

# A SINGLE-TENANT NNN GROUND LEASED RETAIL INVESTMENT OPPORTUNITY



SAFeway

SOUTHLANDS MALL  
BED BATH & BEYOND  
AMC THEATRES  
T.J. MAXX

50,000 VPD



Ent

9,000 VPD

S. GUN CLUB RD.

E. SMOKY HILL RD.  
31,000 VPD



**CBRE**

CAPITAL MARKETS | NATIONAL  
RETAIL PARTNERS

ATLANTA | BOSTON | CHARLOTTE |  
CHICAGO | DALLAS | DENVER | MIAMI  
| NEWPORT BEACH | NEW YORK |  
WASHINGTON D.C.

23290 EAST SMOKY HILL ROAD, AURORA, CO 80016

DENVER METRO





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## LOCATION OVERVIEW

# CBRE

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## INVESTMENT ADVISORS

# INVESTMENT SUMMARY



PRICE  
**\$3,927,000**



NOI  
**\$161,000**



CAP RATE  
**4.10%**



TERM REMAINING  
**20 Years**



LEASE TYPE  
**NNN Ground Lease**

CBRE National Retail Partners - Mountain is pleased to exclusively offer a single tenant, new construction Murphy USA located in Aurora, Colorado (Denver Metro). The offering is inclusive of a brand new Absolute NNN ground lease with twenty years on the lease term plus four five-year options to renew.

The subject property is on the corner location of East Smoky Hill Road, one of the main travel corridors in southeast Denver, providing direct access to the Southlands Mall Trade Area. Murphy USA benefits from its proximity to adjacent national retailers including Home Depot, Safeway, and the 1.7M square foot Southlands Mall Lifestyle Center. The location also includes premier access to E-470 Toll Road with drive-by exposure of 31,000 vehicles per day.

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	RETURN
LEASE YRS 1-5	\$161,000	4.10%
LEASE YRS 6-10	\$173,880	4.43%
LEASE YRS 11-15	\$187,790	4.78%
LEASE YRS 16-20	\$202,814	5.16%
OPTION 1: (LEASE YRS 21-25)	\$223,095	5.68%
OPTION 2: (LEASE YRS 26-30)	\$245,405	6.25%
OPTION 3: (LEASE YRS 31-35)	\$269,945	6.87%
OPTION 4: (LEASE YRS 36-40)	\$296,940	7.56%

**8% INCREASES  
EVERY 5 YEARS  
IN PRIMARY  
TERM!**

OUTSIDE RENT COMMENCEMENT  
DATE – EARLIER OF OPENING  
FOR BUSINESS OR 2/12/21

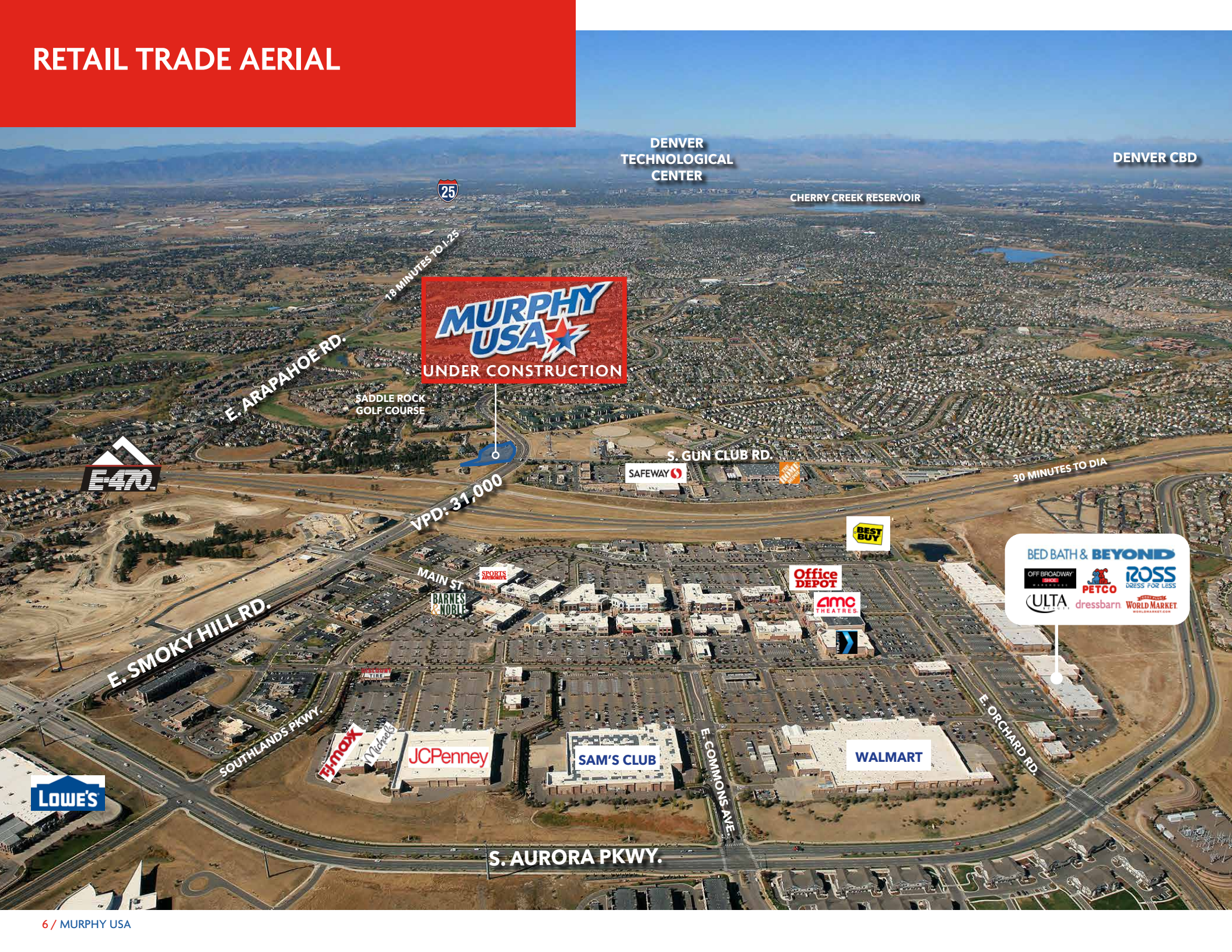




BRAND NEW CONSTRUCTION - EXPECTED COMPLETION Q4 2021



# RETAIL TRADE AERIAL



DENVER  
TECHNOLOGICAL  
CENTER

DENVER CBD

CHERRY CREEK RESERVOIR



18 MINUTES TO I-25

**MURPHY  
USA**  
UNDER CONSTRUCTION

E. ARAPAHOE RD.

SADDLE ROCK  
GOLF COURSE



S. GUN CLUB RD.

SAFeway



30 MINUTES TO DIA

VPD: 31,000

MAIN ST  
BARNES  
& NOBLE

SPORTS  
ILLUSTRATED

Office  
DEPOT



AMC  
THEATRES

BED BATH & BEYOND  
OFF BROADWAY  
ROSS  
DRESS FOR LESS  
PETCO  
ULTA  
dressbarn  
WORLD MARKET  
WORLDMARKET.COM

E. SMOKY HILL RD.

SOUTHLANDS PKWY.



JCPenney

SAM'S CLUB

WALMART

E. COMMONS AVE.

E. ORCHARD RD.

S. AURORA PKWY.





# INVESTMENT HIGHLIGHTS



## NEW 2021 CONSTRUCTION

- Brand new construction scheduled to be delivered in Q4 2021



## DOMINANT RETAIL LOCATION

- Murphy USA is located along E Smoky Hill Road, one of the main travel corridors in southeast Denver
- This dominant retail trade area attracts customers from across the MSA



## EXCELLENT ACCESS & VISIBILITY

- The subject property is located amongst new development including Ent Credit Union, AutoZone, Panda Express, Popeyes and Living Water Car Wash
- Daily traffic counts are in excess of 31,000 vehicles per day



## ATTRACTIVE NET LEASE STRUCTURE

- Murphy USA features an Absolute NNN ground lease providing zero landlord responsibility for a new owner
- Perfect for out-of-town investors seeking passive cash flow



## DENSE RESIDENTIAL DEMOGRAPHICS

- Within a 5-mile radius of Murphy USA, the average household income is more than \$137,000
- The residential density within a 5-mile radius of Murphy USA is over 157,000 people





## TOP PERFORMING TENANT

- 100% leased to Murphy Oil USA, Inc., a powerful brand that serves approximately 1.6 million customers every day across 26 states.
- Murphy Oil currently operates over 1,600 locations in 26 states including 1,400 Murphy USA stores and 240 Murphy Express stores.



## DEBT FREE OFFERING

- Murphy USA is being offered free and clear of any existing debt allowing an incoming investor to take advantage of the historically favorable terms in the capital markets.

### ADDRESS

23290 East Smoky Hill Road, Aurora, CO 80016

### COUNTY

Arapahoe

### TENANT

Murphy Oil USA, Inc.

### LEASE TYPE

NNN Ground Lease

### LEASED

100%

### PARCEL SIZE

1.14 Acres

### YEAR BUILT

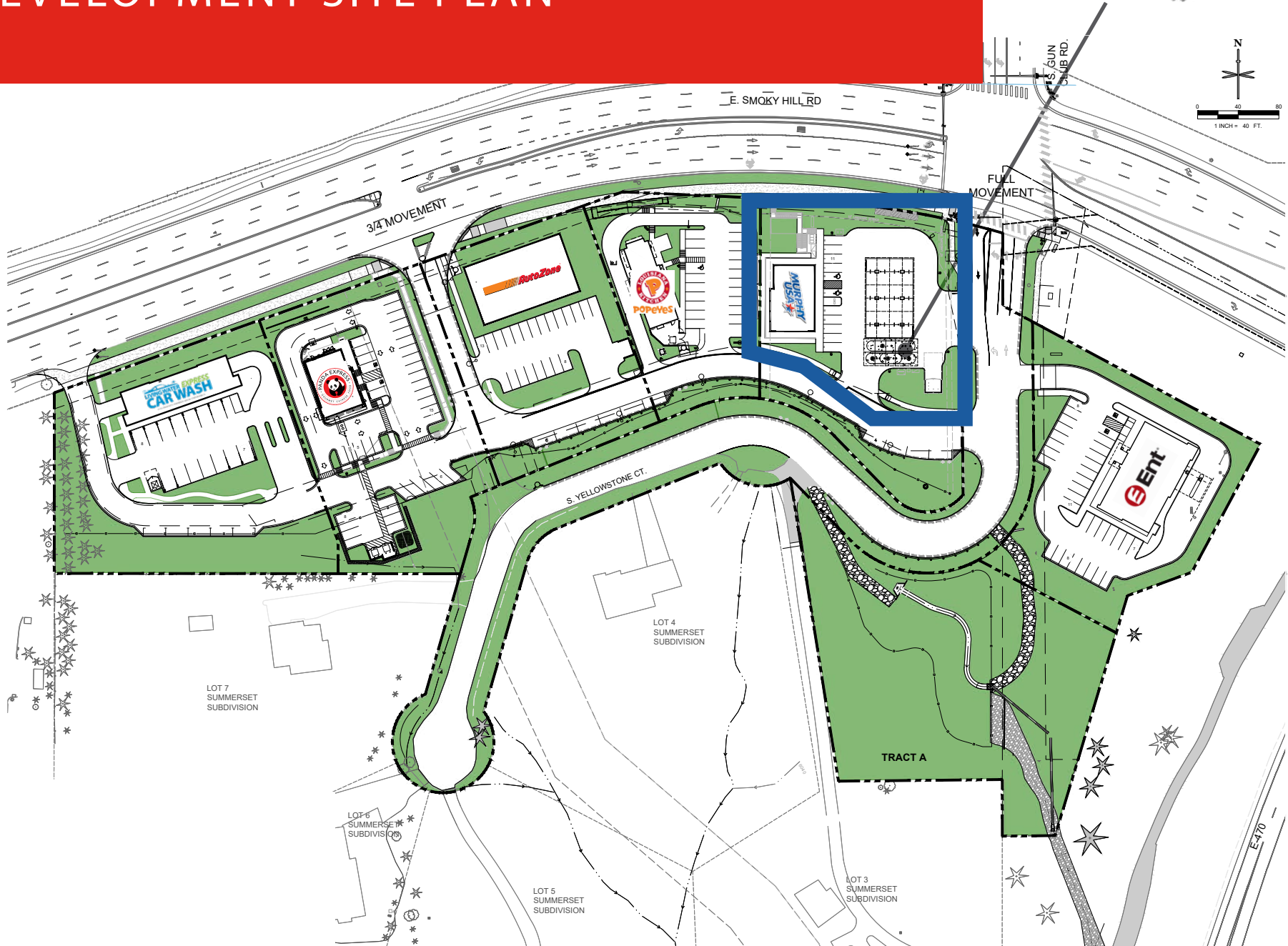
Q4 2021 – Under Construction

### OWNERSHIP

Fee Simple



# DEVELOPMENT SITE PLAN





## TENANT OVERVIEW



MURPHY OIL USA, INC.

[MURPHYUSA.COM](https://www.murphyusa.com)

Murphy USA (NYSE: MUSA) is an El Dorado, AR headquartered gas and convenience store operator with over 1,400 operating units throughout 26 states under the brands Murphy USA and Murphy Express. Murphy Oil USA provides quality fuels at low prices to approximately 1.6 million customers every day. Murphy Oil USA has plans to continue growing through the opening of more Murphy USA and Murphy Express stores. In 2020, Murphy Oil had revenue of \$1.75 billion.



REPRESENTATIVE PHOTO

## MURPHY USA INC. (NYSE: MUSA)

### Murphy USA Inc. Reports Third Quarter 2021 Results

- Net income was \$104.0 million, or \$3.98 per diluted share, in Q3 2021 compared to net income of \$66.9 million, or \$2.27 per diluted share, in Q3 2020
- Total fuel contribution (retail fuel margin plus product supply and wholesale ("PS&W")) results including RINs for Q3 2021 was 26.6 cpg, compared to 22.3 cpg in Q3 2020

"Despite continued supply chain constraints and operational hurdles, Murphy USA's exceptional third-quarter performance demonstrates our ability to compete and win in a challenging environment," said President and CEO Andrew Clyde. "We grew both fuel volumes and margins versus the prior year, expanded same-store merchandise contribution, and introduced targeted investments in labor to support our employees and help maintain our high standards of customer service. Our outlook for the business remains robust and we expect to generate strong free cash which will enable continued organic growth and shareholder distributions..."



# LEASE ABSTRACT

INITIAL TERM:	20 Years
OUTSIDE RENT COMMENCEMENT DATE:	Earlier of opening for business or 2/12/21
LEASE EXPIRATION:	240 full calendar months after rent commencement including any partial month
NAME OF LESSEE:	Murphy Oil USA, Inc
RENT SCHEDULE:	Years 1-5: \$161,000 Years 6-10: \$173,880 Years 11-15: \$187,790 Years 16-20: \$202,814
OPTIONS:	Tenant shall have the right to renew the lease for 4 periods of 5 years each at \$223,095, \$245,405, \$269,945, and \$296,940, in options 1-4, respectively.
REIMBURSEMENT NOTES:	Tenant shall timely pay (i) all utility charges directly to the utility company providing such service; (ii) all internet, telephone, cable, and other services of this nature; (iii) all insurance premiums and other charges for all such insurance; (iv) all taxes concerning or relating to the land, the building, and/or improvements comprising the premises and/or the use thereof; and (v) all costs and expenses associated with the repairs, maintenance and replacement of and to the land, premises, building, roof, parking lots, and other improvements thereon.
PIF:	Tenant agrees that the Public Improvement Costs incurred will be paid for, in whole or part, through the recording of the PIF covenant and PIF Fee against all PIF sales (any exchange of goods or services for money occurring within any portion of the Premises upon which City of Aurora sales tax is payable from time to time pursuant to City sales tax ordinance).



# DRIVE TIMES



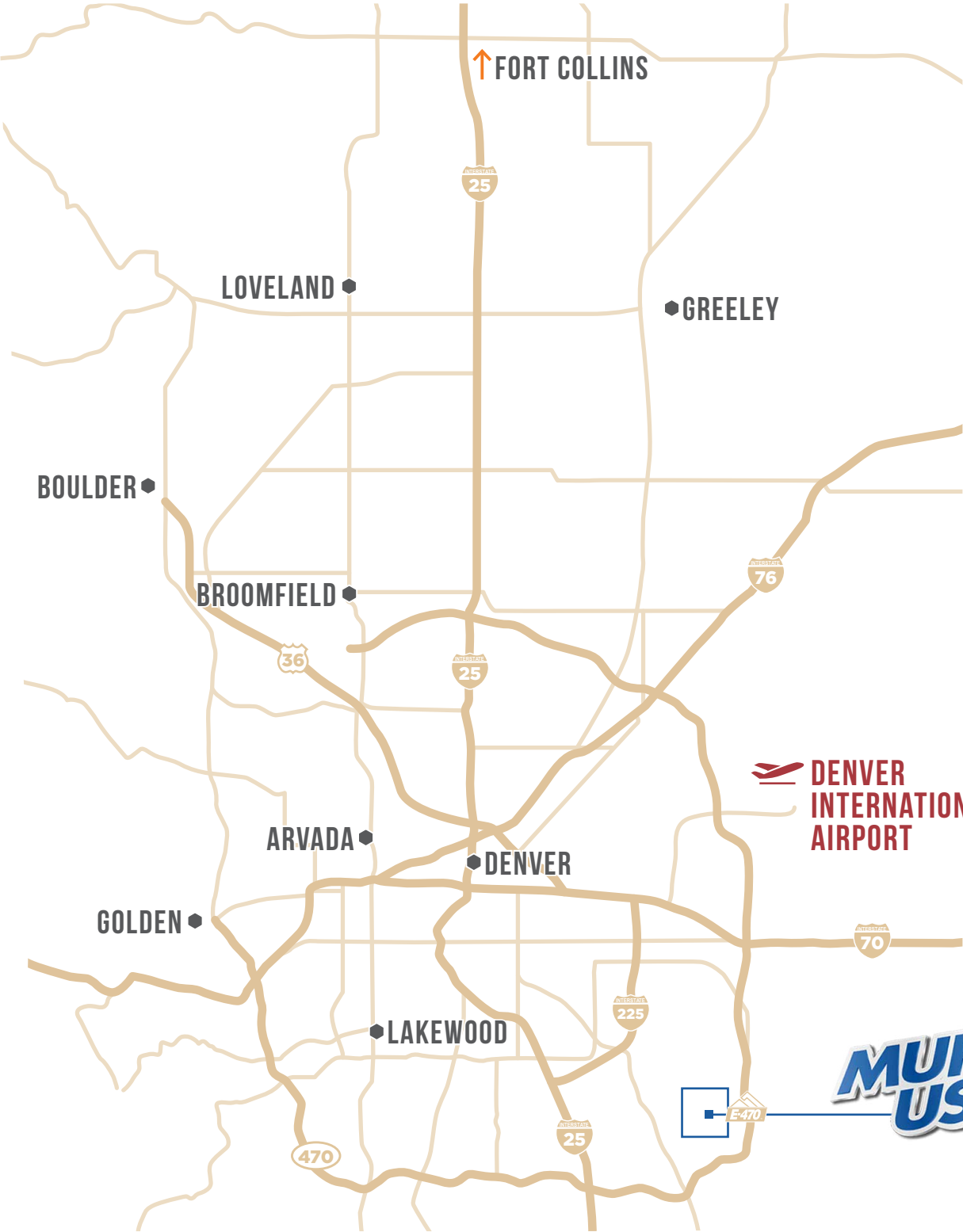
DENVER TECH  
CENTER  
15 MIN



DOWNTOWN  
DENVER  
30 MIN



DENVER  
INTERNATIONAL  
AIRPORT  
30 MIN



 DENVER  
INTERNATIONAL  
AIRPORT







## LOCATION OVERVIEW

### DENVER

Located 15 miles east of the front range of the Rocky Mountains, Denver's central geographic location has played a large role in its economic success. Because Denver is within a two-hour flight of two-thirds of the United States and within four hours of every major city with a population of one million or more on the continent, it has evolved into a major national transportation and commercial hub. Denver also enjoys strategic advantages for intercontinental commerce; located on the 105th meridian, halfway between Tokyo and Munich, Denver is the largest city in the U.S. with access to both Pacific and European markets in a single business day.

With a 2021 population of over three million, the Denver metro is the 21st most populous MSA in the country. Metro Denver promotes a lifestyle where family, health and career complement one another. Denver has nearly 300 days of sunshine with breathtaking vistas of Colorado's Rocky Mountains. The city's goal is to become "America's Healthiest Community" by creating interlinked, walkable communities and programs that support wellness at school and work. Relatively low occupancy costs, a multimodal transportation system and a central location from both coasts, has attracted some of the country's most successful and diverse companies to the Denver area. Denver has reported over 5,492 new jobs in 2019 and a 6% increase in retail sales. Both public and private sectors collaborate on economic development initiatives for the benefit of the entire region.



300+ DAYS OF ANNUAL  
SUNSHINE

WINTER STORMS ARE NORMALLY  
SHORT-LIVED AND SNOW MELTS  
RAPIDLY IN THE REGION

# DENVER OVERVIEW

FUNDAMENTALS ARE STILL STRONG TEN  
YEARS INTO THE BUSINESS CYCLE.

2021 ESTIMATED POPULATION  
3.3 M

UNEMPLOYMENT RATE  
2.7%

MEDIAN HH INCOME  
\$76,640

MEDIAN SALE PRICE  
SINGLE-FAMILY HOME  
\$452,200

NET MIGRATION SINCE  
RECESSION FORECAST  
(2010-2019)  
289,500

PROJECTED ADDITIONAL JOBS  
IN 2019  
31,000 (1.8% GROWTH)

2018 GDP  
\$193.4 BILLION



**11 WORLD-CLASS SKI  
RESORTS ARE WITHIN  
100 MILES**





## DENVER OVERVIEW



### 9 INDUSTRY CLUSTERS

- Aerospace
  - Aviation
  - Beverage Production
  - Bioscience
  - Energy
  - Broadcasting & Telecommunications
  - Energy
  - Financial Services
  - Healthcare & Wellness
- 



COLORADO IS THE NATION'S MOST PHYSICALLY ACTIVE STATE

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100+ PUBLIC AND PRIVATE GOLF COURSES ARE LOCATED IN METRO DENVER.

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## DENVER'S RTD TRANSIT SYSTEM

The Denver transit system is a collection of local, regional, and SkyRide bus routes, rail lines and Park-n-Ride services that create connectivity throughout eight counties within the Denver-Aurora-Boulder MSA 365 days a year. The RTD bus system offers more than 9,000 stops and over 125 bus routes providing commuters a fast and hassle-free way to get where they need to go. The RTD Railroad has nine rail lines that service 53 stations along Denver's Southeast, Southwest, West, and East rail corridors allowing travelers to get to major hot spots like Denver International Airport, the Theatre District, Convention Center, Empower Field at Mile High, Ball Arena, the 16th Street Mall, and Park Meadows Mall. The constant expansion of the RTD transit system is a direct reflection of the Denver's bustling industry and urban trajectory.



# DEMOGRAPHICS

## POPULATION

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2021 POPULATION - CURRENT YEAR ESTIMATE	15,442	82,671	166,860
2026 POPULATION - FIVE YEAR PROJECTION	16,972	90,116	178,370
2010-2021 ANNUAL POPULATION GROWTH RATE	2.41%	3.24%	2.09%
2021-2026 ANNUAL POPULATION GROWTH RATE	1.91%	1.74%	1.34%
2021 DAYTIME POPULATION	14,212	68,924	139,878

## INCOME

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2021 AVERAGE HOUSEHOLD INCOME	\$125,331	\$149,143	\$137,149
2026 AVERAGE HOUSEHOLD INCOME	\$142,923	\$168,015	\$154,793
2021 MEDIAN HOUSEHOLD INCOME	\$103,723	\$122,724	\$112,818
2021 PER CAPITA INCOME	\$44,203	\$49,930	\$47,117

## HOUSEHOLDS

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2021 CURRENT YEAR ESTIMATE	5,607	27,641	57,256

## HOUSING VALUE

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2021 AVERAGE HOUSING VALUE	\$549,545	\$555,614	\$524,527

## TRAFFIC COUNTS

E SMOKY HILL RD AT S GUN CLUB RD	31,000 Vehicles per Day
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#### Affiliated Business Disclosure

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#### Confidentiality Agreement

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

#### Disclaimer

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner. PMStudio\_November2021

23290 EAST SMOKY HILL ROAD, AURORA, CO 80016 - DENVER METRO



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