

# LONG JOHN SILVER'S

EXCLUSIVE NET-LEASE OFFERING



*Representative Photo*

# OFFERING MEMORANDUM

**LONG JOHN  
SILVER'S®**

7242 Michigan Road – Indianapolis, Indiana 46268

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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7242 Michigan Road, Indianapolis, IN 46268



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# Investment Highlights

PRICE: \$658,888 | CAP: 5.85% | RENT: \$38,545

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## About the Investment

- ✓ Long-Term, 15-Year Absolute Triple Net (NNN) Lease
- ✓ Attractive Rental Increases of 10 Percent Every Five Years
- ✓ Corporate Tenant | Corporate Guarantee
- ✓ Two, Five-Year Tenant Renewal Options

## About the Location

- ✓ Dense Retail Corridor | CVS Pharmacy, Save a Lot, Family Dollar, CitiTrends, Taco Bell, Church's Chicken, Dairy Queen, KFC, Subway, Little Caesars, Chase Bank, O'Reilly Auto Parts, AutoZone, and ExtraSpace Storage
- ✓ Freestanding Property | Benefits from Excellent Frontage along Michigan Road
- ✓ Strong Traffic Counts | Average of 31,669 Vehicles along Michigan Road Daily
- ✓ Unparalleled Location | Located in the City of Indianapolis
- ✓ Strong Demographics | Population of 183,502 Within a 5-Mile Radius

## About the Tenant / Brand

- ✓ Nations Largest Quick-Service Seafood Restaurant Chain
- ✓ Classic American Brand with 1,000+ Locations Nationwide
- ✓ LJS Partners LLC Includes Original Founder Jim Patterson Sr.
- ✓ Products are Sustainably Harvested, Ocean Grown, and Fished





# Financial Analysis

PRICE: \$658,888 | CAP: 5.85% | RENT: \$38,545

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## Property Description

Property	Long John Silver's
Property Address	7242 Michigan Road
City, State, ZIP	Indianapolis, IN 46268
Year Built / Renovated	1976
Building Size	2,338
Lot Size	+/- 0.7 Acres
Type of Ownership	Fee Simple

## The Offering

Purchase Price	\$658,888
CAP Rate	5.85%
Annual Rent	\$38,545
Price / SF	\$282
Rent / SF	\$16.49

## Lease Summary

Property Type	Net Leased Restaurant
Original Lease Term	15.0 Years
Lease Commencement	5/17/2018
Lease Expiration	5/31/2033
Lease Term Remaining	14.2 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Every 5 Years

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$38,545	\$3,212	-
Year 2	\$38,545	\$3,212	-
Year 3	\$38,545	\$3,212	-
Year 4	\$38,545	\$3,212	-
Year 5	\$38,545	\$3,212	-
Year 6	\$42,399	\$3,533	10.00%
Year 7	\$42,399	\$3,533	-
Year 8	\$42,399	\$3,533	-
Year 9	\$42,399	\$3,533	-
Year 10	\$42,399	\$3,533	-
Year 11	\$46,639	\$3,887	10.00%
Year 12	\$46,639	\$3,887	-
Year 13	\$46,639	\$3,887	-
Year 14	\$46,639	\$3,887	-
Year 15	\$46,639	\$3,887	-

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 7242 Michigan Road in Indianapolis, Indiana. The site constructed in 1976, consists of roughly 2,338 rentable square feet of building space on estimated 0.66 acre parcel of land.

This Long John Silver's is subject to a long term, 15-year triple-net (NNN) lease, which commenced on May 17, 2018. The annual rent is \$38,545. There are two, five-year tenant renewal options.



# Concept Overview: Long John Silver's

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## Lexington, KY. 1969:

An enterprising businessman and restaurateur named Jim Patterson returns from a vacation on the coast where he'd experienced a truly exceptional Fish and Chips meal. His vision was simple: Bring this unique seafood experience from the coast to the rest of America so they can enjoy it, too.

The next several decades saw Long John Silver's expand across the country. With our iconic steeple-roofed Cape Cod restaurants and one-of-a-kind menu, Long John Silver's introduced more and more guests to great-tasting fish, chicken, shrimp and more.

Our new journey began six years ago when Long John Silver's was purchased by a newly formed group of owners and operators—people who had been part of the Long John Silver's family for decades, including the founder himself and his son.

Together we're charting a new course forward. It's more than great-tasting, sustainably harvested seafood. We strive for better restaurant and guest experiences, fun and innovative new meal options and, of course, great value.

We're glad you're on the journey with us. If you haven't stopped by lately, we hope you will. We'll be happy to see you and hope you and your family will enjoy a seafood meal that will have you ringing the Captain's Bell on your way out!



## General Information

Address	Lexington, KY
Website	<a href="https://www.ljsilvers.com">https://www.ljsilvers.com</a>
Founded	August 18, 1969
CEO	James Patrick O'Reilly
Parent Organization	LJS Partners LLC







# Surrounding Area

Property Address: 7242 Michigan Road – Indianapolis, IN 46268

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# Location Overview

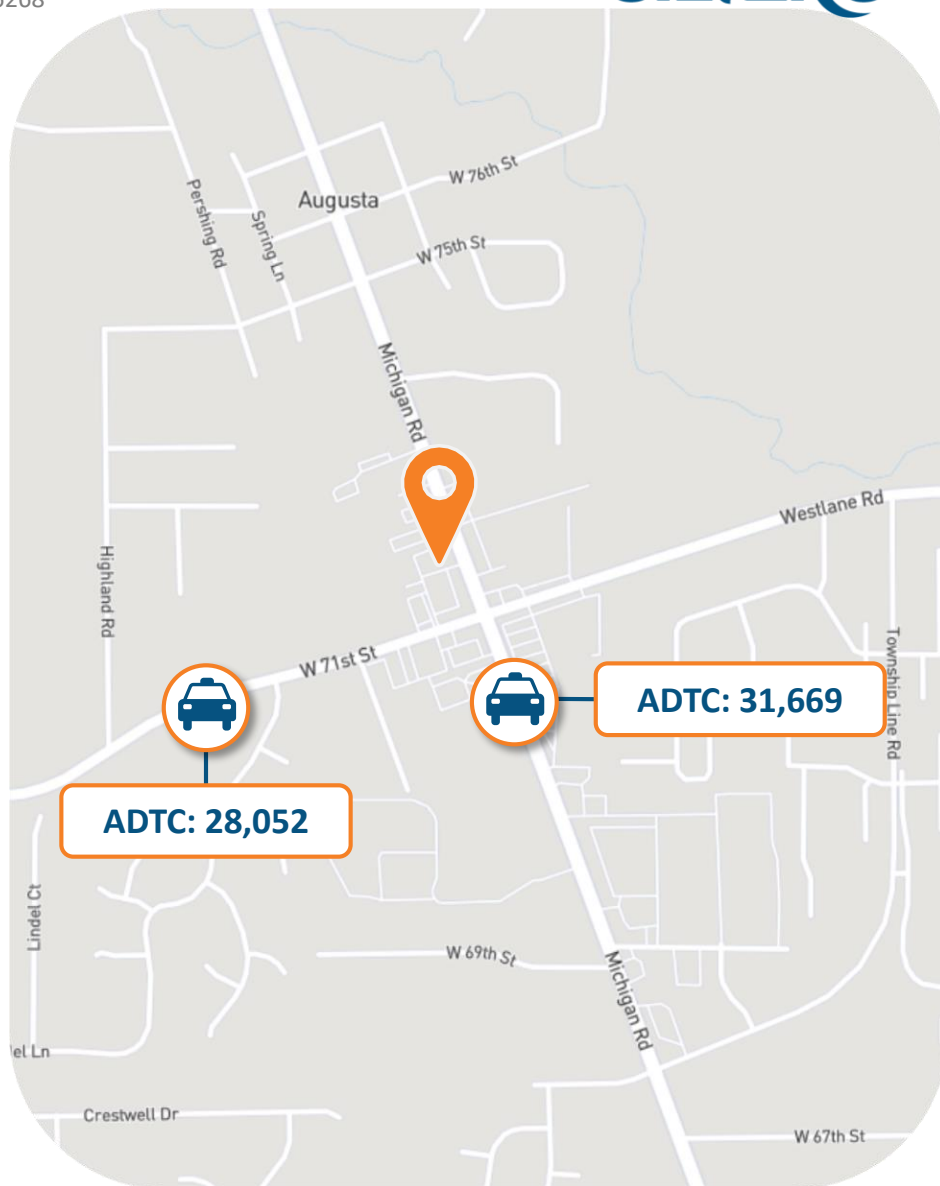
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The subject investment property is situated on Michigan Road, which boasts average daily traffic counts exceeding 31,669 vehicles respectively. Michigan Road intersects with W. 71<sup>st</sup> Street, which brings an additional 28,052 vehicles into the immediate area on average daily. There are more than 75,353 individuals residing within a three-mile radius of the property and more than 183,502 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, malls, and landmarks, all within close proximity of this property. Major national tenants include: CVS Pharmacy, Save a Lot, Family Dollar, CitiTrends, Taco Bell, Church's Chicken, Dairy Queen, KFC, Subway, Little Caesars, Chase Bank, O'Reilly Auto Parts, AutoZone, ExtraSpace Storage, as well as many more. This Long John Silver's also benefits from being located near Eskenazi Health Center.

Indianapolis is a city, in Marion County, Indiana. Indianapolis is the capital and most populous city in the state of Indiana and the seat of Marion County. As of 2017, Indianapolis is the third most populous city in the American Midwest and the 16<sup>th</sup> most populous city in the U.S. Indianapolis anchors the 25<sup>th</sup> largest economic region in the U.S., based primarily on the sectors of finance and insurance, manufacturing, professional and business services, education and healthcare, government, and wholesale trade. Indianapolis has developed niche markets in amateur sports and auto racing. The top five industries in the city are finance, insurance, real estate, rental, and leasing, manufacturing, professional and business services, educational services, healthcare, and social assistance, and wholesale trade. The city is designated into six cultural districts to capitalize on cultural institutions within historically significant neighborhoods unique to the city's heritage. Indianapolis is also home to dozens of festivals and events showcasing local culture. The city also has many universities such as Indiana University – Purdue University Indianapolis (IUPUI), which enrolls to more than 30,000 students. Indianapolis is also home to the largest campus for Ivy Tech Community College of Indiana, a state-funded community college serving 77,600 students statewide. There are also 5 private universities based in Indianapolis. Notable ones are Butler University, Roman Catholic Church, Marian University, University of Indianapolis, and Martin University. These institutions combine to approximately 13,800 students.







# Property Photo

**LONG JOHN  
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Actual Property Photo







# Surrounding Area Photos

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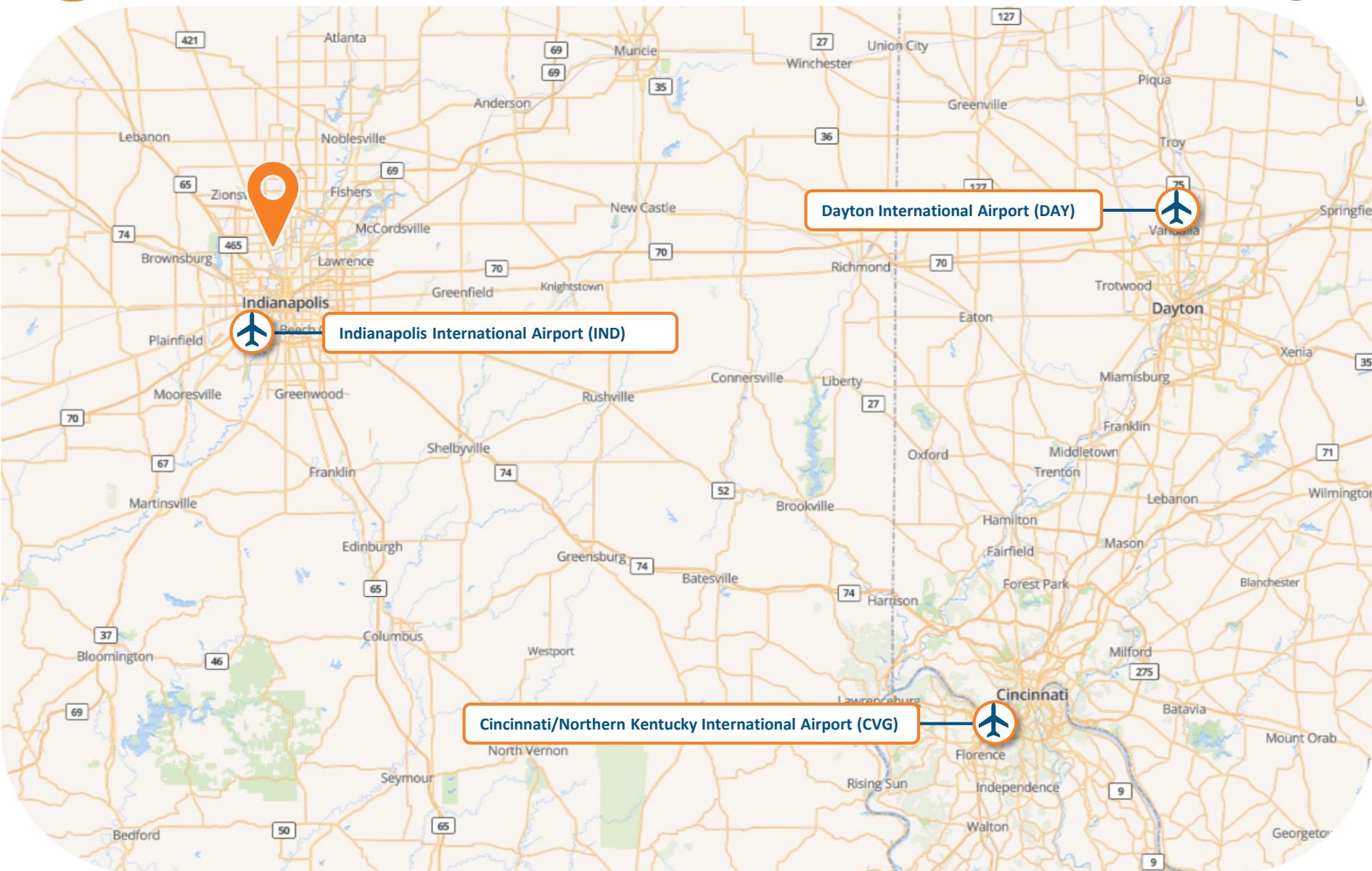




# Local Map

Property Address: 7242 Michigan Road – Indianapolis, Indiana

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# Regional Map

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Property Address: 7242 Michigan Road – Indianapolis, Indiana



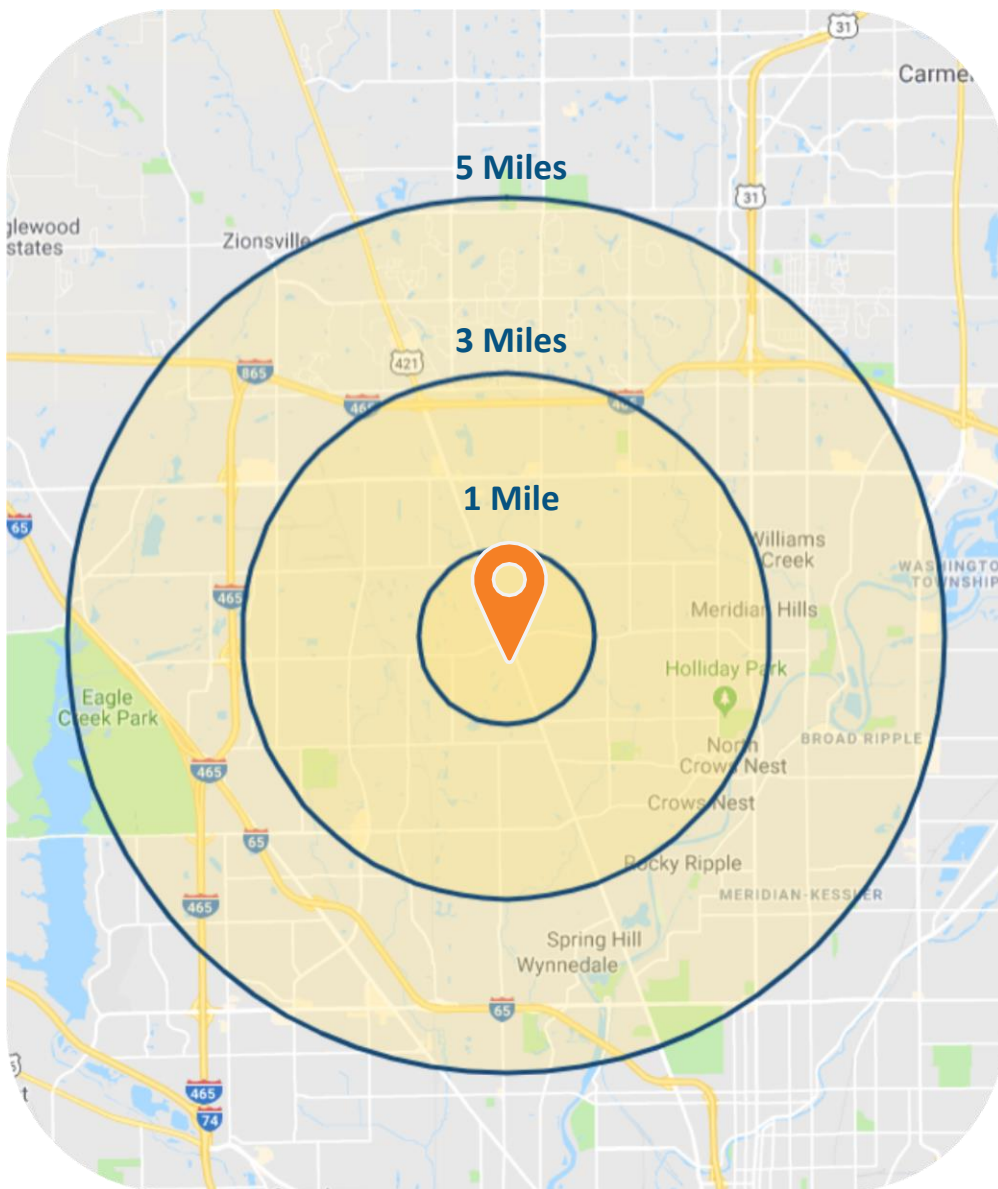




# Demographics

Property Address: 7242 Michigan Road – Indianapolis, Indiana

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## POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	12,401	77,514	188,191
2017 Estimate	12,043	75,353	183,502
2010 Census	11,352	71,744	173,722
2000 Census	10,047	68,532	166,851

## INCOME

	1 Mile	3 Miles	5 Miles
Average	\$57,813	\$68,510	\$82,831
Median	\$46,036	\$48,498	\$53,519
Per Capita	\$21,214	\$29,169	\$34,993

## HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Projection	4,629	33,151	79,465
2017 Estimate	4,415	31,915	76,904
2010 Census	4,222	30,686	73,407
2000 Census	3,870	29,293	71,075

## HOUSING

	1 Mile	3 Miles	5 Miles
2017	\$139,417	\$144,361	\$159,924

## EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2017 Daytime Population	8,317	124,691	255,703
2017 Unemployment	5.28%	4.82%	4.22%
2017 Median Time Traveled	25 Mins	25 Mins	24 Mins

## RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	24.47%	42.91%	52.69%
Native American	0.03%	0.02%	0.02%
African American	54.07%	41.90%	33.51%
Asian/Pacific Islander	2.39%	3.46%	4.09%



# Market Overview

City: Indianapolis | County: Marion | State: Indiana

*Indianapolis, Indiana*

**Indianapolis** is the capital city of Indiana and has a population of 2,028,614 distributed within its metropolitan statistical area. Indianapolis is the most populous city in the state of Indiana and the seat of Marion County. As of 2017, Indianapolis is the third most populous city in the American Midwest and the 16<sup>th</sup> most populous city in the U.S. Indianapolis anchors the 25<sup>th</sup> largest economic region in the U.S., based primarily on the sectors of finance and insurance, manufacturing, professional and business services, education and healthcare, government, and wholesale trade. Indianapolis has developed niche markets in amateur sports and auto racing. The city is best known for hosting perhaps the world's largest single-day sporting event, the Indianapolis 500. Indianapolis is home to two major sports clubs, the Indiana Pacers of the National Basketball Association and the Indianapolis Colts of the National Football League. The city's philanthropic community has helped develop its cultural institutions and collections, including the world's largest children's museum, one of the nation's largest privately funded zoos, historic buildings and sites, and public art. Indianapolis is home to a significant collection of monuments dedicated to veterans and war casualties, the most in the U.S. outside of Washington, D.C. The city is conserved a "high sufficiency" world city.

In 2015, the Indianapolis metropolitan area had a gross domestic product of \$134 billion. The top five industries were finance, insurance, real estate, rental, and leasing, manufacturing, professional, scientific, and technical services, and transportation and warehousing. The city's major exports include pharmaceuticals, motor vehicle parts, medical equipment and supplies, engine and power equipment, and aircraft products and parts. The city's central location and extensive highway and rail infrastructure have positioned Indianapolis as an important logistics center, home to 1,500 distribution firms employing some 100,000 workers. As home to the second largest FedEx Express hub in the world, Indianapolis International Airport ranks as the sixth busiest U.S. airport in terms of air cargo transport, handling over 1 million tons and employing 6,600 in 2015.

## Major Employers

Employer	Estimated # of Employees
HP	2,590
Allison Transmission Inc	1,730
Walmart	1,340
Dow Agrosiences LLC	1,200
Republic Airways Holdings Inc	1,118
Indiana Annual United Methodist Ch	1,100
Conagra Brands Inc	974
Sram LLC	916
Guggenheim Life and Annuity Co	889
J B Hunt Transport	788
Safeco	780





Marcus & Millichap

**Exclusive Net Lease Offering**

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