



900 Crain Drive | Conway, AR
OFFERING MEMORANDUM

LISTED BY

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AREA OVERVIEW



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OFFERING MEMORANDUM

INVESTMENT HIGHLIGHTS



\$2,524,327
LIST PRICE



5.50%
CAP RATE

INVESTMENT HIGHLIGHTS

- High-Quality 2019 Construction and Denny's newest prototype building
- Long Term 20 Year Lease which provides for generational cash flow as well as hands off ownership
- Absolute NNN Lease giving the owner a passive investment without any obligations for management or maintenance
- Large 10% Rental Escalations providing for a hedge against inflation
- Excellent Visibility of roughly $\pm 40,000$ CPD passing by this site with monument signage from Interstate 40 which is the main artery leading into Little Rock
- Less than 2 miles away from University of Central Arkansas enrolling over $\pm 10,000$ students making the 24/7 hours of Denny's the mecca of college interaction
- Located in direct proximity to some of the nation's top retailers including Sam's Club, Ross, Academy Sports, Petco, Bed Bath & Beyond, ULTA Beauty and Micheal's to name a few
- Operated and Guaranteed by a Top Denny's Franchisee who has received many awards including Top 200 Restaurant Franchisee Chain, 5 years in a row

BUILDING INFO

Address	900 Crain Drive Conway, AR
APN	037-171-021-000
Year Built	2019
GLA of Building	$\pm 4,502$ SF
Lot Size	± 1.00 Acres ($\pm 43,560$ SF)

FINANCIAL OVERVIEW

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Years 1 - 5	\$11,569.83	\$138,838.00	\$30.84	5.50%
Years 6 - 10	\$12,726.82	\$152,721.80	\$33.92	6.05%
Years 11 - 15	\$13,999.50	\$167,993.98	\$37.32	6.66%
Years 16 - 20	\$15,399.45	\$184,793.38	\$41.05	7.32%
Option 1	\$16,939.39	\$203,272.72	\$45.15	8.05%
Option 2	\$18,633.33	\$223,599.99	\$49.67	8.86%
Option 3	\$20,496.67	\$245,959.99	\$54.63	9.74%

TENANT SUMMARY

Trade Name	Denny's
Ownership Type	Fee Simple
Lease Guarantor	Den-Tex Central, Inc.
Lease Type	NNN
Original Lease Term (Years)	20 YRS
Lease Commencement Date	3/17/2019
Rent Commencement Date	11/15/2019
Lease Expiration Date	20 Years from Rent Commencement
Increases	10% Every 5 Years
Options	Three, 5-Year Options
Roof & Structure	Tenant Responsible



HEALTHCARE

A

Baptist Health

- * 260,000 SQUARE-FOOT, STATE-OF-THE-ART FACILITY
- * 111 BEDS AND 8 OPERATING ROOMS
- * OVER \$257,800,000 IN PATIENT REVENUE IN 2018
- * 9,890 TOTAL PATIENT DAYS (2018)

B

CONWAY REGIONAL HEALTH SYSTEM

- * 150-BED, ACUTE CARE MEDICAL CENTER
- * \$570MM+ IN PATIENT REVENUE (2018)
- * ±31,400 TOTAL PATIENT DAYS IN 2018
- * JUST BROKE GROUND ON A \$13MM MEDICAL OFFICE

EDUCATION

C

UNIVERSITY OF CENTRAL ARKANSAS

- * 262-ACRES CAMPUS WITH
- * ±11,350 STUDENTS ENROLLED

D

CONWAY HIGH SCHOOL

±2,000 STUDENTS

E

HENDRIX COLLEGE

±1,400 STUDENTS

SHOPPING CENTERS

F

LEWIS CROSSING

- * ABOUT 20 TENANTS ACROSS ±442,000 SF
- * ANCHORED BY SAM'S CLUB, ROSS, ACADEMY SPORTS, PETCO, BED BATH & BEYOND, ULTA, AND MICHAELS

G

CONWAY COMMONS

- * OVER 40 TENANTS ACROSS ±654,360 SF CENTER
- * ANCHORED BY TARGET, HOME DEPOT, DICK'S, BELK, KOHL'S, TJ MAXX, BEST BUY, AND PETSMART

LEGEND:

-  FUTURE DEVELOPMENT
-  PENDING HOTEL

TENANT OVERVIEW



REPRESENTATIVE PHOTO

The Offering

PROPERTY NAME		Denny's
Property Address	900 Crain Drive Conway, AR	
SITE DESCRIPTION		
Number of Stories	One	
Year Built	2019	
GLA	±4,502 SF	
Lot Size	±1.00 Acres (±43,560 SF)	
Type of Ownership	Fee Simple	

Tenant Overview

» Company Name	» Year Founded	» Headquarters
Denny's	1953	Spartanburg, SC
» Ownership	» Industry	» Website
Public	Restaurant	www.dennys.com

Denny's is one of the leading full-service, family-style restaurant chains in the US, with more than 1,710 of its signature eateries located across the country. Typically open 24 hours a day, the chain is best known for its menu of breakfast items, including eggs, pancakes, and combination plates carrying such names as All-American Slam, Lumberjack Slam, and the aforementioned Grand Slam Breakfast.

Denny's also serves standard American fare (burgers, sandwiches, steak) for lunch and dinner. The company owns and operates about 165 of its restaurants, while the rest are franchised or operate under licensing agreements.

\$506 M

2017 Sales

\$19.4 M

2017 Net Income

1,700 +

Locations Worldwide

Franchise Awards



TOP 200 RESTAURANT FRANCHISEE CHAINS

2019, 2018, 2017, 2016, 2015



TOP 50 PRIVATE COMPANIES – SAN ANTONIO

2019, 2018, 2017, 2016, 2015



WOMAN BUSINESS OWNER OF THE YEAR

2020, 2019, 2018, 2017, 2016, 2015



DENNY'S FRANCHISEE GUIDING PRINCIPLES AWARD



- » **Name**
Dawn Lafreeda
- » **Position**
Founder/CEO
- » **Company**
Den-Tex Central, Inc.
DBA Denny's Restaurants

Dawn Lafreeda started as a single store operator in 1984. Since then she has taken her company, Den-Tex Central, Inc, and turned it into a 75-location chain operating in Texas, Kasas, Missouri, Oklahoma, Arkansas and Illinois. Dawn's company is the largest Denny's franchise owned by a single person.



AREA OVERVIEW

CONWAY, AR OVERVIEW

Conway is a city in the U.S. state of Arkansas and the county seat of Faulkner County, located in the state's most populous Metropolitan Statistical Area, Central Arkansas. Conway is unusual in that the majority of its residents do not commute out of the city to work. The city also serves as a regional shopping, educational, work, healthcare, sports, and cultural hub for Faulkner County and surrounding areas. Conway's growth can be attributed to its jobs in technology and higher education with its largest employers being Acxiom, the University of Central Arkansas, Hewlett Packard, Hendrix College, Insight Enterprises, and many technology start up companies. Conway is home to three post-secondary educational institutions, earning it the nickname "The City of Colleges".

A group of local business leaders made a strategic decision more than 125 years ago to pursue institutions of higher learning as a means of growing the Conway economy. That choice has paid countless dividends ever since. As the colleges have grown, so has their economic impact. Perhaps more importantly, over time they have laid the foundation for Conway's modern workforce.

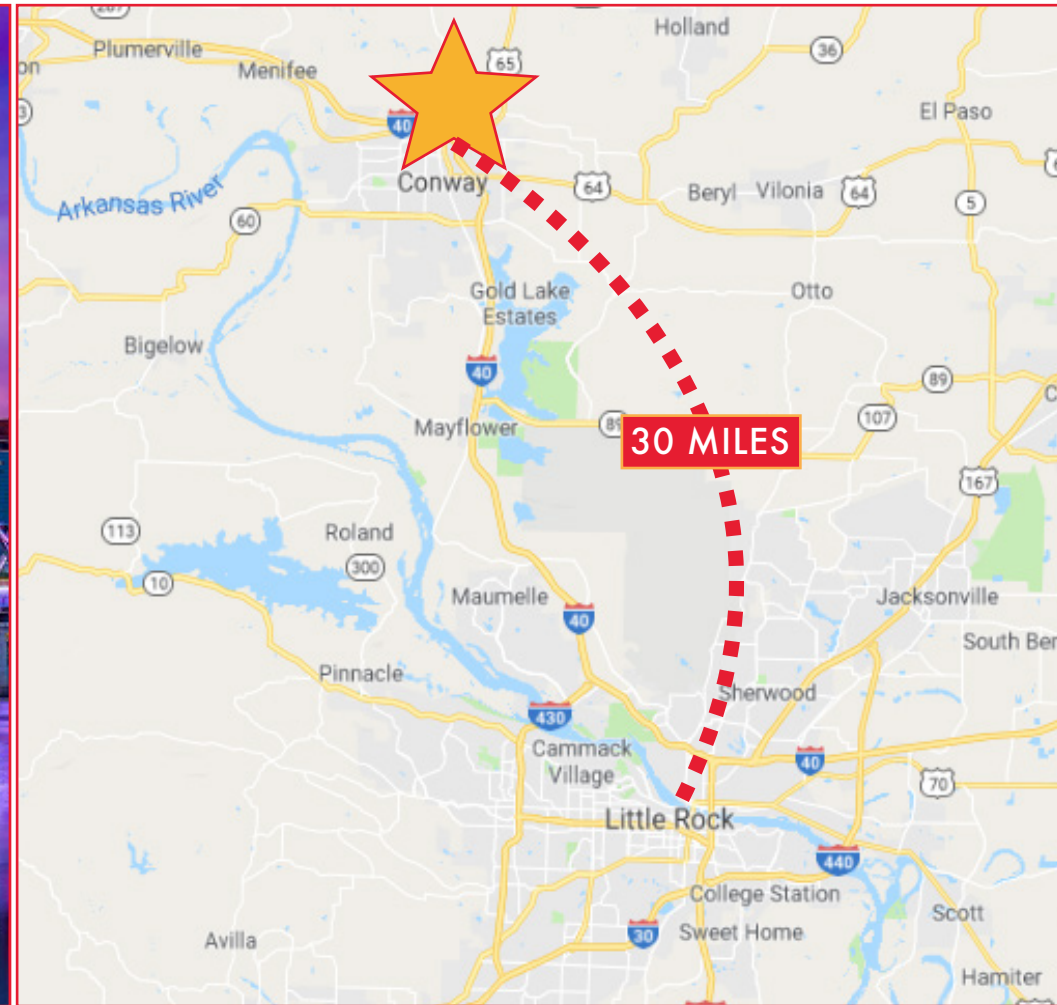
The presence of Hendrix College, the University of Central Arkansas, and Central Baptist College is without a doubt the reason Conway has such a remarkably young (median age 27.3) and educated (almost 40 percent with at least a bachelor's degree) population. Those two qualities stand out nationally as the city competes for jobs in today's economy. The result is a regional economy that has been recognized as one of the most diverse in the nation.

DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	7-MILE
2024 Projection	42,116	75,621	90,050
2019 Estimate	39,907	71,485	85,003
2010 Census	34,125	63,349	75,401
Growth 2019-2024	5.54%	5.79%	5.94%
Growth 2010-2019	16.94%	12.84%	12.73%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2024 Projection	16,309	29,985	35,593
2019 Estimate	15,434	28,371	33,650
2010 Census	12,586	24,194	28,773
Growth 2019-2024	5.67%	5.69%	5.78%
Growth 2010-2019	22.63%	17.27%	16.95%

INCOME	1-MILE	3-MILE	5-MILE
2019 Avg Household Income	\$51,716	\$64,400	\$66,853



LITTLE ROCK, AR

Little Rock, Arkansas sits on the banks of the Arkansas River in Pulaski County. And with a population of nearly 200,000 people, it's the largest city in Arkansas. Little Rock is a major cultural, economic, government and transportation center within Arkansas and the South.

The list of focal points around the city includes the Clinton Presidential Center & Park, neighboring world headquarters of Heifer International with its Heifer Village, and the Central Arkansas Nature Center.

The city includes cultural institutions such as the Arkansas Arts Center, the Arkansas Repertory Theatre, and the Arkansas Symphony Orchestra, in addition to the hiking, boating, and other outdoor recreational opportunities. The Arkansas Repertory Theatre is the state's largest nonprofit professional theatre company. A member of the League of Resident Theatres (LORT D), The Rep has produced more than 300 productions, including 40 world premieres, in its historic building located in downtown Little Rock.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Denny's** located at **900 Crain Drive, Conway, AR 72032** ("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.



REPRESENTATIVE PHOTO

MATTHEWS
REAL ESTATE INVESTMENT SERVICES

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