

CIRCLE K

939 WEST BASELINE ROAD, TEMPE, AZ 85283



OFFERING MEMORANDUM

PHOENIX SKY HARBOR INTERNATIONAL AIRPORT

202

ASU Arizona State University
±55,500 Students



MESA RIVERVIEW



ARIZONA MILLS

MESA COMMUNITY COLLEGE
A MARICOPA COMMUNITY COLLEGE
±16,500 Students

60



101



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Executive Summary

939 West Baseline Road, Tempe, AZ 85283

FINANCIAL SUMMARY

Price	\$1,525,000
Cap Rate	5.20%
Building Size	2,781 SF
Net Cash Flow	5.20% \$79,200
Year Built	1972
Lot Size	0.40 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Circle K Stores Inc.
Guarantor	Corporate
Roof and Structure	Tenant Responsible
Lease Commencement Date	March 7, 2007
Lease Expiration Date	February 3, 2028
Lease Term Remaining	±2 Years
Rental Increases	5% Every 5 Years
Renewal Options	3, 5 Year Options Remaining

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current – 2/3/2028	\$79,200.00	5.20%
Renewal Options	Annual Rent	Cap Rate
Option 1 (2/4/2028 – 2/3/2033)	\$83,160.00	5.45%
Option 2 (2/4/2033 – 2/3/2038)	\$87,318.00	5.73%
Option 3 (2/4/2038 – 2/3/2043)	\$91,683.90	6.01%

Base Rent	\$79,200
Net Operating Income	\$79,200
Total Return	5.20% \$79,200



100% Bonus & Accelerated Depreciation

Special Tax Advantage Afforded IRS Section 1250 Property (Circle K Gas Station & C-Store) - 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 - CIRCLE K

Purchase Price	\$1,525,000.00
Cap Rate	5.20%
Cash Flow	\$79,200.00
100% Bonus Depreciation Year 1	\$1,220,000.00
Year 1 Aggregate Tax Loss from Asset	\$1,140,800.00

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 Circle K and a representative non-gas station/c-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 - CIRCLE K

Purchase Price	\$1,525,000.00
Cap Rate	5.20%
Cash Flow	\$79,200.00
15 Year Depreciation	\$81,333.33
Taxable Income	(\$2,133.33)
Income Taxes (37% Tax Bracket)	(\$789.33)
Cash Flow	\$79,200.00
Income Taxes	(\$789.33)
Cash Flow (After Taxes)	\$79,989.33

DEPRECIATION - OTHER NNN ASSET

Purchase Price	\$1,525,000.00
Cap Rate	5.20%
Cash Flow	\$79,200.00
39 Year Depreciation	\$31,282.05
Taxable Income	\$47,917.95
Income Taxes (37% Tax Bracket)	\$17,729.64
Cash Flow	\$79,200.00
Income Taxes	\$17,729.64
Cash Flow (After Taxes)	\$61,470.36

203,750 CPD
INTERSTATE 10



THE AVI APARTMENTS
±196 Units

SPRINGDALE CONDOS
±114 Units

OMNIA BASELINE
±169 Units

38,050 CPD
W BASELINE RD

VILLAGIO APARTMENTS
±472 Units



HIGHLAND PARK
±276 Units



ASU Arizona State University
±55,500 Students

60 **201,000 CPD**
US-60

13,960 CPD
S HARDY DRIVE

SAN PALMILLA
±376 Units

TACO BELL
Cenqies

FOOD CITY

HIGHLAND PARK
±276 Units

38,050 CPD
W BASELINE RD

Walgreens

VILLAGIO APARTMENTS
±472 Units

CIRCLE K



Property Description



INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Lease with Corporate Circle K Guaranty**
- » Multiple Renewal Options Remaining with 5% Rent Increases in Each Option
- » **Densely-Populated Tempe Trade Area - ±622,000 Daytime Population within a 5-Mile Radius**
- » Excellent Frontage Along West Baseline Road, a Significant East-West Arterial Road, Visible to ±38,050 Cars per Day
- » **Immediate Proximity to Arizona Grand Resort & Spa and Arizona Mills, the State's Largest Indoor Outlet Mall and Entertainment Destination**
- » Surrounded by Single-Family Residences and Apartment Homes
- » **Easy Freeway Access, One Mile Off the I-10 and US-60 Freeways**



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2030 Projection	22,207	126,937	316,384
2025 Estimate	21,543	124,402	309,496
Growth 2025 - 2030	3.08%	2.04%	2.23%

Households

2030 Projections	9,236	52,614	132,197
2025 Estimate	8,936	51,420	128,804
Growth 2025 - 2030	3.36%	2.32%	2.63%

Income

2025 Est. Average Household Income	\$82,306	\$101,739	\$105,791
2025 Est. Median Household Income	\$70,706	\$85,919	\$89,105

Tenant Overview



TEMPE, AZ
Headquarters



±14,600
Locations



CIRCLEK.COM
Website



1951
Founded

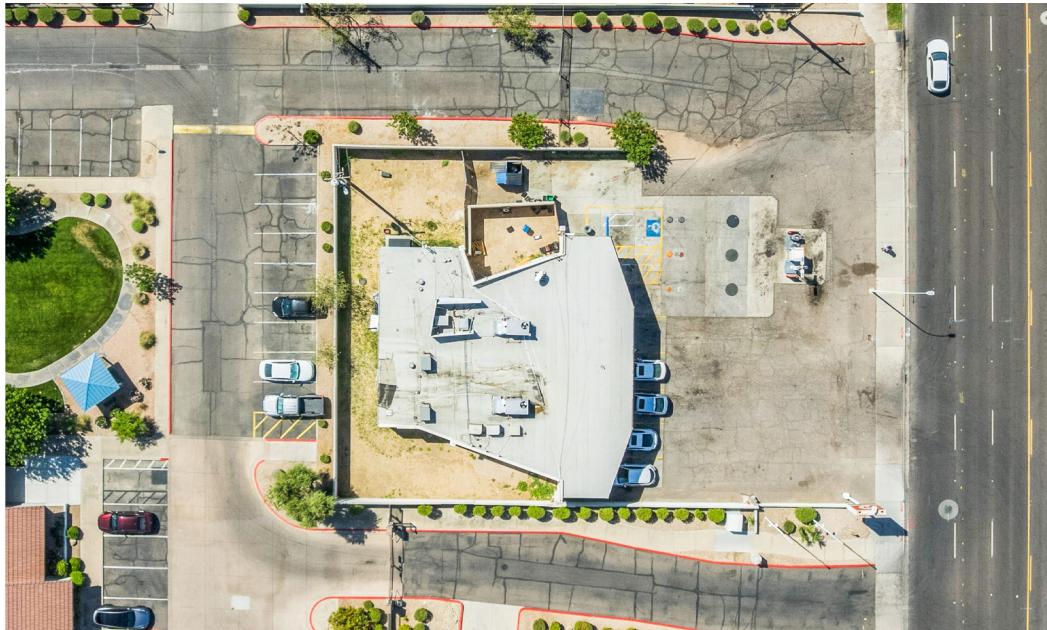


ALIMENTATION COUCHE-TARD
Parent Company

Circle K has become one of the most widely recognized convenience store brands, known worldwide for quality products and great customer service. Founded in 1951 in El Paso, Texas, the company is owned and operated by the Canada-based Alimentation Couche-Tard, the leader in the Canadian convenience store industry. In the United States, it is the largest independent convenience store operator in terms of number of company-operated stores.

As of March 2026, Couche-Tard's network comprised 14,594 convenience stores throughout North America. Circle K has thousands of locations worldwide, with a significant presence in North America, Europe, and Asia. It offers a variety of products, including snacks, beverages, fuel, tobacco, groceries, and prepared food items. Many stores also provide additional services like ATMs, car washes, and lottery tickets. Many Circle K stores are also integrated with gas stations, making them a one-stop destination for fuel, convenience items, and snacks.

Property Photos



Location Overview



Located just 10 minutes east of downtown Phoenix, Tempe exudes its own personality and the youthful spirit of a college town. Home to Arizona State University, the largest public university in the United States, Tempe has a vibrant downtown that's active day and night. Visitors will find locally-owned eateries and microbreweries, annual festivals, arts and cultural events. There are plenty of opportunities to enjoy the over 300 days of sunshine a year, including biking, hiking, or paddle boarding

While enjoying dynamic growth, the city has maintained its unique personality and style through a careful and masterful blending of the new with the old. Respecting its heritage and energetically planning for the future, Tempe is a wonderful mix of history and modern urban amenities. Tempe has a distinct identity as an emerging destination city, replete with all the offerings of a city rich

in economics, technology, culture, tourism and educational resources. Tempe offers a blend of quality new developments, revitalization and redevelopment, prestigious institutions such as Arizona State University, and celebrated traditions. Tempe brings it all together – bright Arizona sun, rewarding places to work, diverse cultures, a myriad of recreational opportunities, the best in entertainment and an unparalleled Southwestern lifestyle.

Tempe maintains one of the most thriving economic environments in the country, home to top research firms, Fortune 500 companies, and start-ups. The city's largest employers include Arizona State University, State Farm, Salt River Project, Honeywell, Medtronic, and Insight Direct. Tempe has the most educated and technically-skilled workforce in Arizona. It is a young and diverse community, with a median age of 28.1.

[exclusively listed by]

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of all matters affecting the intrinsic value of the property and the value of any long-term lease, including 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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For financing options, please reach out to:

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