



Net Leased Investment Property
1999 Ford Parkway | St. Paul, MN 55116

FOR SALE | \$1,854,000



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Jimmy John's Gourmet Sandwiches Restaurant

This is a net leased Jimmy John's restaurant with the current lease term ending January 31, 2034. It's being offered at a 6% cap rate. There are 3% annual increases in the lease. The lease calls for minimal landlord responsibility which is limited to major structural and roof. Tenant is responsible for all other maintenance and operating expenses.

Address:

Jimmy John's
1999 Ford Parkway
St. Paul, MN 55116



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Investment Summary

Tenant	Jimmy John's
Street Address	1999 Ford Parkway
City	St. Paul
State	MN
Zip	55116
GLA	1,520
Lot Size	0.5 AC
Year Built	2016

\$1,854,000

Purchase Price

6%

Cap Rate

\$111,240

Net Operating Income

Price/SF

\$1219.73

Rent/SF

\$73.18



Ford Parkway Arterial Street.

Ford Parkway is a four-lane arterial with a center turn lane. Average daily traffic (ADT) is 12,200 in front of the restaurant and Cleveland Avenue lies half a block to the west and has a 15,100 ADT.

This Jimmy John's location is less than half a mile east of the former Ford Motor Assembly Plant that is currently undergoing redevelopment. The money being spent on this site will exceed one billion dollars. In addition, St. Catherine's University is less than ½ mile north of this property.

Lease Summary

Lease Type	NNN
Ownership Type	Fee Simple
Original Lease Term	15 Years
Commencement Date	Feb 1, 2019
Lease Expiration	Jan 31, 2034
Increases	3% Each Year
Options	Two (2), 5-Year

Real Estate Taxes	Tenant Responsible
Insurance	Tenant Responsible
Roof & Structure	Landlord Responsible
Lease Guarantor	Franchisee
Company Name	Braakholter, LLC
Ownership	Private



About the Operator

The franchisee (tenant) is Braakholter, LLC, a Minnesota limited liability company. The primary hands-on operator has worked for Jimmy John's since 2010 and has been a franchisee since 2015. The group currently owns three Jimmy John's franchises in St. Paul and one in Willmar, Minnesota.

The Highland Park, MN franchise has been open since 2001 and relocated to this location in 2016, after which its sales grew by 17% in 2017 and another 8.12% increase for 2019 over 2018.

About the Brand

Jimmy John's Gourmet Sandwiches

Jimmy John's Franchise, LLC is an American franchised gourmet sandwich restaurant chain owned by Inspire Brands and specializing in delivery. It was founded by Jimmy John Liautaud in 1983 and is headquartered in Champaign, Illinois. In 35 years, the company has grown to more than 2,800 locations in 43 states.

On January 13, 1983, the first Jimmy John's opened in a garage in Charleston, Illinois. The store was able to realize a profit its first year of business, despite the poor location of the store, due to Jimmy John's willingness to deliver his sandwiches to the nearby dorms at Eastern Illinois University, as well as his handing out free samples for marketing purposes. In 1986, he opened his second store in Macomb, Illinois, and in 1987, he opened a third in Champaign, Illinois. In 1988, Liautaud met Jamie Coulter, who would later become the CEO of Lone Star Steakhouse & Saloon. Coulter mentored Liautaud and "taught him how to effectively run multiple units."



Liautaud continued opening more stores and developed a prototype before beginning franchising in 1994. The first franchise store opened in Eau Claire, Wisconsin. In 2001, the hundredth Jimmy John's store opened in Mt. Pleasant, Michigan. In 2007, the five-hundredth store opened in Seattle, Washington, and in 2010, the one-thousandth opened in Beaverton, Oregon.

CNNMoney listed Jimmy John's as one of ten "Great Franchise Bets." The company estimates that annual sales can be as high as \$1.2 million while net profits can average at about \$280,000. Start-up costs, not including real estate, are estimated to be between \$305,000 and \$485,500. Liautaud realized that in order to grow he would need help acquiring better locations for his stores. Since he had little expertise in real estate, he decided to take on a partner who did. In January 2007, Liautaud sold a 33% stake to Weston Presidio, a San Francisco-based private-equity firm. In the first year after partnering with Weston Presidio, 100 real estate deals were closed.



The company has completed two recapitalizations since Weston Presidio's investment.

In September 2016, Jimmy John's announced that Roark Capital Group had agreed to acquire a majority stake in the company. Terms of the transaction were not immediately disclosed, though it was later clarified that Liautaud retained 35% ownership of the company as part of the deal.

Brand & Rent Schedule

As part of the agreement, the company's founder and largest individual shareholder Jimmy John Liautaud will continue as chairman of the board.

On September 25, 2019, Inspire Brands announced that it was buying Jimmy John's for an unspecified amount in a deal unanimously approved by Liautaud and the rest of the Jimmy John's Board of Directors. At the close of the deal, Liautaud will step down as chairman of the company and transition to become an adviser to the brand. The acquisition was completed on October 18.

Inspire Brands, Inc., formerly Arby's Restaurant Group, Inc., is a holding company and the owner and franchisor of the Arby's, Buffalo Wild Wings, Sonic Drive-In, Jimmy John's and Rusty Taco restaurant chains. The company's headquarters and Global Support Center is located in Sandy Springs, Georgia, in metro Atlanta's Perimeter Center district. Inspire Brands is owned by Roark Capital Group. The acquisition of Jimmy John's made Inspire the fourth largest restaurant chain group.

Year	Annual NMN Rent	Monthly NMN Rent	Increase	Cap Rate
1	\$ 108,000.00	\$ 9,000.00		5.83%
2	\$ 111,240.00	\$ 9,270.00	3%	6.00%
3	\$ 114,577.20	\$ 9,548.10	3%	6.18%
4	\$ 118,014.52	\$ 9,834.54	3%	6.37%
5	\$ 121,554.95	\$ 10,129.58	3%	6.56%
6	\$ 125,201.60	\$ 10,433.47	3%	6.75%
7	\$ 128,957.65	\$ 10,746.47	3%	6.96%
8	\$ 132,826.38	\$ 11,068.86	3%	7.16%
9	\$ 136,811.17	\$ 11,400.93	3%	7.38%
10	\$ 140,915.50	\$ 11,742.96	3%	7.60%
11	\$ 145,142.97	\$ 12,095.25	3%	7.83%
12	\$ 149,497.26	\$ 12,458.10	3%	8.06%
13	\$ 153,982.18	\$ 12,831.85	3%	8.31%
14	\$ 158,601.64	\$ 13,216.80	3%	8.55%
15	\$ 163,359.69	\$ 13,613.31	3%	8.81%



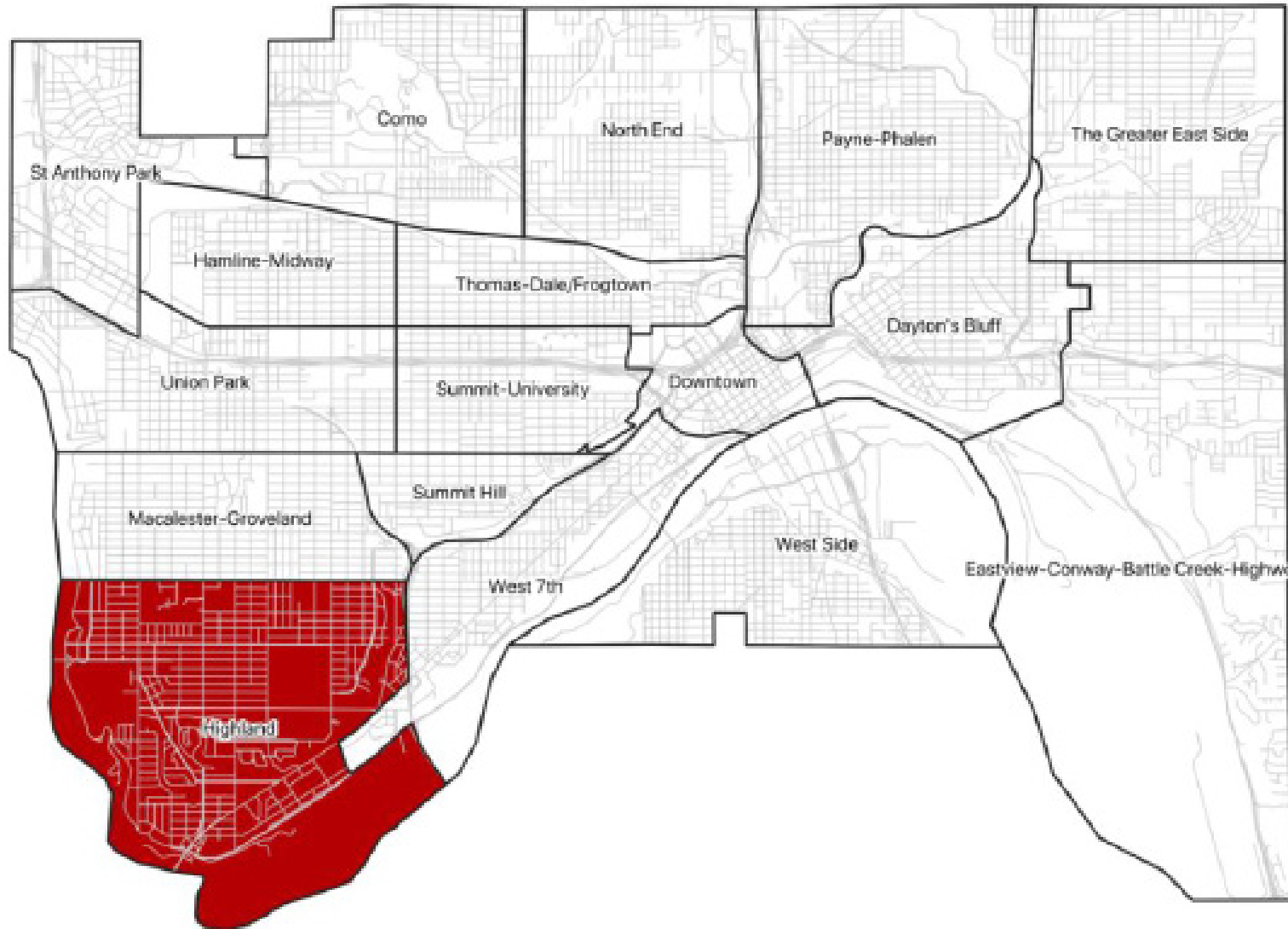
Trade Area

Highland Park is St. Paul's south-western neighborhood. It is bound by the Mississippi River on the west, south, and east, and Macalester-Groveland to the north. Highland Park Tower is a local landmark. Highland Park was once the site of a large Ford Motor Company plant, and plans are currently in the works to redevelop the old industrial site.

This Highland Park neighborhood consists of dense retail and services along Ford Parkway, and of course fully developed neighborhoods in all directions beyond. Some of the more prominent commercial occupants along Ford Parkway are Fairview Urgent Care, Target, Lunds/Byerlys, Highland Montessori School, Mann Theaters, Highland Catholic School, Walgreens, Lifetime Fitness, and numerous in-line centers.



St. Paul Neighborhoods







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