



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



NEW CONSTRUCTION | 15-YEAR LEASE | ABSOLUTE NNN

1681 S GALENA AVE | DIXON, IL 61021

OFFERING MEMORANDUM



1681 S GALENA AVE | DIXON, IL 61021

OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY:



PATRICK FORKIN

First Vice President

Direct (773) 279-5390

Mobile (872) 256-1031

patrick.forkin@matthews.com

License No. 475118789 (IL)



LEE CHANDLER

Associate

Direct (773) 289-0965

Mobile (317) 371-9696

lee.chandler@matthews.com

License No. 475211358 (IL)



MIKE NEILS

Associate

Direct +1 (720) 800-9764

Mobile +1 (610) 392-3356

michael.neils@matthews.com

License No. 100103302 (CO)



NICK SELTZER

Associate

Direct +1 (312) 690-6274

Mobile +1 (630) 639-6868

nick.seltzer@matthews.com

License No. 475210757 (IL)

MATTHEW M. FITZGERALD

Broker of Record

License No. 478027547 (IL)



TABLE OF CONTENTS



04

PROPERTY OVERVIEW

09

FINANCIAL OVERVIEW

12

TENANT OVERVIEW

14

AREA OVERVIEW



PROPERTY OVERVIEW

CHIPOTLE | DIXON, IL

INVESTMENT HIGHLIGHTS

LONG TERM 15-YEAR LEASE

This is a new 15-Year lease, with four 5-year options. The rent increases 10% increases every five years, and the lease is corporately backed by Chipotle Mexican Grill, Inc. (NYSE: CMG), which generated \$9.87 billion in 2023, a 14.3% increase from 2022.

ABSOLUTE NNN

The lease is Absolute NNN, with Tenant 100% responsible for directly paying and maintaining the parking lot, insurance, real estate taxes, and the building, including the roof and structure. This provides Owner with a completely “hands-off” passive investment property with zero expense exposure.

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 between 10 and 15% on average, according to Retail Brew.

10% RENT INCREASES EVERY 5 YEARS

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

DIXON GATEWAY DEVELOPMENT LOCATION

Chipotle is situated within the new Dixon Gateway Development, a 27-acre commercial development. The Gateway Project will feature a 6,000 SF multi-tenant retail building adjacent to the subject property, with tenants including T-Mobile and Jersey Mike’s, along with a Marriott hotel, Casey’s General Store, and YMCA Childcare Center. The project received over \$7 million in tax increment financing from the City of Dixon.

PREMIER ACCESS AND VISIBILITY

The subject property is situated on Dixon’s main north/south thoroughfare, South Galena Street (IL Route 26). Chipotle is visible from the eastbound and westbound lanes of Interstate 88 (Ronald Reagan Memorial Tollway), a major interstate system, which stretches from Davenport, 60 miles to the west, and to Suburban Chicago, 100 miles to the east.



PROPERTY DESCRIPTION

Tenant Name	Chipotle Mexican Grill, Inc.
Address	1681 South Galena Ave (IL Route 26)
City, State, Zipcode	Dixon, IL 61021
Tenant Type	QSR/Restaurant
Lot Size (AC)	±0.75 AC
Parking	±28 Surface Spaces
Parcel #	18-08-09-101-015



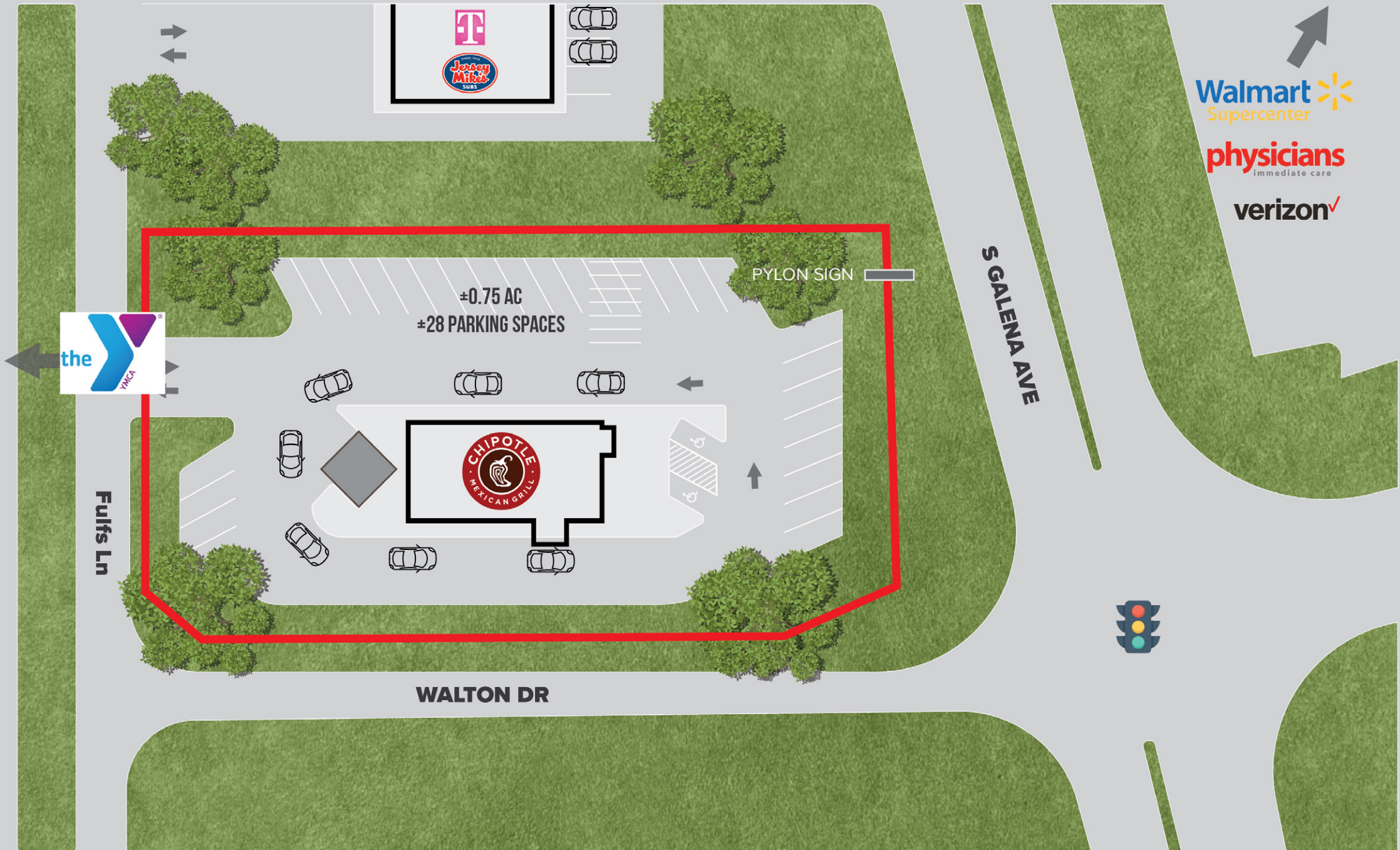
 **PRICE**
\$2,562,000

 **CAP RATE**
5.25%

 **NOI**
\$134,500

 **LEASE TERM**
±15 YEARS

 **GLA**
±2,350 SF



 **REAGAN MIDDLE SCHOOL**
569 STUDENTS

 **MADISON ELEMENTARY**
377 STUDENTS



BORGWARNER



**DIXON MUNICIPAL AIRPORT-
CHARLES R. WALGREEN FIELD**



 **Domino's**

**Great Clips®
usbank**



maurices SHOE sensation
DOLLAR TREE

Walmart
Supercenter

**MURPHY
USA**



physicians
immediate care
verizon

Community
State **BANK**

 **Water Castle**
CAR WASH

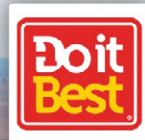



CHIPOTLE
SUBJECT PROPERTY



S GALENA AVE

DIXON GATEWAY DEVELOPMENT



SGALENA AVE



FULFS LN







FINANCIAL OVERVIEW

CHIPOTLE | DIXON, IL

INVESTMENT SUMMARY

Price	\$2,562,000
NOI	\$134,500
Cap Rate	5.25%

LEASE ABSTRACT

Tenant Entity	Chipotle Mexican Grill, Inc. (NYSE: CMG)
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Original Lease Term	15 Years
Lease Effective Date	12/29/2023
Lease Expiration Date	12/31/2038
Rental Increases	10% Increase Every 5 Years
Option Periods	Four, 5-Year Options
Tenant Responsibility	Chipotle self maintains CAM, taxes, insurance and is fully responsible for all capital repairs
Landlord Responsibility	None





BUILDING SIZE
±2,350 SF



LEASE TERM
15 YEARS



YEAR BUILT
2024



LOT SIZE
±0.75 AC

ANNUALIZED OPERATING DATA

	ANNUAL RENT	ANNUAL RENT	MONTHLY RENT	RENT PSF	RENT INCREASE
	Years 1-5	\$134,500	\$11,208	\$57.23	-
	Years 6-10	\$147,950	\$12,329	\$62.96	10%
	Years 11-15	\$162,745	\$13,562	\$69.25	10%
1st Option	Years 16-20	\$179,020	\$14,918	\$76.18	10%
2nd Option	Years 21-25	\$196,921	\$16,410	\$83.80	10%
3rd Option	Years 26-30	\$216,614	\$18,051	\$92.18	10%
4th Option	Years 31-35	\$238,275	\$19,856	\$101.39	10%



TENANT OVERVIEW

CHIPOTLE | DIXON, IL



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



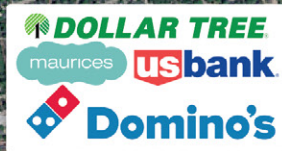
AREA OVERVIEW

CHIPOTLE | DIXON, IL



 **DIXON HIGH SCHOOL**
805 STUDENTS

CREDIT AUTO SALES
DIXON, IL



 **WASHINGTON ELEMENTARY**
450 STUDENTS



**DIXON MUNICIPAL AIRPORT-
CHARLES R. WALGREEN FIELD**



DIXON, IL

Dixon is a charming city nestled along the Rock River in the northern part of the state. Known as the boyhood home of President Ronald Reagan, Dixon embraces its rich historical heritage while offering a blend of small-town warmth and natural beauty. The city boasts a variety of outdoor recreational opportunities, including scenic parks, biking trails, and water activities on the river. Dixon’s vibrant downtown is lined with local shops, restaurants, and historic landmarks, such as the Dixon Historic Theatre. With its welcoming community, deep historical ties, and picturesque surroundings, Dixon offers a unique blend of tradition and modern living.

The city’s economy is shaped by a mix of agriculture, manufacturing, and small businesses, reflecting its roots as a Midwestern hub. Agriculture plays a significant role, with the surrounding rural areas dedicated to corn, soybean, and livestock farming. Dixon also benefits from its strategic location along major transportation routes, attracting manufacturing and distribution businesses. Companies like Raynor, a garage door manufacturer, contribute to the city’s industrial sector. In addition, Dixon’s small business community, particularly in its historic downtown, supports the local economy through retail, dining, and services. Tourism, driven by attractions such as the Ronald Reagan Boyhood Home and scenic Rock River activities, also provides an economic boost. Overall, Dixon’s economy is a blend of traditional industries and growing sectors, ensuring stability and potential for development.



PROPERTY DEMOGRAPHICS			
POPULATION	3-MILE	5-MILE	10-MILE
2024 Population	17,459	21,075	29,281
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
2024 Households	6,860	8,230	11,707
INCOME	3-MILE	5-MILE	10-MILE
Avg. Household Income	\$73,248	\$77,422	\$81,870





CHIPOTLE

1681 S GALENA AVE | DIXON, IL 61021

OFFERING MEMORANDUM



CHIPOTLE

EXCLUSIVELY LISTED BY:

PATRICK FORKIN

First Vice President

Direct (773) 279-5390

Mobile (872) 256-1031

patrick.forkin@matthews.com

License No. 475118789 (IL)

LEE CHANDLER

Associate

Direct (773) 289-0965

Mobile (317) 371-9696

lee.chandler@matthews.com

License No. 475211358 (IL)

MIKE NEILS

Associate

Direct +1 (720) 800-9764

Mobile +1 (610) 392-3356

michael.neils@matthews.com

License No. 100103302 (CO)

NICK SELTZER

Associate

Direct +1 (312) 690-6274

Mobile +1 (630) 639-6868

nick.seltzer@matthews.com

License No. 475210757 (IL)

MATTHEW M. FITZGERALD

Broker of Record

License No. 478027547 (IL)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

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 **1681 S Galena Ave, Dixon, IL 61021** ("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.

Matthews Real Estate Investment Services™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™, the property, or the seller by such entity.

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.