
OFFERING
MEMORANDUM



CHICK-FIL-A

315 US Highway 41

SCHERERVILLE, IN 46375

Representative Photo

Marcus & Millichap

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OFFERING SUMMARY

CHICK-FIL-A

 Total Price
\$3,430,000

Cap Rate	3.60%
Tenant	Chick-fil-A
Guarantor	Chick-fil-A, Inc.
Address	315 US Highway 41, Schererville, IN 46375
Building Size	4,850 SF
Lot Size	58,806 SF (1.35 Acres)
Year Built	2021
Lease Expiration	8/31/41
Years Remaining on Lease	20 Years
Lease Structure	Absolute NNN - Ground Lease
Annual Base Rent PSF	\$123,500 \$25.46 PSF
Rent Increases	10% Increases Every 5 Years in Firm Term & Options
Renewal Options	Six, Five-Year Renewal Options
ROFR	Yes, 30 Days
Landlord Responsibilities	None

RENT SCHEDULE

Lease Year	Lease Dates	Annual Rent
Years 1-5	9/1/2021 - 8/31/2026	\$123,500
Years 6-10	9/1/2026 - 8/31/2031	\$135,850
Years 11-15	9/1/2031 - 8/31/2036	\$149,435
Years 16-20	9/1/2036 - 8/31/2041	\$164,378
First Renewal Term	9/1/2041 - 8/31/2046	\$180,816
Second Renewal Term	9/1/2046 - 8/31/2051	\$198,897
Third Renewal Term	9/1/2051 - 8/31/2056	\$218,787
Fourth Renewal Term	9/1/2056 - 8/31/2061	\$240,667
Fifth Renewal Term	9/1/2061 - 8/31/2066	\$264,733
Sixth Renewal Term	9/1/2066 - 8/31/2071	\$291,206



Construction Progress as of July 2, 2021



CHICK-FIL-A

315 US Highway 41
Schererville, IN 46375

Marcus & Millichap is pleased to offer for sale the fee simple interest in 315 US Highway 41 (the Property), a 4,850-square-foot brand new construction building in which Chick-fil-A has just executed a long-term absolute net ground lease, with a drive-thru. The Property is strategically located on the main retail corridor in the affluent northwestern Indiana town of Schererville. The large 1.35-acre lot is located at the northeastern intersection of Indianapolis Boulevard (Route 41) and Oak Street which a traffic signal is being installed for ease of access.

Adjacent retail tenants on the 41,700 vehicle per day Indianapolis Boulevard include: Whole Foods, DSW, Nordstrom Rack, Lowes, CVS, Target, and many others. This offering presents the opportunity to acquire a new construction absolute net ground lease with a best-in-class essential retail tenant in one of the primary retail corridors of northwest Indiana. The Property boasts zero landlord responsibility and is only 30 miles southeast of downtown Chicago.

INVESTMENT HIGHLIGHTS

Brand New Construction Chick-fil-A with Drive-Thru – 1.35 Acre Lot

20 Years of Firm Term with 10% Increases Every 5 Years

Prominent Retail Corridor of Northwest Indiana – National Tenants including Whole Foods, Lowes, Target, Nordstrom Rack, DSW, Dick's Sporting Goods, and Burlington among others

Superior Visibility & Income Demographics – 41,700+ VPD Schererville artery with \$100,000+ AHHI in a 3-Mile Radius



AERIAL & SURROUNDING RETAIL // *Chick-fil-A*



Demographics | 5-Mile Radius

2020 Population	167,286
Growth 2000-2020	6.00%
2020 Households	64,429
2020 Avg. Household Income	\$89,576
2020 Median Age	42.1 Years



TENANT OVERVIEW // *Chick-fil-A*



\$4.6 MILLION AVG. SALES PER LOCATION

67% More Than the Next Closest Fast-Casual Chain, Panera Bread

#1 in CUSTOMER SATISFACTION

According to the American Customer Satisfaction Index

OVER 54 YEARS IN THE BUSINESS

Originally Founded as the Dwarf Grill over 75 Years Ago

OVER 20,000 INQUIRES FROM FRANCHISEE CANDIDATES EVERY YEAR

From Those Candidates, They Select Only 75-80 New Franchisees Annually

DEDICATED FRANCHISEE AND VERY SELECTIVE PROCESS

Each Operator Committed to Single Location, No Multi-Tenant Operators

LEADING QSR IN CHICKEN FAST-FOOD SEGMENT

4X as Many Sales as KFC Per Location

Chick-fil-A, Inc. is a family owned and privately held restaurant company founded in 1967 by S. Truett Cathy and is headquartered in Atlanta, GA. Devoted to serving the local communities in which its +2,600 franchised restaurants operate and known for its original chicken sandwich, Chick-fil-A serves freshly prepared food in 47 US states, as well as Canada and the UK. Today, the company **generates more revenue per restaurant than any other fast-food chain**. The company is also a leader in customer service satisfaction and was named the top fast-food restaurant in Newsweek's 2020 America's Best Customer Service report. Chick-fil-A has also received several honors in QSR's 2019 Reader's Choice Awards, including **"The Most Respected Quick-Service Brand"** and **"Best Brand for Overall Experience"**. Additionally, Glassdoor named Chick-fil-A one of the top 100 best places to work in 2020.

Since 1997, Chick-fil-A has been the title sponsor of the Peach Bowl, an annual college football bowl game played in Atlanta on New Year's Eve and is also a key sponsor of SEC and ACC college athletics. Chick-fil-A has reported **50 consecutive years of positive sales growth** and was one of the select few restaurants with **positive sales growth in 2020 versus 2019**. It was **#1 in Estimated Sales Growth** Per Unit out of the top 200 restaurants in the nation, and their estimated sales growth per unit increased 14.56% in 2020 versus 2019.

COMPANY OVERVIEW



Headquartered:

Atlanta, Georgia



140,000 + Employees



**+2,600 locations across
47 States, Canada, and
Puerto Rico**



Ownership: Private



Annual Revenue:

Apr. \$4.3 Billion Dollars (2020)





Schererville, IN // *Chick-fil-A*

Schererville is a town located in Lake County 30 miles southeast of downtown Chicago in Indiana's northwest corner of the state known as "The Region". Schererville is a Chicagoland suburb that has recently been coined by Niche as one of Indiana's best places to live due to their consistently low crime rate, great schooling, diversity, and low cost of living while still boasting the perks of its proximity to the city.

Chicago, IL // *Chick-fil-A*

Chicago is the third most populous city in the U.S. and one of the most dynamic and attractive markets in the nation. The undisputed economic powerhouse of central North America, Chicago has the third-largest gross metropolitan product in the U.S. at \$679 billion, making it equivalent to the 21st-largest economy in the world. The city is home to world class shopping, 8 major league sports teams, over 8,300 acres of greenspace, and a variety of cultural and historical attractions, including world famous museums. Chicago is an International Hub for finance, culture, commerce, industry, education, technology, telecommunications, and transportation. The city continues to be a highly desired location for some of the world's largest businesses and for the 5th year in a row, the Chicago metropolitan area took the top spot in the U.S for corporate growth and investment. Across the entire state of Illinois, there are currently 36 global headquarters of Fortune 500 companies.

LOCATION HIGHLIGHTS

- The 7-Million Square foot mixed-use destination spanning 2 miles along the waterfront in Chicago's Near South Side just received approval on the project to move forward. The **Bronzeville Lakefront project** is expected to provide an indirect economic benefit of over \$8 Billion over a 20-year period.
- Despite pandemic woes, developer Hines was able to secure \$500 Million+ Construction Loan for **Salesforce Tower** in Chicago's River North. The Company broke ground in 2020 as the 820-foot-tall tower continues to ascend in 2021. Plenty of other Multi-Million Dollar Developments are moving along as the city learns to live with the virus.
- The Barack Obama Presidential Center is a planned presidential library to be in Jackson Park on the South Side of Chicago near the University of Chicago. The **world-class facility** construction is to begin in 2021 with an estimated project cost of \$500 Million.
- 2020 was a banner year for **economic development** in the Northwest Indiana Region. According the NWI Forum, the organization shepherded 20 projects that promised \$254 Million in investment and 2,443 jobs. The pledged investment was up over 16% from the year prior.



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