

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity



14+ Years Remaining | Qualifies for Bonus Depreciation



1501 Pine Tree Drive

LONGVIEW TEXAS

ACTUAL SITE



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NATIONAL NET LEASE

Broker/Designated Officer: Teddy Leonard, SRS National Net Lease Group, LP | TX License No. 631339

SITE OVERVIEW



PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$2,521,000
Net Operating Income	\$151,250
Cap Rate	6.00%

PROPERTY SPECIFICATIONS

Property Address	1501 Pine Tree Drive Longview, Texas 75604
Rentable Area	2,267 SF
Land Area	.90 AC
Year Built	1982
Tenant	GPM Investments (dba E-Z Mart)
Lease Signature	Corporate
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Term Remaining	14+ Years
Increases	10% Every 5 Years Including Options
Options	4 (5-Year)
Rent Commencement	April 17, 2018
Lease Expiration	April 30, 2038

LEASE TERM				RENTAL RATES				
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options
GPM Investments	2,267	April 17, 2018	April 30, 2038	Current	-	\$12,604	\$151,250	4 (5-Year)
(dba E-Z Mart)				April 2028	10%	\$13,865	\$166,375	
				April 2033	10%	\$15,251	\$183,013	
10% Rental Increase Every 5 Years & Beg. Each Option Period								

14+ Years of Remaining Term | Built in Rental Increases | Corporate Guaranty (GPM Investments - S&P: B+)

- The lease features a corporate guaranty by GPM Investments, a reputable brand with 3,200+ units nationwide and S&P B+ credit score
- 14+ years of lease term remaining on the original 20 year base term with 4 (5-year) options to extend
- 10% rental increases every five years including option periods

Absolute NNN Lease | Fee Simple Ownership (Land & Building) | Zero Landlord Responsibilities | No State Income Tax

- No landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor in a state with no state income tax
- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises

Pine Tree Independent School District | Hard Corner Location | Proximity to Surrounding Retailers & National Credit Tenants

- The site is positioned at the signalized, hard corner of Pine Tree Road and Birch Drive averaging a combined 14,500 VPD
- The c-store & gas station is strategically located in front of Pine Tree's Independent School District complex and is ranked #246 of 1,052 best school districts in all of Texas
- Surrounding retailers and national credit tenants within the trade area's proximity include: ALDI, Walmart Supercenter, Harbor Freight Tools, Goodwill, Taco Bell and more
- The asset has excellent visibility and multiple points of ingress/egress off Pine Tree Road and Birch Drive

Local Demographics In 5-Mile Trade Area | Population Counts

- More than 73,500 residents & 73,500 employees support the trade area
- \$84,900 average household income

TENANT OVERVIEW

GPM INVESTMENTS, LLC (ARKO CORP.)

Ownership: Subsidiary to ARKO CORP. (NASDAQ: ARKO)

Website: gpminvestments.com

Credit Rating: B+ (S&P)

Headquarters: Richmond, VA

Units: 3,200+

GPM Investments, LLC, operates as a wholly-owned subsidiary under the umbrella of ARKO Corp., which is part of the Family of Community Brands. Our corporate headquarters is based in Richmond, Virginia, and our extensive presence extends across 33 states as well as Washington D.C. In the retail landscape, we proudly rank as the nation's sixth-largest convenience store chain, boasting an expansive network of approximately 3,200 locations. This network is comprised of diverse components, including around 1,400 company-operated stores, roughly 121 proprietary cardlock locations, and an additional 1,660 dealer sites, all of which we supply with fuel.

Our multifaceted operations can be categorized into four key segments: first, the retail segment, where we focus on fuel and merchandise sales to retail consumers; second, the wholesale segment, where we serve as a primary fuel supplier to third-party dealers and consignment agents; third, GPM Petroleum, our arm dedicated to fuel supply services, catering to both our retail and wholesale segments; and finally, the fleet fueling segment, which manages proprietary cardlock locations, oversees third-party fueling sites, and offers specialized fuel cards that grant access to a nationwide network of fueling locations. This comprehensive structure positions us as a dynamic force in the convenience store and fuel supply industry.

ARKO OVERVIEW

6th Largest Convenience Store Chain in the United States

Company Operated Stores: 1,547

Employees: 14,000 (+/-)

States: 30+

ARKO Corp. (Nasdaq: ARKO) stands as a Fortune 500 powerhouse, holding full ownership of GPM Investments, LLC. It ranks among the largest players in the convenience store and fuel wholesale sectors within the United States. Headquartered in the vibrant city of Richmond, VA, our distinguished Family of Community Brands is renowned for its delectable prepared foods, an array of beverages (both hot and cold), snacks, candy, and a portfolio of beloved quick-serve restaurant brands.

A Family of Community Brands



ARKO
A Family of Community Brands

6TH LARGEST CONVENIENCE STORE CHAIN IN U.S.

\$301.1 MILLION

2022 ADJUSTED EBITDA¹

1,400+

COMPANY OPERATED STORES

\$1.65B

RETAIL IN
STORE SALES

2B

FUEL GALLONS
SOLD

OPERATING IN
**OVER 30
STATES**

OVER 12K
EMPLOYEES

1.3M

ENROLLED AS REWARDS
LOYALTY MEMBERS

24 ACQUISITIONS

22 CLOSED SINCE 2013;
2 ADDITIONAL PENDING

HIGHLY EXPERIENCED

IN-HOUSE M&A TEAM

WHOLESALE DISTRIBUTION TO
1,674 INDEPENDENT DEALER
LOCATIONS & OPERATION OF
183 CARDLOCK LOCATIONS

¹ Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.

CONTINUED GROWTH THROUGH ACQUISITIONS

ARKO has consistently acquired quality assets at attractive multiples. The Company has demonstrable price discipline and creative approaches to transaction structuring, which has historically resulted in attractive returns over time.

24 ACQUISITIONS SINCE 2013

22 CLOSED AND 2 ANNOUNCED,
PENDING CLOSING

IN-HOUSE M&A TEAM

WITH EXTENSIVE EXPERIENCE

20X ADJ. EBITDA GROWTH SINCE 2013

\$15MM 2013 ADJ. EBITDA ---->
\$301.1MM 2022 ADJ. EBITDA ⁵

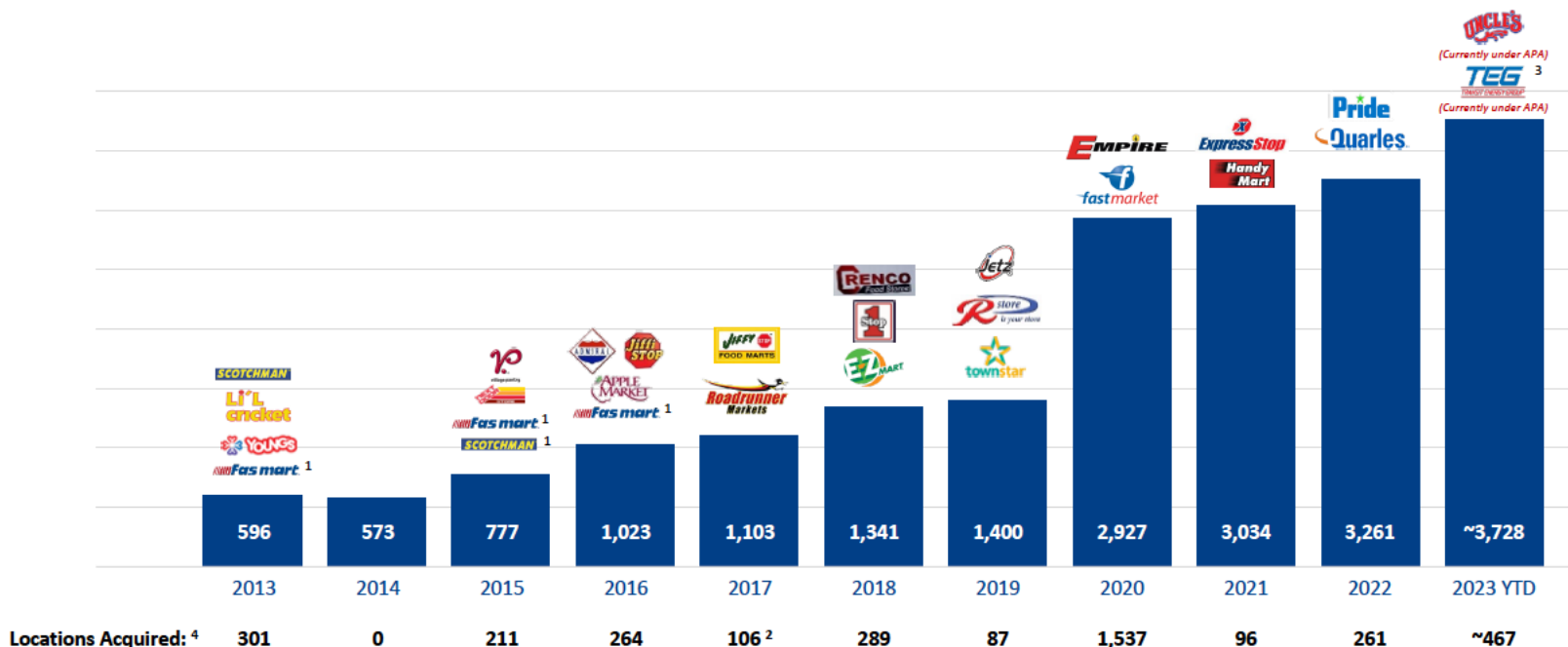
¹ Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.

² Includes Broyles Hospitality locations as of the acquisition date, a seven unit Dunkin' franchisee in Tennessee and Virginia.

³ Includes TEG and WTG transactions anticipated to close in Q1 and Q2 2023.

⁴ Includes wholesale and cardlocks.

⁵ Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.



ARKO's Retail Brand Footprint

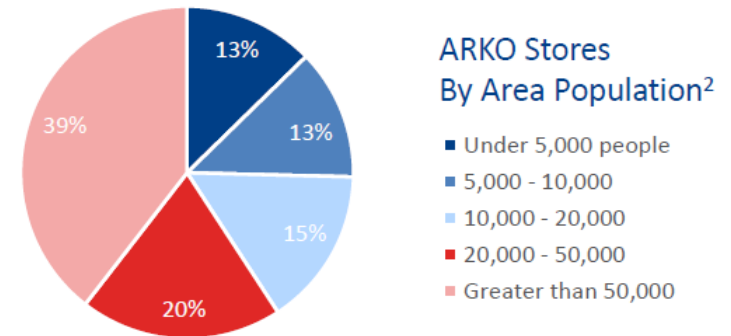
- Highly successful strategy embracing well known regional convenience store brands with brand equity and long histories in their communities.
- We operate 1,547 retail convenience stores in more than 30 states under more than 25 regional store brands that have been in existence for an average of approximately 50 years.¹

Added 159 company operated stores year-to-date in 2023 through closed acquisitions.

Overview:

- **~40%** of our retail stores are in areas with populations of fewer than 20,000 people.
- **~20%** of our retail stores are in areas with populations between 20,000 and 50,000 people.

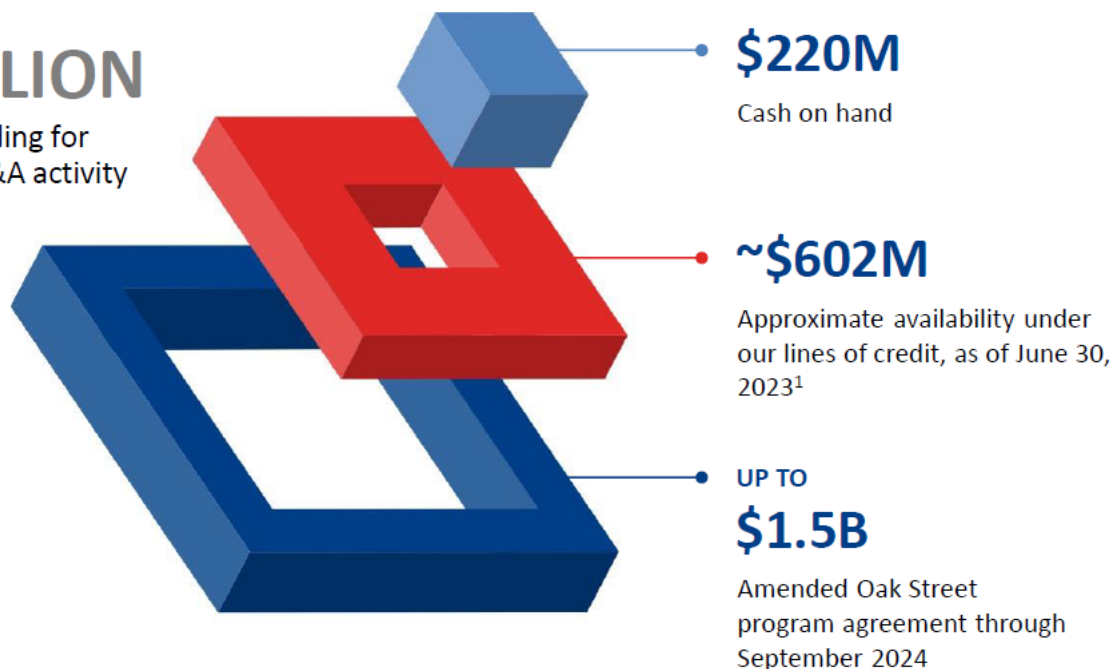
Our focus on secondary and tertiary markets allows us to preserve “local” brand name recognition and align local market needs with capital investment.



Key Financial Highlights – Strong Liquidity

OVER
\$2 BILLION

Available funding for
continued M&A activity



Quarterly dividend
announced for Q3 2023

\$0.03/SHARE

AUTHORIZED UP TO

\$100 MILLION

Share repurchase program²



1. On May 5, 2023, GPM Petroleum renewed and extended its revolving credit facility. The credit line was increased by \$300 million to \$800 million, and its maturity was extended to May 2028.
2. Remaining amount as of June 30, 2023 - ~\$49M.

11

SOURCE: ARKO'S Q2 EARNING

ACCELERATED DEPRECIATION
FOR CONVENIENCE STORE
PROPERTIES

The Tax Cuts and Jobs Act signed into law in 2017 provided real estate investors with new tax benefits associated with owning gas station properties. The primary benefit is the allowance of accelerated depreciation. The construction and equipment associated with these properties can now be reclassified and depreciated over shorter time periods than the traditional 39 year life for commercial property. Due to the fee simple ownership of this property, an investor can receive greater deductions in the earlier years of the asset, thus minimizing taxable income. This enables anyone investing in these properties to lower their taxes and reduce their exposure in the earlier years of ownership while enjoying the benefits of a passive income stream that comes with owning a single tenant property. Currently, the bonus depreciation of fueling/convenience store equipment allows investors to qualify for a 60% depreciation deduction under the 2024 code. The bonus depreciation deduction will decrease by 20% every year until fully phased out by 2027.

SRS NNL recommends that the prospective purchaser(s) consult with their tax professional for advice related to your specific situation and how you can take advantage of accelerated bonus depreciation.



TWO METHODS FOR C-STORE DEPRECIATION

COST SEGREGATION ANALYSIS	15-YEAR STRAIGHT LINE SCHEDULE
Cost segregation studies take into account each individual component of a property and place each piece on its own appropriate depreciation schedule (ex. gas pumps, HVACs, roof, etc). This process generally front-loads the depreciation of the property into the first few years of ownership, which can result in notable tax savings and may be ideal depending on the tax payer's yearly tax liability outside of this investment.	For some investors, it may make more sense to have the entire asset's depreciation spread out evenly using the 15-year straight line method. Qualified c-store equipment and property placed in service after Dec. 31, 2017 generally is depreciable using the straight line method over 15 years (shorter recovery period than the traditional 39 year life for commercial buildings).

PROPERTY OVERVIEW

LOCATION



Longview, Texas
Gregg County

ACCESS



Pine Tree Road: 1 Access Point
Birch Drive: 1 Access Point

TRAFFIC COUNTS



Pine Tree Road: 11,000 VPD
Birch Drive: 3,500 VPD
State Highway 281: 29,500 VPD

IMPROVEMENTS



There is approximately 2,267 SF of existing building area

PARKING



There are approximately 13 parking spaces on the owned parcel.
The parking ratio is approximately 5.73 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 32600000000-007-01-02
Acres: 0.90
Square Feet: 39,204

CONSTRUCTION



Year Built: 1982

ZONING



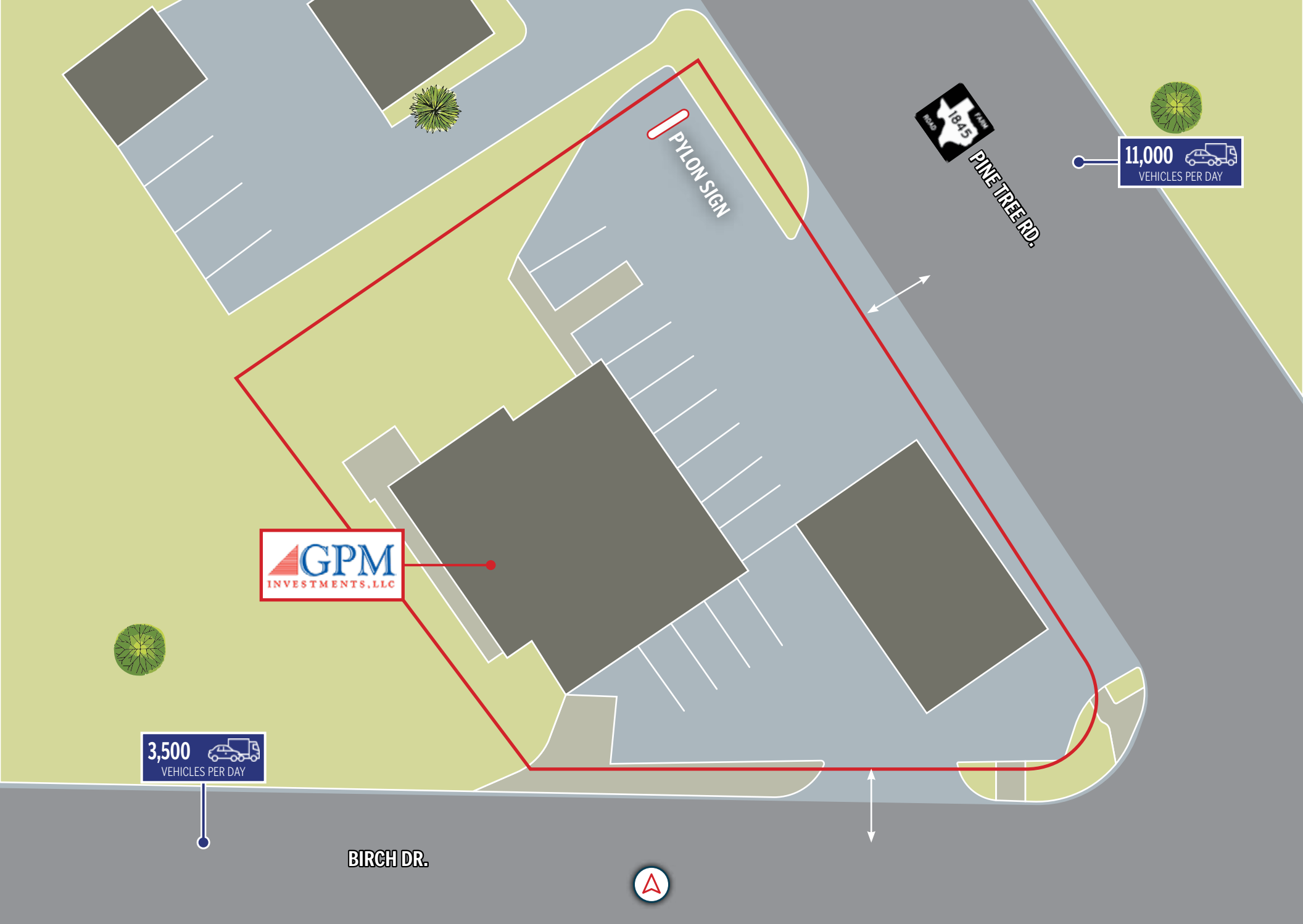
GR - General Retail



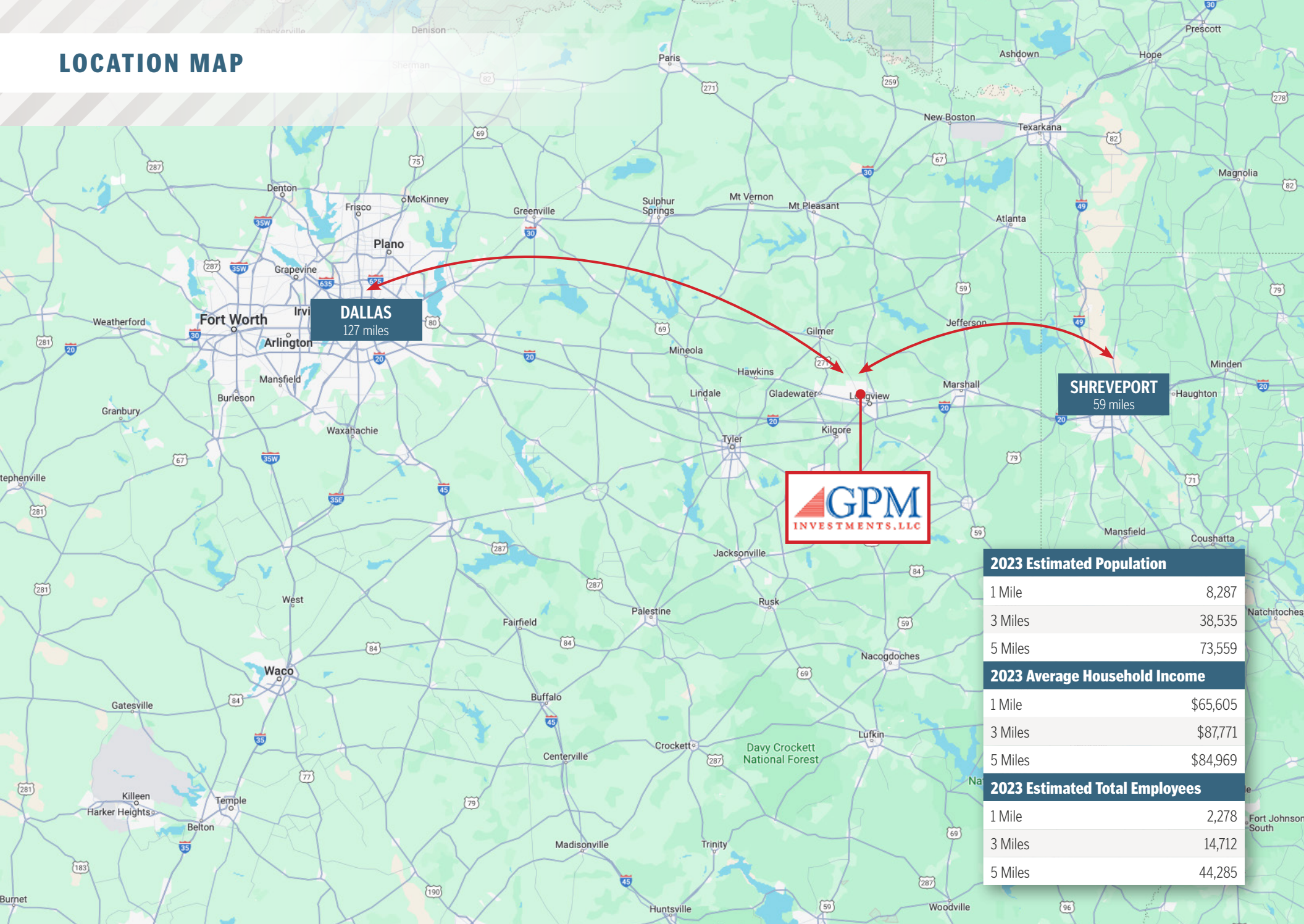








LOCATION MAP



	1 Mile	3 Miles	5 Miles
Population			
2023 Estimated Population	8,287	38,535	73,559
2028 Projected Population	8,315	38,508	73,995
2023 Median Age	33.1	37.3	38.1
Households & Growth			
2023 Estimated Households	3,029	15,139	29,229
2028 Projected Households	3,072	15,254	29,667
Income			
2023 Estimated Average Household Income	\$65,605	\$87,771	\$84,969
2023 Estimated Median Household Income	\$55,613	\$62,017	\$60,270
Businesses & Employees			
2023 Estimated Total Businesses	248	1,516	3,997
2023 Estimated Total Employees	2,278	14,712	44,285



LONGVIEW, TEXAS

Longview, Texas, in Gregg County, is 121 miles E of Dallas, Texas. Part of the surrounding Longview - Marshall metro area, the city is not an isolated city. The City of Longview had a population of 82,501 as of July 1, 2023.

The city of Longview offers a number of recreational facilities that will make your vacations memorable. The local parks include Pinewood Park, Ingram Park, Leaders' Core Park, Akin Park, Benny Jackson Park, Hinsley Park, and Rollins Park. You can explore the region's history and culture at the Gregg County Historical Museum and Longview Art Museum. Shopping can be enjoyed at Longview Shopping Center. Longview and nearby Attractions are Cargill Long Park, Gregg County Historical Museum, R.G. LeTourneau Museum, Longview Museum and Arts Center, Tyler Municipal Rose Garden and CaldwellZoo.

Letourneau University, Star College of Cosmetology, and Brown Institute of Court Reporting and Business are the local higher educational institutes.

Major airports near Longview, Texas are East Texas Regional Airport & Tyler Pounds Regional Airport.

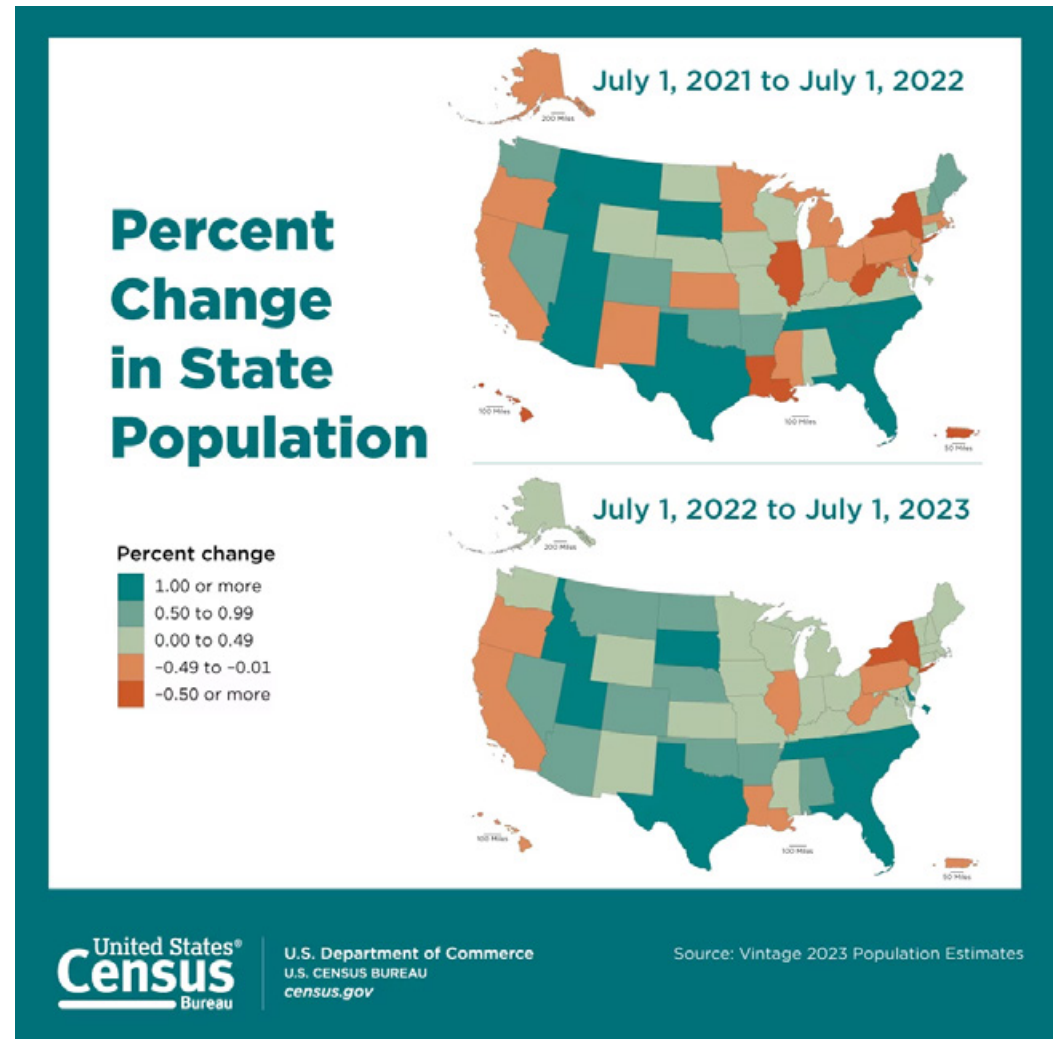
PERCENT CHANGE IN STATE POPULATION

Top 10 States by Numeric Growth: 2022 to 2023

Rank	Geographic Area	April 1, 2020 (est. base)	July 1, 2022	July 1, 2023	Numeric Growth
1	Texas	29,145,459	30,029,848	30,503,301	473,453
2	Florida	21,538,216	22,245,521	22,610,726	365,205
3	North Carolina	10,439,459	10,695,965	10,835,491	139,526
4	Georgia	10,713,771	10,913,150	11,029,227	116,077
5	South Carolina	5,118,422	5,282,955	5,373,555	90,600
6	Tennessee	6,910,786	7,048,976	7,126,489	77,513
7	Arizona	7,157,902	7,365,684	7,431,344	65,660
8	Virginia	8,631,373	8,679,099	8,715,698	36,599
9	Colorado	5,773,707	5,841,039	5,877,610	36,571
10	Utah	3,271,614	3,381,236	3,417,734	36,498

Top 10 States or State Equivalent by Percent Growth: 2022 to 2023

Rank	Geographic Area	April 1, 2020 (est. base)	July 1, 2022	July 1, 2023	Percent Growth
1	South Carolina	5,118,422	5,282,955	5,373,555	1.7%
2	Florida	21,538,216	22,245,521	22,610,726	1.6%
3	Texas	29,145,459	30,029,848	30,503,301	1.6%
4	Idaho	1,839,117	1,938,996	1,964,726	1.3%
5	North Carolina	10,439,459	10,695,965	10,835,491	1.3%
6	Delaware	989,946	1,019,459	1,031,890	1.2%
7	D.C.	689,548	670,949	678,972	1.2%
8	Tennessee	6,910,786	7,048,976	7,126,489	1.1%
9	Utah	3,271,614	3,381,236	3,417,734	1.1%
10	Georgia	10,713,771	10,913,150	11,029,227	1.1%



Source: United States Census Bureau
Read Full Article [HERE](#)
Posted on December 18, 2023



SRS

CAPITAL
MARKETS

THE EXCLUSIVE NATIONAL NET LEASE TEAM of SRS Real Estate Partners

300+

TEAM
MEMBERS

25+

OFFICES

2K+

RETAIL
TRANSACTIONS

company-wide
in 2023

510+

CAPITAL MARKETS
PROPERTIES

SOLD
in 2023

\$2.2B+

CAPITAL MARKETS
TRANSACTION

VALUE
in 2023

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