

QUICK MART – CORPORATE GUARANTEE

3250 W CORTARO FARMS RD, TUCSON, ARIZONA

QUALIFIES FOR 100% BONUS/ACCELERATED DEPRECIATION



CASAS ADOBES
COUNTRY CLUB ESTATES

MOONDANCE
PATIO HOMES



18,000+ CPD
W CORTARO FARMS RD

OFFERING MEMORANDUM

Marcus & Millichap



CROOKED TREE GOLF COURSE

Quik Mart

OMNI
TUCSON NATIONAL

Bashas' K
The UPS Store

NORTHWEST HEALTHCARE
NORTHWEST GIRD VALLEY · SAHARITA · HOUGHTON

JCPenney macy's
REI Dillard's H&M
The Container Store
TUCSON MALL

SPROUTS ACE
FARMERS MARKET Hardware
BEST BUY petco
LA FITNESS Walmart

Tucson Medical Center

COSTCO WHOLESALE THE HOME DEPOT
TOPGOLF
SPORTSMAN'S WAREHOUSE golden corral

TARGET HARBOR FREIGHT TOOLS
99¢ ONLY Chick-fil-A
LOWE'S BIG LOTS ACE Hardware
Starbucks Ceegee's Fry's

Banner University Medical Center

Walmart ROSS DRESS FOR LESS
THE HOME DEPOT TARGET
Office DEPOT CENTURY THEATRES
Marshalls Burlington PET SMART
EL CON CENTER

PimaCommunityCollege

DOWNTOWN TUCSON

macy's Dillard's
ULTA Total Wine & MORE
CENTURY FOREVER 21 THEATRES, AMERICAN EAGLE
PARK PLACE MALL

Carondelet St. Mary's Hospital

THE UNIVERSITY OF ARIZONA
44,800 STUDENTS

REID PARK ZOO

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Executive Summary

3250 W Cortaro Farms Rd, Tucson, AZ 85742

FINANCIAL SUMMARY

Price	\$2,867,000
Cap Rate	6.00%
Net Cash Flow	6.00% \$172,000
Building Size	2,500 SF
Year Built	1982
Lot Size	0.42 Acres

LEASE SUMMARY

Lease Type	Triple-Net (NNN) Lease
Tenant	Southwest Convenience SPE, LLC
Guarantor	Corporate (17 Units)
Lease Commencement Date	April 5, 2023
Est. Lease Expiration Date	April 30, 2043
Lease Term	17+ Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	None

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Years 1 – 5	\$172,000	6.00%
Years 6 – 10	\$189,200	6.60%
Years 11 – 15	\$208,120	7.26%
Years 16 – 20	\$228,932	7.98%
Renewal Options	Annual Rent	Cap Rate
Option 1	\$251,825	8.78%
Option 2	\$277,008	9.66%
Option 3	\$304,708	10.63%
Option 4	\$335,179	11.69%

Base Rent	\$172,000
Net Operating Income	\$172,000
Total Return	6.00% \$172,000

The logo for Quik Mart, featuring the brand name in a bold, red, sans-serif font. The letter 'Q' is stylized with a speech bubble tail at the bottom left.

100% Bonus & Accelerated Depreciation

Special Tax Advantage Afforded IRS Section 1250 Property (Quik Mart Gas Station & C-Store Asset) - 100% Bonus Depreciation Reinstated Through the "One Big Beautiful Bill Act"

BONUS DEPRECIATION -100% YEAR 1

These investments present a tremendous opportunity for special tax saving privileges. In 2017, the Tax Cuts and Jobs Act ("TCJA") made a few changes to the bonus depreciation rules, specifically modifying Section 168 of the Internal Revenue Code to double the allowable bonus depreciation from 50% to 100% in the first year for eligible properties. In July 2025, the One Big Beautiful Bill Act ("OBBA") reinstated 100% bonus depreciation for qualified assets acquired and placed in service after January 19, 2025, through the end of 2030.

The TCJA sets a limit on the amount of net losses that can be booked in a given tax year, the calculation for which aggregates all global profits and losses for the individual or entity filing. IRC§461(l) sets these rules, which apply to sole proprietorships, partnerships, limited liability companies (LLCs), S corporations, estates, and trusts.

For individuals, the sum of all gross profits/gains and losses generated from all trading and business activity cannot result in a loss exceeding \$250,000 in a tax year, or \$500,000 if filing jointly. Any losses that exceed this threshold will be carried forwards indefinitely as an NOL, which can offset up to 80% of the tax-payer's taxable income in subsequent years, per TCJA

For example, suppose an investor filing joint taxes has aggregate gross annual income of \$5M and incurs aggregate losses of \$7M, creating an excess loss of \$2M. This investor will be subject to the \$500,000 loss threshold, and the remaining \$1.5M of excess (disallowed) loss will be carried forwards to the following tax year. Suppose the next year, this same investor earns a gross \$6M and incurs aggregate losses of \$2M, resulting in taxable income of \$4M. The investor may fully utilize their prior-year NOL to reduce their taxable income by \$1.5M.

See below for illustration of additional cash flow.

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*Assumes 20% of purchase price is attributed to the land.

BONUS DEPRECIATION - QUIK MART

Purchase Price	\$2,867,000.00
Cap Rate	6.00%
Cash Flow	\$172,000.00
100% Bonus Depreciation Year 1	\$2,293,600.00
Year 1 Aggregate Tax Loss from Asset	\$2,121,600.00

ACCELERATED DEPRECIATION

These investments present a tremendous opportunity for special tax saving privileges. 15-year accelerated depreciation schedule may be applied to these properties, under current IRS guidelines.

When looking at the comparison below between a Quik Mart and a representative non-gas station/convenience store, one can see the tremendous tax savings when applying a 15 year accelerated method vs. the standard 39 year method utilized in connection with the depreciation of other commercial properties.

See below for illustration of additional cash flow.

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ACCELERATED DEPRECIATION - QUIK MART

Purchase Price	\$2,867,000.00
Cap Rate	6.00%
Cash Flow	\$172,000.00
15 Year Depreciation	\$152,906.67
Taxable Income	\$19,093.33
Income Taxes (37% Tax Bracket)	\$7,064.53
Cash Flow	\$172,000.00
Income Taxes	\$7,064.53
Cash Flow (After Taxes)	\$164,935.47

DEPRECIATION - OTHER NNN ASSET

Purchase Price	\$2,867,000.00
Cap Rate	6.00%
Cash Flow	\$172,000.00
39 Year Depreciation	\$58,810.26
Taxable Income	\$113,189.74
Income Taxes (37% Tax Bracket)	\$41,880.21
Cash Flow	\$172,000.00
Income Taxes	\$41,880.21
Cash Flow (After Taxes)	\$130,119.79

OMNI
TUCSON NATIONAL



**CASA DEL
ORO NORTE**

**CASAS ADOBES
COUNTRY CLUB ESTATES**



PimaCommunityCollege

Quik Mart

**MOONDANCE
PATIO HOMES**

18,000+ CPD
W CORTARO FARMS RD

N

**TORTOLITA
MIDDLE SCHOOL**

**CROOKED TREE
GOLF COURSE**

**BACH'S GREENHOUSE
CACTUS NURSERY**

Mister

**LEGACY
TRADITIONAL SCHOOL**

Bashas' K
The UPS Store

**TIERRA BRAVA
ESTATES**

**TIERRA DEL
PARAISO**

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Property Description



INVESTMENT HIGHLIGHTS

- » **More Than 17 Years Remaining on Corporate Lease with Southwest Convenience SPE, LLC (17+ Units)**
- » 10% Rental Increases Every Five Years with Multiple Renewal Options on Lease
- » **Tenant in Process of Making Additional Capital Improvements to Site(New Parking Lot)**
- » 134,234 Residents within a 5-Mile Radius - Dense Tucson Infill
- » **Highly Visible Location Along W Cortaro Farms Rd with Over 18,000 Cars per Day**
- » Less Than a Three Minute Drive from Omni Tucson National Resort, AAA Four Diamond Resort with Legendary Golf Courses, World-Class Spa, Lighted Tennis Courts, Sparkling Pools, and Award-Winning Service
- » **Immediate Connection to N Casa Grande Hwy 10 (104,500+ Cars per Day)**
- » Subject Property in Direct Proximity to Casa Adobes Country Club Estates Community, and Down the Road from Legacy Traditional School
- » **Surrounded by Big Box Retailers: Walmart Supercenter, Bashas', Albertsons, Fry's, Target, Lowe's, Harbor Freight Tools, and Many More**



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2029 Projection	11,420	65,077	137,150
2024 Estimate	11,116	63,614	134,234
Growth 2024 - 2029	2.73%	2.30%	2.17%

Daytime Population

2024 Estimate	8,391	48,493	117,270
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Households

2029 Projections	4,874	27,384	57,434
2024 Estimate	4,703	26,621	56,018
Growth 2024 - 2029	3.64%	2.87%	2.53%

Income

2024 Est. Average Household Income	\$96,274	\$97,287	\$106,716
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Tenant Overview



Quik Mart



QUIKMARTSTORES.COM
Website



TUCSON, ARIZONA
Headquarters



17
Locations



1965
Founded

Quik Mart Stores, Inc. is a second-generation family business of 17 convenience Stores throughout Tucson and Pima County, Arizona. The Company is the largest independent convenience store retailer in the Tucson Metropolitan Statistical Area.

Quik Mart opened the doors to its first three stores in the Tucson area of Arizona, during January of 1965. The creation of one Wesley (Wes) Little, who acted as the company's Chief Executive Officer until his passing in December 2014, the chain has been proudly run by the Little family now for nearly 60 years. The Company's Stores have become known as the local choice in the Tucson convenience store marketplace. The Company has earned the title of "Best Convenience Store" by the Arizona Daily Star's Reader's Choice Award for the past three years.

Tucson-based SWC dba Quik Mart is owned by Robert Berg, Brett Bishov, Kevin Gandy, and Akash Chilka, and it will provide an ideal platform to expand in the Tucson metropolitan area, the company said.

Property Photos



Location Overview



Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business. Over the next five years, the metro is projected to add roughly 37,000 new residents.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson where each has a significant presence within the community. In addition to Caterpillar and Amazon, Comcast and

HomeGoods, all Fortune 500 companies, have added Tucson locations recently. Davis-Monthan Air Force Base, home to 15,000 employees, is a significant driver of Tucson's local economy.

The University of Arizona is an integral part of Tucson. It has been named a Top 20 US public research institution, and enjoys a large student enrollment of 51,000 students and 16,000 administration staff members and faculty. As the city's largest employer, the University of Arizona is a significant economic driver in the metro. In addition to the campus, the university also oversees Tech Parks Arizona, which operates the UA Tech Park at Rita Road, UA Tech Park at The Bridges, and the Arizona Center for Innovation. These facilities offer more than 2 million square feet of high-tech office, R&D and laboratory space.

[exclusively listed by]

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the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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