



4411 LINCOLNWAY EAST (STATE HWY 933) MISHAWAKA, INDIANA

BRAND NEW 2023 CONSTRUCTION | 15-YEAR LEASE TERM | ABSOLUTE NNN

TABLE OF CONTENTS

Conditions of Offering	3
INVESTMENT SUMMARY	
Investment Highlights	4
Key Features	5
Leasing Plan	6
PROPERTY DESCRIPTION	
Location Overview	8
TENANCY	
Tenant Description	12
Financials	13
Rent Roll	13
Lease Abstract	14



CONDITIONS OF OFFERING



OFFERING MEMORANDUM AND LEGAL LIABILITY

The Offering Memorandum ("The Memorandum") is intended solely for the limited use of the Potential Purchaser in considering whether to pursue negotiations to acquire Chipotle in Mishawaka, Indiana ("The Property"). The Memorandum, prepared by Mid-America Real Estate Corporation (hereinafter collectively referred to as "BROKER"), contains information pertaining to the operation of The Property and does not purport to be all inclusive or to contain all the information, which The Potential Purchaser may desire. The Memorandum is being delivered with the understanding that The Potential Purchaser will conduct its own analysis and investigation of The Property, independently and without reliance upon BROKER, The Owner or The Memorandum and based on such documents, information, and other matters as The Potential Purchaser, in its sole discretion, deems appropriate in evaluating a purchase of The Property. In furnishing The Memorandum, BROKER and/or The Owner reserve(s) the right to request the return of The Memorandum (including all copies or partial copies), or any other information provided, at any time. Neither The Owner nor BROKER or any of their officers, employees or agents make any representation or warranty, expressed or implied, as to the accuracy or completeness of The Memorandum or any oral or written communication transmitted from BROKER and/or The Owner to The Potential Purchaser and no legal liability is assumed or to be implied with respect thereto. By accepting The Memorandum, The Potential Purchaser agrees that The Memorandum's contents and any other information pertaining to The Property and provided to The Potential Purchaser are confidential and proprietary; that The Memorandum and the information contained therein or provided is the property of The Owner and/or BROKER; that it will hold and treat The Memorandum and information provided in the strictest of confidence; that it will not, directly or indirectly, disclose or permit anyone else to disclose The Memorandum's contents without prior written authorization; and, that it will not use or permit to be used The Memorandum or The Memorandum's contents in any fashion or manner detrimental to the interest of The Owner or BROKER or in violation of the obligation to maintain such information and The Memorandum in strict confidence. However, The Potential Purchaser may disclose such confidential information to its employees, auditors, financial advisors, directors and/or counsel to whom it is reasonably necessary for purposes of evaluating The Property provided all reasonable precautions are taken to safeguard the information and parties are informed of the need to maintain the information as confidential. The Potential Purchaser agrees that photocopying or other duplication of information provided by The Owner and/or BROKER is strictly prohibited. The Owner expressly reserves the right, at its sole discretion, to reject any or all proposals or expressions of interest in The Property and to commence, participate in, or terminate discussions with any party at any time with or without notice. The Potential Purchaser acknowledges that The Owner has no obligation to discuss or agree to the sale of The Property. Notwithstanding that The Potential Purchaser and The Owner may reach one or more oral understandings or agreements on one or more issues that are being discussed, neither party shall be bound by any oral agreement of any kind and no rights, claims, obligations or liabilities of any kind, either express or implied, shall arise or exist in favor of or be binding upon either party except to the extent expressly set forth in a written agreement signed by both parties. The Memorandum shall not be deemed a representation of the state of affairs of The Property nor constitute an indication that there has been no change in the business or affairs of The Property since the date of its preparation. The Potential Purchaser agrees not to contact the tenants, leasing brokers or property management staff of The Property in connection with its review of The Property without prior written approval of The Owner. Any and all questions related to The Memorandum, or The Property must be directed to BROKER. In the event The Potential Purchaser decides not to pursue the acquisition of The Property, The Potential Purchaser agrees to return The Memorandum to the appropriate representative of BROKER.

REPRESENTATION

The Potential Purchaser understands and agrees that BROKER is not representing The Potential Purchaser in this Proposed Sale. BROKER is only representing The Owner in this Proposed Sale.

AMERICANS WITH DISABILITIES ACT

The United States Congress has enacted the Americans With Disabilities Act. Among other things, this act is intended to make business establishments equally accessible to persons with a variety of disabilities. As such, modifications to real property may be required. State and local laws also may mandate changes. Neither The Owner nor BROKER is qualified to advise The Potential Purchaser as to what, if any, changes may be required now, or in the future. The Potential Purchaser should consult the attorneys and qualified design professionals of its choice for information regarding these matters. Neither The Owner nor BROKER can determine which attorneys or design professionals have the appropriate expertise in this area.

HAZARDOUS MATERIALS DISCLOSURE

Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and as such may need to be specifically treated, handled or removed. Due to prior or current uses of The Property or the area, there may be hazardous or undesirable metals, minerals, chemicals, hydrocarbons or biological or radioactive items (including electric and magnetic fields) in soils, water, building components, above or below-ground containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. Neither The Owner nor BROKER has expertise in the detection or correction of hazardous or undesirable items. Expert inspections are necessary. Current or future laws may require clean up by past, present and/or future owners and/or operators. It is the responsibility of The Potential Purchaser to retain qualified experts to detect and correct such matters.

REMEDIES

If there is a breach or threatened breach of any provision of these Conditions of Offering, The Owner and/or BROKER shall be entitled to seek redress by court proceedings in the form of an injunction restraining The Potential Purchaser without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy and/or a decree for specific performance without any bond or other security being required. Nothing herein shall be construed as prohibiting The Owner and/or BROKER from pursuing any other remedies at law or in equity, which it may have. If The Owner and/or BROKER is involved in a court proceeding to enforce the covenants contained in these Conditions of Offering and The Owner and/or BROKER prevails in such litigation, The Potential Purchaser shall be liable for the payment of The Owner and/or BROKER's reasonable attorneys' fees, court costs and ancillary expenses together with such other and further relief as available under any applicable statute.

INVESTMENT SUMMARY

Mid-America Real Estate Corporation has been retained on behalf of the owner to sell a brand-new construction, 2,350 square foot Chipotle Mexican Grill with a drive-thru in Mishawaka, IN. The subject property is ideally positioned along Lincolnway East (State Highway 933) and features a 15-year absolute NNN lease.

TENANT	Chipotle
YEAR BUILT	2023
GLA	2,350
SITE AREA	1.1 acres
TERM	15 Years
OPTION TERMS	Four, 5-year
LEASE TYPE	Absolute NNN (Zero Landlord Responsibilities)
ESCALATIONS	10% increases every 5 years
ADDRESS	4411 Lincolnway East (State Hwy 933) Mishawaka, Indiana
TRAFFIC COUNTS	Lincolnway East (State Hwy 933) (15,500 VPD) Capital Avenue (State Hwy 331) (19,100 VPD)



\$2,962,000

Asking Price:

5.30%

CAP Rate:

\$157,000

Year 1 NOI:



KEY FEATURES



LONG TERM ABSOLUTE NNN LEASE

Chipotle has entered a brand new 15-year, absolute NNN lease. This lease structure ensures there are zero landlord responsibilities whatsoever, making this a passive income investment with long term cash flow.



CORPORATE LEASE / INDUSTRY LEADING TENANT

This lease is guaranteed by Chipotle Mexican Grill, Inc., Chipotle is one of the largest fast-casual restaurant chains in the world with over 3,250+ locations across North America and Europe.



BRAND NEW CONSTRUCTION | "CHIPOTLANE" DRIVE-THRU

Chipotle is a brand-new building, completed in 2023. This Chipotle location features a "Chipotlane," an exclusive and modernized drive-thru experience. The drive-thru prototype has been shown to increase sales by 10 - 15% on average.



EXCELLENT SUBURBAN SOUTH BEND DEMOGRAPHICS

The surrounding community of Mishawaka is one of Northern Indiana's most affluent areas, within a three-mile radius of the subject offering, there are 30,718 residents with an average household income of \$94,345.



PROXIMITY TO MAJOR UNIVERSITIES

Mishawaka is an eastern suburb of South Bend, just nine miles southeast of the University of Notre Dame, ranked as the 20th best university in the nation by US News in 2023, and home to over 9,000 undergraduate students. Located six miles to the west is Indiana University -South Bend, which has a total population of 3,750 students.



HIGHLY TRAFFICKED LOCATION

Chipotle is located near a signalized intersection of Bittersweet Road and Lincolnway East (State Highway 933) Mishawaka's main east/west thoroughfare, with a traffic count of 15,500 VPD. One mile east of the subject is Capital Avenue (State Highway 331), a main north/south arterial route, which has an average daily traffic count of 19,100 VPD. The subject property features 120 feet of frontage along Lincolnway East and is visible from westbound and eastbound traffic.

DESIRABLE DEMOGRAPHIC PROFILE

within 3 miles

Population



30,718

Daytime
Population



26,305

Housing
Units



12,011

Average HH
Income



\$94,345

Median
Home Value



\$197,110

Median Age

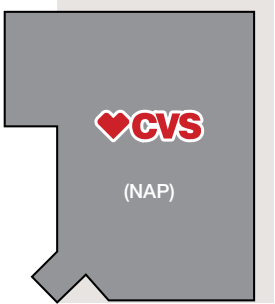
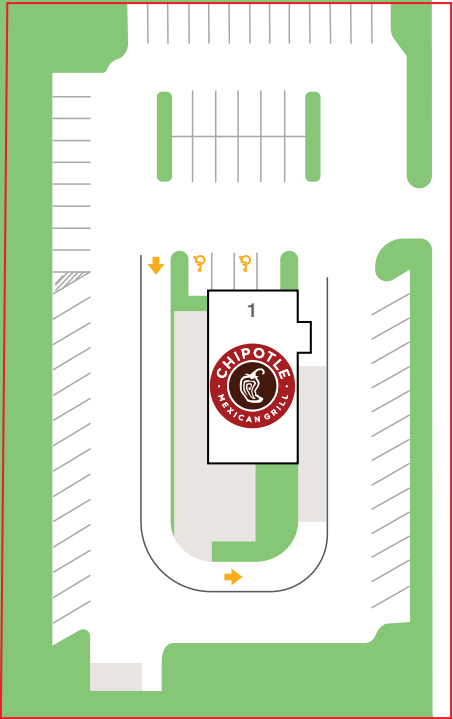


40.9



Lincolnway East (State Hwy 933) (15,500 VPD)

Walnut St



TENANT	SUITE	SQUARE FEET
Chipotle	1	2,460

WEST FACING AERIAL



LOCATION & MARKET



- Mishawaka is bordered to the west by South Bend (103,000 residents), home to The University of Notre Dame, a private Catholic 4-year University attended by over 9,000 students, and 8 miles west of the Downtown Elkhart (53,000 residents).
- Chipotle is located across Lincolnway East from Bittersweet Plaza, a neighborhood center anchored by Martin's Supermarket (5th ranked location by visits statewide) and with other tenants including Anytime Fitness, Walgreens, PNC bank and Great Clips (8th ranked location by visits statewide). Bittersweet plaza caters to over 1.2 million visits per year, according to Placer Ai.
- The subject property is adjacent to a CVS, and across Bittersweet Road from a two-tenant center, with tenants including Starbucks and Verizon.
- The Chipotle provides to neighboring communities of South Bend, Gulivoire Park, and Osceola. There are 30,718 residents earning average household incomes of \$94,235 within a three-mile radius, and a population of 85,854 residents earning average household incomes of \$81,109 within a five-mile radius.



PROPERTY DESCRIPTION

- Constructed in 2023, Chipotle is situated on approximately 1.1 acres and features 2,350 square feet of gross leasable area.
- Chipotle benefits from excellent visibility from Lincolnway East, which runs along the north border of the subject property. The subject property features one pylon sign and one point of access along Bittersweet Road.
- The subject property features a total of 48 parking spaces (19.2 spaces per 1,000 SF) available to customers.

DEMOGRAPHIC PROFILE			
DISTANCE FROM SUBJECT:	1 MILE	3 MILES	5 MILES
2023 Population	5,169	30,718	85,854
2023 Households	2,122	12,011	35,755
2023 Median Home Value	\$201,812	\$197,110	\$184,991
2023 Daytime Demographics	3,927	26,305	84,594
2023 Average Household Income	\$93,007	\$94,345	\$81,109
2023 Median Household Income	\$75,323	\$73,491	\$59,963
2023 Per Capita Income	\$37,224	\$36,959	\$33,883
2023 Median Age	41.4	40.9	39.3





ECONOMY

Mishawaka benefits exceptionally from proximity to one of the nation’s top educational institutions and the leading employer in St. Joseph County, the University of Notre Dame. The university employs 4,802 individuals and caters to a student body of over 9,000 students, and football games alone see an average attendance of 700,000 visitors per season. According to an economic impact study in 2018, the university of Notre Dame had a regional impact of over \$2.4 billion annually. Along with education, the far north region of Indiana has a large medical presence, with Memorial Health System as the area’s 2nd largest employer. Memorial Health Sytem’s central hospital, located in downtown South Bend, is a major research hub for the university of Notre Dame. The hospital has continued to expand in the South Bend area, with a \$232 million tower project breaking ground in 2022, bringing the total number of adult beds to 302. Significant manufacturing takes place in Mishawaka, with AM General, a producer of military and commercial special use vehicles. AM General recently received an \$8 billion, 10-year contract in connection with the joint light tactical vehicle for the United States Military. With this new contract, the company has begun construction on a new 74,000 SF production plant, a \$70 million project on the eastern edge of Mishawaka.

EDUCATION

The City of Mishawaka serves a total of 7,000 students, between its two school districts, the School City of Mishawaka, and the Penn-Harris-Madison School District. Between the two districts, there are a total of 23 preschool/middle schools, two public high schools and one private high school. Penn High School is the largest in the Mishawaka area, located one mile north of the subject property, with a total of 3,345 students, 45% of which are active in AP Courses. Penn High School is ranked as the top high school in metro South Bend, with a graduation rate of 97%. The second high school, Mishawaka High School, caters to a student body of 1,584 students. St. Joseph County has an extremely high density of higher education institutions, with a total of 13 public and private institutions available to students of the area. The standout being the prestigious University of Notre Dame, a private 4-year institution, with coveted Mendoza College of Business and Law, and a highly ranked architecture program. The university is ranked as one of the top 20 universities nationally, has a total student body of over 9,000 individuals, and is one of the strongest alumni networks in the country. The University of Indiana also has a presence in South Bend, with strong health, education, and business programs. The 106-acre campus of the University of Indiana – South Bend has a student body of 3,750 students.

ST. JOSEPH COUNTY LARGEST EMPLOYERS		
RANK	COMPANY	EMPLOYEES
1	University of Notre Dame	4,802
2	Memorial Health System	3,493
3	South bend Community School Corp.	3,303
4	St. Joseph Regional Medical Center	2,935
5	The Diocese of Fort Wayne/South Bend	2,500
6	AM General	2,151
7	St. Joseph County	1,750
8	Martin’s Supermarkets	1,484
9	City of South Bend	1,400
10	Indiana University South Bend	1,300

Source: Advameg, Inc. (South Bend Economy) 2023



RECREATION

Mishawaka is home to over 25 public parks, many of which connected by the Mishawaka Riverwalk, a circular trail system which runs along the banks of the St. Joseph River. The trail features pedestrian and biking lanes, running through green space as well as the well-planned urban space of Downtown Mishawaka. Located in the heart of downtown, Central Park is the city's newest addition, featuring a playground, pavilions, barbeque grills, and fishing access along the St. Joseph River. Another resident favorite is George Wilson Park, Mishawaka's largest community park. Located south of the downtown area and totaling 54 acres, the park features a snow tubing hill and disc golf course. Merrifield Park, also located on the St. Joseph River, is home to several community sporting events, with baseball diamonds, soccer fields, football fields, and an Olympic-size swimming pool.

THE MILL

Downtown Mishawaka has become a bustling entertainment district over the last few years, featuring the historic character of old downtown, combined with several new developments, creating an ideal atmosphere for residents of the city. Much of the new development is centered around The Mill mixed-use development, with the recent completion of 232 luxury apartments, as well as 13,000 SF of retail space. The development features newly constructed restaurants and breweries including Ball-Band Beer Garden, an outdoor food and beverage social area, Sun King Brewery, Social Cantina, and Mishawaka Public House. Across from the apartment complex, an ice-skating rink and event center were completed, adding to the draw of downtown. Phase II of The Mill development is currently underway, the \$63 million project will include 227 luxury apartments, and 10,000 SF of retail space, with completion estimated to be in late 2025.



TENANT DESCRIPTION

- 15-year term; four 5-year options
- 10% escalations every 5 years



TENANT

Chipotle Mexican Grill, Inc.

STOCK SYMBOL/EXCHANGE

CMG/NASDAQ

MARKET CAP (1/28/2023)

\$63.9B

ENTERPRISE VALUE (1/28/2023)

\$66.4B

REVENUE (TTM)

\$9.5B

CHIPOTLE PROFILE:

Chipotle is a publicly traded chain of Mexican restaurants, founded in 1993 in Denver, Colorado. The company serves a variety of burritos, tacos, quesadillas and burrito bowls, and pride themselves on making their food fresh every day, using just 53 ingredients in total. In the name of freshness, Chipotle refrains from using preservatives or frozen food in any of menu items. Chipotle has continued to excel in the “fast-casual” food segment, opening a total of 62 new stores in Q3 2023. Since its founding in 1993, the company has amassed a total of 3,000 locations worldwide, with over 100,000 full-time employees.



FINANCIALS



ASKING PRICE \$2,962,000

CAP RATE 5.30%

YEAR 1 NOI \$157,000

LEASE TYPE Absolute NNN



RENT ROLL

LEASE YEAR	ANNUAL RENT	MONTHLY RENT	RENT PSF
11/16/2023 - 11/30/2028	\$156,999.96	\$13,083.33	\$66.81
12/1/2028 - 11/30/2033	\$172,700.04	\$14,391.67	\$73.49
12/1/2033 - 11/30/2038	\$189,969.96	\$15,830.83	\$80.84
(1st Option) 12/1/2038 - 11/30/2043	\$208,967.04	\$17,413.92	\$88.92
(2nd Option) 12/1/2043 - 11/30/2048	\$229,863.72	\$19,155.31	\$97.81
(3rd Option) 12/1/2048 - 11/30/2053	\$252,850.08	\$21,070.84	\$107.60
(4th Option) 12/1/2053 - 11/30/2058	\$278,135.04	\$23,177.92	\$118.36

LEASE ABSTRACT



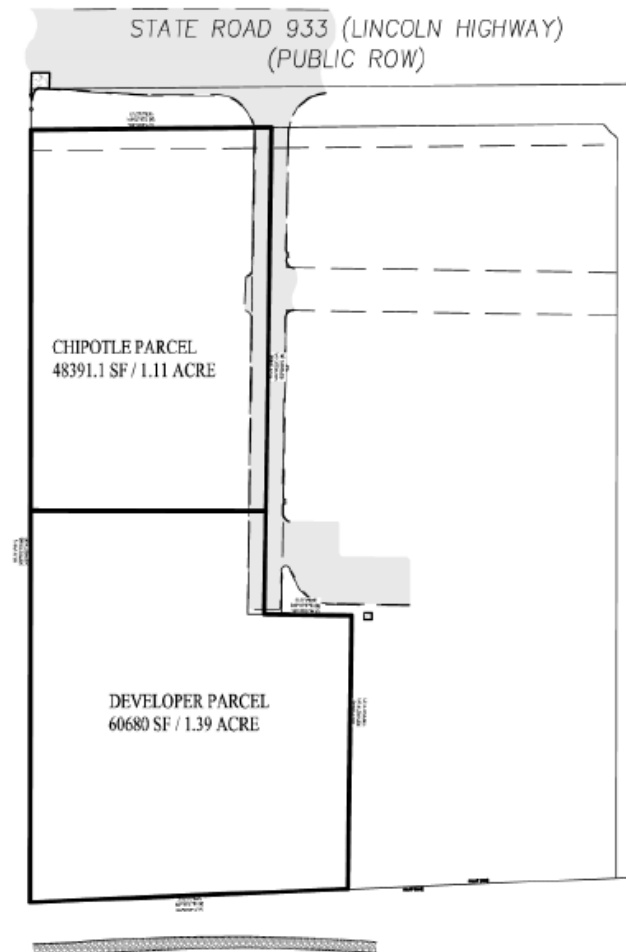
Tenant:	Chipotle Mexican Grill of Colorado, LLC
Documents:	Lease Agreement Dated May 14, 2023
Corporate Guarantor:	Chipotle Mexican Grill, Inc.
Square Feet:	2,350
Term:	November 16, 2023 – November 30, 2038
Options:	Four 5-year options, 120 days' notice
Use:	A “Chipotle” restaurant serving specialty burritos, quesadilla, tacos, and other items generally served in a “Chipotle” restaurant including, at Tenant’s option, serving alcoholic beverages to the public, and for any other lawful purpose.
Exclusive Use:	In the event Landlord achieves the Potential Lot Split, the Developer Parcel shall be subject to Chipotle’s then most recent exclusive use language for the benefit of the Premises.
CAM:	During the Term of this Lease, Tenant shall repair and maintain as necessary the Premises.



Real Estate Taxes:

The Parcel to be separately taxed as a separate tax parcel. In addition to Base Rent, Tenant agrees to pay 100% of property taxes and assessments levied against the Parcel ("Taxes") for any year during the period between the Rent Commencement Date and the expiration of the Term of this Lease (the "Payment Period"). Such tax payments shall be made directly to the appropriate tax authority before delinquency and before any fine, interest, or penalty shall become due or be imposed by operation of law for their nonpayment, and shall deliver a copy of the paid tax bill and evidence of payment of the taxes represented thereby to Landlord promptly after request therefor. Notwithstanding anything to the contrary, Landlord may elect to split the Premises and the balance of the Parcel (the "Developer Parcel") into two separate tax parcels as shown on **Exhibit C** ("Potential Parcel Split"). Upon such split, Tenant shall be solely responsible for the direct payment of all Taxes with respect to the Premises and Landlord shall be solely responsible for all Taxes with respect to the Developer Parcel.

EXHIBIT C
POTENTIAL PARCEL SPLIT



Liabilities:	Tenant , during the Term of this Lease, Tenant shall repair and maintain as necessary the Premises (except for ordinary wear and tear, loss by fire or other casualty or damage caused by Landlord).
Utilities:	Tenant shall pay for all separately metered water, gas, heat, electricity, sewer charges, telephone, and any other utility or service charge related to its occupancy of the Premises.
Recapture/Go Dark:	If Tenant ceases typical business operation for longer than 60 days, Landlord may terminate this lease and recapture the premises.
Estoppel:	Within 15 days of request from Landlord



For further information contact owner's exclusive representatives.



MID-AMERICA®
Real Estate Corporation

The Wrigley Building
410 North Michigan Avenue, Suite 1100
Chicago, Illinois 60611
Direct: 630.954.7300

Matt McParland
Vice President
Direct: 630.954.7902
mmcparland@midamericagrp.com

Luke Rogers
Investment Analyst
Direct: 630.954.7395
lrogers@midamericagrp.com

in cooperation with:



MID-AMERICA®
Real Estate-Indiana LLC

Rick Drogosz
Principal
Direct: 630.954.7339
rdrogosz@midamericagrp.com

