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OFFERING  
MEMORANDUM



KRISPY KREME

6022 East 82nd Street

INDIANAPOLIS, IN 46250

Marcus & Millichap

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**Marcus & Millichap**

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The background of the entire page is a photograph of a Krispy Kreme Doughnuts storefront at night. The building has a brick lower section and a tan upper section. A large, illuminated Krispy Kreme logo is mounted on the tan section. The entrance features a red awning and glass doors. To the right, there is an outdoor seating area with a red umbrella and a black metal fence. The central text is overlaid on a dark blue vertical band.

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Marcus & Millichap

# OFFERING SUMMARY

## KRISPY KREME

	<b>Total Price</b> <b>\$2,777,777</b>
Cap Rate	4.50%
Tenant	Krispy Kreme
Guarantor	Krispy Kreme Doughnut Corporation
Address	6022 E. 82nd Street, Indianapolis, IN 46250
Building Size	4,800 SF
Lot Size	31,058 SF (0.713 Acres)
Year Built	2021
Lease Expiration	11/25/36
Years Remaining on Lease	15 Years
Lease Structure	Absolute NNN - Ground Lease
Annual Base Rent   PSF	\$125,000   \$26.04
Rent Increases	10% Increases Every 5 Years in Firm Term & Options
Renewal Options	Four, Five-Year Renewal Options
ROFR	No
Landlord Responsibilities	None

## RENT SCHEDULE

Lease Year	Lease Dates	Annual Rent
Years 1-5	11/26/2021 - 11/25/2026	\$125,000
Years 6-10	11/26/2026 - 11/25/2031	\$137,500
Years 11-15	11/26/2031 - 11/25/2036	\$151,250
First Renewal Term	11/26/2036 - 11/25/2041	\$166,375
Second Renewal Term	11/26/2041 - 11/25/2046	\$183,013
Third Renewal Term	11/26/2046 - 11/25/2051	\$201,314
Fourth Renewal Term	11/26/2051 - 11/25/2056	\$221,445



# KRISPY KREME

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6022 E. 82nd Street  
Indianapolis, IN 46250

Marcus & Millichap is pleased to offer for sale the fee simple interest in 6022 E. 82nd Street (The Property), a 4,800-square-foot brand new construction building in which Krispy Kreme just signed a 15-year absolute triple net ground lease, with a drive-thru. The Property is located just northeast of the downtown central business district. The Property sits at the hard corner and the main signalized entry road to Castleton Mall, providing maximum visibility to the over 52,000 vehicles that pass by daily. This asset is also just blocks off I-465 Highway that sees 140,000+ VPD. The property is a strategically located outpad to the Castleton Square Mall, the largest mall in Indiana with 130+ stores. The mall's national anchor tenants include Macy's, Von Maur, Dicks Sporting Goods, JCPenney, Vans, among many other notable brands. This offering presents the opportunity to acquire a brand-new construction absolute triple net ground lease with phenomenal fundamentals surrounding the property.

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## INVESTMENT HIGHLIGHTS

Brand New 2021 Construction with Drive-Thru – Zero Landlord Responsibilities

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Ease of Access off 82nd Street & Interstate I-465 – Combined 190,000+ VPD

.....  
Premier Income and Density Demographics - \$100,000+ Average Household Income in 5 Mile Radius

.....  
Outparcel to Castleton Square Mall – The Largest Mall in Indiana with 130+ Stores



# AERIAL & SURROUNDING RETAIL // *Krispy Kreme*



## Demographics | 5-Mile Radius

2020 Population	172,346
2025 Population Estimate	175,239
Growth 2020-2025	1.68%
2020 Households	75,335
2020 Avg. Household Income	\$101,839
2020 Median Age	38.1 Years



I-465 Highway  
140,000+ VPD

East 82nd Street 52,000+ VPD

Downtown Indianapolis  
11 Miles SW of Subject Property

## TENANT OVERVIEW // *Krispy Kreme*

Krispy Kreme is a leading brand specialty retailer and wholesaler of premium quality sweet treats and complementary products, including the signature Original Glazed doughnut. The company Headquartered in Winston-Salem, NC, has offered high quality doughnuts and coffee since it was founded in 1937. After decades of being a privately owned company, founded by Vernon Rudolph, the company tried their hand in the capital markets space going public on the NASDAQ under the Ticker symbol KREM in the year 2000. The company eventually was brought private at \$21 per share in May 2016 by JAB Holding Company for a total buyout of \$1.35 Billion after being a publicly traded company for over 15 years.



The Parent Company, JAB Holdings, is private Luxembourg based firm that owns several other consumer goods companies including Panera Bread, Caribou Coffee, Bruegger's Bagels, Peet's Coffee, and the Espresso House, to name a few. The parent company shows over \$50 Billion in managed capital and is credit rated BBB+ with the S&P and Baa2 on Moody's with a stable outlook. The Krispy Kreme subsidiary showed 2019 reported sales of \$887 Million in their 363 locations in the United States. Krispy Kreme recently announced, in May 2021, that they plan to go public just 5 years after they were brought private as they filed paperwork with the SEC. The company has yet to decide how many shares and at what price they will be delivered.

JAB HOLDING COMPANY



**1,400+ Total Stores**



**80+ Year History**



**\$887 Million in 2019 U.S. Sales**





## Indianapolis, IN // *Krispy Kreme*

Indianapolis is the 34th most populous city in the United States, with over 2 Million total residents, and serves as the Capital city for the U.S. state of Indiana. As of 2018, three Fortune 500 companies and three more Fortune 1000 companies are based in Indianapolis. Major industries within the cities' dynamic economy include biotechnology, life sciences and health care. As of 2020, Eli Lilly and Company was the largest private employer in the city with more than 11,000 local workers. As home to the second largest FedEx Express hub in the world, Indianapolis International Airport ranks as the sixth busiest U.S. airport in terms of air cargo transport, handling over 1 million tons and employing 6,600 people. Indianapolis is home to two major sports clubs, the Indiana Pacers of the National Basketball Association, and the Indianapolis Colts of the National Football League. The city's philanthropic community has been instrumental in the development of its cultural institutions and collections, including the world's largest children's museum, nation's largest privately funded zoo, historic buildings and sites, and public art. Indianapolis is headquarters for the American Legion, and home to the most robust collection of monuments dedicated to veterans in any state in the U.S., outside of Washington, D.C.

### LOCATION HIGHLIGHTS

- Indianapolis MSA has seen over 14,000 apartment units be delivered since 2015 through the first half of 2020. Renters are searching for affordability and diverse industries to live and work in which Indianapolis has filled a lot of that demand.
- The Regional Economic Development Organization announced a record-setting 2019 with more than \$2.6 Billion in **capital investment** across the 9-county Indianapolis region. Additionally, 8,700 jobs were created in that same timeframe.
- Indianapolis mayor, Joe Hogsett, just announced \$190 Million in upgrades to City-County facilities as a part of the “**Circle City Forward**” public investment initiative to combat the effects of the pandemic. This will create hundreds of construction jobs and improve quality of life for residents.
- Indiana based life sciences companies accessed more than **\$9 Billion in new capital** in 2020. Funding comes from sources such as: small business grants, venture capital, initial public offerings, mergers and acquisitions.



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