

FILE PHOTO

SECURE  
NET LEASE

**CIRCLE K**

**\$1,902,277 | 6.5% CAP**

49 Blackgum Road, Pawleys Island, SC 29585

- ✓ Corporate Absolute NNN Lease
- ✓ Desirable well-established beach community of Pawleys Island
- ✓ Greater Myrtle Beach - 2nd Fastest Growing Metro-Area
- ✓ Excellent visibility and high traffic count.



Circle-K is the second-largest convenience store operator in North America (behind 7-Eleven), and the leader in Canada, where it operates under Couche-Tard banner.

# INVESTMENT OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA

## \$1,902,277 | 6.5% CAP

 **\$123,648**  
NOI

 **±3,300 SF**  
BUILDING AREA

 **±0.99 ACRES**  
LAND AREA

 **2003**  
YR BUILT

 **100%**  
OCCUPANCY

 **ABSOLUTE NNN**  
LEASE TYPE

- ✓ **Strategically located** in the well-established beach community of Pawleys Island.
- ✓ **Subject property is near Myrtle Beach and Charleston.** 20 Miles south of Myrtle Beach and 70 miles north of Charleston.
- ✓ **Greater Myrtle Beach:** the 2nd Fastest Growing Metro-Area per US Census.
- ✓ **Highway 17** (37,300 VPD), the main thoroughfare on the east coast of SC.
- ✓ **Circle-K is within close proximity** to a major intersection anchored by BI-LO.
- ✓ **Uniquely priced** below replacement cost.

# SECURE

## NET LEASE

CONTACT FOR DETAILS

**MATT THOMAS**

ASSOCIATE BROKER

(214) 915-8891

mthomas@securenetlease.com

**BOB MOORHEAD**

MANAGING PARTNER

(214) 522-7210

bob@securenetlease.com

SC BROKER OF RECORD:

**WILLIAM BATSON**

License#: 2528

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# TENANT OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA



## CIRCLE K

"The Pantry, Inc", D/b/a "Circle K", was acquired by Alimentation Couche-Tard in 2015. You might know it through its brands like Circle K and Corner Store in the US and Statoil in Europe. The company is the second-largest convenience store operator in North America (behind 7-Eleven Inc.) and the leader in Canada, where it operates under Couche-Tard banner. While most of its sales are rung up in the US, it operates in Europe, as well as about 15 countries in other parts of the world through license agreements. Most of the company's revenue comes from sales of fuel (it pumps about 14 billion gallons a year). Alimentation Couche-Tard, which is French for "food for those who go to bed late," has expanded through acquisitions around the world. Circle K has been a successful convenience store operator for over 60 years. Circle K is a highly sought after net lease C-store tenant. Investors are attracted to their fully passive NNN leases which are backed by an investment grade corporate guarantee from the parent company Alimentation Couche-Tard Inc. Circle K stores also feature strong intrinsic real estate as they are almost always located at highly trafficked intersections. Furthermore, because many Circle K stores feature gasoline, investors can take advantage of accelerated depreciation on building improvements.

**\$51.4B**

REVENUE

**S&P : BBB**

CREDIT RATING



**15,000**

TOTAL LOCATIONS



## CIRCLE K REBRANDING: MORE THAN A SIGN EXERCISE

Greg Lindenberg, July 13, 2016 (CSP)

The company announced in September that it would consolidate its Circle K, Statoil, Mac's and Kangaroo Express retail brands under one banner, creating a new, global Circle K convenience brand.

Couche-Tard has "really begun to see the momentum" of the new Circle K rebranding, beginning in the Southeast United States and in Sweden, said Brian Hannasch, president and CEO, during the company's fiscal fourth-quarter and year-end 2016 earnings call.

With annual **profits topping \$1 billion for the first time**, Alimentation Couche-Tard Inc., which logged its eighth year in a row of "record-setting" earnings, is focusing on its push to rebrand most of its chains to the refreshed, global Circle K brand.

As of the end of the quarter, it had rebranded more than 400 sites in the United States.

"The landscape is changing in the U.S. as hundreds of our signs bearing our global Circle K brand begin to light up our stores," Hannasch said. "But we're committed to make this more than a sign exercise, and we can already see that our new global Circle K positions better than ever to reap the benefits of our worldwide best-practice sharing."

He continued, "The former Pantry Kangaroo Express-branded stores in these areas are among the first. Beyond changing signs, we've introduced some of our global Circle K concepts into these stores, including Polar Pop and Simply Great coffee, with great initial success."



[CLICK HERE TO READ MORE](#)

## HOW A GRAND OPENING EVENT INSPIRED A TIGHT-KNIT COMMUNITY TO RALLY AROUND A GLOBAL CONVENIENCE STORE BRAND

(Approach Marketing)

When Circle K Southeast was poised to open their largest store in North America in the heart of Savannah, Georgia, they asked Approach Marketing to help them plan and host a grand opening celebration. The event needed to engage the local community and get customers excited about the convenience brand's new store concept and fresh-to-go food and beverage offerings.

An international chain of 8,000 convenience stores, **Circle K has become one of the most widely recognized convenience store brands**, known worldwide for helping refuel people on the go.

Working with our marketing partners at Circle K Southeast and Tarheel Promotions, we rallied our media relations, creative and social teams to plan and execute an integrated strategy that would drive conversations and engagement. A paid, owned and earned media strategy spanned Circle K's social channels, local Savannah media, and word-of-mouth conversation among the community and local dignitaries.

Our approach paid off. The company saw a 200 percent increase in Circle K Southeast Facebook engagement and captured 300 new Facebook fans. Campaign efforts earned 830,500 impressions among targeted Facebook users and 532,000 media impressions from coverage that ran up to and through the day of the event. Beyond simply building excitement, we successfully converted a curious audience into confirmed customers.



[CLICK HERE TO READ MORE](#)

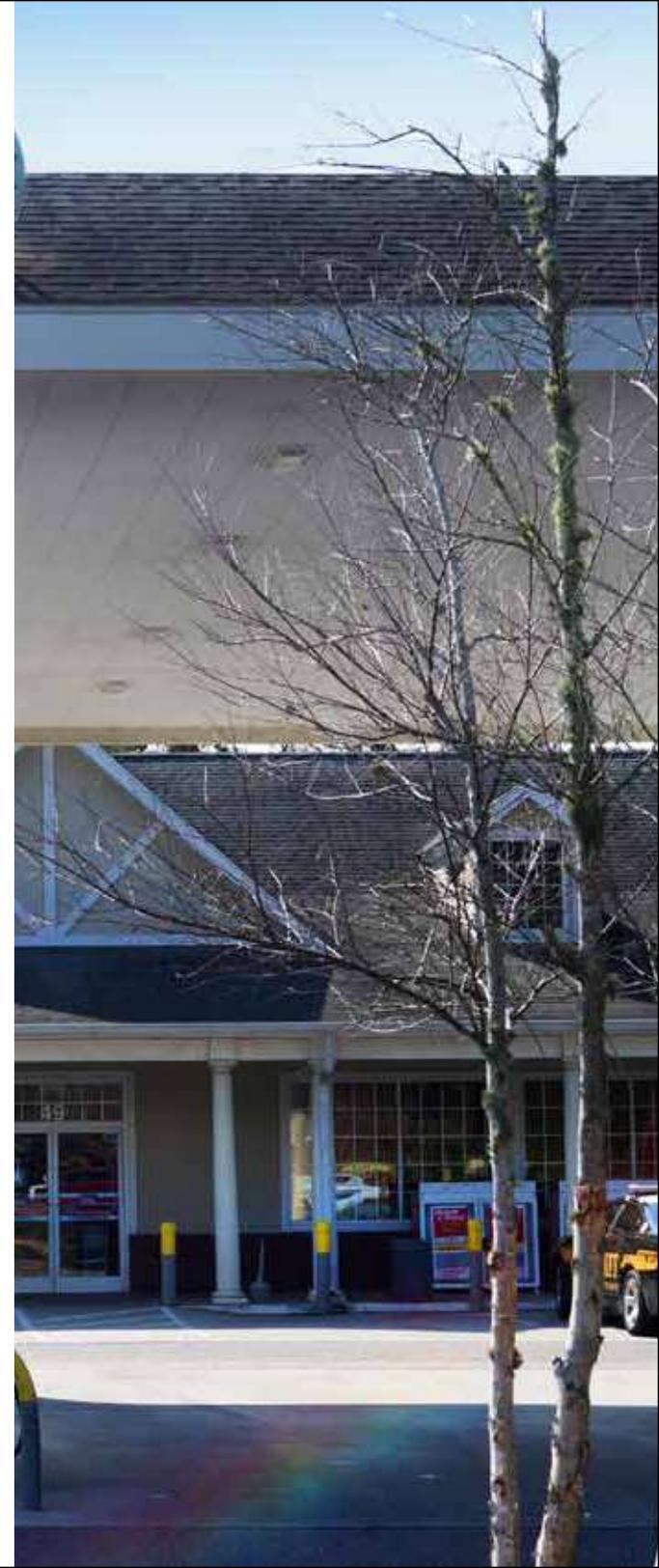
# LEASE OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA

INITIAL LEASE TERM	20-Years, Plus (4), 5-Year Options to Renew - approximately 3 years remaining on primary term
RENT COMMENCEMENT	April 2003
LEASE EXPIRATION	April 2023
LEASE TYPE	Absolute NNN
RENT INCREASES	CPI Increase not to exceed 7%
ANNUAL RENT YRS 1-5	\$96,000
ANNUAL RENT YRS 6-10	\$108,000
ANNUAL RENT YRS 11-15	\$115,560
ANNUAL RENT YRS 16-20 (CURRENT)	\$123,648
OPTION 1   YRS 21-25:	\$132,303
OPTION 2   YRS 26-30:	\$141,565
OPTION 3   YRS 31-35:	\$151,474
OPTION 4   YRS 36-40:	\$162,077

\* Rental increases assume maximum CPI increase of 7%

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**SUBJECT PROPERTY**  
49 BLACKGUM RD.

WACCAMAW INTERMEDIATE SCHOOL  
(544 STUDENTS)

WILLBROOK BOULEVARD  
± 235 VPD

KINGS RIVER ROAD  
± 5,203 VPD

QUIGLEY'S  
PINT & PLATE

BILO

ANY TIME FITNESS

BLACKGUM ROAD

enterprise

LITCHFIELD OAKS  
(192 UNITS)

EAGLES  
BERCHLER

SUBWAY  
Domino's

TIDELANDS HEALTH

CresCom Bank

DOLLAR GENERAL

Litchfield INN

OCEAN HIGHWAY  
± 35,228 VPD

17

PAWLEYS ISLAND LUMBER

MATTRESS  
BY APPOINTMENT



# SITE OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SC

 **2003**  
YR BUILT

 **±3,300 SF**  
BUILDING AREA

 **±0.99 ACRES**  
LAND AREA

## NEIGHBORING RETAILERS

- |                 |                        |
|-----------------|------------------------|
| Anytime Fitness | Quigley's Pint & Plate |
| BI-LO           | Hampton Inn            |
| Massey's Pizza  | Starbucks              |
| Dollar General  | Subway                 |
| CresCom Bank    | Eagles Beachwear       |
| Enterprise      | Domino's Pizza         |

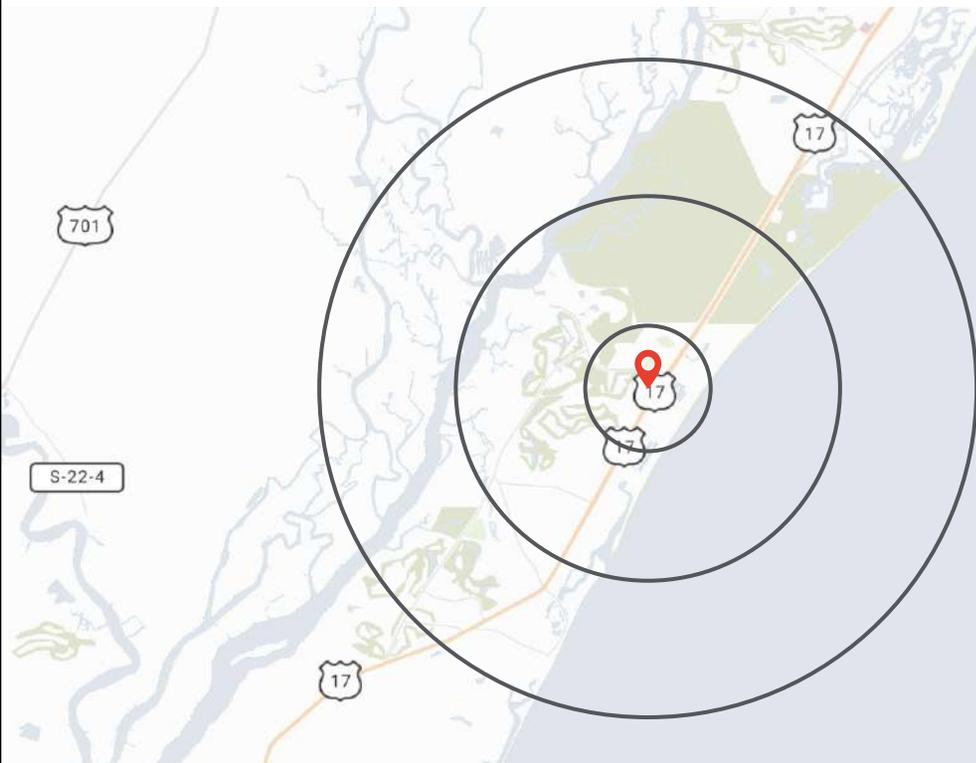


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# LOCATION OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA



DEMOGRAPHICS	1-MILE	3-MILE	5-MILE
POPULATION	2,624	8,610	15,728
HOUSEHOLDS	1,417	4,491	8,049
AVG. HH INCOME	\$80,765	\$78,823	\$88,485
TOTAL HH EXPENDITURE	\$86.56 M	\$268.29 M	\$519.68 M

 [VIEW MAP](#)

## ECONOMIC DRIVER'S (# of Employees in Pawleys Island)

Haus Arbeitssicherheit Bevenson (700)

Georgetown County School District (288)

The Litchfield Co of SC Ltd Partnership (150)

DIANA Service GmbH (143)

The Fresh Market Inc. (142)

Samtgemeinde Bevenson-Ebstorf (140)

Pawleys Plantation, LLC (135)

Karl Popp GmbH & Co. KG (100)

Healthcare Business Resources, Inc. (100)

Aaron Enterprises, Inc. (100)

# LOCATION OVERVIEW

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA



## PAWLEYS ISLAND SOUTH CAROLINA



**\$111,250**

MEDIAN HOUSEHOLD INCOME



**450,000**

MYRTLE BEACH MSA POPULATION

**Pawleys Island** is a picturesque coastal community with rich history and natural beauty. Known as one of the oldest summer resorts on the East Coast, this charming seaside escape still boasts miles of unspoiled beaches as well as nationally recognized golf courses, top-notch shopping, and excellent cuisine. Pawleys Island Community boasts an affluent year-round population and approximately 14 million visitors in the immediate surrounding trade area including DeBordieu and Litchfield. According to a press release, Architectural Digest, an international authority in design and architecture, ranked Pawleys Island the 44th most beautiful small town in the country. Pawleys Island was also named one of the Top 10 Beaches in the U.S. and Caribbean, according to a poll conducted by Susan Hall of Coastal Living Magazine.

Myrtle Beach with a one-year population increase of more than 12,000, the Myrtle Beach metropolitan statistical area ranked as the second fastest growing in the nation from 2013-2104. Myrtle Beach is a residential and

vacation community located within the Grand Strand of South Carolina, a 60-mile stretch of beaches, hotels, golf resorts, and recreational centers, and has experienced extensive growth in recent years. Specifically, the subject 3-mile trade area has increased by more than 30% since 2010 and is projected to increase nearly 14% over the next 5 years.

**MOST  
BEAUTIFUL  
SMALL  
TOWN**

PAWLEYS ISLAND MAKES THE LIST OF  
AMERICA'S 50 MOST BEAUTIFUL  
SMALL TOWNS

### EXPANSION PROJECT WILL BRING NEARLY \$6 MILLION IN CAPITAL INVESTMENT AND CREATE 152 NEW JOBS

April 27, 2016 (South Carolina Department of Commerce)

Founded in 2000, Mercom is a technology firm which specializes in cyber security, data center modernization, IT systems integration and cloud computing. Headquartered in Pawleys Island, S.C. with a federal office in Fairfax, Va., Mercom manages a suite of acquisition contracts that facilitate mission-critical technologies for a variety of federal government agencies.

To expand operations in Georgetown County, the company is constructing a new 20,000-square-foot building across the street from its existing complex,

Mercom has been a treasured member of the South Carolina family, and we couldn't be more excited to see them continue to succeed here. This **\$6 million investment, and the 150 jobs it means for Georgetown County,** is the latest example of Mercom's commitment to the people of our state, and that's something we can all celebrate.

which is located at 313 Commerce Drive in Pawleys Island, S.C. With construction on the new facility currently ongoing, hiring for the new positions is already underway. For more information on joining the Mercom team, visit the company's career page online.

The Coordinating Council for Economic Development has approved a \$400,000 grant to assist with the costs of real property improvements, as well as job development credits related to the project.



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### REGIONAL REPORT: POPULATION AND GDP GROW IN SOUTH CAROLINA

Tom Gresham, Q4 2019 (Area Development)

In September, GE Appliances announced that it would invest \$60 million to create a Manufacturing Center of Excellence for the production of water heaters at its existing plant in Camden, S.C. The investment represents the next step in a strong, ongoing relationship between the company and the state. According to Frank Scheffel, plant manager, this relationship can be traced in part to South Carolina's commitment to its business community.

South Carolina is a very welcoming state to new and existing businesses," Scheffel says. "**The economic development teams are committed to growing the employment base in the state and are very efficient and responsive to requests and ideas.** They are focused on creating an environment where large and small high-tech businesses can thrive."

The state's top industries include advanced manufacturing, advanced materials, aerospace, agribusiness, automotive, and life sciences. No Fortune 500 company is based in South Carolina, though four in the Fortune 1000 do call the state home — Domtar Corp., Sonoco Products, ScanSource, and SCANA Corp. More than 1,200 international companies have operations in the state, according to the South Carolina Department of Commerce.

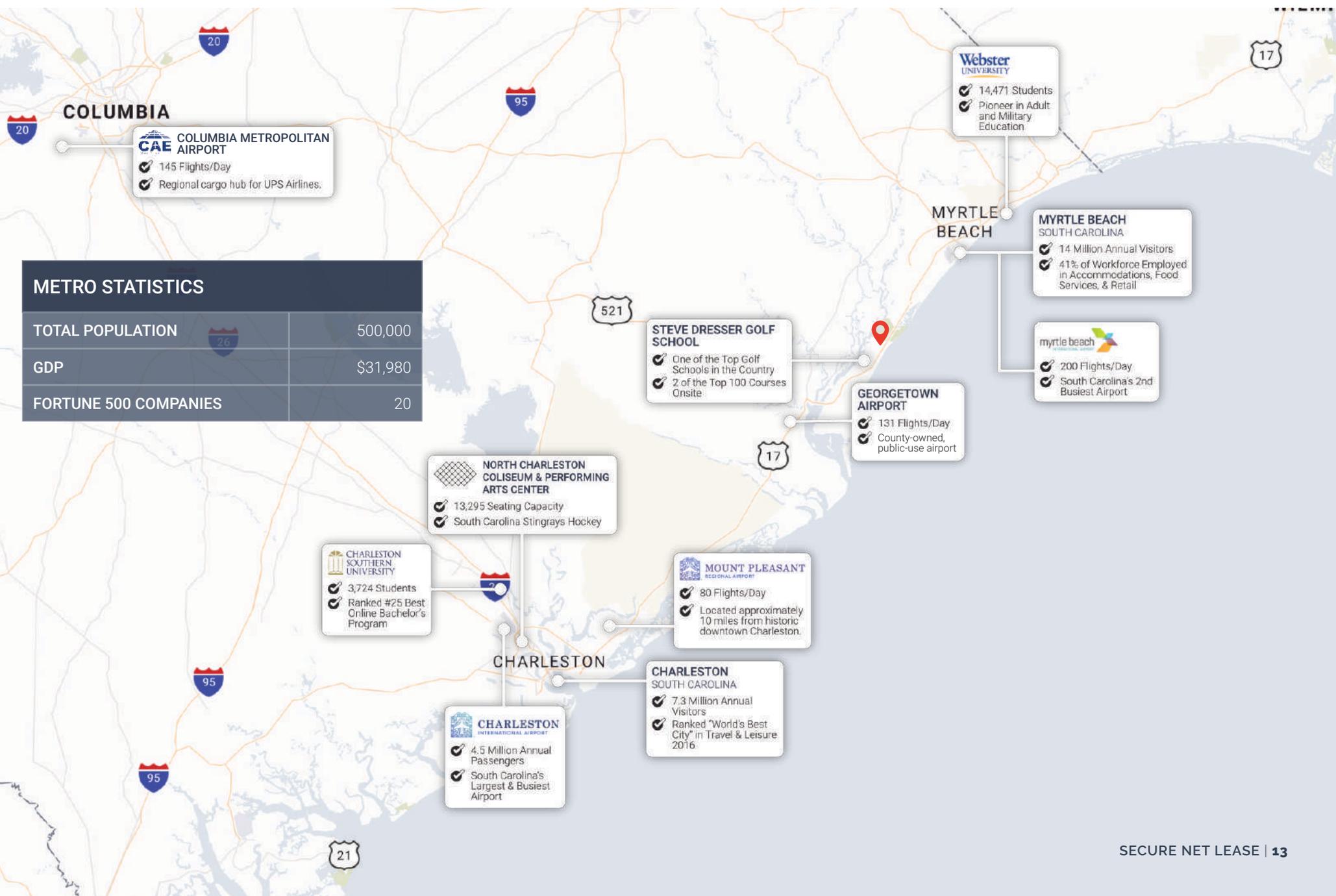
South Carolina's Secretary of Commerce Bobby Hitt points to "business-friendly" regulations and taxation (no state property tax, income tax, or inventory tax) that help keep operating and capital costs subdued as a crucial selling point to companies considering the state.



[CLICK HERE TO READ MORE](#)

# SOUTH CAROLINA

CIRCLE K | PAWLEYS ISLAND, SOUTH CAROLINA



METRO STATISTICS	
TOTAL POPULATION	500,000
GDP	\$31,980
FORTUNE 500 COMPANIES	20

# SECURE

NET LEASE

*WE LOOK FORWARD TO HEARING FROM YOU*

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## **DALLAS OFFICE**

3100 Monticello Avenue  
Suite 220  
Dallas, TX 75205  
(214) 522-7200

## **LOS ANGELES OFFICE**

123 Nevada Street  
El Segundo, CA 90245  
(310) 736-4179

[securenetlease.com](https://securenetlease.com)