



# OFFERING MEMORANDUM

## ARBY'S NNN SALE

**2500 S Center St  
Marshalltown, IA**



### PRESENTED BY:

The Lerner Company  
10855 W. Dodge Rd.  
Omaha, NE 68154

Ben Meier  
402.502.4715  
[bmeier@lernerco.com](mailto:bmeier@lernerco.com)

Lindsay Banks  
402.502.4708  
[lbanks@lernerco.com](mailto:lbanks@lernerco.com)

**The Lerner Company**

BROKERAGE DEVELOPMENT MANAGEMENT

A MEMBER OF  
**CHAINLINKS**  
RETAIL ADVISORS



# Conditions of Offering

## DISCLAIMER AND RELIANCE

This Memorandum information will be delivered to individuals and entities who may have or who have expressed an interest (collectively “Prospects”) in 2500 S Center St (“Center”) for their limited use in evaluating the Center as a candidate for acquisition and not for any other purpose and not for distribution to any other person or entity without the express written consent of the Broker. Prospects acknowledge that this Memorandum, though containing some information relating to the Center, does not contain all of the information a Prospect may or should desire and each such Prospect is advised to conduct its own independent, thorough analysis and inspection of the Center and all information and data relating to the Center.

Every Prospect should not rely on this Memorandum or on the statements or actions of the Center’s owners (collectively “Owner”) or The Lerner Company or its agent, brokers, or employees (collectively “Broker”). Prospects should not rely upon, nor does the Owner nor the Broker make any representation or warranty, express or implied, to Prospects regarding the accuracy or completeness of this Memorandum, any oral or written communication of the Owner or the Broker, the condition of the Center, the financial information and other data relating to the Center, or any of its leases, tenants, and occupants.

## CONFIDENTIALITY

This Memorandum has been prepared by the Broker based on information acquired by it and all Prospects are required and advised to make their own evaluation of the Center and the information contained in the Memorandum. Neither the Owner nor the Broker has independently verified any of the information contained in the Memorandum or otherwise available to Prospects whom are advised and required to conduct its own verification of the accuracy or completeness of the information contained in the Memorandum.

All summaries, discussions, presentations, and financial data submissions are hereby qualified by reference to the actual documents and financial statements upon which the foregoing were based and which are determinative and available upon request to the Broker. The Memorandum and any other information relating to the Center furnished to Prospects, whether oral or written, is confidential and its contents are the sole property of the Owner and will not be reproduced in whole or in part except as permitted herein. Prospects accepting delivery of this Memorandum will not disclose its contents to anyone except its employees, officers, auditors, financial advisors and counsel, each of whom will be required to comply with the terms of this Memorandum and will not use this Memorandum in any manner which is detrimental to the Owner or Broker.

## NEGOTIATIONS

Prospects acknowledge that the Owner may negotiate with one or more Prospects at any time and does not have any obligation to discuss the Center or this Memorandum or the sale of the Center with any Prospect. The Owner may in its sole discretion, at any time, without notice, reject any offers or proposals and to terminate, at any time, discussions and negotiations with any Prospect including the request to return the Memorandum and any data and information furnished any Prospect.

Though a Prospect and Owner may reach an oral agreement regarding the sale and purchase of the Center, neither the Prospect nor the Owner shall be obligated or liable in any way to the other unless, until, and except as expressly set forth in a written agreement executed by both parties.

## INQUIRIES

This Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. The Memorandum does not constitute an offer for the sale of a security. By accepting this Memorandum, a Prospect agrees to release the Owner and Broker and hold each of them harmless from any claim, liability, and expense arising from any Prospect’s activities regarding or purchase or attempted purchase of the Center. Any inquiries or questions involving the Center must be directed to the Broker and not the Owner. Any contacts with the Center’s existing or potential tenants, management personnel, or vendors must have the prior permission of the Broker.

# MARSHALLTOWN MALL

## 2500 S Center St

### Marshalltown, IA

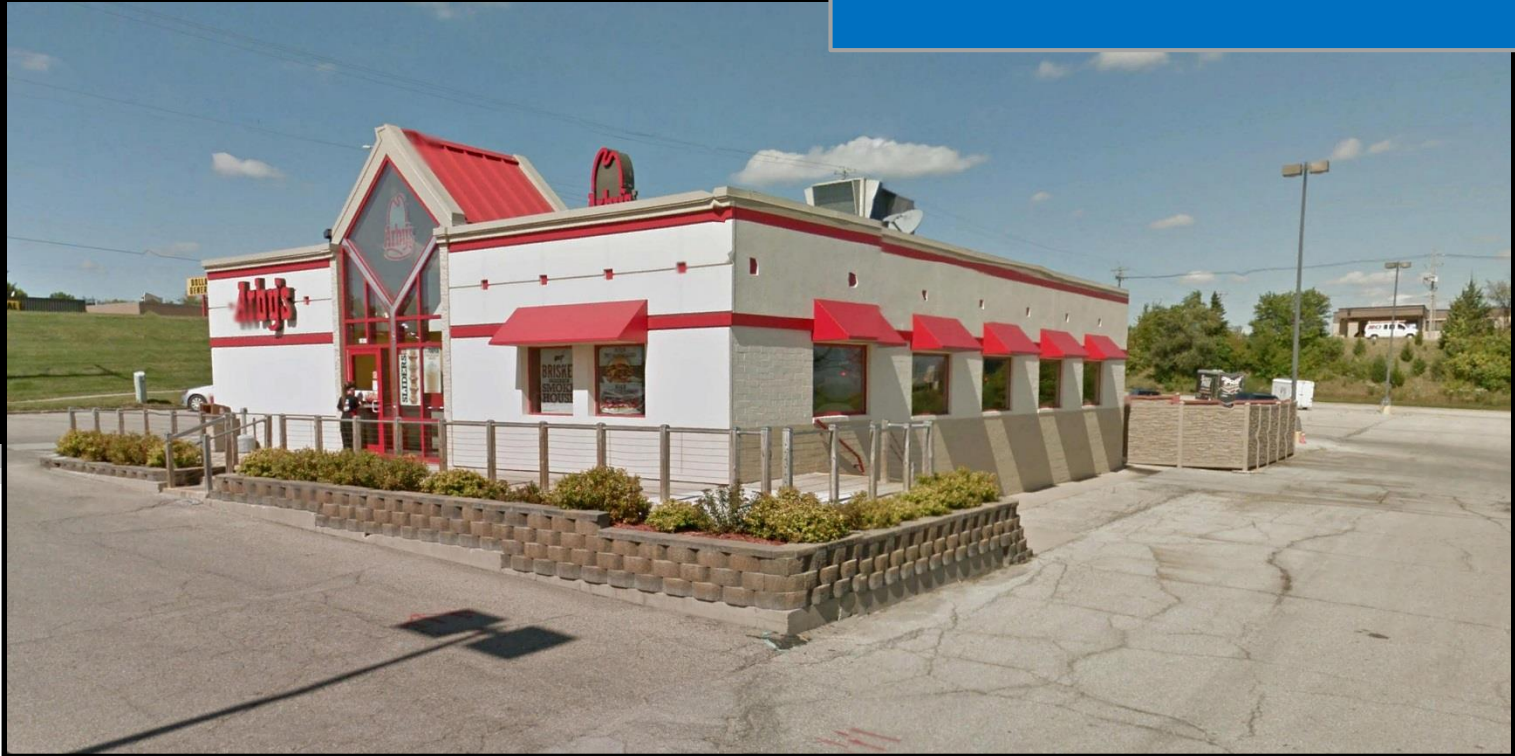


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# EXECUTIVE SUMMARY



## Investment Highlights

The Lerner Company is pleased to announce an opportunity to invest in a high profile pad site in a prime trade area in Marshalltown, IA.

- Marshalltown Mall serves as the primary retail concentration for Marshalltown.
- Below market rent with strong potential upside.
- Above average Arby's with percentage rent in place.
- Retail Synergy: In addition to the impressive surrounding tenant mix of the Marshalltown Mall anchored by Planet Fitness and Hobby Lobby; other retailers within one-mile include Walmart, Aldi, Plaza 9 Theaters and many others.
- Access: Excellent access with light controlled intersection accessing the site.
- Visibility: Great visibility along the most heavily traveled corridor in Marshalltown.
- Strong demos with 39,822 people and a corresponding daytime pop of 20,535.
- Strong traffic counts of 16,700 vpd on South Center St.

## Lease Summary

- Lease Type – Absolute Triple Net (NNN)\*
- Tenant – Central Iowa Restaurant, Inc
- Primary Lease Term – 20-years
- Lease Expiration – December 31, 2019
- Options – 3, 5-year Options
- Increases – 15% every 5-years
- 5% rent over natural break point

\*Tenant pays mall directly for common area maintenance.



## Offering Summary

- Offering Price- \$500,000
- Down Payment- 100% (\$500,000)
- CAP Rate – 7.5% \*
- Leased Land Area: 0.64 Acres
- Year Built – Remodeled in 2010

<b>Address:</b>	2500 S Center St Marshalltown, IA
<b>Year Built:</b>	2015
<b>Leased Land Area:</b>	0.64 Acres
<b>Occupancy:</b>	100%
<b>Initial Term:</b>	10 years
<b>Starting Base NOI:</b>	\$34,385.00
<b>Scheduled Increases</b>	15% every 5 yrs.
<b>Cap Rate:</b>	7.5%

\* - includes percentage rent yield

## Investment Highlights

### Stabilized asset

At **100% leased**, the subject site offers an investor the opportunity to acquire a stable asset with limited risk.

### Positive rent growth profile

There are **15% scheduled rent escalations** every 5 years throughout the lease terms and option periods providing investors future income growth.

### No Landlord responsibilities

Lease is true N.N.N. lease with **no Landlord responsibilities. Tenant pays mall directly for common area maintenance.**

### Dominant retail location

Marshalltown Mall is the shopping destination for Marshalltown and the regional draw for approximately 20 miles. The subject site sits at the main entrance of this regional trade area on the main north/south thoroughfare with easy access.

### Flexible alternatives

Below market rents with recent drive thru leases executed in the corridor in excess of \$21.00 / sf.



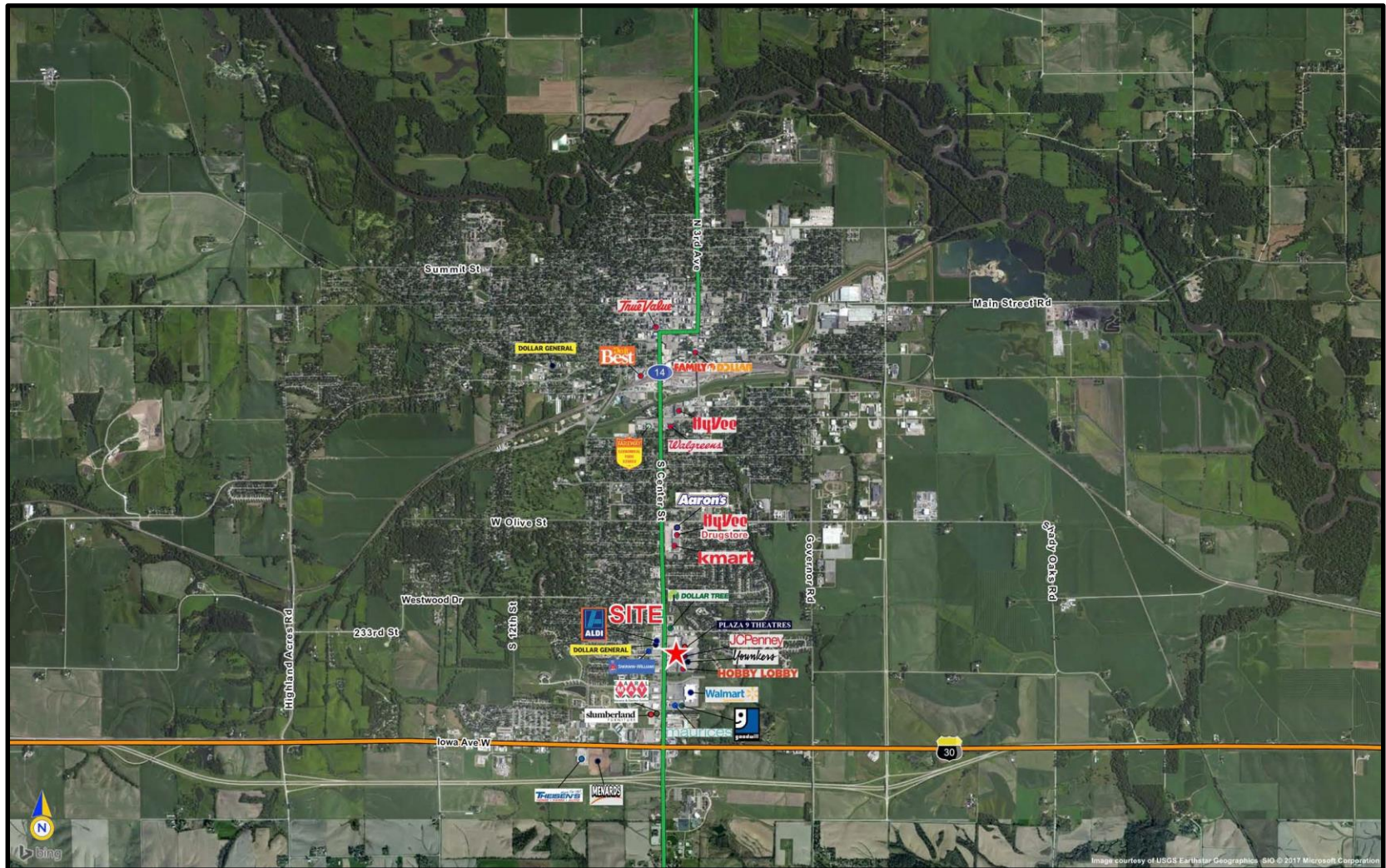
## Site Plan



“Subject Offering”



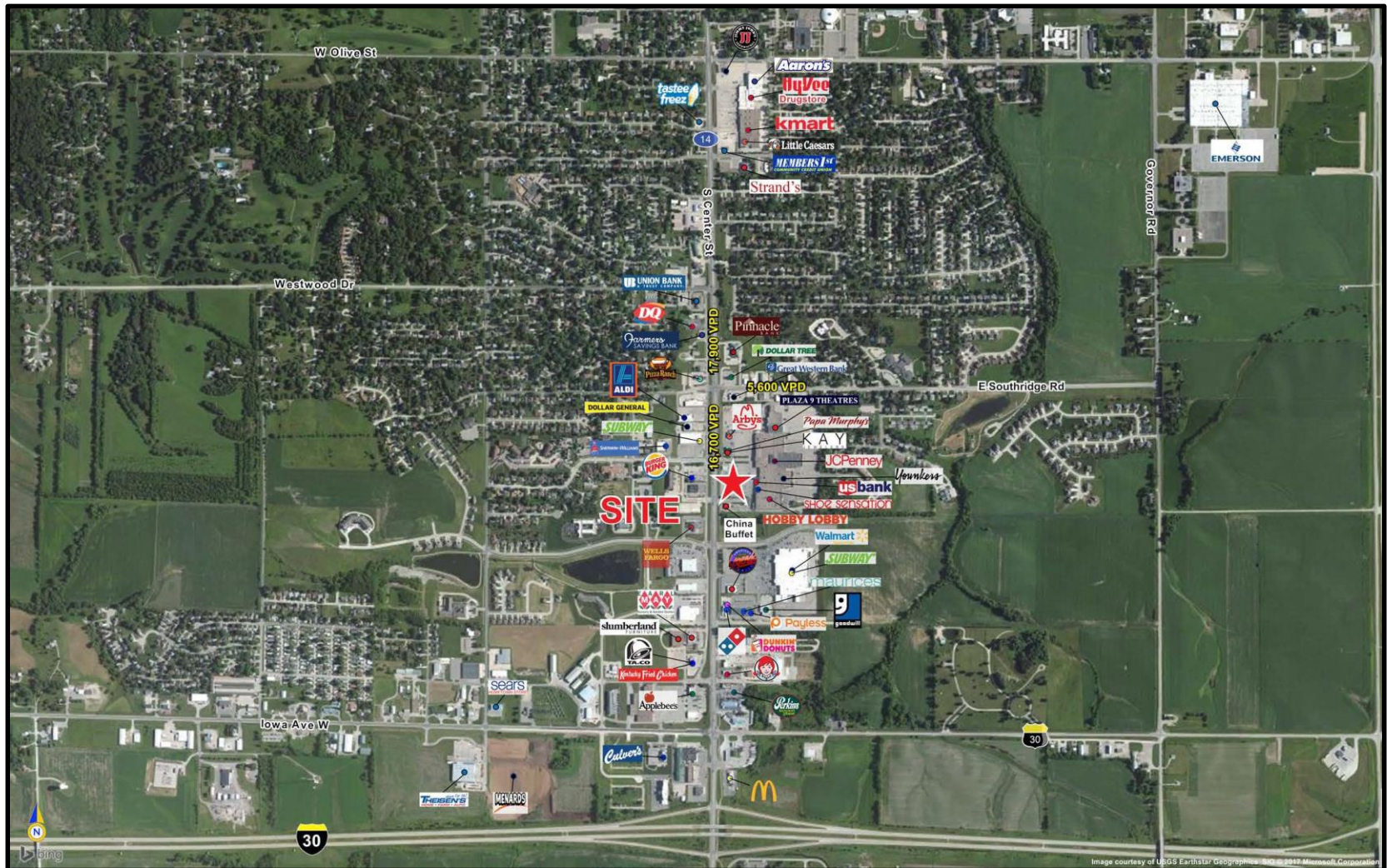
## 2500 S Center St Marshalltown, IA



★ “Subject Offering”



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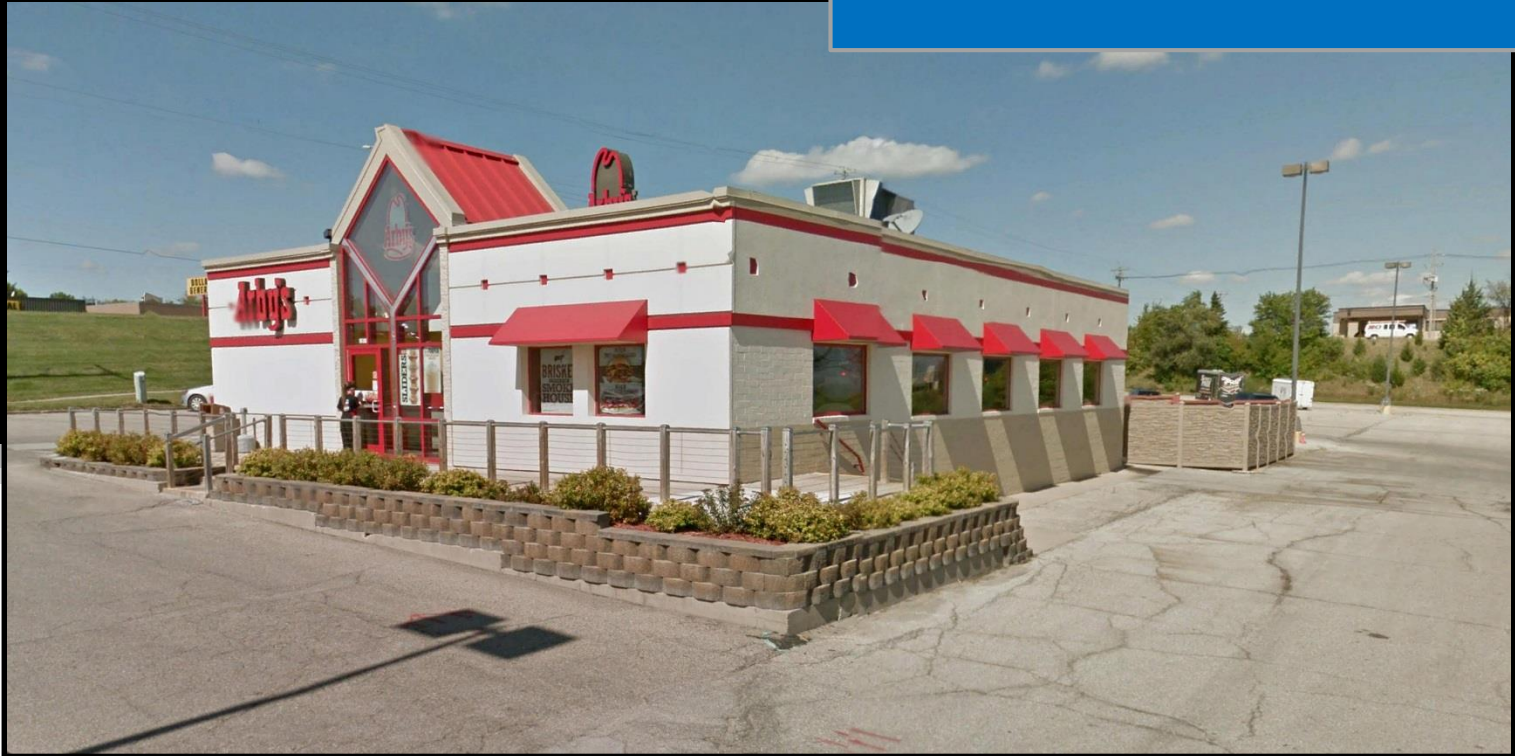
## 2500 S Center St Marshalltown, IA



"Subject Offering"



# LOCATION & MARKET



## Market Location

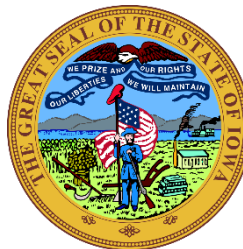
### Marshalltown's Largest Employers

1. JBS Swift: 2,300 est. employees
2. Emerson Process Management, Fisher Division.: 1,200 est. employees
3. Marshalltown Community School District: 1,002 est. employees
4. Iowa Veterans Home: 1,000 est. employees
5. Lennox Manufacturing: 800 est. employees
6. Marshalltown Medical & Surgical Center: 715 est. employees
7. Hy-Vee: 340 est. employees
8. Wal-Mart: 325 est. employees
9. Marshalltown Community College: 245 est. employees
10. McFarland Clinic P.C.: 223 est. employees

Marshalltown, Iowa is located nearly equidistant between New York and Los Angeles. It lies about 21 minutes north of Interstate 80 the only coast-to-coast interstate. Given its central location, all major Midwestern markets are accessible with a single day's drive. In addition, Marshalltown is less than three hours from anywhere in the United States via direct air flight out of the Des Moines Airport.

Major interstates and highways running through and adjacent to Marshalltown include Interstate 80 (east-west) and US Highways 30 and 14. Access to Interstate 35 (north-south) is less than 30 minutes west from Marshalltown. Marshalltown is located in the middle of Iowa, approximately 40 miles northeast of Des Moines and is a mid-size Iowa MSA with a population in excess of 40,000 person. Marshalltown is the county seat of Marshall County.

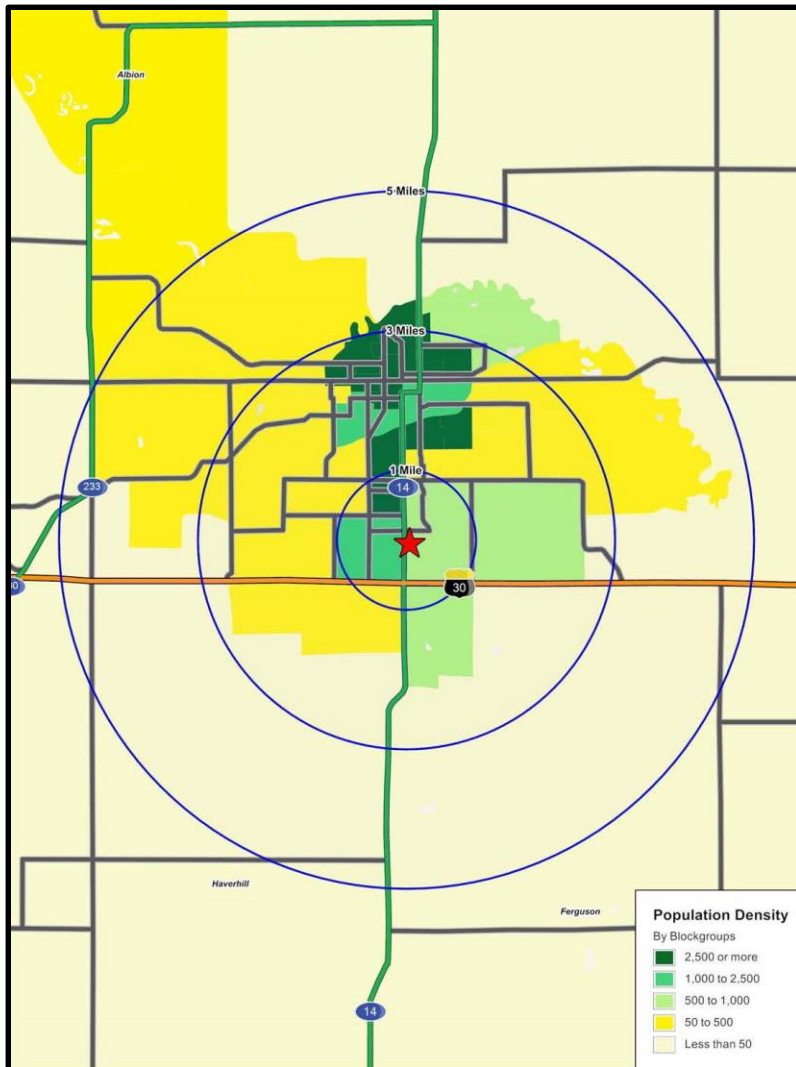
The city of Marshalltown has experienced stable residential and commercial growth. The majority of the residential growth which has occurred in the MSA, from 2000 - 2008, has occurred in the north side of the city. The commercial and retail growth occurring in Marshalltown is mostly long the south.



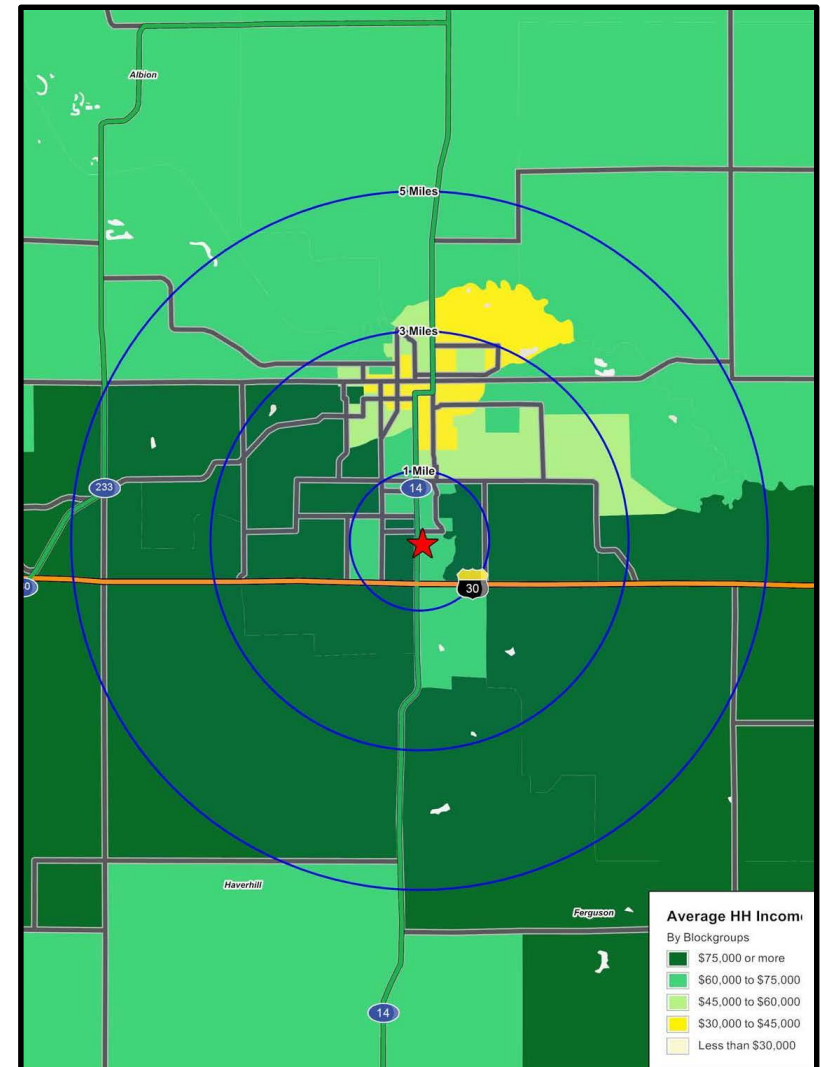
## Demographics

	1 Mile	3 Mile	5 Mile	MSA
2021 Projection	5,920	27,370	29,231	40,277
2016 Estimate	6,056	27,464	29,347	40,758
2010 Census	6,083	27,621	29,505	40,648
2000 Census	5,348	26,142	28,064	39,311
Projected Annual growth (2016-2021)	-0.4%	-0.1%%	-0.1%%	-0.2%
Historical Annual growth (2010-2016)	-0.1%	-0.1%	-0.1%	---
Total Employees	3,400	19,599	20,187	22,445
Median Age	41.5	36.7	37.4	38.8
19 years or less	24.9%	28.8%	28.4%	27.5%
20 years – 64 years	51.4%	53.7%	53.7%	54.4%
65 years or over	23.7%	17.5%	17.9%	18.1%
Any College (Some college or Higher)	59.7%	52.1%	52.0%	52.8%
College Degree +(Bachelor Degree or Higher)	30.2%	21.3%	21.2%	20.9%
Housing Units Occupied (2016)	95.5%	92.9%	93.0%	93.7%
Owner-Occupied Median Home Value	\$129,303	\$107,771	\$108,683	\$111,484
2016 Est. Average HH Income	\$69,660	\$62,471	\$63,377	\$65,890
2016 Est. Median HH Income	\$60,685	\$53,262	\$53,992	\$56,554
2016 Average Household Size	2.3	2.5	2.5	2.5

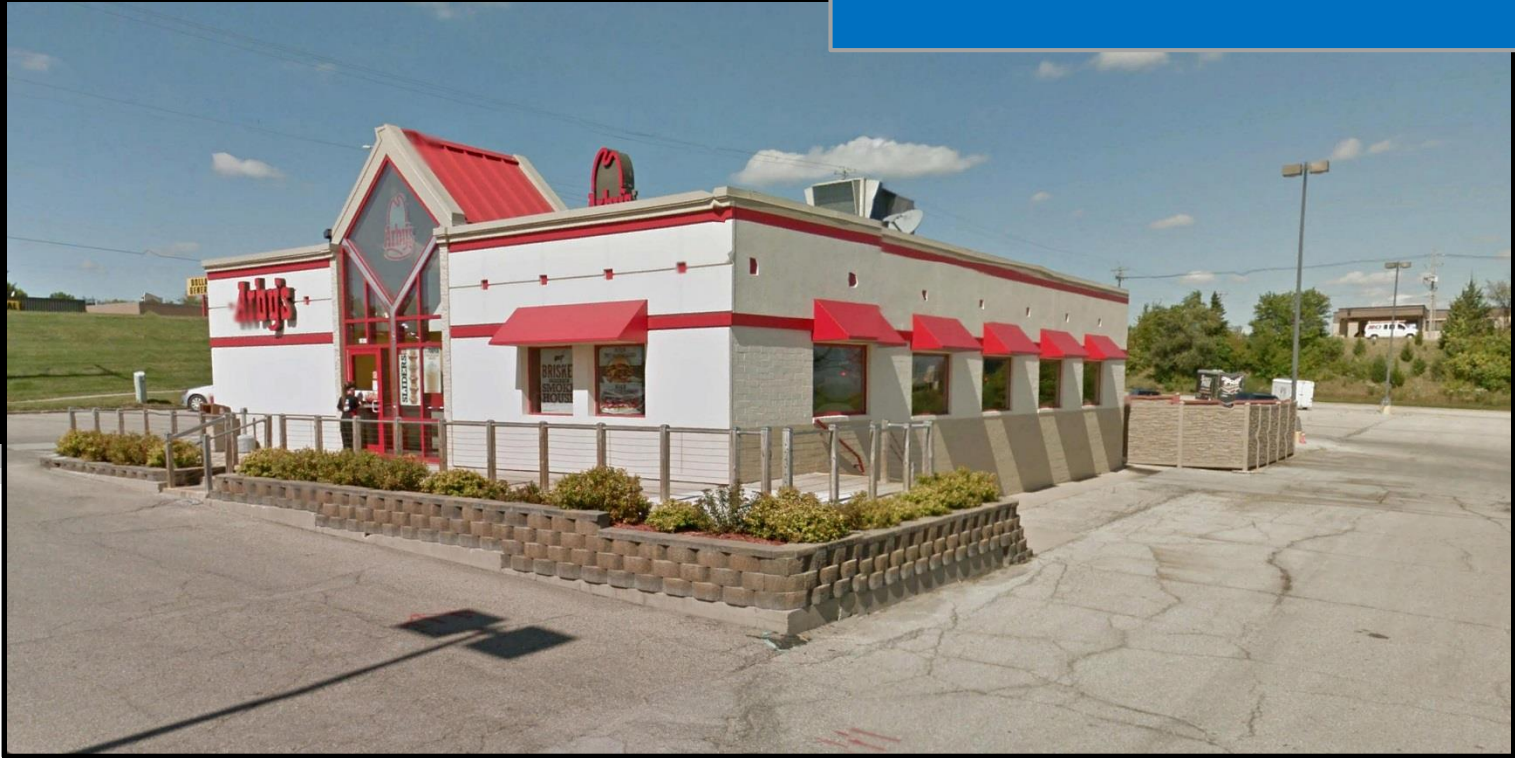
## Population Density



## Average Income



# TENANCY



## Tenant Profiles



Arby's Restaurant Group, Inc. is the franchisor of the Arby's brand and is headquartered in Sandy Springs, GA. Arby's is the second-largest quick-service fast-food sandwich restaurant chain in the US in terms of units with more than 3,400 restaurants.

Arby's was founded in Boardman, Ohio on July 23, 1964, by Forrest and Leroy Raffel, owners of a restaurant equipment business who thought there was a market opportunity for a fast food franchise based on a food other than hamburgers.

Arby's is a privately held company with locations in United States, Canada, Turkey, United Arab Emirates, Qatar, and Kuwait.

Franchisee is multi-unit operator Central Iowa Restaurants, Inc. Sales information available during due diligence phase.

If you have questions or would like to receive additional information, please contact Lindsay or Ben.

**Ben Meier**

402-502-4715

bmeier@lernerco.com

**Lindsay Banks**

402-502-4708

lbanks@lernerco.com

**The Lerner Company**

BROKERAGE DEVELOPMENT MANAGEMENT

10855 W. Dodge Rd., #270

Omaha, NE 68154

402-330-5480

www.lernerco.com



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