

McDonald's®

Denver Metro | 20 Year Absolute Ground Lease | New Construction | Corporate Guarantee



Offering Memorandum

The Offering

Jones Lang LaSalle (“JLL”) as exclusive advisor, is pleased to present the opportunity to acquire a brand new Corporate McDonald's ground lease. The single tenant building is 4,462 square feet and sits on 1.68 acres of land. The subject property is in Thornton, Colorado, a suburb northwest of Denver, Colorado.

The property is well-positioned at the high traffic intersection of Grant Street & East 136th Avenue, less than a quarter mile east of I-25, providing excellent exposure to over 120,000 daily drivers.

Nearby tenants include In-N-Out, Raising Canes, Kum & Go, and Canvas Credit Union, and 80+ national retailers at Denver Premium Outlets.



Asset Summary

Tenant	McDonald's
Address	150 E 136th Ave, Thornton, CO 80241
County	Adams
Submarket	North Denver
Lease Type	Absolute Ground Lease
Building Size	4,462 SF
Land Area	1.68 AC
Year Built	2023
Term Remaining	19+ Years
Landlord Responsibilities	None
Parking	39 Spots (9.00 : 1,000 SF)

\$4,142,857
Purchase Price


\$145,000
Net Operating Income


Absolute
Ground Lease Structure


3.5%
Cap Rate

Investment Highlights



Corporate-Backed Lease; "Investment" Credit Rating

- ◆ McDonald's corporate guarantee on the lease
- ◆ Credit rating of "BBB+" Standard & Poor's



Growing Income Stream

- ◆ 10% rental increases every 5 years
- ◆ Next rent increase on 2/9/2029



Rare Trade Area Demographics

- ◆ Over 21,000 residents within a 5-minute drive
- ◆ \$143,000 average household income



2023 Construction; Pride of Ownership

- ◆ Newly constructed building



Long-Term Absolute Ground Lease; No Landlord Responsibilities

- ◆ 20 year initial lease term
- ◆ Additional 40 years of renewal options



High-Traffic Location with Excellent Visibility

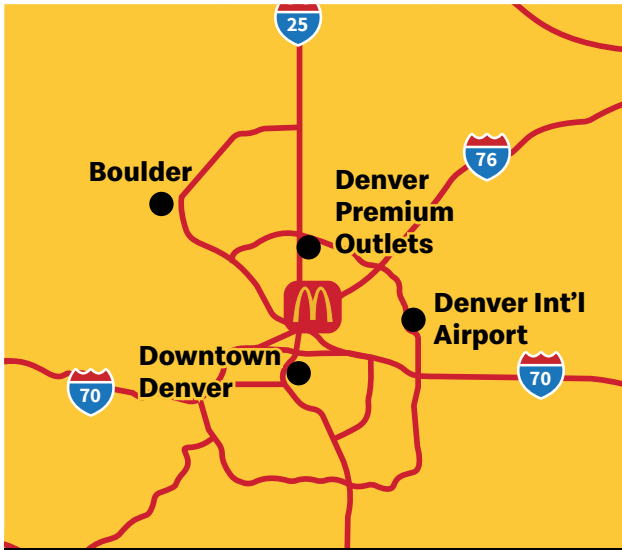
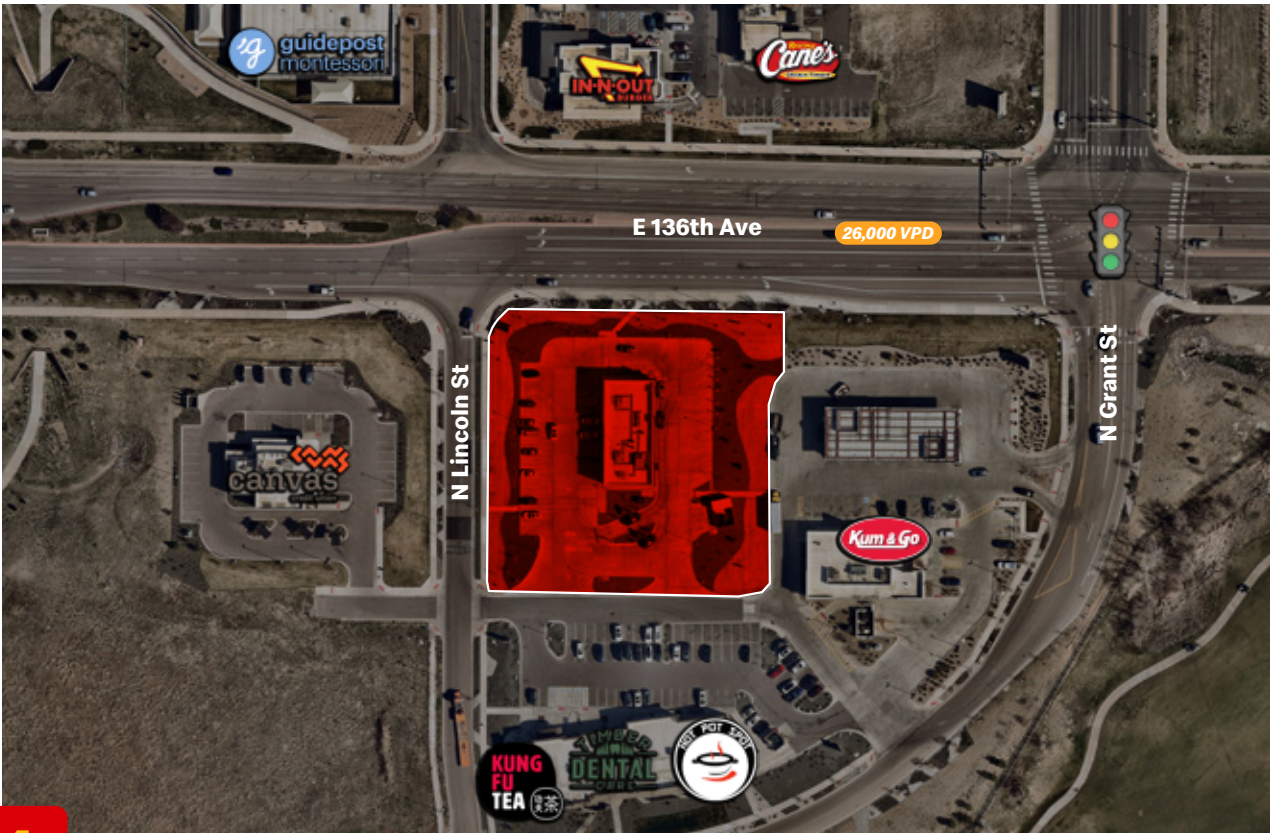
- ◆ More than 26,000 cars per day at 136th & Grant
- ◆ Adjacent to multiple new residential developments



Area Overview

Located in Thornton, this site offers a prime opportunity in a rapidly growing community. Positioned along 136th Ave, it benefits from high visibility with over 120,000 daily passing vehicles. Within a 5-minute drive, the average household income is \$143,000, and a population of over 21,000 residents within a 5-mile radius provides a strong consumer base with significant purchasing power.

Thornton is located just 10 miles north of downtown Denver and within 1 hour of the Rocky Mountains' world-class outdoor recreation. Over 3 million people are easily accessible within a 30-minute drive due to its eight (8) interchanges along I-25, three (3) along E-470, and close proximity to I-70, US 36, and Denver International Airport (20 minutes). The city is also located along the North Line of the FasTrack's transit network and has 3 stations here.



Drive Times and Distances		
	Minutes	Miles
Denver Premium Outlets	2 mins	.3 mi
Downtown Denver	20 mins	15 mi
Denver International Airport	22 mins	22 mi
Boulder, Colorado	30 mins	22 mi



Lowe's

INTERSTATE
25

DENVER
PREMIUM OUTLETS
A SHOPPING CENTER

guidepost
montessori

canvas
credit union

IN-N-OUT
BURGER

Cane's

McDonald's

Kum & Go



<1 min to



guidepost
montessori

DENVER
PREMIUM OUTLETS
A SIMON CENTER



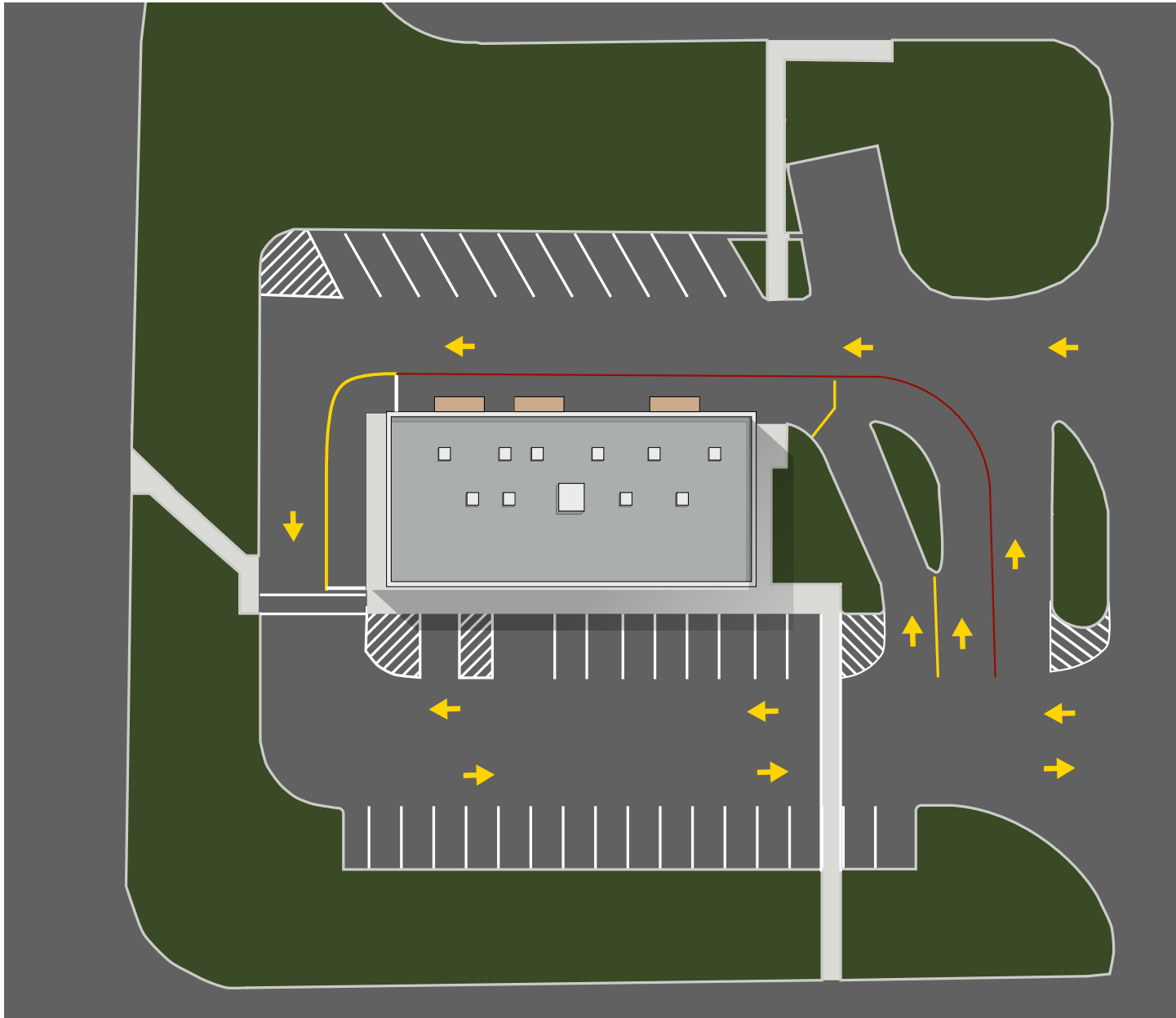
E 136th Ave

26,000 VPD

N Lincoln St



Site Plan



High Net Worth
\$1.04M
3-Mile Avg.



Customer Pool
126K
Residents (3-Miles)



High Traffic
120K
VPD at I-25 & 136th

McDonald's®



41K+

Restaurants



2.2M

People
Working for McDonald's
or Franchisees



100+

Countries



65M+

Customers
Served every day

McDonald's Corporation

Type Public

S&P Credit Rating BBB+*

Locations 41,000+

Employees 2,200,000+

Website mcdonalds.com

McDonalds Corporation is the worlds leading global food-service retailer in the world with over 41,000 locations serving approximately 65 million customers in over 100 countries each day. Most of the stores are freestanding units offering dine-in and drive-thru service, but McDonalds also has many locations in airports, retail areas, and other high traffic locations.

More than 80% of McDonalds restaurants are owned and operated by independent business men and women while the remaining 20% are corporate owned. McDonalds Corporation boasts an impressive investment grade Standard and Poor's bond rating of BBB+ and a Moody's long term rating of Baa1.

The first McDonalds restaurant was opened on May 15, 1940 in San Bernardino, California. McDonalds is currently headquartered in Oak Brook, Illinois.



Lease Abstract

McDonald's	
Rentable SF	4,462
Rent Commence.	February 9, 2024
Lease Expiration	February 8, 2044
Renewal Options	Eight 5-Year Options
Lease Type	Absolute Ground Lease
Initial Lease Term	20 Years
Current Rate	\$12,083/Month (\$145,000/Year)
Rent Escalations	10% every 5-years from Initial Lease term
Guarantee	Corporate (McDonald's USA, LLC)
Tenant Responsibilities	All repairs to the Premises or any installations, equipment or facilities therein. Including the exterior doors, door frames, and glass.
Landlord Responsibilities	None

Yr	Lease Term	Monthly Rent	Yearly Rent
1	Feb 9, 2024 - Feb 8, 2025	\$12,083.33	\$144,999.96
2	Feb 9, 2025 - Feb 8, 2026	\$12,083.33	\$144,999.96
3	Feb 9, 2026 - Feb 8, 2027	\$12,083.33	\$144,999.96
4	Feb 9, 2027 - Feb 8, 2028	\$12,083.33	\$144,999.96
5	Feb 9, 2028 - Feb 8, 2029	\$12,083.33	\$144,999.96
6	Feb 9, 2029 - Feb 8, 2030	\$13,291.67	\$159,500.04
7	Feb 9, 2030 - Feb 8, 2031	\$13,291.67	\$159,500.04
8	Feb 9, 2031 - Feb 8, 2032	\$13,291.67	\$159,500.04
9	Feb 9, 2032 - Feb 8, 2033	\$13,291.67	\$159,500.04
10	Feb 9, 2033 - Feb 8, 2034	\$13,291.67	\$159,500.04
11	Feb 9, 2034 - Feb 8, 2035	\$14,620.83	\$175,449.96
12	Feb 9, 2035 - Feb 8, 2036	\$14,620.83	\$175,449.96
13	Feb 9, 2036 - Feb 8, 2037	\$14,620.83	\$175,449.96
14	Feb 9, 2037 - Feb 8, 2038	\$14,620.83	\$175,449.96
15	Feb 9, 2038 - Feb 8, 2039	\$14,620.83	\$175,449.96
16	Feb 9, 2039 - Feb 8, 2040	\$16,082.92	\$192,995.04
17	Feb 9, 2040 - Feb 8, 2041	\$16,082.92	\$192,995.04
18	Feb 9, 2041 - Feb 8, 2042	\$16,082.92	\$192,995.04
19	Feb 9, 2042 - Feb 8, 2043	\$16,082.92	\$192,995.04
20	Feb 9, 2043 - Feb 8, 2044	\$16,082.92	\$192,995.04

Landlord
Responsibilities
Zero

10%
Escalations
Per 5 Years

20 Year
Initial Lease
Term

Thornton Overview

The subject property has incredible connectivity to dense residential neighborhoods in the greater Metro Denver area via E. 136th Ave and I-25. Located on E 136th Ave, a major east-west corridor in North Denver, the Property will have exposure to over 120,000 vehicles per day.

Situated in an extremely high-traffic area, 150 E 136th will draw their customer base from some of Denver's newest and fastest-growing neighborhoods. Thornton has blossomed into one of Denver's most desirable locations for young families, as the surrounding towns offers families and young professionals quaint residential communities with retail, parks, and trails, all within a short 20-minute drive to downtown. The population growth in the area has been driven by the affordability, the access to the Front Range, and the proximity to Denver and Boulder.

Retailers are attracted to the area's favorable demographics and explosive growth. The North I-25 submarket saw population growth of over 20% in the last twelve years with another projected 8% expected in the next 5 years.



136th & I-25 Trade Area

80+

National Brands

368k SF

Denver Premium
Outlets

2.9M

Annual Visitors

120k

Daily Drivers on
I-25

Denver Metro

4th

Highest labor force
participation rate

U.S. News & World Report, 2022

6th

Fastest growing
economy in the U.S.

Axios, 2022 GDP

4th

Most educated state
in the U.S.

CNBC, 2022

9th

Most moved-to city
in the U.S.

LinkedIn Workforce Review March 2023

Attractive Demographics

The subject property caters to a highly educated and expanding population, with median incomes that have experienced rapid growth and surpass the national average.

Thornton, particularly the North Denver market, has experienced significant growth in the past decade and is projected to continue on a steady growth trajectory in the next five years.

Key Demographics

Population	5 Minutes	10 Minutes	15 Minutes
Total Population	21,753	189,503	440,306
Daytime Population	19,441	155,126	360,877
Households			
Total Households	7,752	69,163	160,568
Avg. Household Size	2.81	2.73	2.73
Income			
Avg. Household Income	\$143,306	\$132,429	\$123,529
Avg. Disposable Income	\$103,025	\$96,322	\$90,576
Avg. Net Worth	\$1,492,199	\$1,193,475	\$1,363,550
Avg. Home Value	\$605,536	\$547,712	\$517,072
Employment			
Total Businesses	717	4,419	11,030
Total Employees	10,441	68,660	158,265

**Statistics calculated using estimated driving times from the subject property*



Deal Team



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