



5035 S 9TH ST

Kalamazoo, MI 49009

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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INVESTMENT OVERVIEW

» PRICE	\$2,639,734.74
» CAP RATE	6.65%
» NOI/YEAR	\$175,542.36
» NOI/MONTH	\$14,628.53



INVESTMENT HIGHLIGHTS

- Absolute NNN corporate guaranteed Lease (Arby's Restaurant Group)
- Exceptional rental increases at 15% every 5 years – Great hedge against inflation
- Hard Corner Location on large lot
- Strong Demographics with population over 112,852 within a 5-mile radius
- High-quality building construction with elevated curb appeal (Actual Pictures of Building)
- Proximity to Western Michigan University and Kalamazoo Valley Community College – Ideal college and student surrounding population



ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	RPSF	Cap Rate
Current - 10/31/2021	\$14,628.53	\$175,542.36	\$58.51	6.65%
11/1/2021 - 10/31/2026	\$16,822.81	\$201,873.71	\$67.29	7.65%
Option 1: 11/1/2026 - 10/31/2031	\$19,346.23	\$232,154.77	\$77.38	8.79%
Option 2: 11/1/2031 - 10/31/2036	\$22,248.17	\$266,977.98	\$88.99	10.11%
Option 3: 11/1/2036 - 10/31/2041	\$25,585.39	\$307,024.68	\$102.34	11.63%
Option 4: 11/1/2041 - 10/31/2046	\$29,423.20	\$353,078.38	\$117.69	13.38%

TENANT SUMMARY

Lease Guarantor	Corporate
Lease Type	NNN
Building Size (SF)	± 3,000 SF
Lot Size (AC)	± 2.19 AC
Years Remaining	±7 YRS
Original Lease Term	20 YRS
Options	Four (4), 5 Year Option
Lease Commencement Date	10/31/2006
Rent Commencement Date	10/31/2006
Lease Expiration Date	10/31/2026





TENANT OVERVIEW

Arby's Fast Crafted restaurant services feature a unique blend of quick-serve speed combined with the quality and made-for-you care of fast casual. Arby's Restaurant Group, Inc. is the franchisor of the Arby's Brand and is headquartered in Atlanta, GA. Arby's Restaurant Group (ARG) operates the Arby's fast food chain popular for its hot roast beef sandwiches. In addition to roast beef sandwiches, its menu features chicken sandwiches, salads, and some dessert items. More than 1,100 Arby's locations are company-owned, while the rest are franchised.

REBRANDING AND REMODELING STRATEGY

Arby's is looking to revitalize its guest experience by remodeling 229 restaurants systemwide in the Inspire design. Arby's has re-engineered its restaurants to reduce development costs, expand site selection options, and deliver an upgraded guest experience. Arby's has improved ROI by stripping out some of the costs of opening or remodeling a restaurant. The Inspire design reduces development and remodeling costs, increases restaurant efficiency, and is highly adaptable to a wide range of site opportunities.

TENANT MAP





AREA OVERVIEW

KALAMAZOO, MI

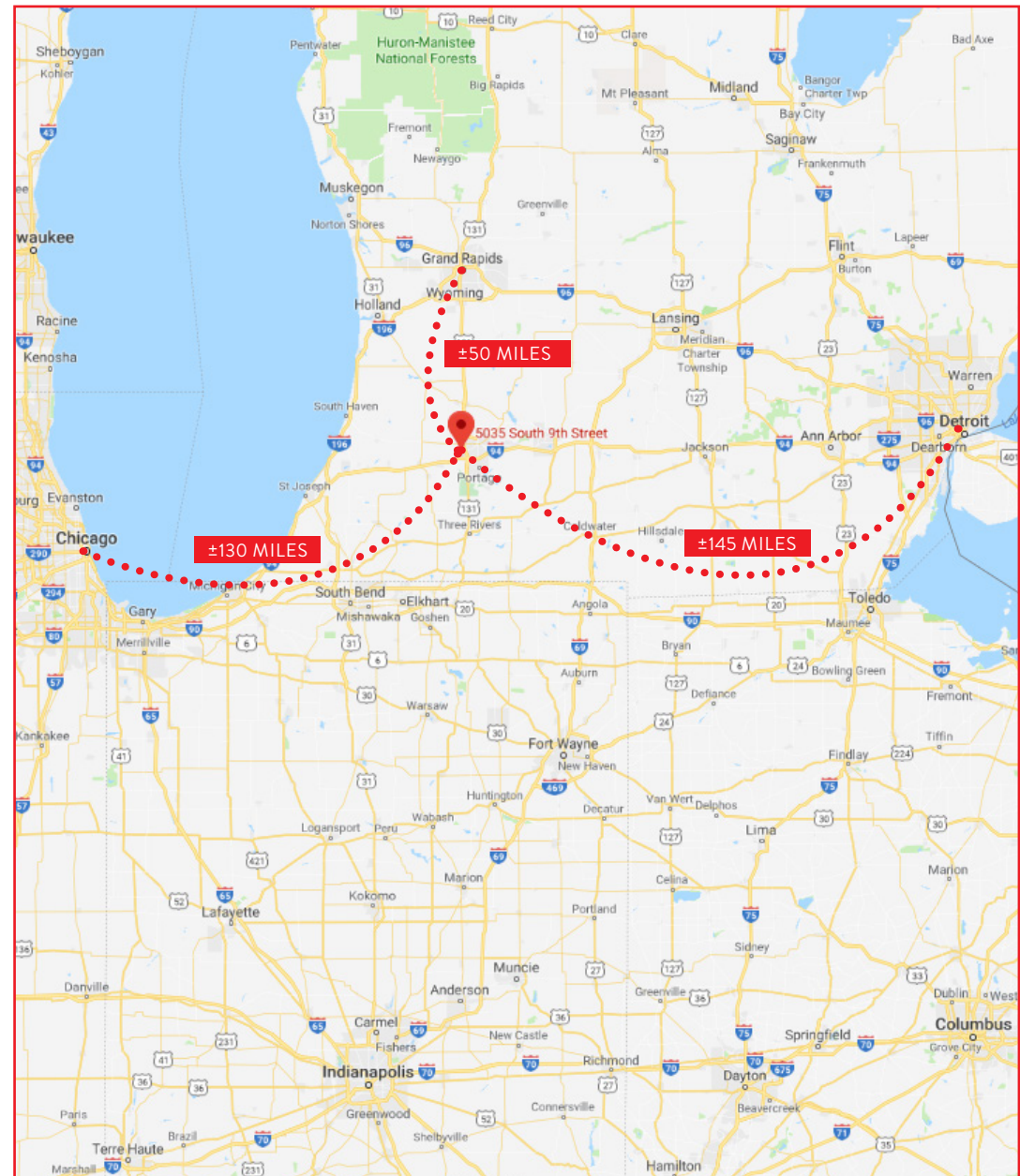
Kalamazoo is a city in the southwest region of the U.S. state of Michigan. It is the county seat of Kalamazoo County. Kalamazoo is equidistant from the major American cities of Chicago and Detroit, each less than 150 miles away.

One of Kalamazoo's most notable features is the Kalamazoo Mall, an outdoor pedestrian shopping mall. The city created the mall in 1959 by closing part of Burdick Street to auto traffic. Kalamazoo is home to Western Michigan University, a large public university, Kalamazoo College, a private liberal arts college, and Kalamazoo Valley Community College, a two-year community college.

POPULATION	1-MILE	3-MILE	5-MILE
2010 CENSUS	1,552	33,772	104,275
2019 ESTIMATE	1,675	37,552	111,760
2024 PROJECTION	1,734	39,253	115,103
GROWTH: 2010 - 2019	7.92%	11.19%	7.18%
GROWTH: 2019 - 2024	3.52%	4.53%	2.99%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 CENSUS	669	14,261	42,799
2019 ESTIMATE	738	15,711	46,259
2024 PROJECTION	770	16,374	47,805
GROWTH: 2010 - 2019	10.31%	10.17%	8.08%
GROWTH: 2019 - 2024	4.34%	4.22%	3.34%

INCOME	1-MILE	3-MILE	5-MILE
AVERAGE HOUSEHOLD INCOME	\$102,316	\$93,845	\$86,244



CHICAGO, IL

Situated on the southwestern shore of Lake Michigan, the City of Chicago covers an area of 60,000 hectares and sits 176 meters above sea level. Chicagoland is an informal name for the metropolitan area associated with the city of Chicago and its suburbs and has no official definition. The region is often considered to include areas beyond its corresponding MSA, as well as portions of the greater CSA.

Chicago has one of the world's largest and most diversified economies, with more than four million employees and generating an annual gross regional product (GRP) of over \$575 billion, which is more than countries like Sweden and Norway. Having been listed as an alpha global city by the Global Cities Index, it is a key player in every sector from risk management innovation and information technology to manufacturing and health services.

ECONOMY

The city is an efficient economic powerhouse, home to more than 400 major corporate headquarters, including 31 in the Fortune 500. Boeing, United Continental Holdings, Inc., Exelon Corporation, R. R. Donnelley & Sons Company, and Archer Daniels Midland are just a few of the Fortune 500 companies based in the area. Motorola Solutions, Inc. intends to move their headquarters from Schaumburg, IL to Chicago in the coming future. McDonald's has become the latest Fortune 500 company to establish its presence in Chicago as it is preparing to move its headquarters from Oak Brook, IL to the windy city by early 2018.





Nearly **1,300 FOREIGN COMPANIES** from
over 38 countries employ **MORE THAN**
150,000 people in the Detroit region

Since 2006, the city of Detroit has experienced
more than **\$13 BILLION** in new investments
across **200+ PROJECTS**

60 OF THE TOP 100 automotive suppliers to
North America are **HEADQUARTERED** in
Michigan with an additional 32 having a major presence

DETROIT, MI

Detroit is the largest and most populous city in the U.S. state of Michigan, the largest city on the United States–Canada border, and the seat of Wayne County. The municipality of Detroit had a 2017 estimated population of 673,104, making it the 23rd-most populous city in the United States. The metropolitan area, known as Metro Detroit, is home to 4.3 million people, making it the second-largest in the Midwest after the Chicago metropolitan area. Regarded as a major cultural center, Detroit is known for its contributions to music and as a repository for art, architecture, and design.

Detroit is a major port located on the Detroit River, one of the four major straits that connect the Great Lakes system to the Saint Lawrence Seaway. The Detroit Metropolitan Airport is among the most important hubs in the United States. The City of Detroit anchors the second-largest regional economy in the Midwest, behind Chicago and ahead of Minneapolis–Saint Paul, and the 13th-largest in the United States. Detroit and its neighboring Canadian city Windsor are connected through a tunnel and the Ambassador Bridge, the busiest international crossing in North America. Detroit is best known as the center of the U.S. automobile industry, and the “Big Three” auto manufacturers General Motors, Ford, and Chrysler are all headquartered in Metro Detroit.

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Arby's** located at **5035 S 9th St, Kalamazoo, MI 49009** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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