

# SINGLE TENANT ABSOLUTE NNN

Investment Opportunity



13+ Years Remaining | Located off Interstate 81 Exit Ramp | Qualifies for Bonus Depreciation



12319 Maple Street

**GLADE SPRING** VIRGINIA

ACTUAL SITE



## EXCLUSIVELY MARKETED BY



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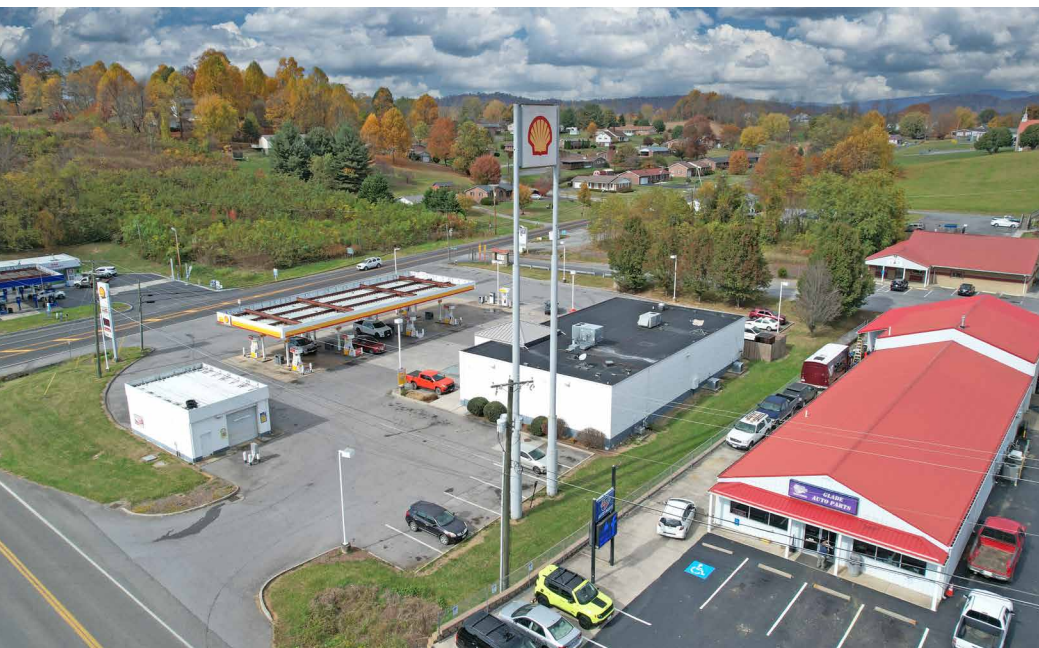


Principal Broker: Ed Laycox, SRS National Net Lease Group LP | VA License No. 0225094421

# SITE OVERVIEW



# PROPERTY PHOTOS



# PROPERTY PHOTOS



# OFFERING SUMMARY



## OFFERING

<b>Pricing</b>	\$5,050,000
<b>Net Operating Income</b>	\$302,952
<b>Cap Rate</b>	6.00%

## PROPERTY SPECIFICATIONS

<b>Property Address</b>	12319 Maple St, Glade Spring, VA 24340
<b>Rentable Area</b>	4,931 SF
<b>Land Area</b>	1.36 AC
<b>Year Built</b>	2005
<b>Tenant</b>	GPM Investments (dba Roadrunner)
<b>Lease Signature</b>	Corporate
<b>Lease Type</b>	Absolute NNN
<b>Landlord Responsibilities</b>	None
<b>Ownership Interest</b>	Fee Simple
<b>Lease Term</b>	13+ Years
<b>Options</b>	4 (5-Year)
<b>Increases</b>	10% Every 5 Years
<b>Rent Commencement</b>	May 1, 2022
<b>Lease Expiration</b>	April 30, 2037

Tenant Name	Square Feet	LEASE TERM		RENTAL RATES			
		Lease Start	Lease End	Begin	Increase	Monthly	Annually
GPM Investments	4,931	5/1/2022	4/30/2037	Current	-	\$25,246	\$302,952
(dba Roadrunner)				May 2027	10%	\$27,771	\$333,247
				May 2032	10%	\$30,548	\$366,572

### 13+ 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
- 13+ years of lease term remaining on the original 15-year base term
- 10% rental increases every five years

### Absolute NNN Lease | Fee Simple Ownership (Land & Building) | Zero Landlord Responsibilities

- No landlord responsibilities
- Ideal, management-free investment for a passive investor
- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises

### Average Household Income In Local Trade Area

- The average household income exceeds \$79,600 in a 3-mile radius

### Interstate 81 (38,000 VPD) | Multiple Points of Access | Hard Corner Location | Highly Visible

- The subject property is directly off the Interstate 81 exit ramp, generating more than 38,000 vehicles per day on average
- The asset is strategically positioned at the hard corner of Glove Drive and Maple Street which provide on and off access to Interstate 81
- The corner location provides one access point off Glove Drive and three separate access points off Maple Street

## GPM INVESTMENTS, LLC (ARKO CORP.)

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

**Website:** [gpminvestments.com](http://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 EBITDA<sup>1</sup>

**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**

<sup>1</sup> 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 <sup>5</sup>

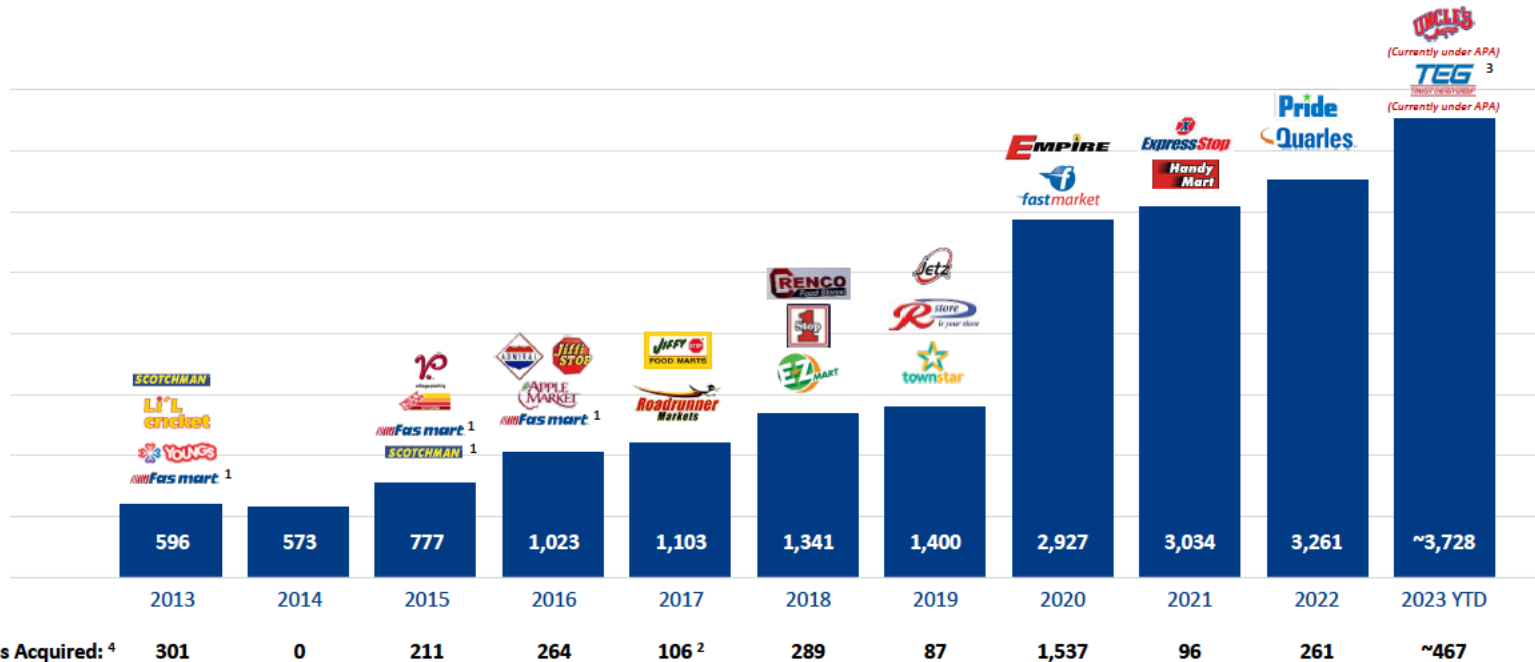
<sup>1</sup> Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.

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

<sup>3</sup> Includes TEG and WTG transactions anticipated to close in Q1 and Q2 2023.

<sup>4</sup> Includes wholesale and cardlocks.

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



# ARKO's Retail Brand Footprint

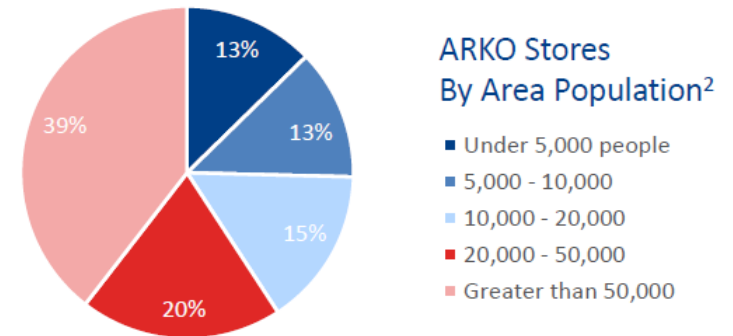
- Highly successful strategy embracing well known regional convenience store brands with brand equity and long histories in their communities.
- We operate 1,547 retail convenience stores in more than 30 states under more than 25 regional store brands that have been in existence for an average of approximately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

**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.

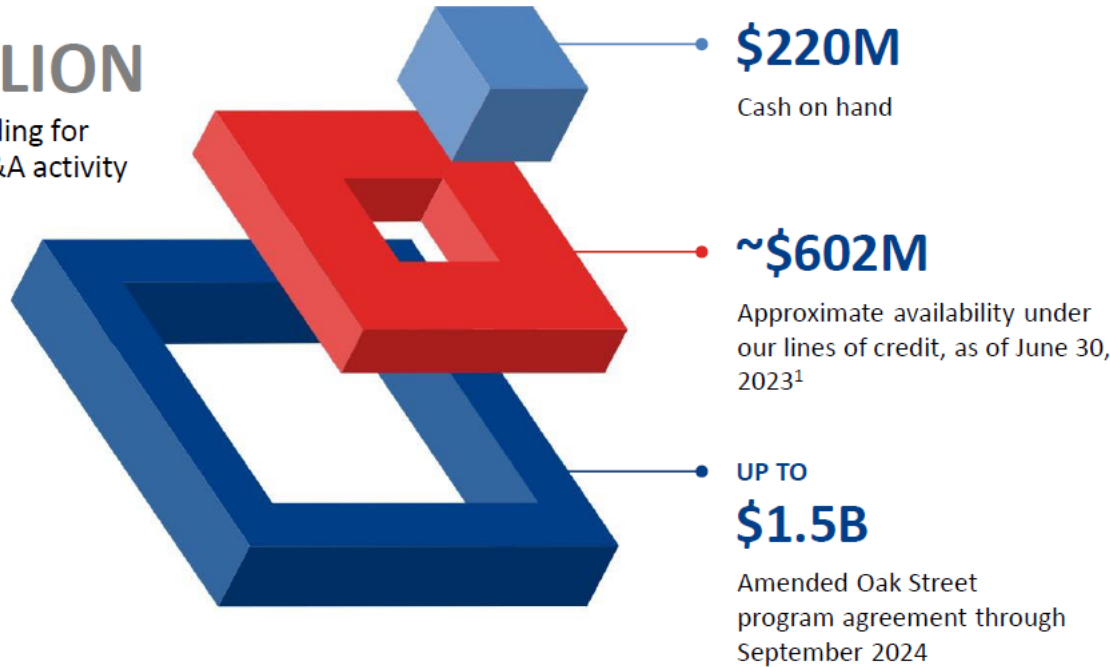
Our focus on secondary and tertiary markets allows us to preserve “local” brand name recognition and align local market needs with capital investment.



1. As of June 30, 2023.  
 2. Source: Demographics by SimpleMaps, data as of 12/2022

## 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 program<sup>2</sup>



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. | 11  
2. Remaining amount as of June 30, 2023 - ~\$49M.

## 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

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.

### 15-YEAR STRAIGHT LINE SCHEDULE

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).

## LOCATION



Glade Spring, Virginia  
Washington County

## ACCESS



Maple Street/State Highway 91: 3 Access Points  
Glove Drive: 1 Access Point

## TRAFFIC COUNTS



Maple Street/State Highway 91: 8,900 VPD  
Interstate 81: 38,000 VPD

## IMPROVEMENTS



There is approximately 4,931 SF of existing building area

## PARKING



There are approximately 20 parking spaces on the owned parcel.  
The parking ratio is approximately 4.05 stalls per 1,000 SF of leasable area.

## PARCEL



Parcel Number: 070A 6 1A  
Acres: 1.36  
Square Feet: 59,241

## CONSTRUCTION



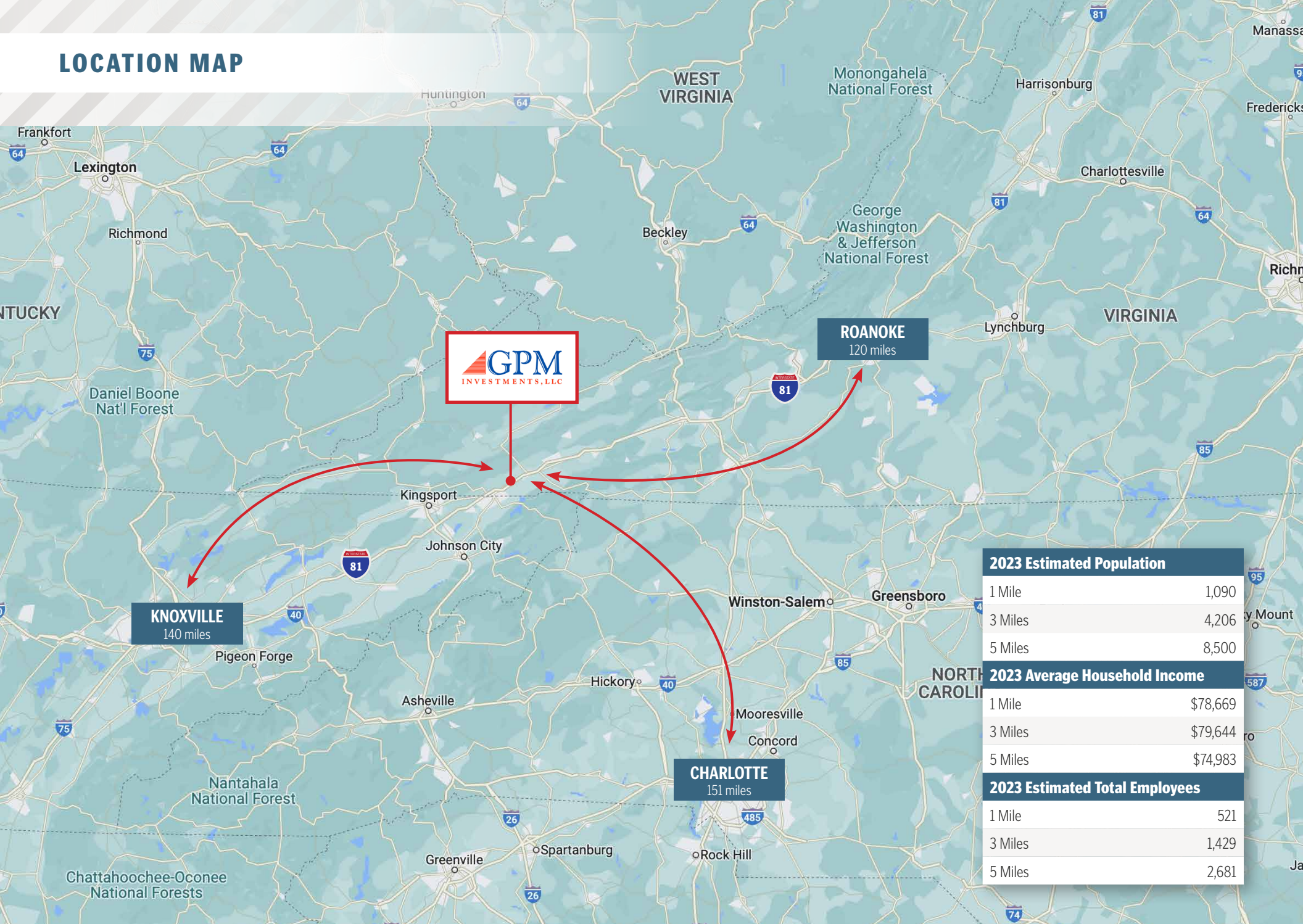
Year Built: 2005

## ZONING



Commercial

# LOCATION MAP





38,000  
VEHICLES PER DAY

8,900  
VEHICLES PER DAY

**GPM**  
INVESTMENTS, LLC

CARQUEST  
AUTO PARTS







THE BANK OF  
GLADE SPRING

First  
Community Bank

GLADE  
SPRING  
MIDDLE  
SCHOOL

8,900  
VEHICLES PER DAY

38,000  
VEHICLES PER DAY

GPM  
INVESTMENTS, LLC

ROYAL OAK EYE CARE

GLOVE DR.

INTERSTATE 81

Exxon

CARQUEST AUTO PARTS

U.S. HIGHWAY 11

bp

3,700  
VEHICLES PER DAY

LESTER

EconoLodge

SUBWAY

Arby's

DOLLAR GENERAL

FITZGERALD  
PETTERBILT

Wendy's

MAPLE ST.





# AREA DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
<b>Population</b>			
2023 Estimated Population	1,090	4,206	8,500
2028 Projected Population	1,130	4,239	8,464
Projected Annual Growth 2023 to 2028	0.72%	0.16%	-0.08%
2023 Median Age	49.1	40.7	42.8
<b>Households &amp; Growth</b>			
2023 Estimated Households	499	1,515	3,349
2028 Projected Households	518	1,536	3,351
Projected Annual Growth 2023 to 2028	0.75%	0.28%	0.01%
<b>Race &amp; Ethnicity</b>			
2023 Estimated White	95.36%	93.45%	94.15%
2023 Estimated Black or African American	1.01%	2.69%	2.18%
2023 Estimated Asian or Pacific Islander	0.37%	0.43%	0.32%
2023 Estimated American Indian or Native Alaskan	0.00%	0.14%	0.16%
2023 Estimated Other Races	0.28%	0.93%	1.06%
2023 Estimated Hispanic	1.10%	1.93%	2.21%
<b>Income</b>			
2023 Estimated Average Household Income	\$78,669	\$79,644	\$74,983
2023 Estimated Median Household Income	\$59,177	\$55,344	\$53,025
<b>Businesses &amp; Employees</b>			
2023 Estimated Total Businesses	54	119	180
2023 Estimated Total Employees	521	1,429	2,681





SRS

NATIONAL  
NET LEASE  
GROUP

## THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

**255+**

RETAIL  
PROFESSIONALS

**25+**

OFFICES

**#1**

LARGEST  
REAL ESTATE  
SERVICES FIRM  
in North America  
exclusively dedicated  
to retail

**2.3K+**

RETAIL  
TRANSACTIONS  
company-wide  
in 2022

**760+**

NET LEASE  
TRANSACTIONS  
SOLD  
in 2022

**\$2.9B+**

NET LEASE  
TRANSACTION  
VALUE  
in 2022

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