

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



# ERSKINE COMMONS OUTLOT

RETAIL STRIP CENTER | SOUTH BEND, IN

560 W IRELAND RD | SOUTH BEND, IN 46614



**EXCLUSIVELY LISTED BY:**



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**S E C T I O N 0 1**  
**O F F E R I N G S U M M A R Y**



# ERSKINE COMMONS

560 W IRELAND RD, SOUTH BEND, IN 46614

## THE OFFERING

**\$2,150,000**  
ASKING PRICE

**8.11%**  
CAP RATE

<b>OCCUPANCY</b>	100%
<b>GROSS LEASEABLE AREA</b>	7,805
<b>LOT SIZE (AC)</b>	±2.14 Acres
<b>PARKING</b>	±60
<b>CURRENT RENT</b>	\$195,960
<b>TOTAL REIMBURSEMENTS</b>	\$28,858
<b>GROSS INCOME</b>	\$224,817
<b>VACANCY COLLECTION/ALLOWANCE</b>	(\$5,895)
<b>EFFECTIVE GROSS INCOME</b>	\$218,922
<b>EXPENSES</b>	(\$44,584)
<b>NOI*</b>	\$174,338

Matthews Real Estate Investment Services™ is pleased to present qualified investors the opportunity to obtain fee simple ownership in a Verizon anchored strip center. This property features a four-tenant property that sit on an large out lot to a Walmart Supercenter and a Lowe's. This multi-tenant center is 100% occupied at ±7,805 SF, with a mix of national and local tenants. Ideally located in a main retail corridor just south of the University of Notre Dame.

\*NOI is based on the assumption of a new lease amendment that is currently being negotiated with Midwest Kosher Deli. Please see rent roll on page 13 for details.





## INVESTMENT HIGHLIGHTS

- **100% OCCUPIED** - Fully leased 4-tenant shopping center leased to Verizon Wireless (S&P: BBB+), Sweet Frog Frozen Yogurt, Midwest Kosher Deli, and MK's Barber Shop.
- **VALUE-ADD OPPORTUNITY** - Erskine Commons is leased below market-rent, providing investors with an opportunity to add significant value to the center by increasing rents to market.
- **SHADOW-ANCHOR DRAW** - Situated at the primary signalized entrance to Erskine Commons, the property is anchored by Walmart and Lowe's. Walmart is a Top 30% most visited store in Indiana.
- **SOUTH BEND MSA** - South Bend, Indiana is ranked #76 Best Places to Live and is the Second Largest Metro area in the state of Indiana with over 320,000 residents.
- **MAJOR RETAIL CORRIDOR** - Excellent visibility and exposure along the primary retail corridor where the crossroad features over 34,300 vehicles per day. Erskine Commons is shadow-anchored by Walmart and Lowe's and features numerous national area tenants including Chick-Fil-A, Chipotle, PNC Bank, Buffalo Wild Wings, Texas Roadhouse and others.
- **REGIONAL ACCESS** - Located just off the Highway US-31 and US-20 interchange where combined traffic counts exceed 57,500 VPD. US-31 provides access to I-90, which provides access to downtown Chicago, 90 miles to the west.
- **OVERSIZED LOT** - Features a ±2.1 AC parcel providing future re-development opportunities.
- **ECONOMIC HUB** - South Bend is home to Notre Dame (12,000+ students), Indiana University-South Bend (4,300+ students), and Ivy Tech Community College (5,000+ students). South Bend is ranked 39th in America's Best Small Cities. Major Employers include Notre Dame, Beacon Medical Group, and Press Ganey.
- **STRONG DEMOGRAPHIC PROFILE** - 122,076 residents earning an average income of \$79,109 within 5 miles of the center.







# SECTION 02

## FINANCIAL OVERVIEW



## FINANCIAL OVERVIEW

<b>Price</b>	<b>\$2,150,000</b>
<b>In-Place Cap Rate</b>	<b>8.11%</b>
Occupancy	100%
Gross Leaseable Area	7,805
Lot Size (AC)	±2.14 Acres
Parking	±60
Current Rent	\$195,960
Total Reimbursements	\$28,858
Gross Income	\$224,817
Vacancy Collection/ Allowance	(\$5,895)
Effective Gross Income	\$218,922
Expenses	(\$44,584)
<b>NOI</b>	<b>\$174,338</b>

## PROPOSED NEW FINANCING

LTV	60%
Interest Rate	6.50%
Amortization	Interest Only
Equity	\$860,000
Debt	\$1,290,000
Debt Service	\$83,850
Debt Service Coverage Ratio	1.89
Net Cash Flow	\$90,488
Cash-on-Cash Return (%)	10.52%

Note: NOI is based on the assumption of a new lease amendment that is currently being negotiated with Midwest Kosher Deli. Please see rent roll on page 13 for details.





# PROFORMA

IN-PLACE YEAR 1-2024		
<u>Income</u>	<u>Total</u>	<u>\$PSF</u>
Occupied Space	\$195,960	\$25.11
<b>Gross Potential Rent</b>	<b>\$195,960</b>	<b>\$25.11</b>
<b>Expense Reimbursements</b>		
Snow Removal & Landscaping	\$3,717	\$0.48
Cross Easement Fee	\$741	\$0.09
Real Estate Taxes (Actual 2023)	\$18,522	\$2.37
Insurance	\$1,851	\$0.24
Waste	\$2,302	\$0.29
Utilities	\$1,430	\$0.18
Verizon's Admin Fee	\$294	\$0.04
<b>Total Expense Reimbursements</b>	<b>\$28,858</b>	<b>\$3.70</b>
<b>Gross Potential Income</b>	<b>\$224,817</b>	<b>\$28.80</b>
Vacancy/Collection Allowance	(\$5,895)	(\$0.76)
<b>Effective Gross Revenue</b>	<b>\$218,922</b>	<b>\$28.05</b>
<b>Expenses (Est.)</b>		
Snow Removal & Landscaping	\$4,132	\$0.53
Cross Easement Fee	\$1,029	\$0.13
Real Estate Taxes (Actual 2023)	\$25,103	\$3.22
Insurance	\$2,570	\$0.33
Waste	\$3,196	\$0.41
Electricity	\$1,986	\$0.25
Management Fee (3%)	\$6,568	\$0.84
<b>Total Operating Expenses</b>	<b>\$44,584</b>	<b>\$5.71</b>
<b>Net Operating Income</b>	<b>\$174,338</b>	<b>\$22.34</b>

Notes:

- Expenses are Ownership's Actual 2023 amounts.
- Current ownership self-manages the property, however we assume a 3% management fee on Effective Gross Revenue
- We assume a 5% vacancy collection allowance, excluding the corporate Verizon tenant.





**SECTION 03**  
**ASSET OVERVIEW**



## ASSET OVERVIEW

<b>Tenant Names</b>	Verizon, Sweet Frog, Midwest Koshers Deli, MK Barbers
<b>Property Address</b>	560 W Ireland Rd
<b>City, St, Zip Code</b>	South Bend, IN 46614
<b>County</b>	St Joseph
<b>Tenancy</b>	Multi
<b>Square Footage (GLA)</b>	7,805
<b>Land Area</b>	±2.14 AC
<b>Year Built / Renovated</b>	2007
<b>Parking</b>	60 surface parking spaces
<b>APN</b>	71-08-26-426-007.000-002

## TAX PARCEL MAP







IRELAND RD

 SweetFrog Premium Frozen Popsicle	 MIDWEST	MK'S BARBER SHOP	verizon
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±2.14 AC  
±60 PARKING SPACES





## RENT ROLL

Tenant	SF Leased	Start	End	Term of Occupancy (Yrs)	Term Remaining	Rent schedule						Renewal Options	Lease Type
						Period	Changes on	Monthly Rent	Annual Rent	Rent/SF	Increase		
<b>Verizon</b> Cellco Partnership	3,002	9/2/2007	8/31/2025	17 Years	1.8 Years	Base	Current	\$6,504	\$78,052	\$26.00	-	None	NNN

*Notes: Tenant reimburses its prorata share of CAM, Taxes, Insurance, plus a 7% admin fee on CAM. Tenant's prorata share is equal to 36.97% based on 8,120 SF of GLA. Tenant may reduce rent by 50% if either Lowe's or Walmart are not fully operational, or if the Shopping center is less than 65% occupied. CAM is capped at 5% annual increases excluding snow removal.*

<b>Sweet Frog</b> Personally Guaranteed	1,583	7/1/2017	8/31/2027	6 Years	3.8 Years	Base	Current	\$3,958	\$47,496	\$30.00	-	One, 5-Year 6 Month Notice	Mod Gross
						-	9/1/2024	\$4,037	\$48,444	\$30.60	2%		
						-	9/1/2025	\$4,118	\$49,416	\$31.22	2%		
						-	9/1/2026	\$4,201	\$50,412	\$31.85	2%		
						Option 1	9/1/2027	FMV	FMV	FMV	FMV		

*Notes: Tenant is on a Modified Gross Lease providing an opportunity for an investor to increase value by converting this space into a NNN lease at a market rate. Tenant pays its prorata share of taxes and insurance over the 2022 base year. Tenant's proata share is 19.4951% based on 8,120 SF of GLA.*

<b>Mk's Barber Shop</b> Personally Guaranteed	1,424	7/1/2014	6/31/2025	9 Years	1.6 Years	Base	Current	\$2,953	\$35,436	\$24.88	-	None	NNN
						-	7/1/2024	\$2,982	\$35,784	\$25.13	1%		

*Notes: Tenant reimburses its prorata share of CAM, Taxes, Insurance. Currently, ownership is not collecting NNN expenses, however, we assume new ownership will collect Tenant's prorata share of 18.24%*

<b>Midwest Kosher &amp; Deli</b> Midwest Kosher & Deli LLC	1,796	9/1/2014	5/31/2029	9 Years	2.0 Years	Base	Current	\$2,858	\$34,296	\$19.10	-	One, 5-Year Option	NNN
						New Lease	5/31/2024	\$2,914.7	\$34,976	\$19.47	2%		
						-	5/31/2025	\$2,973	\$35,675	\$19.86	2%		

*Notes: Ownership is currently negotiating a lease amendment with the Tenant. We assume a new 5-year lease term, with one 5-year option, 2% annual rent increases, and Tenant pays its prorata share of CAM, Taxes, and Insurance. Should closing occur prior to the execution of the new lease, Seller will credit Buyer any shortfall in rent.*

<b>TOTAL / AVERAGE</b>													
<b>PRO-FORMA RENT (SEPT. 2025)</b>	7,805			10 Years	2.3 Years			\$16,330	\$195,960	\$25.09 PSF			
									\$211,861	\$27.14 PSF			





**SECTION 04**  
**AREA OVERVIEW**



# SOUTH BEND, IN

South Bend is a city on the St. Joseph River in St. Joseph County in Indiana. South Bend is the economic, educational, media, and cultural hub of a multi-county region spanning the Michigan-Indiana border. It is the fifth-largest city in Indiana with over 104,000 residents. South Bend's flourishing collegiate community and burgeoning tech industry have built upon the foundation of the city's industrial past to create a vibrant present and a promising future. The city's fourteen institutions of higher learning, including the internationally renowned University of Notre Dame, infuse South Bend with creative energy in the arts, business, and technology. Combined with recent economic growth, strong neighborhoods, an affordable cost of living, exciting recreational opportunities, and thriving arts venues make South Bend a great place to live, work, and play.

Downtown South Bend is home to a diverse array of retailers, attractions, dining opportunities, entertainment options, and more. It features over 50 restaurants, bars, and cafes, with various cuisines from Italian to fine dining, New Orleans inspired to Japanese flavors, and more.

**122,076+**  
5-MILE POPULATION

**\$79,109**  
AVERAGE HH INCOME

POPULATION	1 MILE	3 MILE	5 MILE
Five Year Projection	3,038	46,515	126,931
Current Year Estimate	3,000	44,607	122,076
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
Five Year Projection	1,292	18,041	50,259
Current Year Estimate	1,309	17,905	49,810
INCOME	1 MILE	3 MILE	5 MILE
2023 Average HH Income	\$77,292	\$79,775	\$79,109





# SOUTH BEND INTERNATIONAL AIRPORT

± 11.2 MILES AWAY



**MWD LOGISTICS**  
Flexible Warehousing Solutions  
Trucking & Brokerage Services

**Ziebart**

**children's MUSEUM**  
of south bend

**CHEVROLET**

S MICHIGAN ST ± 22,000 VPD

**ALDI** **TACO BELL**  
**Advance Auto Parts**

**Walgreens**

**DOLLAR GENERAL**  
**BIG! LOTS**  
**CVS pharmacy**  
**goodwill** **planet fitness**

**KFC**  
**O'Reilly AUTO PARTS**

**Domino's Pizza** **jiffy lube**  
**CHIPOTLE MEXICAN GRILL**

**Calver's** **PRADA EXPRESS**  
**SUBWAY** **CLASSIC KITCHEN**

**ERSKINE PARK GOLF COURSE**

**JOANN**  
**Kroger** **BURGER KING**

**TOYOTA**

E IRELAND RD ± 19,000 VPD

**GameStop**  
**SALLY BEAUTY**

**Walmart**

LINCOLN HWY ± 35,000 VPD

**SUBJECT PROPERTY**

**LOWE'S**

**MENARDS**

**KOHL'S**

**ROSS** **target**  
DRESS FOR LESS  
**TJ-maxx**  
**OLD NAVY**

**TEXAS ROADHOUSE** **Chick-fil&**

**MARTIN'S BARGAIN LANE**



# UNIVERSITY OF NOTRE DAME



# DOWNTOWN SOUTH BEND



±5 MILES

±4 MILES

# ERSKINE COMMONS











SUBJECT PROPERTY

# SECTION 05

## TENANT OVERVIEWS



## HIGHLIGHTED TENANTS

The Verizon logo, featuring the word "verizon" in a bold, black, lowercase sans-serif font, with a red checkmark-like symbol above the letter "v".

**WEBSITE**  
verizon.com

**YEAR FOUNDED**  
2000

Verizon Communications Inc (Verizon) provides communications, technology, information and entertainment products and services to businesses, consumers and government entities. The company offers wireless and wireline communications services and products such as corporate networking solutions, data center and cloud services, security and managed network services, and local and long-distance voice services. It also offers network access to deliver IoT services and products. Verizon serves small and medium businesses, global enterprises, public sector, and wholesale customers. It has business presence across the Americas, Europe, the Middle East, Africa, and Asia-Pacific. Verizon is headquartered in New York, the US.

The SweetFrog logo, featuring the word "sweetFrog" in a playful, rounded font. "sweet" is in red and "Frog" is in green. To the right of the text is a cartoon illustration of a green frog with large white eyes and a red mouth. Below the main text, the words "premium frozen yogurt" are written in a smaller, red, lowercase font.

**WEBSITE**  
sweetfrog.com

**YEAR FOUNDED**  
2009

As the preeminent premium frozen yogurt retailer in America, sweetFrog provides an unparalleled experience with every cup of yogurt. They offer extensive toppings bar, cheerful environment, and wide selection of creamy flavors. Led by goodwill ambassadors Scoop and Cookie, sweetFrog stores fold themselves into their communities through local partnerships and fundraisers. The F.R.O.G. in the name stands for Fully Rely On God, and that phrase guides us to be the sort of business that our community can fully rely on. Since its founding in 2009, sweetFrog has expanded to over 300 locations in the United States, and the Caribbean. In 2013, sweetFrog was named the fastest-growing emerging concept in the restaurant industry by Restaurant Business in its "Future 50" list.



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **560 W Ireland Rd, South Bend, IN 46614** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.



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