

EXCLUSIVE NET-LEASE OFFERING

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OFFERING MEMORANDUM

**LONG JOHN
SILVER'S®**

1648 Cassopolis Street – Elkhart, IN 46514

Confidentiality and Disclaimer

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

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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: \$578,351 | CAP: 5.85% | RENT: \$33,834

**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 | Walmart, Lowes, Aldi, Menards, Dollar Tree, Ross Dress for Less, PetSmart, McDonald's, Burger King, Wendy's, Taco Bell, Dunkin' Donuts, and Many More
- ✓ Very Accommodating Area | Hilton Garden Inn, Fairfield Inn & Suites, Red Roof Inn, Baymont by Wyndham, Super 8 by Wyndham, The Garden Inn, Staybridge Suites, and More
- ✓ Heavy Traffic Counts | Cassopolis Street Intersects With East Bristol Street | 14,309 Vehicles Per Day on East Bristol Street
- ✓ Compelling Location Fundamentals | Less than Three Miles from Elkhart Municipal Airport | Average of 73 Aircraft Operations Per Day | Less than Three Miles from Elkhart General Hospital | 410 Beds

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: \$578,351 | CAP: 5.85% | RENT: \$33,834

**LONG JOHN
SILVER'S®**

Property Description

Property	Long John Silver's
Property Address	1648 Cassopolis St
City, State, ZIP	Elkhart, IN 46514
Year Built / Renovated	1981
Building Size	1,880
Lot Size	+/- 0.51 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$578,351
CAP Rate	5.85%
Annual Rent	\$33,834
Price / SF	\$307.63
Rent / SF	\$18.00

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	14.7 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	\$33,834	\$2,819	-
Year 2	\$33,834	\$2,819	-
Year 3	\$33,834	\$2,819	-
Year 4	\$33,834	\$2,819	-
Year 5	\$33,834	\$2,819	-
Year 6	\$37,217	\$3,101	10.00%
Year 7	\$37,217	\$3,101	-
Year 8	\$37,217	\$3,101	-
Year 9	\$37,217	\$3,101	-
Year 10	\$37,217	\$3,101	-
Year 11	\$40,939	\$3,412	10.00%
Year 12	\$40,939	\$3,412	-
Year 13	\$40,939	\$3,412	-
Year 14	\$40,939	\$3,412	-
Year 15	\$40,939	\$3,412	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 1648 Cassopolis Street in Elkhart, Indiana. The site constructed in 1981, consists of roughly 1,880 rentable square feet of building space on estimated 0.51 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 \$33,834. 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

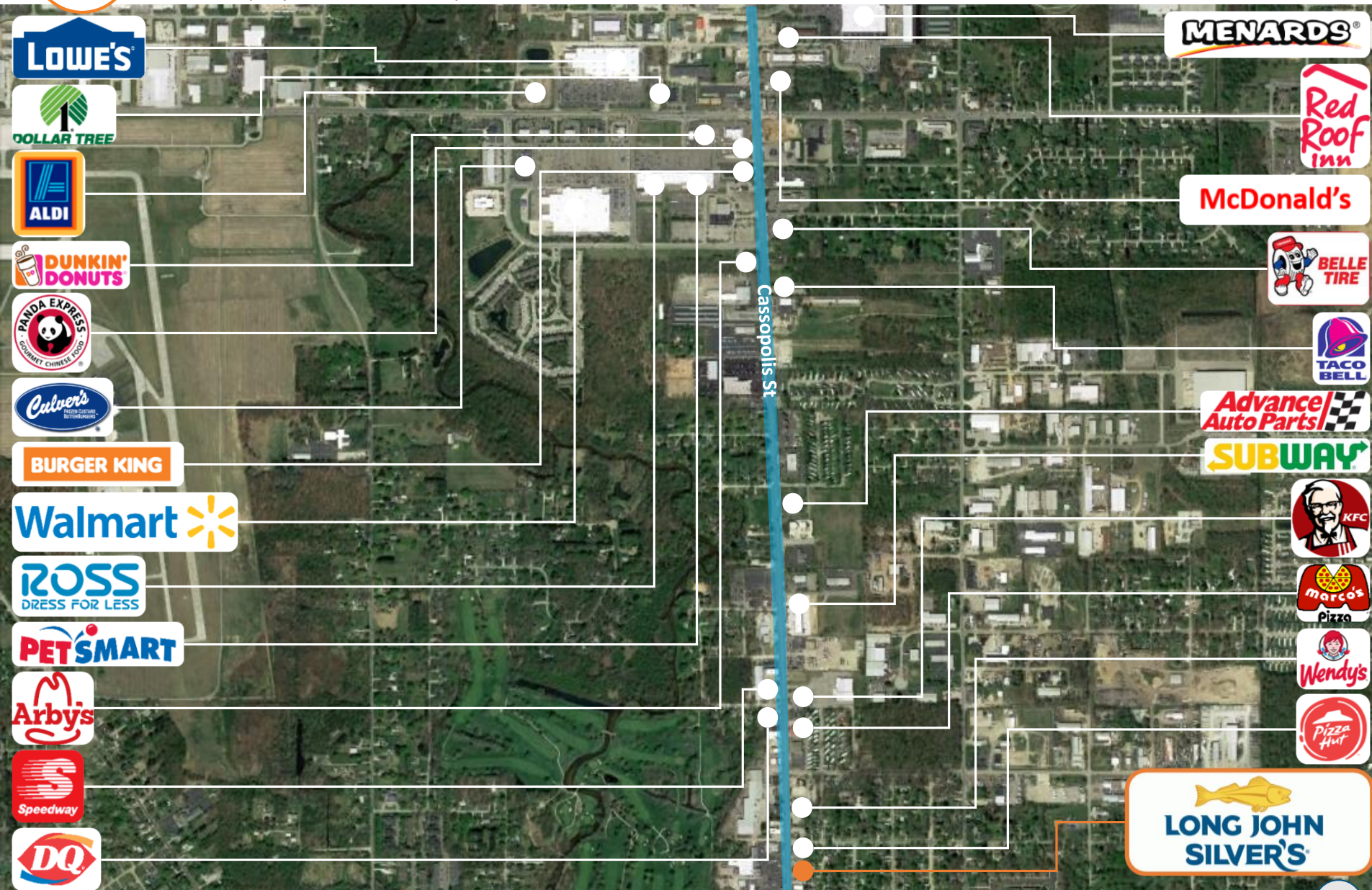




Surrounding Area

Property Address: 1648 Cassopolis Street – Elkhart, IN 46514

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Location Overview

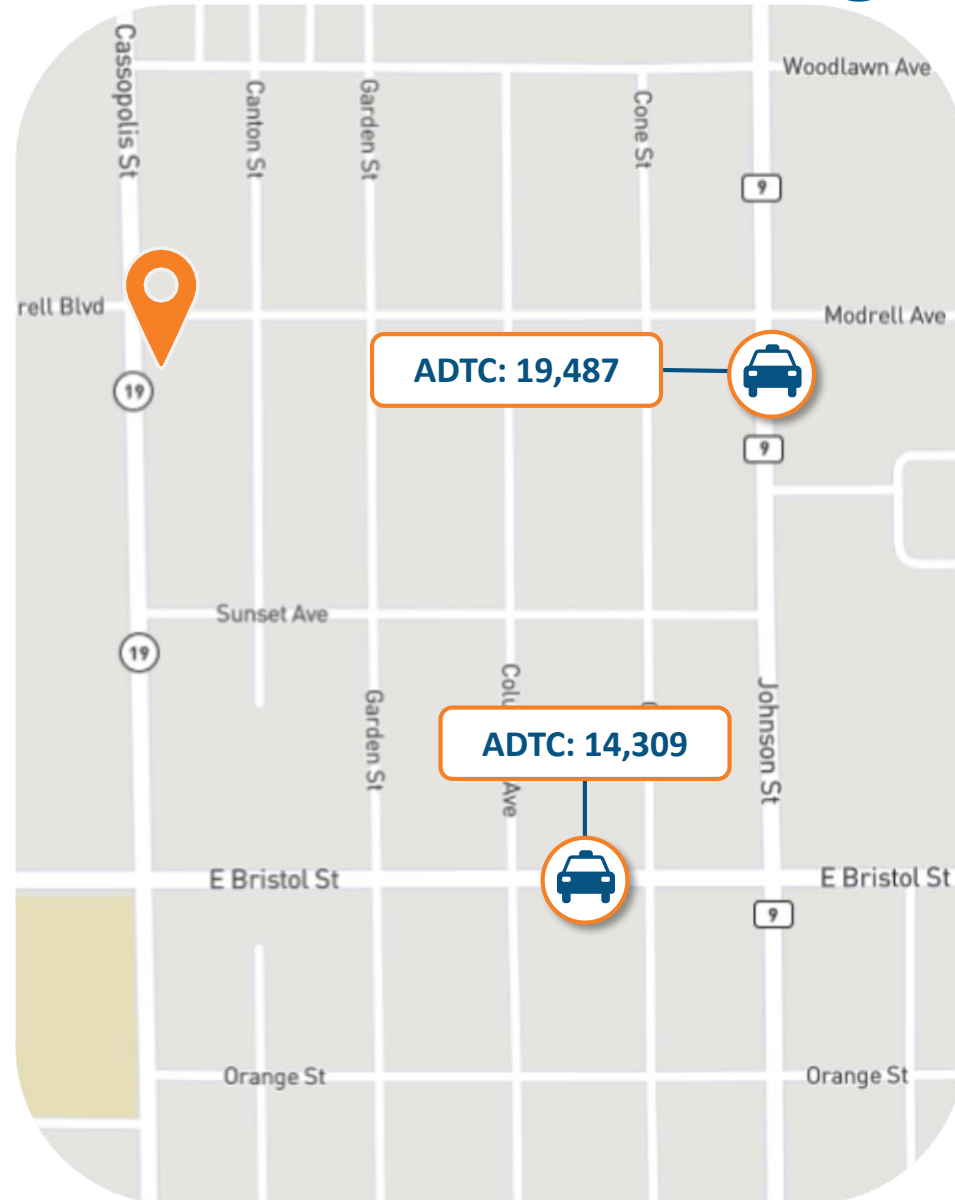
Property Address: 1648 Cassopolis Street – Elkhart, IN 46514

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The subject investment property is situated on Cassopolis Street. Cassopolis Street intersects with East Bristol Street, which boasts an average traffic count exceeding 14,309 vehicles per day. East Bristol Street also intersects with Johnson Street, which brings an additional average of 19,487 vehicles the immediate area per day. There are approximately 53,501 individuals residing within a three-mile radius of the subject property and more than 95,907 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, hotels and motels, a hospital, and an airport, all within close proximity of this property. Major national tenants include: Walmart, Lowes, Aldi, Menards, Dollar Tree, Ross Dress for Less, PetSmart, McDonald's, Burger King, Wendy's, Taco Bell, Dunkin' Donuts, and many more. Accommodations in the immediate area include: Hilton Garden Inn, Fairfield Inn & Suites, Red Roof Inn, Baymont by Wyndham, Super 8 by Wyndham, The Garden Inn, Staybridge Suites, and more. This Long John Silver's is also less than three miles from Elkhart Municipal Airport, which averages 73 aircraft operations per day and has 69 aircrafts stationed on the field. Additionally, the subject property is less than three miles from Elkhart General Hospital, a 410-bed medical facility. Elkhart General Hospital is comprised of over 300 physicians representing more than 30 medical specialties, and nearly 2,000 employees serve in nursing, technical, administrative, and support capacities.

Elkhart is part of Elkhart County, Indiana, and is located 15 miles east of South Bend, 110 Miles east of Chicago, and 150 miles north of Indianapolis. Elkhart is best known for two industries: recreational vehicles and musical instruments. It has been referenced as the "RV Capital of the World" and the "Band Instrument Capital of the World" for decades. Other notable industries in Elkhart include: pharmaceuticals, electronic companies, manufactured housing and mobile homes. Numerous manufacturers of musical instruments and accessories, of which most of the surviving companies have been absorbed into the Conn-Selmer conglomerate, have a long history in the city. Elkhart is also home to the Robert Young Rail Yards, which are the second-largest freight classification yards in the world.





Property Photo

**LONG JOHN
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Actual Property Photo



Surrounding Area Photos

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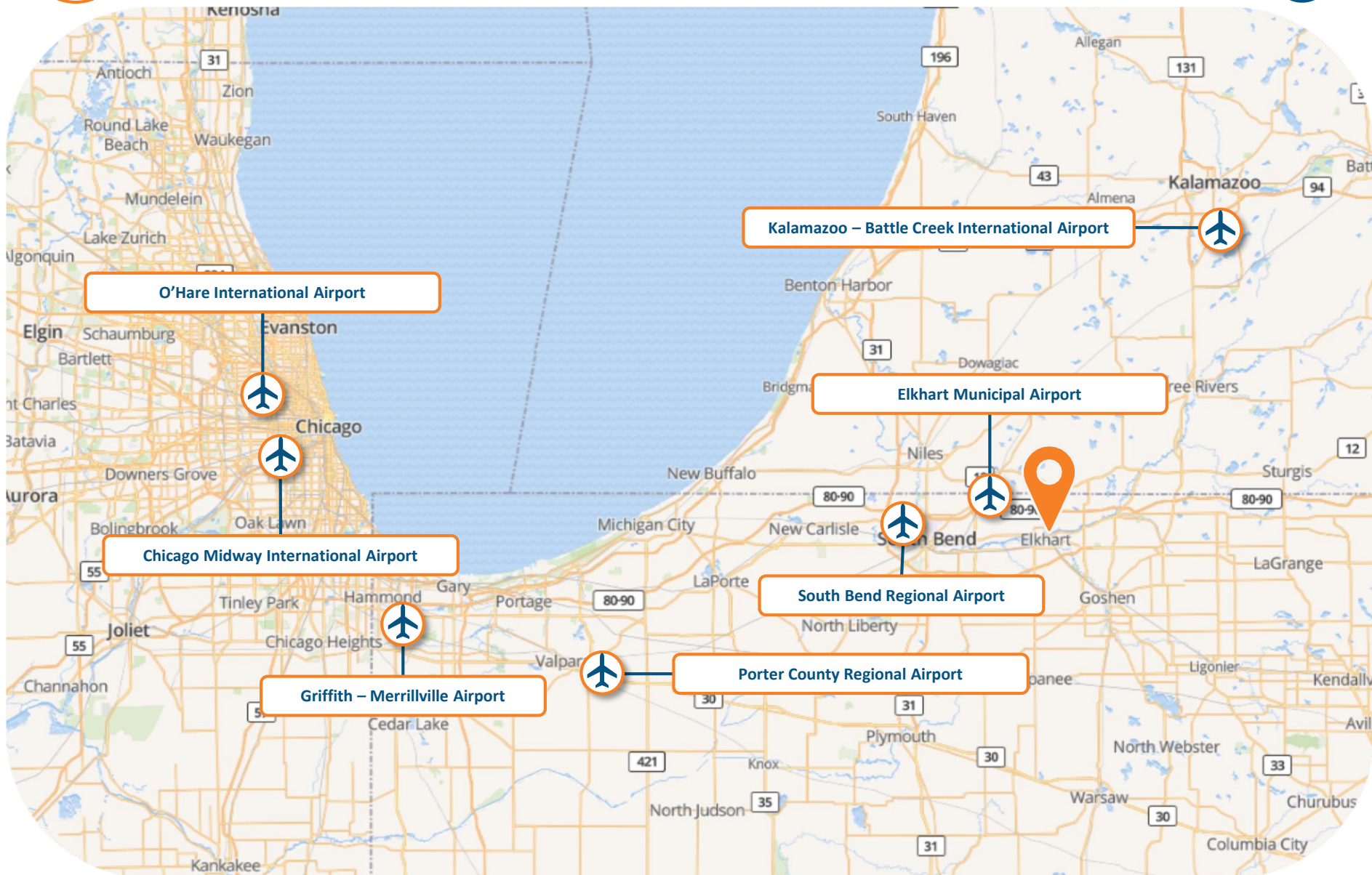




Local Map

Property Address: 1648 Cassopolis Street – Elkhart, IN 46514

**LONG JOHN
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Regional Map

**LONG JOHN
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Property Address: 1648 Cassopolis Street – Elkhart, IN 46514





Demographics

Property Address: 1648 Cassopolis Street – Elkhart, IN 46514

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1 Mile 3 Miles 5 Miles

POPULATION

2022 Projection	7,156	53,246	96,760
2017 Estimate	7,124	53,501	95,907
2010 Census	6,953	51,944	93,230
2000 Census	6,726	52,822	90,716

INCOME

Average	\$50,392	\$56,176	\$60,933
Median	\$41,186	\$43,339	\$47,405
Per Capita	\$20,423	\$21,722	\$23,101

HOUSEHOLDS

2022 Projection	2,999	21,195	37,452
2017 Estimate	2,887	20,574	36,178
2010 Census	2,800	19,973	35,103
2000 Census	2,654	20,220	34,514

HOUSING

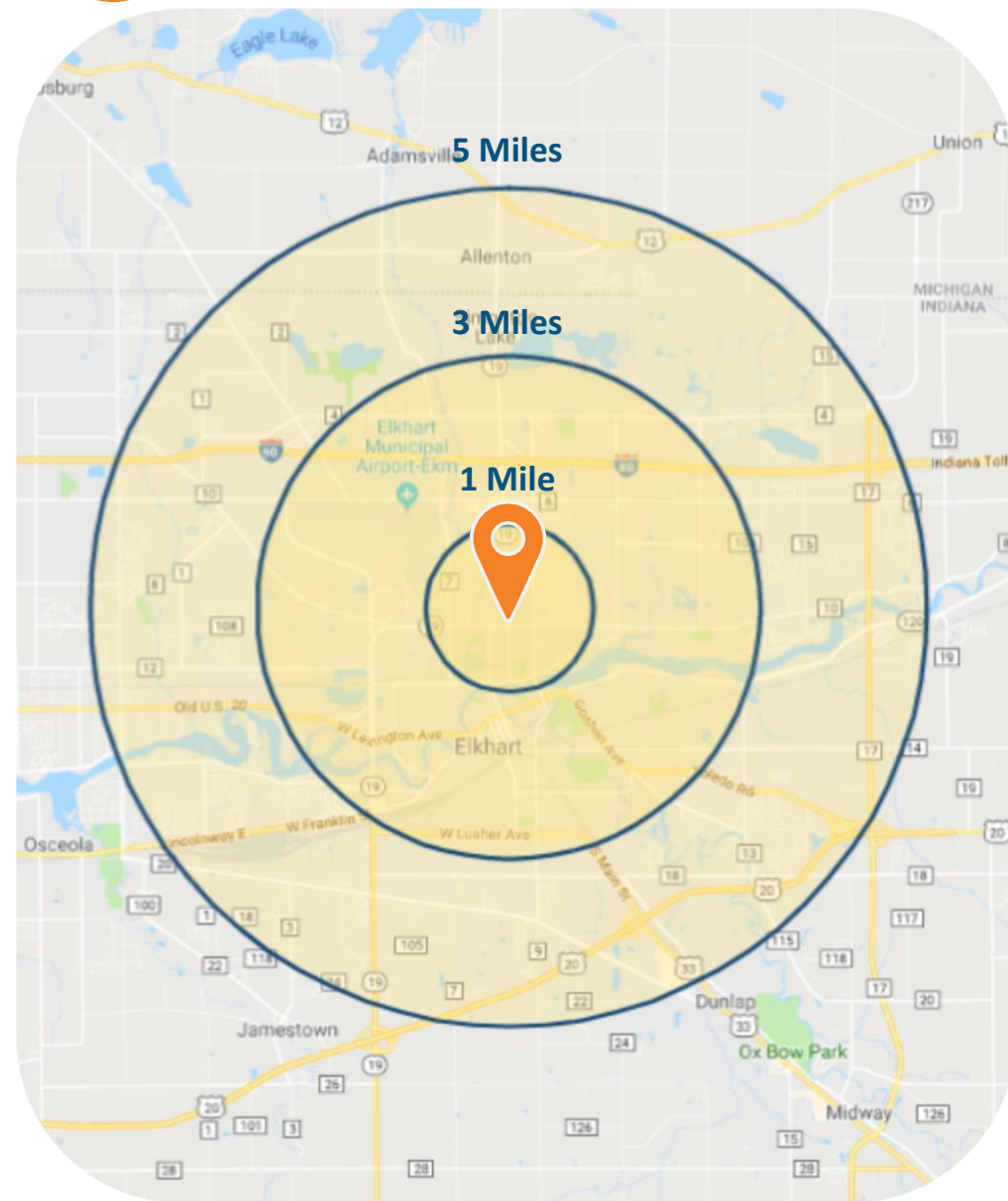
2017	\$87,612	\$100,969	\$118,120
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EMPLOYMENT

2017 Daytime Population	8,965	59,073	102,009
2017 Unemployment	6.49%	6.57%	5.87%
2017 Median Time Traveled	18 Mins	20 Mins	20 Mins

RACE & ETHNICITY

White	76.97%	69.85%	73.73%
Native American	0.04%	0.06%	0.06%
African American	8.06%	13.44%	10.88%
Asian/Pacific Islander	0.95%	1.20%	1.36%





Market Overview

City: Elkhart | County: Elkhart | State: Indiana

South Bend, Indiana



South Bend is the county seat of St. Joseph County, Indiana, located on the St. Joseph River near its southernmost bend, from which it derives its name. South Bend is the fourth-largest city in Indiana and serves as the economic and cultural hub of Northern Indiana. The highly ranked University of Notre Dame is located just to the north in unincorporated Notre Dame, Indiana and is an integral contributor to the region's economy. Recently, the city's population has started to grow for the first time in nearly 50 years. The old Studebaker plant and surrounding area, now called Ignition park, is being redeveloped as a technology center to attract new industry. The city has also been featured in national news coverage for Mayor Pete Buttigieg, who has achieved recognition for his various economic development projects within the city and his position as the youngest mayor to be elected in a city of more than 100,000 residents.

Since the 1960s, education, health care, and small business have come to the forefront of South Bend's economy. Nearby University of Notre Dame is the largest employer in St. Joseph County, employing approximately 5,590 people. Health care is another major contributor to the South Bend economy. In 2012, Memorial Health System announced that it was merging with Elkhart General Hospital, located in Elkhart county, to form Beacon Health System. Beacon is the second-largest employer in the city, employing 3,450 people. Other notable businesses include Honeywell, Bosch, and PEI Genesis. AM General, Crowe Horwath, Martin's Super Markets, and Schurz Communications all have corporate headquarters in South Bend.

Major Employers

Employer	Estimated # of Employees
Beacon Health System	1,300
Skyline Corporation	1,200
Atwood Mobile Products	883
Conn-Selmer Inc	640
Aip/Fw Funding Inc	598
Walmart	540
Crown Audio	450
Atwood Mobile Products LLC	421
Forest River Inc	415
Carpenter Co	400
MSC Industrial Supply	400



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Market Positioning & Pricing Analysis

