

OFFERING MEMORANDUM

JIMMY JOHN'S

1337 POWERS FERRY RD | MARIETTA, GA 30067



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

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REAL ESTATE INVESTMENT SERVICES

LISTED BY

BRADEN CROCKETT

VP & DIRECTOR

DIR (214) 692-2040
MOB (714) 345-6206
braden.crockett@matthews.com
LIC # 01946071 (CA)

DALTON BARNES

SENIOR ASSOCIATE

DIR (214) 692-2930
MOB (925) 234-1772
dalton.barnes@matthews.com
LIC # 01984625 (CA)

ANDREW IVANKOVICH

SENIOR ASSOCIATE

DIR (214) 692-2037
MOB (626) 807-3586
andrew.ivankovich@matthews.com
LIC # 678815 (TX)

BROKER OF RECORD

KYLE MATTHEWS
LIC # 67120 (GA)

EXECUTIVE OVERVIEW



JIMMY JOHN'S
1337 Powers Ferry Rd
MARIETTA, GA 30067



1,940 SF
GLA



2010
YEAR BUILT



±18 SPACES
PARKING AVAILABLE

INVESTMENT HIGHLIGHTS

- » Brand New 20-Year Sale-Leaseback - Lease Will Commence at COE
- » Completely Passive Investment - Absolute NNN Lease
- » Strong Annual Increases - 1.25%
- » Ideal 1031 Exchange Investment
- » Healthy Rent-to-Sales Ratio — One of the Top Producing Jimmy John's Operators
- » Tenant Paying Healthy Rent - Rent/SF In-Line with Market, Very Replaceable
- » Investment Priced Below Replacement Cost - Real Estate Offers Incredible Residual Value
- » New Jimmy John's drive-thru concept building - geared to improve upon the speed of customer service that Jimmy John's is already well known for
- » This site is located just off of the corner of Powers Ferry and Terrell Mill, which sees a combined ±50,000 VPD
- » This location is surrounded by major national retail tenants within a half-mile such as Walgreens, Publix, Kroger, LA Fitness, Starbucks, Dollar Tree, SunTrust Bank, Chase Bank, and McDonald's
- » Phenomenal demographics for a successful Jimmy John's:
 - » Explosive Population Growth of +11% since 2020
 - » Affluent incomes of +\$82,000 in 3 mi. and +\$96,000 in 5 mile
 - » Nearly 90,000 people are expected to live within 3 mile of this store by 2023

FINANCIAL OVERVIEW

Financial Analysis



JIMMY JOHN'S
1337 Powers Ferry Rd
MARIETTA, GA 30067



\$1,460,870
LIST PRICE



5.75%
CAP RATE



\$84,000
ANNUAL RENT

LEASE SUMMARY

TENANT TRADE NAME	Jimmy John's
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Kensington Hill Capital
LEASE TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
ORIGINAL LEASE TERM	20 Years
LEASE COMMENCEMENT	Close of Escrow
RENT COMMENCEMENT	Close of Escrow
LEASE EXPIRATION DATE	20 Years after Close of Escrow
TERM REMAINING	20 Years
INCREASES	1.25% Annual
OPTIONS	Four (4), Five (5) Year Options

ANNUALIZED OPERATING DATA

YEAR	MONTHLY RENT	ANNUAL RENT	RENT PSF	CAP
1	\$7,000	\$84,000	\$43.30	5.75%
2	\$7,088	\$85,050	\$43.84	5.82%
3	\$7,176	\$86,113	\$44.39	5.89%
4	\$7,266	\$87,190	\$44.94	5.97%
5	\$7,357	\$88,279	\$45.50	6.04%
6	\$7,449	\$89,383	\$46.07	6.12%
7	\$7,542	\$90,500	\$46.65	6.19%
8	\$7,636	\$91,631	\$47.23	6.27%
9	\$7,731	\$92,777	\$47.82	6.35%
10	\$7,828	\$93,937	\$48.42	6.43%
11	\$7,926	\$95,111	\$49.03	6.51%
12	\$8,025	\$96,300	\$49.64	6.59%
13	\$8,125	\$97,503	\$50.26	6.67%
14	\$8,227	\$98,722	\$50.89	6.76%
15	\$8,330	\$99,956	\$51.52	6.84%
16	\$8,434	\$101,206	\$52.17	6.93%
17	\$8,539	\$102,471	\$52.82	7.01%
18	\$8,646	\$103,752	\$53.48	7.10%
19	\$8,754	\$105,049	\$54.15	7.19%
20	\$8,863	\$106,362	\$54.83	7.28%



ABOUT KENSINGTON HILL CAPITAL

The inception of the idea for Kensington Hill Capital ("KHC") started in 2010 with an initial seed investment in JJ Ventures, a newly founded Jimmy John's franchise which opened their first location in January 2009. JJ Ventures was founded by two partners who left their investment banking and private equity careers to capitalize on a rapidly growing brand that was gaining traction and had serious ambitions for growth. By 2012, only 3 Years since opening their first location, JJ Ventures had grown to 7 locations. Then in early 2018, Kensington Hill Capital was formally conceived through acquiring a larger stake giving them majority ownership in the venture. Today KHC is the 3rd Largest Jimmy John's Franchisee with the aspirations to becoming the largest Jimmy John's operator in 2019.

KHC has operations in 4 states (Georgia, Ohio, Florida & Alabama) which consist of 46 Jimmy John's under operation and an additional 13, which are contract expected to close in Q1 2019. Once complete, Kensington Hill Partners will have 59 locations, will take the title as Jimmy John's 2nd largest franchisee, and will be within striking distance of their goal to become the largest Jimmy John's operator in the world.

ABOUT JIMMY JOHN'S

Jimmy John's was founded by Jimmy John Liautaud in 1983, selling hotdogs out of a garage in Illinois and by 1987 had grown to 3 stores. Jimmy John credits his mentor, Jamie Coulter (who would later become the CEO of Lone Star Steakhouse & Saloon) for the guidance of how to effectively run multiple units which catapulted his growth prior to beginning franchising in 1994. By 2001 Jimmy John's had over 100 Units in operation, 500 Units by 2007 and 1,000 by 2010. In 2016, Jimmy John's was acquired by Roark Capital, a private equity firm with \$12 Billion raised since inception. Today, Jimmy John's has been recognized as one of the top 10 "Great Franchise Bets" by CNN Money and has almost 3,000 locations.

ABOUT ROARK CAPITAL

Roark Capital Group is an Atlanta-based private equity firm with approximately \$12 billion in equity capital raised since inception. Roark focuses on family-owned business transfers, management/corporate buyouts, recapitalizations, going-private transactions, and corporate divestitures. Roark focuses on consumer and business service companies, with a specialization in franchised and multi-unit business models in the restaurant, retail, consumer services, and business services sectors.

Since inception, affiliates of Roark have acquired 66 franchise/multi-unit brands which generate approximately \$37 billion in system revenues from 36,000 locations located in 50 states and 81 countries.

Roark Capital's portfolio of companies spans multiple industries including food and restaurants, specialty retail, health and wellness, retail healthcare, business services, and education. Their largest sector, food and restaurants, encompasses 25 investments in brands such as: Arby's, Buffalo Wild Wings, Sonic, Carl's Jr., Hardee's, Corner Bakery, Jamba Juice, Moe's, and more. Other notable brands outside the food sector include: Meineke, Take-5 Oil Change, MAACO, Drybar, Orange Theory Fitness, Massage Envy and more.

WWW.JIMMYJOHNS.COM

±2,800
TOTAL LOCATIONS



SURROUNDING TENANTS



AREA OVERVIEW



MARIETTA, GA



Distance to:
Hartsfield-Jackson Atlanta International Airport - 23.3 Miles



Distance to:
Downtown Atlanta - 14.4 Miles



Distance to:
Mercedes-Benz Stadium - 14.1 Miles



Distance to:
Georgia Aquarium - 13.5 Miles

MARIETTA, GA

Marietta lies in central Cobb County, Georgia and is the county's seat and largest city. With a population of 61,048 people, Marietta is considered one of Atlanta's largest suburbs. Because of its central location, this community can easily access Atlanta and other nearby large cities.

Over the last 50 years, Cobb County has transformed from an underdeveloped suburban area to a bustling residential hub. The region's industry has been boosted by tech giants such as IBM and Lockheed Martin and it is also the home to 15 schools who have received National Blue Ribbon School Awards and 33 schools that have been recognized as Georgia Schools of Excellence.

Marietta's overall charm mixed with a booming city lifestyle create the perfect atmosphere for the city's central focus: family.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Census	15,977	74,252	188,802
2019 Estimate	17,430	82,463	209,180
2024 Projection	18,316	86,613	219,845
Growth 2019-2024	5.08%	5.03%	5.10%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Census	7,409	34,240	81,160
2019 Estimate	8,127	38,479	90,997
2024 Projection	8,553	40,613	96,099
Growth 2019-2024	5.24%	5.55%	5.61%

INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$87,631	\$95,095	\$113,865

ATLANTA MSA

Atlanta is the capital of and the most populous city in the U.S. state of Georgia, the cultural and economic center of the Atlanta metropolitan area, and the ninth largest metropolitan area in the United States.

Atlanta is an “alpha-” or “world city”, exerting a significant impact upon commerce, finance, research, technology, education, media, art, and entertainment. It ranks 36th among world cities and 8th in the nation with a gross domestic product of \$270 billion. Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology.

Encompassing \$304 billion, the Atlanta metropolitan area is the eighth-largest economy in the country and 17th-largest in the world. Corporate operations comprise a large portion of Atlanta’s economy, with the city serving as the regional, national, or global headquarters for many corporations. Atlanta contains the country’s third largest concentration of Fortune 500 companies, and the city is the global headquarters of corporations such as The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, UPS, and Newell-Rubbermaid. Over 75 percent of Fortune 1000 companies conduct business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations.

Atlanta is home to professional franchises for three major team sports: the Atlanta Braves of Major League Baseball, the Atlanta Hawks of the National Basketball Association, and the Atlanta Falcons of the National Football League. Due to the more than 30 colleges and universities located in the city, Atlanta is considered a center for higher education.

ECONOMY

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Over 75 percent of Fortune 1000 companies conduct business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations. Many corporations are drawn to Atlanta on account of the city’s educated workforce; as of 2010, nearly 43% of adults in the city of Atlanta have college degrees, compared to 27% in the nation as a whole.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Jimmy John's** located in **1337 Powers Ferry Rd | Marietta, GA 30067** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

LISTED BY

BRADEN CROCKETT

VP & DIRECTOR

DIR (214) 692-2040

MOB (714) 345-6206

braden.crockett@matthews.com

LIC # 01946071 (CA)

DALTON BARNES

SENIOR ASSOCIATE

DIR (214) 692-2930

MOB (925) 234-1772

dalton.barnes@matthews.com

LIC # 01984625 (CA)

ANDREW IVANKOVICH

SENIOR ASSOCIATE

DIR (214) 692-2037

MOB (626) 807-3586

andrew.ivankovich@matthews.com

LIC # 678815 (TX)

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