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\$1,164,625 | 12.00% CAP

401 KENTUCKY DR  
KOKOMO, IN 46902

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## PROPERTY INFORMATION

Address:	401 Kentucky Dr. Kokomo, IN 46902
Price:	\$1,164,625
Cap Rate:	12.00%
Lessee:	Checkers Drive-In Restaurants, Inc.
Building Size:	±1,000 Square Feet
Land Area:	±0.96 Acres
Lease Expiration:	August 31, 2023
Options:	(2) 5-Year Options
NOI	\$139,755
Lease Type:	Absolute NNN
Increases:	10% Every Five Years

## INVESTMENT HIGHLIGHTS

- Absolute NNN-Low Maintenance Investment
- Property is Dark but Paying Rent
- Oversized Lot
- One of the First Fast Food Restaurants Travelers Pass in Kokomo Market
- Double Drive Through Design
- Howard Regional Hospital Less than One Mile North (3rd Largest Employer in Kokomo)
- High Daytime Population of over ±40,800 within 3-Mile Radius
- Directly in front of Courtyard Marriott Hotel



The information contained in this offering memorandum has been obtained from sources we believe reliable; however, Retail Investment Group has not verified, and will not verify, any of the information contained herein, nor has Retail Investment 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.



## PROPERTY OVERVIEW

The subject offering consists of a  $\pm 1,000$  sf freestanding building on a  $\pm .961$  acre site. The subject improvements were constructed in 2008 and the site is ideally situated with excellent visibility along US-31 ( $\pm 36,000$  VPD). US-31 is a regional six-lane highway and a primary thoroughfare for the City of Kokomo.

The property features Rally's prototypical double drive-through / drive-in design with a pylon sign in front and abundant parking. Ingress / egress to the site is provided by Kentucky Drive, a local access drive directly north of the subject property.

A Courtyard Marriott hotel is located directly east of the Rally's while Pizza Hut and Speedway gas station are located to the south, and Cracker Barrel is located directly north. Several area restaurants include: IHOP, Burger King, Arby's, Subway, Golden Corral, Half Moon Brewery, Culver's, Texas Roadhouse, McDonalds, Starbucks, Outback Steakhouse, Applebee's, Dunkin Donuts, Wendy's, Steak n' Shake, Ruby Tuesday, and Olive Garden. Several area retailers include: Lowes, National City Bank, Key Bank, Dunham's Sports, Walgreens, Dollar Tree, Dollar General, Marsh grocery store, Rural King, and O'Reilly Auto Parts. In addition, Howard Regional Hospital is less than 1 mile north along US-31. The hospital is a 114-bed regional hospital and Kokomo's third largest employer, helping contribute to a high daytime population of over 40,800 within a three-mile radius of Rally's.





## LOCATION OVERVIEW

The subject property is located in the city of Kokomo, Howard County, Indiana. Kokomo is located in central Indiana approximately ±40 miles directly north of Indianapolis, ±80 miles south of South Bend, and ±130 miles southeast of Chicago, Illinois. With a population of approximately ±46,000, Kokomo is the 13th largest city in Indiana and is the county seat of Howard County.

Kokomo has been recognized for being the first in the nation for manufacturing presence, productivity, and strength. Chrysler LLC is the largest employer in the city, operating four plants that employ nearly ±7,000 workers. Kokomo is also the home of Delphi Corporation's Electronics & Safety World Headquarters, and is the corporate headquarters of Haynes International, Inc., a manufacturer of metal alloys. Other substantial local employers include Howard Regional Health System, St. Joseph Memorial Hospital, and Electronic Data Systems. Most recently, the city has been recognized for becoming a burgeoning center for clean technology and energy systems following recent investments in research and manufacturing facilities.







## TENANT OVERVIEW

The tenant, Checkers Drive-In Restaurants, Inc. operates under both the Checkers and Rally's Hamburgers trade names and is the largest chain of double drive-thru restaurants in the United States, with more than 815 Checkers and Rally's restaurants in 28 states, generating more than \$658 million in annual system-wide sales with average annual per unit sales of \$792,800, in 2008. Originally two separate companies, serving different geographical areas, Checkers and Rally's Hamburgers, Inc. merged in August 1999 and together, are now headquartered in Tampa, Florida. In 2006, Checkers Drive-In Restaurants, Inc. went private through a merger with Taxi Holdings Corp., an affiliate of Wellsprings Capital Management, which is a private equity firm with assets over \$2.2 billion.

Checkers was founded in 1986 in Mobile, Alabama, and went public in 1991. Rally's was founded in Louisville, Kentucky in 1985, with its first location in Jeffersonville, Indiana. From 1996 to 1999, Rally's was owned by CKE Restaurants, parent company of Carl's Jr. and Hardee's. Checkers and Rally's had similar concepts, specializing in hamburgers, hot dogs, french fries, and milkshakes, and are almost exclusively drive-thru with limited seating. After the merger, Rally's began redesigning its restaurants to follow the Checkers look. In February, 2011, Checkers Drive-In Restaurants, Inc. announced that it will continue to expand its network of franchise locations over the next several years, beginning with four franchisees that are to develop 12 new locations in the Northeast United States. In recent years, the brand has been awarded several of the industry's most prestigious awards including: "Best Drive-Thru in America" by QSR Magazine and the "Hot! Again Award" from Nation's Restaurant News.





## BENEFITS OF CHRYSLER

In late 2010, President Obama and Vice President Biden toured Chrysler Group LLC's Transmission Plant in Kokomo to highlight the automaker's recent announcements that it plans to invest more than \$1.1 billion in the facility. The investments in the Kokomo facility will help the plant retain nearly 3,500 jobs, according to Chrysler. In addition, the Kokomo area has received more than \$400 million in direct stimulus funding, including \$89 million from the Department of Energy to expand manufacturing capacity at Delphi Automotive LLP.

Together, these investments will make the city the recipient of the largest investment in a single year in a single community, within the United States. The subject property benefits from a high daytime population as the Delphi and Chrysler plants are both located less than two miles north of subject property, along US-31. Kokomo is served commercially by Indianapolis International Airport and locally by Kokomo Municipal Airport for private and charter air travel. The area within a 5-mile radius of the subject property features a relatively large population of over 59,683 residents, and even larger daytime population of ±66,380.









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# KOKOMO INDIANA







# KOKOMO INDIANA



POPULATION	3 MILES	5 MILES	10 MILES
2019	32,852	66,282	85,782
2024 (EST)	33,036	67,004	85,624



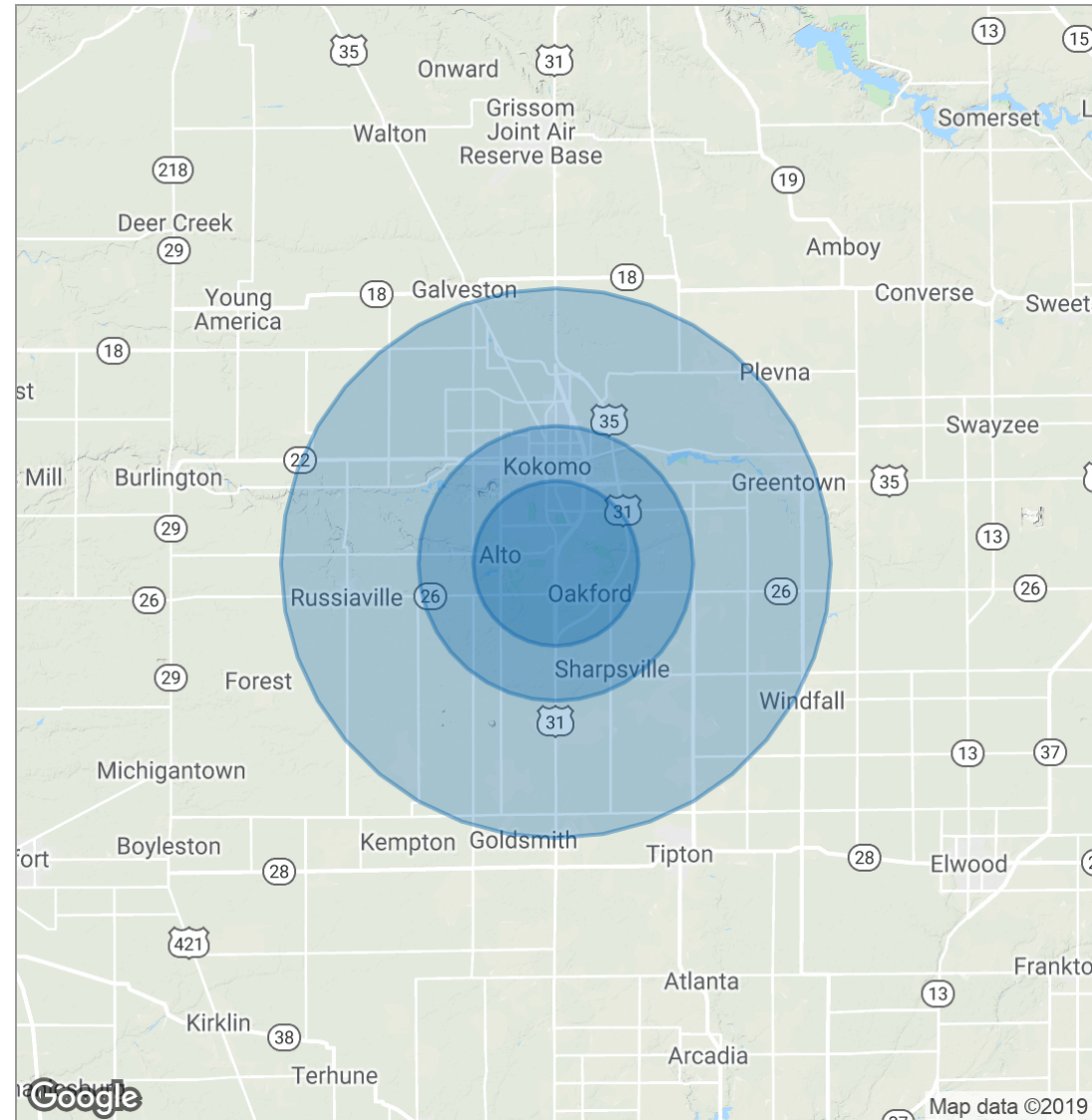
HOUSEHOLD INCOME	3 MILES	5 MILES	10 MILES
2019	\$52,959	\$51,442	\$54,899



HOUSEHOLDS	3 MILES	5 MILES	10 MILES
NUMBER OF HH	13,947	30,486	42,693
AVG HH VALUE	\$128,852	\$113,710	\$111,317



TRAFFIC	S REED RD	S LAFOUNTAIN ST
VPD 2019	42,330	31,240







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