

NEW 20-YEAR NNN ARBY'S CORPORATE RELOCATION STORE

130 W STATE STREET
ALLIANCE, OH 44601



Actual Location



Marcus & Millichap

SONNY MOLLOY

SENIOR VICE PRESIDENT INVESTMENTS

Sonny.Molloy@marcusmillichap.com

Direct: (678) 808-2763

JARED KAYE

SENIOR ASSOCIATE

Jared.Kaye@marcusmillichap.com

Direct: (678) 808-2821

CASE ROYTEK

ASSOCIATE

Case.Roytek@marcusmillichap.com

Direct: (678) 808-2758

NON-ENDORSEMENT & DISCLAIMER NOTICE

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 Real Estate Investment Services 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 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 Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2016 Marcus & Millichap. All rights reserved.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Offering Highlights
Investment Overview

01

PROPERTY DETAILS

Aerials
Regional Map
Property Photos
Elevations

02

LOCATION OVERVIEW

Location Overview
Location Highlights
Demographics

03

FINANCIAL ANALYSIS

Lease Abstract
Tenant Summary
Financial Summary

04



01-EXECUTIVE SUMMARY

Marcus & Millichap





OFFERING HIGHLIGHTS

Price	\$2,966,309
Cap Rate	5.50%
Year Built	2019
Building GLA	2,719 SF
Lot Size	1.08 Acres
NOI	\$163,147

TOP STARK COUNTY EMPLOYERS

Aultman Alliance Community Hospital	Nickles Bakery
US Acute Care Solutions	Republic Engineered Products
Diebold	Stark County Government
Heinz North America	The Timken Company
Mercy Medical Center	TimkenSteel

INVESTMENT OVERVIEW

Optimal Lease Structure & Tenant

- Brand new Arby's
- 2019 construction with latest BTS prototype
- Corporately guaranteed lease
- **Rare corporate relocation store that has been in business in Alliance for more than 40 years**
 - o Relocated from only a block away
 - o Corporate expanded the square footage due to extremely strong store performance
- 20-year base term with five (5), 5-year renewal options
- 10% rent escalation every 5 years throughout entire lease
- Triple net (NNN) lease with no landlord responsibilities

Fundamental Real Estate

- Strategically located in northeast Ohio within a short driving distance to Cleveland, Akron, Pittsburgh, and Columbus
- Large parcel size of ± 1.08 acres
- Flat topography with optimal visibility
- Multiple points of ingress & egress w/ access at W State St., Chestnut St. & Penn Ave.
- Frontage along W State Street, the main east/west thoroughfare in Alliance
- $\pm 20,579$ VPD along W State Street
- Located directly across the street from University of Mount Union & just west of Aultman Alliance Community Hospital

Stable Economic Drivers

- Alliance is home to the following corporate HQs: Coastal Pet Products, Morgan Engineering, Winkle Industries, Alliance Castings, Trilogy Plastics, Terry's Tire Town, Alliance Bearing and Repair, Sun America, and Robertson Heating and Supply
- Aultman Alliance Community Hospital
 - o Largest employer in Stark County w/ $\pm 5,000$ employees
 - o 682 beds & 530 active physicians in 43 specialties
- University of Mount Union
 - o $\pm 2,300$ students
 - o \$100 MM has been invested in the construction and renovation of modern facilities since 2005
 - o National recognitions and rankings from U.S. News & World Report, Forbes, Washington Monthly, and The Princeton Review's Green Guide



Representative Photo



02-PROPERTY DETAILS

Marcus & Millichap

AERIAL



Stark State
COLLEGE
Alliance Satellite Center

UNIVERSITY of
MOUNT UNION
±2,300 Students

RITE AID
GROVE
APPLIANCE · TV · FURNITURE · MATTRESS
Frank's
Family Restaurant

AULTMAN
ALLIANCE COMMUNITY
HOSPITAL
±682-Bed Hospital

FAMILY DOLLAR

Save a Lot **metroPCS**
Advance America
FAMILY Farm & Home
Live. Work. Grow.
FAMILY DOLLAR

Auto Zone

NAPA AUTO PARTS

WALGREENS

Huntington

TACO BELL

Arby's

SHEETZ

 **DENSE
RESIDENTIAL
AREA**

W STATE STREET (±20,579 VPD)

AERIAL



LAVERY AUTOMOTIVE
SALES AND SERVICE

CONSUMERS
National Bank



DENSE
RESIDENTIAL
AREA

UNIVERSITY of
**MOUNT
UNION**
±2,300 Students

DENSE
RESIDENTIAL
AREA



SHEETZ



Huntington



N STATE STREET (±20,579 VPD)

PROPERTY PHOTOS



REGIONAL MAP



COLUMBUS
147 MILES



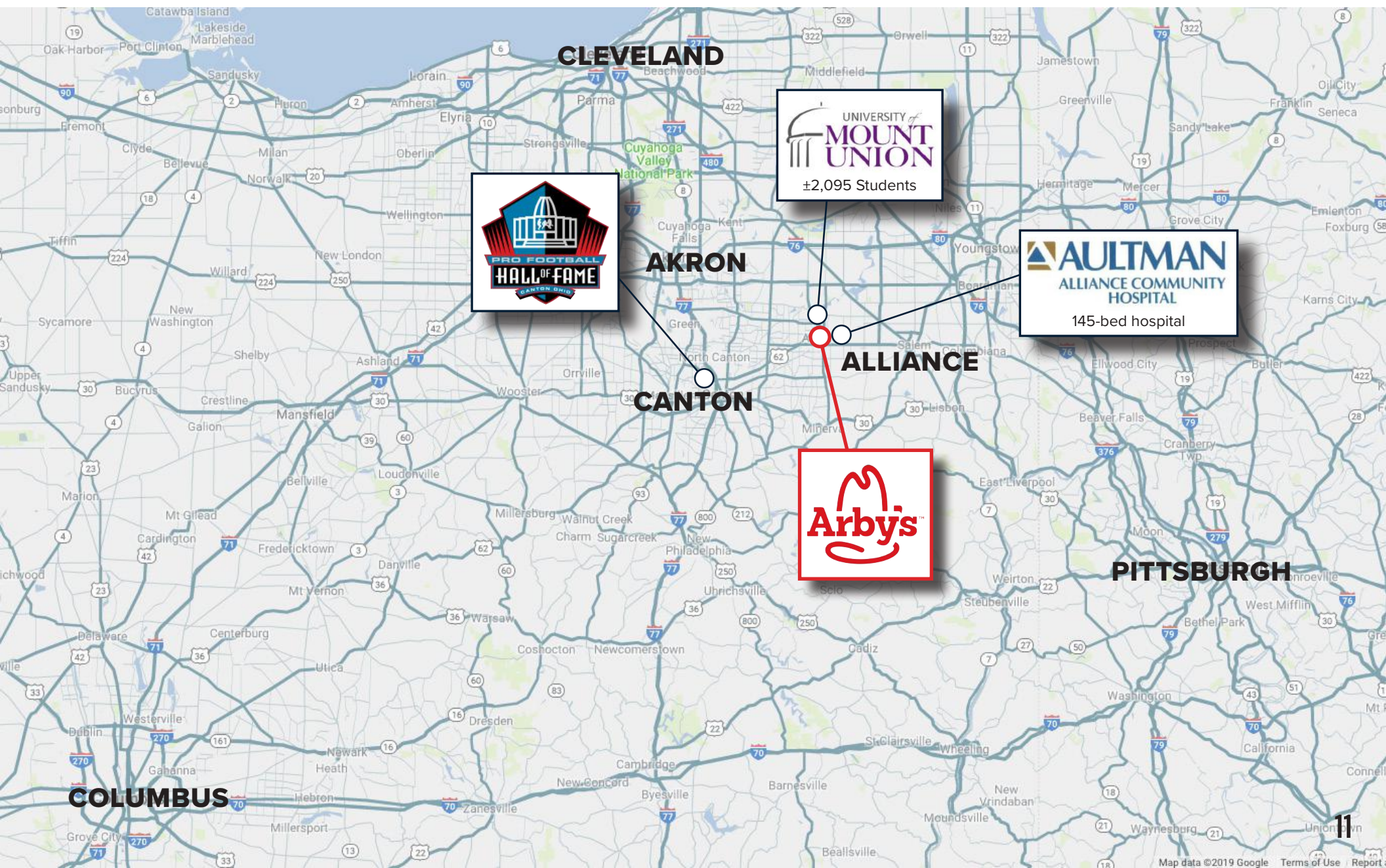
CLEVELAND
62 MILES



AKRON
33 MILES



PITTSBURGH
81 MILES



ELEVATIONS



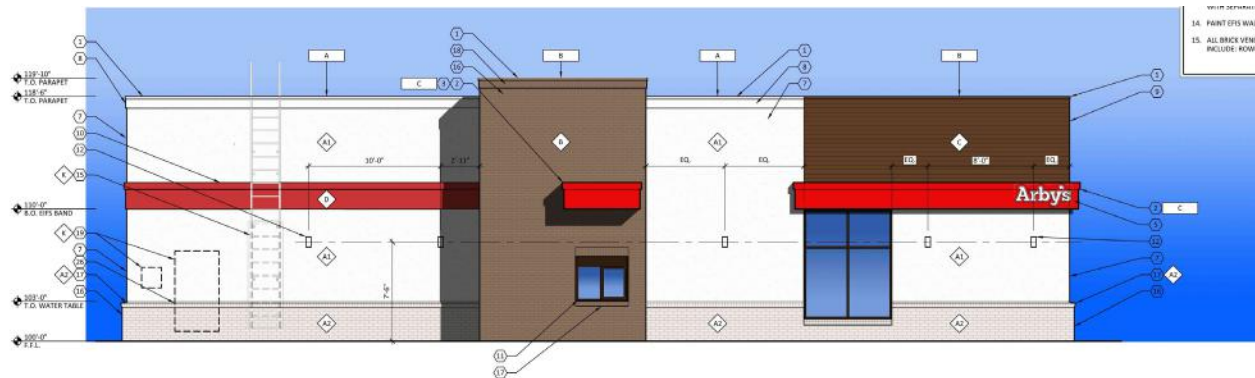
FRONT ELEVATION

1
A2.1
1/4" = 1'-0"



REAR ELEVATION

1
A2.2
1/4" = 1'-0"



SIDE ELEVATION

2
A2.2
1/4" = 1'-0"



SIDE ELEVATION

2
A2.1
1/4" = 1'-0"

A wide-angle photograph of a university campus. In the foreground, a wide, light-colored concrete walkway leads towards the center. The walkway is flanked by green lawns and large, mature trees with sparse green leaves, suggesting early spring. In the background, a large, multi-story brick building with a prominent green dome and white columns is visible. The sky is blue with scattered white clouds. A semi-transparent rectangular box is overlaid in the center of the image, containing text.

03-LOCATION OVERVIEW

Marcus & Millichap

LOCATION OVERVIEW

Alliance is strategically located in northeast Ohio within a short driving distance to Cleveland, Akron, Pittsburgh, and Columbus. Alliance is primarily located in Stark County, while sharing a border with Mahoning and Columbiana Counties. Route 62, a limited access four-lane highway, is on the western border of the city and connects with Interstate 77, providing easy access to Interstate 76 and the turnpike. Alliance-Louisville-Sebring area, with 70,000+ citizens, has the small town mystique coupled with all of the advantages of living in a city. **The geographic center of Akron, Canton, Cleveland and Pittsburgh, Alliance serves as a retail and health services center for a five county region.**

Partly because of the railroad junction located in the area, Alliance quickly gained an industrial base, and the city was generally known as a railroad town. For the past 150+ years, Morgan Engineering has been manufacturing overhead cranes for companies all over the world thus establishing Alliance as “crane capital of the world.” Several other large manufacturing/industrial companies located in the Alliance area now include Coastal Pet Products, PTC Alliance, MAC Trailer Manufacturing, Sun America, Trilogy Plastics, and Winkle Industries.

Alliance is home to the University of Mount Union as well as several corporate headquarters such as Coastal Pet Products, Morgan Engineering, Winkle Industries, Alliance Castings, Trilogy Plastics, Terry's Tire Town, Alliance Bearing and Repair, Sun America, and Robertson Heating and Supply. These are just a few of the major employers that call Alliance home. These companies all share one common element - they all relocated or grew their company by utilizing incentives offered by the City of Alliance.



DEMOGRAPHICS

POPULATION

	1 - MILE	3 - MILE	5 - MILE
2018 Estimate	1,868	34,523	89,082

HOUSEHOLDS

2023 Projections	3,855	11,034	14,891
2018 Estimate	3,828	10,990	14,853

2018 POPULATION BY RACE

% White Population	86.05%	85.88%	88.71%
% Black Population	8.37%	8.97%	6.98%
% Asian Population	1.35%	0.81%	0.67%
% American Indian, Eskimo, Aleut Population	0.12%	0.15%	0.13%
% Hawaiian or Pacific Islander Population	0.01%	0.02%	0.02%
% Multi-Race Population	3.49%	3.64%	3.05%
% Other Population	0.60%	0.52%	0.43%

POPULATION PROFILE

20 to 34 Years	25.1%	20.8%	19.2%
35 to 59 Years	25.7%	29.3%	30.3%
60 to 74 Years	15.2%	15.7%	16.1%
Age 75+	8.2%	8.5%	9.6%
2017 Median Age	34.1	38.2	40.4
Elementary (0-8)	1.53%	2.23%	2.31%
Some High School (9-11)	7.50%	10.49%	10.36%
High School Graduate (12)	43.49%	46.67%	46.07%
Some College (13-15)	20.31%	19.26%	18.93%
Associates Degree Only	7.28%	6.29%	6.85%
Bachelors Degree Only	11.51%	9.29%	9.62%
Graduate Degree	7.49%	5.05%	5.22%





04-FINANCIAL ANALYSIS

Marcus & Millichap

LEASE ABSTRACT

TENANT:

RTM Operating Company, LLC d/b/a Arby's

LEASE GUARANTOR:

Corporate (Arby's Restaurant Group)

BUILDING SIZE:

±2,719 Square Feet

LEASE COMMENCEMENT:

February, 1 2019

BASE TERM:

20 Years

BASE RENT (ANNUALLY):

Years 1-5: \$163,147.00

Years 6-10: \$179,461.70

Years 11-15: \$197,407.87

Years 16-20: \$217,148.66

OPTIONS:

Five (5), 5 year options

OPTION RENT:

Years 21-25 (Option 1): \$238,863.52

Years 26-30 (Option 2): \$262,749.88

Years 31-35 (Option 3): \$289,024.86

Years 36-40 (Option 4): \$317,927.35

Years 41-45 (Option 5): \$349,720.08

RENT ESCALATIONS:

10% Every 5 Years

TAXES, UTILITIES AND OTHER CHARGES:

Tenant agrees to pay, at Tenant's sole expense and for its own account, on or before the due date.

NET LEASE:

Tenant acknowledges and agrees that, from and after the Rent Commencement Date, it is intended that this Lease is, except as otherwise expressly stated herein, a completely "net lease" to Landlord, and that Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises. From and after the Rent Commencement Date, Tenant shall pay all charges, impositions, costs and expense of every nature and kind relating to the Premises, Personalty and Improvements except as herein expressly provided to the contrary.

RIGHT OF FIRST REFUSAL:

Yes - 35 days upon executed letter of intent or purchase and sale contract

REPAIR OF BUILDING & PREMISES:

Solely Tenant's responsibility which shall include roof, HVAC, lighting, parking lot, etc.

INSURANCE:

Tenant, at Tenant's expense, at all times during the Term of this Lease from and after the Possession Date, will procure, maintain and keep in force commercial general liability insurance, employer's liability insurance and property insurance.

ASSIGNMENT & SUBLETTING:

Tenant shall have the right to assign and/or sublet all or any part of the Premises to an affiliate of Tenant or Arby's Restaurant Group. No assignment shall release Tenant or Guarantor of its liability and obligations arising hereunder after the date of such assignment unless Tenant provides Landlord with reasonable and sufficient financial statements and evidence to establish that the proposed assignee of this Lease has a tangible net worth (excluding any value attributable to goodwill and/or intellectual property) equal to or greater than \$25,000,000, which such net worth must be determined in accordance with generally accepted accounting principles at the time of such assignment.

ESTOPPEL:

Within ten (10) business days





TENANT SUMMARY

Arby's is an American quick-service fast-food sandwich restaurant chain with more than 3,300 restaurants system-wide. In October 2017, Food & Wine called Arby's "America's second largest sandwich chain (after Subway)".

Arby's is owned by Inspire Brands, the renamed Arby's Restaurant Group, Inc. (ARG). ARG was renamed as the company took over ownership of Buffalo Wild Wings on February 5, 2018. Roark Capital Group acquired Arby's Restaurant Group in July 2011 and owns 81.5% of the company, with The Wendy's Company owning the other 18.5%. The Wendy's Company sold off their reduced stake in the former Arby's Restaurant Group, Inc. (renamed Inspire Brands), which was announced on August 16th 2018, for 450 million dollars, a 38 percent premium.

In addition to its classic Roast Beef and Beef 'n Cheddar sandwiches, Arby's products also include deli-style Market Fresh line of sandwiches, Curly Fries and Jamocha Shakes. Its headquarters are in Sandy Springs, Georgia, a suburb of Atlanta which uses Atlanta mailing addresses. There are international locations in four countries outside the United States: Canada, Turkey, Qatar, United Arab Emirates.

TENANT TRADE NAME

Arby's

OWNERSHIP

Roark Capital Group

TENANT

RTM Operating Company, LLC

LEASE GUARANTOR

Arby's Restaurant Group, Inc.

HEADQUARTERS

Atlanta, GA



3,300+
Locations



\$11 BILLION

Net Worth of Parent Company



\$3.6 BILLION

2016 Systemwide Sales



TOP TEN BEST FRANCHISE DEAL

Ranked by *QSR Magazine* (2017)

FINANCIAL SUMMARY

THE OFFERING

Price: \$2,966,309

Property Address: 130 W State Street,
Alliance, OH 44601

Cap Rate: 5.50%

Gross Leasable Area (GLA): 2,719 SF

Lot Size: 1.08 Acres

Year Built: 2019

Type of Ownership: Fee Simple

LEASE SUMMARY

Property Subtype: Net Leased Restaurant

Tenant: RTM Operating Company, LLC d/b/a Arby's

Rent Increases: 10% Every in 5 Years

Guarantor: Corporate

Lease Type: NNN

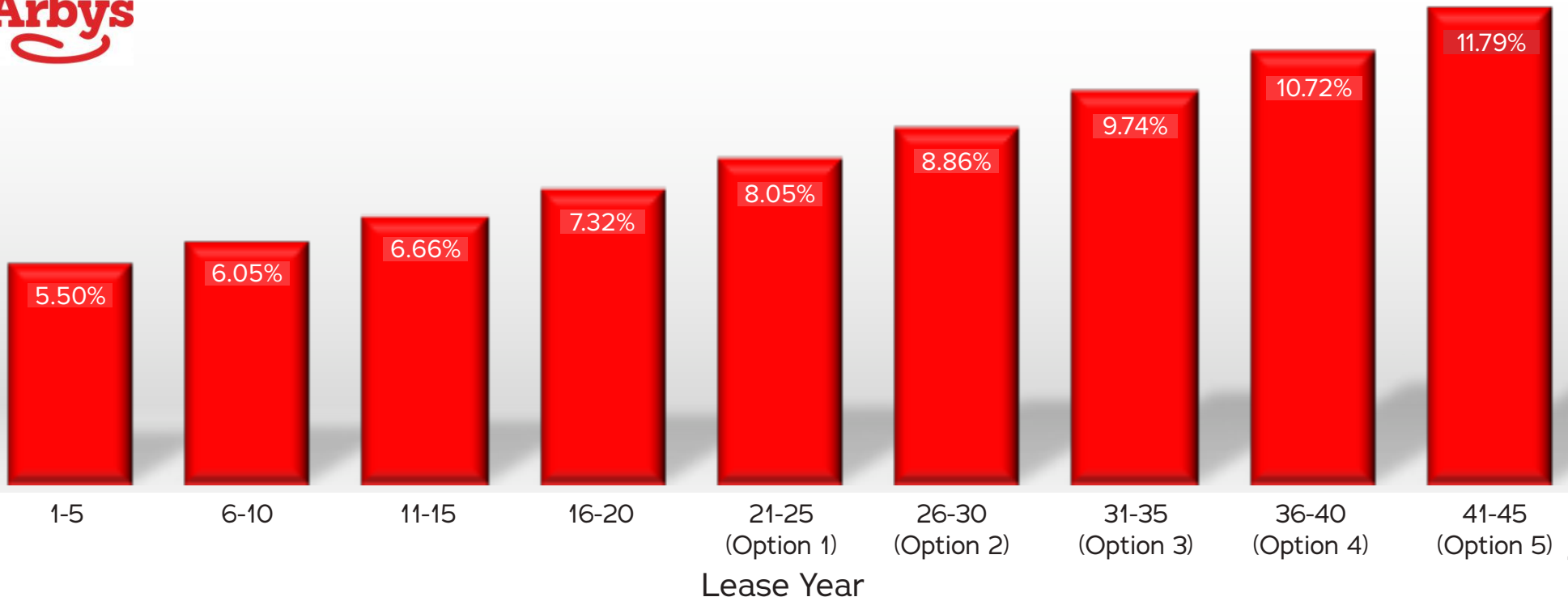
Lease Commencement: 2/1/2019

Lease Term: 20 Years

Renewal Options: Five (5), 5-Year

Landlord Responsibility: None

Right of First Refusal: Yes





SONNY MOLLOY

Senior Vice President Investments
Sonny.Molloy@marcusmillichap.com
Direct: (678) 808-2763

JARED KAYE

Senior Associate
Jared.Kaye@marcusmillichap.com
Direct: (678) 808-2821

CASE ROYTEK

Associate
Case.Roytek@marcusmillichap.com
Direct: (678) 808-2758