

NET LEASE INVESTMENT OFFERING



LONG JOHN SILVER'S
1716 West Galbraith Road
Cincinnati, OH 45239



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**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.

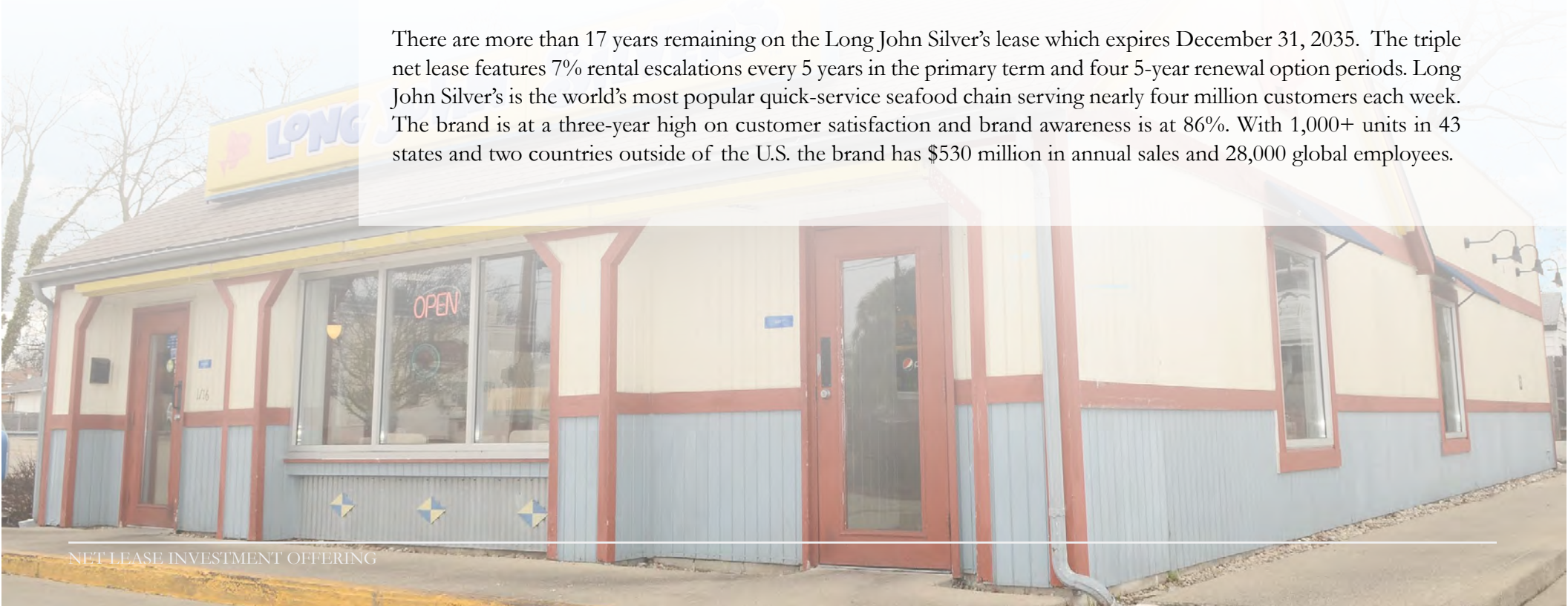


**EXECUTIVE
SUMMARY:**

The Boulder Group and Lee & Associates are pleased to exclusively market for sale a single tenant net leased Long John Silver's property located in Cincinnati, Ohio. The property is strategically located at a signalized intersection along a primary thoroughfare in the area. Long John Silver's is committed to this location as evidenced by their long operating history at this location and execution of a new 20-year lease in 2016. The triple net lease features 7% rental escalation every 5 years in the primary term and in each of the four 5-year renewal option periods. Long John Silver's is the world's most popular quick-service seafood chain with more than a 1,000 locations in 43 states and two countries outside of the United States. The lease is guaranteed by Affinity Management who operates more than 25 Long John Silver's in Ohio.

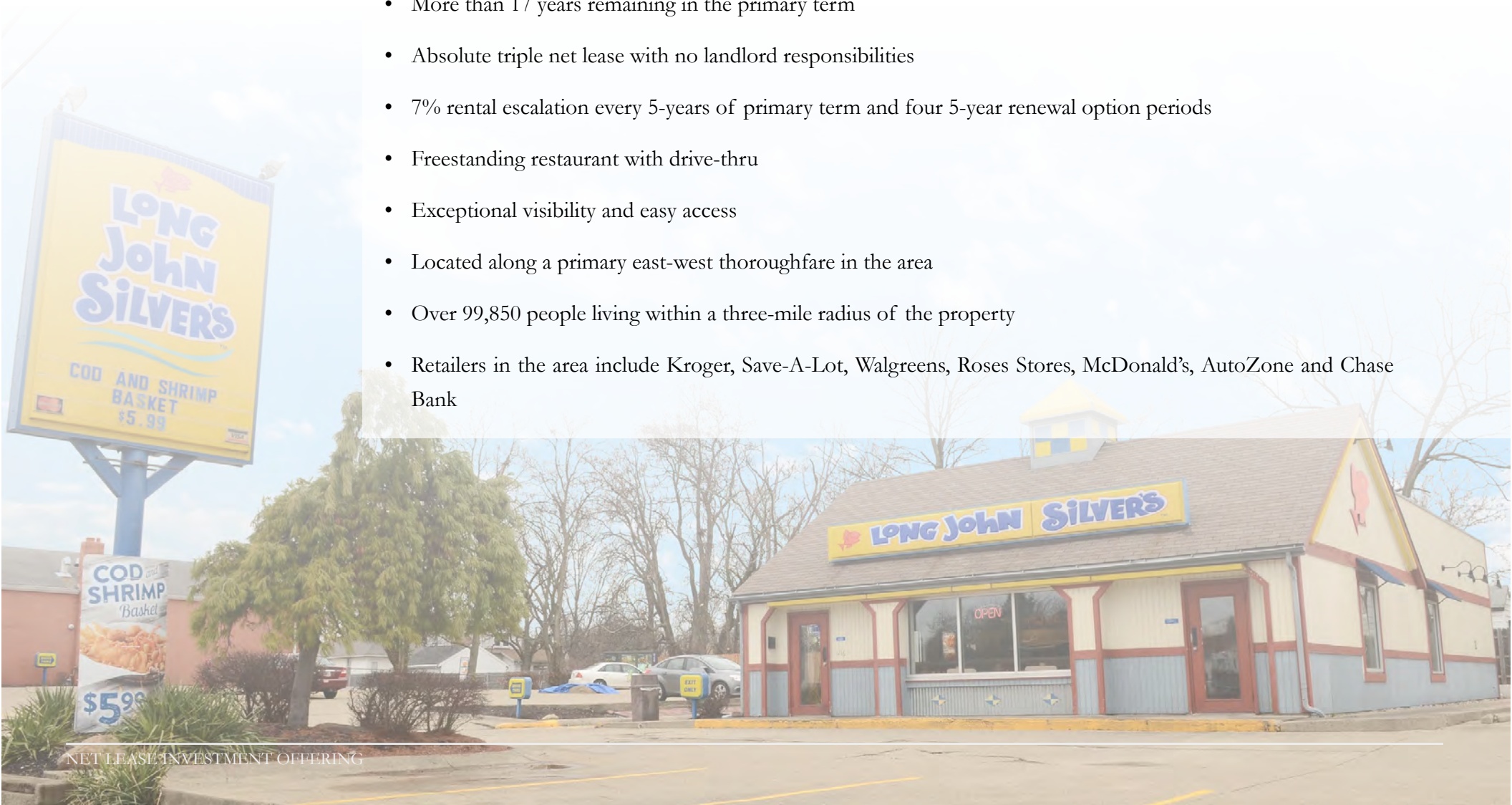
The 1,350 square foot restaurant is located at the signalized intersection of Galbraith Road and Savannah Avenue with interchangeable access. Galbraith Road is a primary east-west thoroughfare in the area. Retailers in the area include Kroger, Save-A-Lot, Walgreens, Fresenius, AutoZone and Chase Bank. Immediately behind the property is North College Hill High School with an enrollment of over 450 students. There are more than 99,850 people living within a three-mile radius of the property.

There are more than 17 years remaining on the Long John Silver's lease which expires December 31, 2035. The triple net lease features 7% rental escalations every 5 years in the primary term and four 5-year renewal option periods. Long John Silver's is the world's most popular quick-service seafood chain serving nearly four million customers each week. The brand is at a three-year high on customer satisfaction and brand awareness is at 86%. With 1,000+ units in 43 states and two countries outside of the U.S. the brand has \$530 million in annual sales and 28,000 global employees.



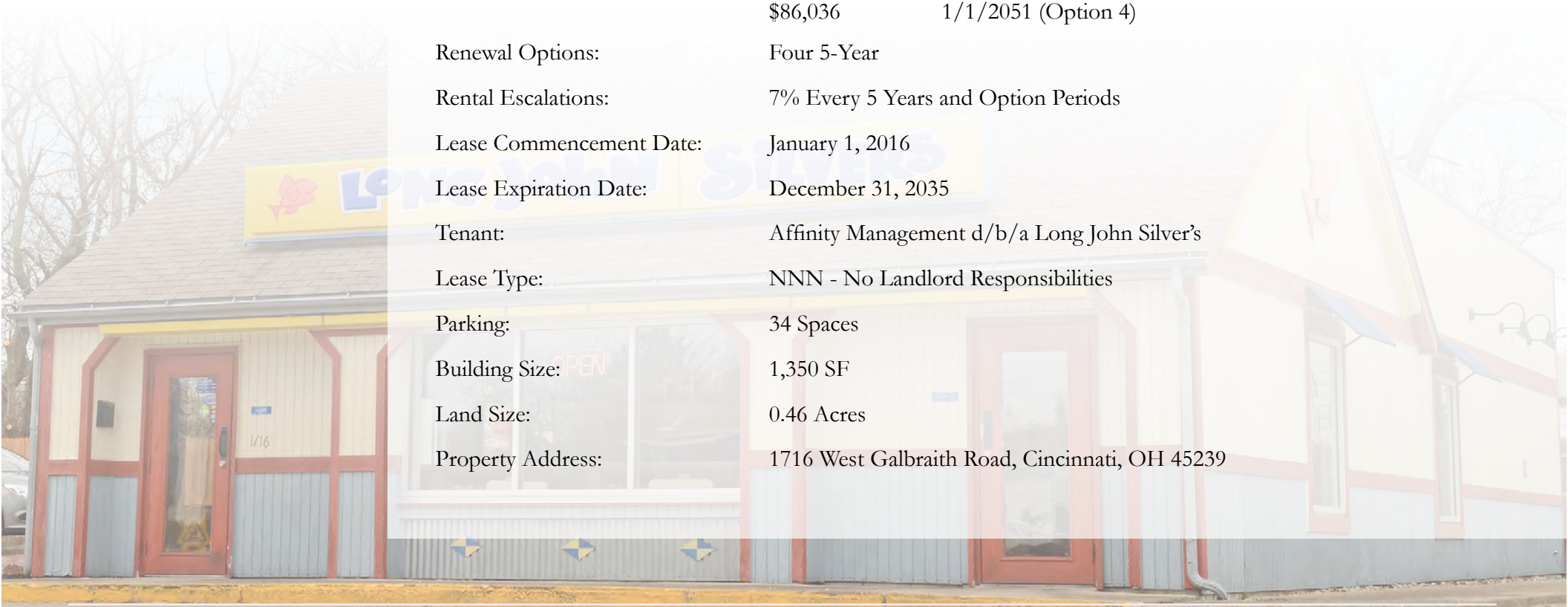
**INVESTMENT
HIGHLIGHTS:**

- Located in Cincinnati
- Long operating history at this location
- Recently extended their lease showing commitment to the location
- More than 17 years remaining in the primary term
- Absolute triple net lease with no landlord responsibilities
- 7% rental escalation every 5-years of primary term and four 5-year renewal option periods
- Freestanding restaurant with drive-thru
- Exceptional visibility and easy access
- Located along a primary east-west thoroughfare in the area
- Over 99,850 people living within a three-mile radius of the property
- Retailers in the area include Kroger, Save-A-Lot, Walgreens, Roses Stores, McDonald's, AutoZone and Chase Bank



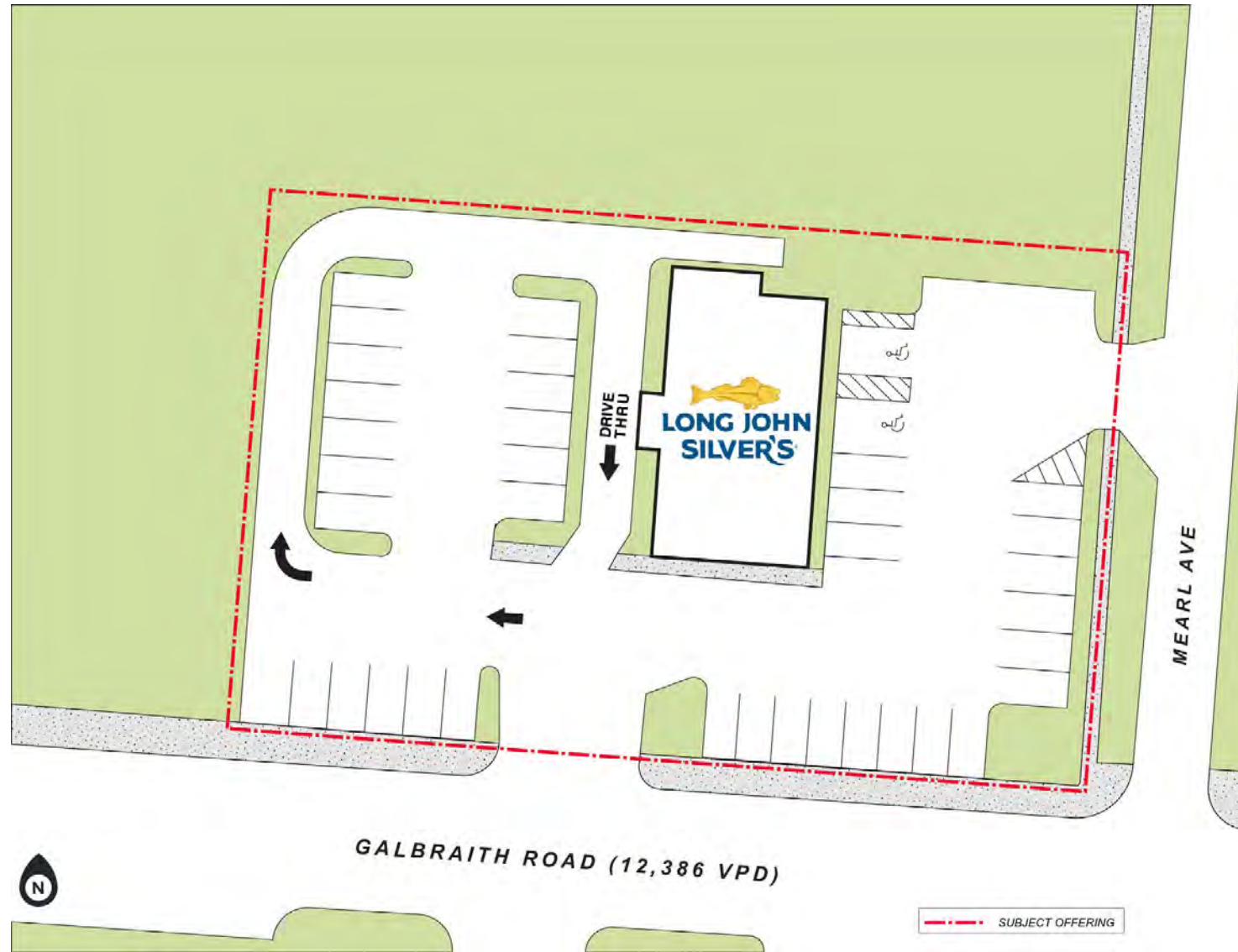
PROPERTY OVERVIEW:

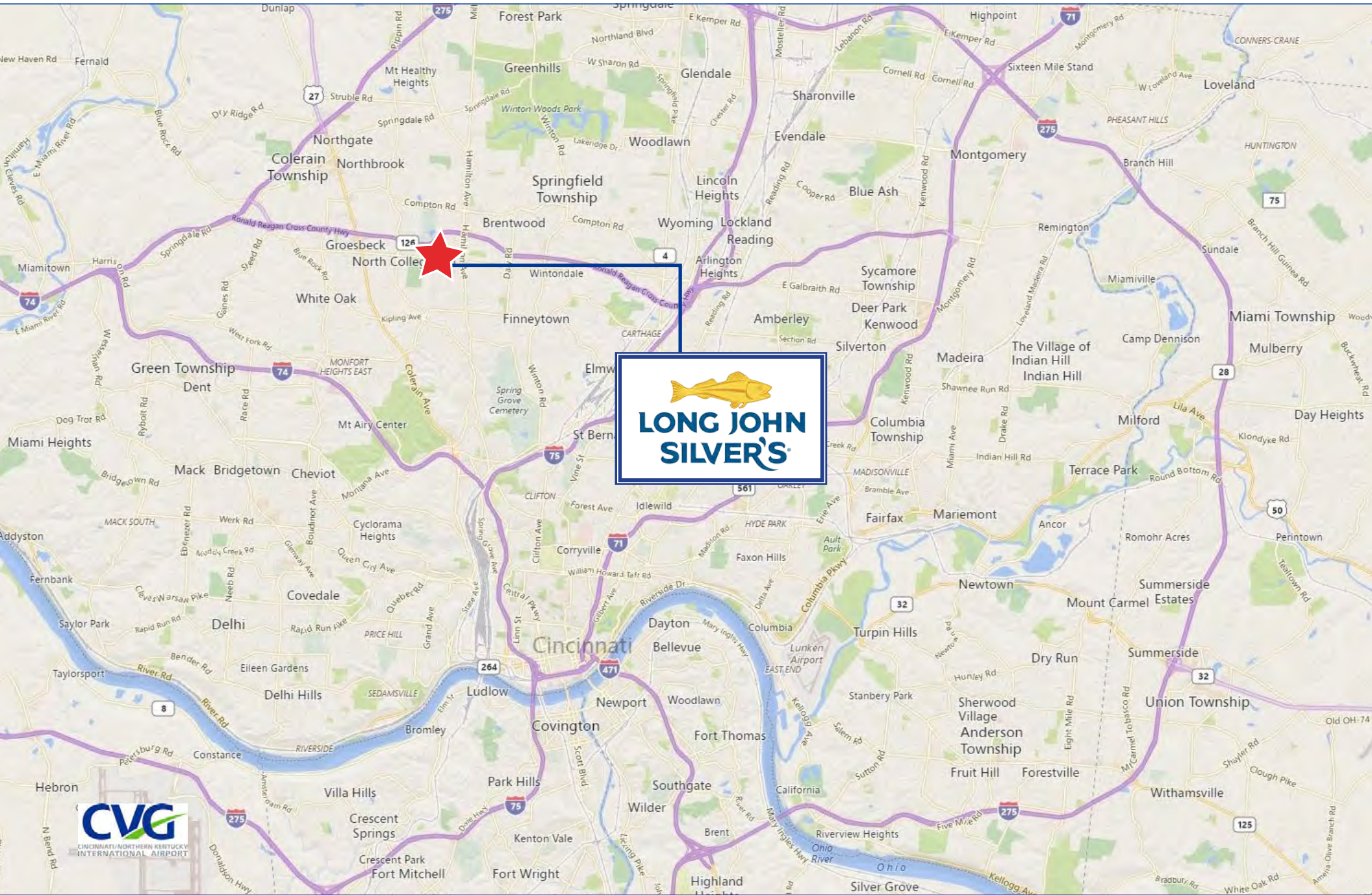
Price:	\$724,041																		
Cap Rate:	7.40%																		
Rent Schedule:	<table> <thead> <tr> <th><u>NOI</u></th> <th><u>Escalation Date</u></th> </tr> </thead> <tbody> <tr> <td>\$53,579</td> <td></td> </tr> <tr> <td>\$57,330</td> <td>1/1/2021</td> </tr> <tr> <td>\$61,343</td> <td>1/1/2026</td> </tr> <tr> <td>\$65,637</td> <td>1/1/2031</td> </tr> <tr> <td>\$70,231</td> <td>1/1/2036 (Option 1)</td> </tr> <tr> <td>\$75,147</td> <td>1/1/2041 (Option 2)</td> </tr> <tr> <td>\$80,408</td> <td>1/1/2046 (Option 3)</td> </tr> <tr> <td>\$86,036</td> <td>1/1/2051 (Option 4)</td> </tr> </tbody> </table>	<u>NOI</u>	<u>Escalation Date</u>	\$53,579		\$57,330	1/1/2021	\$61,343	1/1/2026	\$65,637	1/1/2031	\$70,231	1/1/2036 (Option 1)	\$75,147	1/1/2041 (Option 2)	\$80,408	1/1/2046 (Option 3)	\$86,036	1/1/2051 (Option 4)
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Renewal Options:	Four 5-Year																		
Rental Escalations:	7% Every 5 Years and Option Periods																		
Lease Commencement Date:	January 1, 2016																		
Lease Expiration Date:	December 31, 2035																		
Tenant:	Affinity Management d/b/a Long John Silver's																		
Lease Type:	NNN - No Landlord Responsibilities																		
Parking:	34 Spaces																		
Building Size:	1,350 SF																		
Land Size:	0.46 Acres																		
Property Address:	1716 West Galbraith Road, Cincinnati, OH 45239																		











DEMOGRAPHIC REPORT:

Population	1-Mile	3-Mile	5-Mile
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Total Population	3,977	32,908	73,609
Total Households	1,770	12,690	26,075

Income	1-Mile	3-Mile	5-Mile
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Median Household Income	\$45,659	\$46,085	\$48,400
Average Household Income	\$56,091	\$59,721	\$65,180



**MARKET
OVERVIEW:**



Cincinnati, Ohio

Cincinnati is a city in Ohio that serves as county seat of Hamilton County. Settled in 1788, the city is located on the north side of the confluence of the Licking with the Ohio River. With a population of more than 298,800 people, Cincinnati is the third-largest city in Ohio and the 65th-largest city in the United States. Its metropolitan statistical area is the 28th-largest in the United States and the largest centered in Ohio. The city is also part of the larger Cincinnati–Middletown–Wilmington combined statistical area, which had a population of more than 2,172,000 people.



Several Fortune 500 companies are headquartered in Cincinnati, such as Procter & Gamble, The Kroger Company, and Macy's, Inc., among others. General Electric has headquartered both their GE Aviation business and their Global Operations center in Cincinnati. The Kroger Company employs more than 21,650 people locally, making it the largest employer in the city, and the University of Cincinnati is the second largest at over 16,000 people.

Cincinnati has the fastest growing economy in the Midwestern United States. The Gross Metro Product is \$120 Billion, and median household income is over \$56,500. The median home price is \$152,500, and the cost of living in Cincinnati is 8.2% below national average. The unemployment rate is also below the national average at 4.3%.

Cincinnati is served by Amtrak's Cardinal, an intercity passenger train which makes three weekly trips in each direction between Chicago and New York City through Cincinnati Union Terminal. The city is served by Cincinnati/Northern Kentucky International Airport which is actually located in Hebron, Kentucky. The airport is a hub for major passenger airline Delta Air Lines, as well as a focus city for low cost carriers Allegiant Air and Frontier Airlines. In addition, the airport is the largest global hub for both Amazon Prime Air and DHL Aviation.

Cincinnati is home to two major sports teams, the Cincinnati Reds, the oldest franchise in Major League Baseball, and the Cincinnati Bengals of the National Football League. The University of Cincinnati, founded in 1819, is one of the 50 largest in the United States.

Cincinnati is known for its historic architecture. In the late 1800s, Cincinnati was commonly referred to as "Paris of America", due mainly to such ambitious architectural projects as the Music Hall, Cincinnati Hotel, and Shillito Department Store. Because it is the first major American city founded after the American Revolution as well as the first major inland city in the country, Cincinnati is sometimes thought of as the first purely "American" city.

www.cincinnati-oh.gov

**TENANT
OVERVIEW:**

Long John Silver's

Long John Silver's is a United States-based fast-food restaurant chain that specializes in seafood. The brand's name is derived from the novel Treasure Island by Robert Louis Stevenson, in which the pirate "Long John" Silver is one of the main characters. Formerly a division of Yum! Brands, Inc., the company was divested to a group of franchisees in 2011.

The first restaurant was opened on August 18, 1969, in Lexington, Kentucky. Long John Silver's food offerings include platters, sandwiches, and various single items. The platters feature seafood as the main item, with side dishes consisting of coleslaw, hushpuppies, corn, green beans, and French fries (chips) or batter-fried onion rings.

Long John Silver's is the world's most popular quick-service seafood chain serving nearly four million customers each week. The brand is at a three-year high on customer satisfaction and brand awareness is at 86%. With 1,000+ units in 43 states and two countries outside of the U.S. the brand has \$530 million in annual sales and 28,000 global employees.

Website:	www.ljsilvers.com
Type:	Private
Founded:	1969
Number of Locations:	1,000+
Employees:	28,000
Headquarters:	Louisville, Kentucky



**TENANT
OVERVIEW:**

Affinity Management

Affinity Management, established in 2006, is a restaurant franchise operating in the Greater Cincinnati-Dayton, Ohio market area. Currently, Affinity Management owns and operates Long John Silver's (LJS), 7 of which are multi-brand units. Coming together as one company, Affinity Management was formed by four "husband and wife" teams with a shared vision: to operate efficient restaurants that provide the best customer service possible, to provide their employees opportunities for personal and professional growth, and to grow the business. Each owner is actively involved in the day-to-day operations of the restaurants and business, the ownership team includes: Brian & Mary Busby, David & Kristina Conley, David & Tammy Fletcher and Jeff & Tammy Titlow. All eight owners got their first jobs as teenagers in the restaurant industry, and the majority stayed for twenty years or more prior to starting Affinity Management.

Brian Busby worked for Harman Management (HMG), the largest KFC franchise for 26 years. At Affinity he helps coach, direct and supports the Area Supervisors and Restaurant general Managers (RGMs). Mary Busby also worked many years for HMG, and is currently acting as a Restaurant Training Specialist. David Conley worked for HMG for 20 years. At Affinity he helps coach, direct and supports the Area Supervisors, as well as the RGMs. Kristina Conley worked at HMG for many years. She is now Affinity Management's Corporate Office Director, handling payroll and other administrative tasks. David Fletcher began his career at HMG. Prior to joining Affinity, he owned and operated Fletcher's Equipment and Repair. With Affinity, David is in charge of all equipment and facilities maintenance and repair. He is HVAC certified, and performs most repairs. Tammy Fletcher earned a BA in psychology and a BA in business from California State University Chico. At Affinity she is an Office Assistant, performing payroll and other various administrative tasks. Jeff Titlow worked at HMG for 20 years, and earned his BA in Recreation & Leisure Studies from California State University Sacramento. He is the Director of Operations for Affinity Management. In 2013 he was presented with the LJS SPLASH award for his dedication to corporate LJS. Currently, he sits on two corporate LJS boards: the Food Purchasing Co-Op Board, which manages the supply chain and distribution of parts and equipment to all LJS franchisees, and the LJS Operations Board, which advises and recommends "best practices." Working at HMG for over 18 years, Tammy Titlow earned her BA and MA in Communication Studies from California State University Sacramento. She is the Director of Human Resources and Training at Affinity Management.

In 2013 Affinity Management was named "Franchisee of the Year" by corporate Long John Silver's.





**THE
Boulder
GROUP**

Randy Blankstein

President

847.562.0003

randy@bouldergroup.com

John Feeney

Vice President

847.562.9280

john@bouldergroup.com

3520 Lake Avenue, Suite 203
Wilmette, IL 60091

www.bouldergroup.com



**LEE &
ASSOCIATES®**
COMMERCIAL REAL ESTATE SERVICES

Daniel Barnes

Principal

314.400.4004

dbarnes@lee-associates.com

1986 Innerbelt Business Center Drive
St. Louis, MO 63114

www.lee-associates.com