



Restaurant Investment Offering Memorandum:

**P.F. Chang's
26001 Chagrin Blvd.
Beachwood, OH 44122**



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P.F. CHANG'S®

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Investment Summary



P.F. Chang's

INVESTMENT HIGHLIGHTS

- **LOCATION, LOCATION, LOCATION!** Absolute NNN, Single-Tenant, Ground Leased Location with Rental Rates More Than 50% Below Market!!
- **Once in a Lifetime Opportunity:** Historically High/Strong Sales Location with Incredible Rent to Sales Ratio and Huge Future Upside Potential by Upgrading to Market Rental Rates
- **Amazing Position at Signalized Intersection Directly In Front of Enterprise Place, a 5-Story, 125,000 S.F. Office Building That Sits at the Entrance to a Class "A" Office Park, Across From HQ for SITE Centers and 0.25 Miles From World-Renowned Cleveland Clinic Physician Offices and Call/Appointment Center with 2,900 On-Site Employees**
- **One of the Most Desirable and Sought Out Suburban Markets in Northern Ohio for Office, Retail and Other Commercial Properties - Directly Adjacent with Visibility and Exposure to I-271 (157,245 VPD) and Located Off Highly Traveled Chagrin Blvd. (39,500+ VPD)**
- **Direct Access to Extremely Large Population Base (Approx. 211,000 People Within 5-Miles) and Daytime Working Population (Over 175,000) in Extremely High Barrier to Entry Market: Heart of the Area's Commercial, Retail & Residential Development**



ADDITIONAL HIGHLIGHTS

- **Strong, Affluent Market with Average Household Incomes of Approx. 125,000 Within 3-Miles and an Estimated 10,000+ Businesses in Beachwood Alone!**
- **Located Amongst Some of the Highest Concentration of Office Occupancy Rates in the Greater Cleveland Market**
- **Major Complimentary Nearby National Retailers: Newer Construction Pinecrest Lifestyle Center, Eton Lifestyle Center, Legacy Village, Pavilion, Village Square & Beachwood Place Mall, Along with Numerous Fitness Centers and Restaurants**
- **Surrounded by Major Employers All Within 1-Mile: University Hospitals—Ahuja Medical Center (819 Physicians and \$200 Million Expansion In Process), Cleveland Clinic (2,900 Employees), Eaton Corp. (2,000 Employees), Bank of America, Cuyahoga Community College, Site Centers Corp. (Formerly DDR)**
- **Desirable Suburban Community with Short Commute (11 Miles) to Downtown Cleveland with Immediate Proximity to Several Colleges/Universities and Numerous High-Profile Companies**
- **Quality Education: State-Rated "Excellent" and Top Rated Beachwood Exempted Village School District**



INVESTMENT OVERVIEW



Investment Overview

The Cooper Commercial Investment Group has been exclusively retained by ownership to sell the 100% fee simple interest in the single-tenant, P.F. Chang's Ground Lease location in the desirable and affluent community of Beachwood, Ohio, a suburb of Cleveland. You know the age old saying of "LOCATION, LOCATION, LOCATION"? ***THIS IS IT AND MORE!*** Offered for \$3,900,000, an investor has the opportunity to acquire a once in a lifetime piece of real estate. This generational opportunity is priced at a 4.50% CAP Rate and its list of attributes doesn't seem to end. The location is top notch, arguably one of the best pieces of real estate in the Greater Cleveland Market. The property has an extremely low rental rate, more than **50% less** than other nearby inferior restaurant locations, which could provide huge future upside. The location has had strong historical sales and incredible rent-to-sales ratio. These attributes are at the top of the list, but as mentioned, the list continues. You can then add on its position directly next to and with visibility from I-271 (at the Chagrin Blvd. exit) where the traffic counts can't be beat at over 157,000 VPD along the highway and another 39,500+ at the hard in corner intersection of Chagrin Blvd. and Enterprise Parkway. The property's position is perfect, directly in front of Enterprise Place, a 5-story, 125,000 S.F. office building that sits at the entrance of a highly desirable class "A" office park. Additionally, headquarters for SITE Centers is across Enterprise Parkway and the world-renowned Cleveland Clinic physician offices and call center are just 0.25 miles, with another 2,900 on-site employees. Located in the highly sought-after Beachwood office/retail district, the asset is in the high-demand Chagrin Boulevard office corridor, where the office corridor continues and is expansive along Chagrin Blvd. with its business parks, medical offices and well-known retailers lining the street.

P.F. Chang's executed the Ground Lease in 2000 and has continuously exercised renewals with its current term expiring in 2025, leaving 3.5 years of term remaining and two more five-year options to renew, both with 10% rental increases. Being on a Ground Lease, the tenant handles all building maintenance, giving an owner a hands-off absolute NNN lease structure. Founded in 1993, P.F. Chang's has 210+ United States restaurants, including airport locations, plus another 95+ restaurants in more than 25 countries across the globe. The company reports revenue of \$1 billion and has approximately 25,000 total company-wide employees.

The P.F. Chang's building is ideal as it caters to the area and is just a short distance from a host of nearby amenities including Eton Lifestyle Center, Village Square Shopping Center, Pavilion Shopping Center (all on Chagrin Blvd.) and a plethora of other nearby complimentary retailers and restaurants. The asset is located in a concentration of the highest office occupancy rates in the Greater Cleveland Marketplace in an extremely high barrier to entry location. The area boasts a strong residential community with average household incomes of just over \$120,000 within a 1-mile radius of the building. The property is nestled in an economically developed area, which is an understatement. University Hospitals opened Ahuja Medical Center in 2011 and already has a \$200 million expansion in process, less than one mile from the property. Also, less than 1-mile away, Eaton Corporation (NYSE: ETN) recently developed their new world headquarters, a \$173 million project was completed in 2012 and employs more than 2,000 people in over 580,000 square feet of office space.

In relation to the subject property, the community has remained extremely contemporary with high growth levels evidenced by the brand-new, \$230 Million/57.5 Acre Pinecrest Lifestyle Development, Legacy Village Lifestyle Center, the Eton Collection Lifestyle Center and the upscale Beachwood Place Mall, all among Cleveland's heaviest concentration of national retailers and office complexes in a 1-mile radius, truly making the property an ideal location. The well-maintained building, along with its location off the main Chagrin Blvd. thoroughfare in a densely populated area (210,000 residents within 5-miles and a daytime working population of over 175,000) gives any investor an opportunity to acquire an investment with tremendous future upside positioned in a location where many people consider the best office/retail marketplace in all of Northeast Ohio.



Located in the City of Beachwood, approximately 11 miles southeast of Downtown Cleveland. The featured property is located in the heart of the office corridor, directly off of Chagrin Boulevard (Route 422) – one of eastern Cleveland's most noted and heavily traveled roadways. Interstate 271 (directly adjacent to the building) is a major highway serving the Eastern Cleveland Suburbs and provides excellent access to the property. With three exits along I-271, Beachwood is known for its accessibility, bringing a workforce to the city's approximately 10,000 businesses. Traffic counts are in upwards of 75,000 vehicles per day along Chagrin Boulevard at the intersection of Richmond Road, over 39,500 at Chagrin and Enterprise Parkway, both just west of the property. Along the east side of the property along Chagrin Boulevard, traffic counts are in the upwards of 157,245 vehicles per day at the I-271 entrance/exit ramps.

The Chagrin Boulevard corridor is historically known for being an upscale, highly desirable location for office, retail and commercial properties. Commercial retailers and establishments within a 3-mile radius from the buildings attest to the affluence of the area and illustrate the essence of the Beachwood consumer and resident. The on-going growth and expansion of the retail and professional office centers in the immediate vicinity illustrate the local demand for such commerce in a location that optimally suits the area's residents and businesses. Additionally, the area has remained extremely contemporary with high growth levels evidenced by high-end lifestyle centers including, Pinecrest, Legacy Village and the Eton Collection Lifestyle Centers, Beachwood Place Mall, the 2012 opening of Ahuja Medical Center, University Hospital's state-of-the-art medical campus on its 53-acre site with their \$200 million expansion in process, and the Eaton Corporation's \$173 million headquarters (opened in 2012) that employs more than 2,000 people.

Generally considered one of Ohio's finest suburban settings, the 5.2 square-mile City of Beachwood takes great pride in being a blue-chip business center, a thriving commercial and shopping area, a center for world-class medical care, and a national leader in technology. Beachwood attracts more than 100,000 people every day for business, health care, shopping or entertainment purposes and also has a daytime working population of over 175,000. The community boasts extremely high-income levels with the average household income within 1-mile of the featured property being above \$120,000. Land values in Beachwood are among the highest in the county.

Cleveland is the county seat of Cuyahoga County—the most populous county in Ohio. Cleveland is known for its world-renowned medical facilities, including: The Cleveland Clinic, University Hospitals, and Metro Health Medical Center. The Cleveland Clinic is the city's largest private employer with a workforce of over 51,000 to serve the 4,435-beds system-wide and the 1,400-bed main campus, which is located just 8 miles from the property, with many employees living nearby, with the short commute from Beachwood. It carries the distinction as being among America's best hospitals with top ratings published in *U.S. News & World Report*. University Hospitals offers 1,032-beds at its main campus and is an affiliate of Case Western Reserve University. Together, they form the largest center for biomedical research in the State of Ohio. More than 24,000 physicians and employees constitute University Hospitals and its partnership hospitals, ranking it Northeast Ohio's second largest private sector employer. The MetroHealth System expects to issue \$946 million in revenue bonds in 2017 to pay for construction of a new 12-story hospital and upgrade its main campus (13 miles).

Cleveland is home to the corporate headquarters of many large companies such as American Greetings, Eaton Corporation (2 miles), Progressive Auto Insurance, Lincoln Electric, Huntington National Bank, Applied Industrial Technologies, Cliffs Natural Resources, Forest City Enterprises, NACCO Industries, Sherwin-Williams Company and KeyCorp. NASA maintains a facility in Cleveland, the Glenn Research Center, along with PNC Bank. Jones Day, one of the largest law firms in the U.S., began in Cleveland. Cleveland is also home to a number of colleges and universities. Most prominent among these is Case Western Reserve University (11,340 students), John Carroll University located less than 2 miles away with enrollment of 3,675 students, Notre Dame College (less than 3 miles, 2,100 students), Cleveland State University (17,260+ students), based in Downtown Cleveland and Cuyahoga Community College (10,927+ students).

OFFERING SUMMARY

Price:	\$3,900,000
Gross Leasable Area:	7,000 S.F.
NOI:	\$175,500
CAP Rate:	4.50%
Year Built:	1999
Lot Size:	1.59 Acres
Parking:	Approx. 115 Spaces

Pro Forma 2022-2023 2022-2023 \$/SF

INCOME:			
Rental Income		\$ 175,500	\$ 25.07
Tenant Reimbursements:			
Real Estate Tax			
Insurance			
CAM		52,500	7.50
Gross Potential Rental Income		\$ 228,000	\$ 32.57
Vacancy (Actual)	0.00%		
Effective Gross Income		\$ 228,000	\$ 32.57
OPERATING EXPENSES:			
Management Fee	0%	\$	\$
Real Estate Taxes			
Insurance			
Snow Removal*		30,000	4.29
Personnel Costs*		2,500	0.36
Lot Lighting*		5,000	0.71
Parking Lot Repairs & Maintenance*		15,000	2.14
Total Expenses		\$ 52,500	\$ 7.50
Net Operating Income		\$ 175,500	\$ 25.07
Pricing Analysis			
Net Operating Income		\$ 175,500	\$ 25.07
Capitalization Rate		4.50%	4.50%
Valuation		\$ 3,900,000	\$ 557.14

* Handled directly by Enterprise Place Office Building and billed back to tenant.

P.F. CHANG'S



TENANT SUMMARY

Tenant Name:	P.F. Chang's China Bistro
Lease Type:	Absolute NNN Ground Lease
Remaining Lease Term:	3.5 Years
Tenant Since:	2000
Term Start Date:	8/1/2020
Lease Expiration Date:	7/31/2025
Option to Extend:	(2) 5-Yr. Options
Rental Increase (s):	None
Options to Terminate:	None
Right of First Refusal:	None
Roof:	Tenant Responsibility
HVAC Replacement:	Tenant Responsibility
HVAC Maintenance:	Tenant Responsibility
Parking Lot Repairs & Maintenance*:	Tenant Reimburses Landlord
Common Area Maintenance*:	Tenant Responsibility
Real Estate Taxes:	Tenant Pays Direct
Insurance:	Tenant Responsibility
Structure:	Tenant Responsibility

Tenant Base Rent Schedule

	Monthly	Annual	PSF
Current:	\$14,625.00	\$175,500.00	\$25.07
Option 1:	\$16,083.33	\$193,000.00	\$27.57
Option 2:	\$17,708.33	\$212,500.00	\$30.29

Financial Data

Rental Income:	\$175,500
Reimbursements:	\$52,500
Gross Potential Income:	\$228,000
Expenses:	(\$52,500)
NOI:	\$175,500



Property Name: P.F. Chang's (Ground Lease)
Property Address: 26001 Chagrin Blvd
Beachwood, OH 44122
Executed By: P.F. Chang's China Bistro, Inc.
Property Type: Absolute NNN Ground Lease
Rentable Area: 7,000 S.F.
of Total Locations: 217
Corp. Headquarter: New York, NY / Scottsdale, AZ
Websites: pfchangs.com
triartisan.com

TRIARTISAN
CAPITAL ADVISORS



P.F. Chang's is an Asian restaurant concept founded on making food from scratch every day in every restaurant. Created in 1993 by Philip Chiang and Paul Fleming, P.F. Chang's is the first multi-unit restaurant concept in the U.S. to honor and celebrate the 2,000-year-old tradition of wok cooking as the center of the guest experience. Since inception, P.F. Chang's chefs have been hand-rolling dim sum, hand chopping and slicing all vegetables and meats, scratch cooking every sauce and wok-cooking each dish, every day in every restaurant. P.F. Chang's new Farm to Wok® menu highlights its wholesome, scratch-cooking approach and introduces new dishes and drinks for lunch, happy hour and dinner. Today, P.F. Chang's has 217 United States restaurants, including airport locations, plus over 95 restaurants in more than 25 countries across the globe.



Tenant Overview





Property Analysis

Surrounding Area & Complimentary Retailers



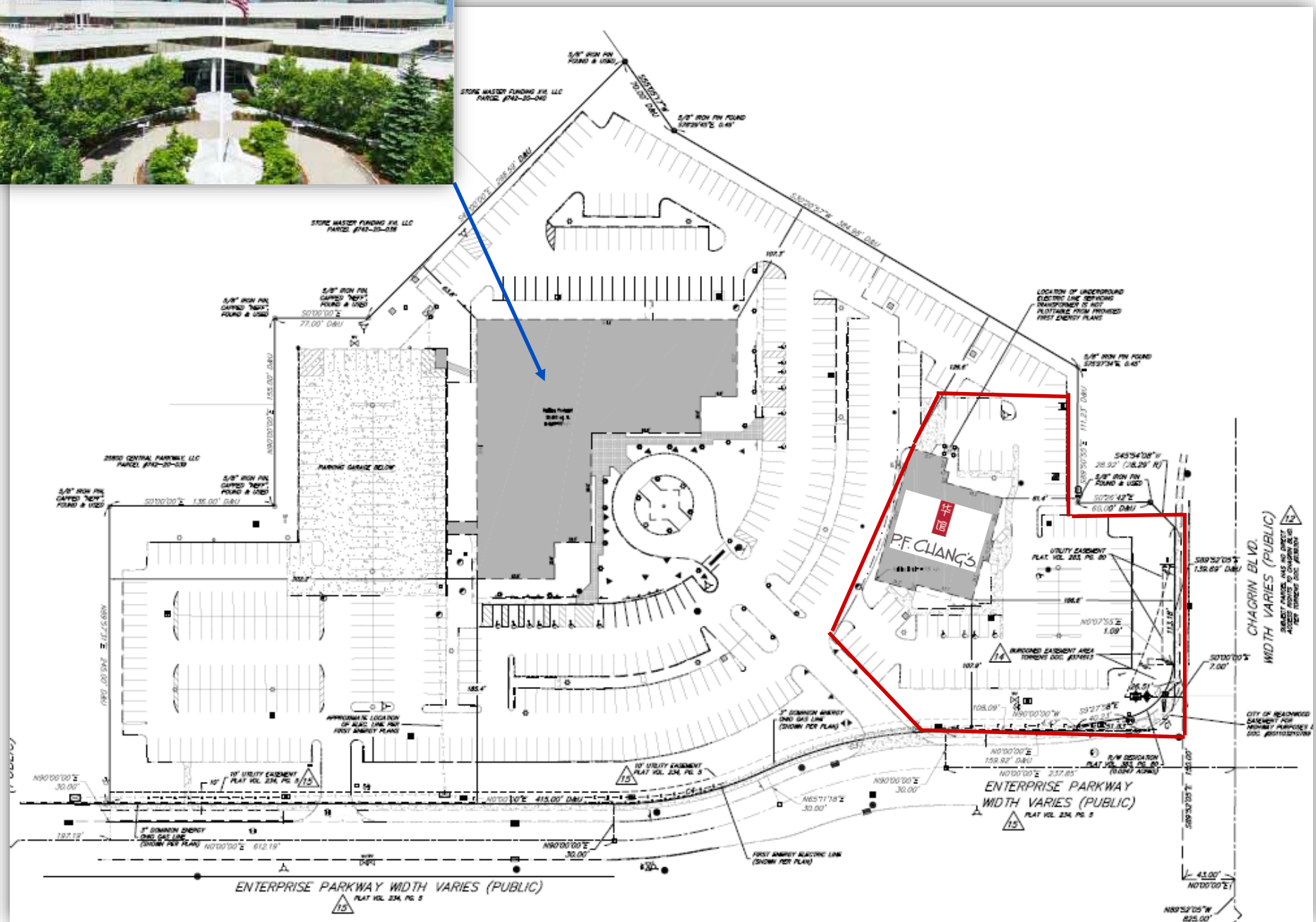
Area Photos



Surrounding Area & Complimentary Retailers



Area Photos







Office/Direct Aerial





Aerial Map





View - North



Area Photos

View - Northwest



Area Photos

View - South



View - East



View - West



Area Photos



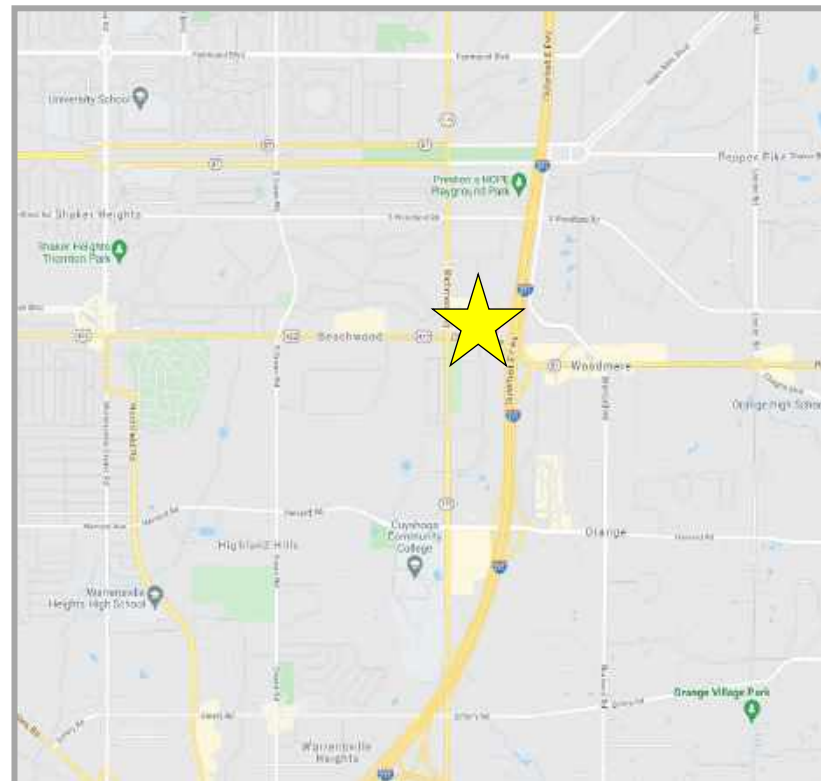
View - Northeast



Area Photos



Location Maps





26001 Chagrin Blvd Beachwood, OH 44122	1 mi radius	3 mi radius	5 mi radius	10 mi radius
Population				
2021 Estimated Population	4,980	60,513	211,021	639,928
2026 Projected Population	5,183	59,454	205,545	626,029
2010 Census Population	3,882	59,332	212,719	665,558
2021 Median Age	49.5	44.8	42.0	40.7
Households				
2021 Estimated Households	2,186	26,061	91,340	278,341
2026 Projected Households	2,324	26,441	91,860	280,747
2020 Census Households	2,165	26,235	92,059	280,099
2010 Census Households	1,516	24,289	89,218	281,434
Projected Annual Growth 2021 to 2026	1.3%	0.3%	0.1%	0.2%
Historical Annual Growth 2010 to 2021	4.0%	0.7%	0.2%	-
Income				
2021 Estimated Average Household Income	\$120,558	\$124,607	\$96,893	\$79,987
2021 Estimated Median Household Income	\$91,728	\$88,254	\$71,376	\$58,653
2021 Estimated Per Capita Income	\$53,149	\$53,989	\$42,089	\$34,983
Education (Age 25+)				
2021 Estimated High School Graduate	19.8%	17.2%	22.5%	27.0%
2021 Estimated Some College	14.4%	17.3%	20.4%	21.8%
2021 Estimated Associates Degree Only	4.6%	6.3%	8.1%	8.1%
2021 Estimated Bachelors Degree Only	25.0%	24.5%	20.9%	18.2%
2021 Estimated Graduate Degree	32.4%	30.1%	21.3%	15.1%
Business				
2021 Estimated Total Businesses	1,661	4,065	9,413	26,926
2021 Estimated Total Employees	20,046	57,076	125,293	390,521
2021 Estimated Employee Population per Business	12.1	14.0	13.3	14.5
2021 Estimated Residential Population per Business	3.0	14.9	22.4	23.8



DISCLOSURE, CONFIDENTIALITY & DISCLAIMER

CONFIDENTIALITY AGREEMENT

The information within this Offering Memorandum will set forth an understanding regarding the relationship between the Recipient of this package (the "Recipient") and The Cooper Group and the confidentiality of the investment information to be supplied to you and your organization for use in considering, evaluating and/or purchasing this property (the "Property"). The recipient acknowledges that all financial, contractual, marketing, and informational materials including but not limited to lease information, occupancy information, financial information, projections, data information and any other similar information provided by The Cooper Group which relates to the Property (collectively, the Confidential Information), whether said information was transmitted orally, in print, in writing or by electronic media is confidential in nature and is not to be copied to any party without the prior consent of The Cooper Group. The Recipient acknowledges and agrees that the Confidential Information is of such a confidential nature that severe monetary damage could result from dissemination of that information to unauthorized individuals. The Recipient shall limit access to the Confidential Information to those individuals in the Recipient's organization with a "need to know" and shall take all precautions reasonably necessary to protect the confidentiality of the Confidential Information. The Recipient acknowledges and agrees that the Confidential Information and any copies thereof are the property of The Cooper Group and that all such information will be returned to The Cooper Group upon written request. Any offers or inquiries from Recipient in connection with this investment proposal shall be forwarded, confidentiality, to The Cooper Group. Other than The Cooper Group, recipient agrees that neither Recipient nor The Cooper Group shall be obligated to pay any procuring broker fees in connection with this investment unless a separate written Brokerage Agreement is entered into and written acknowledgement of any procuring Brokerage Agreement is received from all parties to the investment transaction. Procuring brokers must provide written introductions of potential investors and receive written acknowledgment from The Cooper Group for representation to be recognized. This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

DISCLOSURE & DISCLAIMER

The Memorandum contains selected information pertaining to the property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property, to be all-inclusive or to contain all or part of the information which perspective Recipients may require to evaluate the purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the economy, market conditions, competition and other factors beyond the control of the owner or The Cooper Group. All references disclosed herein related to acreage, square footages and/or other measurements may be approximations and the best information available. The summaries of information included herein do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Photos herein are the Property and respective owners and use of these images without the express written consent of the owner is prohibited.

The owner and the Cooper Group expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or terminate discussions with any entity and any time with or without notice which may arise as a result of review of this Memorandum.

Neither the owner or the Cooper Group, nor any of their respective directors, officers, affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or its contents; and you are to rely solely on your investigators and inspections of the property in evaluating a possible purchase of the Property. The information contained in this document has been obtained from sources to be reliable. While the Cooper Group does not doubt its accuracy, the Cooper Group has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm the accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the Property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors.



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