

Arby's

EXCLUSIVE NET-LEASE OFFERING

OFFERING MEMORANDUM



503 E Lansing Street
Charlotte, MI 48813

Confidentiality and Disclaimer



503 E Lansing Street
Charlotte, MI 48813

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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.

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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 potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

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Investment Highlights

PRICE: \$1,650,000 | CAP: 6.00% | RENT: \$99,000



About the Investment

- ✓ Absolute Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Corporate Guarantee from Arby's Restaurant Group, Inc.
- ✓ 10 Year Lease with 6.5 Years Remaining on the Base Term
- ✓ Four (4) Option Periods of Five (5) Years Each | Potential for Total Lease Term of 30 Years
- ✓ Three Percent (3.00%) Rental Increases Every Four (4) Years Throughout the Entirety of the Lease
- ✓ Strong Commitment to the Site | Tenant Has Been Operating at this Location For Over 20 Years

About the Location

- ✓ Extremely Dense Retail Corridor | Walmart Supercenter, Goodwill, Tractor Supply Co., McDonald's, KFC, Burger King, Taco Bell, Applebee's, Wendy's and More
- ✓ Strong Academic Presence | Four Academic Institutions Located Within a Three Mile Radius | Total Combined Enrollment Exceeds 2,000 Students
- ✓ Robust Traffic Counts | Approximately 38,000 and 15,000 Vehicles Per Day Along Interstate-69 and Lansing Road, Respectively
- ✓ Fitch H Beach Airport | Located Within a One-Mile Radius | Over 11,000 Enplanements Per Year
- ✓ Prominent Medical Presence | Hayes Green Beach Memorial Hospital is a 50-Bed State-Of-The-Art Medical Facility | Located Within a Half-A-Mile Radius
- ✓ The Maple Brook Golf and Country Club, a Nine-Hole Public Golf course, is located 1-mile from this Arby's.
- ✓ Positive Real Estate Fundamentals | Interstate-69 Leads Directly to Lansing, MI | Lansing, Michigan's Capital City | Approximately 20 Miles

About the Tenant / Brand

- ✓ Arby's Has More Than 3,300 Locations Throughout the World with Over \$1.55B of Revenue
- ✓ Arby's was Founded in 1964 in Boardman, OH and is Currently Owned and Operated by Inspire Brands / Roark Capital Group
- ✓ Inspire Brands Owns over 11,100 Restaurants Including Arby's, Buffalo Wild Wings, Sonic, Jimmy John's and More





Financial Analysis

PRICE: \$1,650,000 | CAP: 6.00% | RENT: \$99,000



PROPERTY DESCRIPTION

Property	Arby's
Property Address	503 E Lansing Road
City, State ZIP	Charlotte, MI 48813
Building Size (SF)	2,543
Lot Size (Acres)	+/- 0.44
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,650,000
CAP Rate	6.00%
Annual Rent	\$99,000

LEASE SUMMARY

Property Type	Net Leased Restaurant
Tenant / Guarantor	SYBRA, LLC / Arby's Restaurant Group, Inc.
Original Lease Term	10 Years
Lease Commencement	May 1, 2017
Lease Expiration	April 30, 2027
Lease Term Remaining	6.5 Years
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	3.00% Every Four (4) Years
Options to Renew	Four (4), Five (5)-Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$99,000	\$8,250	-
Year 2	\$99,000	\$8,250	-
Year 3	\$99,000	\$8,250	-
Current	\$99,000	\$8,250	-
Year 5	\$101,970	\$8,498	3.00%
Year 6	\$101,970	\$8,498	-
Year 7	\$101,970	\$8,498	-
Year 8	\$101,970	\$8,498	-
Year 9	\$105,029	\$8,752	3.00%
Year 10	\$105,029	\$8,752	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for an Arby's located at 503 E Lansing Road in Charlotte, Michigan. The site consists of roughly 2,543 rentable square feet of building space on estimated .44-acre parcel of land. This Arby's is subject to a 10-year absolute triple-net (NNN) lease, which commenced May 1st, 2017. The current annual rent is \$99,000 and is scheduled to increase by three percent (3.00%) every four (4) years throughout the base term and in each of the four (4), five (5)-year renewal options.



Concept Overview

About Arby's



Arby's is the place for people hungering for a unique, better tasting alternative to traditional fast food. It's the favorite place for people who crave something different and better. Serving one-of-a-kind menu items, Arby's is well known for slow-roasted and freshly sliced roast beef sandwiches and famous Market Fresh sandwiches, wraps and salads, made with wholesome ingredients and served with the convenience of a drive-thru.

From day one, Arby's Roast Beef Restaurants offered an innovative menu, offering guests something other than hamburgers in the newly inspired quick service segment. When foodservice veterans Leroy and Forrest Raffel opened the first Arby's in Boardman, Ohio on July 23, 1964, customers enjoyed roast beef sandwiches, potato chips, and Texas sized iced teas. To name their new venture, the brothers decided on Arby's, which stands for R.B., the initials of the Raffel Brothers- although many suspect the R.B. stands for roast beef.

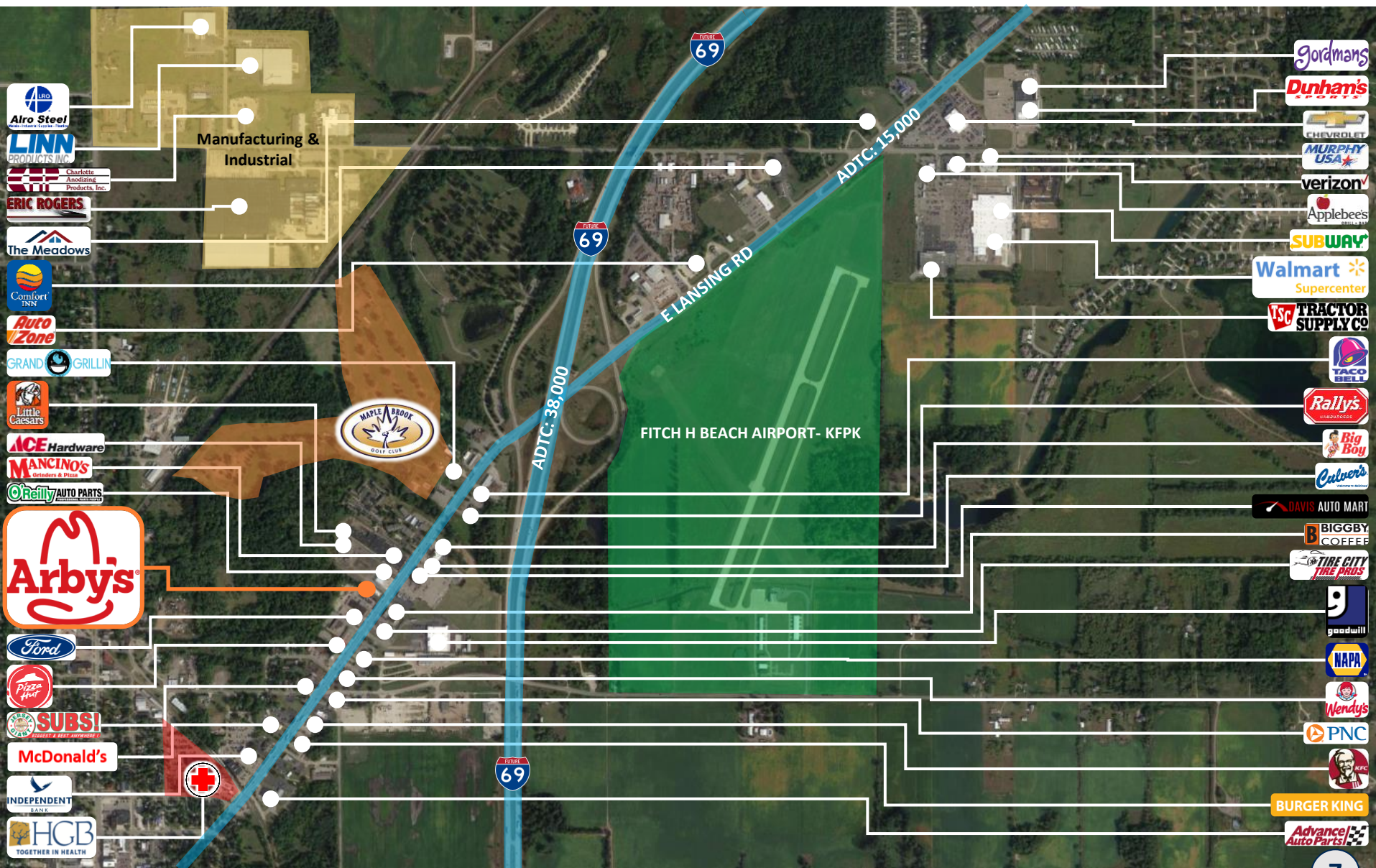
COMPANY PROFILE

GLOBAL SYSTEM RESTAURANT COUNT	3,367
GLOBAL SYSTEM FRANCHISE-OWNED RESTAURANT COUNT	2,305
GLOBAL SYSTEM COMPANY-OWNED RESTAURANT COUNT	1,062
U.S. SYSTEM RESTAURANT COUNT	3,242
RESTAURANT LOCATIONS: U.S. STATES	48
RESTAURANT LOCATIONS: COUNTRIES	7
GLOBAL SYSTEM TEAM MEMBER COUNT	80,000
HEADQUARTERS	Atlanta, GA



Surrounding Area

503 E Lansing Road, Charlotte, MI 48813





Location Overview

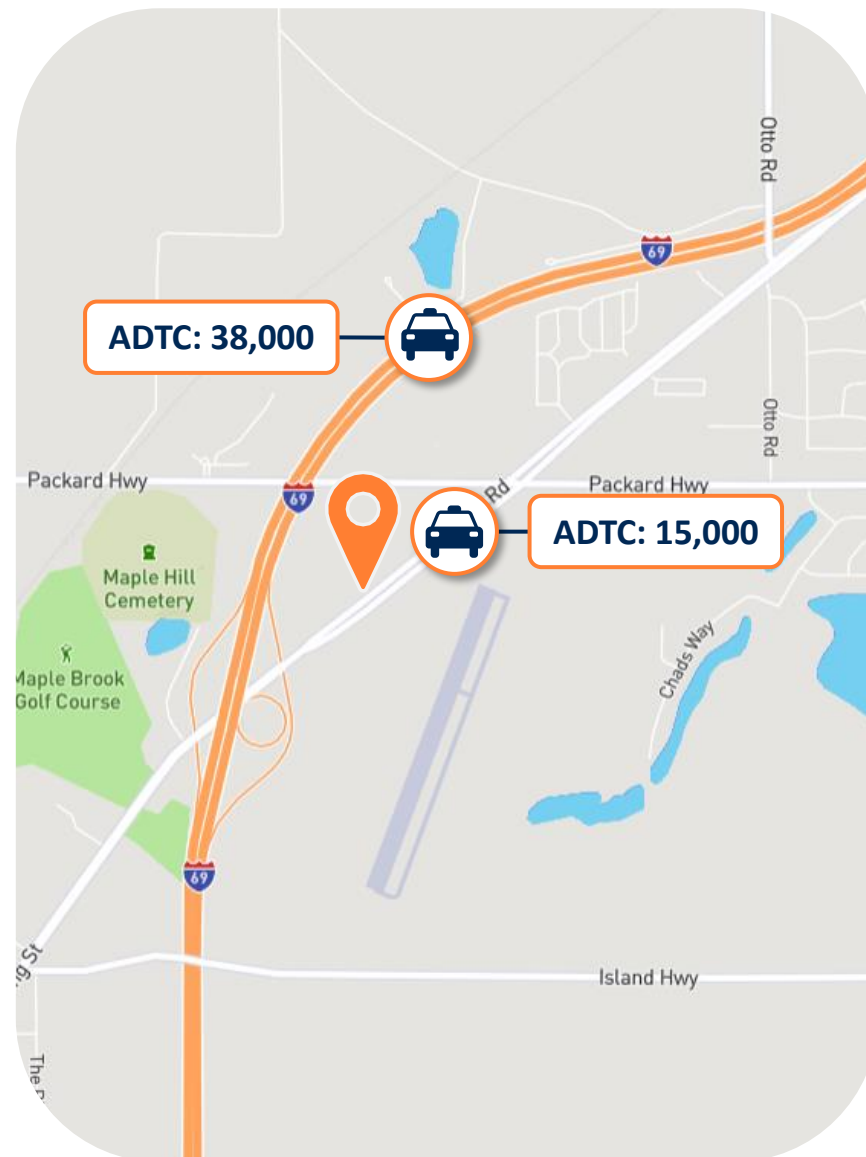
503 E Lansing Road, Charlotte, MI 48813



This Arby's property is situated on E Lansing Road, which boasts an average daily traffic count of 15,000 vehicles. E Lansing Road intersects with Interstate-69, which brings an additional 38,000 vehicles into the immediate area on average daily. There are nearly 20,000 individuals residing within a five-mile radius of the property and more than 43,000 individuals within a ten-mile radius. This subject property is situated in an affluent area with the average income within a five-mile radius exceeding \$71,000.

The subject property benefits from being well-positioned in an extremely dense retail corridor consisting of national and local tenants, shopping centers and other notable points of interest all within close proximity of this property. Major national tenants in the area include: Walmart Supercenter, Goodwill, Tractor Supply Co., McDonald's, KFC, Burger King, Taco Bell, Applebee's, Dunham's, Little Caesar's, Pizza Hut, Wendy's as well as many others. This Arby's also benefits from its close proximity to several academic institutions. There are four academic institutions within a three-mile radius, with an overall combined enrollment that exceeds 2,000 students. This subject Arby's property also benefits from a prominent medical presence. Hayes Green Beach Memorial Hospital, a 50-bed state-of-the-art medical facility, is located within a half-a-mile radius. Fitch H Beach Airport, which has over 11,000 enplanements per year, is also located approximately a half-a-mile miles from the subject property. The Maple Brook Golf and Country Club, a Nine-Hole Public Golf course, is located 1-mile from this Arby's.

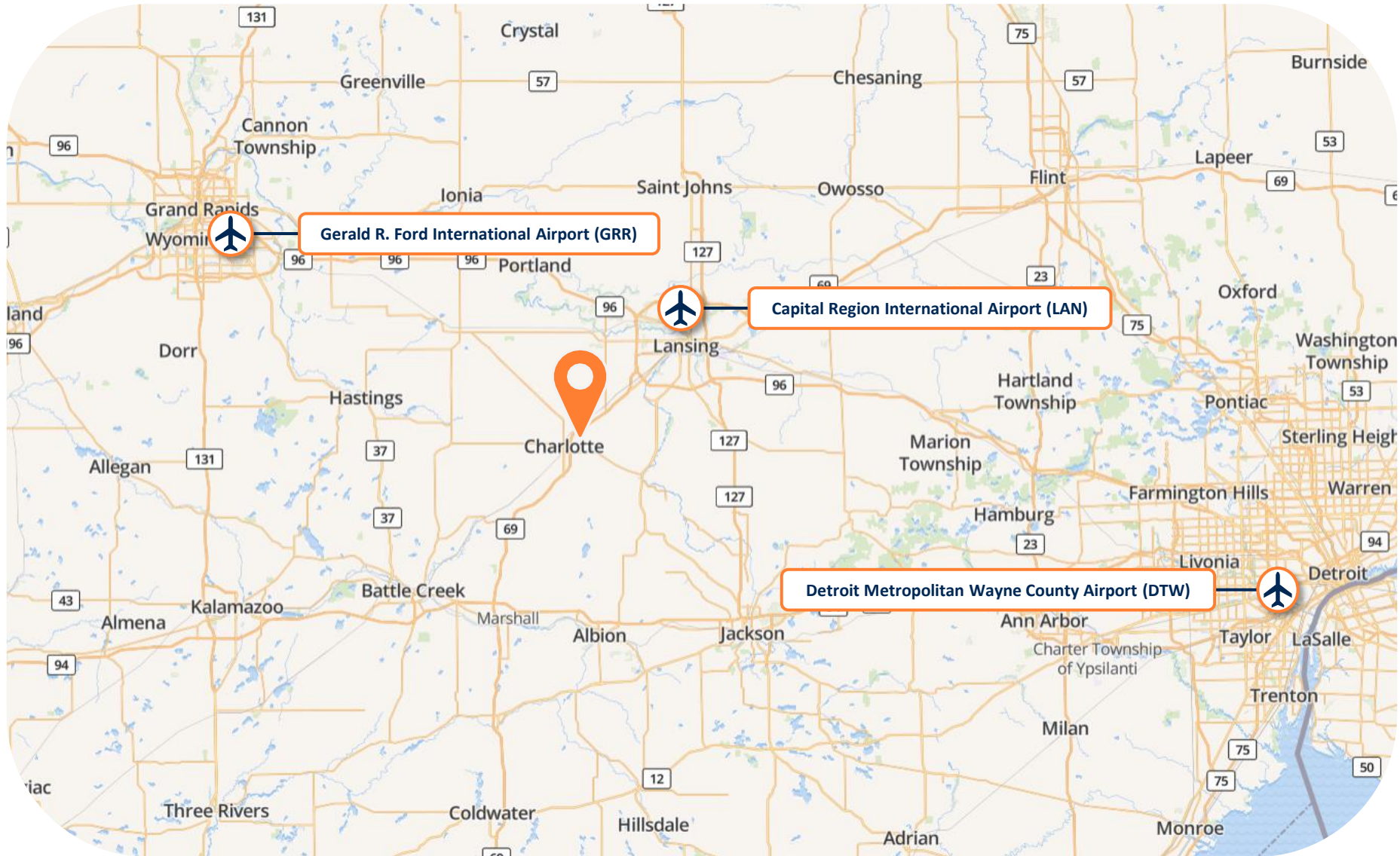
Charlotte is a city in the state of Michigan and the county seat of Eaton County. Charlotte benefits from being within only a 20-mile radius from Lansing Michigan. Lansing is the capital of the U.S. state of Michigan. Lansing is located mostly in Ingham county, although portions of the city extend west into Eaton County and north into Clinton County. Lansing is the only U.S. state capital that is not also a county seat and is the fifth largest city in the state. The Lansing Metropolitan Area, colloquially referred to as "Mid-Michigan," is an important center for educational, cultural, governmental, commercial and industrial functions. Lansing is home to many great tourist destinations. Michigan State University, a member of the big ten conference, known as "the pioneer land grant college," is located in Lansing.





Local Map

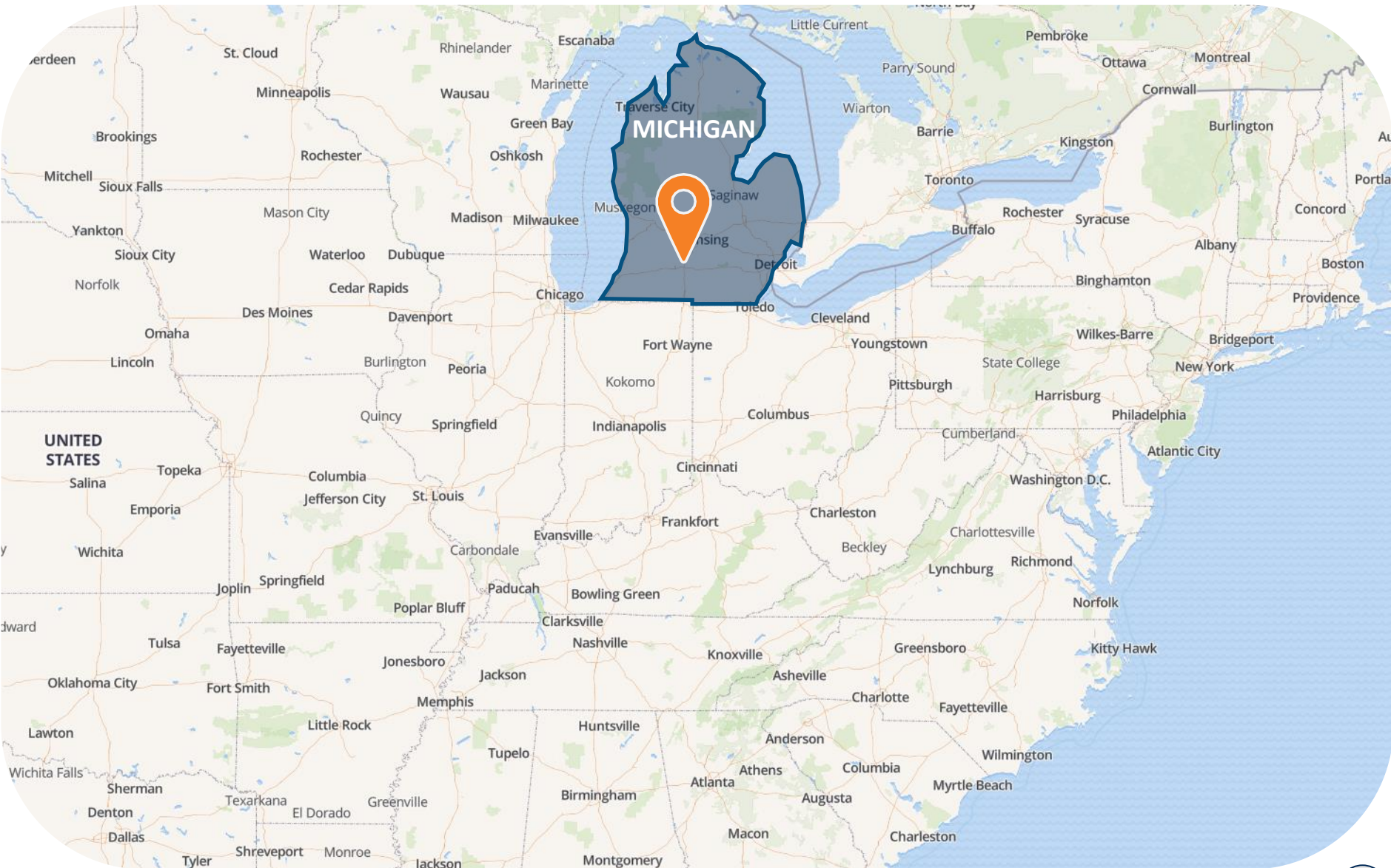
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Regional Map

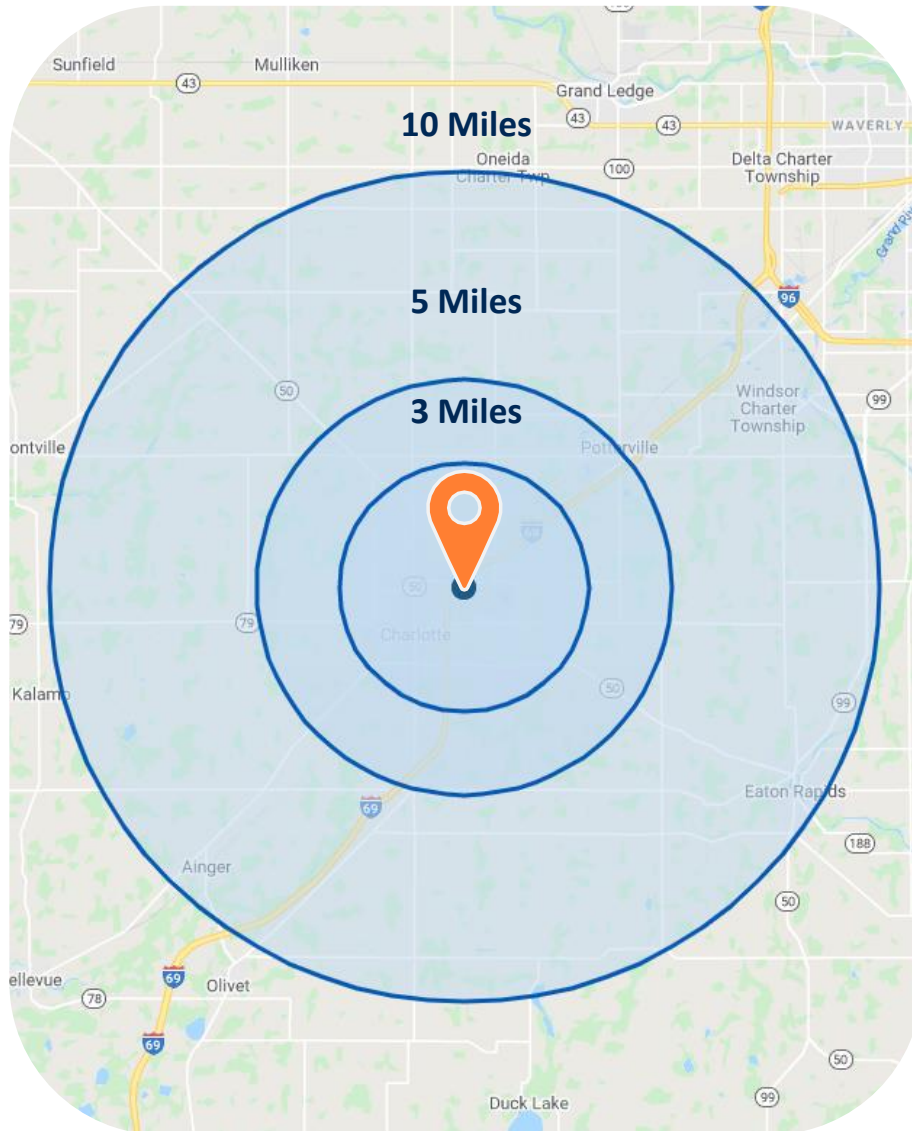
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Demographics

503 E Lansing Road, Charlotte, MI 48813



	3 Miles	5 Miles	10 Miles
POPULATION			
2024 Projection	12,326	18,262	42,840
2019 Estimate	12,441	18,377	43,025
2010 Census	12,317	18,175	42,499
2000 Census	11,479	16,802	40,657
INCOME			
Average	\$67,635	\$71,707	\$74,775
Median	\$54,386	\$57,615	\$60,905
Per Capita	\$27,415	\$28,412	\$29,320
HOUSEHOLDS			
2024 Projection	4,956	7,195	16,791
2019 Estimate	4,966	7,198	16,765
2010 Census	4,898	7,093	16,485
2000 Census	4,426	6,324	15,124
HOUSING			
2019	\$150,657	\$160,017	\$175,881
EMPLOYMENT			
2019 Daytime Population	13,725	17,378	35,759
2019 Unemployment	3.65%	3.72%	3.59%
2019 Median Time Traveled	26 Mins	26 Mins	27 Mins
RACE & ETHNICITY			
White	95.06%	95.22%	95.13%
Native American	0.01%	0.03%	0.03%
African American	1.10%	1.07%	1.04%
Asian/Pacific Islander	0.62%	0.58%	0.61%



Market Overview

503 E Lansing Road, Charlotte, MI 48813



Lansing, Michigan



Lansing

Lansing is the capital of the U.S. state of Michigan. Lansing is located mostly in Ingham county, although portions of the city extend west into Eaton County and north into Clinton County.

The Lansing metropolitan area's major industries are government, education, insurance, healthcare and automobile manufacturing. Being the state capital, many state government workers reside in the area. Michigan State University, Thomas M. Cooley Law School and Lansing Community College are significant employers in the region as well. General Motors has officers and a hi-tech manufacturing facility in Lansing and several manufacturing facilities immediately outside the city, as well, in nearby Lansing and Delta townships. Lansing area is headquarters to four major national insurance companies: Auto-Owners Insurance Company, Jackson National Life, the Accident Fund, and Michigan Millers Insurance Company. Other insurers based in Lansing include Farm Bureau Insurance of Michigan. The Lansing area has two major malls: Lansing Mall and Meridian Mall. Other major retail centers include Eastwood Towne Center and Frandor Shopping Center.

Michigan State University, a member of the Big Ten Conference, is known as "the pioneer land grant college", located in neighboring East Lansing. MSU has the largest land campus in the United States and is home to several nationally and internationally recognized academic and research-oriented programs. Michigan State offers over 200 programs of study and is home to fourteen different degree-granting schools and colleges including two medical schools, a veterinary school, a law school, and numerous PhD programs. It is the only university in the nation with three medical schools.

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