



XENIA | OH

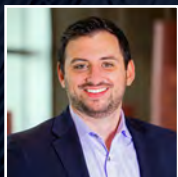
HORVATH  
& TREMBLAY



SINGLE TENANT NET LEASE OPPORTUNITY

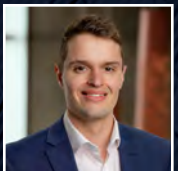


## LEAD AGENTS



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## DISCLAIMER

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## INVESTMENT HIGHLIGHTS

Horvath & Tremblay is pleased to present the exclusive sale of a Sonic Drive-In ("Sonic") ground lease located at 1956 Harner Drive in Xenia, Ohio (the "Property"). Sonic has been at this location since it was constructed in 2008 and has 2+ years remaining on their 15-year triple net ground lease with three (3), 5-year renewal options. The lease features attractive 10% rent increases at the start of the first and second renewal option and a 5% rent increase at the start of the third renewal option.

The Property is well located along Harner Drive, less than 500 feet from the signalized intersection of Progress Drive and West Main Street (US Route 35 Business). The Property is shadow anchored by a Walmart Supercenter and Lowe's, with strong visibility, signage, and access along Harner Drive. Additionally, US Route 35 is the primary commercial corridor running through Xenia and is also the main highway connecting Xenia with Dayton, 18-miles to the west.

- **LONG TERM TENANT:** Sonic has occupied this location since 2008 and has 2+ years of term remaining with three (3), 5-year renewal options.
- **ATTRACTIVE RENT INCREASES:** The Lease calls for 10% rent increases in the first and second renewal options and a 5% rent increase at the start of the third renewal option providing a steady increase in income and an attractive hedge against inflation.
- **ZERO MANAGEMENT RESPONSIBILITIES:** The Sonic Drive-In ground lease is absolute triple net and requires zero management responsibilities making it an attractive investment for the passive real estate investor.
- **BELOW MARKET RENT:** Sonic's current rent is below market rates and offers an investor long-term upside
- **VISIBILITY & ACCESS:** The Property is shadow anchored by a Walmart Supercenter, Lowe's Home Improvement, and newly constructed Hampton Inn & Suites and is located less than 500 feet from the signalized intersection of Progress Lane and West Main Street (US Route 35 Business). The Property offers excellent visibility, two points of access, and prominent street-front signage.
- **TRADE AREA TRAFFIC DRIVERS:** Additional and retailers driving traffic to the area include Walmart Supercenter Lowe's Home Improvement, Kroger, Aldi, Harbor Freight, Rural King, Dollar Tree, Family Dollar, Dollar General, Advance Auto Parts, O'Reilly Auto Parts, Applebee's, Bob Evan's, Chipotle, McDonald's, Burger King, Wendy's, Taco Bell, KFC, Arby's, Tim Horton's, Subway, Pizza Hut, and Domino's.
- **STRONG DEMOGRAPHICS:** Over 46,600 people live within a 5-mile radius of the Property with an average household income of \$92,494.
- **TRAFFIC COUNTS:** More than 23,000 vehicles per day pass near the property at the signalized intersection of West Main Street and Progress Drive.







# \$990,000

LIST PRICE



# 5.00%

CAP RATE



# \$49,500

NET OPERATING INCOME

1956 HARNER DRIVE | XENIA, OH 45385

OWNERSHIP:	Ground Lease
BUILDING AREA:	1,815 SF
YEAR BUILT:	2008
LAND AREA:	1.20 Acres
GUARANTOR:	Franchisee (Houchens Industries)
ROOF & STRUCTURE:	Tenant Responsibility
RENT COMMENCEMENT DATE:	07/08/2008
LEASE EXPIRATION DATE:	07/31/2023
LEASE TERM REMAINING:	2+ Years
RENEWAL OPTIONS:	3, 5-Year Options



ANNUALIZED OPERATING DATA					
YEAR	START	END	TERM	RENT	% INC
11 - 15	08/01/2018	07/31/2023	CURRENT	\$49,500	
16 - 20	08/01/2023	07/31/2028	OPTION 1	\$54,450	10.0%
21 - 25	08/01/2028	07/31/2033	OPTION 2	\$59,895	10.0%
26 - 30	08/01/2033	07/31/2038	OPTION 3	\$62,890	5.0%



## TENANT OVERVIEW



## ABOUT THE TENANT



Sonic Drive-In and more commonly known as Sonic, is an American drive-in fast-food restaurant chain owned by Inspire Brands, the parent company of Dunkin', Baskin Robbins, Arby's and Buffalo Wild Wings. As of 2021, 3,500+ Sonic restaurants are located in 46 U.S. states. In 2020, Sonic was ranked 14th in QSR Magazine's rankings of the top 50 quick-service and fast-casual restaurant brands in the nation. Known for its use of carhops on roller skates, the company annually hosts a competition (in most locations) to determine the top skating carhop in its system.





DUNKIN'	12,700+ Restaurants	40 Countries	250,000 Team members & Franchise Employees	\$9.4 Billions System Sales
BASKIN-ROBBINS	7,700 Restaurants	52 Countries	80,000 Team members & Franchise Employees	\$2.1 Billions System Sales
JIMMY JOHN'S	2,600+ Restaurants	43 States	79,000+ Team members & Franchise Employees	\$1.9 Billions System Sales
ARBY'S	3,500 Restaurants	8 Countries	80,000+ Team members & Franchise Employees	\$4.3 Billions System Sales
BUFFALO WILD WINGS	1,200+ Restaurants	9 Countries	77,000+ Team members & Franchise Employees	\$3.2 Billions System Sales
SONIC	3,500+ Restaurants	46 States	90,000+ Team members & Franchise Employees	\$5.7 Billions System Sales



ABOUT THE TENANT

Inspire Brands is a multi-brand restaurant company whose portfolio includes more than 32,000 Dunkin', Baskin-Robbins, Arby's, Bu-ffalo Wild Wings, SONIC Drive-In, Rusty Taco, and Jimmy John's restaurants worldwide. The company was founded in 2018 and is headquartered in Atlanta, Georgia.

We are creating a family of brands with maverick qualities, each with their own distinct positioning, guest experience, and product off-ering

Inspire is designed to enable each individual brand to benefit from and build o- the strengths of the other. By sharing best practices and making deep investments in areas that create advantage for the entire enterprise, Inspire will help its brands grow and succeed.

Inspire aims to be the premier operator and franchisor across restaurant categories. We provide best-in-class franchise support, including restaurant development planning, design & construction, operations training, marketing & branding, and supply chain expertise.



FACTS:

- \$27+ Billion in system-wide sales
- 32,000+ Restaurants
- 650,000+ Team Members & Franchise Employees
- 2nd Largest Restaurant Company in the U.S.
- 65+ Countries
- 3,200+ Franchisees





OVERVIEW

Xenia's location offers easy access to the cultural amenities of three major metropolitan areas while retaining the traditions and atmosphere of a small Midwestern town. Rich in traditional values, Xenia blends the preservation of its heritage with a progressive attitude. Xenia, Ohio, is centrally located in the "transportation triangle" formed by three major interstate highways I-70, I-71, and I-75. These north-south, east-west arteries are within minutes of Xenia via U.S. 35, U.S. 42, and U.S. 68, tying the community to one of the nation's largest 90-minute highway markets.

Because transportation and healthy economies go hand-in-hand, the convenient and accessible movement of people and products is a major asset for Xenia. Its location within the nation's largest 90-minute air travel market, with access to nearby Dayton International Airport, reaches over two-thirds of the nation's population and businesses. Companies using corporate aircraft will also enjoy the added convenience of the Greene County - Lewis A. Jackson Regional Airport just west of Xenia.

Xenia's location offers easy access to the cultural amenities of three major metropolitan areas while retaining the traditions and atmosphere of a small Midwestern town. Rich in traditional values, Xenia blends the preservation of its heritage with a progressive attitude. With a population over 25,000, Xenia is friendly, people/family oriented, and known for its hospitality. As the county seat, the city is strategically located between Greene County's suburbanized western half and the rural areas to the east.

	3 MILES	5 MILES	10 MILES
POPULATION			
2020 Estimate	29,849	46,617	227,319
2025 Projection	31,256	48,852	234,750
2010 Census	27,917	44,368	218,621
BUSINESS			
2020 Est. Total Businesses	804	1,218	6,177
2020 Est. Total Employees	10,036	14,065	81,771
HOUSEHOLDS			
2020 Estimate	12,264	18,397	93,552
2025 Projection	12,748	19,139	96,015
2010 Census	11,186	17,083	88,645
INCOME			
Average Household Income	\$69,218	\$92,494	\$91,324
Median Household Income	\$56,046	\$73,696	\$74,372



29,500+  
PEOPLE WITHIN 3 MILES



23,000+  
VEHICLES PER DAY  
Int of W Main Street & Progress Drive



\$69,000+  
AVERAGE HOUSEHOLD INCOME



















