



**CHIPOTLE**  
TUPELO, MISSISSIPPI

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

**\$3,364,000 | 3.85% CAP RATE**

- » New 15-Year Absolute NNN Lease with Scheduled Rental Increases
  - » Corporate Lease Guaranteed by Chipotle Mexican Grill (NYSE: "CMG")
  - » No Landlord Management
- » High-Traffic Location in Dense, Affluent, and Growing Retail Corridor
  - » Conveniently Located on North Gloster Street, With Excellent Visibility and Access to 21,000 Vehicles Per Day
  - » Half a Mile from The Mall at Barnes Crossing (12 Million Annual Visitors), Greatly Increasing Traffic to the Property
- » Average Annual Household Income of \$164,826 Within a One-Mile Radius
- » Central Location Near Downtown Tupelo and Major Employers



FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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# INVESTMENT SUMMARY

<b>ADDRESS</b>	897 Sawmill Drive, Tupelo, MS 38804		
<b>PRICE</b>	<b>\$3,364,000</b>		
<b>CAP RATE</b>	<b>3.85%</b>		
<b>NOI</b>	\$129,503		
<b>TERM</b>	15 years		
<b>RENT COMMENCEMENT</b>	December 15, 2021		
<b>LEASE EXPIRATION</b>	December 31, 2036		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$129,503	3.85%
	6-10	\$142,453	4.24%
	11-15	\$156,705	4.66%
	16-20 (option 1)	\$172,376	5.12%
	21-25 (option 2)	\$189,604	5.64%
	26-30 (option 3)	\$208,552	6.20%
	31-35 (option 4)	\$229,408	6.82%
<b>YEAR BUILT</b>	2021		
<b>BUILDING SF</b>	2,325 SF		
<b>PARCEL SIZE</b>	1 acre (43,560 SF)		
<b>LEASE TYPE</b>	Absolute NNN, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot.		

## NEW 15-YEAR ABSOLUTE NNN LEASE WITH SCHEDULED RENTAL INCREASES TO STRONG RETAIL TENANT

- » New 15-year absolute NNN lease
- » Four (4) five (5) year option periods
- » Strong corporate guarantee from investment-grade national tenant (NYSE: "CMG")
- » Absolute NNN lease requires no landlord management, ideal for passive investors
- » Scheduled rental increases, providing a hedge against inflation

## HIGH-TRAFFIC LOCATION IN DENSE, AFFLUENT, AND GROWING RETAIL CORRIDOR

- » Conveniently located on North Gloster Street, with excellent visibility and access to 21,000 vehicles per day directly in front of the property
- » Beneficial proximity to Highway 45 (39,000 AADT), increasing traffic to the location
- » Population of 36,974 within five miles of the site
- » Average annual household income of \$164,826 within a one-mile radius
- » Projected average annual household income increase of eight percent within one mile of the site in the next five years
- » Surrounded by a strong mix of local and national retailers, including Lowe's, Starbucks, Buffalo Wild Wings, Olive Garden, Walmart, Sam's Club, Ross, Bed Bath & Beyond, Belk, HomeGoods, and many more
- » Half a mile from the Mall at Barnes Crossing (12 million annual visitors), a major retail hub in Tupelo, increasing traffic to the property
- » Tupelo serves as a regional hub, swelling by 300% each day per Tupelo's Economic Development Department

## NEW 2021 CONSTRUCTION

- » 2021 construction featuring a dedicated drive-thru, providing additional customer convenience and boosting sales revenue
- » Features latest store designs and concepts
- » New building, limiting near-term deferred maintenance or capital costs



FILE PHOTO





**Academy**  
SPORTS+OUTDOORS  
*Walgreens*

*Chick-fil-A* **Kroger**

**T.J. maxx**  
**HOBBY LOBBY**  
**OfficeMax**

*The Mall at*  
**BARNES CROSSING**

**NORTH MISSISSIPPI HEALTH SERVICES**

**TSC TRACTOR SUPPLY CO**

**LOWE'S**

**45** / U.S. Route 45  
(39,000 AADT)

**Walmart**  
Supercenter

**LONGHORN STEAKHOUSE**

**Wendy's**

**Olive Garden**  
ITALIAN KITCHEN

**Sam's CLUB**

**Firestone**  
COMPLETE AUTO CARE

**CHIPOTLE MEXICAN GRILL**  
(Under Construction)

**Best Western**



**North Gloster Street**  
(21,000 AADT)





/ U.S. Route 45  
(39,000 AADT)



North Gloster Street  
(21,000 AADT)







DOWNTOWN  
TUPELO

45 / U.S. Route 45  
(39,000 AADT)

North Gloster Street  
(21,000 AADT)

22 / Interstate 22  
(32,000 AADT)





# SITE PLAN



# TENANT SUMMARY



Chipotle Mexican Grill, Inc. (NYSE: CMG) is cultivating a better world by serving responsibly sourced, classically-cooked, real food with wholesome ingredients without artificial colors, flavors or preservatives. Chipotle had over 2,700 restaurants as of September 30, 2020, in the United States, Canada, the United Kingdom, France and Germany and is the only restaurant company of its size that owns and operates all its restaurants. With more than 94,000 employees passionate about providing a great guest experience, Chipotle is a longtime leader and innovator in the food industry. Chipotle is committed to making its food more accessible to everyone while continuing to be a brand with a demonstrated purpose as it leads the way in digital, technology and sustainable business practices.

For more information, please visit [www.chipotle.com](http://www.chipotle.com).

<b>HEADQUARTERS</b>	<b>Denver, CO</b>	<b># OF LOCATIONS</b>	<b>2,700+</b>
<b>TICKER</b>	<b>NYSE: "CMG"</b>	<b>REVENUE</b>	<b>\$5.5B</b>

# LEASE ABSTRACT

<b>TENANT</b>	Chipotle Mexican Grill, Inc.		
<b>ADDRESS</b>	<a href="#">897 Sawmill Dr, Tupelo, MS 38804</a>		
<b>RENT COMMENCEMENT</b>	December 15, 2021		
<b>LEASE EXPIRATION</b>	December 31, 2036		
<b>RENEWAL OPTIONS</b>	Four (4) five (5) year option periods		
<b>RENTAL INCREASES</b>	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$129,503	3.85%
	6-10	\$142,453	4.24%
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	26-30 (option 3)	\$208,552	6.20%
	31-35 (option 4)	\$229,408	6.82%
<b>REAL ESTATE TAXES</b>	Tenant shall pay all real estate taxes directly.		
<b>INSURANCE</b>	Tenant shall pay all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant shall be solely responsible for the repair and maintenance, at its own cost, of the Premises.		
<b>UTILITIES</b>	Tenant shall pay all charges for gas, electricity, telephone, sewer, water,		
<b>MAINTENANCE BY LANDLORD</b>	and any other utilities used by Tenant on the Leased Premises.		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

The property is strategically located just off the hard corner of North Gloster Street and Mel Drive with 21,000 vehicles per day at the intersection. The subject property is located near The Mall at Barnes Crossings and just cross from a Lowe's and Starbucks, promoting crossover shopping. The surrounding area is affluent and densely populated with 36,975 residents and an average household income over \$78,000 within five miles of the property. The immediate area is poised for strong growth with average household income expected to increase over eight percent over the next five years within one mile of the property.

The subject property is centrally located in a growing retail corridor in a brand-new development with a Firestone adjacent to the site. The surrounding area is being rapidly developed with many retail sites under construction. The property is surrounded by a strong mix of local and national retailers, including Lowe's, Starbucks, Buffalo Wild Wings, Olive Garden, Walmart, Sam's Club, Ross, Bed Bath & Beyond, Belk, HomeGoods, and many more.

## ACCESS

Access from North Gloster Street

## TRAFFIC COUNTS

North Gloster Street:	21,000 AADT
U.S. Route 45:	39,000 AADT
Interstate 22:	32,000 AADT

## PARKING

28 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2021

## NEAREST AIRPORT

Tupelo Regional Airport (PMD) | 6 miles



FILE PHOTO



**21K**  
TRAFFIC  
COUNT (AADT)



**2021**  
YEAR BUILT



**NEAREST  
AIRPORT**  
TUPELO REGIONAL  
AIRPORT



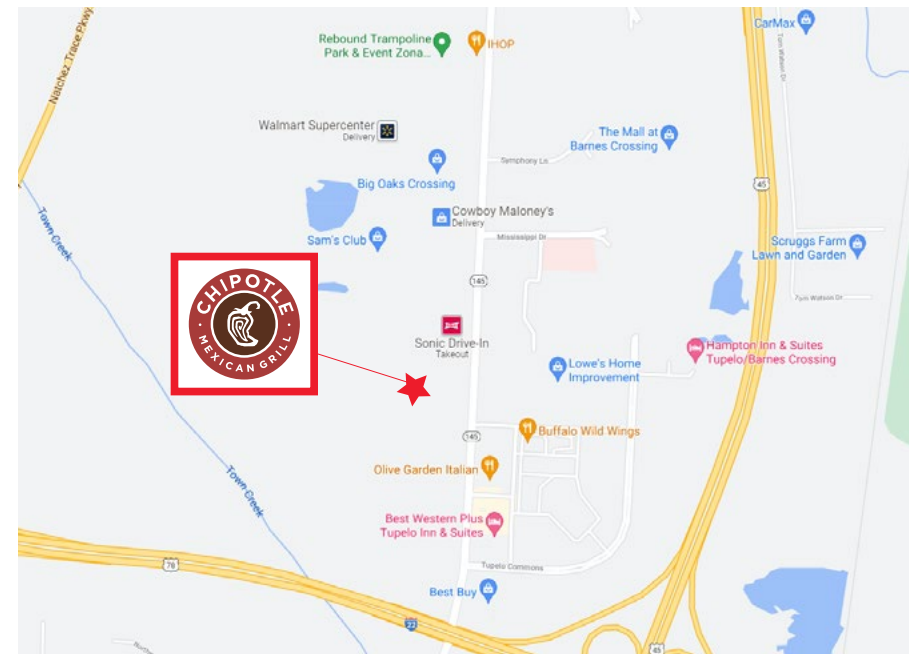
# AREA OVERVIEW

Tupelo is a dynamic southern city easily accessible by Interstate 22, Highway 45, and the historic Natchez Trace Parkway, all of which crisscross the city's topography. It is in the center of the Mississippi Hills region. Located just 90 miles from Memphis, TN, and 135 miles from Birmingham, AL, Tupelo serves as a regional hub for the area. Tupelo is the sixth-largest city in Mississippi and is considered a commercial, industrial, and cultural hub of North Mississippi. Tupelo offers a variety of entertainment including music, world-class literary sites, Civil War history and American architecture.

Major attractions of the city include the Elvis Presley Birthplace, Tupelo Visitors Center, HealthWorks! Kids Museum, Vietnam Veterans Replica Wall Memorial, Natchez Trace Parkway, Tupelo Buffalo Park and Zoo, GumTree Museum of Art and Music, and Heritage Trails. For shopping options from the Mall at Barnes Crossing, the region's largest mall, to the specialty shops downtown and in Midtown, and throughout the city along with other shopping options like the Tupelo Flea Market, Tupelo Furniture Market, and antique shopping make for a well-rounded shopping excursion. Colleges near Tupelo are Itawamba Community College, Northeast Mississippi Community College, Blue Mountain College, University of Mississippi, Rust College, Mississippi University for Women, Mississippi State University, Northwest Shoals Community College Muscle Shoals, University of North Alabama, and the Heritage Christian University.

- » Tupelo is the headquarters of the North Mississippi Medical Center, the largest non-metropolitan hospital in the United States. It serves people in North Mississippi, northwest Alabama, and portions of Tennessee. The medical center was a winner of the prestigious Malcom Baldrige National Quality Award in 2006 and 2012.
- » The headquarters of two large banking institutions are located here: BancorpSouth, with approximately \$18 billion in assets (2019), and Renasant Bank, with assets of more than \$12.7 billion (2019). Tupelo is the smallest U.S. city that hosts the headquarters of more than one bank with over \$10 billion in assets.
- » Tupelo has a large furniture manufacturing industry. The journalist Dennis Seid noted that furniture manufacturing in Northeast Mississippi, "provided some 22,000 jobs, or almost 13% of the region's employment... with a \$732 million annual payroll... producing \$2.25 billion worth of goods."
- » Tecumseh, Heritage Home Group, Hancock Fabrics, Inc., Magnolia Fabrics, Toyota Motor Manufacturing Mississippi, H.M. Richards, JESCO Construction, MTD Products, Savings Oil Company (Dodge's Stores), and Cooper Tire & Rubber Company all operate or are headquartered in Tupelo and Lee County.

LARGEST EMPLOYERS IN TUPELO, MS	# OF EMPLOYEES
NORTH MISSISSIPPI HEALTH SERVICES	7,100
ASHLEY FURNITURE	3,000
TOYOTA MOTOR MANUFACTURING MS	1,900
COOPER TIRE AND RUBBER COMPANY	1,720
TUPELO PUBLIC SCHOOL DISTRICT	1,200
SOUTHERN MOTION	1,100
MTD PRODUCTS	1,050
JESCO, INC.	1,000
LEE COUNTY SCHOOL DISTRICT	1,000
H.M. RICHARDS	940





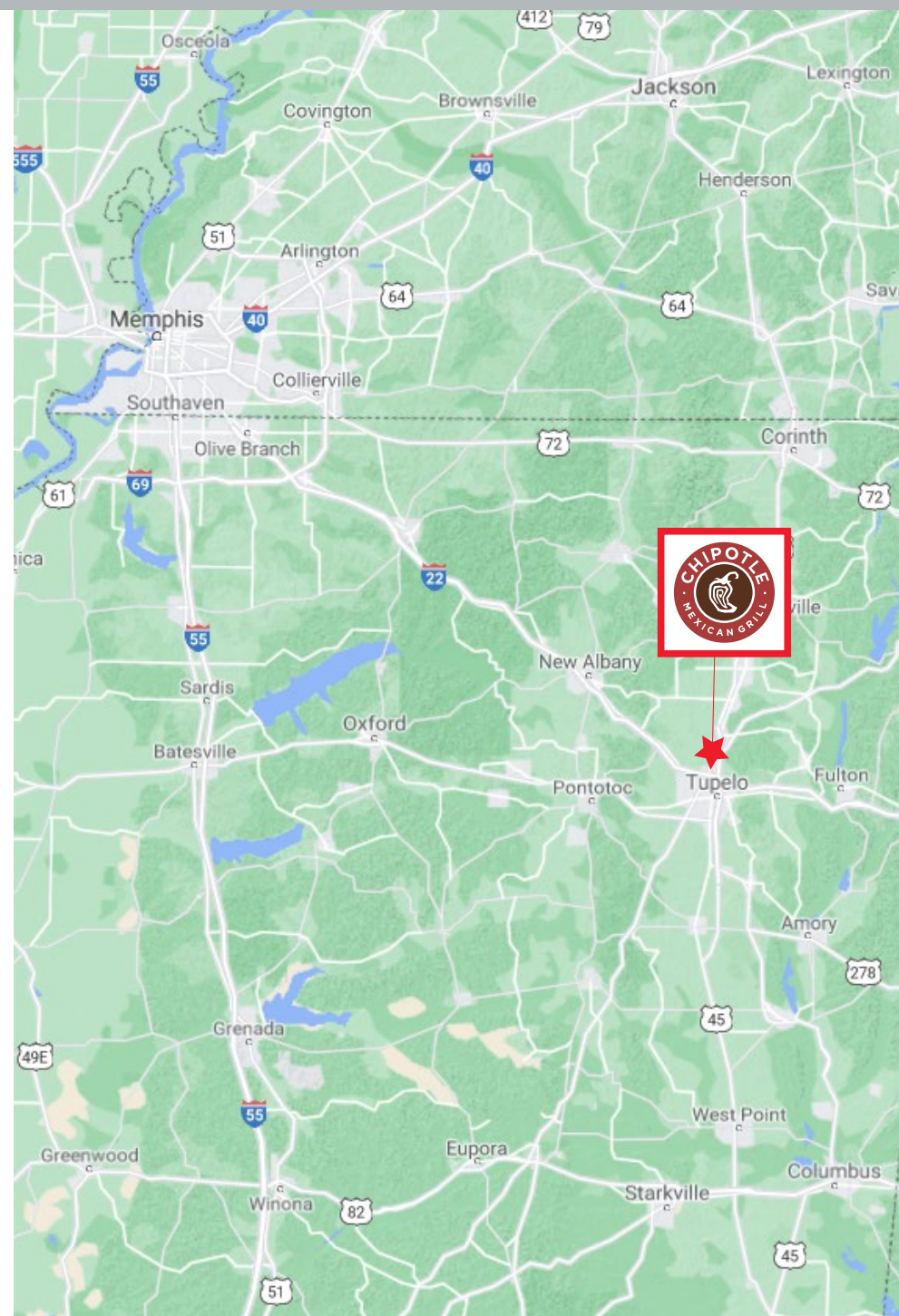
# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>2,560</b>	<b>11,694</b>	<b>37,810</b>
Households	107	4,750	14,838
Families	82	2,983	9,578
Average Household Size	2.39	2.42	2.49
Owner Occupied Housing Units	100	3,074	9,544
Renter Occupied Housing Units	7	1,676	5,294
Median Age	50.5	39.8	39.0
<b>Average Household Income</b>	<b>\$164,826</b>	<b>\$81,516</b>	<b>\$78,098</b>

2026 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>2,620</b>	<b>11,814</b>	<b>38,060</b>
Households	109	4,791	14,911
Families	83	2,982	9,551
Average Household Size	2.40	2.42	2.49
Owner Occupied Housing Units	102	3,135	9,727
Renter Occupied Housing Units	7	1,656	5,184
Median Age	51.4	41.0	40.3
<b>Average Household Income</b>	<b>\$179,601</b>	<b>\$87,828</b>	<b>\$84,901</b>



**AVERAGE HOUSEHOLD INCOME OF \$164,826  
WITHIN ONE MILE**







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