

PIZZA HUT

20-Year NNN Lease

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



9284 State Rt 43 - Streetsboro, OH 44241

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other

conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

ACTIVITY ID: ZAD0330664

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.



Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept / Tenant Overview	6
Surrounding Area	7
Location Overview	8
Property Photos	9
Surrounding Area Photos	10
Local Map	11
Regional Map	12
Demographics	13
Market Overview	14





Investment Highlights

PRICE: \$737,349 | CAP: 4.75% | RENT: \$35,024



About the Investment

- ✓ Long-Term, 20-Year Absolute Triple Net Lease that Commenced on February 22, 2022
- ✓ Includes 1.75 Percent Rental Increases Annually Starting Year Seven
- ✓ Offers Six, Five-Year Tenant Renewal Options, Bringing the Potential Lease Term to 50 Years
- ✓ Franchisee Guarantee from SFR XI Holdings, LLC – Approximately 120+ Units
- ✓ Certain principals of the selling entity, including but not limited to Glen Kunofsky and Nicoletti DePaul, are Exclusive Listing Agents and part fee-simple owners of the property. See back page for full disclosure.

About the Location

- ✓ Positioned in Strong Retail Artery | Walmart, Giant Eagle, Dollar General, Staples, The Home Depot, Target, Lowe's, Aldi, Starbucks, Chipotle, Burger King, Planet Fitness, And Many More
- ✓ Dense Hospitality Sector | Fairfield Inn, Econo Lodge, Hampton Inn, Wingate, Motel 6 And More
- ✓ Affluent Community | Average Household Income Exceeds \$112,600 Within a Five-Mile Radius
- ✓ Strong Traffic Counts | Over 19,660, 41,000, and 33,410 Vehicles Per Day Along Cleveland East Liverpool Road, Interstate 80, and Cleveland Canton Road, Respectively

About the Brand / Tenant

- ✓ Pizza Hut, a subsidiary of Yum! Brands, Inc., is the largest restaurant chain in the world specializing in the sale of ready-to-eat pizza products.
- ✓ The brand has a longstanding history with the first Pizza Hut opening in Wichita, KS. Within a year, the first franchise unit was opened.
- ✓ As of December 31, 2021, there were 18,381 Pizza Hut locations around the world.
- ✓ SFR XI Holdings, LLC is the 11th largest Pizza Hut franchisee, operating 120+ locations across Ohio, West Virginia, Pennsylvania, and Indiana.



Representative Photo



Financial Analysis

PRICE: \$737,349 | CAP: 4.75% | RENT: \$35,024



PROPERTY DESCRIPTION

Property	Pizza Hut
Property Address	9284 State Rt 43
City, State ZIP	Streetsboro, OH 44241
Building Size (SF)	1,380
Lot Size (AC)	0.34
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$737,349
CAP Rate	4.75%
Annual Rent	\$35,024

LEASE SUMMARY

Property Type	Net Leased Quick Service Restaurant
Tenant / Guarantor	SFR X Holdings, LLC / SFR XI Holdings, LLC (120+ Units)
Original Lease Term	20 Years
Lease Commencement	February 22, 2022
Lease Expiration	February 28, 2042
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.75% Annually, Starting Year Seven (7)
Options to Renew	Six (6), Five (5)-Year Options

RENT SCHEDULE

Lease Year(s)	Start Date	End Date	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	2/22/2022	2/28/2023	\$35,024	\$2,919	-
Year 2	3/1/2023	2/29/2024	\$35,024	\$2,919	-
Year 3	3/1/2024	2/28/2025	\$35,024	\$2,919	-
Year 4	3/1/2025	2/28/2026	\$35,024	\$2,919	-
Year 5	3/1/2026	2/28/2027	\$35,024	\$2,919	-
Year 6	3/1/2027	2/29/2028	\$35,024	\$2,919	-
Year 7	3/1/2028	2/28/2029	\$35,637	\$2,970	1.75%
Year 8	3/1/2029	2/28/2030	\$36,261	\$3,022	1.75%
Year 9	3/1/2030	2/28/2031	\$36,895	\$3,075	1.75%
Year 10	3/1/2031	2/29/2032	\$37,541	\$3,128	1.75%
Year 11	3/1/2032	2/28/2033	\$38,198	\$3,183	1.75%
Year 12	3/1/2033	2/28/2034	\$38,866	\$3,239	1.75%
Year 13	3/1/2034	2/28/2035	\$39,546	\$3,296	1.75%
Year 14	3/1/2035	2/29/2036	\$40,239	\$3,353	1.75%
Year 15	3/1/2036	2/28/2037	\$40,943	\$3,412	1.75%
Year 16	3/1/2037	2/28/2038	\$41,659	\$3,472	1.75%
Year 17	3/1/2038	2/28/2039	\$42,388	\$3,532	1.75%
Year 18	3/1/2039	2/29/2040	\$43,130	\$3,594	1.75%
Year 19	3/1/2040	2/28/2041	\$43,885	\$3,657	1.75%
Year 20	3/1/2041	2/28/2042	\$44,653	\$3,721	1.75%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Pizza Hut located at 9284 State Rt 43, Streetsboro, OH 44241. The site will consist of roughly 1,380 rentable square feet of building space on estimated 0.34-acre parcel of land. The Pizza Hut is subject to a 20-year absolute triple-net lease that commenced on 2/22/2022. The initial annual rent will be \$35,024 and is scheduled to increase by one-and-three-quarters percent annually starting year seven of the base term and continuing through six, five-year renewal periods.



Concept / Tenant Overview

About Pizza Hut

Pizza Hut is an American restaurant chain and international franchise, known for pizza and side dishes. It is now corporately known as Pizza Hut, Inc. and is a subsidiary of Yum! Brands, Inc., the world's largest restaurant company.

The first Pizza Hut restaurant was opened in 1958 in Wichita, Kansas, and within a year, the first franchise unit was opened. Today, Pizza Hut is the largest restaurant chain in the world specializing in the sale of ready-to-eat pizza products. Pizza Hut operates in 103 countries and territories throughout the world. Pizza Hut currently operates 18,000+ units in over 100 countries. 97 percent of Pizza Hut units are franchised.

Pizza Hut operates in the delivery, carryout and casual dining segments around the world. Outside of the U.S., Pizza Hut often uses unique branding to differentiate these segments. Additionally, a growing percentage of Pizza Hut's customer orders are being generated digitally.

Pizza Hut recently revamped their menu, adding five new toppings, six sauces, 10 crust flavors (like "honey Sriracha" and "ginger boom boom"), and even health-conscious "Skinny Slice" pizzas.

About SFR XI Holdings, LLC

SFR XI Holdings, LLC is the 11th largest Pizza Hut franchisee, operating 124 Pizza Hut restaurants in four contiguous, business-friendly states: Ohio, West Virginia, Pennsylvania, and Indiana.



General Information

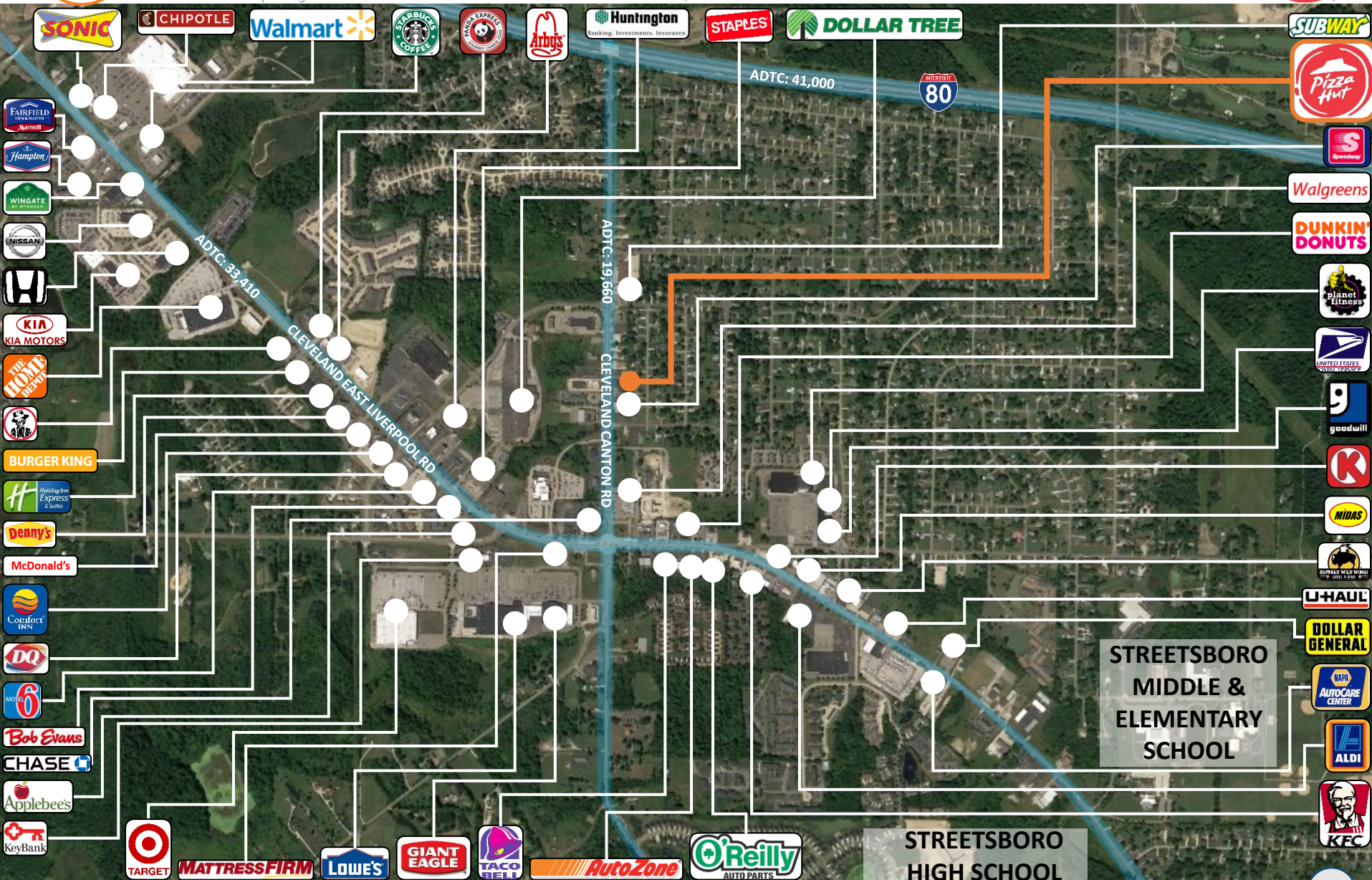
Founded	1958
Website	www.pizzahut.com
Number of Locations	18,000+



Representative Photo



Property Address: 9284 State Rt 43 - Streetsboro, OH 44241



**STREETSBORO
MIDDLE &
ELEMENTARY
SCHOOL**

**STREETSBORO
HIGH SCHOOL**



Location Overview

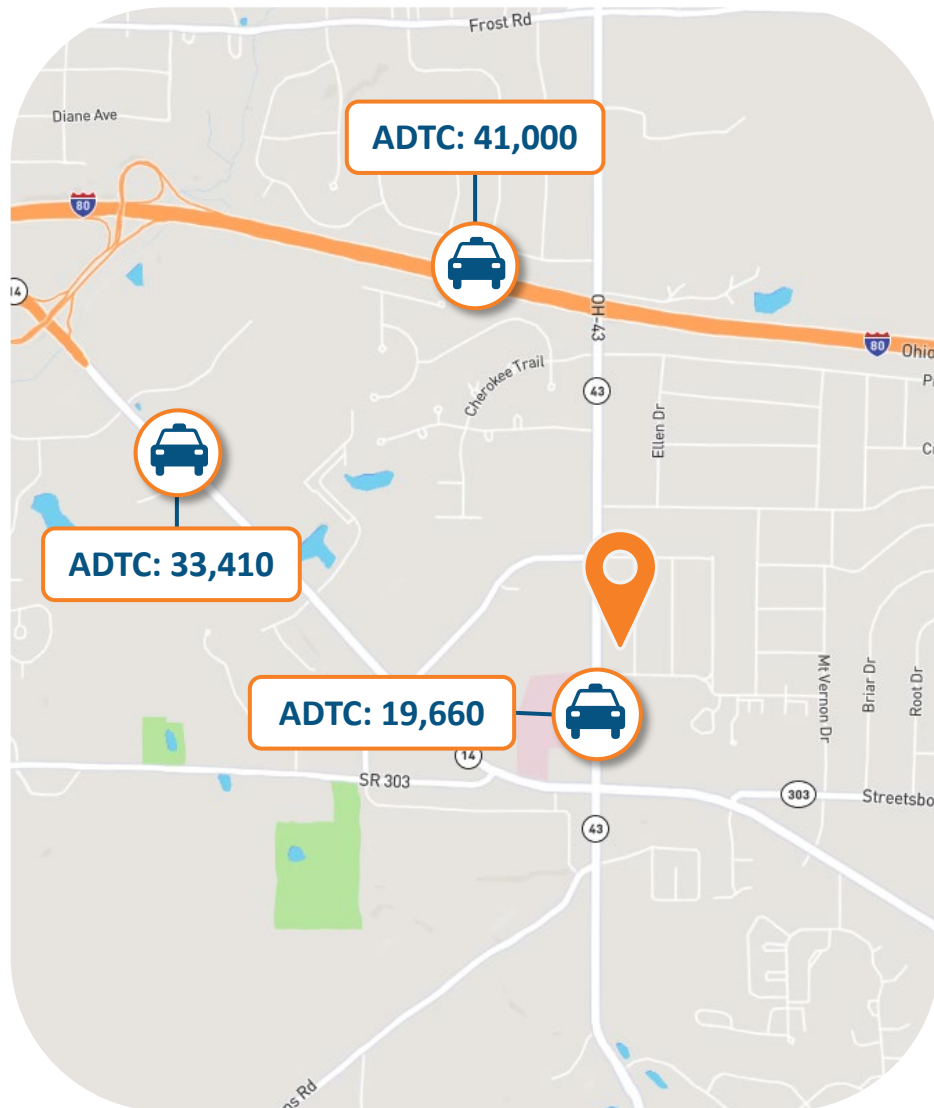
Property Address: 9284 State Rt 43 - Streetsboro, OH 44241



The Pizza Hut property is situated on Cleveland Canton Road, which boasts average daily traffic counts of 19,660 vehicles. Cleveland Canton Road intersects with Interstate 80 and Cleveland East Liverpool Road less than a half mile from the subject property, which bring an additional 33,410 and 41,000 vehicles into the immediate area on average daily. There are more than 18,000 individuals residing within a three-mile radius of the property and more than 43,100 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, large shopping centers, and several schools, all of which are within close proximity of this property. Major national tenants in the area include: Walmart, Giant Eagle, Dollar General, Staples, The Home Depot, Target, Lowe's, Aldi, Starbucks, Chipotle, Burger King, and Planet Fitness. This Pizza Hut also benefits from its close proximity to Streetsboro Elementary and Middle Schools. Both institutions enroll a total of 684 and 510 students, respectively.

Streetsboro is a city in Portage County, Ohio, United States. Located in Northeast Ohio, Streetsboro has affordable hotels, serene campgrounds, local restaurants, world famous attractions, and numerous family friendly annual events. A vast assortment of shopping venues are available including an outlet mall, flea markets, antique shops and specialty stores. The area is also generous in golf, fishing, water sports and other outdoor leisure activities. Due to the steady growth of Streetsboro and its surrounding area in the early 21st century, the city has become a retail hub for Portage County with the arrival of many national big-box retailers, including Walmart Supercenter, Target, Lowe's, The Home Depot, and Staples.





Property Photos





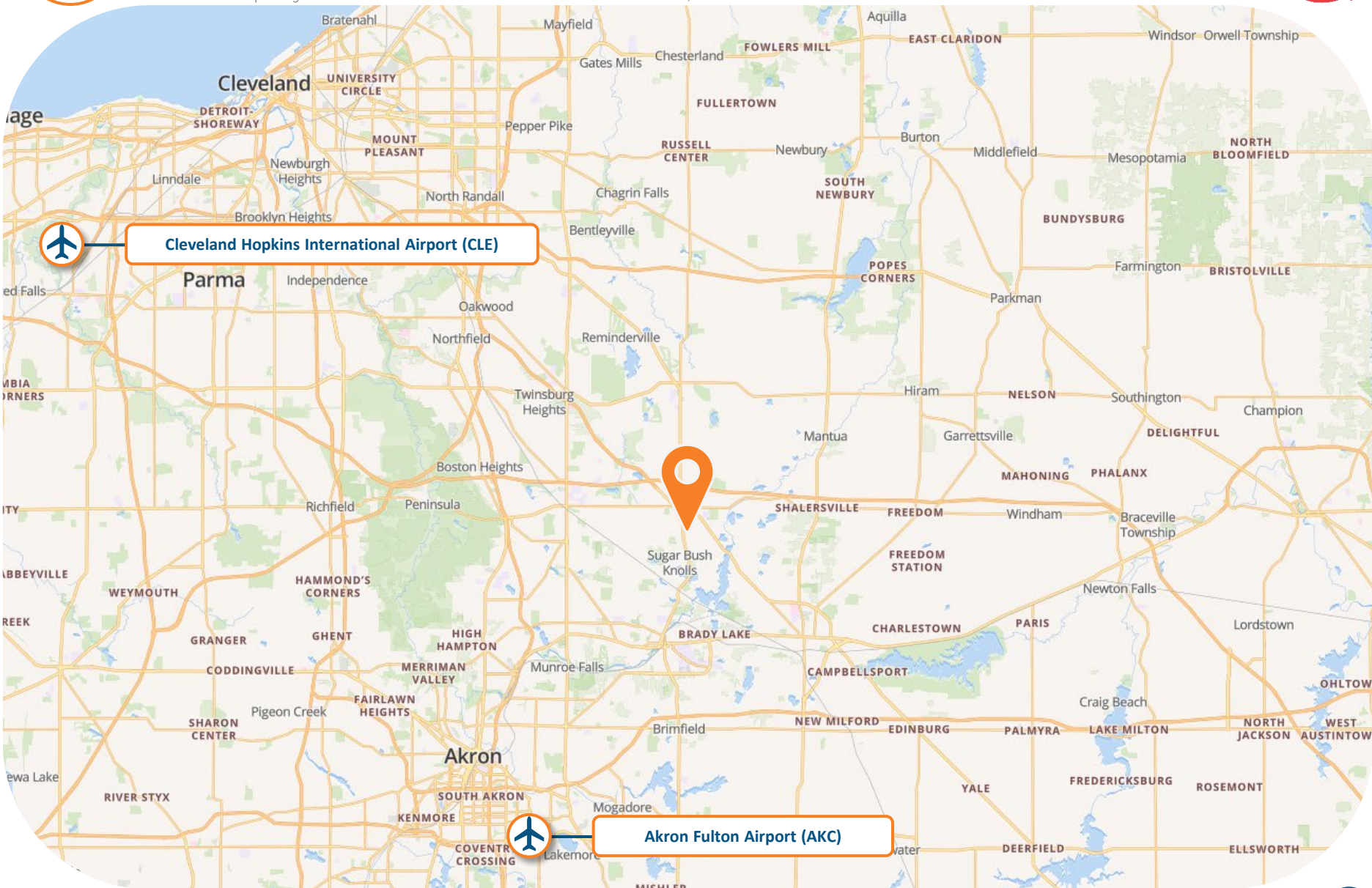
Surrounding Area Photos





Local Map

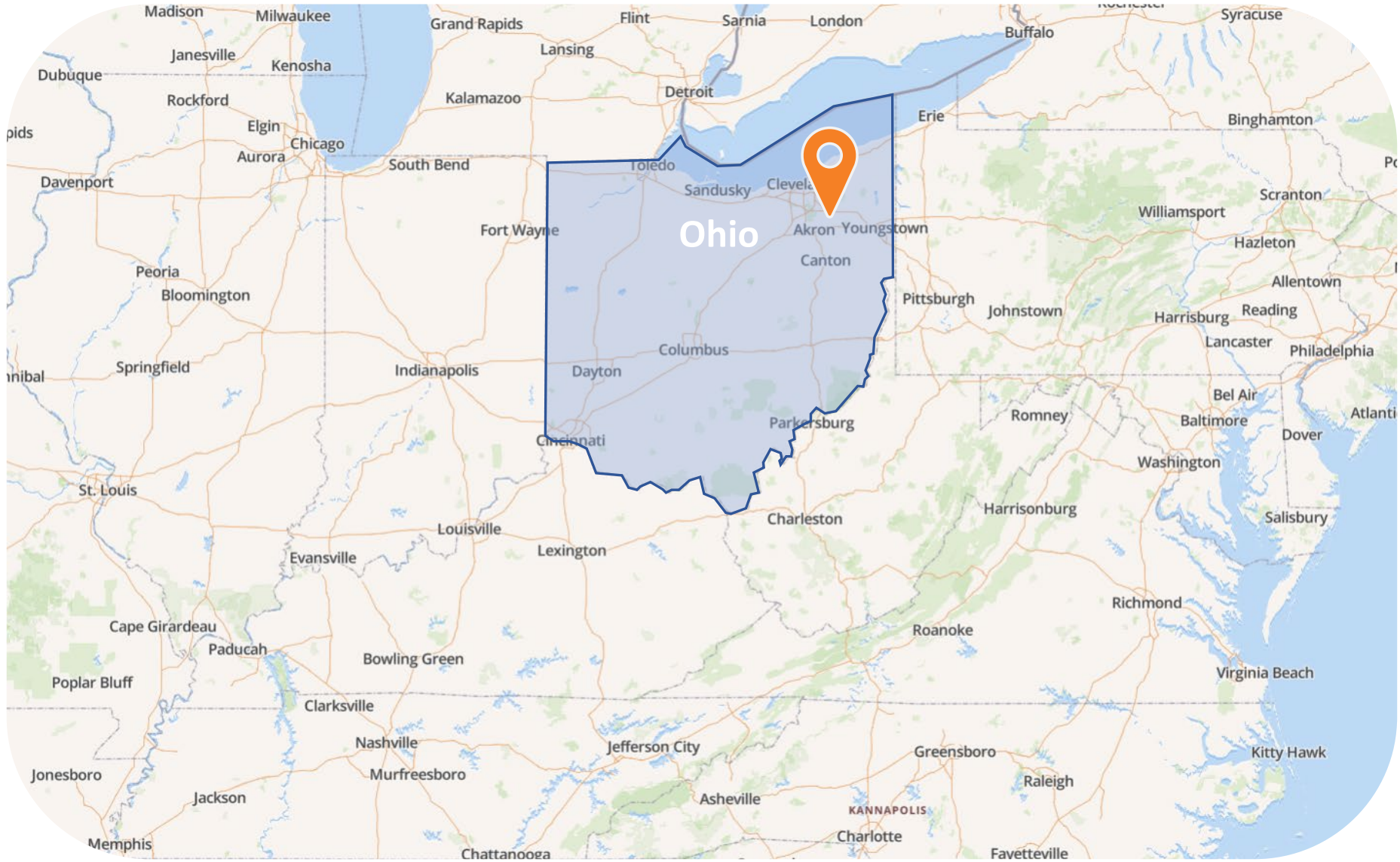
Property Address: 9284 State Rt 43 - Streetsboro, OH 44241





Regional Map

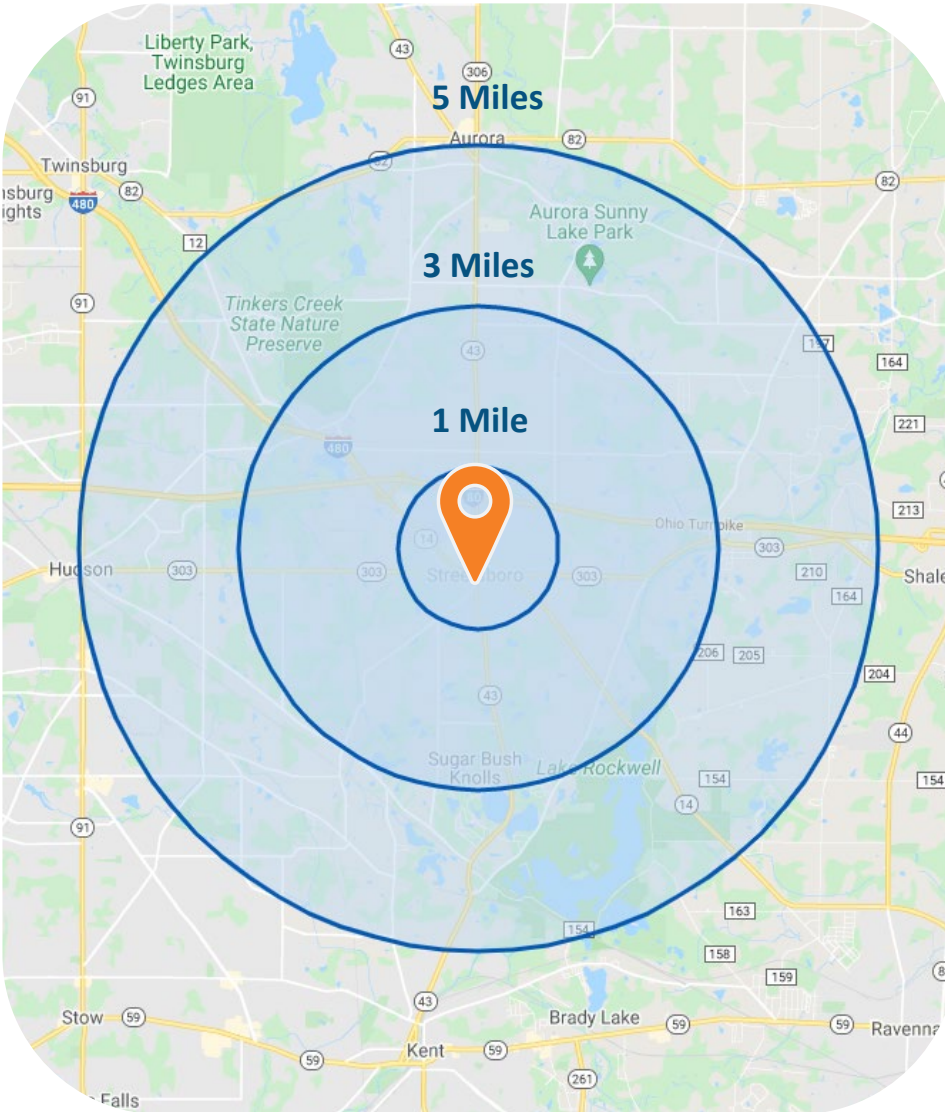
Property Address: 9284 State Rt 43 - Streetsboro, OH 44241





Demographics

Property Address: 9284 State Rt 43 - Streetsboro, OH 44241



POPULATION TRENDS

2010 Population	5,437	17,599	43,426
2021 Population	5,918	18,066	43,167
2026 Population Projection	6,020	18,183	43,166
Annual Growth 2021-2026	0.30%	0.10%	0.00%

POPULATION BY RACE (2021)

White	5,205	15,585	38,902
Black	385	1,500	1,912
American Indian/Alaskan Native	14	38	63
Asian	168	581	1,566
Hawaiian & Pacific Islander	4	9	21
Two or More Races	141	352	704
Hispanic Origin	151	465	939

HOUSEHOLD TRENDS

2010 Households	2,272	7,126	16,430
2021 Households	2,486	7,314	16,303
2026 Household Projection	2,531	7,359	16,297
Growth 2010-2021	1.10%	0.50%	0.20%
Growth 2021-2026	0.40%	0.10%	0.00%

AVERAGE HOUSEHOLD INCOME (2021)

\$71,442	\$81,064	\$112,657
----------	----------	-----------

MEDIAN HOUSEHOLD INCOME (2021)

\$62,669	\$66,398	\$86,890
----------	----------	----------

HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

< \$25,000	283	946	1,677
\$25,000 - 50,000	668	1,646	2,724
\$50,000 - 75,000	583	1,534	2,658
\$75,000 - 100,000	390	1,234	2,298
\$100,000 - 125,000	308	882	1,959
\$125,000 - 150,000	166	427	1,235
\$150,000 - 200,000	52	331	1,578
\$200,000+	36	315	2,175



Market Overview

Property Address: 9284 State Rt 43 - Streetsboro, OH 44241



Akron is the fifth-largest city in the U.S. state of Ohio and is the county seat of Summit County. It is located on the western edge of the Glaciated Allegheny Plateau, about 40 miles south of downtown Cleveland. The Greater Akron area, covering Summit and Portage counties, had an estimated population of 703,505.

A long history of rubber and tire manufacturing, carried on today by The Goodyear Tire & Rubber Company, gave Akron the nickname "Rubber Capital of the World." It was once known as a center of airship development. Today, its economy includes manufacturing, education, healthcare, and biomedical research; leading corporations include Gojo Industries, FirstEnergy, Huntington Bank, and Charter Spectrum. Akron is a world-renowned center of polymer research and development. The Polymer Science Institute of the University of Akron has made the US an international leader in education in the polymer field. More than 35,000 people in the Akron area are employed in approximately 400 polymer-related companies. Akron has won economic awards such as for City Livability and All-American City and deemed a high-tech haven greatly contributing to the Information Age.

Akron is the home of the National Inventor's Hall of Fame and Inventure Place – an interactive museum of invention, the All-American Soap Box Derby, Alcoholics Anonymous, oatmeal, artificial fishing bait, the World Championship - Bridgestone Invitational golf tournament, and Stan Hywet Hall - one of the finest examples of Tudor Revival architecture in America. Akron is also home to the Ohio Ballet, The Akron Symphony Orchestra, and E.J. Thomas Performing Arts Hall, which brings Broadway plays and many world-famous entertainers to the city. World-class performances events include Broadway musicals, ballets, comedies, lectures, entertainers, attracting 400,000 visitors annually. It is also home to the Akron Rubberducks, the Cleveland Indians AA baseball team. Canal Park is the new state-of-the-art baseball stadium on Main Street in downtown Akron. The historic Ohio & Erie Canalway runs just beyond center field. It has been developed to provide a scenic area that includes a bike and hike trail and picnic area for the enjoyment of residents and visitors.

Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING



*In addition to all other advisements, notices, and disclaimers set forth in this Marketing Brochure, Marcus & Millichap further advises all prospective purchasers that certain Marcus & Millichap related or affiliated parties, including NNN Properties LLC, and/or its independent contractor salespeople, brokers of record, partners, trustees, beneficiaries, shareholders, members, managers, directors, officers, employees, or agents, along with their respective heirs, successors, personal representatives and/or assigns (collectively, the "Marcus & Millichap Related Parties") may be acting as principals for the Seller or own a direct or indirect beneficial interest in the Property or in its ownership. By accepting this Marketing Brochure, any prospective purchaser shall thereby waive any claim they may have based on a conflict of interest given the Marcus & Millichap Related Parties' role as both agent for the Seller and as the Seller (or as a principal of the Seller).

Michael Glass
Broker of Record
230 West St., Ste. 100
Columbus, OH 43215
P: (614) 360-9800
Lic #: BRK.2007005898