

# DAIRY QUEEN

2935 WEST 71<sup>ST</sup> STREET, INDIANAPOLIS, INDIANA



OFFERING MEMORANDUM

Marcus & Millichap





**COSTCO** at home  
WHOLESALE The Home Décor Superstore

**TRADER JOE'S**  
**ROSS** STUDIO  
DRESS FOR LESS MOVIE GRILL

**ALDI**

**LOWE'S** **Walmart**  
**POPEYES**  
**Chick-fil&** **ZAXBY'S**

**Save a lot** **LONG JOHN SILVER'S** **CVS pharmacy**  
food stores

**AutoZone** **O'Reilly**  
AUTO PARTS

**ExtraSpace Storage** **FAMILY DOLLAR** **CHURCH'S**  
**CITITRENDS**

**Dairy Queen**

**Ascension**  
ST. VINCENT HOSPITAL

**NORDSTROM** **sweetgreen**  
**ANTHROPOLOGIE**  
**SHERATON** **The Cheesecake Factory** **Fifth Avenue**  
**BENIHANA** **POTTERY BARN**  
THE FASHION MALL AT KEYSTONE

**macys**  
**JCPenney** **DICK'S**  
**VON MAUR** **THEATRES**  
**H&M** **McALISTER'S** **Bucar**  
CASTLETON SQUARE

**FORT HARRISON STATE PARK**

**INDIANA STATE FAIRGROUNDS & EVENT CENTER**

**MARIAN UNIVERSITY**  
Indianapolis

**CHILDREN'S MUSEUM**  
INDIANAPOLIS

**TARGET**  
**PET SMART**  
**Walmart**  
**ALDI** **Kroger**  
**Chick-fil&** **AMC THEATRES**  
**BEST BUY** **LA FITNESS**



**DOWNTOWN INDIANAPOLIS**

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# Executive Summary

2935 West 71st Street, Indianapolis, IN 46268

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$1,950,000</b>
Cap Rate	5.79%
Building Size	2,735 SF
Net Cash Flow	5.79% \$112,927.50*
Year Built	1970
Lot Size	0.73 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	MMPR 71st Street Hospitality, LLC, an Indiana limited liability company
Guarantor	Personal
Roof & Structure	Tenant Responsible
Lease Commencement Date	March 10, 2023
Lease Expiration Date	March 1, 2041
Lease Term Remaining	18 Years
Rental Increases	10% Every 5 Years Throughout Initial Lease Term with 7.5% Increases in Each Renewal Option Period
Renewal Options	4, 5 Year Options

\*Based on March 2024 Rent Increase. Rent through March 2024 is \$105,502.50. Seller will credit the Buyer the pro-rated difference in current rent and rent as of March 2024 at closing.

## ANNUALIZED OPERATING DATA

<b>Lease Years</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 2 (March 2024) – 5	\$112,927.50	5.79%
Years 6 (March 2029) – 10	\$124,220.25	6.37%
Years 11 (March 2034) – 15	\$136,642.28	7.01%
Years 16 (March 2039) – 18	\$150,306.50	7.71%
<b>Renewal Option 1</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 19 (March 2041) – 20	\$150,306.50	7.71%
Years 21 (March 2043) – 23	\$161,579.49	8.29%
<b>Renewal Option 2</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 24 (March 2046) – 28	\$173,697.95	8.91%
<b>Renewal Option 3</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 29 (March 2051)– 33	\$186,725.30	9.58%
<b>Renewal Option 4</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Years 34 (March 2056) – 38	\$200,729.70	10.29%

<b>Base Rent</b>	<b>\$112,927.50</b>
<b>Net Operating Income</b>	<b>\$112,927.50</b>
<b>Total Return</b>	<b>5.79% \$112,927.50</b>







# DOWNTOWN INDIANAPOLIS

WISE STAFFING GROUP  
DRC CORPORATION  
DATA RECOGNITION

O'Reilly  
AUTO PARTS

26,400 CPD  
N MICHIGAN ROAD

ESKENAZI  
HEALTH

Save a lot  
food stores  
CITITRENDS

FAMILY DOLLAR  
SUBWAY  
Little Caesars  
metro  
by T-Mobile

21st  
AMENDMENT  
WINE & SPIRITS

TACO BELL

CAR DEALER

WESTLANE  
SHOPPING CENTER

DRY CLEANER

11,000 CPD  
W 71ST ST / WESTLANE RD

Dairy Queen

CVS  
pharmacy

CHURCH'S  
TEXAS & CHICKEN





# Property Description



## INVESTMENT HIGHLIGHTS

- » **Brand New 18-Year Absolute Triple-Net (NNN) Lease with Dairy Queen - 30 Unit Franchisee**
- » 10 Percent Rental Increases Throughout the Initial Lease Term with 7.5 Percent Rental Increases in Each Renewal Option Period
- » **187,356 Residents and 250,266 Daytime Employees within a Five-Mile Radius - Growing Indianapolis Infill**
- » Located at the Corner of Michigan Road and West 71st Street/Westlane Road - More Than 37,000 Combined Cars per Day
- » **Surrounded by National Tenants - CVS, Save A Lot, Taco Bell, AutoZone, Long John Silver's and More**
- » Average Household Income Exceeds \$94,000 within Five Miles of the Subject Property
- » **Easily Accessible Location - Situated Three Miles to the South and East of the Interstate 465 Freeway**



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2027 Projection	13,175	76,074	189,556
2022 Estimate	13,011	75,558	187,356
Growth 2022 - 2027	1.26%	0.68%	1.17%

### Daytime Population

2022 Estimate	10,091	111,641	250,266
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### Households

2027 Projection	4,866	32,999	81,090
2022 Estimate	4,792	32,671	79,904
Growth 2022 - 2027	1.55%	1.00%	1.48%

### Income

2022 Est. Average Household Income	\$61,447	\$73,894	\$94,006
2022 Est. Median Household Income	\$49,042	\$51,901	\$58,991



# Tenant Overview



## Dairy Queen



**7,000**  
Locations



**PRIVATE**  
Company Type



**1940**  
Founded



**DAIRYQUEEN.COM**  
Website



**BLOOMINGTON, MINNESOTA**  
Headquarters

Dairy Queen is a world-renowned fast food restaurant chain with a vision to be the world's favorite quick-service restaurant. With over 80 years of experience satisfying millions of loyal customers, the company was founded in 1940 when its first location opened in Joliet, Illinois. Dairy Queen restaurants serve a variety of frozen treats, from sundaes and ice cream cones to 16 different Blizzard treats. Blizzards are a popular menu item that consists of soft-serve ice cream blended with mix-in ingredients, such as cookies, brownies, candy, or other sundae toppings. Additionally, customers can also find food items on Dairy Queen's menu, including burgers, sandwiches, chicken, salads, and french fries. Participating Dairy Queen locations also serve customizable, ready made cakes and Blizzard cakes.

International Dairy Queen Inc. (IDQ), based in Minneapolis, Minnesota, is the parent company of American Dairy Queen Corporation and Dairy Queen Canada, Inc. Through its subsidiaries, IDQ develops, licenses, and services a system of more than 7,000 locations in the United States, Canada, and more than 20 other countries around the world.



# Property Photos





# Location Overview



Indianapolis is the 12<sup>th</sup> largest city in the U.S., and home to 810,000 residents in the city proper, with 2 million residents in the greater metropolitan area. Nicknamed the “Circle City,” and “Crossroads of America,” Indianapolis has more interstate highways bisecting the city and state than any other in the country, and half the nation’s population is within a days drive of Indianapolis which makes it a center for the transportation of goods.

In addition to serving as a premier distribution hub, the Indianapolis MSA is also a major center for health and sciences, with the several educational institutions, and health related employers such as Eli Lilly & Co., Roche Diagnostics Corp. and Covance Inc. maintaining operations in the region.

Primary economic sectors include finance and insurance, manufacturing, professional and business services, education and health care, government, and wholesale trade. The city is home to three Fortune 500 companies, two major league sports clubs, four university campuses, and several museums, including the world’s largest children’s museum.

However, the city is perhaps best known for annually hosting the world’s largest single-day sporting event, the Indianapolis 500, or Indy 500 with approximately 300,000 attendees on race-day. Among the city’s historic sites and districts, Indianapolis is home to the largest collection of monuments dedicated to veterans and war casualties in the U.S. outside of Washington, D.C.



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**Marcus & Millichap**