

CHIPOTLE GROUND LEASE

333 NORTH SADDLE CREEK ROAD, OMAHA, NEBRASKA



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

333 North Saddle Creek Road, Omaha, NE 68131

FINANCIAL SUMMARY

Price	\$2,987,000
Cap Rate	3.85%
Building Size	2,325 SF
Net Cash Flow	3.85% \$115,000
Year Built	2020
Lot Size	0.74 Acres

LEASE SUMMARY

Lease Type	Triple-Net (NNN) Ground Lease
Tenant	Chipotle
Guarantor	Chipotle Mexican Grill, Inc.
Lease Commencement	April 8, 2020
Lease Expiration	April 30, 2035
Lease Term	15 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	None

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$115,000	3.85%
6 - 10	\$126,500	4.24%
11 - 15	\$139,150	4.66%
Options	Annual Rent	Cap Rate
Option 1	\$153,065	5.12%
Option 2	\$168,372	5.64%
Option 3	\$185,209	6.21%
Option 4	\$203,793	6.82%

Base Rent	\$115,000
Net Operating Income	\$115,000
Total Return	3.85% \$115,000

DOWNTOWN OMAHA

Creighton
UNIVERSITY

CHI Health
Center OMAHA

BERKSHIRE
HATHAWAY
HomeServices
#3 FORTUNE 500 COMPANY
CORPORATE HQ

University of Nebraska
Medical Center
BREAKTHROUGHS FOR LIFE™

Clarkson
College

Midwest Eye Care

Wendy's

PNC BANK

BANK OF THE WEST
BNP PARIBAS



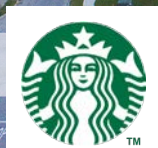
WALGREENS

20,530 CPD
DODGE ST / ROUTE 6

cricket
wireless

24,700 CPD
N SADDLE CREEK RD

Walmart
Neighborhood Market



ACE
Hardware

Panera
BREAD®

QDOBA
MEXICAN EATS





20,530 CPD
DODGE ST /ROUTE 6



24,700 CPD
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**BERKSHIRE
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**University of Nebraska
Medical Center™**
BREAKTHROUGHS FOR LIFE.®

20,530 CPD
DODGE ST / ROUTE 6


**Clarkson
College**

HOME2
SUITES BY HILTON



WALGREENS


LONG JOHN SILVER'S

BURGER KING


BANK OF THE WEST
BNP PARIBAS

Panera
BREAD®

QDOBA
MEXICAN EATS™

ACE
Hardware



cricket™
wireless

24,700 CPD
N SADDLE CREEK RD

Walmart
Neighborhood Market



Property Description



INVESTMENT HIGHLIGHTS

- » **More Than 13 Years Remaining on Corporate Triple-Net Ground Lease with Chipotle**
- » 10 Percent Rental Increases Every 5 Years and 4, 5 Year Renewal Options
- » **287,391 Residents within a 5-Mile Radius - Robust Trade Area in Heart of Omaha MSA**
- » 2020 Construction with a Drive Thru, "Chipotlane" Restaurant Concepts Generate 10% More in Sales Compared to Non-Chipotlane Locations
- » **Surrounded by National Retailers - Walmart Neighborhood Market, Ace Hardware, Walgreens, Panera, Burger King, Popeye's, Qdoba, and More**
- » High Visibility Location Along N Saddle Creek Rd (24,700 Cars/Day) and Just Off of Dodge Street / Route 6 (20,530 Cars/Day)
- » **Subject Property is Less Than 10 Minutes / 3 Miles from Downtown Omaha**
- » Location In Immediate Proximity to The University of Nebraska Omaha
- » **Less Than 1 Mile from the Nebraska Medical Center & UNMC Medical Center**
- » Dense Daytime Population of 401,770 Employees on Average in Surrounding Area



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2026 Projection	22,750	149,939	291,536
2021 Estimate	22,573	147,096	287,391
Growth 2021 – 2026	0.78%	1.93%	1.44%

Households

2026 Projection	10,619	62,354	118,084
2021 Estimate	10,490	60,564	115,455
Growth 2021 – 2026	1.23%	2.96%	2.28%

Income

2021 Est. Average Household Income	\$67,751	\$65,917	\$68,087
2021 Est. Median Household Income	\$44,999	\$46,178	\$48,845
2021 Est. Per Capita Income	\$31,681	\$27,722	\$27,746

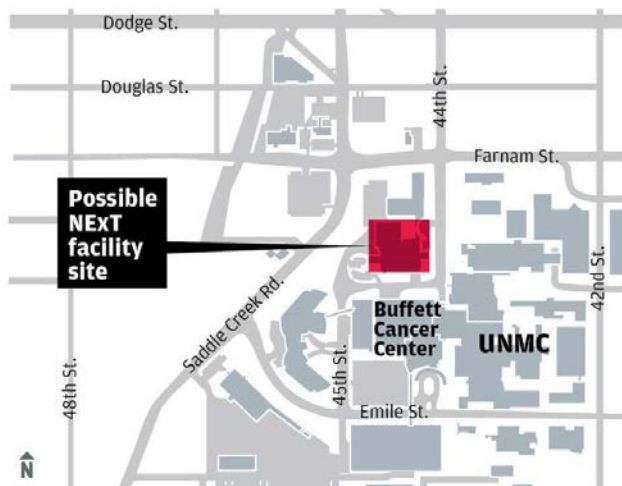


News Highlights

UNMC NExT project proposed site

The area identified as the possible future site of the proposed NExT project sits north of the Buffett Cancer Center and includes the current site of the Munroe-Meyer Institute. The institute is relocating to a new \$86 million center at 6902 Pine St.

THE WORLD-HERALD



» UNO's \$35 million renovation of Durham Science Center set

to begin in March: “Sacha Kopp, senior vice chancellor for academic affairs at UNO, said the renovation will essentially be an infrastructure upgrade to a building that has seen only minor touch-ups since it opened in 1987. The building — located near the northwest edge of the north campus — houses several academic departments including chemistry, mathematics, physics and geology.” – Omaha World-Herald

» Nebraska's jobless rate of 2% sets state record and is lowest

in nation: “It tied the lowest rate ever for any state and was the nation’s lowest for September...Parts of Nebraska reached even lower rates. The Omaha area saw a 1.7% unemployment rate.” – Omaha World-Herald

» Step by Step: Steady Transformation Due to Development:

“The UNMC/Nebraska Medicine has plans for a campus that could cost as much as \$2 billion, announced in 2019, could have massive ripple effects in the vicinity of its campus and throughout the region due to its outsized role as a major employer, its central location, and its proximity to the ORBT route.” – Omaha Magazine

» NExT: A Nebraska Transformational Project:

“NExT is a “once-in-a-generation” opportunity for the State of Nebraska to catapult itself into national and international prominence. We describe herein a true transformational project with deep roots in both national defense strategy and 21st century health innovation... The project will be based on the northwest corner of the current UNMC/NM campus at an estimated core construction cost of up to \$2.6 billion over a seven-to eight-year period.” – University of Nebraska Medical Center

» Saddle Creek Development project moves forward:

The 350,000-square-foot administrative building will house critical functions for UNMC, such as providing workspace and collaboration for clinical faculty as well as serve as the administrative headquarters for many university and health care system functions. The project includes other mixed-use spaces and multi-modal connectivity that will benefit UNMC’s neighbors and the City of Omaha.”

– University of Nebraska Medical Center



Tenant Overview



Newport Beach, California

Headquarters

NYSE: CMG

Stock Symbol

1993

Founded

2,600+

Locations

www.chipotle.com

Website

Chipotle Mexican Grill, Inc. (NYSE: CMG) is an American chain of fast casual restaurants in the United States, United Kingdom, Canada, Germany, and France, known for its large burritos, assembly-line production, and use of natural ingredients. Founded in 1993, Chipotle is one of the first chains of fast casual dining establishments, offering more than 65,000 combinations of burritos, soft tacos, crispy tacos, chips and salsa, beer, and margaritas.

The company has also released a mission statement called Food with Integrity, which highlights its efforts in using organic ingredients and serving more naturally

raised meat than any other restaurant chain. The company's revenue in Q3 of 2020 was \$1.6 billion, an increase of 14.1% compared to the third quarter of 2019.

"CHIPOTLANE" DRIVE-THRU STORES

In 2020, Chipotle introduced a new prototype store with a drive-thru. These Chipotlane stores generate 10% more in sales than stores without a drive-thru. Online and mobile orders for Chipotle increased 177% year-over-year, accounting for nearly 50% of total sales.

Property Photos



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In recent years, the Omaha has experienced tremendous growth with over two billion dollars in new development. The city accomodates four Fortune 500 company headquarters: Berkshire Hathaway(3), which is Warren Buffett's multinational holding company, Union Pacific Railroad(141), Mutual of Omaha

Situated in farm country, Omaha is on the forefront of the farm-to-fork movement with some of the top 100 certified restaurants on the Good Food 100 List. Omaha is also home to one of the world's best zoos. Omaha's Henry Doorly Zoo & Aquarium is more like a biological park, dedicated to conservation around the globe and home to the world's largest indoor desert, world's largest glazed geodesic dome, and North America's largest indoor rainforest. CHI Health Center Omaha, the city's convention center, and arena attracts big-name talent while providing a spacious technology-rich venue for conventions.

[exclusively listed by]

Jon Ruzicka
Broker of Record
952 852 9700
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