450 Underwood St

Zanesville, OH 43701

Retail
Investment Opportunity

Offering Memorandum

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Exclusively Listed By

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Property Overview

Bob Evans
450 Underwood St Zanesville, OH 43701

Property Highlights

Investment Highlights

- **Corporate Absolute NNN Lease | 10.8 Years Remaining:** The lease is guaranteed by Bob Evans Restaurants, LLC on an absolute NNN basis with zero landlord responsibilities. Taxes, insurance, CAM, roof, structure, and parking are all tenant obligations.
- **Rare 2% Annual Rent Increases:** Contractual 2% annual bumps run through both the remaining primary term and every option period, delivering compounding, inflation-protected income that is uncommon in casual dining net lease.
- **7.47% Average Cap Rate Over Remaining Term:** Income grows from $182,252 today to $222,164 in the final year of the primary term, taking the yield from a 6.75% entry cap to 8.23% at expiration.
- **Six Additional Five-Year Options:** Beyond the primary term, the tenant holds six renewal options, providing potential occupancy through 2067. Option rent is set at the greater of 102% of the prior year rent or fair market value, so the landlord participates in any future rent growth.
- **Unconditional Rent Obligation:** Rent is payable in full without setoff, abatement, deferment, or counterclaim, providing bond-like income to a passive owner.

Location Highlights

- **Interstate 70 at Exit 155:** I-70 carries roughly 48,300 vehicles per day at the site, the primary East-West corridor connecting Columbus to Wheeling and Pittsburgh, generating heavy transient and interstate traffic.
- **Underwood Street (State Route 60) Frontage:** Roughly 21,000 vehicles per day on the primary commercial artery linking I-70 to downtown Zanesville and the city's dominant retail node.
- **Home-State Location:** Ohio is the brand's home market and its largest concentration of restaurants, with corporate headquarters in New Albany, roughly 45 miles west of the subject property.
- **Adjacent Hotel Cluster:** Quality Inn sits directly adjacent to the property, with Hampton Inn, Holiday Inn Express, Baymont, and Econo Lodge all within blocks, feeding the breakfast daypart that drives Bob Evans sales.
- **Established National Retail Synergy:** Olive Garden immediately to the north, Cracker Barrel and Wendy's directly across I-70, plus Texas Roadhouse, Red Lobster, Starbucks, and Chipotle within a quarter mile, driving consistent repeat visitation and reinforcing the long-term value of the underlying real estate.
- **Strong Trade Area Spending:** The 5-mile trade area holds 48,156 residents and $517.7M in annual consumer spending, with more than $144M spent on food and alcohol.

Property Highlights

Tenant Highlights

- **Corporate Guarantee:** The lease is guaranteed by Bob Evans Restaurants, LLC at the corporate level, giving investors credit backed by the entire national platform.
- **Iconic American Dining Brand:** Founded in 1948, Bob Evans operates over 440 restaurants nationwide and generates approximately $1.4B in annual revenue, anchored by an all-day breakfast platform and a nationally distributed grocery brand.
- **Proven Operating History:** The restaurant has operated continuously at this location since it was built in 2002, and the tenant recommitted to the site through a long-term sale-leaseback executed in 2018.
- **Recession-Resilient Format:** As an all-day family dining concept with a value-oriented, breakfast-anchored menu and an established grocery presence, Bob Evans serves everyday, non-discretionary meal occasions that hold up through economic cycles — a defensive profile that appeals to investors seeking durable, needs-based retail income.

MUSKINGUM LIVESTOCK AUCTION CO.
N
Comfort INN & SUITES
Red Lobster
OHecu
CHIPOTLE
Robertson HEATING SUPPLY CO.
TUMBLEWEED TEX MEX GRILL MARGARITA BAR
Steak 'n Shake
Hampton by Hilton
Holiday Inn Express
Advanced EARGEAR
Olive Garden ITALIAN KITCHEN
Quality INN & SUITES
ORIENTAL SUPER BUFFET
Bob Evans RESTAURANT
Subject Property
Underwood St ± 20,300 VPD
Walmart
INTERSTATE 70
± 48,300 VPD
INTERSTATE 70

Bob Evans
RESTAURANT
Underwood St ± 20,300 VPD

450 Underwood St
Zanesville, OH 43701

±10.8 Years
Term Remaining on Lease

2% Annually
Increases

±68,600 VPD
Underwood St & I-70

±5,081 SF
GLA

2002
Year Built

Financial Overview

Bob Evans
450 Underwood St Zanesville, OH 43701

Financial Summary

$2,700,000	6.75%	±10.8 Years	±2.09 AC
List Price	Cap Rate	Term Remaining	Lot Size

Property Details

Tenant Trade Name	Bob Evans
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Original Lease Term	±19.2 Years
Lease Commencement Date	2/1/2018
Rent Commencement Date	2/1/2018
Lease Expiration Date	4/30/2037
Term Remaining on Lease	±10.8 Years
Increases	2% Annually
Options	6 x 5 Years with Annual Increases

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent PSF	Cap Rate
05/01/2026 - 04/30/2027	$15,187.64	$182,252	2.00%	6.75%
05/01/2027 - 04/30/2028	$15,491.39	$185,897	2.00%	6.89%
05/01/2028 - 04/30/2029	$15,801.22	$189,615	2.00%	7.02%
05/01/2029 - 04/30/2030	$16,117.24	$193,407	2.00%	7.16%
05/01/2030 - 04/30/2031	$16,439.58	$197,275	2.00%	7.31%
05/01/2031 - 04/30/2032	$16,768.38	$201,221	2.00%	7.45%
05/01/2032 - 04/30/2033	$17,103.74	$205,245	2.00%	7.60%
05/01/2033 - 04/30/2034	$17,445.82	$209,350	2.00%	7.75%
05/01/2034 - 04/30/2035	$17,794.74	$213,537	2.00%	7.91%
05/01/2035 - 04/30/2036	$18,150.63	$217,808	2.00%	8.07%
05/01/2036 - 04/30/2037	$18,513.64	$222,164	2.00%	8.23%

Tenant Overview

Year Founded
1948

Headquarters
New Albany, OH

Employees
15,000+

Locations
440+

Annual Revenue
$1.4B

Tenant Overview

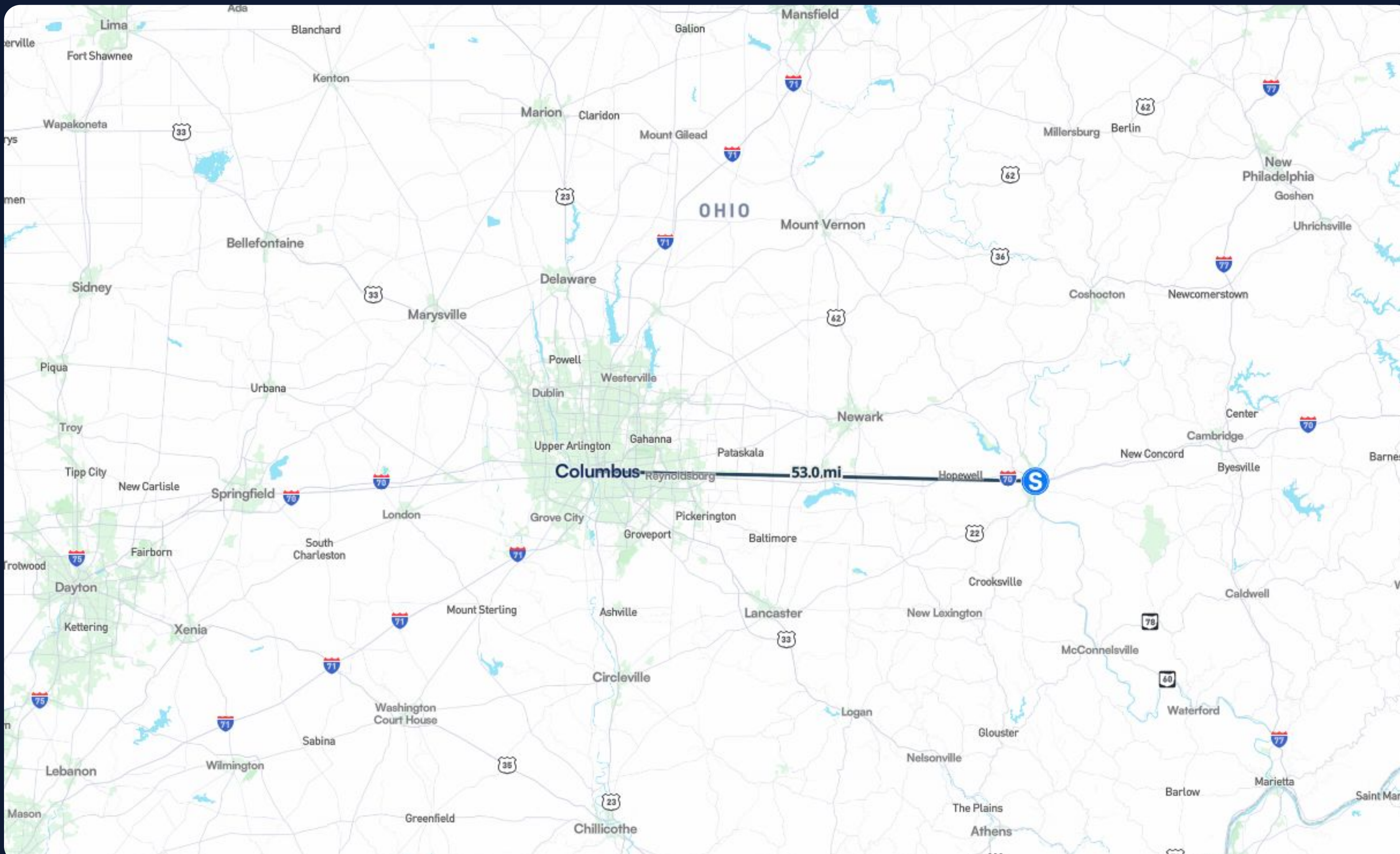
Bob Evans Restaurants is a well-established American family dining chain recognized for its farm-inspired menu, strong breakfast daypart, and longstanding presence throughout the Midwest, Mid-Atlantic, and Southeast. Founded on a reputation for homestyle comfort food and hospitality, the brand has developed a loyal customer base over several decades. Today, Bob Evans operates as a privately held company, continuing to emphasize value, convenience, and off-premise dining through carryout, catering, and digital ordering initiatives that complement its traditional dine-in business.

Why Invest in Bob Evans?

- **Established, Recognized Brand:** More than 75 years of operating history has made Bob Evans one of the most recognizable family dining concepts in the Midwest and Eastern United States.
- **Large Regional Footprint:** Approximately 440 restaurants across 18 states provide broad geographic diversification and strong brand recognition in core markets.
- **Recession-Resilient Value Proposition:** The brand's affordable, family-oriented menu appeals to a wide demographic, helping sustain customer traffic during varying economic conditions.
- **Strong Breakfast Segment:** Bob Evans is a leading breakfast destination, benefiting from a loyal morning customer base and a daypart that has historically demonstrated stable demand.
- **Omnichannel Sales Platform:** The company has expanded digital ordering, carryout, curbside pickup, delivery, and family meal offerings, creating multiple revenue channels beyond traditional dine-in traffic.

Market Overview

Bob Evans
450 Underwood St Zanesville, OH 43701



Zanesville, OH

Market Demographics

25,138
Total Population

$43,280
Median HH Income

10,900
Employed Population

5.0%
Retail Vacancy

Local Market Overview

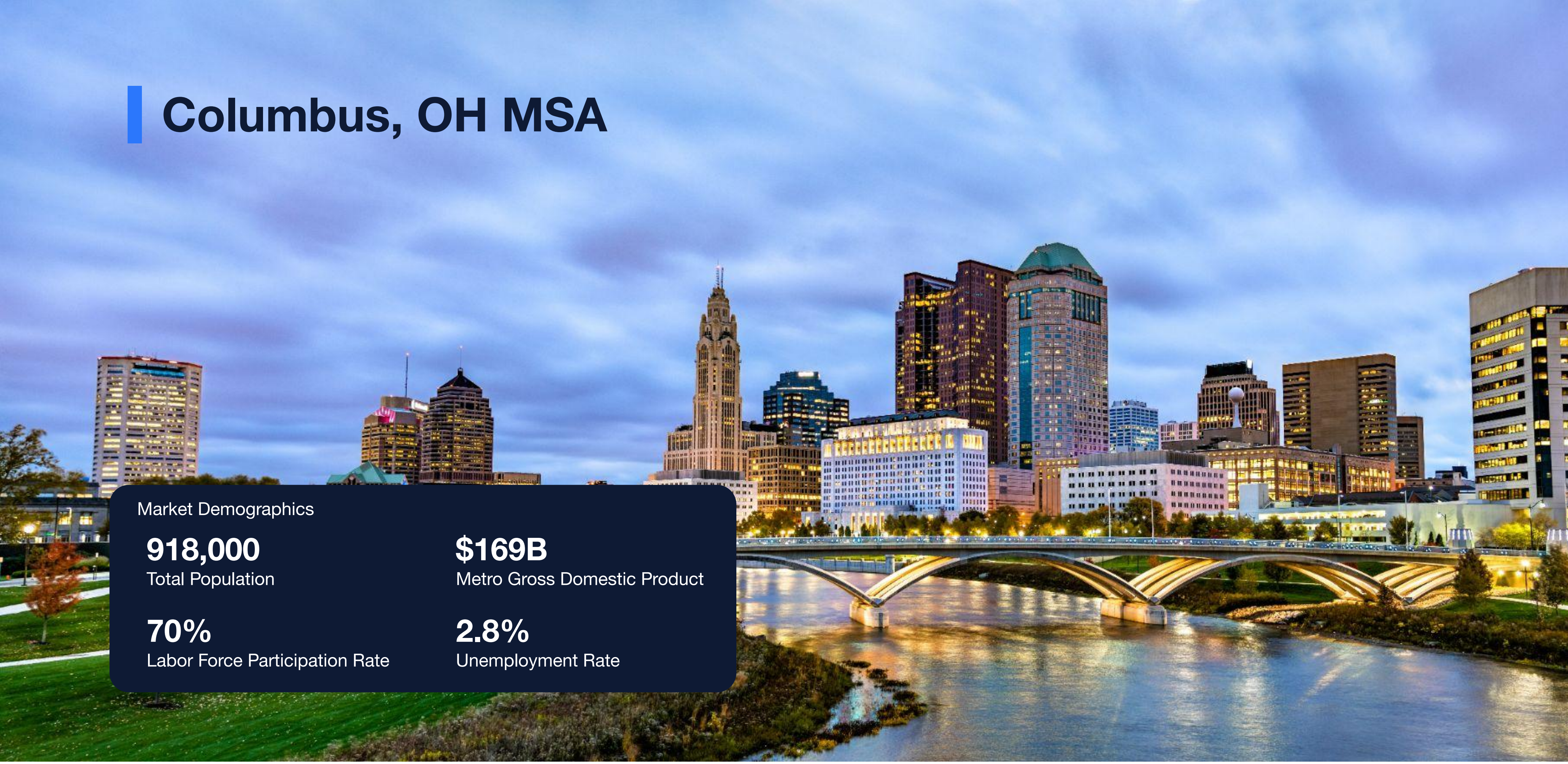
Zanesville serves as the commercial and healthcare hub of east-central Ohio, offering a strategic location along Interstate 70 between Columbus and Wheeling, West Virginia. As the county seat of Muskingum County, the city supports a diverse regional economy anchored by healthcare, manufacturing, logistics, education, and retail services. Residents and businesses benefit from convenient access to major transportation corridors, while employers draw from a broad labor pool across the surrounding counties. The area's affordability, established infrastructure, and central location continue to attract investment from regional businesses seeking cost-effective operations with access to Ohio's larger metropolitan markets.

Beyond its economic fundamentals, Zanesville offers a distinctive quality of life shaped by its historic downtown, scenic riverfront, and rich cultural heritage. Known for the iconic Y-Bridge spanning the confluence of the Muskingum and Licking Rivers, the city blends historic architecture with ongoing downtown revitalization efforts, local arts, and outdoor recreation. Residents enjoy access to nearby parks, recreational trails, and the broader Appalachian foothills, while healthcare providers, educational institutions, and regional employers support long-term community stability. Combined with a cost of living that remains below many larger Ohio markets, Zanesville continues to provide an attractive environment for residents, businesses, and investors seeking value and long-term potential in eastern Ohio.

Property Demographics

Population	1-Mile	3-Mile	5-Mile
Current Year Estimate	5,624	31,134	46,025
Households	**1-Mile**	**3-Mile**	**5-Mile**
Current Year Estimate	2,302	13,323	20,023
Income	**1-Mile**	**3-Mile**	**5-Mile**
Average Household Income	$63,122	$71,725	$79,759

Columbus, OH MSA



Market Demographics

918,000
Total Population

$169B
Metro Gross Domestic Product

70%
Labor Force Participation Rate

2.8%
Unemployment Rate

Local Market Overview

The Columbus, Ohio MSA is one of the fastest-growing metropolitan areas in the Midwest and serves as the state's capital, government center, and largest city. The region benefits from a highly diversified economy supported by finance, insurance, healthcare, education, logistics, advanced manufacturing, and technology. Home to The Ohio State University, one of the nation's largest public universities, Columbus enjoys a steady pipeline of talent and innovation that continues to attract major employers and investment. The metro has also emerged as a national hub for semiconductor manufacturing and data centers, further strengthening its long-term economic outlook.

Columbus offers exceptional connectivity through Interstates 70, 71, and 270, along with access to **Rickenbacker International Airport,** one of the country's leading cargo airports. Continued population growth, business expansion, and infrastructure investment have fueled strong demand across the retail, industrial, office, and multifamily sectors. The area's combination of economic stability, favorable business climate, and expanding consumer base makes the Columbus MSA an attractive market for both commercial real estate investment and long-term business growth.

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