

Re-Development Opportunity

2nd Generation Restaurant Space



RE-DEVELOPMENT OPPORTUNITY (FORMER PIZZA HUT)

842 S Chestnut St Reed City, MI 49677

OFFERING MEMORANDUM

Marcus & Millichap

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

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OFFERING MEMORANDUM

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OFFERING INCLUDES

INVESTMENT ANALYSIS

- Investment Highlights
- Executive Summary

COMPANY OVERVIEW

TENANT OVERVIEW

PROPERTY OVERVIEW

- Aerial Maps

LOCATION OVERVIEW

- City Overview
- Economic Overview
- Demographic Analysis





PRICING & FINANCIAL ANALYSIS

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Investment Highlights

- 2ND GENERATION RESTAURANT SPACE
- OWNER-USER OPPORTUNITY
- SINGLE TENANT REDEVELOPMENT OPPORTUNITY
- PRICED BELOW REPLACEMENT VALUE
- PLENTY OF PARKING
- GREAT STREET VISIBILITY
- CONVENIENT INGRESS AND EGRESS
- POSSIBLE ASSEMBLAGE OPPORTUNITIES
- CLOSE TO REED CITY GROUP MANUFACTURER
- ACROSS REED CITY SCHOOL (1,574 STUDENTS)
- CLOSE TO FAMILY DOLLAR

We are pleased to offer this vacant restaurant property, a former Pizza Hut. The property provides an opportunity for redevelopment or an owner/user. The property consists of 0.8 Acres with a restaurant building consisting of over 2,511 SF. The property was built in 1977 and has gone through various remodels over the years.

Executive Summary

LIST PRICE **\$179,000**

LOT SIZE **0.8 Acre**

BUILDING SIZE **2,511 SF**

BUILDING PRICE PER FOOT **\$71.28**

LOT PRICE PER FOOT **\$5.13**

FRONTAGE **130+ Feet on S Chestnut St**



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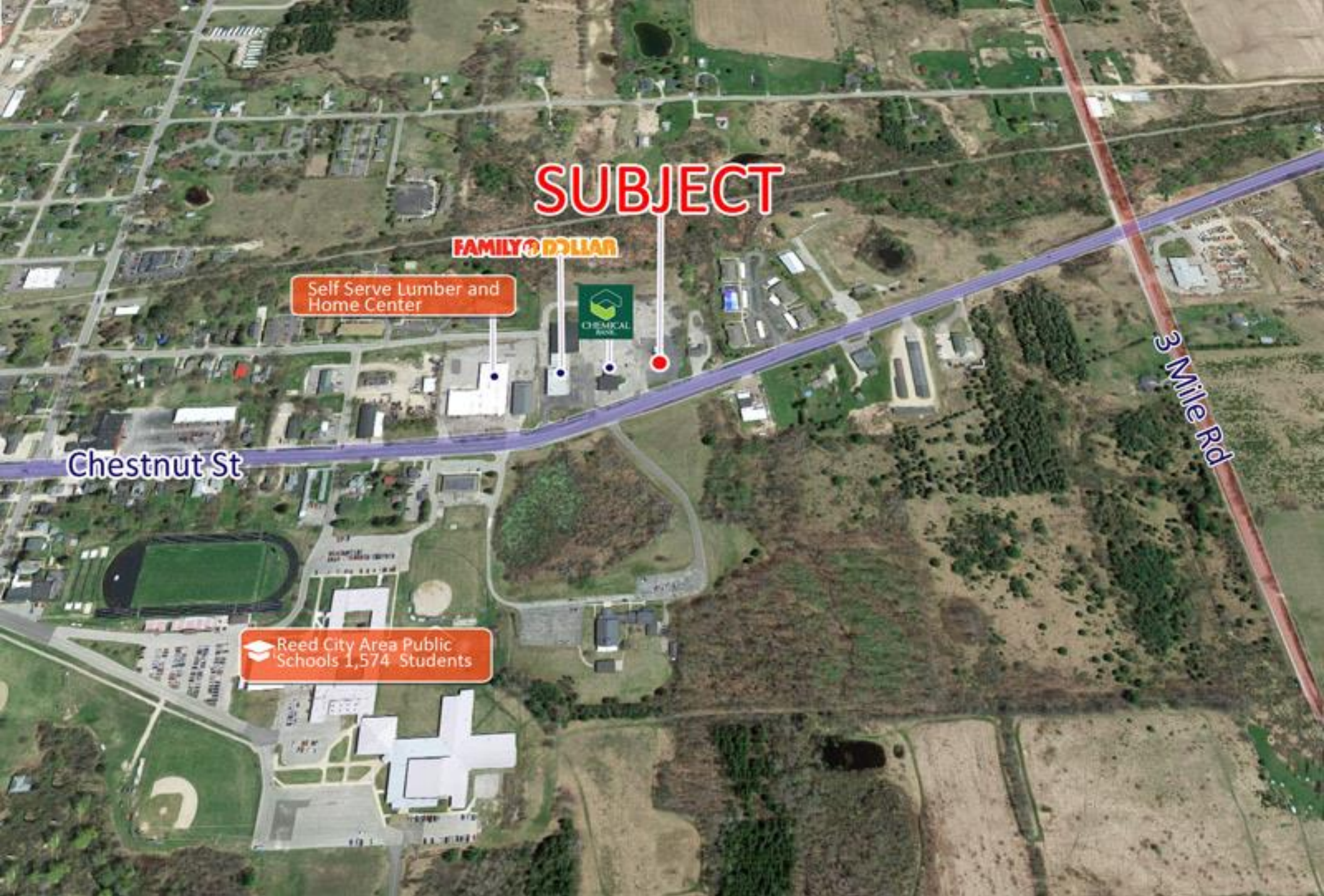
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PROPERTY OVERVIEW

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MARKET OVERVIEW

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ECONOMY

The largest industries in Reed City, MI are Manufacturing, Retail Trade, and Health Care & Social Assistance, and the highest paying industries are Educational Services (\$49,250), Public Administration (\$39,000), and Manufacturing (\$30,938).

Median household income in Reed City, MI is \$30,038. Males in Reed City, MI have an average income that is 1.37 times higher than the average income of females, which is \$46,762. The income inequality in Reed City, MI (measured using the Gini index) is 0.476, which is lower than the national average.

The most common employment sectors for those who live in Reed City, MI, are Manufacturing, Retail Trade, and Health Care & Social Assistance. This chart shows the share breakdown of the primary industries for residents of Reed City, MI, though some of these residents may live in Reed City, MI and work somewhere else. Census data is tagged to a residential address, not a work address.



Reed City Group - Plastics, Tooling, Automation



Reed City Group is a full-scale mold building, press making and plastic injection molding company based in Reed City, Michigan. Best known in global industries for our turnkey garage door panel and steel roof shingle hydraulic press manufacturing, our highly skilled team also provides a complete range of mold building and plastic injection molding services. From mold design to part testing, we are a facility built on core skilled trades. Our values of integrity, attention to detail and customer service are evident in all our products and services.

Our 80,000 square foot facility includes 68,000 square feet of manufacturing space. Under this roof, our average of 100 employees includes a range of skilled journeyman moldmakers, skilled machinists, mechanical engineers, technical designers and sales engineers.



DEMOGRAPHIC ANALYSIS

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Demographic Analysis

POPULATION	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Population	2,157	3,898	6,401
■ 2019 Estimate			
Total Population	2,156	3,890	6,332
■ 2010 Census			
Total Population	2,110	3,825	6,205
■ 2000 Census			
Total Population	2,159	3,955	6,217
■ Current Daytime Population			
2019 Estimate	2,561	5,497	6,989
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Households	887	1,568	2,419
■ 2019 Estimate			
Total Households	879	1,556	2,383
Average (Mean) Household Size	2.35	2.41	2.45
■ 2010 Census			
Total Households	881	1,559	2,370
■ 2000 Census			
Total Households	879	1,563	2,305
■ Occupied Units			
2024 Projection	887	1,568	2,419
2019 Estimate	1,007	1,800	2,908
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2019 Estimate			
\$150,000 or More	1.61%	2.41%	2.62%
\$100,000 - \$149,000	6.39%	7.44%	7.77%
\$75,000 - \$99,999	7.16%	9.47%	10.43%
\$50,000 - \$74,999	19.69%	21.39%	21.51%
\$35,000 - \$49,999	15.65%	16.77%	18.11%
Under \$35,000	49.49%	42.52%	39.57%
Average Household Income	\$45,242	\$51,083	\$52,927
Median Household Income	\$35,558	\$41,775	\$43,332
Per Capita Income	\$19,147	\$21,001	\$20,305

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$52,361	\$57,839	\$60,286
■ Consumer Expenditure Top 10 Categories			
Housing	\$13,250	\$14,163	\$14,541
Transportation	\$10,769	\$12,206	\$12,712
Shelter	\$7,264	\$7,676	\$7,833
Food	\$5,416	\$5,835	\$6,017
Health Care	\$3,638	\$4,074	\$4,257
Personal Insurance and Pensions	\$3,626	\$4,261	\$4,550
Utilities	\$3,127	\$3,372	\$3,492
Entertainment	\$2,570	\$3,021	\$3,274
Household Furnishings and Equipment	\$1,416	\$1,547	\$1,606
Apparel	\$1,119	\$1,261	\$1,324
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2019 Estimate Total Population	2,156	3,890	6,332
Under 20	25.57%	24.78%	23.96%
20 to 34 Years	18.99%	17.12%	16.90%
35 to 39 Years	7.24%	6.94%	6.58%
40 to 49 Years	10.50%	10.71%	11.11%
50 to 64 Years	17.27%	19.50%	21.06%
Age 65+	20.44%	20.95%	20.39%
Median Age	38.71	40.99	42.27
■ Population 25+ by Education Level			
2019 Estimate Population Age 25+	1,480	2,719	4,483
Elementary (0-8)	2.70%	2.22%	2.20%
Some High School (9-11)	5.67%	5.66%	6.46%
High School Graduate (12)	39.28%	40.63%	41.29%
Some College (13-15)	21.32%	20.60%	21.50%
Associate Degree Only	13.19%	12.52%	11.22%
Bachelors Degree Only	10.36%	11.03%	10.37%
Graduate Degree	5.95%	6.32%	5.87%

Demographic Analysis



Population

In 2019, the population in your selected geography is 2,156. It is estimated that the population in your area will be 2,157.00 five years from now, which represents a change of 0.05% from the current year. The current population is 45.84% male and 54.16% female. The median age of the population in your area is 38.71, compare this to the US average which is 38.08. The population density in your area is 684.55 people per square mile.



Households

There are currently 879 households in your selected geography. The number of households has changed by 0.00% since 2000. It is estimated that the number of households in your area will be 887 five years from now, which represents a change of 0.91% from the current year. The average household size in your area is 2.35 persons.



Income

In 2019, the median household income for your selected geography is \$35,558, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 10.63% since 2000. It is estimated that the median household income in your area will be \$41,666 five years from now, which represents a change of 17.18% from the current year.

The current year per capita income in your area is \$19,147, compare this to the US average, which is \$33,623. The current year average household income in your area is \$45,242, compare this to the US average which is \$87,636.



Housing

The median housing value in your area was \$90,388 in 2019, compare this to the US average of \$212,058. In 2000, there were 559 owner occupied housing units in your area and there were 320 renter occupied housing units in your area. The median rent at the time was \$312.



Employment

In 2019, there are 1,725 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 49.62% of employees are employed in white-collar occupations in this geography, and 50.27% are employed in blue-collar occupations. In 2019, unemployment in this area is 5.80%. In 2000, the average time traveled to work was 19.00 minutes.

Paul Kerber
Broker of Record
Two Towne Square, Ste. 450
Southfield, MI 48076
P: (248) 415-2600
Lic #: 6502433613

exclusive offering

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