

SECURE
NET LEASE



Subject Property

Chick-fil-A

\$3,726,800 | 3.75% CAP

18785 E 39th St. South, Independence, MO

- ✓ **Absolute NNN Ground Lease Extension** - 10% Rent Bump in 2033 & Options
- ✓ **Major Retail Trade Area** – Pad Site to Independence Center Shopping Mall
- ✓ **Excellent Highway Location** Off I-70 (91K VPD) and I-470 (61K VPD)
- ✓ **Adjacent to Centerpoint Medical Center**, the 3rd Largest Employer in the City
- ✓ **Chick-fil-A is the 3rd Largest Restaurant Chain** in US with Continued Growth



Today, Chick-fil-A is the leading chicken restaurant franchise in the nation with over 2,600 locations in 47 states and the District of Columbia.

INVESTMENT OVERVIEW

CHICK-FIL-A INDEPENDENCE, MO

Subject Property



CONTACT FOR DETAILS

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Senior Associate
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MO Broker of Record: Michael Swearngin

License #: 1999072529

\$3,726,800

3.75% CAP

NOI

\$139,755

Building Area

±4,297 SF

Land Area

±0.85 AC

Year Built

2008

Lease Type

Absolute NNN

Occupancy

100%

- ✓ **New Corporate Guaranteed Absolute NNN Ground Lease Extension**, with 10% Rental Increases in Options.
- ✓ **Subject Property is a pad site to the Independence Center Mall** - The mall has over 80 stores featuring national tenants. It also sits adjacent to Walmart Supercenter and Sam's Club.
- ✓ **Excellent High Traffic Location** - Subject property is located directly off I-70 (91,400 VPD) and I-470 (61,400 VPD), on East 39th St (17,200 VPD).
- ✓ **Property is less than a mile from Centerpoint Medical Center** - a 73 acre medical facility that has an Emergency Room and houses over 10 different specialty doctor offices. The Centerpoint Medical Center is the third largest employer in the city.
- ✓ **Chick-fil-A is the 3rd Largest Restaurant Chain in US with Continued Growth** - Average unit volumes for freestanding locations reached a record \$8.1 million per store in 2021, an increase of 14.7 percent over 2020.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

CHICK-FIL-A INDEPENDENCE, MO

Chick-fil-A, Inc.

Lessee: Chick-Fil-A, Inc., a Georgia corporation

Guarantor: Chick-fil-A, Inc.

REVENUE
\$5.8 B

LOCATIONS
2,790



chick-fil-a.com

Chick-fil-A is one of the largest American fast food restaurant chains and the largest whose specialty is chicken sandwiches. Its headquarters is in College Park, Georgia. Chick-fil-A was originally founded as the Dwarf Grill in 1946, changing the name to Dwarf House until rebranding as Chick-fil-A in 1967. The company operates more than 2,605 restaurants, primarily in the United States with locations in 47 states and the District of Columbia.

Locations are also **present in Canada** and (formerly) the United Kingdom. The restaurant serves breakfast before transitioning to its lunch and dinner menu. Chick-fil-A also offers **customers catered selections** from its menu for special events. **Many of the company's values are influenced** by the Christian religious beliefs of its late founder, S. Truett Cathy, a devout Southern Baptist. Reflecting a commitment to Sunday Sabbatarianism, all Chick-fil-A restaurants are closed for business on Sundays, as well as on Thanksgiving and Christmas Day; to honour the Western Christian liturgical season of Lent, Chick-fil-A promotes fish sandwiches in **respect of abstinence** from meat that characterizes that part of the Church Year.

The company's varying stance often in opposition to same-sex marriage has been the subject of public controversy, though the company has begun loosening its stance on this issue. Chick-fil-A's **business strategy involves a focus on a simple menu** and on good customer service. While other fast food chains often expand their **menu offerings to attempt to attract new customers**, Chick-fil-A's business model is to remain focused on chicken sandwiches. The name capital A is meant to indicate that their chicken is **"grade A top quality"**. In addition, an emphasis on customer service has allowed Chick-fil-A to consistently lead the fast food industry in customer satisfaction. These factors are seen as the reason for **Chick-fil-A's growth and expansion** in the United States. Chick-fil-A retains ownership of each restaurant. Chick-fil-A selects the restaurant location and builds it. Chick-fil-A franchisees need only a **\$10,000 initial investment** to become an operator. Each operator is handpicked and goes through a rigorous training program; the interviews plus training can take months and is not an easy process.



IN THE NEWS

CHICK-FIL-A INDEPENDENCE, MO

Revenue and Earnings Blowout for Chick-fil-A in 2021; Systemwide Sales Jump 22 Percent

JOHN HAMBURGER, April 18, 2022 (Franchise Times)

Chick-fil-A Inc. reported record revenue and earnings in 2021, building upon the substantive gains the Atlanta-based quick-serve operator made during the COVID-19 pandemic. The financial statement and store operating highlights for 2021 were gleaned from Chick-fil-A's annual franchise disclosure document which was filed by the company April 7.

The **company's outstanding performance**—company revenues and profits grew by 33.3 percent and **67.3 percent**, respectively—came as Andrew Truett Cathy succeeded his father, Dan Cathy, as chief executive officer of the company on November 1, 2021.

The record-setting year for the 2,700-unit chain included double-digit gains in all revenue categories including royalties and rents paid by franchisees, rental income and company store sales.

Average unit volumes for freestanding locations not inside mall locations reached a **record \$8.1 million per store in 2021**, an increase of 14.7 percent over 2020.

Revenue reached **\$5.8 billion in 2021** compared to \$4.3 billion in 2020, **an increase of 33.3 percent**. Comprehensive earnings were \$1.2 billion in 2021 compared to \$715.9 million in 2020, an increase of 67.3 percent. **Base operating and business service fees, rental income and additional operating service fees** each increased by double digits.

As of December 31, 2021, the company operated 2,235 franchised, 76 company-operated and 393 licensed Chick-fil-A restaurants for **a total of 2,704 locations, an increase of 106 locations over 2020.**

EXPLORE ARTICLE



Chick-fil-A Shared Table Program Passes 15 Million Meal Milestone, Furthering Commitment to Help Fight Hunger

Chick-fil-A, Inc., August 31, 2022 (PR Newswire)

Thanks to the extraordinary efforts of participating Chick-fil-A® restaurant Operators, the Chick-fil-A Shared Table® program has achieved a major milestone: donating more than 15 million meals since the start of the program to help fight food insecurity and reduce food waste in the local communities it serves.

The program has expanded significantly over its 10-year history with restaurants **across the U.S. and Canada**, donating more than 3 million meals in 2022 to date. This effort to fight food insecurity in local communities also supports a **broader sustainability goal for Chick-fil-A**, which is looking to divert **25 million pounds of food waste** from landfills by 2025 through programs such as Chick-fil-A Shared Table, composting and other efforts.

Chick-fil-A also continues to fight hunger through its support of Feeding America. The company has donated nearly \$10 million to the organization since 2020, and Chick-fil-A continues to contribute \$25,000 to Feeding America every time it opens a new restaurant

The Chick-fil-A Shared Table program started in 2012 with the mission of helping Operators fight hunger and reduce waste in their local communities by **donating surplus food to local soup kitchens, shelters and nonprofits to feed** those in need. Chick-fil-A works with Food Donation Connection and Second Harvest to connect Operators with these organizations, and **more than 1,300 restaurants across the U.S. and Canada** now participate in the program.

The success of the Chick-fil-A Shared Table program can be attributed to the Operators' passion to care for their communities and make a **positive impact** on those around them.

EXPLORE ARTICLE



LEASE OVERVIEW

CHICK-FIL-A INDEPENDENCE, MO

Subject Property

Initial Lease Term	15 years
Rent Commencement	May 23, 2007
Lease Expiration	December 31, 2037
Lease Type	Ground Lease
Rent Increases	10% After Year 10 & Options
Current Rent	\$127,050
Annual Rent (1/1/2023 - 12/31/2032)	\$139,755
Annual Rent (1/1/2033 - 12/31/2037)	\$153,730.50
Option 1 (1/1/2038 - 12/31/2042)	\$169,103.55
Option 2 (1/1/2043 - 12/31/2047)	\$186,013.90
Option 3 (1/1/2048 - 12/31/2052)	\$204,615.29
Option 4 (1/1/2053 - 12/31/2057)	\$225,076.81
Option 5 (1/1/2058 - 12/31/2062)	\$247,584.49
Option 6 (1/1/2063 - 12/31/2067)	\$272,342.93

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



291

WILLIAM YATES
ELEMENTARY SCHOOL
(374 STUDENTS)



BW | Best Western
Hotels & Resorts
Residence INN.
BY MARRIOTT

INDEPENDENCE RIDGE
APARTMENTS
(336 UNITS)

PEPPERWOOD
APARTMENTS
(301 UNITS)



MEN'S WEARHOUSE



CENTERPOINT MEDICAL CENTER
(285 BEDS)

EAST 39TH STREET S
±17,200 VPD



DWIGHT D. EISENHOWER HIGHWAY
±91,400 VPD



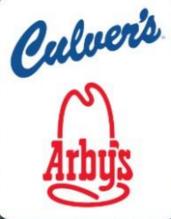
CORNERSTONE
APARTMENTS
(420 UNITS)



HOBBY LOBBY



PARK UNIVERSITY
IN INDEPENDENCE, MO



ADAIR PARK



40



TRINITY WOODS
APARTMENTS
(240 UNITS)



±91,400 VPD



470

40

E US HIGHWAY 40
±21,860 VPD

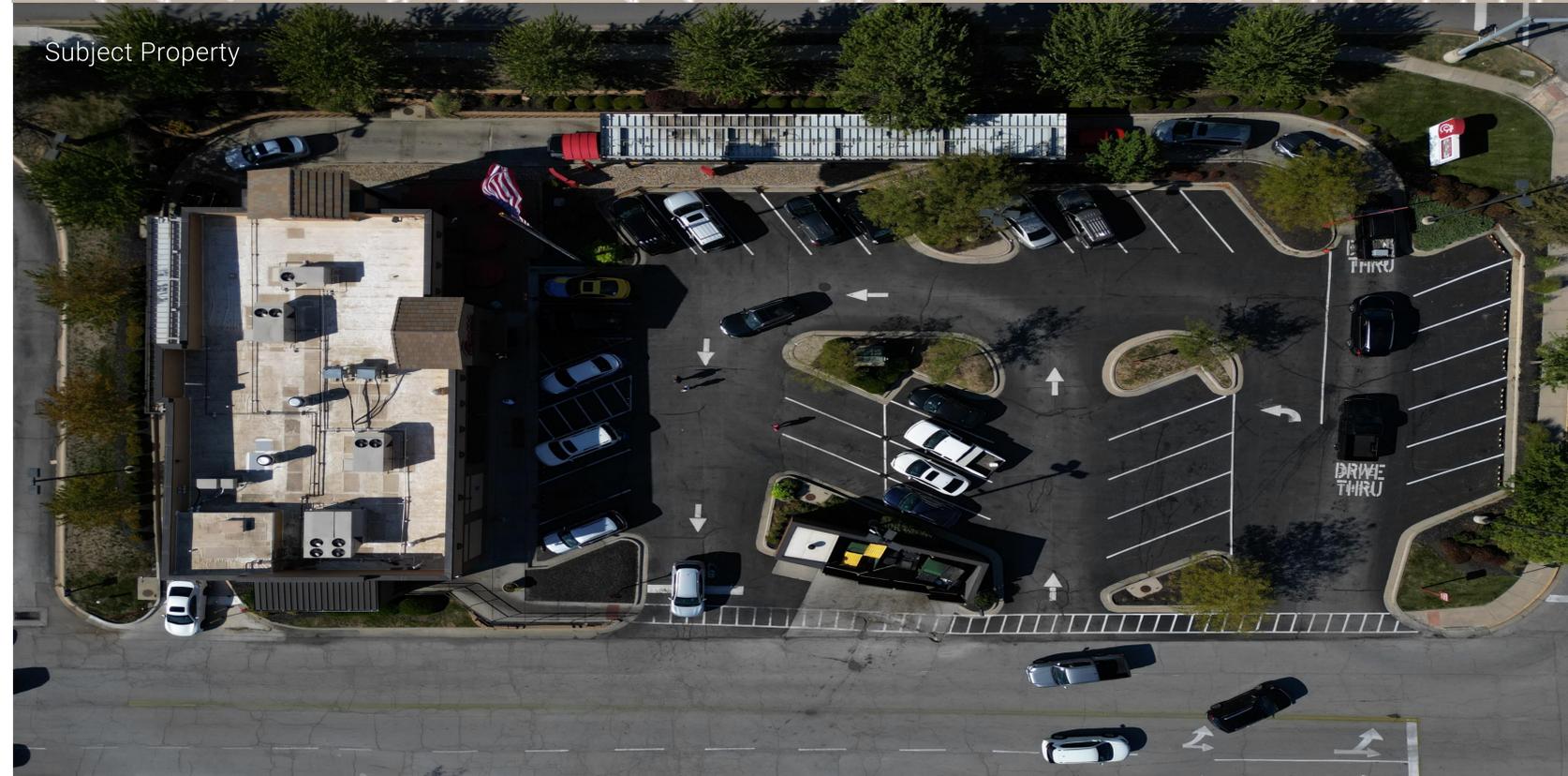
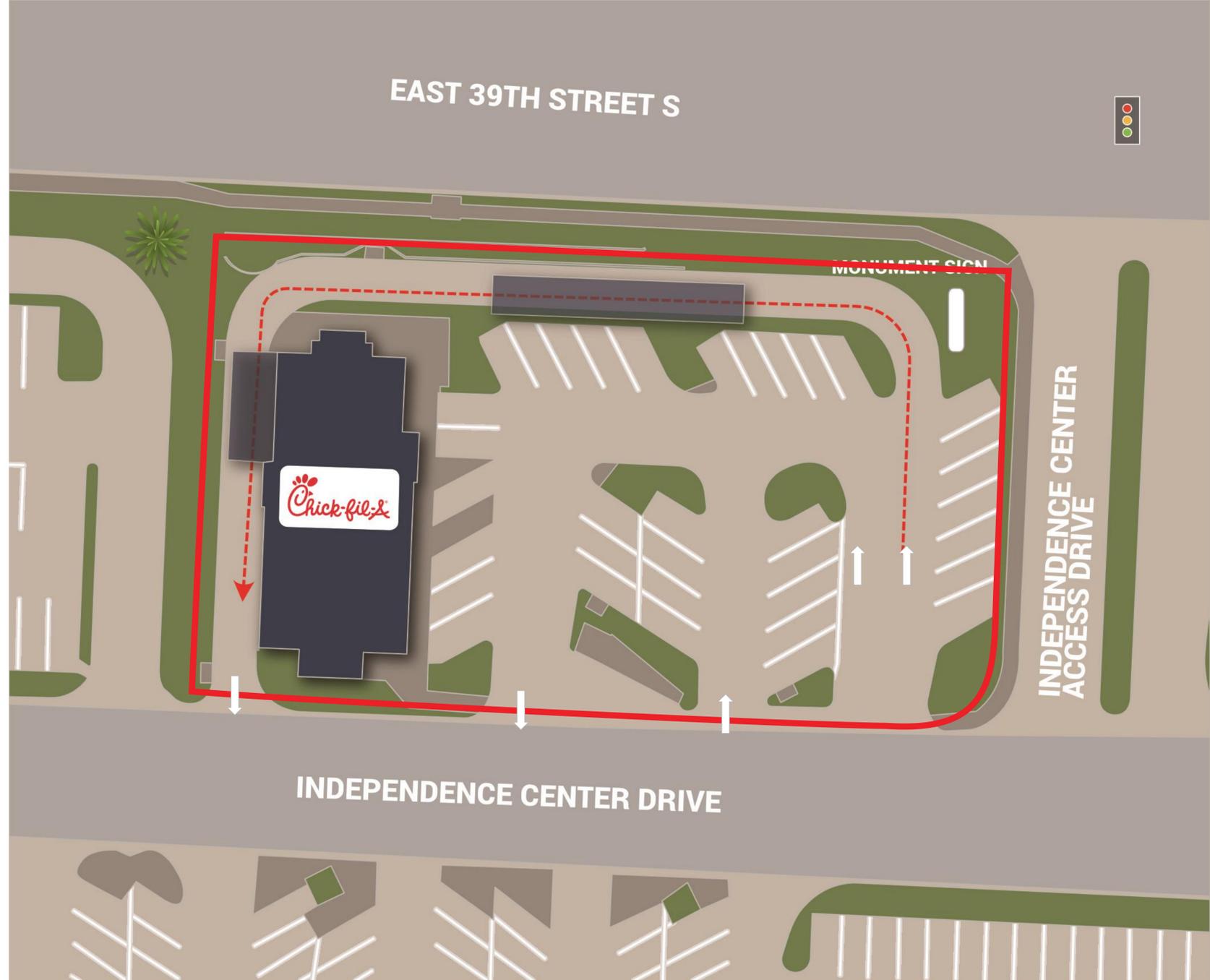
SITE OVERVIEW

CHICK-FIL-A INDEPENDENCE, MO

	Year Built		2008
	Building Area		±4,297 SF
	Land Area		±0.85 AC

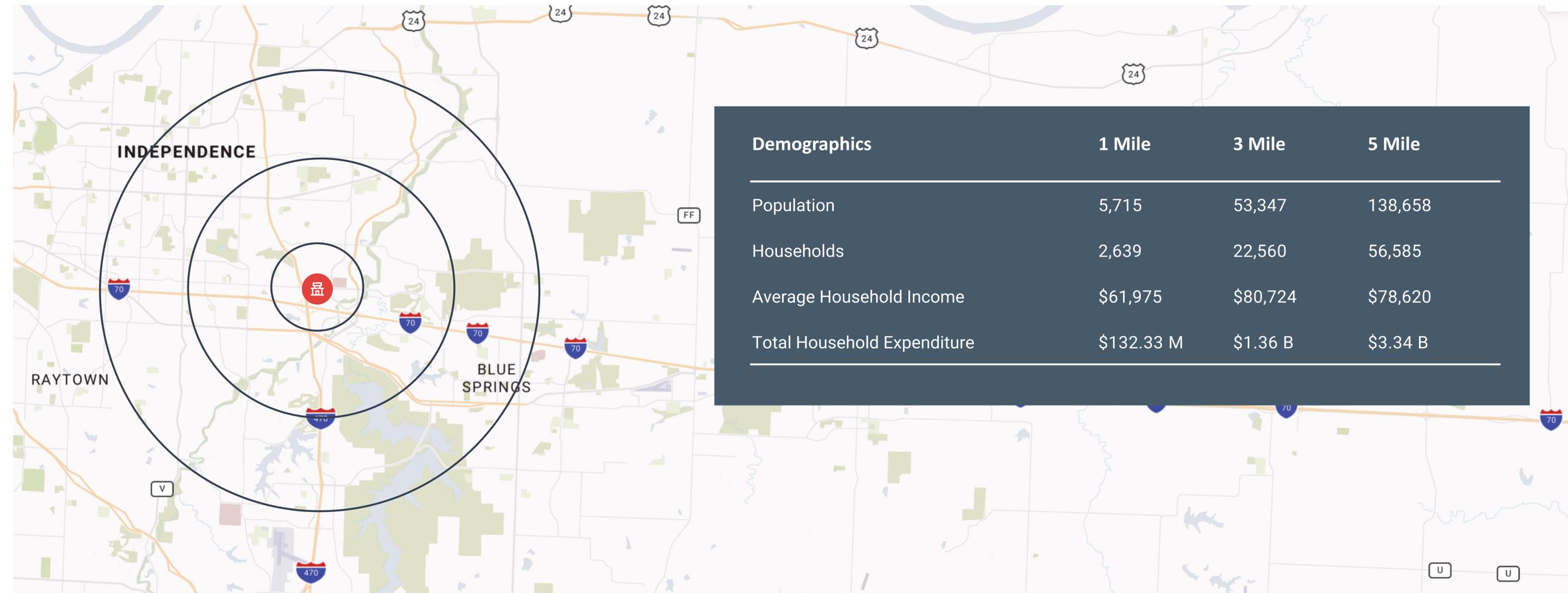
NEIGHBORING RETAILERS

- Dillard's
- Forever 21
- Sam's Club
- Walmart Supercenter
- Sonic
- Golden Corral Buffet & Grill
- Costco Wholesale
- Whataburger
- DICK'S Sporting Goods
- AMC
- Kohl's



LOCATION OVERVIEW

CHICK-FIL-A INDEPENDENCE, MO



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. Independence School District (2,297)
2. Winchester - Lake City (1,170)
3. Centerpoint Medical Center (1,416)
4. City of Independence (1,030)
5. Government Employee Health Association (776)
6. Phoenix Home Health (600)
7. Rosewood Health Center at the Groves (444)
8. Unilever (375)
9. Cable Dahmer Automotive (358)
10. Burd & Fletcher (300)
11. Jackson County Circuit Court
12. Mid-Continent Library

LOCATION OVERVIEW

— CHICK-FIL-A INDEPENDENCE, MO

Independence

Missouri

 **117,139**
Population

 **\$50,797**
Median Household Income



10 Miles from Kansas
City, MO

10 Miles

Median Home Value

\$121,200

Independence is the fifth largest city in the state of Missouri and encompasses over 78 square miles.

It is the county seat of Jackson County. The current population is approximately 117,000.

Independence is a city rich with history and is an All-America City. Independence is part of Jackson County with 654,000 people covering 607 square miles.

Independence is a satellite city of Kansas City, Missouri, and is the largest suburb on the Missouri side of the Kansas City metropolitan area.

Independence residents enjoy over 40 parks, excellent schools and outstanding shopping facilities that offer a wide variety of choices ranging from the historic Independence Square to one of the finest malls in the surrounding area. Independence is known as the "Queen City of the Trails" because it was a point of departure for the California, Oregon, and Santa Fe Trails. It is the hometown of U.S. President Harry S. Truman, with the Truman Presidential Library and Museum, and the gravesites of Truman and First Lady Bess Truman. The city is sacred to the Latter Day Saint movement, as the home of Joseph Smith's 1831 Temple Lot, and the headquarters of several Mormon denominations.

IN THE NEWS

CHICK-FIL-A INDEPENDENCE, MO

Five KC-area projects get green light for \$48.2M in federal funds to bolster supply chain, support racial equity, economic growth

Startland News Staff, August 12, 2022 (Startland News)

A federal push to make U.S. transportation systems safer, as well as more accessible, affordable, and sustainable will boost a handful of Kansas City modernization projects — including two that would reconnect east-west communities within the metro, the nation’s top transportation official announced Thursday.

Nearly \$48.2 million in funding is slated for **local planning and capital improvement** efforts through a \$2.2 billion allocation to **modernize roads, bridges, transit, rail, ports, and intermodal transportation**, said Pete Buttigieg, U.S. secretary of transportation. All projects selected for Missouri’s funding from the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program are in or **near Kansas City**.

The Mid-America Regional Council will receive \$5.6 million to fund planning activities for an east-west high-capacity transit corridor from Village West in Wyandotte County, Kansas, through downtown Kansas City, Missouri to Independence, Missouri.

Another effort would create **safe, accessible, non-motorized travel routes in KCK**, and work to close gaps in the transit system that are worsened by a six-lane highway that cuts through an underserved **community**.

Selections were made, in part, based on how projects will improve accessibility for all **travelers, boost supply chain efficiency, and support racial equity and economic growth** — especially in historically disadvantaged communities and areas of persistent poverty.

EXPLORE ARTICLE



Independence makes deal for \$1 billion industrial park, the largest project in city history

Carlos Moreno, May 25, 2022 (KCUR)

Independence Mayor Rory Rowland signed an ordinance Wednesday approving the development of a 1,200 acre industrial park in eastern Jackson County. Construction is expected to begin in August.

Independence leaders have inked a **\$1 billion investment agreement** with Kansas City-based NorthPoint Development to bring a **mixed-use industrial park** to the east side of the city.

“This is really where **Independence needs to be developed**,” said Independence Mayor Rory Rowland. “And this is really that **stepping stone** to make a big commitment, to drop a big rock into the pond to really make waves going forward.”

The deal is the largest single investment in Independence’s history and the city anticipates the development to bring 5,000 new jobs to the area as well as gas stations, restaurants and other support services.

Rowland signed an ordinance approving the development at a ceremony Wednesday. Officials say the Eastgate Commerce Center project will occupy more than **1,200 acres near Highway M-78 and Little Blue Parkway**.

“I drove down the parkway to come here today and it was remarkable,” Rowland said. “My grandchildren will drive down that parkway. It’ll be completely different, you know?” But it will take a while to **see the full project to fruition**.

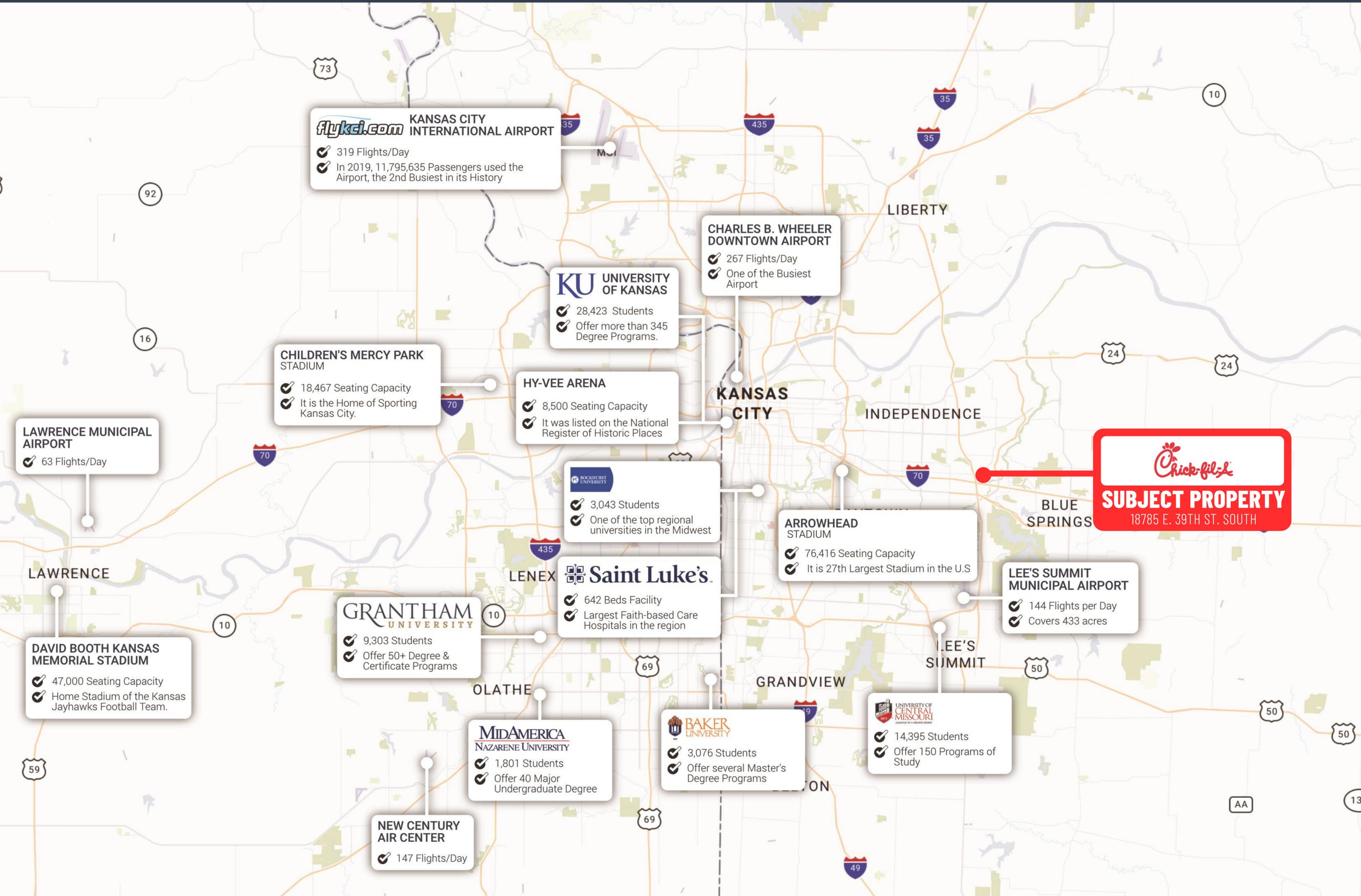
“It’ll take probably between 20 and 30 years,” Rowland said. “But it’ll **completely change this area of Independence**.”

EXPLORE ARTICLE



GREATER AUSTIN

CHICK-FIL-A INDEPENDENCE, MO



flykci.com KANSAS CITY INTERNATIONAL AIRPORT

- ✓ 319 Flights/Day
- ✓ In 2019, 11,795,635 Passengers used the Airport, the 2nd Busiest in its History

CHARLES B. WHEELER DOWNTOWN AIRPORT

- ✓ 267 Flights/Day
- ✓ One of the Busiest Airport

KU UNIVERSITY OF KANSAS

- ✓ 28,423 Students
- ✓ Offer more than 345 Degree Programs.

CHILDREN'S MERCY PARK STADIUM

- ✓ 18,467 Seating Capacity
- ✓ It is the Home of Sporting Kansas City.

HY-VEE ARENA

- ✓ 8,500 Seating Capacity
- ✓ It was listed on the National Register of Historic Places

LAWRENCE MUNICIPAL AIRPORT

- ✓ 63 Flights/Day

ROCKHURST UNIVERSITY

- ✓ 3,043 Students
- ✓ One of the top regional universities in the Midwest

Chick-fil-A
SUBJECT PROPERTY
18785 E. 39TH ST. SOUTH

ARROWHEAD STADIUM

- ✓ 76,416 Seating Capacity
- ✓ It is 27th Largest Stadium in the U.S

LEE'S SUMMIT MUNICIPAL AIRPORT

- ✓ 144 Flights per Day
- ✓ Covers 433 acres

DAVID BOOTH KANSAS MEMORIAL STADIUM

- ✓ 47,000 Seating Capacity
- ✓ Home Stadium of the Kansas Jayhawks Football Team.

GRANTHAM UNIVERSITY

- ✓ 9,303 Students
- ✓ Offer 50+ Degree & Certificate Programs

Saint Luke's

- ✓ 642 Beds Facility
- ✓ Largest Faith-based Care Hospitals in the region

MIDAMERICA NAZARENE UNIVERSITY

- ✓ 1,801 Students
- ✓ Offer 40 Major Undergraduate Degree

NEW CENTURY AIR CENTER

- ✓ 147 Flights/Day

BAKER UNIVERSITY

- ✓ 3,076 Students
- ✓ Offer several Master's Degree Programs

UNIVERSITY OF CENTRAL MISSOURI
LEARNING TO A GREATER DEGREE

- ✓ 14,395 Students
- ✓ Offer 150 Programs of Study

CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 224-6430

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