

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

**LONG JOHN
SILVER'S®**

601 U.S. Highway 60 – Morganfield, KY 42437

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.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

**LONG JOHN
SILVER'S®**

601 U.S. Hwy 60 East – Morganfield, KY 42437

Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Surrounding Area	7
Location Overview	8
Property Photo(s)	9-10
Local Map	11
Regional Map	12
Demographics / Market Overview	13-14

**LONG JOHN
SILVER'S®**



Representative Photo



Investment Highlights

PRICE: \$1,112,141 | CAP: 5.85% | RENT: \$65,060

**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 Supercenter, Rite Aid, Dollar General, Dollar Tree, Tractor Supply Co., McDonald's, Taco Bell, Subway, and Pizza Hut Godfather's Pizza, O'Reilly Auto Parts, and Hucks Convenience Store
- ✓ Freestanding Property | Benefits from Excellent Frontage along U.S. Highway 60 East
- ✓ Positive Real Estate Fundamentals | Positioned on a Hard Corner of a Signalized Intersection
- ✓ Compelling Location Fundamentals | Located in Downtown Area of Morganfield

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: \$1,112,141 | CAP: 5.85% | RENT: \$65,060

**LONG JOHN
SILVER'S®**

Property Description

Property	Long John Silver's
Property Address	601 U.S. Hwy 60 East
City, State, ZIP	Morganfield, KY 42437
Building Size	2,474
Lot Size	+/- 0.6 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$1,112,141
CAP Rate	5.85%
Annual Rent	\$65,060
Price / SF	\$449.53
Rent / SF	\$26.30

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	\$65,060	\$5,422	-
Year 2	\$65,060	\$5,422	-
Year 3	\$65,060	\$5,422	-
Year 4	\$65,060	\$5,422	-
Year 5	\$65,060	\$5,422	-
Year 6	\$71,566	\$5,964	10.00%
Year 7	\$71,566	\$5,964	-
Year 8	\$71,566	\$5,964	-
Year 9	\$71,566	\$5,964	-
Year 10	\$71,566	\$5,964	-
Year 11	\$78,723	\$6,560	10.00%
Year 12	\$78,723	\$6,560	-
Year 13	\$78,723	\$6,560	-
Year 14	\$78,723	\$6,560	-
Year 15	\$78,723	\$6,560	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silvers located at 601 U.S. Highway 60 East in Morganfield, Kentucky. The site constructed consists of roughly 2,474 rentable square feet of building space on estimated 0.58 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 \$65,060. There are two (2), five (5)-year tenant renewal options.



Concept Overview: Long John Silver's

**LONG JOHN
SILVER'S®**

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: 601 U.S. Highway 60 East – Morganfield, KY 42437

**LONG JOHN
SILVER'S®**





Location Overview

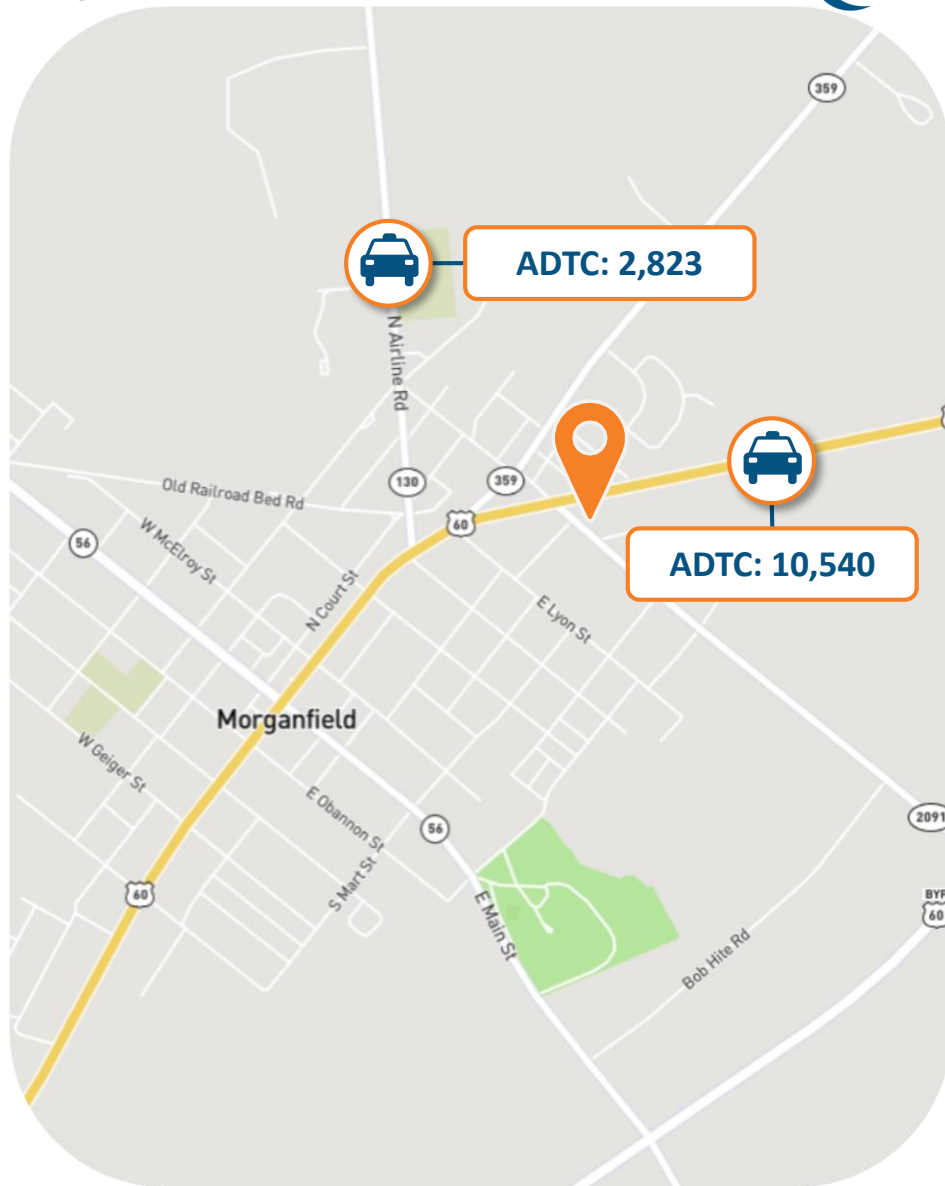
Property Address: 601 U.S. Highway 60 East – Morganfield, KY 42437

**LONG JOHN
SILVER'S®**

The subject investment property is situated on U.S. Highway 60 East, which boasts average daily traffic counts exceeding 10,500 vehicles respectively. U.S. Highway 60 East intersects with Airline Road, which brings an additional 2,823 vehicles into the immediate area on average daily. There are more than 6,225 individuals residing within a three-mile radius of the property and more than 7,272 individuals 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, malls, and landmarks, all within close proximity of this property. Major national tenants include: Walmart Supercenter, Rite Aid, Dollar General, Dollar Tree, Tractor Supply Co., McDonald's, Taco Bell, Subway, Pizza Hut, Godfather's Pizza, O'Reilly Auto Parts, Hucks Convenience Store, as well as many more. This Long John Silver's also benefits from being directly situated in downtown area of Morganfield.

Morganfield is a city and the county seat of Union County, in the state of Kentucky. The city is named after Revolutionary War General Daniel Morgan, who was awarded a land grant for his military service, and later developed on the land. Morganfield is located near Camp Breckinridge, World War II infantry division camp. During the war, the camp comprised of 36,070 acres and could accommodate 2,031 officers and 42,092 enlisted men. About 40,000 soldiers preparing for war stayed at the camp. The camp has since been renovated and re-opened in 1965 as the "Breckinridge Job Corps Center", and later changed its name to the "Earle C. Clements Job Corps Center" in 1980, to honor Earle C. Clements, a former Kentucky governor and U.S. senator. Beyond its history, Morganfield also offers shopping, golf, and natural attractions including the Higginson – Henry Wildlife Management Area, Mauzy Lake, Moffitt Lake Recreation Area, birding trails and more. Morganfield is served by the Union County Public Schools. Elementary students attend Morganfield Elementary, and Middle and High School students attend Union County Middle School & Union County High School, located outside Morganfield.





Property Photo

**LONG JOHN
SILVER'S®**

Actual Property Photo





Surrounding Area Photos

**LONG JOHN
SILVER'S®**





Local Map

Property Address: 601 U.S. Highway 60 East – Morganfield, Kentucky

**LONG JOHN
SILVER'S®**



St. Louis Lambert International Airport (LGA)



Louisville International Airport (SDF)



Nashville International Airport (BNA)

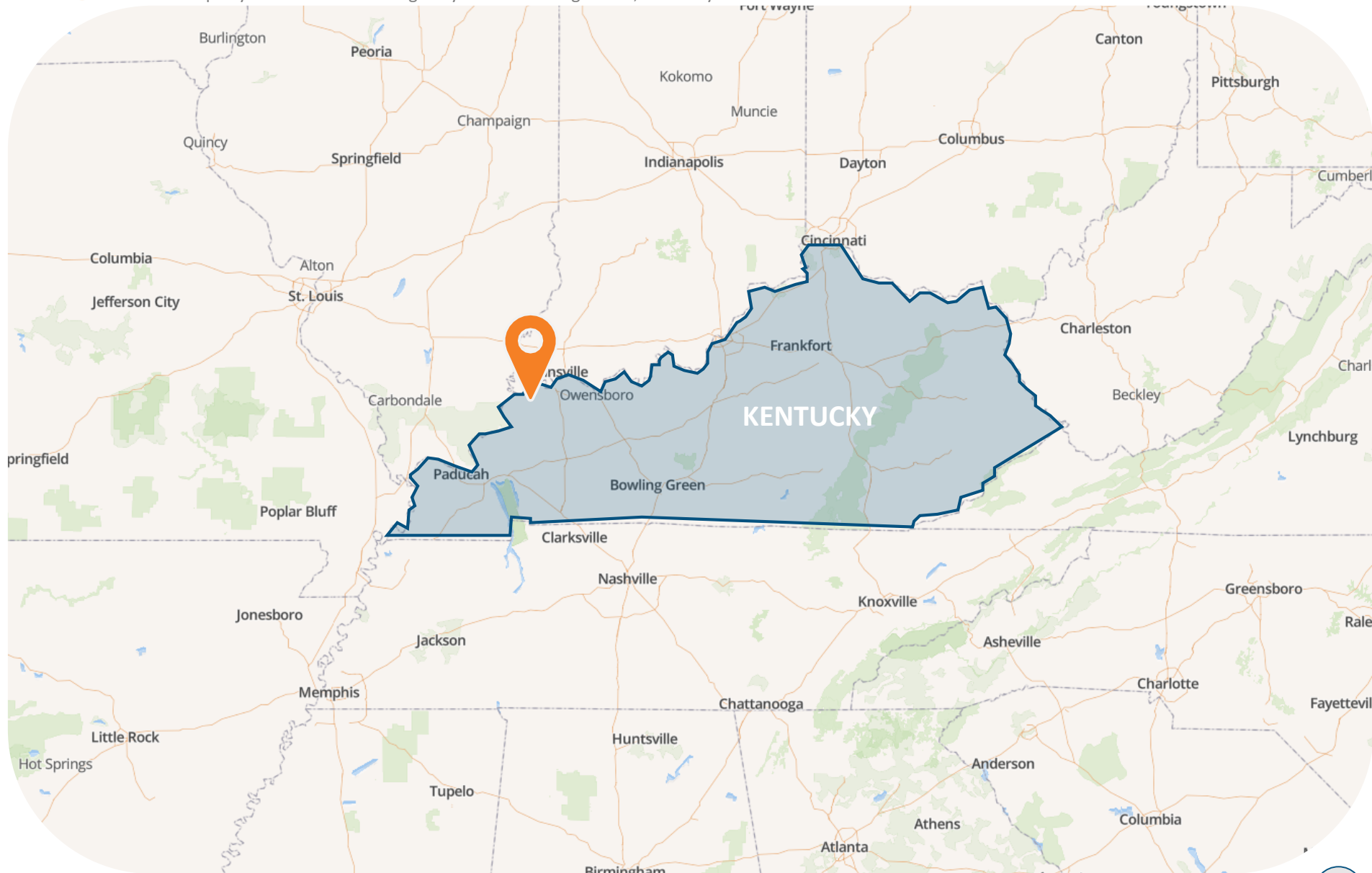




Regional Map

**LONG JOHN
SILVER'S®**

Property Address: 601 U.S. Highway 60 East – Morganfield, Kentucky





Demographics

Property Address: 601 U.S. Highway 60 East – Morganfield, Kentucky

**LONG JOHN
SILVER'S®**

3 Mile 5 Miles 10 Miles

POPULATION

2022 Projection	6,270	7,314	12,209
2017 Estimate	6,225	7,272	12,245
2010 Census	6,083	7,117	12,157
2000 Census	6,106	7,185	12,554

INCOME

Average	\$54,281	\$54,521	\$57,440
Median	\$38,863	\$39,554	\$46,183
Per Capita	\$19,181	\$19,900	\$21,695

HOUSEHOLDS

2022 Projection	1,929	2,332	4,303
2017 Estimate	1,930	2,330	4,316
2010 Census	1,961	2,362	4,356
2000 Census	1,985	2,383	4,419

HOUSING

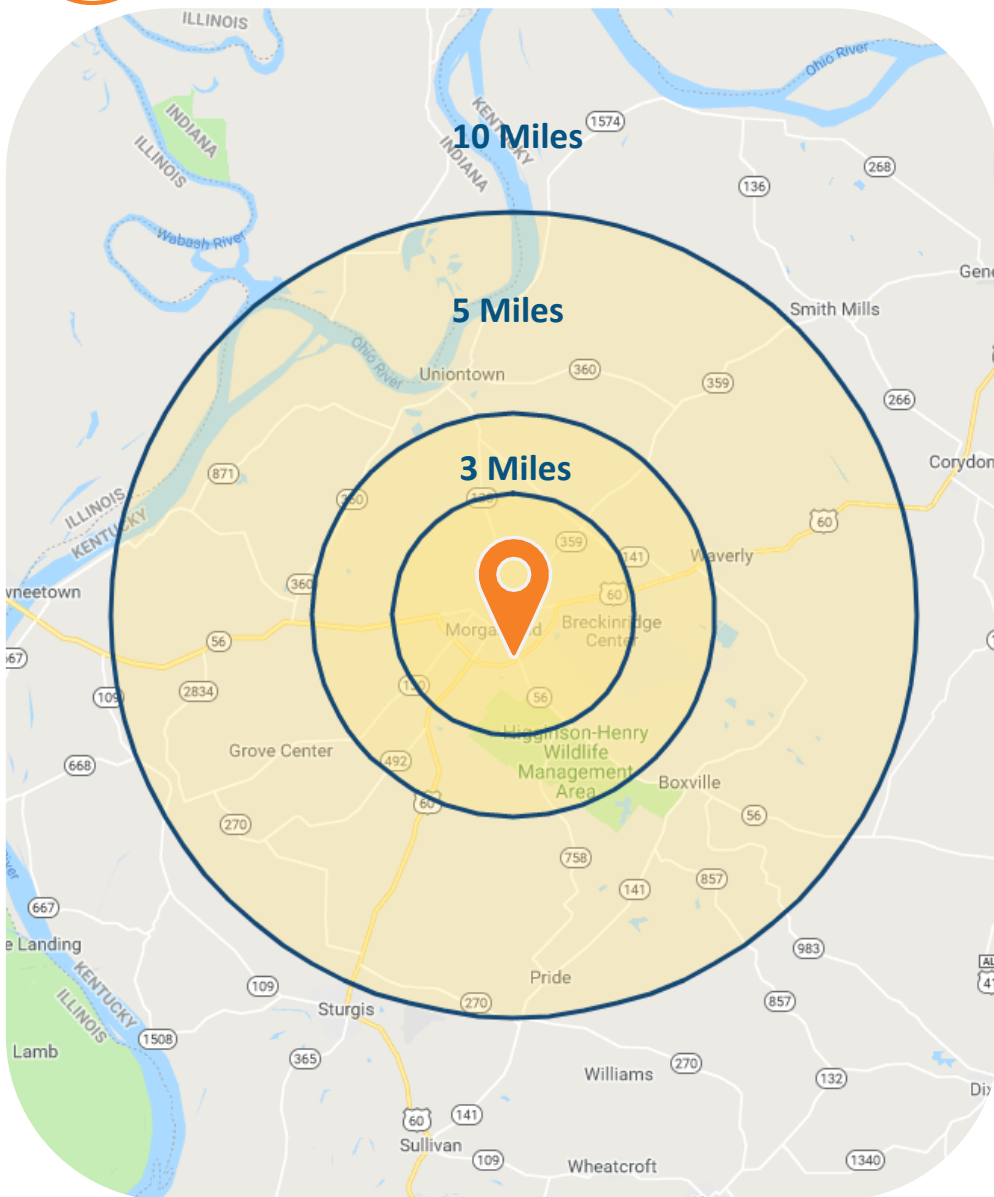
2017	\$84,553	\$85,425	\$90,264
------	----------	----------	----------

EMPLOYMENT

2017 Daytime Population	5,251	5,904	9,935
2017 Unemployment	11.61%	11.12%	8.16%
2017 Median Time Traveled	19 Mins	20 Mins	23 Mins

RACE & ETHNICITY

White	70.82%	72.85%	81.66%
Native American	0.10%	0.10%	0.06%
African American	24.84%	22.99%	14.85%
Asian/Pacific Islander	1.41%	1.32%	0.92%





Market Overview

City: Morganfield | County: Union | State: Kentucky

Evansville, Indiana

Morganfield

is a city situated across the Ohio River, under 25 miles from the city of Evansville, Indiana. Evansville is on an oxbow on the Ohio River and is often referred to as the “Crescent Valley” or “River City”. Evansville’s original downtown plat was made on about 200 acres, with streets running parallel to the river from northwest to southeast. Other streets nearby were later laid out on the cardinal points, due north-south, and east-west. Thus, anyone entering or leaving downtown finds the street makes a confusing oblique-angle turn in one direction or another. The business district and riverfront feature riverboat gambling, restaurants, bars, and shops that attract tens of thousands of visitors each year. Although much of the outer city’s architecture is typical suburban design, the city’s downtown district retains early twentieth-century architecture. A few blocks east of the main business district is the Riverside district, which features tree-lined brick streets full of turn of the twentieth-century homes. The Reitz Home Museum is one of the finest examples of French Second Empire architecture in the United States. Other homes nearby feature similar character and design and include Italianate, Colonial Revival, and Renaissance revival styles.

Evansville is the regional center for a large trade area in Indiana, Kentucky, and Illinois. The largest industry sectors in Evansville are healthcare, finance, education, and manufacturing. Other major industries by employment are energy, warehousing and distribution, and retail. Corporate headquarters in Evansville include Accuride, Ameriquel Group, Anchor Industries, Atlas Van Lines, Berry Global, Evana Tool & Engineering, Karges Furniture, Koch Enterprises, Lewis Bakeries, Metronet, Old National Bank, Red Spot Paint & Varnish, Shoe Carnival, Springleaf Financial, Traylor Brothers, and Vectren. Evansville has emerged as the tri-state’s major center for the healthcare and medical science industries as well. Deaconess Hospital and St. Vincent Evansville, along with the Deaconess Gateway and Women’s Hospital, provide the anchors for the healthcare system.

Major Employers

Employer	Estimated # of Employees
Earle C Clements Job Corps Ctr	600
Rayloc	600
Union County Board Education	377
Walmart	200
Western Kentucky Division	200
Deaconess Health System Inc	143
Union County Methdst Hosp Div	140
Kentucky Comm and Tech Coll Sy	122
Trelleborg Adhesive Plant	91
Union County High School	90
Jim David Meats	80



Marcus & Millichap

Market Positioning & Pricing Analysis

Colby Haugness
Marcus & Millichap
9300 Shelbyville Road, Suite 1012
Louisville, KY 40222
Tel: 513-878-7733
Fax: 858-332-1750
License: 242197



601 U.S. Highway 60 East, Morganfield, Kentucky 42437