

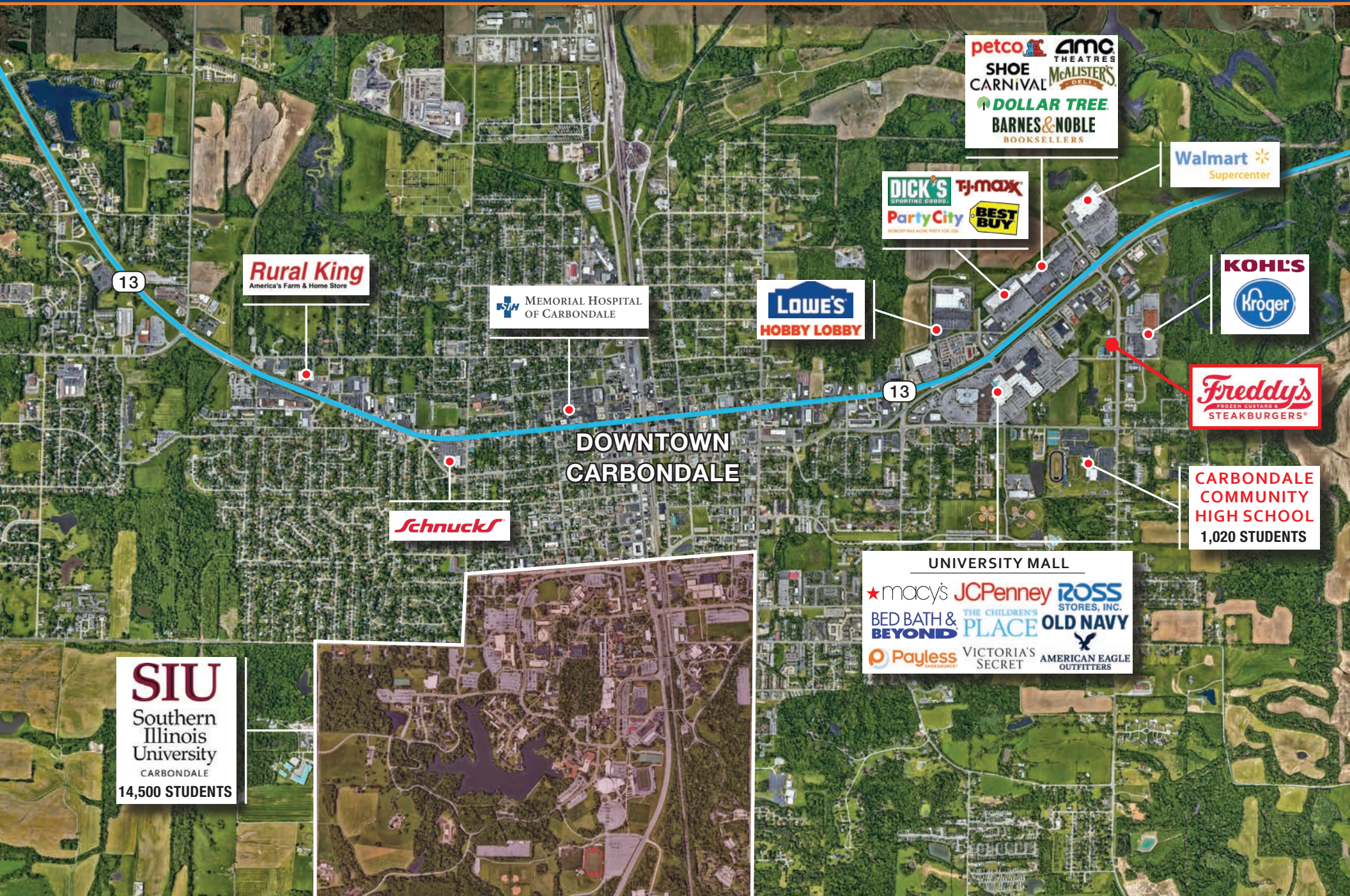


Offering Memorandum

FREDDY'S

**500 N GIANT CITY ROAD
CARBONDALE, IL 62902**

Marcus & Millichap







E MAIN ST
25,000 CPD



N GIANT CITY RD
15,300 CPD

FREDDY'S

500 N Giant City Road
Carbondale, IL 62902

FINANCIAL SUMMARY	
Price	\$2,185,000
Down Payment	100% \$2,185,000
Cap Rate	6.0%
Building SF	2,929 SF
Net Cash Flow	6.0% \$131,086
Year Built	2019
Lot Size	.74 Acres

LEASE SUMMARY	
Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	M&M Custard Carbondale LLC
Lease Guarantor	M&M Custard LLC, a Missouri Limited Liability Company
Roof & Structure	Tenant Responsible
Est. Rent Commencement Date	April 2019
Est. Lease Expiration Date	April 2034
Lease Term	15 Years
Rental Increases	6% Every 5 Years
Renewal Options	4, 5 Year Options

ANNUALIZED OPERATING DATA		
LEASE YEARS	ANNUAL RENT	CAP RATE
1 - 5	\$131,086.00	6.00%
6 - 10	\$138,951.16	6.36%
11 - 15	\$147,288.23	6.74%
OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$156,125.52	7.16%
Option 2	\$165,493.05	7.57%
Option 3	\$175,422.64	8.03%
Option 4	\$185,948.00	8.51%

BASE RENT	\$131,086
Net Operating Income	\$131,086
Total Return	6.0% \$131,086





REPRESENTATIVE PHOTOS



At Freddy's, frozen custard is such a signature part of the menu that it's included in the name. The company made its debut at the corner of 21st Street and Tyler Road in Wichita, Kansas during 2002 and its first franchise launched in Hutchinson, Kansas during December 2004. In April 2011, the company opened its 50th store in Victorville, California and in October of 2013 its 100th store in Bowling Green, Kentucky. At the end of 2014, Freddy's had 135 restaurants operating in 24 states and 48 franchise groups. Today, there are currently more than 300 Freddy's locations nationwide.

In 2014, Inc. Magazine named Freddy's in the 5000 list of "Fastest Growing Private Companies" in America, Entrepreneur Magazine's "Franchise 500®", QSR® Magazine's "10 Best Franchise Deals", Franchise Times® Magazine's "Next 300 Franchise Chains", and Business Insider's "8 Better Burger Chains Poised to Conquer America". Freddy's has also been listed as the Fifth Fastest Growing Chain Restaurant in the United States and Canada by Chain Store Guide, a sister publication to Nation's Restaurant News. Recently, Freddy's was recognized by Technomics as the 5th fastest growing burger concept in the country.

Headquarters	Wichita, KS
Company Type	Private
Locations	300+
2016 Revenue	\$411 Million
Website	www.freddysusa.com

FRANCHISEE OVERVIEW

M&M Custard opened its first store in 2011 in Jefferson City, MO. Today, the company operates 11 Freddy's locations in Missouri, Indiana, Kentucky and Illinois. The Carbondale store will be the franchisee's 12th location.

INVESTMENT HIGHLIGHTS

- New 15-Year Absolute Triple-Net (NNN) Lease
- Brand New 2019 Build
- Multi-Unit Franchisee with 12 Locations
- Tenant Contributed \$644,105 of Their Own Equity to Buy Down the Costs of Construction, Resulting in a Lower Rent
- Excellent Location Adjacent to University Mall (70+ Stores & Restaurants)
- 71,777 Residents in Carbondale Trade Area
- Excellent Location Just Minutes from Southern Illinois University (14,500+ Enrolled)
- Directly Across from Kohl's, Kroger, and Walmart Supercenter
- Walking Distance from Carbondale Community High School (1,020+ Students)
- Close Proximity to Major Retailers – Walmart Supercenter, AMC Theaters, Lowe's, Hobby Lobby, Aldi, T.J. Maxx, and More

DEMOGRAPHICS

Population	3-Miles	5-Miles	10-Miles
2022 Projection	23,664	34,700	73,275
2017 Estimate	23,140	33,919	71,777
Growth 2017 - 2022	2.26%	2.30%	2.09%
Households	3-Miles	5-Miles	10-Miles
2022 Projections	10,247	15,218	31,684
2017 Estimate	9,933	14,682	30,721
Growth 2017 - 2022	3.16%	3.65%	3.13%
Income	3-Miles	5-Miles	10-Miles
2017 Est. Average Household Income	\$38,684	\$50,599	\$56,228
2017 Est. Median Household Income	\$18,556	\$25,367	\$36,586
2017 Est. Per Capita Income	\$17,329	\$23,136	\$24,759

LOCATION OVERVIEW

Carbondale is a city in Illinois' Jackson County. The city developed from 1853 due to the stimulation of railroad construction into the area. Today, the major roadways of Illinois Route 13 and U.S. Route 51 intersect in the city. Carbondale is situated 96 miles southeast of St. Louis, Missouri, on the northern edge of the Shawnee National Forest. The city is the most populous in Southern Illinois, due mainly to the location of Southern Illinois University's main campus in the heart of the city.

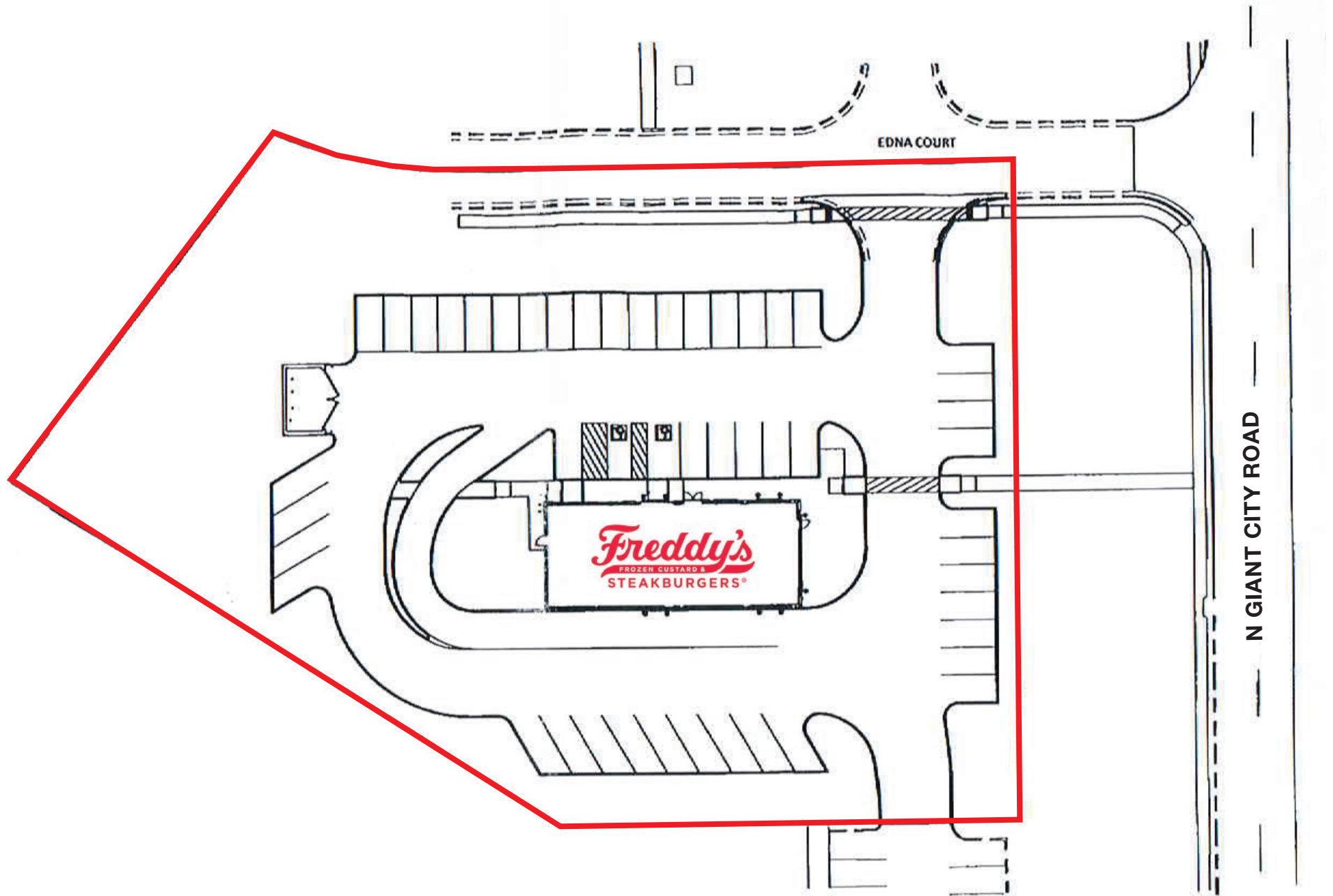
The city's business districts include several large shopping malls (including University Mall on the east side of town), featuring a mixture of national chain stores and locally owned businesses. Carbondale is also home to many small shops and restaurants, primarily located downtown. The downtown district is supported by Carbondale Main Street, frequented by the large student population in the city.

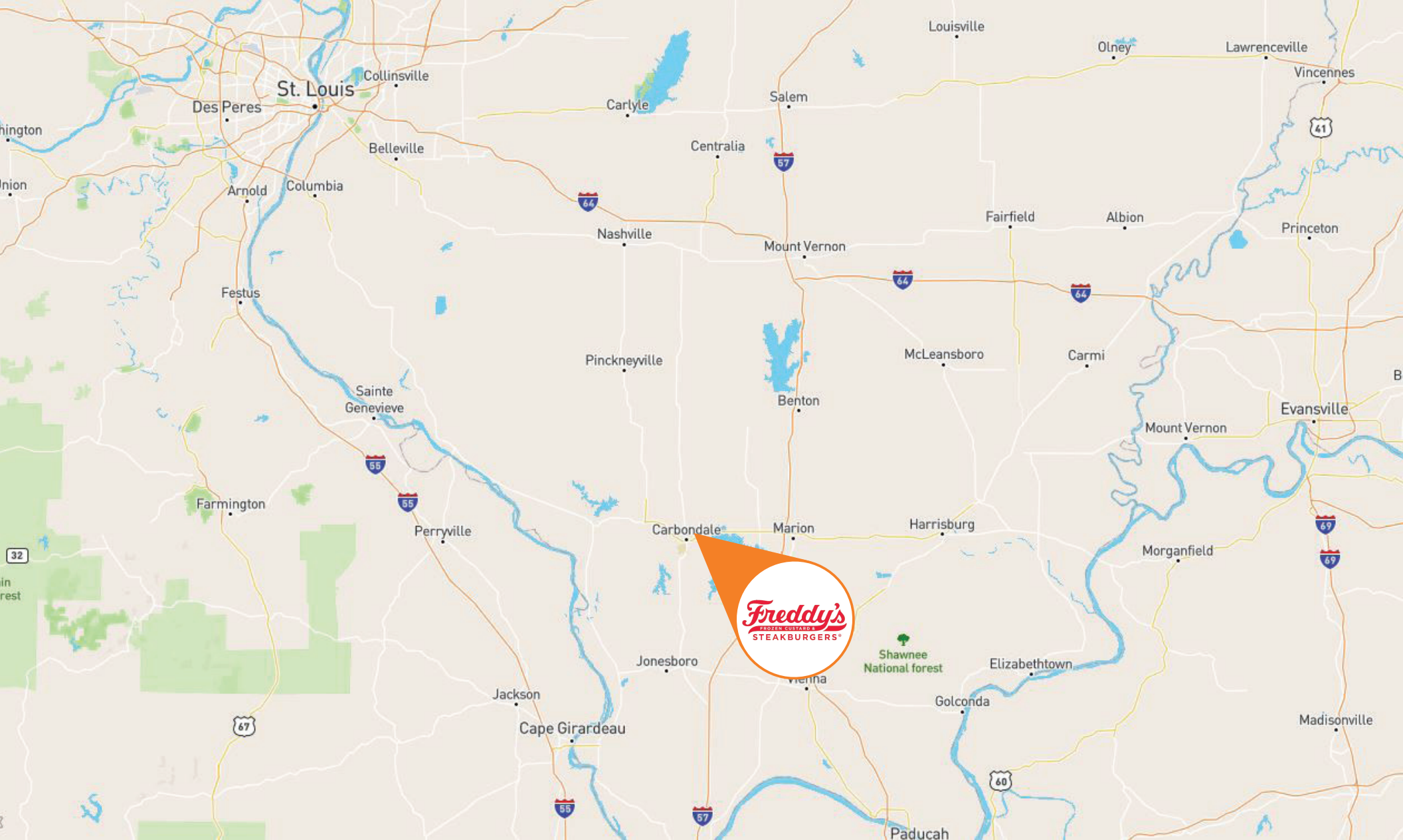
Located downtown, Southern Illinois University brings together a hub of entertainment options with dining, shopping and nightlife. As a nationally ranked research institution, Southern Illinois University cultivates growth and creates unforgettable experiences. The university has many state-of-the-art facilities, including the newly constructed 15,000-seat Saluki Stadium, the Morris Library, and more than 280,000 square feet of arts facilities.

Illinois' largest expanse of wooded land, the Shawnee National Forest, is located in the heart of Southern Illinois. Its 273,000 acres are a major attraction for outdoor enthusiasts, offering wilderness trails, archaeological sites, waterfalls, drives along the National Scenic Byways, swimming, bicycling, and more. Named by Outdoor Magazine as one of the Top 200 towns for sportsmen, the region's beautiful state and national parks form the centerpiece of outdoor recreation opportunities.









2 MILES
Southern Illinois
University

14 MILES
Interstate 57
Freeway

104 MILES
St. Louis,
Missouri

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

exclusively listed

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