

FOR SALE



CONFIDENTIAL OFFERING MEMORANDUM

Freddy's Frozen Custard & Steakburgers

LONG-TERM LEASE WITH 15 YEARS REMAINING

Columbia, MO | University of Missouri



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FREDDY'S FROZEN CUSTARD & STEAKBURGERS

Columbia, MO

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Investment Highlights

- + Located in Columbia approximately two miles south of the University of Missouri (31,000+ students)
- + Long-term lease with 15 years remaining
- + 10% rental increases every five years
- + Columbia is the fastest growing city and 4th largest city in Missouri
- + Affluent area with approximately 110,000 people living within five miles and average annual household incomes of \$91,000
- + Absolute triple net lease with no landlord responsibilities
- + Operated and guaranteed by M&M Custard, the 3rd largest Freddy's franchisee with 38 locations and growing
- + Centrally located within a retail destination that includes Walmart Supercenter, Hy-Vee, Kohl's, ALDI, Bank of America, O'Reilly Auto Parts, AutoZone, Panera, and many other national and local retailers
- + Rent is only \$30.67/SF which is low for a QSR property leased to a national tenant
- + Immediate proximity to Rock Bridge High School (2,000 students)
- + Located along S Providence Road (MO Hwy 163), the primary north-south thoroughfare in the area
- + Positioned just south of Faurot Field and Mizzou Arena
- + Freddy's Frozen Custard & Steakburgers has approximately 450 locations and ranked #8 as the Fastest Growing Chains in the U.S. (according to Technomic 2021)



Investment Overview



Freddy's Frozen Custard & Steakburgers
 3922 S PROVIDENCE ROAD
 COLUMBIA, MO 65203

\$2,400,000

PURCHASE PRICE

\$120,000 (\$30.67/SF)

NET OPERATING INCOME

5.00%

CAP RATE

3,913 SF

BUILDING SIZE

2013/2019

YEAR BUILT/RENOVATED

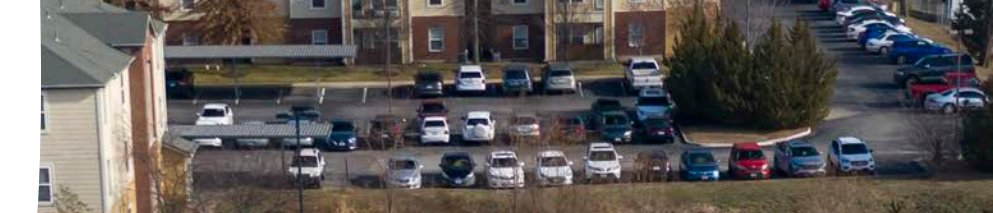
.95 AC

LAND SIZE

Lease Overview

LEASE TERM:	15 Years
RENT COMMENCEMENT:	Close of Escrow
RENTAL ESCALATIONS:	10% Every 5 Years
RENEWAL OPTIONS:	Four 5-Year
TENANT:	Freddy's Frozen Custard & Steakburgers
GUARANTOR:	M&M Custard, LLC*
LEASE TYPE:	Absolute Triple Net
LANDLORD RESPONSIBILITIES:	None

*38-unit operator and the 3rd largest Freddy's franchisee



NOI Schedule

LEASE YEAR	NOI	RENT/SF	INCREASE	PERIOD
1-5	\$120,000	\$30.67	-	Primary Term
6-10	\$132,000	\$33.73	10%	Primary Term
11-15	\$145,200	\$37.11	10%	Primary Term
16-20	\$159,720	\$40.82	10%	Option 1
21-25	\$175,692	\$44.90	10%	Option 2
26-30	\$193,261	\$49.39	10%	Option 3
31-35	\$212,587	\$54.33	10%	Option 4

Site Surroundings

COLUMBIA, MO - NORTH



Site Surroundings

COLUMBIA, MO - NORTHEAST



UNIVERSITY OF MISSOURI
(31,000 STUDENTS)

JOANN
BIG LOTS!
BUFFALO WILD WINGS
Little Caesars

Walmart
Supercenter

CSL Plasma **verizon**
FIREHOUSE SUBS
FOUNDED BY FIREFIGHTERS
AutoZone

SUBWAY
The UPS Store

ALDI

N Nifong Blvd

HyVee
EMPLOYEE OWNED

Wendy's

Starbucks
SONIC

KOHL'S

POPEYES

HUHOT
HONG KONG RESTAURANT

McDonald's

TACO BELL

CUSTOM

Arby's
Frozen Custard

ORSCHELN
FARM & HOME

UNITED STATES POSTAL SERVICE

TIRE PLUS
TIRE CARE CENTER

O'Reilly
AUTO PARTS

Mizzou Urgent Care
University of Missouri Health Care

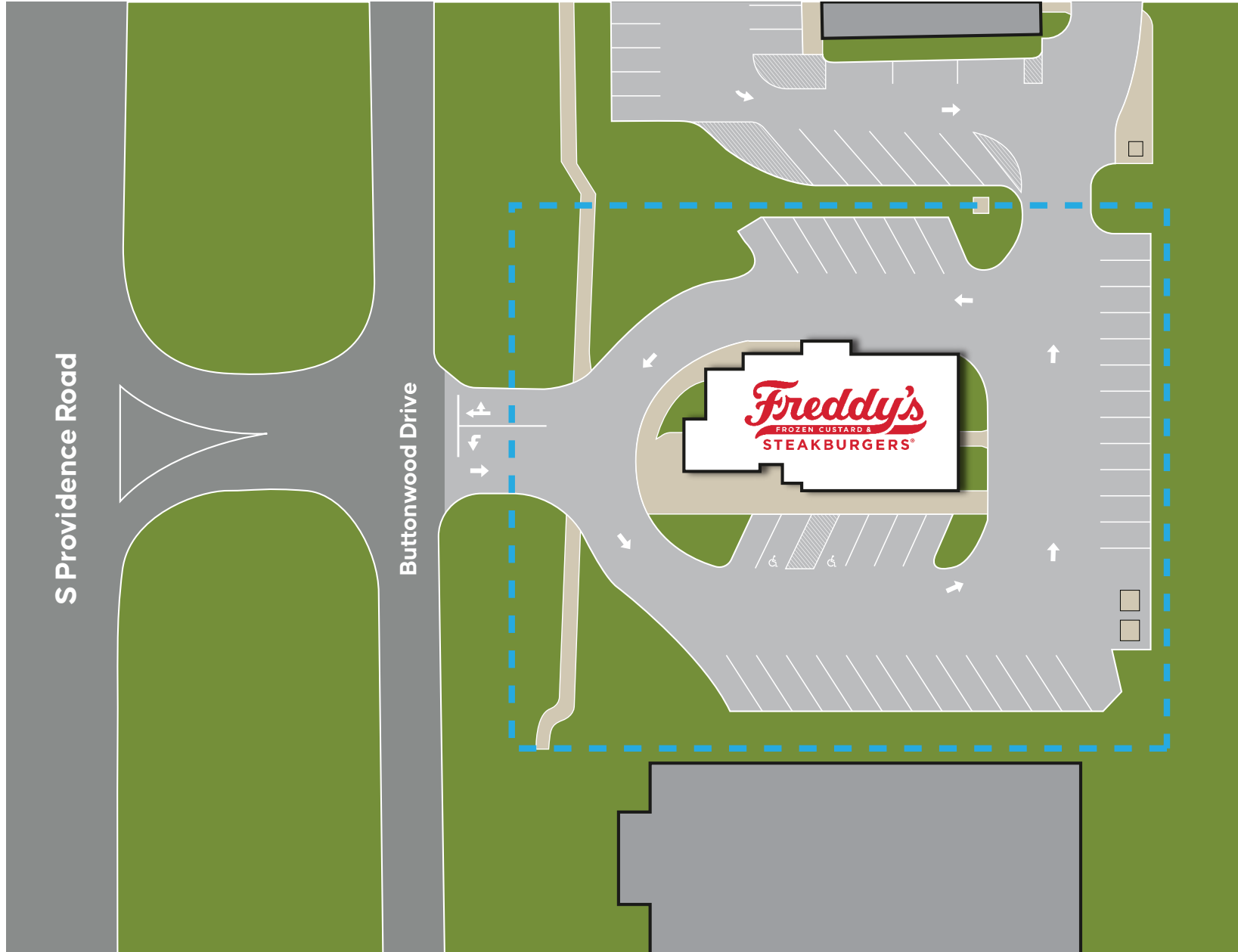
Freddy's
FROZEN CUSTARD &
STEAKBURGERS

S Providence Rd

Arby's



Site Plan



Property Photos

FREDDY'S FROZEN CUSTARD & STEAKBURGERS



Demographics

COLUMBIA, MO



TOTAL POPULATION

1 MILE	8,074
3 MILE	53,178
5 MILE	109,159



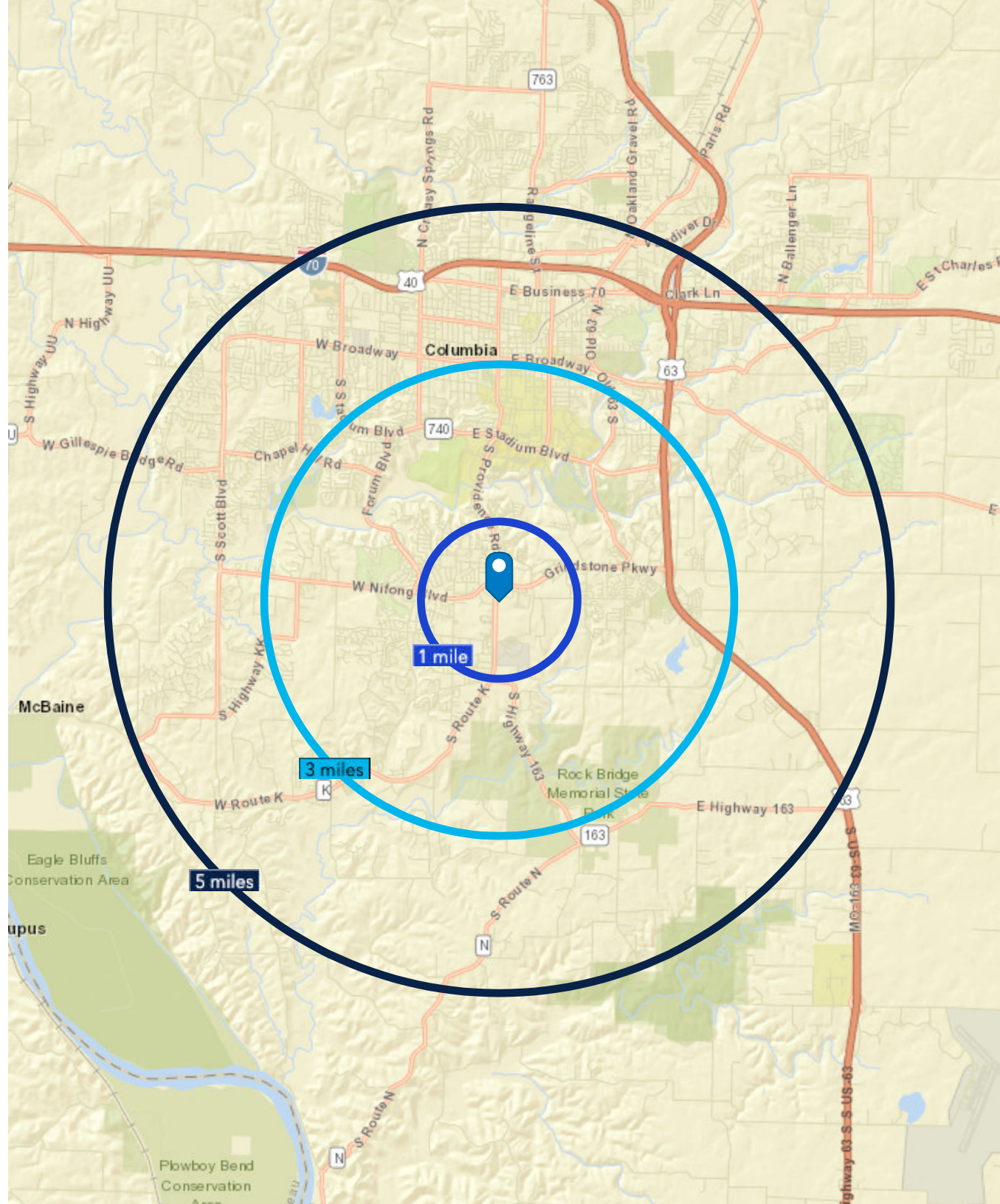
TOTAL HOUSEHOLDS

1 MILE	3,933
3 MILE	20,264
5 MILE	44,382



AVERAGE HOUSEHOLD INCOME

1 MILE	\$84,077
3 MILE	\$88,215
5 MILE	\$91,329





Regional Map

COLUMBIA, MO



 **FAUROT FIELD AT MEMORIAL STADIUM**

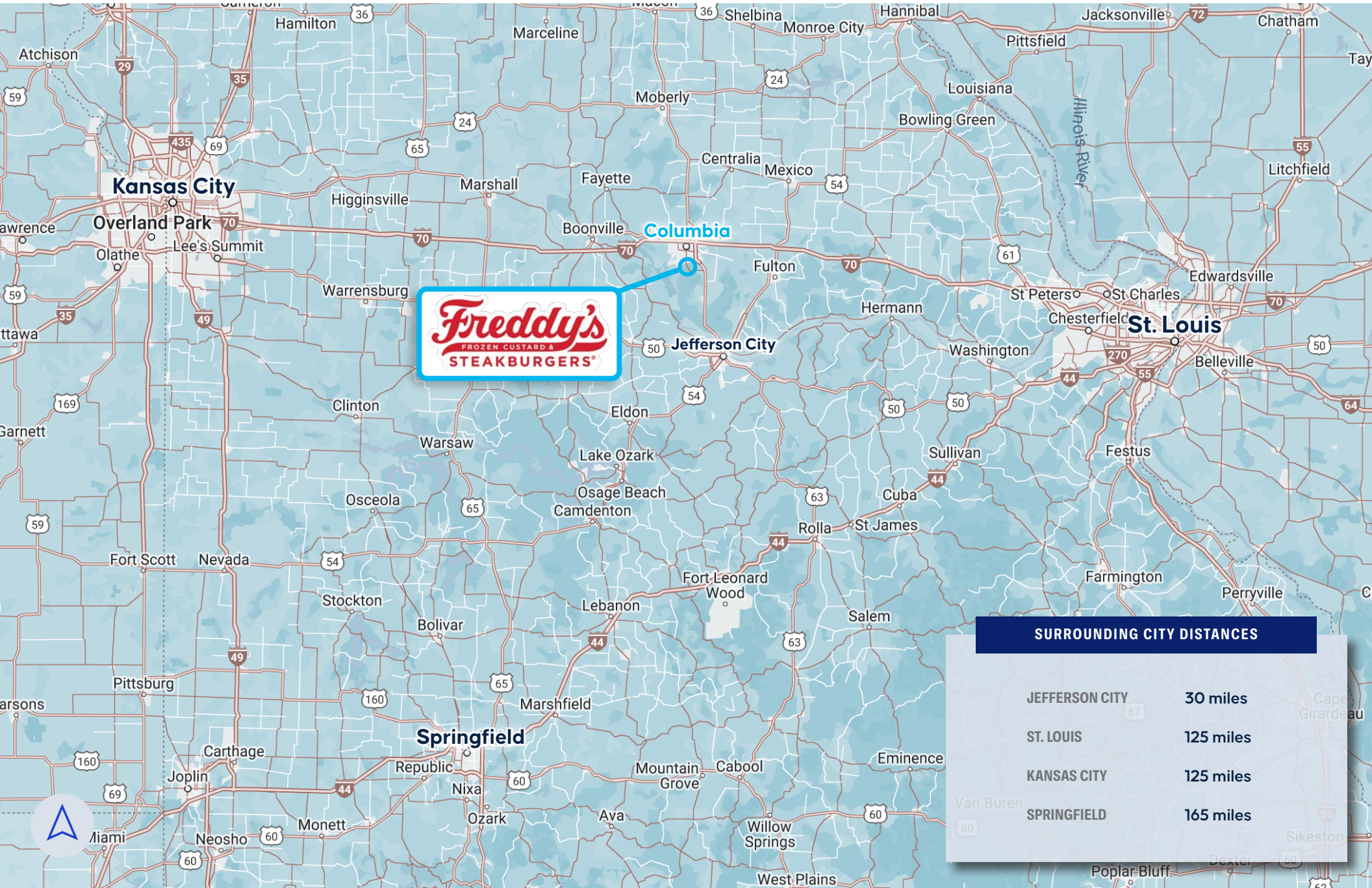
 **MIZZOU ARENA**

 **UNIVERSITY OF MISSOURI**
(31,000 STUDENTS)


Freddy's
FROZEN CUSTARD &
STEAKBURGERS®

Regional Map

COLUMBIA, MO



SURROUNDING CITY DISTANCES

JEFFERSON CITY	30 miles
ST. LOUIS	125 miles
KANSAS CITY	125 miles
SPRINGFIELD	165 miles

Tenant Overview

FREDDY'S FROZEN CUSTARD & STEAKBURGERS



FREDDY'S FROZEN CUSTARD & STEAKBURGERS is a fast-casual restaurant chain specializing in made-to-order steakburgers, Vienna all-beef hot dogs, shoestring French fries, and house-churned frozen custard. The Wichita, KS-based company was founded in 2002 by brothers Bill & Randy Simon along with their close friend and business partner Scott Redler. They named the restaurant after Freddy Simon, a World War II veteran and Purple Heart and Bronze Star recipient. Freddy's is a privately-owned and family-oriented company with a dedication to hospitality that extends far beyond their guests. They are consistently recognized for their contribution to their communities, veterans, and the restaurant industry.

Today, Freddy's Frozen Custard & Steakburgers operates approximately 450 locations across 38 states in the U.S. and is continuing to expand. Most of their locations are operated by franchisees. In March 2021, Thompson Street Capital Partners, a private equity firm based in St. Louis, acquired Freddy's. TSCP invests in founder-led middle market businesses, including more than 150 companies in the health care and life science services, software and technology services and business services and engineered products sectors.

WEBSITE	freddysusa.com	YEAR FOUNDED	2002
OWNERSHIP	Private Company	HEADQUARTERS	Wichita, KS

450+

LOCATIONS

#8

FASTEST GROWING CHAINS
IN THE U.S.

(TECHNOMIC 2021)

#14

QSR 50 BURGER CATEGORY

(QSR MAGAZINE 2020)

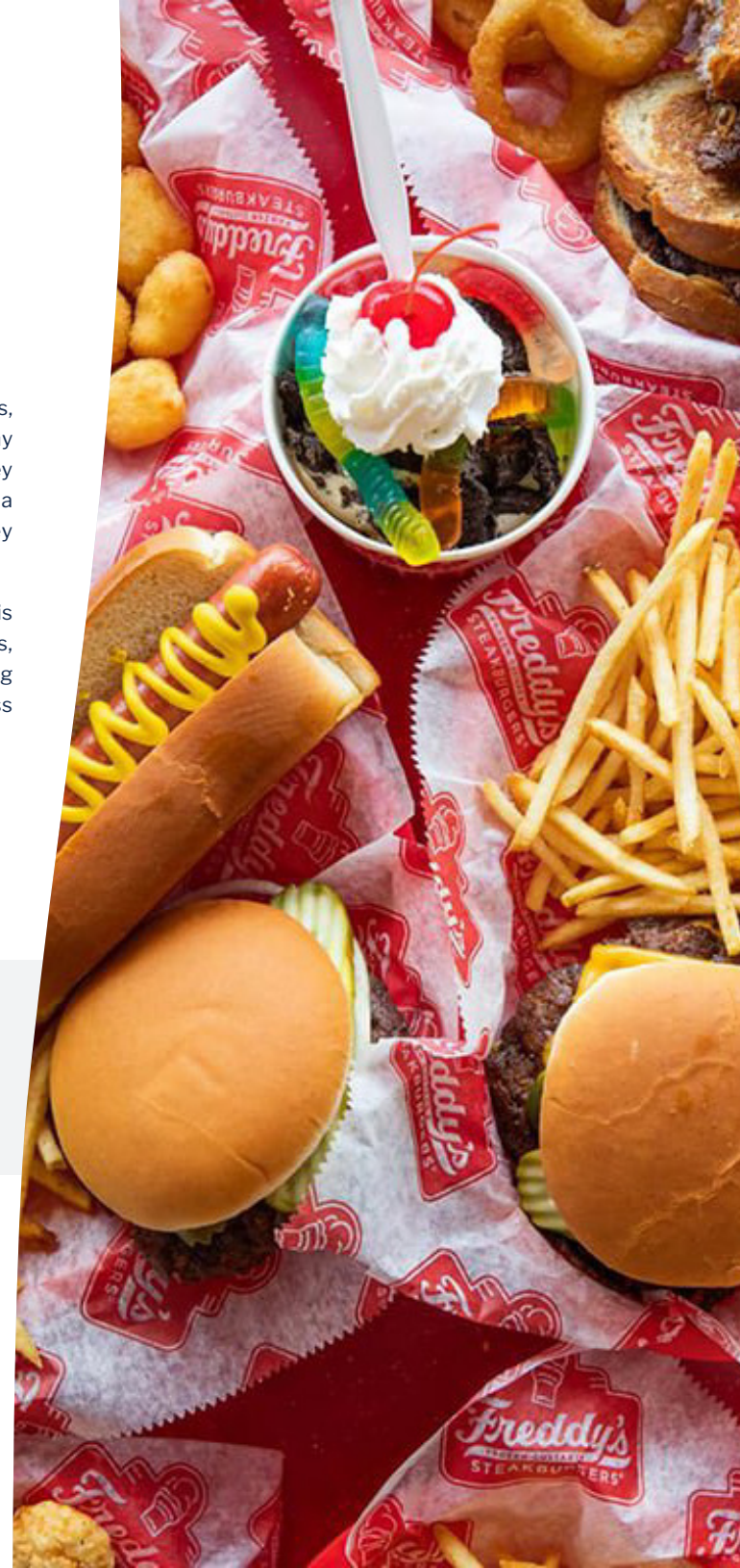
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TOP FRANCHISE LIST

(ENTREPRENEUR.COM 2021)

M&M CUSTARD, LLC is a proud Freddy's Frozen Custard & Steakburgers franchisee based in Overland Park, KS. The company began in 2010 with their first location in Jefferson City, MO. Today, the company operates over 38 locations across six states. M&M Custard has stores in Missouri, Kansas, Kentucky, Illinois, Indiana, and Tennessee. The company is continuing to grow and is the 3rd largest Freddy's franchisee.

WEBSITE	scoopingsmiles.com	HEADQUARTERS	Overland Park, KS
LOCATIONS	38 (and growing)		



Location Overview

COLUMBIA, MO

Columbia is a city in Missouri and is the county seat of Boone County as well as the home to the University of Missouri. Founded in 1821, it is the principal city of the five-county Columbia metropolitan area. Columbia is Missouri's fourth most populous and fastest growing city, with an estimated 126,254 residents in 2020.

The University of Missouri (Mizzou, MU, or Missouri) in Columbia is the largest university and the flagship of the four-campus University of Missouri System. Mizzou was founded in 1839 and was the first public university west of the Mississippi River. Enrolling 31,401 students in 2021, it offers more than 300 degree programs in thirteen major academic divisions. Its well-known Missouri School of Journalism was founded by Walter Williams in 1908 as the world's first journalism school. The Missouri Tigers play football at Faurot Field and basketball at Mizzou Arena and are members of the rigorous Southeastern Conference.

Ranked by the American Institute for Economic Research as one of the nation's top 10 college towns, Columbia combines small-town comforts, community spirit, and a low cost of living with big-city culture, activities, and resources. Columbia is halfway between Missouri's two largest metropolitan areas: St. Louis (125 miles to the east) and Kansas City (125 miles to the west). Columbia is home to nationally recognized public schools including two top-ranked high schools and other colleges and educational centers. It is packed with restaurants and entertainment venues; home to multiple parks and outdoor recreation sites such as Rock Bridge State Park and the MKT Trail; and hosts more than a dozen annual cultural festivals.

The Columbia Regional Airport (COU) is a commercial passenger airport located 12 miles south of Columbia, serving the Central Missouri region including Columbia, Boone County and the state capitol of Jefferson City. COU is served by American Airlines and United Airlines and has direct flights to Chicago and Dallas. Columbia Regional Airport is growing, with a new terminal project underway.



1ST

**FASTEST GROWING CITY
IN MISSOURI**

4TH

LARGEST CITY IN MISSOURI

TOP 10

**COLLEGE TOWN
(AMERICAN INSTITUTE FOR
ECONOMIC RESEARCH)**

31,000+

STUDENTS AT MIZZOU

Contact Us

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COLUMBIA, MO 65203

\$2,400,000
PURCHASE PRICE

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