

Murphy Oil USA

Absolute NNN Ground Lease

Marcus & Millichap

Representative Rendering



Offering Memorandum



9700 Montgomery Blvd NE, Albuquerque, NM 87111

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Investment Highlights

PRICE: \$2,947,368 | CAP: 4.75% | RENT: \$140,000



About the Investment

- ✓ Brand New 20 Year Absolute Triple-Net (NNN) Ground Lease
- ✓ Brand New Construction
- ✓ Attractive Rent Increases | 8.0% Every 5 Years
- ✓ 4, 5-Year Tenant Renewal Options
- ✓ Corporate Tenant/Corporate Guaranty

About the Location

- ✓ Dense Retail Corridor | Nearby Tenants Include Sonic, Wendy's, Taco Bell, Panda Express, Hobby Lobby, Stein Mart, Blake's Lotaburger, Circle K, Staples, Chevron, Kindercare, and Many More.
- ✓ Affluent Suburban Community | Average Household Income Exceeds \$85,000 in a 3-Mile Radius
- ✓ Strong Traffic Counts | Corner of Montgomery Blvd and Eubank Blvd | 35,021 and 33,268 Average Vehicles Per Day Respectively
- ✓ Lovelace Women's Hospital | Less than 4 Miles Away | 120 Licensed Beds, 53-bed Level III Neonatal Intensive Care Unit, 24/7 emergency department, 16 labor and delivery rooms, and 41-bed Mother-Baby unit

About the Tenant

- ✓ 1,400+ Locations in 27 States
- ✓ One of the Highest Volume Convenience Retailers in the United States
- ✓ The Stores Provide Quality, Low-Priced Fuels and Outstanding Service to Nearly 2 million Customers Every Day
- ✓ S&P BB+ Credit Rating
- ✓ \$3.87 Billion Market Cap



Representative Photo



Representative Rendering

Glen Kunofsky and Judson Kauffman, Exclusive Listing Agents, are also Principals of this property. They are licensed real estate salespersons for Marcus and Millichap in the state of New York.



Financial Analysis

PRICE: \$2,947,368 | CAP: 4.75% | RENT: \$140,000



Property Description

Property	Murphy Oil USA
Property Address	9700 Montgomery Blvd NE
City, State, ZIP	Albuquerque, NM 87111
Year Built	2021
Building Size	± 2,824 SF
Lot Size	± 0.92 Acres
Type of Ownership	Ground Lease

The Offering

Purchase Price	\$2,947,368
CAP Rate	4.75%
Annual Rent	\$140,000.00

Lease Summary

Property Type	Net Leased Auto Service – Gas/Conv.
Tenant	Murphy Oil USA, Inc.
Ownership Type	Public (NYSE: MUSA)
Original Lease Term	20 Years
Lease Commencement	Estimated May 1, 2021
Lease Expiration	Estimated April 30, 2041
Lease Term Remaining	20+ Years
Lease Type	Absolute Triple-Net (NNN) Ground Lease
Roof & Structure	Tenant Responsible
Rent Increases	Eight Percent (8.0%) Every Five (5) Years
Options to Renew	Four (4), Five (5) Year Tenant Options

RENT SCHEDULE

Lease Year(s)	Monthly Amount	Annual Amount	Escalation (%)
Year 1*	\$11,666.67	\$140,000.00	-
Year 2	\$11,666.67	\$140,000.00	-
Year 3	\$11,666.67	\$140,000.00	-
Year 4	\$11,666.67	\$140,000.00	-
Year 5	\$11,666.67	\$140,000.00	-
Year 6	\$12,600.00	\$151,200.00	8.00%
Year 7	\$12,600.00	\$151,200.00	-
Year 8	\$12,600.00	\$151,200.00	-
Year 9	\$12,600.00	\$151,200.00	-
Year 10	\$12,600.00	\$151,200.00	-
Year 11	\$13,608.00	\$163,296.00	8.00%
Year 12	\$13,608.00	\$163,296.00	-
Year 13	\$13,608.00	\$163,296.00	-
Year 14	\$13,608.00	\$163,296.00	-
Year 15	\$13,608.00	\$163,296.00	-
Year 16	\$14,696.67	\$176,360.00	8.00%
Year 17	\$14,696.67	\$176,360.00	-
Year 18	\$14,696.67	\$176,360.00	-
Year 19	\$14,696.67	\$176,360.00	-
Year 20	\$14,696.67	\$176,360.00	-
Option Period 1	\$15,872.42	\$190,469.00	8.00%
Option Period 2	\$17,142.25	\$205,707.00	8.00%
Option Period 3	\$18,513.67	\$222,164.00	8.00%
Option Period 4	\$19,994.83	\$239,938.00	8.00%

*Landlord granted Tenant 6 months of free rent in Lease Year 1. Seller will credit free rent to Buyer

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Murphy Oil USA located at 9700 Montgomery Blvd NE in Albuquerque, NM. The property consists of approximately 2,824 square feet of building space and is situated on approximately 0.92 acres of land. The property is subject to a brand new 20-year Absolute NNN ground lease. The rent is \$140,000 with 8.0% increases every 5 years. The increases will continue through the four, five-year tenant renewal options.



Tenant Overview



Representative Photo

Murphy USA is proud to be one of the highest volume convenience retailers in the United States. Headquartered in El Dorado, Murphy USA opened its first store in Chattanooga, Tenn., in December 1996. Today, Murphy USA operates more than 1,400 stores in 27 states and employs more than 4,600 people. The stores provide quality, low-priced fuels and outstanding service to nearly 2 million customers every day to get them where they need to go. Today, the company continues to move forward for the benefit of its customers, investors, employees and other valued partners by making solid alliances, responsible investments and smarter business practices.

Murphy Express are stand-alone full size gas station/ convenience stores, some of which are larger than the typical kiosk-style Murphy USA format. Most Murphy Express locations offer coffee, fountain and frozen drinks, free ATMs, and many other convenience items. Almost all stations feature a minimum of 8 fuel dispensing positions, assuring customers a quick and efficient fuel stop. Customers also recognize the competitive prices that have become the hallmark of Murphy USA.

NYSE: MUSA

1,400 Locations in 27 States

S&P BB+ Credit Rating

\$3.87 Billion Market Cap

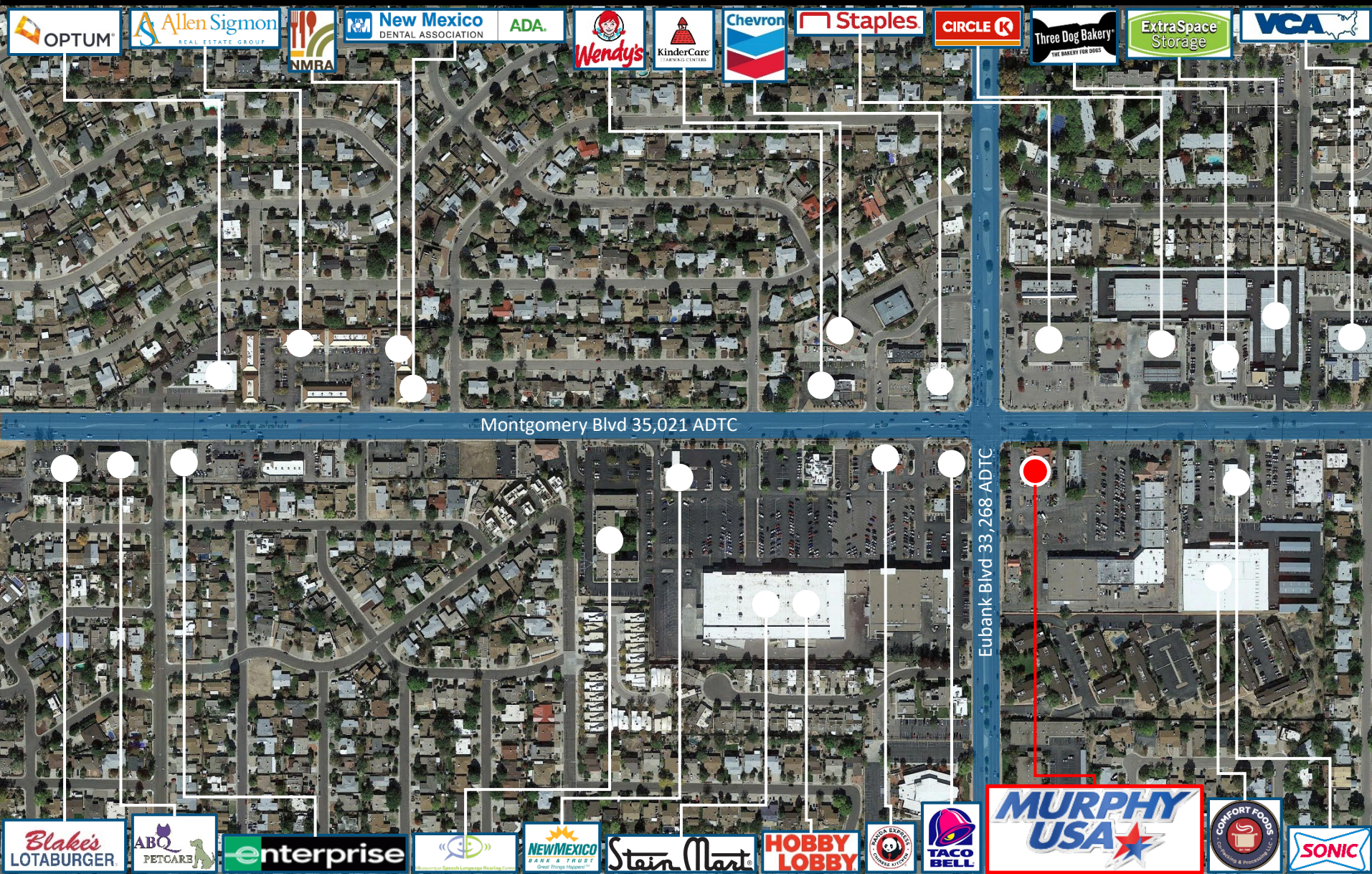
\$14.04 Billion 2019 Total Revenue

\$254 Million 2019 Net Operating Income



Surrounding Area

Property Address: 9700 Montgomery Blvd NE, Albuquerque, NM 87111





Location Overview

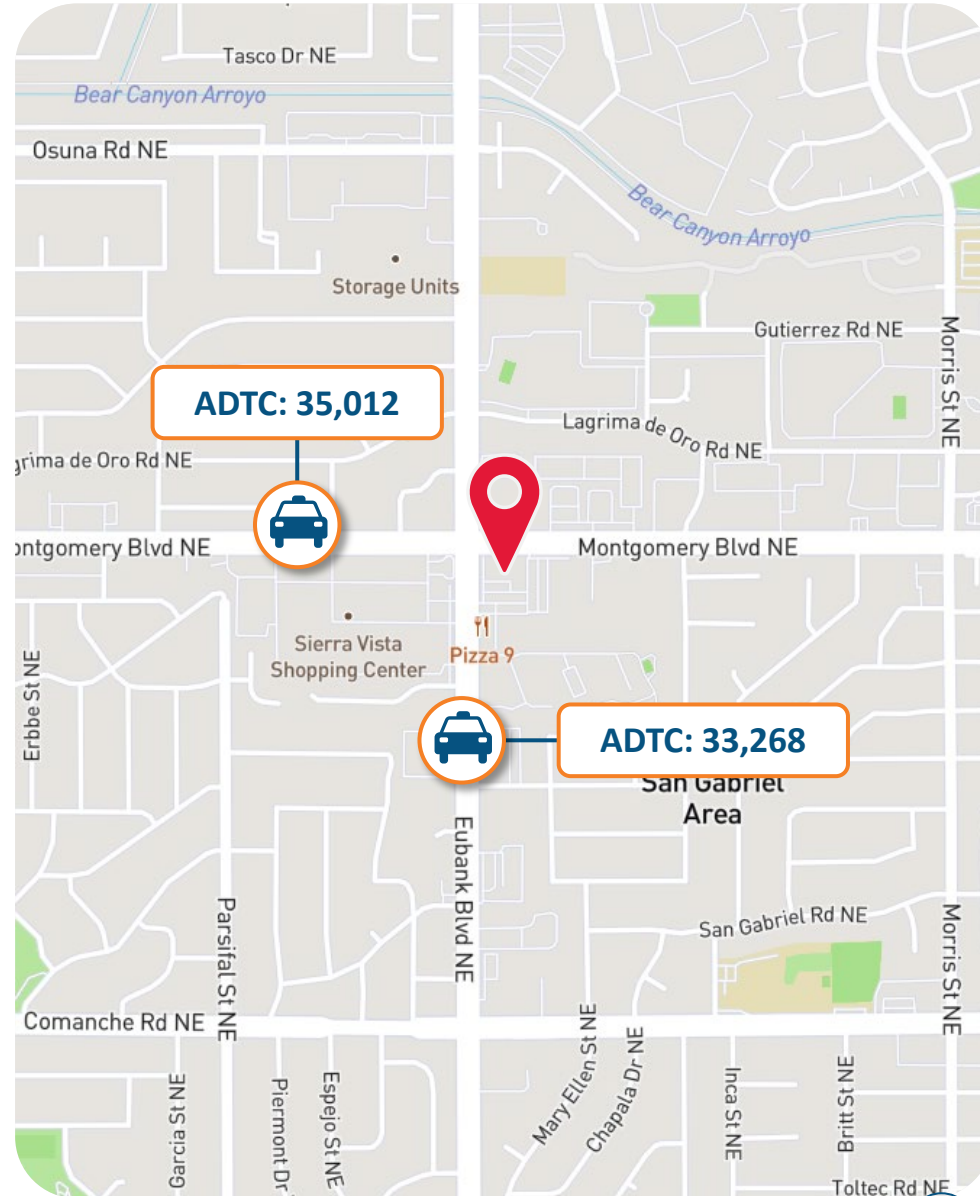
Property Address: 9700 Montgomery Blvd NE, Albuquerque, NM 87111



The subject property is located on the signalized corner of Montgomery Blvd and Eubank Blvd. Montgomery Blvd on average experiences 35,021 vehicles per day and Eubank Blvd experiences 33,268 vehicles per day. There are approximately 138,056 individuals residing within a three-mile radius of the property and 280,363 individuals within a five-mile radius. Average household income within 3-miles exceeds \$85,000.

The subject property is strategically located in a dense suburban and retail corridor benefiting from its proximity to national and local tenant including: Sonic, Wendy's, Taco Bell, Panda Express, Hobby Lobby, Stein Mart, Blake's Lotaburger, Circle K, Staples, Chevron, Kindercare, and many more. Nearby Eldorado High School has 1,758 students for grades 9-12. Located less than 4-miles from the subject property, Lovelace Women's Hospital features 120 licensed beds, a 53-bed Level III Neonatal Intensive Care Unit, 24/7 emergency department, 16 labor and delivery rooms, a 41-bed Mother-Baby unit, and a Maternal-Fetal Medicine program for high-risk pregnancies.

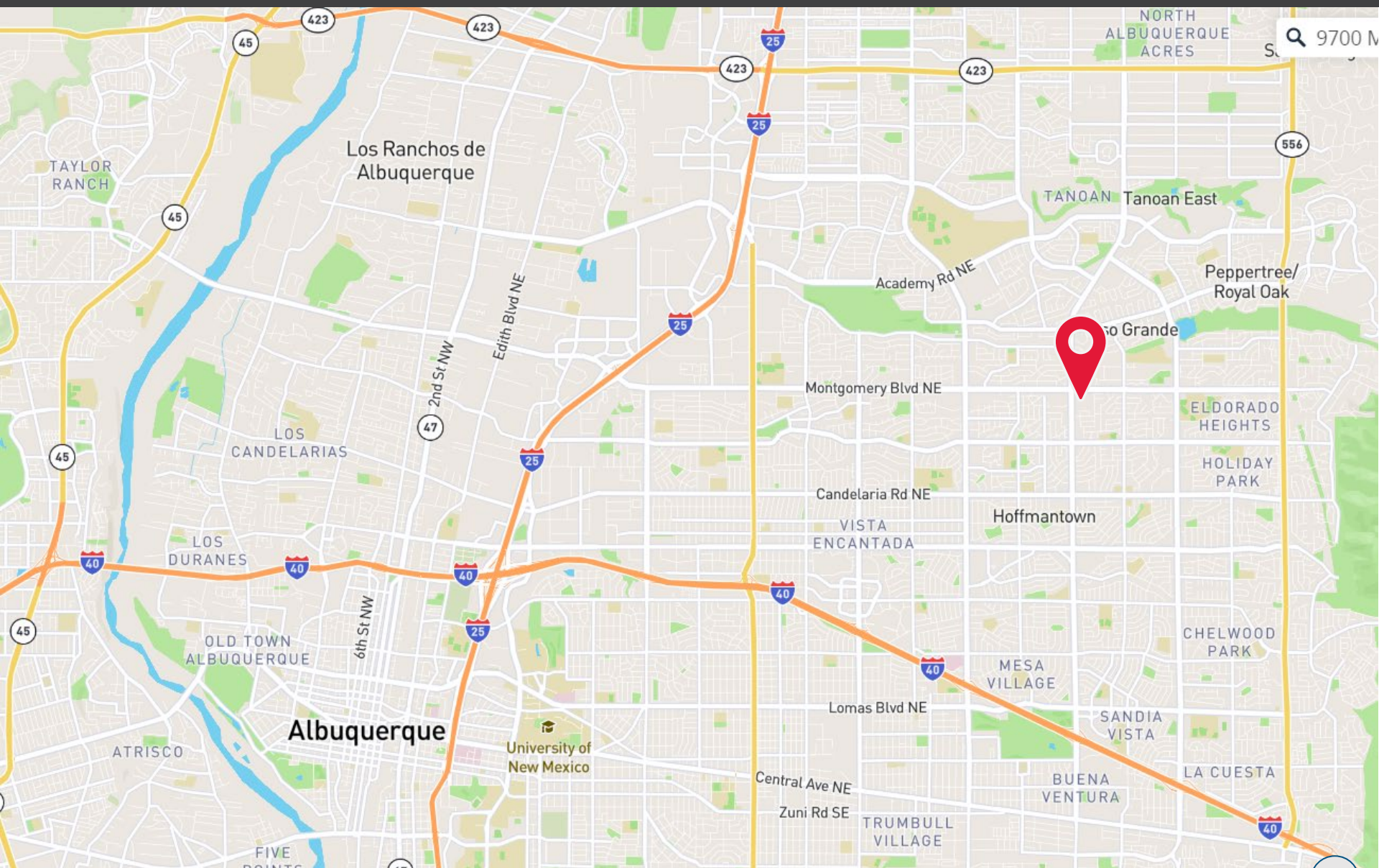
Bordered by the Sandia Mountains to the east, Albuquerque is the economic and cultural engine of its region. The city is home to the University of New Mexico, Central New Mexico Community College, Kirtland Air Force Base, Sandia National Laboratories, the National Museum of Nuclear Science & History, Lovelace Respiratory Research Institute, Presbyterian Health Services, and Petroglyph National Monument. Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. Intel operates a large semiconductor factory in suburban Rio Rancho with its attendant large capital investment. Northrop Grumman is located along I-25 in northeast Albuquerque, and Tempur-Pedic is located on the West Mesa next to I-40. Albuquerque is also New Mexico's medical hub, hosting numerous state-of-the-art medical centers. Some of the city's top hospitals include the VA Medical Center, Presbyterian Hospital, Presbyterian Medical Services, Heart Hospital of New Mexico, and Lovelace Women's Hospital. Albuquerque is also the home of the annual International Balloon Fiesta, the world's largest gathering of hot-air balloons. Albuquerque is served by Albuquerque International Sunport, which handled 5,467,693 passengers in 2018.





Local Map

Property Address: 9700 Montgomery Blvd NE, Albuquerque, NM 87111





Regional Map

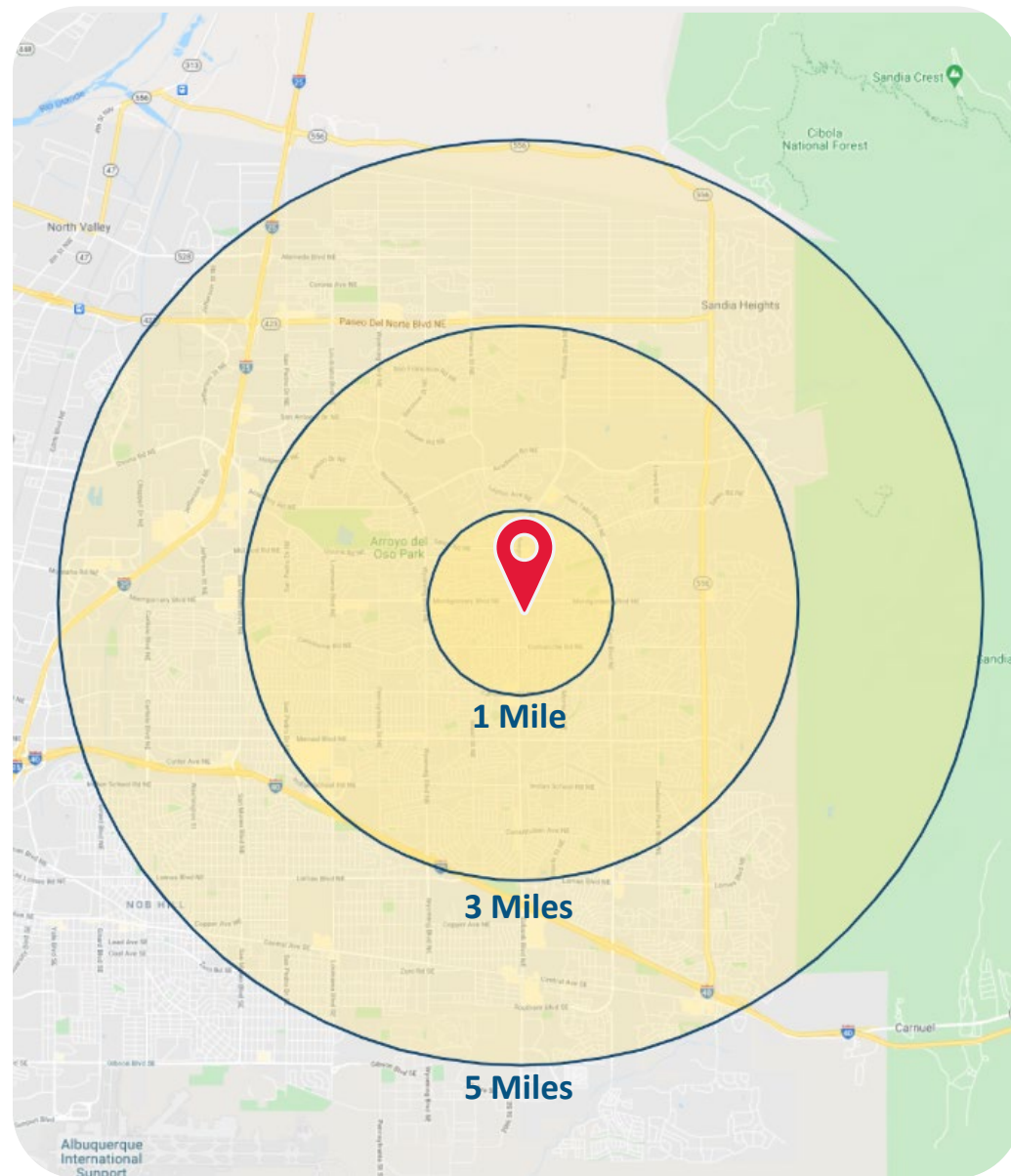
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Demographics

Property Address: 9700 Montgomery Blvd NE, Albuquerque, NM 87111



	1 Mile	3 Miles	5 Miles
POPULATION			
2025 Projection	18,298	138,735	284,013
2020 Estimate	18,174	138,056	280,363
2010 Census	17,946	136,506	275,057
2000 Census	17,890	134,104	257,404
INCOME			
Average	\$79,463	\$85,247	\$79,538
Median	\$62,091	\$61,254	\$54,570
Per Capita	\$36,628	\$38,693	\$35,038
HOUSEHOLDS			
2025 Projection	8,490	63,433	125,764
2020 Estimate	8,336	62,503	123,142
2010 Census	8,206	61,732	120,427
2000 Census	7,709	57,813	109,254
HOUSING			
2020	\$219,308	\$230,093	\$222,569
EMPLOYMENT			
2020 Daytime Population	17,157	122,090	285,273
2020 Unemployment	4.73%	4.51%	4.38%
2020 Median Time Traveled	22min	22min	22min
RACE & ETHNICITY			
White	82.01%	78.55%	72.82%
Native American	0.11%	0.09%	0.10%
African American	2.57%	2.89%	3.15%
Asian/Pacific Islander	2.97%	3.43%	3.96%



Market Overview

City: Albuquerque | County: Bernalillo | State: New Mexico



Albuquerque, is the most populous city in New Mexico. The high-altitude city serves as the county seat of Bernalillo County, and it is situated in the central part of the state, straddling the Rio Grande. Bordered by the Sandia Mountains to the east, Albuquerque is the economic and cultural engine of its region. The city is home to the University of New Mexico, Central New Mexico Community College, Kirtland Air Force Base, Sandia National Laboratories, the National Museum of Nuclear Science & History, Lovelace Respiratory Research Institute, Presbyterian Health Services, and Petroglyph National Monument. Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. Intel operates a large semiconductor factory in suburban Rio Rancho, with its attendant large capital investment. Northrop Grumman is located along I-25 in northeast Albuquerque, and Tempur-Pedic is located on the West Mesa next to I-40. Albuquerque is also New Mexico's medical hub, hosting numerous state-of-the-art medical centers. Some of the city's top hospitals include the VA Medical Center, Presbyterian Hospital, Presbyterian Medical Services, Heart Hospital of New Mexico, and Lovelace Women's Hospital. Albuquerque is also the home of the annual International Balloon Fiesta, the world's largest gathering of hot-air balloons. Albuquerque is served by Albuquerque International Sunport, which handled 4,958,417 passengers in 2017.

Major Employers

Employer	Estimated # of Employees
City of Albuquerque	4,667
Sunbridge Carmichael Rehab	3,976
Dept of Surgery	3,000
Police Department	3,000
Boeing	2,794
Lovelace Unm Rehabilitation	2,489
Unm Hospital	2,376
C N M	2,200
County of Bernalillo	1,985
Rose L Brand & Associates PC	1,962
Walmart	1,635
Assistant Rgonal Dir Budgt ADM	1,100

Exclusive Net Lease Offering

Marcus & Millichap



BROKER OF RECORD:
Matthew Reeves
Marcus & Millichap
Lic.# 19583



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