

200 HWY 63B

BONO, AR 72401



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

The Offering Memorandum contains select information pertaining to the business and affairs of Kum & Go (“property”). It has been prepared by Prime Net Lease. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Prime Net Lease. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their offices, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

Owner and Prime Net Lease expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offer Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to the prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executive Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Prime Net Lease or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

BY ACCEPTING THIS CONFIDENTIAL OFFERING MEMORANDUM, YOU AGREE TO RELEASE PRIME NET LEASE 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.

**EXCLUSIVELY PRESENTED BY**



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*In association with: Bang Realty-Arkansas Inc PB00082359*

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# PROPERTY DESCRIPTION



## PROPERTY DESCRIPTION

Prime Net Lease is pleased to offer the opportunity to acquire the fee simple interest in as free standing, Kum & Go located in Bono, Arkansas.. The subject property was built in 1995 and was purchased by Kum & Go in 2007, who then signed a brand new 20-year Absolute NNN lease

This site has successfully operated as a gas station and convenience store for over 27 years. There are currently just under 6 years remaining on the initial term of the lease. There are four, 5-year tenant options following the initial term. The lease is corporately guaranteed by Kum & Go and features 1.5% annual rental increases throughout both the initial term and option periods.

The subject property is located on Us Highway 63B, centrally located in the town of Bono and a major thoroughfare in the area which provides access to US Highway 6, the direct route connecting Memphis, Tennessee to Springfield, Missouri. The location has several points of ingress/egress allowing for very easy access in and out of the location.

This 24-Hour Kum & Go location has 6 fuel pumps and a 4,139 square foot convenience store serving essential items such as cold & hot beverages and to go food and snacks. Its central location within the town and being the only convenience store/gas station in town has allowed this location to thrive and serve the local community. This Kum & Go has remained open and operating throughout the Covid-19 pandemic.

Bono is on the outskirts of the city of Jonesboro, and is apart of its Metropolitan Statistical Area. Jonesboro is the most Northeastern city and the 5th largest in the state of Arkansas with a population exceeding 121,000 residents within its MSA.



# OFFERING SUMMARY

## PROPERTY INFORMATION

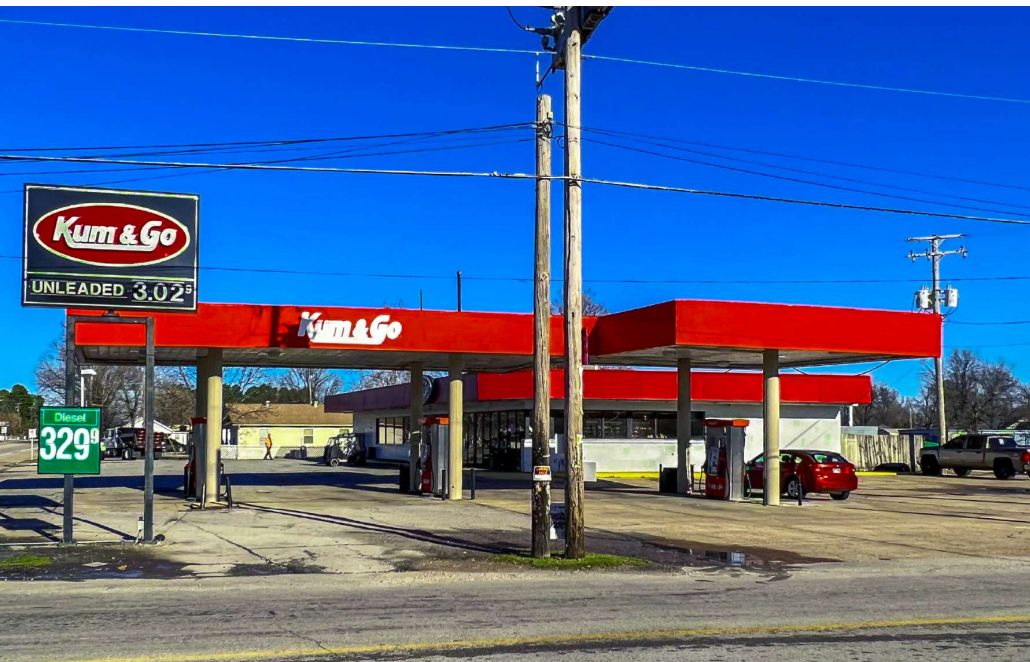
<b>Property Address</b>	<b>200 Hwy 63B Bono, AR 72401</b>
<b>Land Area</b>	0.82 Acres
<b>Year Built</b>	1995
<b>Ownership Type</b>	Fee Simple

## PRICING INFORMATION

<b>Offering Price</b>	<b>\$1,416,952</b>
<b>Net Operating Income</b>	<b>\$95,644</b>
<b>Cap Rate</b>	<b>6.75%</b>
<b>Price Per Square Feet</b>	\$342.34
<b>Tenant</b>	Kum & Go, L.C.
<b>Guarantor</b>	Corporate
<b>Term Remaining</b>	5.8 Years
<b>Lease Type</b>	Absolute NNN
<b>Landlord Responsibilities</b>	None



# COMPLETE HIGHLIGHTS



LOCATION INFORMATION	
Building Name	Kum & Go
Street Address	200 Hwy 63B
City, State, Zip	Bono, AR 72401
County	Craighead

BUILDING INFORMATION	
NOI	\$95,644.32
Cap Rate	6.75%
Occupancy %	100.0%
Tenancy	Single
Year Built	1995
Year Last Renovated	2007

## PROPERTY HIGHLIGHTS

- **Lease Term** - There are just under 6 years remaining on the original 20-year absolute NNN Lease.
- **Strong Tenant** - 400+ Unit operator, Kum & Go is the 18th Largest Convenience Store Operator in the Nation. 2020 marks Kum & Go's 61st year in the business.
- **Annual Rental Increases** - 1.5% Annual Rental increases throughout the initial term and option period to help investors hedge against inflation.
- **Essential Amazon Proof Business** - The subject property has remained open and has paid rent in full and on time every month throughout the mandatory stay-at-home orders given by the government at a result of the Covid-19 pandemic.
- **Zero Landlord Responsibility** - Absolute Triple Net Lease. There are Zero Management responsibilities, perfect for buyers looking for a "hands-off" investment.
- **100% BONUS DEPRECIATION** - Fee Simple ownership of a Gas Station / Convenience Store provides the landlord the opportunity to use accelerated Bonus Depreciation model. Consulting your Accountant or Tax Attorney is advised.

# FINANCIALS

TENANT	SQUARE FOOTAGE	TERM REMAINING	TERM		RENTAL INCREASE	MONTHLY RENT	MONTHLY RENT PER SF	ANNUAL RENT	ANNUAL RENT PER SF
Kum & Go	4,139	5.8 Years	09/20/2021	09/19/2022		\$7,970	\$1.94	\$95,644	\$23.25
			09/20/2022	09/19/2023	1.5%	\$8,089	\$1.97	\$97,079	\$23.60
			09/20/2023	09/19/2024	1.5%	\$8,211	\$2.00	\$98,535	\$23.95
			09/20/2024	09/19/2025	1.5%	\$8,334	\$2.03	\$100,013	\$24.31
			09/20/2025	09/19/2026	1.5%	\$8,459	\$2.06	\$101,513	\$24.68
			09/20/2026	09/19/2027	1.5%	\$8,586	\$2.09	\$103,036	\$25.05
		Option 1	09/20/2027	09/19/2032	1.5%	\$8,715	\$2.12	\$104,582	\$25.42
		Option 2	09/20/2032	09/19/2037	1.5%	\$9,388	\$2.28	\$112,664	\$27.39
		Option 3	09/20/2037	09/19/2042	1.5%	\$10,114	\$2.46	\$121,371	\$29.50
		Option 4	09/20/2042	09/19/2047	1.5%	\$10,895	\$2.65	\$130,751	\$31.78

TERM COMMENCEMENT	TERM EXPIRATION	RENEWAL OPTIONS	RENTAL INCREASES	LANDLORD RESPONSIBILITIES	TENANT RESPONSIBILITIES	GUARANTEE	RIGHT OF FIRST REFUSAL
09/01/2007	08/31/2027	Four, 5-Year Options	1.5% Annually	None	Absolute NNN	Corporate	Yes, 14 Days

# TENANT SUMMARY

**Revenues:** \$2.7 Billion in 2018  
**Rank:** 18th Largest Convenience Store operator in the nation  
**Rank:** 177th Largest private company as ranked by Forbes

W.A. Krause and T.S. Gentle founded Kum & Go, L.C. on September 1, 1959. When the two Hampton entrepreneurs opened their small full-service gas station, they couldn't have known it was only the beginning of a business which would become known for unmatched ingenuity and courageous risk-taking. In 1963, based on a desire to further serve customers, Kum & Go, L.C. introduced the convenience store concept by offering fuel and merchandise - converting their "gas station" into a "station store." By late 1977, Kum & Go had grown to 65 convenience stores employing 327 people. The 1980s brought further innovations in convenience with the addition of quick serve restaurants - including Blimpie, Taco John's and Burger King - in several stores. Kum & Go opened its first store in Des Moines in 1984.

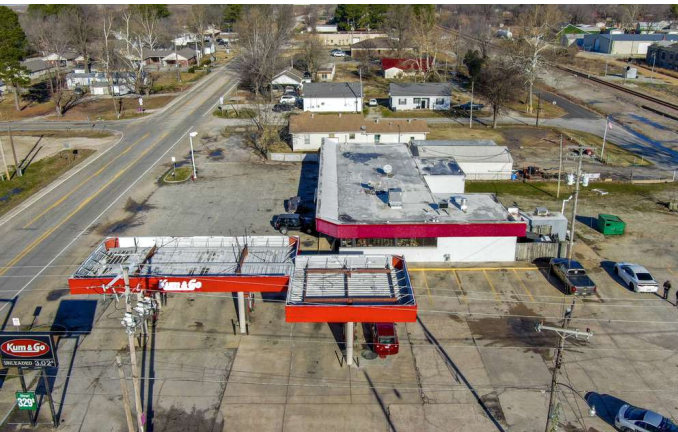
In 1988, the headquarters were moved from Hampton to West Des Moines - the fastest growing city in Iowa. By the end of the 80s, Kum & Go had 134 stores across the Midwest. In 1996, Kum & Go opened 22 new stores. In 1997, the company opened 14 new stores. In 1998, Kum & Go added 122 new stores. In early 1999, the company capped a decade of phenomenal growth with the acquisition of an additional 45 stores. In 2002, Iowa gained another 12 stores, including seven in Des Moines, two in Fort Dodge and one each in Oskaloosa, Carroll and Grinnell. The pioneering spirit of Kum & Go's founders continue to drive the company forward into the future. As the fifth largest privately held, company-operated convenience store chain in the United States, Kum & Go operates more than 400 stores in 11 states throughout the Midwest. Thanks to the efforts of its more than 5,000 associates, Kum & Go continues to strive for excellence in customer service and convenience - serving more than 400,000 customers each day.



WEBSITE	www.kumandgo.com
FOUNDED	1959
HEADQUARTERS	Des Moines, Iowa
NUMBER OF LOCATIONS	400 ±
NUMBER OF EMPLOYEES	5,000 ±

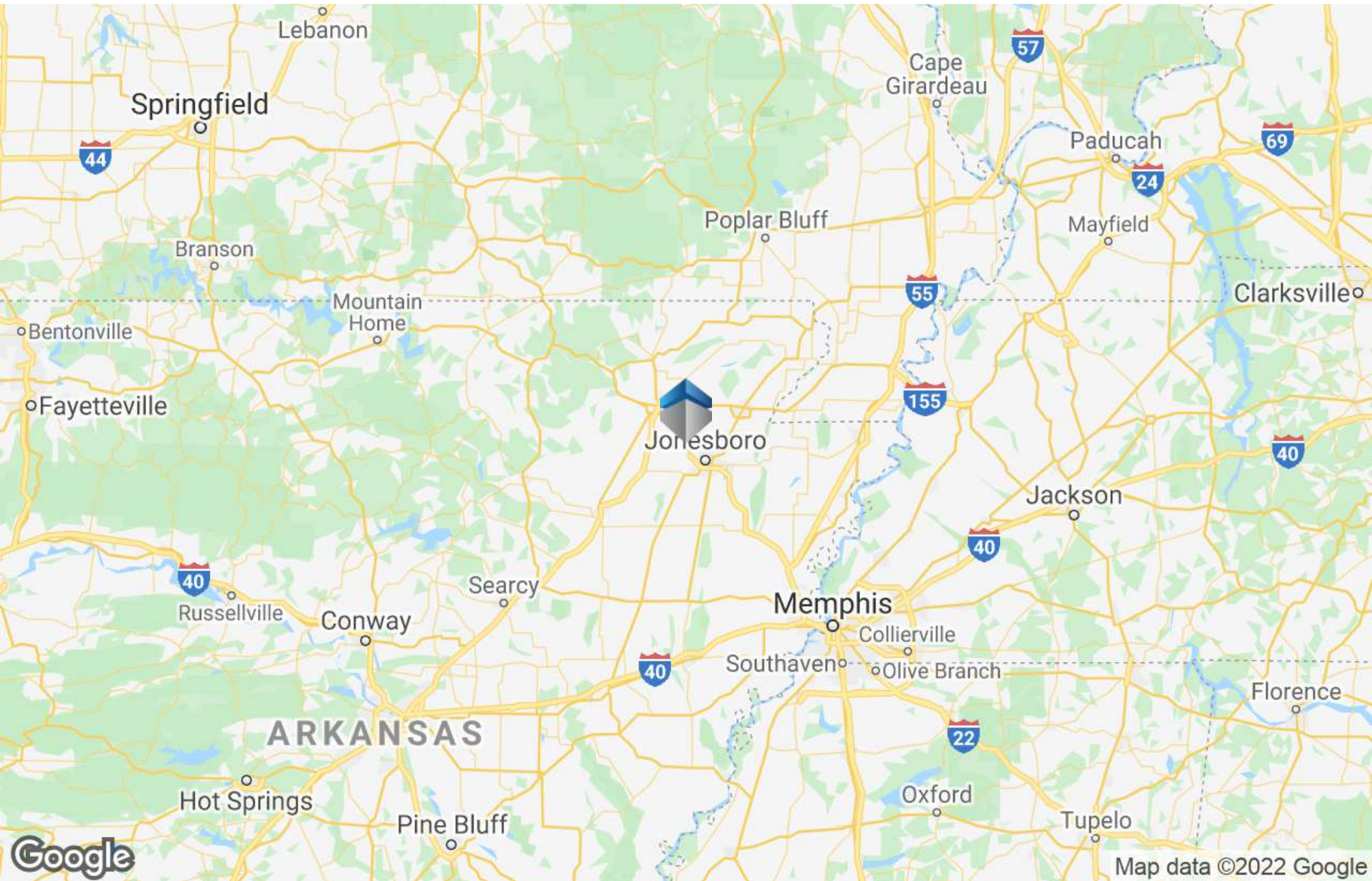


# ADDITIONAL PHOTOS



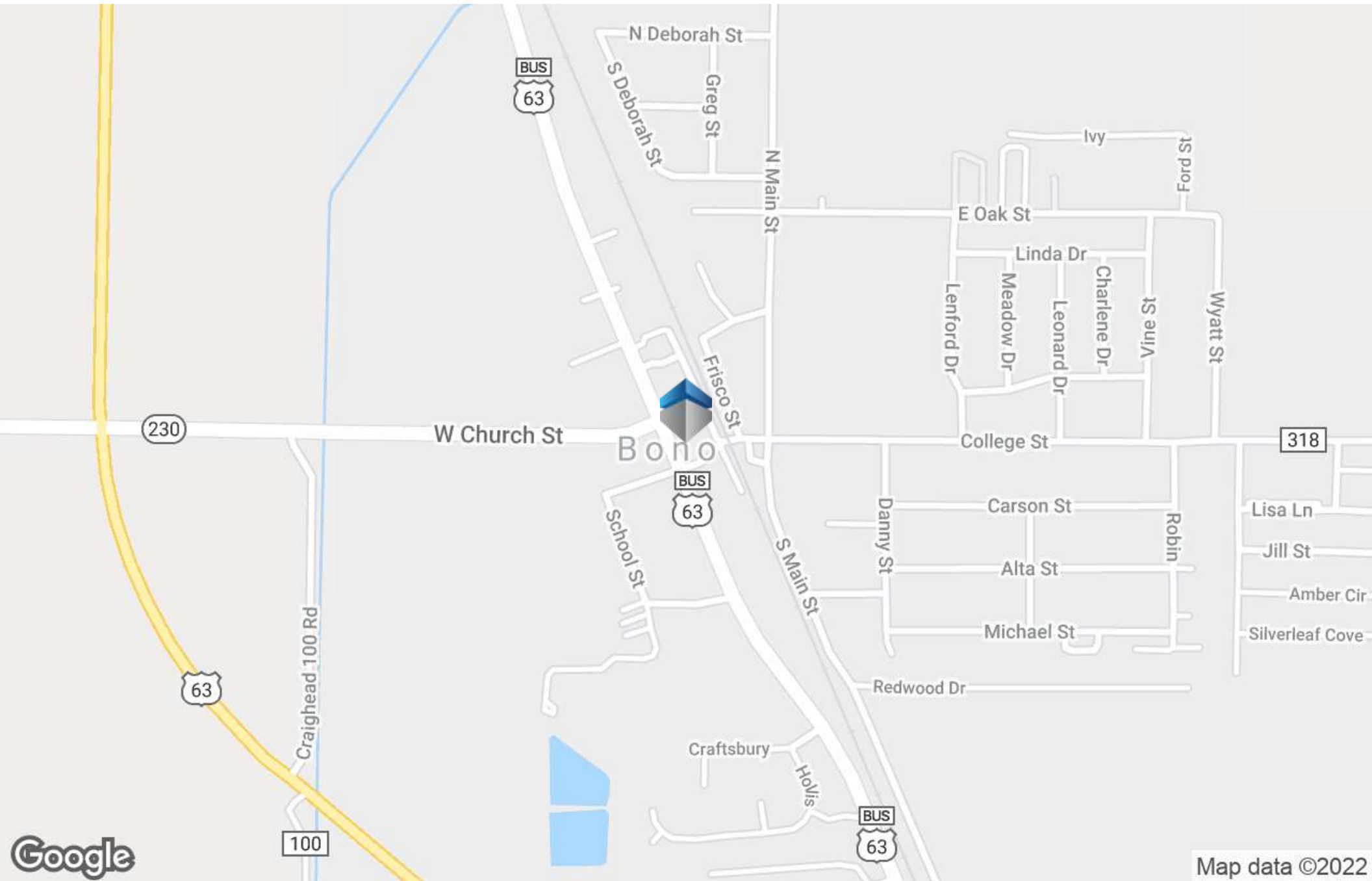


# REGIONAL MAP





# LOCATION MAP



Map data ©2022

# MARKET OVERVIEW

## JONESBORO, AR

As the hub of northeast Arkansas, Jonesboro is a thriving city with a population close to 70,000. Known as the metro area for Craighead and Poinsett counties, Jonesboro's economy is changing rapidly and expected to continue to evolve. With a record low unemployment rate, the largest employers — health care, education and manufacturing — are looking for and expecting a more skilled workforce.

Northeast Arkansas, about 50 miles northwest of Memphis, Tennessee. Jonesboro, home to Arkansas State University, is a fairly nondescript town with a few college-town amenities and a large agricultural and agricultural processing base. Crops grown nearby include cotton and rice in addition to standards like corn and soybeans. "A State" is the state "ag" school bringing in 16,500 students and a modern college town presence superimposed on this rather typical Southern small town. According to EMSI, an Idaho-based labor market research firm, Jonesboro is the No. 1 metro area for skilled job growth in the state, and the third highest city among the metro areas in seven surrounding states.

Jonesboro is also rich in educational opportunities that focus on workforce development through the collaboration of industry and educators.

Jonesboro has five target industries: health care, manufacturing, professional services, logistics and agriculture. With these strong areas of commerce and industry in place, tax collections continue to rise, and the population will continue to climb at almost twice the national rate. In 2018, the median property value in Jonesboro was \$152,200, and the homeownership rate was 52%.

Jonesboro has an unemployment rate of 4.1%. The US average is 6.0%. Jonesboro has seen the job market increase by 0.7% over the last year. Future job growth over the next ten years is predicted to be 40.6%, which is higher than the US average of 33.5%.

Forbes ranked Jonesboro as the fifteenth lowest of 185 U.S. small metro areas for the cost of doing business. The cost of living in Jonesboro is lower than many of the cities. Electric rates are 48 percent below the national average.





# DEMOGRAPHICS

## 5-MILE KEY FACTS



8,678

POPULATION



36.1

AVERAGE AGE



\$142,053

MEDIAN HOUSEHOLD VALUE

## BUSINESSES



153

BUSINESSES



EMPLOYEES

## INCOME



\$55,083

MEDIAN HH INCOME



\$69,275

AVERAGE HH INCOME

	1 MILE	5 MILES	10 MILES
Total Population	2,473	8,678	70,911
2010 Population	2,167	8,345	63,304
2026 Population	2,603	9,005	74,374
Employees	205	1,444	36,418
Total Businesses	30	153	3,914
Average Household Income	\$53,461	\$69,275	\$72,481
Median Household Income	\$42,692	\$55,083	\$48,790
Average Age	32.4	36.1	34.3
Households	941	3,198	27,192
Average Housing Unit Value	\$121,774	\$142,053	\$169,121

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## BONO, AR 72401

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