



ACTUAL SITE

**ARBY'S**  
208 JOHNSON COURT  
DES MOINES, IOWA 50316

## OFFERING MEMORANDUM

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In Association with Iowa Designated Broker:  
Jessica Zahn Gibson | CIA Brokerage Company | License # B67284000

**CIA**  
commercial  
investment  
advisors

# INVESTMENT OVERVIEW

ARBY'S  
DES MOINES, IOWA

## ARBY'S

LOCATION	208 Johnson Court Des Moines, Iowa 50316
MAJOR CROSS STREETS	NWC Johnson Ct & E Court Ave
TENANT	DRM, INC.
PURCHASE PRICE	\$2,264,000
CAP RATE	5.30%
ANNUAL RENT	\$120,000
GROSS LEASEABLE AREA	±3,080 SF*
RENTAL ESCALATIONS	In Options
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT   REMODELED	1990*   2001
LOT SIZE	±1.478* Acres
LEASE EXPIRATION	February 28, 2027
OPTIONS	Three 5-Year Renewal Options Remaining

\* According to Polk County Assessor

## POINTS OF INTEREST

**RETAIL | ENTERTAINMENT:** Nearby retailers include Target, Walmart, Home Depot, Menards, Hobby Lobby, Slumberland Furniture, Harbor Freight Tools, Marshalls, Ross Dress for Less, Shoe Carnival, Hy-Vee, ALDI, Dollar Tree, Dollar General, Goodwill, PetSmart, Petco, JOANN Fabrics, Sally Beauty, Advance Auto Parts, O'Reilly Auto Parts, AutoZone, Sherwin Williams, Walgreens, AMC Theatres, Planet Fitness, Anytime Fitness, Genesis Health Club, etc.

**HIGHER EDUCATION:** 4 miles from Drake University (a private university in Des Moines with a total enrollment over 4,800)

**HEALTH CARE:** Less than 3 miles from MercyOne Des Moines Medical Center (a not-for-profit Catholic hospital with 656 beds); 3 miles from UnityPoint Health Iowa Methodist Medical Center (a 370-staffed beds regional medical center and teaching hospital)

## INVESTMENT HIGHLIGHTS

**LEASE:** 5 Years Remaining on Absolute NNN Lease - Tenant just Exercised Its Second Renewal Option in March 2022!

**TENANT:** DRM, Inc. (One of the Largest Arby's Franchisee in the U.S.) Currently has **97 Locations in Illinois, Iowa, Nebraska, Wisconsin, Minnesota & Missouri** with Multiple New Arby's Locations Planned Over the Next 7 Years! Entity on Lease Compasses All Restaurant Locations!

**LARGE PARCEL | TRAFFIC COUNTS:** Positioned on a Large 1.478-Acre Parcel with Excellent Visibility and Access on Johnson Ct where Traffic Counts Exceed 25,040 CPD!

**INFILL/HIGH BARRIERS TO ENTRY:** Conveniently Located Across the Street from the State Capitol, Iowa Department of Revenue, Iowa Utilities Board, Iowa Court of Appeals, Iowa Department of Education, etc.

**SEASONED SALES LOCATION:** Successfully Open & Operating for Decades with a 10.9% Rent-to-Sales Ratio

**2021 DEMOGRAPHICS (5-MI):** Total Population: 200,094 | Average Household Income: \$73,340





# FINANCIAL ANALYSIS

ARBY'S  
DES MOINES, IOWA

## SUMMARY

TENANT	DRM, Inc.
PURCHASE PRICE	\$2,264,000
CAP RATE	5.30%
GROSS LEASABLE AREA	±3,080 SF
YEAR BUILT   REMODELED	1990   2001

LOT SIZE	±1.478 Acres
EXPENSE REIMBURSEMENT	This is an <b>Absolute NNN lease</b> . Tenant is responsible for all expenses.
FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.

## RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ. FT	TERM	INCREASE	BASE RENT*	ANNUAL INVESTOR RETURN
DRM, Inc.	3,080	03/01/22 to 02/28/27	Current	\$120,000	5.30%
		3rd Option: 03/01/27 to 02/28/31	22.63%	\$147,152	
		4th Option: 03/01/31 to 02/28/37	7.50%	\$158,188	
		5th Option: 03/01/37 to 02/28/41	7.50%	\$170,052	

\* Percentage Rent at 7% of sales in excess of the natural break point of \$1,714,286. Tenant shall pay the Percentage Rent within sixty (60) days after the last day of each lease year with respect to Net Sales during such lease year. Base/Minimum Rent is \$120,000.



# TENANT OVERVIEW

## ABOUT THE TENANT



DRM, INC.

**DRM** is a family-owned and operated company, which was founded in 1977. DRM's presidents literally grew up in fast food and brought with them the experience, talent and foresight to make DRM one of the most flexible and enjoyable places to work. "We provide the atmosphere, flexibility, opportunities for learning and growth, and feel this is what makes us the employer of choice for the right people," said one of DRM's Presidents.

DRM is the 2nd largest Arby's franchisee in the U.S., currently owns and operates **97 Arby's restaurants in six states - 11 in Nebraska; 24 in Iowa; 9 in Illinois; 51 in Wisconsin; 1 in Minnesota; and 1 in Missouri**, with the Corporate Office located in Omaha, Nebraska. Through a recent development agreement, DRM has committed to open 25 new Arby's restaurants through November 30, 2022, and they have exclusive development rights in and around their current territories: Lincoln, Des Moines, Rockford, Appleton, Greenbay, Madison, & La Crosse areas.

DRM was the proud recipient of the 2018 Inspiring Smiles Franchisee of the Year Award and the West Region Serve, Refresh, Delight Award at the Arby's 2015 National Franchise Convention. The President's Award (Franchisee of the Year) was also awarded to DRM at the Arby's National Franchise Conventions in 2004 and 2006.

<http://drmarbys.com/>

## ABOUT THE PARENT COMPANY

ROARK  
CAPITAL GROUP

**Roark Capital Group** is an Atlanta-based private equity firm with **\$33 billion in assets** under management. Roark focuses on investments in consumer and business service companies, with a specialization in franchised and multi-location business models in the restaurant, specialty retail, consumer and business services, and health, wellness and beauty sectors.

Roark prides itself on being a trusted partner for management and business owners. We believe that successful partnerships begin with providing a compelling value proposition to all business constituencies. A win-win approach leads to an enthusiastic business environment where all stakeholders – customers, employees, franchisees, strategic partners, service providers, management and shareholders – share in the growth and success of our businesses. We want to partner with entrepreneurs and executives who share this vision.

Since inception, affiliates of Roark have acquired **98 franchise/multi-location brands** which generate approximately **\$61 billion in system revenues from 66,000 locations located in 50 states and 89 countries.**

<http://www.roarkcapital.com/>

ARBY'S | DES MOINES, IOWA



# ACTUAL EXTERIOR SITE PHOTOS

ARBY'S  
DES MOINES, IOWA

AS OF MAY 2022



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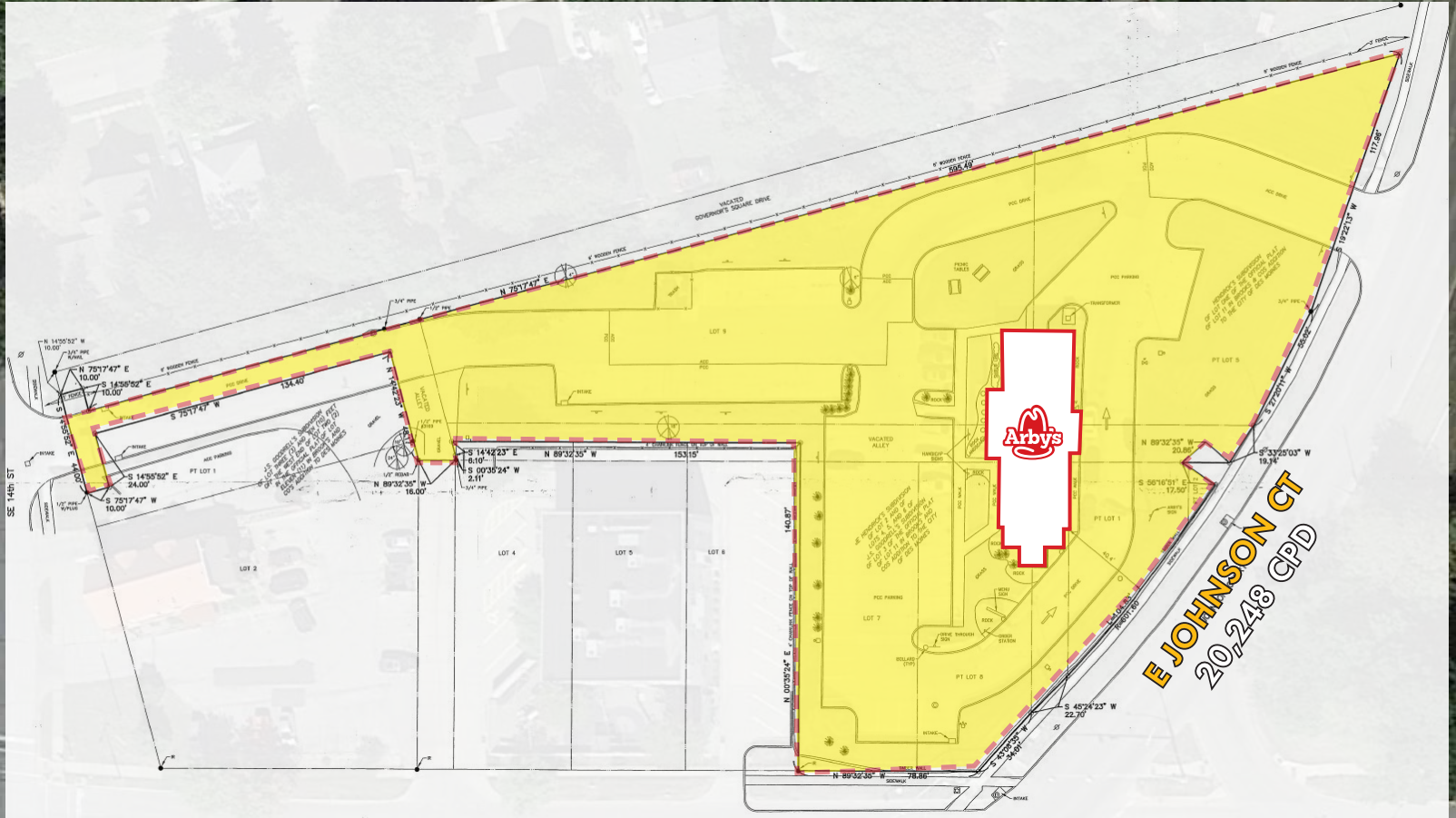
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# SITE PLAN



US 69 | SE 14TH ST  
61,767 CPD



E JOHNSON CT  
20,248 CPD

E COURT AVE  
4,797 CPD

LOT SIZE ±1.478 Acres  
GLA ±3,080 SF

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# FACING NORTH



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# FACING SOUTH



**WEEKS  
MIDDLE SCHOOL**  
766 STUDENTS

**MCKINLEY  
ELEMENTARY**  
283 STUDENTS

**ROWAT  
LOFTS**  
162 UNITS

**DISTRICT AT  
6TH**  
213 UNITS



**US 69 | SE 14TH ST**  
61,767 CPD

**FACILITIES  
MANAGEMENT  
CENTER**

**DAS FLEET  
SERVICES**

**IOWA COURT  
OF APPEALS**

**IOWA  
UTILITIES  
BOARD**



**E COURT AVE**  
4,797 CPD

**E JOHNSON CT**  
20,248 CPD

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# FACING WEST



ARBY'S | DES MOINES, IOWA



# DES MOINES



## ARBY'S | DES MOINES, IOWA

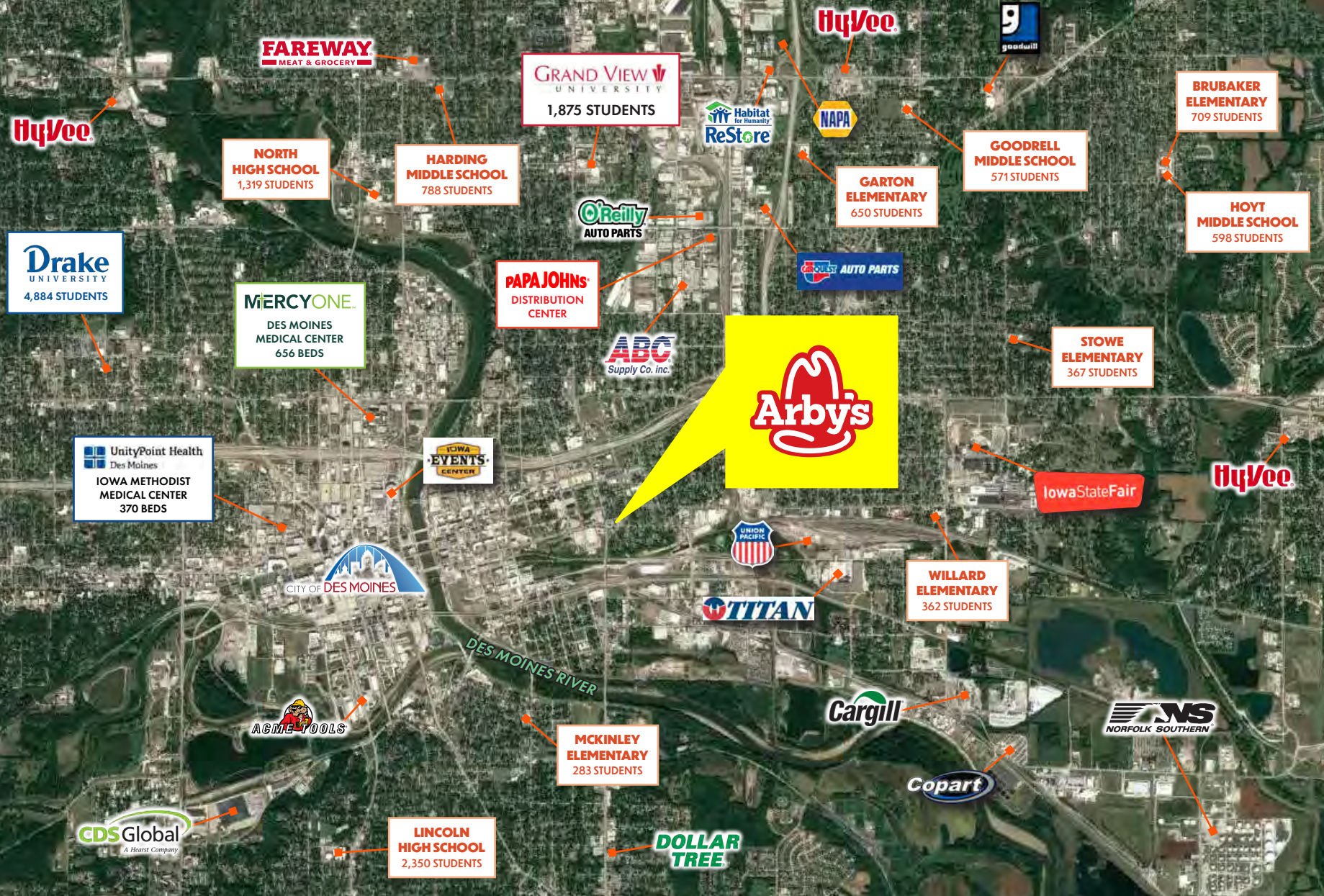
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# DES MOINES ZOOMED OUT



ARBY'S | DES MOINES, IOWA



# DES MOINES CITY VIEW



ARBY'S | DES MOINES, IOWA



# LOCATION OVERVIEW

ARBY'S  
DES MOINES, IOWA



**Des Moines** is the capital and the most populous city in the U.S. state of Iowa. It is also the county seat of Polk County. A small part of the city extends into Warren County. The local government serves more than 217,000 residents throughout 51 neighborhoods with more than 4,000 acres of parkland and 81 miles of trails.

Des Moines is a major center of the US insurance industry and has a sizable financial services and publishing business base. The city is the **headquarters** for the **Principal Financial Group, Fidelity & Guaranty Life, the Meredith Corporation, Ruan Transportation, TMC Transportation, EMC Insurance Companies, Allied Insurance, GuideOne Insurance, American Republic Insurance Company, and Wellmark Blue Cross Blue Shield.** Other **major corporations** such as **Wells Fargo, Voya Financial, Electronic Data Systems (EDS), Nationwide Mutual Insurance Company, ACE Limited, Marsh, Monsanto, and DuPont Pioneer** have large operations in or near the metropolitan area. In recent years, **Microsoft, Hewlett Packard, and Facebook** have built data-processing and logistical facilities in the Des Moines area.

**Other major employers** in Des Moines include **UnityPoint Health, Mercy Medical Center, MidAmerican Energy Company, CDS Global, UPS, Firestone Agriculture Tire Company, Drake University, Titan Tire, The Des Moines Register, Anderson Erickson, Dee Zee and EMCO.**

Des Moines is an important city in U.S. presidential politics; as the state's capital, it is the site of the first caucuses of the presidential primary cycle. Many presidential candidates set up campaign headquarters in Des Moines.

Des Moines' Top Employers	# of employees
Wells Fargo	13,500
UnityPoint Health	8,026
Principal Financial Group	6,600
Hy-Vee, Inc.	6,400
MercyOne	4,276

2021 DEMOGRAPHICS			
	1-MI	3-MI	5-MI
Total Population	7,824	87,055	200,094
Estimated Population (2026)	8,003	88,751	203,401
Daytime Demographics Age 16+	15,394	107,088	184,477
Population Median Age	29.4	32.3	34.6
Average Household Income	\$47,977	\$62,145	\$73,340



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