



MID-AMERICA®



6325 RONALD REAGAN DRIVE | LAKE ST. LOUIS, MO 63367

# TABLE OF CONTENTS

INVESTMENT OVERVIEW.....	3
RETAIL TRADE AREA.....	6
LEASE / FINANCIAL SUMMARY.....	10
TENANT OVERVIEW.....	13
MARKET OVERVIEW & ANALYSIS.....	15
LEGAL DISCLAIMER.....	20

*For more information, contact:*

**WES KOONTZ**

Mid-America Real Estate Corp.  
VP / Director  
Direct: 630.954.7395  
WKoontz@MidAmericaGrp.com

**BEN WINEMAN**

Mid-America Real Estate Group – Missouri, LLC  
A Licensed Missouri Broker  
Direct: 630.954.7336  
BWineman@MidAmericaGrp.com

**CHRISTIAN TREMBLAY**

Mid-America Real Estate Corp.  
Broker  
Direct: 630.481.4010  
CTremblay@MidAmericaGrp.com

**SCOTT SEYFRIED**

Pace Properties  
A Licensed Missouri Broker  
Direct: 314.968.9898  
SSeyfried@paceproperties.com



# INVESTMENT OVERVIEW





# INVESTMENT OVERVIEW

## SUBJECT OFFERING

Mid-America Real Estate Corporation, in cooperation with Mid-America Real Estate Group – Missouri, LLC and Pace Properties, is pleased to present a freestanding, single tenant building on a triple net ground lease with Sonic, located at 6325 Ronald Reagan Drive in Lake St. Louis, Missouri. The property is positioned within the Shoppes of Hawk Ridge, a large retail development anchored by Lowe's and Walmart. Lake St. Louis is a fast growing bedroom community in the St. Charles County suburbs of St. Louis, where there are 109,741 residents in a five-mile radius that have an average household income of \$115,613. The subject offering is comprised of a 1,526 square foot retail building situated on a 0.78-acre parcel. Sonic has been a tenant at this site since its development in 2007, and extended their lease in 2017 for an additional 5 years of term, demonstrating a strong commitment to the site. Sonic's long-term history, desirable retail location, and strong demographics, makes it a desirable net lease opportunity.

## PROPERTY DETAILS

**Price:** \$1,164,000

**Lease Type:** Ground Lease

**Square Footage:** 1,603 SF

**Cap Rate:** 6.85%

**Term:** 1.5 Years

**Lot Size:** 0.78 Acres

**Annual Rent:** \$79,750



# INVESTMENT FEATURES

## LONG-TERM HISTORY AT SITE WITH EXPERIENCED OPERATOR

Sonic has been the original tenant since 2007 establishing a strong customer base in this affluent suburb. The operator, Riverlake Properties, has 18 years of experience and four Sonic locations in the St. Louis MSA. In 2017, they extended for an additional 5 years of term demonstrating their commitment to the site.

## LOW PRICE POINT INVESTMENT WITH LOW RENT

Sonic is paying a ground rent of \$79,750 on nearly an acre of land directly in front Lowe's, one of the main anchors of the shopping center. This low rent translates to an asking price of \$1,164,000, a low price point investment that provides investors with intrinsic upside in the future.

## CLOSE PROXIMITY TO INTERSTATE WITH MULTIPLE POINTS OF ACCESS TO THE SITE

The Shoppes at Hawk Ridge is positioned with frontage along Interstate 64 and Route 364, where combined traffic counts exceed 79,000 vehicles per day. The center benefits from great visibility and multiple points of ingress and egress along Route 364, Hawk Ridge Trail and Ronald Reagan Drive, allowing customers to easily access the property.

## DENSELY POPULATED AND AFFLUENT TRADE AREA

Within five miles of the site there are more than 109,741 residents earning an average household income of \$115,613. Additionally, incomes exceed \$121,000 per household in one mile. Over the next five years, the number of residents is anticipated to increase by 8.7% within 5 miles of the subject offering, further enhancing this location's value.

## DOMINANT RETAIL TRADE AREA

The Shoppes at Hawk Ridge is anchored by three of the largest national retailers including Lowe's, Walmart and TJ Maxx, creating a strong draw to the center. The center is also home to retailers and dining options such as AutoZone, Jiffy Lube, McDonald's, Panera, Taco Bell, Arby's, Panera, Wendy's, Petland, Dollar Tree, Starbucks, Verizon, and many others.



# RETAIL TRADE AREA







# NORTHEAST FACING AERIAL











# SITE AERIAL





# LEASE SUMMARY

*Representative Photo*







# LEASE ABSTRACT

**Tenant:** Riverlake Properties, LLC

**Address:** [6325 Ronald Reagan Dr, Lake St. Louis, MO 63367](#)

**Lease Type:** Ground Lease

**Term:** 1.5 Years

**Options:** Four (4) – Five (5) Year Options. Tenant shall be deemed to have exercised each respective Option unless Tenant gives written notice to Landlord within 180 days prior to the end of term.

**Rental Increases:** There are 10% rental increases in the first three option periods. The fourth option will be at fair market value.

**Lease Expiration:** 7/31/2022

**Year Built:** 2006

**Building Size:** 1,603 SF

**Land Area:** 0.78 Acres

**Annual Rent:** \$79,750

**Monthly Rent:** \$6,645.83

**Taxes:** Tenant pays directly.

**Utilities:** Tenant pays directly.

**Tenant Insurance:** Tenant maintains insurance.

**Tenant Responsibilities:** Tenant maintains the entire premises.

**CAM:** Tenant pays to LL the annual sum of \$4,000 in equal monthly payments as tenant's contribution to the shopping center. The CAM Charge increases every 5 years by 10% over the previous 5 years.

**Estoppel:** Within thirty (30) days after request





## FINANCIAL SUMMARY

PRICE **\$1,164,000** CAP RATE **6.85%**

YEARS	DATE	ANNUAL BASE RENT	MONTHLY RENT	YIELD	RENTAL INCREASE
1-5	9/9/2014 - 7/31/2022	\$79,750.00	\$6,645.83	6.85%	-
OPTION 1 (6-10)	8/1/2022 - 7/31/2027	\$87,725.00	\$7,310.42	7.54%	10.00%
OPTION 2 (11-15)	8/1/2027 - 7/31/2032	\$96,497.50	\$8,041.46	8.29%	10.00%
OPTION 3 (16-20)	8/1/2032 - 7/31/2037	\$106,147.25	\$8,845.60	9.12%	10.00%
OPTION 4 (21-25)	8/1/2037 - 7/31/2042	FMV	FMV	-	-

# TENANT OVERVIEW







# TENANT OVERVIEW

**Company:** SONIC Corp.

**Number of Stores:** ~3,500

**Parent Company:** Inspire Brands

**System Wide Sales (2019):** \$4.7B

**Headquarters:** Oklahoma City, OK

**Website:** [www.sonicdrivein.com](http://www.sonicdrivein.com)

**Year Founded:** 1956



Founded in 1956 and headquartered in Oklahoma City, SONIC is one of the top fast food restaurants in the United States. The company has roughly 3,500 locations in 46 states and reported system wide store sales (2019) of \$4.7 billion ([Forbes](#)).

SONIC's menu consists of American classics including hamburgers, French fries, onion rings, corn dogs, chili dogs, breakfast sandwiches, ice cream sundaes and milkshakes. Customers can also combine various drinks and flavors to create endless possibilities.

In September 2018, Inspire Brands, owner of Arby's, Jimmy John's, and Buffalo Wild Wings, announced that it was buying SONIC for \$2.3 billion. The acquisition was completed in December of 2018.

The franchisee that operates this location has four total locations throughout the St. Louis area. He is an tenured operator with 18 years of experience in the restaurant space and has resided at this location since 2006.

# MARKET OVERVIEW & ANALYSIS







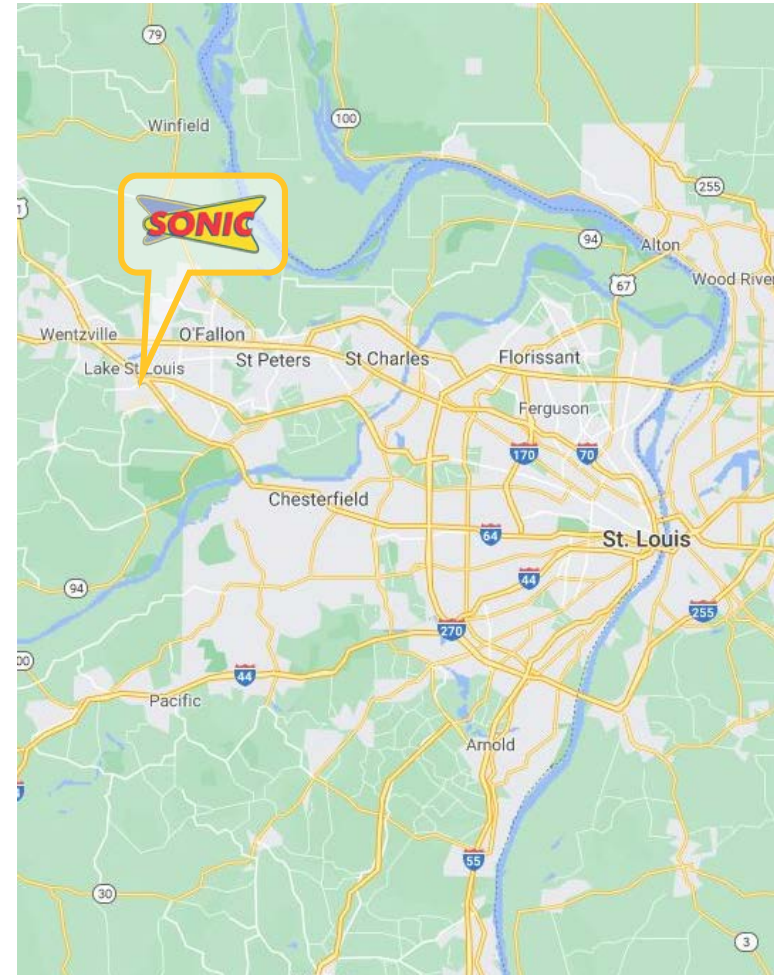
## LAKE ST. LOUIS OVERVIEW

Lake Saint Louis is one of many communities located in St. Charles County, one of 12 counties that comprise the greater St. Louis metropolitan area. The location gives The Shoppes at Hawk Ridge easy accessibility from most parts of western St. Charles County. Interstate 64 is the primary east-west highway bisecting the St. Louis metropolitan area and the most vital commercial route in St. Louis. The intersection with Route 364 is a geographically important retail node positioned between Wentzville to the west and O'Fallon to the east.

Lake Saint Louis is an affluent bedroom community made up of approximately 15,700 residents in western St. Charles County. Lake Saint Louis is a planned community with its origins in 1966 with the initial development of a residential community focused around the 805-acre recreational lake. Today, Lake Saint Louis offers the finest residential and commercial amenities anywhere in the area.

St. Charles County has long been one of the fastest growing counties in the United States, achieving double-digit growth rates during each of the last census periods since 1950. The current population is estimated to be 391,000, and increase of over 30,000 since 2010, with growth showing no signs of slowing.

Approximately \$500 million has been invested by St. Charles County Government in important infrastructure improvements over the past 25 years that have provided the necessary roads and highways to accommodate St. Charles Counties rapid growth.





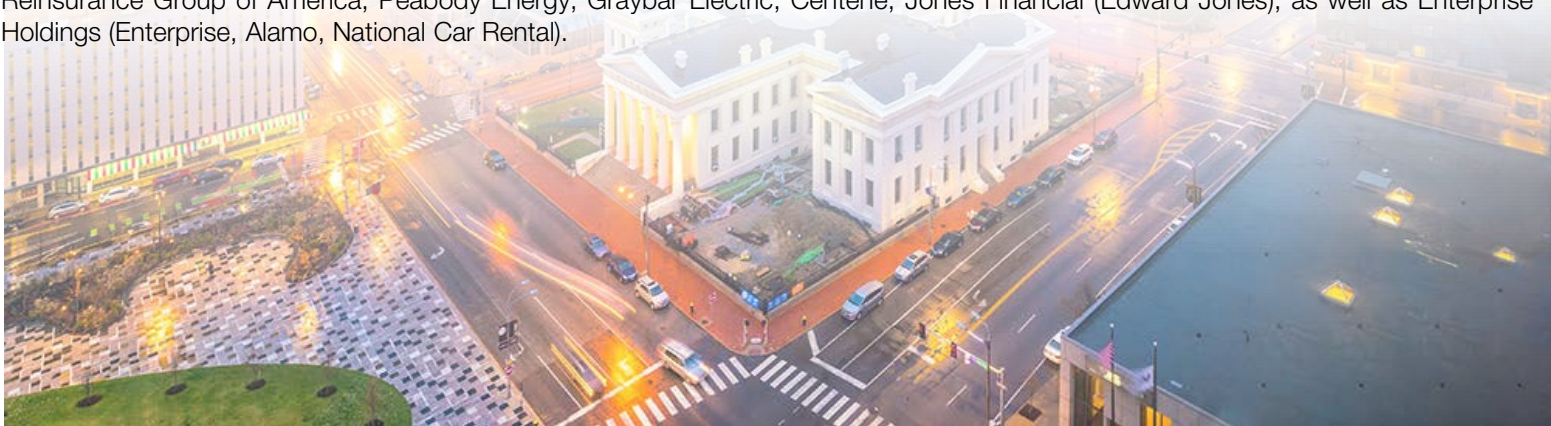
# ST. LOUIS MSA OVERVIEW

## MSA OVERVIEW

The St. Louis MSA is comprised of twelve counties along the Mississippi River covering 6,375 square miles in Missouri and Illinois and has a population of approximately 2.8 million people, making it the 20th largest metropolitan area in the United States. The region has a large, diverse, and affordable housing stock consisting of old and new, urban neighborhood, suburban city, and rural village homes. The region also offers 115 public school districts ranging from outstanding urban magnet schools to excellent suburban systems, over 300 of the finest private schools in the nation, and eighty technical and vocational schools, one of which was designated as an exemplary school by the U.S. Department of Education. The St. Louis area is also home to a large student population comprised of Washington University (13,995 students), Saint Louis University (13,785 students) and the University of Missouri–St. Louis (16,809 students).

## ECONOMY

The St. Louis economy offers an attractive balance of economic stability and growth forging new frontiers in innovative and exciting industries, such as plant and medical sciences, information technology, and advanced manufacturing. The historic stability of St. Louis's job growth is the second highest in the country, and employment is broadly diversified across many sectors. The MSA is home to the headquarters of ten Fortune 500 companies including Emerson Electric, Express Scripts, Monsanto, Ameren, Reinsurance Group of America, Peabody Energy, Graybar Electric, Centene, Jones Financial (Edward Jones), as well as Enterprise Holdings (Enterprise, Alamo, National Car Rental).







# ST. LOUIS MSA OVERVIEW

## TOURISM

Union Station, a national historic landmark, is undergoing a \$60 million dollar transformation by its new owner, Lodging Hospitality Management. All 536 rooms at the Curio Hilton have been renovated and it also features a 200' observation wheel and roller coaster. South Grand Boulevard, a center for ethnic restaurants and art galleries; historic Souldard, featuring an open-air farmer's market, beautifully restored homes and the Anheuser-Busch brewery; the Hill, home to Italian neighborhoods, shops, and restaurants; and the Central West End, with its eateries, antique shops, and grand old homes are just a few of the neighborhoods visitors love to explore. In addition, residents of the St. Louis MSA don't have to travel far to reach a variety of attractions outside of the city, including the Fairmont Park thoroughbred racing arena, Cahokia Mounds State Historic Site, 6 different Casinos, Six Flags over Mid-America, and several historic area wineries. The St. Louis Cardinals baseball team and St. Louis Blues hockey team play in downtown St. Louis venues.

## TRANSPORTATION

With the Metrolink light rail system, four main interstate routes, and 575 Bi-State Development Agency buses, the St. Louis MSA is an easy region to navigate. In addition, the area is home to Lambert St. Louis International Airport and to several smaller regional airports, including Mid-America Airport located in St. Clair County in Illinois. The region is also easily accessible by train via the many Amtrak passenger trains that pass through each week.





# DEMOGRAPHIC OVERVIEW

Population	1 Mile	3 Miles	5 Miles	10 Miles
2020 Population	5,782	46,988	109,741	265,808
2025 Projected Population	6,790	51,766	119,321	287,682
Households	1 Mile	3 Miles	5 Miles	10 Miles
2020 Households	2,310	17,269	39,351	95,974
2025 Projected Households	2,718	19,072	39,351	104,010
Persons per Household	2.50	2.72	2.78	2.77
Income	1 Mile	3 Miles	5 Miles	10 Miles
Average Household Income	\$121,468	\$117,703	\$115,613	\$112,278
Median Household Income	\$100,866	\$93,358	\$91,493	\$89,063

## DEMOGRAPHIC PROFILE WITHIN 5-MILE RADIUS:



POPULATION  
109,741



HOUSEHOLDS  
39,351



AVERAGE HH INCOME  
\$115,613



# LEGAL DISCLAIMER







# LEGAL DISCLAIMER

The Offering Memorandum ("The Memorandum") is intended solely for the limited use of The Potential Purchaser in considering whether to pursue negotiations to acquire 6325 Ronald Reagan Drive, Lake St. Louis, MO ("The Property"). The Memorandum, prepared by Mid-America Real Estate Corporation, in cooperation with Mid-America Real Estate Group – Missouri, LLC, (Hereinafter collectively referred to as "MAREC") and Pace Properties, contains brief, selected information pertaining to the operation of The Property and Owner does not purport to be all-inclusive or to contain all the information, which The Potential Purchaser may desire. The Memorandum will be delivered with the understanding that The Potential Purchaser will conduct its own analysis and investigation of The Property, independently and without reliance upon The Owner, MAREC or The Memorandum and based on such documents, information and other matters as The Potential Purchaser, in its sole discretion, deems appropriate in evaluating a purchase of The Property. In furnishing The Memorandum, MAREC and/or The Owner reserve(s) the right to request the return of The Memorandum (including all copies or partial copies), or any other information provided, at any time. Neither The Owner nor MAREC or any of their officers, employees or agents make any representation or warranty, expressed or implied, as to the accuracy or completeness of The Memorandum or any oral or written communication transmitted from MAREC and/or The Owner to The Potential Purchaser and no legal liability is assumed or to be implied with respect thereto. By accepting The Memorandum, The Potential Purchaser agrees that The Memorandum's contents and any other information pertaining to The Property and provided to The Potential Purchaser are confidential and proprietary; that The Memorandum and the information contained therein or provided is the property of The Owner and/or MAREC, that it will hold and treat The Memorandum and information provided in the strictest of confidence; that it will not, directly or indirectly, disclose or permit anyone else to disclose The Memorandum's contents without prior written authorization; and, that it will not use or permit to be used The Memorandum or The Memorandum's contents in any fashion or manner detrimental to the interest of The Owner and/or MAREC or in violation of the obligation to maintain such information and The Memorandum in strict confidence. However, The Potential Purchaser may disclose such confidential information to its employees, auditors, financial advisors, directors and/or counsel to whom it is reasonably necessary for purposes of evaluating The Property provided such disclosure is made pursuant to this agreement, all reasonable precautions are taken to safeguard the information and parties are informed of the need to maintain the information as confidential. The Potential Purchaser agrees that photocopying or other duplication of information provided by The Owner and/or MAREC is strictly prohibited. The Owner expressly reserves the right, at its sole discretion, to reject any or all proposals or expressions of interest in The Property and to commence, participate in, or terminate discussions with any party at any time with or without notice. The Potential Purchaser acknowledges that The Owner has no obligation to discuss or agree to the sale of The Property. Notwithstanding that The Potential Purchaser and The Owner may reach one or more oral understandings or agreements on one or more issues that are being discussed, neither party shall be bound by any oral agreement of any kind and no rights, claims, obligations or liabilities of any kind, either express or implied, shall arise or exist in favor of or be binding upon either party except to the extent expressly set forth in a written agreement signed by both parties. The Memorandum shall not be deemed a representation of the state of affairs of The Property nor constitute an indication that there has been no change in the business or affairs of The Property since the date of its preparation. The Potential Purchaser agrees not to contact the tenants, leasing MARECs or property management staff of The Property in connection with its review of The Property. Any and all questions related to The Memorandum or The Property must be directed to MAREC. In the event The Potential Purchaser decides not to pursue the acquisition of The Property, The Potential Purchaser agrees to return The Memorandum and all copies (including partial copies) to the appropriate representative of MAREC.





# LEGAL DISCLAIMER

**Representation** The Potential Purchaser understands and agrees that MAREC is not representing The Potential Purchaser in this Proposed Sale. MAREC is only representing The Owner in this Proposed Sale.

**Americans with Disabilities Act** The United States Congress has enacted the Americans With Disabilities Act. Among other things, this act is intended to make business establishments equally accessible to persons with a variety of disabilities. As such, modifications to real property may be required. State and local laws also may mandate changes. Neither The Owner nor MAREC is qualified to advise The Potential Purchaser as to what, if any, changes may be required now, or in the future. The Potential Purchaser should consult the attorneys and qualified design professionals of its choice for information regarding these matters. Neither The Owner nor MAREC can determine which attorneys or design professionals have the appropriate expertise in this area.

**Hazardous Materials Disclosure** Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and as such may need to be specifically treated, handled or removed. Due to prior or current uses of The Property or the area, there may be hazardous or undesirable metals, minerals, chemicals, hydrocarbons or biological or radioactive items (including electric and magnetic fields) in soils, water, building components, above or below-ground containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. Neither The Owner nor MAREC has expertise in the detection or correction of hazardous or undesirable items. Expert inspections are necessary. Current or future laws may require clean up by past, present and/or future owners and/ or operators. It is the responsibility of The Potential Purchaser to retain qualified experts to detect and correct such matters.

**Remedies** If there is a breach or threatened breach of any provision of these Conditions of Offering, The Owner and/or MAREC shall be entitled to seek redress by court proceedings in the form of an injunction restraining The Potential Purchaser without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy and/or a decree for specific performance without any bond or other security being required. Nothing herein shall be construed as prohibiting The Owner and/or MAREC from pursuing any other remedies at law or in equity, which it may have. If The Owner and/or MAREC is involved in a court proceeding to enforce the covenants contained in these Conditions of Offering and The Owner and/or MAREC prevails in such litigation, The Potential Purchaser shall be liable for the payment of The Owner and/or MAREC's reasonable attorneys' fees, court costs and ancillary expenses together with such other and further relief as available under any applicable statute.

This information 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.

*For further information contact the owner's exclusive representatives:*

**WES KOONTZ**

Mid-America Real Estate Corp.  
Vice President, Net Lease Director  
Direct: 630.954.7395  
WKoontz@MidAmericaGrp.com



The Wrigley Building  
410 North Michigan Avenue, Suite 1100  
Chicago, IL 60611

[www.MidAmericaGrp.com](http://www.MidAmericaGrp.com)

**CHRISTIAN TREMBLAY**

Mid-America Real Estate Corp.  
Broker  
Direct: 630.481.4010  
CTremblay@MidAmericaGrp.com



**BEN WINEMAN**

Mid-America Real Estate Group – Missouri, LLC  
A Licensed Missouri Broker  
Direct: 630.954.7336  
BWineman@MidAmericaGrp.com



**SCOTT SEYFRIED**

Pace Properties  
A Licensed Missouri Broker  
Direct: 314.968.9898  
SSeyfried@paceproperties.com

