

— STRATEGIC ANALYSIS

# A Rising *TIDE.*

Franchising, capital structures, and urban revitalization in  
Chicago's South Shore.

— TIDE

**T** The

**I** Incubator *for QSR*

**D** Dining

**E** Entrepreneurs

*Engineered to lift founders, corridors, and the  
community — simultaneously.*

INSIDE

Macro dynamics · The four-stage pipeline · Capital  
toolkit · The 8×–20× wealth multiplier · Social ROI

PREPARED FOR  
STAKEHOLDERS & PARTNERS  
71ST STREET CORRIDOR

## 02 THE SOUTH SHORE MARKET

# Anatomy of a *retail leakage*.

To accurately assess the viability of TIDE Kitchen, one must first examine the socioeconomic and commercial real estate dynamics of its target geography. The South Shore neighborhood of Chicago — and specifically the 71st Street commercial corridor — sits at the intersection of acute disinvestment and unprecedented incoming capital, a paradox that defines both the opportunity and the risk.

## KEY METRICS

224K+

## CATCHMENT

Retail population, South Side of Chicago

\$29M

## ANNUAL LEAKAGE

Restaurants &amp; eating places, exported

46%

## VACANCY

Commercial vacancy across study area

The primary sub-market contains roughly 52,965 residents inside a broader retail catchment of more than 224,000. Median household income sits near \$29,533, but that figure flattens a textured economic reality: the 80th percentile reaches nearly \$66,800, and the top 5% of households earn over \$208,000 on average. The median age is 39, indicating an established community, and it is notable that 18.6% of the population is 65 years or older. This is not a community without purchasing power — it is a community whose purchasing power has been systematically exported.

RETAIL CATEGORY	ANNUAL LEAKAGE	STRATEGIC IMPLICATION
General Merchandise	> \$69.0M	Profound demand for diverse, multi-category retail anchors and daily-necessity providers.
Grocery & Produce	\$47.0M	Severe food-desert conditions; demand for fresh provisions and localized markets.
Restaurants & Eating	\$29.0M	Massive unmet demand for high-quality QSR and fast-casual dining concepts.

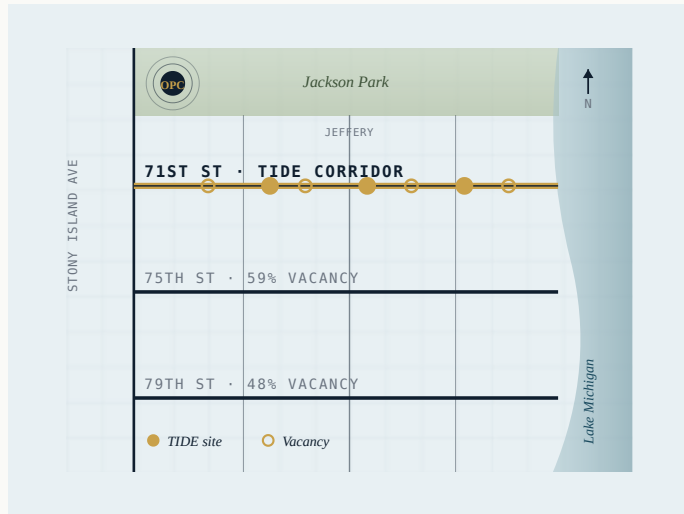
## — KEY INSIGHT

The \$29 million currently leaking from South Shore to non-local chains and adjacent neighborhoods is not a symptom of poverty. It is the precise market that TIDE Kitchen's incubated, locally-owned brands are engineered to recapture.

03 THE MEGA-DEVELOPMENT SUPERCYCLE

# Speculation arrives *before opportunity does.*

– THE CORRIDOR



South Shore east of Stony Island Avenue, just south of Jackson Park. 71st Street is the primary corridor; 75th and 79th carry the highest vacancy rates.

– PRESSURE ON THE EXISTING COMMUNITY

**130%** **Home price increase**  
Driven by speculative buying ahead of the Obama Presidential Center.

**43%** **Rental rate surge**  
Recent years across South Shore — outpacing wage growth.

**255%** **Property tax spike**  
Documented case, 71st Street commercial parcel, 2022–2025.

**1/3** **Investor purchases**  
Of all 2022 home sales went to out-of-state buyers — highest rate citywide.

Three catalysts. *Roughly \$10 billion in adjacent capital.*

COMBINED INVESTMENT ~\$9.95B

**\$850M**

**Obama Presidential Center**

JACKSON PARK · ADJACENT

750K annual visitors. \$220M projected annual economic impact. Restructures South Side tourism flows.

**\$9B**

**Illinois Quantum & Microelectronics Park**

SOUTH WORKS · 440 ACRES

\$700M state funding. PsiQuantum & IBM. 175,000 projected jobs. \$60B long-term impact.

**\$100M**

**Regal Mile Studios**

79TH & STONY ISLAND

380K sq ft media campus. The "Hollywood of the Midwest." Hundreds of production jobs.

## 04 OVERLOOKED FOUNDERS, FRESH CONCEPTS

# The next category killer *isn't another burger.*

The QSR brands commanding the highest 2025 multiples — Dave's Hot Chicken, Crumbl, Dutch Bros, CAVA — share one trait: each began as a singular point-of-view that the industry's gatekeepers had no framework for. Capital chases proven categories; breakout concepts emerge from founders capital has historically declined to underwrite. TIDE Kitchen treats that gap as its primary sourcing strategy.

## — WHAT GETS COOKED WHEN THE GATE OPENS?



*Five concepts the standard incubator pipeline will never see. One of them is the next \$2B exit.*

## — WHAT CONVENTIONAL CAPITAL FUNDS

~~Another burger. Another taco.~~

*Pattern-matched concepts that resemble previous winners. Familiar to underwriters, saturated in the market, and competing on operational efficiency rather than cultural distinctiveness.*

## — WHAT TIDE KITCHEN SOURCES

*A point of view the industry hasn't seen.*

*Cuisines, formats, and rituals shaped by lived experience the gatekeepers don't share. Higher creative variance, higher breakout probability, and structurally lower competition for the white space they define.*

## — THE SOURCING EDGE

Being overlooked is not just an injustice to be corrected — it is a market inefficiency. The talent pool TIDE Kitchen recruits from has been screened out by every prior gate, which means **the concepts inside it haven't been replicated, copied, or commoditized.** The Flight Simulator then provides what the founders historically lacked: institutional infrastructure to prove the concept works.

05 THE FOUR-STAGE PIPELINE

# From kitchen to *category killer*.

To transition local culinary talent into institutional-grade franchise operators, TIDE Kitchen employs a four-stage pipeline. Each stage is engineered to systematically eliminate the operational, financial, and infrastructure bottlenecks that typically cause early-stage food enterprises to fail.

– STRATEGIC GOAL

*Shift the founder's focus from single-unit cash flow to multi-unit brand valuation.*



**TIDE Pool**  
*The Incubator*

**CONCEPT DEVELOPMENT**

*Flight Simulator facility with shared infrastructure and franchise-ready SOPs.*

**8–10%**

SALES FEE IN LIEU OF RENT

**TIDE Anchor**  
*Corridor Integration*

**CAPITALIZED ANCHOR TENANTS**

*Pre-funded operators de-risk new ground-up and rehab projects, unlocking adjacent development.*

**71st**

STREET COMMERCIAL CORRIDOR

**TIDE Current**  
*Multi-Unit Scale*

**CENTRALIZED SERVICES**

*Shared HR, supply chain, accounting, and marketing protect unit-level EBITDA.*

**3–10**

UNITS UNDER SHARED OPS

**TIDE Wave**  
*Franchise Execution*

**NATIONAL BRAND & EXIT**

*FDD navigation, equity alignment, and the activation of the wealth multiplier.*

**Exit**

LIQUIDITY EVENT FOR FOUNDERS

– WEALTH MULTIPLIER

**8 × – 20 ×**

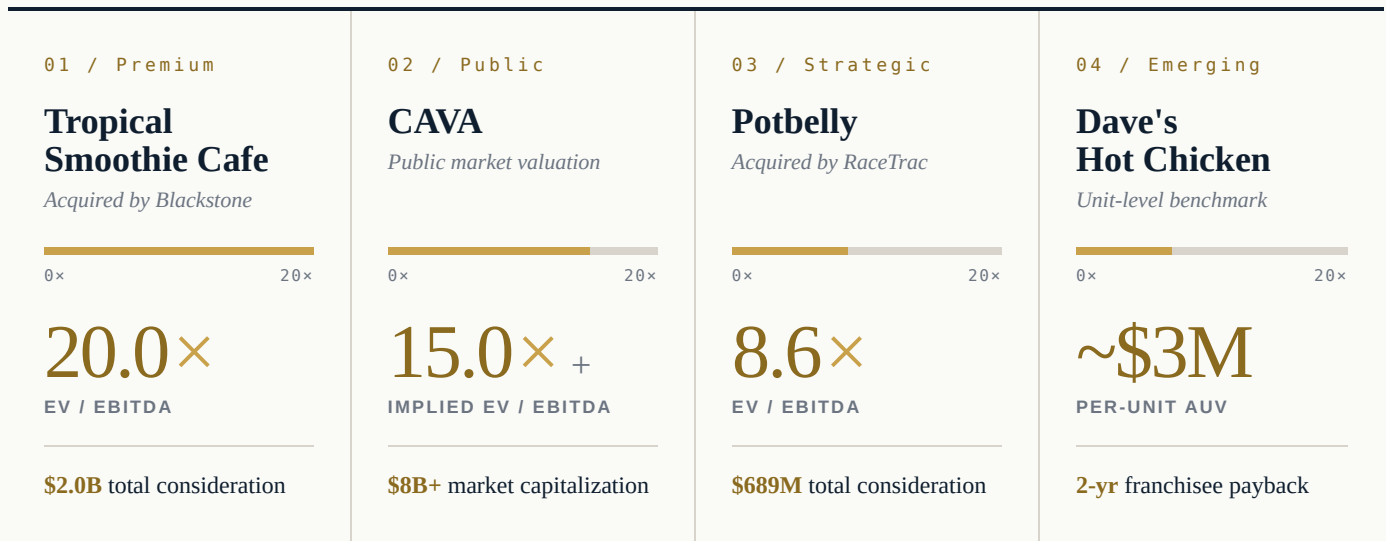
*Enterprise valuation expansion at exit.*

A single-unit operator generating \$150,000 in earnings sells for roughly \$450K–\$700K on an SDE basis. A 15-unit portfolio generating \$2M in normalized EBITDA, valued at an institutional **8.0× EV/EBITDA multiple**, commands \$16M — a **32× expansion** in equity value driven entirely by structural professionalization.

06 2025 EXIT COMPARABLES

# What buyers will pay for an *asset-light platform*.

Institutional acquirers in 2025 are paying historic premiums for QSR and fast-casual platforms with proven unit economics and replicable systems. These four transactions establish the multiple range a TIDE Kitchen graduate can credibly target at the Wave Stage.



– TIDE IMPLICATION

The premium isn't paid for cash flow. It's paid for *de-risked replicability*.

A single-unit operator generating identical EBITDA receives roughly 2–3.5× SDE at sale — the buyer is purchasing a job, not a platform. The 5–7× expansion in multiple between SDE and institutional EV/EBITDA is what TIDE Kitchen's Stage 3 Centralized Services and Stage 4 FDD execution are explicitly engineered to unlock. Every SOP authored in the Pool Stage is, in effect, multiple expansion deferred.

07 FINANCIAL ENGINEERING

# A capital stack for *every* stage.

Traditional commercial bank lending — collateral-heavy, fully amortizing, founder-guaranteed — strangles early-stage QSR cash flow. TIDE Kitchen's Capital Toolkit sequences six distinct instruments across the four-stage pipeline, each calibrated to the operator's risk profile and growth phase.

— CAPITAL PHILOSOPHY

*Match instrument to stage. Layer non-dilutive capital under institutional equity. Recycle exit proceeds back into the next cohort.*

INSTRUMENT	POOL	ANCHOR	CURRENT	WAVE	FUNCTION
<b>ROBS</b> RETIREMENT ROLLOVER	Debt-free founder equity				Initial equity injection without monthly debt service.
<b>Grants</b> NON-DILUTIVE	Municipal · NFP · Philanthropic · Venture				Up to \$250K in reimbursement grants for build-out and hiring.
<b>BDC Debt</b> CONVERTIBLE NOTE		Interest-only · PIK-flexible · Convertible			Brick-and-mortar transition with founder-friendly repayment.
<b>Community Co-Invest</b> SDIRA · REG CF		Up to \$5M / 12 mos · Localized ownership			Channels neighborhood retirement & retail capital into the corridor.
<b>Venture Equity</b> DIRECT INVESTMENT			Multi-unit expansion · Executive support		Funds franchise infrastructure ahead of the wealth multiplier.
<b>QOZ Funds</b> TAX-ADVANTAGED			Capital gains deferral · 90% asset rule		External investor demand routed into operators & real estate.

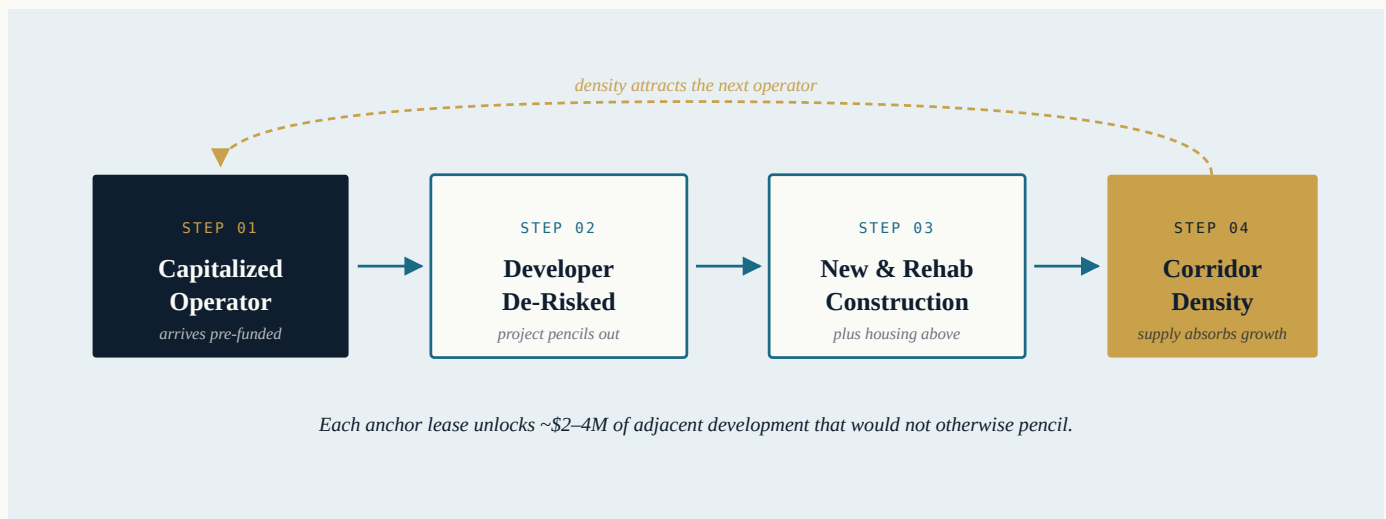


**Perpetual Capital Recycling.** A designated share of platform profits, BDC interest, and exit proceeds is systematically returned to the fund — leveling up ongoing fundraising to finance the next cohort of community-born brands and ensuring the ecosystem compounds over time rather than depleting.

08 THE TENANT THAT UNDERWRITES THE BLOCK

# A capitalized anchor *unlocks the next building.*

A graduating TIDE operator does not arrive at a developer's door as a high-risk independent restaurant. They arrive pre-funded, with audited Flight Simulator unit economics and a multi-year capital runway. That single fact transforms what kind of real estate gets built around them.



## Wealth, distributed. *Three audiences. Three vehicles.*

BEYOND THE FOUNDER

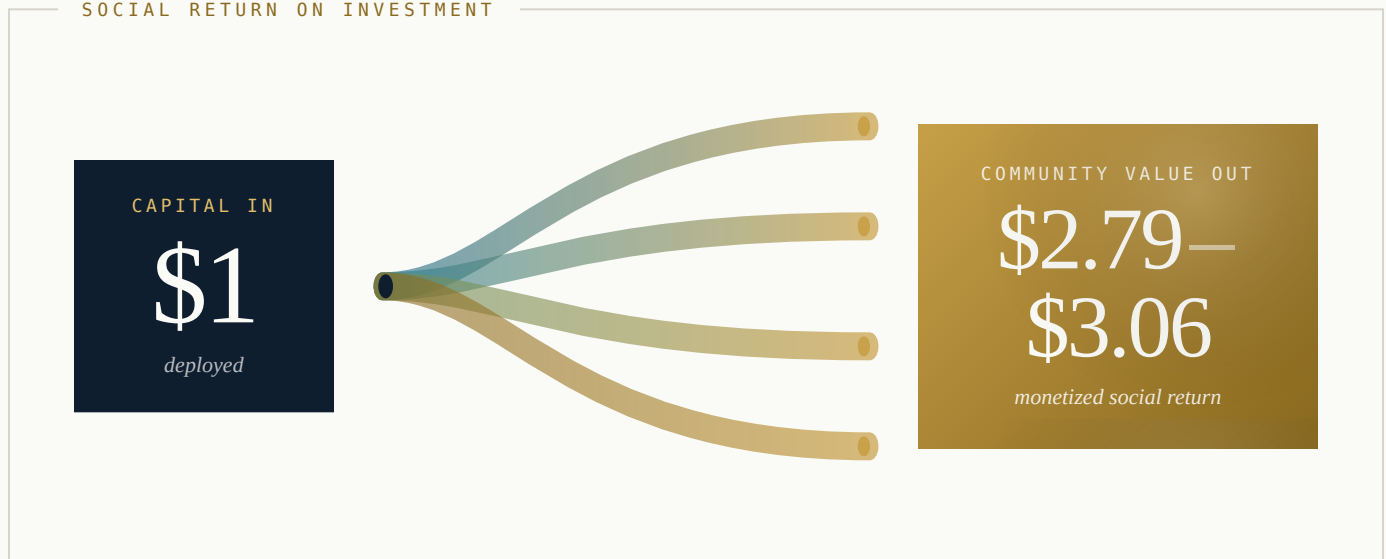
<p style="font-size: small; margin: 0;">— FOUNDER</p> <p style="font-weight: bold; margin: 5px 0;">The Operator</p> <p style="font-size: small; margin: 0;"><i>Equity in the brand they built.</i></p> <p style="margin: 10px 0 0 0;">Captures the <b>8x–20x wealth multiplier</b> at the Wave Stage exit. The headline outcome — but not the only one.</p>	<p style="font-size: small; margin: 0;">— NEIGHBORS</p> <p style="font-weight: bold; margin: 5px 0;">The Community</p> <p style="font-size: small; margin: 0;"><i>Direct equity in the local brand.</i></p> <p style="margin: 10px 0 0 0;">South Shore residents invest through <b>SDIRAs and Reg CF</b> — sharing in the upside of the corridor's resurgence as owners, not just patrons.</p>	<p style="font-size: small; margin: 0;">— RESIDENTS</p> <p style="font-weight: bold; margin: 5px 0;">The Neighborhood</p> <p style="font-size: small; margin: 0;"><i>Anchored property, expanded supply.</i></p> <p style="margin: 10px 0 0 0;">Activated storefronts and infill housing <b>absorb growth without displacement</b>, letting long-term residents stay and benefit from the appreciation around them.</p>
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09 BEYOND FINANCIAL RETURN

# One dollar in. *Three dollars of economic value out.*

SROI methodology assigns standardized, research-verified dollar values to outcomes that traditional accounting cannot measure. Aggregated studies of high-functioning community development initiatives place the leverage between \$2.79 and \$3.06 of monetized social value per dollar invested.

SOCIAL RETURN ON INVESTMENT



CHANNEL 01

**Property Tax Base**

Activated storefronts increase adjacent residential and commercial valuations.

CHANNEL 02

**Local Employment**

QSR hiring reduces unemployment and downstream social safety net spending.

CHANNEL 03

**Health & Safety**

Stable employment correlates with improved physical and mental health outcomes.

CHANNEL 04

**Capital Retention**

Locally owned businesses circulate dollars within the neighborhood rather than exporting them.

– STRATEGIC IMPLICATION

Incubated food businesses demonstrate **more than double the long-term survival rate** of non-incubated startups. By amortizing the \$500K+ commercial-kitchen build-out across multiple tenants in the Flight Simulator, TIDE Kitchen converts what would otherwise be the single largest barrier to minority entrepreneurship into shared, institutional-grade infrastructure.

## 10 METHODOLOGY &amp; REFERENCES

# Where the *numbers* came from.

This analysis draws on municipal planning data, restaurant industry research, capital markets reporting, and federal regulatory frameworks. Sources are organized by the argument they support; full URL citations are available in the appendix on file.

— 01

## South Shore & Corridor Data

**City of Chicago.** *South Shore Corridor Study — Retail Market Technical Report.*

**City of Chicago, OERJ.** *Community Wealth Building Advisory Council Report.*

**Cook County.** *Consolidated Plan 2025–2029.*

**Community Desk Chicago.** *South Shore neighbor-investment initiative coverage.*

**Chicago Contrarian.** *Keeping the Rent Low in South Shore.*

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## QSR Industry & Franchise Trends

**National Restaurant Association.** *2025 industry forecast and employment projections.*

**Houlihan Lokey.** *U.S. Restaurant Industry Update, Spring 2025.*

**Capstone Partners.** *Restaurant Market M&A Update, October 2025.*

**Datassential.** *Restaurant failure rate analysis, 2025.*

**Black Box Intelligence.** *Sales, traffic and consumer trends.*

**Malou · MYR POS.** *2026 franchise industry outlook.*

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## Capital Toolkit & Federal Frameworks

**U.S. SEC.** *Regulation Crowdfunding rules & 2021 amendments.*

**IRS.** *Opportunity Zones FAQs and QOF guidance (Form 8996).*

**Blue Owl Capital · Kroll · Eagle Global.** *BDC structure, RIC tax treatment, asset coverage.*

**Benetrends · Franchise Business Review.** *ROBS structure mechanics for franchise financing.*

**Kaufman Rossin · Stifel.** *ROBS tax & investment perspective; CION prospectus.*

— 02

## Mega-Developments & Displacement

**CoStar.** *Obama Presidential Center delivery and impact reporting.*

**UChicago News.** *Economic impact study, Obama Presidential Library.*

**Capitol News Illinois.** *Public & private capital powering Chicago's quantum push.*

**CRE Daily.** *Multifamily distress in Chicago's South Shore market.*

**WTTW · Capital B.** *Anti-displacement plan and resident reporting.*

**Wirepoints.** *71st Street property tax case study, 2022–2025.*

— 04

## Incubation & SROI Methodology

**Econsult Solutions.** *U.S. Kitchen Incubators industry update.*

**The Food Corridor.** *Kitchen Incubator Report 2020.*

**Salt Lake City.** *Culinary Kitchen Incubator feasibility study.*

**Seattle / Rainier Beach.** *Food Innovation Center business model.*

**ICIC.** *Inclusive incubators & minority entrepreneurship.*

**NASCSP · PMC.** *Social Return on Investment frameworks.*

— 06

## Valuation & Exit Benchmarks

**Auxo Capital Advisors.** *Restaurant valuation multiples, EBITDA & SDE benchmarks.*

**Sofer Advisors.** *Restaurant valuation by concept type; franchise valuation guide.*

**QMK Consulting.** *Valuation multiples for franchise owners.*

**Fiscal.ai.** *Restaurant Brands International EV/EBITDA series.*

**Vistara · HSBC Innovation · Flow Capital.** *Growth debt vs. venture debt comparative frameworks.*

**A note on methodology.** Where research findings vary across sources, the most conservative figures have been used. SROI ranges reflect aggregated benchmarks across community-development initiatives, not a TIDE-specific projection.

# A blueprint for *equitable, exponential* urban wealth creation.

TIDE Kitchen represents a necessary paradigm shift in community economic development. It deliberately discards the paternalistic philanthropic approach of merely sustaining marginalized small businesses. In its place: a hyper-capitalist, private-equity-styled architecture engineered to forge *scalable, category-dominant enterprises* while ensuring existing residents share — figuratively and literally — in the wealth created.

**\$29M**

DINING LEAKAGE

*Recapturable annually from South Shore alone.*

**8×–20×**

WEALTH MULTIPLIER

*EV expansion at the Wave Stage exit.*

**\$3.06**

SROI CEILING

*Community value per dollar deployed.*

*"A rising tide  
lifts all boats."*

**TIDE · KITCHEN**

71ST STREET · SOUTH SHORE  
CHICAGO · APRIL 2026