

# OFFERING MEMORANDUM.



## Wells Fargo Ground Lease Colorado Springs, CO

TheMaffiaTeam



Actual Site

**\$2,925,000**  
**4.65% CAP Rate**

- ◆ Wells Fargo Bank, N.A. – Corporate Guarantee
- ◆ Tenant Rated “AA-” by Standard & Poor’s
- ◆ Long Term Ground Lease
  - ◆ 15+ Years Remaining
  - ◆ Fixed Rental Escalations
- ◆ Strong Demographics
  - ◆ \$105,000 Average Household Income within 1 Mile Radius
- ◆ Outparcel to Super Target-Anchored Shopping Center

**Newmark Knight Frank**  
**Cornish & Carey Commercial**  
Leased Investment Group

This property is listed in conjunction with Colorado-licensed real estate broker Zakhem & Company.

[www.maffiateam.com](http://www.maffiateam.com)



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Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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## Property Information

Location	The subject property is located at 9649 Prominent Point in Colorado Springs, Colorado, on the northeast corner of North Powers Boulevard (Highway 21) and Briargate Parkway.		
Lot Size	Approximately 1.39 acres, or 60,548 square feet. <i>Only the land is for sale.</i>		
Improvements	Construction was completed in 2009 of an approximately 5,000 square foot building with a drive-thru component for <b>Wells Fargo Bank</b> . There is ample parking on site, with 32 parking spaces. <i>The tenant built and owns the improvements; the improvements are not for sale.</i>		
Ground Lease	Leased to <b>Wells Fargo Bank National Association</b> for 40 years from October 1, 2009, to October 31, 2049. Beginning October 1st, 2014, the annual rent will be \$136,000. After year 20 of the lease, Wells Fargo has the right to terminate every 5 years with 120 day notice to the landlord. The annual rent increases every 5 years as described below. The lease is triple net, with the tenant responsible for taxes, insurance, and all maintenance.		
Right of First Refusal	Wells Fargo has a right of first refusal, which it must exercise within 10 days after receipt of notice of a bona fide offer to purchase.		
Net Annual Income	<u>Period</u>	<u>Annual Rent</u>	<u>Return</u>
	1-5	N/A	N/A
	6-10	\$136,000	4.65%
	11-15	\$148,000	5.06%
	16-20	\$162,000	5.55%
	21-25	\$176,000	6.00%
	26-30	\$192,000	6.56%
	31-35	\$210,000	7.18%
	36-40	\$228,000	7.79%
Price	<b>\$2,925,000 (4.65% Return)</b>		
Financing	The property will be delivered free and clear of permanent financing.		

\*Income Capitalized effective 10/01/2014



## Tenant Information



**Wells Fargo & Company** (NYSE: “WFC”) provides retail, commercial, and corporate banking services. The company operates in the following segments: Community Banking; Wholesale Banking; and Wealth, Brokerage, and Retirement. As of February 25, 2013, it provided services through approximately 9,000 bank branches, 12,000 ATMs, the Internet, and offices in approximately in 35 countries.

For the fiscal year ended December 30, 2012, Wells Fargo & Company reported revenues of \$91.247 billion with net income of \$18.897 billion and total stockholder equity of \$157.554 billion. Wells Fargo & Company is rated “A+” by Standard & Poor’s.

Wells Fargo & Company’s primary U.S. operating subsidiary is tenant **Wells Fargo Bank, National Association**. For the year ended December 31, 2012, the subsidiary had total assets of \$1.266 trillion and total equity of \$134.733 billion. Wells Fargo Bank, National Association, is rated “AA-” by Standard & Poor’s.



## About the Area

### Site Information

Wells Fargo is situated on the corner of North Powers Boulevard (Highway 21) and Briargate Parkway, both of which are major thoroughfares running through Colorado Springs. An estimated 25,000 vehicles travel per day on North Powers Boulevard. The property is outparcel to Super Target which is located across the street from Lowe's. Additional retailers in the immediate vicinity include Life Time Fitness, Starbucks and Petco. An estimated 47,875 people reside within a three-mile radius of the subject property with an average household income of \$94,249.

Memorial Hospital North and Kaiser Briargate Senior Health Center are less than a mile away from the site.

The property is surrounded by numerous residential communities including the Alexan at Briargate which is a 327-unit, upscale apartment community located adjacent to the shopping center. 2 bedroom apartment units rent as high as \$1,600 per month.

### General Overview

Colorado Springs is the county seat and most populous city of El Paso County, and is located in the southern portion of the state. It is situated on Fountain Creek and is located 65 miles south of Denver. Colorado Springs is situated near the base of one of the most famous American mountains, Pikes Peak, in the eastern edge of the Southern Rocky Mountains.

With an estimated population of 431,834 as of the 2012, it is the second most populous city in the state, behind Denver, while the Colorado Springs Metropolitan Statistical Area had an estimated population of 668,353 in 2013. Colorado Springs was selected as the No. 1 Best Big City in "Best Places to Live" by Money magazine in 2006, and placed number one in Outside's 2009 list of America's Best Cities.

Colorado Springs' economy is driven primarily by the military/defense, the high-tech industry, and tourism, in that order. The defense industry plays a major role in the Colorado Springs economy, with some of the city's largest employers coming from the sector. A large segment of this industry is dedicated to the development and operation of various projects for missile defense. With its close ties to defense, the aerospace industry has also influenced the Colorado Springs economy. Significant defense corporations in the city include Boeing, General Dynamics, Harris Corporation, SAIC, ITT, L-3 Communications, Lockheed Martin, and Northrop Grumman. The Space Foundation is based in Colorado Springs.

Large military bases, Fort Carson, Peterson Air Force Base, and Schriever Air Force Base are located in Colorado Springs. Additionally, the United States Air Force Academy calls Colorado Springs home. The Academy was established in 1954 and enrolls 4,413 cadets.

Site Plan



5,000 SF

↑  
DRIVE THRU

BRIARGATE PKWY

POWERS BLVD

©TheMaffiaTeam







Mid-Range View

N Union Blvd



Prominent Peak Heights Apartments

Prominent Point




N Powers Blvd (25,000 AADT)

Briargate Pkwy

©TheMafiaTeam

# Aerial | Distant View

**CHAPEL HILLS MALL**



**THE PROMENADE SHOPS AT BRIARGATE**



United States Air Force Academy



©TheMafiaTeam



Briargate Medical Campus

Academy International Elementary School

Mountain Ridge Middle School

Prime Center at Briargate

Pine Creek Golf Club

Mountain View Elementary School

Challenger Middle School

MARKETPLACE AT BRIARGATE



Briargate Pkwy

N Union Blvd

Kaiser Permanente

Memorial Hospital North



Walgreens



N Union Blvd

21 / N Powers Blvd (25,000 AADT)

Prominent Point



©TheMafiaTeam

Briargate Pkwy



Prominent Peak Heights Apartments

# Location Map



**Site**

# Location Map



**Site**

©TheMaffiaTeam

**Colorado Springs**

Silver Spruce Golf Course

Flying Horse Country Club

Eisenhower Golf Course

Air Force Academy

Woodstone Park

Wilson Ranch Park

Ute Valley Park

Cottonwood Creek Park

Snowy River Park

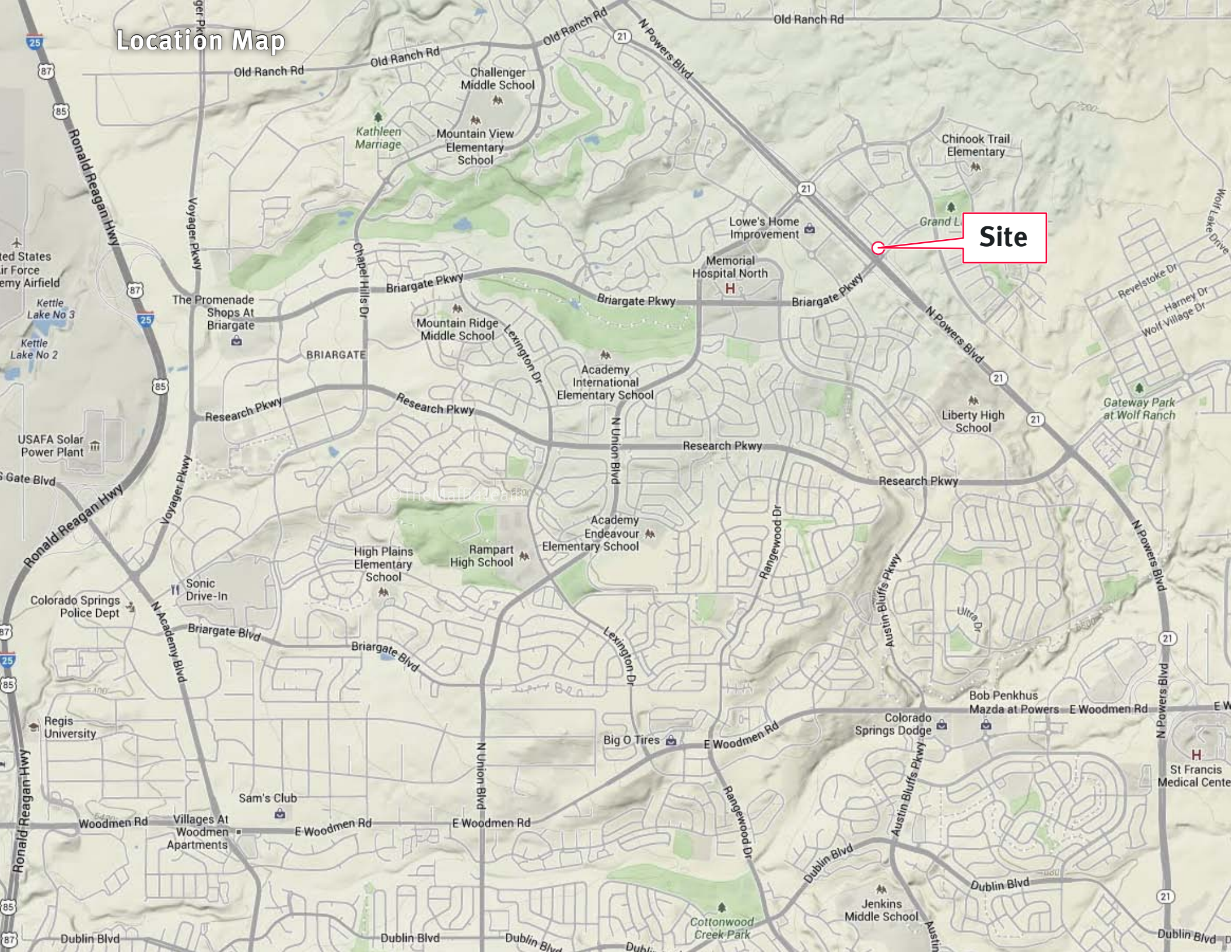
Palmer Park

Manitou Springs

Red Rock Canyon Open Space

Silver Spruce Golf Course

# Location Map



Site

Challenger Middle School

Mountain View Elementary School

Chinook Trail Elementary

Lowe's Home Improvement

Memorial Hospital North

Mountain Ridge Middle School

Academy International Elementary School

Liberty High School

High Plains Elementary School

Rampart High School

Academy Endeavour Elementary School

Bob Penkus Mazda at Powers

Colorado Springs Dodge

St Francis Medical Center

Sam's Club

Big O Tires

Jenkins Middle School

Cottonwood Creek Park



# Demographics

9649 Prominent Point  
Colorado Springs, CO 80924

	1 mile	3 miles	5 miles
<b>Population Summary</b>			
2000 Total Population	1,750	33,732	81,450
2010 Total Population	6,190	50,744	121,579
2012 Total Population	6,980	52,235	125,931
2012 Group Quarters	0	1	59
2017 Total Population	7,823	55,980	135,719
2012-2017 Annual Rate	2.30%	1.39%	1.51%
<b>Household Summary</b>			
2000 Households	507	10,879	28,573
2000 Average Household Size	3.45	3.10	2.85
2010 Households	1,976	17,407	44,151
2010 Average Household Size	3.13	2.92	2.75
2012 Households	2,204	17,875	45,596
2012 Average Household Size	3.17	2.92	2.76
2017 Households	2,510	19,333	49,577
2017 Average Household Size	3.12	2.90	2.74
2012-2017 Annual Rate	2.63%	1.58%	1.69%
2010 Families	1,729	13,864	33,097
2010 Average Family Size	3.39	3.29	3.19
2012 Families	1,904	14,130	33,889
2012 Average Family Size	3.44	3.30	3.20
2017 Families	2,157	15,312	36,955
2017 Average Family Size	3.41	3.29	3.18
2012-2017 Annual Rate	2.53%	1.62%	1.75%
<b>Housing Unit Summary</b>			
2000 Housing Units	563	11,262	29,797
Owner Occupied Housing Units	84.0%	78.9%	73.3%
Renter Occupied Housing Units	6.2%	17.7%	22.6%
Vacant Housing Units	9.8%	3.4%	4.1%
2010 Housing Units	2,075	18,104	46,176
Owner Occupied Housing Units	79.5%	73.5%	69.1%
Renter Occupied Housing Units	15.7%	22.7%	26.5%
Vacant Housing Units	4.8%	3.8%	4.4%
2012 Housing Units	2,297	18,600	47,649
Owner Occupied Housing Units	76.9%	70.9%	66.5%
Renter Occupied Housing Units	19.1%	25.2%	29.2%
Vacant Housing Units	4.0%	3.9%	4.3%
2017 Housing Units	2,626	20,129	51,786
Owner Occupied Housing Units	75.9%	71.1%	67.0%
Renter Occupied Housing Units	19.6%	25.0%	28.8%
Vacant Housing Units	4.4%	4.0%	4.3%
<b>Median Household Income</b>			
2012	\$88,473	\$81,241	\$73,302
2017	\$94,003	\$87,756	\$81,277
<b>Median Home Value</b>			
2012	\$356,357	\$279,397	\$244,874
2017	\$388,421	\$322,268	\$291,415
<b>Per Capita Income</b>			
2012	\$32,171	\$31,807	\$31,371
2017	\$35,904	\$35,175	\$35,116
<b>Median Age</b>			
2010	35.3	35.4	34.6
2012	34.9	35.4	34.7
2017	34.6	35.5	35.1



# Demographics

9649 Prominent Point  
Colorado Springs, CO 80924

	1 mile	3 miles	5 miles
<b>2012 Households by Income</b>			
Household Income Base	2,204	17,875	45,596
<\$15,000	5.0%	3.3%	3.9%
\$15,000 - \$24,999	0.2%	2.2%	3.6%
\$25,000 - \$34,999	3.3%	4.5%	5.5%
\$35,000 - \$49,999	4.8%	9.0%	11.6%
\$50,000 - \$74,999	24.3%	24.6%	26.5%
\$75,000 - \$99,999	20.1%	20.0%	18.4%
\$100,000 - \$149,999	28.5%	26.5%	21.4%
\$150,000 - \$199,999	6.5%	6.5%	5.4%
\$200,000+	7.4%	3.5%	3.6%
Average Household Income	\$104,146	\$93,060	\$86,718
<b>2017 Households by Income</b>			
Household Income Base	2,510	19,333	49,577
<\$15,000	4.1%	2.7%	3.4%
\$15,000 - \$24,999	0.1%	1.4%	2.5%
\$25,000 - \$34,999	2.0%	2.9%	3.8%
\$35,000 - \$49,999	3.3%	6.6%	8.8%
\$50,000 - \$74,999	20.4%	21.1%	23.6%
\$75,000 - \$99,999	24.5%	25.2%	23.8%
\$100,000 - \$149,999	30.0%	28.4%	23.5%
\$150,000 - \$199,999	8.0%	8.0%	6.8%
\$200,000+	7.6%	3.7%	3.9%
Average Household Income	\$114,695	\$101,958	\$96,245
<b>2012 Owner Occupied Housing Units by Value</b>			
Total	1,766	13,183	31,687
<\$50,000	0.1%	0.1%	0.2%
\$50,000 - \$99,999	0.4%	0.8%	1.8%
\$100,000 - \$149,999	0.6%	3.1%	4.4%
\$150,000 - \$199,999	2.4%	11.1%	19.3%
\$200,000 - \$249,999	7.7%	22.2%	27.1%
\$250,000 - \$299,999	15.8%	21.5%	17.0%
\$300,000 - \$399,999	40.9%	26.9%	19.1%
\$400,000 - \$499,999	19.7%	8.7%	6.7%
\$500,000 - \$749,999	11.1%	4.6%	3.8%
\$750,000 - \$999,999	1.3%	0.8%	0.6%
\$1,000,000 +	0.0%	0.0%	0.1%
Average Home Value	\$378,978	\$303,190	\$275,108
<b>2017 Owner Occupied Housing Units by Value</b>			
Total	1,994	14,307	34,683
<\$50,000	0.0%	0.0%	0.1%
\$50,000 - \$99,999	0.1%	0.2%	0.7%
\$100,000 - \$149,999	0.1%	0.9%	1.4%
\$150,000 - \$199,999	0.4%	4.7%	9.9%
\$200,000 - \$249,999	2.3%	13.4%	20.3%
\$250,000 - \$299,999	10.0%	22.8%	21.0%
\$300,000 - \$399,999	42.1%	35.4%	27.8%
\$400,000 - \$499,999	33.4%	16.5%	13.6%
\$500,000 - \$749,999	10.5%	4.9%	4.2%
\$750,000 - \$999,999	1.3%	1.0%	0.7%
\$1,000,000 +	0.0%	0.0%	0.1%
Average Home Value	\$407,557	\$340,581	\$315,608



# Demographics

9649 Prominent Point  
Colorado Springs, CO 80924

	1 mile	3 miles	5 miles
<b>2010 Population by Age</b>			
Total	6,191	50,741	121,579
0 - 4	6.4%	6.4%	7.0%
5 - 9	10.7%	8.9%	8.3%
10 - 14	11.9%	10.0%	8.7%
15 - 24	13.1%	13.6%	13.4%
25 - 34	7.2%	10.5%	13.2%
35 - 44	19.5%	16.4%	15.3%
45 - 54	18.7%	17.9%	16.2%
55 - 64	8.5%	10.2%	10.5%
65 - 74	2.8%	3.7%	4.6%
75 - 84	0.8%	1.8%	2.2%
85 +	0.2%	0.5%	0.7%
18 +	64.2%	68.5%	70.9%
<b>2012 Population by Age</b>			
Total	6,979	52,232	125,930
0 - 4	6.7%	6.5%	7.0%
5 - 9	10.9%	8.9%	8.2%
10 - 14	11.7%	9.9%	8.6%
15 - 24	12.7%	13.3%	13.2%
25 - 34	8.1%	10.7%	13.4%
35 - 44	19.5%	16.1%	15.0%
45 - 54	17.7%	17.5%	15.7%
55 - 64	8.7%	10.7%	11.0%
65 - 74	2.9%	4.0%	4.9%
75 - 84	0.8%	1.8%	2.2%
85 +	0.3%	0.5%	0.7%
18 +	64.4%	68.8%	71.2%
<b>2017 Population by Age</b>			
Total	7,821	55,980	135,719
0 - 4	6.9%	6.5%	7.0%
5 - 9	11.1%	9.0%	8.2%
10 - 14	11.9%	10.1%	8.7%
15 - 24	12.0%	12.7%	12.4%
25 - 34	8.5%	10.9%	13.6%
35 - 44	19.3%	15.9%	14.7%
45 - 54	16.4%	16.3%	14.7%
55 - 64	9.2%	11.3%	11.6%
65 - 74	3.6%	4.8%	6.0%
75 - 84	0.9%	1.9%	2.4%
85 +	0.3%	0.6%	0.8%
18 +	64.1%	68.7%	71.3%
<b>2010 Population by Sex</b>			
Males	3,068	24,940	59,782
Females	3,122	25,804	61,797
<b>2012 Population by Sex</b>			
Males	3,459	25,712	62,039
Females	3,521	26,523	63,892
<b>2017 Population by Sex</b>			
Males	3,877	27,562	66,894
Females	3,945	28,418	68,825





# Demographics

9649 Prominent Point  
Colorado Springs, CO 80924

	1 mile	3 miles	5 miles
<b>2010 Population by Race/Ethnicity</b>			
Total	6,190	50,743	121,579
White Alone	85.3%	85.6%	84.0%
Black Alone	2.6%	3.1%	4.0%
American Indian Alone	0.4%	0.6%	0.7%
Asian Alone	6.5%	4.4%	3.9%
Pacific Islander Alone	0.1%	0.2%	0.2%
Some Other Race Alone	1.6%	2.0%	2.6%
Two or More Races	3.5%	4.1%	4.5%
Hispanic Origin	8.0%	8.8%	10.3%
Diversity Index	37.6	38.2	42.2
<b>2012 Population by Race/Ethnicity</b>			
Total	6,981	52,235	125,931
White Alone	84.6%	85.2%	83.6%
Black Alone	2.9%	3.3%	4.2%
American Indian Alone	0.4%	0.6%	0.7%
Asian Alone	6.7%	4.6%	4.0%
Pacific Islander Alone	0.1%	0.2%	0.2%
Some Other Race Alone	1.7%	2.0%	2.7%
Two or More Races	3.6%	4.1%	4.5%
Hispanic Origin	8.5%	9.2%	10.7%
Diversity Index	39.1	39.2	43.2
<b>2017 Population by Race/Ethnicity</b>			
Total	7,823	55,981	135,718
White Alone	83.5%	84.3%	82.6%
Black Alone	3.1%	3.6%	4.6%
American Indian Alone	0.5%	0.7%	0.8%
Asian Alone	7.1%	4.9%	4.2%
Pacific Islander Alone	0.1%	0.2%	0.2%
Some Other Race Alone	1.8%	2.2%	2.9%
Two or More Races	3.8%	4.3%	4.7%
Hispanic Origin	9.6%	10.2%	11.9%
Diversity Index	41.9	41.7	45.7
<b>2010 Population by Relationship and Household Type</b>			
Total	6,190	50,744	121,579
In Households	100.0%	100.0%	100.0%
In Family Households	95.4%	91.3%	88.5%
Householder	27.0%	27.3%	27.2%
Spouse	24.0%	23.1%	22.4%
Child	41.7%	37.8%	34.8%
Other relative	1.9%	1.9%	2.4%
Nonrelative	0.8%	1.3%	1.7%
In Nonfamily Households	4.6%	8.6%	11.5%
In Group Quarters	0.0%	0.0%	0.0%
Institutionalized Population	0.0%	0.0%	0.0%
Noninstitutionalized Population	0.0%	0.0%	0.0%



# Demographics

9649 Prominent Point  
Colorado Springs, CO 80924

	1 mile	3 miles	5 miles
<b>2010 Households by Type</b>			
Total	1,977	17,407	44,151
Households with 1 Person	10.2%	16.4%	19.8%
Households with 2+ People	89.8%	83.6%	80.2%
Family Households	87.5%	79.6%	75.0%
Husband-wife Families	77.8%	67.3%	61.7%
With Related Children	49.2%	37.9%	32.0%
Other Family (No Spouse Present)	9.7%	12.3%	13.2%
Other Family with Male Householder	2.6%	3.5%	4.0%
With Related Children	2.0%	2.4%	2.7%
Other Family with Female Householder	7.1%	8.8%	9.3%
With Related Children	5.7%	6.4%	6.7%
Nonfamily Households	2.4%	4.0%	5.2%
All Households with Children	57.2%	46.9%	41.7%
Multigenerational Households	3.0%	2.7%	2.9%
Unmarried Partner Households	2.2%	3.4%	4.4%
Male-female	1.6%	2.9%	3.8%
Same-sex	0.6%	0.5%	0.5%
<b>2010 Households by Size</b>			
Total	1,977	17,407	44,151
1 Person Household	10.2%	16.4%	19.8%
2 Person Household	26.4%	30.7%	33.1%
3 Person Household	18.8%	18.6%	17.7%
4 Person Household	26.5%	20.3%	17.3%
5 Person Household	12.2%	9.1%	7.8%
6 Person Household	4.4%	3.3%	2.8%
7 + Person Household	1.7%	1.5%	1.4%
<b>2010 Households by Tenure and Mortgage Status</b>			
Total	1,976	17,407	44,151
Owner Occupied	83.5%	76.4%	72.2%
Owned with a Mortgage/Loan	77.1%	67.7%	62.9%
Owned Free and Clear	6.4%	8.8%	9.3%
Renter Occupied	16.5%	23.6%	27.8%