

# BRAND NEW 15-YEAR LEASE

Single Tenant Absolute NNN Investment Opportunity



Drive-Thru Equipped | Scheduled Rental Increases



8849 S. Stony Island Avenue

**CHICAGO** ILLINOIS

ACTUAL SITE



**EXCLUSIVELY MARKETED BY**



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**NATIONAL NET LEASE**

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PROPERTY PHOTO





SRS Real Estate Partners-Midwest, LLC is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, freestanding, Pizza Hut investment property located in Chicago, Illinois. The tenant, EYM Pizza of Illinois, LLC (47-unit operator) recently signed a brand new 15 year lease with 3 (5-year) options to extend, demonstrating their commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management free investment opportunity for a passive investor.

The asset is located near the signalized, hard corner intersection of South Stony Island Avenue and East 87th Street with a combined 84,400 vehicles passing daily. South Stony Island Avenue is the major retail thoroughfare serving southern Chicago, Illinois, featuring national/credit tenants including Wendy's, Popeyes, CVS Pharmacy, Walgreens, and the grocery-anchored Stony Island Plaza, all located within 1-mile of the subject property. The asset is conveniently located in a frequently traveled, dense residential corridor just south of downtown Chicago, providing a direct consumer base. The asset is 11-miles from downtown Chicago, the third largest city in the U.S., boasting a population of over 2.7 million residents. Pizza Hut has excellent visibility and significant street frontage. The 5-mile trade area is supported by a population of over 459,600 residents and 116,700 employees and those within 1-mile of the property boast an average household income of \$79,231.

## PROPERTY PHOTOS



## OFFERING SUMMARY



## OFFERING

Price	\$1,,210,000
Net Operating Income	\$78,600
Cap Rate	6.50%
Guaranty	Franchisee (47-Unit Operator)
Tenant	EYM Pizza of Illinois, LLC
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No

## PROPERTY SPECIFICATIONS

Rentable Area	2,600 SF
Land Area	0.51 Acres
Property Address	8849 S. Stony Island Avenue Chicago, Illinois 60617
Year Built	1955
Parcel Number	25-01-110-050
Ownership	Fee Simple (Land & Building Ownership)

## INVESTMENT HIGHLIGHTS



### **Recently Signed 15-Year Lease | Options To Extend | Scheduled Rental Increases | Strong Operator**

- The tenant, EYM Pizza of Illinois, LLC (47-unit operator) recently signed a brand new 15-year lease with 3 (5-year) options to extend, demonstrating their commitment to the site
- The lease features 10% increases every five years and at the beginning of each option period, growing NOI and hedging against inflation

### **Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities**

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

### **Dense Residential/Retail Corridor | Frequently Traveled Area**

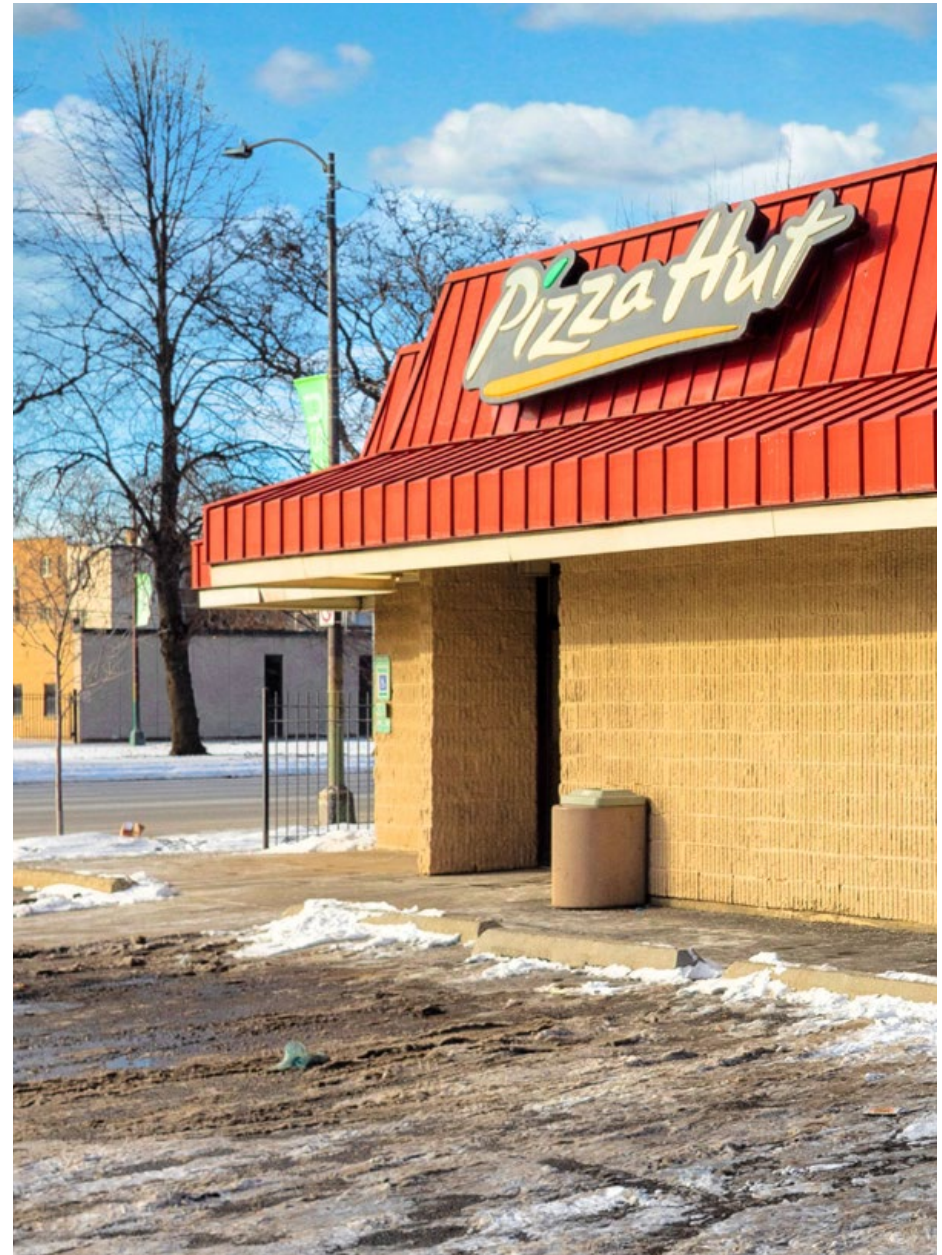
- Pizza Hut is located along a major retail corridor of Chicago featuring national tenants including CVS Pharmacy, Walgreens, and the grocery-anchored Stony Island Plaza
- The asset is accessible via multiple points of ingress/egress from Interstate 90 and 94 (combined 321,100 VPD) which are utilized by local commuters to downtown Chicago

### **Located 11 Miles From Downtown Chicago | 3rd Largest City In U.S.**

- The property benefits tremendously from the immediate consumer base attributed to its ideal location in one of the largest cities in the country

### **Strong Demographics In 5-Mile Trade Area**

- More than 459,600 residents and 116,700 employees support the trade area
- \$79,231 average household income within 1-mile of the property



## PROPERTY OVERVIEW

### LOCATION



Chicago, Illinois  
Cook & DuPage County  
Chicago-Naperville-Elgin MSA

### PARKING



There are approximately 37 parking spaces on the owned parcel.  
The parking ratio is approximately 14.23 stalls per 1,000 SF of leasable area.

### ACCESS



S. Stony Island Avenue: 2 Access Point(s)

### PARCEL



Parcel Number: 25-01-110-050  
Acres: 0.51  
Square Feet: 22,292

### TRAFFIC COUNTS



S. Stony Island Avenue: 56,100 VPD  
E. 89th Street: 28,300 VPD  
Chicago Skyway/Interstate 90: 47,900 VPD

### CONSTRUCTION



Year Built: 1955

### IMPROVEMENTS



There is approximately 2,600 SF of existing building area

### ZONING



B3-2: Community Shopping District







56,100  
VEHICLES PER DAY

S. STONY ISLAND AVE.

CLOTHE ME THRIFTIQUE

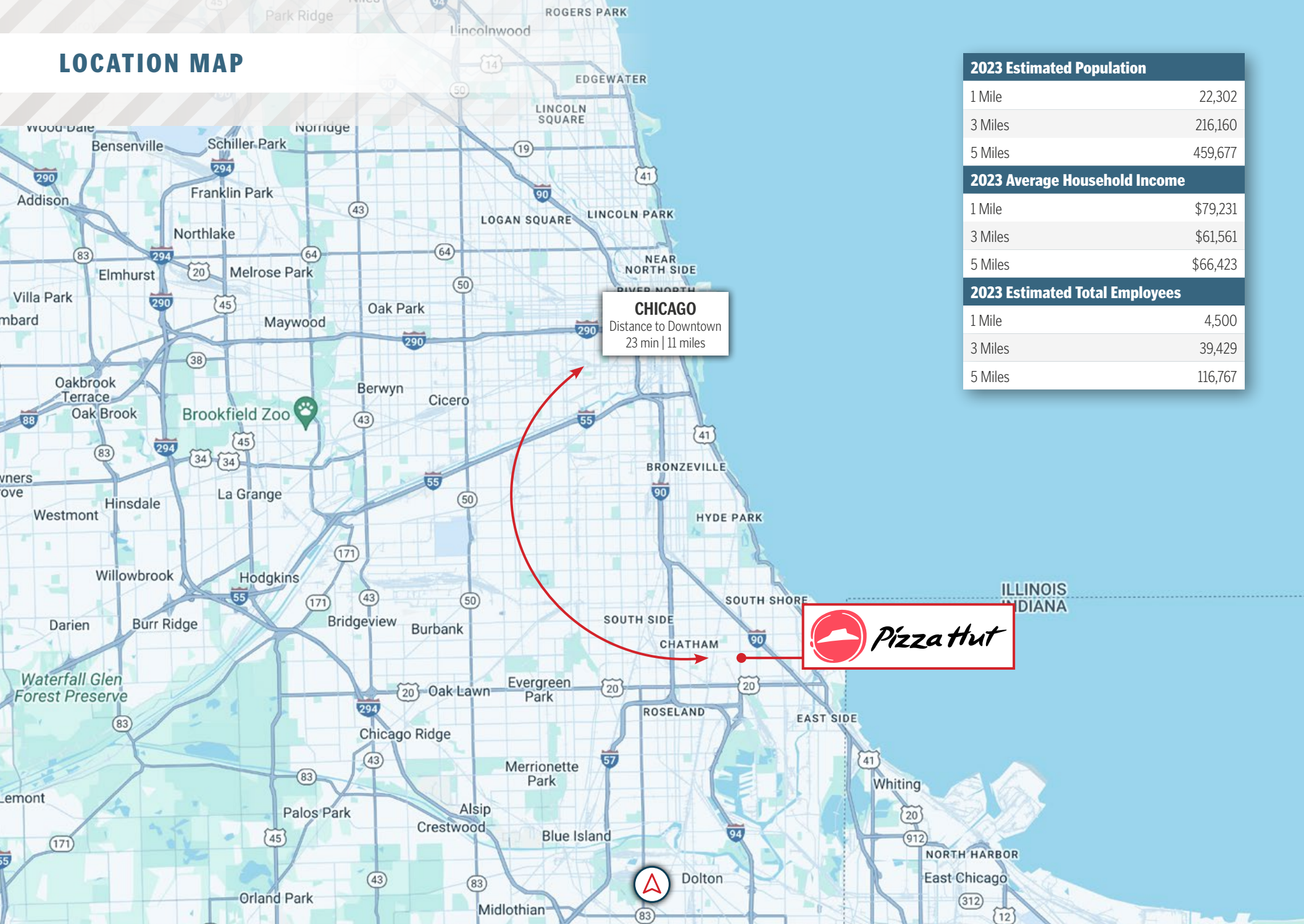


PYLON SIGN



E. 89TH ST.

## LOCATION MAP



### 2023 Estimated Population

1 Mile	22,302
3 Miles	216,160
5 Miles	459,677

### 2023 Average Household Income

1 Mile	\$79,231
3 Miles	\$61,561
5 Miles	\$66,423

### 2023 Estimated Total Employees

1 Mile	4,500
3 Miles	39,429
5 Miles	116,767

## AREA OVERVIEW



## CHICAGO, ILLINOIS

Chicago, also known as “the windy city”, is the third largest city in the United States with a population well over 2,733,494 as of July 1, 2023. Chicago is also the largest inland city in the United States. It is located in northeast Illinois, on the southwestern banks of Lake Michigan. The Chicago metropolitan area has a population in excess of nine million people.

Chicago is recognized across the United States as a very passionate sports town. Chicago continues to enjoy one of the most diverse economies in the nation, with no single sector employing more than 13 percent of the City’s workforce. This diversity provides fiscal stability from mature industries in business and financial services, manufacturing, transportation and warehousing, education and healthcare, and enables the City to promote the growth of emerging industries in technology, tourism, biotech, and life sciences. More than 400 major corporate headquarters (with at least 1,000 employees) are in the Chicago metropolitan area, including 36 in the Fortune 500 and 29 S&P 500 companies.

In addition to its over 500 parks, the Chicago Parks District maintains over 30 beaches, 16 historic lagoons, nine lakefront harbors, ten bird and wildlife gardens, and thousands of special events, sports and entertaining programs. Another major waterfront activity is the annual Chicago Air and Water Show. It is the largest free event of its kind in the country and happens late summer every year along the Chicago lakefront. A city the size of Chicago has just about everything to offer in the way of nightlife. For those interested in good food, Chicago is famous for excellent steaks and deep dish pizza. Dining options abound from family fare, to ethnic cuisine, to the latest in trendy restaurants.

The nearest major airport is Chicago Midway International Airport. This airport has international and domestic flights and is 13 miles from the center of Chicago, IL. Another major airport is Chicago O’Hare International Airport, which has international and domestic flights and is 18 miles from Chicago, IL.

## AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
<b>Population</b>			
2023 Estimated Population	22,302	216,160	459,677
2028 Projected Population	22,419	212,661	451,898
2010 Census Population	23,548	226,288	487,618
<b>Households &amp; Growth</b>			
2023 Estimated Households	9,544	94,117	194,026
2028 Projected Households	9,740	94,136	193,998
2010 Census Households	9,391	90,206	186,025
Projected Annual Growth 2023 to 2028	0.41%	0.00%	0.00%
<b>Race &amp; Ethnicity</b>			
2023 Estimated White	0.49%	1.44%	6.36%
2023 Estimated Black or African American	95.52%	87.99%	80.50%
2023 Estimated Asian or Pacific Islander	0.22%	0.21%	1.64%
2023 Estimated American Indian or Native Alaskan	0.17%	0.36%	0.44%
2023 Estimated Other Races	0.74%	4.44%	4.92%
2023 Estimated Hispanic	1.99%	8.61%	9.98%
<b>Income</b>			
2023 Estimated Average Household Income	\$79,231	\$61,561	\$66,423
2023 Estimated Median Household Income	\$57,969	\$41,713	\$42,109
2023 Estimated Per Capita Income	\$34,278	\$26,819	\$28,121
<b>Businesses &amp; Employees</b>			
2023 Estimated Total Businesses	495	3,559	7,957
2023 Estimated Total Employees	4,500	39,429	116,767



# RENT ROLL



LEASE TERM						RENTAL RATES					
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
EYM Pizza of Illinois, LLC	2,600	TBD	15 Years	Year 1	-	\$6,550	\$2.52	\$78,600	\$30.23	Absolute NNN	3 (5-Year)
(Franchisee Guaranty)				Year 6	10%	\$7,205	\$2.77	\$86,460	\$33.25	10% Rental Increases at Beg. of Each Option	
				Year 11	10%	\$7,926	\$3.05	\$95,106	\$36.58		

## FINANCIAL INFORMATION

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Cap Rate	6.50%
Lease Type	Absolute NNN

## PROPERTY SPECIFICATIONS

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Address	8849 S. Stony Island Avenue Chicago, Illinois 60617



### FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at [debtequity-npb@srsre.com](mailto:debtequity-npb@srsre.com)

## BRAND PROFILE



## PIZZA HUT

**pizza.com**

**Company Type:** Subsidiary

**Locations:** 19,000+

**Parent:** Yum! Brands

**2022 Employees:** 36,000

**2022 Revenue:** \$6.84 Billion

**2022 Assets:** \$1.33 Billion

**2022 Equity:** \$5.85 Billion

**Credit Rating: S&P:** BB

Pizza Hut, a subsidiary of Yum! Brands, Inc. (NYSE: YUM), was founded in 1958 in Wichita, Kansas and since then has earned a reputation as a trailblazer in innovation with the creation of icons like Original Pan and Original® Stuffed Crust pizzas. In 1994, Pizza Hut pizza was the very first online food order. Today, Pizza Hut continues leading the way in the digital and technology space with over half of transactions worldwide coming from digital orders. Pizza Hut is committed to providing an easy pizza experience – from order to delivery – and has Hut Rewards, the Pizza Hut loyalty program that offers points for every dollar spent on food any way you order. Hut Rewards is open to U.S. residents 16+. A global leader in the pizza category, Pizza Hut operates more than 19,000 restaurants in more than 100 countries. Through its enormous presence, Pizza Hut works to unlock opportunity for its team members and communities around the world.

Source: prnewswire.com, finance.yahoo.com



SRS

CAPITAL  
MARKETS

## THE EXCLUSIVE NATIONAL NET LEASE TEAM

of SRS Real Estate Partners

**300+**

TEAM  
MEMBERS

**25+**

OFFICES

**2.3K+**

RETAIL  
TRANSACTIONS

company-wide  
in 2022

**740+**

CAPITAL MARKETS  
PROPERTIES

SOLD  
in 2022

**\$3.3B+**

CAPITAL MARKETS  
TRANSACTION

VALUE  
in 2022

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