

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

**LONG JOHN
SILVER'S®**

1015 S 11th Street – Niles, MI 49120

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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
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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
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Representative Photo



Investment Highlights

PRICE: \$767,736 | CAP: 5.75% | RENT: \$44,145

**LONG JOHN
SILVER'S®**

About the Investment

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

About the Location

- ✓ Dense Retail Corridor | Martin's Supermarket, O'Reilly Auto Parts, AutoZone, Advance Auto Parts, Quality Inn & Suites, Burger King
- ✓ Freestanding Property | Benefits from Excellent Frontage along S 11th Street
- ✓ Compelling Location Fundamentals | Just 10-Miles North of South Bend, Indiana
- ✓ South Bend International Airport | Located Less Than 15 Minutes from Investment Subject Property

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: \$767,736 | CAP: 5.75% | RENT: \$44,145

**LONG JOHN
SILVER'S®**

Property Description

Property	Long John Silver's
Property Address	1015 S 11 th Street
City, State, ZIP	Niles, MI 49120
Building Size	2,407
Lot Size	+/- 0.72 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$767,736
CAP Rate	5.75%
Annual Rent	\$44,145
Price / SF	\$319
Rent / SF	\$18.34

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	14.2 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	\$44,145	\$3,679	-
Year 2	\$44,145	\$3,679	-
Year 3	\$44,145	\$3,679	-
Year 4	\$44,145	\$3,679	-
Year 5	\$44,145	\$3,679	-
Year 6	\$48,559	\$4,047	10.00%
Year 7	\$48,559	\$4,047	-
Year 8	\$48,559	\$4,047	-
Year 9	\$48,559	\$4,047	-
Year 10	\$48,559	\$4,047	-
Year 11	\$53,415	\$4,451	10.00%
Year 12	\$53,415	\$4,451	-
Year 13	\$53,415	\$4,451	-
Year 14	\$53,415	\$4,451	-
Year 15	\$53,415	\$4,451	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 1015 South 11th Street in Niles, Michigan. The site consists of roughly 2,407 rentable square feet of building space on estimated 0.72 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 \$44,145. There are two, five-year tenant renewal options.



Concept Overview: Long John Silver's

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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

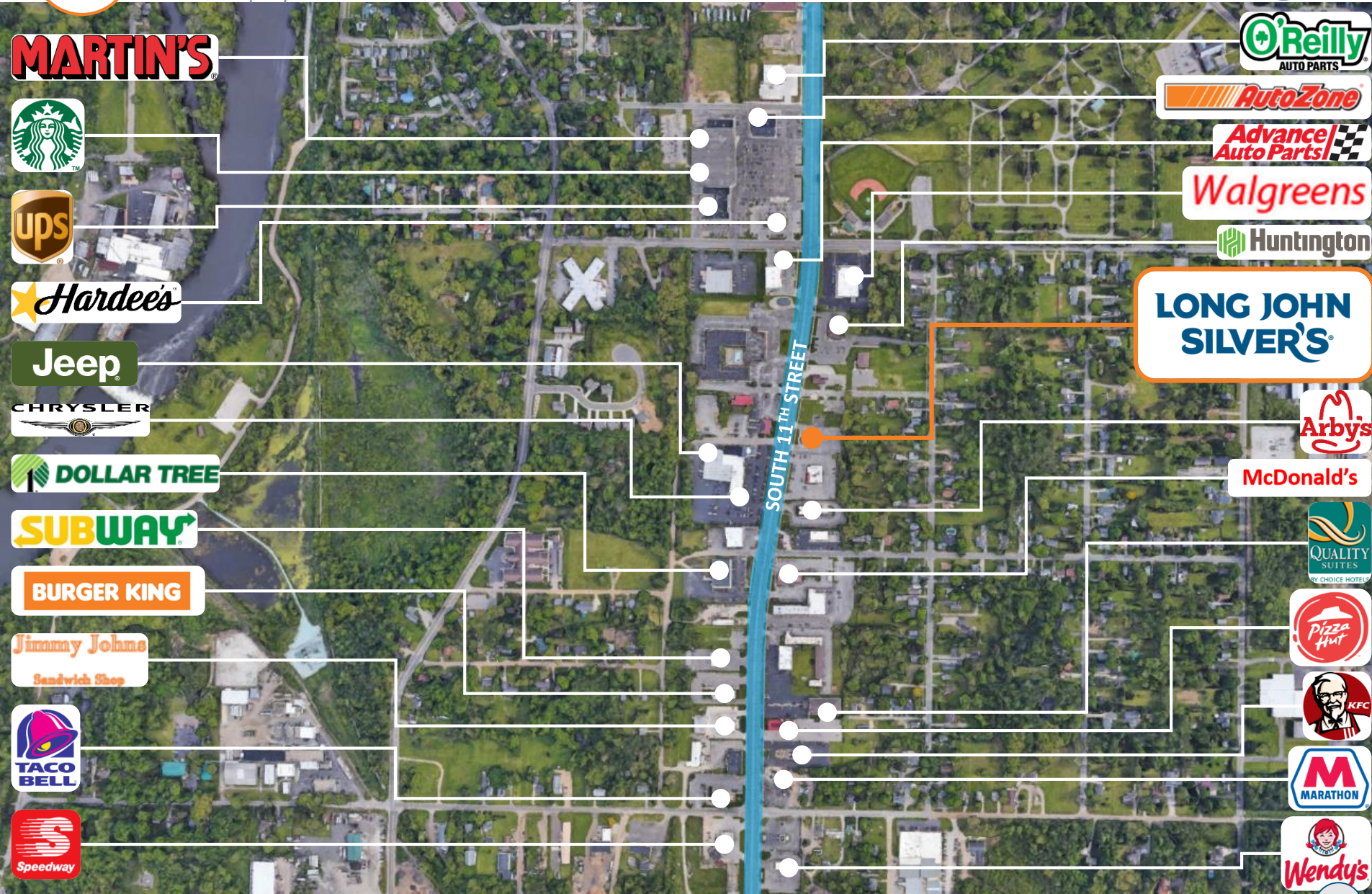




Surrounding Area

Property Address: 1015 S 11th Street – Niles, MI 49120

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Location Overview

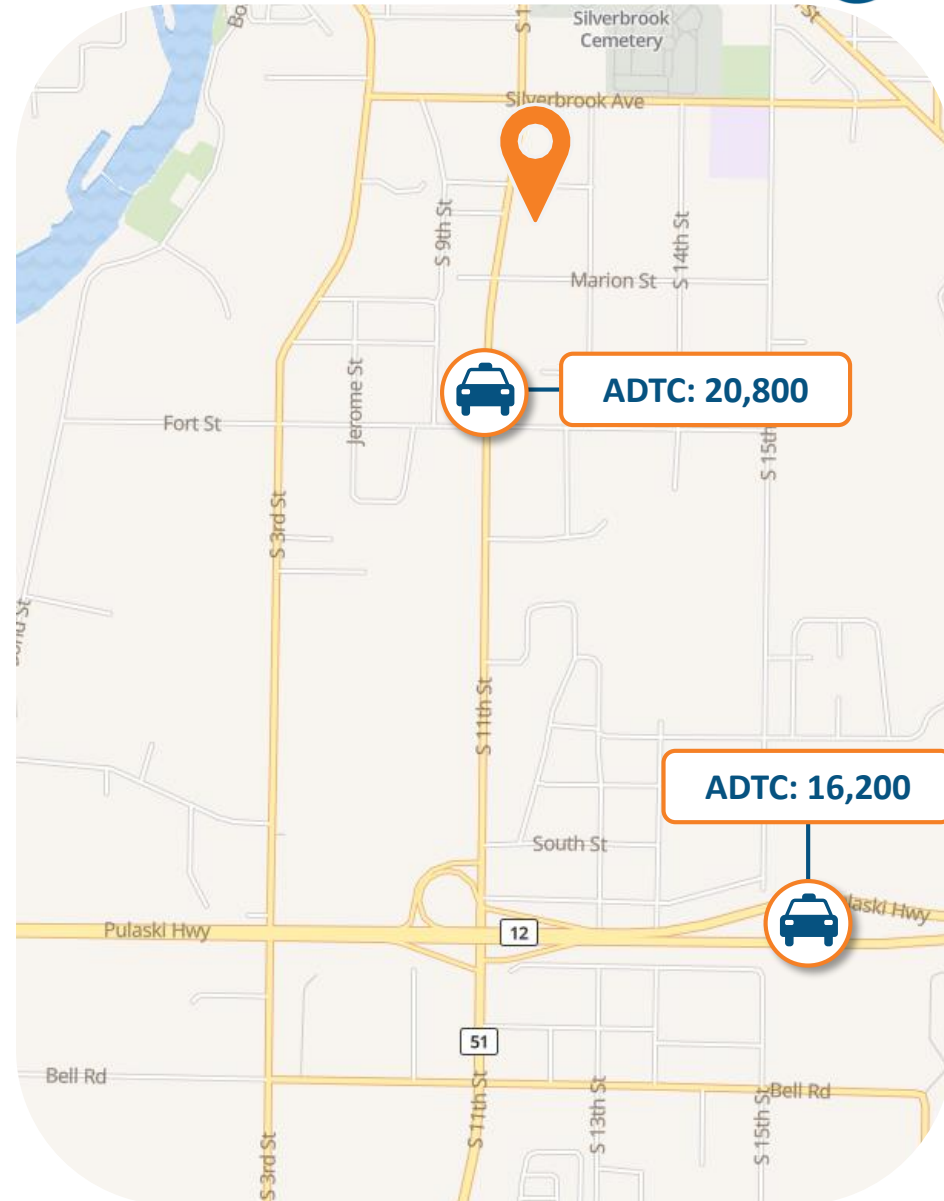
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The subject investment property is situated along South 11th Street, which boasts average daily traffic counts exceeding 20,000 vehicles respectively. South 11th Street intersects with the Pulaski Highway (Route 12), which brings an additional 16,200 vehicles into the immediate area on average daily. There are more than 22,600 individuals residing within a three-mile radius of the property and more than 38,880 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, shopping outlets, hospitality accommodations and major access roads. Major national tenants include: Martin's Supermarket, O'Reilly Auto Parts, AutoZone, Advance Auto Parts, Quality Inn & Suites, Burger King, as well as many more. This Long John Silver's also benefits from being conveniently located within close proximity to numerous hospitality accommodations. Additionally, the subject property benefits from being in close proximity to South Bend International Airport.

Niles is a city in Berrien and Cass counties in the U.S. state of Michigan, near South Bend, Indiana. It is the larger, by population, of the two principal cities in the Niles-Benton Harbor Metropolitan Statistical Area. Niles lies on the banks of the St. Joseph River, at the site of the French Fort St. Joseph, first built in 1697 to protect the Jesuit Mission established in 1691. After, 1761, it was held by the British and was captured on May 25, 1763, by Native Americans during Pontiac's Rebellion. The British retook the fort but it was not re-garrisoned and served as a trading post. During the American Revolutionary War, the fort was held for a short time by a Spanish force. The occupation of the fort by the four nations of France, Britain, Spain and the United States has earned Niles the nickname "The City of Four Flags". Between 1820 and 1865, Niles was an integral part of the Underground Railroad, helping slaves escape from as far south as New Orleans through the Heartland, and eventually into Canada. The Riverfront Park in Niles stretches about a mile and a half along the St. Joseph River. The park and immediate surrounding downtown area is the main stage for many of the city's seasonal cultural events, including the Niles Riverfest, the Bluegrass Festival, the Hunter Ice Festival, and the Apple Festival Parade. The park also includes the Armed Forces Memorial, public stage, City's free skateboard park, playground, and sand volleyball courts.





Property Photo

**LONG JOHN
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Actual Property Photo





Surrounding Area Photos

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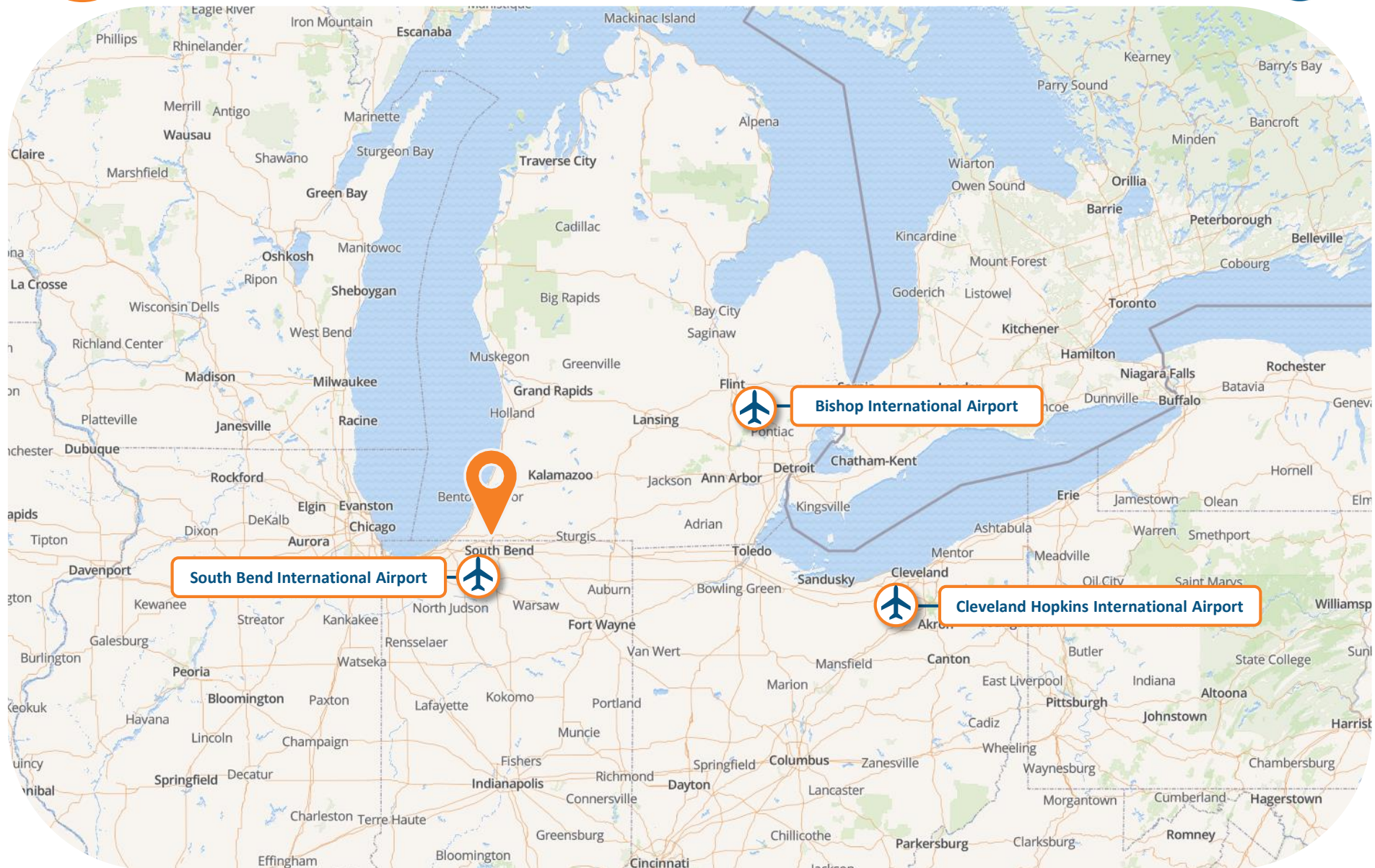




Local Map

Property Address: 1015 S 11th Street – Niles, MI 49120

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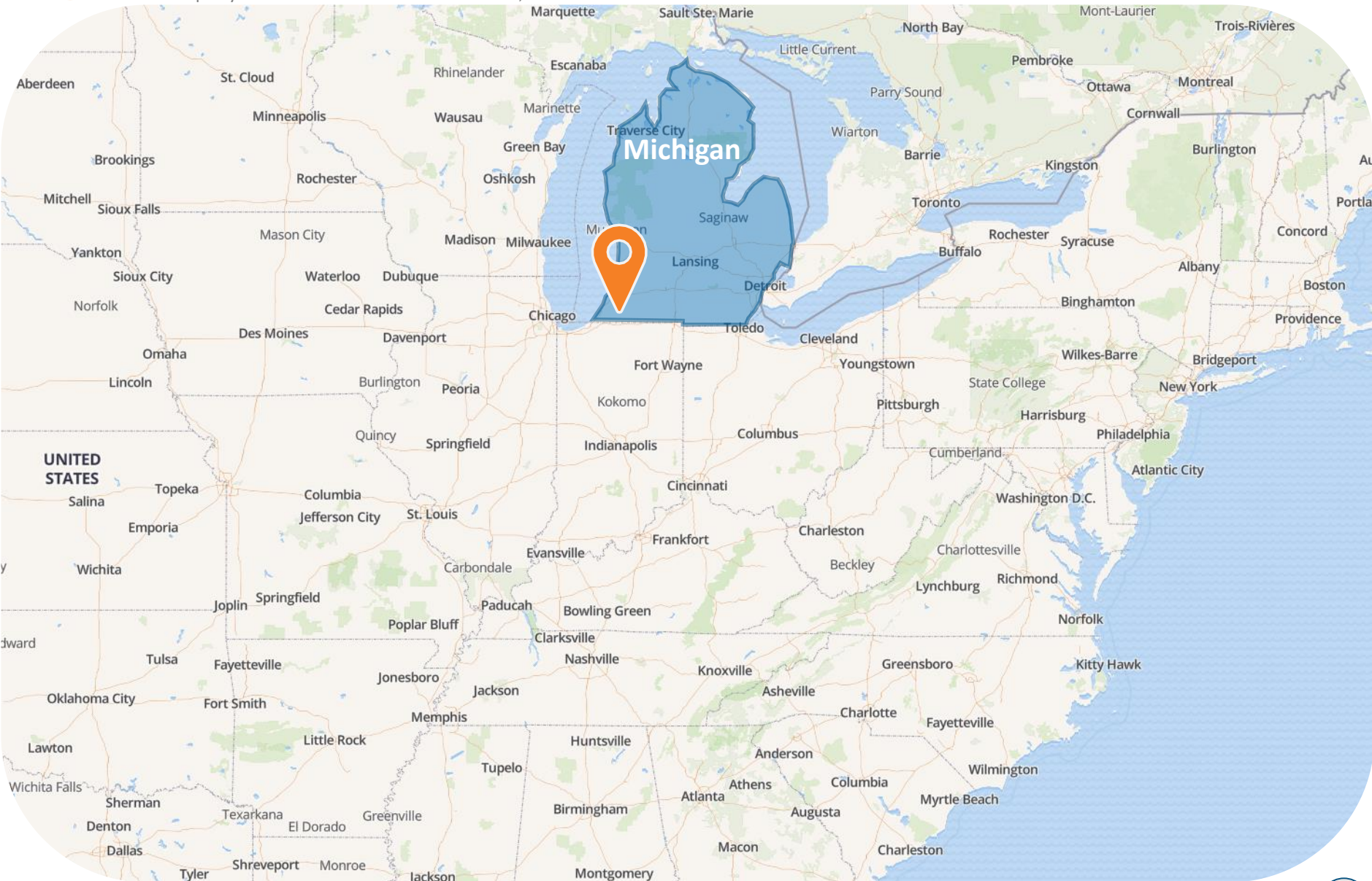




Regional Map

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Property Address: 1015 S 11th Street – Niles, MI 49120

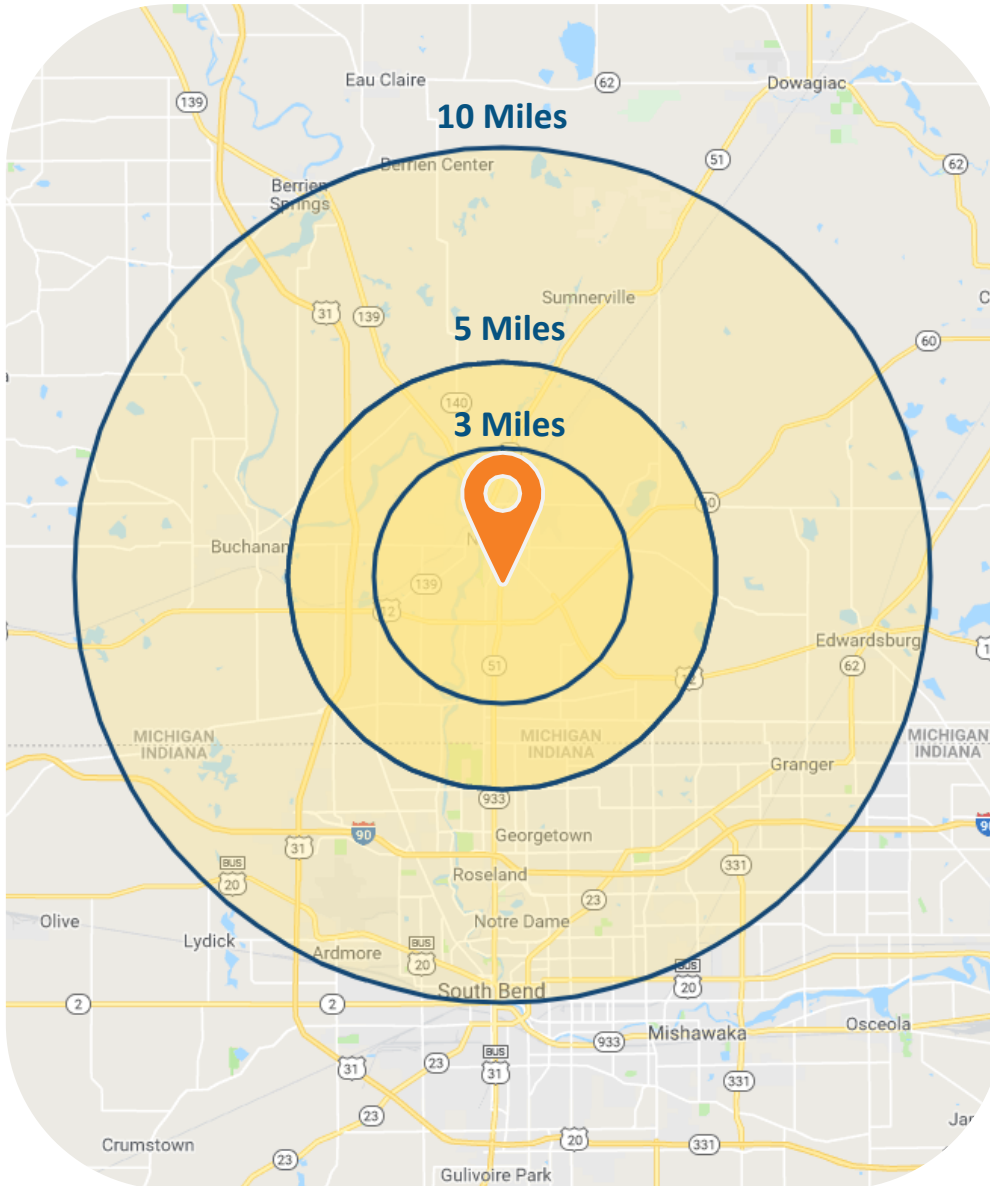




Demographics

Property Address: 1015 S 11th Street – Niles, MI 49120

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POPULATION

	3 Miles	5 Miles	10 Miles
2022 Projection	22,712	39,037	177,274
2017 Estimate	22,619	38,388	174,419
2010 Census	22,868	38,652	173,288
2000 Census	22,876	36,992	172,805

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$52,621	\$64,377	\$70,703
Median	\$39,110	\$47,748	\$51,702
Per Capita	\$21,917	\$26,037	\$28,017

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2022 Projection	9,479	15,837	69,685
2017 Estimate	9,356	15,437	67,639
2010 Census	9,428	15,519	67,253
2000 Census	9,421	14,729	65,096

HOUSING

	3 Miles	5 Miles	10 Miles
2017	\$91,408	\$112,590	\$134,805

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2017 Daytime Population	21,026	29,922	187,481
2017 Unemployment	5.69%	4.95%	5.38%
2017 Median Time Traveled	22 Mins	23 Mins	22 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	84.00%	86.64%	77.77%
Native American	0.05%	0.04%	0.06%
African American	8.46%	6.37%	12.92%
Asian/Pacific Islander	0.69%	1.06%	2.97%



Market Overview

City: Niles | County: Berrien & Cass | State: Michigan

South Bend, Indiana

South Bend is a city located just 10 miles to the south of Niles, Michigan.

South Bend is a city in and the county seat of St. Joseph County, Indiana. It is along the St. Joseph River on its southernmost bend, from which it derives its name. As of the 2010 census, the city had a total of 101,168 residents, and its Metropolitan Statistical Area had a population of 318,568. It is the fourth largest city in Indiana, serving as the economic and cultural hub of Northern Indiana. The highly ranked University of Notre Dame is located just to the north and it is an integral contributor to the region's economy. The area was settled in the early 19th century by fur traders and was established as a city in 1865. The St. Joseph River shaped South Bend's economy through the mid-20th century. River access assisted heavy industrial development such as that of the Studebaker Corporation, the Oliver Chilled Plow Company, and other large corporations.

South Bend's location on the St. Joseph River led to an industrial-based economy, primarily because it was on a rail line midway between Chicago and Detroit, the two automotive manufacturing centers of the United States. In more recent years, education, health care, and small business have come to the forefront of South Bend's economy. The University of Notre Dame is the largest employer in St. Joseph County, employing 5,590 people. In 2012 the Beacon Health System was formed and 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.

South Bend is also home to its own unique museums, art, and entertainment. Some include, The History Museum, Studebaker National Museum, Indiana University South Bend Civil Rights Heritage center, and theatric buildings, notably the Morris Performing Arts Center. Parks and recreation areas are also very abundant, such as the Potawatomi Zoo and the East race Waterway.

Major Employers

Employer	Estimated # of Employees
Burger King	5,223
Office of The President	3,500
Public Relations Dept	3,000
Saint Joseph Regional	2,000
University Notre Dame Du Lac	1,652
Towne Holdings Inc	1,456
Memorial Hospital	1,208
Walmart	1,021
J J White Inc	1,012
Air Wisconsin Airlines LLC	718
Southwestern Michigan College	711



Marcus & Millichap

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