

BOB EVANS

A Corporate Absolute NNN Investment with Approximately 18 Years Remaining on Base Lease Term In Plainfield, Indiana (Indianapolis MSA)



OFFERING

Bob Evans

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Demographics



EMBASSY
SUITES



LAQUINTA
INNS & SUITES

STAYBRIDGE
SUITES



60,374 VPD



Old Country Store



Narita Sushi Bar



McDonald's



Subject
Property

State Road 67



28,910 VPD



PROPERTY OVERVIEW



Investment Overview

The Klink Group of Marcus & Millichap is pleased to present for sale a corporate, absolute triple-net (NNN) leased Bob Evans restaurant located in the suburban Indianapolis city of Plainfield, Indiana. The property, with a 20+ year operating history at this location, is positioned just off Interstate 70 near the Indianapolis International Airport and at a primary entrance to Airwest Business Park, the second largest bulk distribution warehouse park in the State of Indiana comprising of over 14 million square feet of space.

The Property is subject to a 20-year NNN lease which commenced in June 2017 and has approximately 18 years of firm term remaining with six 5-year renewal options thereafter. Annual escalators of 2% exist within the firm term lease & the tenant handles all responsibilities at the subject site (no landlord responsibilities). The subject opened in February 1998 and was remodeled in November 2012. The Property is located directly along State Road 267 and sits on 1.31 acres of prime real estate in a growing commercial and residential corridor. The rental rate at the site is very attractive at a low \$13.92 per square foot which provides attractive real estate value to an incoming investor and potential rental upside in the future.

Bob Evans Restaurants was started more than 60 years ago with a single restaurant in Rio Grande, Ohio. The concept has since grown to 500+ family restaurants in approximately 18 different states. Their wide variety of breakfast, lunch & dinner menu options appeals to a large demographic. Bob Evans Restaurants generated over \$900 million in sales during fiscal year 2017.

Offering Summary

Address	6102 Cambridge Way Plainfield, IN 46168
Offering Price	\$1,535,000
Net Operating Income	\$80,528
Cap Rate	5.25%
Gross Leasable Area	5,783 SF
Year Opened/Renovated	1998/2012
Lot Size	1.31 Acres

Investment Highlights

- Approximately 18 Years Remaining on Absolute NNN Lease with Zero Landlord Responsibilities
- Attractive Two Percent Annual Rental Escalations
- Strong Real Estate Investment Characteristics in Dense Retail & Industrial Corridor with Prime Frontage
- First Exit South of the Indianapolis Airport with Retail & Hospitality Offerings
- Corporate Tenant and Lease Guarantor Backed by 500+ Locations
- Below Market Rent of \$13.92 Per Square Foot, Attractive Intrinsic Real Estate Value with Potential Future Upside

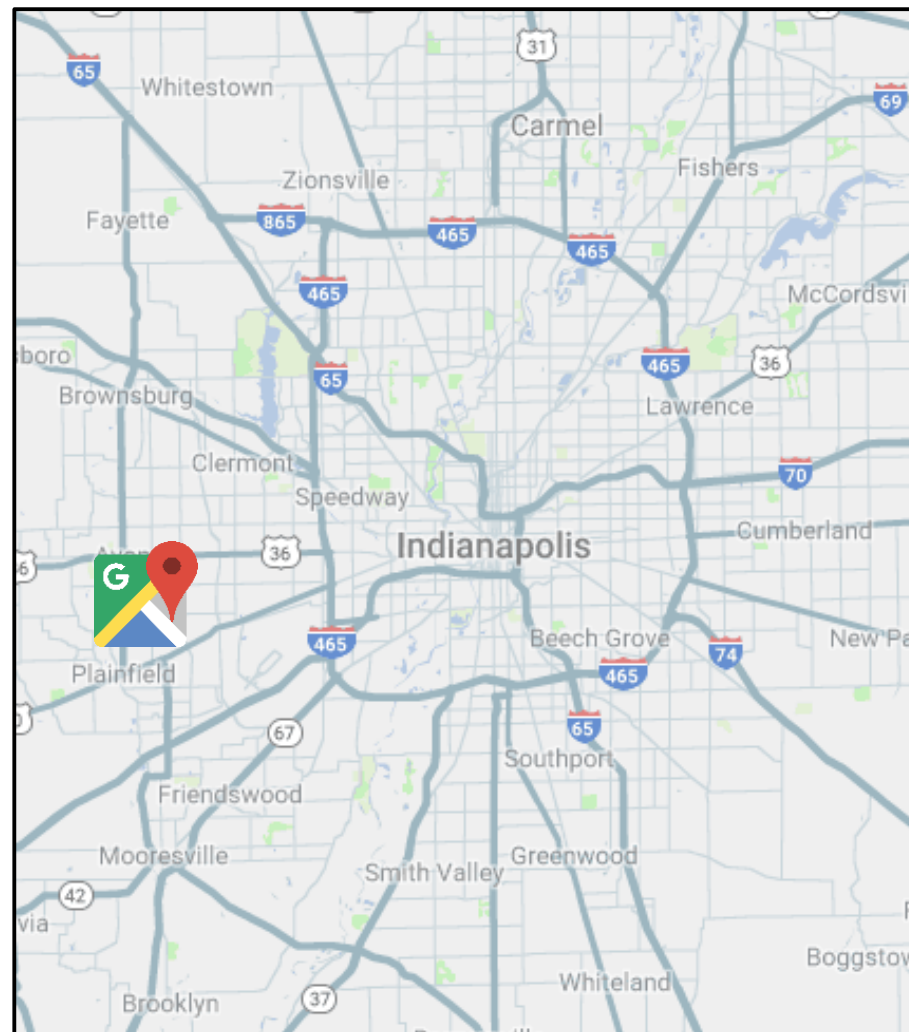
Location Overview

Plainfield is a bustling and growing suburb situated less than twenty miles southwest of Indianapolis. Established in 1839, the town has convenient access to both US Route 40 and Interstate 70 and is within 15 minutes of the Indianapolis International Airport. What was once a booming corn, soybean, and wheat farming area is today a growing town with a strong sense of community.

Indianapolis is the 12th largest city in the U.S., and is home to 810,000 residents in the city proper, with 2.0 million residents in the greater metropolitan area. “Indy” has had a steadily increasing population and economy for years now and it does not look like this trend will stop anytime soon. Indianapolis is one of the leading cities in the Midwest with the lowest unemployment rate as well as experiencing a tremendous “Boom” in the tech industry. Salesforce, one of the largest cloud-based tech companies in the world, has a tower in downtown Indianapolis. In 2017, Forbes listed Indy as the #5 top city for tech jobs.

Out-of-state investors continue to enter the Indianapolis market, a trend that will continue as interest rates remain low and coastal buyers seek higher yield in growing Midwest markets with desirable real estate investment fundamentals.

Regional Map



Surrounding Area & Traffic Counts

The subject property is well-positioned in a dense retail corridor, benefitting from its proximity to major national and local tenants. Nearby national tenants include: Target, JC Penney, Meijer, Walmart, Kroger, Kohl's, Dollar Tree, Five Below, Burlington Coat Factory, Aldi, Walgreens, CVS Pharmacy, Speedway, Goodwill, Hardee's, Chick-fil-A, Qdoba, Steak 'n Shake, Cracker Barrel, Arby's, and many more. Hotel accommodations in the immediate area of the Bob Evans property include: the Holiday Inn Express, Best Western, La Quinta Inn & Suites, Super 8, and other local establishments. Plainfield High School has an average annual enrollment of over 1,557 students, and is less than two miles from the subject property. The Indianapolis International Airport is less than six miles from this Bob Evans location. The Shops at Perry Crossing, Plainfield's largest open-air retail mall, is less than four miles from this Bob Evans location.

There are approximately 21,094 people within a three-mile radius of this property and more than 64,073 within a five-mile radius. The property is situated on East Hadley Road, which has average daily traffic counts of 10,105 vehicles. The Bob Evans is also located nearby State Road 267. State Road 267 experiences average daily traffic counts of more than 103,186 vehicles along Interstate 70.

Location Highlights

- **Major Retailers in Surrounding Area Include:** Target, JC Penney, Meijer, Walmart, Kroger, Kohl's, Dollar Tree, Five Below, Burlington Coat Factory
- **Strong Traffic Counts in the Area:** East Hadley Road and State Road 267 | Average Traffic Counts of 10,105 and 39,525 Vehicles Daily
- **Major Retail Points of Interest:** Shops at Perry Crossing | Less Than Four Miles From Subject Property | 100 Store Open-Air Retail Mall
- **Strong Residential Presence:** Plainfield High School | Less than Two Miles From Subject Property | 1,557 student annual enrollment
- **Airwest Business Park:** Located Next to the 2nd Largest Master-Planned Industrial Park in Indiana | 14.4 Million Square Feet with 92% Occupancy

Plainfield High School

Airwest Business Park
(14.4 million SF Industrial Park)



STACKS
PANCAKE HOUSE & GRILL



Burger King



McDonald's



Subject Property

Narita Sushi Bar



State Road 67

28,910 VPD



Airwest Business Park
(14.4 million SF Industrial Park)



Downtown Indianapolis



McDonald's



Narita
Sushi Bar



Subject
Property

11,977 VPD



State Road 67



28,910 VPD



FINANCIAL OVERVIEW



Financial Overview

Rent Schedule

Rent Increases	Annual Rent	Cap Rate
Current	\$80,528	5.25%
July 2020	\$82,139	5.35%
July 2021	\$83,781	5.46%
July 2022	\$85,457	5.57%
July 2023	\$87,166	5.68%
July 2024	\$88,909	5.79%
July 2025	\$90,688	5.91%
July 2026	\$92,501	6.03%
July 2027	\$94,351	6.15%
July 2028	\$96,238	6.27%
July 2029	\$98,163	6.39%
July 2030	\$100,126	6.52%
July 2031	\$102,129	6.65%
July 2032	\$104,172	6.79%
July 2033	\$106,255	6.92%
July 2034	\$108,380	7.06%
July 2035	\$110,548	7.20%
July 2036	\$112,759	7.35%
Total Rent Collected Through Base Term	\$1,724,290	

Lease Summary

Lease Guarantor:	Bob Evans Restaurants
Lease Type:	Triple-Net (NNN)
Roof & Structure:	Tenant Responsibility
Lease Term:	20 Years
Lease Term Remaining:	Approx. 18 Years
Lease Start Date:	June 30, 2017
Lease End Date:	June 29, 2037
Increases:	2% Annually
Renewal Options:	Six, Five-Year Periods

About Bob Evans Restaurants

- Founded in 1948, Bob Evans is an iconic American brand with 500+ units and \$900+ million in sales
- Strong real estate profile, most units have been recently remodeled.
- Participates in the attractive and growing family dining segment which has consistently outperformed the casual dining segment.
- Acquired by Golden Gate Capital, Bob Evans fits directly within their investment strategy along with Red Lobster, California Pizza Kitchen, On The Border Mexican Grill & Cantina and Romano's Macaroni Grill.
- Golden Gate Capital is based out of San Francisco and they are the most active acquirer of multi-unit restaurants and retail companies with over \$15 billion of committed capital.



Bob Evans

ORDER

ONLINE

Bob Evans

Worldwide Services
synchronizing the world of commerce

MARKET OVERVIEW



Market Overview



INDIANAPOLIS OVERVIEW

Indianapolis is the 12th largest city in the U.S., and is home to 810,000 residents in the city proper, with 2.0 million residents in the greater metropolitan area. Indy is called the "Circle City" because the original design of Indianapolis was created in 1821 by surveyor Alexander Ralston, who was strongly influenced by the design of the nation's capital. At the center of a Mile Square plat, Ralston placed a circle — originally called the "Governor's Circle" because the governor's mansion was intended to reside there. In 1902, when the Soldier's and Sailor's Monument was placed on the circle, it became known as Monument Circle, and has become a symbol for the Hoosier capital. Indianapolis is also known as the "Crossroads of America" because more interstate highways bisect our city and state than any other in the country, and half the nation's population is within a days drive of Indianapolis.

METRO HIGHLIGHTS



Premier Distribution Hub

Around 50 percent of the U.S. population lies within a one-day drive of Indianapolis, making it a center for the transportation of goods.



Major Health Sciences Center

Eli Lilly & Co., Roche Diagnostics Corp. and Covance Inc. maintain operations in the region, among other major health-related employers.



Low Cost of Doing Business

Indianapolis' costs are far below national averages, attracting businesses and residents to the area.



Indy's Cultural Districts

INDIANAPOLIS OVERVIEW

As you land in Indianapolis, the first thing you'll notice is the airport. The first new international airport in America designed and built after 9/11, Indianapolis International Airport has been named the best airport in North America in 2015, 2014, 2013, 2012, and 2010 by Airports Council International, best airport in America from Conde Nast Traveler, and has been rated #1 (on everything from security to baggage claim) by travelers in a J.D. Power & Associates poll.

Whether you are on a bus tour experiencing group travel in Indy or are taking a 15-minute cab ride from the airport, the second notable sight you'll encounter is your downtown hotel. From the stunning blue glass of the JW Marriott Indianapolis to the art you'll encounter at the Conrad Indianapolis and The Alexander, Indy has a wide variety of hotel options for every style and price point.

To make navigating the city easy there are twelve hotels conveniently linked by skywalk to Lucas Oil Stadium, the Indiana Convention Center, and Circle Centre mall. Step outside and discover an easy walk to White River State Park with 250-acres of greenspace, the scenic Central Canal, and a collection of Indy's top attractions. Meet orangutans at the Indianapolis Zoo, journey westward at the Eiteljorg Museum of American Indians & Western Art, or see a show under the stars at the Farm Bureau Insurance Lawn at White River State Park.

Want to experience Indy like a local? Hop on a Pacers Bikeshare bike and ride the Indianapolis Cultural Trail to Mass Ave, a progressive neighborhood also known as the Theater District, or Fountain Square, with its retro vibe and live music venues. Eat and drink your way through nearby Fletcher Place where standout restaurants Milktooth and Bluebeard are drawing national attention to Indy's food scene.

Market Overview

Business

Downtown Indy continues to grow with thriving businesses and retailers, a strong corporate base, talented workforce, robust convention/hospitality market and a quickly-expanding residential community with a superb quality of life. Downtown Indianapolis is the ideal location for your business. Indianapolis' economy has diversified from manufacturing into a variety of other industries, including a growing tech sector underpinned by Salesforce.com. Other major companies within downtown Indy include Indiana University Health, Rolls-Royce Corp., Community Health Network, Cummins, Kroger, IUPUI, FedEx, and Finish Line. The metro is accessible to a large portion of the nation in one day by ground or air, making the region a burgeoning logistics and distribution hub.

Logistics

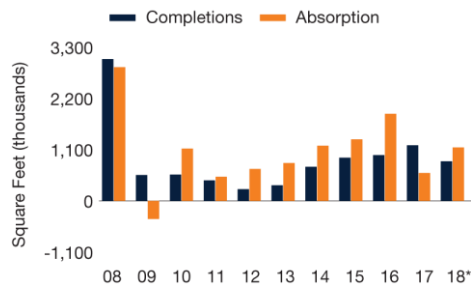
The Indianapolis metro is situated in central Indiana and consists of 11 counties: Marion, Johnson, Hamilton, Boone, Hendricks, Morgan, Hancock, Shelby, Brown, Putnam and Madison. The metro lacks formidable development barriers, except for the several rivers and creeks that traverse the region. Marion County is home to Indianapolis, the capital city, which contains a population of approximately 900,000 people. Carmel in Hamilton County is the second most populous with nearly 110,000 residents. A large portion of the surrounding counties is rural, offering builders ample land for residential and commercial development. Population growth is primarily concentrated to the northern suburbs and west of the city. Interstate 465 (I-465), also known as the USS Indianapolis Memorial Highway, is the beltway circling Indianapolis, Indiana, United States. It is roughly rectangular in shape and has a perimeter of approximately 53 miles (85 km). It lies almost completely within the boundaries of Marion County, except for two short sections on the north leg in Boone and Hamilton Counties. It crosses I-65, I-69, I-70 and I-74, and provides additional access to I-65 via I-865.

1Q19 - 12-Month Trend

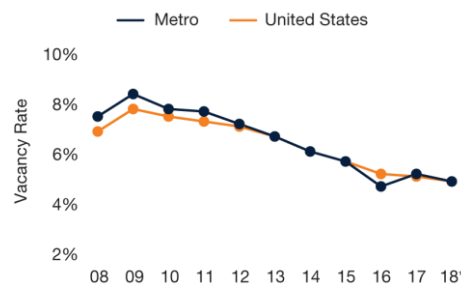
Employment vs. Retail Sales Trends



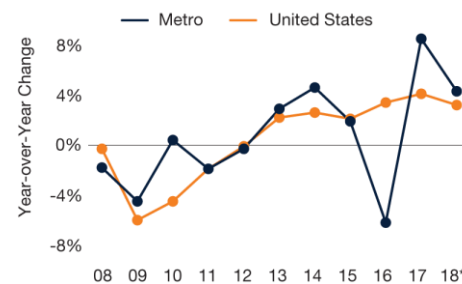
Retail Completions



Vacancy Rate Trends



Asking Rent Trends



Population



2.0 Million

Median Household Income



\$55,600

Households



780,000

Median Population Age



36.4

QUALITY OF LIFE

Indianapolis offers residents many big-city amenities in an affordable, small-town atmosphere. The city is home to several high-profile auto races, including the Indianapolis 500 and Brickyard 400. The metro has two major league sports teams: the Indianapolis Colts (NFL) and the Indiana Pacers (NBA). The area also has a vibrant cultural and arts scene, with more than 200 art galleries and dealers, the Indianapolis Symphony Orchestra and a variety museums, including the Eiteljorg Museum of American Indians and Western Art. Just southeast of downtown lies Fountain Square, a funky Indianapolis neighborhood that has a world of independent restaurants, live music and performances, working artists with vibrant artistic scenery, and one-of-a-kind stores that sell food, fashion, comics, musical instruments, fresh flowers, and so much more.

SPORTS



EDUCATION



BUSINESS



ARTS & ENTERTAINMENT



Market Overview

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	1,845	24,485	73,285
■ 2018 Estimate			
Total Population	1,527	22,846	66,859
■ 2010 Census			
Total Population	1,324	20,073	59,835
■ 2000 Census			
Total Population	1,369	16,687	41,343
■ Current Daytime Population			
2018 Estimate	3,388	30,064	71,186
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	619	8,695	26,165
■ 2018 Estimate			
Total Households	502	8,055	23,635
Average (Mean) Household Size	2.46	2.50	2.70
■ 2010 Census			
Total Households	439	7,176	21,391
■ 2000 Census			
Total Households	417	6,270	15,004
■ Occupied Units			
2023 Projection	619	8,695	26,165
2018 Estimate	541	8,497	24,816
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	10.68%	8.98%	9.15%
\$100,000 - \$149,000	17.31%	18.11%	18.53%
\$75,000 - \$99,999	16.80%	15.82%	16.79%
\$50,000 - \$74,999	19.25%	17.37%	19.49%
\$35,000 - \$49,999	13.14%	14.58%	13.84%
Under \$35,000	22.82%	25.17%	22.22%
Average Household Income	\$80,064	\$79,432	\$82,186

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$62,734	\$61,588	\$65,787
■ Consumer Expenditure Top 10 Categories			
Housing	\$15,970	\$15,824	\$16,788
Transportation	\$11,189	\$10,825	\$11,809
Shelter	\$9,216	\$9,048	\$9,573
Food	\$6,401	\$6,331	\$6,869
Personal Insurance and Pensions	\$6,325	\$5,930	\$6,613
Health Care	\$4,291	\$4,433	\$4,601
Utilities	\$3,605	\$3,610	\$3,806
Entertainment	\$2,689	\$2,631	\$2,893
Cash Contributions	\$1,575	\$1,584	\$1,626
Household Furnishings and Equipment	\$1,531	\$1,528	\$1,647
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	1,527	22,846	66,859
Under 20	21.45%	22.82%	27.80%
20 to 34 Years	22.50%	23.62%	20.60%
35 to 39 Years	6.50%	7.51%	7.38%
40 to 49 Years	12.20%	13.04%	13.57%
50 to 64 Years	20.80%	18.95%	18.16%
Age 65+	16.56%	14.07%	12.50%
Median Age	39.65	37.30	36.07
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,093	16,019	44,151
Elementary (0-8)	1.62%	1.71%	1.94%
Some High School (9-11)	5.19%	7.45%	6.56%
High School Graduate (12)	29.58%	33.11%	33.17%
Some College (13-15)	23.34%	20.96%	21.91%
Associate Degree Only	6.98%	8.06%	8.80%
Bachelors Degree Only	23.55%	18.38%	18.18%
Graduate Degree	9.65%	9.78%	8.80%



Population

In 2018, the population in your selected geography is 22,846. The population has changed by 36.91% since 2000. It is estimated that the population in your area will be 24,485.00 five years from now, which represents a change of 7.17% from the current year. The current population is 54.09% male and 45.91% female. The median age of the population in your area is 37.30, compare this to the US average which is 37.95. The population density in your area is 806.89 people per square mile.



Households

There are currently 8,055 households in your selected geography. The number of households has changed by 28.47% since 2000. It is estimated that the number of households in your area will be 8,695 five years from now, which represents a change of 7.95% from the current year. The average household size in your area is 2.50 persons.



Income

In 2018, the median household income for your selected geography is \$64,538, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 33.53% since 2000. It is estimated that the median household income in your area will be \$75,735 five years from now, which represents a change of 17.35% from the current year.

The current year average household income in your area is \$79,432, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 87.30% White, 7.53% Black, 0.01% Native American and 1.94% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 3.59% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

The median housing value in your area was \$166,644 in 2018, compare this to the US average of \$201,842. In 2000, there were 4,375 owner occupied housing units in your area and there were 1,894 renter occupied housing units in your area. The median rent at the time was \$558.



Employment

In 2018, there are 16,107 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 57.89% of employees are employed in white-collar occupations in this geography, and 42.54% are employed in blue-collar occupations. In 2018, unemployment in this area is 4.64%. In 2000, the average time traveled to work was 25.00 minutes.

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