

SECURE
NET LEASE



QuikTrip

\$6,175,000 | 4.50% CAP

2428 Hubbell Ave., Des Moines, IA 50317

- ✓ **Rare Corporate Sale-Leaseback Opportunity** | May Qualify for Bonus Depreciation
- ✓ **15-Year Absolute NNN Lease** with (10) 5-Year Options to Renew
- ✓ **Ranked #29 on Forbes** America's Largest Private Companies 2020 List
- ✓ **12th Largest** Convenience Store Chain in the U.S.
- ✓ **High Traffic Location** with Rare Five Driveway Entrances

QuikTrip is the **12th largest convenience** store chain in the country with over **900 locations** and growing. QuikTrip was recently ranked by Forbes as the **28th largest** private company with **over \$11 Billion** in Revenue.

INVESTMENT OVERVIEW

— QUIKTRIP DES MOINES, IA



CONTACT FOR DETAILS

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Executive Vice President
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IA Broker of Record: Dillon Temple

License #: B65014000

\$6,175,000

4.50% CAP

NOI

\$277,875

Building Area

±5,773 SF

Land Area

±1.87 AC

Year Built

2015

Lease Type

Absolute NNN

Occupancy

100%

- ✓ **Rare corporate sale-leaseback opportunity.** New 15-year absolute NNN lease with (10), 5-Year options to renew.
- ✓ **Eligible for 100% bonus depreciation in year 1** - Fee simple ownership of a convenience store or gas station allows the landlord to be eligible to use the Accelerated Bonus Depreciation model. Consulting your accountant or tax attorney is advised.
- ✓ **QuikTrip operates over 900 locations in 11 states and does not franchise to other operators;** making sure each store is consistent and meets QuikTrip's quality expectations.
- ✓ **QuikTrip is the 12th largest convenience store chain in the country.** QuikTrip was recently ranked by Forbes as the 28th largest private company with over \$11 Billion in Revenue.
- ✓ **Excellent access and visibility:** Subject property is ideally situated in a high-traffic corridor between two major Iowa highways, I-235 (77,166 VPD) & IA-163 (27,459 VPD).
- ✓ **Des Moines is the core of one of the fastest growing metro areas in the Midwest.** As a globally connected community with a skilled workforce and a nationally ranked business environment, there's a reason Downtown DSM is home to some of the world's biggest and most dynamic brands.

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SECURE
NET LEASE

TENANT OVERVIEW

QUIKTRIP DES MOINES, IA

QuikTrip

Lessee: QuikTrip Corporation

Guarantor: QuikTrip Corporation

REVENUE
\$11.2 B

CREDIT RATING
BBB

LOCATIONS
900+



quiktrip.com

QuikTrip Corporation is a privately held company headquartered in Tulsa, Oklahoma that owns and operates gasoline and convenience stores.

Founded in 1958, QuikTrip has grown to a more than **\$11 billion** company with 850+ stores across 11 states. Those revenues place QuikTrip high on the Forbes listing of **largest privately** held companies. QuikTrip Corp. currently holds an NAIC 2 Rating which is the equivalent of a **"BBB"** rating by Standard & Poor's. QuikTrip locations feature the company's own QT brand of gas, as well as brand-name beverages, candy, tobacco and QT's own Quik'n Tasty and Hotzi lines of sandwiches. With **over 24,000 employees**, QuikTrip has made Fortune Magazine's list of "Best Companies to Work For" every year for the **last 15 years** and received the 38th spot in People Magazine's **"50 Companies That Care."**

QuikTrip is consistently **ranked as one of the top convenience store** marketers in product quality and friendly service, including a top spot on GasBuddy's **Top Rated C-Store list for 2017**, and Top Rated Convenience Store Brand in the state of Missouri. It is also ranked 68th on Fortunes **100** best companies to work for in 2017 and **33rd on Forbes List of Private Companies**. QuikTrip also gives back to the communities it serves, **donating 5% of net profits** to qualified 501c3 non-profit agencies, which includes United Way campaign match, support for National Safe Place agencies, Folds of Honor scholarships, and many other agencies that support at-risk youth and early childhood education



IN THE NEWS

— QUIKTRIP DES MOINES, IA

QuikTrip Celebrates 900th Store Milestone

JULY 26, 2021 (CONVENIENCE STORE NEWS)

QuikTrip Corp. (QT) is celebrating a company milestone with the opening of its 900th convenience store, located in Corsicana, Texas.

Over the course of the company's **63 years**, it has grown to **12 states**. Four more states — Tennessee, Arkansas, Alabama and Colorado — are scheduled to enter the pipeline in the next year, reported Tulsa World. "We are proud of the strategic progress QT has made over the course of our **63-year history**," QuikTrip Marketing Director Steve Wilson said in a statement. "To think back on this small grocery store that was started decades ago and look at where we are now, opening our **900th sophisticated convenience store**, is truly humbling.

QT's 900th store milestone comes just two years after the convenience operator celebrated its 800th store in the San Antonio, Texas metro area in 2019, followed by its 850th store in September 2020.

"Our team has worked incredibly hard to be at the forefront of the c-store industry," he added. "We hold a great amount of pride in our investment in our people and the communities we serve."

In **1958**, Burt Holmes and Chester Cadieux invested their life savings to open the first QuikTrip, a small grocery store in their hometown of Tulsa.

Today, Tulsa-based QT has **grown to a more than \$11 billion** company and is consistently listed among **Forbes' largest privately held companies**.

EXPLORE ARTICLE



How QuikTrip Is Investing in Its Leaders

DANIELLE ROMANO, JUNE 16, 2021 (CONVENIENCE STORE NEWS)

Founded in 1958, QuikTrip Corp. (QT) has been a key player in transforming the convenience retailing landscape. Today, the 850-store chain has grown to a more than \$11 billion company with operations across 11 states, and is consistently listed among Forbes' largest privately held companies.

But at the core of QT's longevity and success is its **more than 24,000 employees**, who have contributed to the operator being named one of the Best Companies to **Work For for 14 years**.

With its leaders dispersed over multiple locations and with diverse responsibilities, QT was driven to create a common leadership language that could be used universally throughout the company and directly correlated to its mission to help employees grow and succeed.

"QuikTrip has a **very powerful culture and is growing**, which is why it needed a common leadership language. One of the most common constraints to a company that is looking to grow is that you have to have leaders who will perpetuate that culture," Marcia Dolby, principal learning partner, global solutions at HBP, told Convenience Store News. "Having a common leadership language helps to develop a talent pipeline that will help the company grow."

Joining forces to craft and define what "leadership" is and what it means to the company, QT and HBP created the **Advanced Leadership Program (ALP)** in 2015, aimed at high-potential leaders. They then added the **Master Leadership Program (MLP)**, which expands on the ALP.

The programs cover a gamut of lessons, such as decision making, effective communication, strategy, **delivering impact** and value, and managing and developing people. Courses consist of case studies, application and simulations, and lessons taught by Harvard faculty and authors.

EXPLORE ARTICLE



LEASE OVERVIEW

QUIKTRIP DES MOINES, IA

| | |
|----------------------------|---|
| Initial Lease Term | 15-Years, Plus (10), 5-Year Options to Renew |
| Rent Commencement | Upon Closing |
| Estimated Lease Expiration | 15 Years After Closing |
| Lease Type | Absolute NNN |
| Rent Increases | .25 Basis Point Bumps Every 5-Years in Primary Term and Options |
| Annual Rent YRS 1-5 | \$277,875 |
| Annual Rent YRS 6-10 | \$293,313 |
| Annual Rent YRS 11-15 | \$308,750 |
| Option 1 | \$324,188 |
| Option 2 | \$339,625 |
| Option 3 | \$355,063 |
| Option 4 | \$370,500 |
| Option 5 | \$385,938 |
| Option 6 | \$401,375 |
| Option 7 | \$416,813 |
| Option 8 | \$432,250 |
| Option 9 | \$447,688 |
| Option 10 | \$463,125 |



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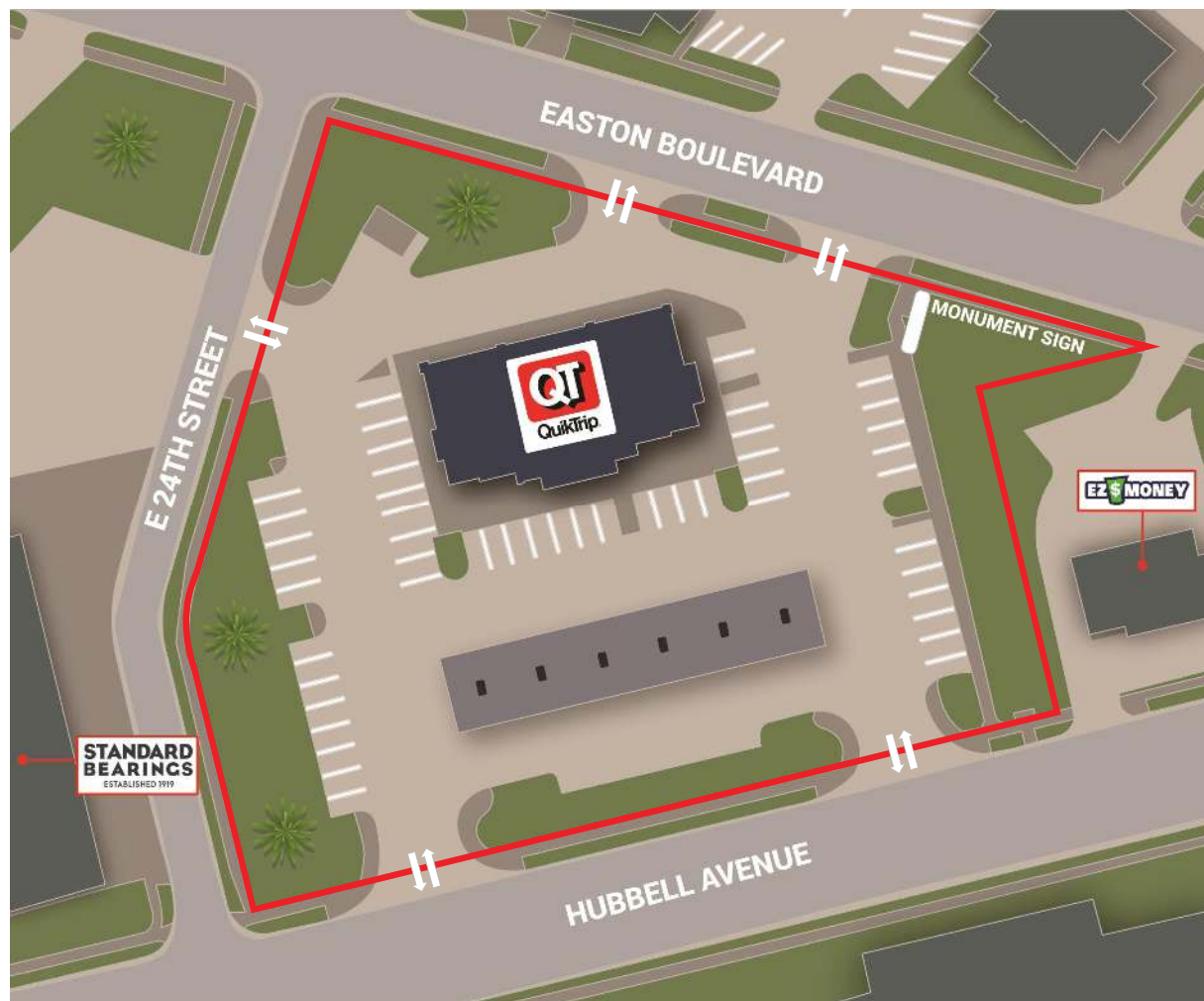
SITE OVERVIEW

QUIKTRIP DES MOINES, IA

| | | |
|---|-------------------|-----------|
|  | Year Built | 2015 |
|  | Building Area | ±5,773 SF |
|  | Land Area | ±1.87 AC |
|  | Pumps | 6 |
|  | Fueling Positions | 12 |

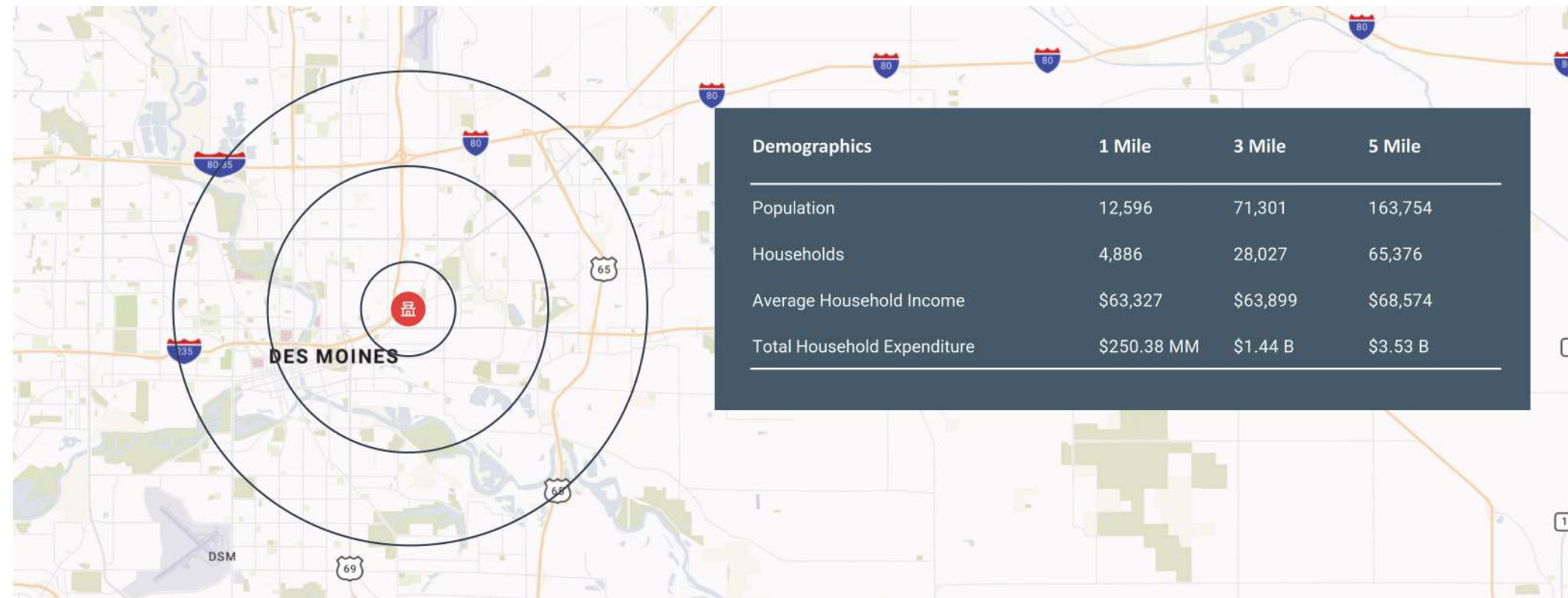
NEIGHBORING RETAILERS

- Aldi
- Boot Barn
- Dollar General
- Family Dollar
- Advance Auto Parts
- Goodwill
- U-Haul
- O'Reilly Auto Parts
- CVS
- Dollar Tree



LOCATION OVERVIEW

QUIKTRIP DES MOINES, IA



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

- | | | |
|-----------------------------------|---------------------------------|---|
| 1. Wells Fargo & Company (13,500) | 7. Nationwide (3,300) | 13. Kum & Go (2,000) |
| 2. UnityPoint Health (8,026) | 8. Vermeer Corporation (3,200) | 14. UPS (1,721) |
| 3. Principal (6,600) | 9. John Deere (2,884) | 15. Wellmark Blue Cross Blue Shield of Iowa (1,600) |
| 4. Hy-Vee, Inc. (6,400) | 10. Corteva Agriscience (2,500) | |
| 5. MercyOne (4,276) | 11. JBS USA (2,300) | |
| 6. Amazon (3,500) | 12. Pella Corporation (2,224) | |

LOCATION OVERVIEW

QUIKTRIP DES MOINES, IA



Des Moines
Iowa

215,636
Population

\$53,525
Median Household Income

#3 'Best Affordable Place to Live in the U.S.' - U.S. News & World Report

#3

#5 'Best Place for Business and Careers' - Forbes

#5

Des Moines is the capital and the most populous city in the U.S. state of Iowa. It is also the county seat of Polk County.

A small part of the city extends into Warren County.

Cultural diversity, well-established neighborhoods and mixed-use areas, a variety of industries, walkability and a thriving retail community are reasons why Money Magazine recognizes Des Moines as the #1 City to Live in Iowa and the #37 Best Place Live in America.

The City of Des Moines, Iowa was incorporated as a town in 1851 and as a city in 1857. Extending over 80 square miles, it is home to an estimated 217,000 people and the central city of a metropolitan area of approximately 645,000.

It is a river city, intersected by the Des Moines and Raccoon Rivers. The City is ranked "#3 Best Affordable Place to Live in the U.S." by U.S. News & World Report and "#8 Best U.S. City for Work-Life Balance" by GO Banking Rates. The city comes in the list of "Top 10 Best State Capital to Live in" by WalletHub. Des Moines is the industrial, commercial, financial, trade, transportation, and governmental center of Iowa. The City's insurance industry is the third largest in the world after London and Hartford and growing. There are over 200 insurance offices and headquarters located in Iowa employing more than 20,000 people in Des Moines. Insurance activities are part of a strong local economy that is also based in agriculture, manufacturing, technology, education, health care, and other services. While Iowa is an agricultural state, the City's economic diversification insulates it from the farm economy. The major employers of the city are Wells Fargo & Co., UnityPoint Health Partners, Principal, Hy-Vee, Inc., Mercy Hospital Medical Center, Des Moines Public Schools, Nationwide Insurance, John Deere companies, Dupont Pioneer, Wellmark Inc. It is ranked #3 Top Market for Opportunity Employment Share by Site Selection.

IN THE NEWS

— QUIKTRIP DES MOINES, IA

This Is the Fastest Growing City in Iowa

GRANT SUNESON, NOVEMBER 12, 2021 (THE CENTER SQUARE)

The U.S. population growth rate hit its lowest level since the Great Depression, according to the 2020 U.S. Census. Over the past decade, the Great Recession and COVID-19 pandemic slowed immigration as well as caused many Americans to hold off on having kids.

Population growth did not stagnate everywhere in the U.S., however. In fact, in nearly every state at least **one major metro area** reported a faster population growth rate from **2010 to 2020** than the comparable **national rate of 6.7%**.

The fastest growing city in Iowa is the Des Moines-West Des Moines metro area. Its population grew by 16.7% from 2010 to 2020 to 707,915 residents. During that same time, the population of Iowa grew by 3.8%.

Economic opportunity often drives population changes, and most of the **fastest growing cities** in each state have relatively **high incomes** compared to the state as a whole. The Des Moines-West Des Moines metro area has a median annual household income of **\$71,164**, well above Iowa's median of **\$61,691**.

To determine the fastest growing city in each state, 24/7 Wall St. reviewed population data from the U.S. Census Bureau's Population and Housing Estimates Program. Metropolitan areas were ranked based on total population change from **2010 to 2020**. Data on the components of population growth -- births, deaths, international and domestic migration -- also came from the PEP program. Supplemental data on employment used to calculate employment growth from **2010 to 2020 came** from the Bureau of Labor Statistics. Seasonally adjusted data on the **May 2021** unemployment rate also came from the BLS. Data on median household income came from the Census Bureau's 2019 American Community Survey and are one-year estimates. This is the **fastest growing** city in each state.

EXPLORE ARTICLE



Iowa's GDP grows 7.7%, among strongest Q2 performances in the country

OCTOBER 5, 2021 (BUSINESS RECORD)

In Iowa, the monetary value of GDP in the second quarter was nearly \$220.93 billion, up from just over \$210 billion in the first quarter of 2021, and well above the \$179.9 billion in the same quarter of 2020, when the coronavirus pandemic caused businesses to shut down and to furlough or layoff workers and caused disruptions in the supply chain.

According to the report, released on Friday, the **increase in the second-quarter** GDP reflects the continued **economic recovery** from the pandemic, and the continued government response to the pandemic. Government assistance to businesses and state and local **governments increased** in the **second quarter**, while benefits to households, such as direct economic payments, declined, the report stated.

Iowa's gross domestic product grew 7.7% in the second quarter, the eighth-highest ranking in the country as the state and the nation continue their recovery from the coronavirus pandemic. Iowa's growth outpaced the national rate of 6.7%, and was ahead of its neighboring states.

Iowa's strong **second-quarter** showing followed a first quarter where the state ranked **44th in its GDP** growth.

The report showed that the agriculture sector was the biggest contributor to the growth in the second quarter at **3.9%**, followed by a **1.28%** increase in accommodation and food services, which follows a national trend of bouncing back from the pandemic. Also following a national trend, retail trade in **Iowa shrank 0.97%** while wholesale trade was **down 0.10%**.

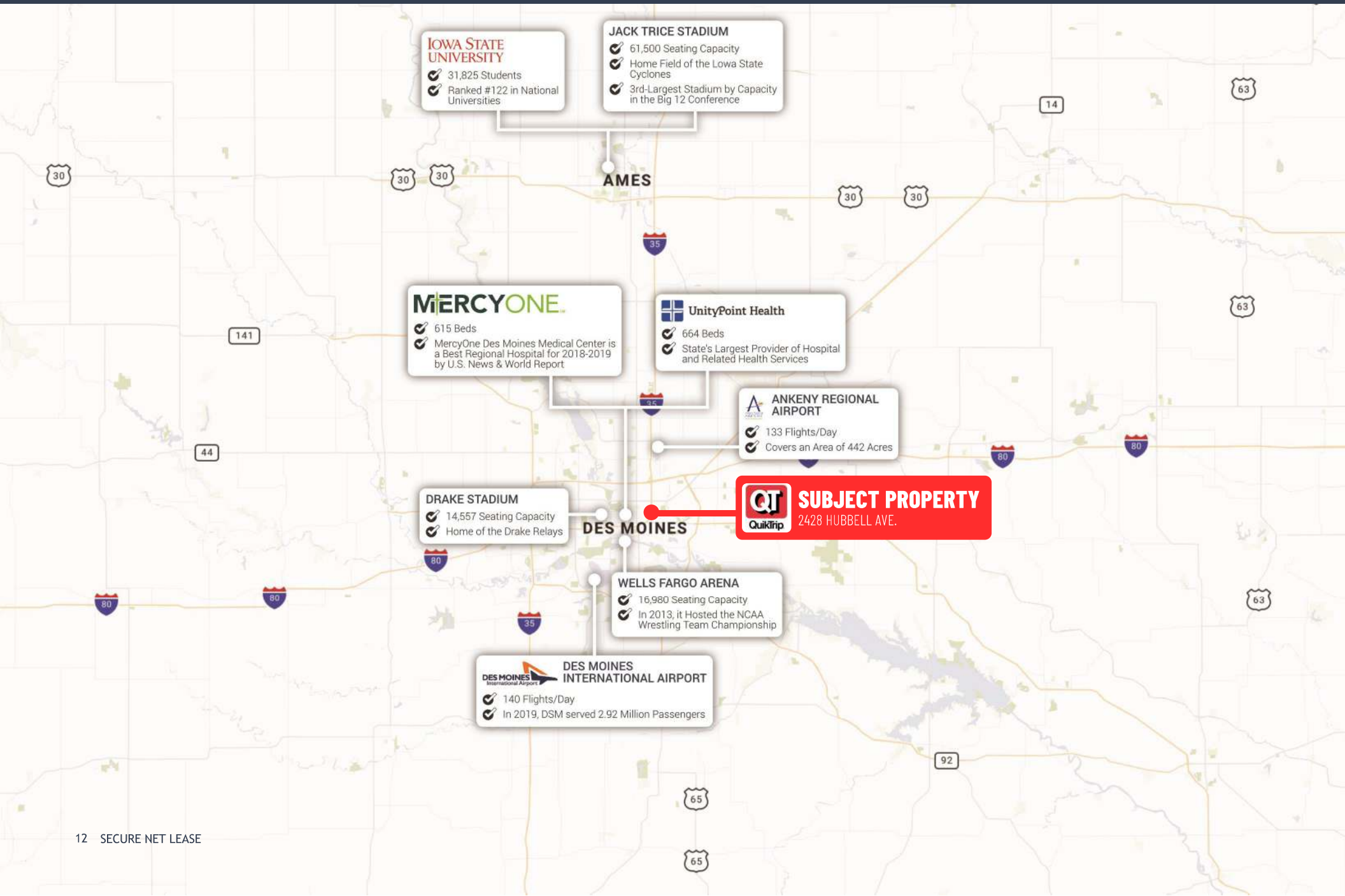
Other sectors of the economy, such as durable and nondurable goods, construction, real estate, and arts and entertainment all experienced small growth of **0.50% or less** in the second quarter, the report showed.

EXPLORE ARTICLE



DES MOINES-WEST DES MOINES MSA

QUIKTRIP DES MOINES, IA



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