

Murphy USA | 20-Year Ground Lease

Corporate Credit (Fortune 500) | Absolute NNN | New Construction

NWC 2nd St. & Alameda Blvd. | 201 Alameda Blvd. NW | Albuquerque, NM 87114

Offering
Memorandum



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 **INVESTMENT**
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Investment Highlights

Investment Property Advisors is pleased to offer for sale a single-tenant, absolute NNN ground lease to Murphy Oil USA, Inc. The tenant signed a 20-year ground lease that is commenced March 22, 2021. The asset is located at 201 Alameda Blvd NW in Albuquerque, New Mexico. Alameda Blvd (Hwy 528) is a heavily trafficked thoroughfare and is only one of seven river crossings in Albuquerque which connects the east and west sides of the City. The property is positioned at the northwest corner of Alameda Blvd and 2nd St, a signalized intersection. Neighboring retailers include Champion Xpress Car Wash and Circle K among many others.

The approximately 2,824 sq. ft. building is situated on about 0.9 acres. This location sells alcohol which is very desirable and coveted by convenience stores. There are very high barriers to entry to sell alcohol due to strict zoning regulations as well as the limited and expensive liquor licenses. Murphy USA operates over 1,400 locations located in 26 states. The company is traded on the NYSE and had revenues of over \$14 billion in 2019.

This investment benefits from the strong tenant, passive lease structure, barriers to entry, and its exceptional location. The lease is an absolute NNN ground lease with zero landlord responsibilities. In addition, the site sits along a main thoroughfare with significant traffic counts. The passive nature of the lease combined with the strong real estate fundamentals and credit tenant make this property an opportunity on which an investor can capitalize for the foreseeable future.

Murphy USA

- Single-Tenant NNN Ground Lease - Murphy USA
- New 20-year ground lease
 - Rent Commencement - March 22, 2021
 - Zero landlord responsibilities
 - Significant capital investment by Tenant
- Strong credit tenant (Murphy Oil USA, Inc.)
 - BB+ credit rating
 - Traded on the NYSE (MUSA)
 - Operates more than 1,400+ locations
- Building Size: +/- 2,824 SF
- Land Size: +/- 0.9 Acres
- Attractive 8% rental increases every 5 years (base term and options)
- Strong real estate fundamentals
 - Hard corner, signalized intersection
 - Neighboring tenants include Sonic, Champion Xpress Car Wash and Circle K among many others
 - This location sells alcohol (high barrier to entry and very desirable)
- Significant traffic counts with excellent visibility
 - Alameda Blvd (Hwy 528) is a river crossing (connects the east and west sides of the City)
 - Over 40,000 cars per day at the intersection of Alameda Blvd. and 2nd St.
- **Bonus/Additional Income**
 - **Twice the Ice has an ice machine on the site and pays \$622/month (\$7,464.00/yr) which is not included in the NOI**



Offering Summary

Purchase Price	\$1,800,000
Net Operating Income	\$90,000*
Cap Rate	5.00%
Lease Type	Absolute NNN Ground Lease

**additional income of \$622/mo (\$7,464.00/yr) from Twice the Ice lease not included in the NOI*

Lease Summary & Rent Schedule



Lease Summary



Location	201 Alameda Blvd NW Albuquerque, NM
Tenant	Murphy Oil USA, Inc.
Building Size	±2,824 SF
Land Size	±0.9 Acres
Rent Commencement Date	March 22, 2021
Remaining Base Lease Term	20 Years
Rental Increases	8% every 5 years
Renewal Options	(4) 5-year option
Net Operating Income	\$90,000
Lease Type	Absolute NNN Ground Lease

Rent Schedule



Period	Annual Rent
Years 1-5 (Current)	\$90,000
Year 6-10	\$97,200
Years 11-15	\$104,976
Years 16-20	\$113,374
Years 21-25 (Option 1)	\$122,444
Years 26-30 (Option 2)	\$132,240
Years 31-35 (Option 3)	\$142,819
Years 36-40 (Option 4)	\$154,244

Tenant Highlights



MURPHY EXPRESS



Murphy USA, Inc. operates a chain of retail gas stations across the United States. It operates more than 1,488 locations across 26 states under the brands Murphy USA and Murphy Express. The company services about 1.6 million customers each and every day according to its website.

Murphy's USA's stores offer competitive pricing and speed of service which lead to its high volume in comparison to many of its competitors. The company is known as the low-cost fuel-market leader. In 2019, company revenues exceeded \$14 billion. Murphy is ranked 262 on the Fortune 500 list in terms of revenue.

Murphy USA is headquartered in El Dorado, AR, and was founded in 2013 as a spin-off of Murphy Oil. Traditionally, many of its locations have been near Walmart locations. However, as part of the company's new direction since 2016, Murphy is targeting larger, stand-alone stations.

	Tenant Profile
Tenant	Murphy Oil USA, Inc.
Stock Ticker	MUSA (NYSE)
Credit Rating	BB+
Headquarters	El Dorado, AR
Locations	1,488+
Website	www.murphyusa.com

Property Aerial

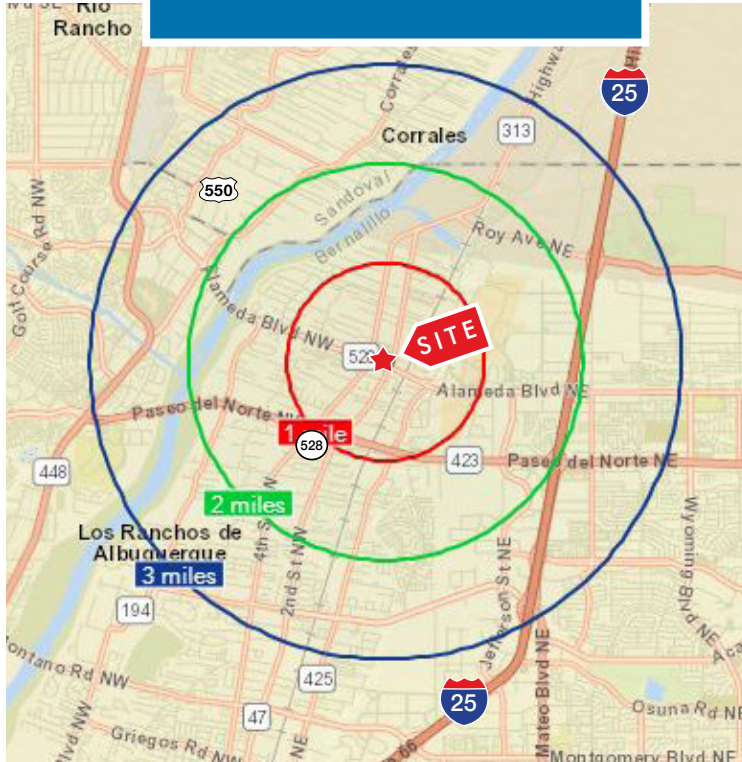


Site Photos



Demographics

1, 2 & 3 Miles



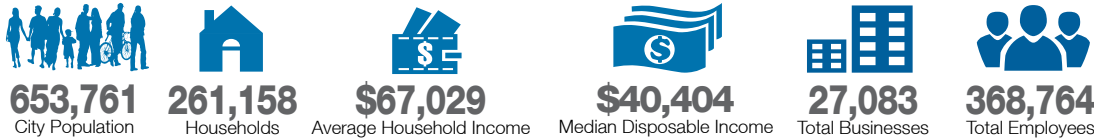
	1 Mile	2 Mile	3 Mile			
Summary	2020	2020	2020			
Population	4,838	15,756	40,633			
Households	1,949	6,700	17,629			
Families	1,221	4,033	10,363			
Average Household Size	2.48	2.34	2.30			
Owner Occupied Housing Units	1,430	4,683	11,429			
Renter Occupied Housing Units	519	2,017	6,200			
Median Age	42.2	42.6	42.5			
Trends: 2020-2025 Annual Rate	State	State	State			
Population	0.54%	0.54%	0.54%			
Households	0.57%	0.57%	0.57%			
Families	0.39%	0.39%	0.39%			
Owner HHs	0.59%	0.59%	0.59%			
Median Household Income	1.11%	1.11%	1.11%			
	2020	2020	2020			
Households by Income	Number	Percent	Number	Percent	Number	Percent
<\$15,000	265	13.6%	901	13.4%	2,070	11.7%
\$15,000 - \$24,999	230	11.8%	663	9.9%	1,642	9.3%
\$25,000 - \$34,999	241	12.4%	697	10.4%	1,818	10.3%
\$35,000 - \$49,999	232	11.9%	874	13.0%	2,206	12.5%
\$50,000 - \$74,999	297	15.2%	1,026	15.3%	2,928	16.6%
\$75,000 - \$99,999	172	8.8%	686	10.2%	1,844	10.5%
\$100,000 - \$149,999	279	14.3%	930	13.9%	2,642	15.0%
\$150,000 - \$199,999	127	6.5%	458	6.8%	1,101	6.2%
\$200,000+	106	5.4%	464	6.9%	1,378	7.8%
Median Household Income	\$50,375		\$53,847		\$57,133	
Average Household Income	\$75,484		\$82,591		\$86,482	
Per Capita Income	\$30,409		\$34,901		\$37,338	
	2020	2020	2020			
Population by Age	Number	Percent	Number	Percent	Number	Percent
0 - 4	273	5.6%	890	5.6%	2,173	5.3%
5 - 9	280	5.8%	947	6.0%	2,302	5.7%
10 - 14	283	5.8%	982	6.2%	2,407	5.9%
15 - 19	287	5.9%	850	5.4%	2,203	5.4%
20 - 24	269	5.6%	792	5.0%	2,021	5.0%
25 - 34	579	12.0%	1,803	11.4%	5,265	13.0%
35 - 44	612	12.6%	2,108	13.4%	5,224	12.9%
45 - 54	569	11.8%	1,982	12.6%	5,215	12.8%
55 - 64	718	14.8%	2,341	14.9%	6,018	14.8%
65 - 74	586	12.1%	1,949	12.4%	4,809	11.8%
75 - 84	282	5.8%	808	5.1%	2,149	5.3%
85+	101	2.1%	303	1.9%	844	2.1%

Trade Area Analysis

Albuquerque | Why Here? Why Now?

Located near the geographic center of New Mexico at the intersection of I-25 and I-40 and resting at the foot of the Sandia Mountains, **Albuquerque** is the state's most populous city and one of the most livable in the U.S. The city serves as a major transportation and shipping hub for the Southwest, with BNSF Railway, air cargo from Albuquerque International Sunport airport, and a commuter train running from Belen to Santa Fe. Albuquerque is home to the International Balloon Fiesta, the world's largest gathering of hot-air balloons. A talented workforce, a business-friendly environment, a community rooted in history and a high quality of life make Albuquerque hard to beat.

Albuquerque City by the numbers (ESRI 2017 Demographics)



In the news

- Ranked 6th in America's favorite cities list - *Travel + Leisure*
- Ranks among America's best cities for global trade - *Global Trade Magazine*
- The 5th most cost-friendly city to do business in the U.S. - *KPMG*

Top 8 Reasons to choose Albuquerque

Invest in Albuquerque

- Low-Risk Location
- Skilled Workforce
- Business Incentives
- The Metro Area Communities
- Quality of Life
- Cost of Living
- Innovation Central
- On the cutting edge of Technology



ALBUQUERQUE HEALTHCARE.
Is the center of health care excellence in NM. University of NM is a nationally recognized Class 1 research institution. There are 1,943 licenced hospital beds in metro area



ALBUQUERQUE EDUCATION | SKILLED WORKFORCE
Ranks top in nation for cities with the most college graduates, 69,000 college students reside in metro area, has one of the largest # of PhDs per capita in the nation



COMPETITIVE BUSINESS CLIMATE
Low energy costs, low property taxes, affordable real estate and cost of living, a qualified/productive workforce, aggressive incentives, efficient market access



922,914
Albuquerque Metro Population

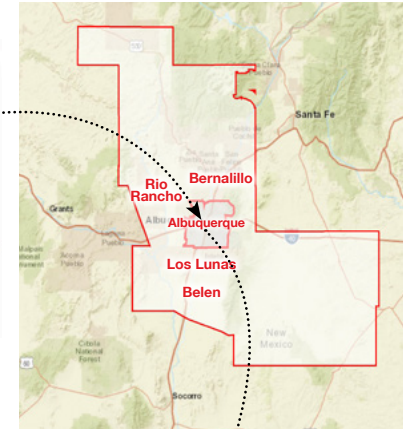
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The Largest
City in the State

New Mexico



Albuquerque Metro



Albuquerque City

