



New 20-Year Absolute NNN Lease | 7.5% Increases Every 5 Years | Des Moines MSA



**OVERSIZED
2.43 ACRE LOT**

In Association with Scott Reid & ParaSell, Inc. | Irvine, California | A Licensed Iowa Broker #F06134000 | Licensed in AR, CA, CO, CT, DC, FL, GA, HI, ID, IL, IA, IN, KS, KY, ME, MD, MA, MI, MN, MO, MT, NC, ND, NE, NJ, NM, NY, NV, NM, NC, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WY

OFFERING MEMORANDUM
DES MOINES (PLEASANT HILL), IOWA



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OFFERING SUMMARY

LOCATION

Kum & Go
5970 Morning Star Court
Des Moines (Pleasant Hill), IA 50327



OFFERING SUMMARY

Price:	\$6,920,000
Current Net Operating Income (NOI):	\$356,400
Current Capitalization Rate:	5.15%
Net Rentable Area:	5,617
Year Built:	2022
Lot Size (Acres):	2.43

LEASE TERMS (1)

Tenant:	Kum & Go, L.C.
Original Lease:	2004
Rent Commencement:	12/1/2022
Lease Expiration:	11/30/2042
Lease Term:	20 Years
Lease Type:	Absolute NNN
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$29,700
Annual Rent:	\$356,400
Rental Increases:	7.5% Every 5 Years
Renewal Options:	Four 5-Year @ 5% Increases

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



QUICK FACTS

#185
America's Largest
Private Companies
Forbes (2022)

#18
Top 202
Convenience Stores
CSP (2022)

\$3B
in Annual
Revenue
(2022)

INVESTMENT HIGHLIGHTS

- **Single-Tenant Kum & Go:**

- New 20-year absolute NNN lease; zero landlord responsibilities
- 7.5% increases every 5 years in the base term
- Four 5-year options at 5% increases
- Corporate guaranteed lease with Kum & Go, L.C.
- Fee simple investment (consult accountant about bonus depreciation opportunities)
- The property features Kum & Go's signature Go Fresh Market with indoor seating, 7 fuel dispenser islands, and air pump
- Kum & Go is a family-owned convenience store chain headquartered in Des Moines, Iowa with over 400 locations in 13 states and was recently acquired by Maverik – Adventure's First Stop
- Maverik – Adventure's First Stop fuels adventures in nearly 400 locations and growing across 12 western states, making it the largest independent fuel marketer in the Intermountain West

- **New Construction; Long-Term Historical Occupancy:** The tenant has been operating at this location since 2004 and it was torn down and rebuilt in 2022, showing the tenant's commitment to the location



INVESTMENT HIGHLIGHTS

- **Excellent Access and Visibility:**

- Located just off U.S. Route 65's University Avenue exit (Highway 163)
- The property benefits from two points of ingress/egress and 10-foot monument signage along University Avenue / Highway 163

- **Signalized Intersection Location:** 25,000 cars per day at the intersection of University Avenue / Highway 163 and 60th Street

- **Surrounded by New Developments:**

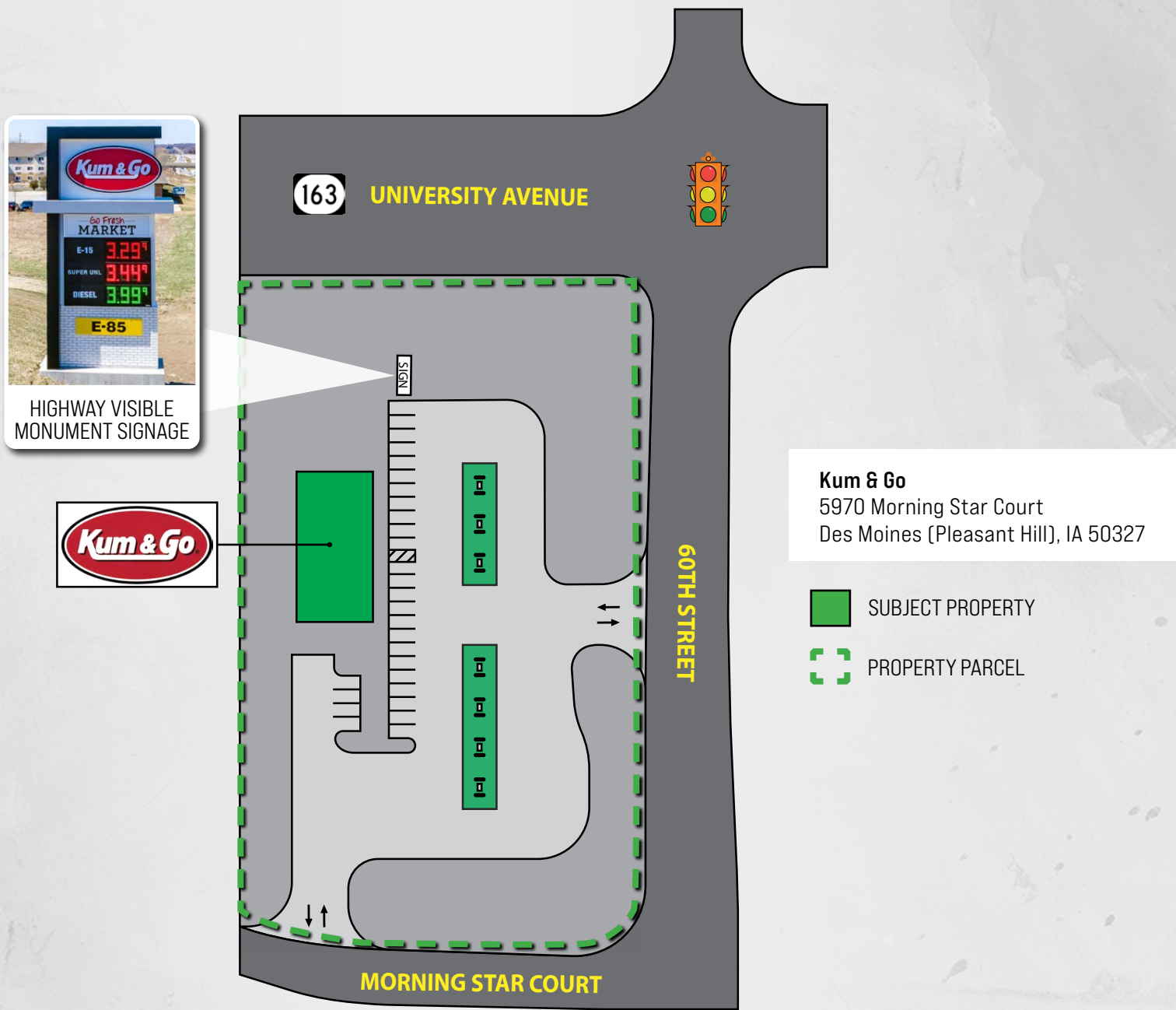
- **Forge65** – luxury community featuring two 48-unit apartment buildings and 38 townhomes (under construction)
- **The Crossing at Pleasant Hill** – 20-acre commercial development (planned)

- **Des Moines MSA:**

- 840,490 metro population
- #1 fastest growing metro area by percentage in the Midwest; 20% population growth from 2010 to 2021
- #13 “150 Best Places to Live in the U.S. in 2021 – 2022” (realestate.usnews.com)



SITE PLAN / PARCEL MAP



AERIAL OVERVIEW



AERIAL OVERVIEW



DEMOGRAPHICS

Population:	
1-Mile Radius	3,629
3-Mile Radius	30,339
5-Mile Radius	76,360
Household Income:	
1-Mile Radius	\$97,143
3-Mile Radius	\$95,867
5-Mile Radius	\$80,923



Kum & Go
SUBJECT
PROPERTY

MORNING STAR COURT

60TH STREET

THE CROSSING AT PLEASANT HILL
- 20-Acre Commercial Development -

25,000 CPD
- INTERSECTION -

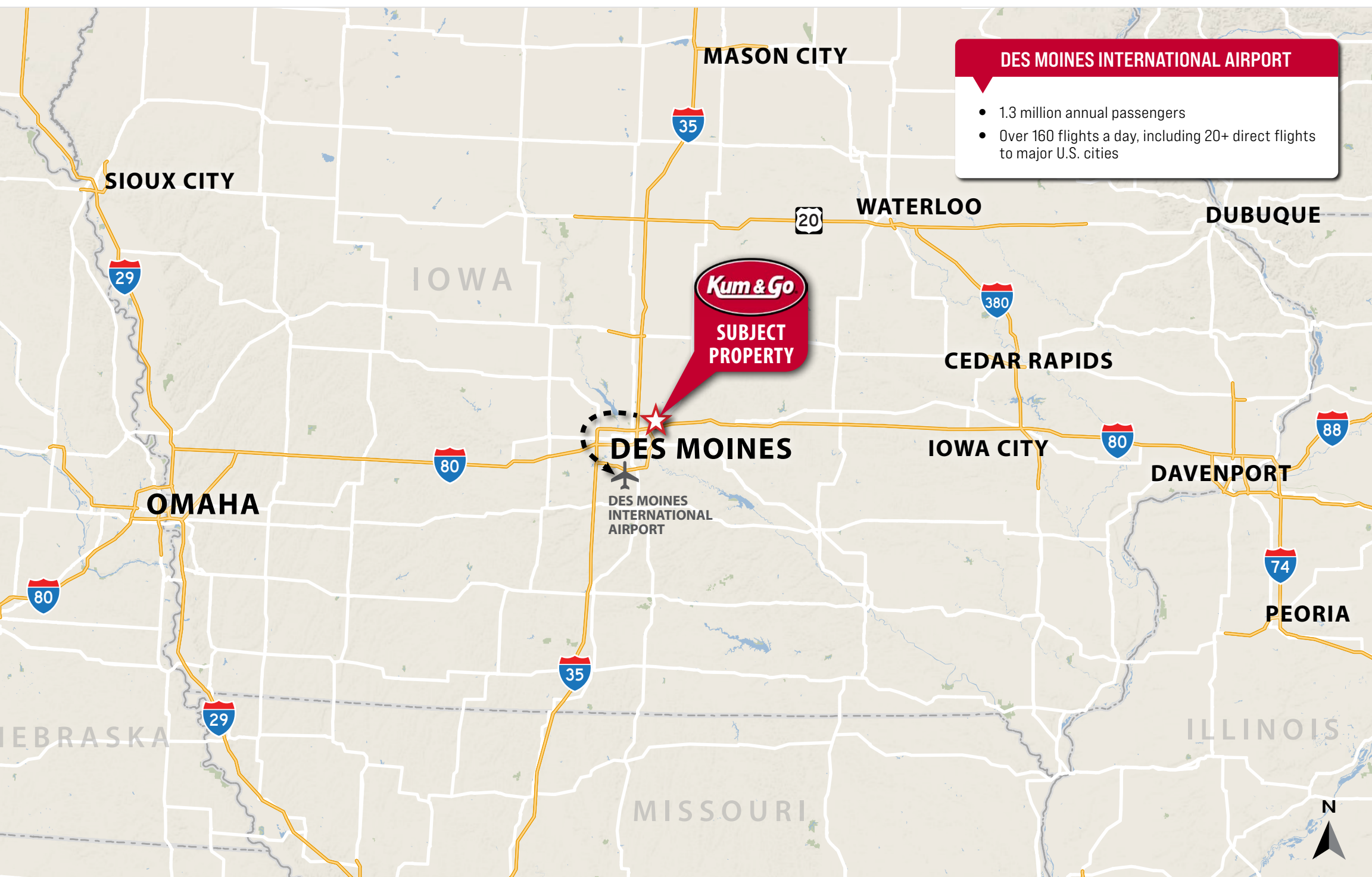
26,000 CPD



AERIAL OVERVIEW



REGIONAL MAP



TENANT PROFILE



Kum & Go is a fourth-generation, family-owned convenience store chain in the Midwest known for its clean and friendly shopping experience. Each location offers a variety of products and services, including gasoline, snacks, drinks, tobacco products, and prepared foods such as egg sandwiches, breakfast burritos, and pizzas. The company recently launched a new menu across its footprint that

features made-to-order stackers and bowls, as well as grab-and-go burritos. Kum & Go's industry-leading mobile app makes it convenient and easy for customers to purchase both fresh food and retail store products for quick pick-up.

Over 60 years ago, the company was established in Hampton, Iowa, as a welcoming spot where locals could get gas, groceries, and connect with one another. Today, the company operates over 400 stores in 13 states and was recently acquired by Maverik — Adventure's First Stop. Maverik — Adventure's First Stop fuels adventures in nearly 400 locations and growing across 12 western states, making it the largest independent fuel marketer in the Intermountain West. Kum & Go started expansions into Grand Rapids, Michigan, and Salt Lake City, Utah. Plans have also been announced to enter Boise, Idaho, and Detroit, Michigan.

Kum & Go leads the industry in its commitment to sustainability. In 2010, the company became the only convenience store in the world certified under the Leadership in Energy & Environmental Design (LEED) Volume Program with 109 buildings now holding LEED Certification. Further, all of their food programs offer compostable silverware and straws, recyclable cups and lids, and paper or post-consumer recycled food packaging. The company has also donated 10% of all profits back into the communities in which it serves since its inception in 1959.

The convenience store chain earned \$3 billion in revenue in 2022, and is part of the privately owned Krause Group, and is headquartered in West Des Moines, Iowa.

Company Type: Private
Locations: 409
Website: www.kumandgo.com

#185
America's Largest
Private Companies
 Forbes (2022)

#18
Top 202
Convenience Stores
 CSP (2022)

\$3B
in
Revenue
 (2022)



BusinessRecord

25 New Projects Underway in Des Moines Area, Including New Microsoft Data Center, West Bank Headquarters

By Kathy Bolten | August 31, 2022

Building permits were issued by the city of Waukee for the construction of daycare facilities for children and adults. The facilities – New Creations Child Care and Learning Facility and Grace Estates Adult Day Care – will be located in the 800 block of Northeast Venture Drive. Rendering courtesy of the city of Waukee.

Commercial building permits valued at nearly \$371 million were issued in July for new projects in the Des Moines area, including the construction of a data center in Microsoft Corp.'s Ginger East project and West Bank's new headquarters, a review shows.

In all, 25 permits were issued for new commercial projects in the 14 jurisdictions surveyed by the Business Record.

[CLICK FOR ARTICLE](#)



Franchising.com

'It's a Huge Project': Indoor Water Park, Entertainment District Coming to West Des Moines

Khalil Maycock | November 2, 2022

The Grand Experience is a \$600 million, 226-acre project that will consist of an indoor waterpark, family entertainment center, hotel, and more. This entertainment district will be located on Grand Avenue by the MidAmerican Energy RecPlex in West Des Moines.

The managing member of WDM Entertainment, LLC, Jim Bergman, said it will include a 100,000-square-foot indoor waterpark. The project consists of a 40,000-square-foot entertainment center, a 400-room hotel, a conference center, and other retail areas for families.

Clyde Evans, the director of Community and Economic Development for West Des Moines, said, "Something like this doesn't come along very often. It's going to bring a lot of things to the table that we haven't seen before. Truthfully, it's a huge project, so it's going to have an impact on the city for many years to come."

[CLICK FOR ARTICLE](#)



Franchising.com

Maverik – Adventure’s First Stop to Acquire Kum & Go and Solar Transport from Krause Group

Taylor Boland | April 21, 2023

Maverik – Adventure’s First Stop and its parent company, FJ Management, announced the acquisition of Kum & Go from Krause Group. In addition, Maverik will also acquire Solar Transport, a tank truck carrier and logistic provider.

“We have long admired the Kum & Go brand. Kyle and Tanner, and the generations before them, have built an exceptional business that pairs quality with convenience and puts people first. We are honored to carry their legacy forward as we build on Kum & Go’s strong operating and innovation capabilities and expand our adventurous convenience experience”, said Chuck Maggelet, President and Chief Adventure Guide of Maverik. Tanner Krause, President and CEO of Kum & Go, said, “This is the most momentous day in the 63-year history of our family business. I’m confident the Maggelets and Maverik will be good stewards of Kum & Go’s people and culture for generations to come.”

[CLICK FOR ARTICLE](#)



AREA OVERVIEW

Pleasant Hill, IA

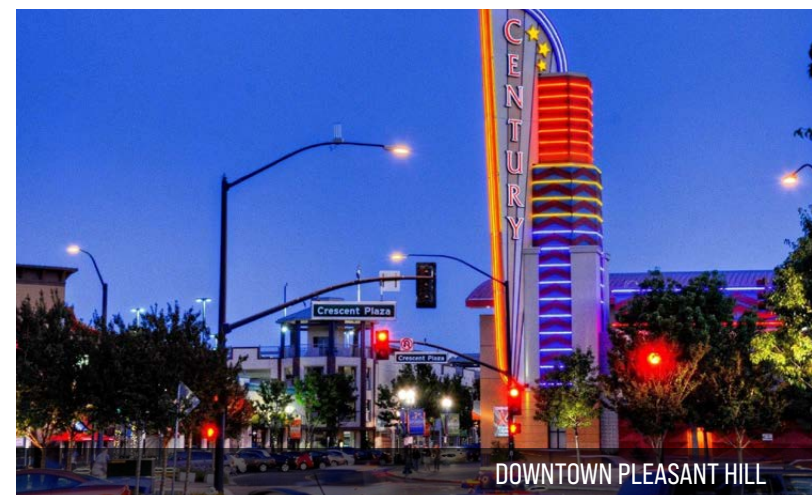
- A young and vibrant community in Polk County of central Iowa that is growing rapidly
 - 6 miles east of Des Moines; 200 miles north of Kansas City, MO; 250 miles south of Minneapolis, MN
- 12,385 population growing at nearly 7% annually; has experienced 22% growth since 2020
 - 840,490 population in the 6-county metro
- #9 “Best State in America to Raise a Family” — WalletHub (2023)

ECONOMY

- The largest industries by employment include health care and social assistance (18.8%), finance and insurance (13.9%), manufacturing (9.5%), educational services (9.3%), and construction (7.2%)
- The local economy is driven by a strong retail and services sector, largely fueled by the area’s significant population growth in recent years
- Prime location at the intersection of US Highway 65 and Iowa Highway 163, providing uncongested and direct access to I-80, I-35, and the greater Des Moines area
 - Highway 163 corridor is poised for growth
 - Pulls from a warehouse and distribution labor pool of over 135,000 potential employees
- \$95,901 average household income, up 5.6% year-over-year; the cost of living is 11% below the U.S. average
 - 80% of the labor force works in white-collar jobs while 20% performs blue-collar work

DEVELOPMENTS

- **Dee Zee Factory** - Construction of a new factory of the Des Moines-based auto parts supplier that will produce structural components for GM’s new electric vans
- **Forge65** - A 162-unit townhouse and apartment development to include a clubhouse, pool, shared spaces, and garage options for residents
 - Expected to be completed in 2023 and cost \$28 million



DOWNTOWN PLEASANT HILL



AERIAL OVER PLEASANT HILL



FORGE65 PROJECT RENDERING



22% Population Growth Since 2020

AREA OVERVIEW

Des Moines MSA

- Located at the confluence of the Des Moines River and the Raccoon River in central Iowa
 - Consists of Polk, Dallas, Warren, Madison, Guthrie, and Jasper counties
- 840,490 metro population up nearly 20% since 2010; fastest-growing Midwest metro by percentage
- #4 “Top 10 City to Live in After the Pandemic” — Today.com (2021)
- #16 “Best Cities for Young Professionals” — PolicyGenius.com (2022)

ECONOMY

- Boasts a talented workforce, quality education system, strong business climate, and low cost of business
- Named among 3 “Breakout Cities on the Forefront of America's Economic Recovery” by WSJ in 2021
- Key industries include insurance and financial services, tech, data centers, ag innovation, advanced manufacturing, and logistics
 - “Top 25 Up-and-Coming Tech Market” — CBRE (2022)
- Known as the “Insurance Capital of the U.S.,” the insurance industry accounts for 16% of the region's jobs
- \$9.5 billion investment in data centers in the region by Amazon, Apple, Meta, and Microsoft in recent years
- 439,100 in the labor force and only 2.7% unemployment rate as of January 2023
- Top non-government employers include Wells Fargo & Co. (13,500), UnityPoint Health (8,026), Principal Financial Group (6,600), MercyOne (4,276), Amazon (3,500), and Nationwide/Allied Insurance (3,300)

DEVELOPMENTS

- #6 “Top Metros for Number of Economic Development Projects” — Site Selection Magazine (2022)
- **The Cunningham** - A mixed-use development to include 199 high-end multifamily units, 10,500 square feet of commercial space, and a 16,000 square foot Ruth's Chris Steak House in West Des Moines
- **Downtown Apartments** - Construction of a \$133 million, 33-story apartment tower with 360 units
- **WDM Entertainment District** - New \$600 million, 226-acre development north of The MidAmerican Energy RecPlex in West Des Moines; 200,000 facility with an indoor waterpark; plans include a hotel, a conference center, a parking facility for up to 1,000 vehicles, restaurants and other commercial developments, and office space as well as up to 1,200 residences



Fast-Growing Midwest Metro



DOWNTOWN DES MOINES



MERCYONE DES MOINES HOSPITAL



IOWA STATE CAPITOL

DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2027 Projection	3,885	33,061	81,297
2022 Census	3,629	30,339	76,360
2010 Census	3,079	24,659	66,275
2000 Census	2,192	18,141	55,911
Growth 2000-2010	40.47%	35.93%	18.54%
Growth 2010-2020	17.86%	23.03%	15.22%
Growth 2021-2027	7.05%	8.97%	6.47%
HOUSEHOLDS			
2027 Projection	1,566	12,591	31,713
2022 Census	1,444	11,421	29,520
2010 Census	1,210	9,158	25,200
2000 Census	829	6,563	21,251
Growth 2000-2010	45.96%	39.54%	18.58%
Growth 2010-2020	19.34%	24.71%	17.14%
Growth 2022-2027	8.45%	10.24%	7.43%
2022 POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	3,189	26,814	64,639
Black or African American Alone	147	998	3,749
American Indian and Alaska Native Alone	5	42	199
Asian Alone	115	1,153	2,871
Native Hawaiian and Other Pacific Islander Alone	1	3	46
Some Other Race Alone	46	470	2,497
Two or More Races	108	698	2,048
2022 POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	209	1,858	6,991
Not Hispanic or Latino	3,420	28,481	69,369
2022 AVERAGE HOUSEHOLD INCOME			
	\$97,143	\$95,867	\$80,923

PLEASANT HILL SNAPSHOT



76,360
POPULATION (5-Mile)



20,326
DAYTIME POPULATION (5-Mile)



40.47%
POPULATION GROWTH (1-Mile, 2000-2010)



\$97,143
AVERAGE HOUSEHOLD INCOME (1-Mile)



\$224,279
AVERAGE HOME VALUE (1-Mile)



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\$10 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database

GlobeSt.com™

GLOBEST. INFLUENCERS
in retail & net lease sales



NATIONWIDE REACH
retail & investors across the U.S.

\$2.1B
430

\$2.1 BILLION IN RETAIL SOLD
430 transactions in last 36 mos.