



10 MAIN ST
DUBUQUE, IA

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



EXECUTIVE OVERVIEW



FINANCIAL OVERVIEW



TENANT OVERVIEW



AREA OVERVIEW

LISTING AGENTS

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ADAM MAREK

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INVESTMENT HIGHLIGHTS



LIST PRICE

\$2,600,000



CAP RATE

6.56%



NOI

\$170,576

[Available individually or as a portfolio with Arby's & Phillips 66 in Madison, WI \(click here to view Madison\)](#)

- **National Retailers** – The property is 100% leased to Arby's and Phillips 66. Arby's is one of the largest quick-service-restaurant chains in the world and Phillips 66 is one of the largest c-store/gas station companies doing approximately \$102 Billion in annual revenue.
- **Long-Term Lease from Large Operator** – Arby's has ±17.5 years remaining on the lease which is guaranteed by DRM, Inc., a 93-unit franchisee.
- **Strong Sales Performance** – Arby's performs significantly above the national average in store sales. The Phillips 66 also performs well at the location.
- **Strategically Positioned** – The property is ideally situated at the intersection of Hwy 61/151, and close proximity to the National Mississippi River Museum, Diamond Jo Casino, and several hotels, which drive traffic to the site.
- **Dubuque, IA MSA** – Dubuque is home to approximately 60,000 residents adjacent to the Mississippi River and shares the borders of Wisconsin and Illinois. The property is located in historic downtown Dubuque.
- **E-Commerce Resistant Tenants and Essential Retailers** – Quick-Service-Restaurants and gas stations are not affected by online retailers such as Amazon, and are recognized as 'essential retailers' by the US Government.
- **Drive-Thru Equipped** – Arby's drive-thru concept significantly increases store sales due to recent dining trends and consumer spending habits.



LEASE SUMMARY - ARBY'S

Tenant	Arby's
Lease Guarantor	DRM Inc.
Property Address	10 Main St, Dubuque, IA 52001
Lease Commencement Date	10/1/18
Lease Expiration Date	9/30/38
Original Lease Term	±20 Years
Lease Term Remaining	±17.5 Years
Annual Rent	\$138,000.00
Rent Increases	2.5% In Options
Option Periods	Five, 5-Year Options
Lease Type	NNN
Landlord Responsibilities	None
Tenant Responsibilities	All

THE OFFERING

Property Name	Arby's & Phillips 66
List Price	\$2,600,000.00
Cap Rate	6.56%
Annual Combined Rent	\$180,576.00
DOT Expense	-\$18,000.00
Management Revenue	\$8,000.00
NOI	\$170,576.00

LEASE SUMMARY - PHILLIPS 66

Tenant	Phillips 66
Lease Guarantor	Liberty Stations LLC
Property Address	10 Main St, Dubuque, IA 52001
Lease Commencement Date	11/1/12
Lease Expiration Date	10/31/22
Original Lease Term	10 Years
Lease Term Remaining	±1.5 Years
Annual Rent	\$42,576.00
Rent Increases	2% Annually
Option Periods	Two, 5-Year Options
Lease Type	NN
Landlord Responsibilities	Roof and exterior structure of C-Store space only
Tenant Responsibilities	Maintenance and Repairs, Taxes, Utilities, and Insurance

LOAN QOUTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

Kevin Puder
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LTV: 65%
Rate: 4.05%
Amortization: 25



LEASE ABSTRACT

Tenant:	Arby's & Phillips 66
Address:	10 Main St, Dubuque, IA 52001
Size:	5,162 Square Feet (Approximately).
Rent Commencement:	Arby's: 10/1/2018. Phillips 66: 11/1/2012.
Lease Expiration:	Arby's: 9/30/2038. Phillips 66: 10/31/2022.
Lease Term:	Arby's : ±17.5 Years. Phillips 66: ±1.5 Years.
Renewal Options:	Arby's: Five, 5-Year Options. Phillips 66: Two, 5-Year Options.
Percentage Rent	Arby's: Tenant pays seven and one-quarter percent (7.25%) of net sales after break even point. Phillips 66: No Percentage Rent.
Rent Increases:	Arby's: Tenant Pays 2.5% Rent Increases each option period. Phillips 66: Tenant Pays 2% Annual Rent Increases.
Real Estate Taxes:	Arby's: Tenant pays all taxes related to the property, assessments and improvements. Phillips 66: Landlord pays all general real estate taxes and special assessments. Tenant Reimburses Landlord for such expenses.
Maintenance and Repairs:	Arby's: Tenant, at its own expense, pays for any repair and maintenance of the building, structure, and lot. Phillips 66: Landlord, at its expense, pays for and repairs and maintenance of the exterior of the building and structure, including the roof. Tenant reimburses Landlord for any expenses that relate to repairs and maintenance of the interior of the building.
Insurance:	Arby's: Tenant pays for insurance with Landlord named as additional insured. Phillips 66: Landlord carries insurance and Tenant reimburses Landord for any such expenses related to the insurance.
Utilities:	Arby's: Tenant pays for all utilities furnished to the Premises during the term of the lease. Phillips 66: Tenant pays for all utilities furnished to the Premises during the term of the lease.
Tenant Assignment and Subletting:	Arby's: Tenant needs Landlord consent to assign the lease or sublet the premises. Notwithstanding the foregoing, Tenant may, without Landlord's consent, may assign the lease or sublet the premises to any corporation or legally owned entity of DRM, Inc. Phillips 66: Tenant shall not assign this lease or sublease the Premises, or any right on privilege connected therewith, or allow any person, except agents, employees, and customers of Tenant, to occupy the Premises or any part thereof, without first obtaining the written consent of Landlord.
Right Of First Refusal	Arby's: Yes; After a bona fide offer to purchase that Landlord intends to accept, Arby's must deliver written notice of it's decision to exercise right of first refusal to Landlord Ten (10) days after receipt of notice from Landlord. Phillips 66: No

TENANT OVERVIEW



ARBY'S

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, GA. Arby's Restaurant Group (ARG) operates the Arby's fast-food chain popular for its hot roast beef sandwiches. In addition to roast beef sandwiches, its menu features chicken sandwiches, salads, and some dessert items. More than 1,100 Arby's locations are company-owned, while the rest are franchised.

Its headquarters are in Sandy Springs, Georgia, a suburb of Atlanta which uses Atlanta mailing addresses. In 2019, there were 3,472 restaurants. There are locations in six countries outside the United States: Canada, Turkey, Qatar, Kuwait, Egypt, and South Korea.

PHILLIPS 66

The Phillips 66 Company is an American multinational energy company headquartered in Westchase. The company is engaged in producing natural gas liquids (NGL) and petrochemicals. The company has approximately 14,000 employees worldwide and is active in more than 65 countries. Phillips 66 is ranked No. 23 on the Fortune 500 list and No. 67 on the Fortune Global 500 list as of 2018.

The Energy Research & Innovation organization operates in Bartlesville, Oklahoma at the 440-acre Phillips 66 Research Center. Researchers hailing from all around the world work diligently to advance the cutting-edge science that is critical for enhancing company sustainability, developing the technologies of the future, and supporting existing operations.

SURROUNDING AREA



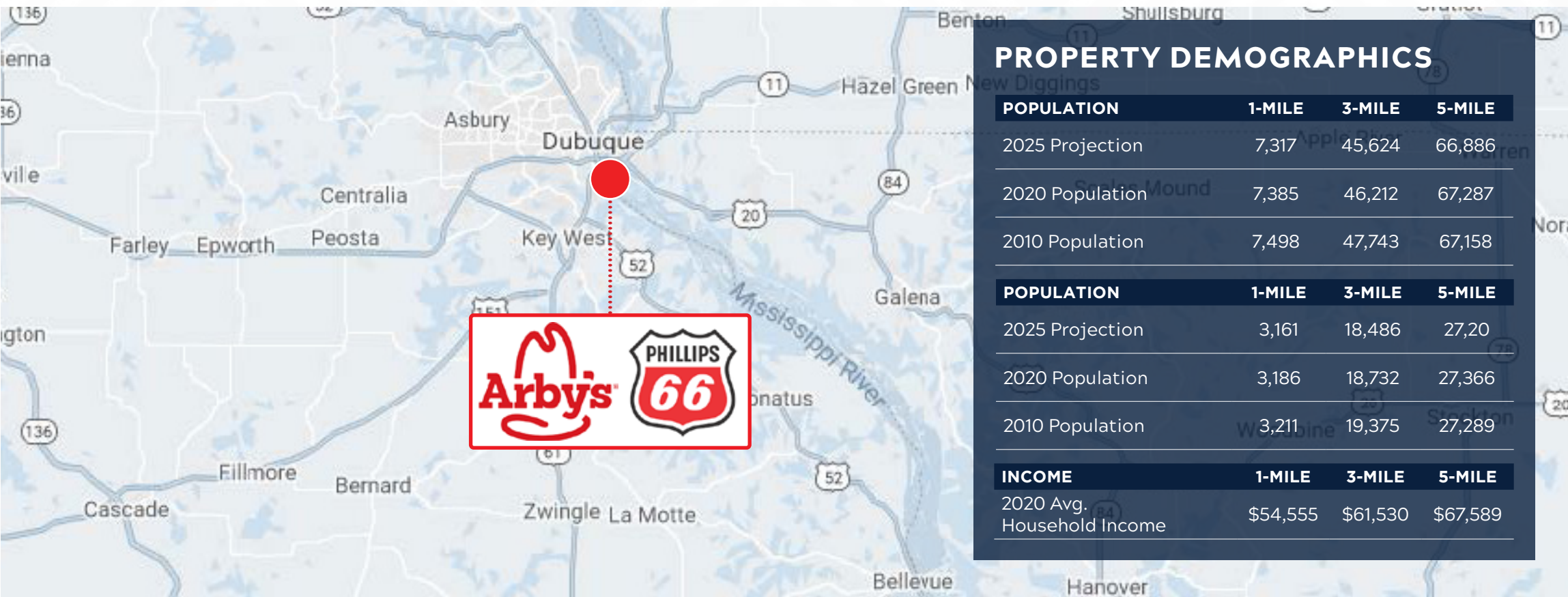
AREA OVERVIEW



DUBUQUE, IA

Situated at the intersection of Iowa, Illinois, and Wisconsin, the community of Dubuque, Iowa, stands among the Mississippi River Bluffs as a metropolitan service area for seven surrounding counties. Employers in Dubuque draw from the labor force in the Iowa Counties of Dubuque, Clayton, Delaware, Jones, and Jackson counties, as well as Grant County in Wisconsin and JoDaviess County in Illinois.

The Dubuque area boasts a highly educated and motivated workforce, which has grown to support economic expansions in recent years. Area colleges, universities, and technical schools not only provide diverse fields of study and expertise to incoming students but are a resource to businesses for continuing education and professional development.





CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Arby's & Phillips 66** located at **10 Main St | Dubuque, IA** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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