

# LONG JOHN SILVER'S

EXCLUSIVE NET-LEASE OFFERING



*Representative Photo*

# OFFERING MEMORANDUM

**LONG JOHN  
SILVER'S®**

3459 E North Union Road – Bay City, MI 48706

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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.

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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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Representative Photo





# Investment Highlights

PRICE: \$780,656 | CAP: 5.85% | RENT: \$45,668

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## 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 | Surrounding Retailers Include: Big Lots, Taco Bell, McDonald's, Family Dollar, PNC Bank, Discount Tire, Arby's, Tom Horton's, Aldi, Kroger, and Many More
- ✓ Freestanding Property | Benefits from Excellent Frontage along E North Union Road
- ✓ Compelling Location Fundamentals | Less A Mile From Handy High School and John Glenn High School | 2,000 Total Students Are Enrolled
- ✓ Saginaw Valley State University | Located Eight Miles From the Subject Property | Combined Total Enrollment of Approximately 9,800 Students

## 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: \$780,656 | CAP: 5.85% | RENT: \$45,668

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## Property Description

Property	Long John Silver's
Property Address	3459 E North Union Rd
City, State, ZIP	Bay City, MI 48706
Building Size	3,452
Lot Size	+/- 0.9 Acres
Type of Ownership	Fee Simple

## The Offering

Purchase Price	\$780,656
CAP Rate	5.85%
Annual Rent	\$45,668
Price / SF	\$226
Rent / SF	\$13.23

## 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	14.1 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	\$45,668	\$3,806	-
Year 2	\$45,668	\$3,806	-
Year 3	\$45,668	\$3,806	-
Year 4	\$45,668	\$3,806	-
Year 5	\$45,668	\$3,806	-
Year 6	\$50,235	\$4,186	10.00%
Year 7	\$50,235	\$4,186	-
Year 8	\$50,235	\$4,186	-
Year 9	\$50,235	\$4,186	-
Year 10	\$50,235	\$4,186	-
Year 11	\$55,259	\$4,605	10.00%
Year 12	\$55,259	\$4,605	-
Year 13	\$55,259	\$4,605	-
Year 14	\$55,259	\$4,605	-
Year 15	\$55,259	\$4,605	-

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Long John Silver's located at 3459 E Union Road in Bay City, Michigan. The site consists of roughly 3,452 rentable square feet of building space on estimated 0.9 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 \$45,668. There are two (2), five (5)-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	<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



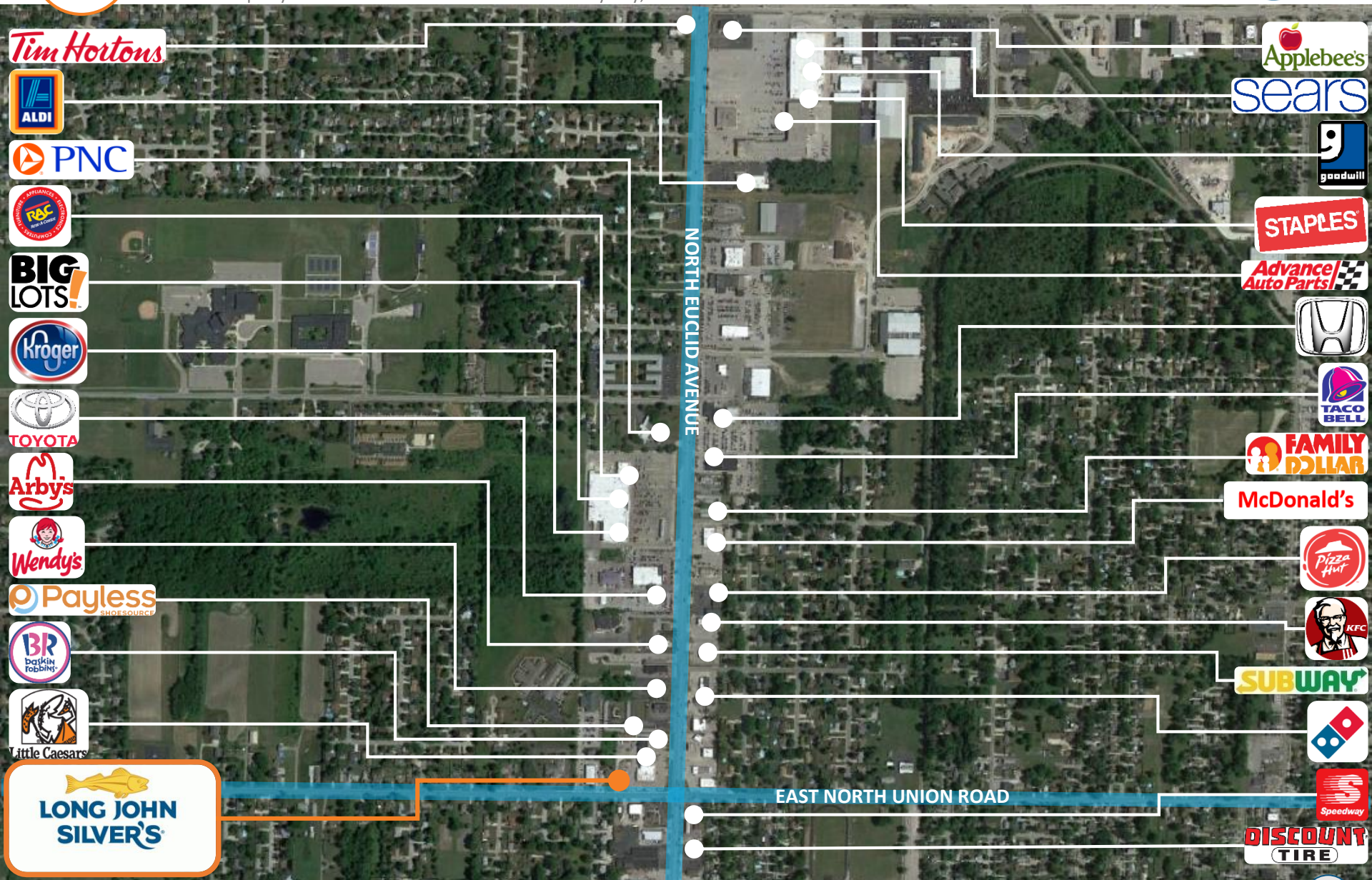




# Surrounding Area

Property Address: 3459 E North Union Road – Bay City, MI 48706

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# Location Overview

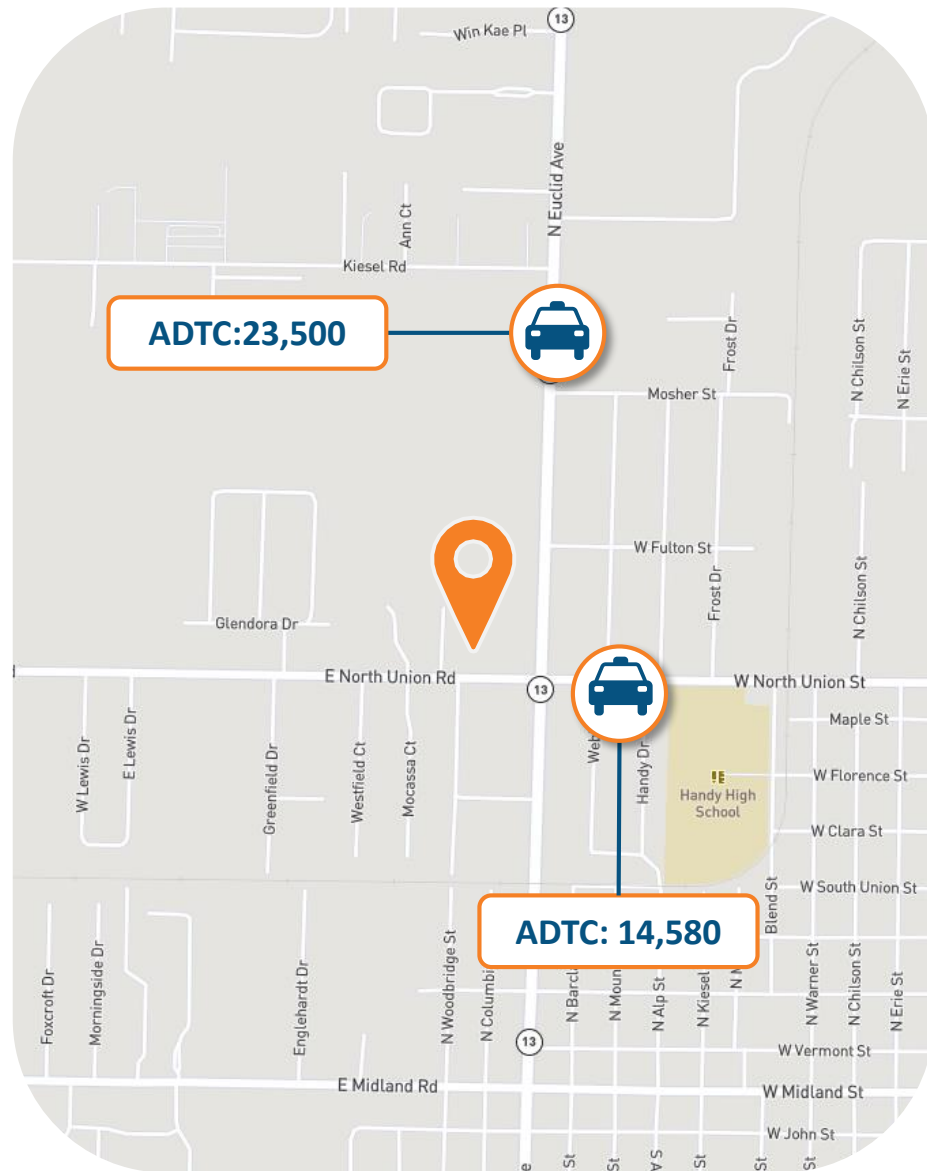
Property Address: 3459 E North Union Road – Bay City, MI 48706

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The subject property is well-positioned in a dense retail corridor consisting of many national and local tenants. Surrounding major retailers include: Big Lots, Taco Bell, McDonald's, Family Dollar, PNC Bank, Discount Tire, Arby's, Tom Horton's, Aldi, Kroger and many more. Handy High School and John Glenn High School, which enroll a combined total of 2,000 students are within a mile radius of the property. Saginaw Valley State University is located eight miles from the subject property and has a combined total enrollment of approximately 9,800 students.

The subject property is located on E North Union Road which experiences average daily traffic counts of 14,580 vehicles. The intersection of E North Union Road intersects and North Euclid Avenue brings in an additional 23,500 vehicles to the immediate area per day. There are 48,545 individuals residing within a three mile radius of the subject property and over 71,596 individuals within a five mile radius.

Saginaw is a city in the U.S. state of Michigan and the seat of Saginaw County. The city of Saginaw and Saginaw County are both located in the area known as Mid-Michigan or Central Michigan. The city of Saginaw is located adjacent to Saginaw Charter Township and is considered part of the Tri-City area, along with neighboring Bay City and Midland. Saginaw's entertainment hub can be found in the downtown area, where venues such as The Dow Event Center and the restored Temple Theatre offer live entertainment. The Saginaw Bay Symphony Orchestra and Saginaw Choral Society are housed in the Temple and each of these organizations perform full concert series annually at the Temple venue. The Saginaw Historical Society is also located downtown in an elaborate castle. Nearby, the Saginaw Art Museum boasts an impressive permanent collection and recently underwent a massive renovation. The Celebration Square area of downtown boasts an authentic Japanese Tea House, the only one of its kind in Michigan.







# Property Photo

**LONG JOHN  
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Actual Property Photo







# Surrounding Area Photos

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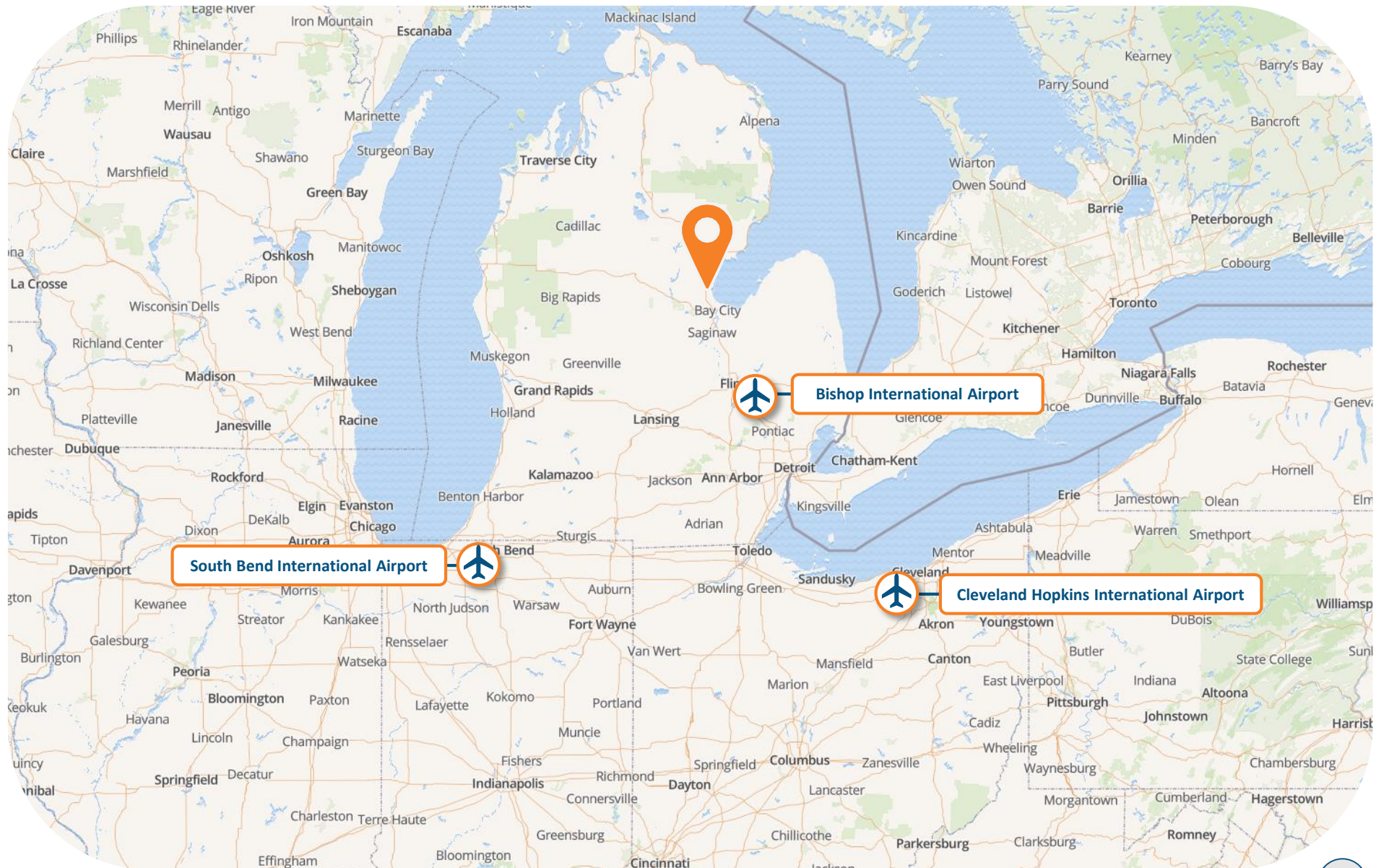




# Local Map

Property Address: 3459 E North Union Road – Bay City, MI 48706

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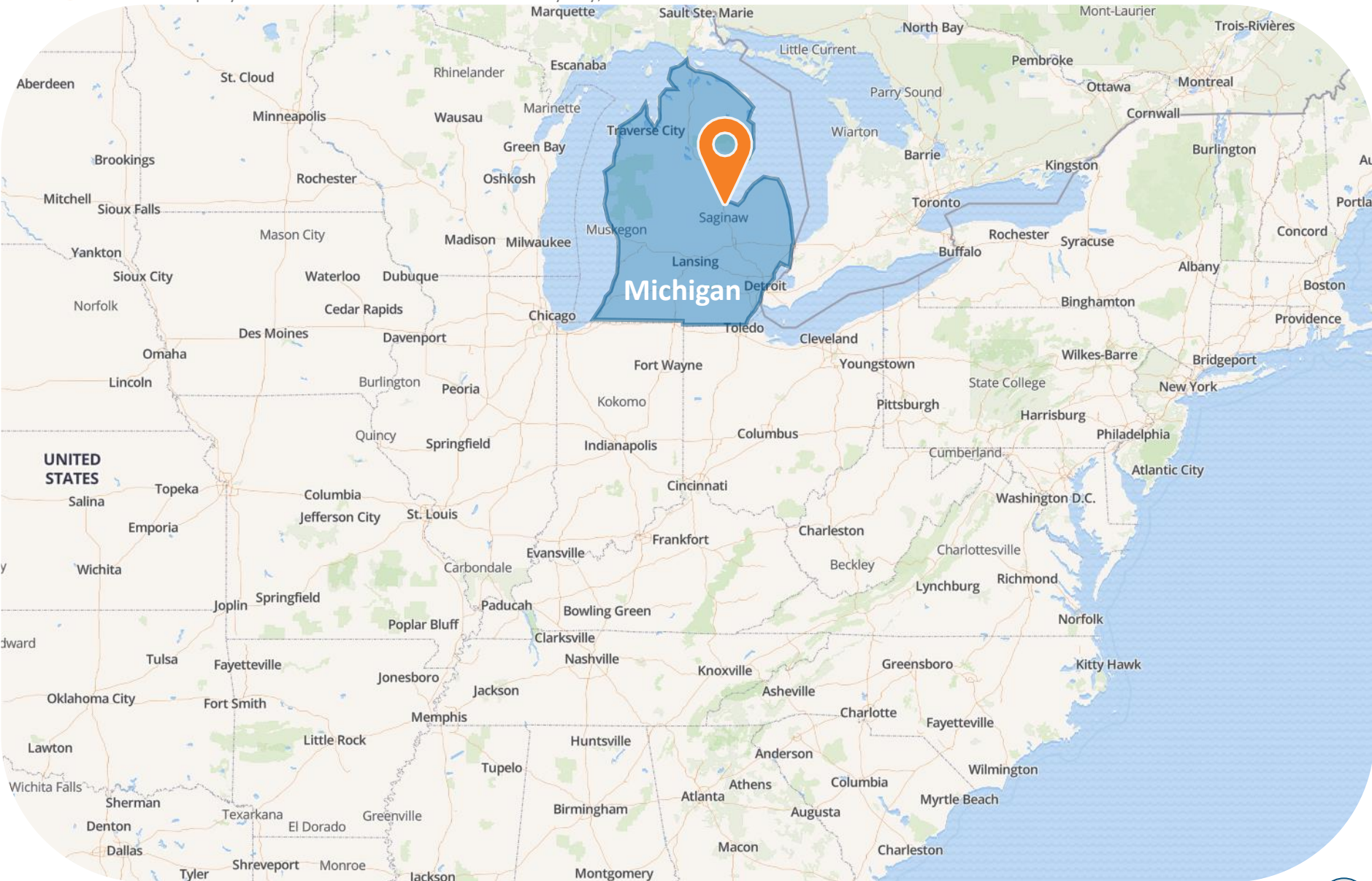




# Regional Map

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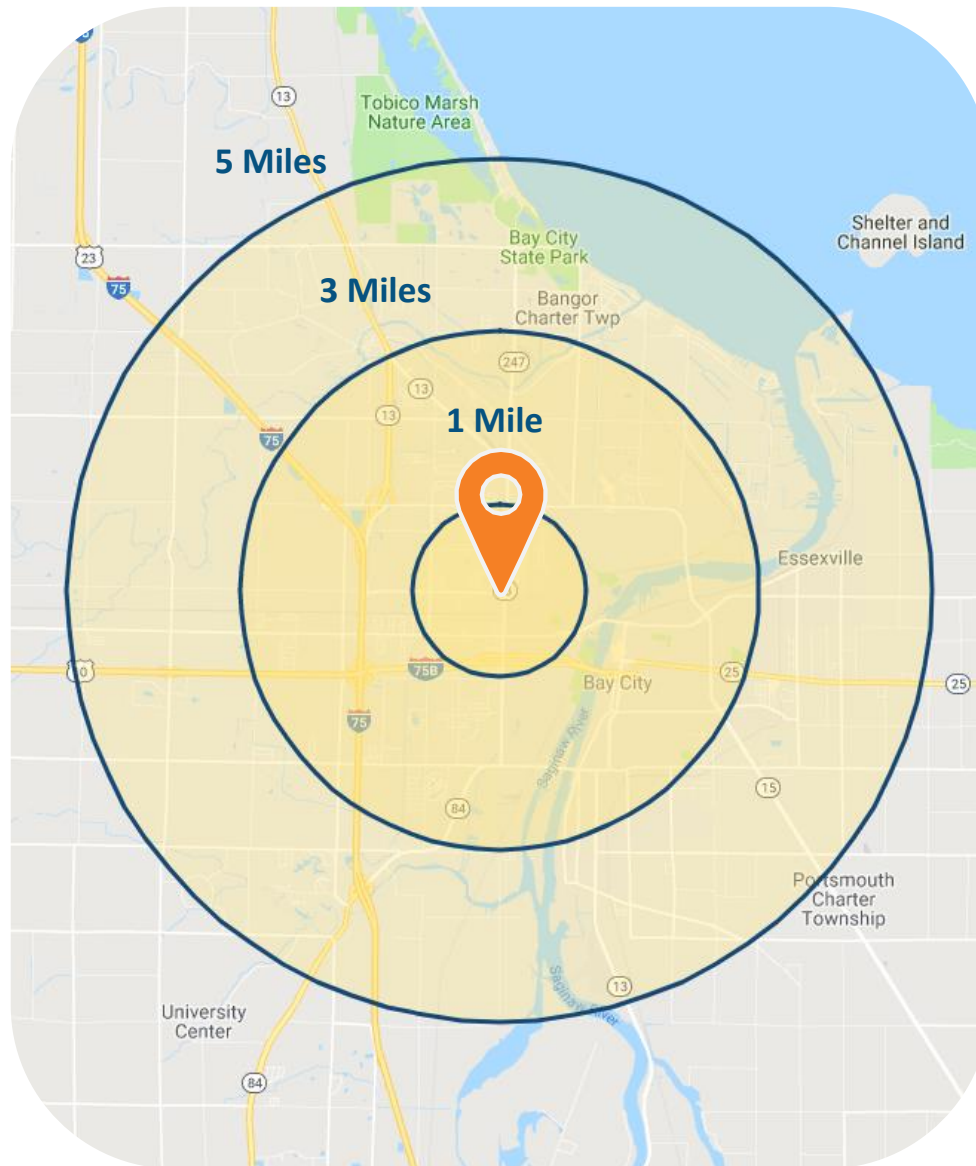




# Demographics

Property Address: 3459 E North Union Road— Bay City, MI 48706

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## POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	9,240	48,317	71,421
2017 Estimate	9,243	48,545	71,596
2010 Census	9,369	49,258	72,757
2000 Census	9,477	50,381	75,196

## INCOME

	1 Mile	3 Miles	5 Miles
Average	\$55,375	\$55,825	\$59,817
Median	\$45,549	\$45,087	\$47,903
Per Capita	\$23,596	\$23,456	\$25,311

## HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Projection	3,959	20,301	30,382
2017 Estimate	3,903	20,198	30,046
2010 Census	3,996	20,619	30,705
2000 Census	3,925	20,744	30,847

## HOUSING

	1 Mile	3 Miles	5 Miles
2017	\$90,316	\$87,867	\$92,873

## EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2017 Daytime Population	9,568	50,544	70,692
2017 Unemployment	5.25%	5.32%	5.37%
2017 Median Time Traveled	20 Mins	21 Mins	22 Mins

## RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	91.75%	90.74%	91.78%
Native American	0.01%	0.02%	0.02%
African American	2.21%	2.89%	2.35%
Asian/Pacific Islander	1.29%	0.76%	0.79%



# Market Overview

City: Bay City | County: Bay | State: Michigan

*Saginaw, Michigan*

**Saginaw** is a city in the U.S. state of Michigan and the seat of Saginaw County. The city of Saginaw and Saginaw County are both located in the area known as Mid-Michigan or Central Michigan. The city is located adjacent to Saginaw Charter Township and is considered part of the Tri-City area, along with neighboring Bay City and Midland. Saginaw's entertainment hub can be found in the downtown area, where venues such as The Dow Event Center and the restored Temple Theatre offer live entertainment.

The city's current economic development is focused on comparative advantages in innovation, clean energy, and continued manufacturing exports. Compared to other mid-sized communities, Saginaw has a disproportionately high number of patents per employee, and more than 81 times the average US share of jobs in photovoltaic technology research and production. The city continues to have a higher proportion of manufacturing jobs in comparison to the rest of the country.

## Major Employers

EMPLOYER	# OF EMPLOYEES *
Bay Regional Medical Center	1,700
County of Bay	1,337
McDonalds	521
General Motors	477
Meijer 048	475
Building Inspection Code Compliance	419
Dow Corning Corporation	400
Garber Management Group Inc	394
Fabiano Bros Inc	325
City of Bay City	323





Marcus & Millichap

**Exclusive Net Lease Offering**

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