

RUBY TUESDAY

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

Ruby
Tuesday

1132 Ravine St
Scranton, PA 18508

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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

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Ruby
Tuesday



Investment Highlights

PRICE: \$1,769,231 | CAP: 6.50% | RENT: \$115,000

Ruby Tuesday

About the Investment

- ✓ Long Term Triple-Net (NNN) Lease | 18 Years Remaining | Zero Landlord Responsibilities
- ✓ Rent Increases | Lesser of 10% Increase Every Five Years or the Change in CPI
- ✓ Corporate Guarantee | Ruby Tuesday, Inc.
- ✓ Four (4), Five (5)-Year Tenant Renewal Option Periods

About the Location

- ✓ Dense Retail Corridor | Walmart, Target, Best Buy, Wegmans, Macy's, Sam's Club, Lowe's, McDonald's, Olive Garden, Starbucks, Red Lobster, TGI Fridays and Many More
- ✓ Strong Demographics | Population Exceeds 130,150 Individuals Within a Five-Mile Radius
- ✓ Strong Traffic Counts | Over 19,990 and 54,065 Vehicles Per Day Along Scranton Carbondale Highway and Route 81 Respectively
- ✓ Wilkes-Barre/Scranton International Airport | Located Approximately 15 Miles Away | Serves over 500,000 Passengers Per Year
- ✓ The University of Scranton and Lackawanna Community College | Located Approximately Five Miles From Investment Property | Over 17,600 Students Enrolled

About the Tenant / Brand

- ✓ Ruby Tuesday Has Been in Operation For More than 40 Years
- ✓ Ruby Tuesday | Over 700 Locations Across 40 States
- ✓ Operations Throughout the United States and Around the World | 28,000 Corporate and Franchisee Team Members





Financial Analysis

PRICE: \$1,769,231 | CAP: 6.50% | RENT: \$115,000

**Ruby
Tuesday**

PROPERTY DESCRIPTION

Property	Ruby Tuesday
Property Address	1132 Ravine St
City, State ZIP	Scranton, PA 18508
Estimated Building Size (SF)	5,500
Lot Size (Acres)	+/- 1.85
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,769,231
CAP Rate	6.50%
Annual Rent	\$115,000
Rent Per SF	\$20.91
Price Per SF	\$322

LEASE SUMMARY

Property Type	Net-Leased Restaurant
Tenant / Guarantor	Ruby Tuesday, Inc.
Original Lease Term	20 Years
Lease Commencement	December 1, 2017
Lease Expiration	November 30, 2037
Lease Term Remaining	18 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	Lesser of Change in CPI or 10% Every Five Years
Options to Renew	Four (4), Five (5)-Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$115,000	\$9,583	-
Year 2	\$115,000	\$9,583	-
Year 3	\$115,000	\$9,583	-
Year 4	\$115,000	\$9,583	-
Year 5	\$115,000	\$9,583	-
Year 6	\$126,500	\$10,542	10.00%
Year 7	\$126,500	\$10,542	-
Year 8	\$126,500	\$10,542	-
Year 9	\$126,500	\$10,542	-
Year 10	\$126,500	\$10,542	-
Year 11	\$139,150	\$11,596	10.00%
Year 12	\$139,150	\$11,596	-
Year 13	\$139,150	\$11,596	-
Year 14	\$139,150	\$11,596	-
Year 15	\$139,150	\$11,596	-
Year 16	\$153,065	\$12,755	10.00%
Year 17	\$153,065	\$12,755	-
Year 18	\$153,065	\$12,755	-
Year 19	\$153,065	\$12,755	-
Year 20	\$153,065	\$12,755	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Ruby Tuesday located at 1132 Ravine Street in Scranton, PA. The site consists of roughly 5,500 rentable square feet of building space on estimated 1.85-acre parcel of land. This Ruby Tuesday is subject to a 20-year absolute triple-net (NNN) lease, which commenced December 1st, 2017. The current annual rent is \$115,000 and is scheduled to increase by the lesser of the change in CPI or ten percent (10%) every five (5) years throughout the base term and in each of the four (4), five (5)-year renewal options.



Concept Overview

About Ruby Tuesday

Ruby
Tuesday

For more than 40 years, Ruby Tuesday has been one of America's favorite brands. Driven by uncompromising freshness and quality, gracious hospitality and a growing number of restaurants, the concept is unbeatable in the casual dining industry. The brand was created with the vision that food and drinks would be fresh and handcrafted. Everything would be made only with high-quality ingredients. Every dish would be served by friendly, passionate people. And the restaurant would be casual, comfortable and the go-to spot for adults, children and families alike.

Entrees, ranging in price from \$6.49 to \$16.99, include ribs, chicken, steak, seafood, pasta, burgers, and sandwiches, and the menu also features soups, a salad bar, and desserts. Ruby Tuesday also offers food for carry-out via the company's "curb-side to-go" initiative. Ruby Tuesday is backed by the industry's top accolades. They were voted "Top Healthy Choice" in casual dining, beating brands like Chili's, Applebee's and more.

Ruby Tuesday, Inc. is a leading company in the bar-and-grill category of the U.S. casual dining restaurant industry. From its original location in Knoxville, Tennessee, the Ruby Tuesday chain has grown to more than 700 units in about 40 states primarily in the Southeast, Northeast, Mid-Atlantic, and Midwest. Nearly 500 of the outlets are company owned with the remainder being franchised.



General Information

Headquarters	Maryville, TN
Locations	Over 700
Founder	Samuel E. Beall III
Year Founded	1972
Genre	Casual Dining
Website	https://www.rubytuesday.com/

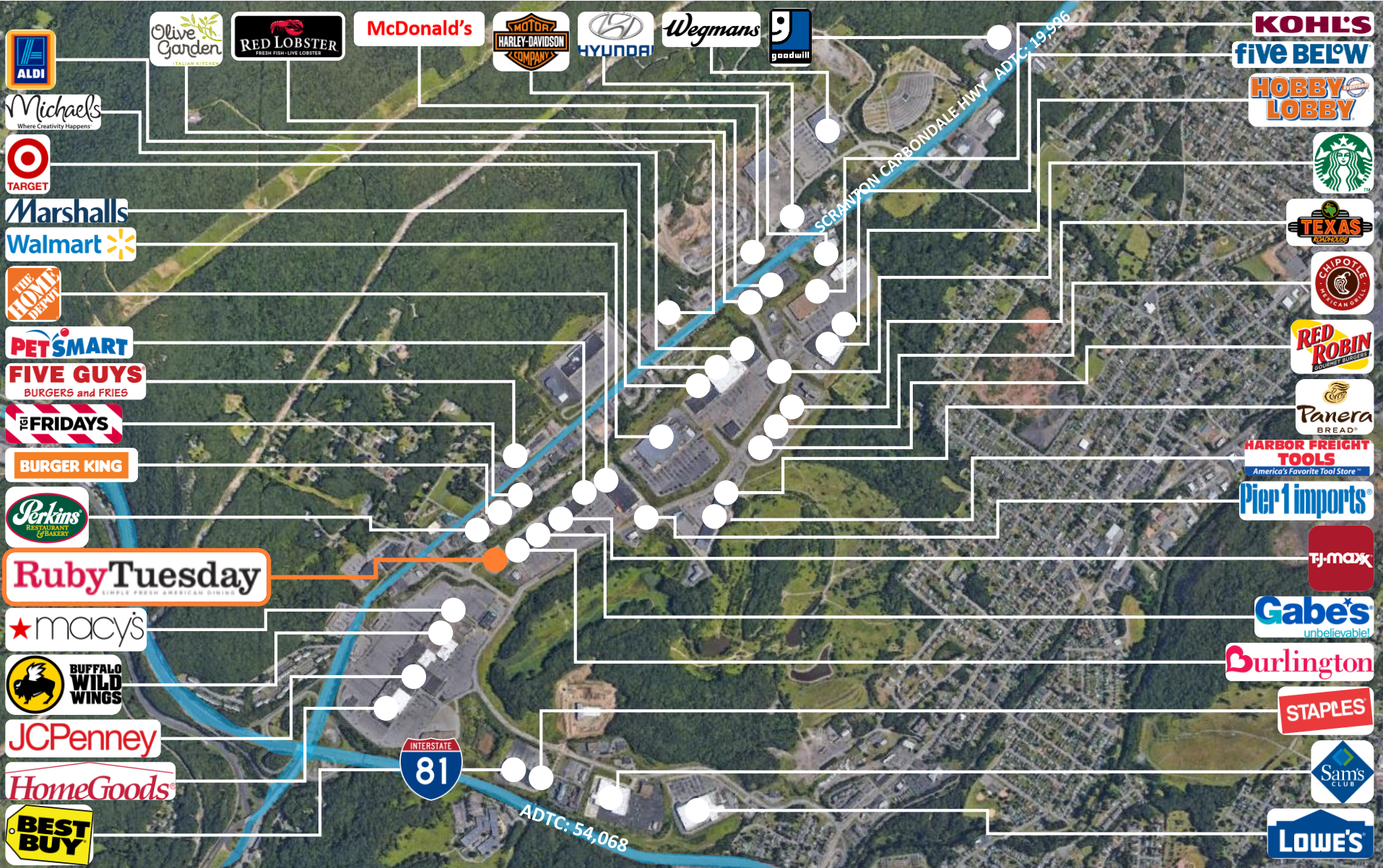




Surrounding Area

1132 Ravine St, Scranton, PA 18508

Ruby Tuesday





Location Overview

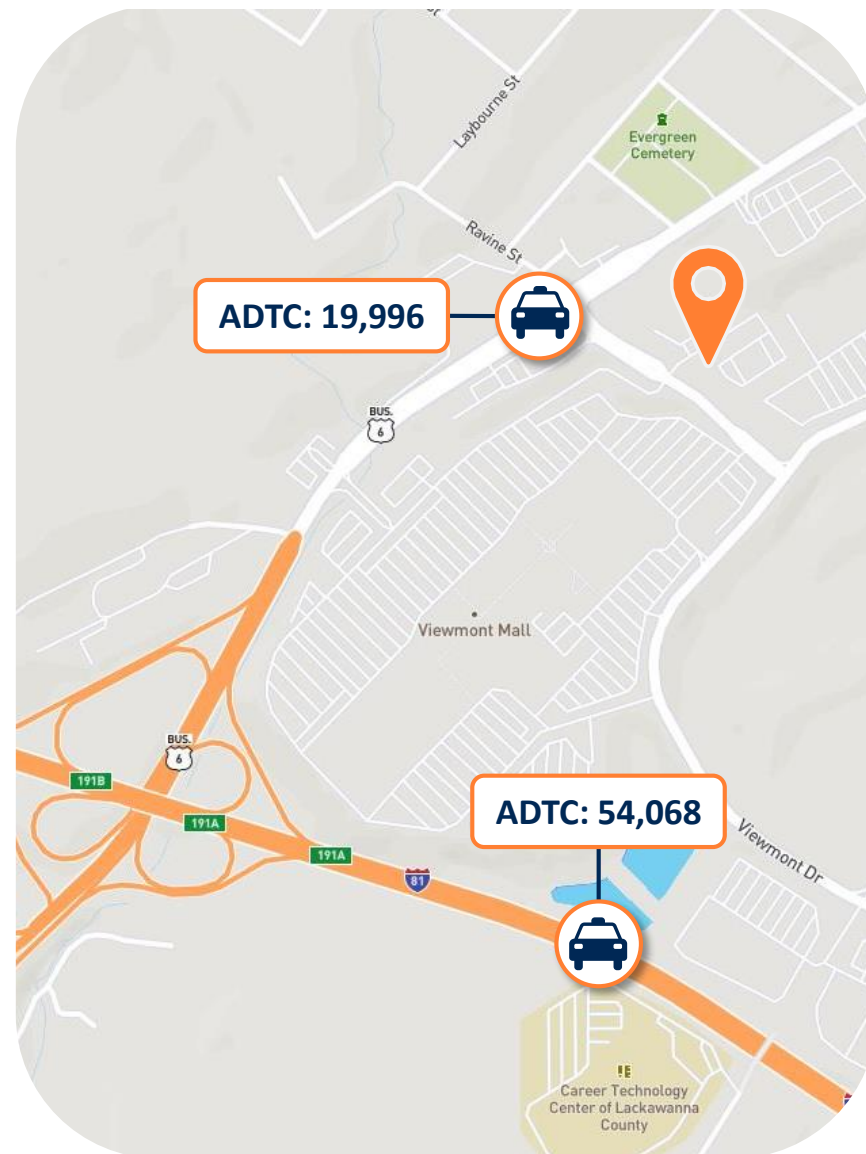
1132 Ravine St, Scranton, PA 18508

Ruby Tuesday

This Ruby Tuesday property is located at 1132 Ravine Street in Scranton, Pennsylvania. Ravine Street intersects Scranton Carbondale Highway, which boasts an average daily traffic count of 19,996 vehicles. Scranton Carbondale Highway feeds directly onto Route 81, which brings an additional 54,068 vehicles into the immediate area on average daily. There are more than 49,180 individuals residing within a three-mile radius of the property and more than 130,150 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a very dense retail corridor consisting of national and local tenants, academic institutions and shopping centers all within close proximity of this property. Major national tenants in the area include: Walmart, Target, Best Buy, Wegmans, Macy's, TJ Maxx, Burlington, Sam's Club, Lowe's, McDonald's, Olive Garden, Buffalo Wild Wings, Starbucks, as well as many others. This Ruby Tuesday also benefits from its close proximity to several academic institutions. Most notable are The University of Scranton and Lackawanna Community College, which have a total enrollment exceeding 7,600 students and are located within five miles of the subject property. There are also several shopping centers within close proximity of the subject property, including Viewmont Mall, a shopping center that offers over 70 stores. Additionally, Wilkes-Barre/Scranton International Airport is located approximately 15 miles from the subject property and serves over 530,00 passengers per year.

Scranton stands as the sixth-largest city in the state of Pennsylvania and the largest city in the Scranton-Wilkes-Barre-Hazleton, PA Metropolitan Area. In the past few decades, the city has made a significant effort to diversify itself from its Coal Mining roots. Recently, Scranton has revitalized its downtown center in order to better service the businesses in the immediate area. Since the revitalization began, many coffee shops, restaurants, and bars have opened in the downtown, creating a vibrant night-life. The low cost of living, pedestrian-friendly downtown, and the construction of loft-style apartments in older, architecturally significant buildings have attracted young professionals and artists.

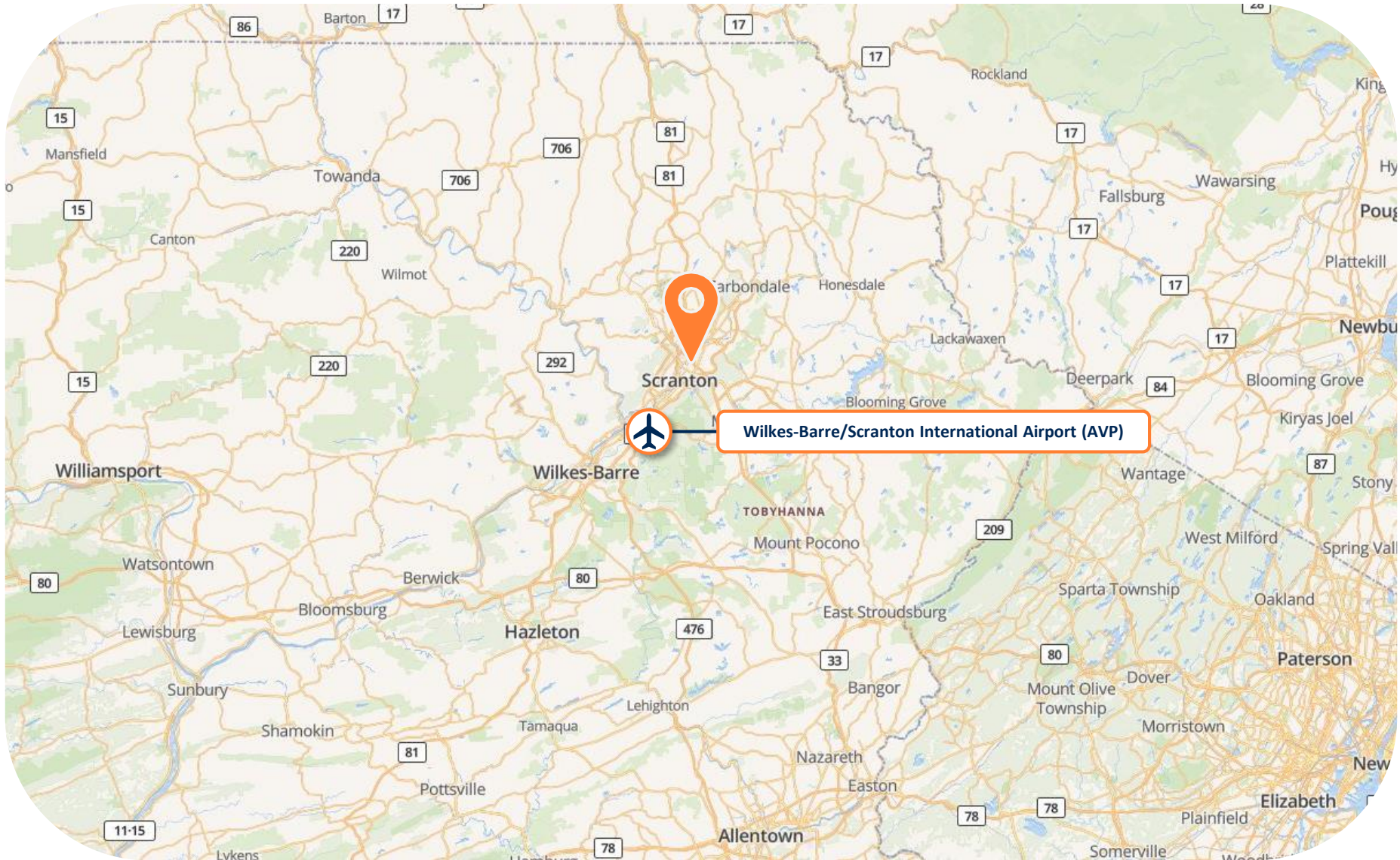




Local Map

1132 Ravine St, Scranton, PA 18508

Ruby Tuesday





Ruby Tuesday

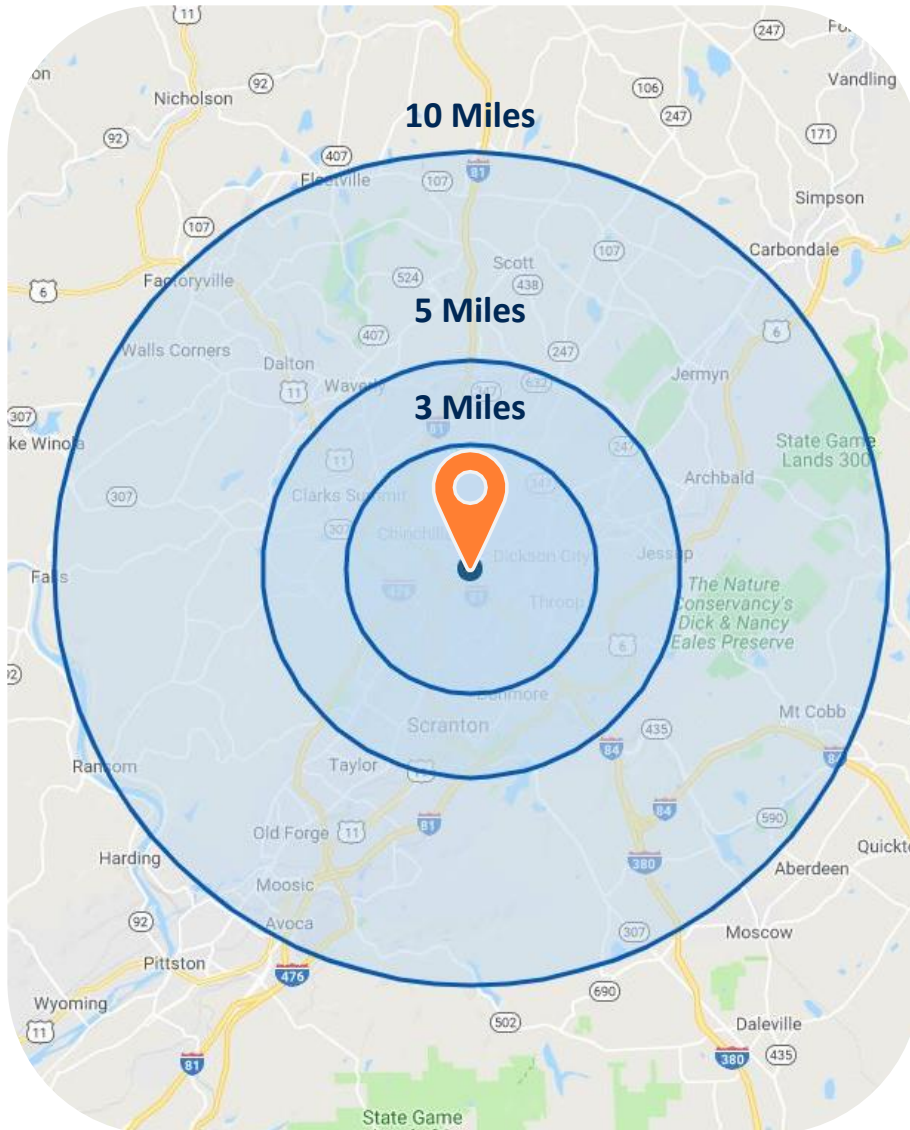




Demographics

1132 Ravine St, Scranton, PA 18508

Ruby Tuesday



	3 Miles	5 Miles	10 Miles
POPULATION			
2023 Projection	48,797	128,932	196,785
2018 Estimate	49,189	130,164	197,361
2010 Census	48,813	129,508	196,413
2000 Census	48,858	129,581	196,162
INCOME			
Average	\$64,907	\$64,065	\$65,889
Median	\$46,824	\$44,245	\$46,489
Per Capita	\$26,554	\$26,471	\$27,137
HOUSEHOLDS			
2023 Projection	19,608	52,244	80,058
2018 Estimate	19,624	52,408	79,752
2010 Census	19,607	52,528	79,922
2000 Census	19,703	52,969	79,427
HOUSING			
2018	\$144,906	\$145,640	\$147,322
EMPLOYMENT			
2018 Daytime Population	53,860	155,545	218,746
2018 Unemployment	5.31%	5.69%	5.38%
2018 Median Time Traveled	21	21	22
RACE & ETHNICITY			
White	89.50%	86.26%	88.51%
Native American	0.07%	0.05%	0.04%
African American	3.46%	4.03%	3.37%
Asian/Pacific Islander	1.79%	3.59%	2.81%



Market Overview

1132 Ravine St, Scranton, PA 18508

Ruby Tuesday

Scranton, PA



Scranton is the sixth-largest city in the Commonwealth of Pennsylvania. It is the county seat and largest city of Lackawanna County in Northeastern Pennsylvania's Wyoming Valley and hosts a federal court building for the United States District Court for the Middle District of Pennsylvania. Scranton is strategically located nearby several of the major metropolitan markets of the northeast each connected to Scranton by one of the five major highways servicing the area. The primary airport in the area, Wilkes-Barre/Scranton International Airport, which provides regular jet service to nine major hubs. The Scranton metro is located in the Pocono mountains of northeast Pennsylvania roughly 120 miles northwest of New York City and 125 miles north of Philadelphia. The metro encompasses Luzerne, Lackawanna and Wyoming counties and is also known as the Wyoming Valley. The region has diversified from its coal mining roots. Now many people move to the Valley to take advantage of the lower cost of living and commute into New Jersey and New York City for employment. The most populous city in the Wyoming Valley Region is Scranton with 76,250 people. Scranton includes a wide range of recreational facilities, which feature AAA baseball team the Scranton/Wilkes-Barre RailRiders, American Hockey League team Wilkes-Barre/Scranton Penguins, and over 40 golf courses, parks, playgrounds, hiking and biking trails, fishing access in the Lackawanna River, among many other activities. Ski resorts include the Montage in Scranton and the Pocono Mountain Ski Resort.

Major Employers

Employer	Estimated # of Employees
Cinram Manufacturing Inc	6,836
Community Pharmacy Services	1,800
Allied Services	1,502
University of Scranton	1,353
Scranton Hospital Company LLC	1,231
Mercy Health Partners	1,120
Aramark	1,112
Prudential	918
US Post Office	879
Verizon	811
Lackawanna County Government	718
Scranton Quincy Hospital Co	700

Marcus & Millichap

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PA BOR:
Sean Beuche
Marcus & Millichap
2005 Market Street Ste 1510
Philadelphia, PA 19103
Tel: 215-531-7050
License: RM424190