



MURPHY EXPRESS

GROUND LEASE

4940 E EVANS AVE
DENVER, CO

OFFERING MEMORANDUM

BRAND NEW 20 YEAR ABSOLUTE NNN GROUND LEASE

RARE INFILL CORE DENVER LOCATION
LOCATED OFF INTERSTATE 25 - 230,000 VPD



4940 E EVANS AVE
DENVER, CO

TABLE OF CONTENTS

01 INVESTMENT OVERVIEW

02 FINANCIAL OVERVIEW

03 MARKET OVERVIEW

04 CONFIDENTIALITY AGREEMENT

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1 MILLION +
RETAIL SF

3 MILLION +
OFFICE SF

UNIVERSITY of
DENVER
1.5 MILES

DECO APARTMENTS
350 UNITS

THE CAMERON
NEW CONSTRUCTION
361 UNITS

DENVER
TECH CENTER
5 MILES
VIA I-25

DOWNTOWN
DENVER

9 MILES
VIA I-25



230,000
VPD



S DAHLIA ST
6,180 VPD



E EVANS AVE
50,584 VPD

SUBJECT
PROPERTY



 UNIVERSITY of DENVER
1.5 MILES

 Total Wine & More
 NATURAL GROCERS

 REGAL
 DAVE & BUSTER'S

DOWNTOWN DENVER
→
9 MILES VIA I-25

DECO APARTMENTS
350 UNITS

THE CAMERON
NEW CONSTRUCTION
361 UNITS

 Ford

INTERSTATE 25
224,000 VPD

DENVER TECH CENTER
←
5 MILES VIA I-25

INTERSTATE 25
230,000 VPD

 CARVANA

S DAHLIA ST
6,180 VPD

 Budget
Car and Truck Rental

E EVANS AVE
50,584 VPD

 Public Storage

SUBJECT PROPERTY



**DENVER
TECH CENTER**
5 MILES
VIA I-25

**Public
Storage**

**SUBJECT
PROPERTY**





CARVANA

- 1.53 acre site (land only) purchased for \$5.8M in April 2021
- Seven story glass tower car vending machine

EVANS AVE
50,584 VPD

S DAHLIA ST



**230,000
VPD**

**DOWNTOWN
DENVER**
9 MILES
VIA I-25

PRICE

\$4,900,000

CAP RATE (5-YEAR AVERAGE)

4.00%

PROPERTY OVERVIEW

Tenant	Murphy Express
Address	4940 E Evans Ave, Denver, CO 80222
Building Size	2,824 SF
# of Pumps	12 Pumps
Lot Size	1.36 AC
Year Built	Under Construction/2022



INVESTMENT HIGHLIGHTS

NEW 20 YEAR ABSOLUTE NNN GROUND LEASE WITH YEAR 3 RENT INCREASE

Murphy Express occupies the subject property on a new absolute triple-net ground lease with zero landlord responsibilities. Rent is set to commence on 6/29/2022 and the initial term of the lease is set to expire on 6/28/2042. Murphy Express has four five-year extension options, and 10% rental increases every five-years beginning in year 6 of the lease. The property is currently under construction, upon completion it will feature a 2,824 SqFt convenience store and 12 fuel pumps.

STRONG CORPORATE GUARANTY – MURPHY OIL USA, INC.

Murphy Oil USA, Inc. is one of the United State’s largest gasoline and convenience retailers, as of December 31st, 2021, they have 1,679 locations across 27 states. These locations include QuickChek, a convenience store brand Murphy acquired in January of 2021. For 2021, Murphy Oil USA generated \$17.36 billion in total revenue (fuel and merchandise), a 23.70% increase from 2019 revenue. They are a publicly traded company that trades on under the ticker NYSE: MUSA.

RARE INFILL DENVER HIGHWAY EXIT LOCATION

The subject property is positioned less than 900 feet from the off/on ramps of Interstate-25 and E Evans Ave and is the exit’s most accessible gas station. Interstate-25 is the principal thoroughfare for Denverites traveling north and southbound and stretches the entire vertical length of the state of Colorado. At its exit with E Evans, 230,000 VPD pass through this corridor, making it one of the most traveled sectors of Interstate-25.

PRIME URBAN DENVER LOCATION

Centrally located along E Evans Avenue (50,584 VPD) between the neighborhoods of University Hills and Virginia Village, resides the 1.36-acre subject property. E Evans is a primary east/west thoroughfare connecting to Interstate-225 in the east and Santa Fe Dr in west. The University of Denver, Colorado Blvd’s retail corridor, and multiple RTD transit hubs are all within proximity to the subject property.

PRIMARY GAS STATION/CONVENIENCE STORE AT I-25 AND EVANS

The subject property the exit’s most accessible gas station, just 900 feet east of Interstate-25. The second nearest gas station is a Phillips 66 located 6 blocks East of I-25 at Colorado Blvd.



LEASE OVERVIEW

Initial Lease Term	20 Years
Rent Commencement Date	6/29/2022
Expiration Date	6/28/2042
Lease Term Remaining	20 Years
Lease Type	Absolute NNN Ground Lease
Roof & Structure	Tenant
Rent Increases	Rent increase for Yr. 3 is 5.26%, 10% rent increases Every 5 years begin in Yr. 6 of the lease
Options	Four (4) 5-Year
Lease Guarantor	Murphy Oil USA, Inc.

CURRENT RENT SCHEDULE

TERM	MONTHLY RENT	ANNUALIZED RENT	RENT INCREASES	CAP RATE
Year 1 – 2	\$15,833	\$190,000	N/A	3.88%
Years 3 – 5	\$16,667	\$200,000	5.26%	4.08%
Years 6 – 10	\$18,333	\$220,000	10.00%	4.49%
Years 11 – 15	\$20,167	\$242,000	10.00%	4.94%
Years 16 – 20	\$22,183	\$266,200	10.00%	5.43%
(Option 1) Years 21 – 25	\$24,402	\$292,820	10.00%	5.98%
(Option 2) Years 26 – 30	\$26,842	\$322,102	10.00%	6.57%
(Option 3) Years 31 – 35	\$29,526	\$354,312	10.00%	7.23%
(Option 4) Years 36 – 40	\$32,479	\$389,743	10.00%	7.95%





TENANT OVERVIEW

Murphy Oil USA Inc. is a Fortune 500 company that currently ranks 240, their highest ranking since 2015. Headquartered in El Dorado, Arkansas, Murphy Oil USA is the 6th largest convenience store chain in the United States. Following their acquisition QuickChek in 2021, the number of locations under the Murphy Oil USA Inc. name was brought to 1,679 locations. QuickChek is a convenience store brand that operates in New York and New Jersey, the acquisition included over 5,000 employees across 157 locations. The transaction was financed with a \$350 million revolving credit facility, \$400 million secured term loan, and \$500 of senior unsecured notes. During 2021, Murphy Oil USA continued their raze and rebuild program which converts kiosk locations with a 1,400 SqFt convenience store locations. Since the program's inception in 2013, Murphy Oil USA's footprint has been reduced from 70% kiosk locations to approximately 40%. In 2022, Murphy plans to continue to expand their network with 40 new Murphy Express Locations and 5 QuickChek locations. During Fiscal Year 2021, Murphy Oil USA generated \$17.36 billion in total revenue.



ELEVATIONS

ACM CANOPY FASCIA - 'BRUSHED ALUMINIUM' BY ARCONIC
T.O. FASCIA
18'-9"
T.O. ACCENT BAND
15'-0"
ACM CANOPY FASCIA - 'PROGRAM RED' BY ALPOLIC
PREFINISHED METAL ACCENT BAND - 'PURE WHITE' SW #7005
CANOPY COLUMNS - PAINTED 'DORMER BROWN' SW #7521

FIN. FLR. ELEVATION
0'-0"

1 ELEVATION - RIGHT (SOUTH)

T.O. FASCIA
18'-9"
T.O. TOWER
18'-6"
T.O. BUILDING
15'-8"

METAL TRIM - 'DORMER BROWN' SW #7521
ACM FASCIA - 'BRUSHED ALUMINIUM' BY ARCONIC
ACM FASCIA - 'PROGRAM RED' BY ALPOLIC
BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT
BRICK VENEER - 'EMPIRE IVORY VELOUR' BY CAROLINA CERAMICS
BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT
FIN. FLR. ELEVATION
0'-0"

2 ELEVATION - LEFT (NORTH)

TRELLIS TO EXTEND TILL THE PROPERTY LINE

3 ELEVATION - FRONT (WEST)

METAL TRIM - 'DORMER BROWN' SW #7521
ACM FASCIA - 'BRUSHED ALUMINIUM' BY ARCONIC
ACM FASCIA - 'PROGRAM RED' BY ALPOLIC

T.O. FASCIA
18'-9"

T.O. TOWER
18'-6"

T.O. BUILDING
15'-8"

B.O. ACCENT BAND
14'-6"

BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT
BRICK VENEER - 'EMPIRE IVORY VELOUR' BY CAROLINA CERAMICS
BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT
FIN. FLR. ELEVATION
0'-0"

METAL DOORS AND FRAMES TO BE PAINTED 'DORMER BROWN' SW #7521

4 ELEVATION - REAR (EAST)

METAL GATES BY FMS,
PAINTED 'DORMER BROWN' SW #7521
(INSTALLED BY GC)

8'-0" HIGH CMU
WALL PAINTED
'DORMER BROWN'
SW #7521 BY GC

6 TRASH ENCLOSURE

5 ELEVATION - FRONT BUILDING ONLY (WEST)

12" = 1'-0"

T.O. TOWER
18'-6"

T.O. BUILDING
15'-8"

METAL TRIM - 'DORMER BROWN' SW #7521
ACM FASCIA - 'BRUSHED ALUMINIUM' BY ARCONIC
ACM FASCIA - 'PROGRAM RED' BY ALPOLIC

T.O. TRELLIS
10'-5"

ACM CANOPY - 'PROGRAM RED' BY ALPOLIC

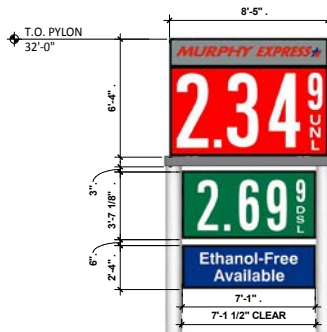
METAL TRELLIS - PAINTED WHITE

BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT

BRICK VENEER - 'EMPIRE IVORY VELOUR' BY CAROLINA CERAMICS

BRICK VENEER - 'LIGHT SANDSTONE VELOUR' BY ENDICOTT

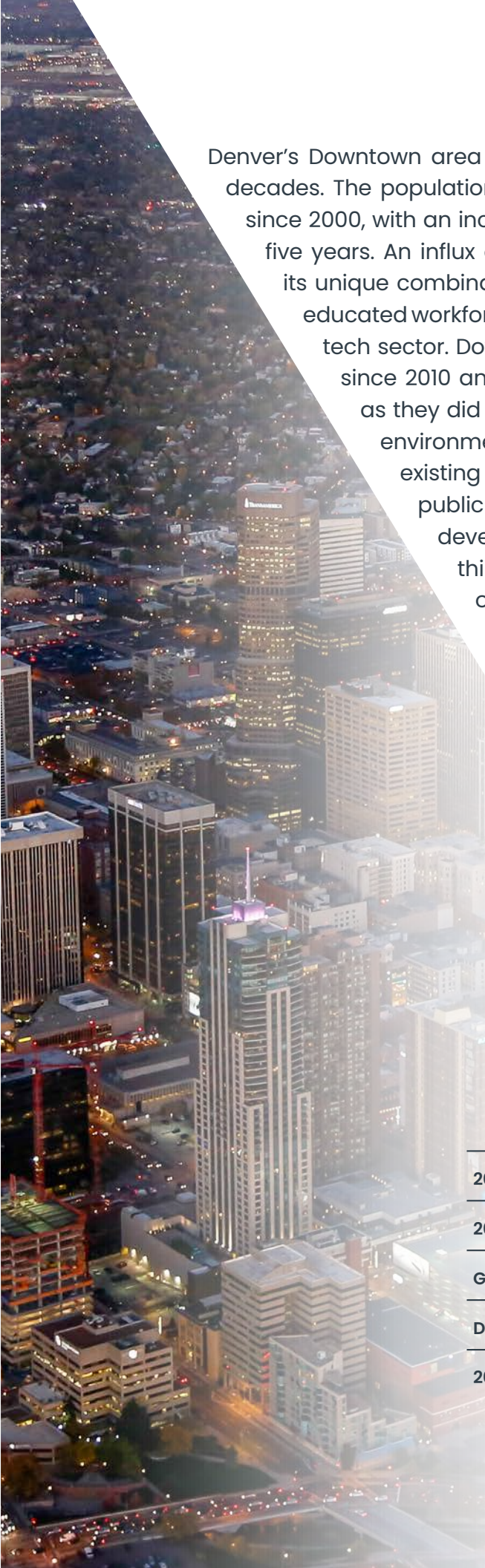
FIN. FLR. ELEVATION
0'-0"



7 PYLON SIGN



SIGN	QTY.	HEIGHT	WIDTH	AREA S.F.	TOTAL S.F.
MURPHY EXPRESS 'STAR' SIGN	1		GRAPHIC AREA	34.90	34.90
MURPHY EXPRESS BLDG LOGO SIGN	1		GRAPHIC AREA	24.00	24.00
MURPHY EXPRESS CANOPY LOGO SIGN	1		GRAPHIC AREA	49.51	49.51
COMBINED MEDIUM CANOPY PRICE SIGN	1	43.13"	193.50"	57.95	57.95
TOTAL:					166.36 S.F.
PYLON SIGN:					
UNLEADED W/LOGO	1	76.00"	101.00"	52.80	52.80
DIESEL	1	43.13"	85.00"	25.46	25.46
ETHANOL - FREE AVAILABLE	1	28.00"	85.00"	16.53	16.53
TOTAL:					94.79 S.F.



DENVER, CO

Denver’s Downtown area has undergone a significant transformation over the past two decades. The population of residents living in Downtown Denver has more than tripled since 2000, with an increase of 13% last year alone and a projected 20% within the next five years. An influx of young, educated millennial’s continue to move to Denver for its unique combination of outdoor and 24/7 live-work-play city lifestyle. The highly educated workforce has drawn employers to Denver, most notably employers in the tech sector. Downtown Denver has seen 103% growth in high-tech employment since 2010 and tech companies leased office space at twice the rate in 2018 as they did the year before. Denver now boasts an entrepreneurial business environment that propels new dynamic industries and has reinforced the existing sectors of the local economy. Denver’s substantial investment in public transportation has spurred billions of dollars in public and private development. Denver’s public transportation now supports nearly two thirds of downtown employees who travel to work by some means other than a single occupancy vehicle. Denver International Airport (DIA) is ranked the Best of the Largest U.S. Airports by The Wall Street Journal, offering direct domestic and international flights to 215 different cities. With a modern and efficient international airport, Denver’s central location and growing economy combine to make the area one of the country’s most important transportation hubs. Companies and their employees continue to choose downtown for expansion and relocation to the benefit of our growing workforce; Employers added nearly 6,563 jobs in August 2020 and pushed the unemployment rate from 7.4% to 6.7%.

DEMOGRAPHICS

	1-MILE RADIUS	3-MILE RADIUS	5-MILE RADIUS
2026 PROJECTION	21,591	186,285	491,950
2021 ESTIMATE	20,266	175,017	465,340
GROWTH 2021 – 2026	6.54%	6.44%	5.72%
DAYTIME POPULATION	30,821	188,639	573,809
2021 AVERAGE HH INCOME	\$90,580	\$115,659	\$108,075

SELECT NEIGHBORING AMENITIES & RETAILERS

DOWNTOWN
DENVER



CHERRY CREEK



UNION STATION



THREE SPORTS STADIUMS



UNIVERSITY OF
DENVER





DISCLOSURE

Marcus & Millichap

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(BDB24-10-19) (Mandatory 1-20)

DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE SELLER AGENCY, BUYER AGENCY OR TRANSACTION-BROKERAGE.

BROKERAGE DISCLOSURE TO BUYER

DEFINITIONS OF WORKING RELATIONSHIPS

Seller’s Agent: A seller’s agent works solely on behalf of the seller to promote the interests of the seller with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the seller. The seller’s agent must disclose to potential buyers all adverse material facts actually known by the seller’s agent about the property. A separate written listing agreement is required which sets forth the duties and obligations of the broker and the seller.

Buyer’s Agent: A buyer’s agent works solely on behalf of the buyer to promote the interests of the buyer with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the buyer. The buyer’s agent must disclose to potential sellers all adverse material facts actually known by the buyer’s agent, including the buyer’s financial ability to perform the terms of the transaction and, if a residential property, whether the buyer intends to occupy the property. A separate written buyer agency agreement is required which sets forth the duties and obligations of the broker and the buyer.

Transaction-Broker: A transaction-broker assists the buyer or seller or both throughout a real estate transaction by performing terms of any written or oral agreement, fully informing the parties, presenting all offers and assisting the parties with any contracts, including the closing of the transaction, without being an agent or advocate for any of the parties. A transaction-broker must use reasonable skill and care in the performance of any oral or written agreement, and must make the same disclosures as agents about all adverse material facts actually known by the transaction-broker concerning a property or a buyer’s financial ability to perform the terms of a transaction and, if a residential property, whether the buyer intends to occupy the property. No written agreement is required.

Customer: A customer is a party to a real estate transaction with whom the broker has no brokerage relationship because such party has not engaged or employed the broker, either as the party’s agent or as the party’s transaction-broker.

RELATIONSHIP BETWEEN BROKER AND BUYER

Broker and Buyer referenced below have NOT entered into a buyer agency agreement. The working relationship specified below is for a specific property described as:

4940 E Evans Ave, Denver, CO 80222

or real estate which substantially meets the following requirements:

Buyer understands that Buyer is not liable for Broker’s acts or omissions that have not been approved, directed, or ratified by Buyer.

CHECK ONE BOX ONLY:

☒ **Multiple-Person Firm.** Broker, referenced below, is designated by Brokerage Firm to serve as Broker. If more than one individual is so designated, then references in this document to Broker shall include all persons so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend to the employing broker, Brokerage Firm or to any other brokers employed or engaged by Brokerage Firm who are not so designated.

☐ **One-Person Firm.** If Broker is a real estate brokerage firm with only one licensed natural person, then any references to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who shall serve as Broker.

DISCLOSURE

Marcus & Millichap

CHECK ONE BOX ONLY:

☒ **Customer.** Broker is the ☒ seller’s agent ☐ seller’s transaction-broker and Buyer is a customer. Broker intends to perform the following list of tasks: ☒ Show a property ☒ Prepare and Convey written offers, counteroffers and agreements to amend or extend the contract. Broker is not the agent or transaction-broker of Buyer.

☐ **Customer for Broker’s Listings – Transaction-Brokerage for Other Properties.** When Broker is the seller’s agent or seller’s transaction-broker, Buyer is a customer. When Broker is not the seller’s agent or seller’s transaction-broker, Broker is a transaction-broker assisting Buyer in the transaction. Broker is not the agent of Buyer.

☐ **Transaction-Brokerage Only.** Broker is a transaction-broker assisting the Buyer in the transaction. Broker is not the agent of Buyer.

Buyer consents to Broker’s disclosure of Buyer’s confidential information to the supervising broker or designee for the purpose of proper supervision, provided such supervising broker or designee does not further disclose such information without consent of Buyer, or use such information to the detriment of Buyer.

DISCLOSURE OF SETTLEMENT SERVICE COSTS. Buyer acknowledges that costs, quality, and extent of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

THIS IS NOT A CONTRACT. IT IS BROKER’S DISCLOSURE OF BROKER’S WORKING RELATIONSHIP.

If this is a residential transaction, the following provision applies:

MEGAN’S LAW. If the presence of a registered sex offender is a matter of concern to Buyer, Buyer understands that Buyer must contact local law enforcement officials regarding obtaining such information.

BUYER ACKNOWLEDGMENT:

Buyer acknowledges receipt of this document on _____.

Buyer

Buyer

BROKER ACKNOWLEDGMENT:

On _____, Broker provided _____ (Buyer) with this document via Attachment to emailed Offering Memorandum and retained a copy for Broker’s records.

Brokerage Firm’s Name: Marcus & Millichap Real Estate Investment Services of Atlanta, Inc.



Broker

CONFIDENTIALITY AGREEMENT

Marcus & Millichap

NON-DISCLOSURE NOTICE

The information contained in the following marketing package is proprietary and strictly confidential. It is intended to be reviewed by only the party receiving it from Marcus & Millichap Real Estate Investment Services and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This marketing package has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this marketing package has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

DO NOT CONTACT TENANT

All property showings are by appointment with the listing broker or landlord only. Under no circumstances, should any prospective purchaser or related entity contact the tenant or any of the employees at these stores. Recipients of this marketing package acknowledge that such contact may damage the tenant's operation which would impair the financial results. Landlord reserves the right to seek legal redress for any damage that may occur from such interference with landlord's relationship with tenant.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

NET LEASE DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this marketing package has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty, or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This marketing package is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions, or estimates used in this marketing package are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial, and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee for future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental, or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this marketing package, you agree to release Marcus & Millichap Real Estate Investment Services 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. 2021.



MURPHY EXPRESS GROUND LEASE

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DENVER, CO

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