



ACTUAL PHOTO

DAIRY QUEEN GRILL & CHILL
325 SOUTH WALNUT STREET
BELLE PLAINE, MINNESOTA 56011

**OFFERING
MEMORANDUM**

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COMMERCIAL INVESTMENT ADVISORS, INC.
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In Association with Minnesota Designated Broker:
Brian Brockman | Bang Realty, Inc. | MN License # 40628602



INVESTMENT OVERVIEW

DAIRY QUEEN GRILL & CHILL
BELLE PLAINE, MINNESOTA

DAIRY QUEEN GRILL & CHILL

LOCATION	325 S Walnut St Belle Plaine, Minnesota 56011
MAJOR CROSS STREETS	Off of Johnson Memorial Dr Hwy 169
TENANT	FOURTEEN FOODS, LLC
PURCHASE PRICE	\$1,400,000
CAP RATE	6.00%
ANNUAL RENT	\$84,000
GROSS LEASEABLE AREA	± 1,708 SF
RENTAL ESCALATIONS	7% Every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR REMODELED	2019
LOT SIZE	±0.53 Acre
LEASE EXPIRATION	March 31, 2031
OPTIONS	Four 5-Year Renewal Options

POINTS OF INTEREST

SHOPPING | ENTERTAINMENT: Belle Plaine has retailers such as **Coborn's**, **Napa Auto Parts**, **Parts City Auto Parts**, **Genesis Town & Country Hardware Store**, **Belle Plaine Co-Op Tire**, **Prairie Farm Supply**; Dining options include **Domino's Pizza**, **Subway**, **Emma Krumbie's Restaurant & Bakery**, **Cindy's Kitchen**, **Mei Dong Garden**, **Mizzy's Pizza**, **Johan's Sports Bar & Grill**, **Oldenburg Brewing Co.**, **Sparetime Tavern**, **Heng's Bakery & Diner**

HIGHER EDUCATION: 30 miles from **Normandale Community College Bloomington** (a public community college with 9,784 students); 45 miles from **University of Minnesota** (a public college with total enrollment of 47,556)

HEALTH CARE: 20 miles from **St Francis Regional Medical Center** (a critical access health care with 89 beds); 48 miles from **Maple Grove Hospital** (a short term acute care facility, with 134 beds)

INVESTMENT HIGHLIGHTS

LEASE

Brand New 10-Year Absolute NNN Lease with Attractive 7.00% Rental Escalations Every 5 Years & In Options!

TENANT

Fourteen Foods, LLC is a Multi-Unit Owner & Operator of **Over 230 DQ Grill & Chill Restaurants & Dairy Queen Braziers in 13 States!** ****All DQ Locations Backing the Performance of the Lease****

SALES PERFORMANCE | REMODEL

Successfully Open & Operating for Decades with an Attractive **8.00% Rent to Sales Ratio!** Recently Remodeled in 2019, Showing Tenant's Commitment to this Location!

TRAFFIC COUNTS

Great Drive-By Visibility on Johnson Memorial Dr (aka Hwy 169) where Traffic Counts Exceed 17,580 CPD

2020 DEMOGRAPHICS (5-MI)

Total Population: 9,170 | Average Household Income: \$90,047



FINANCIAL ANALYSIS

SUMMARY

TENANT Fourteen Foods, LLC
PURCHASE PRICE \$1,400,000
CAP RATE 6.00%
GROSS LEASABLE AREA ± 1,708 SF
YEAR REMODELED 2019

LOT SIZE

± 0.53 Acre

EXPENSE REIMBURSEMENT

This is an **Absolute NNN lease**.
Tenant is responsible for all expenses.

FINANCING

All Cash or Buyer to obtain new
financing at Close of Escrow.

RENT ROLL

TENANT INFO		LEASE TERMS		RENT SUMMARY		
TENANT NAME	SQ. FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN	
Fourteen Foods, LLC	1,708	Years 1-5: 04/01/21 to 03/31/26	Current	\$84,000	6.00%	
		Years 6-10: 04/01/26 to 03/31/31	7.00%	\$89,880	6.42%	
RENEWAL OPTIONS		1st Option: 04/01/31 to 03/31/36	7.00%	\$96,172		
		2nd Option: 04/01/36 to 03/31/41	7.00%	\$102,904		
		3rd Option: 04/01/41 to 03/31/46	7.00%	\$110,107		
		4th Option: 04/01/46 to 03/31/51	7.00%	\$117,814		

6.21% AVG ANNUAL RETURN

DAIRY QUEEN GRILL & CHILL | BELLE PLAINE, MINNESOTA

TENANT OVERVIEW

The **DQ Grill & Chill**^(R) concept blends the best of **DQ**^(R) iconic history with the most modern innovations in the quick-service restaurant (QSR) industry. The food menu features Bacon Cheese GrillBurger™, FlameThrower GrillBurger™ made-to-order, as well as other delicious and unique food items, including Crispy or Grilled Chicken Sandwiches, Salads; Chicken Strip Baskets; and Chili Cheese Dogs.

The **DQ** system's value meal, "**\$6 Meal Deal**", is available all day at participating locations. Fans have a choice of a 1/3 double with cheese or a 3-piece Chicken Strip Meal Deal, which are all served with fries, a beverage and choice of a sundae. Another offer is the "**2 for \$4 Super Snack**" (mix & match any two) with choices such as Cheeseburger, Small Sundae, Pretzel Sticks with Zesty Queso, Soft Drink, 2-pc chicken strips & regular fries.

Complementing the "Grill" is the "Chill," with the traditional and indulgent Dairy Queen soft-serve treats everybody knows and loves. Along with all of the **DQ** favorites, such as the signature Blizzard™ Treats, MooLatté^(R) frozen blended coffee beverages, DK Bakes!^(R) Hot Desserts A La Mode, Dilly^(R) Bars, **DQ** Cakes, Sundaes and Cones.

International Dairy Queen Inc., (IDQ), based in Minneapolis, Minnesota, is the parent company of American Dairy Queen Corporation. Through its subsidiaries, IDQ develops, licenses and services a system of **more than 7,000 locations in the United States, Canada and 25 other countries**. IDQ is a subsidiary of Berkshire Hathaway Inc. (Berkshire) which is led by Warren Buffet, the legendary investor and CEO of Berkshire.

For more information, visit <https://www.dairyqueen.com/us-en/>

ABOUT THE TENANT

Fourteen Foods, LLC is a multi-unit owner & operator of over 230 **DQ** Grill & Chill Restaurants & Dairy Queen Braziers in 13 states! All **DQ** locations backing the performance of the lease.

For more information, visit <https://fourteenfoods.com/>



OUR VALUES

Honesty and integrity in words and actions

Passion for our Fourteen Foods family

Foundation built of faith

Driven to exceed expectations through accountability

Play like a Champion every day

DAIRY QUEEN GRILL & CHILL | BELLE PLAINE, MINNESOTA

AERIAL



 **BELLE PLAINE HIGH SCHOOL**
465 STUDENTS

 **CHATFIELD ELEMENTARY**
412 STUDENTS

 **OAK CREST ELEMENTARY**
481 STUDENTS



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AERIAL METRO VIEW



Walmart*
BUFFALO

MAPLE GROVE HOSPITAL
A partnership of North Memorial Health and Fairview
134 BEDS

MAPLE GROVE

DASSEL COKATO HIGH SCHOOL
625 STUDENTS

UNIVERSITY OF MINNESOTA
51,327 STUDENTS

MINNEAPOLIS

ST PAUL

HUTCHINSON

CARVER PARK RESERVE

MALL OF AMERICA
A 5.4 MILLION SF SHOPPING MALL ANCHORED BY NORDSTROM & MACY'S FEATURING 520 RETAIL STORES

Minneapolis - Saint Paul
mSP
INTERNATIONAL AIRPORT

- 4 RUNWAYS
- 2,930 ACRES
- AIRLINES: AIR CANADA, ALASKA, AMERICAN, DELTA, FRONTIER, JETBLUE, SOUTHWEST, SPIRIT, SUN COUNTRY & UNITED
- 14,854,289 TOTAL PASSENGERS IN 2020

3M Science. Applied to Life.™

target Walmart*
MENARDS®

MINNESOTA VALLEY STATE RECREATION AREA

ST. FRANCIS Regional Medical Center
89 BEDS



BELLE PLAINE

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LOCATION OVERVIEW

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BELLE PLAINE, MINNESOTA



Belle Plaine is a city in Scott County, Minnesota. Belle Plaine is located between two major markets, approximately 40 miles from the Twin Cities metropolitan area and Mankato. Located along the U.S. Highway 169 corridor, Belle Plaine serves as the gateway to the Twin Cities from the southwest. A fairly newly constructed bridge crosses on the north side of town via Minnesota State Highway 25.

Minneapolis–Saint Paul MSA is a major metropolitan area built around the confluence of the Mississippi, Minnesota and St. Croix rivers in east central Minnesota. The area is commonly known as the Twin Cities after its two largest cities, Minneapolis, the most populous city in the state, and its neighbor to the east, Saint Paul, the state capital. There are several definitions of the region. Many refer to the “Twin Cities” as the seven-county region which is governed under the Metropolitan Council regional governmental agency and planning organization. The Office of Management and Budget officially designates 15 counties as the “Minneapolis–St. Paul–Bloomington MN–WI Metropolitan Statistical Area”, the 16th largest in the United States.

The **Belle Plaine Public School District** educates nearly 1500 students in grades Kindergarten through 12. There are two elementary schools, with Chatfield Elementary holding preschool and kindergarten through second grade, and Oakcrest Elementary holding third through sixth grade. Seventh through 12th grades are held in Belle Plaine Junior/Senior High School. Graduating classes from BPHS usually range from 100 to 120 students.

St. Francis Regional Medical Center is regarded as the region’s first choice for safe, high-quality, respectful care. With 89 private rooms, St. Francis ranks in the top 10 percent of hospitals nationwide for care and quality. St. Francis is physically connected on the same campus with St. Gertrude’s Heath & Rehabilitation Center, Allina Health Clinic, Park Nicollet Clinic, a cancer center, a dialysis center, emergency and urgent care, medical and dentistry, and many other services and specialty clinics housed in two adjoining medical office buildings.

2020 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	6,668	8,046	9,170
Labor Force Population Age 16+	5,047	6,107	6,993
Average Household Income	\$85,307	\$87,300	\$90,047

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By accepting this Marketing Brochure you agree to release Commercial Investment Advisors, Inc. | CIA Brokerage Company hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of any property.

FOR MORE INFORMATION:

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