

PERKINS RESTAURANT & BAKERY

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



5420 W Broadway Ave
Crystal, MN 55428

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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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

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, Buyer 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 Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.



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Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept Overview	6
Surrounding Area	7
Property Photos	8
Surrounding Area Photos	9
Location Overview	10
Local Map	11
Regional Map	12
Demographics	13
Market Overview	14





Investment Highlights

PRICE: \$2,480,000 | CAP: 6.25% | RENT: \$155,000



About the Investment

- ✓ Brand New, 20-Year Absolute Triple Net (NNN) Lease
- ✓ Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Attractive Rental Increases of 1.50% Annually
- ✓ Four (4), Five (5)-Year Tenant Renewal Options

About the Location

- ✓ Dense Retail Corridor | Aldi, Target, Walgreens, CVS Pharmacy, Marshalls, Buffalo Wild Wings, Arby's, Starbucks, Chipotle, McDonald's and Many More
- ✓ Features High Visibility & Ease of Access along W Broadway Avenue
- ✓ Strong Traffic Counts | W Broadway Avenue, Bass Lake Road, & Bottineau Boulevard | Average 16,300, 21,314, & 29,337 Vehicles Per Day Respectively
- ✓ Centrally Located Around Numerous Academic Institutions | Robbinsdale Cooper High School | Over 1,500 Students Enrolled
- ✓ Compelling Location Fundamentals | Located Less Than 10-Miles From Downtown Minneapolis, Minnesota

About the Tenant / Brand

- ✓ Operates 317 Restaurants in 32 States and Five Canadian Provinces
- ✓ System Includes 89 Company-Owned and Operated Restaurants and 228 Franchised Units
- ✓ Famous for its National Presence of Supermarket Frozen Entrée Lines
- ✓ Perkins In-store Bakeries Provide a Unique Point Of Difference | Offering a Mouth-Watering Selection of Premium Freshly Baked Mammoth Muffins®, Cookies, Cream Pies, Fruit Pies and Specialty Pastries Daily
- ✓ Open 24-Hours | 7 Days a Week





Financial Analysis

PRICE: \$2,480,000 | CAP: 6.25% | RENT: \$155,000



PROPERTY DESCRIPTION

Property	Perkins Restaurant and Bakery
Property Address	5420 W Broadway Avenue
City, State ZIP	Crystal, MN 55428
Year Built / Renovated	1975
Building Size (SF)	4,880
Lot Size (Acres)	+/- 1.60
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$2,480,000
CAP Rate	6.25%
Annual Rent	\$155,000

LEASE SUMMARY

Property Type	Net-Leased Restaurant
Tenant / Guarantor	Corporate
Original Lease Term	20 Years
Lease Commencement	November 1, 2019
Lease Expiration	October 31, 2039
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.50% Annually
Options to Renew	Four (4), Five (5) Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$155,000	\$12,917	1.50%
Year 2	\$157,325	\$13,110	1.50%
Year 3	\$159,685	\$13,307	1.50%
Year 4	\$162,080	\$13,507	1.50%
Year 5	\$164,511	\$13,709	1.50%
Year 6	\$166,979	\$13,915	1.50%
Year 7	\$169,484	\$14,124	1.50%
Year 8	\$172,026	\$14,335	1.50%
Year 9	\$174,606	\$14,551	1.50%
Year 10	\$177,225	\$14,769	1.50%
Year 11	\$179,884	\$14,990	1.50%
Year 12	\$182,582	\$15,215	1.50%
Year 13	\$185,321	\$15,443	1.50%
Year 14	\$188,101	\$15,675	1.50%
Year 15	\$190,922	\$15,910	1.50%
Year 16	\$193,786	\$16,149	1.50%
Year 17	\$196,693	\$16,391	1.50%
Year 18	\$199,643	\$16,637	1.50%
Year 19	\$202,638	\$16,886	1.50%
Year 20	\$205,677	\$17,140	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Perkins Restaurant and Bakery located at 5420 W Broadway Avenue in Crystal, Minnesota. The site consists of roughly 4,880 rentable square feet of building space on estimated 1.60-acre parcel of land. This Perkins Restaurant and Bakery is subject to a brand new, long term, 20-year absolute triple-net (NNN) lease, which commenced on November 1st, 2019. The current annual rent is \$155,000 and is scheduled to increase by 1.50% annually throughout the base term and in each of the four (4), five (5)-year tenant renewal option periods.



Concept Overview



About Perkins:

Founded in 1958, Perkins operates 324 restaurants in 32 states and five Canadian provinces. The Perkins system includes 90 company-owned and operated restaurants and 234 franchised units. The company also has a baked goods manufacturing division operating under the name Foxtail which manufactures pies, pancake mixes, cookie dough, and muffin batter for in-store bakeries and third-party customers. The combination of the Perkins Restaurant & Bakery chain with Marie Callender's occurred in 2006. Marie Callender's consists of 27 restaurants in the United States; it is famous for its fresh-baked pies and has a national presence through supermarket frozen entrée lines offered by ConAgra. Private investment funds managed by Wayzata Investment Partners LLC are the majority owners of Perkins & Marie Callender's Holding LLC, the parent company of the Perkins & Marie Callender's group of companies.

"The casual dining industry has 31.59% of total food service sales"
- National Restaurant News



General Information

Founded	1958 in Cincinnati, OH
Website	http://www.perkinsrestaurants.com/
Headquarters:	Memphis, TN
Number of Locations	324





Surrounding Area

5420 W Broadway Avenue, Crystal, MN 55428





Property Photos

5420 W Broadway Avenue, Crystal, MN 55428





Surrounding Area Photos

5420 W Broadway Avenue, Crystal, MN 55428





Location Overview

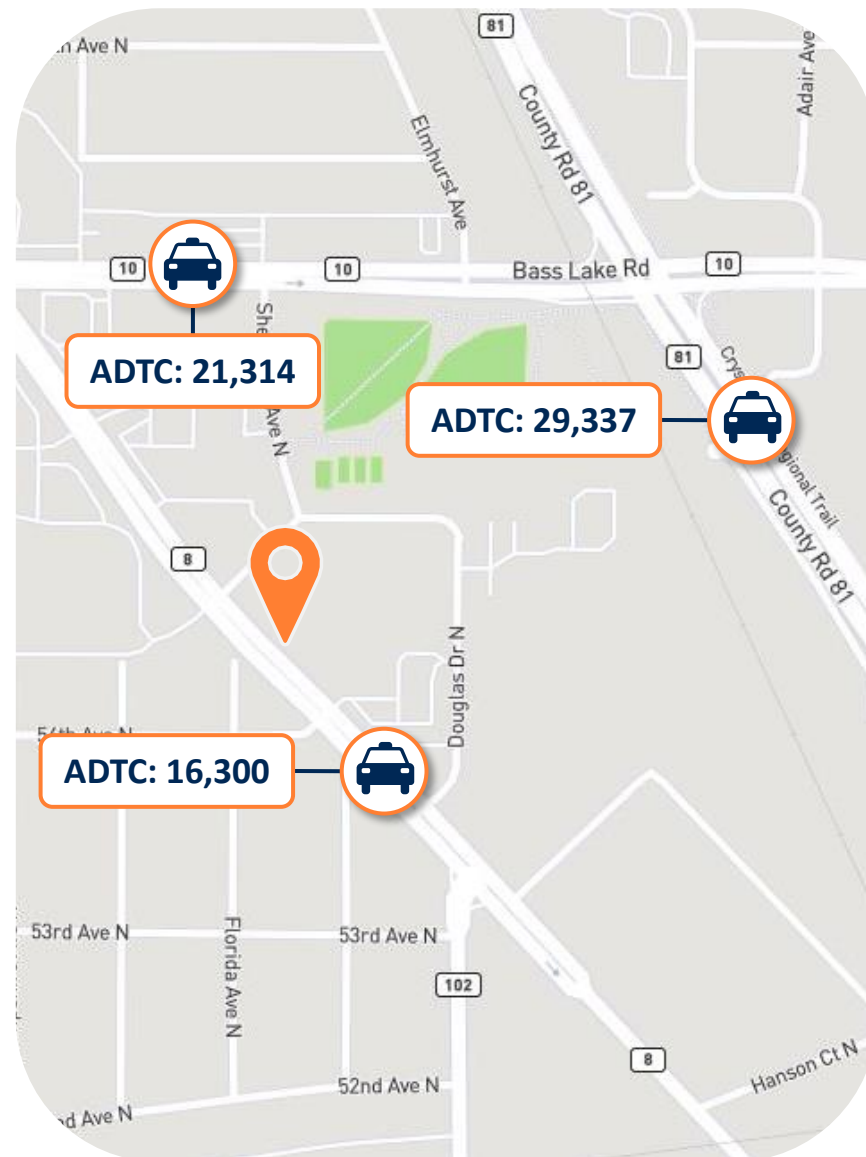
5420 W Broadway Avenue, Crystal, MN 55428



The subject property is situated on W Broadway Avenue, which boasts an average daily traffic count exceeding 16,300 vehicles. W Broadway Ave is intersected by Bass Lake Rd and runs parallel with Bottineau Blvd, which bring an additional 21,314 and 29,337 vehicles into the immediate area daily respectively. There are more than 112,000 individuals residing within a three-mile radius of the subject property and more than 275,300 individuals within a five-mile radius of the property.

The property is well positioned in a dense retail corridor with many national and local tenants, shopping centers, academic institutions, and other points of interest all within immediate proximity to the site. Major national tenants include: Aldi, Target, Walgreens, CVS Pharmacy, Marshalls, Buffalo Wild Wings, Arby's, Starbucks, Chipotle, McDonald's, Taco Bell, Popeyes, Burger King as well as many others. The subject property benefits from being centrally located near many academic institutions. Most notable, Robbinsdale Cooper High School, has over 1,500 students enrolled and is located 2 miles from the subject property. Additionally, this Perkins Restaurant and Bakery benefits from its immediate proximity to Crystal Airport, which experienced over 38,100 flights in 2018 and is located less than one mile from the property.

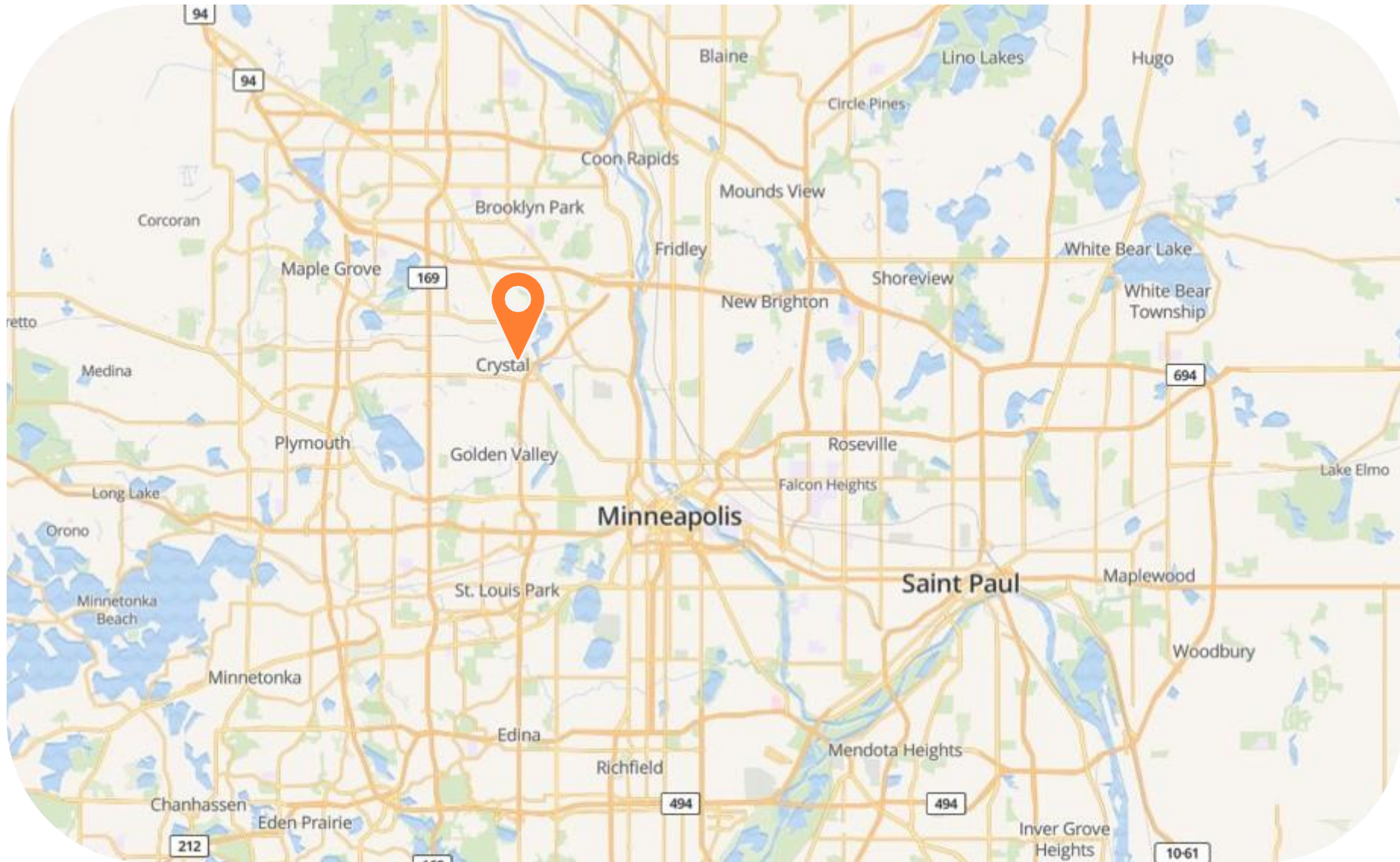
Crystal is located less than 10 miles from Minneapolis, Minnesota. Minneapolis is a major city in Minnesota that forms "Twin Cities" with the neighboring state capital of St. Paul. Bisected by the Mississippi River, it's known for its parks and lakes. Minneapolis is the larger of the Twin Cities and is the largest city in Minnesota with a population of over 400,000. Minneapolis is a global city, with strengths in business, medicine, sports, manufacturing, culture, education, and research. Home to more Fortune 500 companies per capita than anywhere else in the world, Minneapolis has deep roots in agriculture, food exports, and water technology; innovation across multiple industries, including software and renewable energy; and one of the highest concentrations of banks and financial talent in a major metropolitan area. Major companies headquartered in the Greater Minneapolis-St. Paul area include Target, General Mills, United Health Group, Best Buy, and 3M. Minneapolis is also home to many cultural landmarks like the Walker Art Center, a contemporary art museum, and the adjacent Minneapolis Sculpture Garden, famed for Claes Oldenburg's "Spoonbridge and Cherry" sculpture. The University of Minneapolis is the primary university in the city, and is the fourth-largest campus among U.S. public 4-year universities in terms of enrollment. According to the American Institute for Economic Research, in 2016 Minneapolis ranked in the top 5 best metro for young college graduates. Over the years, Minneapolis has experienced rapid growth, more than most other Midwestern cities. Demand for housing in Minneapolis has spurred residential developments in previously low-populated areas and has prompted new construction in some of the city's established neighborhoods.





Local Map

5420 W Broadway Avenue, Crystal, MN 55428





Regional Map

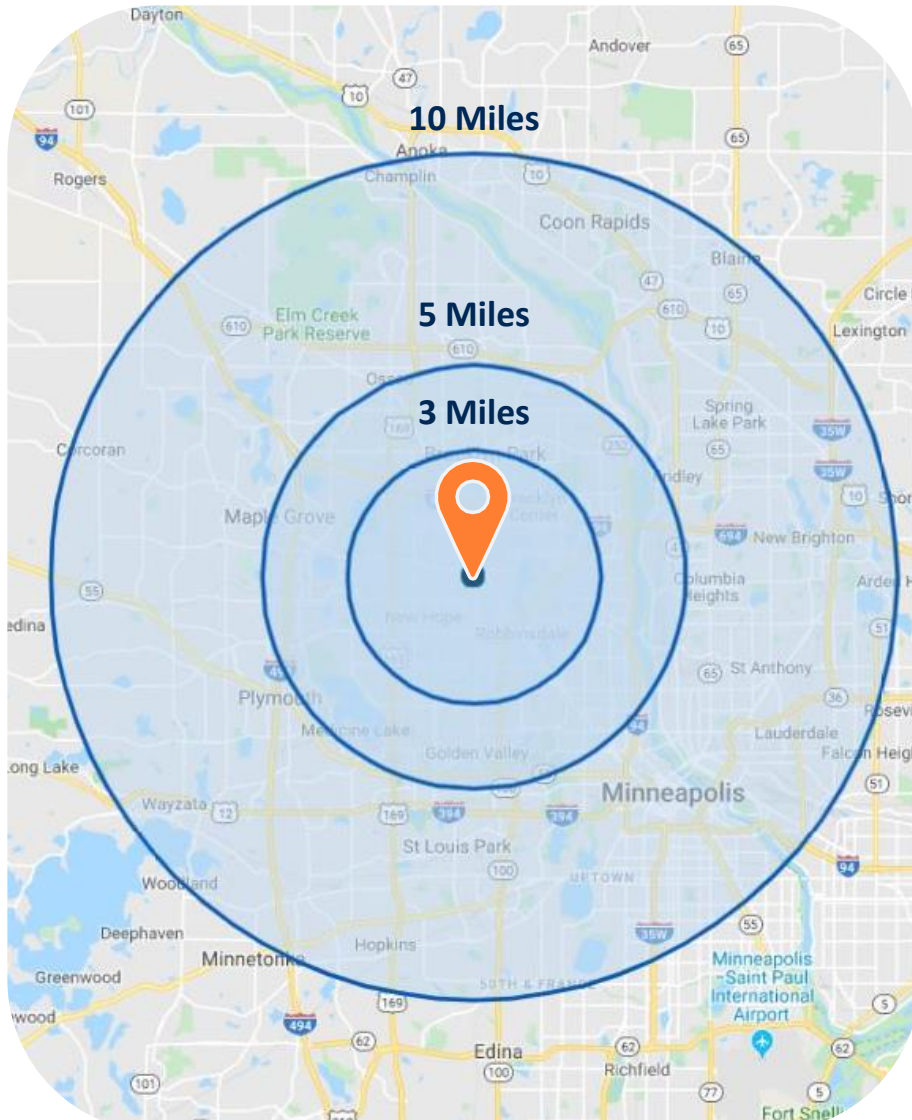
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Demographics

5420 W Broadway Avenue, Crystal, MN 55428



	3 Miles	5 Miles	10 Miles
POPULATION			
2023 Projection	110,804	271,863	1,030,437
2018 Estimate	112,014	275,393	1,013,525
2010 Census	106,784	259,519	940,274
2000 Census	107,019	264,429	914,706
INCOME			
Average	\$73,164	\$82,148	\$92,723
Median	\$56,007	\$61,635	\$64,690
Per Capita	\$29,593	\$31,522	\$38,518
HOUSEHOLDS			
2023 Projection	45,521	106,778	431,359
2018 Estimate	45,047	105,132	416,937
2010 Census	42,979	99,269	384,843
2000 Census	44,211	100,583	369,385
HOUSING			
2018	\$184,000	\$192,559	\$229,687
EMPLOYMENT			
2018 Daytime Population	99,719	249,781	1,299,749
2018 Unemployment	3.32%	4.03%	3.95%
2018 Median Time Traveled	25 Mins	26 Mins	25 Mins
RACE & ETHNICITY			
White	60.42%	56.76%	68.51%
Native American	0.04%	0.04%	0.04%
African American	21.40%	23.20%	14.82%
Asian/Pacific Islander	8.88%	11.28%	8.19%



Market Overview

5420 W Broadway Avenue, Crystal, MN 55428



Minneapolis, MN



Minneapolis is a major city in Minnesota that forms "Twin Cities" with the neighboring state capital of St. Paul. Bisected by the Mississippi River, it's known for its parks and lakes. Minneapolis is the larger of the Twin Cities and is the largest city in Minnesota with a population of over 400,000. Minneapolis is a global city, with strengths in business, medicine, sports, manufacturing, culture, education, and research. Home to more Fortune 500 companies per capita than anywhere else in the world, Minneapolis has deep roots in agriculture, food exports, and water technology; innovation across multiple industries, including software and renewable energy; and one of the highest concentrations of banks and financial talent in a major metropolitan area. Major companies headquartered in the Greater Minneapolis-St. Paul area include Target, General Mills, United Health Group, Best Buy, and 3M. Minneapolis is also home to many cultural landmarks like the Walker Art Center, a contemporary art museum, and the adjacent Minneapolis Sculpture Garden, famed for Claes Oldenburg's "Spoonbridge and Cherry" sculpture. The University of Minneapolis is the primary university in the city, and is the fourth-largest campus among U.S. public 4-year universities in terms of enrollment. According to the American Institute for Economic Research, in 2016 Minneapolis ranked in the top 5 best metro for young college graduates. Over the years, Minneapolis has experienced rapid growth, more than most other Midwestern cities. Demand for housing in Minneapolis has spurred residential developments in previously low-populated areas and has prompted new construction in some of the city's established neighborhoods.

Major Employers

EMPLOYER	ESTIMATED # OF EMPLOYEES
Honeywell	9,878
Goodwill Industries Inc	7,944
Medtronic	5,664
Target	5,642
Hennepin County	5,221
Minnesota Dept Transportation	4,810
Abbott Northwestern Hospital	4,664
University Masonic Children Hospital	4,635

Marcus & Millichap

EXCLUSIVE NET-LEASE OFFERING



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