

# SINGLE TENANT ABSOLUTE NNN

Investment Opportunity - Nearby Colleges and Multi-Family



With Drive Thru



614 W RAAB ROAD  
**NORMAL** ILLINOIS

ACTUAL SITE







EXCLUSIVELY MARKETING BY

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Take  
Home

Steak







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## INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land and building ownership) in an absolute NNN leased, drive-thru equipped, corporate guaranteed, Steak 'n Shake investment opportunity located in Normal IL. The tenant, Steak 'n Shake, Inc. has gone dark but has 5 years left in their first option period, with 3 (5-year) option periods to extend. The lease is absolute NNN with zero landlord responsibilities, making it an ideal, management-free investment opportunity to a passive investor seeking a long-term redevelopment play in a highly desirable location.

The subject property is strategically positioned along County Road 1700 N, and just half a mile south of the Interstate 55 on/off ramps (37,400 VPD), the major north/south highway serving the entire state of Illinois. The building is also equipped with a drive-thru, providing ease and convenience for customers. The asset is in close proximity to both Illinois State University (20,000+ students) and Heartland Community College (3,000+ students), providing a direct and strong consumer base from which to draw. Moreover, the site is nearby national/credit tenants including Schnucks, CVS Pharmacy, AMC, Dollar General, Starbucks, and more, promoting crossover traffic and store exposure to the property. The 5-mile trade area is supported by a dense population of over 108,100 residents with an average household income of \$78,141.





## PROPERTY PHOTOS







## OFFERING SUMMARY



## Offering

PRICING	\$1,200,000
NET OPERATING INCOME	\$90,000
CAP RATE	7.50%
GUARANTY	Corporate
TENANT	Steak 'n Shake, Inc.
LEASE TYPE	Absolute NNN
LANDLORD RESPONSIBILITIES	None



Parcel Map

## Property Specifications

RENTABLE AREA	3,490 SF
LAND AREA	0.98 Acres
PROPERTY ADDRESS	614 W. Raab Road, Normal, IL 61761
YEAR BUILT	1999
PARCEL NUMBER	14-16-351-011
OWNERSHIP	Fee Simple (Land & Building Ownership)





## INVESTMENT HIGHLIGHTS

### **Corporate Guaranteed Lease | Options To Extend | Below Market Rent | Long-Term Redevelopment | Historical Occupancy**

- Steak 'n Shake corporate guaranteed lease
- The tenant has gone dark, but has 5 years remaining in their first option period with 3 (5-year) option periods to extend
- The tenant exercised their first option period in 2018 for 7 years
- Paying below market rents in IL
- General Business District (B-1) zoning gives landlord flexibility in redeveloping the site
- Steak 'n Shake has occupied the location since 2000, demonstrating their commitment to this site

### **Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities**

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

### **Healthy Demographics In Dense 5-Mile Trade Area**

- Over 108,100 residents and over 96,300 daytime employees support the trade area
- Average household income within 5 miles is \$78,141

### **Just Off Interstate 55 | On/Off Ramp Access | Drive-Thru Equipped Building | Proposed New Expanded Bus Stop Location**

- Strategically positioned along County Road 1700 N, and just half a mile south of the Interstate 55 on/off ramps (37,400 VPD), the major north/south highway serving the entire state of Illinois
- The building is equipped with a drive-thru, providing ease and convenience for consumers
- One average, stores with drive-thru perform higher than those without
- Normal - Connect Transit has proposed a brand new expanded bus stop directly in front of the subject property, increasing traffic to the site

### **Close Proximity to Two College Campuses (23,000+ Students) | Direct Consumer Base | Nearby National/Credit Tenants**

- The asset is in close proximity to both Illinois State University (20,000+ students) and Heartland Community College (3,000+ students)
- Provides a direct and strong consumer base from which to draw
- The site is nearby national/credit tenants including Schnucks, CVS Pharmacy, AMC, Dollar General, Starbucks, and more
- Increases consumer traffic and promotes crossover shopping in the area





## PROPERTY OVERVIEW



### Location

Located in  
Normal IL  
McLean County



### Access

W. Raab Road  
1 Access Point  
  
Sugar Creek Boulevard  
1 Access Point



### Traffic Counts

W. Raab Road &  
U.S. Highway 51 Business  
25,600 Cars Per Day



### Improvements

There is approximately 3,490 SF  
of existing building area  
  
\*Tenant and/or Buyer to verify  
building SF and conduct their due  
diligence on the property



### Parking

There are approximately  
61 parking spaces  
on the owned parcel.  
The parking ratio is  
approximately 17.48 stalls per  
1,000 SF of leasable area.



### Parcel

Parcel Number: 14-16-351-011  
Acres: 0.98  
Square Feet: 42,702 SF



### Year Built

1999



### Zoning

B-1  
General Business District









25,600  
CARS PER DAY

CVS pharmacy

ILLINOIS STATE UNIVERSITY  
(20,000+ STUDENTS)

Solid Gold Jewelers

FAIRVIEW ELEMENTARY  
SCHOOL

U.S. HIGHWAY 51 BUSINESS

TRUE BLUE

Zen  
EXPRESS

DOLLAR  
TREE

Ching's

McDonald's

Kroger

CHIPOTLE  
MEXICAN

Starbucks

Habitat for Humanity  
ReStore  
FAMILY DOLLAR

DUNKIN'  
DONUTS

McDonald's

Denny's

DOLLAR GENERAL

FAMOUS FOR  
Steak  
n Shake  
STEAKBURGERS

PROPOSED CONNECT TRANSIT  
BUS STOP

W. RAAB RD.

SUGAR CREEK BLVD.

Gloria Jean's  
COFFEE

LINCOLN  
COLLEGE

MELODY

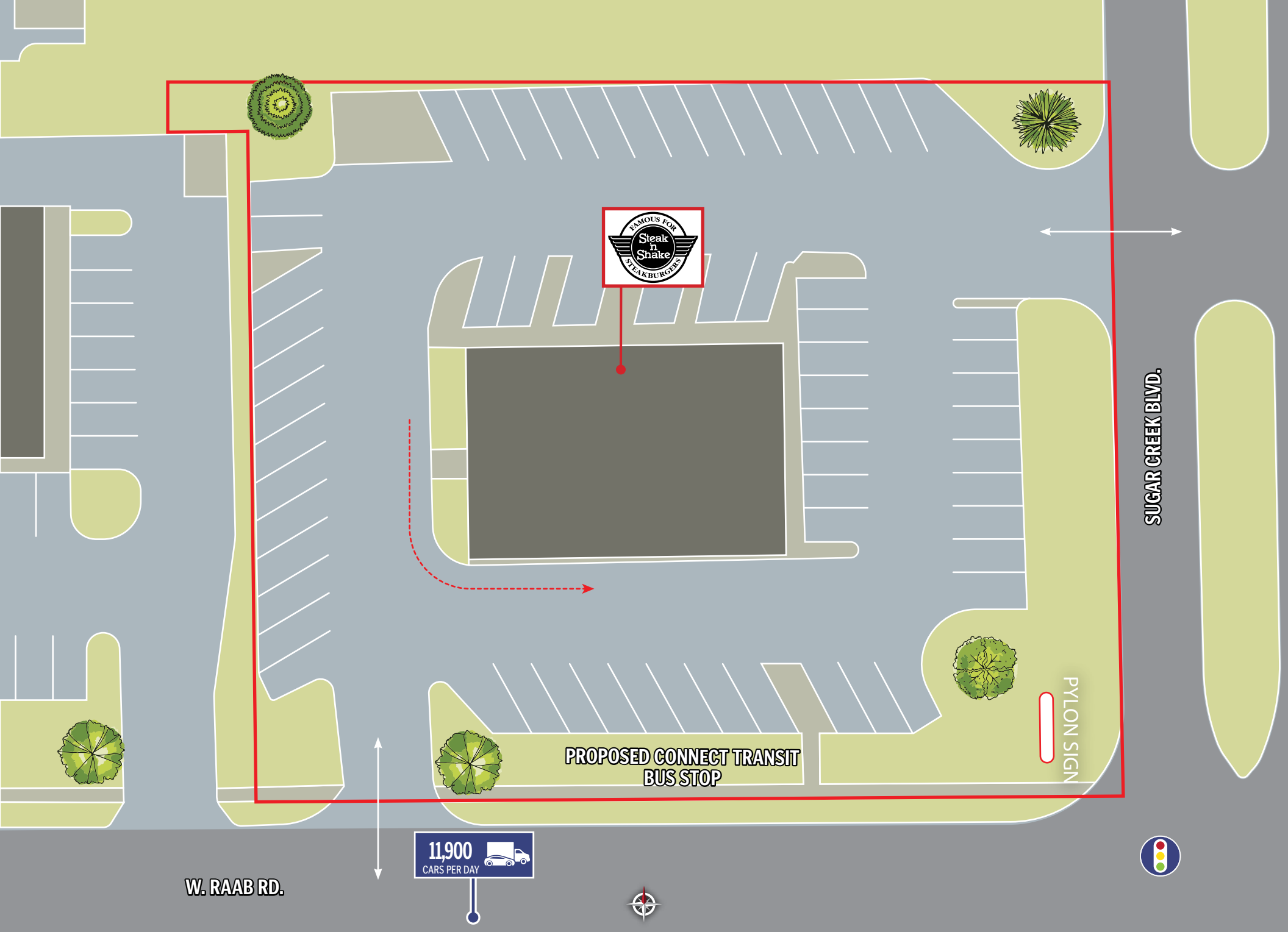
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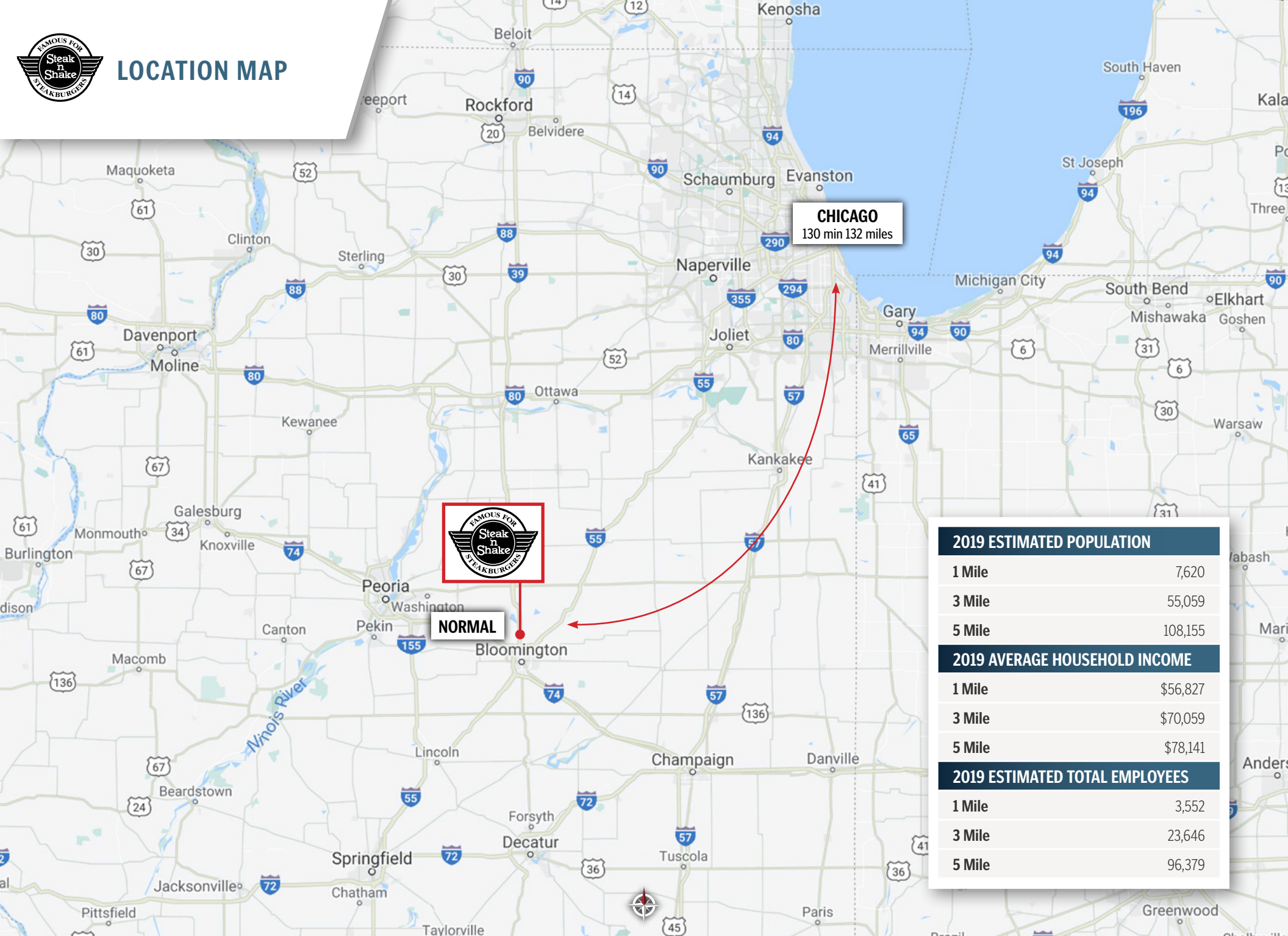








## LOCATION MAP



### 2019 ESTIMATED POPULATION

1 Mile	7,620
3 Mile	55,059
5 Mile	108,155

### 2019 AVERAGE HOUSEHOLD INCOME

1 Mile	\$56,827
3 Mile	\$70,059
5 Mile	\$78,141

### 2019 ESTIMATED TOTAL EMPLOYEES

1 Mile	3,552
3 Mile	23,646
5 Mile	96,379





## AREA OVERVIEW



### Normal, Illinois

Normal is a town in McLean County, Illinois, United States. Normal is adjacent to the city of Bloomington and the two are often linked together as the “Twin Cities.” The town is also situated 133 miles southwest of Chicago, to which it is connected by Interstate-55. Other nearby cities are Peoria (38 miles to the west) and Champaign (53 miles to the southeast). The town is also serviced by Interstates 39 and 74. Normal is home to Illinois State University, and Illinois Wesleyan University is in neighboring Bloomington. The Town of Normal had a population of 54,913 as of July 1, 2018. Normal ranks in the upper quartile for Population Density and Diversity Index when compared to the other cities, towns and Census Designated Places (CDPs) in Illinois.

Collegiate sports fans can follow their sport locally with the Illinois State University Redbirds, a Division I athletic program. The Redbirds football team competes in the Gateway Football Conference while most of the other Redbird teams compete in the Missouri Valley Conference. At one time, Illinois State fielded teams nicknamed the Cardinals, but a local sports editor changed the nickname to Redbirds to avoid confusion with the St. Louis Cardinals in newspaper headlines.

Fans of Minor League Baseball can enjoy games played locally by the Bloomington Soy Sox, an independent team which plays in the Upper Mississippi Baseball League (UMBL).

Illinois State University, founded in 1857, was the first public university in the state, and is one of the Midwest’s oldest institutions of higher education. It is a co-educational, residential university with an emphasis on the undergraduate program, offering more than 160 fields of undergraduate study. The Graduate School coordinates 38 masters, two specialist and seven doctoral programs. The 350-acre (1.4 km<sup>2</sup>) campus includes over 60 major buildings with state-of-the-art technology. Watterson Towers is one of the tallest dorm buildings in the world. From meeting facilities to cultural opportunities through the arts and excitement of numerous sporting events each year, ISU is a vital part of the Bloomington-Normal community. Paul Mitchell The School was designed to teach students skills they will need, inspire them to explore their passion and creativity, and help them learn the business that will make their career in the beauty industry fun and rewarding.

The Central Illinois Regional Airport is on Route 9 in Bloomington, approximately five miles east southeast from Uptown Normal. The airport is served by four airlines, five rental car agencies, and has direct daily flights to Atlanta, Chicago, Dallas-Ft. Worth, Detroit, and Minneapolis/St. Paul. A record 559,481 passengers flew to or from CIRA in 2010.





## AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2019 Estimated Population	7,620	55,059	108,155
2024 Projected Population	7,659	54,710	107,569
2010 Census Population	7,418	55,434	108,434
2019 Estimated Households	2,864	18,820	41,051
2024 Projected Households	2,874	18,684	40,818
2010 Census Households	2,795	18,952	41,123
2019 Estimated White	71.07%	83.71%	79.71%
2019 Estimated Black or African American	18.92%	9.69%	10.55%
2019 Estimated Asian or Pacific Islander	5.25%	3.19%	5.66%
2019 Estimated American Indian or Native Alaskan	0.25%	0.16%	0.24%
2019 Estimated Other Races	2.15%	1.38%	2.00%
2019 Estimated Hispanic	6.38%	4.98%	5.82%
2019 Estimated Average Household Income	\$56,827	\$70,059	\$78,141
2019 Estimated Median Household Income	\$35,337	\$52,556	\$57,437
2019 Estimated Per Capita Income	\$21,299	\$24,655	\$30,068
2019 Estimated Total Businesses	170	1,299	3,781
2019 Estimated Total Employees	3,552	23,646	96,379







## RENT ROLL

Lease Term						Rental Rates					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Steak ‘n Shake, Inc.	3,490	3/3/2000	3/31/2025	Current	-	\$7,500	\$2.15	\$90,000	\$25.79	Absolute NNN	3 (5-Year)
(Corporate)										\$81,813/Yr + Percentage Rent	
(1) The tenant has the right of first refusal and must respond within 15 days											
(2) Tenant agrees to pay percentage rent during the option periods in the amount equal to 3% of adjusted net sales in excess of \$1,433,954											

### FINANCIAL INFORMATION

Price	\$1,200,000
Net Operating Income	\$90,000
Cap Rate	7.50%
Lease Type	Absolute NNN

### PROPERTY SPECIFICATIONS

Year Built	1999
Rentable Area	3,490 SF
Land Area	0.98 Acres
Address	614 W. Raab Road, Normal, IL 61761



**For financing options and loan quotes:**

Please contact our SRS Debt & Equity team at [debtequity-npb@srsre.com](mailto:debtequity-npb@srsre.com).





## BRAND PROFILE



### Steak 'n Shake [www.steaknshake.com](http://www.steaknshake.com)

Steak 'n Shake Inc. owns and operates restaurants in the United States. The company offers burgers and shakes. It also sells clothing, accessories, and collectibles online. In addition, it provides franchise opportunities. Steak 'n Shake Inc. was formerly known as Steak 'n Shake Operations, Inc. and changed its name to Steak 'n Shake Inc. in October 2015. The company was founded in 1934 and is based in Indianapolis, Indiana. Steak 'n Shake Inc. operates as a subsidiary of Biglari Holdings Inc.

COMPANY TYPE

**Subsidiary**

PARENT

**Biglari Holdings**

2018 EMPLOYEES

**18,684**

2018 REVENUE

**\$809.89 M**

2018 NET INCOME

**\$19.39 M**

2018 ASSETS

**\$1.03 B**

2018 EQUITY

**\$570.46 M**





NATIONAL NET LEASE GROUP

**SRS NATIONAL NET LEASE GROUP IS THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM OF SRS REAL ESTATE PARTNERS.**

**275+**

**RETAIL  
PROFESSIONALS**

**25+**

**OFFICES**

**#1**

**LARGEST REAL ESTATE  
SERVICES FIRM**  
in North America  
exclusively dedicated to retail

**1500+**

**RETAIL LISTINGS**  
in 2018

**\$2.6B**

**TRANSACTION  
VALUE**  
in 2018

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.

\*Statistics are for 2018

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