

EXCLUSIVE NET-LEASE OFFERING

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OFFERING MEMORANDUM

**LONG JOHN
SILVER'S®**

5800 West Ridge Road – Gary, IN 46408

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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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**LONG JOHN
SILVER'S®**



Representative Photo



Investment Highlights

PRICE: \$637,233 | CAP: 5.65% | RENT: \$36,004

**LONG JOHN
SILVER'S®**

About the Investment

- ✓ Long-Term, 15-Year Absolute Triple Net (NNN) Lease
- ✓ Attractive Rental Increases of 10% Every Five (5)-Years
- ✓ Corporate Tenant | Corporate Guarantee
- ✓ Two (2), Five (5)-Year Tenant Renewal Options

About the Location

- ✓ Dense Retail Corridor | Aldi, Menards, Walgreens, Dollar Tree, Family Dollar, AutoZone, O'Reilly Auto Parts, Advance Auto Parts, McDonald's, Burger King, Dunkin' Donuts, and Many More
- ✓ Freestanding Property | Located at Hard Corner of a Signalized Intersection
- ✓ Heavy Traffic Counts | More than 20,976 Vehicles Per Day on West Ridge Road
- ✓ Robust Demographics | Approximately 181,204 Individuals Residing Within a Five-Mile Radius
- ✓ Compelling Location Fundamentals | Walking Distance to Calumet High School | 667 Students | Less than 10 Miles from Gary-Chicago International Airport | Average of 69 Aircraft Operations Per Day | Less than 35 Miles from Chicago | Third-Most Populous City in the United States

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: \$637,233 | CAP: 5.65% | RENT: \$36,004

**LONG JOHN
SILVER'S®**

Property Description

Property	Long John Silver's
Property Address	5800 W Ridge Rd
City, State, ZIP	Gary, IN 46408
Year Built / Renovated	1975
Building Size	1,785
Lot Size	+/- 1.1 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$637,233
CAP Rate	5.65%
Annual Rent	\$36,004
Price / SF	\$357
Rent / SF	\$20.17

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	14.5 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Every 5 Years

* Annual Rent Includes Annual Billboard Income of \$2,100

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$36,004	\$3,000	-
Year 2	\$36,004	\$3,000	-
Year 3	\$36,004	\$3,000	-
Year 4	\$36,004	\$3,000	-
Year 5	\$36,004	\$3,000	-
Year 6	\$39,604	\$3,300	10.00%
Year 7	\$39,604	\$3,300	-
Year 8	\$39,604	\$3,300	-
Year 9	\$39,604	\$3,300	-
Year 10	\$39,604	\$3,300	-
Year 11	\$43,564	\$3,630	10.00%
Year 12	\$43,564	\$3,630	-
Year 13	\$43,564	\$3,630	-
Year 14	\$43,564	\$3,630	-
Year 15	\$43,564	\$3,630	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 5800 West Ridge Road in Gary, Indiana. The site constructed in 1975, consists of roughly 1,785 rentable square feet of building space on estimated 1.1 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 \$36,004. There are two (2), five (5)-year tenant renewal options.



Concept Overview: Long John Silver's

**LONG JOHN
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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	https://www.ljsilvers.com
Founded	August 18, 1969
CEO	James Patrick O'Reilly
Parent Organization	LJS Partners LLC

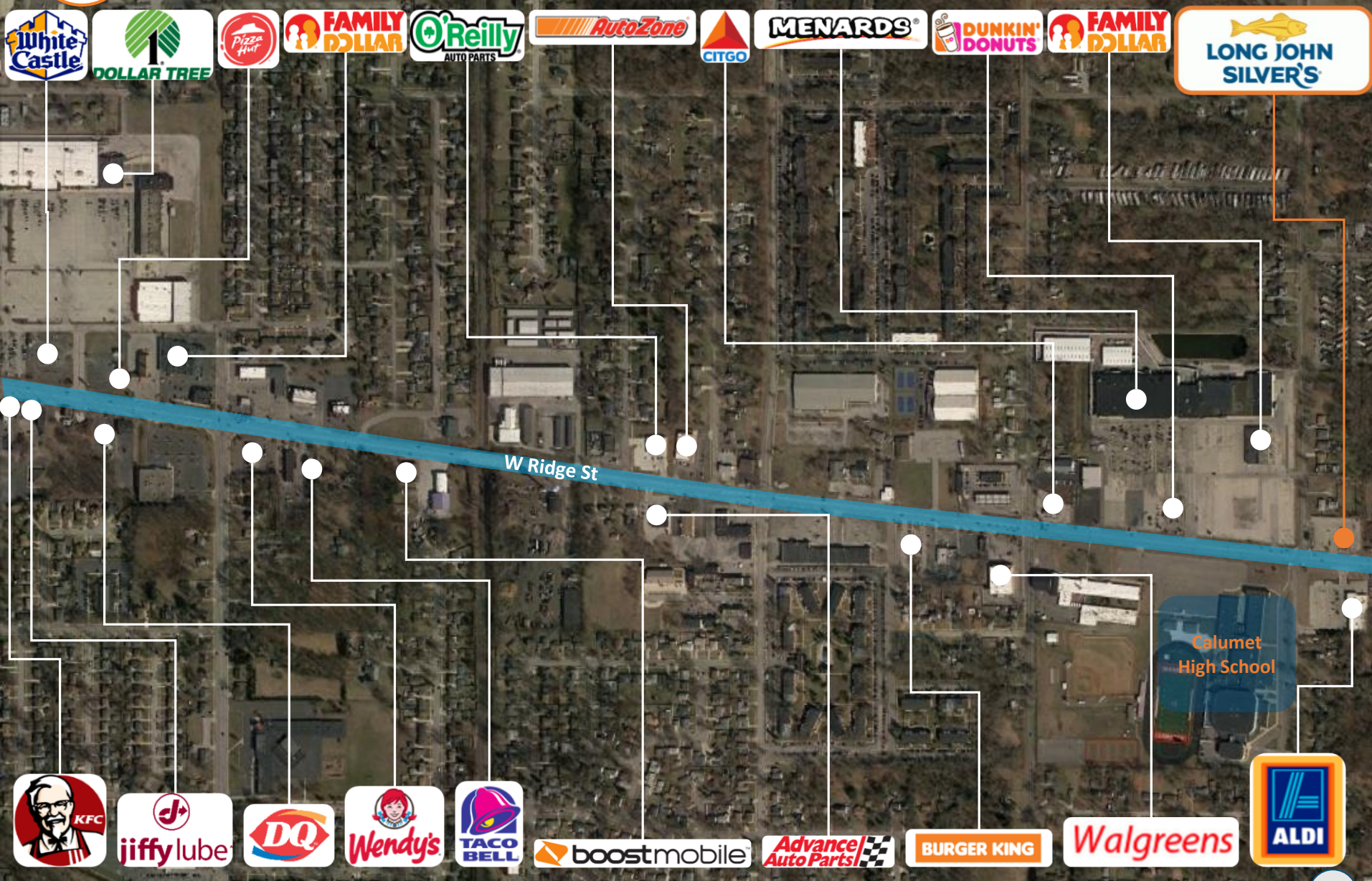




Surrounding Area

Property Address: 5800 West Ridge Road – Gary, IN 46408

LONG JOHN SILVER'S®





Location Overview

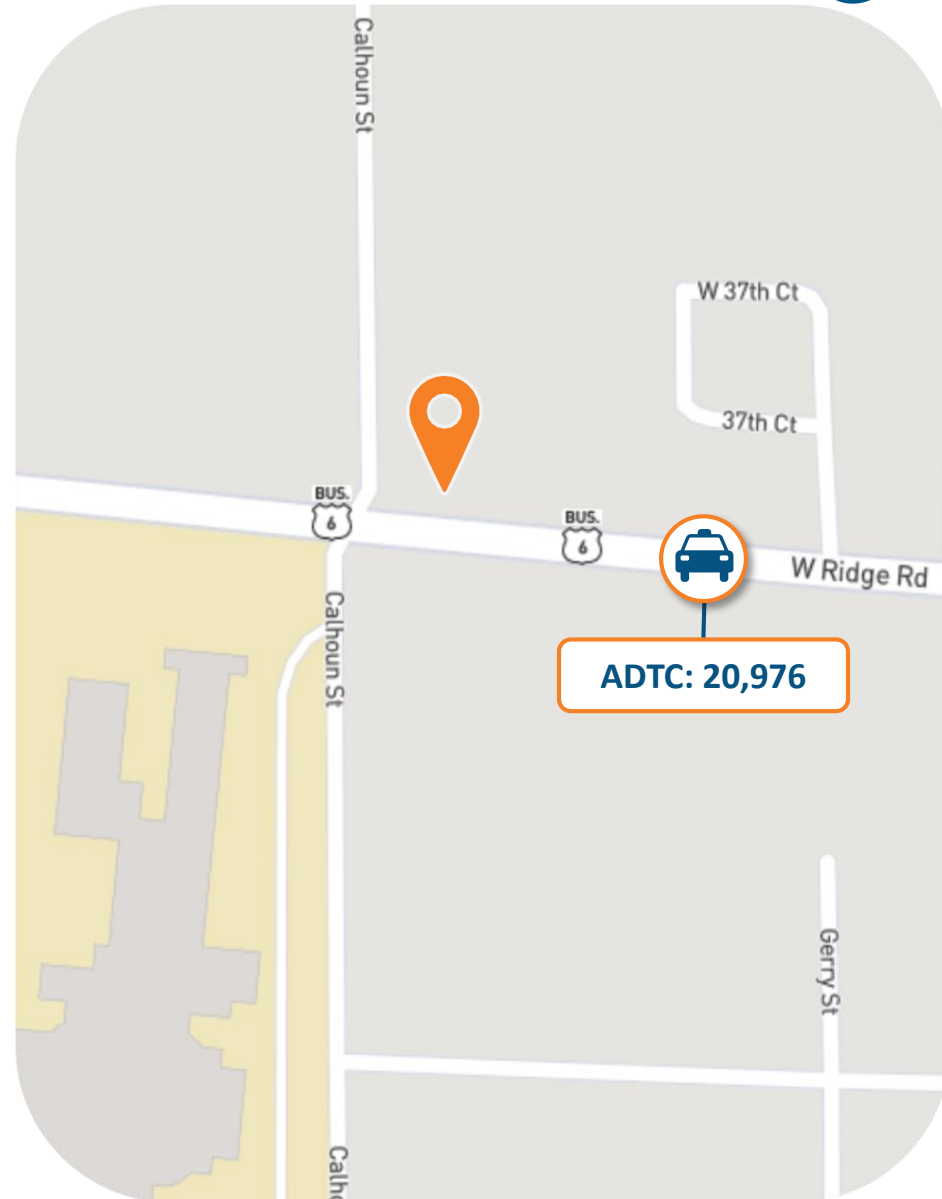
Property Address: 5800 West Ridge Road – Gary, IN 46408

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The subject investment property is situated on West Ridge Road, which boasts an average traffic count exceeding 20,976 vehicles per day. There are approximately 57,265 individuals residing within a three-mile radius of the subject property and approximately 181,204 individuals residing 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, schools, and an airport, all within close proximity of this property. Major national tenants include: Aldi, Menards, Walgreens, Dollar Tree, Family Dollar, AutoZone, O'Reilly Auto Parts, Advance Auto Parts, McDonald's, Burger King, Dunkin' Donuts, and many more. This Long John Silver's is also within walking distance of Calumet High School, which boasts a total enrollment exceeding 667 students. Additionally, the subject property is less than 10 miles from Gary-Chicago International Airport, which experiences an average of 69 aircraft operations per day and has 109 aircrafts based on the field.

Gary is part of Lake County, Indiana and is located 25 miles from downtown Chicago. Gary is adjacent to the Indiana Dunes National Lakeshore and borders southern Lake Michigan. Gary was named after lawyer Elbert Henry Gary, who was the founding chairman of the United States Steel Corporation. The city is known for its large steel mills, and as the birthplace of the Jackson 5 music group. Gary has stimulated over 100 million dollars in non-governmental investments over the past few years, which has led small business owners to embrace the city as a place to plant and grow. The city has created more than 2,000 jobs as a result of these investments and has also invested in over 1,000 youth through summer jobs and college scholarships. Gary has also invested in a new era of non-profit investment through its participation in national initiatives that have led to tangible positive outcomes and opportunities for the city's residents. Gary provides the perfect location for a weekend getaway, a family vacation, a business trip, or a night on the town. Relax on the beach or rent a jet ski, take a long walk under the stars with Chicago's beautiful skyline twinkling across the calm water, or spend the day shopping in the Lake Street Shopping District, filled with boutiques and galleries.





Property Photo

**LONG JOHN
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Actual Property Photo





Surrounding Area Photos

**LONG JOHN
SILVER'S®**

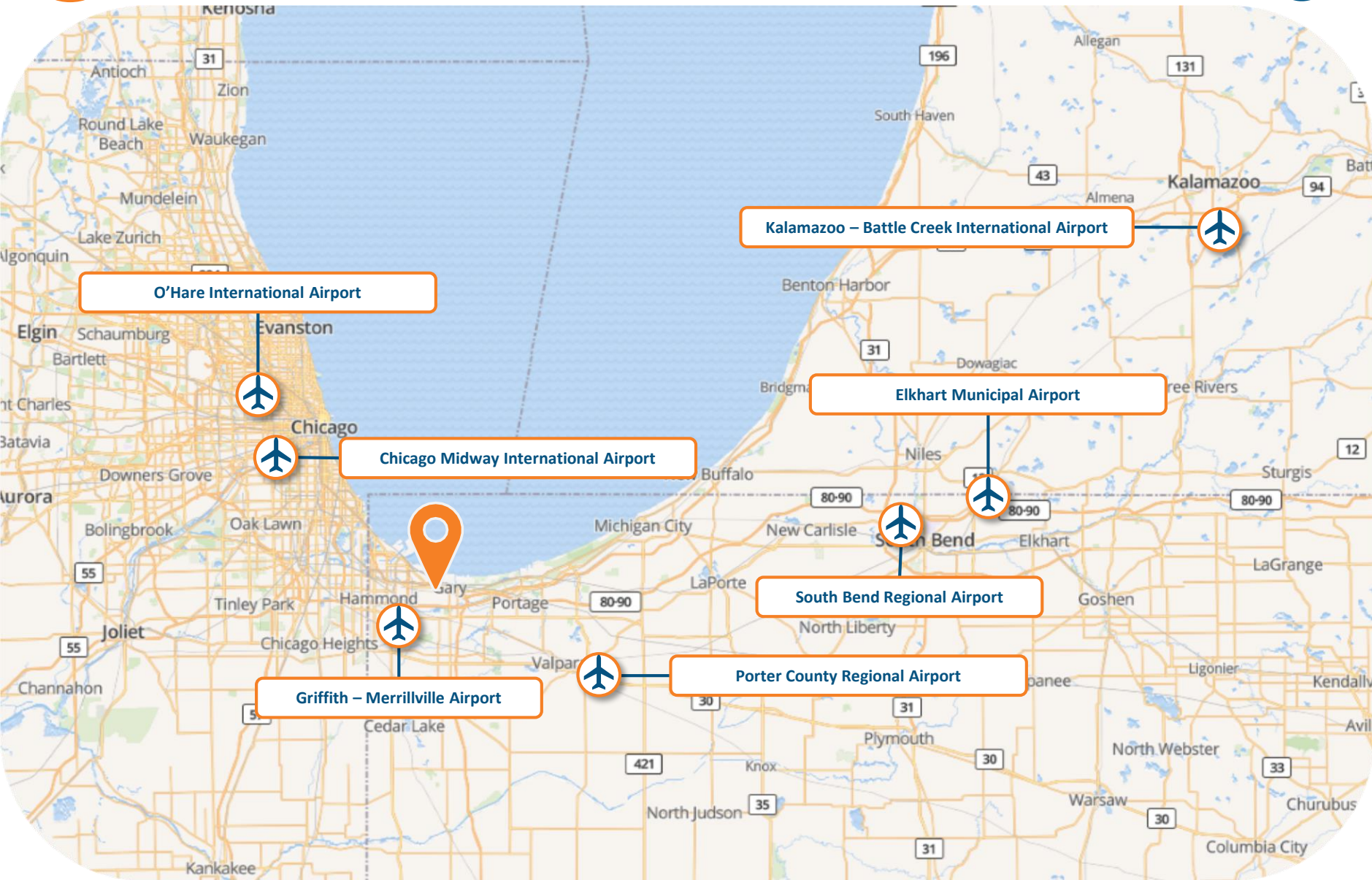




Local Map

Property Address: 5800 West Ridge Road – Gary, IN 46408

**LONG JOHN
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Regional Map

**LONG JOHN
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Property Address: 5800 West Ridge Road – Gary, IN 46408





Demographics

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POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	7,840	56,109	177,642
2017 Estimate	7,890	57,265	181,204
2010 Census	7,968	58,362	184,159
2000 Census	8,251	62,464	201,071

INCOME

	1 Mile	3 Miles	5 Miles
Average	\$54,978	\$61,166	\$63,900
Median	\$47,449	\$50,740	\$48,209
Per Capita	\$22,366	\$23,864	\$24,857

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Projection	3,200	22,167	69,843
2017 Estimate	3,209	22,326	70,243
2010 Census	3,224	22,669	71,224
2000 Census	3,365	23,653	76,446

HOUSING

	1 Mile	3 Miles	5 Miles
2017	\$117,705	\$124,821	\$121,394

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2017 Daytime Population	5,218	49,069	161,773
2017 Unemployment	9.31%	7.11%	7.63%
2017 Median Time Traveled	31 Mins	28 Mins	29 Mins

RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	60.20%	65.48%	51.36%
Native American	0.17%	0.04%	0.02%
African American	29.72%	26.05%	38.90%
Asian/Pacific Islander	0.60%	0.69%	1.87%



Market Overview

City: Gary | County: Lake | State: Indiana

Chicago, Illinois

Chicago is the third most populous city in the United States and the county seat of Cook County. Located where the Chicago River meets Lake Michigan, Chicago is known as the “Windy City” due to the weather caused by the nearby bodies of water. Chicago has the second largest business district in the nation as well as having its most balanced economy. Multiple Dow 30 companies are based in the Chicago Metropolitan Area, such as Boeing, Sears, Kraft, and McDonald’s. Every year, over 50 million people visit the city. With two-time World Series winners the Chicago Cubs, the six-time Stanley Cup winning Chicago Blackhawks, and six-time NBA championship winning Chicago Bulls, the city has a tradition of excellence in all sports. Chicago is also home to several universities such as Northwestern University, University of Chicago, the Art Institute of Chicago, Depaul University, and several others with a combined total enrollment of over 60,000 students.

Positioned along Lake Michigan, Chicago is an international hub for finance, commerce, industry, technology, telecommunications, and transportation. O’Hare International Airport is one of the busiest airports in the world, and the region also has the largest number of U.S. highways and railroad freight. In 2012, Chicago was listed as an alpha global city by the Globalization and World Cities Research Network, and it ranked seventh in the entire world in the 2017 Global Cities Index. Chicago has the fourth-largest gross metropolitan product in the world – about \$670.5 billion according to September 2017 estimates, ranking it after the metropolitan areas of Tokyo, New York City, and Los Angeles, and ranking ahead of London and Paris. The city has one of the world’s largest and most diversified and balanced economies; not dependent on any one industry, with no single industry employing more than 14 percent of the workforce.

Major Employers

Employer	Estimated # of Employees
METHODIST HOSPITAL NORTHLAKE C	1,671
West Side High School	1,300
Ivy Tech Northwest	828
Guardsmark LLC	613
Lake City Div Fmly & Children	586
Prompt Ambulance Service	565
Alverno Clinical Labs LLC	500
Webb Ford Inc	400
Community Care Center	372
McDonalds	346
Lake Ridge Schools	325



Marcus & Millichap

Exclusive Net Lease Offering

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