

# LONG JOHN SILVER'S

EXCLUSIVE NET-LEASE OFFERING



*Representative Photo*

# OFFERING MEMORANDUM

**LONG JOHN  
SILVER'S®**

3055 South Henry Street – Muskegon, Michigan 49441

# 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®**

3055 South Henry Street – Muskegon, MI 49441



## 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: \$876,320 | CAP: 5.85% | RENT: \$51,265

**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

- ✓ Located within Main Retail Corridor | Walgreens, Aldi, Home Depot, Walmart, Taco Bell, AutoZone, Domino's, Dollar Tree, Arby's, Meijer, Chase, Subway, UPS, Rite Aid, & Many More
- ✓ Freestanding Property | Benefits from Excellent Frontage along South Henry Street
- ✓ Real Estate Fundamentals | Located In Popular Tourist Destination | Lake Michigan is Less Than Three Miles from Subject Property
- ✓ Strong Demographics | Population of 95,437 Individuals Within a 5-Mile Radius

## 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: \$876,320 | CAP: 5.85% | RENT: \$51,265

**LONG JOHN  
SILVER'S®**

## Property Description

Property	Long John Silver's
Property Address	3055 South Henry Street
City, State, ZIP	Muskegon, MI 49441
Year Built / Renovated	1976
Building Size	1,796
Lot Size	+/- 1.3 Acres
Type of Ownership	Fee Simple

## The Offering

Purchase Price	\$876,320
CAP Rate	5.85%
Annual Rent	\$51,265
Price / SF	\$487.93
Rent / SF	\$28.54

## 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	\$51,265	\$4,272	-
Year 2	\$51,265	\$4,272	-
Year 3	\$51,265	\$4,272	-
Year 4	\$51,265	\$4,272	-
Year 5	\$51,265	\$4,272	-
Year 6	\$56,391	\$4,699	10.00%
Year 7	\$56,391	\$4,699	-
Year 8	\$56,391	\$4,699	-
Year 9	\$56,391	\$4,699	-
Year 10	\$56,391	\$4,699	-
Year 11	\$62,030	\$5,169	10.00%
Year 12	\$62,030	\$5,169	-
Year 13	\$62,030	\$5,169	-
Year 14	\$62,030	\$5,169	-
Year 15	\$62,030	\$5,169	-

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 3055 South Henry Street in Muskegon, Michigan. The site constructed in 1976, consists of roughly 1,796 rentable square feet of building space on estimated 1.31 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 \$51,265. 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	<a href="https://www.ljsilvers.com">https://www.ljsilvers.com</a>
Founded	August 18, 1969
CEO	James Patrick O'Reilly
Parent Organization	LJS Partners LLC



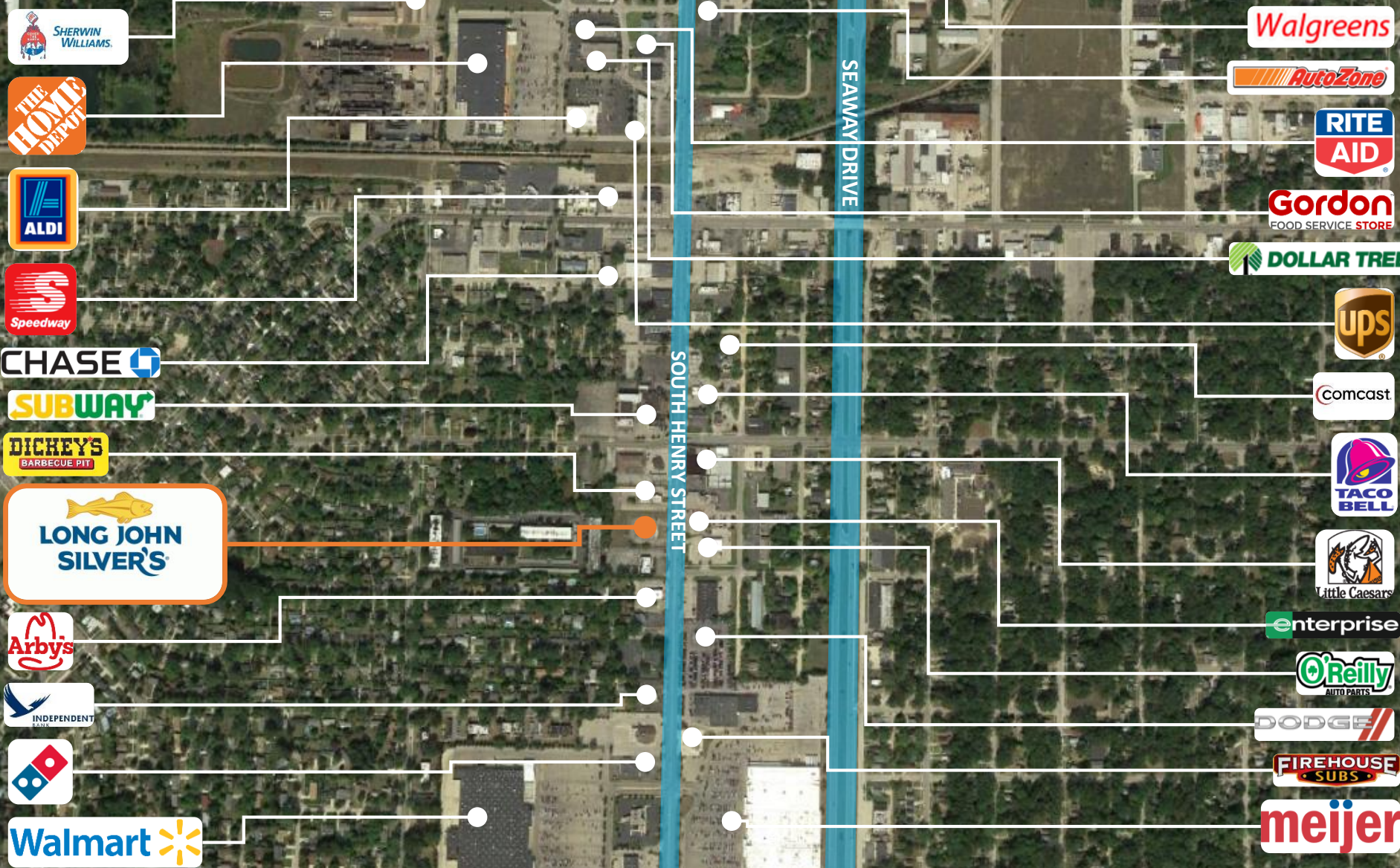




# Surrounding Area

Property Address: 3055 South Henry Street – Muskegon, Michigan 49441

**LONG JOHN  
SILVER'S®**







# Location Overview

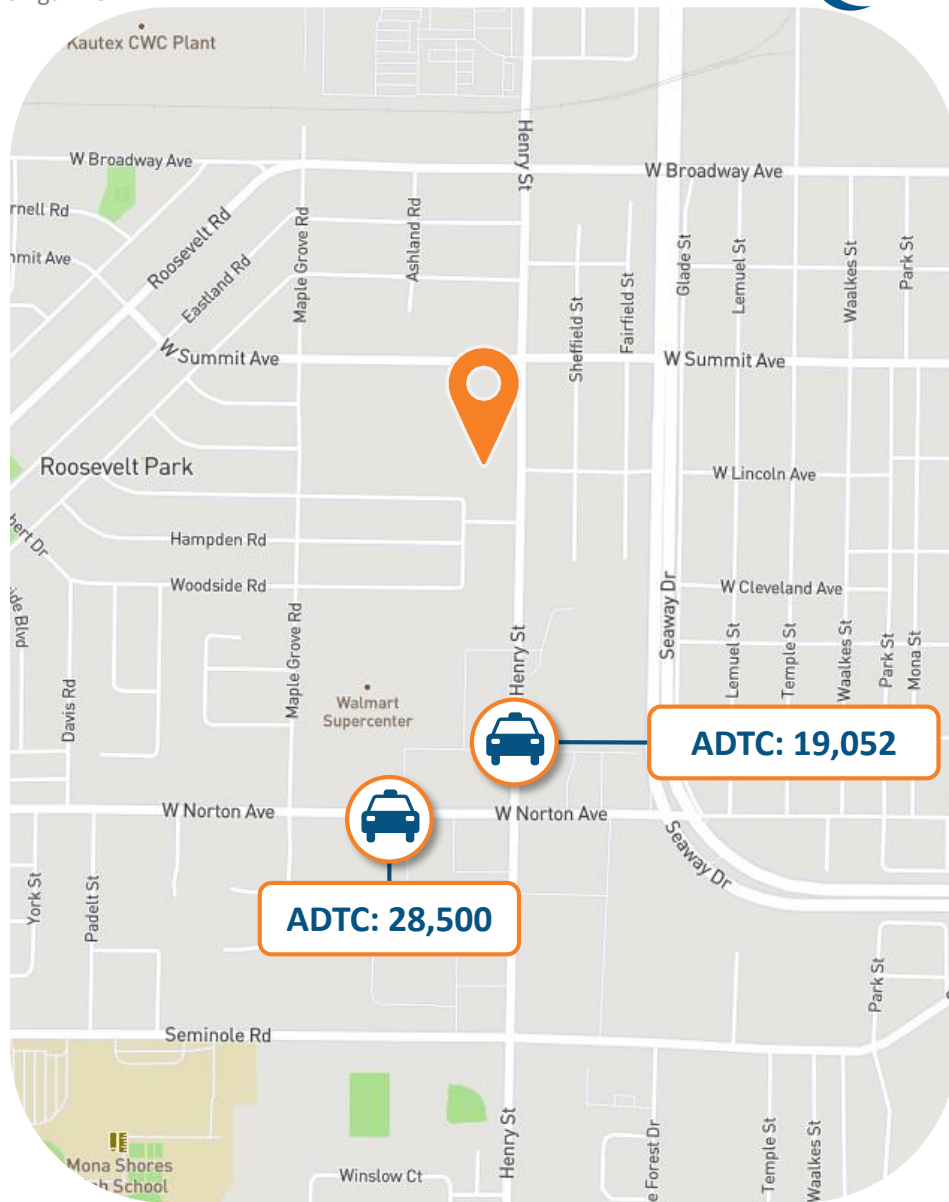
Property Address: 3055 South Henry Street – Muskegon, Michigan 49441

**LONG JOHN  
SILVER'S®**

The subject investment property is situated along Henry Street, which boasts average daily traffic counts exceeding 19,052 vehicles respectively. Henry Street intersects with West Norton Avenue, which brings another 28,500 vehicles into the immediate area on average daily. There are more than 56,382 individuals residing within a three-mile radius of the property and more than 95,437 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, malls, shopping outlets, and major highways, all within close proximity of this property. Major national tenants include: Walgreens, Aldi, Home Depot, Walmart, Taco Bell, Autozone, Domino's, Dollar Tree, Arby's, Meijer, Chase Bank, Subway, UPS, Rite Aid, as well as many more. The subject property also benefits from its close proximity to Woodland Mall and The Shops at Centerpoint. Due to its close proximity to Lake Michigan, this area fills with tourists during the summer which produces a substantial increase in business. The subject property is also less than four miles from the Muskegon County Airport.

Muskegon is a city in the U.S. state of Michigan, and is the largest populated city on the eastern shores of Lake Michigan. At the 2010 census the city population was 38,401. The city is the county seat of Muskegon County. Muskegon is located about 30 miles outside of Grand Rapids, Michigan. Grand Rapids is the largest city and seat of Kent County, Michigan. Grand Rapids is known as the second-largest city in Michigan, and the largest city in West Michigan. It is on the Grand River about 30 miles east of Lake Michigan. According to the 2010 census, the Grand Rapids metropolitan area had a population of 1,005,648. Grand Rapids is known for being home to many tourist attractions such as the John Ball Zoological Garden, Belknap Hill, and the Gerald R. Ford Museum. Significant buildings in the downtown include the DeVos Place Convention Center, Van Andel Arena, the Amway Grand Plaza Hotel, and the JW Marriott Hotel. The Urban Institute for Contemporary Arts is located downtown as well, and houses art exhibits, a movie theater, and the urban clay studio. Grand Rapids has a number of popular concert venues as well as the Grand Rapids Symphony, which is the largest performing arts organization in the city.







# Property Photo

**LONG JOHN  
SILVER'S®**

Actual Property Photo







# Surrounding Area Photos

**LONG JOHN  
SILVER'S®**



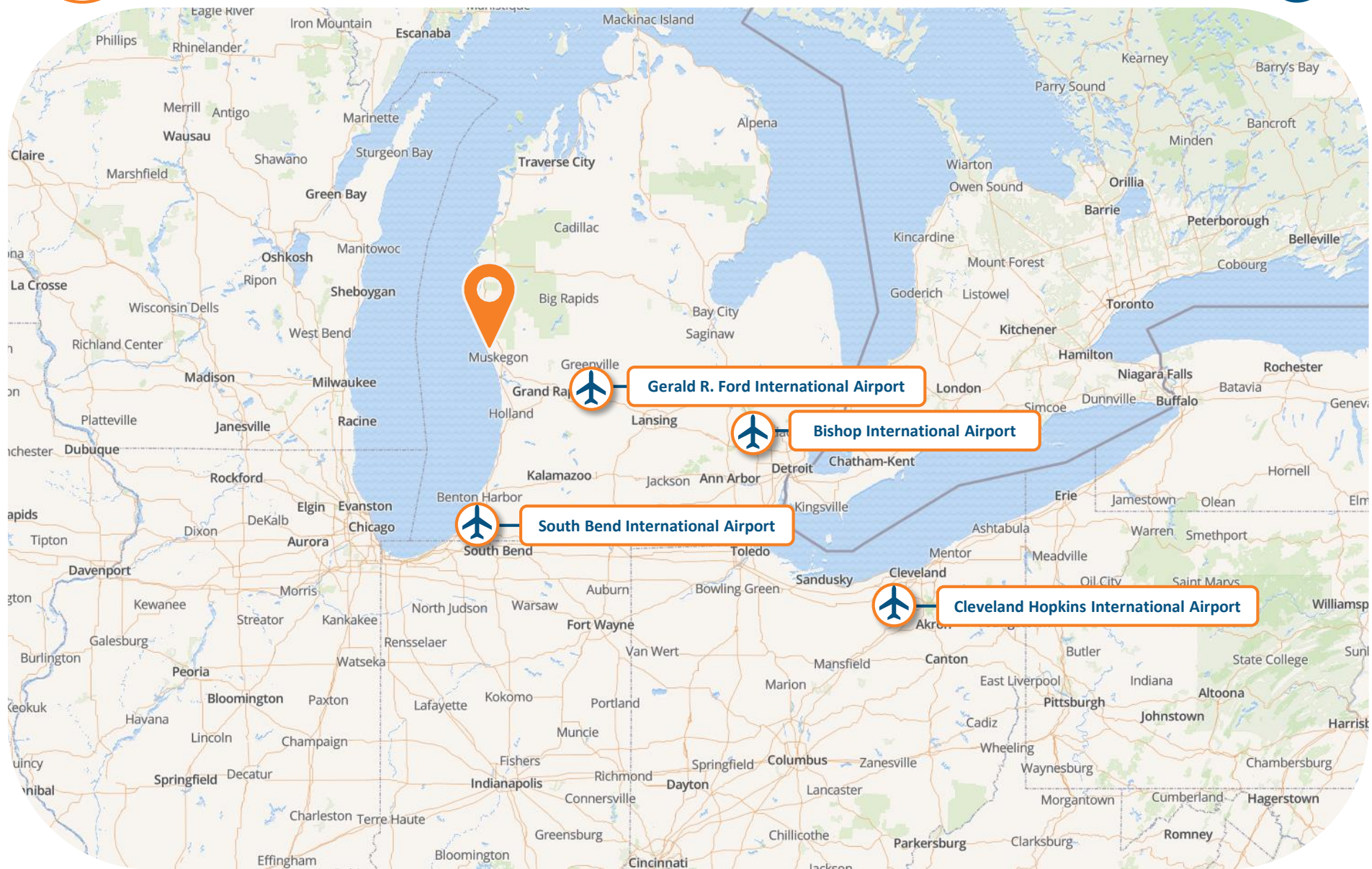




# Local Map

**LONG JOHN  
SILVER'S®**

Property Address: 3055 South Henry Street – Muskegon, Michigan 49441



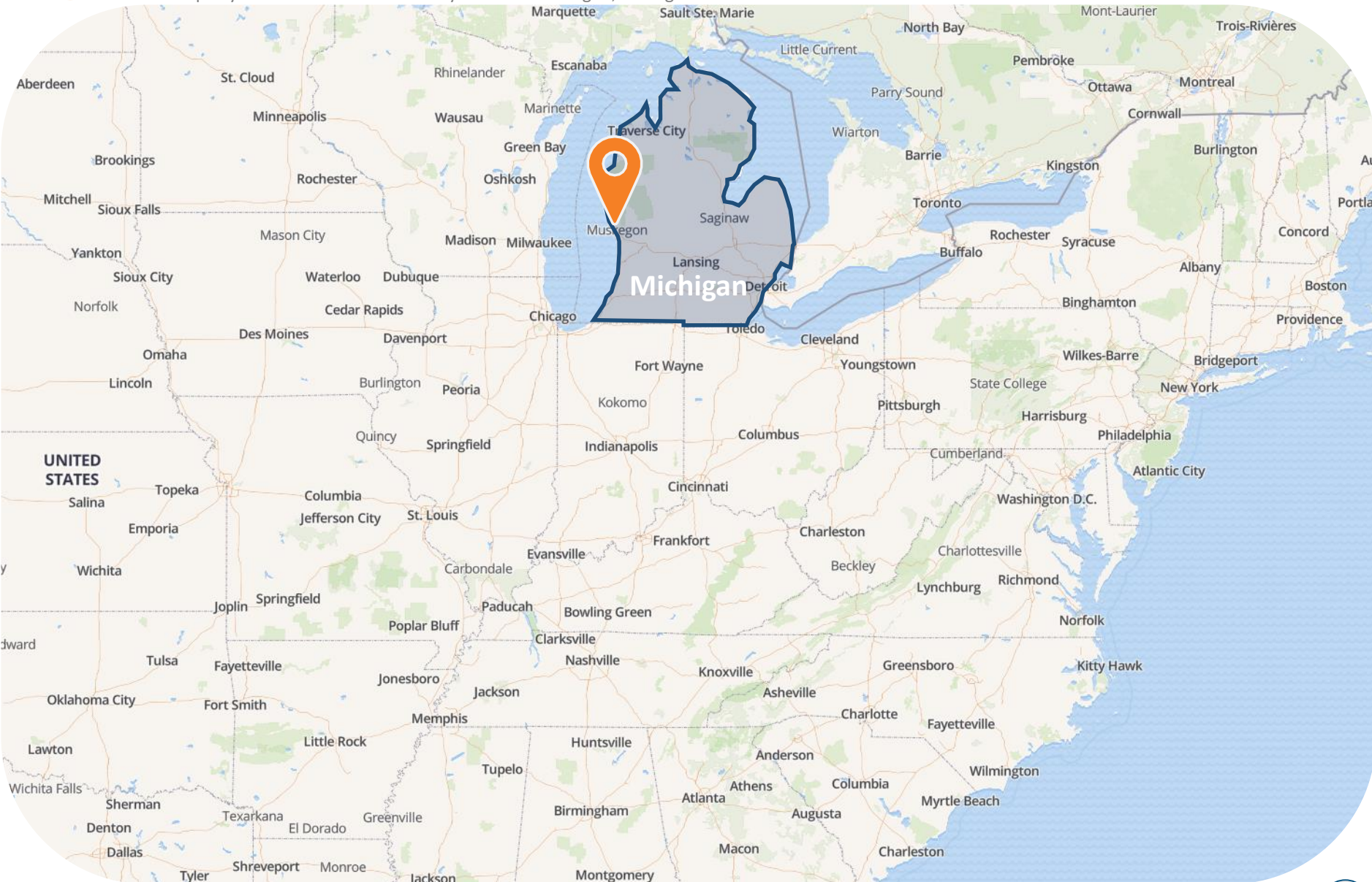




# Regional Map

**LONG JOHN  
SILVER'S®**

Property Address: 3055 South Henry Street – Muskegon, Michigan 49441



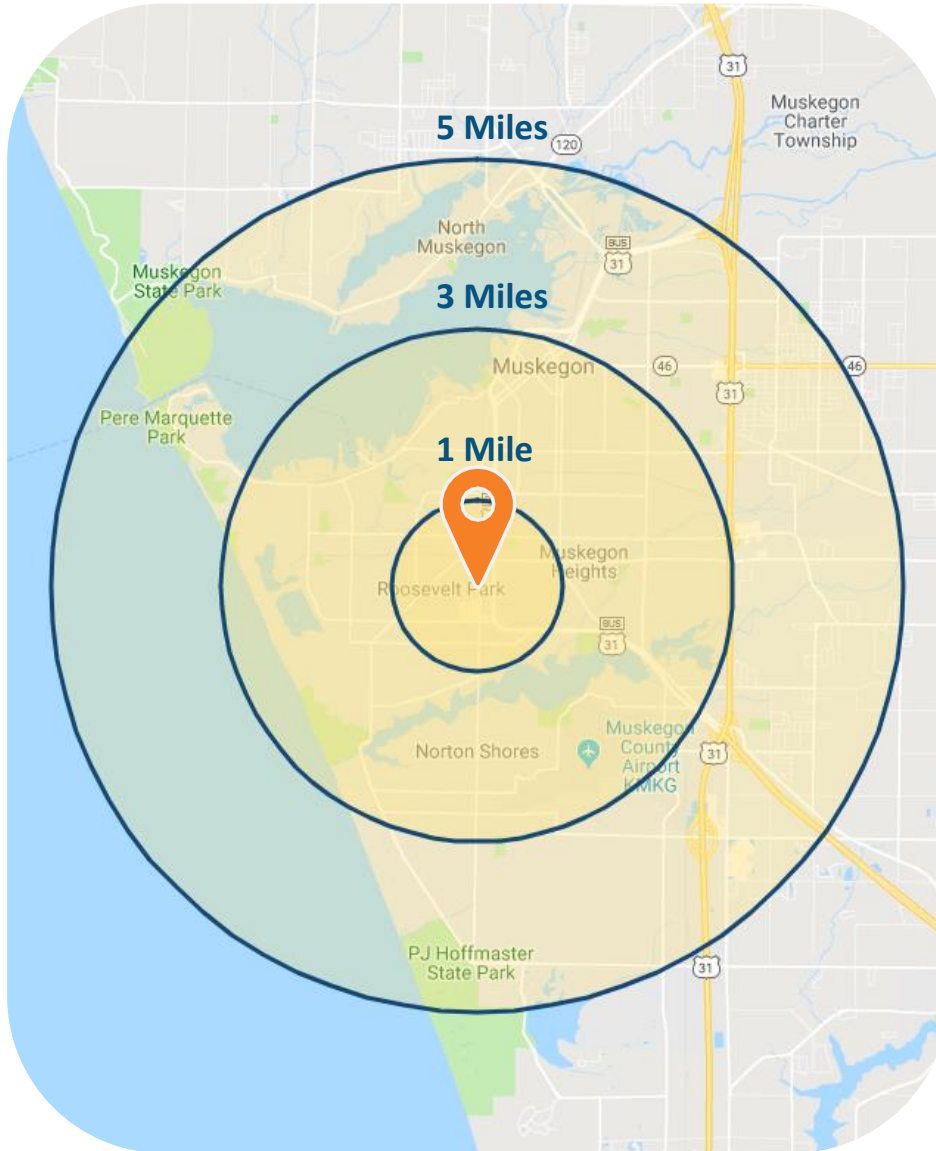




# Demographics

Property Address: 3055 South Henry Street – Muskegon, Michigan 49441

**LONG JOHN  
SILVER'S®**



**1 Mile    3 Miles    5 Miles**

## POPULATION

2022 Projection	9,043	55,453	95,333
2017 Estimate	9,283	56,382	95,437
2010 Census	9,243	55,996	94,804
2000 Census	9,705	61,932	96,378

## INCOME

Average	\$48,897	\$49,964	\$52,496
Median	\$40,377	\$36,890	\$39,466
Per Capita	\$21,128	\$20,388	\$20,943

## HOUSEHOLDS

2022 Projection	3,974	22,783	37,221
2017 Estimate	3,987	22,657	36,526
2010 Census	4,002	22,708	36,581
2000 Census	4,184	23,377	36,557

## HOUSING

2017	\$98,068	\$93,468	\$98,028
------	----------	----------	----------

## EMPLOYMENT

2017 Daytime Population	9,496	62,368	97,145
2017 Unemployment	6.95%	6.33%	5.89%
2017 Median Time Traveled	19 Mins	20 Mins	20 Mins

## RACE & ETHNICITY

White	62.61%	64.11%	68.19%
Native American	0.00%	0.02%	0.03%
African American	30.48%	27.99%	24.38%
Asian/Pacific Islander	1.38%	0.74%	0.79%



# Market Overview

City: Muskegon | County: Muskegon | State: Michigan

*Grand Rapids, Michigan*

**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. As of the 2010 census, the city population was 188,040. In 2010, the Grand Rapids metropolitan area had a population of 1,005,648, and the combined statistical area of Grand Rapids-Muskegon-Holland had a population of 1,321,557. Grand Rapids is the county seat of Kent County. A historic furniture-manufacturing center, Grand Rapids is home to five of the world's leading office furniture companies, and is nicknamed Furniture City. Its more common modern nickname of River City, which refers to the landmark driver for which it was named. The city and surrounding communities are economically diverse, based in the health care, information technology, automotive, aviation, and consumer goods manufacturing industries, among others. The Gerald R. Ford Museum, located on the west bank of the Grand River Grand Rapids is the home of John Ball Zoological Garden, Belknap Hill, and the Gerald R. Ford Museum. He and former First Lady Betty Ford were buried on the site. Significant buildings in the downtown include the DeVos Place Convention Center, Van Andel Arena, the Amway Grand Plaza Hotel, and the JW Marriott Hotel. The Urban Institute for Contemporary Arts is located downtown, and houses art exhibits, a movie theater, and the urban clay studio.

## Major Employers

Employer	Estimated # of Employees
Great Lakes Specialty Hospital	1,973
Combat Propulsion Systems	999
Orthotics and Prosthetics	873
Walmart	800
ADAC Automotive	662
Port City Castings	600
Port City Group	530
Brunswick Bowling Products LLC	500
Therm-O-Disc Inc.	451
Adac Plastics Inc.	417





Marcus & Millichap

## Market Positioning & Pricing Analysis

