



Denny's

3901 S US Highway 41 N, Evansville, IN 47711

Marcus & Millichap

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MARKET OVERVIEW

Evansville Market Overview
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INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the Denny's located in Evansville, Indiana.

The 5,450 square foot building was renovated for Denny's into its current build in 2009. The restaurant lies right off Highway 41 in Evansville, Indiana. As a major highway running through the middle of Evansville, it provides ample daily traffic, over 35,000 vehicles per day. The restaurant benefits from a populous community with over 134,000 people within 5 miles and an average household income of \$61,860 within 5 miles. Sitting adjacent to a Comfort Inn & Suites, Denny's also profits from travelers staying in the hotel by providing an easy meal to those tired from a long day traveling. In this way, the restaurant serves both local and out of town patrons. The property is surrounded by traffic drivers including a TJ Maxx distribution center, Southern Indiana Technical Center, and also lies less than four miles from the Evansville Regional Airport and University of Evansville (2,300 students).

In 2009, Denny's signed a 20-year lease at the site, leaving 7.5+ years to take advantage of rent payments on the original lease. With 11 years of operating history, they've shown strong commitment to the current site. The tenant is responsible for all expenses associated with the property, making it a strong hands-off investment for a potential buyer. The operator of the site, Top Line Restaurants, Inc., has been a very strong franchisee since 2004, currently operating at least 20 locations (Top Line purchased the operations of 20 Denny's locations in January of 2020, including in the subject property). The owner of the franchise also sits on the board of Denny's Franchisee Association and has been with Denny's since 1990, showing strong commitment to the brand.

Denny's profits from its attachment to the hotel through its business plan of selling breakfast, lunch and dinner around the clock. The restaurant is primed to take care of hungry travelers and local residents at all times of the day. The Denny's brand operates over 1,700 restaurants across the world and is recognizable throughout America. The restaurant is well positioned to take advantage of the economic rebound in the wake of the COVID-19 crisis.

Marcus & Millichap

- Absolute Net Lease with Zero Landlord Responsibility
- Dense Population Area with more than 134,000 People within 5 Miles of the Site
- 11-Year Operating History at this Location | Successful & Expanding Franchisee
- Original 20-Year Lease with 7.5 Years Remaining on the Base Lease Term
- Ideally Positioned off Highway 41 | High Traffic Counts – 35,000+ VPD
- Located Adjacent to a Comfort Inn & Suites Hotel | Provides Consistent Walk-Up Traffic
- Local Traffic Drivers Include Evansville Regional Airport, University of Evansville, & TJ Maxx Distribution Center
- Relatively Low Rent Giving a Buyer the Opportunity to Possibly Increase the Returns at the End of the Lease



DENNY'S

Click to View Map: 3901 S US Hwy 41 N, Evansville, IN 47711

Pricing

Price	\$1,153,000
Cap Rate	6.50%
Building Square Footage	5,450
Year Built	2009 Retrofit
Lot Size	1.01 Acres

Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent
Current:	\$75,000	\$6,250
Option I:	\$82,500	\$6,875
Option II:	\$90,750	\$7,562
NET OPERATING INCOME	\$75,000	

Tenant Summary

Lease Commencement	May 18, 2009
Lease Expiration	March 31, 2028
Years Remaining	7.5+ Years
Increases	In Options
Guarantee	Franchisee
Lease Type	Absolute Net
Option Periods	(2), 5-Year
Right of First Refusal (ROFR):	None
Option to Terminate	None

Avg. HH Income
\$61,860 within 5 MilesPopulation
134,184 within 5 MilesGuarantee
FranchiseeNet Operating Income
\$75,000Cap Rate
6.50%Years Left on Lease
7.5+ Years

Financing Options

Approximate Rate	4.00%
Loan To Value	70%
Fixed Term	5 Years
Amortization	25 Years

Multiple financing options are available based on buyer requirements. Please contact listing agents to discuss options in detail.

Lease Responsibilities

Roof & Structure	Tenant Responsible
HVAC	Tenant Responsible
Real Estate Taxes	Tenant Responsible
Common Area Maintenance	Tenant Responsible
Insurance	Tenant Responsible

SUITE	TENANT NAME	APPROX. RENTABLE SF	OCCUPANCY	RENT COMMENCE	LEASE EXPIRATION	APPORX. RENT/SF	BASE RENT/MONTH	ANNUAL RENT	LEASE TYPE	RENT INCREASES	RENEWAL OPTIONS
1	Denny's	5,450	100%	5/18/2009	3/31/2028	\$13.76	\$6,250	\$75,000	Absolute Net	Option I - \$82,500 Option II - \$90,750	(2) 5-Year

TOTAL SQUARE FEET:	5,450	100%			MONTHLY INCOME:	\$6,250			
TOTAL OCCUPIED SQUARE FEET:	5,450	100%			ANNUAL INCOME:	\$75,000			
TOTAL AVAILABLE SQUARE FEET:	0	0%			AVERAGE NNN RENT PSF:	\$13.76			

FOOTNOTES:

- 1) Tenant on Lease: TLIN, LLC
- 2) Guarantor: Top Line Restaurants, Inc. Guaranty shall expire 12/31/2022
- 3) Hotel Owner has a ROFR (10 days) on the property.
- 4) Hotel Owner has the right to purchase the property at Fair Market Value in the event there is no restaurant operating in the location for longer than 18 months.



TENANT OVERVIEW



Denny's is a table service diner-style restaurant chain operating over 1,700 restaurants in the United States, Canada, United Kingdom, Mexico, Dominican Republic, El Salvador, Curacao, Costa Rica, Japan and several other countries. Denny's is known for always being open, serving breakfast, lunch and dinner around the clock. Denny's does not even close on holidays, except when required by law. Many of the restaurants are located in proximity to freeway exits, bars, and in service areas. Denny's started franchising in 1963 and most Denny's restaurants are now franchisee-owned. Denny's is publicly traded on the NASDAQ under the stock symbol "DENN". The company has estimated annual revenues of \$541 million.

OWNERSHIP:	Public
TENANT:	Franchisee
TOTAL # OF LOCATIONS:	1,700+
ANNUAL REVENUE:	\$541.39M
YEAR FOUNDED:	1953
HEADQUARTERED:	Spartanburg, SC
WEBSITE:	www.dennys.com

LEASE ABSTRACT

TENANT SUMMARY

COMMON AREA MAINTENANCE:	Tenant Responsible
REAL ESTATE TAXES:	Tenant Responsible
INSURANCE:	Tenant Responsible
ROOF AND STRUCTURE:	Tenant Responsible
HVAC:	Tenant Responsible



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U.S. Route 41 (29,949 VPD)

41

TaylorMade

EVANSVILLE

6

JACK FROST

Edwards

CRANE

M MULTISEAL

HOGAN

CNTC

Azimuth

XPO Logistics

Temple-Inland

Q

Celanese

CHEM GROUP

M

K

Denny's

GET

SHERWIN WILLIAMS

Lynch Rd (19,555 VPD)

Comfort Inn & Suites

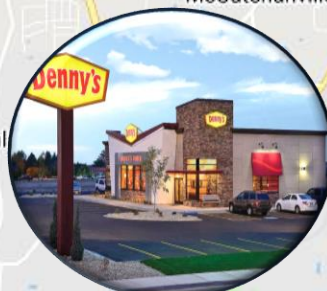
SIGTC

SO. INDIANA CAREER & TECHNICAL CENTER

Maxx Rd

TJ-maxx

LOCAL MAP



Evansville Regional Airport

3.0 MILES

Evansville Regional
Airport



3.4 MILES

Evansville
University

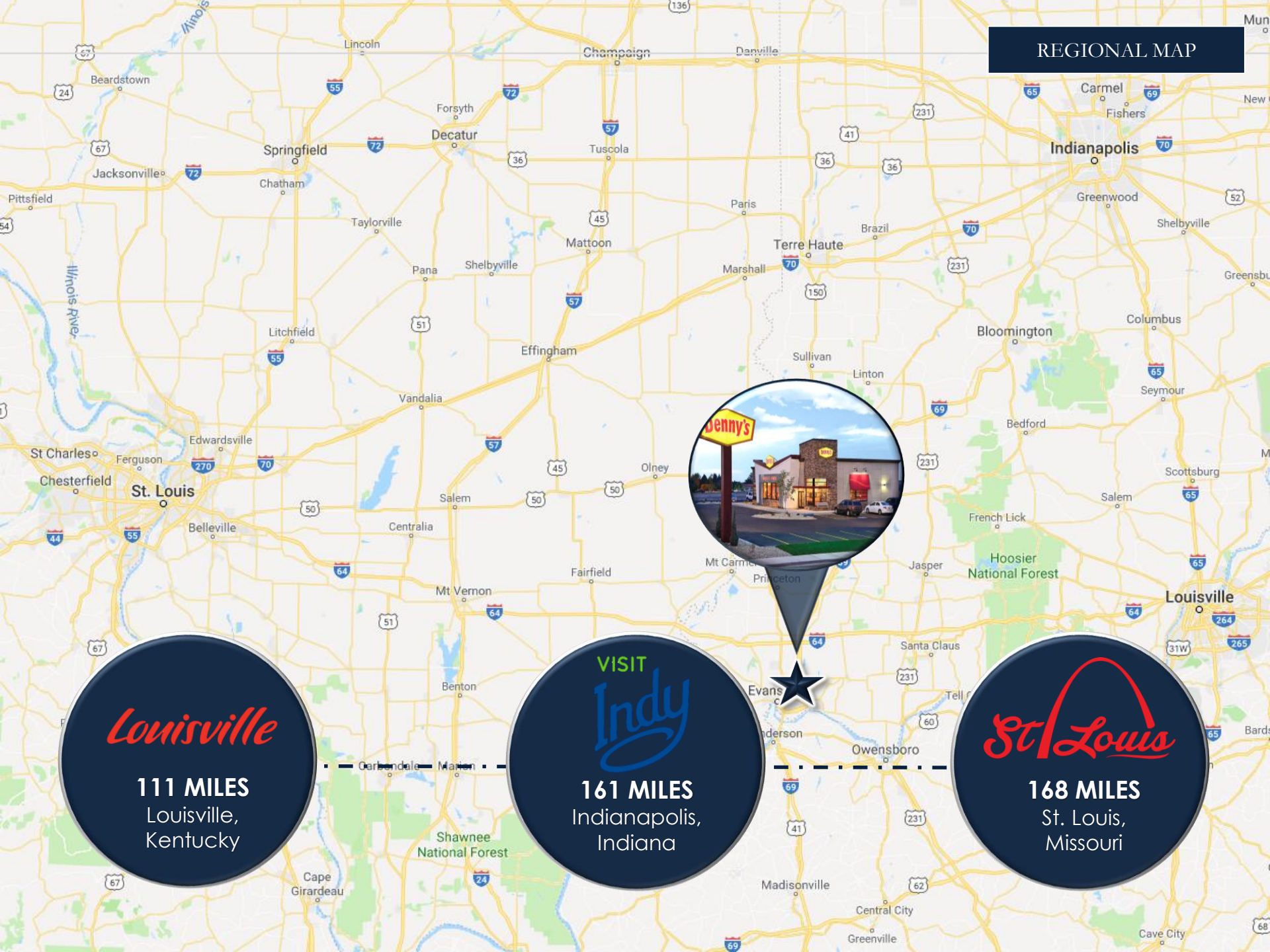


Deaconess

3.9 MILES

Deaconess Midtown
Hospital

REGIONAL MAP



Louisville

111 MILES
Louisville,
Kentucky

VISIT
Indy

161 MILES
Indianapolis,
Indiana

St. Louis

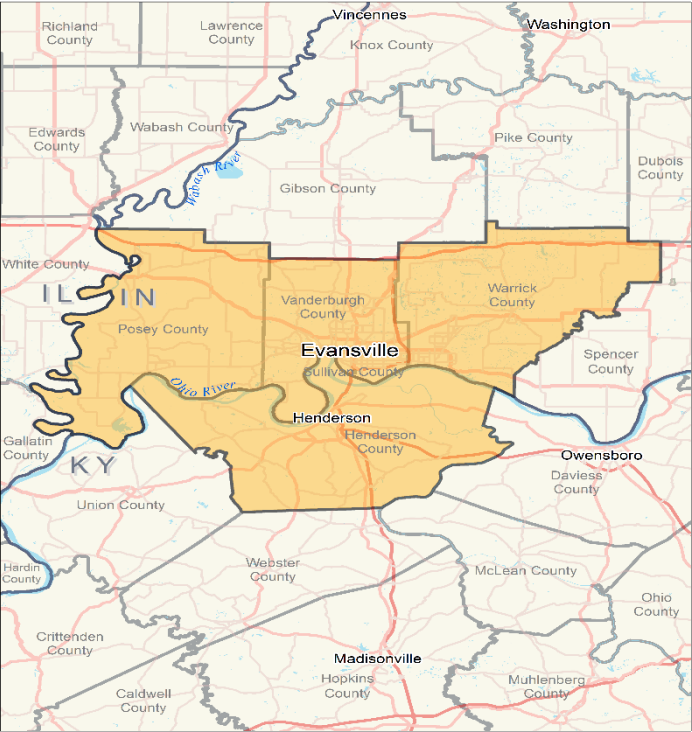
168 MILES
St. Louis,
Missouri





EVANSVILLE, IN OVERVIEW

Spanning southern Indiana and northern Kentucky, the Evansville metro consists of Posey, Vanderburgh and Warrick counties in Indiana and Henderson County in Kentucky. The Ohio River traverses the region, providing the border between the two states, and it is home to the Port of Evansville, a large cargo facility. Roughly 319,000 residents reside in the metro, which is expected to add nearly 9,000 people and 5,000 households over the next five years.



METRO HIGHLIGHTS



STRONG INDUSTRIAL BASE

Manufacturing operations generate significant economic activity in the area through companies including Toyota and Alcoa.



REGIONAL ECONOMIC HUB

The metro is the economic hub of the region and is home to companies including Accuride, Vectren and Springleaf.



QUALITY OF LIFE

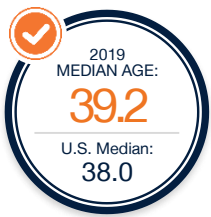
A relatively affordable cost of living and employment opportunities allow 68 percent of households to own their home, which is above the U.S. rate.



ECONOMY

- Major industries in the area include healthcare, finance, education and manufacturing. Companies headquartered in the metro include Atlas Van Lines, Koch Enterprises, Vectren, OneMain Financial, Accuride and Berry Global.
- The metro is a major center for medical science industries and healthcare, home to Deaconess Hospital as well as St. Mary's Hospital and Medical Center.
- Manufacturing operations are a significant driver of economic activity. Companies include Alcoa in Newburg, AK Steel in Rockport, SABIC in Mount Vernon and Toyota in Princeton.

DEMOGRAPHICS



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EVANSVILLE, INDIANA



Evansville, Indiana is the county seat of Vanderburgh County and is the largest city in Southern Indiana and the Illinois-Indiana-Kentucky tri-state area, home to over 911,000 people. Four NYSE companies are headquartered in Evansville (Accuride, Berry Global, Springleaf and Vectren), as the city serves as the region's economic hub home to both public and private enterprises. The Tropicana Evansville is the state's first casino and the Mesker Park Zoo and Botanic Garden is one the state's oldest and largest zoos. The city has several educational institutions including the University of Evansville and the University of Southern Indiana.



Evansville sits less than 200 miles from 4 major U.S. cities; 176 miles from Indianapolis; 156 miles from Nashville; 126 miles from Louisville; and 174 miles from St. Louis. Evansville is the regional center for a large trade area encompassing Indiana, Kentucky and Illinois. The largest industry sectors by size are health care, finance, education, and manufacturing. Other major industries by employment are energy, warehousing and distribution, and retail.

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	3,899	58,858	134,377
■ 2020 Estimate			
Total Population	3,895	58,989	134,184
■ 2010 Census			
Total Population	3,835	58,500	132,439
■ 2000 Census			
Total Population	3,339	56,747	128,459
■ Current Daytime Population			
2020 Estimate	4,503	78,487	168,222
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	1,515	24,898	57,230
■ 2020 Estimate			
Total Households	1,491	24,763	56,783
Average (Mean) Household Size	2.26	2.25	2.29
■ 2010 Census			
Total Households	1,444	24,472	55,899
■ 2000 Census			
Total Households	1,450	23,734	54,169
■ Occupied Units			
2025 Projection	1,515	24,898	57,230
2020 Estimate	1,688	27,795	64,236
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$150,000 or More	4.63%	4.33%	5.35%
\$100,000 - \$149,000	8.00%	10.00%	9.75%
\$75,000 - \$99,999	12.78%	12.23%	12.25%
\$50,000 - \$74,999	20.07%	19.15%	18.86%
\$35,000 - \$49,999	14.42%	14.69%	14.08%
Under \$35,000	40.09%	39.58%	39.70%
Average Household Income	\$61,860	\$60,774	\$63,558
Median Household Income	\$45,198	\$45,229	\$45,729
Per Capita Income	\$25,498	\$26,131	\$27,296

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$60,696	\$60,418	\$60,549
■ Consumer Expenditure Top 10 Categories			
Housing	\$15,248	\$15,348	\$15,400
Transportation	\$10,829	\$10,568	\$10,594
Shelter	\$8,391	\$8,447	\$8,495
Food	\$6,399	\$6,419	\$6,431
Personal Insurance and Pensions	\$5,620	\$5,696	\$5,777
Health Care	\$4,819	\$4,801	\$4,746
Utilities	\$3,534	\$3,534	\$3,541
Entertainment	\$3,311	\$3,216	\$3,201
Household Furnishings and Equipment	\$1,595	\$1,524	\$1,518
Cash Contributions	\$1,569	\$1,561	\$1,569
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	3,895	58,989	134,184
Under 20	19.91%	23.81%	24.57%
20 to 34 Years	25.45%	20.81%	21.04%
35 to 39 Years	7.74%	6.50%	6.58%
40 to 49 Years	11.87%	11.34%	11.39%
50 to 64 Years	20.88%	19.55%	19.52%
Age 65+	14.13%	17.99%	16.91%
Median Age	37.89	39.10	38.28
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	2,823	41,023	92,943
Elementary (0-8)	1.89%	2.25%	2.09%
Some High School (9-11)	13.85%	9.63%	9.19%
High School Graduate (12)	37.37%	35.84%	33.11%
Some College (13-15)	21.03%	21.51%	22.74%
Associate Degree Only	6.73%	9.31%	8.92%
Bachelors Degree Only	11.77%	14.61%	15.67%
Graduate Degree	7.34%	6.41%	7.76%

DENNY'S

EVANSVILLE, IN



EXCLUSIVE OFFERING

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