

RAISING CANE'S GROUND LEASE

5301 WEST INDIAN SCHOOL ROAD, PHOENIX, ARIZONA



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM



The information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus Millichap

Executive Summary

5301 West Indian School Road, Phoenix, AZ 85031

FINANCIAL SUMMARY

Price	\$3,875,000
Cap Rate	4.0%
Building Size	+/- 3,500 SF
Net Cash Flow	4.0% \$155,000
Year Built	2021
Lot Size	1.7 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	Raising Cane's Restaurants, LLC
Roof & Structure	Tenant Responsible
Est. Lease Commencement Date	June 2021
Est. Lease Expiration Date	June 2036
Lease Term	15 Years
Rental Increases	10% Every 5 Years
Renewal Options	5, 5 Year Options
First Right of Refusal	10 Business Days

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$155,000.00	4.00%
6 - 10	\$170,500.00	4.40%
11 - 15	\$187,550.00	4.84%
Options	Annual Rent	Cap Rate
Option 1	\$206,305.00	5.32%
Option 2	\$226,935.50	5.86%
Option 3	\$249,629.05	6.44%
Option 4	\$274,591.96	7.09%
Option 5	\$302,051.16	7.79%

Base Rent	\$155,000
Net Operating Income	\$155,000
Total Return	4.0% \$155,000



MARYVALE
HIGH SCHOOL
2,860 Students

MILWAUKEE
BREWERS
SPRING TRAINING

DOLLAR TREE
bbb! FASHION
DALLAS DISCOUNT STORES

Raising
Cane's
CHICKEN FINGERS

GRAND CANYON
UNIVERSITY
GOLF COURSE

State Farm
STADIUM

ROSS
STORES, INC.

Walmart

BRET TARVER
ELEMENTARY
SCHOOL

PANDA EXPRESS
CHINESE KITCHEN

FAST MED
URGENT CARE

Wendy's

CARTWRIGHT
SCHOOL
DISTRICT #83

Walgreens

WING STOP
GameStop
T-Mobile

El Super
ACE
Hardware

WSS
Shoes. Style. Selection.

WELLS
FARGO

Denny's

44,890 CPD
N 51ST AVE

CAR
WASH

46,200 CPD
W INDIAN SCHOOL RD

Sizzler

99c
only
STORES.
MELROSE
MCDONALD'S
peter
piper
pizza.



Walmart

ROSS
STORES, INC.

WSS
Shoes. Style. Selection.

46,200 CPD
W INDIAN SCHOOL RD

BANK OF AMERICA

TITLEMAX
TITLE LOANS

FASTMED
URGENT CARE

PANDA EXPRESS
CHINESE KITCHEN

Wendy's

WING STOP
GameStop
T-Mobile

8,300 CPD
N MARYVALE PKWY

Raising
Cane's
CHICKEN FINGERS

DOLLAR TREE
bbb! FASHION
FALLAS
DISCOUNT STORES

El Super
ACE
Hardware

EAGLE
COLLEGE PREPARATORY SCHOOLS

N 53RD AVE

MILWAUKEE
BREWERS
SPRING TRAINING

Property Description



INVESTMENT HIGHLIGHTS

- » **New 15-Year Absolute Triple-Net (NNN) Ground Lease**
- » 10% Rental Increases Every 5 Years
- » **479,722 Residents within a 5-Mile Radius - Infill Phoenix**
- » Brand New High-Quality 2021 Construction with a Drive-Thru
- » **Situated in Major Retail Corridor** - Walmart, Ross, Ace Hardware, McDonald's, 99 Cents Only Stores, and More
- » Across from American Family Fields of Phoenix Baseball Park, Spring Training Home to the Milwaukee Brewers
- » **High Traffic Location Along West Indian School Road, Visible to 46,200+ Cars/Day**
- » Signalized Hard Corner Location
- » **Strong Daytime Population - 427,198 Employees in Surrounding Area**
- » Less Than 10 Minutes to Grand Canyon University (22,000+ Students)



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2025 Projection	25,995	223,450	484,718
2020 Estimate	25,737	222,085	479,722
Growth 2020 – 2025	1.00%	0.61%	1.04%

Households

2025 Projection	6,348	60,520	143,022
2020 Estimate	6,306	60,237	141,329
Growth 2020 – 2025	0.66%	0.47%	1.20%

Income

2020 Est. Average Household Income	\$51,577	\$48,903	\$53,207
2020 Est. Median Household Income	\$41,316	\$38,341	\$41,306
2020 Est. Per Capita Income	\$12,649	\$13,326	\$15,763



Tenant Overview



Private

Company Type

Plano, Texas

Headquarters

1999

Founded

500+

Locations

www.raisingcanes.com

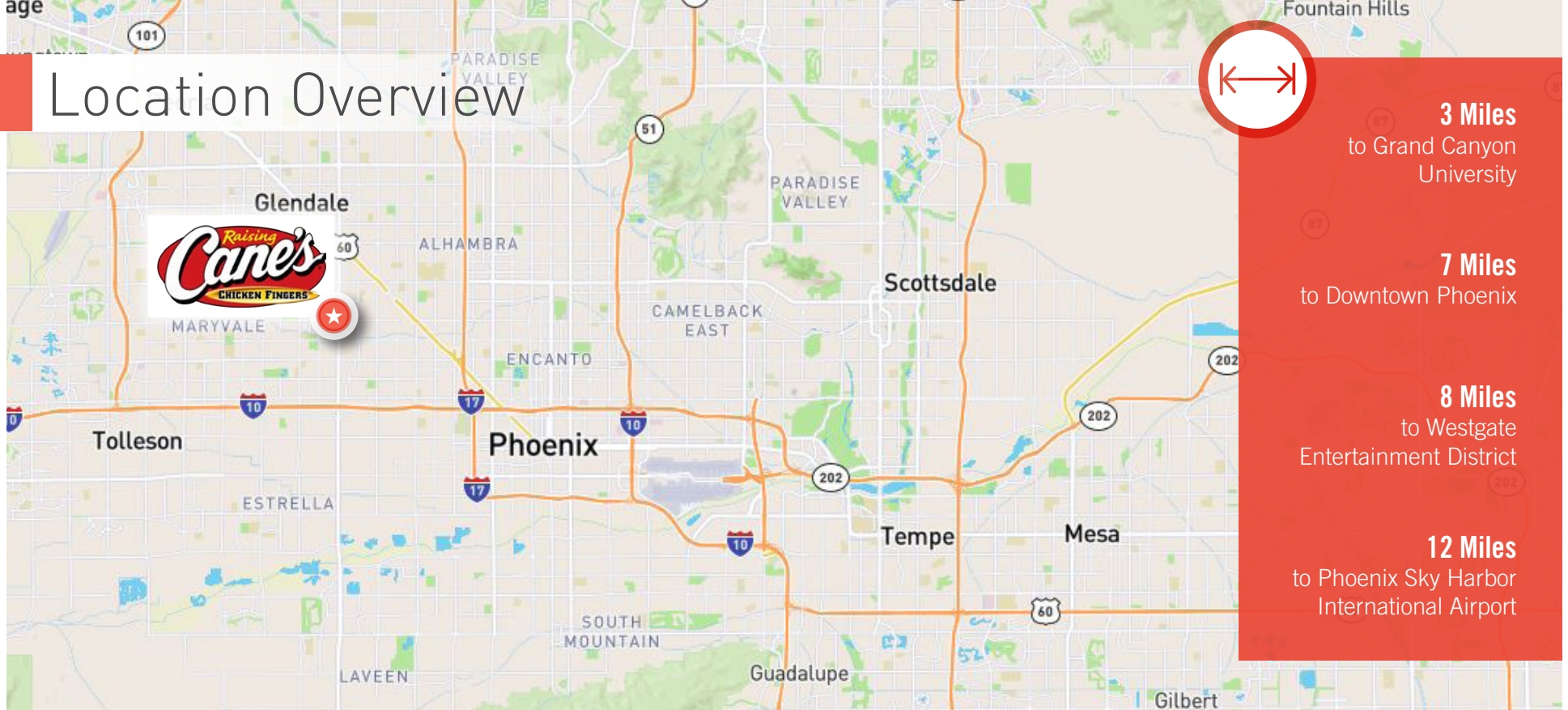
Website

Raising Cane's is renowned for its fresh, never frozen chicken fingers, its crave-able – some say addictive – secret-recipe Cane's sauce, crinkle-cut fries, coleslaw, Texas toast, freshly brewed sweet tea and fresh-squeezed lemonade.

The rapidly growing chain recently earned the distinction of being among the top four quick service restaurant chains in the nation in 2014, according to authoritative Sandelman & Associates Quick-Track study, based on food quality, customer service, cleanliness and other important factors.

The Plano, Texas (originally based in Baton Rouge, Louisiana) -based eatery opened its first restaurant in 1996 near the Louisiana State campus. Raising Cane's is continually recognized for its unique business model and customer satisfaction. Raising Cane's vision is to have restaurants all over the world and be the brand for quality chicken finger meals, a great crew, cool culture and active community involvement. There are now more than 500 restaurants in the U.S. with multiple new restaurants under construction.

Location Overview



The Phoenix metro consists of Maricopa and Pinal counties, and includes more than 30 incorporated and more than 30 unincorporated towns and cities. Since 2000, the population in the metro increased by more than 38 percent. The largest city is Phoenix, which encompasses about 520 square miles, is the capital city and boasts a population of more than 1.5 million.

As one of the primary beneficiaries of the massive shift in the U.S. population from north to south, the Phoenix metro has had little difficulty finding workers. Phoenix claims five Fortune 500 headquarters, including Freeport-McMoRan, Republic Services, Insight Enterprises, Avnet and PetSmart. Construction, high-tech manufacturing, healthcare and tourism dominate the Phoenix economy. The local economy has strengthened since the recession, with retail sales projected above 8 percent this year and hotel occupancy levels rising.

High-tech manufacturing has been a powerful driver in the local economy for two decades. The region's relatively low cost of doing business has encouraged several manufacturers to remain and expand in the area, while luring others. The strengthening economy has drawn job seekers to the area, boosting the housing market. Phoenix offers a lower cost of living than other metros its size, a moderate climate, and a wide variety of recreational and cultural activities.

The Phoenix region boasts almost 300 days of sunshine annually, low humidity and mild winters. In addition to hiking, camping and boating, sports enthusiasts can enjoy one of the most complete lineups of major league teams found in any city, including teams in all four major sports. The Cactus League holds spring training baseball throughout the Valley, and the area has numerous golf courses and tennis courts.

[exclusively listed by]

Mark J. Ruble

Executive Managing Director
602 687 6766
mruble@marcusmillichap.com

Chris N. Lind

Senior Vice President
602 687 6780
chris.lind@marcusmillichap.com

Jamie A. Medress

Executive Managing Director
602 687 6778
jmedress@marcusmillichap.com

Offices Nationwide
www.marcusmillichap.com

NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

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.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

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.

CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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

SPECIAL COVID-19 NOTICE

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.

Marcus & Millichap