



2009 N KENYON RD
URBANA, IL
OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES





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REPRESENTATIVE PHOTO

LISTED BY:

ALEX DESOTO

ASSOCIATE

DIRECT (949) 662-2257

MOBILE (714) 614-5861

alex.desoto@matthews.com

LIC # 02087057 (CA)

CONNOR OLANDT

SENIOR ASSOCIATE

DIRECT (949) 432-4504

MOBILE (818) 618-4522

connor.olandt@matthews.com

LIC # 01985082 (CA)

BROKER OF RECORD

KYLE MATTHEWS

LIC NO: 471019766 (IL)



TENANT HIGHLIGHTS

- » **Long-Standing Operating History** – Steak 'n Shake has operated at this location since 1994 and has exercised two of the five total 5-year options, showing great commitment to the location.
- » **Absolute NNN Corporately Guaranteed Lease** – Zero landlord responsibilities, providing passive income for an out-of-state investor.
- » **Below Market Rent** – The tenant is currently paying below market rent in comparison to other similar quick-service-restaurant properties in the area, providing ample security with the ability to replace the income.
- » **Low Rent-to-Sales-Ratio** – The tenant is operating at an attractive 4.5% rent-to-sales ratio, increasing the Steak 'n Shake's profitability at the location.



LOCATION HIGHLIGHTS

- » **Strategically Positioned** – The property is ideally located directly off I-74 which sees ±56,000 cars per day and is near the Urbana Country Club, Champaign County Fair, and the largest college in Illinois.
- » **College Town** – Consumer demand is heightened by the University of Illinois at Urbana-Champaign's student population of over 52,000.
- » **Ideal Demographics** – Urbana has a population of over 117,989 in a 5-mile radius with projected population and retail growth.



Investment Summary

» PROPERTY ADDRESS	2009 N Kenyon Rd Urbana, IL 61802
» OFFERING PRICE	\$912,413
» NOI	\$66,150
» CAP RATE	7.25%
» TOTAL BUILDING AREA	±4,090 SF*
» TOTAL LAND AREA	±1.23 AC
» YEAR BUILT	1994

*To be verified with a new survey

Tenant Summary

Tenant	Steak 'n Shake
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Lease Gaurantor	Corporate
Lease Commencement	9/8/94
Lease Expiration	2/28/22
Original Lease Term	18 years
Lease Term Remaining	±1.25 years
Current Base Rent	\$66,150
Percentage Rent	5% of sales above \$1,608,000
Rental Increases	66.29% if the next option is exercised
Options	One, 2-year option, Two, 5-year options
Maintenance	Tenant responsibility
Roof/Structure Responsibility	Tenant responsibility
Insurance	Tenant responsibility
Real Estate Taxes	Tenant responsibility
Utilities	Tenant responsibility
ROFR	Yes - Tenant has 30 days



Annualized Operating Data

	Monthly Rent	Annual Rent	Rent PSF*	Cap Rate
Current - 2/28/2022	\$5,512.50	\$66,150.00	\$16.17	7.25%
Third Option (3/1/2022 - 2/29/2024)	\$9,166.67	\$110,000.00	\$26.89	12.06%
Fourth Option (3/1/2024 - 2/28/2029)	\$9,166.67	\$110,000.00	\$26.89	12.06%
Fifth Option (3/1/2029 - 2/28/2034)	\$9,166.67	\$110,000.00	\$26.89	12.06%

*Rent per square foot to be verified by GLA with a new survey



Tenant Overview



Steak 'n Shake

» **Company Name**
Steak 'N Shake

» **Industry**
QSR

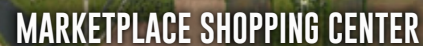
» **Ownership**
Public

» **Headquarters**
Indianapolis, IN

» **Year Founded**
1934

» **No. of Employees**
±20,000

Steak 'n Shake is an American casual restaurant chain located primarily in the Midwestern and Southern United States with locations also in the Mid-Atlantic and Western United States, Europe, and the Middle East. Steak 'n Shake Operations, Inc. is headquartered in Indianapolis, Indiana. There are 544 locations, of which 417 are company-operated and 127 are franchised. Typical restaurant locations have sit-down, drive-thru and front-window service, resulting in a hybrid of fast-food to-go service and diner-style sit-down service. Many Steak 'n Shake restaurants are open 24 hours a day, seven days per week. The menu features primarily hamburgers and hand-dipped milkshakes, though other entrees, side items, and drinks are also available.



$\pm 56,000$ VPD



**URBANA
COUNTRY
CLUB**



$\pm 20,000$ VPD



Area Overview

URBANA, IL

Urbana is a city in and the county seat of Champaign County, Illinois. Urbana is the tenth-most populous city in Illinois outside of the Chicago metropolitan area. It is included in the Champaign–Urbana metropolitan area. Urbana is notable for sharing the campus of the University of Illinois at Urbana–Champaign with its sister city of Champaign.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	5,978	76,315	118,613
2020 Estimate	5,905	75,706	117,989
2010 Census	5,398	70,991	112,398
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	2,819	30,586	48,345
2020 Estimate	2,785	30,317	48,081
2010 Census	2,544	28,289	45,741
INCOME	1-MILE	3-MILE	5-MILE
2020 Average Household Income	\$48,365	\$48,510	\$58,126





CHAMPAIGN, IL

Champaign is a city in Champaign County, Illinois. Champaign is recognized as the home of the University of Illinois at Urbana–Champaign, one of the preeminent research institutions in the world. Champaign is also the home of Parkland College, which serves about 18,000 students during the academic year.

Due to the university and a number of well known technology startup companies, it is often referred to as the hub, or a significant landmark, of the Silicon Prairie. The city features a large software industry mostly focusing on research and development of new technologies. The Research Park, located in southern Champaign and backed by the University of Illinois, is home to many companies, including Riverbed Technology, Citrix Systems, Abbott Laboratories, Dow Innovation Center, Intelligent Medical Objects, Yahoo! and the State Farm Research Center. Champaign is also home to nationally recognized record labels, artist management companies, booking agencies and recording studios. Polyvinyl Records, Undertow Music, Parasol Records, Great Western Record Recorders, Pogo Studios, and Nicodemus Booking Agency are all based in Champaign.

Downtown Champaign's entertainment district offers a thriving blend of upscale restaurants, boutiques, nightclubs, and art galleries. The Krannert Center for the Performing Arts hosts more than 300 performances a year in its four venues. Champaign is also home to the Boneyard Arts Festival and Roger Ebert's Overlooked Film Festival, held each spring at the historic Virginia Theatre.

The University of Illinois at Urbana-Champaign has a major impact on the city of Champaign. The campus is known for its landscape and architecture, as well as distinctive landmarks. The campus also has a number of buildings and sites on the U.S. National Register of Historic Places including Harker Hall, Astronomical Observatory, and Louise Freer Hall. The university has over 45,000 students enrolled and employs 30,000 full and part time employees. The university's mascot the Fighting Illini, host some of the area's top sporting events. Champaign has historic roots in football, basketball, and baseball bringing in a loyal fan base each game. Currently, the University of Illinois football team has 15 Big Ten Championship Football victories with 8 Bowl Game Victories.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Steak 'n Shake** located at **980 E Lewis and Clark Pkwy, Urbana, IL 61802** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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Urbana, IL



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ASSOCIATE

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