



\$1,545,776

7.50% CAP RATE

**307 N STATE ST
FAIRMONT, MN 56031**



Absolute-NNN Lease | ±19 Years Remaining With 2% Annual Rent Increases
Established Fairmont, MN Location Along N State St Near I-90 With Strong Traffic Exposure
Established Marathon Gas Station & Quick Mart With Proven Consumer Demand
Backed By Established and Successful Operator | Potential For 100% Bonus Depreciation

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WHY INVEST?



Strategic Fairmont Interstate Corridor Location | Supported by Regional Agriculture, Residential & Commuter Traffic

- **Strategically Located Along North State Street Near Interstate 90**, A Major East-West Corridor Providing Direct Connectivity Throughout Southern Minnesota And The Greater Fairmont Area
- **Freestanding Marathon Gas Station & Quick Mart** With Strong Visibility, Convenient Access, And On-Site Parking Positioned To Capture Local Residents And Daily Commuter Traffic
- **Located Within The Primary Commercial Trade Area Of Fairmont**, Supported By Regional Employment Drivers Including Healthcare, Agriculture, And The Area's Chain Of Interconnected Lakes That Enhance Tourism, Recreation, And Year-Round Consumer Activity
- **Positioned Within An Established Commercial Corridor** Near National And Local Retailers Serving The Surrounding Trade Area
- **Benefits From Consistent Traffic Exposure** Along A Key Local Thoroughfare Connecting Residential Neighborhoods, Agricultural Land, And Interstate Travel Routes Throughout The Market



Long-Term NNN Lease With ±19 Years Remaining | Strong Yield With Built-In Annual Rent Growth

- **±19 Years Remaining On A NNN Lease**, Providing Stable, Passive Income With Zero Landlord Responsibilities
- **Strong In-Place Cash Flow**, With \$115,933 In Annual Base Rent (\$9,661/Month) Backed By Established Operator KeyStone Retail and Affiliates (39 Units)
- **Attractive Rent Growth Structure**, Featuring 2% Annual Increases
- **Long-Term Income Security**, With Four (4) Five-Year Renewal Options, Extending Potential Lease Duration And Investment Upside
- **High-Yield Investment Opportunity Offered At A 7.50% Cap Rate**, Supported By A Proven Operating Location Within The Fairmont Trade Area




Established Operator Nationally Recognized Fuel & Convenience Brand

- **Operated And Guaranteed By Established Operator KeyStone Retail and Affiliates (39 Units)**, With A Demonstrated Track Record Of Operating Fuel And Convenience Retail Locations Across Multiple Markets

- **Established Fuel & Convenience Brand — Marathon Is One Of The Most Recognized Fuel Brands In The United States**, With A Strong Retail Footprint And Thousands Of Locations Nationwide
- **Widely Known For Its Fuel, Convenience Retail, And Grab-And-Go Offerings**, Driving Consistent Consumer Demand Through Daily Commuter Traffic And Accessible Neighborhood Locations



INVESTMENT SUMMARY

Address:	 307 N State St Fairmont, MN 56031
Branding:	Marathon
Guarantor:	KeyStone Retail and Affiliates (39-Units)
Price:	\$1,545,776
Cap Rate*:	7.50%
NOI*:	\$115,933
Building Size (SF):	±4,272 SF
Lot Size (AC):	±0.86 Acres
Year Built/Renovated:	1963/2026

LEASE TERMS

Lease Commencement:	8/26/2025
Lease Term Expiration:	8/31/2045
Term Remaining:	±19 Years
Lease Type:	NNN (Fee-Simple)
Landlord Responsibilities:	None
100% Bonus Depreciation:	Eligible**
Monthly Rent*:	\$9,661
Annual Base Rent*:	\$115,933
Rental Increases:	2% Annually
Renewal Options:	4 x 5 Years

*Annual Rent, NOI, and Cap Rate reflect the upcoming rent increase scheduled for 9/1/2026. If close of escrow occurs prior to rent increase, Seller to credit Buyer rent on a prorated basis through the rent increase date.

**Property should qualify for 100% bonus depreciation under IRC §168(k), permanently restored by the OBBBA. Buyer must confirm eligibility with their CPA or tax consultant. Broker is not a tax advisor and makes no representation or warranty regarding the availability, applicability, or amount of any tax benefit. Buyer is solely responsible for conducting independent tax due diligence and bears all risk associated with any tax position taken.

\$1,545,776

LISTING PRICE

7.50%

CAP RATE*

±19 YRS

LEASE TERM

\$115,933

NOI*

NNN

LEASE TYPE

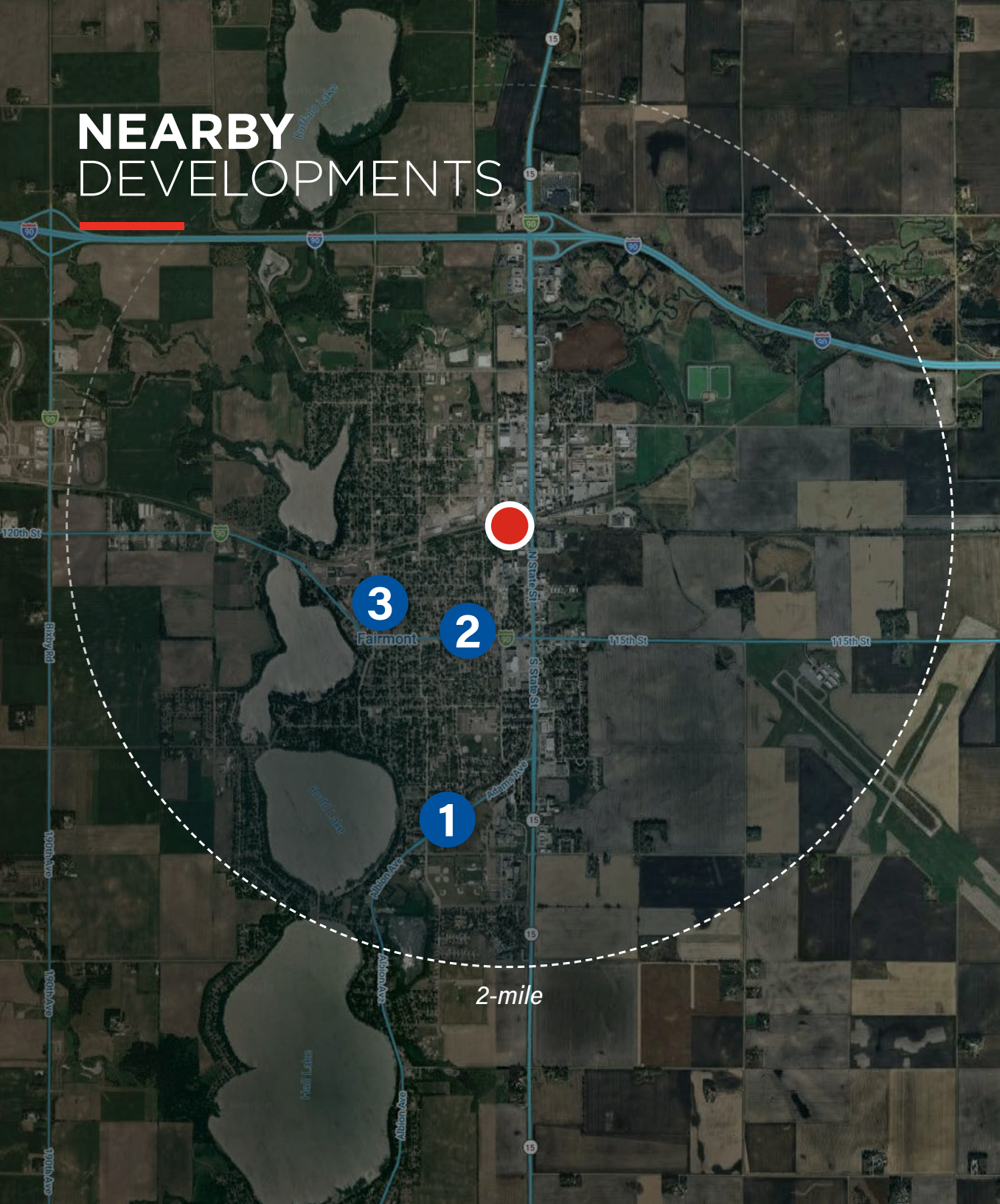
±4,272 SF

BUILDING SIZE





NEARBY DEVELOPMENTS



1. 2026 City Street Improvement Program: \$8.1 Million in Reconstruction and Overlays Including Albion Avenue Corridor (Municipal Infrastructure)

The Fairmont City Council approved an \$8.1 million 2026 Street Improvement Program covering Park Street reconstruction (Blue Earth Avenue to 4th Street), Orient Street reconstruction, and 12 separate overlay projects. Two of the overlay projects directly affect the subject's Albion Avenue corridor: Deli Street from Albion Avenue to its deadend, and Government Street from Albion Avenue to its deadend. The City Council awarded a \$597,372 overlay contract on April 28, 2026, with construction beginning in the 2026 season. Additional projects in the program include Budd Street, Burton Lane, Cedar Creek Court, Home Street, School Street, Highway 15 Service roads, 12th Street, and the Aquatic Park parking lot. Funding sources include municipal state aid, a federal Small City Surface Transportation Program (STP) grant, improvement program bonds, and special assessments.

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2. Blue Earth Avenue Corridor Improvement: Road Diet, Roundabout, and Complete Streets Upgrade (Transportation Infrastructure)

The City of Fairmont is proceeding with a major improvement of Blue Earth Avenue in 2026, converting the existing four-lane roadway from Downtown Plaza to Highway 15 to a three-lane section with a center turn lane. The project includes removal of traffic signals at Park Street and Prairie Avenue, construction of a new roundabout at Prairie Avenue, ADA improvements at all intersections, green space beautification, and sidewalk reconstruction throughout the corridor. The project is funded in part by federal transportation funds and is designed to improve safety, protect left-turn movements, and enhance pedestrian connectivity along one of Fairmont's primary east-west commercial corridors. A community engagement session was held April 30, 2025, with construction planned for 2026.

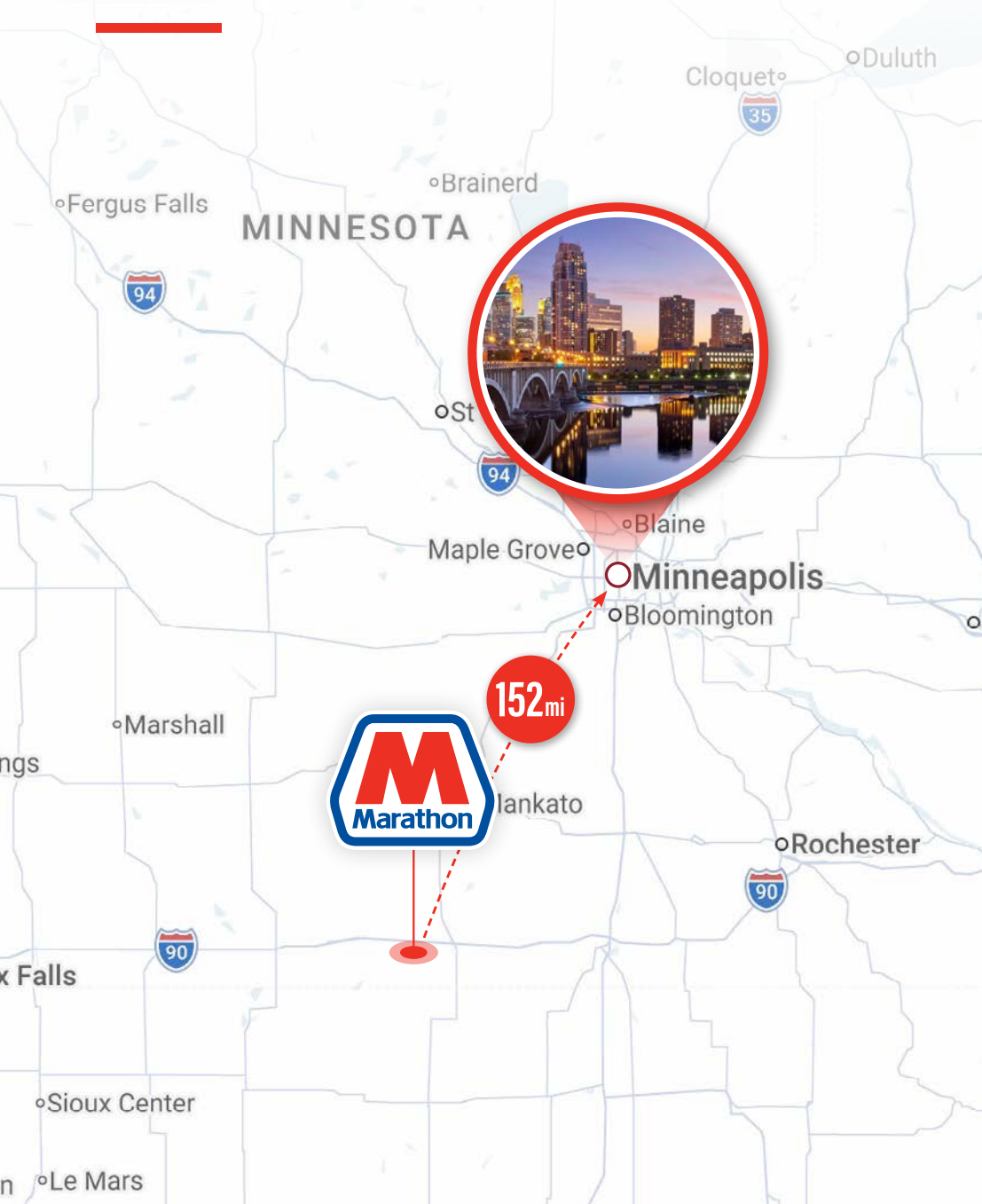
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3. City Hall and Public Safety Facility: \$7.8 Million Planned Replacement (Civic / Government)

The City of Fairmont's 2026 to 2030 Capital Improvement Plan designates \$7.8 million for a City Hall and public safety facility replacement, currently targeted for 2028. A facility needs analysis was completed by Wold Architects and Engineers (covering City Hall, the Southern Minnesota Educational Campus building, and the Ice Arena) alongside a separate study by Brunton Architects and Engineers focused on the City Hall and Fire Hall. The studies identified significant deferred maintenance, space deficiencies, and safety concerns in the current facilities. The CIP allocates \$25,000 in 2026 for continued facility planning and design work, with \$7.8 million in General Obligation Bond funding programmed for 2028 construction. The new facility is expected to consolidate police, fire, and city administrative functions in a modern, code-compliant building, representing a significant long-term civic investment for the community.

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FAIRMONT MINNESOTA



The Fairmont market, located in southern Minnesota along the Interstate 90 corridor, is a stable and regionally significant community that serves as the primary economic and service hub for Martin County and surrounding rural areas. With a population of approximately 10,000, Fairmont supports a diverse local economy driven by agriculture, food processing, healthcare, and light manufacturing. The city benefits from its strategic positioning along a major east-west transportation route, providing connectivity to larger regional markets while maintaining a steady base of local and commuter-driven economic activity.



*Home to 5 Beautiful Lakes
Fairmont, MN*



POPULATION	AVG. HH INCOME	DAYTIME POPULATION
19,673	\$91,802	12,700

At the core of Fairmont's identity is its strong healthcare presence, anchored by Mayo Clinic Health System, which serves as a primary provider for the surrounding region and supports a significant portion of local employment. In addition to its healthcare infrastructure, Fairmont is known for its unique natural setting as the "City of Lakes," featuring a chain of interconnected lakes that enhance quality of life and contribute to the area's recreational appeal. Local amenities, community events, and outdoor attractions foster a welcoming environment that supports long-term residential stability and sustained consumer activity.

Fairmont continues to benefit from a balanced economic foundation supported by a mix of regional employers, educational institutions, and essential services. Minnesota West Community and Technical College plays a key role in workforce development, while local agribusiness and manufacturing operations contribute to the area's economic consistency. Retail and commercial activity is concentrated along primary corridors such as State Street and near Interstate 90 interchanges, where businesses benefit from strong visibility and accessibility. Supported by a stable population base and its role as a regional draw for surrounding communities, Fairmont offers a reliable environment for continued economic activity and long-term growth.

TENANT PROFILE



Founded in 1887, Marathon Petroleum is one of the most recognized energy companies in the United States, built on a legacy of refining, fuel distribution, and large-scale retail operations. The company expanded through its refining network, branded fuel stations, and integrated infrastructure — cultivating strong consumer recognition and operational scale across domestic markets. In addition to its core fuel operations, Marathon Petroleum’s portfolio includes convenience retail, logistics, transportation assets, and renewable fuels initiatives designed to meet evolving consumer and industry demands. The company’s extensive operational footprint continues to support millions of consumers and businesses across the country.

Today, Marathon Petroleum operates one of the largest refining systems in the United States, supported by an expansive network of branded fuel stations, pipelines, terminals, and logistics assets throughout the country. The company has embraced modernization through upgraded station formats, digital payment integration, operational efficiency initiatives, and investments in renewable and lower-carbon energy solutions that prioritize customer convenience and long-term adaptability.

Marathon Petroleum is a publicly traded energy company listed on the New York Stock Exchange. Supported by strong national brand recognition, extensive infrastructure, and continued investment in diversified energy solutions, Marathon Petroleum remains a resilient and widely recognized industry leader while continuing to adapt to evolving energy demands and changing consumer mobility trends.



IN THE NEWS



[FULL ARTICLE](#)

MPC Q1 EARNINGS BEAT ESTIMATES ON STRONG REFINING RESULTS

May 12, 2026 | *Yahoo Finance*

Marathon Petroleum Corporation MPC reported first-quarter 2026 adjusted earnings per share of \$1.65, which beat the Zacks Consensus Estimate of 72 cents. Moreover, the bottom line increased significantly from the year-ago adjusted loss of 24 cents. The outperformance was driven by stronger-than-expected Refining & Marketing segment performance. The company distributed approximately \$1 billion to its shareholders during the first quarter and ended the quarter with \$3.6 billion...

RETURNS ARE GAINING MOMENTUM AT MARATHON PETROLEUM (NYSE:MPC)

January 17, 2026 | *Yahoo Finance*

Finding a business that has the potential to grow substantially is not easy, but it is possible if we look at a few key financial metrics. Firstly, we’d want to identify a growing return on capital employed (ROCE) and then alongside that, an ever-increasing base of capital employed. Put simply, these types of businesses are compounding machines, meaning they are continually reinvesting their earnings at ever-higher rates of return. With that in mind, we’ve noticed some promising trends...



[FULL ARTICLE](#)

2025 REVENUE

\$133B

U.S. LOCATIONS

7K+

EMPLOYEES

18K+

NYSE

MPC

EXCLUSIVELY LISTED BY

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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.)

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