



## Single-Tenant Net Lease Offering | Hy-Vee Grocery Store

10.8 Years of Firm Term Remaining | 6 (5-Year) Options | IA Location

**HY-VEE**  
is currently investing \$1M+ to convert the store to its flagship banner. Estimated completion is Summer 2026.



122 N MAIN STREET, MONTICELLO, IA 52310

# Single-Tenant Net Leased Hy-Vee Grocery Store

## The Offering

Newmark, as an exclusive advisor, is pleased to present the opportunity to acquire a single-tenant, net leased Hy-Vee in Monticello, IA. **Hy-Vee is currently investing \$1M+ to convert the store to its flagship banner. Estimated completion is Summer 2026.**

**\$5,638,000**

ASKING PRICE

**6.85%**

CAP RATE

**NNN**

LEASE STRUCTURE

**10.8 Years**

LEASE TERM REMAINING

**Fee Simple**

OWNERSHIP INTEREST



## Net Lease Capital Markets

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# Investment Highlights

## **\$1M+ STORE CONVERSION IN PROCESS | CORPORATELY GUARANTEED LEASE WITH HY-VEE, INC. | DOMINANT REGIONAL GROCER | 300+ UNIT OPERATOR IN THE MIDWEST | OVER \$13 BILLION IN SALES**

- Hy-Vee is currently investing \$1M+ to convert the store to its flagship banner. Estimated completion is Summer 2026.
- Corporate lease with Hy-Vee, Inc.
- Headquartered in West Des Moines, IA, Hy-Vee operates a chain of **approximately 300 full service supermarkets** throughout the Midwest. Hy-Vee operates approximately **22 Dollar Fresh Markets**.
- Hy-Vee **2024 Sales \$13.47 Billion**

## **15-YEAR ORIGINAL COMMITMENT + 6 (5-YEAR) OPTIONS | 10.8 YEARS OF PRIMARY TERM REMAINING | 5.00% RENTAL INCREASES AT EACH OPTION STARTING WITH OPTION 2 |**

- 15-year original lease, **10.8 years of firm lease term remaining**
- **5.00% rental increases every 5 years** beginning in the second option period
- **6 (5-Year)** renewal options

## **ABSOLUTE NNN LEASE | ZERO LANDLORD RESPONSIBILITIES | FEE SIMPLE OWNERSHIP**

- **Absolute NNN lease** with zero landlord responsibilities. This NNN investment is ideal for both in-state and out-of-state investors.
- **Fee simple (Land & Building)** asset sale

## **LOCATED AT THE INTERSECTION OF E 1ST STREET & N MAIN STREET (11,078 VPD) | STRONG VISIBILITY & ACCESS | LIMITED COMPETITION & HIGH BARRIERS TO ENTRY**

- Located at the **intersection of E 1st Street & N Main Street (11,078 VPD)**
- The property is situated on N Main Street, a key commercial corridor in Monticello, providing **strong visibility** and convenient access via three (3) curb cuts
- The Monticello market is characterized by **limited direct grocery competition**, and **high barriers to entry** for new grocery development

## **CEDAR RAPIDS MSA LOCATION | STABLE POPULATION BASE | PRIMARY RETAIL DESTINATION FOR SURROUNDING RURAL COMMUNITIES | CLOSE PROXIMITY TO MAJOR EMPLOYERS, HOUSING & ENTERTAINMENT COMPLEXES**

- Monticello is a rural municipality in Jones County in eastern Iowa and forms part of the broader **Cedar Rapids MSA (~30 Miles)**
- **Cedar Rapids GDP: \$22.96 billion**
- Monticello represents a small but stable population base, with 4,000-4,100 residents. There are **12,287 people with an average household income of \$88,057 within 10 miles** of the subject property
- Monticello serves as a **primary retail destination for surrounding rural communities**, effectively expanding its consumer base beyond city limits. This creates a **demand profile this is disproportionately strong for necessity-based retail**, including grocery, pharmacy, and discount-oriented stores.

# Property Photos



# Investment Overview

## Price/Cap Rate

Price (PSF)	\$5,638,000 (\$205 PSF)
Cap Rate	6.85%
Annual Base Rent (PSF)	\$386,234.50 (\$14.05 PSF)

## Executive Summary

Address	122 N Main Street Monticello, IA 52310
Tenant*	Hy-Vee
Use	Retail
Rentable Building Area (SF)	27,490
Acreage	3.50 Acres
Expense Structure	Absolute NNN
Rent Increases	See Rent Schedule Pg. 11
Rent Commencement Date	March 4, 2022
Lease Expiration Date	March 3, 2037
Initial Term	Fifteen (15) Years
Lease Term Remaining	10.8 Years Remaining
Renewal Options	6 (5-Year)
Ownership Interest	Fee Simple (Land & Building Ownership)

\*Tenant is currently investing \$1M+ to convert the store to its flagship Hy-Vee banner. Estimated completion is Summer 2026.





Wolken Dental

N MAIN STREET



E 1ST STREET (4,606 VPD)



S MAIN STREET (6,472 VPD)





Monticello  
Community School District

**HyVee**  
EMPLOYEE OWNED



Wolken Dental

FIDELITY  
BANK & TRUST

DuTrac  
Community Credit Union

HACIENDA

Super Wash

SUBWAY

Salon & Spa

FAMILY  
VETERINARY SERVICE

BE  
STRONG  
FITNESS & WELLNESS

State Farm

Casey's

Scherrman's  
I.M.P.L.E.M.E.N.T.

DIAMOND  
PI  
COMPANY

Monticello Aquatic Center

CORNERSTONE  
BUILDING BRANDS

THEISEN'S  
HOME • FARM • AUTO

Kelchen's Cafe

THE CLOSET  
SWAP

The Cone Shoppe

K  
ROSS  
UNIVERSITY OF ART

S MAIN STREET (6,472 VPD)

E 1ST STREET (4,606 VPD)

THE BEEHIVE  
TREATERY

advantage  
Home Medical

SR  
SPANH & ROSE

HARTIG  
Drug

MARVIN

N MAIN STREET  
151



Monticello City Hall    **SUPERIOR APPLIANCE**    Sigma eyehealth    *Monticello*    B&E Insurance Agency    Salon La'Ky    Monticello Pickleball Courts    MONTICELLO Golf Club

**LD**    LYNCH DALLAS Legal    F&M BANK    "The Right Choice"    The Gingham Dog

Muddy Boots    Strittmatter Law Firm    Tattoo Studio    Michael's Clothing

Dr. David Balster    Monti Barber Center    Styles-n-Smiles    Zenith Radio & Television    Lambert's Carpet & Drapes    McNeill Hardware

Fairgrounds

BWP    The Market Tip    GC SEANS    CITIZENS INVESTMENT CENTER

USPS.COM

**FAREWAY** MEAT & GROCERY

Kleinow Field

REM Electric    Panasonic    RCA    SAMSUNG    TOSHIBA    SHARP    FRIGIDAIRE    d'sh    MAYTAG    AMANA    JUST RIGHT

THEISEN'S HOME • FARM • AUTO

dahlia Laundry Village

bp

FREESE Ford MONTICELLO, IOWA

Jaycee Field

K ROSS

Afiac

CARQUEST

SR SPANH & ROSE

advantage Home Medical

HARTIG Drug

Hand-Crafted

The Cone Shoppe

S MAIN STREET (6,472 VPD)

THE CLOSET SWAP

151

N MAIN STREET

Wolken Dental

THEISEN'S HOME • FARM • AUTO

Kelchen's Kate

LA HACIENDA

MONTICELLO MEGA SHOPS

WATSON'S BAR & GRILL

MARVIN

E 1ST STREET (4,606 VPD)

**HyVee** EMPLOYEE OWNED

**Monticello** Community School District



(8,061 VPD) 151



Wolken Dental



151

N MAIN STREET



MARVIN



E 1ST STREET (4,606 VPD)



The Cone Shoppe

S MAIN STREET (6,472 VPD)



E GRAND STREET



# The Investment



# Lease Abstract & Property Details

## Property Overview

Rentable Building Area (SF)	27,490
Acreage	3.50
Year Built/Renovated	2022

## Lease Abstract

Address	122 N Main Street Monticello, IA 52310
Tenant Trade Name*	Hy-Vee
Lease Entity	Hy-Vee, Inc.
Rent Commencement Date	March 4, 2022
Lease Expiration Date	March 3, 2037
Lease Term Remaining	10.8 Years Remaining
Renewal Options	6 (5-Year)
Annual Rent (PSF)	\$386,234.50 (\$14.05 PSF)
Rent Increases	See Rent Schedule
Lease Structure	Absolute NNN
Landlord Responsibilities	None
Utilities	Tenant Responsibility
Taxes	Tenant Responsibility
CAM	Tenant Responsibility
HVAC	Tenant Responsibility
Insurance	Tenant Responsibility
ROFR	Yes, Ten (10) Days

\*Tenant is currently investing \$1M+ to convert the store to its flagship Hy-Vee banner. Estimated completion is Summer 2026.

## Rent Schedule

Rent Period	Annual Rent	PSF	Monthly Rent	PSF	% Increase
<b>3/4/2022 - 3/3/2037</b>	<b>\$386,235</b>	<b>\$14.05</b>	<b>\$32,186</b>	<b>\$1.17</b>	-
Option 1: 3/4/2037- 3/3/2042	\$381,084	\$13.86	\$31,757	\$1.16	-1.33%
Option 2: 3/4/2042- 3/3/2047	\$400,138	\$14.56	\$33,345	\$1.21	5.00%
Option 3: 3/4/2047- 3/3/2052	\$420,145	\$15.28	\$35,012	\$1.27	5.00%
Option 4: 3/4/2052- 3/3/2057	\$441,153	\$16.05	\$36,763	\$1.34	5.00%
Option 5: 3/4/2057- 3/3/2062	\$463,210	\$16.85	\$38,601	\$1.40	5.00%
Option 6: 3/4/2062- 3/3/2067	\$486,371	\$17.69	\$40,531	\$1.47	5.00%

**Bold = Current Rent**



# Market Overview - Monticello, IA

## Monticello, IA

Monticello, Iowa is a small, rural municipality located in Jones County in eastern Iowa and forms part of the **broader Cedar Rapids Metropolitan Area**. Its geographic position along U.S. Highway 151 places it within commuting distance of larger regional employment centers such as **Cedar Rapids (~30 miles)** and Dubuque (~12 miles), while still functioning as an independent rural service hub. This dual role—as both a local economic center and a peripheral commuter community—shapes its demographic stability, economic structure, and retail environment.

Demographically, Monticello represents a **small but stable population base**, with approximately **4,000–4,100 residents in recent estimates**. The population has exhibited modest growth over time, consistent with broader trends in rural Midwestern communities where expansion is gradual rather than rapid. The **median age, approximately 42–43 years**, is notably higher than state and national averages, indicating an aging but established population base with lower turnover and strong community continuity.

Retail and commercial activity in Monticello is best understood through the lens of trade area dynamics rather than population size alone. Despite its relatively small population, **the city serves as a primary retail destination for surrounding rural communities, effectively expanding its consumer base beyond city limits. This creates a demand profile that is disproportionately strong for necessity-based retail, including grocery, pharmacy, and discount-oriented stores.** The downtown corridor, supported by local revitalization initiatives, provides a mix of small businesses and service-oriented retail, though the market remains limited in depth and variety compared to urban centers.

## Economic Overview (Monticello & Cedar Rapids)

- **Monticello GDP:** Jones County, Iowa recorded a gross domestic product (GDP) of \$858M.
- **Cedar Rapids GDP:** The Cedar Rapids MSA recorded a gross domestic product (GDP) of \$22.96 billion.

## Major Employers in Monticello

- Xcel Energy / Northern States Power ~650 Employees
- CentraCare Medical Center ~577 Employees
- Cargill Kitchen Solutions ~425 Employees
- Ultra Machine Corporation ~215 Employees
- WSI Industries, Inc. ~120 Employees

## Cost of Living Analysis

Monticello's cost of living is below the national average. Its overall cost of living index is about 88 compared with 100 for the U.S., **meaning living there is roughly 12% cheaper than the national average.** This is slightly lower than the overall Iowa average as well. Housing is the biggest driver of Monticello's affordability. The housing cost index is around 64 (with the U.S. average at 100), indicating that **home prices and associated housing expenses are about 36%–40% below the U.S. average.**

Demographics	1 Mile	3 Mile	10 Mile
2025 Population	4,015	5,713	12,428
2025 Households	1,643	2,326	4,946
2025 Avg. Household Income	\$86,715	\$90,615	\$91,296



Downtown Monticello, IA



Cedar Rapids, IA

TENANT SYNOPSIS

## Hy-Vee

**Hy-Vee is an employee-owned supermarket company** founded in 1930 and headquartered in the Midwest, with operations spanning multiple states including Iowa, Illinois, Minnesota, Nebraska, and surrounding regions. The company operates roughly **285-300 full-service supermarkets**, along with additional formats such as convenience stores, pharmacies, and smaller concept stores. Its scale places it **among the largest privately held grocery chains in the United States**, with **annual revenues in the tens of billions**.

Operationally, Hy-Vee stores are typically full-service supermarkets, often ranging from 60,000 to over 100,000 square feet, and function as primary grocery anchors within their trade areas. The stores emphasize fresh departments, prepared foods, pharmacy services, and in some cases expanded offerings such as fitness centers or health clinics. This diversified in-store experience helps drive frequent customer visits and reinforces the brand's role as a central retail destination.



### Hy-Vee Statistics & Financials

<b>Hy-Vee 2026 Employees</b>	~75,000 Employees
<b>Number of Locations</b>	285-300 full-service Hy-Vees 18-22 Dollar Fresh Markets
<b>2024 Sales</b>	~\$13.47 Billion
<b>Credit Rating</b>	N/A- Private Company

### Hy-Vee Brands





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