

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

NEW CONSTRUCTION | 15-YEAR LEASE | ABSOLUTE NNN



4001 S LAFOUNTAIN ST | KOKOMO, IN 46902

OFFERING MEMORANDUM



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OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY:



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REPRESENTATIVE PHOTO



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PROPERTY OVERVIEW

CHIPOTLE | KOKOMO, IN

INVESTMENT HIGHLIGHTS

ABSOLUTE NNN

Zero landlord responsibilities – Chipotle self maintains CAM, taxes, insurance and is fully responsible for all capital repairs and replacements to the building structure, foundation, and parking lot, making this a completely “hands-off” investment.

LOWE’S AND HOME DEPOT ANCHORED TRADE AREA

Surrounded by major national retailers including Lowe’s, McDonald’s, Starbucks, and Olive Garden, among others, providing a strong regional customer draw to the area.

10% RENT INCREASES EVERY 5 YEARS

Lease features attractive 10% rental increases every 5 years in base term and in each option period, guaranteeing contractual yield growth for the landlord.

EXCELLENT VISIBILITY AND ACCESSIBILITY

Situated on high visibility, signalized intersection of E Alto and S Lafountain Rd which provides exposure to $\pm 16,700$ VPD. Located 1 block West of South Reed Road (SR 931) which sees nearly $\pm 24,000$ VPD.

BRAND NEW 2024 CONSTRUCTION WITH HIGH-CAPACITY DRIVE-THRU

2024 new construction prototype featuring dine in option and state of the art “Chipotlane” drive thru.

STRONG MARKET DEMOGRAPHICS

The site offers strong local demographics, with a population of over 70,000 living within a 5-mile radius, over 65,000 during the workday.

CHIPOTLE CORPORATE GUARANTEE

Chipotle Mexican Grill (NYSE: CMG) is ranked on the Fortune 500 and is recognized as one of Time Magazine’s Most Influential Companies in 2024. The fast-casual restaurant chain has nearly 3,500 locations in North America.



PROPERTY DESCRIPTION

Tenant Name:	Chipotle
Guarantor:	Chipotle Mexican Grill, Inc. (NYSE: CMG)
Address	4001 S Lafountain St, Kokomo, IN 46902
County	Howard County
Lease Type	Absolute NNN
Original Lease Term	15 Years
Rent Commencement Date	September 30, 2024
Lease Expiration Date	September 30, 2039
Year Built	2024



PRICE
\$3,031,000



CAP RATE
5.50%



NOI
\$166,725



TERM REMAINING
±15 YEARS



GLA
±2,325 SF



E ALTO RD ± 5,200 VPD



S LAFOUNTAIN ST ± 16,700 VPD

±0.83 ACRES
±31 PARKING SPOTS



±2,325 SF



Community
Howard Regional Health

BW Best Western. **BMO** Harris Bank
GM Components Holdings, LLC
Kokomo Operations **BAYMONT**
INN & SUITES



OUTBACK STEAKHOUSE **Applebee's**

DOLLAR TREE **Great Clips**



U-HAUL



verizon business



Patriot INSURANCE GROUP

GRINDSTONE CHARLEY'S
RESTAURANT • BAR

Days Inn
BY WYNDHAM



SUBJECT PROPERTY

S LAFOUNTAIN ST ± 16,700 VPD ± 24,000 VPD

931





ACTUAL PROPERTY
CONSTRUCTION PHOTOS AS OF 8/8/24





FINANICAL OVERVIEW

CHIPOTLE | KOKOMO, IN

INVESTMENT SUMMARY

Price	\$3,031,000
NOI	\$166,725
Cap Rate	5.50%

LEASE ABSTRACT

Entity	Chipotle Mexican Grill of Colorado, LLC
Lease Guarantor	Chipotle Mexican Grill, Inc (NYSE: CMG)
Lease Type	Absolute NNN
Original Lease Term	15 Years
Rent Commencement Date	9/30/2024
Lease Expiration Date	September 30, 2024
Term Remaining on Lease	September 30, 2039
Rental Increases	10% Every 5 Years
Option Periods	Four, 5-Year Options
Tenant Responsibilities	Chipotle self maintains CAM, taxes, insurance and is fully responsible for all capital repairs and replacements to the building structure, foundation, and parking lot
Landlord Responsibilities	None



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BUILDING SIZE
±2,325 SF



NEW LEASE TERM
15 YEARS



YEAR BUILT
2024



LOT SIZE
±0.83 AC

ANNUALIZED OPERATING DATA

	LEASE YEAR	ANNUAL RENT	MONTHLY RENT	RENT INCREASE
-	Years 1-5	\$166,725	\$13,894	-
-	Years 6-10	\$183,398	\$15,283	10%
-	Years 11-15	\$201,737	\$16,811	10%
1st Option	Years 16-20	\$221,911	\$18,493	10%
2nd Option	Years 21-25	\$244,102	\$20,342	10%
3rd Option	Years 26-30	\$268,512	\$22,376	10%
4th Option	Years 31-35	\$295,364	\$24,614	10%

REPRESENTATIVE PHOTO



TENANT OVERVIEW

CHIPOTLE | KOKOMO, IN



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When Chipotle first opened, the idea was simple: show that food served fast didn't have to be a "fast-food" experience. They use high-quality raw ingredients and classic cooking methods, serve in a distinctively designed atmosphere, and provide an exceptional customer experience- features more frequently found in the world of fine dining. As a fast-growing company, they're always looking for new people to join their team. Chipotle provides real opportunity for advancement and a fun, exciting work environment.

» COMPANY NAME	Chipotle
» OWNERSHIP	Public
» YEAR FOUNDED	1993
» INDUSTRY	Restaurants
» HEADQUARTERS	Newport Beach, CA
» WEBSITE	chipotle.com



AREA OVERVIEW

CHIPOTLE | KOKOMO, IN

KOKOMO, IN

Kokomo, Indiana, is a city located in the heart of the state, known for its rich automotive history and vibrant community spirit. Often referred to as the “City of Firsts,” Kokomo has been the site of numerous innovations, particularly in the automotive and industrial sectors. The city’s economy has historically been anchored by manufacturing, with companies like Delco Electronics and Chrysler playing significant roles. Kokomo also offers a blend of cultural attractions, parks, and recreational opportunities, making it a hub for both history enthusiasts and outdoor lovers. With a strong sense of community and a commitment to growth, Kokomo continues to be a dynamic place to live and work in Indiana.

Kokomo, Indiana, is rich in historical landmarks that reflect its unique heritage. The city is named after Chief Kokomo, with a cenotaph honoring him located on Purdum Street. Visitors can explore the restored Civil War Cannon at Highland Park’s Visitor Center or pay respects at the Veteran’s Memorial at Championship Park. Other notable sites include Old Ben, a famous figure during WWII, the historic Sycamore Stump, and the Vermont Covered Bridge, one of Indiana’s last remaining Smith Type #3 Trusses.



PROPERTY DEMOGRAPHICS			
POPULATION	1-MILE	3-MILE	5-MILE
2023 Population	7,772	38,555	70,435
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2023 Households	3,413	16,666	29,767
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$70,849	\$64,026	\$65,192



CHIPOTLE

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CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **4001 S Lafountain St, Kokomo, IN 46902** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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Owner and Matthews Real Estate Investment Services™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.