

ABSOLUTE NNN GROUND LEASE

Drive-Thru Investment Opportunity



(NYSE: MCD | S&P: BBB+)



19 Chesterfield Road

EAST LYME CONNECTICUT

ACTUAL SITE



SRS

NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETED BY



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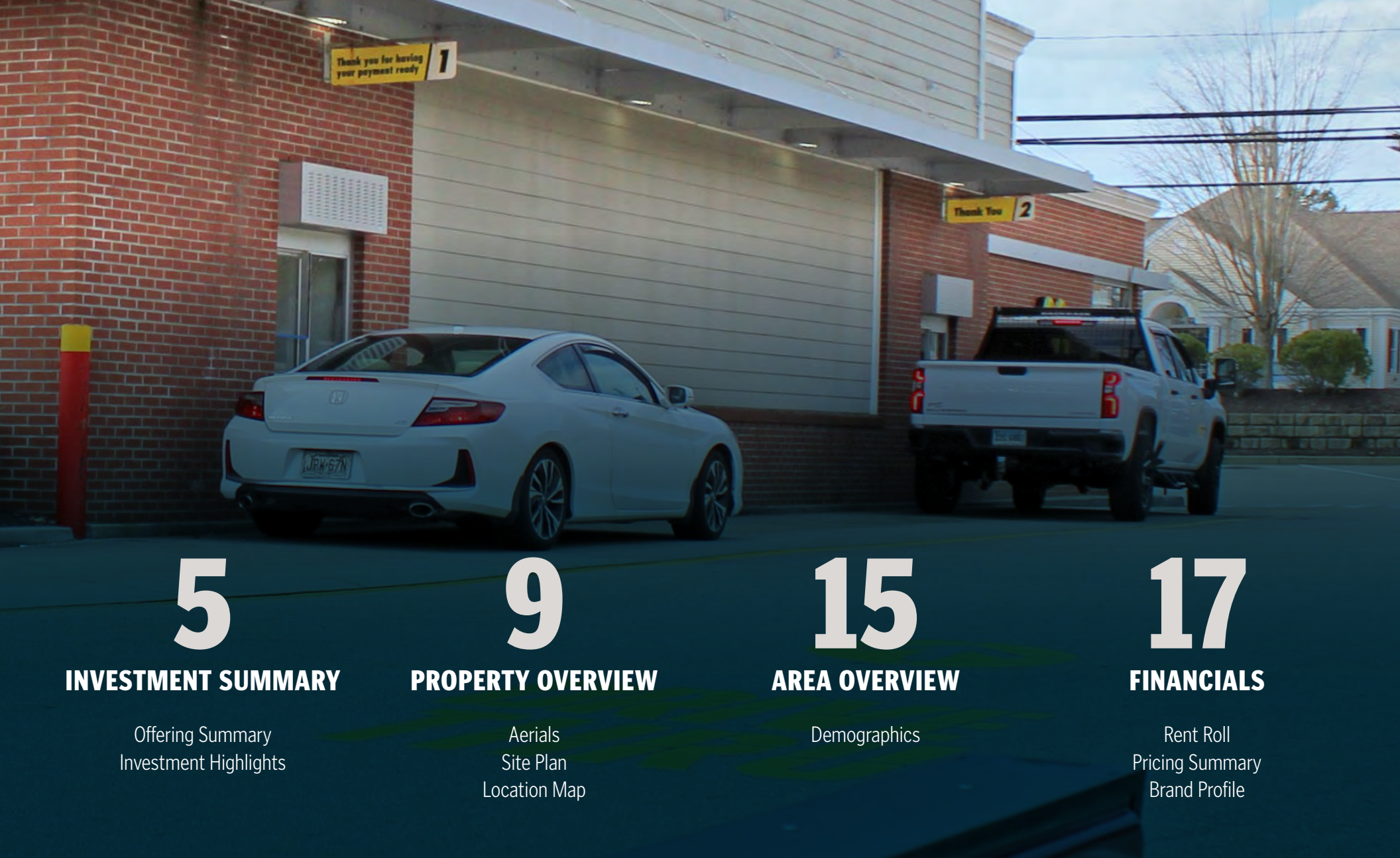
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CA License No. 01912215



Real Estate Broker: Daniel Richman, SRS Real Estate Partners-Northeast, LLC | CT License No. REB.0790882

Owner/Agent: Members of the selling entity, Exclusive Listing Broker, are owners of this property



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Brand Profile

PROPERTY PHOTO





SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee interest (land ownership) in an absolute NNN, drive-thru equipped, corporate signed McDonald's ground lease investment property located in East Lyme, Connecticut. The tenant, McDonald's USA, LLC, has approximately 7 years remaining on their current lease term with 4 (5-year) options to extend. The lease features an attractive 10% rental increase in March 2024, growing NOI and hedging against inflation. The ground lease is absolute NNN with zero landlord responsibilities, making it an ideal, management-free investment opportunity for a passive investor. Founded in 1940, McDonald's (NYSE: MCD | S&P: BBB+) is the world's leading global foodservice retailer with over 40,000 locations in more than 100 countries.

McDonald's is strategically located along Chesterfield Road/State Highway 161, which averages 13,700 vehicles passing by daily. The site profits from nearby direct on/off ramp access to Interstate 95, a major highway serving the Northeastern United States averaging 61,600 vehicles per day. The property benefits from excellent visibility via significant street frontage and a large monument sign along Chesterfield Road/State Highway 161. Furthermore, the building is equipped with a drive-thru, providing ease and convenience for customers. On average, stores with drive-thrus experience higher sales than those without. In addition, the McDonald's is ideally situated as an outparcel to Flanders Plaza Shopping Center, a 62,000 SF neighborhood center co-anchored by several established tenants including CVS and Adams Hometown Market, a local grocer. Other nearby national/credit tenants include Costco, Stop & Shop, Walgreens, Starbucks, and more. Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure to the site. Moreover, the property is located in close proximity to East Lyme High School (1,000+ students), further increasing consumer traffic to the site. The 5-mile trade area is supported by over 37,300 residents and 19,500 employees, providing a direct consumer base from which to draw. Residents within 1 mile of the subject property boast an affluent average household income of \$145,000.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$1,452,000
Net Operating Income	\$43,560
Cap Rate	3.00%
Guaranty	Corporate Signed
Tenant	McDonald's USA, LLC
Lease Type	Absolute NNN - Ground Lease
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	4,587 SF
Land Area	0.76 Acres
Property Address	19 Chesterfield Road East Lyme, Connecticut 06333
Year Built	2009
Parcel Number	ELYM M:031.1 B:055-1 L:00000
Ownership	Leased Fee (Land Ownership)



7 Years Remaining | Options to Extend | Corporate Signed | Investment Grade Tenant

- The tenant has approximately 7 years remaining on their current lease with 4 (5-year) options to extend
- The lease features an attractive 10% rental increase in March, 2024, growing NOI and hedging against inflation
- Founded in 1940, McDonald's (NYSE: MCD | S&P: BBB+) is the world's leading global foodservice retailer with over 40,000 locations in over 100 countries

Absolute NNN Ground Lease | Leased Fee Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, utilities, taxes, and insurance
- Zero landlord responsibilities - ground lease
- Ideal, management-free investment opportunity for a passive investor

Flanders Plaza Shopping Center | Retail Corridor | Strong National/Credit Presence | East Lyme High School

- Ideally situated as an outparcel to Flanders Plaza Shopping Center, a 62,000 SF neighborhood center co-anchored by several established tenants including CVS and Adams Hometown Market, a local grocer
- Other nearby national/credit tenants include Costco, Stop & Shop, Walgreens, Starbucks, and more
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure to the site
- Close proximity to East Lyme High School (1,000+ students), further increasing consumer traffic to the site

Strategically Located Along Chesterfield Road (13,700 VPD) | Interstate 95 (61,600 VPD) | Significant Street Frontage | Multiple Access Points | Drive-Thru Equipped

- The subject property is strategically located along Chesterfield Road/State Highway 161, which averages 13,700 vehicles passing by daily
- Nearby direct on/off ramp access to Interstate 95, a major highway serving the Northeastern United States averaging 61,600 vehicles per day
- Excellent visibility via significant street frontage and a large monument sign along Chesterfield Road/State Highway 161
- Multiple points of ingress/egress
- The building is equipped with a drive-thru pharmacy, providing ease and convenience for customers

Affluent, Direct Consumer Base | Strong Demographics in 5-Mile Trade Area

- The 5-mile trade area is supported by over 37,300 residents and 19,500 employees
- Residents within 1 mile of the subject property boast an affluent average household income of \$145,000
- East Lyme is a prosperous coastal town located halfway between New York and Boston, making it an ideal destination for families, retirees, and tourists alike

PROPERTY OVERVIEW



LOCATION



East Lyme, Connecticut
New London County
New Haven MSA

ACCESS



Chesterfield Road/ State Highway 161: 1 Access Point
Boston Post Road/ U.S. Highway 1: 1 Access Point

TRAFFIC COUNTS



Chesterfield Road/ State Highway 161: 13,700 VPD
Boston Post Road/ U.S. Highway 1: 13,200 VPD
Interstate 95: 61,600 VPD

IMPROVEMENTS



There is approximately 4,587 SF of existing building area

PARKING



There are approximately 44 parking spaces on the owned parcel.
The parking ratio is approximately 9.59 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: ELYM M:031.1 B:055-1 L:00000
Acres: 0.76
Square Feet: 33,106

CONSTRUCTION



Year Built: 2009

ZONING



Commercial

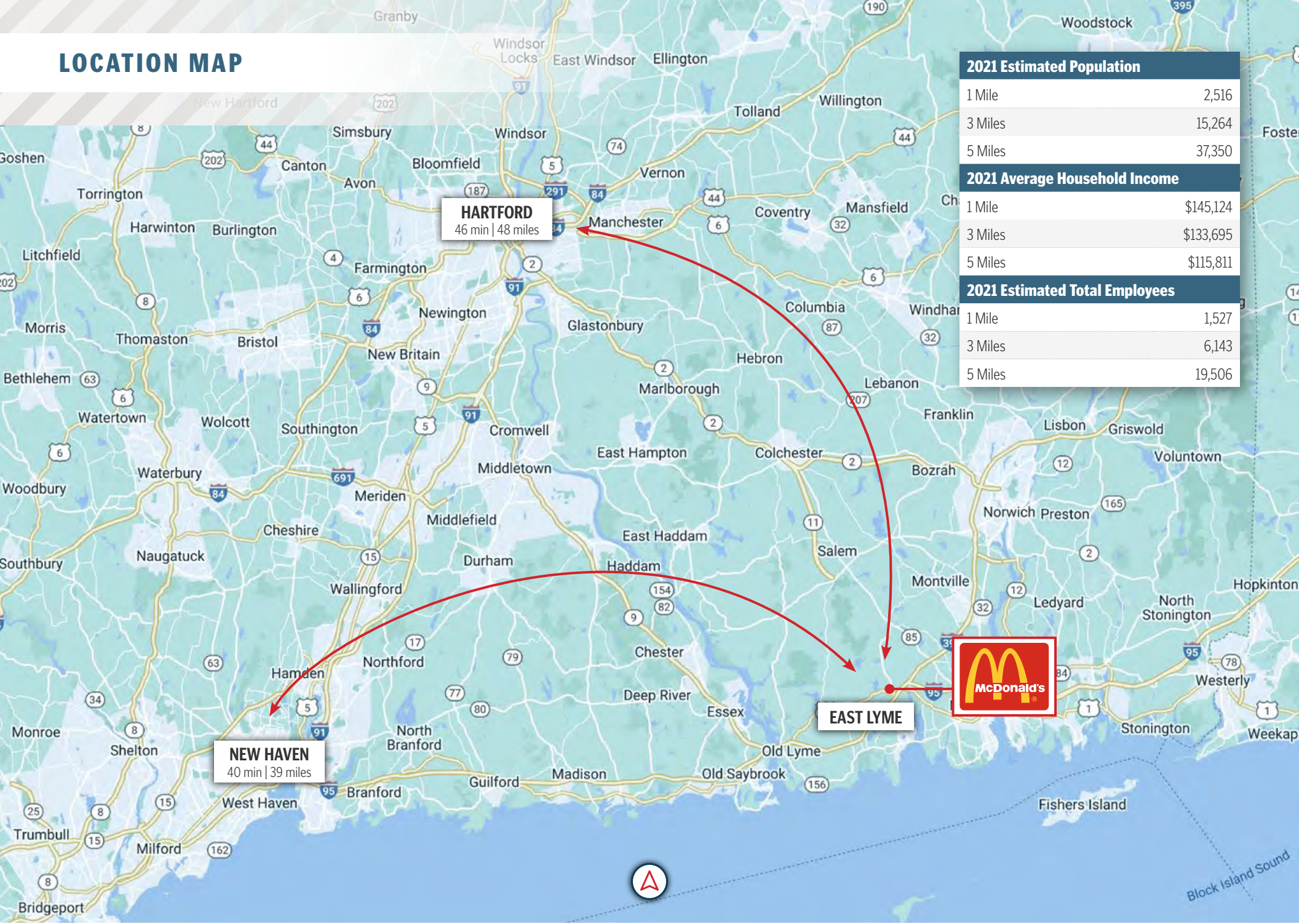








LOCATION MAP



2021 Estimated Population	
1 Mile	2,516
3 Miles	15,264
5 Miles	37,350
2021 Average Household Income	
1 Mile	\$145,124
3 Miles	\$133,695
5 Miles	\$115,811
2021 Estimated Total Employees	
1 Mile	1,527
3 Miles	6,143
5 Miles	19,506

AREA OVERVIEW



EAST LYME, CONNECTICUT

East Lyme is a town in New London County, Connecticut. The population was 18,693 at the 2020 census. The villages of Niantic and Flanders are located in the town. Conveniently located halfway between New York and Boston, overlooking Long Island Sound, the picturesque town of East Lyme offers a wealth of activities to visitors and residents alike.

The town's economy is primarily driven by the services industry, followed by trade, construction, and mining. The largest single employer in town is the state of Connecticut's Department of Corrections which runs two prisons in the west end of town.

The town is comprised of two villages, Flanders to the north, and Niantic along the shoreline. Each has its distinct features, but together they form a vibrant town filled with quaint shops and quality restaurants, cozy inns, historic buildings, plenty of opportunities for outdoor recreation, and a widely-respected education system.

East Lyme is perfectly situated for a wide range of activities. Within a short drive to the west are the picturesque towns of Essex, Old Saybrook, and Old Lyme, where maritime history, particularly the Connecticut River Museum, antiques and art are all to be found. Another short drive, this time to the east, takes you to Mystic Seaport and Mystic Aquarium, two well-known attractions. To the northeast are the Foxwoods and Mohegan Sun casinos, where, in addition to games of chance, world-class shopping, dining, and entertainment are offered. Farther to the northeast, but still within an hour of East Lyme, is Connecticut's Quiet Corner, where antique shops abound.

AREA DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
Population			
2021 Estimated Population	2,516	15,264	37,350
2026 Projected Population	2,565	15,419	37,230
2010 Census Population	2,458	15,108	37,622
Households & Growth			
2021 Estimated Households	1,065	6,018	14,951
2026 Projected Households	1,089	6,092	14,938
2010 Census Households	1,019	5,833	14,704
Historical Annual Growth 2010 to 2021	0.30%	0.30%	0.16%
Race & Ethnicity			
2021 Estimated White	86.04%	87.16%	86.45%
2021 Estimated Black or African American	1.63%	3.28%	5.31%
2021 Estimated Asian or Pacific Islander	9.14%	6.42%	4.81%
2021 Estimated American Indian or Native Alaskan	0.24%	0.35%	0.51%
2021 Estimated Other Races	1.67%	2.32%	4.01%
2021 Estimated Hispanic	6.04%	6.39%	10.38%
Income			
2021 Estimated Average Household Income	\$145,124	\$133,695	\$115,811
2021 Estimated Median Household Income	\$111,516	\$102,907	\$85,076
2021 Estimated Per Capita Income	\$57,883	\$53,310	\$46,281
Businesses & Employees			
2021 Estimated Total Businesses	186	597	1,757
2021 Estimated Total Employees	1,527	6,143	19,506



RENT ROLL



LEASE TERM						RENTAL RATES					
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
McDonald's USA, LLC	4,587	2/27/2009	2/26/2029	Current	-	\$3,630	\$0.79	\$43,560	\$9.50	Absolute NNN	4 (5-Year)
(Corporate Signed)		(Est.)		3/1/2024	10%	\$3,993	\$0.87	\$47,916	\$10.45	(Ground Lease)	10% Increases at Beg. of Each Option

1) Tenant shall have a 30-day Right of First Offer to Purchase the Premises (ROFO)

FINANCIAL INFORMATION

Price	\$1,452,000
Net Operating Income	\$43,560
Cap Rate	3.00%
Lease Type	Absolute NNN - Ground Lease

PROPERTY SPECIFICATIONS

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Rentable Area	4,587 SF
Land Area	0.76 Acres
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FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



MCDONALD'S

mcdonalds.com

Company Type: Public (NYSE: MCD)

Locations: 39,000+

2020 Employees: 200,000

2020 Revenue: \$19.21 Billion

2020 Net Income: \$4.73 Billion

2020 Assets: \$52.63 Billion

Credit Rating: S&P: BBB+

McDonald's serves a variety of menu options made with quality ingredients to more than 25 million customers every day. McDonald's is the world's leading global foodservice retailer with over 39,000 locations in over 100 countries. Approximately 93% of McDonald's restaurants worldwide are owned and operated by independent local business owners. McDonald's Corporation franchises and operates fast-food restaurants in the global restaurant industry. The Company's restaurants serve a variety of value-priced menu products in countries around the world. McDonald's was founded in 1940 and is headquartered in Chicago, Illinois.



THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

3K+

RETAIL
TRANSACTIONS
company-wide
in 2021

840+

NET LEASE
TRANSACTIONS
SOLD
in 2021

\$3.1B+

NET LEASE
TRANSACTION
VALUE
in 2021

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