



FREDDY'S FROZEN CUSTARD & STEAKBURGERS

NEW CONSTRUCTION ABSOLUTE NNN FREDDY'S | 15-YEAR LEASE WITH GUARANTY

ZANESVILLE, OH

WHOLESALE CANDY, SNACK
AND BEVERAGE SPECIALISTS



CAPITAL PACIFIC

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Investment Overview



FREDDY'S FROZEN CUSTARD & STEAKBURGERS

3182 MAPLE AVENUE, ZANESVILLE, OH 43701 

\$2,792,000

PRICE

6.35%

CAP RATE

LEASE TYPE:

2,700 SF

LAND AREA:

0.86 ACRES

NOI:

2019

PARKING:

YEAR BUILT:

50 SPACES

- New 15-year absolute NNN lease - 7.5% rent increases every 5 years and 3 renewal options
- 2019 construction freestanding pad with a drive-thru
- Excellent location in the booming Columbus MSA
- Lease secured by corporate and personal guarantees
- Excellent street frontage in a busy retail node – surrounding retail includes Walmart, Aldi, and Colony Square Mall (Cinemark, TJ Maxx, and more)

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Investment Highlights

CAPITAL PACIFIC is pleased to present the opportunity to acquire Freddy's in Zanesville, Ohio (Columbus MSA). The property is a new construction drive-thru restaurant with a 15-year absolute NNN lease, featuring zero landlord maintenance or expense obligations. Additionally, the lease features 7.5% rent increases every 5 years and three 5-year options to extend the term thereafter.

Freddy's Frozen Custard & Steakburgers is a national chain of casual restaurants with more than 300 locations across 32 states. The lease is secured by a corporate guaranty from the operating entity and a personal guaranty from the Freddy's Franchisee, an established operator in the states of Ohio and Colorado.

THE PROPERTY is located in a busy retail corridor of North Zanesville, along Maple Avenue and benefits from excellent street frontage and traffic of 28,000 VPD. The property is just 2 miles from Highway 70, a busy interstate route which sees nearly 48,000 VPD. The area is anchored by large national retailers including Walmart, Aldi, Cinemark, TJ Maxx, Planet Fitness, and more. The property's prominent pylon signage further increases its visibility along this corridor.

**15-YEAR
ABSOLUTE NNN
LEASE WITH
7.5% RENT
INCREASES
EVERY 5 YEARS**



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Income & Expense

PRICE	\$2,792,000	
Capitalization Rate:	6.35%	
Total Rentable Area (SF):	2,700	
Lot Size (AC):	0.86	
STABILIZED INCOME		
Scheduled Rent	\$177,323	
Effective Gross Income	\$177,323	
LESS		
Common Area	NNN	\$0.00
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
NET OPERATING INCOME		
	\$177,323	

Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY			
TENANT NAME	SQ. FT.	START	END	CURRENT RENT	MONTHLY RENT	YEARLY RENT	RENT INCREASE
Freddy's	2,700	9/18/2019	9/30/2024	\$177,323	\$14,777	\$177,323	-
		10/1/2024	9/30/2029		\$15,885	\$190,622	7.50%
		10/1/2029	9/30/2034		\$17,077	\$204,919	7.50%
		Option 1	10/1/2034	9/30/2039	\$18,357	\$220,288	7.50%
		Option 2	10/1/2039	9/30/2044	\$19,734	\$236,809	7.50%
		Option 3	10/1/2044	9/30/2049	\$21,214	\$254,570	7.50%
TOTALS:				\$177,323	\$14,777	\$177,323	

Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
9/18/2019 - 9/30/2024	\$14,777	\$177,323
10/1/2024 - 9/30/2029	\$15,885	\$190,622
10/1/2029 - 9/30/2034	\$17,077	\$204,919

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 10/1/2034 - 9/30/2039	\$18,357	\$220,288
#2. 10/1/2039 - 9/30/2044	\$19,734	\$236,809
#3. 10/1/2044 - 9/30/2049	\$21,214	\$254,570

PREMISE & TERM

TENANT

Freddy's Frozen Custard & Steakburgers

2,700 SF

Absolute NNN

OH Steakburgers, LLC

OH Steakburgers, LLC

Giesen Family
(10-year guaranty)

Three 5-year options at 7.5%
rent increase

BUILDING SF

LEASE TYPE

LEASE SIGNED BY

CORPORATE GUARANTY

PERSONAL GUARANTY

OPTIONS

EXPENSES

PROPERTY TAXES

Tenant's Responsibility

INSURANCE

Tenant's Responsibility

COMMON AREA

Tenant's Responsibility

ROOF & STRUCTURE

Tenant's Responsibility

REPAIRS & MAINTENANCE

Tenant's Responsibility

HVAC

Tenant's Responsibility

UTILITIES

Tenant's Responsibility

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

Site Plan

sf

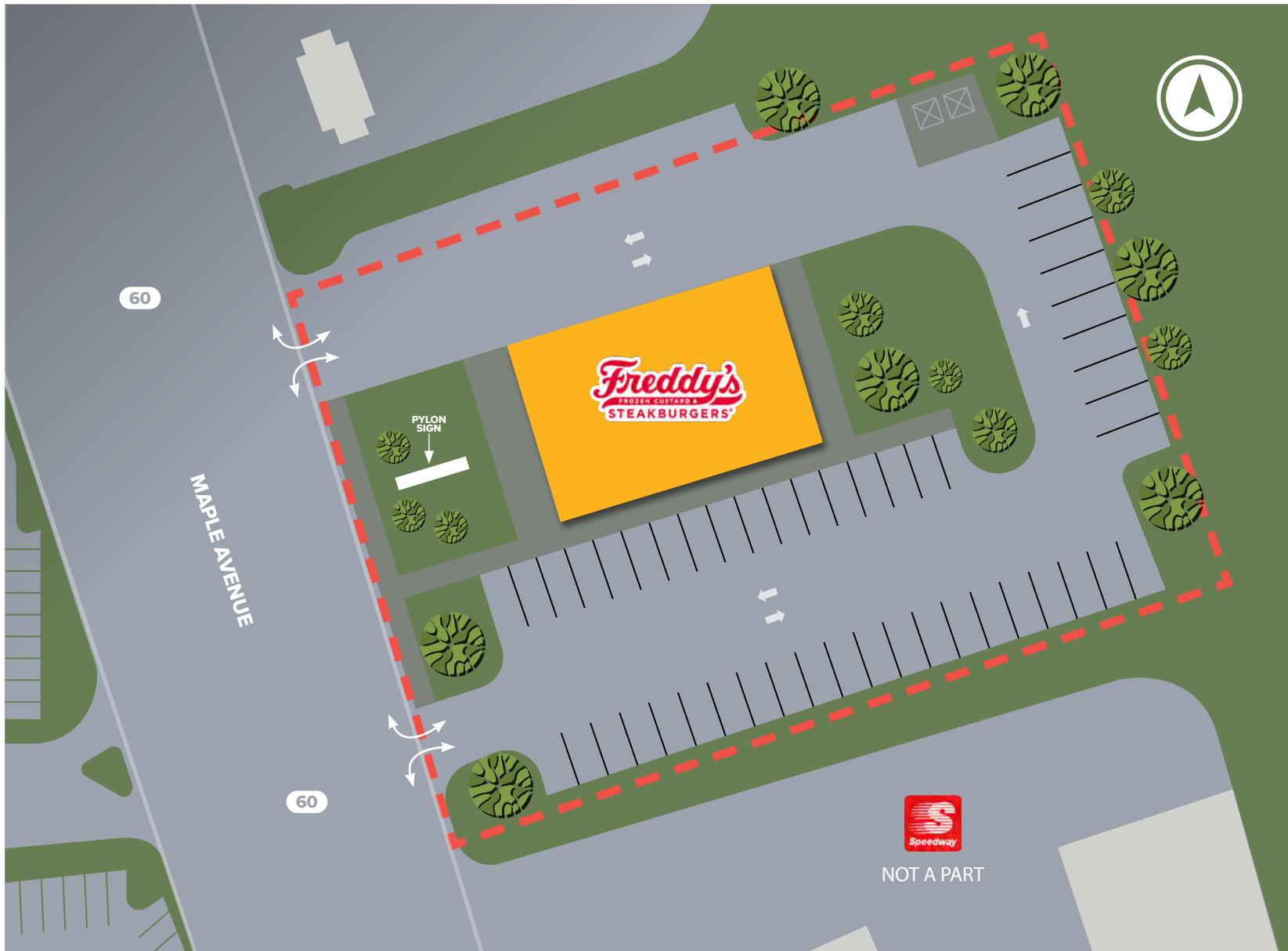
**2,700
RENTABLE SF**

ac

**0.86
ACRES**

car

**50
SPACES**



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Tenant Overview



ABOUT FREDDY'S FROZEN CUSTARD



Freddy's Frozen Custard & Steakburgers is a quick-service restaurant chain based in Wichita, Kansas. The company opened its doors in 2002, franchised in 2004, and now has 300 restaurants across 32 states. The made-to-order menu includes hamburgers, sandwiches, hot dogs, and frozen custard treats. The restaurant chain is a privately-owned and a family-oriented company. The interior of all their locations has a classic feel with decor that is representative of the 1940's and early 1950's.

300

LOCATIONS IN THE UNITED STATES

ENTREPRENEUR MAGAZINE'S FRANCHISE 500

#51

#1

FORBES' BEST FRANCHISES TO BUY IN 2019

ABOUT THE FRANCHISEE

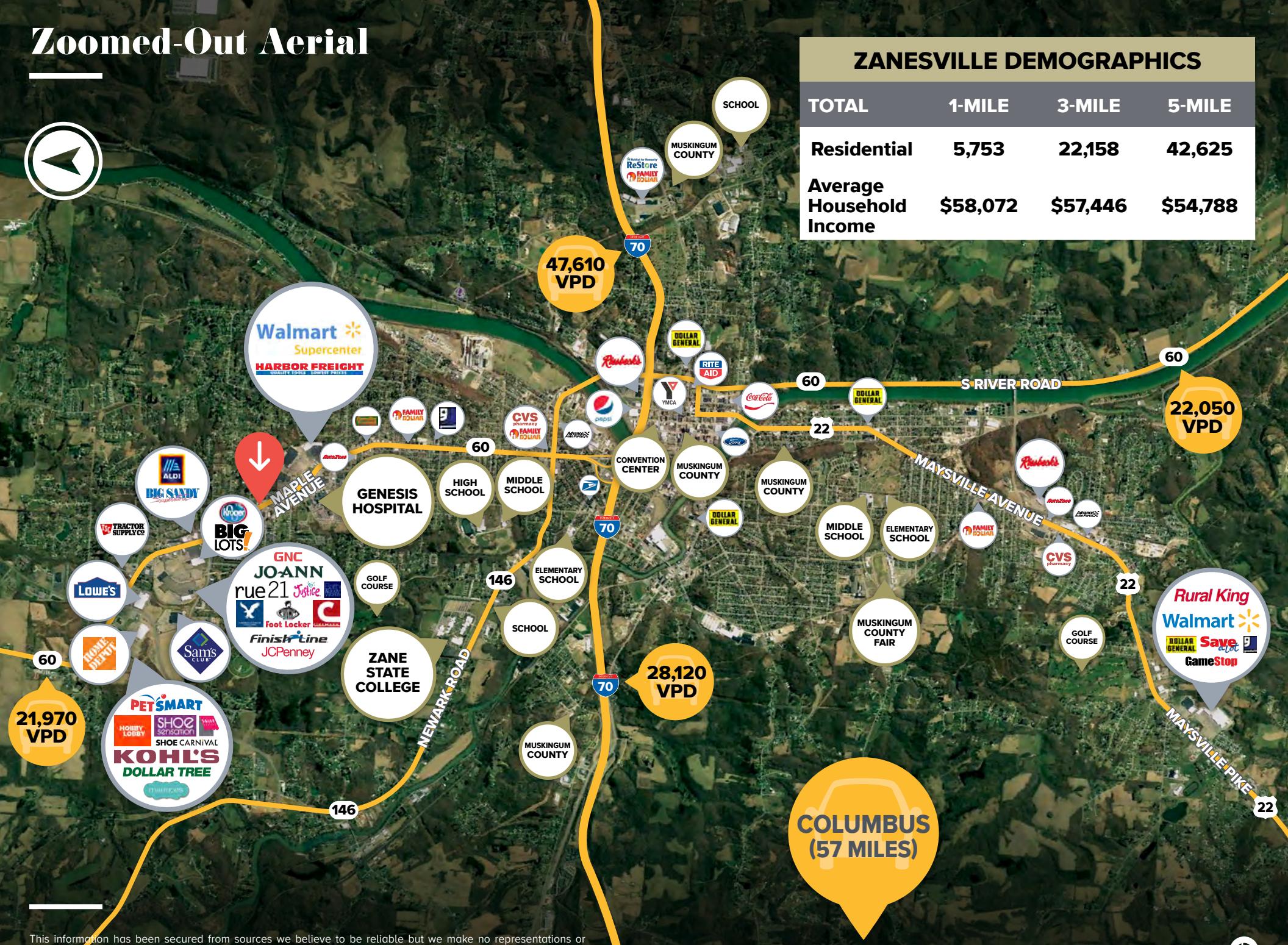
OH Steakburgers, LLC is an established quick-service restaurant franchisee based in Greenwood Village, CO. The experienced franchisee owns and manages six Freddy's locations around the country, in addition to 12 Arby's properties, and is backed by significant personal holdings (ask Broker for more information). In addition to a company guaranty by the entity which operates two stores in Ohio, the franchisee has a 10-year personal guaranty of the lease.

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Zoomed-In Aerial



Zoomed-Out Aerial



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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	5,769	22,236	42,800
2019	5,753	22,158	42,635
2024	5,782	22,275	42,831



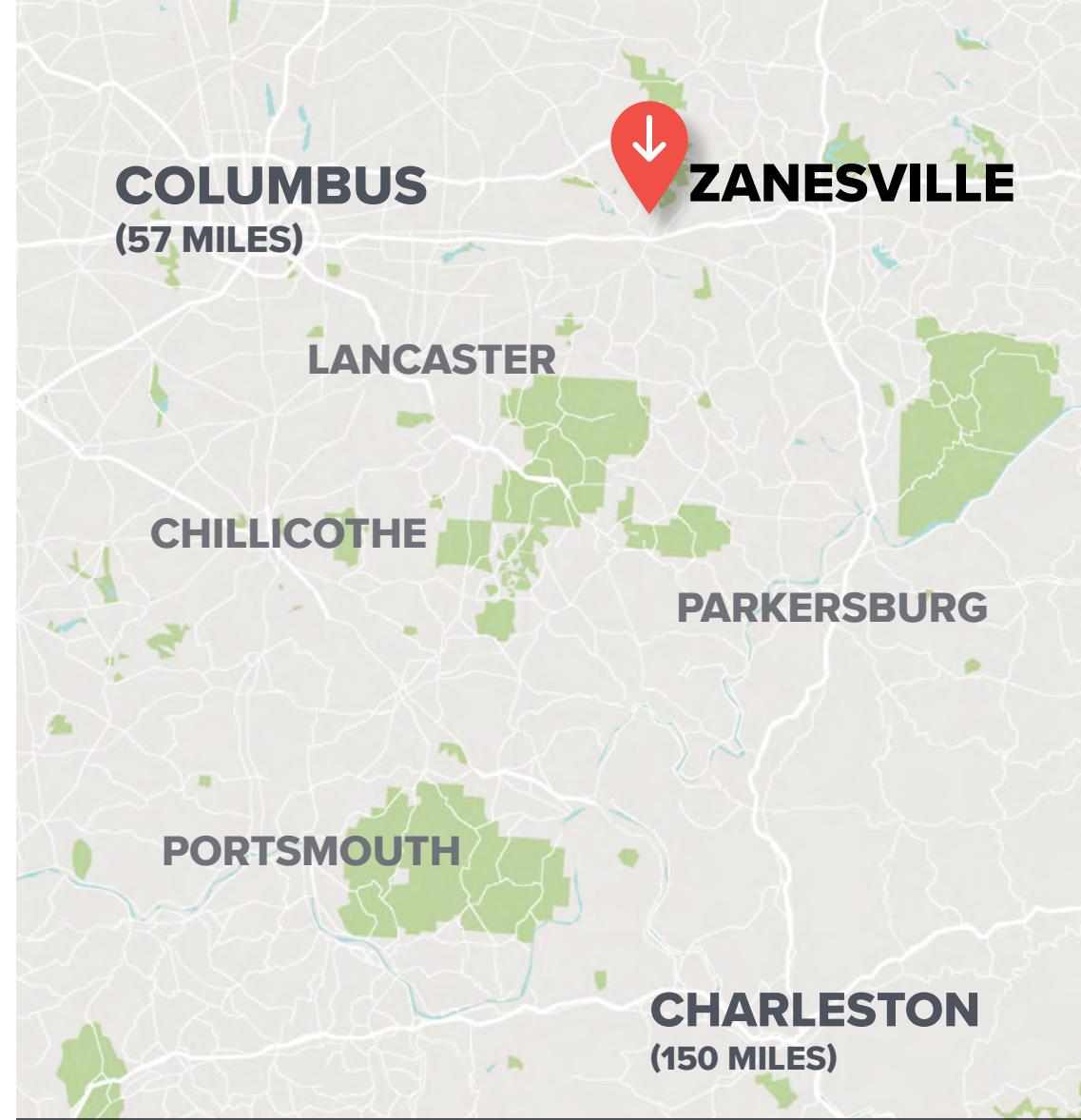
2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$58,072	\$57,446	\$54,788

FORTUNE 500 COMPANIES IN OHIO

RANK	EMPLOYER	HEADQUARTERS
#16	Cardinal Health	Dublin
#20	Kroger	Cincinnati
#31	Marathon Petroleum	Findlay
#45	Procter & Gamble	Cincinnati
#73	Nationwide	Columbus
#99	Progressive	Mayfield Village
#118	Macy's	Cincinnati

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**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 1-MILE RADIUS
IS OVER \$58K**

Location Overview

ZANESVILLE, OHIO



ZANESVILLE, the county seat of Muskingum County, is located in Central Ohio 52 miles east of Columbus. The city is situated at the juncture of the Muskingum and Licking rivers, and bisected by Interstate 70. The city has two engineering landmarks: the Muskingum River Canal, designated a National Historic Civil Engineering Landmark, and the Zanesville Y-Bridge, the only such structure in the United States in operation. Zanesville was recently ranked as sixth in the nation as a Micropolitan community by Site Selection Magazine. Large companies with operations in Zanesville include: a Dollar General Distribution Center, Halliburton, Kenworth, ABB Leasing and 5B's.

25,364



**ZANESVILLE
POPULATION
(ESTIMATED)**

COLUMBUS, the state capital of Ohio, is the second most populous city in the Midwest after Chicago and 14th populous in the country with a population of over 892,000 residents. Columbus is one of the fastest growing cities in the country, with more than a million people expected to move to Central Ohio over the course of the next 20 to 25 years. Columbus has a generally strong and diverse economy based on the education, insurance, banking, defense, aviation, food, logistics, steel, energy, medical research, health care, retail, and technology sectors.

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