

NEW 20-YEAR NNN ARBY'S (CORPORATE) ALLENDALE CHARTER TOWNSHIP, MI | GRAND RAPIDS MSA



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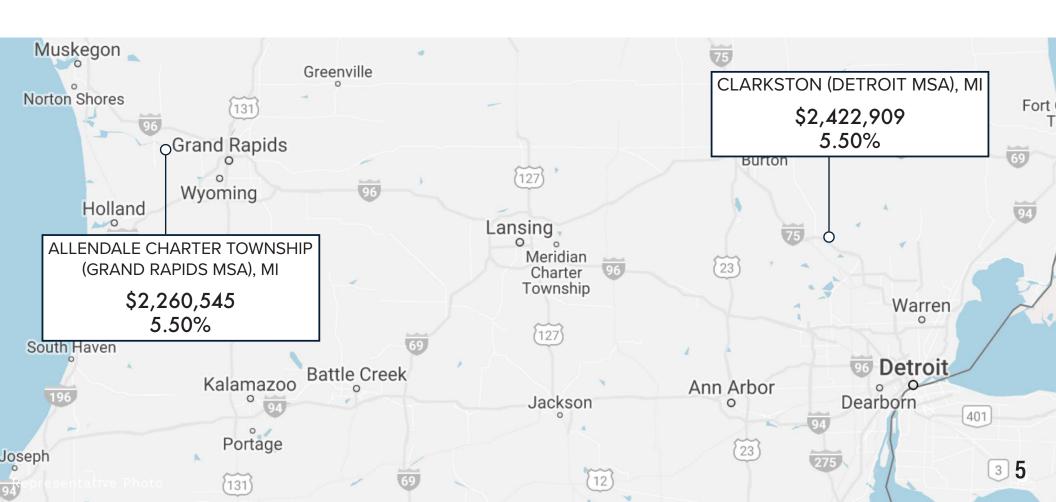


PORTFOLIO OFFERING



TWO NEW 20-YEAR NNN ARBY'S

Price	\$4,683,454
Cap Rate	5.50%
Year Built	2018





OFFERING HIGHLIGHTS

Price	\$2,260,545
Cap Rate	5.50%
Year Built	2018
Building GLA	2,109 SF
Lot Size	0.79 Acres
NOI	\$124,330

TOP OTTAWA COUNTY EMPLOYERS

Shape Corporation Automatic Spring Products Corp.

Herman Miller Meijer

Grand Haven Area Public Schools Shipston Aluminum Technologies, Inc.

GHSP, Inc. West Michigan Molding

North Ottawa Community Health Systems Spring Lake Public Schools

INVESTMENT OVERVIEW

Optimal Lease Structure & Tenant

- Brand New Arby's
- 2018 Construction with latest BTS prototype
- Corporately guaranteed lease
- 20-year base term with five (5), 5-year renewal options
- 10% rent escalation every 5 years throughout entire lease
- Triple net (NNN) lease with no landlord responsibilities

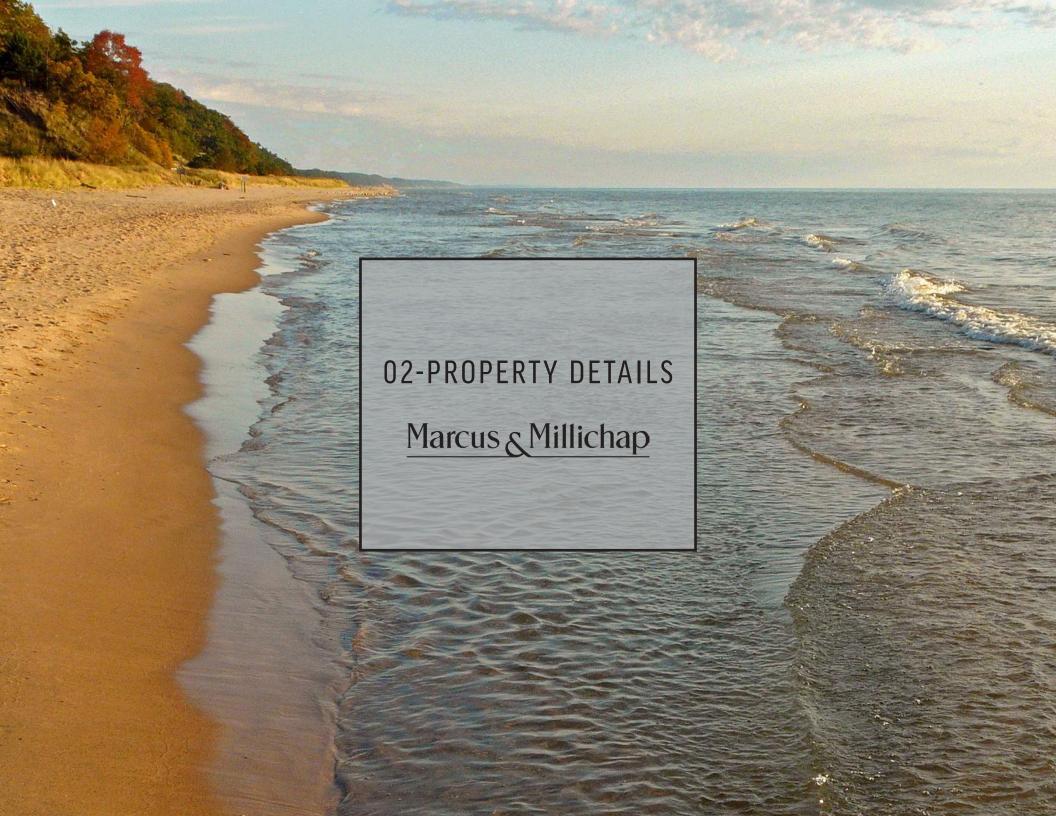
Strategic Real Estate Location

- Located within Grand Rapids-Muskegon-Holland CSA o 2nd largest CSA in Michigan
- Less than 2 miles from Grand Valley State University
 o Total student enrollment of ±25k with 3,600 employees
 o Economic impact of ±\$850 MM within the region
- Nearby traffic generators include O'Reilly Auto Parts, Gerber Collision & Glass, PNC Bank, Tim Hortons, Taco Bell, etc.
- Multiple points of ingress and egress

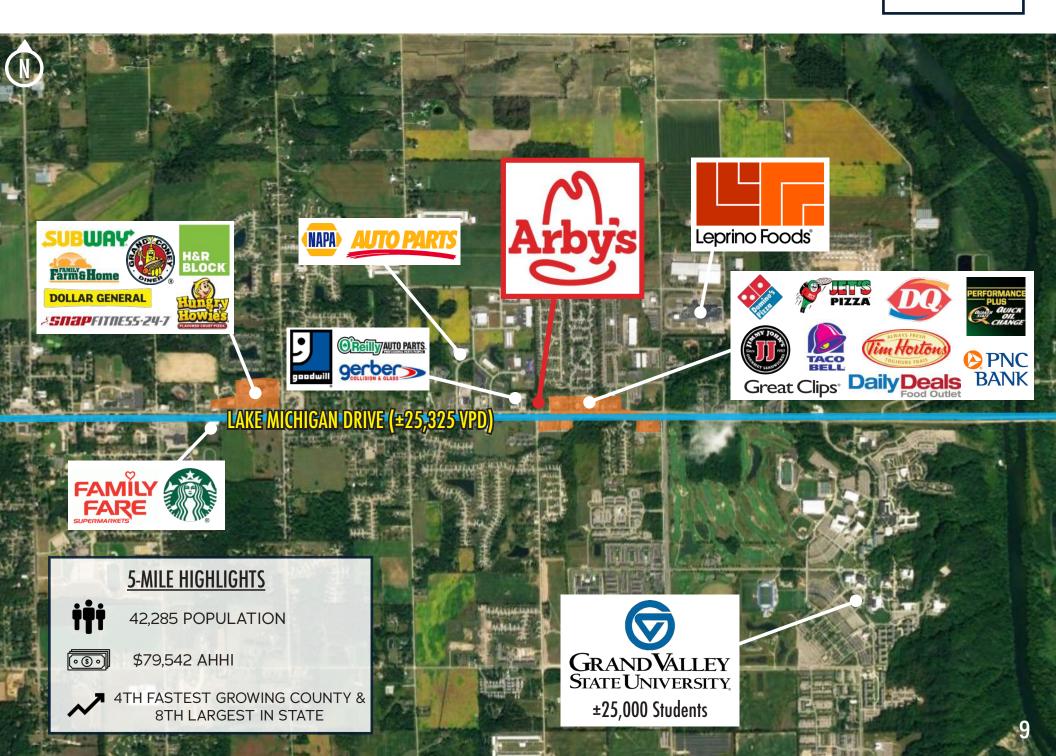
Strong Market Demographics

- Grand Rapids, MI MSA has a populations of ±1 MM
- Ottawa County is 4th fastest growing county & 8th largest by population in the state
- Explosive population growth since 2000 o 68% (1-mi), 77% (3-mi) & 53% (5-mi)
- ± 30 k people in 5-mile radius with AHHI of $\pm \$80$ k
- Healthy employment rate of $\pm 95\%$ in 1,3 & 5-mile radius





AERIAL



REGIONAL MAP



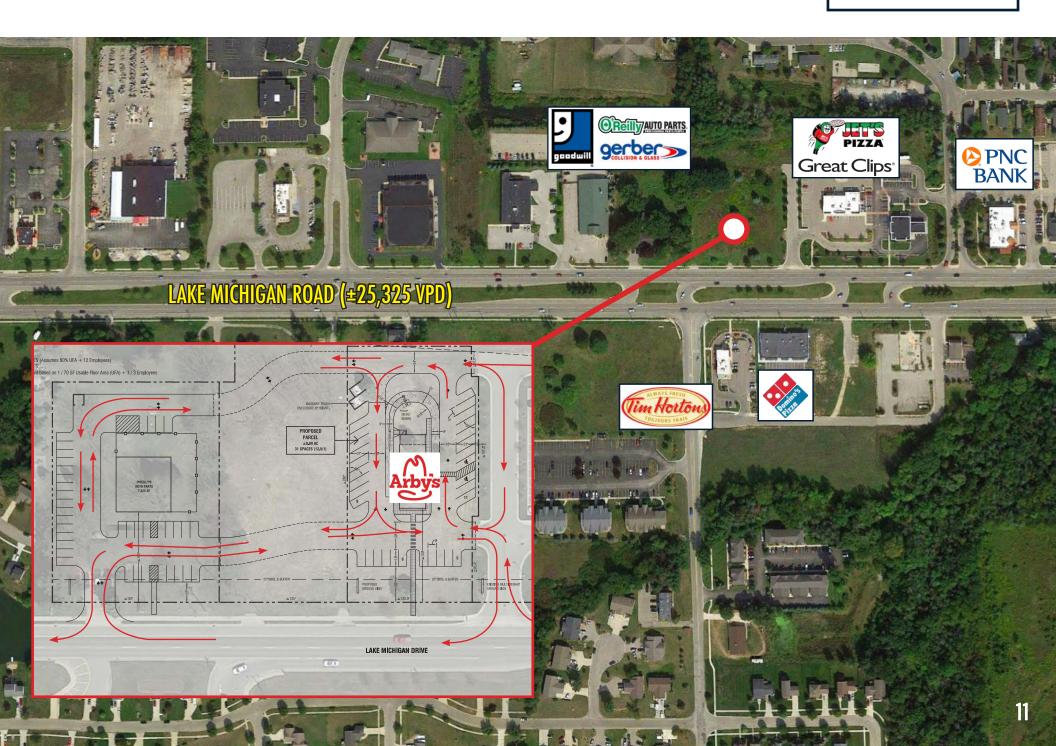






Township

SITE PLAN





LOCATION OVERVIEW

Allendale Charter Township is a charter township located in Ottawa County, Michigan. Allendale is located in the center of Ottawa County, bordered by Talmadge Township, Polkton Township (City of Coopersville), Robinson Township, Blendon Township, and Georgetown Township. It is part of the Grand Rapids-Muskegon-Holland, MI Metropolitan Statistical Area and is an exburb of Grand Rapids due to its major commuter routes into the city (M-45 and I-96). Allendale Charter Township is best known as being home to the main campus of Grand Valley State University, a public liberal arts university with over 25,000 students. It is one of America's 100 largest universities and is the fastest-growing university in the country in both population and physical size. The campus employs more than 3,600 people of which about 1,700 are academic faculty.

Grand Rapids is the second-largest city in Michigan, and the largest city in West Michigan. It is on the Grand River about 30 miles (48 km) east of Lake Michigan. A historic furniture-manufacturing center, Grand Rapids is home to five of the world's leading office furniture companies, and is nicknamed Furniture City. The city and surrounding communities are economically diverse, based in the health care, information technology, automotive, aviation, and consumer goods manufacturing industries, among others.

Headquartered in Grand Rapids, Spectrum Health is the largest employer in West Michigan, with 25,600 staff and 1,700 physicians in 2017. Spectrum Health's Meijer Heart Center, Lemmen-Holton Cancer Pavilion, and Butterworth Hospital, a level I trauma center, are located on the Grand Rapids Medical Mile, which has world-class facilities focusing on the health sciences. These facilities include the Van Andel Research Institute, Grand Valley State University's Cook-DeVos Center for Health Sciences, and the Michigan State University College of Human Medicine medical school's Secchia Center, along with Ferris State University's College of Pharmacy. Nearly a billion dollars has been invested in the Spectrum Health Cancer Pavilion, the Spectrum Health Helen DeVos Children's Hospital, and the expansion to the Van Andel Institute. These facilities have attracted numerous health science businesses to the area.







DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE		
2022 Projection	8,169	26,603	42,285		
2017 Estimate	7,094	23,206	37,710		
Growth 2017 - 2022	15.15%	14.64%	12.13%		
2000 Census	4,223	13,125	24,662		
2010 Census	6,529	21,319	34,538		
Growth 2000 - 2017	67.98%	76.81%	52.91%		
HOUSEHOLDS					
2022 Projections	2,724	7,633	12,696		
2017 Estimate	2,258	6,444	11,102		
Growth 2017 - 2022	20.60%	18.47%	14.36%		
2000 Census	1,032	3,377	6,975		
2010 Census	2,040	5,819	10,056		
Growth 2000 - 2010	97.69%	72.30%	44.16%		
2017A EST. HOUSEHOLDS BY INCOME					
\$200,000 or More	2.13%	2.64%	3.49%		
\$150,000 - \$199,999	1.26%	3.11%	4.96%		
\$100,000 - \$149,999	9.04%	13.07%	16.16%		
\$75,000 - \$99,999	13.21%	17.13%	17.84%		
\$50,000 - \$74,999	17.49%	19.02%	19.36%		
\$35,000 - \$49,999	13.09%	12.64%	12.38%		
\$25,000 - \$34,999	13.32%	9.26%	7.79%		
\$15,000 - \$24,999	14.61%	10.35%	8.18%		
\$10,000 - \$14,999	3.57%	4.00%	3.55%		
Under \$9,999	12.28%	8.77%	6.29%		
Average Household Income	\$58,076	\$69,794	\$79,542		

POPULATION PROFILE	1 - MILE	3 - MILE	5 - MILE
20 to 34 Years	48.6%	42.6%	33.3%
35 to 59 Years	9.7%	15.4%	22.9%
60 to 74 Years	2.7%	5.0%	8.0%
Age 75+	1.2%	2.0%	2.5%
2017 Median Age	20.9	21.2	22.2
2017 Population 25 + by Education Level	1,572	7,199	16,129
Elementary (0-8)	1.66%	1.46%	1.47%
Some High School (9-11)	6.01%	4.98%	4.29%
High School Graduate (12)	29.47%	31.64%	31.12%
Some College (13-15)	22.89%	22.79%	21.99%
Associates Degree Only	11.23%	8.81%	8.80%
Bachelors Degree Only	20.64%	19.73%	21.27%
Graduate Degree	7.21%	9.31%	10.01%



LEASE ABSTRACT

TENANT:

RTM Operating Company, LLC d/b/a Arby's

LEASE GUARANTOR:

Corporate (Arby's Restaurant Group)

GUARANTY:

The Guaranty is a continuing guaranty which shall remain in full force and effect during the term of the Lease.

BUILDING SIZE:

±2,109 Square Feet

LEASE COMMENCEMENT:

October 1, 2018

BASE TERM:

20 Years

BASE RENT (ANNUALLY):

Years 1-5: \$124,330.00 Years 6-10: \$136,763.00 Years 11-15: \$150,439.30 Years 16-20: \$165,483.23

OPTIONS:

Five (5), 5 year options

OPTION RENT:

Years 21-25 (Option 1): \$182,031.55 Years 26-30 (Option 2): \$200,234.70 Years 31-35 (Option 3): \$220,258.17 Years 36-40 (Option 4): \$242,283.99 Years 41-45 (Option 5): \$266,512.40

RENT ESCALATIONS:

10% Every 5 Years

TAXES. UTILITIES AND OTHER CHARGES:

Tenant agrees to pay, at Tenant's sole expense and for its own account, on or before the due date.

NET LEASE:

Tenant acknowledges and agrees that, from and after the Rent Commencement Date, it is intended that this Lease is, except as otherwise expressly stated herein, a completely "net lease" to Landlord, and that Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises. From and after the Rent Commencement Date, Tenant shall pay all charges, impositions, costs and expense of every nature and kind relating to the Premises, Personalty and Improvements except as herein expressly provided to the contrary.

RIGHT OF FIRST REFUSAL:

Yes - 35 days upon executed letter of intent or purchase and sale contract

REPAIR OF BUILDING & PREMISES:

Solely Tenant's responsibility which shall include roof, HVAC, lighting, parking lot, etc.

INSURANCE:

Tenant, at Tenant's expense, at all times during the Term of this Lease from and after the Possession Date, will procure, maintain and keep in force commercial general liability insurance, employer's liability insurance and property insurance.

ASSIGNMENT & SUBLETTING:

Tenant shall have the right to assign and/or sublet all or any part of the Premises to an affiliate of Tenant or Arby's Restaurant Group. No assignment shall release Tenant or Guarantor of its liability and obligations arising hereunder after the date of such assignment unless Tenant provides Landlord with reasonable and sufficient financial statements and evidence to establish that the proposed assignee of this Lease has a tangible net worth (excluding any value attributable to goodwill and/or intellectual property) equal to or greater than \$25,000,000, which such net worth must be determined in accordance with generally accepted accounting principles at the time of such assignment.

ESTOPPEL:

Within ten (10) business days



ARBY'S

TENANT TRADE NAME

OWNERSHIP

Roark Capital Group

TENANT

RTM Operating Company, LLC

LEASE GUARANTOR

Arby's Restaurant Group, Inc.

HEADQUARTERS

Atlanta, GA





\$11 BILLION

Net Worth of Parent Company





TOP TEN BEST FRANCHISE DEAL

Ranked by *QSR Magazine* (2017)

TENANT SUMMARY

Arby's is an American quick-service fast-food sandwich restaurant chain with more than 3,300 restaurants system-wide. In October 2017, Food & Wine called Arby's "America's second largest sandwich chain (after Subway)".

Arby's is owned by Inspire Brands, the renamed Arby's Restaurant Group, Inc. (ARG). ARG was renamed as the company took over ownership of Buffalo Wild Wings on February 5, 2018. Roark Capital Group acquired Arby's Restaurant Group in July 2011 and owns 81.5% of the company, with The Wendy's Company owning the other 18.5%. The Wendy's Company sold off their reduced stake in the former Arby's Restaurant Group, Inc. (renamed Inspire Brands), which was announced on August 16th 2018, for 450 million dollars, a 38 percent premium.

In addition to its classic Roast Beef and Beef 'n Cheddar sandwiches, Arby's products also include deli-style Market Fresh line of sandwiches, Curly Fries and Jamocha Shakes. Its headquarters are in Sandy Springs, Georgia, a suburb of Atlanta which uses Atlanta mailing addresses. There are international locations in four countries outside the United States: Canada, Turkey, Qatar, United Arab Emirates.

FINANCIAL SUMMARY

THE OFFERING

\$2,260,545 Price:

5187 Lake Michigan Dr., Property Address: Allendale Charter Township, MI 49401

Cap Rate: 5.50%

GLA: 2,109 SF

Lot Size: 0.79 Acres

Year Built:

LEASE SUMMARY

Property Subtype:

Tenant:

Rent Increases:

Guarantor:

Lease Type:

Lease Commencement:

Lease Expiration:

Lease Term:

2018

Renewal Options:

Landlord Responsibility:

Right of First Refusal

Net Leased Restaurant

RTM Operating Company, LLC d/b/a Arby's

10% Every in 5 Years

Corporate

NNN

10/1/2018

9/30/2038

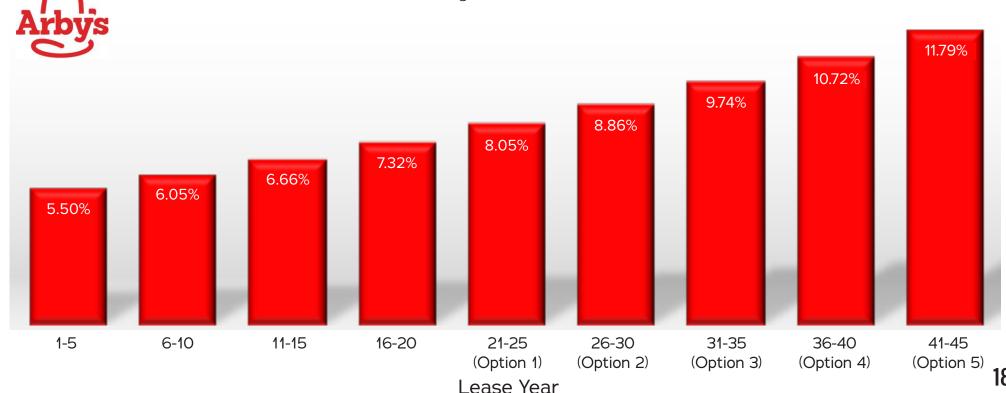
20 Years

Five (5), 5-Year

None

Yes







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