



White Castle (Ground Lease)  
3175 SR 3  
New Castle, IN 47362

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## **CONFIDENTIALITY & DISCLAIMER**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group. This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

## EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant White Castle ground lease located in New Castle, Indiana. New Castle is 42 miles east of downtown Indianapolis. White Castle benefits from its strategic location as an outlot parcel to a Wal-Mart Supercenter. The Wal-Mart Supercenter was developed in 2003 as a relocation to replace a smaller location.

The property is located along Indiana State Route 3, which experiences traffic counts in excess of 16,000 vehicles per day. State Route 3 is the primary north-south thoroughfare and has direct access to Interstate 70. The property is located at the traffic signalized intersection of State Route 3 and County Road 300. County Road 300 serves as the only entrance to the Wal-Mart Supercenter.

White Castle's original ground lease term was for 10 years with six 5-year renewal options and the ground lease expires in October 2017. The net operating income increases 11% every five years during the option periods. White Castle is a privately held company with over 420 locations spread across the Midwest and the New York metropolitan

### INVESTMENT HIGHLIGHTS

- Outparcel to a Wal-Mart Supercenter
- Traffic counts along SR 3 in excess of 16,000 vehicles per day
- Positioned on the hard corner of a signalized intersection
- No landlord responsibilities
- 11% rental escalations every five years in the renewal option periods



PROPERTY OVERVIEW

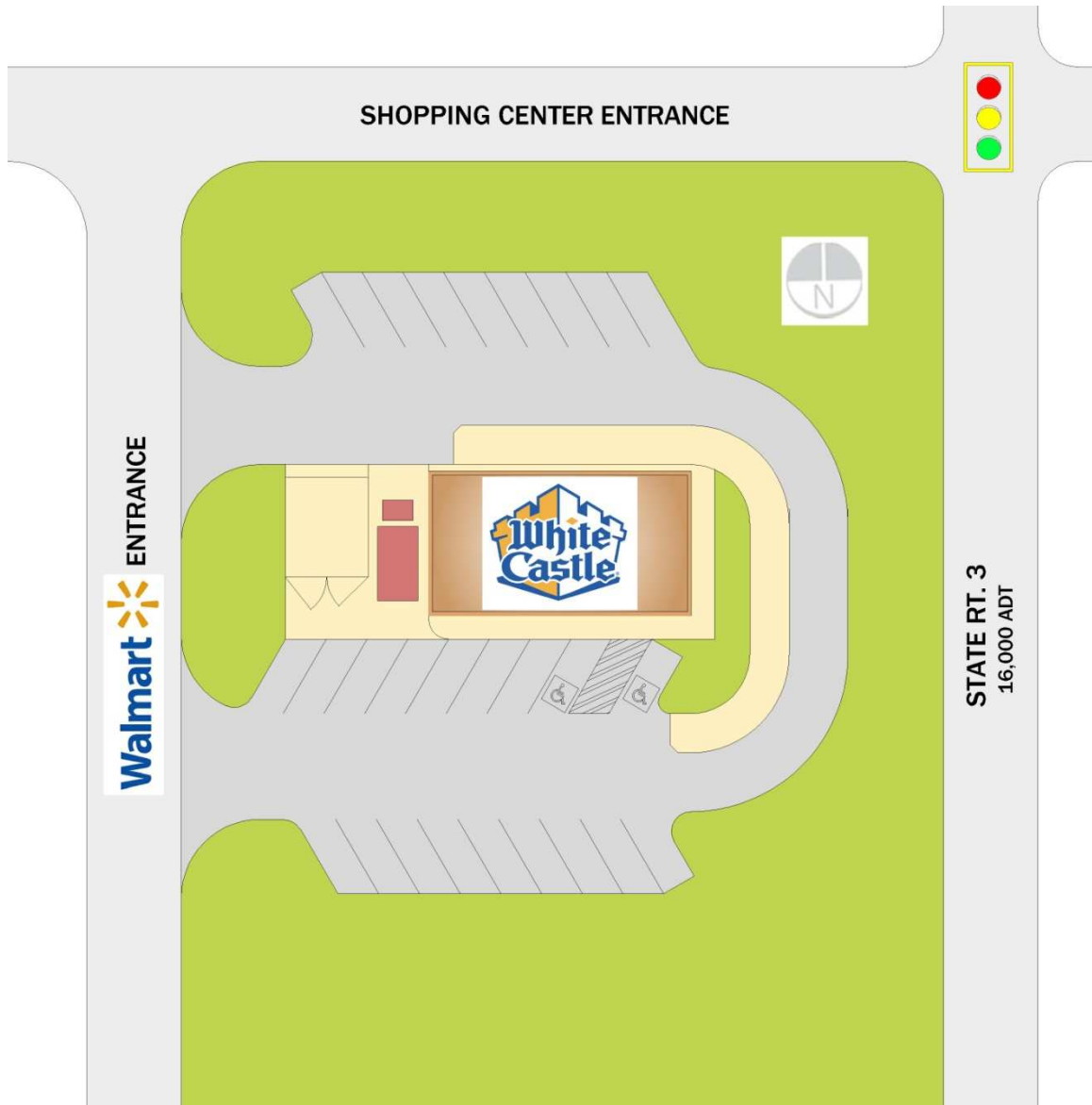
Price:	\$496,055		
Cap Rate:	7.25%		
Rent Schedule:	<u>NOI</u>	<u>Escalation Date</u>	
	\$35,964 *		
	\$39,920	11/1/2017	(Option 1)
	\$44,311	11/1/2022	(Option 2)
	\$49,185	11/1/2027	(Option 3)
	\$54,595	11/1/2032	(Option 4)
	\$60,601	11/1/2037	(Option 5)
	\$67,267	11/1/2042	(Option 6)
Renewal Options:	Six 5-year options		
Renewal Escalations:	11% every 5 years		
Lease Commencement Date:	October 29, 2007		
Lease Expiration Date:	October 31, 2017		
Tenant:	White Castle		
Year Built	2007		
Lease Type:	Ground Lease - NNN		
Land Size:	42,820 SF		

\* Seller to pay rent differential from the closing date until November 1, 2012 when the escalated rent commences.

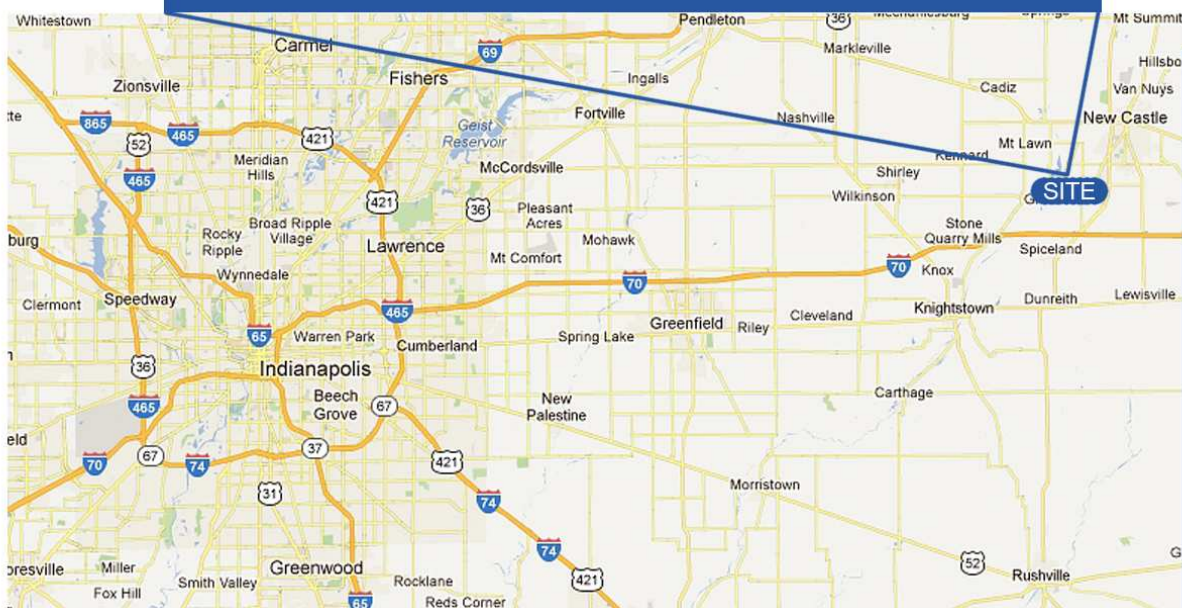
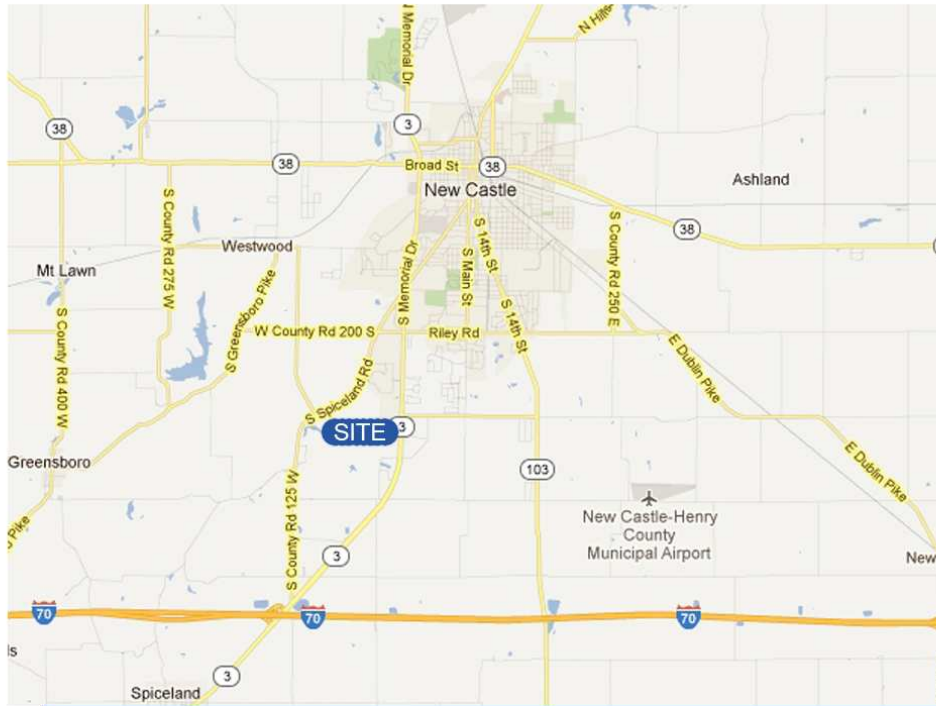
AERIAL



SITE PLAN



MAPS



## TENANT PROFILE

White Castle is an American regional fast food hamburger restaurant chain in the Midwestern United States and in the New York metropolitan area. White Castle is known for its “sliders”, small square hamburgers. White Castle was started in 1921 and was the first fast food restaurant to sell a million hamburgers as well as the first to sell a billion hamburgers. In addition to selling its product through traditional stores, White Castle offers its products in frozen form in many grocery and convenience stores nationwide. White Castle is a private company and all expansion is financed solely by retained earnings.

Website:	<a href="http://www.whitecastle.com">www.whitecastle.com</a>
Number of Locations:	420
Stock Symbol:	Private
Standard & Poor’s Rating:	Not Rated
Employees:	12,000 +



**DEMOGRAPHIC COMPARISON REPORT**

<b>Population</b>	<b>3-mi.</b>	<b>5-mi.</b>	<b>10-mi</b>
Total Population	14,568	26,176	39,062
Total Households	6,448	10,778	15,882
<b>Income</b>			
Median Household Income	\$47,519	\$44,910	\$47,188
Average Household Income	\$58,431	\$55,195	\$57,195



## LOCATION OVERVIEW



**New Castle** is located in Henry County, Indiana and is located 44 miles northeast of Indianapolis. New Castle is the county seat and the largest city in Henry County. In 2010 Henry County had a population of 49,462 with New Castle accounting for 38% of the population. State Road 3 is a major 4-lane highway which runs north and south, linking visitors to Muncie and I-74. Henry County is within a short drive from major urban areas such as Indianapolis, Cincinnati, Ohio, and northern Kentucky.

<http://www.henryco.net/>

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