

OFFERING MEMORANDUM

ARBY'S

540 HEBRON ROAD | HEATH, OH





Representative Photo

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LISTED BY

WESLEY CONNOLLY, MBA

SENIOR ASSOCIATE

WESLEY.CONNOLLY@MATTHEWS.COM

DIR 949.432.4512

MOB 707.477.7185

LIC # 01962332 (CA)

BROKER OF RECORD

LAURENCE BERGMAN

BROKER OF RECORD

LIC # 348029 (OH)

EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- Sustainable Investment – Arby's has operated out of this location for nearly 45 consecutive years
- Above Average Store Sales – This location reported annual sales for 2017 at \$1,760,000
- Percentage Rent Clause – Lease calls for 6% of Gross Sales
- Recently Remodeled Building – Tenant handled all responsibility and cost for a recent renovation
- Strong Guarantee – Lease is signed with RTM Operating Company, LLC (775+ locations), a subsidiary of Arby's corporate
- Absolute NNN Lease – Tenant takes care of all associated responsibilities including insurance, property taxes and all maintenance
- Close to History – Located across the street from Newark Earthworks, the largest set of geometric earthen enclosures in the world, an architectural wonder of ancient America

IDEAL QUICK SERVICE RESTAURANT LOCATION

- Excellent Visibility and Access – Located on the main retail corridor of town
- Great Retail Synergy – Just about every national tenant is located off of Hebron Rd including a Walmart Supercenter, Target, Expansive indoor Mall, Lowe's and many more
- Large Local Manufacturing – Boeing, Kaiser Aluminum Products, Xperion, Meritor, Inc. and many more large industrial tenants nearby
- Traffic Counts – Over 34,000 vehicles drive through the area each day
- Strong Demographics – Average household income exceeds \$64,000 and the five-mile radius has over 68,000 residents

FINANCIAL OVERVIEW

FINANCIAL HIGHLIGHTS



LIST PRICE

\$1,575,000



CAP RATE

6.70%



TERM REMAINING

± 2 YEARS

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent
Annual Minimum Rent	\$2,100	\$25,200
2017 Percentage Rent	N/A	\$80,400*
2017 Total NOI	\$2,100	\$105,600**

*Tenant's percentage rent obligation under the Lease is (i) 5% of gross sales less the annual Minimum Rent if gross sales are less than \$1,000,000, or (ii) 6% of gross sales less the annual Minimum Rent if gross sales equal or exceed \$1,000,000

**2017 Annual Sales = \$1,760,000

EXECUTIVE SUMMARY

Property Name	Arby's
Property Street	540 Hebron Road Heath, OH 43056
GLA	± 2,580 SF
Year Built/Remodeled	1981/2017
Lot Size	± 0.72 Acres

TENANT SUMMARY

Tenant Trade Name	Arby's
Type of Ownership	Fee Simple
Lease Guarantor	RTM Operting Company, LLC (775+ Locations)
Lease Type	NNN
Roof and Structure	Tenant Responsible
Rent Commencement Date	10/26/1974
Lease Expiration Date	1/23/2020
Term Remaining	± 2 Years
Options	Three, 5-Year Options

TENANT OVERVIEW

ARBY'S

Arby's Fast Crafted restaurant services feature a unique blend of quick-serve speed combined with the quality and made-for-you care of fast casual. Arby's Restaurant Group, Inc. is the franchisor of the Arby's Brand and is headquartered in Atlanta, GA. Arby's Restaurant Group (ARG) operates the Arby's fast food chain popular for its hot roast beef sandwiches. In addition to roast beef sandwiches, its menu features chicken sandwiches, salads, and some dessert items. More than 1,100 Arby's locations are company-owned, while the rest are franchised.

ARBY'S RECORD YEAR

Arby's had a record year in 2016 and has continued high sales throughout 2017 and in 2018. The corporation has pushed sales over \$3.6 billion according to QSR magazine. Arby's outperformed the quick service industry by 2.3 percentage points and marked 25 consecutive quarters of SSS growth. The fourth quarter of 2016, marked 11 consecutive quarters of transaction growth and 16 consecutive quarters of industry performance for the brand. Arby's plans to continue high volume sales by inking deals with new and exciting Arby's franchisees for the development of 167 new restaurants system-wide.

REBRANDING AND REMODELING STRATEGY

Arby's is looking to revitalize its guest experience by remodeling 229 restaurants systemwide in the Inspire design. Arby's has re-engineered its restaurants to reduce development costs, expand site selection options, and deliver an upgraded guest experience. Arby's has improved ROI by stripping out some of the costs of opening or remodeling a restaurant. The Inspire design reduces development and remodeling costs, increases restaurant efficiency, and is highly adaptable to a wide range of site opportunities.



COMPANY TRADE NAME
ARBY'S RESTAURANT GROUP, INC.



HEADQUARTERED
ATLANTA, GA



NO. OF EMPLOYEES
± 130,000



WEBSITE
WWW.ARBYS.COM



OF LOCATIONS
± 3,500



YEAR FOUNDED
1964

THE OFFERING

Property Name	Arby's
Property Address	540 Hebron Road Heath, OH 43056
Assessor's Parcel Number	030-089004-00.000

Site Description	
Number of Stories	One
Year Built/Remodeled	1981/2017
GLA	± 2,580 SF
Lot Size	± 0.72 Acres (31,320 SF)
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

PARCEL MAP



SURROUNDING TENANTS



AREA OVERVIEW

HEATH, OH

Heath, OH is a quaint town just 30 minutes outside of Columbus. Located in Licking County, is a small town with a big heart. The town is looking at growth options to help put Heath on the map. They have shovel-ready sites, as well as, a business-friendly government that is eager to bring in both small and corporate businesses. With extensive infrastructure that enables development to move quickly, Heath is looking forward to big changes in the future.

Heath's nature side is also a beautiful site to see. With several parks, walking trails, hundreds of acres of preserved green space, and a top notch community water park, there is always something to do outside.

DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2023 Projection	8,353	47,728	69,240
2018 Estimate	8,240	47,136	68,147
Growth 2018-2023	1.37%	1.26%	1.60%
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2023 Projection	3,639	20,036	28,950
2018 Estimate	3,556	19,648	28,338
Growth 2018-2023	2.33%	1.98%	2.16%
INCOME	1 Mile	3 Mile	5 Mile
2018 Est. Average Household Income	\$57,554	\$60,783	\$64,889

COLUMBUS, OH

As the capital of Ohio, Columbus is a well-blended mixture of government, industry and the enormous Ohio State University. There is a strong high tech presence in the city, in addition to other major industries of education, insurance, banking, fashion, defense, medical research, and hospitality, amongst others. The diverse economic base in Columbus brings it more economic stability and growth than many of its Rust Belt neighbors. Having been ranked as one of the best places in the country to operate a business in, Columbus is home to the headquarters of five Fortune 500 companies: Nationwide Mutual Insurance Company, American Electric Power, L Brands, Cardinal Health and Big Lots.

Efforts to revive the downtown area and inner neighborhoods have been underway with the emergence of sprawling and attractive residential suburbs just west of the university. These areas have excellent housing, shopping, schools, golf courses and civic amenities in a layout more spacious, wooded and appealing than many similar cities in the region. Plenty of employment opportunities in commercial centers are available in and near these suburbs and with the added low cost of living for the available amenities, Columbus continues to entice those looking to relocate to a more affordable city.

COLUMBUS OHIO ECONOMY

1.85%

RECENT JOB GROWTH

39.51%

FUTURE JOB GROWTH

4.20%

UNEMPLOYMENT RATE

NATIONAL AVERAGE

1.59%

RECENT JOB GROWTH

37.98%

FUTURE JOB GROWTH

5.20%

UNEMPLOYMENT RATE



OHIO STATE UNIVERSITY

Columbus is home to one of the top colleges in the nation with over 45,000 undergraduate and 13,000 graduate students while being the third largest employer in the state with close to 30,000 employees. Ohio State University is known for educating successful individuals as they are ranked 10th for awarding degrees to Fortune 500 CEOs.

The University's football team has a massive economic impact on the city of Columbus and state as a whole. Competing in the NCAA Division, each football game brings in about \$7.15 million with the majority coming from their 108,000 seat stadium ticket sales, and the rest from concessions and parking. The popular team attracts tourists from around the country who spend additional money on hotels, food, and attractions.





OHIO STATE FAIR

Ohio State Fair is one of the largest fairs in the United States. This event is held every summer for twelve days in Columbus with an estimated economic impact of \$68.6 million.

The fair boasts several rides and attractions for everyone to enjoy along with delicious food from local vendors and live music. The Ohio State Fair brings in people from all over the country and had a record-breaking number of attendees in 2015 with over 950,000 fairgoers.



OHIO THEATRE

The Ohio Theatre is a performing arts center in Columbus known as the “Official Theatre of the State of Ohio”. The famous architect, Thomas W. Lamb, who designed the well-known theatre has claimed it as one of his most successful projects.

The Ohio Theatre hosts a variety of artists from classical music to modern dance. The venue is one of the busiest performing arts facilities in the state.



COLUMBUS ZOO AND AQUARIUM

The Columbus Zoo and Aquarium is home to over 7,000 animals representing over 800 species. The zoo has a competitive advantage with their 140 acre 18-hole golf course known as the Safari Golf Club. The popular attraction brings in over 2.3 million visitors annually.

The Zoo operates its own conservation program as well, donating money to outside programs as well as participating in their own conservative efforts. Over the past five years, the zoo has contributed over \$3.3 million to more than 40 projects in 30 countries.

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Arby's** located at **540 Hebron Road Heath, OH 43056** (**"Property"**). It has been prepared by Matthews Real Estate Investment Services. This 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 is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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 detrimental to the interest of the Seller.

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 Seller 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 this Offering Memorandum.

EXCLUSIVELY LISTED BY

WESLEY CONNOLLY, MBA

SENIOR ASSOCIATE

WESLEY.CONNOLLY@MATTHEWS.COM

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES