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CHEDDAR RANCH
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NEWTON FALLS | OH

HORVATH
& TREMBLAY

SINGLE TENANT NET LEASE OPPORTUNITY

LEAD AGENTS



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DISCLAIMER

Horvath & Tremblay has been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than Horvath & Tremblay and we make no representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all references to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a buyer. Buyers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.



INVESTMENT HIGHLIGHTS

Horvath & Tremblay is pleased to present the exclusive opportunity to purchase the Arby's investment property located at 58 E Broad Street (OH Route 534) in Newton Falls, Ohio (the "Property"). Arby's signed a new, 20-year, lease at the Property in 2015. The absolute triple-net lease currently has 13+ years of term remaining plus four (4), 5-year renewal options. Both the initial term and renewal terms include an attractive 5% rent increase every five years. The Arby's lease is corporate guaranteed.

The Property is well located along E Broad Street (OH Route 534) and enjoys excellent visibility, frontage and access along one of the area's primary commercial and commuter corridors which is home to the area's retailers and businesses. The Property is situated in the center of the town and is within 1.2-miles of the municipal offices and the Chardon High School and Middle School. The Property is also just 1.5-miles from OH Route 5 and 2.5-miles from Interstate 80 (The Ohio Turnpike).

- **LONG LEASE TERM:** The Arby's Absolute NNN lease (corporate guarantee) has 13+ years remaining plus four (4), 5-year renewal options.
- **CORPORATE GUARANTY:** The lease is guaranteed by Arby's corporate parent. Arby's Restaurant Group, Inc. is the franchisor of the Arby's Brand and is part of the Inspire Brands family of restaurants (32,000+ total locations and system sales of \$27 billion in 2020). Arby's is the world's 2nd largest sandwich franchise with more than 3,500 restaurants worldwide and 2020 sales in excess of \$4.3 Billion.
- **ATTRACTIVE RENT INCREASE:** The lease calls for attractive 5% rent increases every 5-years during both the original lease term and at the start of each option period providing a steady increase in income and an attractive hedge against inflation.
- **ZERO MANAGEMENT RESPONSIBILITIES:** The Arby's lease is absolute triple net and requires zero management responsibilities making it an attractive investment for the passive real estate investor.
- **STRATEGIC RETAIL LOCATION:** The Property is well located along E Broad Street (OH Route 534) and enjoys excellent visibility, frontage and access along one of the area's primary commercial and commuter corridors which is home to the area's retailers and businesses. The Property is situated in the center of the town and is within 1.2-miles of the municipal offices and the Chardon High School and Middle School. The Property is also just 1.5-miles from OH Route 5 and 2.5-miles from Interstate 80 (The Ohio Turnpike).
- **DEMOGRAPHICS:** Approximately 8,000 people live within 3-miles of the Property with an average household income in excess of \$71,700. More than 14,800 people live within 5-miles of the Property with an average household income of \$71,908.
- **RETAIL TRADE AREA:** Additional retailers and attractions driving traffic to the trade are the Newton Falls municipal offices and School System, Newton Falls IGA, Newton Falls Shop 'N Save, Ace Hardware, Rite Aid, Family Dollar, Dollar General, McDonald's, Taco Bell, Pizza Hut, Domino's, Dairy Queen, Subway, Dunkin', and Circle K.





\$1,563,333

LIST PRICE



4.50%

CAP RATE



\$70,350

NET OPERATING INCOME

58 E BROAD STREET | NEWTON FALLS, OH 44444

OWNERSHIP:	Fee Simple
BUILDING AREA:	3,000 SF
YEAR BUILT:	1974
LAND AREA:	0.66 Acres
GUARANTOR:	Corporate
LEASE TYPE:	Absolute NNN
ROOF & STRUCTURE:	Tenant Responsible
RENT COMMENCEMENT DATE:	11/01/2015
LEASE EXPIRATION DATE:	10/31/2035
LEASE TERM REMAINING:	13+ Years
RENEWAL OPTIONS:	4, 5-Year Options
TENANT PURCHASE OPTION:	ROFR



ANNUALIZED OPERATING DATA					
YEAR	START	END	TERM	RENT	% INC
6 - 10	11/01/2020	- 10/31/2025	CURRENT	\$70,350.00	5.0%
11 - 15	11/01/2025	- 10/31/2030		\$73,868.00	5.0%
16 - 20	11/01/2030	- 10/31/2035		\$77,561.00	5.0%
21 - 25	11/01/2035	- 10/31/2040	OPTION 1	\$81,439.00	5.0%
26 - 30	11/01/2040	- 10/31/2045	OPTION 2	\$85,511.00	5.0%
31 - 35	11/01/2045	- 10/31/2050	OPTION 3	\$89,787.00	5.0%
36 - 40	11/01/2050	- 10/31/2055	OPTION 4	\$94,276.00	5.0%

TENANT OVERVIEW



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ABOUT THE TENANT



The Arby's brand purpose is Inspiring Smiles Through Delightful Experiences™. Arby's delivers on its purpose by celebrating the art of Meatcraft® with a variety of high-quality proteins and innovative, crave-able sides, such as Curly Fries and Jamocha shakes. 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 part of the Inspire Brands family of restaurants headquartered in Atlanta, Ga. Arby's, founded in 1964, is the second-largest sandwich restaurant brand in the world with more than 3,500 restaurants in nine countries.



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

The City of Newton Falls is a charming, historic, walkable community, conveniently located between Cleveland, Akron, Canton, Youngstown and Pittsburgh. Tucked in the southwest corner of Trumbull County, Newton Township’s rolling hills and gorgeous town square bring the storybook area to life.

Newton Township’s USO building, which operated from 1941 to 2015, was the last in Ohio and one of only four in the nation of the same style and design. The historic facility provided services for employees of the Ravenna Ordnance Plant during World War II and now serves as a community center.

Nestled within the township is the historic and walkable Newton Falls, home to the famous 44444 ZIP code — the only US zip code in the contiguous US where all five numbers are the same.

The last surviving covered bridge in Trumbull County is also found here. It was constructed in 1831 over the Mahoning River, and it has a few other notable titles. The Newton Falls covered bridge is the second-oldest surviving covered bridge in Ohio, the oldest still in use on its original site and the oldest covered bridge in the state with a covered crosswalk.

	3 MILES	5 MILES	10 MILES
POPULATION			
2021 Estimate	8,062	14,820	79,062
2026 Projection	7,883	14,604	77,887
2010 Census	8,612	15,703	83,101
BUSINESS			
2021 Est. Total Businesses	209	284	2,027
2021 Est. Total Employees	1,890	2,563	27,229
HOUSEHOLDS			
2021 Estimate	3,416	6,077	31,784
2026 Projection	3,349	6,018	31,485
2010 Census	3,554	6,273	32,567
INCOME			
Average Household Income	\$71,740	\$71,908	\$59,413
Median Household Income	\$52,273	\$55,083	\$46,150



8,000+
PEOPLE WITHIN 3 MILES



1,500+
EMPLOYEES WITHIN 3 MILES



\$71,500+
AVERAGE HOUSEHOLD INCOME











E BROAD STREET





