



VAPE & MORE

510 S Congress Blvd | Smithville, TN 37166
OFFERING MEMORANDUM

LISTED BY

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VAPE & MORE

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EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **New Model Building** – The property was built in 2016, displaying one of Arby's new concept buildings.
- **Corporate Guarantee** – The lease is guaranteed by Arby's corporate entity, providing a substantial net worth backing the rent and lease obligations.
- **Strategically Positioned** – The property is ideally situated in the main retail corridor of Smithville, TN.
- **Income Tax-Free State** – Tennessee is an income tax-free state, providing a higher net cash flow for applicable investors.
- **Net Lease** – The ownership is a fee simple lease with minimal responsibilities, providing an owner with passive income.
- **Nashville, TN MSA** – Smithville, TN is a suburb of Nashville, the capital of Tennessee. The city has a population of over 700,000 and is the 10th fastest growing city in the U.S. Over 15 million people visit Nashville on a yearly basis.
- **Smithville, TN** – Smithville, TN is located at the very center between Nashville, TN and Knoxville, TN. Smithville is an active tourist destination for travelers.
- **Essential Business & E-Commerce Resistant Concept** – The US government and the CDC identified quick-service-restaurants as essential businesses and remained open throughout the Covid-19 pandemic. Quick service restaurants have also proven to be e-commerce proof, adopting new business strategies for online ordering.
- **Recession & Pandemic Resistant Tenant** – Historically, quick service restaurants maintain success in an economic recession and have seen an increase in sales growth throughout the Covid-19 pandemic.



FINANCIAL OVERVIEW



\$1,264,411
LIST PRICE



\$85,980
NOI



6.80%
CAP RATE



±3,060 SF
GLA



±1.70 AC
LOT SIZE

| ARBY'S - TENANT SUMMARY

TENANT	Arby's
LEASE GUARANTOR	Corporate
LEASE COMMENCEMENT DATE	6/6/16
LEASE EXPIRATION DATE	6/5/26
ORIGINAL LEASE TERM	10 Years
ANNUAL RENT	\$67,980.00
LEASE TERM REMAINING	±5 years
RENT INCREASES	10% every 5-years
OPTION PERIODS	Four, 5-year options
GLA	±2,060 SF
LEASE TYPE	NN

| VAPE SHOP - TENANT SUMMARY

TENANT	Vape Shop
LEASE GUARANTOR	Personal Guaranty
LEASE COMMENCEMENT DATE	6/1/21
LEASE EXPIRATION DATE	5/31/26
ORIGINAL LEASE TERM	5 Years
ANNUAL RENT	\$18,000
LEASE TERM REMAINING	±5 Years
RENT INCREASES	10% Every 5 Years
OPTION PERIODS	Three, 5-Year Options
GLA	±1,000 SF
LEASE TYPE	NN

ARBY'S - ANNUALIZED OPERATING DATA

	YEARS	MONTHLY RENT	ANNUAL RENT	RENT INCREASES
Base Term	Current - 6/5/2021	\$5,150.00	\$61,800.00	10%
Base Term	6/6/2021 - 6/5/2026	\$5,665.00	\$67,980.00	10%
Option 1	6/6/2026 - 6/5/2031	\$6,231.50	\$74,778.00	10%
Option 2	6/6/2031 - 6/5/2036	\$6,854.67	\$82,256.00	10%
Option 3	6/6/2036 - 6/5/2041	\$7,540.08	\$90,481.00	10%
Option 4	6/6/2041 - 6/5/2046	\$8,294.17	\$99,530.00	10%

VAPE SHOP - ANNUALIZED OPERATING DATA

	YEARS	MONTHLY RENT	ANNUAL RENT	RENT INCREASES
Base Term	6/1/2021 - 5/31/2026	\$1,500.00	\$18,000.00	10%
Option 1	6/1/2026 - 5/31/2031	\$1,650.00	\$19,800.00	10%
Option 2	6/1/2031 - 5/31/2036	\$1,815.00	\$21,780.00	10%
Option 3	6/1/2036 - 5/31/2041	\$1,996.50	\$23,958.00	10%

LEASE ABSTRACT

	ARBY'S	VAPE & MORE
ADDRESS:	510 S Congress Blvd, Smithville, TN 37166	510 S Congress Blvd, Smithville, TN 37166
SIZE (GLA):	2,060 SF	±1,000 SF
LEASE COMMENCEMENT	6/6/16	1/25/21
RENT COMMENCEMENT:	6/6/16	6/1/21
LEASE EXPIRATION:	6/5/26	5/31/26
RENEWAL OPTIONS:	Four, 5-Year Options	Three, 5-Year Options
RENT INCREASES:	Tenant pays 10% rent increases every 5 years.	Tenant pays 10% rent increases every 5 Years.
REAL ESTATE TAXES:	Tenant pays monthly installments of real estate taxes to Landlord for Tenant's proportionate share.	Tenant pays monthly installments of real estate taxes to Landlord for Tenant's proportionate share.
MAINTENANCE AND REPAIRS:	In addition to the Base Rent, Tenant pays monthly installments for the cost of maintenance and repair. Tenant is responsible for the costs of operating, maintaing, cleaning, and repairing the Common Areas including maintaining and repairing the HVAC and parking lot. Landlord is responsible for maintaining the roof and stucture.	In addition to the Base Rent, Tenant pays monthly installments for the cost of maintenance and repair. Tenant is responsible for the costs of operating, maintaining, cleaning and repairing the Common Areas including maintaining and repairing the HVAC and parking lot. Landlord is responsible for maintaining the roof an structure.
INSURANCE:	Tenant must maintain general liability insurance, insuring both Tenant and Landlord. Tenant must also maintain an all risk property equal to replacement vlaue of all Tenant's property. Additionally, Tenant will reimburse Landlord for maintaining liability and property insurance for Tenant's Share. Such reimbursment is paid in monthly installments	Tenant must maintain general liability insurance, insuring both Tenant and Landlord. Tenant must also maintain an all risk property equal to replacement vlaue of all Tenant's property. Additionally, Tenant will reimburse Landlord for maintaining liability and property insurance for Tenant's Share. Such reimbursement is paid in monthly installments.
UTILITIES:	Tenant pays for all utilities furnished to the Premises during the term of the lease.	Tenant pays for all utilities furnished to the Premises during the term of the lease.
TENANT ASSIGNMENT AND SUBLETTING:	Tenant needs Landlord consent to assign the lease or sublet the premises. Tenant may, without Landlord's consent, may assign the lease or sublet the premises to any corporation or legally owned entity of Arby's Restaurant Group. Under any assignment or subletting, Tenant shall remain fully responsible for compliance with all Lease terms.	Tenant may not assign the lease nor sublet the property without written consent of landlord.
SECURITY DEPOSIT	None	\$5,250. The security deposit will be used as rent payment for June July and August 2021.
RIGHT OF FIRST REFUSAL	No	No

TENANT OVERVIEW



THE OFFERING

Property Name		Arby's
Property Address	510 S Congress Blvd Smithville, TN	

Site Description	
Number of Stories	1
GLA	±3,130 SF
Lot Size	±1.70 AC
Type of Ownership	Fee Simple

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.

Roark Capital Group acquired 81.5% of Arby's Restaurant Group in July 2011 and now wholly owns Inspire Brands. The Wendy's Company held a minority stake of 18.5% in Arby's after the acquisition by Roark Capital; that share was reduced to 12.3% upon the purchase of Buffalo Wild Wings and was sold back to Inspire Brands on August 16, 2018, for 450 million dollars, a 38 percent premium.

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.

±3,342
LOCATIONS

1964
YEAR FOUNDED

ATLANTA, GA
HEADQUARTERS

FOOD LION

Walgreens

**Advance
Auto Parts**

 **Liberty
State
Bank**

DOLLAR GENERAL

**Save
alot**


McDonald's

 *Hardee's*

WEBB'S PHARMACY

**ACE
Hardware**

SONIC

CONGRESS BLVD
± 10,000 VPD


Arby's


KWIK-EZY

BUMPERS
AMERICA'S FAVORITE FOODS

E. BROAD ST
± 13,300 VPD





E. BROAD ST
± 13,300 VPD



DEKALB COUNTY
SHERIFF'S OFFICE



DEKALB COUNTY
COURTHOUSE



DOLLAR GENERAL

CONGRESS BLVD
± 10,000 VPD



AREA OVERVIEW

SMITHVILLE, TN OVERVIEW

Smithville is the largest city in DeKalb County, Tennessee. Located just an hour away from Nashville and two hours away from Chattanooga and Knoxville, the city has a population of around 5,000 residents. The small community is made up of friendly, hospitable people. The local economy of Smithville is supported by several manufacturing companies including Federal Mogul Friction, SHIROKI North America, Inc., and Tenneco, Inc., and several other small businesses. The city has a business-friendly climate as it has a low tax rate, an available workforce, and lots of accessible land.

A major attraction in DeKalb County is Center Hill Lake, which is located just 15 minutes away from Smithville. Center Hill Lake provides a variety of outdoor recreational activities for its millions of visitors each year such as boating, fishing, and swimming. Several marinas and boat docks are located throughout the area along with a variety of lodging options. In addition, Edgar Evins State Park is located on the shores of Center Hill Lake. The 6,000-acre park features spectacular views of the lake along with camping, hiking, and picnicking amenities. Smithville is well-known for the Smithville Fiddler's Jamboree & Crafts Festival. Held annually at the DeKalb County Courthouse in Downtown Smithville on the first weekend of July, the festival features more than 35 music and dance categories and streets full of hand-made crafts and food booths. With its strategic location to 3 major cities, its business amenities, and its attractions, there is something for everyone in the city of Smithville.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2025 Projection	1,783	6,926	11,812
2020 Estimate	1,685	6,557	11,166
2010 Census	1,554	6,110	10,307
Growth 2020-2025	1.2%	1.1%	1.2%
Growth 2010-2020	0.8%	0.7%	0.8%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2025 Projection	681	2,717	4,603
2020 Estimate	644	2,574	4,354
2010 Census	594	2,403	4,026
Growth 2020-2025	1.2%	1.1%	1.1%
Growth 2010-2020	0.4%	0.3%	0.3%
INCOME	1 - MILE	3 - MILE	5 - MILE
2020 Est Avg HH Income	\$71,888	\$59,979	\$59,784

NASHVILLE, TN

Nashville is a genuine geographic bull's eye, Nashville is perfectly positioned to draw people together. In fact, in 2019, Nashville brought in 16.1 million visitors. This increased from 15.2 million in 2018. Nashville Int'l Airport (BNA) is one of the fastest-growing airports in North America. It served over 18.2 million passengers last year on 14 airlines with 540 total daily flights to 75 nonstop destinations. With more than 33,200 hotel rooms in the city and 47,800 total in the MSA Nashville is accommodating for all travelers. Nashville is the capital and largest city in Tennessee. In the past 5 years, Nashville demand (hotel rooms sold) has grown faster than any other top 30 US city.

A major center for the music industry, especially country music, Nashville is commonly known as "Music City." It is also home to numerous colleges and universities, including Tennessee State University, Vanderbilt University, Belmont University, Fisk University, Trevecca Nazarene University, and Lipscomb University, and is sometimes referred to as "Athens of the South" due to a large number of educational institutions. Nashville is also a major center for healthcare, publishing, private prison, banking, automotive, and transportation industries.

ECONOMY

In recent times Nashville has been described as a "southern boomtown" by numerous publications, with it having the third fastest growing economy in the United States as of 2019. It has been stated by the US Census Bureau that Nashville "adds an average of 100 people a day to its net population increase". The Nashville region was also stated to be the "Number One" Metro Area for Professional and Business Service Jobs in America, as well as having the "Hottest Housing market in America" as stated by the company Zillow.

Although Nashville is renowned as a music recording center and tourist destination, its largest industry is health care. Nashville is home to more than 300 healthcare companies, including Hospital Corporation of America (HCA), the world's largest private operator of hospitals. The Nashville health care industry contributes an overall economic benefit of \$46.7 billion and more than 270,000 jobs to the local economy annually. Globally, Nashville's health care industry generates more than \$92 billion in revenue and more than 570,000 jobs.



UNIVERSITIES

- **Vanderbilt University** - 12,686 Student Population
- **Fisk University** – 855 Student Population
- **Belmont University** – 7,350 Student Population
- **Middle Tennessee State University** – 22,511 Student Population

PROFESSIONAL SPORTS TEAMS

- **Tennessee Titans** - 1,047,496 2019 Attendance
- **Nashville Predators** - 715,276 2019 Attendance



MUSIC CITY CENTER

- Nashville's downtown convention facility, opened in May 2013. The 2.1 million-square-foot Music City Center features more than 375,000 square feet of exhibit space, 128,000 square feet of meeting space, two ballrooms, a business center, and a 2,500-seat theater.

GAYLORD OPRYLAND RESORT & CONVENTION CENTER

- The largest non-gaming hotel property in the United States with 2,888 rooms and more than 700,000 square feet of meeting space, including 263,772 of contiguous exhibit space.



NASHVILLE'S HONKY TONK HIGHWAY

- Broadway is the busiest street in Nashville. The thriving downtown area is home to over 100 restaurants, bars, and music venues. Lower Broadway, also known as Nashville's Honky Tonk Highway, is the center of entertainment in Music City. A honky-tonk is an establishment that contains at least one stage and a bar. Lower Broadway is filled with honky-tonks giving it the popular tourist destination name.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Arby's and Vape & More** located at **510 S Congress Blvd, Smithville, TN 37166** ("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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