



2-TENANT NET LEASED INVESTMENT

PIZZA HUT/SUBWAY

2042 W. 47TH STREET, CHICAGO, IL

NET LEASED INVESTMENT PROPERTY



FOR MORE INFORMATION CONTACT:

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CBRE

EXECUTIVE SUMMARY

CBRE is pleased to present for sale this net leased asset occupied by a Subway and a Pizza Hut in Chicago, Illinois. Pizza Hut has been at the site for nearly 20 years and recently executed a 5-year extension. Subway just executed a fresh lease and will have a rare drive-thru window. Both leases have above market rent increases with Pizza Hut at 5% annually and Subway at 2% annually. Pizza Hut is operated by JGJ Management, which operates a total of 10 locations in Chicagoland. Subway is on a corporate lease.

The asset sits at the entrance to The Yards Plaza, a 260,481-square-foot Food 4 Less (Kroger) anchored shopping center on Chicago’s southwest side. The center itself is 100% leased and has an average lease term of over 8 years.

The location boasts a population density of over 900,000 people within a 5-mile radius. Traffic counts in front of the asset along West 47th Street exceed 20,000 vehicles per day. Recent area improvements include the newly constructed \$100 million Back of the Yards high school located directly across the street.

Rent Roll

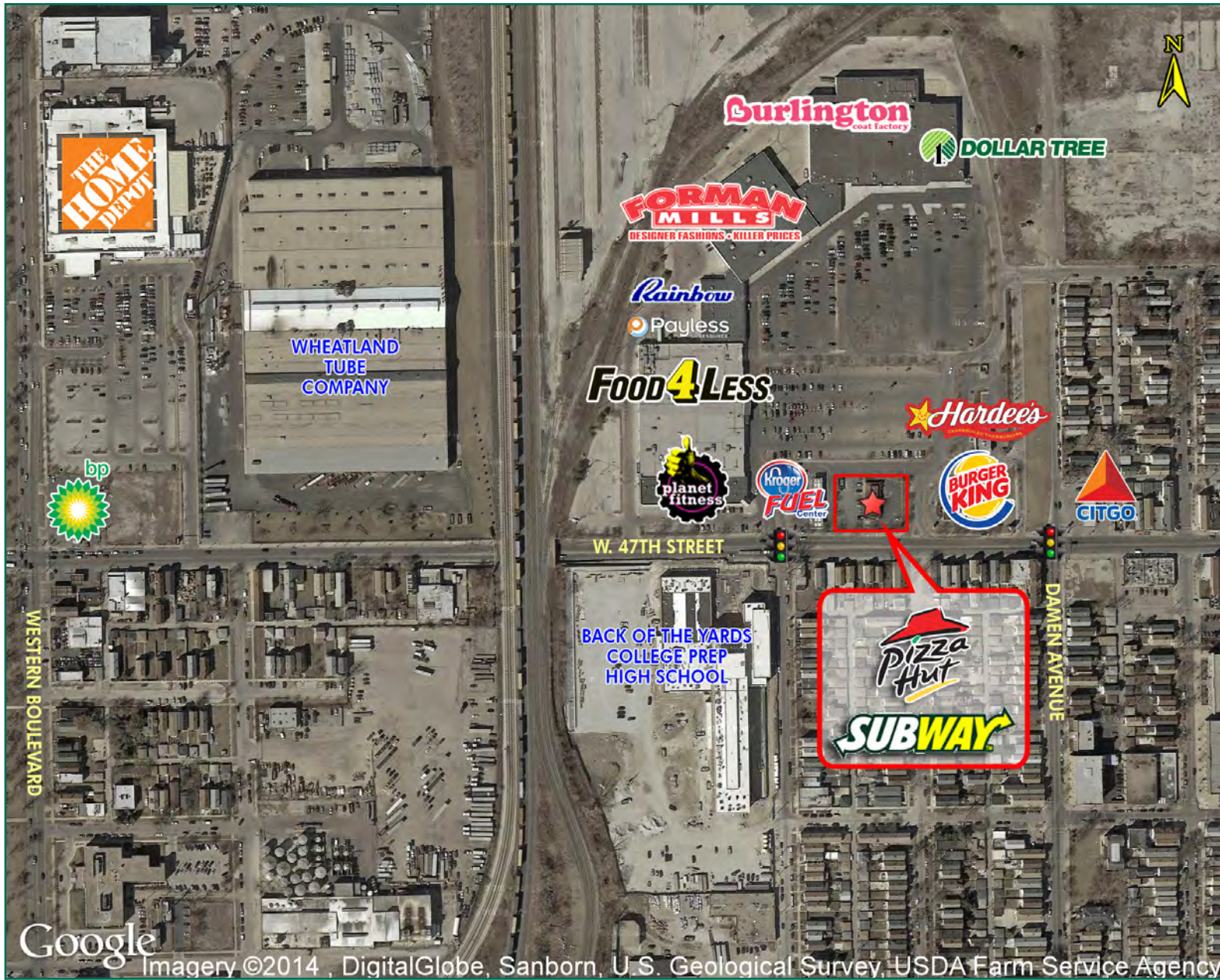
TENANT	SF	TERM	RATE	TYPE	ANNUAL RENT	ANNUAL INC.	OPTIONS
Pizza Hut	1,753	5 Years	\$24.00	NNN	\$42,072	5%	1 5-Year
Subway	1,259	10 Years	\$30.00	NNN	\$37,770	2%	2 5-Year
	3,012		\$26.51		\$79,842		

INVESTMENT SUMMARY

Offering Price:	\$1,300,000
Pizza Hut Rent:	\$42,072 / Year \$24 PSF
Subway Rent:	\$37,770 / Year \$30 PSF
Total NOI:	\$79,842
Cap Rate:	6.15%
Parcel Size:	±0.54 acres / ±23,455 SF
Building Size:	±3,012 SF
Tenants:	JGJ Management, LLC, d/b/a Pizza Hut Subway Real Estate, LLC
Lease Commencement:	<i>Pizza Hut:</i> 3/17/2014 <i>Subway:</i> TBD
Lease Expiration:	<i>Pizza Hut:</i> 3/31/2019 <i>Subway:</i> TBD
Rent Increases:	<i>Pizza Hut:</i> 5% annually with one 5-year option <i>Subway:</i> 2% annually with two 5-year options
Tenant Responsibilities:	CAM, Taxes and Insurance
Landlord Responsibilities:	Roof and Structure

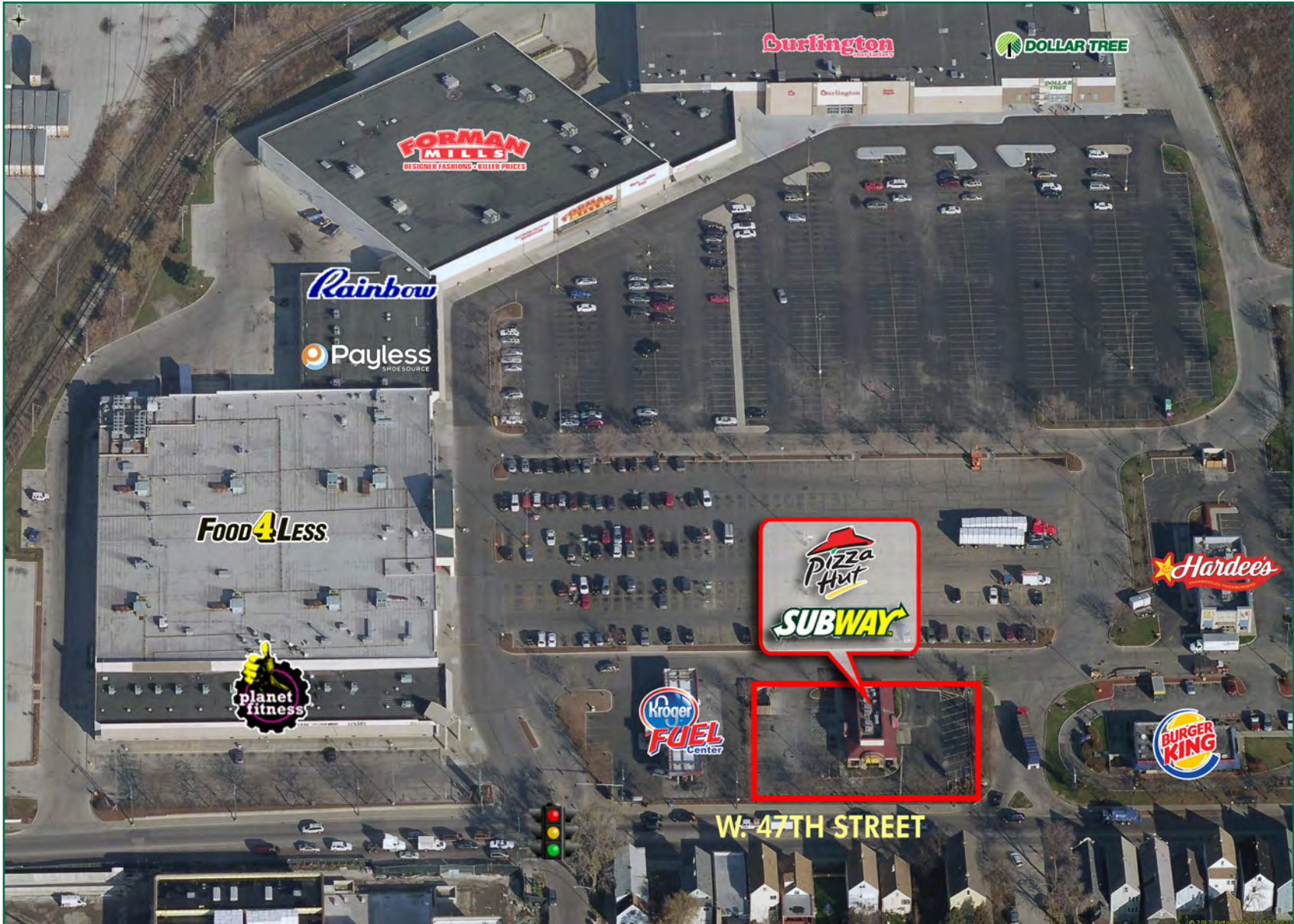
SATELLITE VIEW

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AERIAL VIEW

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INVESTMENT HIGHLIGHTS

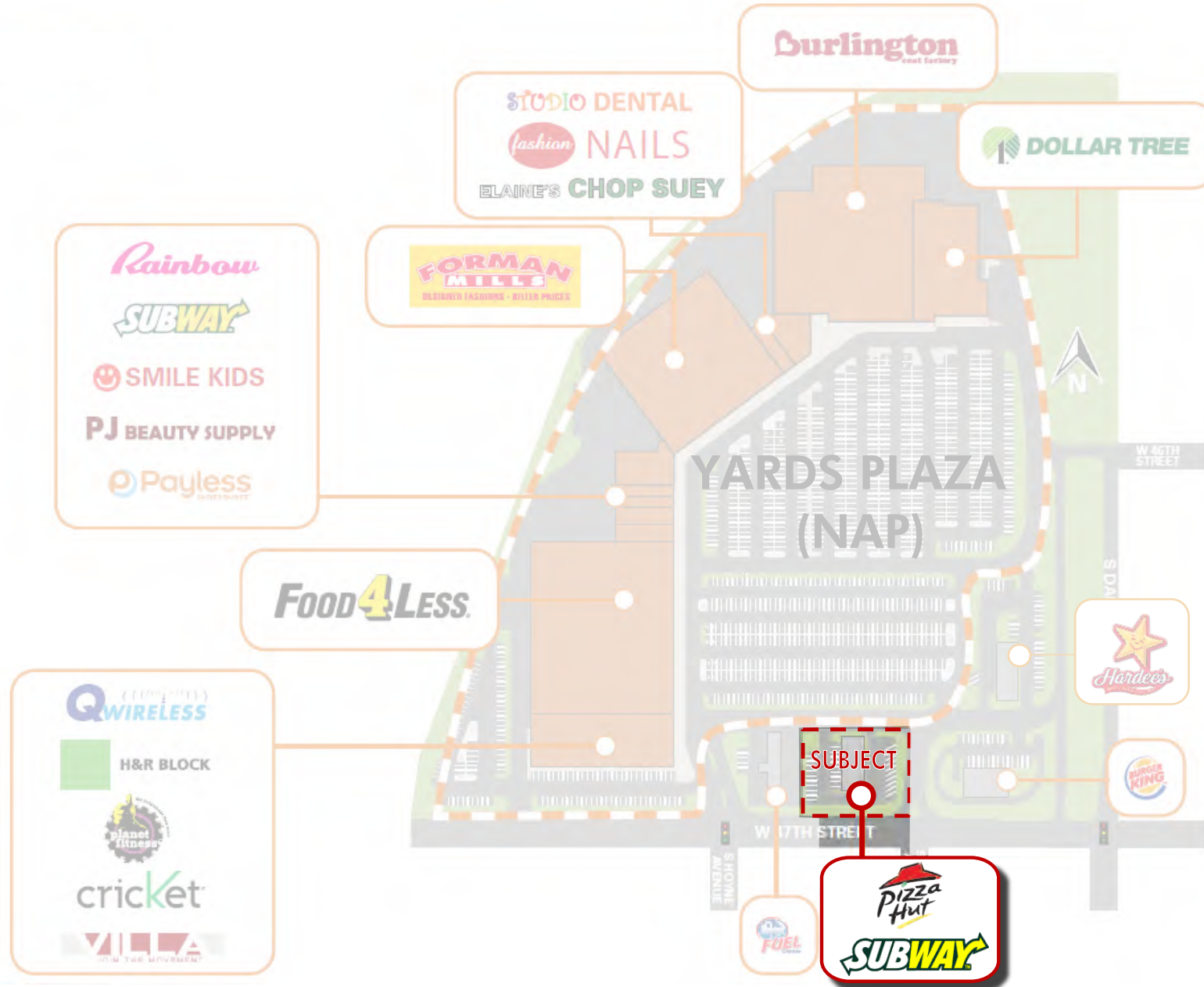
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- **Strong National Retailers:** Unique opportunity to acquire a net leased asset with both a Pizza Hut and a Subway. Pizza Hut is operated by a franchisee (JGJ Management) with over 10 locations and has been operating at this location for nearly 20 years. The Subway lease is corporate held.
- **Rental Increases:** Pizza Hut has annual increases of 5% and Subway has annual increases of 2%.
- **Prime Retail Location:** This location in Chicago was the first store Kroger opened and has very strong sales volumes which continue to trend upward. The center is 100% leased, with an average lease term in excess of 8 years with 65% of the tenants having been in occupancy for over 10 years.
- **Dense Urban Location:** The location boasts a population density of over 900,000 people within a 5-mile radius and 47th Avenue has traffic counts in excess of 20,000 vehicles per day. Recent area improvements include the newly constructed \$100 million Back of the Yards high school located directly across the street.
- **City of Chicago Commitment:** The Back of the Yards recently obtained nearly \$35 million worth of funds from the City to support infrastructure and economic development.
- **Rare Drive-Thru Feature:** The Subway location will feature a drive-thru window.



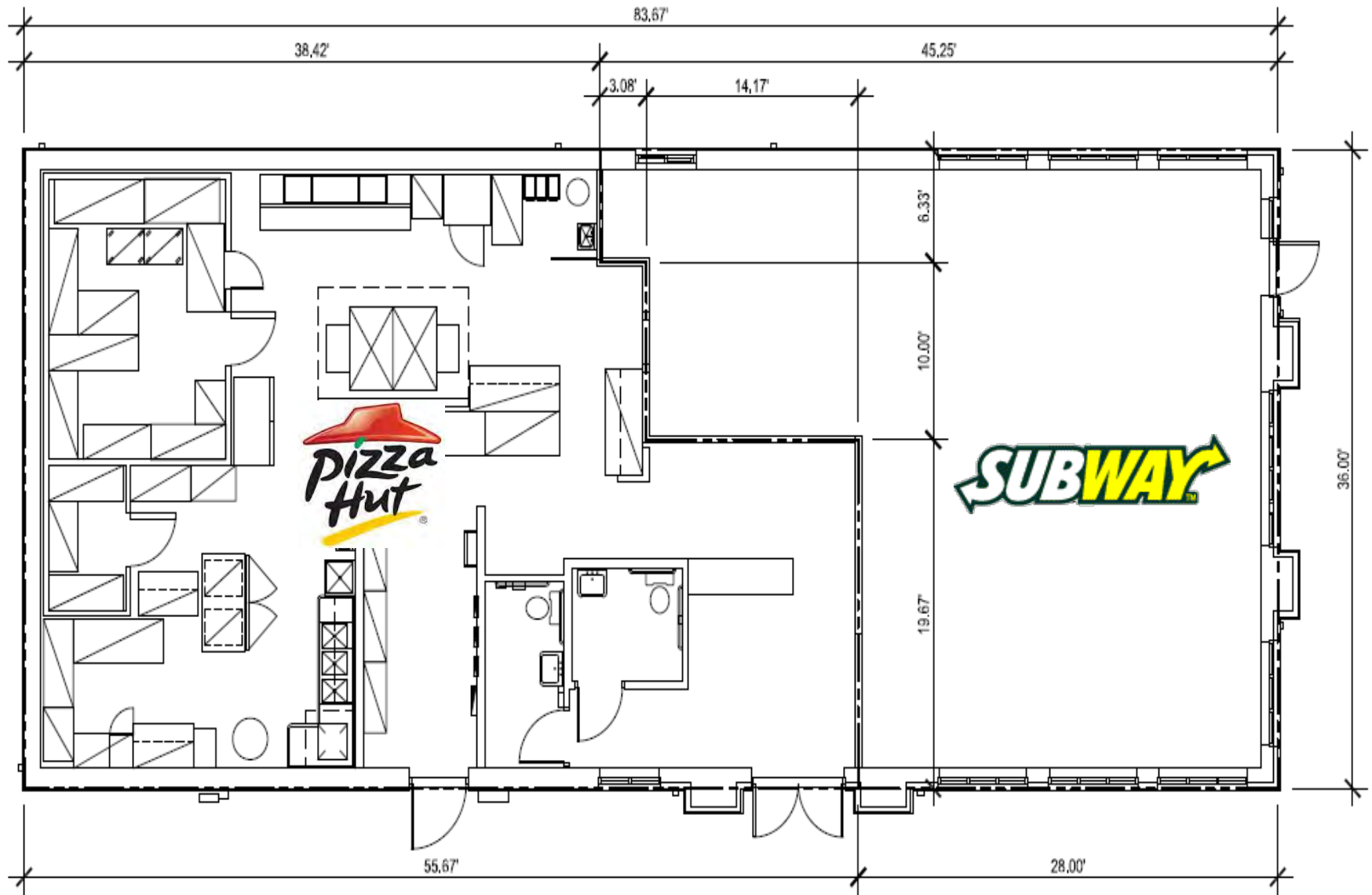
SITE PLAN: Yards Plaza

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LEASE PLAN

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Flood Zone Disclosure:

According to FEMA Community Map Panel 17031C 0520J dated August 19, 2008, the property is located in Flood Zone X, an area of minimal flooding, usually depicted as above the 500-year flood level. Flood insurance is not required.

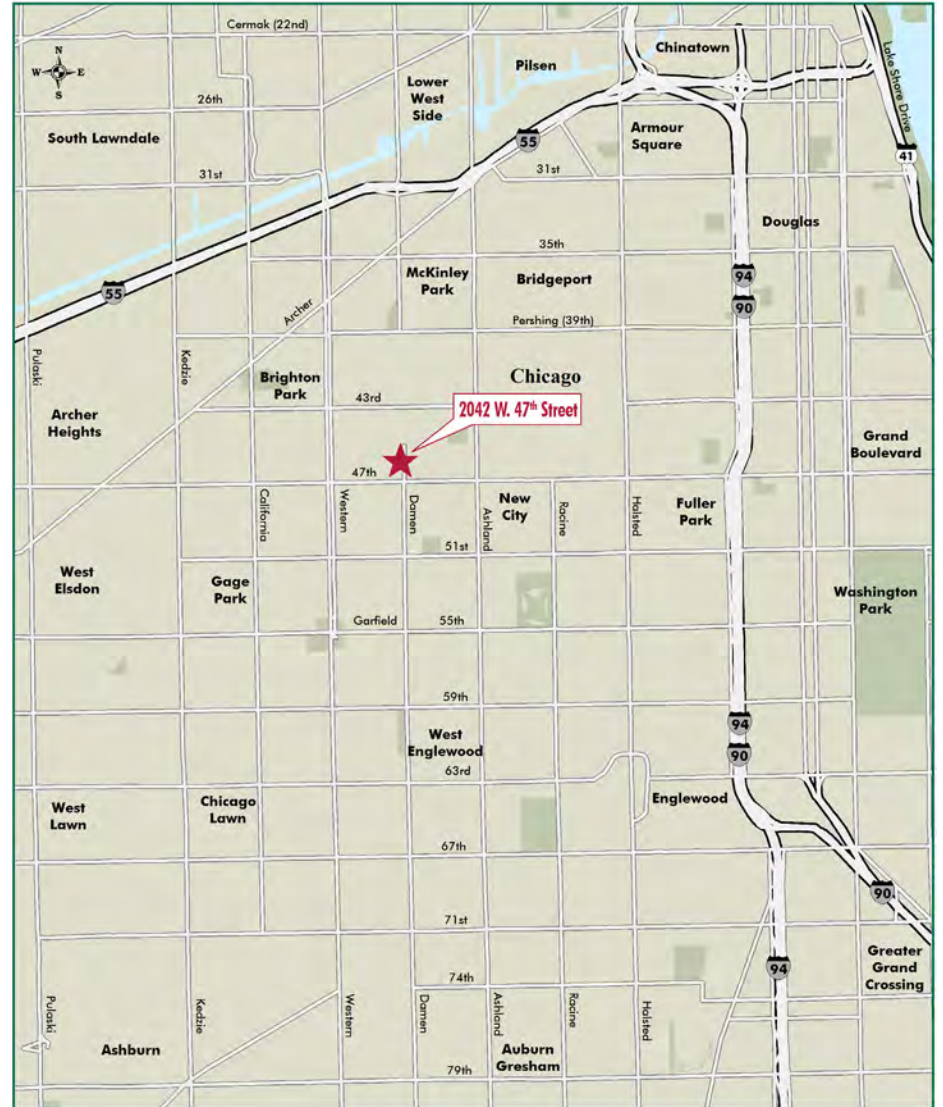
ADDITIONAL TENANTS IN THE SHOPPING CENTER

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REGIONAL & LOCATOR MAPS

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THE TENANTS



Pizza Hut®, a subsidiary of Yum! Brands, is the world’s largest pizza company. Pizza Hut began 55 years ago in Wichita, Kansas, and today is an iconic global brand that delivers more pizza, pasta and wings than any other restaurant in the world. A true innovator in the pizza category, the chain was not only the first to provide America with Pan Pizza, but also the first ever to offer online purchasing. As of January 1, 2014, Pizza Hut has over 13,300 restaurants – including over 7,800 units in the U.S. and nearly 5,500 outside the U.S. – in 86 countries, excluding the Yum! China and India divisions.

Pizza Hut began building delivery carryout units in 1988 and today it is the fastest growing part of its business. With Delivery, the chain’s strategy is to take advantage of its existing scale and quickly grow the brand in both developed and emerging markets. In the past three years in the U.S., the chain has built over 600 new “Delco” stores specializing in delivery and carry-out. Its Express business – found in shopping malls, large retail chains, travel centers and on military bases – is the clear leader in the U.S. and is growing internationally. Dine-In has always been at the heart of the business. Pizza Hut is building vibrant casual dining restaurants in many international markets and offer a “Pizza and More” menu strategy. The chain has also developed a new sub-brand in the U.S. called WingStreet®, making Pizza Hut the first big American chain to deliver chicken, sides and complete chicken dinners.

About Parent Company Yum! Brands

Yum! Brands, Inc., based in Louisville, Kentucky, is one of the world’s largest restaurant companies with over 40,000 restaurants in more than 125 countries and territories. Yum! Brands is ranked #216 on the FORTUNE 500 list with revenues of more than \$13 billion and in 2014 was named among the 100 Best Corporate Citizens by Corporate Responsibility Magazine. The company’s restaurant brands – KFC®, Pizza Hut® and Taco Bell® – are the global leaders of the chicken, pizza and Mexican-style food categories. Outside the United States, the Yum! Brands system opened over five new restaurants per day, making it a leader in international retail development.

NYSE:	YUM
Standard & Poor’s Rating:	BBB/Stable
Fortune 500 Ranking:	216
Total Employees:	539,000
Total # of Restaurants:	40,000+

Subway, owned and franchised by Doctor’s Associates, has more than 42,000 locations in 107 countries, making it the largest quick service chain in the world. The restaurants offer hot and cold sandwiches, chips, salads, kids’ paks, fresh cookies and beverages. Virtually all Subway locations are franchised; however, all leases are corporately held and franchisees are given subleases. Doctor’s Associates is owned by co-founders Fred DeLuca and Peter Buck, who opened the first Subway in 1965. The chain had estimated sales in excess of \$1.1 billion for 2013.



LEASE ABSTRACT - PIZZA HUT

Pizza Hut/Subway • 2042 W. 47th Street • Chicago, IL

Tenant	JGJ Management, LLC		
Demised Premises	1,753 SF		
Permitted Use	The operation of a pizza baking restaurant under the trade name Pizza Hut, and for no other use or purpose		
Lease Term	5 Years		
Lease Extensions	One 5-year extension		
Annual Base Rent	Year 1	\$24.00 PSF	\$42,072.00 / Year
	Year 2	\$25.20 PSF	\$44,175.60 / Year
	Year 3	\$26.46 PSF	\$46,384.38 / Year
	Year 4	\$27.78 PSF	\$48,703.60 / Year
	Year 5	\$29.17 PSF	\$51,138.78 / Year
Option Rent	Option 1 FMV with 5% Annual Increases		
Reimbursements	Tenant is responsible for CAM, Taxes and Insurance		
Landlord Responsibilities	Roof and Structure		

LEASE ABSTRACT - SUBWAY

Pizza Hut/Subway • 2042 W. 47th Street • Chicago, IL

Tenant	Subway Real Estate, LLC		
Demised Premises	1,259 SF		
Permitted Use	The retail sale and consumption on and off the Premises of hot and cold submarine sandwiches, round sandwiches, salads, soups, chips, cookies, soft drinks and breakfast items.		
Lease Term	10 Years		
Lease Extensions	Two 5-year extensions		
Annual Base Rent	Year 1	\$30.00 PSF	\$37,770.00 / Year
	Year 2	\$30.60 PSF	\$38,525.40 / Year
	Year 3	\$31.21 PSF	\$39,295.91 / Year
	Year 4	\$31.84 PSF	\$40,081.83 / Year
	Year 5	\$32.47 PSF	\$40,883.46 / Year
	Year 6	\$33.12 PSF	\$41,701.13 / Year
	Year 7	\$33.78 PSF	\$42,535.15 / Year
	Year 8	\$34.46 PSF	\$43,385.86 / Year
	Year 9	\$35.15 PSF	\$44,253.57 / Year
	Year 10	\$35.85 PSF	\$45,138.65 / Year
Option Rent	All Options	2% Annual Increases	
Reimbursements	Tenant is responsible for CAM, Taxes and Insurance		
Landlord Responsibilities	Roof and Structure		

DEMOGRAPHICS

Pizza Hut/Subway • 2042 W. 47th Street • Chicago, IL

2042 W. 47th Street • Chicago, IL		1 Mile	2 Miles	3 Miles
POPULATION	2014 Estimated Population	49,293	159,783	344,725
	2019 Projected Population	48,786	159,422	343,520
	2010 Census Population	49,818	160,272	345,981
	2000 Census Population	54,340	172,399	384,594
	Growth 2010-2014	-1.05%	-0.30%	-0.36%
	Growth 2014-2019	-1.03%	-0.23%	-0.35%
	2014 Estimated Median Age	27.72	29.36	30.72
	2014 Estimated Average Age	30.15	31.68	32.97
HOUSEHOLDS	2014 Estimated Households	13,072	43,977	99,106
	2019 Projected Households	12,968	44,036	99,308
	2010 Census Households	13,146	43,872	98,691
	2000 Census Households	14,051	47,045	107,786
	Growth 2010-2014	-0.56%	0.24%	0.42%
	Growth 2014-2019	-0.80%	0.13%	0.20%
	2014 Est. Average Household Size	3.73	3.62	3.35
	INCOME	2014 Est. Median Household Income	\$33,137	\$34,179
2019 Prj. Median Household Income		\$34,543	\$35,421	\$34,008
2000 Cen. Median Household Income		\$27,963	\$32,020	\$30,486
2014 Est. Average Household Income		\$41,284	\$44,010	\$43,949
2014 Estimated Per Capita Income		\$10,948	\$12,113	\$12,635
HOUSING	2014 Estimated Housing Units	15,898	52,958	119,450
	2014 Estimated Occupied Units	13,072	43,977	99,106
	2014 Estimated Vacant Units	2,826	8,981	20,344
	2014 Est. Owner Occupied Units	4,803	19,321	42,005
	2014 Est. Renter Occupied Units	8,269	24,656	57,101
	2014 Est. Median Housing Value	\$168,383	\$169,637	\$170,063
	2014 Est. Average Housing Value	\$178,163	\$183,296	\$190,365

Source: Nielsen

THE MARKET: Chicago



POPULATION

- City of Chicago: 2.7 million
- Chicago MSA: 9.8 million
- 3rd largest MSA in the US
- Employees: 4+ million



ECONOMY

- Gross Domestic Product: \$571 billion
- 28 Fortune 500 companies
- 265,000 businesses
- 4+ million employees
- 46.2 million tourists annually



CULTURE & RECREATION

- 70 museums
- More than 200 theaters
- More than 7,300 restaurants
- 26 miles of lakefront
- 552 parks
- 7 major sports teams

TRANSPORTATION

- Midway International Airport - 9.4 million passengers annually
- O'Hare International Airport - 32.1 million passengers annually
- Hub for 6 of the nation's 7 class I railroads
- 6 major interstates

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The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the

purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confident nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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- A. Listing Agent through Mike Kaider, George Good, Bob Mahoney, Rich Frolik, Christian Williams and Derrick Almassy are acting as Agent(s) of the Seller of the Property, and
- B. Any information given by Prospective Purchaser to Listing Agent may be disclosed to the Seller.

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