



Bob Evans
20 Mallard Lane
Mason, West Virginia, 25260



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EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap

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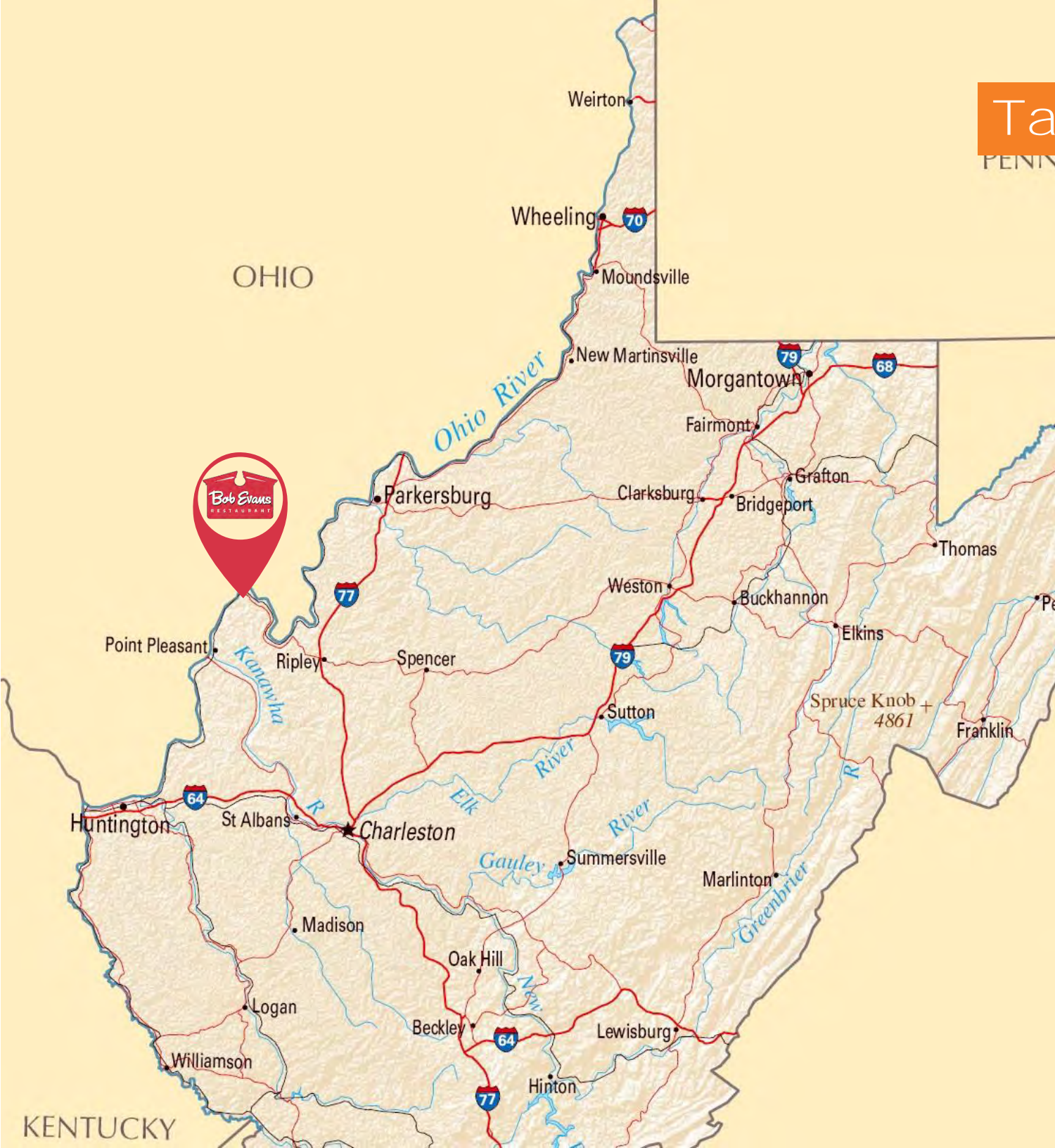
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- Population
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FINANCIAL OVERVIEW

Representative Photo

Offering Terms

Price	NOI	CAP Rate
\$1,269,128	\$72,975	5.75%

Financial Summary

Property Name	Bob Evans Restaurants
Location	20 MALLARD LANE MASON, WV
Price	\$1,269,128
CAP Rate	5.75%
NOI	\$72,975
Rent Per SF	\$14.00
Price Per SF	\$243
Building Size	5,214 sq ft
Lot Size	1.19 acres
Date Opened	March-2004
Last Remodel	February-2014



Investment Highlights

- Attractive Rent Escalations | Two Percent Annually
- 20 Year Triple-Net (NNN) Lease
- Corporate Tenant; Lease Backed by 524 Corporate Locations
- Strong Real Estate Characteristics: Dense Retail Corridor
- Inherent Value: Rent/SF at or Below Market, Low Price/SF Compared to National Average

Investment Overview

Marcus & Millichap is pleased to present the exclusive listing for a Bob Evans Property. The property consists of approximately 5,214 square feet of building space and is situated on approximately 1.19 acres of land.

The property will be subject to a 20-year triple net (NNN) lease. The lease will commence on April 28, 2017. The base rent is \$72,975 with two percent annual rental increases. The increases will continue through the six, five-year tenant renewal options. The tenant will be a newly formed entity consisting of all Bob Evans Restaurants.

Bob Evans Restaurants was started more than 60 years ago with a single restaurant in Rio Grande, Ohio. The concept has since grown to 524 family restaurants in approximately 18 different states. Their wide variety of menu options appeals to a wide demographic, whether its breakfast, lunch, or dinner Bob Evans has something for everyone. Bob Evans Restaurants generated over \$900 million in sales during fiscal year 2016.

BOB EVANS RESTAURANTS



***“We treat strangers like friends
and friends like family.”***

-Bob Evans



- Founded in 1948, Bob Evans is an iconic American brand that has grown from a 12-stool, 24 hour restaurant to \$900M in sales and 524 units.
- Restaurants operate across 3 dayparts (Breakfast: 32%, Lunch: 37%, Dinner: 31%) with a large carryout business (16%).
 - Well positioned for growing off-premise business.
- Craveable, fresh offering of comfort food in a family friendly atmosphere at an affordable price.
- Strong real estate profile with well-maintained restaurants → 100% of restaurants recently remodeled.

BOB EVANS PROFILE

Strong Asset

- Strong real estate profile, all units have been recently remodeled.
- Compelling unit-level fundamentals.

Strong Tenant

- Scale restaurant brand with \$900M in sales and 524 units with regional density in Ohio.
- Participates in the attractive and growing family dining segment which has consistently outperformed the casual dining segment.
- Iconic brand with strong awareness / NPS.
- Strong balance sheet with no third party debt & \$75M of cash at close.

Significant Experience

- GGC is the most active private equity buyer of full service restaurant companies.
- History of growing same restaurant sales & margins have led to successful outcomes: 60%+ IRRs across GGC restaurant transactions.
- CEO Saed Mohseni has significant experience in casual dining, growing and taking two restaurant companies public; will lead a new but experienced management team.



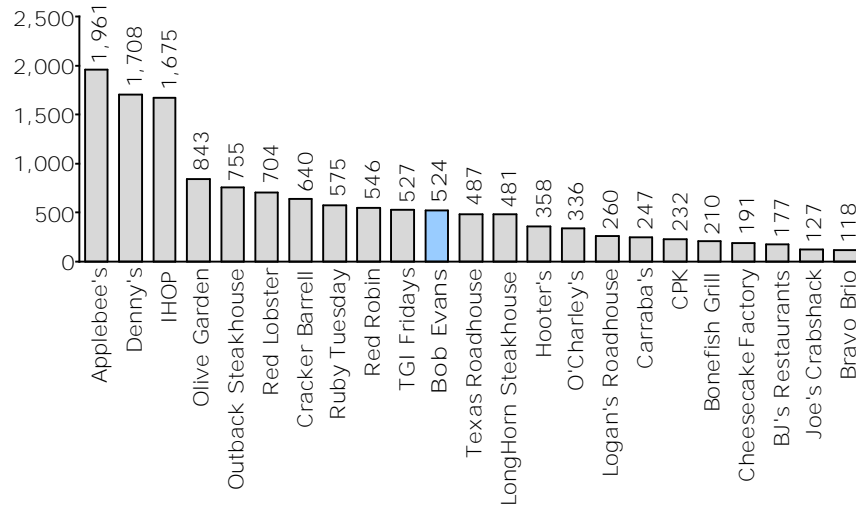
BOB EVANS BRAND



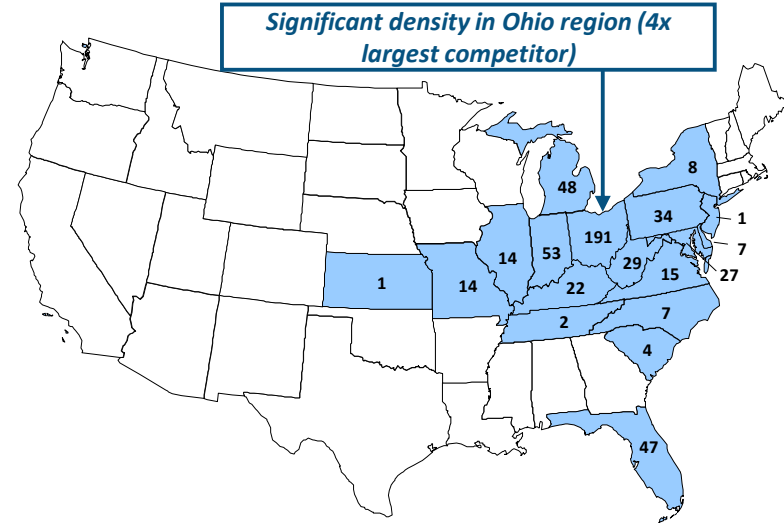
Bob Evans Restaurants is a scale, strong brand that generates \$900M in sales across 524 units.

Significant Scale

North America Units

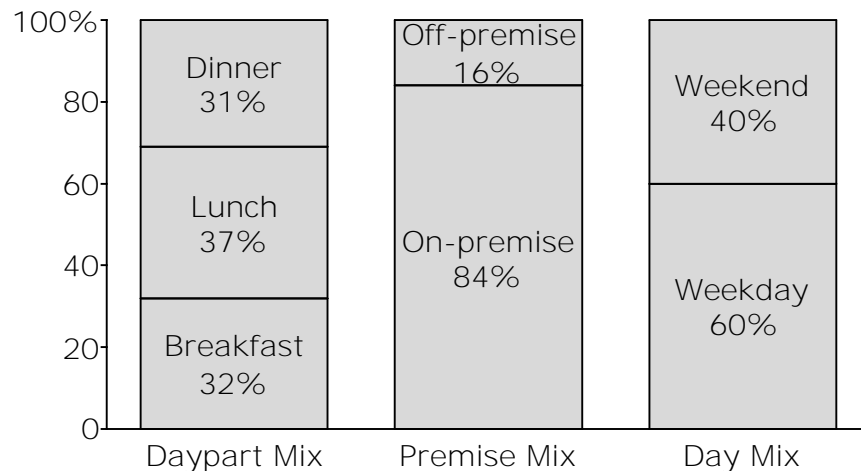


Strong Real Estate Footprint



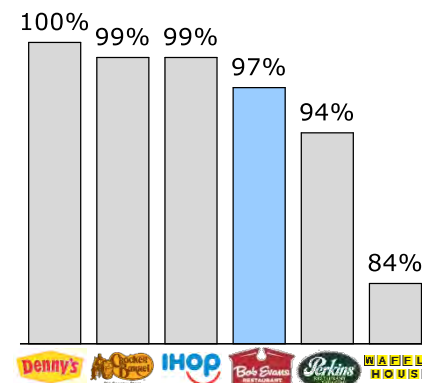
Diversified Revenue Stream

% of Revenue

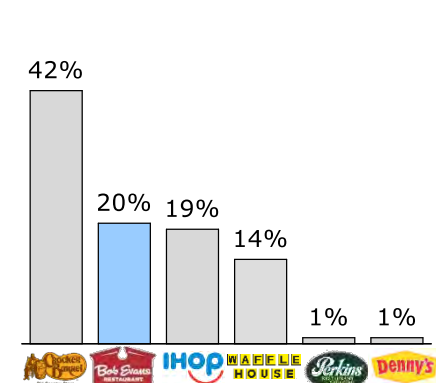


Iconic Brand

Brand Awareness



Net Promoter Score



BRAND OVERVIEW

MANAGEMENT TEAM

CEO Saed Mohseni has significant experience in the full-service dining industry and will lead a new but experienced management team.

KEY STATS



Former Employers

Bravo Brio, CEO '07-'15
McCormick & Schmick's
'86-'07 (CEO '00-'07)
Marriott Corporation, '84-'86

Education

Oregon State University
Portland University

Boards

Bravo Brio: '06 – '15
Chuy's: '12 – Current
Bob Evans: '16 – Current

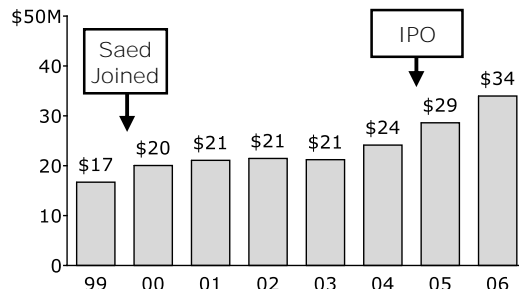
ACCOMPLISHMENTS

- **Significant Restaurant Experience:** 30+ years of restaurant experience starting as a general manager at McCormick & Schmick's in 1986.
- **CEO of Multiple Casual Dining Chains:** Former CEO of Bravo Brio (2007-2015) & McCormick & Schmick's (2000-2007).
- **Strong Performance as CEO:** Doubled EBITDA & units at both McCormick & Schmick's & Bravo Brio.
- **Restaurant IPO Experience:** CEO during two restaurant IPOs (McCormick & Schmick's: 2004, Bravo Brio: 2010).
- **>10 years working for Private Equity:** CEO of McCormick & Schmick's when Castle Harlan & BRS bought business in 2001 through their exit and was recruited by Castle Harlan to be CEO of Bravo Brio when they bought the business in 2006.

Prion Performance as CEO

MCCORMICK & SCHMICK'S
SEAFOOD RESTAURANT

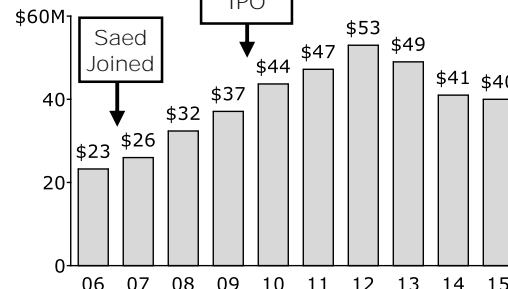
EBITDA (\$M)



SSS%	na	na	-4	-3	1	4	3	3
EBITDA%	14	13	12	12	11	10	10	11

BRAVO BRIO
RESTAURANT GROUP

EBITDA (\$M)



SSS%	0	1	-4	-7	2	1	0	-3	-5	-3
EBITDA %	10	10	11	12	13	13	13	12	10	10

MANAGEMENT TEAM

Case Study: GGC's Red Lobster Investment Thesis and Results



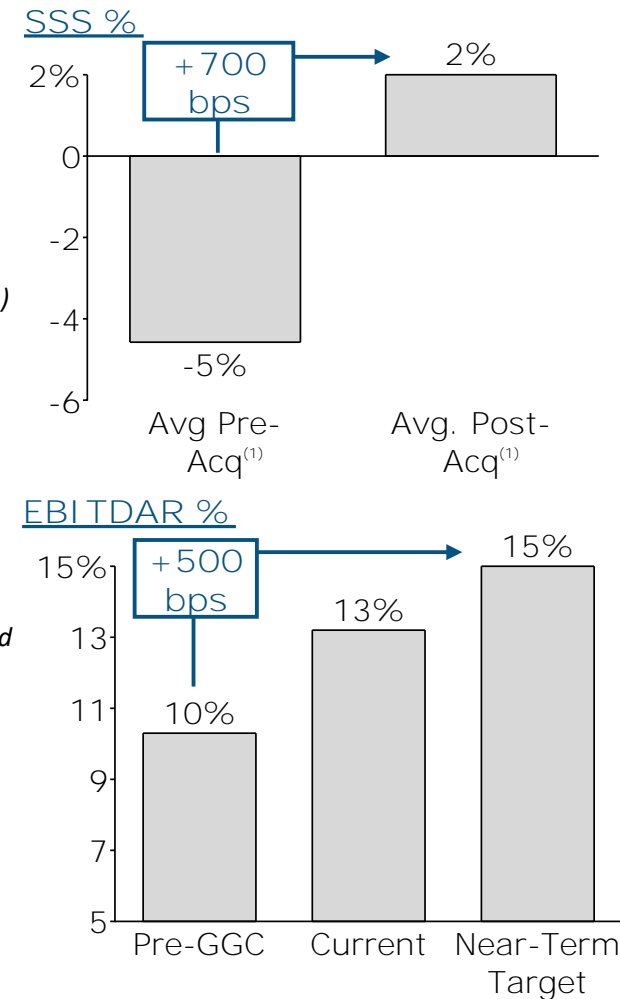
The Bob Evans transaction fits directly into GGC's investment strategy and is very similar to GGC's acquisition of Red Lobster. Under GGC ownership Red Lobster has increased sales and margins through similar "playbook" planned for Bob Evans.



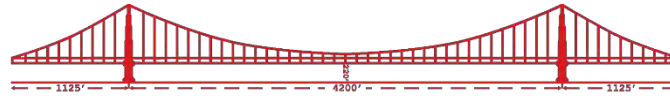
- Strong Scale Platform
- Leading Brand Awareness
- Undermanaged but fixable asset
- Attractive Real Estate
- Strong History of Performance
- Identifiable Profit Opportunities

	RED LOBSTER FRESH FISH • LIVE LOBSTER	Bob Evans RESTAURANT
	✓ (700+ units, \$2.5B sales)	✓ (524 units, \$900M sales)
	✓ (Loyal customer following with high perception across both brands)	✓
	✓ (Negative trends turned positive, higher margins)	✓ (Similar thesis)
	✓ (Healthy real estate portfolio, recently remodeled)	✓ (Strong asset coverage from owned real estate, recently remodeled)
	✓	✓
	✓ (Multiple avenues of cost and sales upside)	✓ (Multiple avenues of cost, sales and new unit opportunities)

RL Results Since Close



RED LOBSTER CASE STUDY



GOLDEN GATE CAPITAL

- Golden Gate Capital (“GCC”) is a San Francisco based private equity firm with over \$15 billion of committed capital.
- GGC has been one of the most active acquirors of multi-unit restaurant and retail companies over the past ten years, invested in restaurant and retail companies with annual revenues of >\$15 billion.
- Bob Evans Restaurants fits directly within GGC’s investment strategy → partner with strong management teams to acquire strong, established brands with an opportunity to grow earnings through better execution, productivity improvements and unit growth.

Restaurant Private Equity Investments





FINANCIAL ANALYSIS

Property Lease Summary

Property Name	Bob Evans Restaurants
Property Type	Net Leased Restaurant
Ownership	Private
	Private Equity Sponsor
Tenant	Bob Evans Restaurants
Guarantor	Bob Evans Restaurants
Lease Term	20 Years
Lease Commencement	4/28/2017
Lease Expiration	4/31/2037
Lease Term Remaining	20 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Six, Five Year Option Periods
Rental Increases	Two Percent Annually

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Year 1	\$72,975	\$6,081
Year 2	\$74,434	\$6,203
Year 3	\$75,923	\$6,327
Year 4	\$77,442	\$6,453
Year 5	\$78,990	\$6,583
Year 6	\$80,570	\$6,714
Year 7	\$82,182	\$6,848
Year 8	\$83,825	\$6,985
Year 9	\$85,502	\$7,125
Year 10	\$87,212	\$7,268
Year 11	\$88,956	\$7,413
Year 12	\$90,735	\$7,561
Year 13	\$92,550	\$7,712
Year 14	\$94,401	\$7,867
Year 15	\$96,289	\$8,024
Year 16	\$98,215	\$8,185
Year 17	\$100,179	\$8,348
Year 18	\$102,182	\$8,515
Year 19	\$104,226	\$8,686
Year 20	\$106,311	\$8,859
Annual Rent	\$72,975	
CAP Rate	5.75%	
Price	\$1,269,128	





Location Highlights

- Major Retailers in Surrounding Area Include: Walmart, Family Dollar, NAPA Auto Parts, Advanced Auto Parts, AutoZone, Save a lot
- Positive Real Estate Fundamentals | Positioned on Hard Corner of a Signalized Intersection
- Compelling Location | Adjacent to Walmart Supercenter
- Features High Visibility and Ease of Access on Mallard Lane



Location Overview

This Bob Evans property is located at 20 Mallard Lane in Mason, West Virginia. Mason is a town in Mason County, part of the Point Pleasant, WV-OH Micropolitan area. Mason is situated in the northwestern portion of West Virginia, along the Ohio River.

Surrounding Retail and Points of Interest

The subject property is well-positioned in a retail corridor, benefitting from its proximity to major national and local tenants. Nearby national tenants include: Walmart, Family Dollar, NAPA Auto Parts, Advanced Auto Parts, AutoZone, Save a lot, Ace Hardware, City National Bank, Exxon, Shell, KFC, Subway, McDonald's, Taco Bell, Pizza Hut, Dairy Queen, as well as variety of others. Wahama Senior High School, the second-largest high school in the county, is located within one mile of the subject property. American Commercial Barge Line, one of America's largest liquid cargo and dry cargo barge lines, is located approximately six miles from this Bob Evans location. The Gavin Power Plant is located within 8 miles of the subject property. Within nine miles of the subject location lies the Mason County Airport.

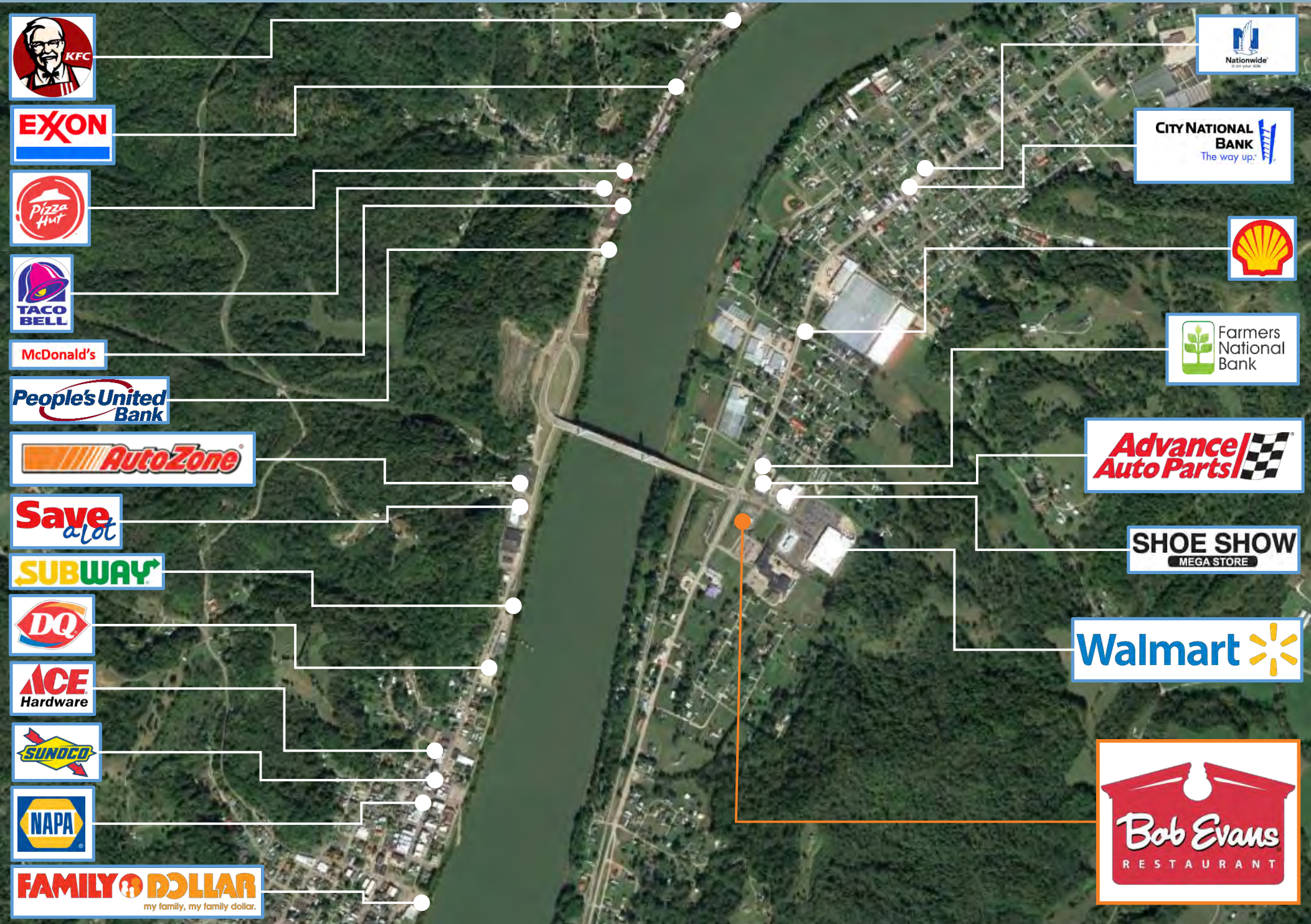
Traffic Counts and Demographics

There are approximately 8,100 people within a three-mile radius of this property and more than 13,915 within a five-mile radius. The property is situated nearby West Main Street, which has average daily traffic counts of 11,481 vehicles.

Charleston, West Virginia

Charleston is the capital and largest city in West Virginia. Located at the confluence of the Elk and Kanawha Rivers, Charleston is a center for government, commerce, and industry. Notable companies headquartered in Charleston include: Appalachian Power, Mountaineer Gas Company, and City National Bank, as well as several others. Charleston contains five higher education programs, including West Virginia University, Charleston campus, University of Charleston, and Marshall University, Charleston campus. The city also contains three high schools with a combined total enrollment of more than 4,600 students. The Town Center Mall, located in the Charleston Town Center, offers over 130 stores and services. The Yeager Airport, home to the McLaughlin Air National Guard Base, saw more than 225,000 passenger enplanements in 2015. The Yeager Airport is located east of downtown Charleston. An artistic hub in West Virginia, Charleston is home to numerous annual events and fairs that take place throughout the city. The West Virginia Power, a minor league baseball team, play their home games in Charleston.

SURROUNDING AREA MAP

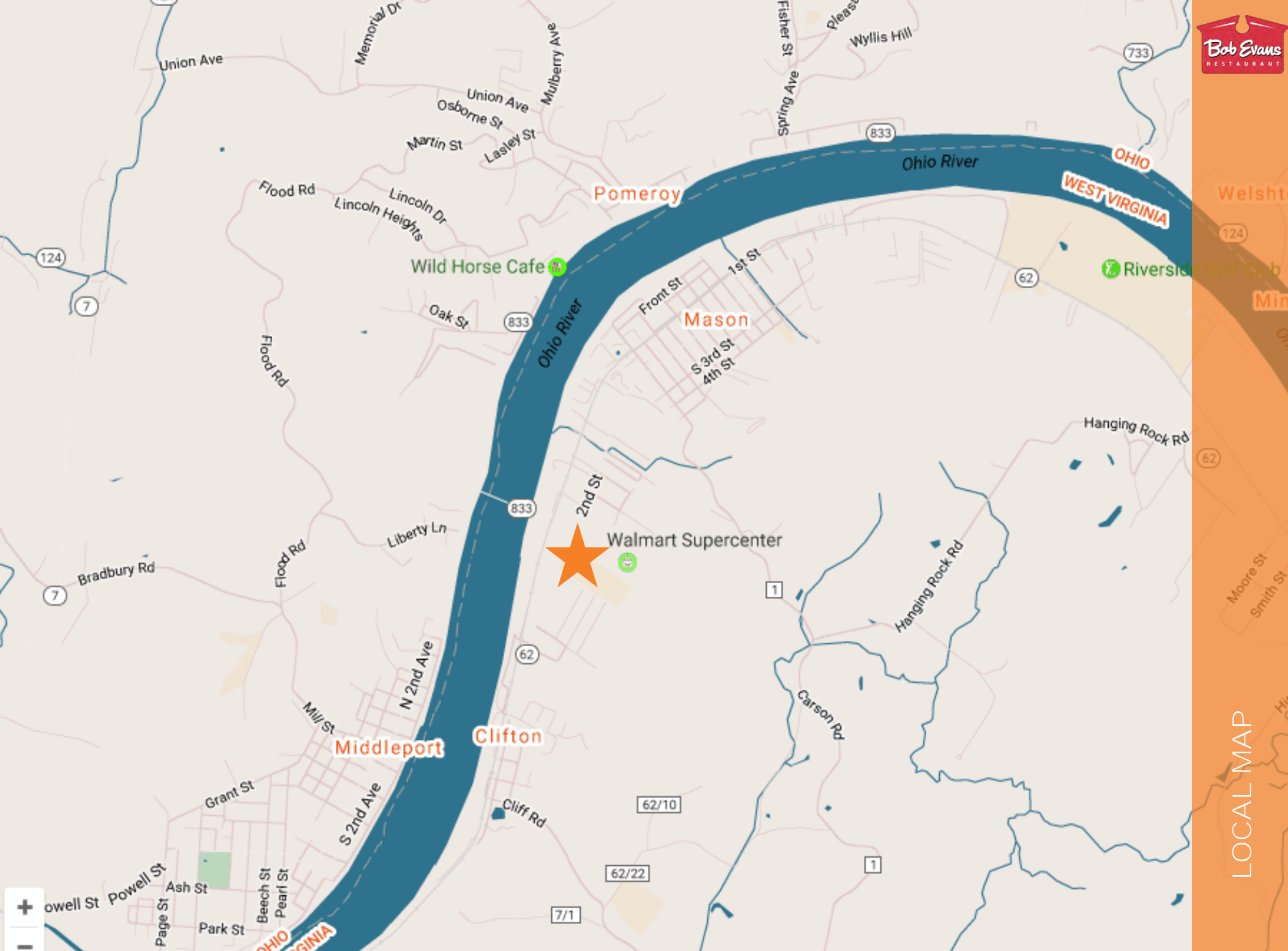




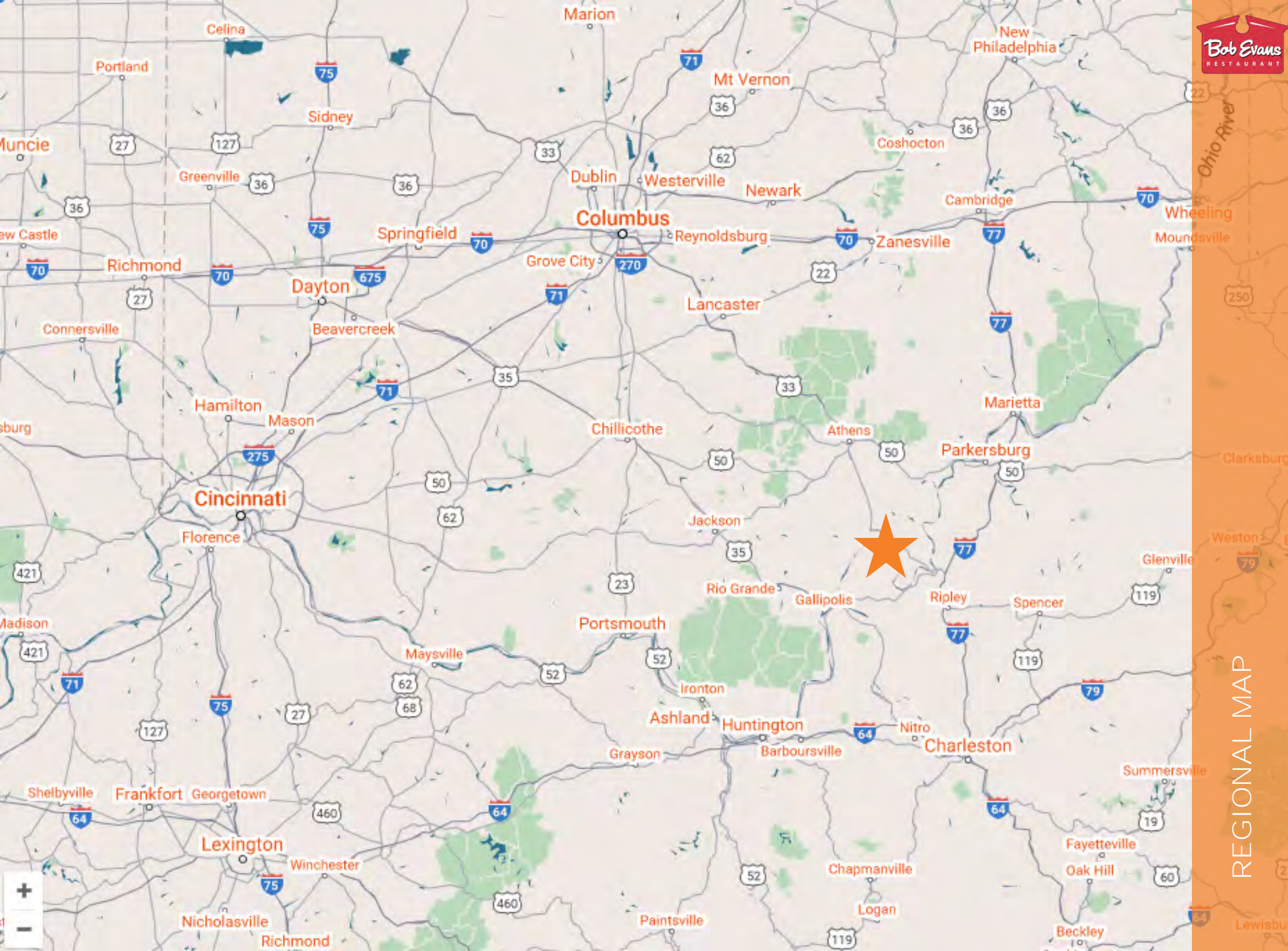


SURROUNDING PROPERTY PHOTOS

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LOCAL MAP



The image is a vertical collage. On the left, a teal-colored vertical band contains a faint, semi-transparent image of a church steeple. Overlaid on this band is the word "DEMOGRAPHICS" in white, uppercase, sans-serif font, oriented vertically. To the right of the band, the main image shows a variety of architectural structures. In the foreground, there's a green copper roof with a cross on top. Behind it, a large, ornate dome with blue and gold patterns is visible. To the right of the dome, there's a dark, shingled roof with a decorative finial. Further right, a tall, multi-tiered stone tower with arched windows is visible. The background is filled with trees showing autumn foliage in shades of orange, red, and yellow. The sky is a pale, overcast blue.

DEMOGRAPHICS



Population

In 2014, the population in your selected geography is 159,319. The population has changed by 21.75% since 2000. It is estimated that the population in your area will be 169,406 five years from now, which represents a change of 6.33% from the current year. The current population is 48.18% male and 51.81% female. The median age of the population in your area is 36.8, compare this to the Entire US average which is 37.3. The population density in your area is 2,025.53 people per square mile.



POPULATION

	1-Mile	3-Mile	5-Mile
2010	2,176	8,133	13,844
2014	2,160	8,100	13,915
2019	2,100	8,051	13,899

Income

In 2014, the median household income for your selected geography is \$78,082, compare this to the Entire US average which is currently \$51,972. The median household income for your area has changed by 12.58% since 2000. It is estimated that the median household income in your area will be \$89,091 five years from now, which represents a change of 14.10% from the current year. The current year per capita income in your area is \$42,824, compare this to the Entire US average, which is \$28,599. The current year average household income in your area is \$105,644, compare this to the Entire US average which is \$74,533.



2014 HOUSEHOLD INCOME

	1-Mile	3-Mile	5-Mile
Average	\$41,431	\$40,747	\$43,655
Median	\$31,393	\$31,361	\$33,232

Employment

In 2014, there are 90,375 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 82.49% of employees are employed in white-collar occupations in this geography, and 17.14% are employed in blue-collar occupations. In 2014, unemployment in this area is 4.31%. In 2000, the average time traveled to work was 25.4 minutes.



TOP EMPLOYERS IN KANAWHA COUNTY

Employers

- Charleston Area Medical Center
- West Virginia Dept. of Highways
- U.S. Postal Service



Bob Evans
FARMS®

exclusively listed

Marcus & Millichap