



ACTUAL SITE

ARBY'S

**1650 SOUTH GALENA AVENUE
DIXON, ILLINOIS 61021**

**OFFERING
MEMORANDUM**

Represented by:
JUSTIN ZAHN
justin@ciadvisors.com

Represented by:
JUSTIN CARLSON
jcarlson@ciadvisors.com

**COMMERCIAL INVESTMENT ADVISORS, INC.
CIA BROKERAGE COMPANY**

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260
480.718.5555 – Direct | www.ciadvisors.com

In Association with Illinois Designated Broker:
Travis R. Tarrant | Tarrant & Harman Real Estate & Auction Co. | IL License # 471016673

CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

ARBY'S
DIXON, ILLINOIS

NAME	ARBY'S
LOCATION	1650 South Galena Avenue Dixon, Illinois 61021
MAJOR CROSS STREETS	On S Galena Ave, North of I-88
TENANT	HEARTLAND BEEF, INC.
PURCHASE PRICE	\$1,570,000
CAP RATE	5.35%
ANNUAL RENT	\$84,000
GROSS LEASEABLE AREA	±2,400 SF
RENTAL ESCALATIONS	5% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	2019
LOT SIZE	±0.69 Acre
LEASE EXPIRATION	October 31, 2039
OPTIONS	Four 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | SHOPPING | ENTERTAINMENT: Pad site to Walmart Supercenter; nearby retailers include ALDI, Tractor Supply Co., Dollar Tree, Dollar General, Ace Hardware, AutoZone, O'Reilly Auto Parts, NAPA Auto Parts, Maurices, Pet Supplies Plus, County Market, Verizon, US Cellular, Walgreens, GNC, Anytime Fitness

HIGHER EDUCATION: 8 miles from Sauk Valley Community College (a public community college offering 40 transfer degree majors, 16 career-technical degrees, 31 certificates & 12 online programs with total enrollment of 1,674)

HEALTH CARE: Less than 2 miles from Katherine Shaw Berthea (KSB) Hospital (an 80-bed acute care facility providing comprehensive ancillary services, including emergency medicine, obstetrics, inpatient psychiatry, a cardiovascular laboratory, outpatient & inpatient surgery & intensive care)

INVESTMENT HIGHLIGHTS

LEASE: Brand New 20-Year Absolute NNN Lease with 5% Rental Escalations every 5 Years

TENANT: Heartland Beef, Inc. is the 15th Largest Arby's Franchisee with 37 Units in Illinois, Indiana, Iowa, Ohio & Missouri

BRAND NEW CONSTRUCTION: New, High-Quality Build-to-Suit Construction of Arby's Newest "Inspire" Prototype in 2019!

STRONG SALES PERFORMANCE: Very Strong Sales Performance Since Opening! ***ASK BROKER FOR DETAILS***

TRAFFIC COUNTS: Pad Site to Walmart Supercenter with Great Drive-By Visibility on Main North/South Thoroughfare where Traffic Counts Exceed 14,700 CPD! – Half a Mile North of I-88 (15,200 CPD)!

DEMOGRAPHICS (5-MI): Total Population: 18,940 | Average Household Income: \$68,789



FINANCIAL ANALYSIS

SUMMARY

TENANT	Heartland Beef, Inc.	LOT SIZE	±0.69 Acre
PURCHASE PRICE	\$1,570,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.35%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	±2,400 SF		
YEAR BUILT	2019		

RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
Heartland Beef, Inc.	±2,400	Years 1-5: 10/15/19 to 10/31/24	Current	\$84,000	5.35%
		Years 6-10: 11/01/24 to 10/31/29	5%	\$88,200	5.62%
		Years 11-15: 11/01/29 to 10/31/34	5%	\$92,610	5.90%
		Years 16-20: 11/01/34 to 10/31/39	5%	\$97,241	6.19%
RENEWAL OPTIONS		1 st Option: 11/01/39 to 10/31/44	5%	\$102,103	
		2 nd Option: 11/01/44 to 10/31/49	5%	\$107,208	
		3 rd Option: 11/01/49 to 10/31/54	5%	\$112,568	
		4 th Option: 11/01/54 to 10/31/59	5%	\$118,196	

ARBY'S | DIXON, ILLINOIS

TENANT OVERVIEW

HEARTLAND BEEF

ABOUT THE TENANT

Heartland Beef, Inc. (HBI) was founded in 2000 by Stephen M. Huse and Thomas R. Browne (CEO/President).

Mr. Browne has been working with Mr. Huse since 1990 & operating partner since 2000. Prior to working with Stephen, Thomas worked for Melvin Simon & Associates. Mr. Browne possesses a CPA, CVA and an MBA. Thomas currently is the Chairman of the Arby's purchasing organization ACORP and has served 17 years on the board. He is also regional board member of German American Bank. Mr. Browne is past president of the Bloomington Chamber of Commerce.

In 2002, Mr. Craig R. Truelock (Vice President of Operations) and Michael J. Todd (Vice President of Construction /Maintenance) became partners in HBI. Mr. Truelock and Mr. Todd have been associated with various holdings of Mr. Huse for over 34 years.

In 2017, Mr. Browne purchased Steve Huse's equity in the company.

Today, Heartland Beef, Inc. is the 15th largest Arby's Franchisee with 37 locations in Illinois, Indiana, Iowa, Ohio and Missouri.

<https://heartlandbeefarbys.com/>

ROARK CAPITAL GROUP

ABOUT THE PARENT COMPANY

Roark Capital Group is an Atlanta-based private equity firm with approximately \$11 billion in equity capital raised since inception. Roark focuses on family-owned business transfers, management / corporate buyouts, recapitalizations, going-private transactions, and corporate divestitures. Roark focuses on consumer and business service companies, with a specialization around franchised and multi-unit business models in the restaurant, retail, consumer services, and business service sectors.

Roark prides itself on being a trusted financial partner for management and business owners. They believe that successful partnerships begin with providing a compelling value proposition to all business constituencies. A win-win approach leads to an enthusiastic business environment where all stakeholders – customers, employees, franchisees, strategic partners, service providers, management and shareholders – share in the growth and success of their businesses. They want to partner with entrepreneurs and executives who share this vision.

Since inception, affiliates of Roark have acquired 68 franchise / multi-unit brands which generate approximately \$37 billion in system revenues from 36,000 location located in 50 states and 81 countries.

<https://www.roarkcapital.com/>

ARBY'S | DIXON, ILLINOIS

SITE PHOTOS ACTUAL

ARBY'S
DIXON, ILLINOIS



AERIAL



ARBY'S | DIXON, ILLINOIS

AERIAL CITY VIEW



ARBY'S | DIXON, ILLINOIS

LOCATION OVERVIEW



Dixon is a city and the county seat of Lee County, Illinois. The city is named after founder John Dixon, who operated a rope ferry service across Rock River, which runs through the city. The Illinois General Assembly designated Dixon as "Petunia Capital of Illinois" in 1999 and "The Catfish Capital of Illinois" in 2009.

Dixon is the boyhood home of former U.S. President Ronald Reagan. The city is also the site of the Lincoln Monument State Memorial, marking the spot where Abraham Lincoln joined the Illinois militia at Fort Dixon in 1832 during the Black Hawk War.

Dixon is a regional employment hub and is part of two fast growing distribution and warehousing and food processing districts: one is I-88 West and the other, the I-39 Logistics Corridor. The biggest industries are healthcare and government. Healthcare employs over 1,700, while government jobs approach 1,500. The Dixon Correctional Center employs over 600 workers, as does the Department of Transportation. **KSB Hospital** has nearly 1,000 employees. Dixon has many industries employing thousands of the region's residents. The largest are **Raynor Garage Doors, Donaldson Inc., Borg Warner and Spectrum Brands**.

KSB Hospital is a medical student teaching facility (80 beds), 4 adult clinics, a children's clinic, 2 dialysis centers, 2 urgent care clinics, and is home to Sinnissippi Mental Health Center and the Northern Illinois Cancer Center.

Bay Valley Foods is a leading provider of private label foods and food service goods in North America. They are a leading supplier of shelf stable foods with a broad range of national and regional brands designed to help make consumers' life easier.

Spectrum Brands is a global consumer products company offering a broad portfolio of leading brands focused on driving innovation and providing exceptional customer service. The Company offers a portfolio of widely trusted brands including Kwikset®, Weiser®, National Hardware®, Pfister®, Remington®, George Foreman®, Black+Decker®, Nature's Miracle® and IAMS.® Spectrum Brands generated fiscal 2018 net sales of approximately \$3.8 billion.



2019 DEMOGRAPHICS

	1-MI	3-MI	5-MI
TOTAL POPULATION	2,585	14,406	18,940
DAYTIME POPULATION	2,463	11,996	15,105
AVERAGE HOUSEHOLD INCOME	\$63,111	\$65,198	\$68,789

CONFIDENTIALITY AGREEMENT

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 Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. 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. Commercial Investment Advisors, Inc. | CIA Brokerage Company 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. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations 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 guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Purchaser is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

BY ACCEPTING THIS MARKETING BROCHURE YOU AGREE TO RELEASE COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE COMPANY HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF ANY PROPERTY.

FOR MORE INFORMATION:

JUSTIN ZAHN

Vice President
O +1 480 718 5555
C +1 402 730 6021
justin@ciadvisor.com

JUSTIN CARLSON

Senior Investment Advisor
O +1 480 214 5089
C +1 480 580-8723
jcarlson@ciadvisor.com

TRAVIS R. TARRANT

Associate Broker
O +1 618 433 9436
C +1 618 974 9259
travis@tarrantandharman.com

