

CIRCLE K SALE-LEASEBACK

4501 Troy Highway
Montgomery, AL 36116

EST. LATE SUMMER 2021 OPENING



20-YEAR NNN | ACCELERATED DEPRECIATION | 103K+ 5-MILE POP.

Marcus & Millichap

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OFFERING HIGHLIGHTS

4501 Troy Highway
Montgomery, AL 36116



\$4,591,000
Price



3,600 | **1.15**
SF | Acres



5.50%
Cap Rate



20 YEARS
Base Term



ABSOLUTE NNN
Lease



2021
Year Built
(Scheduled to open
August 2021)

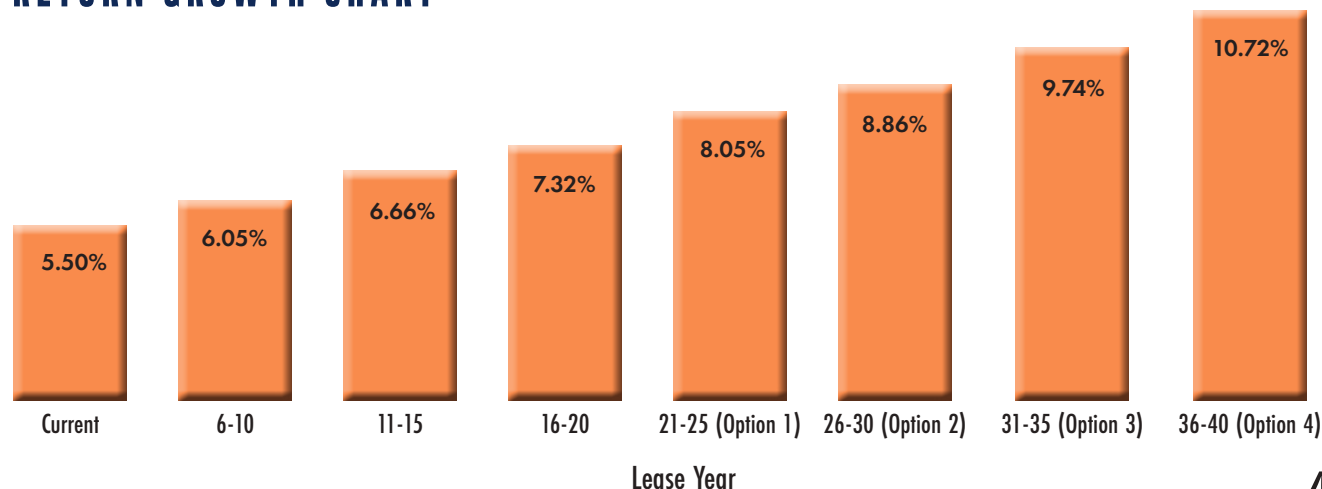
LEASE SUMMARY

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	\$252,508	\$21,042
Years 6-10	\$277,758	\$23,147
Years 11-15	\$305,534	\$25,461
Years 16-20	\$336,088	\$28,007
Years 21-25 (Option 1)	\$369,697	\$30,808
Years 26-30 (Option 2)	\$406,666	\$33,889
Years 31-35 (Option 3)	\$447,333	\$37,278
Years 36-40 (Option 4)	\$492,066	\$41,006

RETURN GROWTH CHART



INVESTMENT OVERVIEW

STRONG REAL ESTATE FUNDAMENTALS

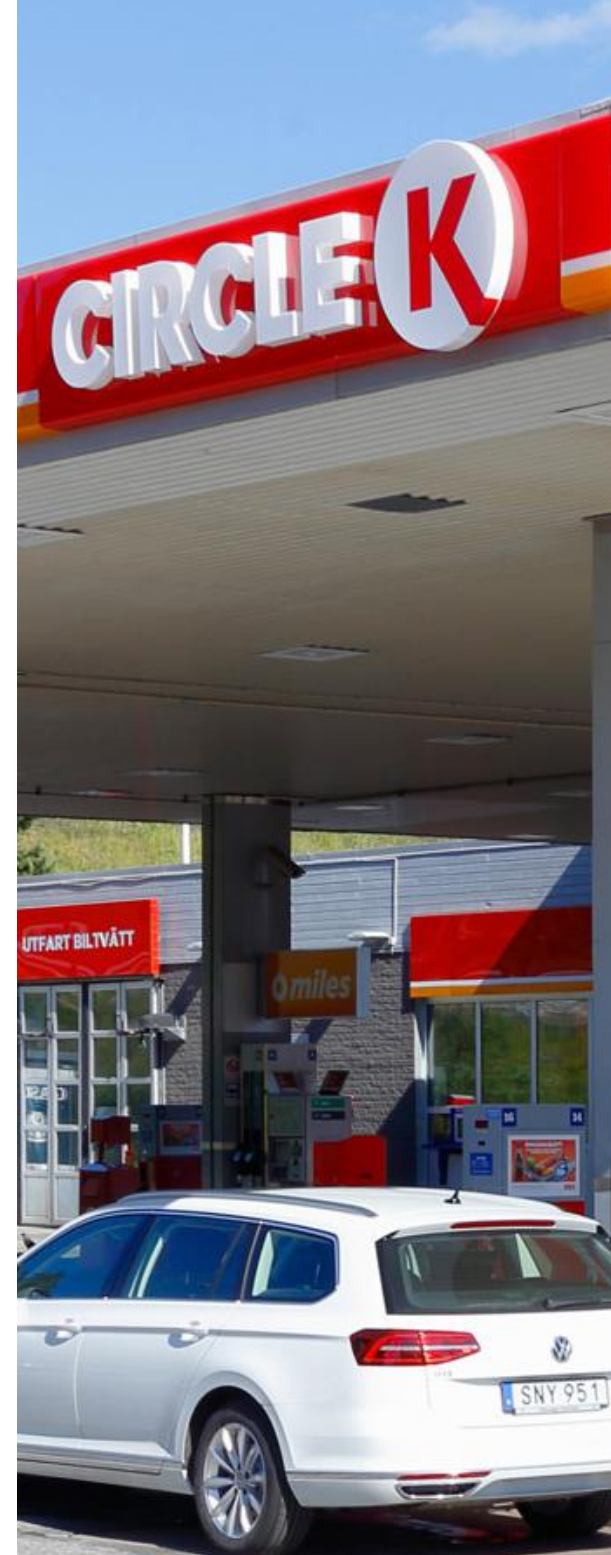
- Brand new 2021 construction
- Strategically positioned off Troy Highway ± 8 miles from downtown Montgomery
- Direct access to a 4-way signalized intersection
- Prime location with direct access to multiple high-density residential neighborhoods via Bell Road
- Located less than 1 mile from Trenholm State Community College – $\pm 2,000$ students & staff
- Strong daytime population counts of $\pm 7,789$ (1-mi), $\pm 41,582$ (3-mi) & $\pm 104,469$ (5-mi)
- Permanent population counts of $\pm 9,987$ (1-mi), $\pm 50,552$ (3-mi) & $\pm 102,226$ (5-mi)
- Flat topography with strong visibility along Troy Highway

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 97+ 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)



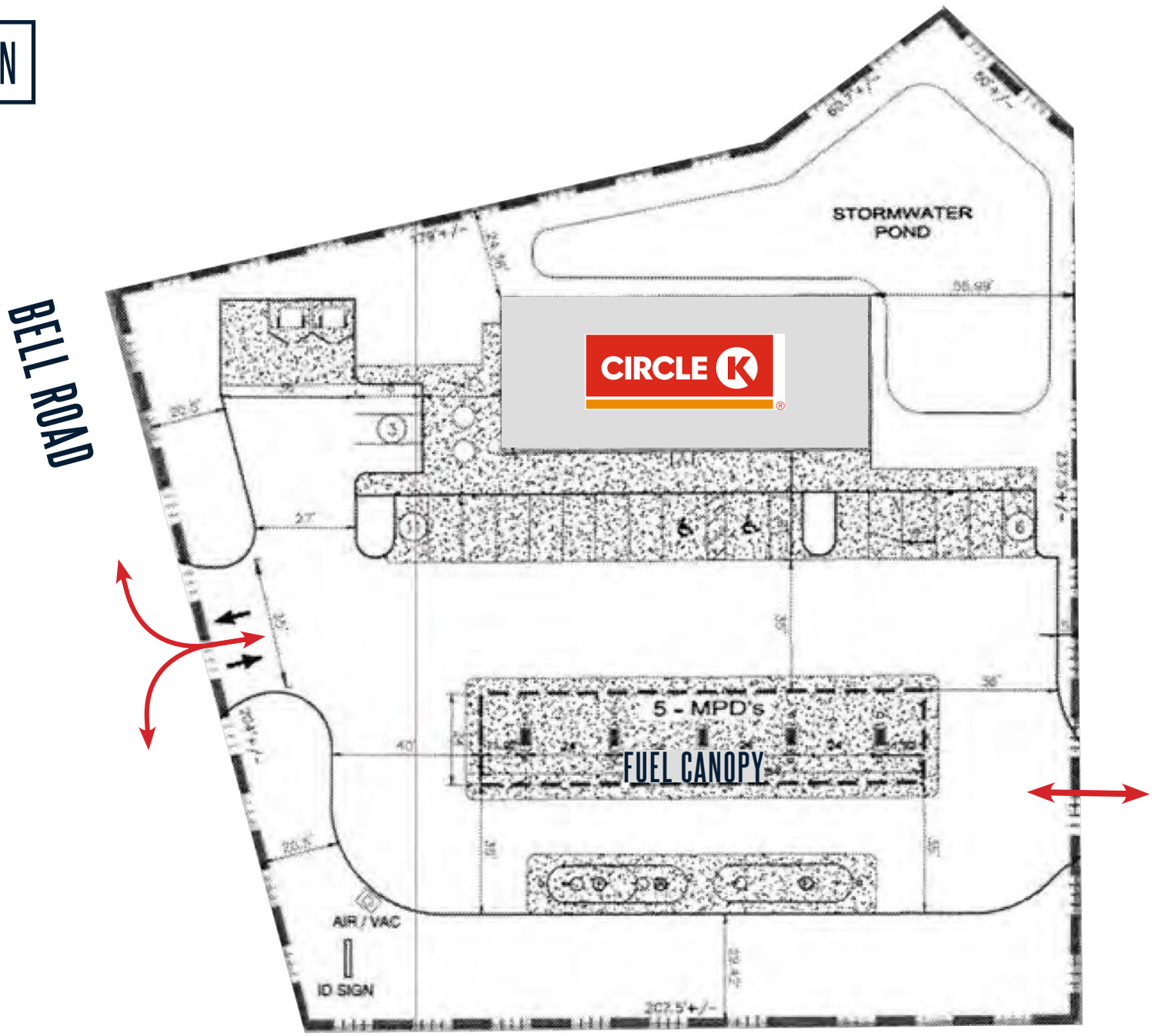
INVESTMENT OVERVIEW

MONTGOMERY, AL ADVANTAGE

- Home to Alabama's state capital
- Gross Metro Product of \$18.6 B (2019)
- Low cost of living at 8% below national average (per Forbes)
- Major industries include education and defense
- Home to Maxwell Air Force Base
 - › Educational and technological center of the US Air Force
 - › Average fiscal economic impact of $\pm \$1$ annually
 - › Mission critical military installation as home to Air University
 - › 17,000+ military, civil service and contracted personnel & 34,000 students
- Other Top Employers
 - › Baptist Health: +4,300 employees
 - › Hyundai Motor Manufacturing Alabama, LLC: +3,500 employees
 - › Assembly plant for Sonata and Elantra sedans and Santa Fe SUV
 - › HMMA and its suppliers have an annual economic impact of \$4.82 B to the State of AL's economy
 - › ALFA Insurance Companies: +2,500 employees



SITE PLAN



TROY HIGHWAY (±36,000 VPD)

AERIAL



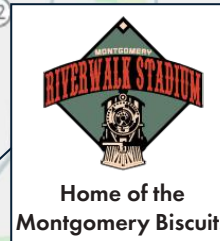
AERIAL



REGIONAL MAP

DRIVING DISTANCE FROM SUBJECT PROPERTY

Auburn.....	52 Miles
Columbus.....	80 Miles
Birmingham.....	97 Miles
Atlanta.....	158 Miles
Mobile.....	169 Miles



DEMOGRAPHICS

POPULATION

	1-MILE	3-MILE	5-MILE
2020 Population	9,987	50,552	102,226
Daytime Population	7,789	41,582	104,469

HOUSEHOLDS

	1-MILE	3-MILE	5-MILE
2020 Households	3,432	20,514	41,338

HOUSEHOLDS BY INCOME

	1-MILE	3-MILE	5-MILE
\$200,000 or More	1.35%	2.72%	5.07%
\$150,000 - \$199,999	2.37%	3.50%	5.03%
\$100,000 - \$149,999	5.42%	10.43%	12.25%
\$75,000 - \$99,999	9.92%	13.65%	12.76%
\$50,000 - \$74,999	14.74%	18.44%	18.32%
\$35,000 - \$49,999	13.05%	14.48%	13.82%
\$25,000 - \$34,999	12.98%	10.93%	9.93%
\$15,000 - \$24,999	20.92%	12.47%	11.08%
\$10,000 - \$14,999	7.44%	5.30%	4.68%
Under \$9,999	11.79%	8.09%	7.07%
Average HH Income	\$49,577	\$66,504	\$78,829

POPULATION BY RACE

	1-MILE	3-MILE	5-MILE
% White Population	11.84%	18.15%	33.05%
% Black Population	71.66%	72.88%	58.82%
% Asian	2.77%	3.92%	4.35%
% American Indian, Eskimo, Aleut Population	0.49%	0.24%	0.22%
% Hawaiian or Pacific Islander Population	0.18%	0.10%	0.07%
% Multi-Race Population	1.83%	1.59%	1.52%
% Other Population	11.22%	3.11%	1.98%

2019 POPULATION 25+ BY EDUCATION LEVEL

	1-MILE	3-MILE	5-MILE
Elementary (0-8)	3.61%	1.97%	1.86%
Some High School (9-11)	9.12%	6.35%	6.23%
High School Graduate (12)	36.90%	26.37%	23.33%
Some College (13-15)	19.22%	22.76%	21.97%
Associates Degree Only	5.50%	6.92%	6.91%
Bachelors Degree Only	14.61%	20.45%	22.54%
Graduate Degree	8.62%	14.15%	16.23%

MONTGOMERY, AL

Strategically located at the intersection of Interstate 65 and Interstate 85, Montgomery is the capital city of Alabama and the second-largest city in the state. The metropolitan area, comprised of Autauga, Elmore, Lowndes, and Montgomery counties, has **a population over 374,000**. A region of vast economic diversity, Montgomery is **home to state and regional governments, a major military installation, the USAF Air University, an extensive service industry, wholesale and retail trade, tourism, and an industrial base**. Within the past decade, **10,000 jobs have been created and \$1.9 billion has been spent in capital expenditures**, evidence Montgomery is one of the most pro-business cities in the state.

Montgomery is nationally known for its many historic/cultural landmarks and events such as the Alabama State Capitol, Dexter Avenue King Memorial Church, First White House of the Confederacy, Montgomery Bus Boycott, Hank Williams Memorial, Alabama War Memorial and Alabama Shakespeare Theater. The city attracted the first electric street car system and Wright Brothers first school for powered flight. Today, **Montgomery is the home of both Maxwell and Gunter Air Force Bases. The two bases employ over 12,280 people.**

The city is the home of several public and private colleges, as well as military schools. Montgomery's fifteen colleges, universities and military schools, including Alabama State University and Auburn University at Montgomery, provide world-class educational opportunities. In 2004, Montgomery landed one of the biggest economic development projects when **Hyundai Motors Manufacturing Alabama (HMMA) built its \$1.4 billion automotive plant**. The Montgomery location became **the first assembly and manufacturing plant in the United States**. It **employs over 3,000 team members**. HMMA and its suppliers have **an annual economic impact of \$4.82B to Alabama's economy**. Montgomery is also home to a minor league baseball team called the Montgomery Biscuits, Class AA affiliate of the Tampa Bay Devil Rays. The team plays in a newly renovated 7,000-seat facility known as Riverwalk Stadium that is owned by the City of Montgomery.

TOP MONTGOMERY, AL MSA EMPLOYERS

Maxwell/Gunter Air Force Base (12,280)

State of Alabama (11,380)

Montgomery Public Schools (4,524)

Baptist Health (4,300)

Hyundai Motor Manufacturing Alabama (3,530)

ALFA Insurance Companies (2,568)

City of Montgomery (2,500)

MOBIS Alabama (1,400)

Jackson Hospital & Clinic, Inc. (1,300)

Koch Foods (1,300)



Montgomery, AL



Hyundai Motor Manufacturing Alabama



12
Riverwalk Stadium

MONTGOMERY HIGHLIGHTS



Alabama's State Capital



Population of 375,000+



Gross Metro Product of \$18.6 B



Large Military Presence due to Maxwell Air Force Base, which has a \$2.6 B annual economic impact



Maxwell AFB is Mission Critical as home to Air University and Air Force's center for professional military education



Hyundai Motor Manufacturing Alabama (HMMA) is doing a \$410 M expansion to expand their assembly lineup, creating 200+ jobs



Low Unemployment Rate of 3.6%



Cost of Living 8% Below National Average

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 97 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

97+

Locations

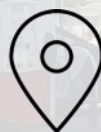
GA, LA, AL, AR

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

4501 Troy Highway
Montgomery, AL 36116

EST. LATE SUMMER 2021 OPENING



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