



OFFERING MEMORANDUM

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WEST
CAPITAL



Arby's Ground Lease

Clifton, CO

This property is listed in conjunction with Colorado-licensed real estate broker Legend Partners

www.preservewestcapital.com



PROPERTY HIGHLIGHTS	1	AERIAL	5
PROPERTY OVERVIEW	2	ABOUT THE AREA	6
TENANT INFORMATION	3	DEMOGRAPHICS	8
SITE PLAN	4		

Disclaimer

Preserve West Capital ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

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Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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PROPERTY HIGHLIGHTS



- New 15 Year Absolute NNN Ground Lease to Arby's
 - Scheduled 10% Rental Escalations Every 5 Years and at Options
 - No Landlord Maintenance Responsibilities
- Lease Entity is the Largest Arby's Franchisee, Operating 370 Restaurants Across 9 States with Annualized Sales of \$420 Million
- Brand New Highly Functional 2021 Construction with Drive-Thru
- Significant Investment into Improvements by Tenant Showing Commitment to the Location & Market
- Prominent Retail Location Off Interstate 70
 - National Retail Tenants in Surrounding Area Include Harbor Freight Tools, Dollar Tree, Taco Bell, McDonald's, KFC, Burger King, Freddy's Frozen Custard, Denny's, and Many More
- Robust Demographics in Surrounding Area
 - Total Population of 69,685 within 5 Miles of Site
 - Average Household Income of \$71,189 within 5 Mile Radius
- Excellent Access and Visibility at the Junction of F Road & I-70 Business Loop
 - Combined 42,500 AADT
- I-70BL is the Main Access for People Traveling from I-70 to Points South Along Hwy 50
 - Throughway for Travel to Delta, Montrose, Telluride, and Durango
- Suburb of Grand Junction – 5th Largest MSA in Colorado
- Powderhorn Mountain Resort is 30 Miles East of Clifton
- 240 Miles West of Denver & 290 Miles Southeast of Salt Lake City



PRICE

\$1,875,000

4.00% Return

Location

The property is located at 3230 I-70 Business Loop in Clifton, Colorado.

Lot Size

Approximately 0.8 acres or 35,000 square feet.

Improvements

A 2,579 square foot retail restaurant building for **Arby's** with a drive-thru component.

The improvements have been built and will be owned by the tenant; only the land is for sale.

Ground Lease

Leased to **RB Colorado, LLC** for 15 years from October 13, 2021 through October 13, 2036 at a current annual rent of \$75,000. There are four (4) five-year options to renew the lease. Rent is to increase 10% every 5 years and at the start of each option period. The lease is net with tenant responsible for all taxes, insurance, and maintenance.

Financing

The property will be delivered free and clear of permanent financing.

Annual Rent

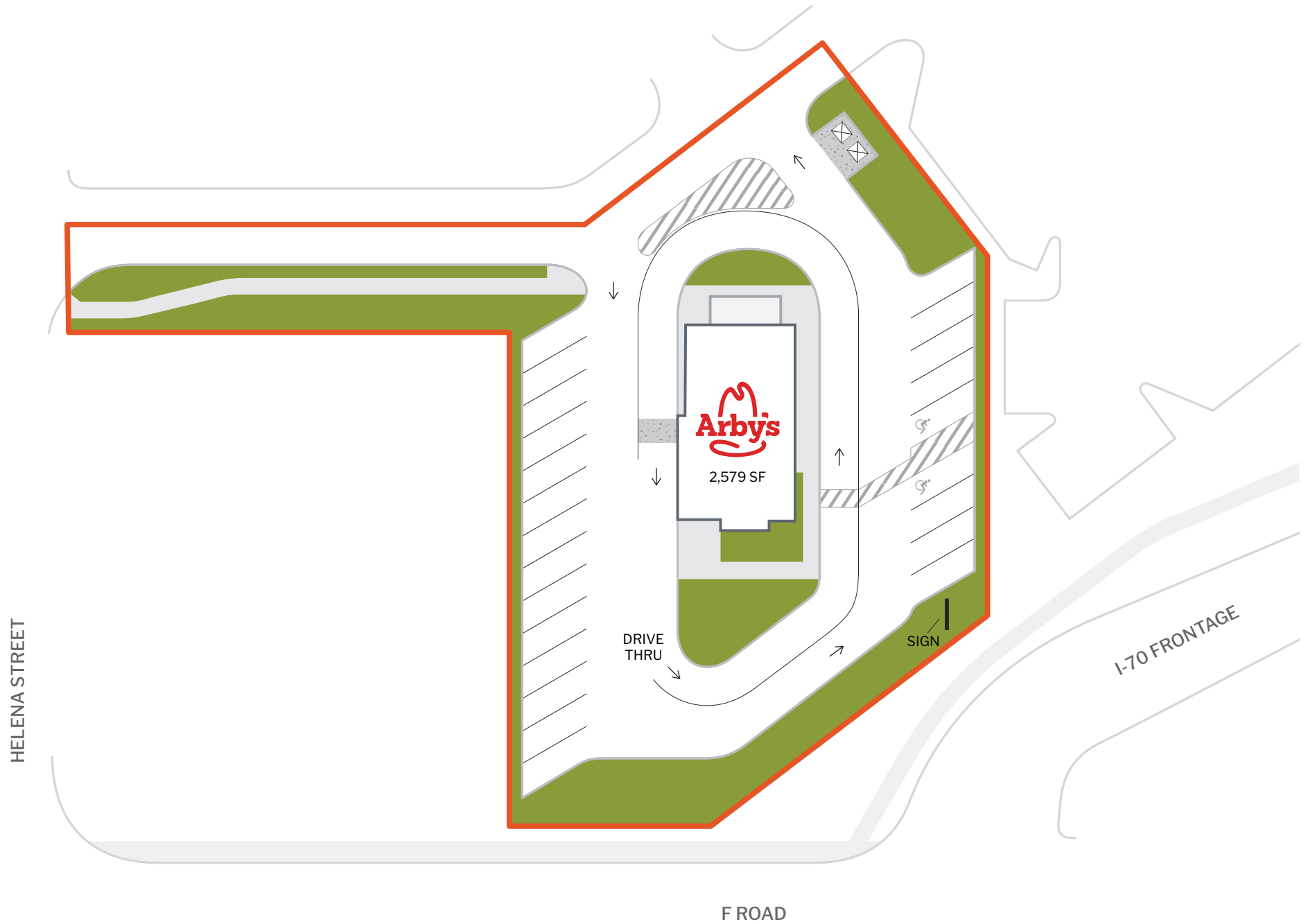
Year		Annual Rent	Return
Years 1-5	(Current)	\$75,000	4.00%
Years 6-10		\$82,500	4.40%
Years 11-15		\$90,750	4.84%
Years 16-20	(Option 1)	\$99,825	5.32%
Years 21-25	(Option 2)	\$109,808	5.86%
Years 26-30	(Option 3)	\$120,788	6.44%
Years 31-35	(Option 4)	\$132,867	7.09%



Arby's is a quick-service restaurant chain specializing in roast beef and deli-style sandwiches with more than 3,400 locations nationwide and in 7 countries abroad. The brand is the third-largest quick-service sandwich chain in the U.S. by number of locations and is ranked #25 in Entrepreneur Magazine's 2020 Franchise 500 rankings. Although the majority of Arby's locations are franchised, approximately 1,000 are corporately operated. In 2020, the company experienced system-wide sales of \$4.21 billion.

Arby's is a subsidiary of Inspire Brands, Inc., which has acquired multiple major quick-service and casual dining restaurant brands in recent years: the company acquired Buffalo Wild Wings and Rusty Taco for \$2.9 billion in 2017, Sonic for \$2.3 billion in 2018, and acquired Jimmy Johns in 2019. Overall, Inspire Brands is the 4th largest restaurant company in the U.S., with more than 11,200 restaurants and 1,400 franchisees across 16 countries, with total system-wide sales of \$14.4 billion. Inspire Brands is a subsidiary of Roark Capital Group, an Atlanta-based private equity firm.

RB Colorado, LLC is a Subsidiary of **RB American Group LLC**. RB American operates 370 Arby's restaurants across 9 states. It is part of Flynn Restaurant Group which also operates 441 Applebee's, 286 Taco Bells, 133 Panera's, 941 Pizza Huts, and 192 Wendy's, making it the largest restaurant franchisee in the US. With annualized sales of over \$420M and over 9,000 employees, RB American is the largest franchisee in the Arby's system.



AERIAL

SUBWAY
SUPERCUTS™

WELLS
FARGO

M MESA
FITNESS

TACO BELL

O'Reilly

POPEYES
LOUISIANA KITCHEN

McDonald's

Denny's

Wendy's

BW

Best Western

Walgreens
SONIC
America's Drive-In

TACO JOHN'S

KFC

Peach Tree
Center

BUSINESS
70

(27,500 AADT)

Shell

F Road (15,000 AADT)

BUSINESS
70

Frontage

Arby's

Freddy's
FROZEN CUSTARD &
STEAKBURGERS®

ABOUT THE AREA



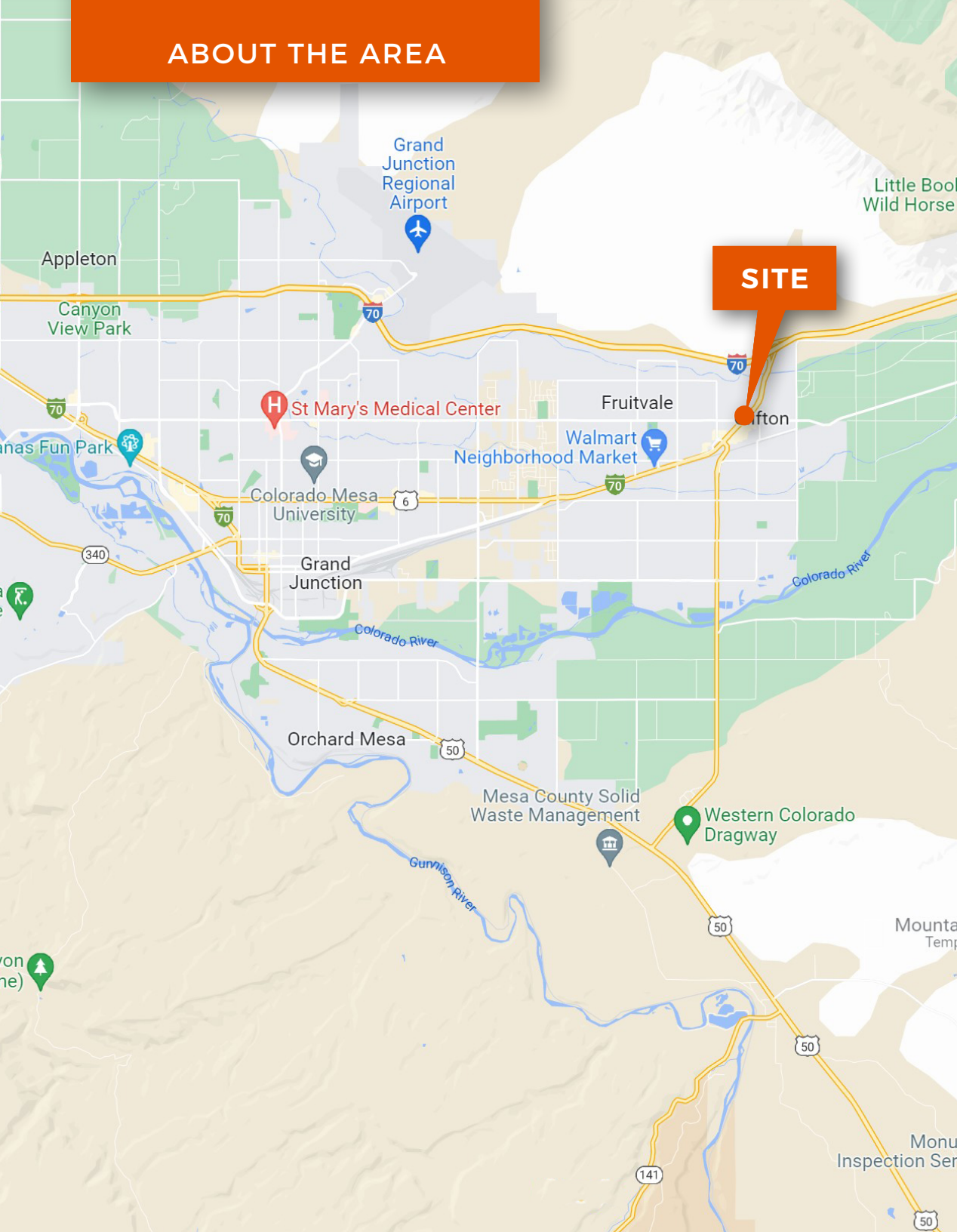
General Overview

Clifton (population 20,748) is located on the cusp of Grand Junction (population 62,218) on the western slope of Colorado. It is a suburb of Grand Junction, which is a part of the 5th largest MSA in the state. It is approximately 240 miles west of Denver and 293 miles southeast of Salt Lake City. Major industries in the area include healthcare, agriculture, tourism, livestock, oil and gas, and light manufacturing.

Clifton offers access to abundant recreational opportunities in addition to many surrounding orchards and vineyards. The city consists of many farms with local fruit and produce, and is well-known for their sweet peaches. The scenic James M. Robb Colorado River State Park is a draw to both locals and visitors. The parks offer river access, lakes, biking trails, and wildlife. The city is also near the Grand Mesa, which is located in Fruita. It is the largest flat-topped mountain in the world. The Colorado National Monument is minutes from the city as well as multiple national forests. With easy access to I-70, one of Colorado's most heavily trafficked highways, commuting and travel from Clifton is effortless. Powderhorn Mountain Ski Resort is less than 30 miles from Clifton. Popular tourist destinations such as a Beaver Creek and Vail Ski Resort are only a 2-hour drive from the city. I-70 B is the main access for people traveling from I-70 to points south along HWY 50 leading to Delta, Montrose, Telluride, and Durango.

Grand Junction is known as the hub of Colorado's wine country and has direct access to James M Robb Colorado River State Park. It also houses The Museum of the West and Colorado National Monument Park. It is home St. Mary's hospital, the county's second largest employer and largest medical and treatment referral center in the area. 86-acre Colorado Mesa University is located within the city as well. It has approximately 8,495 students and over 800 staff.

ABOUT THE AREA



Site Information

The subject property is centrally located with excellent access and visibility along F Road (15,000 AADT) and I-70 Business Loop (27,500 AADT). The site benefits from robust demographics with a total population of 69,685 within a 5-mile radius. Average household income within 5 miles of the site is \$71,189.

The property benefits from a prominent retail location in close proximity to shopping centers, major retail tenants, schools, and employers. Nearby retail centers include Mesa Pointe Plaza, featuring Harbor Freight Tools, Dollar Tree, Mesa County Library, Burger King, and Qdoba; Coronado Plaza, with tenants including City Market, Ace Hardware, GNC, One Main Financial, H&R Block, US Bank, Coronado Liquor Mart, Dickey's BBQ Pit, and more; Peach Tree Center, featuring Murdoch's Ranch & Home Supply, Family Dollar, Mesa Fitness Clifton, Clifton DMV, O'Reilly Auto Parts, McDonald's, Taco Bell, Subway, Maverik Adventure's First Stop, Denny's, Wendy's, and more; Other retail tenants in the surrounding area include Walmart Supercenter, Freddy's Frozen Custard, Shell, KFC, Walgreens, Starbucks, Sonic, AutoZone, Jiffy Lube, and more.

The property is also located less than 2 miles from Grand Mesa Middle School (652 students), Central High School (1,598 students), and Clifton Elementary School (395 students) drawing students, parents, and staff to the area. Western Colorado Community College is approximately 4 miles from the site with an undergraduate enrollment of 2,728 students. 346-bed St. Mary's Medical Center is located 6 miles down the road from the property. It is the largest major medical and treatment referral center between Salt Lake City and Denver and meets the needs of people in western Colorado and eastern Utah. In addition, the 24-acre Cross Orchards Historic Site, a living history museum and large tourist attraction is less than 2 miles down the road. There are also multiple developments, hotels, and religious institutions surrounding the site.

DEMOGRAPHICS



3230 I-70 Business Loop | Clifton, CO 81520



2021 TOTAL POPULATION

126,370



AVERAGE HOME VALUE

\$368,250



AVG. HOUSEHOLD INCOME

\$73,292

Population Summary	3 Miles	5 Miles	10 Miles
2010 Total Population	37,453	62,978	113,476
2021 Total Population	40,452	69,685	126,370
2026 Total Population	41,841	72,847	132,179
2021-2026 Annual Rate	0.68%	0.89%	0.90%
Average Household Income			
2021	\$70,497	\$71,189	\$73,292
2026	\$80,895	\$81,327	\$83,745
Average Home Value			
2021	\$276,924	\$324,475	\$368,250
2026	\$446,058	\$510,997	\$557,797

Top Employers

of Employees

School District #51	2,926
St. Mary's Hospital	2,388
Mesa County	1,268
Community Hospital	1,151
Colorado Mesa University	806
VA Medical Center	790
City of Grand Junction	667
Family Health West	597
Hilltop Community Resources	519
West Star Aviation	497



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