



ACTUAL SITE

SCHLOTZSKY'S
1919 WEST SUNSET AVENUE
SPRINGDALE, ARKANSAS 72762

OFFERING MEMORANDUM

Represented By:

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COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

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In Association with Arkansas Designated Broker:
Brian Brockman | Bang Realty-Arkansas, Inc. | License # PB00082359

CIA
commercial
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INVESTMENT OVERVIEW

SCHLOTZSKY'S
SPRINGDALE, ARKANSAS

SCHLOTZSKY'S

LOCATION	1919 West Sunset Avenue Springdale, Arkansas 72762
MAJOR CROSS STREETS	On W Sunset Ave, East of Johnson Rd
TENANT	LOTZ OF BUNZ, LLC
GUARANTOR	DMFH RESTAURANT ENTERPRISES, LLC
PURCHASE PRICE	\$1,500,000
CAP RATE	5.00%
ANNUAL RENT	\$75,024
GROSS LEASEABLE AREA	±2,933 SF
RENTAL ESCALATIONS	7.50% Every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
LOT SIZE	±0.79 Acre
LEASE EXPIRATION	March 31, 2042
OPTIONS	Four 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | ENTERTAINMENT: Springdale has major retailers such as Walmart, Lowe's Home Improvement, Hobby Lobby, Meek's, Sam's Club, Office Depot, Harbor Freight Tools, Orscheln Farm & Home, LL Flooring, Buddy's Home Furnishings, Dollar Tree, Family Dollar, Harps Food Stores, Walgreens, CVS, Planet Fitness, etc.

HIGHER EDUCATION: 10 miles from University of Arkansas Fayetteville (a public university offering various degree programs with 29,068 students)

HEALTHCARE: 1 mile from Northwest Medical Center - Springdale (a 222-bed hospital offering a wide range of inpatient and outpatient services); 3 miles from Arkansas Children's Hospital (a 336-bed pediatric hospital with a Level I Trauma Center)

INVESTMENT HIGHLIGHTS

LEASE

Brand New 20-Year Absolute NNN Lease with Attractive 7.50% Rental Escalations Every 5 Years!

TENANT | OPERATOR

LLC/Lotz of Bunz, LLC/DMFH Restaurant Enterprises, (the 3rd Largest Franchisee in the Schlotzsky's System) **Owns & Operates 23 Locations in 3 States!**

TRAFFIC COUNTS

Great Drive-By Visibility & Access on W Sunset Ave where Traffic Counts Exceed 26,700 CPD!

2021 DEMOGRAPHICS (5-MI)

Total Population: 108,665 | Average Household Income: \$79,352



FINANCIAL ANALYSIS

SUMMARY

TENANT	Lotz of Bunz, LLC	LOT SIZE	±0.79 Acre
GUARANTOR	DMFH Restaurant Enterprises, LLC	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
PURCHASE PRICE	\$1,500,000	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
CAP RATE	5.00%		
GROSS LEASABLE AREA	±2,933 SF		

RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
Lotz of Bunz, LLC	2,933	Years 1-5: 03/04/22 to 03/31/27	Current	\$75,024	5.00%
		Years 6-10: 04/01/27 to 03/31/32	7.50%	\$80,651	5.38%
		Years 11-15: 04/01/32 to 03/31/37	7.50%	\$86,700	5.78%
		Years 16-20: 04/01/37 to 03/31/42	7.50%	\$93,202	6.21%
		5.59% AVG ANNUAL RETURN			
RENEWAL OPTIONS		1st Option: 04/01/42 to 03/31/47	7.50%	\$100,192	
		2nd Option: 04/01/47 to 03/31/52	7.50%	\$107,707	
		3rd Option: 04/01/52 to 3/31/57	7.50%	\$115,785	
		4th Option: 04/01/57 to 03/31/62	7.50%	\$124,469	

TENANT OVERVIEW

SCHLOTZSKY'S
SPRINGDALE, ARKANSAS

Schlotzsky's

TYPE	PRIVATELY HELD	PARENT	FOCUS BRANDS
# OF LOCATIONS	332	INDUSTRY	RESTAURANTS - FAST FOOD
https://www.schlotzskys.com/		https://www.focusbrands.com/	



Schlotzsky's is a privately held franchise chain of restaurants, specializing in sandwiches. The company is headquartered in Atlanta, Georgia. **Schlotzsky's has more than 330 franchised and company-owned locations worldwide.** Most locations are in the south and southwestern United States, but the company is expanding into areas across the country, particularly the north and southeast.

FOCUS Brands® is a leading developer of global foodservice franchise systems and the indirect parent company of Schlotzsky's®, as well as six other iconic foodservice brands. They are the franchisor and operator of over 6,300 ice cream shops, bakeries, restaurants, and cafes in 54 countries.

ABOUT THE TENANT

JJ Ramsey is a seasoned/successful operator whose story with the Schlotzsky's brand started when he was 14 years old working (every position) alongside his parents in the mid 90's. After college, Ramsey worked his way up the ladder and became team leader, assistant manager, general manager and eventually went onto a district manager overseeing 7 locations in Tulsa and Oklahoma City overseeing 30 plus managers, 150 employees and 8.5 million in annual sales.

In 2011, Ramsey moved to Austin Texas and worked as a franchise business consultant overseeing 30 franchisees and 55 of their Schlotzsky's stores.

In June of 2015, Ramsey bought their first 3 Schlotzsky's in NW Arkansas and formed their company "DMFH Restaurant Enterprises, LLC and Lotz of Bunz, LLC". In April of 2018, purchased their 4th location in Springfield. In February of 2019, Ramsey bought 6 additional locations in Arkansas and Kansas. In 2020, opened their first new location in Wichita Kansas, acquired 2 locations in Terrell and Forney, Texas and acquired 5 additional locations in East Texas. Most recently, they opened a Schlotzsky's in Mountain Home Arkansas and Derby Kansas in July 2021!

Lotz of Bunz, LLC/DMFH Restaurant Enterprises, LLC is the 3rd largest franchisee in the Schlotzsky's system with 23 locations in Kansas, Texas & Arkansas. JJ Ramsey is also on the Franchise Advisory Board & engaged daily in his restaurant operations.

SITE PLAN

W SUNSET AVE
26,708 CPD

Schlotzsky's

0.79 ACRE
(34,590 SQUARE FEET)

LOT SIZE	±0.79 Acre
GLA	±2,933 SF

GLA ±2,933 SF

SCHLOTZSKY'S | SPRINGDALE, ARKANSAS

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SPRINGDALE



SCHLOTZSKY'S | SPRINGDALE, ARKANSAS

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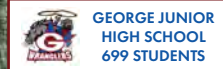
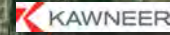
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SPRINGDALE ZOOMED OUT



SCHLOTZSKY'S | SPRINGDALE, ARKANSAS

SPRINGDALE CITY VIEW



SCHLOTZSKY'S | SPRINGDALE, ARKANSAS

LOCATION OVERVIEW



Springdale is the fourth-largest city in Arkansas. It is located in both Washington and Benton counties in Northwest Arkansas. Located on the Springfield Plateau deep in the Ozark Mountains, Springdale has long been an important industrial city for the region. The economy of Northwest Arkansas was historically based upon agriculture and poultry. In recent decades, Northwest Arkansas has seen rapid growth and diversification of its economy based upon the three Fortune 500 companies based there—Walmart, Tyson Foods, and J.B. Hunt—while also seeing a growing University of Arkansas and cultural amenities sector.

Tyson Foods, Inc. is an American multinational corporation based in Springdale, Arkansas, that operates in the food industry. The company is the world's second largest processor and marketer of chicken, beef, and pork after JBS S.A. and annually exports the largest percentage of beef out of the United States. Together with its subsidiaries, it operates major food brands, including Jimmy Dean, Hillshire Farm, Ball Park, Wright Brand, Aidells, and State Fair. Tyson Foods ranked No. 79 in the 2020 Fortune 500 list of the largest United States corporations by total revenue.

MAJOR EMPLOYERS IN SPRINGDALE:

1. Tyson Foods, Inc. (Poultry Processing)
2. Springdale School District (Public Education)
3. George's, Inc. (Poultry Processing)
4. Cargill, Inc. (Poultry Processing)
5. Northwest Health System (Health Care)

2021 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	9,077	70,504	108,665
Projected Population (2026)	9,485	74,523	115,998
Daytime Demographics Age 16+	11,267	57,728	90,131
Population Median Age	31.3	30.1	31.7
Average Household Income	\$63,588	\$70,596	\$79,352

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FOR MORE INFORMATION:

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