



1180 Elm Street E
St Joseph, MN 56374



Property Guide

Not Actual Site

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Property Summary

Gaia Real Estate Investments is proud to exclusively present for sale a ground leased interest in this McDonald's opportunity located in St. Joseph(St. Cloud), MN. This Corporate McDonald's has 13.9 years remaining with 10% increases every 5 years (next increase 1-2-23). The tenant just recently updated inside to the new modern prototype with a double Drive-Thru showing strong commitment to this location. This site is situated on a signalized corner of the main thorough fare 75 that runs thru both St. Cloud and St. Joseph.

The subject property is located in the home of the Collage of St. Joseph/ St. Benedict and about 15 miles from St. Cloud State University and approximately 70 miles from downtown Minneapolis and Minneapolis/St. Paul International Airport.



Price	\$1,300,000
NOI	\$57,200
Cap Rate	4.40%
Address	1180 E Elm St E, St Joseph, MN 56374
Lease Term	20 Years
Lease Commencement	12/31/2012
Lease Expiration	12/30/2032
Years Remaining	13.9 Years
Options	Eight (5) year options
Guarantor	McDonald's Corporation
Year Built	2012

Investment Summary

Tenant	Sq. Ft.	Annual Rent PSF	Annual Rent	Term	Rent Com. Date	Lease Expiration Date	Rental Increases	Options	Lot Size	Lease Type
McDonald's Corporation	3,900	\$14.67	\$57,200.00	20 Years/13.9 Remaining	12/31/12	12/30/32	10% Increases every 5 years	Eight (5) year options with 10% Increases	52,186 SF	NNN Ground Lease

Property Highlights

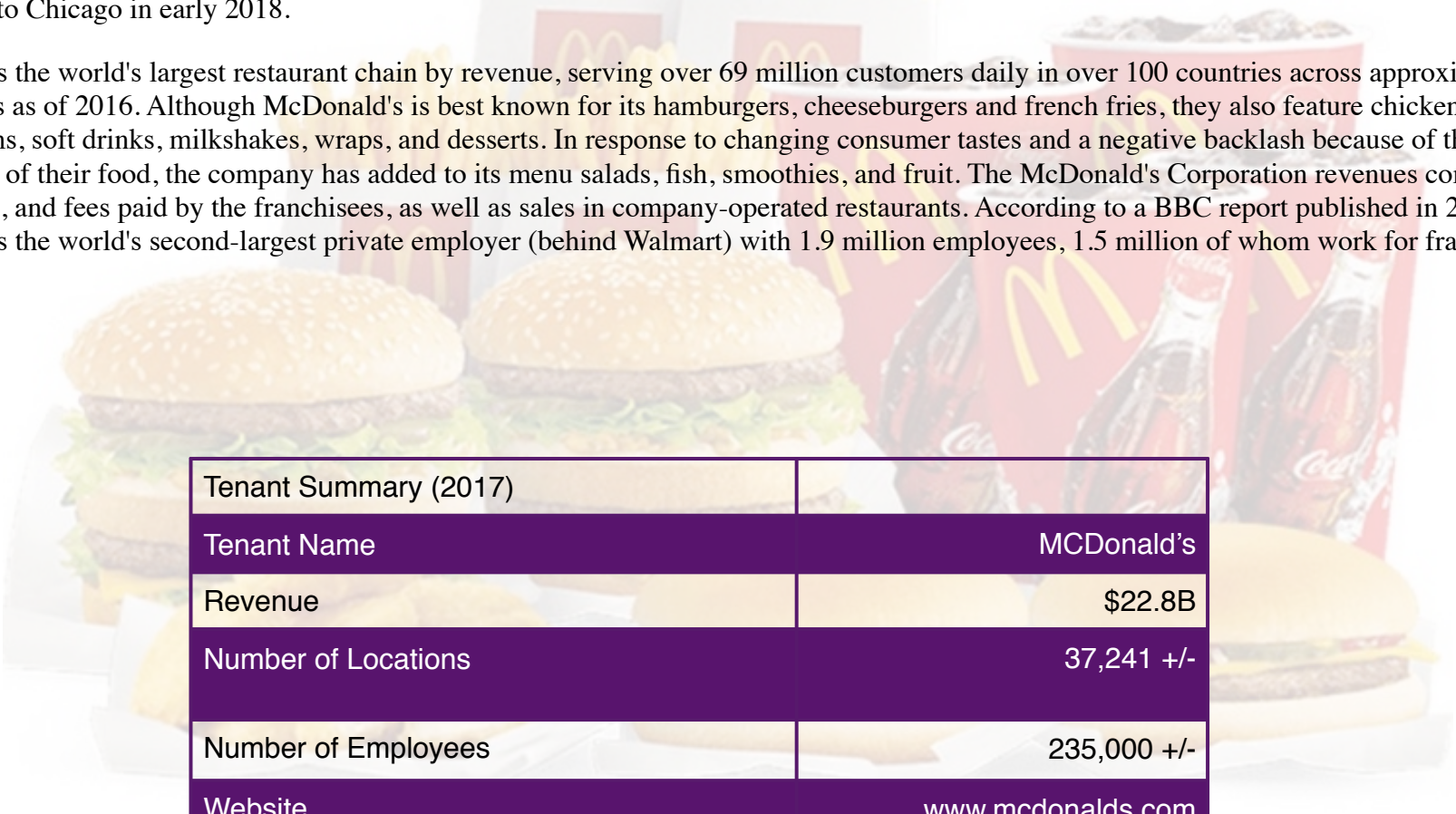
- Corporate Guaranty
- NNN Ground Lease
- S&P Rated BBB
- Investment Grade Credit
- 13.9 years Remaining
- 10% increases every 5 years
- Close proximity to St. Benedicts/St. Joseph College
- Signalized Corner
- Recently renovated inside and double drive thru added



Tenant Summary

McDonald's is an American fast food company, founded in 1940 as a restaurant operated by Richard and Maurice McDonald, in San Bernardino, California, United States. They rechristened their business as a hamburger stand, and later turned the company into a franchise, with the Golden Arches logo being introduced in 1953 at a location in Phoenix, Arizona. In 1955, Ray Kroc, a businessman, joined the company as a franchise agent and proceeded to purchase the chain from the McDonald brothers. McDonald's had its original headquarters in Oak Brook, Illinois, but moved its global headquarters to Chicago in early 2018.

McDonald's is the world's largest restaurant chain by revenue, serving over 69 million customers daily in over 100 countries across approximately 36,900 outlets as of 2016. Although McDonald's is best known for its hamburgers, cheeseburgers and french fries, they also feature chicken products, breakfast items, soft drinks, milkshakes, wraps, and desserts. In response to changing consumer tastes and a negative backlash because of the unhealthiness of their food, the company has added to its menu salads, fish, smoothies, and fruit. The McDonald's Corporation revenues come from the rent, royalties, and fees paid by the franchisees, as well as sales in company-operated restaurants. According to a BBC report published in 2012, McDonald's is the world's second-largest private employer (behind Walmart) with 1.9 million employees, 1.5 million of whom work for franchises.



Tenant Summary (2017)	
Tenant Name	MCDonald's
Revenue	\$22.8B
Number of Locations	37,241 +/-
Number of Employees	235,000 +/-
Website	www.mcdonalds.com

Area Information

St. Joseph is a city in Stearns County, Minnesota, United States. The population was 6,534 at the 2010 census and according to 2017 census estimates is now 7,126. It is home to the College of Saint Benedict.

St. Joseph is part of the St. Cloud Metropolitan Statistical Area.

St. Cloud is a city in the U.S. state of Minnesota and the largest population center in the state's central region. Its population is 67,984 according to the 2017 US census estimates, making it Minnesota's tenth largest city. St. Cloud is the county seat of Stearns County and was named after the city of Saint-Cloud, France, which was named after the 6th-century French monk Clodoald.



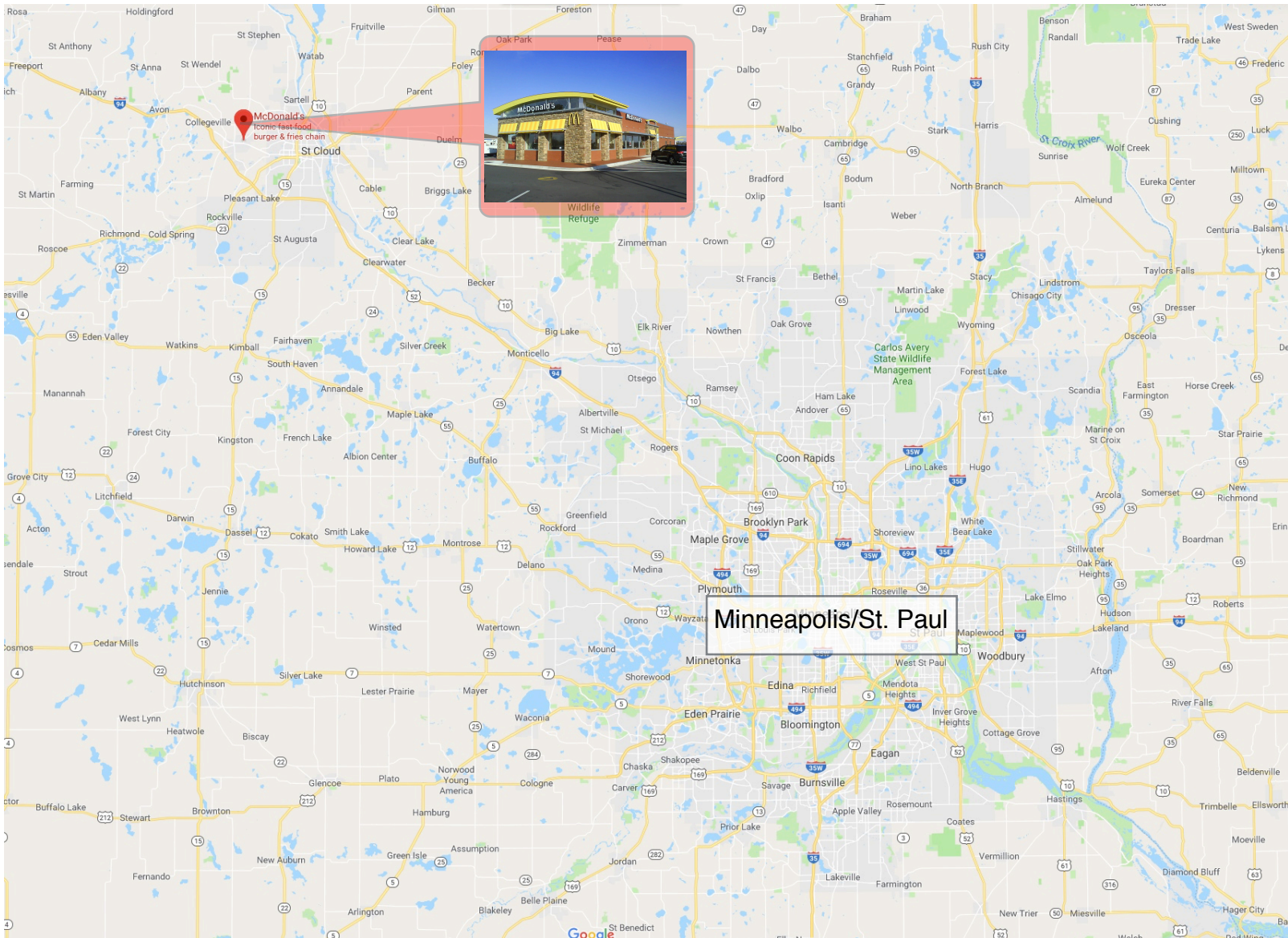
Though mostly in Stearns County, St. Cloud also extends into Benton and Sherburne counties, and straddles the Mississippi River. It is the center of a small, contiguous urban area totaling over 120,000 residents, with Waite Park, Sauk Rapids, Sartell, St. Joseph, Rockville, and St. Augusta directly bordering the city, and Foley, Rice, Kimball, Clearwater, Clear Lake, and Cold Spring nearby. With 189,093 residents at the 2010 census, the St. Cloud metropolitan area is the fourth-largest in Minnesota, behind Minneapolis–St. Paul, Duluth–Superior, and Rochester. (The population of Fargo–Moorhead is also larger than St. Cloud's, but most of that is in North Dakota, with only 58,999 residents in Minnesota.)

St. Cloud is 65 miles (105 km) northwest of the Twin Cities of Minneapolis–St. Paul along Interstate 94, U.S. Highway 10, and Minnesota State Highway 23. The St. Cloud Metropolitan Statistical Area (MSA) is made up of Stearns and Benton Counties. The city was included in a newly defined Minneapolis–St. Paul–St. Cloud Combined Statistical Area (CSA) in 2000. St. Cloud as a whole has never been part of the 13-county MSA comprising Minneapolis, St. Paul, Bloomington and parts of western Wisconsin, although its Sherburne County portion is considered part of the Twin Cities metropolitan area by Census Bureau definition.

St. Cloud State University, Minnesota's third-largest public university, is located between the downtown area and the Beaver Islands, which form a maze for a two-mile stretch of the Mississippi. The approximately 30 undeveloped islands are a popular destination for kayak and canoe enthusiasts and are part of a state-designated 12-mile stretch of wild and scenic river.

St. Cloud owns and operates a hydroelectric dam on the Mississippi that can produce up to nine megawatts of electricity.





For more information contact:
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