



NET LEASE INVESTMENT OFFERING



ANDY'S FROZEN CUSTARD (CHICAGO MSA)
12805 S HARLEM AVE
PALOS HEIGHTS, IL 60463



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Andy's Frozen Custard property located within the Chicago MSA in Palos Heights, Illinois. The Andy's Frozen Custard lease begins on January 29, 2021 following the completion of construction. The new lease features 20 years of term with 1.5% rental escalations annually and four 5-year renewal options.

The 1,800 square foot Andy's Frozen Custard benefits from its location near a signalized hard corner along south Harlem Avenue (32,900 VPD) which is a primary north-south thoroughfare and west 127th Street (14,400 VPD). The property is well positioned in a dominant retail corridor along Harlem Avenue which is anchored by a strong performing Jewel-Osco (sales: \$37,000,000/year), Wendy's, Jiffy Lube, Jersey Mike's and Lou Malnati's Pizzeria. Other retailers in the area include Walgreens, Chase Bank, Athletico, Ace Hardware, and Edward Jones. There are 242,685 people living within 5 miles of the property with an average household income in excess of \$92,000 annually.

The Andy's Frozen Custard lease expires on January 28th, 2040 and features four 5-year renewal options. Andy's Frozen Custard has 84+ locations in thirteen states: Arizona, Arkansas, Colorado, Florida, Georgia, Illinois, Kansas, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. More locations are currently planned and coming soon.



INVESTMENT HIGHLIGHTS

- New corporately guaranteed 20-year lease
- 2020 Construction
- NNN – no landlord responsibilities
- 1.5% annual rental escalations
- Located within the Chicago MSA
- Positioned near a signalized hard corner along south Harlem Avenue (32,900 VPD) which is a primary north-south thoroughfare and west 127th Street (14,400 VPD).
- Well positioned in a dominant retail corridor along Harlem Avenue which is anchored by a strong performing Jewel-Osco (sales: \$37,000,000/year), Wendy's, Jiffy Lube, Jersey Mike's and Lou Malnati's Pizzeria.
- Other retailers in the area include Walgreens, Chase Bank, Athletico, Ace Hardware, and Edward Jones.
- There are 242,685 people living within 5 miles of the property with an average household income in excess of \$92,000 annually.
- 84+ locations across the United States and growing



PROPERTY OVERVIEW

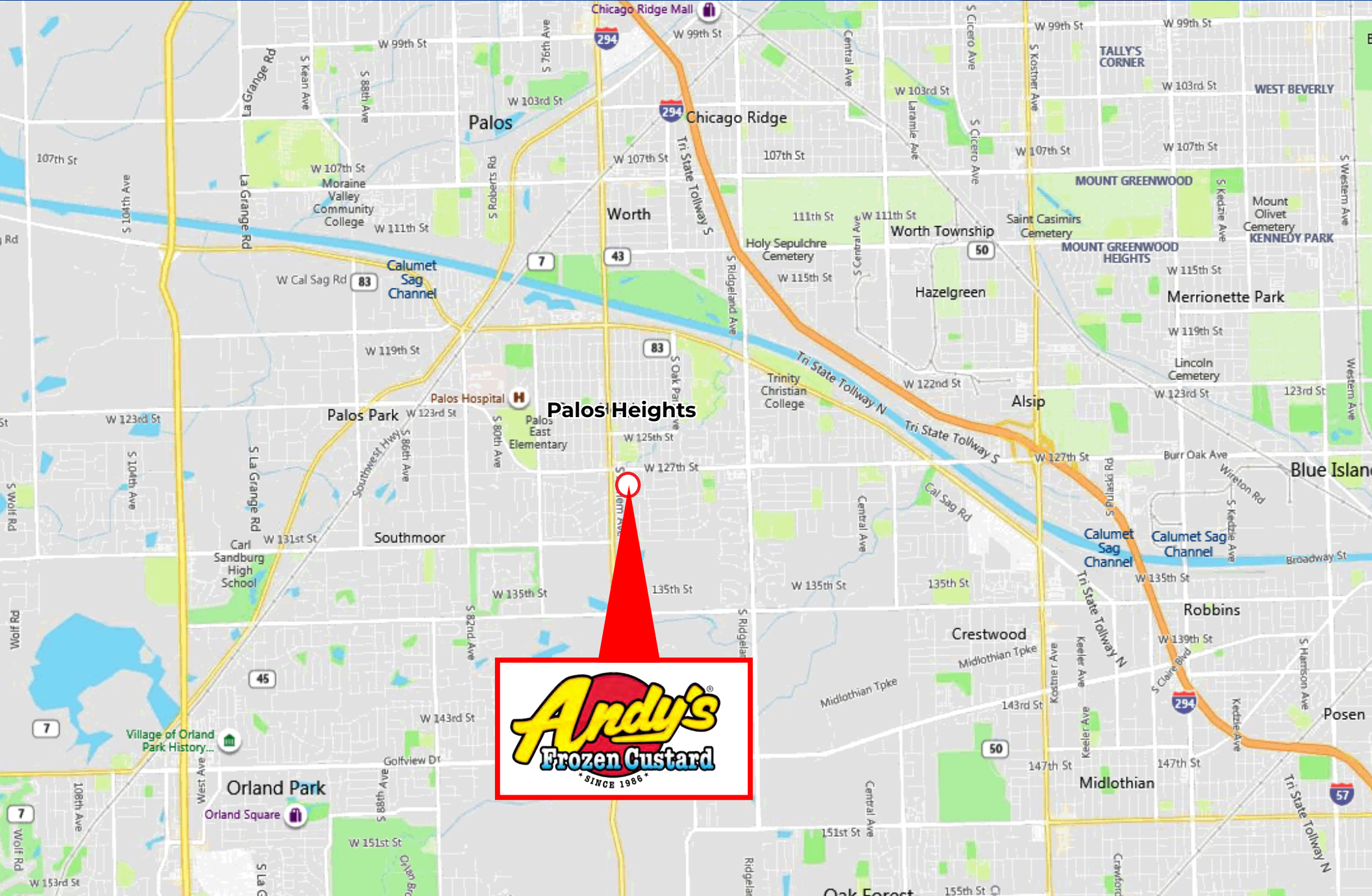
Price:	\$2,889,727
Cap Rate:	6.00%
Lease Commencement Date:	1/29/2021
NOI:	\$173,383.60
Renewal Options:	Four 5-year
Rental Escalations:	1.5% Annually
Lease Type:	Absolute - NNN
Tenant:	Andy's Frozen Custard Stores, LLC
Year Built:	2020
Building Size:	1,800 SF











DEMOGRAPHICS

POPULATION

	1-Mile	3-Mile	5-Mile
Total Population:	8,249	66,905	242,685
Total Households:	2,963	26,870	95,282

INCOME

	1-Mile	3-Mile	5-Mile
Average Household Income:	\$104,284	\$74,570	\$70,124
Median Household Income:	\$133,687	\$101,288	\$92,340



CITY OF PALOS HEIGHTS, ILLINOIS

Palos Heights is a city in Cook County, Illinois. The City is bordered by the Calumet Sag Channel on the north, Cook County Forest Preserves on the south, Palos Park on the west, and Crestwood on the east. Harlem Avenue, the main commercial thoroughfare, bisects the city, and is also the dividing line between Palos Township on the west side, and Worth Township on the east.

Little is known of the early history of this community; an 1851 map shows no farmhouses. The only road that ran through the area was 127th Street. A swampy area (later the route of the Calumet Sag Channel) stretched across the northern part of the Palos Heights region and may have discouraged development.

It was not until 1901 that a school district was formed in the Palos Heights area. About this time, Dutch farmers began to settle there.

While the area continued as farmland and pasture in the 1920s, the completion of the Southwest Highway in 1928 improved automobile access and led to development. In 1935, a real-estate developer laid out a grid of streets flanking Harlem Avenue. The Harlem Heights subdivision featured quarter-acre homesites ("farmettes") that included tree saplings, grapevines, and incubated chicken eggs. Property deeds included racial restrictive covenants. Businesses sprang up along Harlem Avenue.

The building of subdivisions continued throughout the 1940s and 1950s. In 1959, on the fourth try, Palos Heights was incorporated as a city. In that same year, Trinity Christian College was established in the northeast corner of the city.

The last remaining farmland in Palos Heights was sold to subdividers in 1965. The Palos Community Hospital, the city's largest employer, opened its doors in 1972. There is no industry in the community. Palos Heights is governed by a mayor and eight aldermen. The city's first train station was under construction at the end of the century.

www.palosheights.org



CITY OF CHICAGO, ILLINOIS

Chicago is the most populous city in the Midwestern United States and the third most populous city in the United States with 2,700,000 residents. Chicago is the county seat of Cook County, the second largest county in the United States. The Chicago MSA is the third most populated metropolitan area in the United States with 9,580,567 residents. The MSA covers over 1,300 square miles and six counties. Chicago has many nicknames, the best-known being the Windy City.

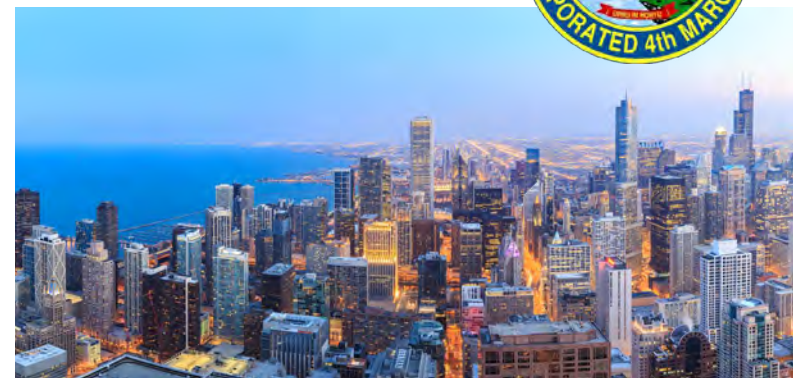
The Chicago metropolitan area is home to the corporate headquarters of 57 Fortune 1000 companies, including Boeing, McDonald's, Motorola, Discover Financial Services and United Airlines. Chicago is a major hub for industry, telecommunications and infrastructure and O'Hare International Airport is the second busiest airport in the world in terms of traffic movement.

The metro is a major financial center in North America, and is home to the largest futures exchange in the United States, the CME Group. Chicago is third in the world on the Global Financial Centers Index which ranks the competitiveness of financial centers based on people, business environment, market access, infrastructure and general competitiveness. As of 2016, Chicago had the third largest gross metropolitan product in the United States at \$630.3 billion.

The city of Chicago also hosts 12 Fortune Global 500 companies and 17 Financial Times 500 companies. The city claims one Dow 30 company: aerospace giant Boeing, which moved its headquarters from Seattle to the Chicago Loop in 2001. Two more Dow 30 companies, Kraft Foods and McDonald's are in the Chicago suburbs, as are Sears Holdings Corporation and the technology spin-offs of Motorola. The headquarters of United Continental Holdings, are in the United Building and its operations center and its United Airlines subsidiary are in the Willis Tower in Chicago.

In 2014, Chicago attracted 50.17 million domestic leisure travelers, 11.09 million domestic business travelers and 1.308 million overseas visitors. These visitors contributed more than \$13.7 billion to Chicago's economy. Upscale shopping along the Magnificent Mile and State Street, thousands of restaurants, as well as Chicago's eminent architecture, continue to draw tourists. The city is the United States' third-largest convention destination. A 2011 study by Walk Score ranked Chicago the fourth most walkable of fifty largest cities in the United States.

www.cityofchicago.org



ANDY'S FROZEN CUSTARD

Andy's Frozen Custard was founded by John and Carol Kuntz in 1986 in Osage Beach, Missouri after the couple first tasted frozen custard in Wisconsin. Desiring to bring frozen custard to Missouri, they dedicated themselves to creating a frozen custard brand of their own. They sought the mentorship of Leon and Doris Schneider, who had owned a Milwaukee frozen custard shop since 1942; Leon provided much of the knowledge and guidance the Kuntzes needed to open their own store. The shop was named after their son Andy.

Soon after, the operation expanded to Springfield, Missouri, where Andy, with his wife Dana, learned the frozen custard business. In 2008, John died, and Andy, Dana, and Carol continue to run the business.

As of December 2019, Andy's has 84+ locations in thirteen states: Arizona, Arkansas, Colorado, Florida, Georgia, Illinois, Kansas, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. More locations are currently planned and coming soon. This includes a location in Louisiana. The location in Colorado is one of the newest, with the first Andy's Frozen Custard in the Denver area opening as store #36 on September 14, 2011. Currently, they have franchise development agreements in place for Phoenix, Arizona, as well as parts of North Carolina and Florida.

In 2012, Andy's announced the flavor of the Boomer Bear Concrete, a dessert created to support Missouri State University's athletics program and named after the school's mascot. It is available in Andy's Springfield, Missouri, locations.

In 2015, Andy's signed a multi-franchise agreement and the largest in its 29 year history. This will result in 20 new stores found in Tulsa and Oklahoma City, Oklahoma; Dallas, Texas; Nashville, Tennessee, and various markets in Central Florida.

Website: www.eatandys.com

Number of Locations: 84+



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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.

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.

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