

# BOB EVANS

EXCLUSIVE NET-LEASE OFFERING



# OFFERING MEMORANDUM



1517 N Sandusky Ave  
Bucyrus, OH 44820



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# Investment Highlights

PRICE: \$2,390,244 | CAP: 6.15% | RENT: \$147,000



## About the Investment

- ✓ Long-Term, 20-Year Absolute Triple Net (NNN) Lease
- ✓ Two Percent (2%) Annual Rental Increases Starting May 1<sup>st</sup> 2027
- ✓ Four (4), Five (5)-Year Tenant Renewal Options, Bringing the Potential Lease Term to 40 Years
- ✓ Corporate Guarantee From Bob Evans Restaurants, LLC (440+ Corporate Locations)
- ✓ Tenant Recently Extended the Base Term to 20 Years Proving Their Commitment to the Location

## About the Location

- ✓ Dense Retail Corridor | Walmart, Kroger, Bealls Outlet, CVS, Dollar Tree, Dollar General, Family Dollar, Little Caesars, Hardee's, Wendy's, Arby's, Pizza Hut, Napa Auto Parts, Auto Zone, O'Reilly Auto Parts and Many More
- ✓ Strong Traffic Counts | Over 11,800 and 13,200 Vehicles Per Day Along N Sandusky Ave and U.S. Hwy 30
- ✓ Hospitality Accommodations | Two Hotels Directly Behind Subject Property on Access Route | Access Route Forces Hotel Occupants/Employees to Pass Bob Evans
- ✓ Large Academic Presence | Several Schools Lie Within a 2.5-Mile Radius of Subject Property | Combined Total Enrollment Exceeds 1,700+ Students | Most Notable Institutions Include Bucyrus High School and Bucyrus Elementary School
- ✓ Avita Health System Bucyrus Hospital | Approximately 0.5 Miles Away | 25+ Total Staffed Beds

## About the Tenant / Brand

- ✓ Founded In 1948, Bob Evans Is An Iconic American Brand That Has Grown From A 12-Stool, 24-Hour Restaurant To Over 500 Locations
- ✓ Restaurants Operate Across 3 Dayparts (Breakfast: 32%, Lunch: 37%, Dinner: 31%) With A Large Carryout Business (16%) – Well-Positioned For Growing Off-Premise Business
- ✓ Craveable, Fresh Offering Of Comfort Food In A Family-Friendly Atmosphere At An Affordable Price
- ✓ Strong Real Estate Profile With Well-Maintained Restaurants
- ✓ Majority of Restaurants Were Recently Remodeled

Representative Photo



Representative Photo





# Financial Analysis

PRICE: \$2,390,244 | CAP: 6.15% | RENT: \$147,000



## PROPERTY DESCRIPTION

Concept	Bob Evans
Street Address	1517 N Sandusky Ave
City, State ZIP	Bucyrus, OH 44820
Year Built / Renovated	1990
Estimated Building Size (SF)	3,832
Estimated Lot Size (Acres)	1.11
Type of Ownership	Fee Simple

## THE OFFERING

Price	\$2,390,244
CAP Rate	6.15%
Net Operating Income	\$147,000

## LEASE SUMMARY

Property Type	Net-Leased Restaurant
Credit Type	Corporate
Tenant	Bob Evans
Guarantor	Bob Evans Restaurants, LLC (440+ Units)
Original Lease Term	20 Years
Lease Commencement	July 24, 2023
Lease Expiration	July 31, 2043
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Landlord Responsibilities	None
Rental Increases	2% Annually Starting May 1st 2027
Renewal Options Remaining	4, 5-Year Options

## RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Current - 4/30/2027	\$147,000	\$12,250	-
5/1/2027 - 4/30/2028	\$149,940	\$12,495	2.00%
5/1/2028 - 4/30/2029	\$152,939	\$12,745	2.00%
5/1/2029 - 4/30/2030	\$155,998	\$13,000	2.00%
5/1/2030 - 4/30/2031	\$159,118	\$13,260	2.00%
5/1/2031 - 4/30/2032	\$162,300	\$13,525	2.00%
5/1/2032 - 4/30/2033	\$165,546	\$13,795	2.00%
5/1/2033 - 4/30/2034	\$168,857	\$14,071	2.00%
5/1/2034 - 4/30/2035	\$172,234	\$14,353	2.00%
5/1/2035 - 4/30/2036	\$175,679	\$14,640	2.00%
5/1/2036 - 4/30/2037	\$179,192	\$14,933	2.00%
5/1/2037 - 4/30/2038	\$182,776	\$15,231	2.00%
5/1/2038 - 4/30/2039	\$186,432	\$15,536	2.00%
5/1/2039 - 4/30/2040	\$190,160	\$15,847	2.00%
5/1/2040 - 4/30/2041	\$193,963	\$16,164	2.00%
5/1/2041 - 4/30/2042	\$197,843	\$16,487	2.00%
5/1/2042 - 7/31/2043	\$201,799	\$16,817	2.00%

## INVESTMENT SUMMARY

NNN Pro Group is pleased to present the exclusive listing for a Bob Evans located at 1517 N Sandusky Ave in Bucyrus, Ohio. The site consists of roughly 3,832 rentable square feet of building space on estimated 1.11-acre parcel of land. This Bob Evans is subject to a 20-year absolute triple-net (NNN) lease, which commenced July 24th, 2023. The current annual rent is \$147,000 and is scheduled to increase 2% annually starting on May 1<sup>st</sup> 2027 and throughout the base term as well as in each of the 4, 5-year renewal options.



# Concept Overview



## About Bob Evans

*Bob Evans is a chain of family style restaurants founded and headquartered in Columbus, Ohio, which owns and operates nearly 500 locations in 18 states, primarily in the Midwest, mid-Atlantic and Southeast regions of the United States. As a private company owned by Golden Gate Capital, Bob Evans Restaurants is focused on providing quality food and hospitality to every guest at every meal, each and every day. The company offers a variety of pork sausages, mashed potatoes, macaroni and cheeses, frozen handheld breakfast items, bacon products, and other convenience foods. The restaurants feature a country-living theme with a close connection to farms.*

*On January 24, 2017, Bob Evans Farms announced the sale of its restaurants business unit to private equity company Golden Gate Capital (owners of Red Lobster and California Pizza Kitchen). Once the sale was finalized, Bob Evans Farms CEO Saed Mohseni moved to Golden Gate Capital to serve as president of the Bob Evans restaurant division. BEF Foods President Mike Townsley became president and CEO of the new Bob Evans Farms, which remains a public company focusing on grocery products such as breakfast sausage and refrigerated side dishes.*

***“We treat strangers like friends  
and friends like family.”***

**-Bob Evans**

## Strong Asset

- Strong real estate profile, all units have been recently remodeled
- Compelling unit-level fundamentals

## Strong Tenant

- Scale restaurant brand with approximately 500 locations
- Participates in the attractive and growing family dining segment which has consistently outperformed the casual dining segment
- Iconic brand with strong awareness / Net Promoter Score (NPS)

## Significant Experience

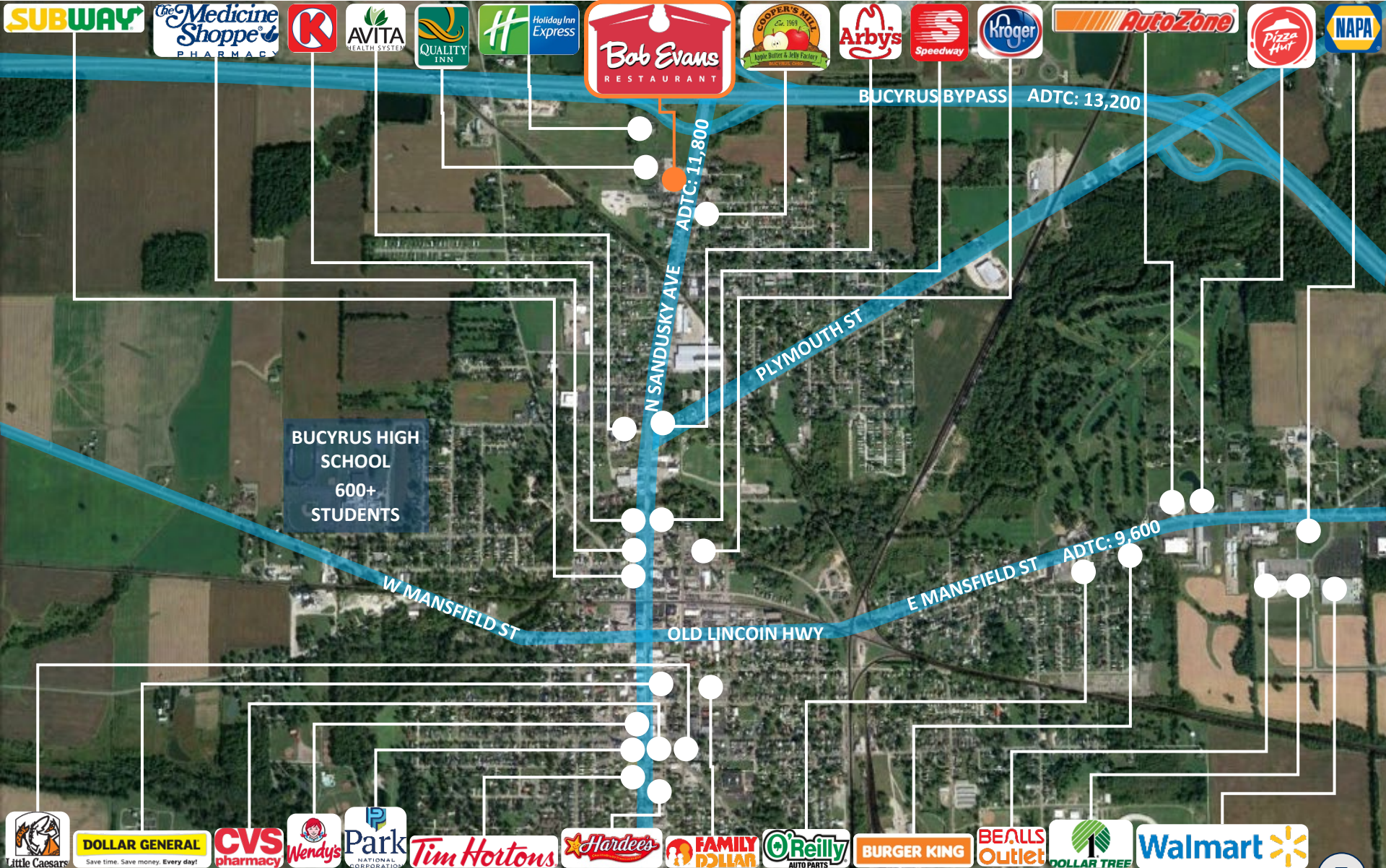
- Golden Gate Capital is the most active private equity buyer of full-service restaurant companies
- History of growing same restaurant sales and margins have led to successful outcomes: 60%+ IRRs across GGC restaurant transactions
- CEO Saed Mohseni has significant experience in casual dining, growing and taking two restaurant companies public; will lead a new but experienced management team







# Surrounding Area





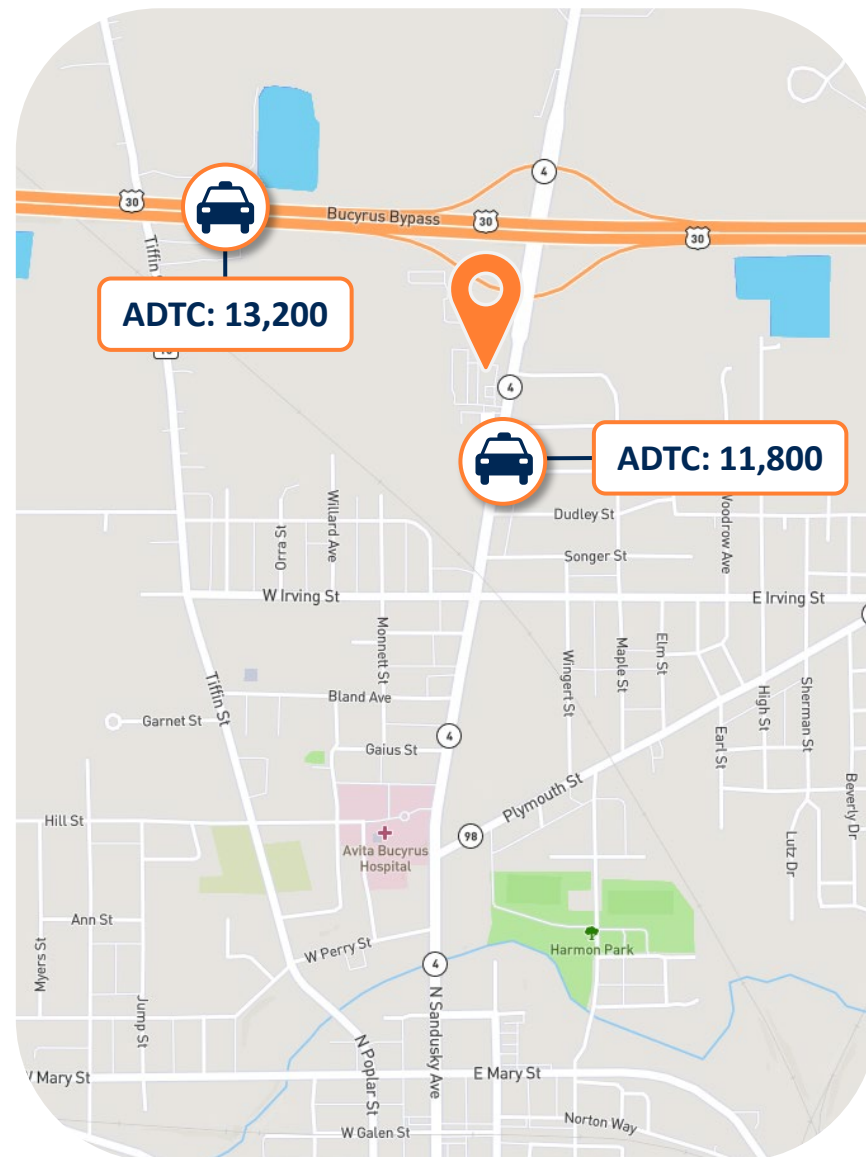
# Location Overview



The subject investment property is a Bob Evans situated on N Sandusky Ave, which experiences an average daily traffic count of approximately 11,800 vehicles. N Sandusky Ave runs directly through the center of Bucyrus and connects with U.S. Hwy 30, which brings an additional 13,200 vehicles into the immediate area. There are more than 13,000 individuals residing within a three-mile radius of the property and more than 22,000 individuals within a ten-mile radius.

This Bob Evans property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, hospitality accommodations, academic institutions, medical facilities, and shopping centers. Major national tenants in the area include: Walmart, Kroger, Bealls Outlet, CVS, Dollar Tree, Dollar General, Family Dollar, Little Caesars, Hardee's, Wendy's, Arby's, Pizza Hut, Napa Auto Parts, Auto Zone, O'Reilly Auto Parts and many more. The subject property also benefits from compelling location fundamentals, being the first restaurant and retailer exiting U.S. Hwy 30 towards the city of Bucyrus. This Bob Evans therefore benefits from high visibility and ease of access. There are two hotels, Quality Inn and Holiday Inn Express and Suites, directly behind this Bob Evans situated along an access route. This access route runs behind and connects to this Bob Evans. This Bob Evans also benefits from a strong academic presence within the immediate area. Several schools lie within a 2.5-mile radius of the subject property enrolling over 1,700 students; most notable of these schools are Bucyrus High School and Bucyrus Elementary School. Avita Health System is located approximately 0.5 miles away from the subject property. This hospital has a total staffed bed count of 25. This property also benefits from being within 0.5 miles of The Pickwick Place, a center voted as the number one thing to do by Tripadvisor in Bucyrus, containing a restaurant, produce market, boutique store, and wedding venue.

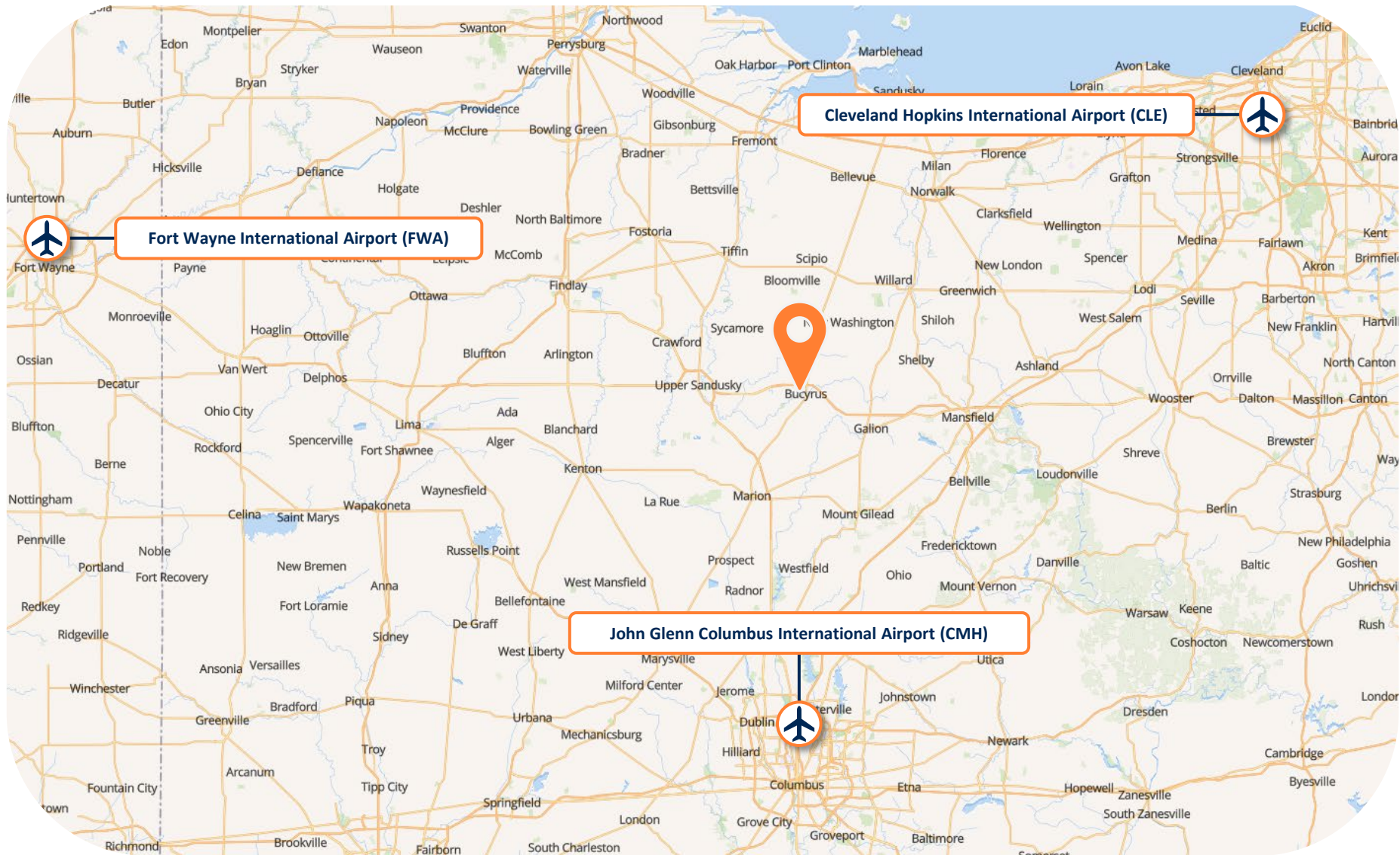
Bucyrus is located approximately 60 Miles north of Columbus. Having just celebrated their 200-year anniversary in 2021, Bucyrus is rich in history and home to many national employers. Top employers in the area include TIMKEN Manufacturing, Bucyrus Railcar Repair, Mutual Insurance Group, Hoard Family Farms. Tourism in Bucyrus include The Pickwick Place, Bucyrus Copper Mill, and the Bucyrus Bratwurst Festival. This annual, 3-day festival happens on the third week of August. The festival celebrates Bucyrus' German heritage and is estimated over 100,000 people travel from far and wide to attend the festival. The festival consists of daily parades, contests, auctions, beer gardens, and continuous live entertainment.







# Local Map





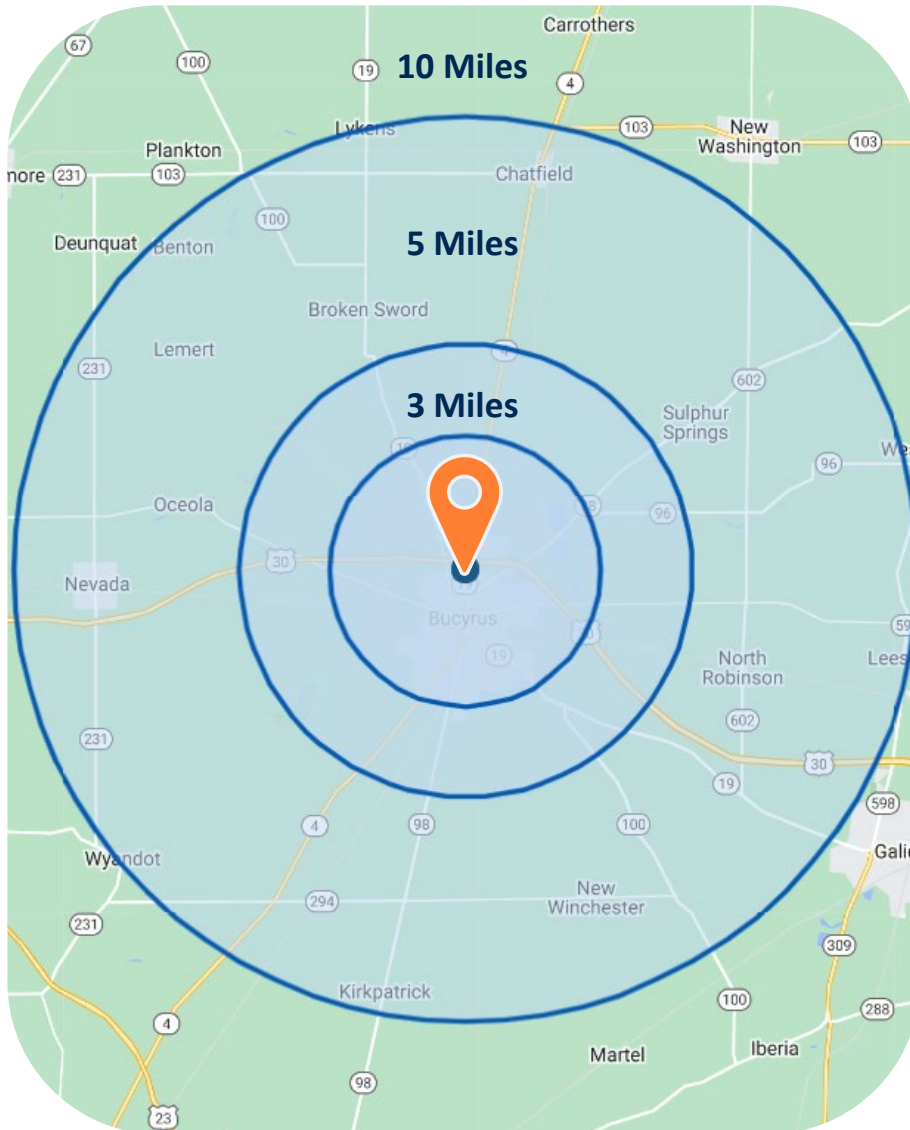
# Regional Map







# Demographics



	3 Miles	5 Miles	10 Miles
<b>POPULATION TRENDS</b>			
2010 Population	13,891	15,736	24,236
2023 Population	13,108	14,807	22,782
2028 Population Projection	13,171	14,870	22,853
<b>HOUSEHOLD TRENDS</b>			
2010 Households	5,920	6,650	9,964
2023 Households	5,592	6,262	9,354
2028 Household Projection	5,624	6,293	9,385
<b>Avg Household Income</b>	\$57,673	\$59,926	\$65,125
<b>Median Household Income</b>	\$44,324	\$46,196	\$50,655
<b>HOUSEHOLDS BY HOUSEHOLD INCOME (2023)</b>			
< \$25,000	1,400	1,462	1,850
\$25,000 - 50,000	1,738	1,918	2,784
\$50,000 - 75,000	1,164	1,295	1,872
\$75,000 - 100,000	577	680	1,152
\$100,000 - 125,000	317	438	900
\$125,000 - 150,000	99	113	214
\$150,000 - 200,000	211	252	392
\$200,000+	87	103	191



# Market Overview



*Columbus, OH*



**Columbus** is the capital of the U.S. state of Ohio. It is the most populous in the state and the second-most populous city in the Midwest after Chicago. The city has a diverse economy based on education, government, insurance, banking, defense, aviation, food, clothes, logistics, steel, energy, medical research, health care, hospitality, retail and technology.

Trends in rent growth have gone up 3.7% year over year. This is modestly above both the national pace of growth and the market's longer-term average. The retail sector in Columbus is supported by multiple factors, including the metro's relatively low cost of living. While household incomes in the capital city are in line with the national average, the cost of living is about 14% below. The comparison is even more favorable when it comes to housing, with renter and owner households paying 30% less on average. Households, therefore, have more to spend on other items, including discretionary retail. The single-tenant net leased sector has continued to support both activity and pricing, although the average cap rate for these transactions is moving higher. Assets are fairly affordable relative to some of the larger, more liquid markets, with cap rates on NNN deals closed year to date averaging 6.1%.

Columbus has regained all of the jobs lost in the initial months of the pandemic, with total employment now sitting 1.5% above February 2020 levels. This compares favorably to the U.S. overall, where employment is just a hair above pre-crisis levels. JPMorgan Chase is one of the area's top employers, expanding its local presence after the acquisition of Columbus-based Bank One in 2004. About half of the company's 19,000 local employees work in the 2 million-SF McCoy Center office building in Polaris. According to the CEO, Jamie Dimon, the company's presence in central Ohio is likely to expand further in coming years, perhaps even surpassing New York City headquarters. The presence of the Nationwide Mutual Insurance Company headquarters is another factor driving outsized exposure to financial activities, with around 11,000 local employees. As of 2022, the Greater Columbus area is home to the headquarters of six corporations in the U.S. Fortune 500: Cardinal Health, American Electric Power, L Brands, Nationwide, Bread Financial and Huntington Bancshares.



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