



NNN CHIPOTLE: FIRST “DIGITAL KITCHEN” PROTOTYPE IN THE COUNTRY | CUYAHOGA FALLS (AKRON), OHIO



NNN CHIPOTLE: FIRST “DIGITAL KITCHEN” PROTOTYPE

CUYAHOGA FALLS (AKRON), OHIO

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PRESENTED BY  **GOODMAN INVESTMENT GROUP**



KYLE HARTUNG
DIRECTOR OF INVESTMENT SALES
kyle@goodmanrealestate.com
216.342.9305

GOODMAN REAL ESTATE SERVICES GROUP LLC
25333 Cedar Road, Suite 305 | Cleveland, Ohio 44124
389 East Livingston Avenue | Columbus, Ohio 43215

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PROPERTY	Chipotle
LEASE GUARANTOR	Chipotle Mexican Grill, Inc.
GUARANTOR TICKER	Nasdaq: CMG
ADDRESS	994 Graham Road, Cuyahoga Falls, Ohio
LOCATION TYPE	Freestanding
LEASE TYPE	Corporate NNN Lease
ROOF TYPE	New Standing Seam Metal
MARKET	Cuyahoga Falls (Akron), Ohio
POPULATION	703,505
BUILDING SIZE	1,415 Square Feet
LAND SIZE	0.589 Acres
RENT COMMENCEMENT	December 29, 2021
LEASE EXPIRATION	December 31, 2031
BASE RENT INCREASES	10% Every 5 Years Primary Term and Options
NET OPERATING INCOME	\$95,900
CAP RATE	5.4%
PRICE	\$1,776,000



INVESTMENT HIGHLIGHTS

- Corporate Lease Guaranteed by Chipotle Mexican Grill, Inc. (Nasdaq: CMG)
- FIRST Chipotle Digital Kitchen in the Country
- Tenant Maintains Parking Lot Including Landscaping and Snowplowing
- RARE Standing Seam Metal Roof
- 10 Year Initial Lease Term with 10% Increases Every 5 Years
- Brand New Building with Chipotle’s Newest Digital Prototype
- Located in Thriving Retail Hub Surrounded by National Tenants

PROPERTY DESCRIPTION

For sale to qualified investors is the fee simple interest in a corporate lease with Chipotle Mexican Grill, Inc., located in Cuyahoga Falls, Ohio. The company chose this site for its FIRST location of its new “digital” prototype. The 1,415 square foot building features a drive thru, walk-up ordering, and outdoor patio seating. The interior is dubbed Chipotle’s “Digital Kitchen” and is the first of its kind (<https://www.qsrmagazine.com/fast-casual/chipotle-open-first-drive-thru-only-restaurant>). The lease features a corporate guaranty, 10-year firm term with 10% increases every 5 years, and is a rare “hands-off” Chipotle lease. Chipotle is responsible for the groundskeeping and parking lot, leaving no day-to-day management responsibilities for the owner. The roof is a standing seam metal roof, another feature not often found with Chipotle offerings. The property is surrounded by other retail, office and distribution, and although located in suburban Cuyahoga Falls, is very near the University of Akron as well as Cleveland’s southeastern suburbs. Investment in this asset will offer the buyer a rare opportunity to own a hands-off corporate lease with a first-of-its-kind modern prototype for the company.



CUYAHOGA FALLS, OHIO

Cuyahoga Falls is a northern suburb of Akron, Ohio, which is the fifth-largest city in Ohio and is the county seat of Summit County. Cuyahoga Falls is part of the Cleveland DMA, and as of the 2020 Census estimate, the Greater Akron Area had an estimated population of 703,505. A long history of rubber and tire manufacturing, carried on today by The Goodyear Tire & Rubber Company, gave the area the nickname “Rubber Capital of the World”. It was once known as a center of airship development, and is still the home of the famous Goodyear Blimp. Today, its economy includes manufacturing, education (University of Akron), healthcare, and biomedical research; leading corporations include Gojo Industries, FirstEnergy, Huntington Bank, and Charter Spectrum.



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TENANT NAME	SQUARE FEET	PRO-RATA	LEASE TERM		RENTAL RATES		RECOVERY TYPE
			BEGIN	END	BEGIN	ANNUALLY	
Chipotle Mexican Grill, Inc.	1,415	100%	12-29-2021	12-31-2031	12-29-2021	\$95,900	NNN
					1-1-2027	\$105,490	
					OPTIONS		
					1-1-2032	\$116,039	
					1-1-2037	\$127,643	
					1-1-2042	\$140,407	
1-1-2047	\$154,447						

COMMENTS/OPTIONS

Landlord responsible for roof (new standing seam metal) and structure only. Tenant maintains the Premises including parking lot and HVAC.

Options: Four 5-year options to be exercised no less than 180 days prior to expiration of the current term.





Chipotle Mexican Grill, Inc., known simply as Chipotle, is an American chain of fast casual restaurants with locations in the United States, United Kingdom, Canada, Germany, and France, specializing in bowls, tacos and Mission burritos that are made to order in front of the customer. Its name derives from chipotle, the Nahuatl name for a smoked and dried jalapeño chili pepper. Chipotle is one of the first chains of fast casual dining establishments. Founded by Steve Eells on July 13, 1993, Chipotle had 16 restaurants (all in Colorado) when McDonald’s Corporation became a major investor in 1998. By the time McDonald’s fully divested itself from Chipotle in 2006, the chain had grown to over 500 locations. With more than 3,000 locations in 49 US states, Chipotle currently employs roughly 45,000 people and is one of the largest fast casual restaurant chains in the United States.



Chipotle Then and Now...

- 1993** Steve Eells opens the first Chipotle Mexican Grill in Denver, Colorado.
- 1995** The second store opens using the first Chipotle’s cash flow, and the third store opens using an SBA loan.
- 1997** As six more Chipotle Mexican Grills opened in the Denver area during 1997, bringing the total to 14, Eells and other company leaders began seeking more funding to accelerate the growth rate.
- 1998** McDonald’s acquires a minority position before taking majority control the following year. The first restaurant outside of Colorado opens in Kansas City.
- 2002** As 55 more Chipotles open and another 70 the following year, the total grows to 300.
- 2003** As Chipotle celebrates its tenth anniversary, Chipotle ranked as one of the fastest-growing restaurant chains in the country.
- 2004** By late 2004, with the store count nearing 400, nothing has slowed Chipotle’s remarkable growth.
- 2011** Consumer Reports ranked Chipotle as the best Mexican fast-food chain.
- 2018** In November 2017, founder and CEO Steve Eells announced he would be stepping down from his position and is later replaced by Taco Bell CEO Brian Niccol.
- 2022** The company has grown to over 3,000 stores in 49 US States.



UNIVERSITY OF AKRON

- The University of Akron has approximately 20,554 students representing 44 U.S. states and 88 foreign countries.
- The University of Akron is a vibrant community within metropolitan Akron, with more than 80 buildings on 218 acres. Since 2000, the university has added 22 buildings, completed 18 major additions, acquisitions and renovations, and created 34 acres of green space.
- With 300 associate, bachelor's, master's, doctorate and law degree programs, UA offers career-focused and experiential learning that defines the polytechnic approach to education.
- The College of Polymer Science and Polymer Engineering is home to the world's largest polymer academic program and greatest concentration of polymer expertise in the nation.
- Only 2 percent of business schools worldwide have dual AACSB accreditation (hallmark of excellence in management education) in business and accounting - UA's College of Business Administration is one of them.



ABOUT AKRON/CUYAHOGA FALLS

- 50% of America's population lives within 500 miles of Akron, and there are 10,000,000 people living within 150 miles.
- Home of the Akron Aeros, the Cleveland Indians AA minor league baseball team.
- Akron is the fifth-largest city in the State of Ohio and is the county seat of Summit County, with an MSA population of 703,505.
- The Polymer Science Institute at UA has made Akron an international leader in the polymer field - more than 35,000 people in the area are employed in over 400 polymer-related companies.
- Akron holds the largest small-business incubator in the state and one of the largest in the world, the Akron Global Business Accelerator.
- Home to the World-Championship Bridgestone invitational golf tournament.
- Location of Derby Downs, home of the All-American Soap-Box-Derby, the world's greatest amateur racing event.
- Home of the National Inventor's Hall of Fame.



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63,611 VPD (22)



8,103 VPD (22)



GRAHAM RD

26,687 VPD (22)

20,733 VPD (22)



HUDSON DR



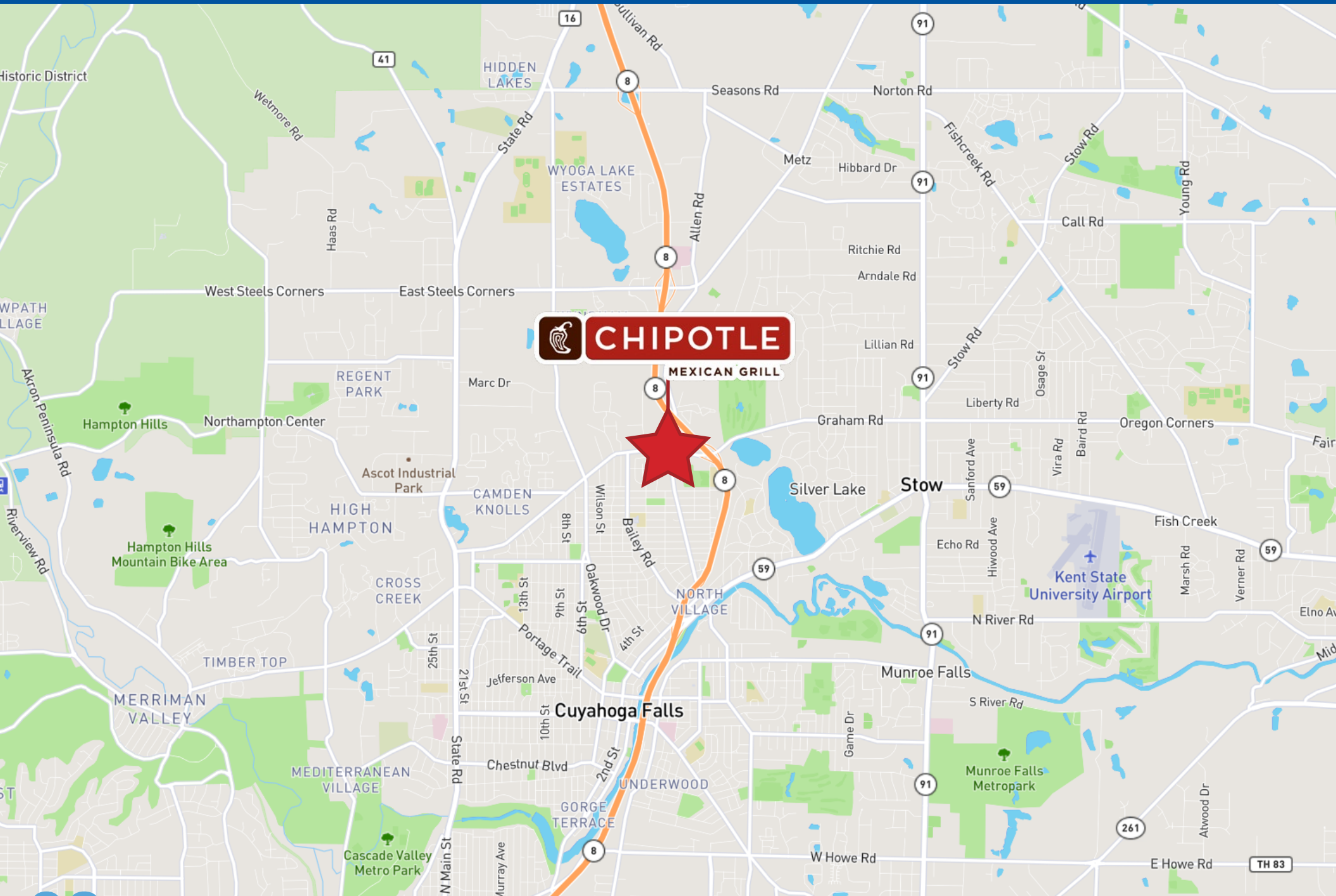


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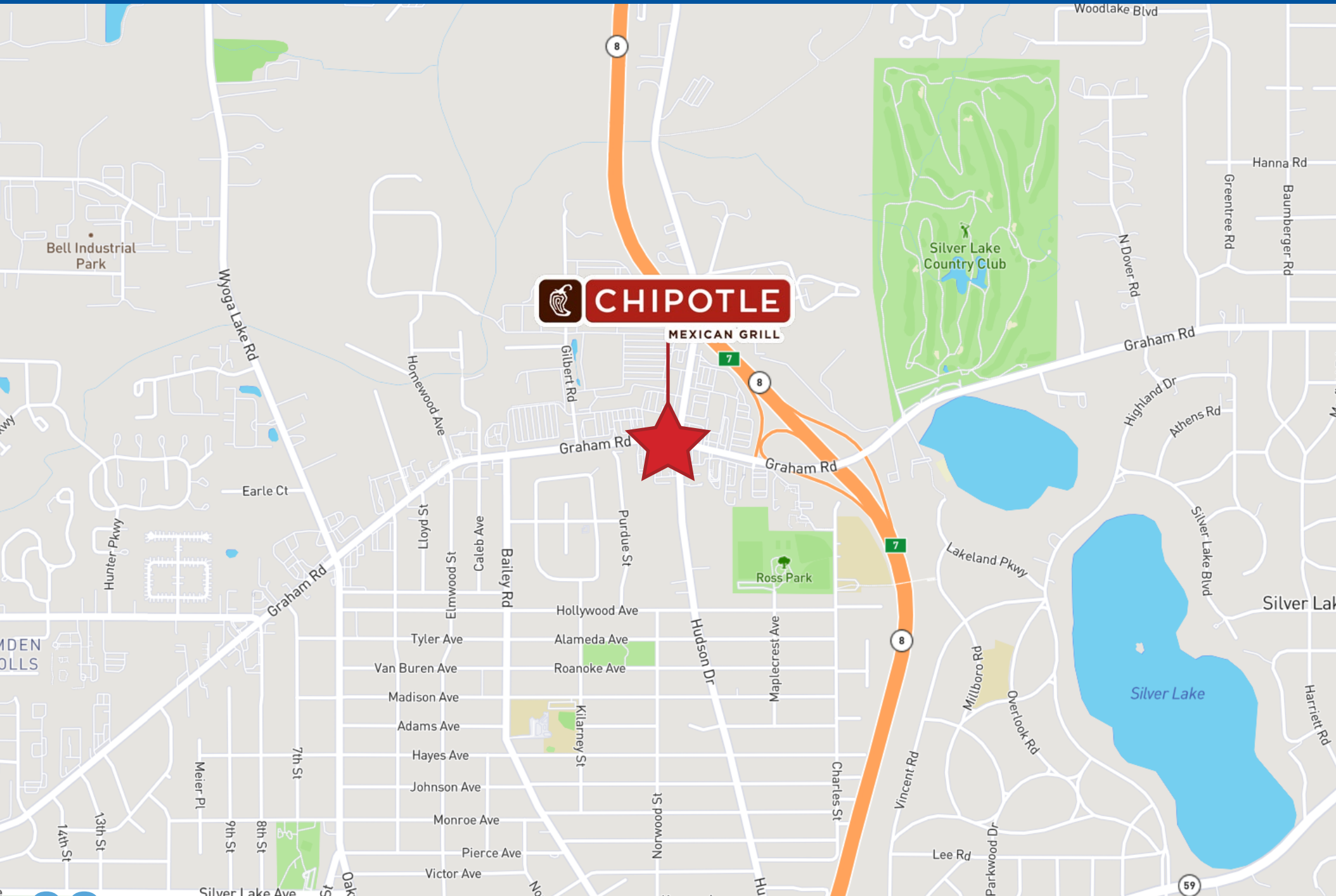


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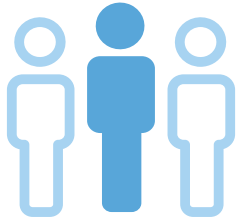


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5 MILE RADIUS DEMOGRAPHICS



142,724

Population



41

Median Age



2.32

Average Household Size



AVERAGE

HOUSEHOLD INCOME

\$84,856

1 Mile Radius

\$80,460

3 Mile Radius

\$81,710

5 Mile Radius





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	1 MILE	3 MILE	5 MILE	7 MILE
POPULATION				
Current Year Estimated Population	9,105	72,347	142,724	255,898
5 Year Projected Population	9,045	72,208	142,529	255,257
2010 Census Population	8,841	72,549	141,853	255,735
2000 Census Population	8,867	71,975	139,047	260,259
HOUSEHOLDS				
Current Year Estimated Households	4,140	31,629	60,912	107,380
5 Year Projected Households	4,119	31,562	60,821	107,077
2010 Census Households	3,972	31,810	60,528	107,502
2000 Census Households	3,721	30,166	57,640	107,015
AGE				
Est. Population Under 10 Years	12.4%	12.4%	12.4%	11.9%
Est. Population 10-19	11.9%	11.9%	12.1%	12.6%
Est. Population 20-30	11.1%	11.3%	12.0%	13.5%
Est. Population 30-44	18.9%	19.0%	19.1%	19.0%
Est. Population 45-59	18.2%	18.6%	18.5%	17.7%
Est. Population 60-74	18.5%	19.0%	18.9%	18.2%
Est. Population 75 Years or Over	9.0%	7.7%	7.2%	7.1%
INCOME				
Est. HH Inc \$200,000 or more	3.6%	3.7%	4.5%	4.6%
Est. HH Inc \$150,000 to \$199,999	7.6%	5.8%	6.4%	6.2%
Est. HH Inc \$100,000 to \$149,999	16.8%	16.4%	15.8%	14.5%
Est. HH Inc \$75,000 to \$99,999	14.5%	16.8%	15.0%	13.9%
Est. HH Inc \$50,000 to 74,999	24.4%	21.3%	19.4%	18.6%
Est. HH Inc \$35,000 to \$49,999	11.0%	12.6%	12.4%	12.6%
Est. HH Inc \$25,000 to \$34,999	8.3%	8.7%	9.5%	9.4%
Est. HH Inc \$15,000 to \$24,999	6.9%	7.5%	7.6%	8.7%
Est. HH Inc Under \$15,000	7.0%	7.1%	9.4%	11.6%
Est. Average Household Income	\$84,856	\$80,460	\$81,710	\$79,752
Est. Median Household Income	\$65,708	\$65,722	\$63,687	\$59,733
Est. Per Capita Income	\$38,583	\$35,175	\$34,872	\$33,466