



# Hardee's

## \$1,216,000 | 6.25% CAP

108 N Fourth St, Chillicothe, IL 61523 (Peoria)

- ✓ **Rent Commencement:** August 2022
- ✓ **17+ Yrs. Left on Recently Extended 20-Year NNN Lease**, with (4) 5-Year Options to Renew and 10% Rental Increases Every 5 Years
- ✓ **Subject Property is Located on N 4th Street (15,060+ VPD)**, right off of the Illinois River and Illinois Route 29. It is 15 miles north of Downtown Peoria, IL, 100 miles southwest of Chicago, IL, and 150 miles northeast of St. Louis, MO.
- ✓ **Healthy Rent to Sales Ratio**
- ✓ **Property is Located 5-Miles From Caterpillar Manufacturing Plant**



Hardee's is an **American restaurant chain**, which predominantly operates in the South and Midwest states. It has evolved through **several corporate ownerships** since its establishment in **1960**.





# INVESTMENT OVERVIEW

HARDEE'S CHILLICOTHE, IL



## CONTACT FOR DETAILS

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**IL Broker of Record: Matt Chambers**

**License #: 481.000413**

# \$1,216,000

## 6.25% CAP

NOI

\$76,000

Building Area

±3,415 SF

Land Area

±0.68 AC

Year Built/Remodeled

2005/2012

Lease Type

Net Lease

Occupancy

100%

- ✓ **Rent Commencement:** August 2022
- ✓ **20-Year Net Lease** with (4) 5-Year Options to Renew and 10% Rental Increases Every 5 Years. The store boasts a strong rent to sales ratio of 8.63%
- ✓ **Subject Property is Located on N 4th Street (15,060+ VPD),** right off of the Illinois River and Illinois Route 29. It is 15 miles north of Downtown Peoria, IL, 100 miles southwest of Chicago, IL, and 150 miles northeast of St. Louis, MO.
- ✓ **TriStar Ventures Operates 26 Units Throughout IL and IN,** and generated approximately \$30,000,000 in revenue in 2023.
- ✓ **The Lease is Guaranteed by LBE Holdings,** which includes 64 units, and had totaling \$87,000,000 in 2023.
- ✓ **Property is Located 5-Miles From Caterpillar Manufacturing Plant**
- ✓ **Known as the Heart of Illinois, Peoria County is at the center of a multi-county region along the Illinois River.** Agriculture giants Caterpillar and Komatsu are originally based out of this region, which have been credited for bringing billions in revenue to the area.
- ✓ **Hardee's operates over 1,800 restaurants across the U.S. and 13 other countries.** They are franchised by Tristar Ventures, LLC, which is affiliated with over 100 Hardee's restaurants, and is part of the CKE Restaurant system. The CKE Restaurant system has created a chain of 3,828 restaurants in 40 states and 10 countries, with a total revenue of over \$3.8 billion.

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

HARDEE'S CHILLICOTHE, IL

## Hardee's

**Lessee:** Tristar Ventures, LLC

**Guarantor:** LBE Holdings

REVENUE  
**\$920 M**

LOCATIONS  
**1,800+**



[hardees.com](https://www.hardees.com)

Hardee's Restaurants LLC is an American fast-food restaurant chain operated by CKE Restaurants Holdings, Inc. ("CKE") with locations primarily in the Southern and Midwestern United States. The company has evolved through several corporate ownerships since its establishment in 1960 in North Carolina.

For over **60 years**, Hardee's has brought communities together with quality, delicious food. With more than **1,800 restaurants** across the U.S., and locations in **13 countries**, they are committed to the **best tasting food** to better serve their guests--From Made From Scratch™ Biscuits and Hand-Breaded Chicken Tenders™.

Capstone Restaurant Group is a collection of affiliated companies that operates and franchises over **110 Hardee's** and Carl's Jr. restaurants in **10 states**. They were founded in **2010** with just **40 restaurants** and through a series of acquisitions and organic growth have climbed their way to the **second largest franchisee** in the CKE Restaurants system. Their Company is one that wants to keep pushing for the summit, pushing for the pinnacle, pushing for that next peak. Thus, the name Capstone, which means a stone fixed on top of something, typically a wall. They are always trying to reach the top.



File Photo



## IN THE NEWS

— HARDEE'S CHILLICOTHE, IL

## Carl's Jr., Hardee's Join the AI Drive-Thru Revolution

DANNY KLEIN, MAY 4, 2023 (QSR MAGAZINE)

Dan Mosher has held no shortage of conversations with restaurant brands over the topic of voice AI technology in recent months. And the tenor suggested heightened interest, just as it has for some time.

But like any disruption, you have early adopters, and then you have those who want to see **trials before buying** in. Mosher, who was promoted to president of Presto Automation in late **March**, has a feeling Thursday's news might help **convince** that latter group.

Presto announced the expansion of a partnership with CKE Restaurants, the parent company of Carl's Jr. and Hardee's, to roll its AI-powered solution, Presto Voice, to automate voice ordering at CKE drive-thru locations nationwide.

The deal, Mosher says, represents the **largest quick-service chain** to adopt voice AI thus far. Presto currently works with Checkers & Rally's and Del Taco. CKE directs roughly **2,800 stores** across **44 states**.

Presto piloted the tech with CKE going back to the middle of 2022. It went live at a North Dakota franchise store and then a corporate one in Spring Hill, Tennessee, a city roughly **30 miles** south of Nashville.

One of the lead results concerned upselling. On average, test drive-thrus achieved an **88 percent** upsell offer rate to guests. Additionally, over **46 percent** of the upsells offered were accepted by guests, which lifted average checks.

"Presto's Voice AI **solution is a robust** choice as it aligns well with CKE's objective of providing guests with outstanding service while simultaneously increasing operational efficiency," Phil Crawford, CKE's chief technology officer, said. "... the pilot program yielded **positive outcomes**, with deployed stores experiencing a significant rise in revenue due to the upsell capability.

EXPLORE ARTICLE



## How Carl's Jr. and Hardee's Keep their Supply Chain Running Smoothly

MAY 16, 2023 (QSR MAGAZINE)

CKE Restaurants, parent company of Carl's Jr. and Hardee's, operates over **2,700 domestic restaurants** across **44 states**.

With such a large footprint, managing relationships with multiple suppliers across **15 different distribution centers** to ensure ingredients are delivered to each distribution center, and eventually to each location, can be a **massively complex** task.

Carl's Jr. and Hardee's have not been immune from these supply-chain snarls. However, the brands have had the support needed to address them, says Todd Huetinck, senior vice president of supply chain management at CKE Restaurants, thanks to ArrowStream, a cloud-based foodservice supply chain management platform that CKE Restaurants has relied on for the past 10 years.

That's especially true when considering the supply-chain disruptions that have become the norm since the onset of the pandemic. Recent data from the National Restaurant Association shows that **96 percent of operators** experienced delays or shortages of key food and beverage items during the **second half of 2022**.

"ArrowStream is a really user-friendly solution," Huetinck says. "It's a one-stop shop for our purchasing, distribution, and quality-control metrics. ArrowStream has become a **necessary tool** in order to manage our supply chain."

ArrowStream taps into data from key cogs in the supply chain, from suppliers, to **distribution centers**, to the store level, giving operators visibility across all spectrums.

EXPLORE ARTICLE





# LEASE OVERVIEW

HARDEE'S CHILLICOTHE, IL

Initial Lease Term	20 Years, Plus (4), 5-Year Options to Renew
Rent Commencement	August 2022
Lease Expiration	August 2042
Lease Type	NNN
Rent Increases	10% Every 5 Years
Annual Rent YRS 1-5	\$76,000
Annual Rent YRS 6-10	\$83,600
Annual Rent YRS 11-15	\$91,960
Option 1	\$101,156
Option 2	\$111,271.60
Option 3	\$122,398.76
Option 4	\$134,638.64

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.







CHILlicothe  
ELEMENTARY CENTER  
(155 STUDENTS)

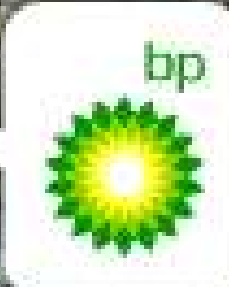
PEARCE COMMUNITY  
CENTER



Casey's



ILLINOIS  
29



True Value

CUTRIGHT  
COMMUNITY  
PARK

DOLLAR GENERAL



verizon



N 4TH STREET  
±15,000 VPD

**Hardee's**  
**SUBJECT PROPERTY**  
108 N. FOURTH ST.

SUBWAY

E CLOVERDALE ROAD



O'Reilly AUTO PARTS

H&R BLOCK



CEFCU

SHORE ACRES  
DISC GOLF  
COURSE



DOLLAR TREE

CVS pharmacy

Kroger



ILLINOIS RIVER

CHILlicothe  
ISLAND

GOOSE LAKE

SYCAMORE  
TRAIL PARK


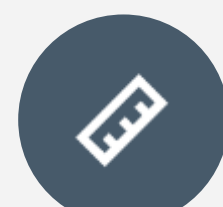
ILLINOIS VALLEY CENTRAL  
HIGH SCHOOL  
(644 STUDENTS)

SOUTH  
ELEMENTARY SCHOOL  
(410 STUDENTS)



# SITE OVERVIEW

HARDEE'S CHILLICOTHE, IL

	Yr Built/Remodeled	2005/2012
	Building Area	±3,684 SF
	Land Area	±0.80 AC

## NEIGHBORING RETAILERS

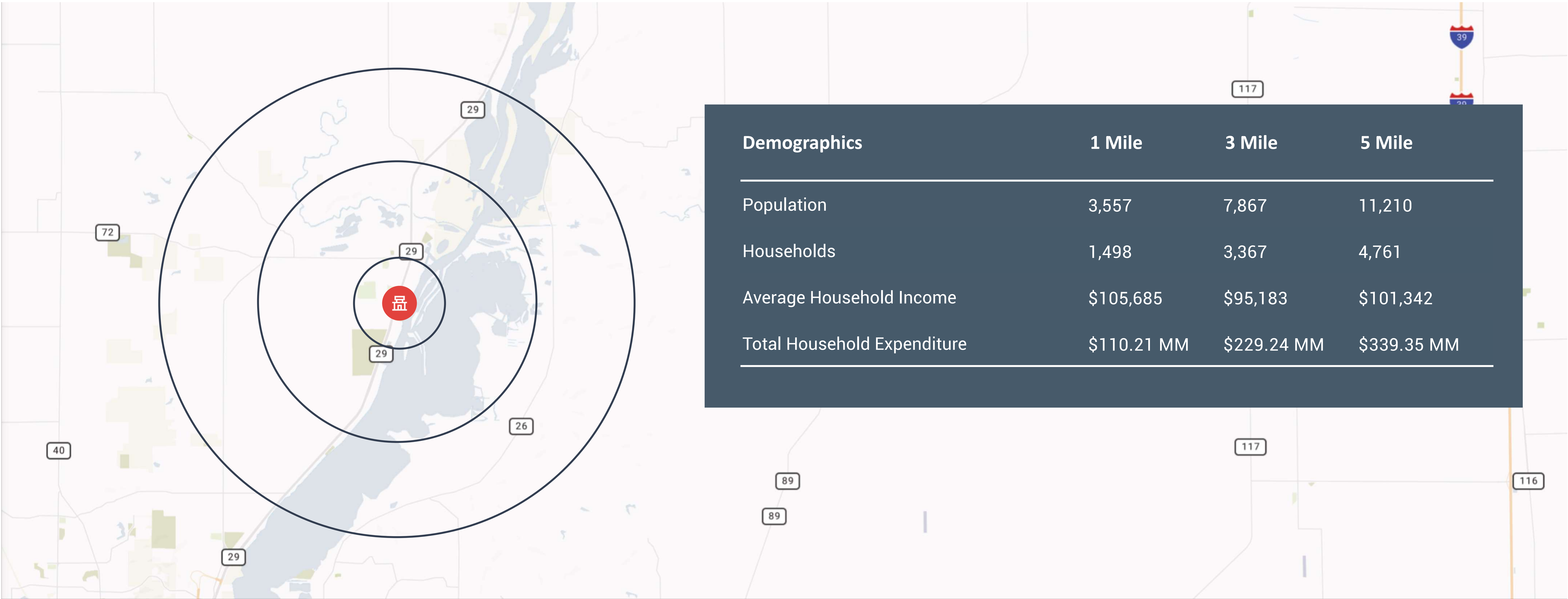
- Kroger
- Dollar Tree
- Dollar General
- True Value
- United States Postal Service
- O'Reilly Auto Parts
- CVS
- Taco Bell
- Pizza Hut
- Casey's





# LOCATION OVERVIEW

HARDEE'S CHILLICOTHE, IL



## ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1.

OSF Saint Francis Medical Center (13,500)
2.

Caterpillar Inc. (12,000)
3.

UnityPoint Health (4,991)
4.

Peoria Public Schools (2,668)
5.

Bradley University (1,300)
6.

Advanced Technology Services (1,073)
7.

SC2 Services (1,030)
8.

Liberty Steel & Wire (912)
9.

City of Peoria (888)
10.

CEFCU (867)
11.

Komatsu American Corp (850)
12.

County of Peoria (783)



# LOCATION OVERVIEW

HARDEE'S CHILLICOTHE, IL

## Chillicothe

Illinois (Peoria)



181,830

(County Population)



\$63,409

Median Household Income



Peoria is Consistently Being Ranked on the BestPlaces Rankings in the U.S.

DESIRABLE TO LIVE

Peoria is Ranked as the 45th Lowest Cost of Living in the U.S.

TOP 45

### Chillicothe is a city on the Illinois River in Peoria County, Illinois, United States.

The population is 6,128+ as of 2023. Chillicothe is just north of the city of Peoria and is part of the Peoria Metropolitan Statistical Area.

**Peoria, Illinois is the oldest community in Illinois with a population of 113,672+.**

Chillicothe is located on the Illinois River and on the parallel Iowa Interstate Railroad (IAIS) branch, from Bureau to Peoria, which was formerly the Rock Island Railroad.

The City of Chillicothe is in Peoria County in Central Illinois and is approximately 15 miles north of Peoria along the Illinois River and Illinois Route 29. The city has the Illinois Route 29 connect the community with Peoria's Interstate 474 loop just 8 miles to the south. The nearest major cities are Chicago, about 150 miles to the northeast, and St. Louis, 172 miles to the southwest. Peoria is the largest city on the Illinois River, giving its downtown picturesque views that only a riverfront can provide. The Peoria RiverFront district is one of the state's oldest urban areas, and is home to great restaurants, live entertainment, cultural centers and more. The passing by of barges and pleasure boats, like the paddlewheel boat The Spirit of Peoria, adds to the ambiance. Peoria has become famous as a representation of the average American city because of its demographics and its perceived mainstream Midwestern culture.



IN THE NEWS

HARDEE'S CHILLICOTHE, IL

Peoria City Council gets a '30,000-foot high' overview of new riverfront development plan

TIM SHELLEY, JULY 26, 2023 (WCBU)

After more than five years in the works, the Peoria City Council saw plans Tuesday for a redesigned downtown riverfront. Among other things, the plans call for a dog park, an interactive water feature, and a kayak launch along the Illinois River between the Bob Michel and Murray Baker bridges.

The plan also calls for 18.5 acres of green space, four miles of walking and running paths, and more than 900 new trees. But the cost is still a big question mark.

The city has secured a \$15 million grant from the Illinois Department of Commerce and Economic Opportunity and a \$300,000 flooding prevention grant from the Federal Emergency Management Agency. Total flood prevention efforts are likely to cost upwards of \$3 million, however. Ghareeb said it may be possible to secure more FEMA money.

"We don't have an actual construction costs. So, the cost average is right now between \$15 to \$25 million," said George Ghareeb, senior vice president at design firm Terra Engineering. "So it's a big range. And part of the reason is, we are at 30,000 feet high. When we come closer, we could tweak the design a little bit more whether depending on how much money we have."

Second District councilman Chuck Grayeb, whose district includes the downtown area, said the uncertainty around costs gives him "indigestion."

"We should not be at 30,000 feet anymore, folks. We just shouldn't," he said. "We should be ready to land the plane."

In the plans, a flood wall would cover most of the area around the River Station. Pumps would also be used to keep out floodwaters, and a wave attenuator on the north side of the riverfront park area would calm the waters near the shoreline.

EXPLORE ARTICLE

'The flowers are blooming': Peoria Mayor Rita Ali says the city is well-positioned for growth in annual address

TIM SHELLEY, JUNE 23, 2023 (WCBU)

The city of Peoria's financial position is unusually strong in the aftermath of the COVID-19 pandemic. It's a wave Peoria Mayor Rita Ali wants the city to ride to further growth.

That was the general theme of the mayor's annual State of the City address Thursday at Luthy Botanical Gardens. The city's revised 2023 budget was \$265 million. Ali said overall city revenues were \$282 million in 2022, up 12% from 2021. Fifty-two percent of revenues come from local taxes, fees, and fines. The bulk of the rest is from state and federal sources.

Ali said the city exceeded revenue projections over the past two years. The city general revenue fund is at about 50% of operating expenses, double the 25% minimum set by policy.

"It means that the budget surplus from 2022 can be used beginning 2024 to pay more toward public safety pensions and still exceed the fund balance policy," Ali said. "It means that the city has several years of fiscal certainty and a buffer in the event of economic turndown or recession."

It's a far different budgetary situation than the city faced at the beginning of the COVID-19 pandemic, when lost revenues forced difficult cuts to the table.

"American (Rescue) Plan Act or ARPA funding has had a huge positive impact on our budget," Ali said. "We will continue to utilize these funds through 2024 and make up for the end of these funds by tapping other grant and funding sources."

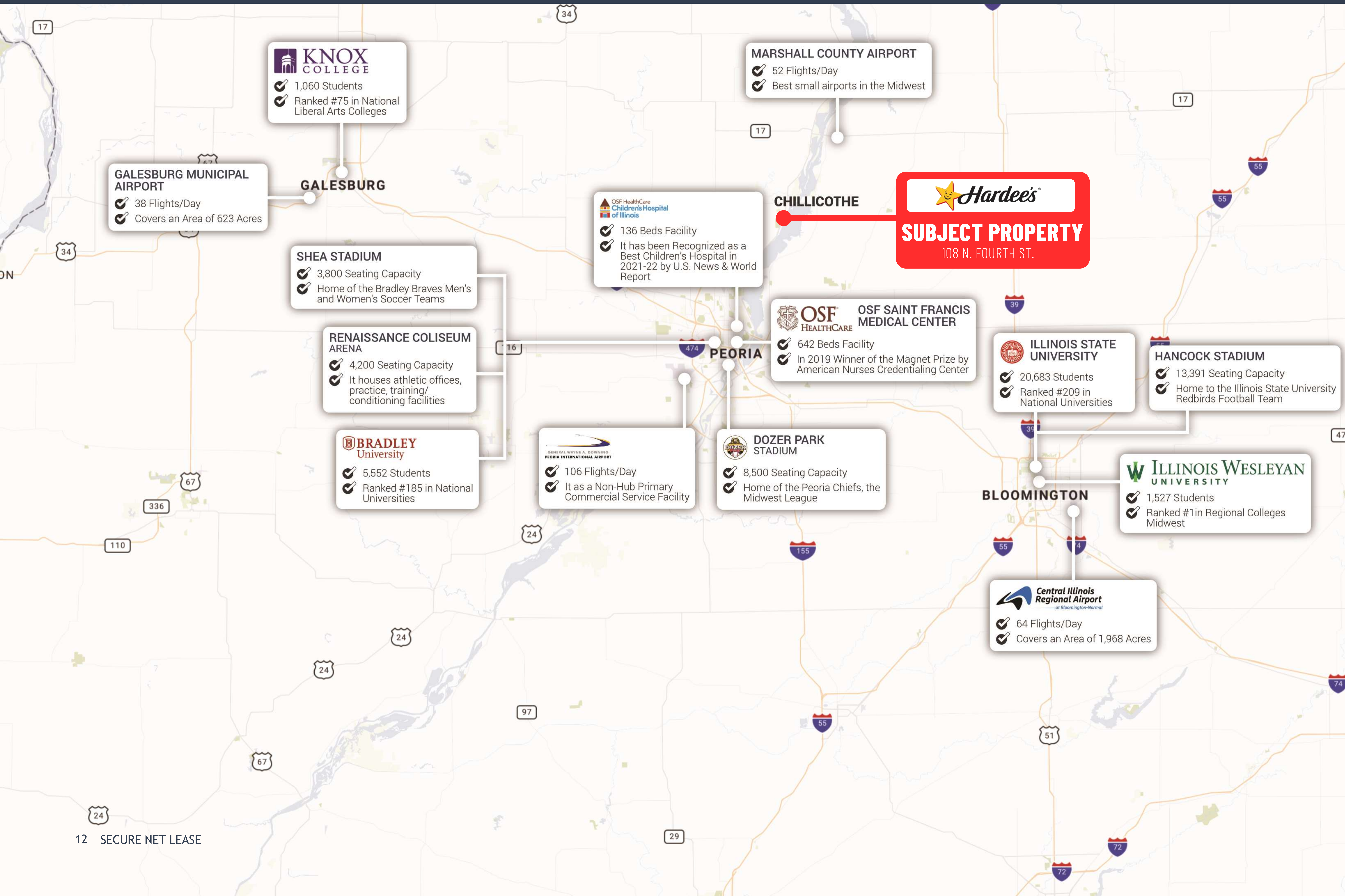
Peoria received \$46 million in federal relief dollars.

EXPLORE ARTICLE



# METRO AREA

HARDEE'S CHILLICOTHE, IL





CALL FOR ADDITIONAL INFORMATION

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## Los Angeles

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