

CAPITAL MARKETS | RETAIL



OFFERING MEMORANDUM

999 VETERANS BLVD

FESTUS, MISSOURI

CBRE



DISCLAIMER

CBRE © 2019 All Rights Reserved. All information included in this letter/proposal pertaining to CBRE, Inc.—including but not limited to its operations, employees, technology and clients—is proprietary and confidential and supplied with the understanding that such information will be held in confidence and not disclosed to any third party without CBRE's prior written consent. This letter/proposal is intended solely as a preliminary expression of general intentions, is for discussion purposes only and does not create any agreement or obligation by CBRE to negotiate or continue negotiations. CBRE shall have no contractual obligation with respect to the matters referred to herein unless and until a definitive, fully-executed agreement has been delivered by the parties. Prior to delivery of a definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties and/or (3) unilaterally terminate all negotiations with the other party hereto.

This valuation analysis or broker opinion of value is not an appraisal and has not been performed in accordance with the Uniform Standards of Professional Appraisal Practice. Neither you, nor any third parties, may rely on this analysis for any tax purposes, estate work, litigation, lending or any other matter other than your direct use in connection with a contemplated transaction.

CBRE

TABLE OF CONTENTS

01
EXECUTIVE
SUMMARY

02
TENANT
PROFILE

03
MARKET
OVERVIEW



SECTION 1

EXECUTIVE SUMMARY

\$1,637,000

OFFERING PRICE

6.00%

CAP RATE

CBRE is pleased to present to qualified investors the opportunity to acquire fee simple interest in the free-standing Steak 'n Shake located at 999 Veterans Boulevard in Festus, (Greater St. Louis), Missouri 63028 (the "Property"). The Property is being offered free and clear of any debt. Ownership anticipates investors consider the strong real estate fundamentals and Tenant's creditworthiness when evaluating the Property.

INVESTMENT

ABSOLUTE NNN INVESTMENT
(ZERO LL RESPONSIBILITY)

BEST-IN-CLASS CORPORATE GUARANTEE

LONG-TERM PROVEN TENANCY

STRONG STORE SALES

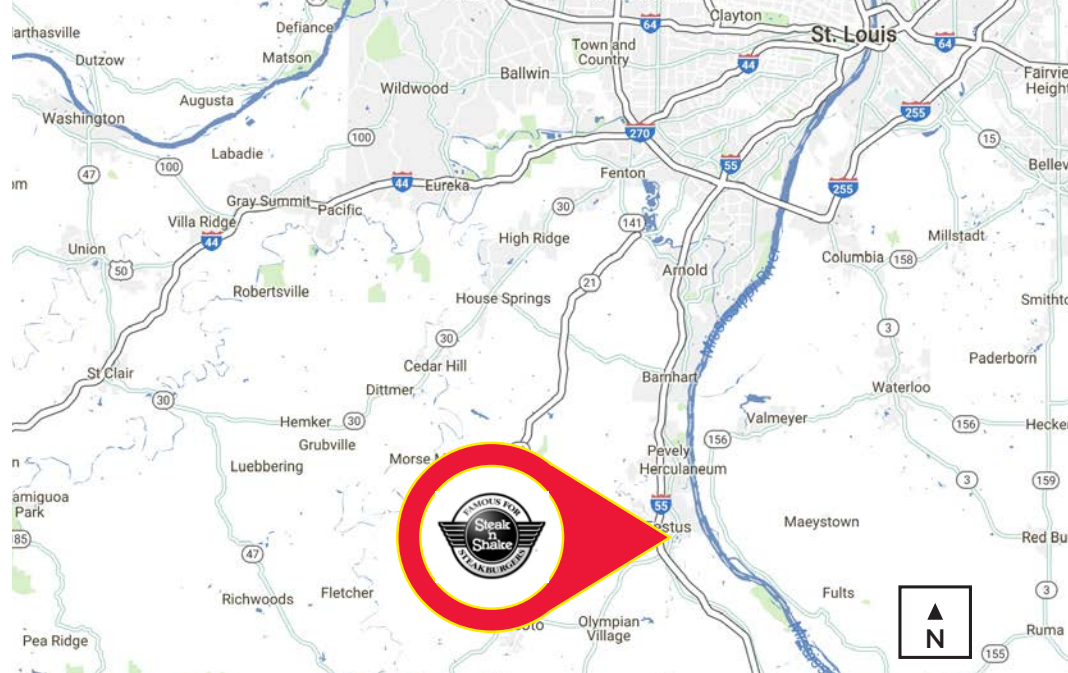
DOMINANT RETAIL CORRIDOR LOCATION

BELOW MARKET RENT

ATTRACTIVE RENTAL INCREASES

EXCELLENT ACCESS & VISIBILITY

IDEAL 1031 EXCHANGE PROPERTY



PROPERTY SUMMARY

OFFERING PRICE	\$1,637,000
OFFERING CAP RATE	6.00%
BUILDING SIZE (SF)	±4,183 SF
LAND ACREAGE	±0.96 AC
YEAR BUILT	1989
LEASE TYPE	Absolute NNN - Zero LL Responsibility
NOI	\$98,220
OWNERSHIP	Fee Simple
ASSUMABLE DEBT	None





SECTION 2

TENANT OVERVIEW

TENANT PROFILE

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, and Europe. Gus Belt (born in Morrisonville, Illinois) founded Steak 'n Shake in Normal, Illinois in February 1934, after serving four years in the United States Marine Corps.

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 handdipped milkshakes, though other entrees, side items, and drinks are also available.

The corporation's slogan "Famous for Steakburgers" refers to its most prominent food item, the "Steak burger", so called because it was originally made from a mixture that included T-bone, sirloin, and round steaks. Graham Rahal's 2015 Indianapolis 500 Indy Car was sponsored by Steak 'n Shake.

TENANT SUMMARY

HEADQUARTERS	Indianapolis, IN
EMPLOYEES	20,000
LOCATIONS	544
WEBSITE	www.steaknshake.com



LEASE

999 VETERANS BLVD, FESTUS (GREATER ST. LOUIS), MO 63028

TENANT	Steak 'n Shake
GUARANTOR	Steak 'n Shake Corporation
BUILDING SIZE (SF)	±4,183 SF
LAND ACREAGE	±0.88 AC
YEAR BUILT	1999
LEASE TYPE	Absolute NNN – Zero LL Responsibility
LEASE TERM	Twenty (20) Years
LEASE EXPIRATION	November 28, 2024
CURRENT ANNUAL RENT	\$98,220
RENEWAL OPTIONS	Two (2) five (5) year options
OWNERSHIP	Fee Simple
ASSUMABLE DEBT	None

RENT SCHEDULE

LEASE TERM	RENT START - END	ANNUAL RENT	MONTHLY RENT
BASE TERM	November 28, 2024	\$98,220	\$8,185
OPTION 1	Nov 29, 2024 - Nov 28, 2029	\$103,220	\$8,601.66
OPTION 2	Nov 29, 2029 - Nov 28, 2034	\$103,220	\$8,601.66

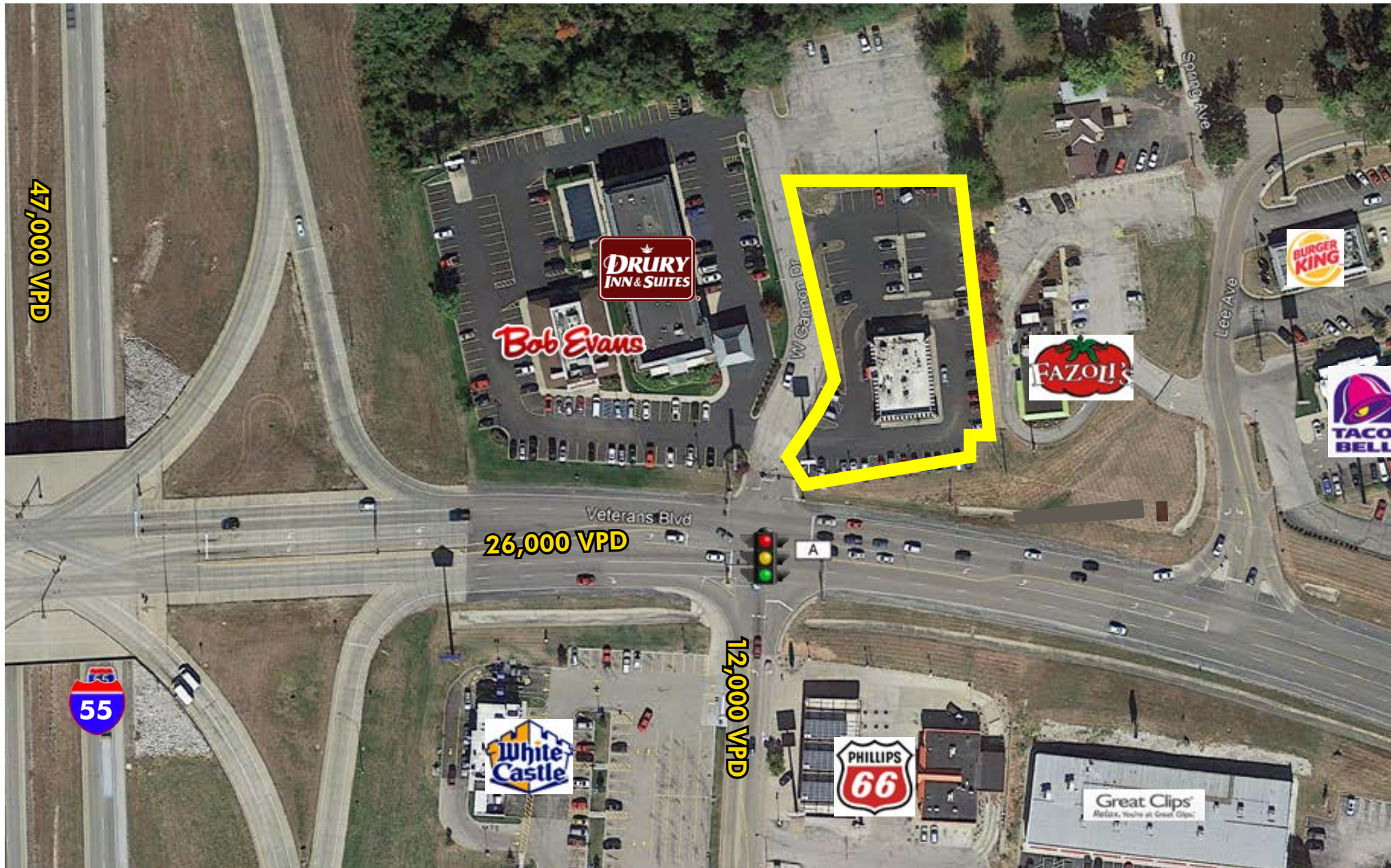
You are solely responsible for independently verifying the information in this Memorandum. ANY RELIANCE ON IT IS SOLELY AT YOUR OWN RISK.



IMMEDIATE AREA RETAIL



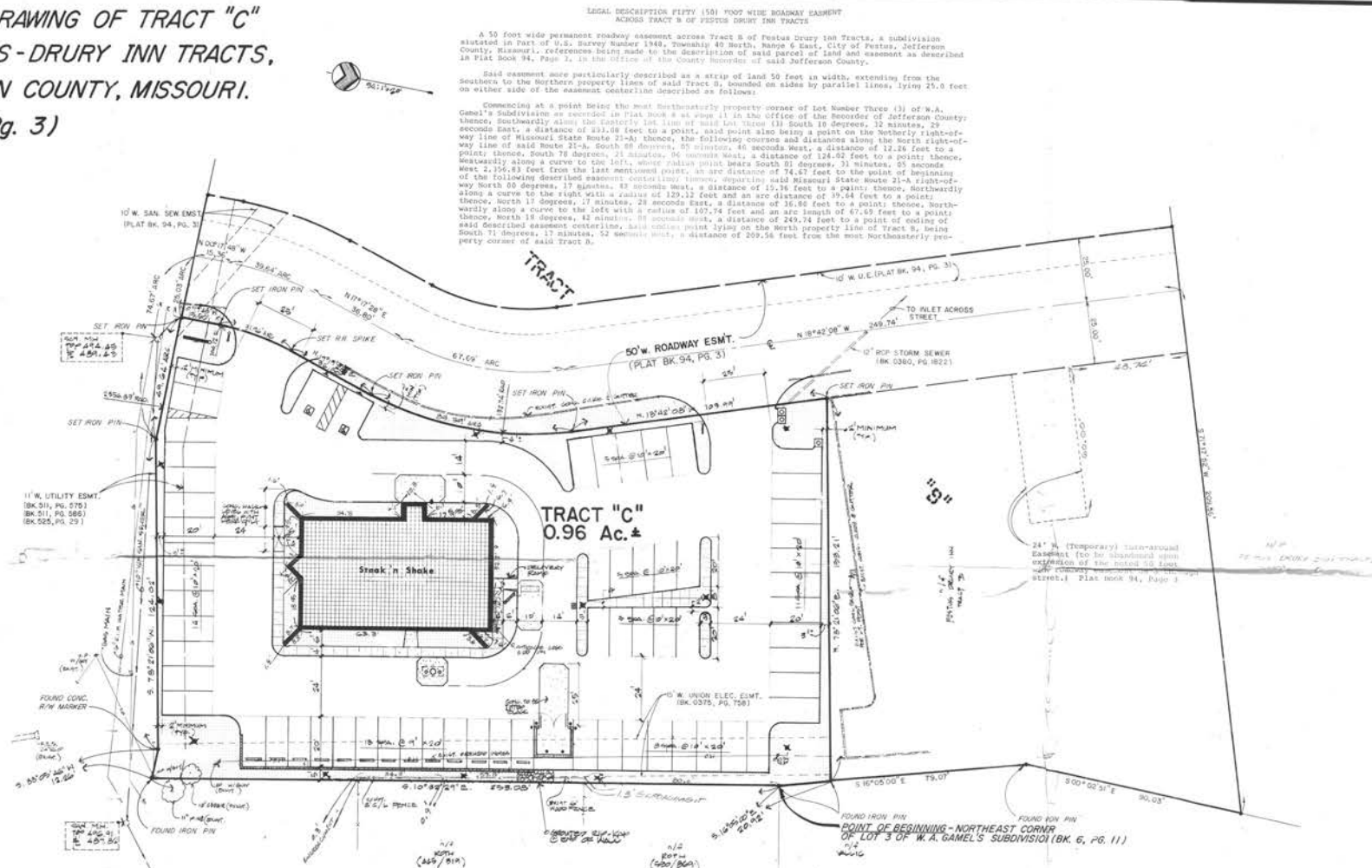
SITE AERIAL



SITE SURVEY

SURVEY DRAWING OF TRACT "C" OF FESTUS-DRURY INN TRACTS, JEFFERSON COUNTY, MISSOURI. (Bk. 94, Pg. 3)

MO. STATE HWY 21-A



LEGAL DESCRIPTION TRACT "C" FESTUS-DRURY INN TRACTS

TRACT "C" of Festus Drury Inn Tracts, a Subdivision in Jefferson County, Missouri, as per plat thereof recorded in Plat Book 94, Page 3, in the Office of the Recorder of said Jefferson County, and more particularly described as follows:

Beginning at a point being the most Northeasterly property corner of Lot Number Three (3) of W.A. Ganel's Subdivision as recorded in Plat Book 6 at Page 11 in the Office of the Recorder of Jefferson County, thence Southwesterly along the Easterly lot line of said Lot Three (3) South 10 degrees, 12 minutes, 29 seconds East, a distance of 251.08 feet to a point, said point also being a point on the Northerly right-of-way line of Missouri State Route 21-A, South 88 degrees, 05 minutes, 46 seconds West, a distance of 12.26 feet to a point; thence, South 78 degrees, 21 minutes, 06 seconds West, a distance of 124.02 feet to a point; thence, West 2,356.83 feet from the last mentioned point, a distance of 124.02 feet to a point; thence, Northwesterly along a curve to the left, whose radius point bears South 01 degrees, 31 minutes, 05 seconds of the following described easement centerline/turnpike, departing said Missouri State Route 21-A right-of-way North 00 degrees, 17 minutes, 42 seconds West, a distance of 15.16 feet to a point; thence, Northwesterly along a curve to the right having a radius of 129.12 feet and an arc distance of 39.64 feet to a point; thence, North 17 degrees, 17 minutes, 28 seconds East, a distance of 26.86 feet to a point; thence, Northwesterly along a curve to the left with a radius of 107.74 feet and an arc length of 67.65 feet to a point; thence, North 18 degrees, 42 minutes, 18 seconds West, a distance of 249.74 feet to a point of ending of said described easement centerline, said ending point lying on the North property line of Tract B, being South 71 degrees, 17 minutes, 52 seconds East, a distance of 209.56 feet back to the point of beginning. Tract "C" contains 0.96 acres more or less, and is subject to all easements and restrictions of record.

WE HEREBY DECLARE that on the 18th day of November, 19 88, in the presence of Julian B. Miller and Barbara S. Matting and Bryanville, Mo., S.A.J. and Victor W. Tinsley, we have performed a survey of the tract of land shown hereon and that said survey is in accordance with the current minimum standards for property boundary surveys of the State of Missouri Department of Natural Resources, Division of Geology and Land Survey.

RETROPLAN ENGINEERING COMPANY

John W. Kutzler
Missouri L.S. #164



SECTION 3

MARKET OVERVIEW

FESTUS MARKET OVERVIEW

Festus is located to the Southwest of the St. Louis Metro area, 40 minutes from downtown St. Louis, in Jefferson County. The city is located off of busy Interstate 55, the major interstate that runs from the St. Louis metro area south down to Memphis with 47,000 VPD passing through the area. Festus functions as the main retail hub to the surrounding areas with the only Walmart in a 25 min drive. Other major tenants in the area include Home Depot, Lowes, Schnucks, Hood's, ALDI and most national fast-food chains.

Population



6,716

1 MILE

21,970

3 MILES

34,725

5 MILES

Daytime
Population



9,526

1 MILE

23,383

3 MILES

33,266

5 MILES

Households



2,851

1 MILE

8,624

3 MILES

13,490

5 MILES

Average
Household
Income



\$69,462

1 MILE

\$71,531

3 MILES

\$69,633

5 MILES

Consumer
Household
Expenditures:
Average



\$59,797

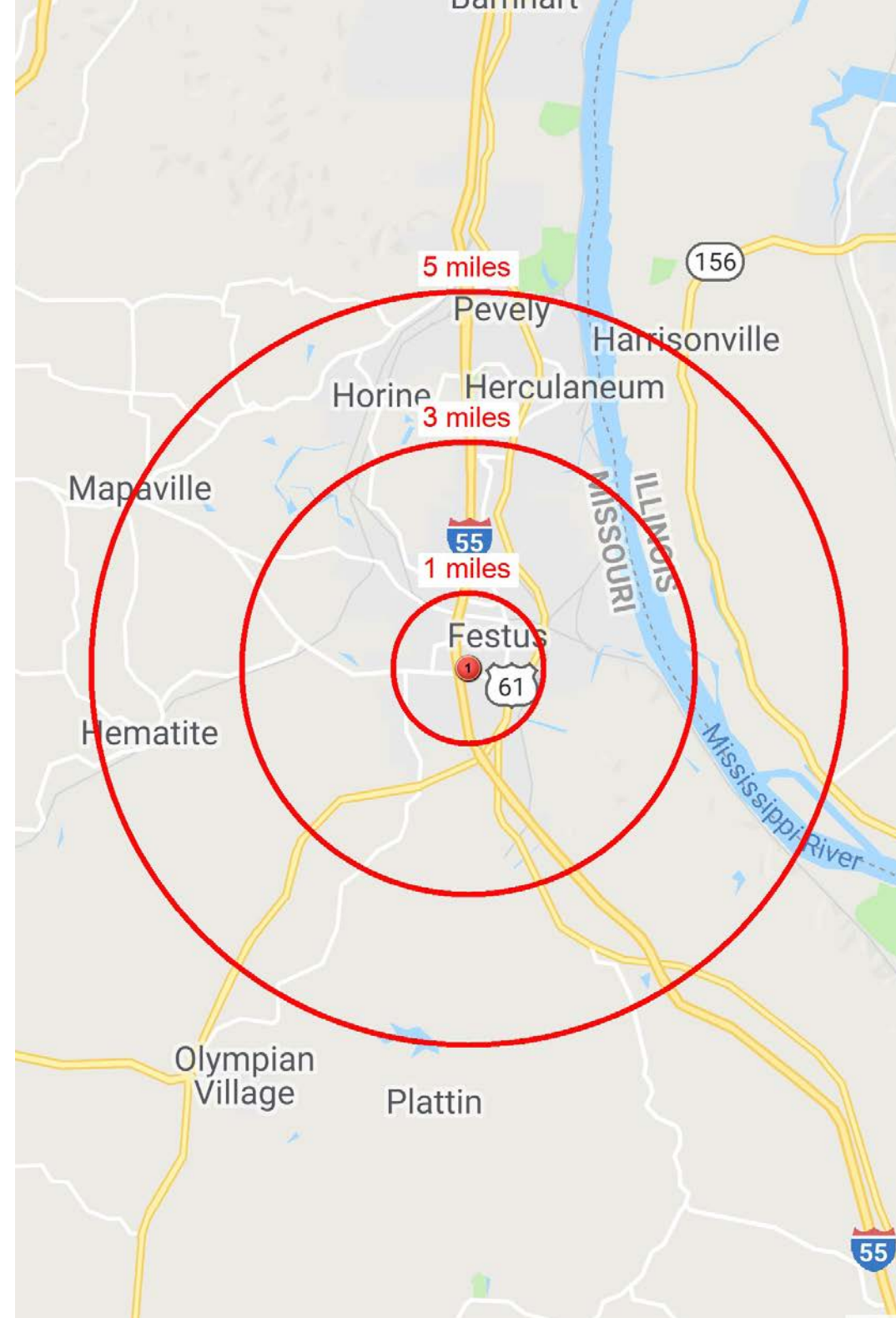
1 MILE

\$61,261

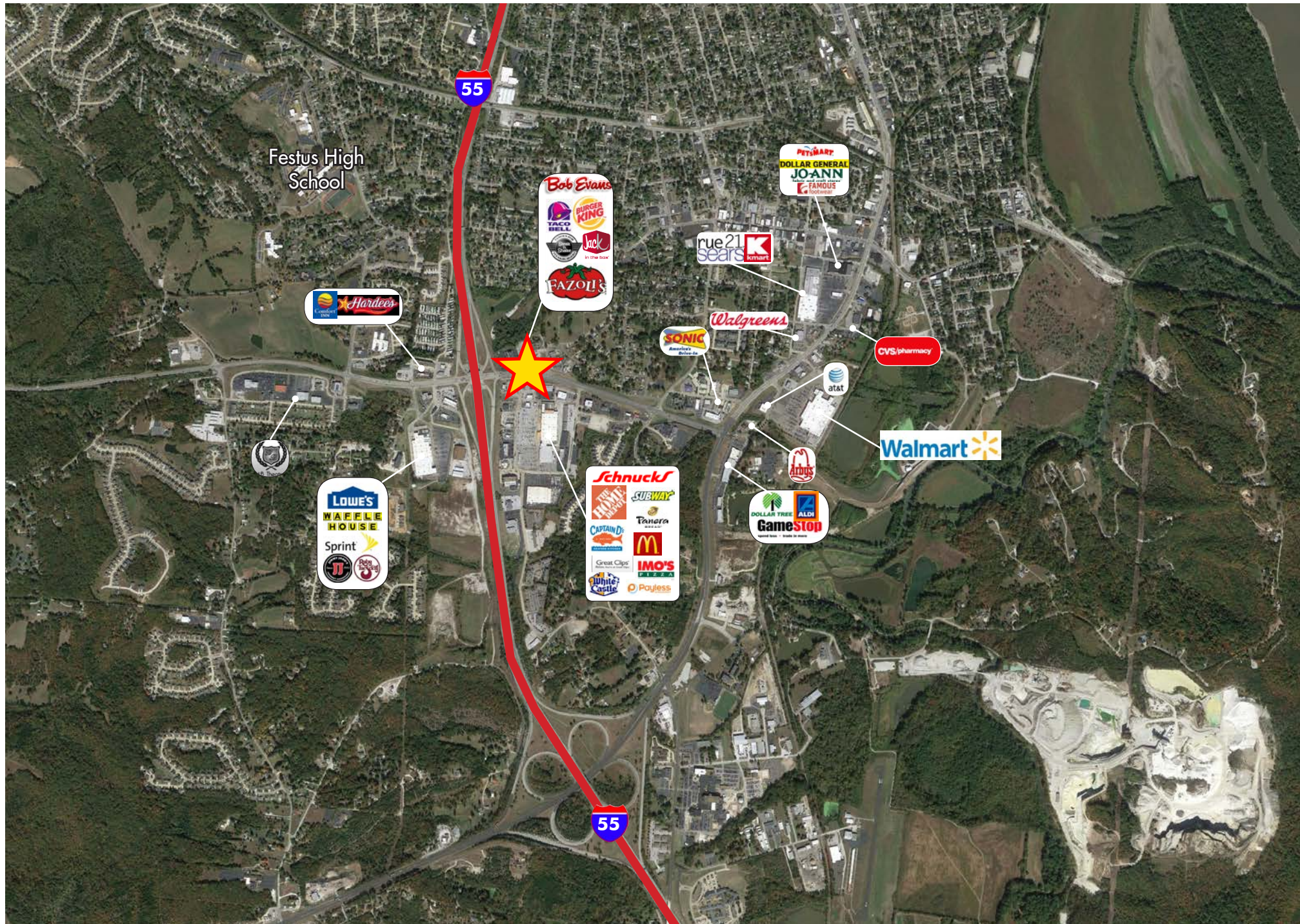
3 MILES

\$59,781

5 MILES



FESTUS TRADE AREA



MARKET

GREATER ST. LOUIS The St. Louis Metropolitan Statistical Area is the largest metro area in Missouri, and the 19th largest in the United States, with an estimated total population of 2.81 million. Greater St. Louis is bisected by the Mississippi River where eastern Missouri meets western Illinois. The MSA includes the independent City of St. Louis (population 316,000), along with the Missouri counties of St. Louis, St. Charles, Jefferson, Franklin, Lincoln, Warren, and Washington, plus the Illinois counties of Madison, St. Clair, Macoupin, Clinton, Monroe, Jersey, Bond and Calhoun.

From St. Louis, Chicago is approximately 300 miles to the northeast. Kansas City is approximately 250 miles to the west, and Memphis is approximately 250 miles to the south. Its location near the geographical center of the United States means it is the closest major metropolitan area to the U.S. population center.

POPULATION The St. Louis MSA has seen consistent population growth over the past several years. At the 2000 Census the St. Louis MSA had a population of 2.68 million; current estimates place the population above 2.81 million; and 2021 projected population is 2.84.

ECONOMY The economic diversification of St. Louis is one of the area's most significant assets. Diversification supports resistance to sharp economic recessions and allows quick responsiveness in periods of expansion. The region is home to some of the country's largest privately held corporations, including Enterprise Rent-A-Car, Graybar Electric, and Edward Jones. The region is also home to some of the largest public corporations and corporate divisions, including Anheuser-Busch, Nestle Purina, Boeing Defense Space & Security, Express Scripts, Monsanto Company, and Emerson.

EDUCATION With more than a dozen four-year universities and colleges, St. Louis offers a number of options for students pursuing degrees in a variety of fields. Residents of St. Louis MSA are well educated, with 91% of residents aged 25+ having earned their high school diploma and 32% having earned at least a bachelor's degree as compared to the national averages of 86% and 29%, respectively.



AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the "Property"), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgment of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates' interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms' length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. **ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.**

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

© 2019 CBRE, Inc. All Rights Reserved.



CAPITAL MARKETS · INVESTMENT PROPERTIES

MARKETED EXCLUSIVELY BY

PAUL FUSZ

FIRST VICE PRESIDENT
+1 314 655 6046
PAUL.FUSZ@CBRE.COM

190 CARONDELET PLAZA,
SUITE 1400
ST. LOUIS, MO 63105
F: +1 314 655 6100
CBRE.COM