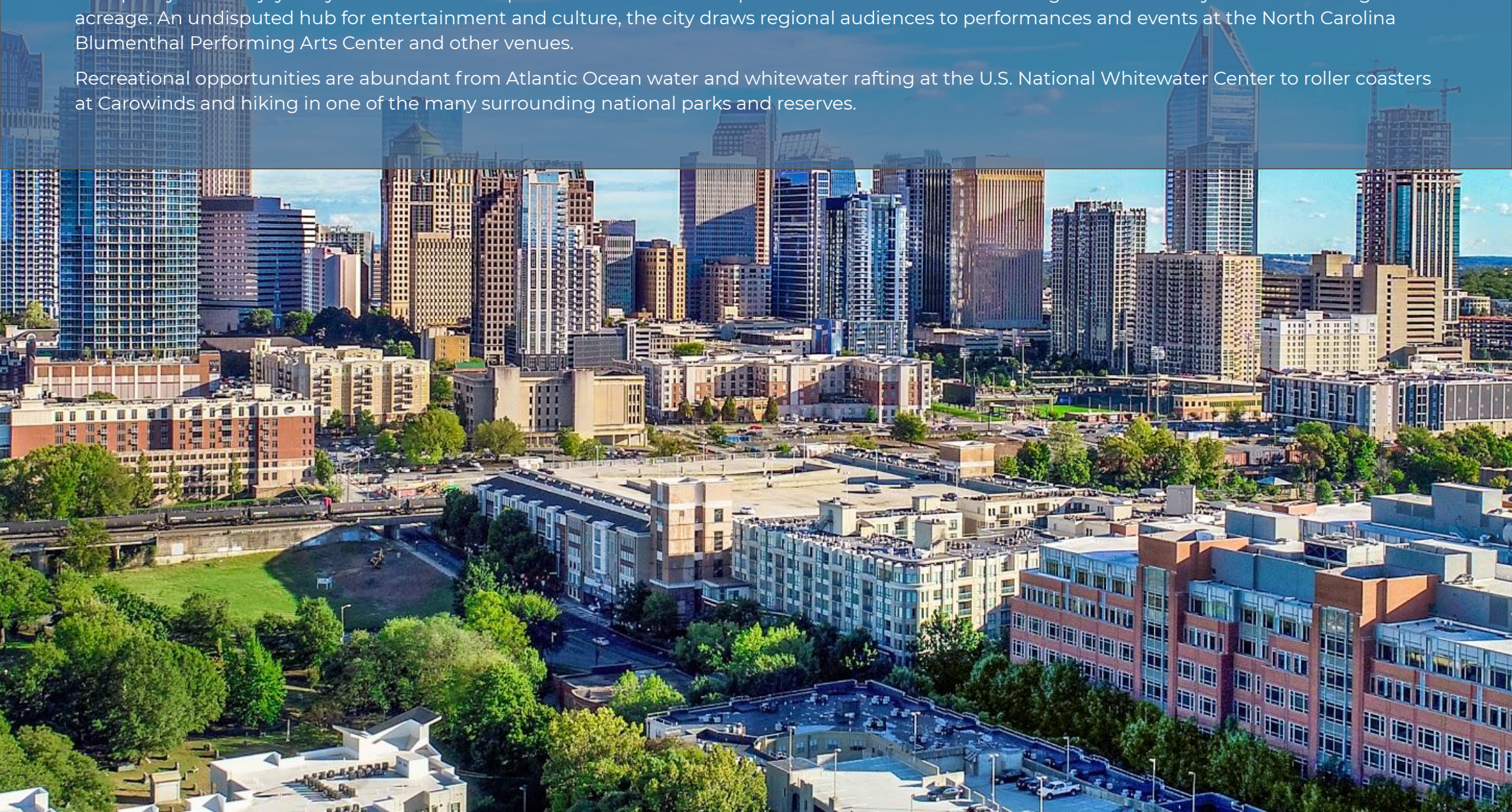


# CHARLOTTE, NC

Located 30 minutes from the subject property, Charlotte is the largest city in North Carolina and the second-largest Banking Center in the country. It is known for being a world-class city through a variety of art, science, and historical attractions, all while retaining its small-town charm. Referred to as the Queen City, Charlotte is home to the Carolina Panthers of the NFL, the Charlotte Hornets of the NBA, the NASCAR Hall of Fame and the U.S. National Whitewater Center. A number of notable universities and colleges are based in Charlotte such as Johnson & Wales University, Queens University of Charlotte, Johnson C. Smith University, Charlotte School of Law, York Technical College, Clinton Junior College, Winthrop University and University of North Carolina at Charlotte

The quality of life enjoyed by residents of Metropolitan Charlotte is an important factor in the tremendous growth of the city and surrounding rural acreage. An undisputed hub for entertainment and culture, the city draws regional audiences to performances and events at the North Carolina Blumenthal Performing Arts Center and other venues.

Recreational opportunities are abundant from Atlantic Ocean water and whitewater rafting at the U.S. National Whitewater Center to roller coasters at Carowinds and hiking in one of the many surrounding national parks and reserves.





## GROWTH

The city of Charlotte has been marked by impressive growth recently. Charlotte metro has seen an influx of 880,000 new residents over the past 10 years; this has produced a decade-long growth rate of 59.6%, making it the fastest growing city in the country over this time period.

In 2016, Charlotte added more new residents than all but 10 cities in the country, according to the U.S. Census Bureau. Much of this growth is attributed to the strong economy and good quality of life.

Current estimates have Charlotte metro's population growing by 18.4% between the years 2014 and 2025. Office jobs are projected to increase by 25% over this timeline, with an estimated 42.6% growth in healthcare and social services jobs. Demand for office space is expected to soar up to 132,000,000 square feet, and the city is projected to be home to 14 Fortune 500 companies by 2025.

## RANKED #1

MOST UP AND COMING CITY IN AMERICA

## 15TH MOST POPULOUS

CITY IN THE UNITED STATES

## #7

BEST PLACES FOR BUSINESS & CAREERS -  
FORBES

## \$156.7B

2019 GROSS METRO PRODUCT

## ECONOMY

Charlotte has become a major U.S. financial center with the third most banking assets after New York City and San Francisco. The nation's second largest financial institution by total assets, Bank of America, calls the city home. Charlotte has become the regional headquarters for East Coast operations of Wells Fargo, which is headquartered in San Francisco, California. Charlotte also serves as the headquarters for Wells Fargo's capital markets activities including sales and trading, equity research, and investment banking. Bank of America's headquarters, along with other regional banking and financial services companies, are located primarily in the Uptown central business district. Microsoft's East Coast headquarters are in Charlotte as well.

As of 2019, Charlotte has seven Fortune 500 companies in its metropolitan area. Listed in order of their rank, they are: Bank of America, Honeywell, Nucor, Lowe's, Duke Energy, Sonic Automotive and Brighthouse Financial. The Charlotte area includes a diverse range of businesses, such as Chiquita Brands International, Harris Teeter, Snyder's-Lance, Carolina Foods Inc, Bojangles', Food Lion, Compass Group USA, and Coca-Cola Bottling Co. Consolidated (Charlotte being the nation's second-largest Coca-Cola bottler); motor and transportation companies such as RSC Brands, Continental Tire the Americas, LLC., Meineke Car Care Centers, Carlisle Companies, along with a wide array of other businesses.



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Circle K** located at **2442 W NC 10 Hwy, Newton, NC 28658** ("Property"). It has been prepared by Matthews Real Estate Investment Services. 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 a 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 Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner Seller and in part upon financial information obtained from sources the Owner it deems reliable. Owner, nor their officers, employees, or real estate 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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services 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 a 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 Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this 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 executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes 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. Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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