

ARBY'S SALE-LEASEBACK

700 WEST SAHUARITA ROAD, SAHUARITA, ARIZONA



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

700 West Sahuarita Road, Sahuarita, AZ 85629

FINANCIAL SUMMARY

Price	\$1,809,600
Cap Rate	5.25%
Building Size	2,200 SF
Net Cash Flow	5.25% \$95,000
Year Built	2020
Lot Size	.50 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Cardinal RB Arizona, LLC
Guarantor	Irish Beef, LLC
Roof & Structure	Tenant Responsible
Lease Commencement Date	Upon Close of Escrow
Lease Expiration Date	20 Years from Close of Escrow
Lease Term	20 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$95,000.00	5.25%
6 - 10	\$104,500.00	5.77%
11 - 15	\$114,950.00	6.35%
16 - 20	\$126,445.00	6.99%
Options	Annual Rent	Cap Rate
Option 1	\$139,089.50	7.69%
Option 2	\$152,998.45	8.45%
Option 3	\$168,298.30	9.30%
Option 4	\$185,128.12	10.23%

Base Rent	\$95,000
Net Operating Income	\$95,000
Total Return	5.25% \$95,000



RANCHO RESORT
55+ COMMUNITY



fray's Marketplace
Great Clips
VCA

CHASE

DUNKIN' DONUTS
SUBWAY

PLANNED HOTEL AND OUTLOTS

PLANNED PHARMACY & SHOPS

fray's FOOD STORES
FUEL CENTER

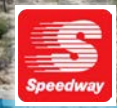
SAHUARITA UNIFIED SCHOOLS

PIMA COUNTY LIBRARY
(UNDER CONSTRUCTION)

40,600 CPD
INTERSTATE-19

NORTHWEST HEALTHCARE
NORTHWEST GBO VALLEY SAHUARITA

S RANCHO
SAHUARITA BLVD



MCDONALD'S

TACO BELL

UNITED STATES POSTAL SERVICE

W SAHUARITA RD

Arby's





SANTA CRUZ
VALLEY CHURCH

GRACE EVANGELICAL
LUTHERAN CHURCH

TOWN OF
Sahuarita

 SAHUARITA UNIFIED SCHOOLS

 SAHUARITA UNIFIED SCHOOLS

PIMA COUNTY LIBRARY
(UNDER CONSTRUCTION)



 UNITED STATES
POSTAL SERVICE

FOOD STORES
Fry's
FUEL CENTER

W SAHUARITA RD

Property Description



INVESTMENT HIGHLIGHTS

- » **New 20-Year Absolute Triple-Net (NNN) Lease**
- » 10% Rental Increases Every 5 Years
- » **Brand New High-Quality 2020 Construction with a Drive-Thru**
- » Multi-Unit Operator - Franchisee Owns & Operates 12 Arby's Restaurants in the Greater Tucson Area
- » **39.74% Entity Sales Growth from September 2019 to September 2020**
- » All Units Remained Open with Continued Sales Growth Throughout COVID-19, Exceeding Initial Projections for 2020
- » **30,570 Residents within a 5-Mile Radius in Growing Sahuarita Area - Tucson MSA**
- » Surrounded by National Retailers - Fry's Marketplace, McDonald's, Panda Express, Taco Bell, Dunkin' Donuts, and More
- » **Located in the Rancho Sahuarita Master-Planned Community (18,000 Residents and 5,700 Homes)**
- » Average Household Income Exceeds \$98,000 in Immediate Area
- » **Less Than 1 Mile Off the I-19, a Major Interstate Freeway with Direct Access to Tucson**
- » Close Proximity to More Than 4,000 Students at Sahuarita Unified Schools



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2025 Projection	3,932	23,236	32,705
2020 Estimate	3,686	21,548	30,570
Growth 2020 – 2025	6.66%	7.83%	6.98%

Households

2025 Projection	1,479	7,465	12,046
2020 Estimate	1,393	6,930	11,269
Growth 2020 – 2025	6.22%	7.72%	6.90%

Income

2020 Est. Average Household Income	\$98,925	\$97,647	\$88,399
2020 Est. Median Household Income	\$83,960	\$83,551	\$73,773
2020 Est. Per Capita Income	\$37,430	\$31,439	\$32,620



Tenant Overview



Inspire Brands, Inc.

Parent Company

Atlanta, Georgia

Headquarters

11,000+

Locations

2017

Founded

www.arbys.com

Website

Founders Leroy and Forrest Raffel opened their first sandwich shop in Boardman, Ohio in 1964 and by 1980 Arby's had 1,000 locations across the United States. Sixteen years later, the company had over 3,000 restaurants. Today, the majority of the brand's 3,400 restaurants are franchised. Arby's celebrated its 50th birthday in 2014. The Arby's brand purpose is to "inspire smiles through delicious experiences." Arby's delivers on its purpose by celebrating the art of Meatcraft with a variety of high-quality proteins and innovative, craveable sides, such as Curly Fries and Jamocha shakes. Arby's Fast Crafted restaurant services feature a unique blend of quick-serve speed combined with the quality and made-for-

you care of fast casual. Arby's Restaurant Group, Inc. is the franchisor of the Arby's Brand and is headquartered in Atlanta, Georgia.

FRANCHISEE OVERVIEW: Cardinal RB Arizona, LLC

Established in 2016, Cardinal RB Arizona, LLC is a restaurant and investment company focused on operating and developing restaurants in the Tucson, AZ area and acquiring additional restaurants in other markets. Including the subject property, Cardinal currently owns and operates a total of 12 Arby's restaurants in the Greater Tucson, AZ Area.



Location Overview



Sahuarita is a town in Pima County, Arizona, located south of the Tohono O'odham Nation, near the north end of Green Valley. Located 15 miles south of Tucson, along Interstate-19, Sahuarita is home to a variety of events and activities, including the town's annual Fiesta Sahuarita held each September. The Tohono O'odham Nation operates the Desert Diamond Casino, located on the outskirts of the town. Sahuarita's population is estimated to be over 31,400.

The subject property is located within the Rancho Sahuarita Master-Planned Community, with more than 18,000 residents and 5,700 homes. The Community is home to three pools (including one of the region's largest private splash parks), eleven parks, trails and paths for walking and cycling, and Club Rancho Sahuarita (a resort-style recreation center).

Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson where each has a significant presence within the community. In addition to Caterpillar and Amazon, Comcast and HomeGoods, all Fortune 500 companies, have added Tucson locations recently.

[exclusively listed by]

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