



SHAKE  SHACK

@ **PROMENADE AT CASTLE ROCK**

6489 PROMENADE PKWY
CASTLE ROCK, CO

TROPHY NET LEASED INVESTMENT
BRAND NEW DOUBLE DRIVE-THRU CONCEPT
IN REGION DOMINATING PREMIER SHOPPING CENTER



6489 PROMENADE PKWY
CASTLE ROCK, CO

TABLE OF CONTENTS

01 INVESTMENT OVERVIEW

02 FINANCIAL OVERVIEW

03 MARKET OVERVIEW

04 CONFIDENTIALITY AGREEMENT

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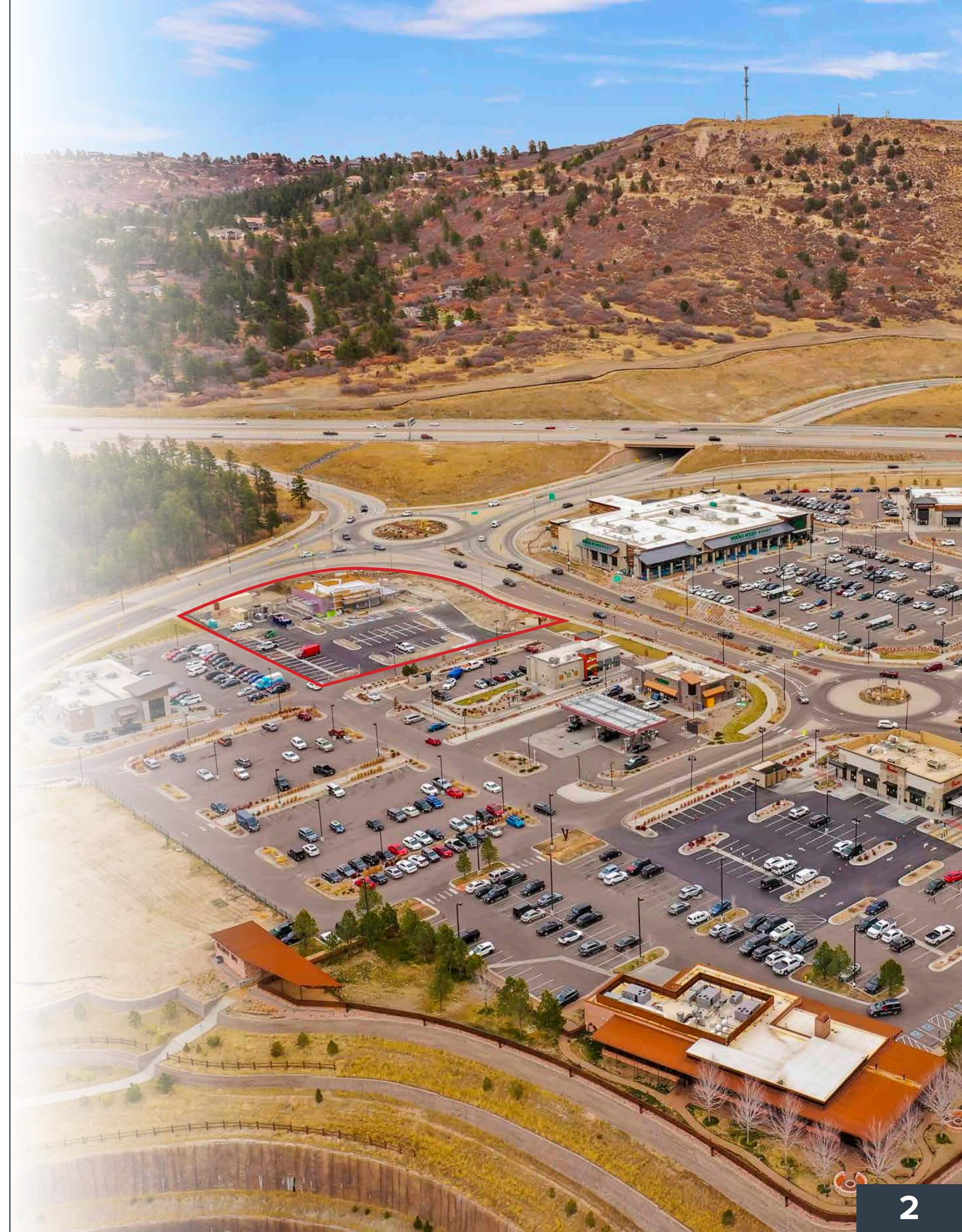
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OUTLETS AT CASTLE ROCK

• ADIDAS	• COACH	• KATE SPADE	• QDOBA
• AMERICAN EAGLE	• COLUMBIA	• KAY JEWELERS	• SKECHERS
• BANANA REPUBLIC	• EXPRESS	• LEVI'S	• STARBUCKS
• BATH & BODY WORKS	• EDDIE BAUER	• MICHAEL KORS	• SUNGLASS HUT
• CALVIN KLEIN	• FRANCESCA'S	• NIKE FACTORY	• UNDER ARMOUR
• CLARE'S	• GAP FACTORY	• THE NORTH FACE	• VANS OUTLET
• CINNABON	• H&M	• YANKEE CANDLE	
	• J CREW	• PACSUN	• ZALES

INTERSTATE
25

TORRID

maure's

petco

ULTA
BEAUTY

WHOLE
FOODS
MARKET

SIERRA

TJ-MAXX

HomeGoods

Sam's Club

SHAKE SHACK

PROMENADE PARKWAY

CASTLE ROCK PARKWAY

LOWE'S

HOBBY LOBBY

ROSS
DRESS FOR LESS

KING
Soopers

sleep number

verizon

Chick-fil-A

PREMIER
MEMBERS
CREDIT UNION

La Loma
A MEXICAN KITCHEN

7-ELEVEN

DEL TACO

STARBUCKS
COFFEE

AT&T

CUBA CUBA
SANDWICHES

CUBA CUBA

34 MILES
TO DENVER VIA I-25

45 MILES
TO COLORADO SPRINGS VIA I-25

PREMIER SHOPPING DESTINATION - PROMENADE & OUTLETS AT CASTLE ROCK	
COMBINED # OF VISITORS	4.9 MILLION
VISITORS PER WEEKEND	35,000
TRADE AREA POPULATION	436,114



- OUTLETS AT CASTLE ROCK
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 - BANANA REPUBLIC
 - BATH & BODY WORKS
 - CALVIN KLEIN
 - CLAIRE'S
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 - PACSUN
 - QDOBA
 - SKECHERS
 - STARBUCKS
 - SUNGLASS HUT
 - UNDER ARMOUR
 - VANS OUTLET
 - YANKEE CANDLE
 - ZALES



- NOTEABLE COMPANIES
- CASTLE ACADEMY
 - THREE PEAKS CAPITAL
 - ALLSTATE INSURANCE
 - PEDIATRIC DENTICARE
 - ORCHARD MED SPA
 - INTTERA INC
 - NAVPOINT REAL ESTATE
 - 20 MILE ORTHO
 - HERO BAR
 - ROCK CANYON FOOT

ASKING PRICE
\$5,400,000

CAP RATE
3.51%

PROPERTY OVERVIEW

Tenant	Shake Shack
Address	6489 Promenade Pkwy, Castle Rock, CO
Building Size	3,500 SF
Lot Size	1.5 AC
Year Built	2022



LEASE OVERVIEW

Initial Lease Term	15 Years
Expiration Date	15 Years Following Delivery Date
Lease Term Remaining	15 Years
Lease Execution Date	5/4/2021
Lease Type	Absolute NNN Ground Lease
Roof & Structure	Tenant
Rent Increases	10% Every 5 Years
Report Sales/Percentage Rent (1)	Annually
Options	3 x 5 Year
Lease Guarantor	SSE Holdings Shake Shack’s Corporate Entity

(1) Percentage Rent of 4% of Gross Sales in Excess of \$4,750,000

BASE RENT SCHEDULE

TERM	MONTHLY RENT	ANNUAL RENT	RENT INCREASES
Year 1 – Year 5	\$15,833	\$190,000	N/A
Year 6 – Year 10	\$16,150	\$209,000	10.00%
Year 11 – Year 15	\$16,473	\$229,900	10.00%
(Option 1) Year 16 – Year 20	\$16,802	\$252,890	10.00%
(Option 2) Year 21 – Year 25	\$17,139	\$278,179	10.00%
(Option 3) Year 26 – Year 30	\$17,481	\$305,997	10.00%

INVESTMENT HIGHLIGHTS

NEW 15-YEAR CORPORATELY GUARANTEED ABSOLUTE NNN GROUND LEASE

Shake Shack will occupy a brand new 3,500 square foot restaurant expected to be delivered in Q2 2022. The NNN Ground Lease is corporately guaranteed by Shake Shack (NYSE: SHAK, 275 Locations), the lease features zero landlord responsibilities and three (3) 5-year options.

DOUBLE DRIVE-THRU SHAKE SHACK CONCEPT INTRODUCED IN Q4 2021

The Subject property is a part of Shake Shack's digital initiative, the company plans for 10 drive-thru locations to be built by the end of 2022. The new drive-thru format includes two drive-thru lanes, a dedicated kitchen for drive-thru orders, and pick-up shelving for online orders.

ADJACENT TO WHOLE FOODS

This recently developed Whole Foods is the only Whole Foods within a twenty-minute drive to the north, and approximately thirty-five minutes to the south. It is perfectly situated to pull customers from an expanded trade area that includes one of the wealthiest communities (Castle Pines) in the State.

PROMENADE AT CASTLE ROCK – REGION DOMINATING PREMIER SHOPPING DESTINATION

Shake Shack is strategically located in the Promenade at Castle Rock, which is adjacent to the Outlets at Castle Rock. These two centers combined create a critical mass of retailers that draws customers from across the Denver Metro Area as well as Colorado Springs. Promenade at Castle Rock and the Outlets at Castle Rock drew a combined 9.24 million visits during 2021, an average of 75,000 visits per weekend. Promenade tenants include Whole Foods, Ulta, King Soopers, Sam's Club, Hobby Lobby, Lowes, Ross, T.J. Maxx, HomeGoods, and PetCo. The Outlets at Castle Rock features over 100 outlets including: Lululemon, H&M, Restoration Hardware, Nike, Ralph Lauren, Gap, North Face, and Under Armour.

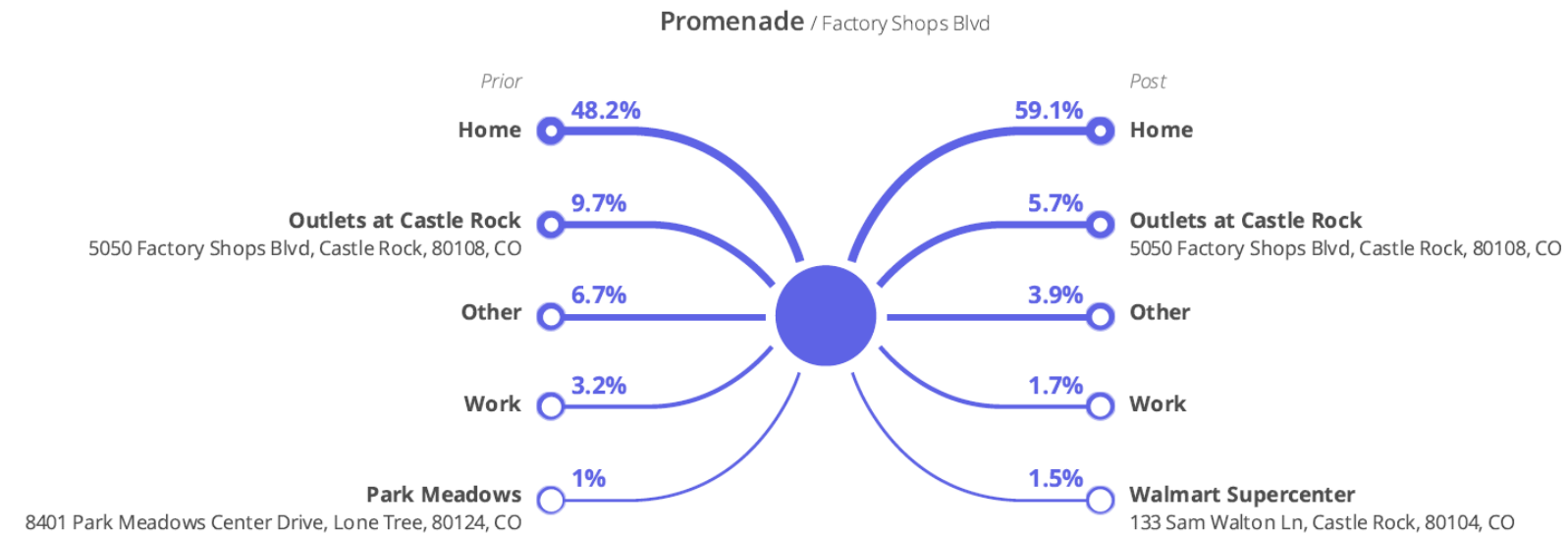
PROMENADE AT CASTLE ROCK FEATURES 1,024 APARTMENT/CONDO UNITS

The Venue at the Promenade and The Pines at Castle Rock are two luxury apartment communities, and Castle Villas is a condominium community located in/adjacent to Promenade at Castle Rocks. These three communities provide increased density in the immediate surrounding and a captive customer base.

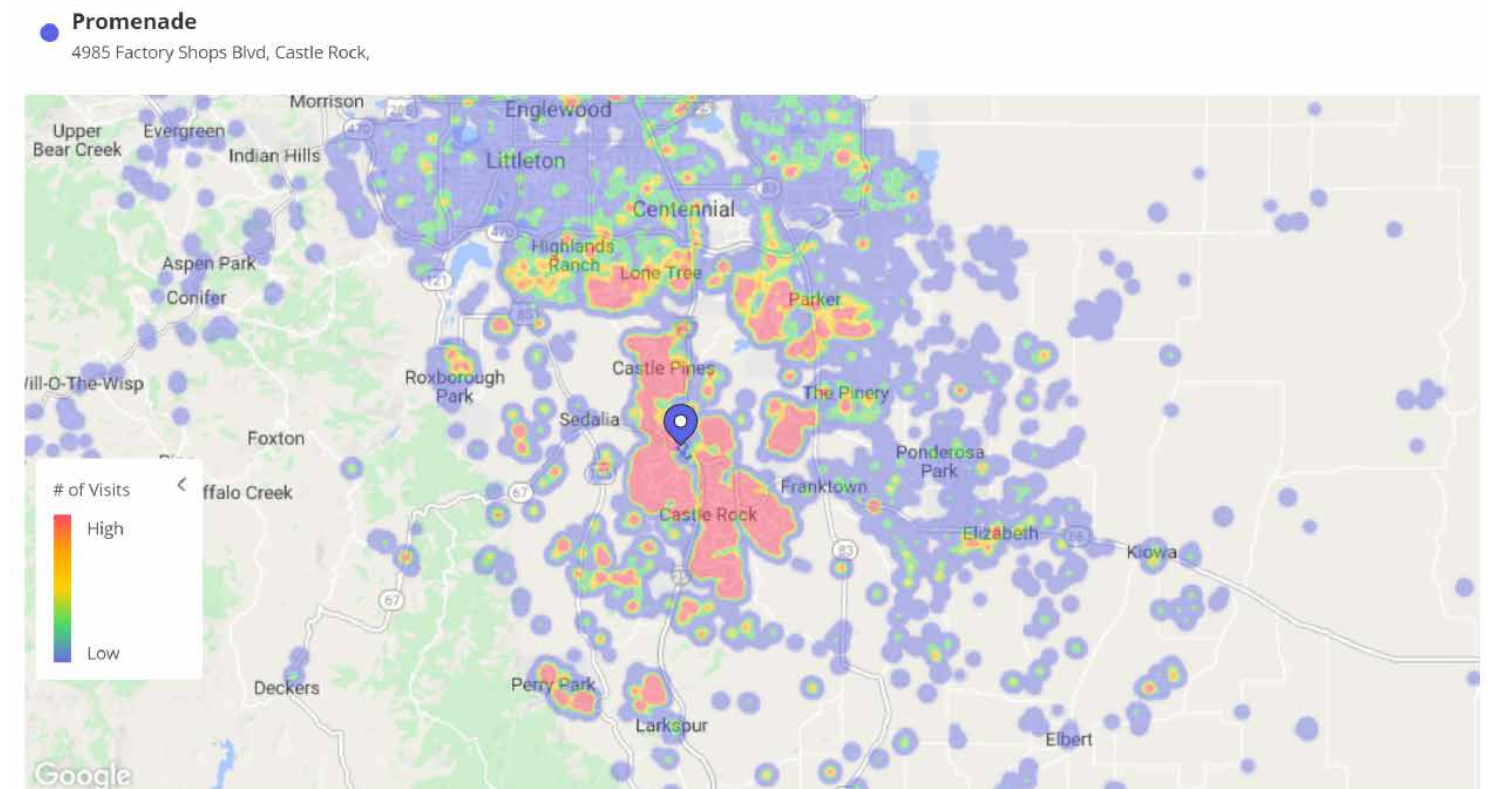
RAPIDLY GROWING WITH EXCELLENT DEMOGRAPHICS: \$177,097 AVERAGE HH INCOME & 15.7% EXPECTED POPULATION GROWTH

Castle Rock is one of the fastest growing cities in the United States, ranking 7th in 2017 (NBC). Population is expected to grow by an additional 15.7% within a 5-mile radius over the next five years. Average Household Income within a three-mile radius is \$172,488. The citizens of Castle Rock are among the most well-educated in the nation, with 48% of adults having a bachelor's degree (US average is 32%, Colorado Average is 41%).

VISITOR JOURNEY



TRADE AREA



PROGRESS PHOTOS
AS OF DECEMBER 2021



RENDERINGS
SUBJECT PROPERTY



SHAKE SHACK

NEW YORK, NY

Headquarters

PUBLIC - NYSE: SHAK

Type

250+

Locations (US & International)

6,100+ (2018)

Employees

+24.8%

Same-Shack Sales (Q3 2021)



Shake Shack is an American fast casual restaurant chain based out of New York City. Back in 2001, Shake Shack first started out as a hotdog cart inside Madison Square Park, and its popularity being to steadily grow. In 2004, the hotdog cart moved to a stand within the park, all while expanding its menu from New York-style hotdogs to one with hamburgers, hotdogs, fries, and milkshakes. Today, Shake Shack is a modern day “roadside” burger stand serving a classic American menu of premium burgers, hot dogs, crinkle-cut fries, shakes, frozen custard, beer, and wine. With its fresh and simple, high-quality food at a great value, Shake Shack is a fun and lively community-gathering place with widespread appeal.



CASTLE ROCK, CO

Promenade at Castle Rock is a 166 acre multi use development located in Castle Rock, Colorado. With over 1 million square feet of retail space and over 320 residential apartment units, Promenade at Castle Rock is one of Castle Rock’s premier places to shop, dine, and gather. Located prominently in between Interstate Hwy 25 and State Hwy 85, Promenade at Castle Rock offers national brand retailers, services, and restaurants with communal outdoor space in a neighborhood center setting.

Castle Rock is Castle Rock, Colorado is one of the fastest growing cities in America, with an annual growth rate of 6% per year and an estimated population of 64,484 in 2019. Castle Rock was voted one of the best places to live in Colorado, the city brings a suburban feel bringing young families to buy homes in the area (Average Household Income: Exceeds \$175,000). Castle Rock also offers many activities that attracts people from different cities of Colorado, including the Outlet Shops at Castle Rock, the Mini Incline, events, concerts, and a sophisticated nightlife. Castle Rock is a popular city in itself, but also acts as a rest/ traffic stop for commuters traveling to and from Colorado Springs (40 miles) and Denver (31 miles), in fact 80% of Castle Rocks residents commute into Denver for their daily jobs. Interstate-25 is the main north south highway for Colorado, and runs perfectly in the middle of Castle Rock, bringing over 133,000+ vehicles per day.

DEMOGRAPHICS

	1-MILE RADIUS	3-MILE RADIUS	5-MILE RADIUS
2026 PROJECTION	4,626	43,784	80,192
2021 ESTIMATE	4,175	37,857	69,475
GROWTH 2021 - 2026	10.79%	15.66%	15.43%
DAYTIME POPULATION	5,901	33,862	63,539
2021 AVERAGE HH INCOME	\$172,488	\$189,901	\$183,001

SELECT NEIGHBORING AMENITIES & RETAILERS



CONFIDENTIALITY AGREEMENT

Marcus & Millichap

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SOURCES

Castle Rock Photo by: Jacob Boomsma via Shutterstock
<https://shakeshack.com/home>



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