

# CIRCLE K SALE-LEASEBACK

1684 S College Street  
Auburn, AL 36832

*EST. SUMMER 2021 OPENING*



**20-YEAR NNN | FUNDAMENTAL REAL ESTATE | MAJOR COLLEGE TOWN**

**Marcus & Millichap**  
MOLLOY KAYE RETAIL GROUP

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Marcus & Millichap





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## OFFERING HIGHLIGHTS

1684 S College Street  
Auburn, AL 36832



**\$5,700,000**  
Price



**5,630 | 1.57**  
SF | Acres



**5.50%**  
Cap Rate



**20 YEARS**  
Base Term



**ABSOLUTE NNN**  
Lease



**2021**  
Year Built  
(Scheduled to open  
July 2021)

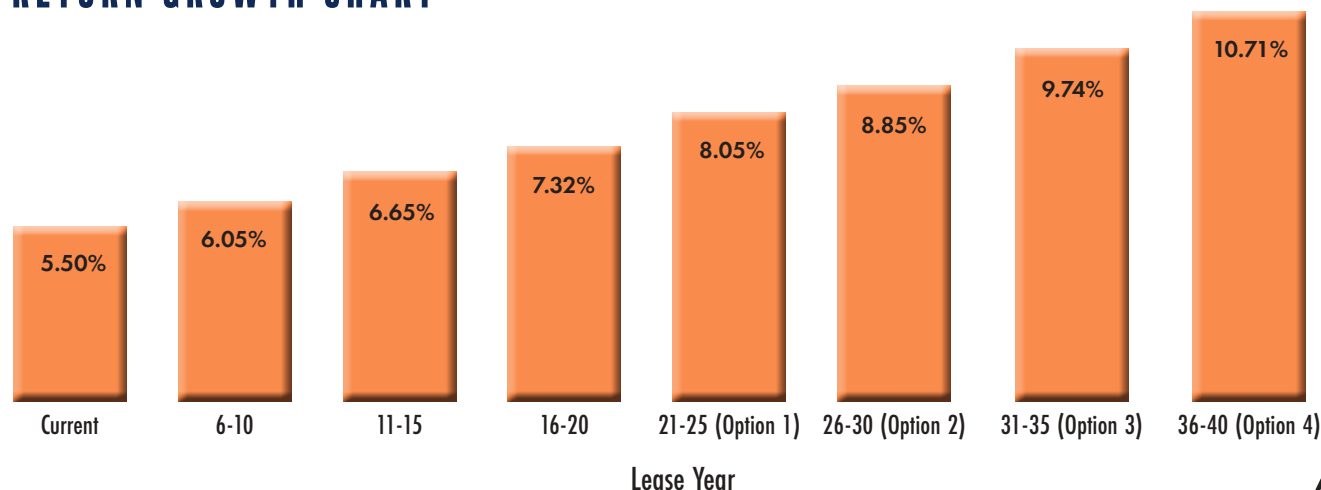
## LEASE SUMMARY

Property Subtype:	Net Leased Auto Service - Gas/Conv.
Tenant:	Gas Express, LLC d/b/a/ Circle K
Rent Increases:	10% Every 5 Years
Guarantor:	Franchisee
Lease Commencement:	At Close of Escrow
Initial Lease Term:	20 Years
Renewal Options:	Four (4), 5-Year

## RENT ROLL

TERM	ANNUAL RENT	MONTHLY RENT
Current	\$313,285	\$26,107
Years 6-10	\$344,613	\$28,718
Years 11-15	\$379,075	\$31,590
Years 16-20	\$416,982	\$34,749
Years 21-25 (Option 1)	\$458,680	\$38,223
Years 26-30 (Option 2)	\$504,548	\$42,046
Years 31-35 (Option 3)	\$555,003	\$46,250
Years 36-40 (Option 4)	\$610,504	\$50,875

## RETURN GROWTH CHART





# INVESTMENT OVERVIEW

## STRONG REAL ESTATE FUNDAMENTALS

- Strategically located at the signalized intersection of W Longleaf Dr & S College St
- ±2.6 miles south of Auburn University
- Large store site with 10 fueling stations & 3,802 SF c-store
- C-store building will contain an additional 1,828 SF leased to Guthrie's with drive-thru
- Located within a Qualified Opportunity Zone for additional tax advantages
- High growth market with population increases of 282% (1-mi), 36% (3-mi) & 43% (5-mi) since 2000
- Strong daytime and permanent density:
  - › 1-Mi: 7,167 & 7,240
  - › 3-Mi: 35,985 & 60,689
  - › 5-Mi: 63,832 & 86,365
- Flat topography with phenomenal visibility
- Multiple points of ingress and egress

## OPTIMAL LEASE STRUCTURE

- Attractive 20-year sale-leaseback
- Four (4), 5-year renewal options
- 10% rent escalations every 5 years throughout entire lease
- Triple net (NNN) lease with NO landlord responsibilities
- Tax advantages with accelerated depreciation due to fee simple ownership

## LARGE FRANCHISEE & DOMINANT BRAND

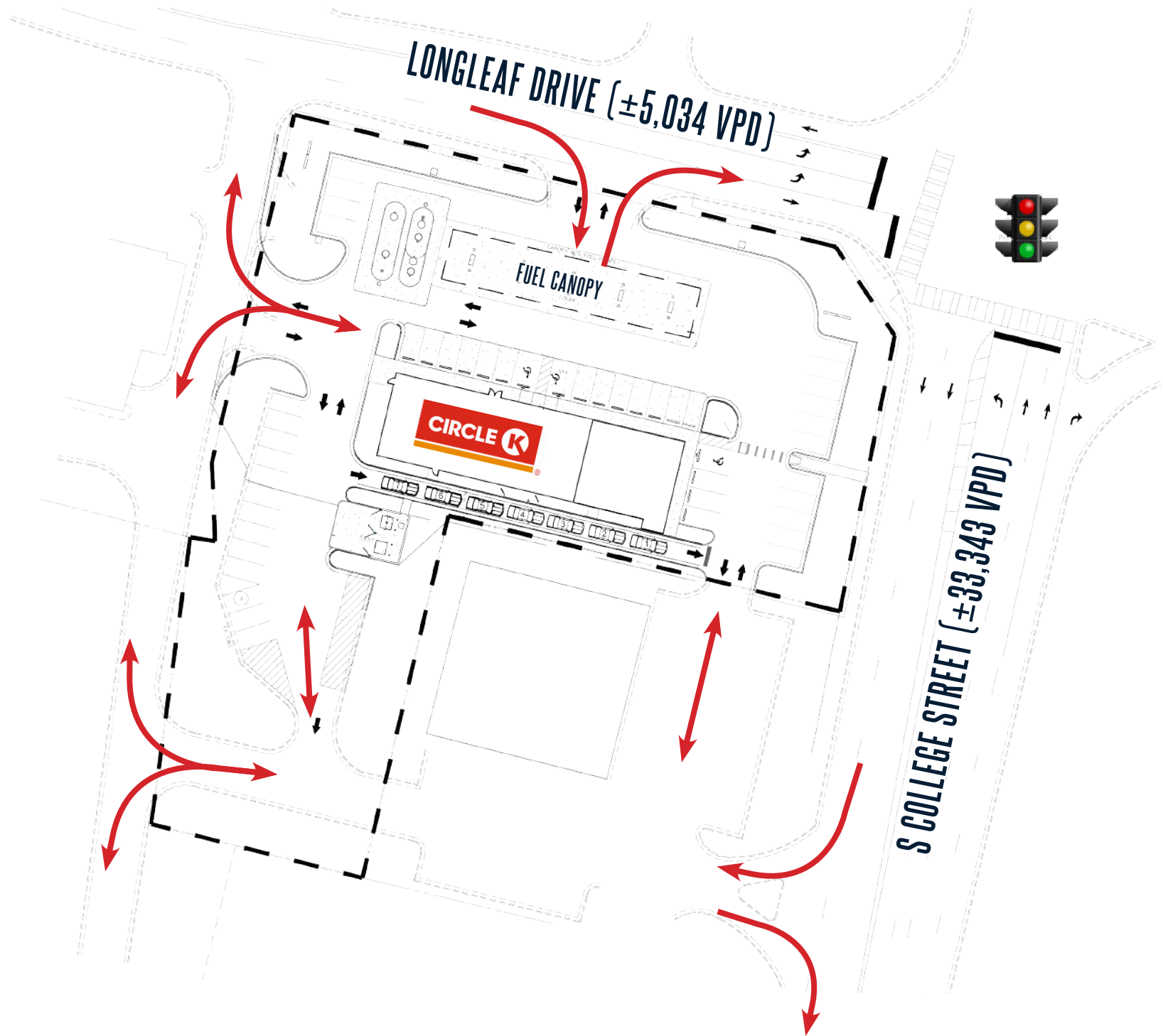
- Largest Circle K franchisee
- Exclusive Circle K franchisee in Metro Atlanta
- Expanding 93+ unit operator across 4 states (AL, AR, GA, LA)
  - › Currently operate 50+ Circle Ks in Georgia
- 26+ year operating history
- Circle K is an international brand with 15,000+ locations in 20 countries (corporate)

## AUBURN, AL ADVANTAGE

- Auburn-Opelika, AL MSA contains ±165,000 people
- #17 Best-Performing MSA in the U.S. (Milken Institute, 2021)
- #2 Best-Performing MSA in Alabama (Milken Institute, 2021)
- Home to Auburn University
  - › 30,000+ students & 1,330 faculty
  - › 2nd largest university in the state
  - › \$5.6 B annual economic impact on the state
  - › #1 ranked in state of AL and among top 50 public universities in US (US News & Work Report, 2020)



# SITE PLAN





# PROPERTY PHOTOS

Construction photos taken on April 11, 2021





# AERIAL



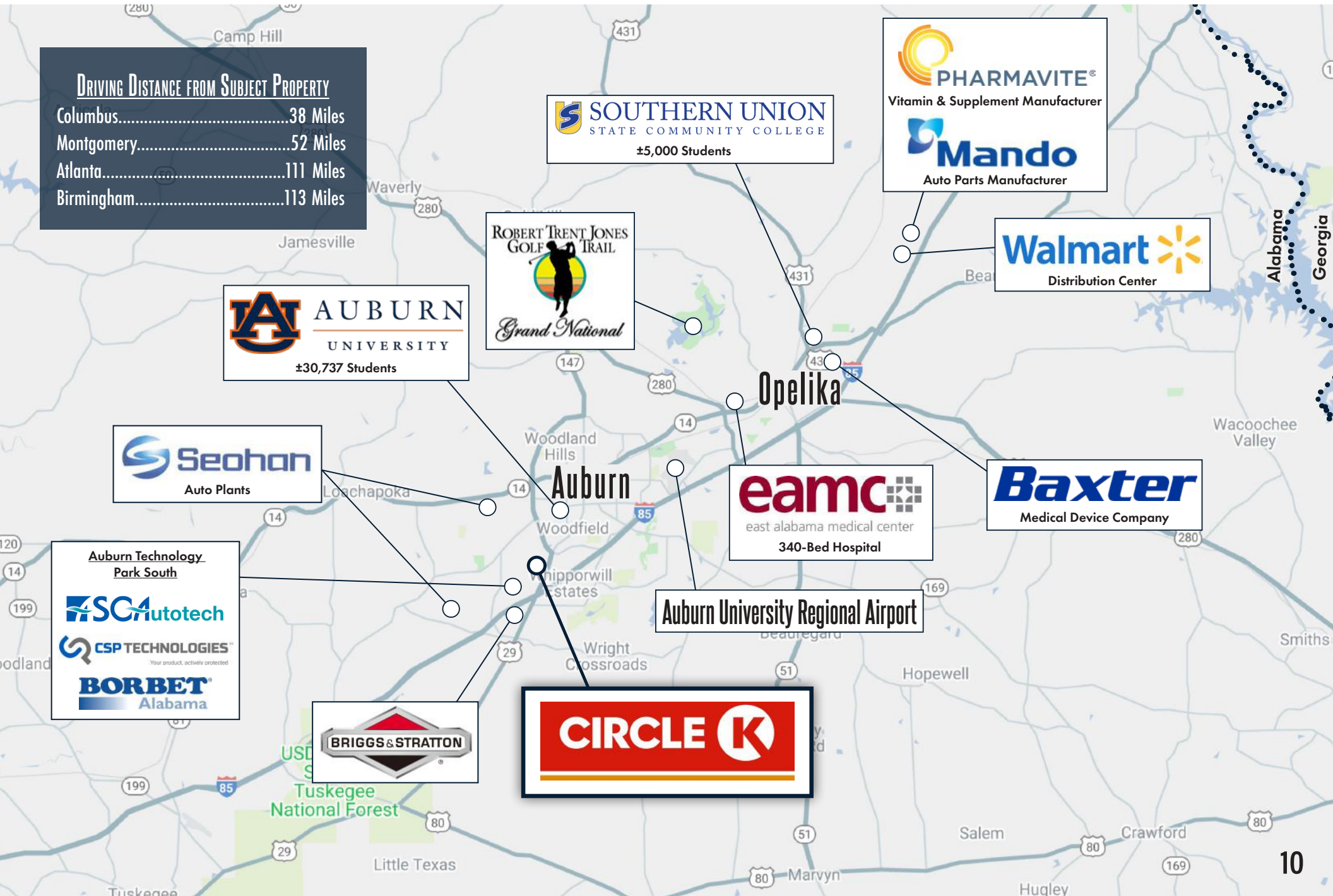


# AERIAL





# REGIONAL MAP





# DEMOGRAPHICS

## POPULATION

	1-MILE	3-MILE	5-MILE
2025 Population	7,617	39,062	70,588
2020 Population	7,167	35,985	63,832
<b>Growth 2000-2020</b>	<b>281.83%</b>	<b>35.96%</b>	<b>43.21%</b>
<b>Daytime Population</b>	<b>7,240</b>	<b>60,689</b>	<b>86,365</b>

## HOUSEHOLDS

2025 Est. Households	3,633	17,093	30,852
2020 Households	3,391	15,666	27,834

## HOUSEHOLDS BY INCOME

\$200,000 or More	2.71%	4.14%	5.32%
\$150,000 - \$199,999	5.69%	4.88%	5.85%
\$100,000 - \$149,999	8.07%	10.56%	12.77%
\$75,000 - \$99,999	4.10%	7.44%	9.45%
\$50,000 - \$74,999	11.27%	10.94%	12.93%
\$35,000 - \$49,999	8.41%	8.30%	9.04%
\$25,000 - \$34,999	9.04%	8.70%	8.59%
\$15,000 - \$24,999	16.02%	13.34%	11.60%
\$10,000 - \$14,999	7.16%	8.12%	6.73%
Under \$9,999	27.54%	23.57%	17.73%
Average HH Income	\$52,923	\$62,170	\$73,367

## POPULATION BY RACE

	1-MILE	3-MILE	5-MILE
% White Population	73.25%	73.79%	70.52%
% Black Population	17.45%	15.66%	18.82%
% Asian	5.16%	6.90%	6.79%
% American Indian, Eskimo, Aleut Population	0.29%	0.29%	0.30%
% Hawaiian or Pacific Islander Population	0.00%	0.02%	0.02%
% Multi-Race Population	2.60%	2.02%	1.99%
% Other Population	1.25%	1.32%	1.56%

## 2019 POPULATION 25+ BY EDUCATION LEVEL

Elementary (0-8)	1,874	14,009	30,997
Some High School (9-11)	0.61%	0.91%	1.10%
High School Graduate (12)	3.30%	3.41%	3.43%
Some College (13-15)	12.18%	12.87%	13.66%
Associates Degree Only	18.12%	18.01%	18.59%
Bachelors Degree Only	7.10%	5.94%	6.63%
Graduate Degree	33.58%	30.94%	29.26%
	24.78%	27.27%	26.48%



# AUBURN, AL

Auburn is located in east central Alabama along Interstate 85 between Atlanta and Montgomery, only thirty miles from Columbus, Georgia, one hour from Montgomery, less than two hours from Birmingham and only one hour and fifteen minutes from Atlanta's Hartsfield International Airport.

Auburn University, with over 30,000 students, is a land-grant university and a sea and space grant university with traditionally strong programs in business, engineering, agriculture, and veterinary medicine. It has a long and rich tradition of excellence in engineering education. Home to Samuel Ginn College of Engineering, **Alabama's largest and most prestigious engineering program, Auburn produces more than one-third of the state's engineering graduates.** Auburn is one of the top five universities in the nation for producing NASA scientists and astronauts and is the first and only university in the nation to offer a bachelor's degree in wireless engineering. Auburn University was the first program in the Southeast to offer bachelor's and master's degrees in software engineering as well as the only state university to offer a polymer and fiber engineering program.

The 2021 Milken Institute Best-Performing Cities Index named the **Auburn-Opelika Metropolitan Area No. 17 Best Performing MSA in the United States and No. 2 Best Performing MSA in Alabama.** According to the Milken study, the Auburn-Opelika Metropolitan Area jumped up six rankings this year. A few of the key factors that helped with the jump in its over-all ranking are the **consistent job growth in the area and the steady improvement in wages.** The Auburn-Opelika MSA also scored very well compared to the rest of the nation with "High-Tech GDP", broadband availability, and steady population growth. In 2021, Auburn was also ranked #6 Best Metro for Attracting Business in the US by Site Selection.

Auburn City Schools (ACS), **the fastest-growing school district in Alabama over the last five years, is recognized among the nation's top public school systems each year,** due to a progressive use of technology and continued support from the city and the community. Auburn's diversified industrial base has been built around small to medium-sized technology based, value added manufacturing companies employing more than 4,700 people. The industrial base includes 46 companies housed in four different parks.

## TOP AUBURN EMPLOYERS

Auburn University  
Auburn City Schools  
City of Auburn  
Health Information Designs, Inc.  
Briggs and Stratton

Sunchang Autotech, Inc.  
CSP Technologies  
Borbet Alabama  
Walmart  
Seohan



# LEASE ABSTRACT



## TENANT:

Gas Express, LLC d/b/a Circle K

## LEASE COMMENCEMENT:

At Close of Escrow

## ADDITIONAL RENT:

"Additional Rent" shall collectively mean all Taxes, insurance, maintenance expenses, operating expenses, administrative expenses and all other costs and expenses of every nature incurred in connection with the operation of the Premises and all Improvements thereon that are more fully set forth herein or otherwise incurred.

## UTILITIES:

During the Lease Term, Tenant shall open its own accounts for utilities serving the Premises, including without limitation (if applicable) gas, electricity, water, sewer, sanitation and all other utilities required by Tenant for the Premises and Tenant shall be responsible for all such utility charges.

## CARE OF PREMISES:

Tenant assumes the sole responsibility for the condition, use, operation, maintenance, repairs, replacement and management of the Premises and Landlord shall have no responsibility in respect thereof and shall have no liability for damages to the property.

## TAXES:

Tenant agrees to pay, as Additional Rent, all personal property taxes and assessments, ad valorem or real estate taxes and assessments (including, without limitation, general and special assessments for public improvements or benefits whether or not commenced or completed during the Lease Term, as same may be extended or renewed, sanitary and trash removal assessments, and all property owners', association, subdivision, and all other types of public, quasi-public or private assessments, fees or exactions or similar charges of any nature whatsoever), water charges, sewer rents and all other taxes or any type of assessments whatsoever levied, assessed or imposed at any time by any Governmental Authorities upon or against the Premises or any portion thereof, which accrue or become due with respect to any period during the Term, and also any tax or assessment levied, assessed or imposed against the Premises or any portion thereof at any time by any Governmental Authorities in connection with any franchise, or the receipt of any income, rent or profit from the Premises to the extent that same shall be in lieu of all or a portion of any of the aforesaid taxes or assessments upon or against the Premises, and which accrue or become due with respect to any period during the Term (collectively, the "Taxes").

## INSURANCE:

Tenant shall, during the Term of this Lease, and at Tenant's expense, maintain

in full force and effect: (a) All risk property insurance covering (i) the Improvements and Personalty, and all building materials and other property which constitute part of the Premises, and (ii) Tenant's trade fixtures, signs, inventory and supplies, furniture, equipment, and improvements and betterments installed by Tenant, all amounts not less than one hundred percent (100%) of the full replacement value of all Improvements and Personalty (as reasonably determined by Landlord); (b) Contractual and comprehensive commercial general liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Premises, which insurance shall be written on a so-called occurrence basis, and shall provide minimum protection with a combined single limit in an amount not less than Two Million and No/100 Dollars (\$2,000,000.00) for any one occurrence, and such insurance shall have a deductible of not greater than Five Thousand and No/100 Dollars (\$5,000.00); (c) Business interruption and loss of rent insurance in amounts sufficient to compensate Landlord for all Base Rent, Additional Rent and other amounts payable hereunder for a period of not less than twelve (12) months, the amount of such coverage to be adjusted annually to reflect the Base Rent, Additional Rent and other amounts payable during the succeeding twelve (12) month period; (d) Liability insurance which shall include coverage for all liabilities arising out of the dispensing or selling of alcoholic beverages imposed under any laws, including, without limitation a "dram shop" or alcoholic beverage control act, the Premises and the business related to the Premises with a cross liability clause and a severability of interests clause to cover Tenant's indemnity and including an endorsement if necessary to provide coverage of personal injury and defense for a third party, all in limits of not less than One Million and No/100 Dollars (\$1,000,000.00) inclusive per occurrence or, upon Landlord's request, such higher limits as shall become customary under new leases of comparable Premises; and (e) such additional and/or other insurance coverage, endorsements, or deductibles with respect to the Premises and in such amounts as reasonably requested by Landlord or its Lender.

## ASSIGNMENT & SUBLETTING:

Additionally and notwithstanding anything to the contrary set forth herein, Tenant shall have the right (subject to Landlord's consent as set forth hereinafter), with no less than thirty (30) days' prior notice to Landlord (the "Notice of the Intended Assignment") without any charge of any kind by Landlord (other than the Lease Transfer Admin Fee) and without Landlord having any recapture right, to assign this Lease (i) to TMC Franchise Corporation or its parent, affiliate or subsidiary (the "Permitted Assignment") if said entity possesses financial creditworthiness, cash flow and liquidity that is at least equal to or better than the financial creditworthiness, cash flow and liquidity of Tenant as of the Effective Date (collectively, the "Net Worth Threshold"); or (ii) to an assignee that possesses financial creditworthiness, cash flow and liquidity that is at least equal to or better than the Net Worth Threshold. Tenant shall provide Landlord the financial statements of the assignee supporting compliance with the Net Worth Threshold (the "Net Worth Threshold Evidence"), concurrently with the Tenant's Notice of the Intended Assignment.

If there is an assignment consented to by Landlord under either Clauses (i) or (ii) in this Section, then, upon entry of the instrument of assignment, the assigning Tenant and any Guarantors of the assigning Tenant shall be released from all further payments of Rent and for the performance of all terms, covenants and conditions of the Lease after the effective date of the assignment.

## FINANCIAL REPORTING:

Tenant shall deliver to Landlord (i) a current financial statement of Tenant and any Guarantor of this Lease; and (ii) the last two (2) years' filed federal tax returns for Tenant and Guarantors. Not more than once in a given Lease Year, but only upon prior request from Landlord, Tenant shall provide to Landlord an annual financial statement of Tenant (and, if readily available to Tenant, an annual financial statement reflecting the financial performance of the business at the Premises), and, if the Guaranty has not expired, an annual financial statement of all Guarantors in such form as Landlord may reasonably request. In addition, thereto, but only upon prior request from Landlord, the Tenant shall also deliver on an annual basis to Landlord, a copy of the federal income tax return for both Tenant and, if the Guaranty has not expired, all Guarantors, no later than 30 days following the date upon which such tax returns are filed.

\*Lease to be finalized during Buyer's due diligence period.



## TENANT SUMMARY

Gas Express is a proud franchisee of Circle K, known worldwide for quality products and great customer service. Gas Express was founded in 1994 and was originally named S&A Food and Gas. As a company that would grow to employ hundreds of people and work in the very heart of tight-knit neighborhoods and communities, they had the foresight to know that their commitment needed to extend not just to the bottom line but also to their customers and their employees.

The Gas Express team recognizes the diverse demographics of Atlanta and aims to offer unique, but always dependable service tailored to each market. Gas Express offers unique services such as growler purchases /refills, a wide selection of wine, a huge selection of craft beer and beer caves within select stores.

Gas Express is committed to growing a strong presence in the Atlanta area and beyond. They currently operate over 93 locations across Georgia, Louisiana, Alabama, and Arkansas with the majority located in the Atlanta MSA.

### Tenant Trade Name

Circle K

### Tenant

Gas Express, LLC

### No. of Units

93+

### Locations

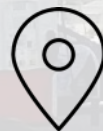
GA, LA, AL, AR

### Headquarters

Atlanta, GA

**CIRCLE K**

## CIRCLE K HIGHLIGHTS



**15,000+**  
Locations Worldwide



**40,000+**  
Employees



**20+ COUNTRIES**  
with Circle K Locations

# CIRCLE K SALE-LEASEBACK

1684 S College Street  
Auburn, AL 36832

*EST. SUMMER 2021 OPENING*



## SONNY MOLLOY

SENIOR VICE PRESIDENT INVESTMENTS

Direct: (678) 808-2763

Sonny.Molloy@marcusmillichap.com

## JARED KAYE

FIRST VICE PRESIDENT INVESTMENTS

Direct: (678) 808-2821

Jared.Kaye@marcusmillichap.com

## COLE SNYDER

ASSOCIATE

Direct: (678) 808-2758

Cole.Snyder@marcusmillichap.com

**Marcus & Millichap**

MOLLOY KAYE RETAIL GROUP

Representative Photo