



Steak 'n Shake

290 S. RANDALL RD
ELGIN, ILLINOIS


MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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Executive Overview



INVESTMENT HIGHLIGHTS:

- » **Strong Corporate Guarantee** – Steak 'n Shake has over 540 restaurants across the world
- » **Absolute NNN Lease** – No Landlord responsibilities
 - » Attractive Rental Bump at Next Option Period
 - » 5.5 Years Remaining on Base Term
- » **Excellent Retail Synergy** – Steak 'n Shake is located near Target, Firestone, Aldi, McDonald's, Chase Bank, and a number of other strong retailers
- » At \$22.73/SF, Rent is Below Market
 - » Future Landlord has a strong Value-Add Component
- » Elgin is the 8th Largest City in Illinois – Only 35 Miles NW of Chicago
 - » Over A Half Dozen Community Attractions (Colleges, Golf Courses, Country Clubs) In the Elgin Area
- » Drive-thru Capabilities
- » Freestanding 3,630 Sq. Ft Building on 0.92 Acres
- » Average Income:
 - » 1 Mile: \$100,116
 - » 3 Miles: \$99,479

TRAFFIC COUNT:

- » Property sees 35,000+ Vehicles Per Day

DEMOGRAPHICS:

Expected Population Growth Through 2025

- » Population:
 - » 3 Miles: 74,108
 - » 5 Miles: 155,418
 - » 10 Miles: 428,772



Financial Overview



Investment Summary

» OFFERING PRICE	\$1,434,782
» NOI	\$82,500
» CAP RATE (YEAR 1)	5.75%
» TOTAL BUILDING AREA	± 3,630 SF
» YEAR BUILT	1996

Annualized Operating Data

LEASE YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	ROI
Current-10/31/26	\$82,500.00	\$6,875.00	\$22.73	5.75%
Option 1	\$104,987.00	\$8,748.92	\$28.92	7.31%
Option 2	\$104,987.00	\$8,478.92	\$28.92	7.31%

Tenant Summary

Tenant	Steak 'n Shake - Elgin, IL
Type of Ownership	Fee Simple
Lease Type	NNN
Lease Gaurantor	Corporate
Lease Commencement	10/6/98
Lease Expiration	10/31/26
Original Lease Term	18 years
Lease Term Remaining	±5.52 years
Rental Increases	27.26% in next option
Options	Two, 5-year options remaining
Roof/Structure Responsibility	Tenant responsibility

DEBT QUOTE

KEVIN KERN

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Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 70.00%

RATE: 4.000%

AMORTIZATION: 25

Property Overview



The Offering

SITE DESCRIPTION

Address	290 S. Randall Rd Elgin, IL
Number of Stories	One
Year Built	1996
GLA	± 3,630 SF
Type of Ownership	Fee Simple
Landscaping	Professional

Tenant Overview

» Company Name	» Headquarters	» Year Founded
Steak 'n Shake	Indianapolis, IN	1934
» Ownership	» No. of Employees	» Industry
Public	±20,000	Fast-Food

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.

BIGLARI HOLDINGS

Biglari Holdings Inc. is an American holding company headquartered in San Antonio, Texas founded by entrepreneur Sardar Biglari. Its major subsidiaries include Steak 'n Shake, Maxim magazine, First Guard Insurance and Western Sizzlin'. Biglari Holdings is a publically traded company. After Biglari Holdings acquired Steak 'n Shake the franchise experienced 24 consecutive quarters of same-store sales increases.

Tenant Map



Tenant Map

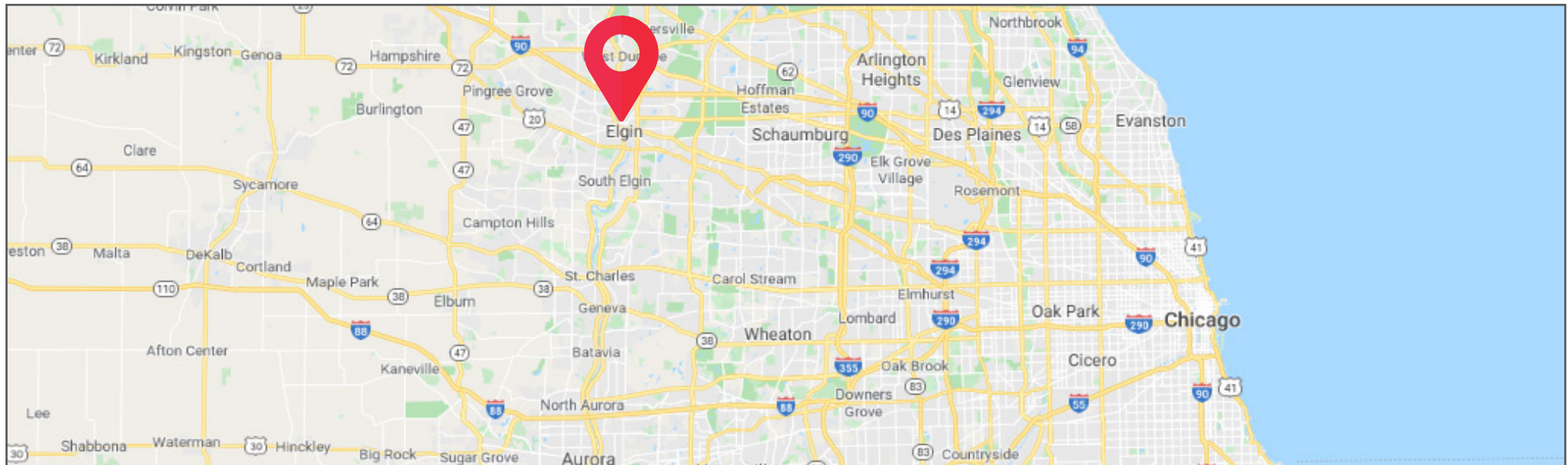


Area Overview



Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2025 Projection	5,916	74,108	155,418
2020 Estimate	5,771	72,983	153,064
2010 Census	5,391	70,232	146,681
Growth % 2020-2025	2.51%	1.54%	1.54%
Growth % 2010-2020	7.05%	3.92%	4.35%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2025 Projection	2,170	25,646	51,440
2020 Estimate	2,111	25,220	50,511
2010 Census	1,956	24,173	48,045
Growth % 2020-2025	2.79%	1.69%	1.84%
Growth % 2010-2020	7.92%	4.33%	5.13%
INCOME	1 - MILE	3 - MILE	5 - MILE
2020 Average Household Income	\$110,161	\$99,479	\$106,754



ELGIN, IL

Nestled along the banks of the Fox River, Elgin, Illinois is approximately 38 miles northwest of downtown Chicago and is home to over 112,000 people. Elgin is a unique community that proudly distinguishes itself from the rest of the metropolitan area. Its approachable, progressive identity is anchored in its resilient history and strong, diverse community that continues to embody a desire for an even brighter future.

The city's roots as a bustling city began with Elgin's founding in April 1836 and have continued to thread into the lives of today's residents, businesses and visitors. The community has maintained its strong heritage as it grew from an agricultural river town and manufacturing hub to one of the largest and fastest growing cities in Illinois. Through growth, Elgin has maintained independence and identity, achieving status as an award-winning All American City.

This vibrant, diverse community is a registered Cities of Service to recognize its volunteer-rich community and history of civic engagement. Elgin strives to be a safe and healthy community for all and that sense of safety is solidified by the City's high quality police and fire services. It offers urban with cultural, entertainment and recreational opportunities matched with conveniences of traditional suburban communities. It is fast becoming a destination for the arts. As they continue to revitalize their downtown, more people are finding Elgin offers a way of life few other suburbs provide. The community's 180-year history is dotted with challenges, growth and innovation that has emboldened Elgin to become unapologetically itself.



CHICAGO, IL

Situated on the southwestern shore of Lake Michigan, the City of Chicago covers an area of 60,000 hectares and sits 176 meters above sea level. Chicagoland is an informal name for the metropolitan area associated with the city of Chicago and its suburbs and has no official definition. The region is often considered to include areas beyond its corresponding MSA, as well as portions of the greater CSA.

Chicago has one of the world's largest and most diversified economies, with more than four million employees and generating an annual gross regional product (GRP) of over \$575 billion, which is more than countries like Sweden and Norway. Having been listed as an alpha global city by the Global Cities Index, it is a key player in every sector from risk management innovation and information technology to manufacturing and health services.

The city is an efficient economic powerhouse, home to more than 400 major corporate headquarters, including 31 in the Fortune 500. Boeing, United Continental Holdings, Inc., Exelon Corporation, R. R. Donnelley & Sons Company, and Archer Daniels Midland are just a few of the Fortune 500 companies based in the area. Motorola Solutions, Inc. intends to move their headquarters from Schaumburg, IL to Chicago in the coming future. McDonald's has become the latest Fortune 500 company to establish its presence in Chicago as it is preparing to move its headquarters from Oak Brook, IL to the windy city by early 2018.

As a multicultural city that thrives on the harmony and diversity of its neighborhoods, Chicago embodies the values of America's heartland integrity. It is this level of diversification that has resulted in Chicago being rated as having the most balanced economy in the United States. Additionally, its central location allows Chicago to be at the center of global trade, transit and data networks.





WEST LOOP

A transformation — or rather, an explosion — has taken place among the former factories, wholesale markets and warehouses on the edges of downtown. One of Chicago's fastest growing neighborhoods, the West Loop is a study of contrasts. Still somewhat industrial and gritty, the slew of new sleek restaurant openings has centered around Randolph Street and nearby Fulton Market. The aptly named "Restaurant Row" doesn't discriminate against nightlife either so the selection on these few blocks alone is staggering. You can go from sushi bar to sports bar, bakery to brewery, wine tasting to taqueria, butcher shop to champagne salon, late-night diner to futuristic cocktail lounge — all within this stretch. Specialty



foods galore also abound at the nearby Chicago French Market, the city's only year-round, indoor marketplace.

Interspersed among the West Loop luxe lofts and the chic retail boutiques are galleries, design stores and antique sources that give the area its creative-edginess. Sculpture, textiles, folk art, contemporary paintings and European prints are just some of the collections to see in the showrooms. And for more culture, Greektown has a wealth of it. A new museum and cultural center joins the Hellenic bakeries, energetic tavernas and reputable restaurants serving fresh tzatziki, flaming saganaki and gyros — among other traditional eats.

Over the last 10 years, the West Loop has morphed into one of the most happening neighborhoods in town—and it's easy to see why. The former industrial area is brimming with top restaurants and bars, stunning loft apartments and boutique hotels for out-of-towners. The epicenter of the 'hood is "Restaurant Row," a concentration of excellent eateries along Randolph Street and Fulton Market. It's here that visitors can find everything from Michelin-starred restaurants to a fried chicken joint to a hidden ramen shop. Beyond its collection of culinary gems, the West Loop is also home to unique shops, cool attractions and so much more. Check out the best of the neighborhood with our comprehensive guide to the West Loop.

MARKET OVERVIEW

A longtime domain of family-owned meatpackers and loft condo conversions, the once quiet West Loop and Fulton Market District have undergone a remarkable transformation in recent years. While a handful of food wholesalers still hang on, there's clearly no looking back as the pace of development surges forward.

Already the favorite of tech companies like Google and soon to be home of McDonald's world HQ, the neighborhood west of the Kennedy Expressway has established itself as the hot place to work, live, eat, shop, and stay. The area continues to evolve as an

organic extension of Chicago's central business district with no less than three 500-foot skyscrapers currently in development.

The West Loop is no longer just a trendy spot to grab dinner, but rather a major economic powerhouse for the entire city. The neighborhood has seen an influx of new office proposals in the last six months and was even listed as one of ten official sites submitted by Chicago to Amazon as a location for its coveted HQ2 campus.



POINTS OF INTEREST

NAVY PIER

Navy Pier is Chicago's lakefront treasure on the shoreline of Lake Michigan. The pier encompasses more than fifty acres of parks, gardens, shops, restaurants, family attractions and exhibition facilities. Drawing nearly nine million visitors annually, Navy Pier is one of the most visited attractions in the entire Midwest.

MILLENNIUM PARK

Located in the Loop community area of the city, Millennium Park is a 25-acre public park that offers awe-inspiring landscape, breathtaking architecture and an iconic collection of public art, such as the iconic Chicago Bean. It is Chicago's premier green space and presents dozens of free events for residents.

MAGNIFICENT MILE

Adjacent to downtown and one block east of Rush Street, the Magnificent Mile is an upscale section of Chicago's Michigan Avenue, which runs from the Chicago River to Oak Street in the Near North Side. Several of the tallest buildings in the country lie in this district, such as the John Hancock Center and the Trump International Hotel and Tower. Serving as the main thoroughfare between Chicago's Loop business district and Gold Coast, the Magnificent Mile contains a mixture of high-end department stores, restaurants, luxury retailers, residential and commercial buildings, financial services companies and hotels, primarily catering to tourists and the affluent.

WILLIS TOWER

Still commonly referred to as Sears Tower, the Willis Tower is the second-tallest building in the United States. This bustling community of business, tourism and culture offers breathtaking views of the city from its Skydeck. Visitors can experience the Ledge, all-glass balconies that allow visitors to look through the glass floor to the street 1,353 feet below.

JOHN HANCOCK CENTER

The John Hancock Center is currently the eighth-tallest building in the country. Equipped with a restaurant and lounge on the 95th floor, the Observatory (360 Chicago), and America's highest indoor swimming pool, the John Hancock Center appeals to residents and tourists alike. From the restaurant, diners can take in views of the city.





CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Steak 'n Shake** located at **290 S. Randall Rd, Elgin, IL** ("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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
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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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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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