

CINEMARK

7101 70TH COURT, KENOSHA, WISCONSIN



OFFERING MEMORANDUM

Marcus & Millichap



UNIVERSITY OF WISCONSIN **PARKSIDE**
4,325 STUDENTS

amazon
FULFILLMENT CENTER

CARTHAGE COLLEGE
2,600 STUDENTS

MENARDS **BED BATH & BEYOND** **IHop**
LOWE'S **Applebee's** **DOLLAR TREE**
Pier 1 imports **Gordmans** **OfficeMax**
FRESH THYME **KOHL'S** **HOBBY LOBBY**
Party City **petco** **TACO BELL** **Red Robin**

DOWNTOWN KENOSHA

CINEMARK

COSTCO WHOLESALE **PETSMART**
DICK'S SPORTING GOODS **ULTA BEAUTY** **Cheddar's SCRATCH KITCHEN**
JCPenney **TARGET**

Pick n Save **Marshalls**
ALDI **goodwill** **Burlington**
golden corral **Panera BREAD**
meijer **chil's** **ROSS STORES, INC.**

PLEASANT PRAIRIE PREMIUM OUTLETS
A SIMON CENTER

The information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2020 Marcus Millichap.

Executive Summary

7101 70th Court, Kenosha, WI 53142

FINANCIAL SUMMARY

Price	\$7,646,000
Cap Rate	8.25%
Building SF	50,464 SF
Net Operating Income	8.25% \$630,800
Rent/SF	\$12.50
Price/SF	\$147.91
Year Built	1997
Lot Size	11.66 Acres

LEASE SUMMARY

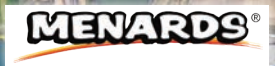
Lease Type	Triple-Net (NNN) Lease
Tenant	Cinemark Theatres
Guarantor	Cinemark Holdings, Inc.
Roof & Structure	Landlord Responsible
Lease Commencement Date	May 1, 2017
Lease Expiration Date	May 30, 2027
Lease Term Remaining	7 Years
Rental Increases	20% Increase in 2022
Renewal Options	4, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 4/30/2022	\$630,800	8.25%
5/1/2022 - 5/30/2027	\$756,960	9.90%
Option	Annual Rent	Cap Rate
Option 1	\$807,424	10.56%
Option 2	\$832,656	10.89%
Option 3	\$857,888	11.22%
Option 4	\$883,120	11.55%

Base Rent	\$630,800
Net Operating Income	\$630,800
Total Return	8.25% \$630,800

31,700 CPD
GREEN BAY RD



36,500 CPD
75TH ST





LOWE'S

Qdoba MEXICAN GRILL JIMMY JOHN'S

Canes CHICKEN FINGERS

31,700 CPD
GREEN BAY RD

DOLLAR TREE
OfficeMax
Pier 1 imports
petco

TACO BELL

PERLA COLLISION CENTER

CINEMARK

HOBBY LOBBY
Party City FRESH THYME FARMERS MARKET

MCDONALD'S

MENARDS

PALMEN
BUICK GMC CADILLAC

KOHL'S

HUHOT MONGOLIAN GRILL

BED BATH & BEYOND
Bath & Body Works

Mason's Eatery & Pub

IHOP

Applebee's
GRILL + BAR

tcf bank

MISSION BBQ
The American Way

36,500 CPD
75TH ST

Property Description



INVESTMENT HIGHLIGHTS

- » **7 Years Remaining on Absolute Triple-Net (NNN) Lease with Cinemark Holdings, Inc.**
- » 20% Rent Increase Occurring on May 1, 2022
- » **119,657 Residents within a 5-Mile Radius - Growing Kenosha Trade Area**
- » Over 68,000 Cars/Day at the Nearby Intersection of 75th Street and Green Bay Road
- » **Situated in Major Retail Corridor** - Menards, Hobby Lobby, Lowes, Meijer, ALDI, Petco, Dollar Tree, Bed Bath & Beyond, and More
- » Subject Property Features a Total of 14 Screens and 825 Parking Spaces
- » **Average Household Income Exceeds \$89,000 in Immediate Area**
- » Strong Daytime Population - 115,570 Employees in Surrounding Area
- » **3 Miles Off Interstate 94/41** - a Major Connector with Direct Access to Milwaukee to the North and Chicago to the South



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2024 Projection	5,031	63,315	120,141
2019 Estimate	5,016	63,076	119,657
Growth 2019 – 2024	0.30%	0.38%	0.40%

Households

2024 Projection	2,094	23,977	45,417
2019 Estimate	2,073	23,778	45,041
Growth 2019 – 2024	1.01%	0.84%	0.83%

Income

2019 Est. Average Household Income	\$89,370	\$79,491	\$78,890
2019 Est. Median Household Income	\$72,262	\$64,248	\$60,494
2019 Est. Per Capita Income	\$37,030	\$30,171	\$30,114



Tenant Overview



Cinemark Holdings, Inc.

Plano, Texas

NYSE: CNK

554+

www.cinemark.com

Company

Headquarters

Stock Symbol

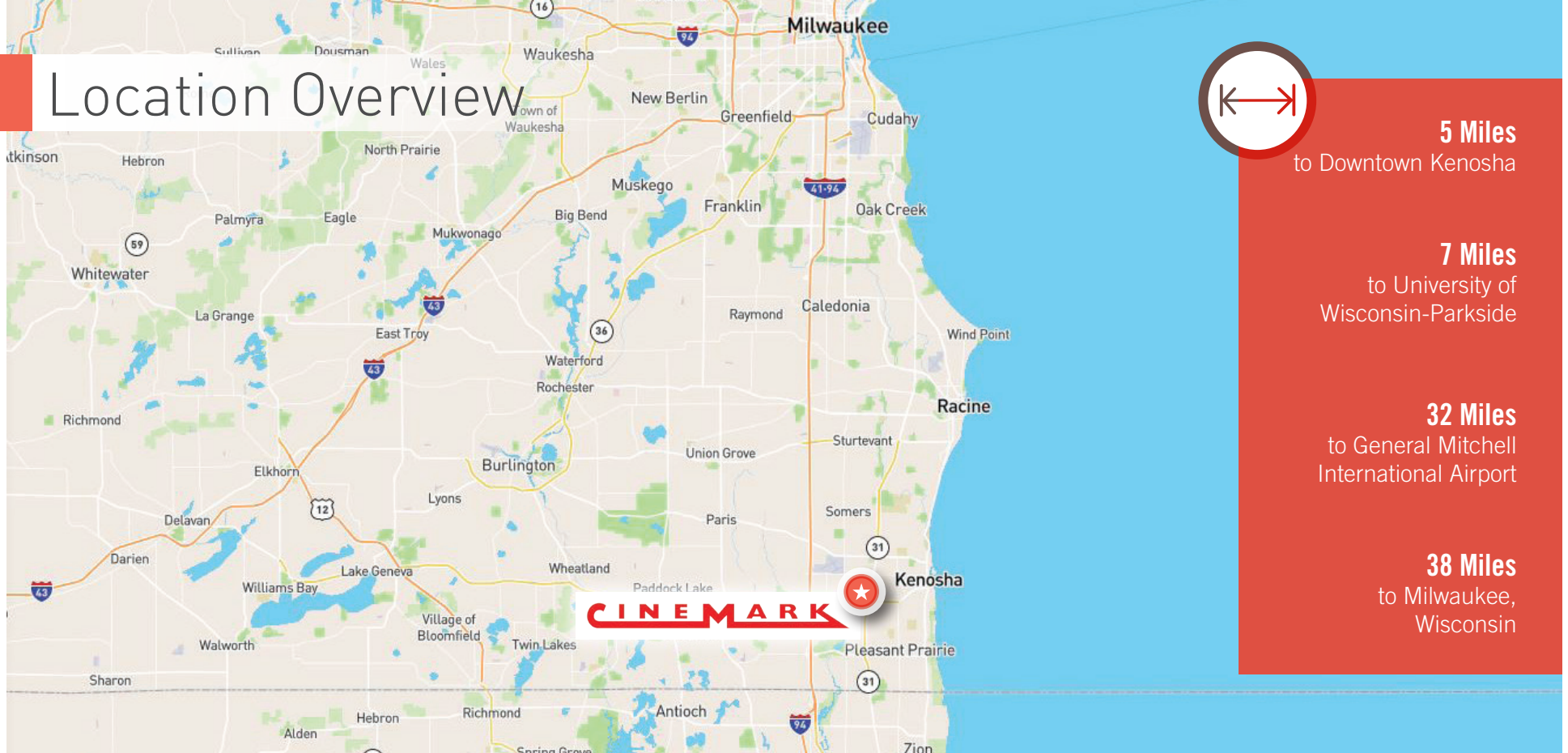
Locations

Website

Headquartered in Plano, Texas, Cinemark Holdings, Inc. is a leader in the motion picture exhibition industry with over 550 theatres and 6,132 screens in the U.S. and Latin America as of December 31, 2019. In the U.S., Cinemark is the third-largest company in the motion picture industry, with 345 theatres and 4,645 screens in 42 states. In Latin America, Cinemark has 209 theatres and 1,487 screens in 15 countries.

Cinemark was founded by Lee Roy Mitchell as a chain of theatres in California, Texas, and Utah. The roots of the company date back to the 1960s when brothers J.C. and Lee Roy Mitchell created Mitchell Theatres, Inc. Today, Cinemark operates theatres under several brands, including its flagship Cinemark, Century Theatres, Tinseltown USA, CineArts, and Rave Cinemas.

Location Overview



Kenosha is a city in and the county seat of Kenosha County, Wisconsin. The Kenosha Area encompasses a number of communities in Southeast Wisconsin. Midway between Milwaukee and Chicago, and bordering Lake Michigan, it is a year-round destination known for its friendly people and one-of-a-kind places. With an estimated population of just under 100,000, it is the fourth-largest city in Wisconsin and the fourth-largest city on Lake Michigan.

Native Americans who originally inhabited the area named the region "Kenoza," which means "place of the Pike." In 1836, after more settlers arrived and the first post office was established, it was renamed to Pike Creek. It wasn't until 1850 when the city was named Kenosha, a modernized version of the earlier Kenoza.

With its central location between Chicago and Milwaukee along Interstate 94/41, Kenosha is a progressive, business-friendly community that is home to several major corporations, including Jockey International, Uline, Snap-on, and Amazon.

Kenosha County is one of the fastest growing areas in the State of Wisconsin. Since 2000, Kenosha County's population has grown at a rate of 12.6 percent - higher than the state and national growth rates of 6 percent and 9.7 percent, respectively. Kenosha county has a relatively young population with over 35 percent of the population between 25 and 49. High population growth rates for younger working age persons (25 - 44) suggest new residents are attracted to the area, growing the workforce, engaging in the community, and launching new businesses.

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

8 (a) The duty to provide brokerage services to you fairly and honestly.

9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.

10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.

12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).

14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).

16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.

17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).

30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:**

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents):

39 _____

40 _____

41 *(insert information you authorize to be disclosed, such as financial qualification information.)*

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wis.gov> or by telephone at 800-240-6830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

Marcus & Millichap