

Exclusive Net Lease Offering

6615 Dalby Drive, Colorado Springs, CO

Actual Property



OFFERING MEMORANDUM



Confidentiality and Disclaimer

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

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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services 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.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. 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 or M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

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

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.



Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6-7
Surrounding Area	8
Property Photos	9-13
Location Overview	14
Maps	15-16
Demographics	17-18





Investment Highlights

PRICE: \$7,002,857 | CAP: 5.25% | RENT: \$367,650



About the Investment

- ✓ Long Term Lease | Approximately 17.5 Years Remaining on an Original 20-Year Triple-Net (NNN) Lease
- ✓ Corporate Guaranty From Kum & Go | Revenues Exceeding \$2.2 Billion in 2020
- ✓ Qualifies For 100% Bonus Depreciation in Year One
- ✓ Essential Business | Site Deemed Essential & Remained Open All Throughout COVID-19 | No Rent Abatements or Deferrals
- ✓ More Than 400 Locations in 11 States Including Iowa, Missouri, Arkansas, Oklahoma, Nebraska, North Dakota, South Dakota, Minnesota, Montana, Colorado, and Wyoming
- ✓ Large Hard Corner Location At Four Way Signalized Intersection | 6,817 SF & 1.87 Acres
- ✓ Recent Construction | Property Built in 2017

About the Location

- ✓ Strategic Positioning – Traffic Counts of Over 20,000 Vehicles on Dublin Blvd and Over 50,000 Vehicles on N Powers Blvd
- ✓ Outstanding Demographics | Over 119,000 Individuals Within a Three-Mile Radius and Over 218,000 in a Five-Mile Radius
- ✓ Major Retailers in Surrounding Area Include: Burger King, Taco Bell, Subway, Chick-fil-A, Starbucks, Verizon, Dunkin' Donuts, Sherwin-Williams and Many More
- ✓ Ridgeview Marketplace | Located Within a One-Mile Radius | Wendy's, Ace Hardware, IHOP, McDonald's, Dairy Queen, Wingstop and More
- ✓ Prominent Academic Presence | Three Academic Institutions Located Within a One-Mile Radius | Total Combined Enrollment Exceeds 4,100 Students
- ✓ St. Francis Medical Center | A State-Of-The-Art Medical Facility Located Within a One-Mile Radius | 172-Beds
- ✓ Affluent Neighborhood | Average Household Income Within a Three-Mile Radius Exceeds \$103,000
- ✓ Within a Six-Mile Radius of Downtown Colorado Springs



Representative Photo



Representative Photo



Financial Analysis



PRICE: \$7,002,857 | CAP: 5.25% | RENT: \$367,650

Property Description

Property	Kum & Go
Property Address	6615 Dalby Drive
City, State, ZIP	Colorado Springs, CO 80923
Year Built / Renovated	2017
Building Size	6,817 Square Feet
Lot Size	+/- 1.87 Acre
Type of Ownership	Fee Simple

The Offering

Annual Rent	\$367,650
CAP Rate	5.25%
Purchase Price	\$7,002,857

Lease Summary

Property Type	Net Leased Gas Station & C-Store
Tenant / Guarantor	Kum and Go, L.C.
Ownership Type	Corporate
Original Lease Term	20 Years
Lease Commencement	August 17 th , 2018
Rent Commencement	August 17 th , 2018
Lease Expiration	August 31 st , 2038
Lease Term Remaining	+/- 17.5 Years
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	7.5% Every Five Years
Renewal Options	Four, (4), Five (5)-Year Options

Rent Schedule

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$ 342,000	\$ 28,500	-
Year 2	\$ 342,000	\$ 28,500	-
Year 3- Current Year	\$ 342,000	\$ 28,500	-
Year 4	\$ 342,000	\$ 28,500	-
Year 5	\$ 342,000	\$ 28,500	-
Year 6- Starting 8/17/23	\$ 367,650	\$ 30,638	7.50%
Year 7	\$ 367,650	\$ 30,638	-
Year 8	\$ 367,650	\$ 30,638	-
Year 9	\$ 367,650	\$ 30,638	-
Year 10	\$ 367,650	\$ 30,638	-
Year 11	\$ 395,224	\$ 32,935	7.50%
Year 12	\$ 395,224	\$ 32,935	-
Year 13	\$ 395,224	\$ 32,935	-
Year 14	\$ 395,224	\$ 32,935	-
Year 15	\$ 395,224	\$ 32,935	-
Year 16	\$ 424,866	\$ 35,405	7.50%
Year 17	\$ 424,866	\$ 35,405	-
Year 18	\$ 424,866	\$ 35,405	-
Year 19	\$ 424,866	\$ 35,405	-
Year 20	\$ 424,866	\$ 35,405	-

**Pricing based off the Lease Year 6 Rent; Seller will credit the difference in rent at Closing*

TENANT OVERVIEW



Company Profile

Kum & Go is a convenience store chain primarily located in the Midwestern United States. The company, based in Des Moines, Iowa, operates over 400 stores in 11 states—primarily in its home state of Iowa. Other states include Missouri, Arkansas, Oklahoma, Nebraska, North Dakota, South Dakota, Minnesota, Montana, Colorado, and Wyoming.

Today, Kum & Go is still a family-owned operation run by Kyle J. Krause, son and grandson of the original founders (founded in 1959). We employ 5,000+ associates in more than 400 stores across 11 states throughout the Midwest. We pride ourselves on not being a “typical” convenience retailer. Sure, we provide the products and services that you’d expect to find... lots of drinks and snacks, fresh food to satisfy the cravings of our on-the-go customers, and a selection of quality fuel products. Yet what truly sets us apart from our competitors is our people.

Since 1997, Kum & Go has been a leader in distributing biofuel to customers. We offer biofuel alternatives in a number of our more than 400 stores as part of our commitment to the environment. These biofuel alternatives are important because they are what customers want and because they are better for our environment and that’s something we can all appreciate.

400+ Locations | \$2.2BN Revenue in 2020 | 5,000+ Employees

TENANT OVERVIEW



More Convenience

In 1959, William A. Krause and Tony S. Gentle created a convenience store concept where people could buy gas & groceries. But more than that, they pioneered a belief system. Whether it's keeping the store sparkling clean, treating every customer like a friend, or donating our time and money to great causes, we strive to make every day just a little bit better and brighter for all.



More Surprises

Every year, Kum & Go donates 10% of our profits to good causes in our communities. We build houses, provide food and clothing, support schools and do whatever else a good neighbor would. Because that's how we think of ourselves; we're neighbors in our communities and investing in that makes better places and better people. And better people make a better Kum & Go.

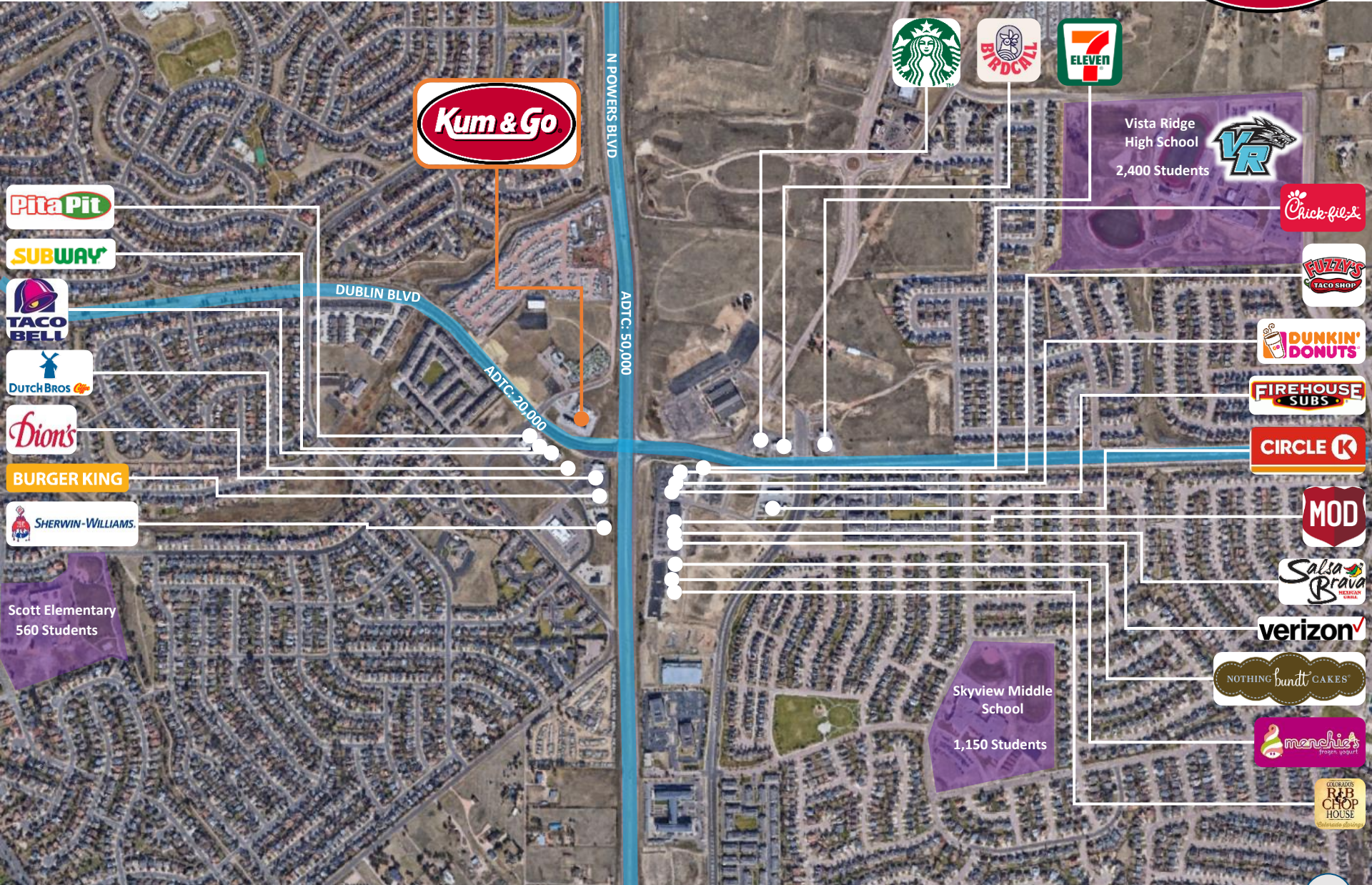


More Service

Everything about a Kum & Go store is designed to make things better for you. We test the arrangement of our stores for maximum convenience. You'll see that the associates at Kum & Go deliver excellent customer service, day in and day out. Whether it's keeping the store sparkling clean or treating every customer like a friend, our associates are dedicated to making your Kum & Go experience legendary.

Surrounding Area

Property Address: 6615 Dalby Dr, Colorado Springs, CO 80923





Property Photo





Property Photo





Property Photo





Property Photo





Surrounding Area Photos





Location Overview

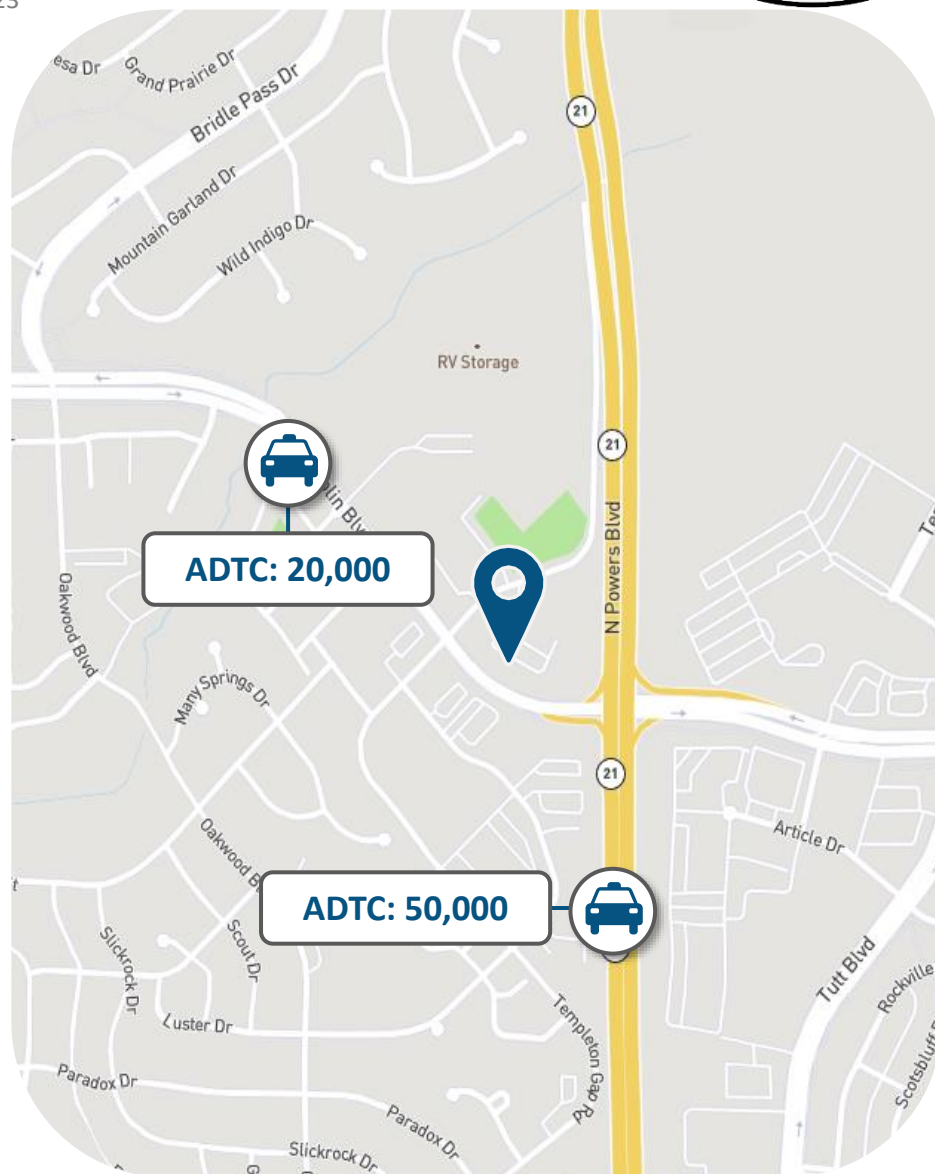
Property Address: 6615 Dalby Dr, Colorado Springs, CO 80923



The subject Kum & Go benefits from being well-positioned at a busy intersection surrounded by national and local tenants, shopping centers, medical facilities and academic institutions. Major national tenants in the area include Burger King, Taco Bell, Subway, Chick-Fil-A, Starbucks, Sherwin-Williams, Dunkin' Donuts, Verizon as well as many more. Ridgeview Marketplace is also located within a one-mile radius and has additional national tenants such as Wendy's, Ace Hardware, IHOP, McDonald's, Dairy Queen and many more. Additionally, the subject property also benefits from being located within a one-mile radius of three academic institutions with an overall combined enrollment that exceeds 4,100 students. St. Francis Medical Center, a state-of-the-art medical facility with 172 beds, is also located within a one-mile radius of this site. Furthermore, This Kum & Go benefits from being located within only a six-mile radius of Downtown Colorado Springs

The site is situated on Dalby Road off Dublin Boulevard, which has an average daily traffic count of 20,000 vehicles. Dublin Boulevard also intersects with N Powers Boulevard, which brings an additional 50,000 vehicles into the immediate area daily. There are more than 119,000 individuals residing within a three-mile radius of the subject property and more than 218,000 individuals within a five-mile radius. This Kum & Go property benefits from being located in an affluent suburban community. The average household income within a three-mile radius is greater than \$103,000.

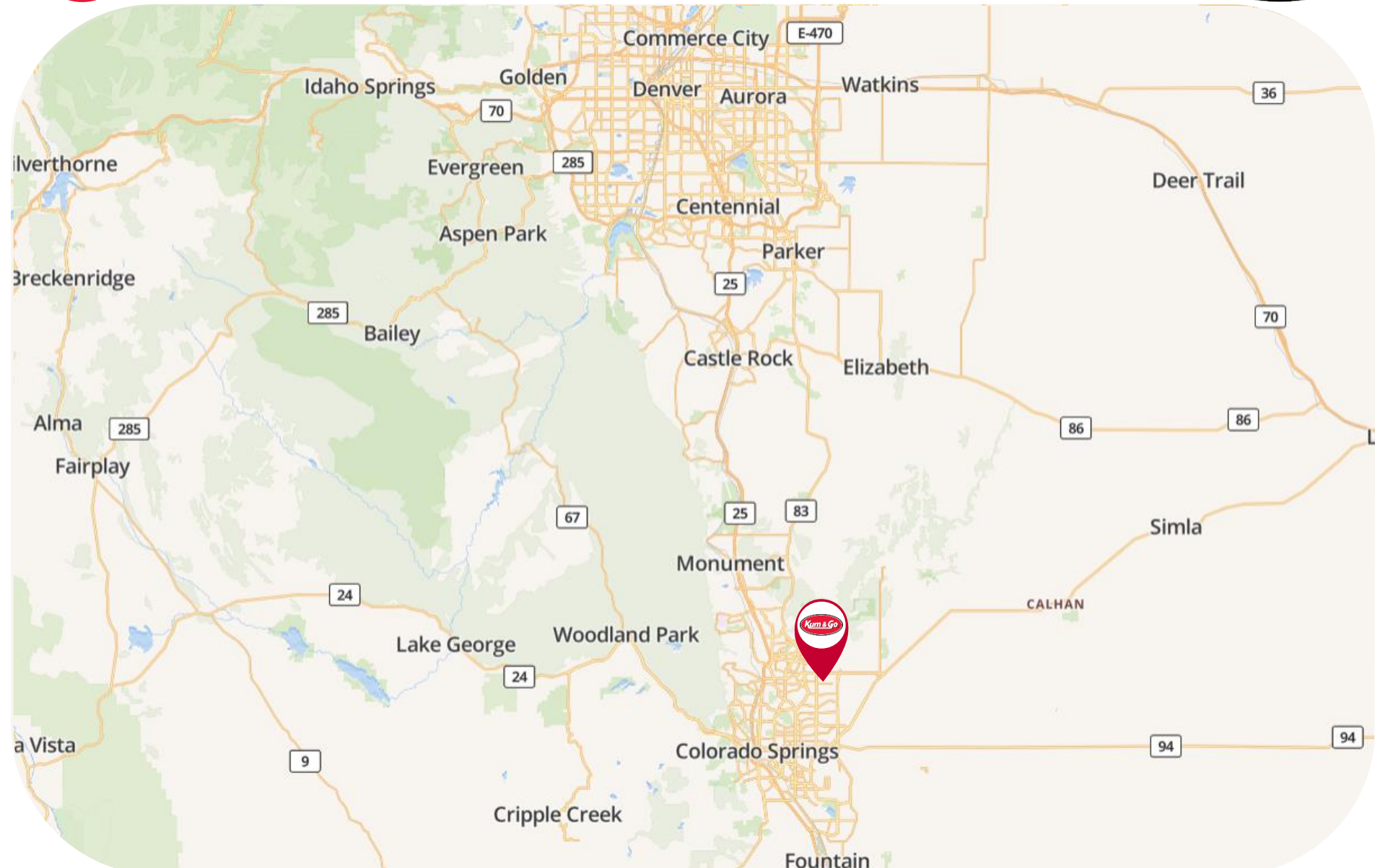
Colorado Springs is the most populous city of El Paso County, Colorado. It is located just east of the geographic center of the state and 61 miles south of the Denver. With the city located at the base of the Rocky Mountains, and its many trails and parks, Colorado Springs is a popular destination for tourists seeking scenery, rock formations and other unique geological features, like Pikes Peak, Garden of the Gods Park, The Broadmoor Seven Falls, and Cave Of The Winds Mountain Park. Colorado Springs is also home to a variety of cultural, educational, and historical attractions including the Cheyenne Mountain Heritage Center, the Cheyenne Mountain Zoo, the Colorado Springs Fine Arts Center, the Colorado Springs Pioneers Museum, the American Numismatic Association Money Museum, Peterson Air and Space Museum, and the United States Air Force Academy. Colorado Springs is home to the Colorado Springs Olympic & Paralympic Training Center and the headquarters of the United States Olympic & Paralympic Committee. In addition, a number of United States national federations for individual Olympic sports have their headquarters in Colorado Springs.





Local Map

Property Address: 6615 Dalby Dr, Colorado Springs, CO 80923





Regional Map

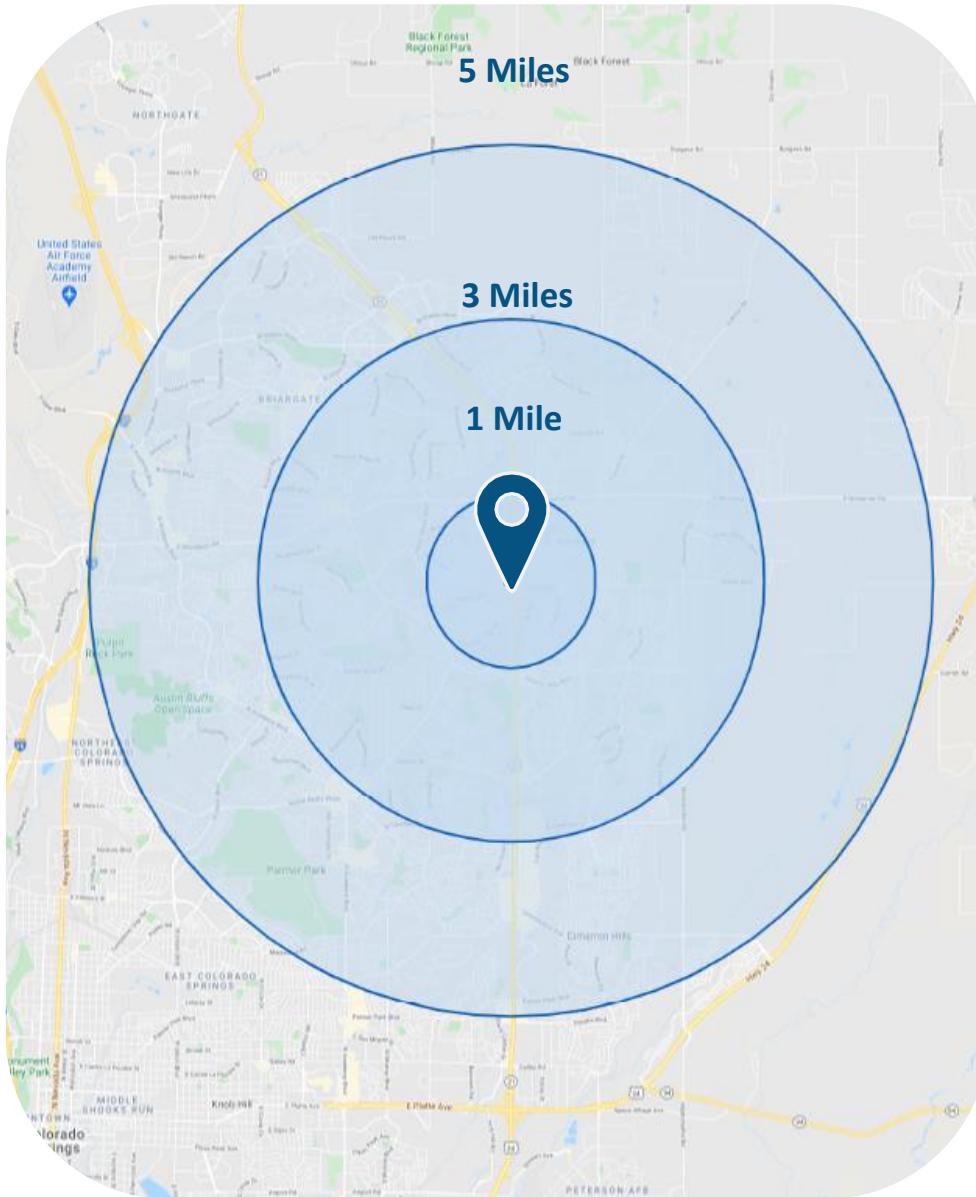
Property Address: 6615 Dalby Dr, Colorado Springs, CO 80923





Demographics

Property Address: 6615 Dalby Dr, Colorado Springs, CO 80923



1 Mile **3 Miles** **5 Miles**

POPULATION

2025 Projection	17,124	127,824	232,104
2020 Estimate	16,029	119,689	217,894
2010 Census	13,660	103,101	188,404
2000 Census	4,459	64,026	138,389

INCOME

Average	\$97,474	\$103,032	\$100,261
Median	\$82,894	\$83,723	\$80,607
Per Capita	\$34,560	\$37,378	\$37,933

HOUSEHOLDS

2025 Projection	6,183	46,811	88,276
2020 Estimate	5,683	43,418	82,247
2010 Census	4,758	37,017	70,591
2000 Census	1,528	22,216	50,310

HOUSING

2020	\$315,297	\$316,707	\$315,383
------	-----------	-----------	-----------

EMPLOYMENT

2020 Daytime Population	10,887	79,774	191,768
2020 Unemployment	1.80%	2.01%	2.57%
2020 Median Time Traveled	26 Mins	26 Mins	25 Mins

RACE & ETHNICITY

White	78.10%	79.70%	80.18%
Native American	0.28%	0.26%	0.25%
African American	6.17%	5.29%	5.19%
Asian/Pacific Islander	4.65%	4.27%	3.97%



Market Overview

Colorado Springs, CO

Colorado Springs, CO

For decades, Colorado Springs has been considered a top tourist destination for its natural beauty and countless attractions at the foot of Pikes Peak. But in recent years, Colorado Springs has also become known nationwide for the strength and appeal of its economy. In that time, the city and state have experienced strong, sustained job growth and a hot housing market that have resulted in a local population boom. With an estimated population of 700,000, Colorado Springs is the second largest metro area in the state; and it is projected to surpass an already built-out Denver as the state's largest city by 2050. Due to these positive trends, Colorado Springs is currently in the middle of a tremendous amount of public and private investment. Among the construction projects currently underway in downtown Colorado Springs are the U.S. Olympic Museum and Hall of Fame, a new stadium and sports center, a number of apartment buildings and hotels, and the repurposing of buildings to house top-rate restaurants.

Colorado Springs' culture and economy are heavily influenced by the military with a significant number of defense corporations and bases located within the area. The city is home to Fort Carson, Peterson Air Force Base, Schriever Air Force Base, NORAD and the U.S. Air Force Academy. Higher education institutions include the University of Colorado at Colorado Springs, Pikes Peak Community College as well as several other colleges.



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

