

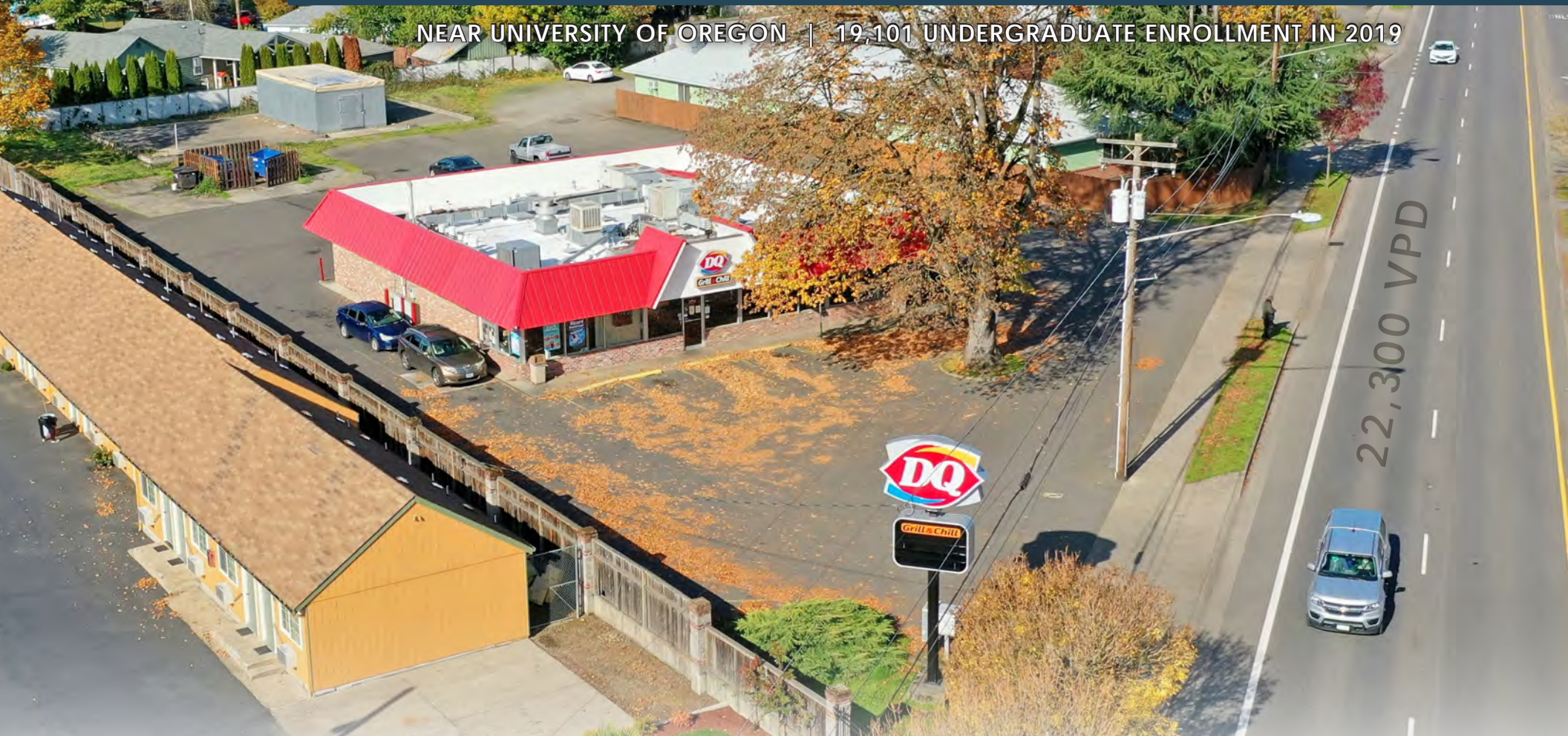


# DAIRY QUEEN

734 STATE HIGHWAY 99 NORTH, EUGENE, OR 97402

Marcus & Millichap

NEAR UNIVERSITY OF OREGON | 19,101 UNDERGRADUATE ENROLLMENT IN 2019

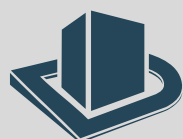


NEW 20-YEAR ABSOLUTE-NET LEASE | STORE REMODEL WITHIN 12-MONTHS OF COE

✓ 21-UNIT OPERATOR

✓ 6-UNIT GUARANTY

✓ SALE-LEASEBACK



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## INVESTMENT HIGHLIGHTS

### NEW 20-YEAR ABSOLUTE-NET LEASE TO BE SIGNED AT CLOSE OF ESCROW



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★ Attractive 10% Increases Every Five Years Throughout the Primary Term and the Four, 5-Year Option Periods

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★ Experienced Operator | 21-Unit Operator (6-Unit Guaranty) with Over 35-Years of Industry Experience

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★ 3,202 Square Foot Building Situated on A Large 1.11 Acre Lot with Monument Signage

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★ High-traffic Location just off State Highway 99 which oversees 22,300 vehicles per day; Highway 99 is the Main Thoroughfare to Downtown Eugene Ultimately Connecting with Interstate-5 South of Downtown

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★ Subject Property is Located just 6-Miles from Eugene Airport which in 2018 had 60,000+ Aircraft Operations and Over 1.6 Million Passengers

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★ 5-Miles from the University of Oregon (19,101 Undergraduate Enrollment 2019)

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★ Strong Demographics Surrounding the Subject Property with 95,000+ Population within a 3-Mile Radius & 181,000+ in a 5-Mile Radius. Average Household Income of \$66,000 in a 5-Mile Radius.

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★ Nearby National Retailers Include: Best Economy Inn, Dollar General, O'Reilly Auto Parts, Advance Auto Parts; Next Closest Quick Service Restaurant (Dutch Bros) 1.5-Miles North from Subject Property

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Dairy Queen, often abbreviated DQ, is a chain of soft serve ice cream and fast-food restaurants owned by International Dairy Queen, Inc., A Subsidiary of Berkshire Hathaway. International Dairy Queen, Inc., Also owns Orange Julius and Karmelkorn. DQ operators have been providing consumers with treats and food since 1940 and is headquartered in Edina, Minnesota.

DQ Grill & Chill locations feature hot food, treats, table delivery and self-serve soft drinks. In most cases, they offer an expanded menu including breakfast, GrillBurgers, and grilled sandwiches, as well as limited table service (customers still place orders at the counter). They also contain self-serve soft drink fountains allowing free refills.

The franchisee at this location currently operates 21 Dairy Queen units in Colorado, Washington, Oklahoma and Oregon. They have over 35 years of operating experience with multiple concepts. Founded in 1995 they are headquartered in Laguna Hills, California.

## COMPANY SUMMARY

Number of Locations:	21
Year Founded:	1995
Headquartered:	Laguna Hills, CA



## FINANCIAL SUMMARY

Price:	\$2,166,000
CAP Rate:	6.00%
Gross Leasable Area (GLA)	3,202 SF
Lot Size:	1.11 Acres
Year Built / Remodel:	Remodel Within 12-Months of COE
Ownership:	Fee Simple

## LEASE SUMMARY

Lease Term:	New 20-Year Lease
Lease Type:	Absolute-Net
Lease Commencement:	Close of Escrow
Increases:	10% Increases Every 5-Years
Options to Extend:	Four, 5-Year Options
Guaranty:	6-Units

## ANNUALIZED OPERATING DATA

Rent Increases	Annual Rent	Monthly Rent
Rent Commencement - Year 5	\$129,960	\$10,830
Year 6 - Year 10	\$142,956	\$11,913
Year 10 - Year 15	\$144,529	\$12,044
Year 15 - Year 20	\$146,101	\$12,175
Year 20 - Year 25 (Option 1)	\$147,674	\$12,306
Year 25 - Year 30 (Option 2)	\$149,246	\$12,437
Year 30 - Year 35 (Option 3)	\$150,819	\$12,568
Year 35 - Year 40 (Option 4)	\$152,391	\$12,699

Seller is in a contract position on the Real Estate and Business and is therefore not the current holder of title. Seller will obtain title on both the business and the property no later than the closing date of this subsequent transaction being marketed



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Eugene, OR 97402



OFFERING PRICE

**\$2,166,000**



CAP RATE

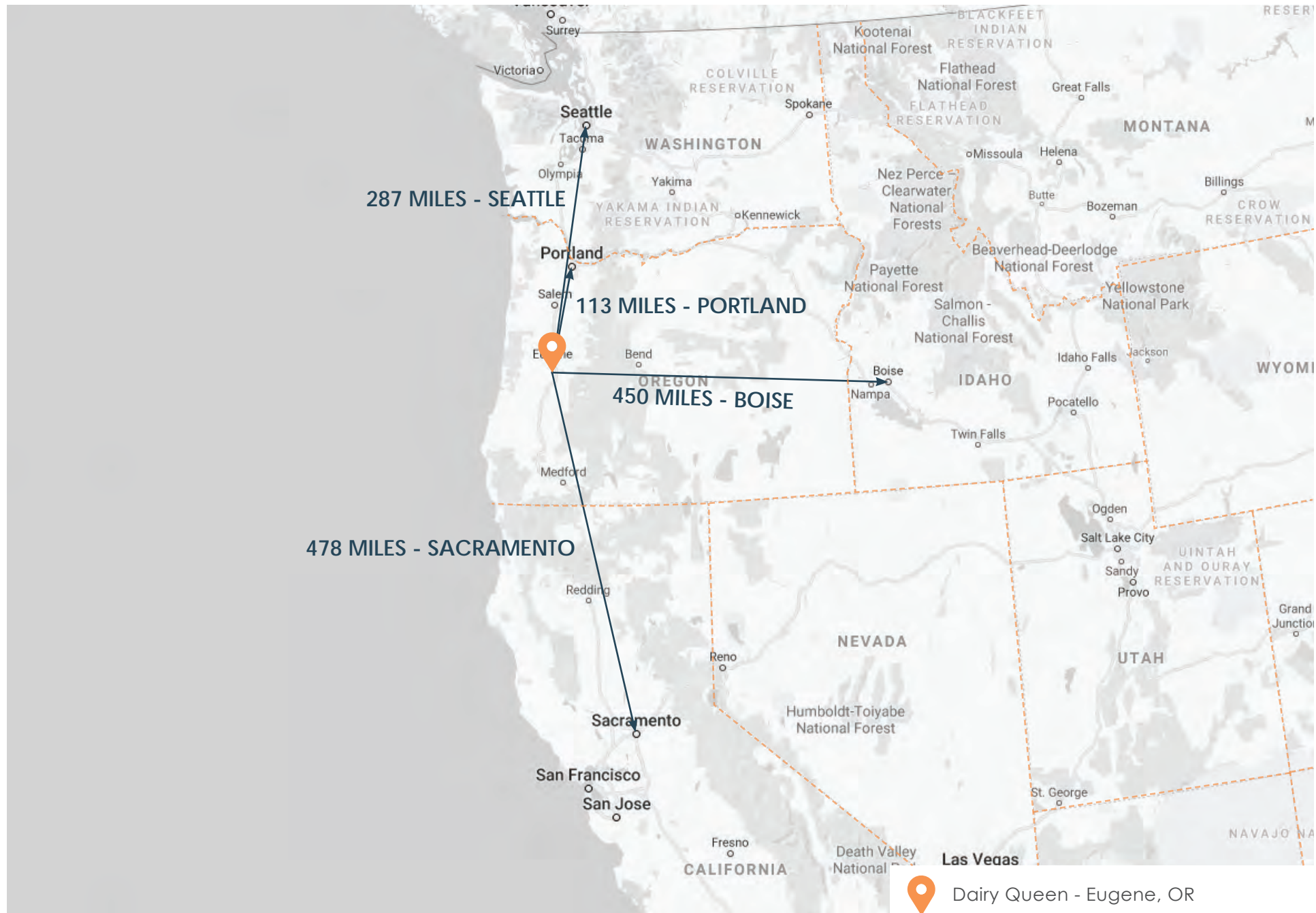
**6.00%**



NET OPERATING INCOME

**\$129,960**















## EUGENE, OREGON

Home to more than 140,000 people, Eugene is Oregon's second largest city. It covers approximately 41.5 square miles, with the Willamette River running through the heart of the city and the McKenzie River joining the Willamette to the north of town. The elevation is 426 above sea level and the city's topography features Skinner Butte to the north of downtown and the south, the landmark Spencer Butte, now a 310-acre city park.

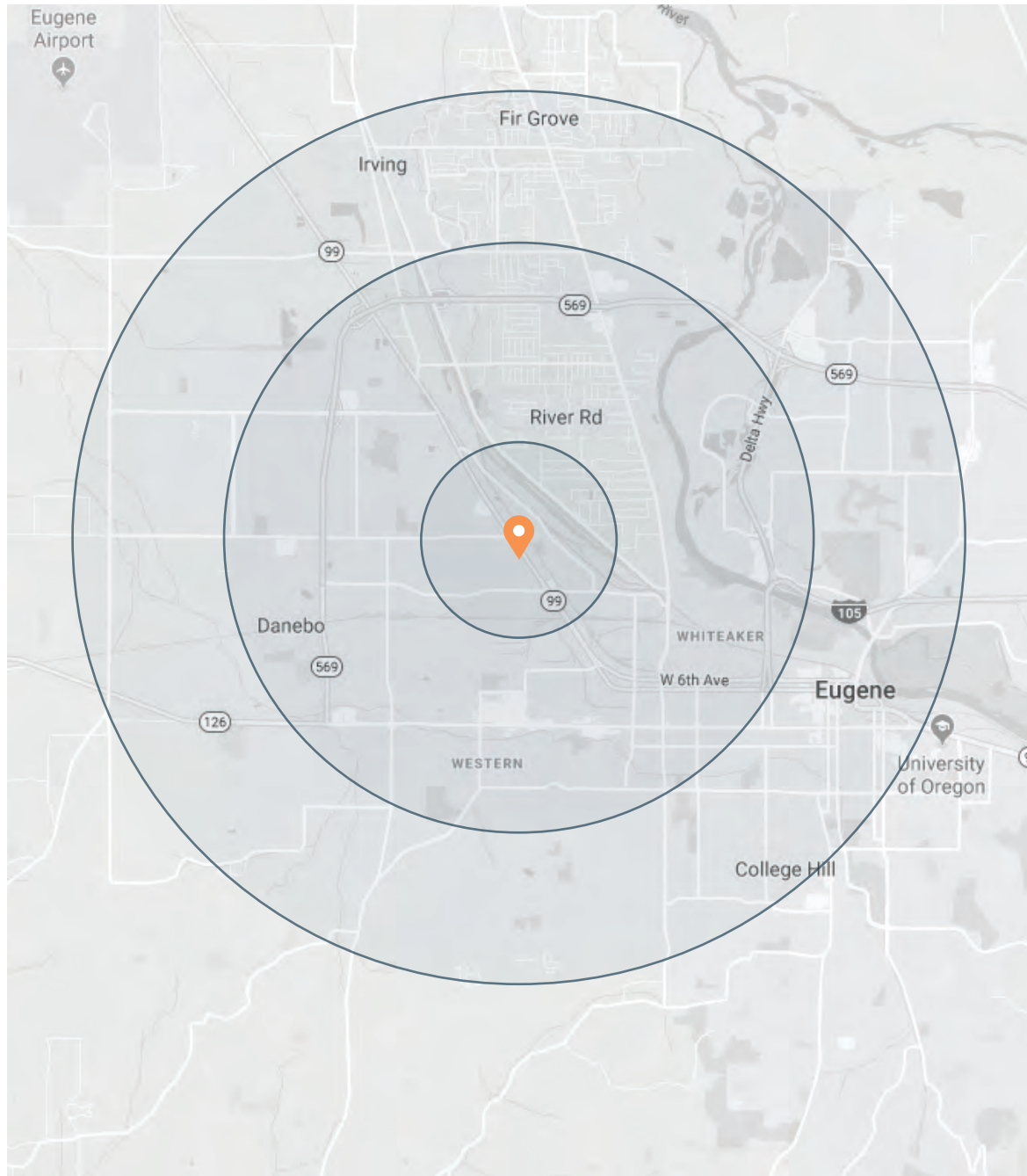
Eugene's climate, with an average temperature of 53 degrees, is one of the city's attractive features. Mild winters, long growing seasons, and few drastic weather changes are characteristic. Normal annual rainfall is 43 inches which falls mostly between September and June. Eugene is positioned at latitude 44° 7' N, longitude 123° 13' W.

Eugene has a high percentage of professionals including doctors, lawyers, architects, and educators. One third of the city's population has completed four or more years of college. Eugene is home to the University of Oregon, Northwest Christian University, Lane Community College and Eugene Bible College.





# DEMOGRAPHICS SUMMARY



## POPULATION

	1-Mile	3-Mile	5-Mile
2023 Projection	9,373	98,968	188,803
2018 Estimate	9,364	95,424	181,824
2010 Census	8,997	91,482	172,723

## HOUSEHOLDS

	1-Mile	3-Mile	5-Mile
2023 Projection	3,930	43,301	81,089
2018 Estimate	3,862	41,278	77,188
2010 Census	3,732	39,223	64,981

## INCOME

	1-Mile	3-Mile	5-Mile
Avg Income	\$49,882	\$59,987	\$66,000
Median Income	\$40,214	\$44,936	\$46,922
Per Capita Income	\$20,773	\$26,255	\$28,629



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Exclusively Listed by:



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