



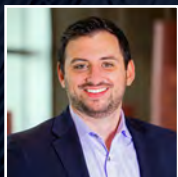
CHARDON | OH

HORVATH
& TREMBLAY



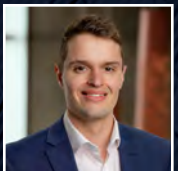
SINGLE TENANT NET LEASE OPPORTUNITY

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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 417 Water Street (US Route 6) in Chardon, Ohio (the "Property"). Arby's signed a new, 15-year, lease at the Property in 2015. The absolute triple-net lease currently has 8+ 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 Water Street (US Route 6) and is 600 feet from the signalized intersection of Water Street and Wilson Mills Road/Cherry Avenue. The Property enjoys excellent visibility, frontage and access along Water Street, one of the area's primary commercial and commuter corridors which is home to numerous national and local retailers and businesses. The Property is situated in the center of the town and is within 1-mile of the municipal offices and the Chardon High School and Middle School.

- **LONG LEASE TERM:** The Arby's Absolute NNN lease (corporate guarantee) has 8+ 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 Water Street (US Route 6) and is 600 feet from the signalized intersection of Water Street and Wilson Mills Road/Cherry Avenue. The Property enjoys excellent visibility, frontage and access along Water Street, one of the area's primary commercial and commuter corridors which is home to numerous national and local retailers and businesses. The Property is situated in the center of the town and is within 1-mile of the municipal offices and the Chardon High School and Middle School.
- **TRAFFIC COUNTS:** Approximately 14,600 vehicles per day pass by the Property at the nearby intersection of Water Street (US Route 6) and Wilson Mills Road/Cherry Avenue.
- **DEMOGRAPHICS:** Approximately 12,000 people live within 3-miles of the Property with an average household income in excess of \$101,500. More than 22,700 people live within 5-miles of the Property with an average household income of \$111,210.
- **RETAIL TRADE AREA:** Additional retailers and attractions driving traffic to the trade are The Chardon municipal offices and School System, Walmart Supercenter, Home Depot, Giant Eagle Supermarket, Heinen's Grocery Store, Marc's Stores, ALDI, Big Lots, Five Below, Tractor Supply Co, CVS, Rite Aid, O'Reilly Auto Parts, Advance Auto Parts, Dollar Tree, Starbucks, McDonald's, Wendy's, Bob Evans, Burger King, Taco Bell, Dairy Queen, Pizza Hut, Circle K, Sheetz, and Dunkin'.



PROPERTY OVERVIEW



\$1,370,526

LIST PRICE



4.75%

CAP RATE



\$65,100

NET OPERATING INCOME

417 WATER STREET | CHARDON, OH 44024

OWNERSHIP:	Fee Simple
BUILDING AREA:	2,000 SF
YEAR BUILT:	1988
LAND AREA:	1.06 Acres
GUARANTOR:	Corporate
LEASE TYPE:	Absolute NNN
ROOF & STRUCTURE:	Tenant Responsible
RENT COMMENCEMENT DATE:	11/01/2015
LEASE EXPIRATION DATE:	10/31/2030
LEASE TERM REMAINING:	8 Years, 11 Months
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	\$65,100.00	5.0%
11 - 15	11/01/2025	- 10/31/2030		\$68,355.00	5.0%
16 - 20	11/01/2030	- 10/31/2035	OPTION 1	\$71,773.00	5.0%
21 - 25	11/01/2035	- 10/31/2040	OPTION 2	\$75,362.00	5.0%
26 - 30	11/01/2040	- 10/31/2045	OPTION 3	\$79,130.00	5.0%
31 - 35	11/01/2045	- 10/31/2050	OPTION 4	\$83,087.00	5.0%

TENANT OVERVIEW



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

Located in Northeast Ohio, the City of Chardon is the county seat of Geauga County. Sitting approximately 35 miles east of downtown Cleveland, Chardon is widely recognized as the center of Ohio's maple syrup industry as well as the center of the state's snowbelt. Home to the Geauga County Maple Festival, the City annually celebrates the rich history of this locally produced product. Averaging over 105 inches of snow per year, residents take pride in the notoriety the community receives from the heavy snowfall and the ability to fully function in adverse weather conditions.

Centered at the crossroads of St. Rte. 44 and U.S. Rte. 6, Chardon is among the early communities in the Western Reserve. As is typical in county seats developed in a rural area, the City Square features the County courthouse, numerous local businesses, and a variety of eateries. Immediately adjacent are residential neighborhoods highlighted by well-kept century homes. Chardon covers just under 4.5 square miles and has a population of approximately 5,300. With an expected build-out of nearly 9,400, a great deal of residential and commercial development is expected in the coming years.

In summary, Chardon is seen as a typical, small, mid-west town promoting the best such a community can provide. Offering a safe environment, excellent schools and superior city services, in 2004 Chardon was rated Cleveland's second-best suburb by Cleveland Magazine.

	3 MILES	5 MILES	10 MILES
POPULATION			
2021 Estimate	12,065	22,737	119,536
2026 Projection	11,852	22,541	119,291
2010 Census	11,986	21,867	117,621
BUSINESS			
2021 Est. Total Businesses	573	793	4,640
2021 Est. Total Employees	6,610	8,924	55,398
HOUSEHOLDS			
2021 Estimate	5,062	9,139	47,984
2026 Projection	5,164	9,389	49,251
2010 Census	4,903	8,561	45,722
INCOME			
Average Household Income	\$101,517	\$111,210	\$103,312
Median Household Income	\$80,989	\$89,937	\$81,196



12,000+
PEOPLE WITHIN 3 MILES



14,600+
VEHICLES PER DAY
Int of Water St (US Rt 6) & Wilson Mills Rd/Cherry Ave



\$101,500+
AVERAGE HOUSEHOLD INCOME



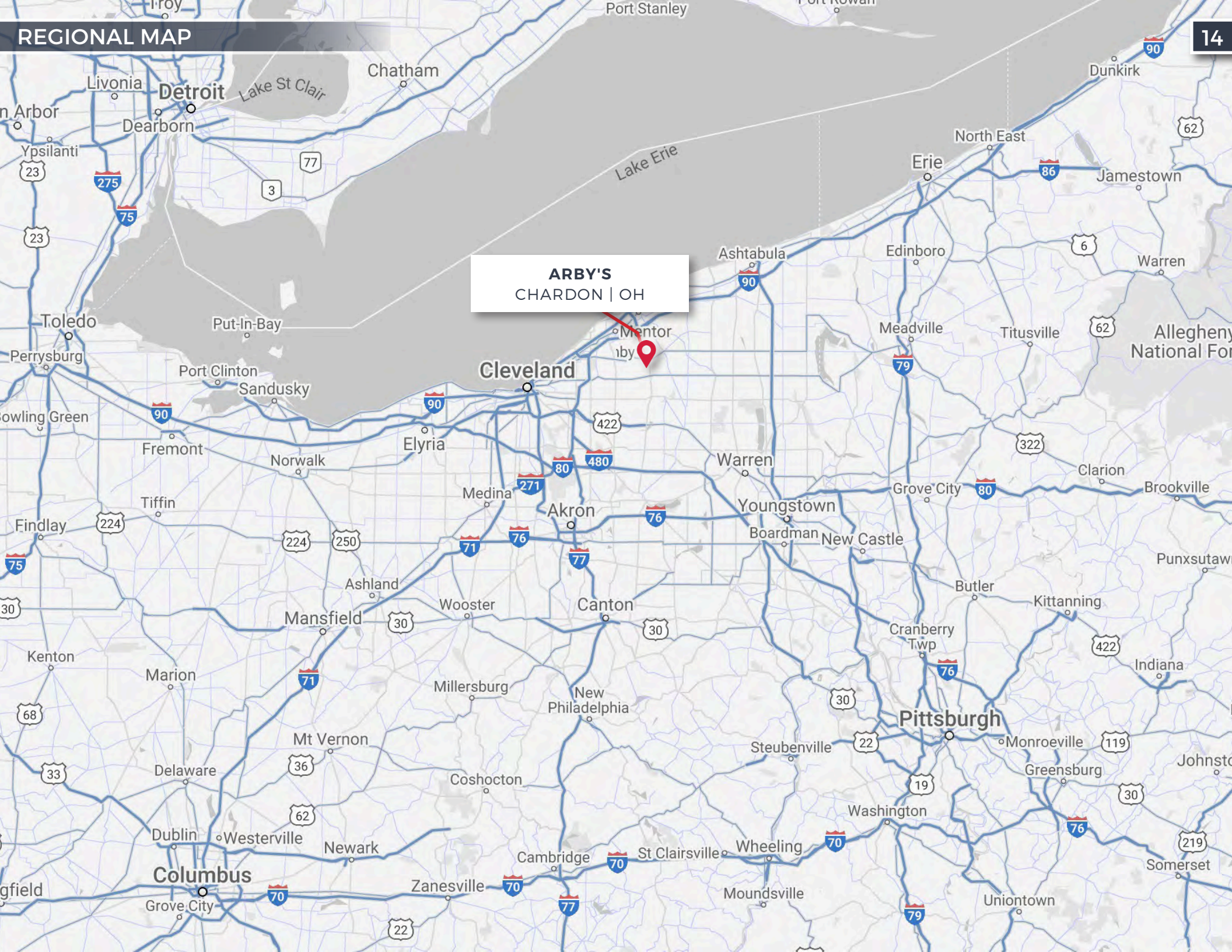












ARBY'S
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