

FREDDY'S - 20 YR ABS NNN

9901 ORLANDO ST, MACHESNEY PARK, IL 61115 (ROCKFORD MSA)



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

9901 Orlando St, Machesney Park, IL 61115 (Rockford MSA)

FINANCIAL SUMMARY

Price	\$2,571,000
Cap Rate	7.00%
Building Size	3,112 SF
Net Cash Flow	7.00% \$180,000
Year Built	2022
Lot Size	0.69 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	M&M Machesney Park, LLC
Guarantor	M&M Custard, LLC (40+ Unit Entity)
Roof & Structure	Tenant Responsible
Lease Commencement Date	April 1, 2022
Lease Expiration Date	March 31, 2042
Lease Term	20 Years
Rental Increases	10% Every 5 Years
Renewal Options	2, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$180,000.00	7.00%
6 - 10	\$198,000.00	7.70%
11 - 15	\$217,800.00	8.47%
16 - 20	\$239,580.00	9.32%
Options	Annual Rent	Cap Rate
Option 1 (21 - 25)	\$263,538.00	10.25%
Option 2 (26 - 30)	\$289,892.00	11.28%

Base Rent	\$180,000
Net Operating Income	\$180,000
Total Return	7.00% \$180,000





251 17,300 CPD

SPIDER
BUILD SMARTER

KOHL'S

chilis

Panera

Firestone

CHIPOTLE
MEXICAN GRILL

BUFFALO
WILD WINGS

MENARDS

ALDI

Advance
Auto Parts

Mister
CAR WASH

McDonald's

Mobil

173 20,100 CPD

Starbucks

LENSCRAFTERS

Chick-fil-A

POTBELLY
SANDWICH SHOP

MATTRESSFIRM

Freddy's
FROZEN CUSTARD &
STEAKBURGERS

LOWE'S

3,250 CPD
ORLANDO ST

Michael's
OLD NAVY
T.J. maxx
FAMOUS footwear
five BELOW
ULTA BEAUTY
ROSS
DRESS FOR LESS

MACHESNEY CROSSING

N



Michael's
OLD NAVY
TJ-maxx
ROSS
FAMOUS five BELOW
MACHESNEY CROSSING

tropical
SMOOTHIE
CAFE

noodles

TACO BELL

Fas mart

Arby's

H&R
BLOCK

251 17,300 CPD

SPIDER

Jimmy Johns

McDonald's

KOHL'S

Mobil

LENSCRAFTERS

3,250 CPD
ORLANDO ST

MATTRESSFIRM

173 20,100 CPD

POTBELLY
SANDWICH SHOP

LOWE'S

Freddy's
FROZEN CUSTARD &
STEAKBURGERS



Property Description



INVESTMENT HIGHLIGHTS

- » Brand New 20-Year Absolute NNN Lease
- » 10% Rental Increases Every Five Years with Multiple Renewal Options
- » **2022 Construction with a Drive-Thru**
- » Easy Access via IL Route 173 (20,100 CPD) and the IL Route 251 (17,300 CPD)
- » **Lease Guaranteed by M&M Custard, LLC, Multi-Unit Operator of 42+ Locations in 6 States**
- » Anchored to National Tenants: Lowe's, Ulta Beauty, TJ Maxx, Michaels, Five Below, etc
- » **87,319 Residents within a Five-Mile Radius**
- » Visible to 5,500 CPD along Orlando St
- » **Across from the Gateway District: Kohl's, Target, The Home Depot, Pet Smart, Menards, and Hobby Lobby**



DEMOGRAPHICS

3-miles

5-miles

10-miles

Population

2028 Projection	36,658	87,358	283,229
2023 Estimate	36,660	87,319	282,490
Growth 2023 - 2028	0.00%	0.04%	0.26%

Households

2028 Projections	14,507	35,801	112,885
2023 Estimate	14,478	35,729	112,427
Growth 2023 - 2028	0.20%	0.20%	0.41%

Income

2023 Est. Average Household Income	\$75,941	\$84,169	\$75,653
2023 Est. Median Household Income	\$60,435	\$63,048	\$53,431

Tenant Overview



WICHITA, KANSAS
Headquarters



2002
Founded



WWW.FREDDYSUSA.COM
Website



380+
Locations



PRIVATE
Company Type

Freddy's Frozen Custard & Steakburgers is a leading fast casual restaurant franchise concept with more than 380 locations across 32 states. Co-founded in 2002 by Scott Redler and Bill, Randy and Freddy Simon, Freddy's opened its first location in Wichita, Kansas, offering a unique combination of cooked-to-order steakburgers seasoned with Freddy's Famous Steakburger & Fry Seasoning®, Vienna® Beef hot dogs, shoestring fries paired with Freddy's Famous Fry Sauce® and frozen custard that is freshly churned throughout the day in each restaurant. Freddy's has ranked #1 on Forbe's Best Franchises to Buy (High Investment Category) and on Hubspot's Best Franchises to Open and Own, as well as #51 on Entrepreneur Magazine's Franchise 500. In 2019, Freddy's was ranked on Inc.'s 5000 List, Technomic's Top 500 Chain Restaurant Report, and was Franchise Times® Magazine's 14th Smartest-Growing Brand in Fast & Serious.

FRANCHISEE OVERVIEW: M&M Custard, LLC

M&M Custard, LLC is a franchisee of Freddy's Frozen Custard & Steakburgers. As of 2024, the company operates 42 locations in six states with plans to continue growing throughout the Midwest. Their territory stretches from lower Wisconsin to a large portion of Missouri, to southern Illinois, southern Indiana, Kentucky, and Tennessee. For more information, visit www.scoopingsmiles.com

Property Photos



Location Overview



The Village of Machesney Park is a growing, family-friendly community of nearly 23,000 residents in Northern Illinois. The area is well known for its attractive residential setting along the Rock River, with neighborhoods ranging from affordable first-time family homes to newly constructed luxury waterfront homes. The many attributes of the community include an ever-expanding business community, skilled workforce, exceptional schools, low crime rate, and close proximity to outdoor recreation at one of the state's largest parks, Rock Cut State Park.

Located at the crossroads of I-90, I-39, IL Route 173, IL Route 251 and IL Route 2 providing convenient access to Chicago, Madison and Milwaukee. Due to the central location, retail corridors and industrial parks are flourishing.

ROCKFORD METROPOLITAN AREA

Rockford is the largest city in Northern Illinois and serves as the county seat of Winnebago County. Known as the “Forest City” because of its abundance of trees and natural landscapes, Rockford is situated about 90 miles northwest of Chicago and is part of the Rockford Metropolitan Statistical Area (MSA). It's the third-largest city in Illinois outside of the Chicago metro area, with a rich history tied to manufacturing, industry, and a mix of urban and rural landscapes. The city is situated in northwest Illinois, close to both the Wisconsin border and major interstate highways (I-90 and I-39), making it a key location for commerce and transportation.

[exclusively listed by]

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