



OFFERING MEMORANDUM

**JIMMY JOHN'S**

811 CHURCH ST NE | MARIETTA, GA 30060

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# EXECUTIVE OVERVIEW



JIMMY JOHN'S  
**811 Church St NE**  
MARIETTA, GA 30060



**2,064 SF**  
GLA



**2008**  
YEAR BUILT



**±15 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
- » High-quality brick construction building – built to withstand the test of time
- » Positioned along Church St – one of the major arterial roadways in Marietta which has +46,000 VPD passing by this location
- » At only 500 ft. away, this location is the closest fast-food to WellStar Kennestone Regional Medical Center – a 633-bed medical center that serves most of Northern and Central Cobb County:
  - » This large medical center provides an extremely stable base of employment for the surrounding area
  - »
- » Working class medical professional demographics – ideal for the long-term success of a Jimmy John's:
  - » ±\$82,000 Average HH Income in 1,3,5 mile radius
  - » 3 Mile 2018 Pop: 61,000
  - » 5 Mile 2018 Pop: 186,000

# FINANCIAL OVERVIEW

## Financial Analysis



JIMMY JOHN'S  
**811 Church St NE**  
MARIETTA, GA 30060



**\$1,586,087**

LIST PRICE



**5.75%**

CAP RATE



**\$91,200**

ANNUAL RENT

## LEASE SUMMARY

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

## ANNUALIZED OPERATING DATA

YEAR	MONTHLY RENT	ANNUAL RENT	RENT PSF	CAP
1	\$7,600	\$91,200	\$44.19	5.75%
2	\$7,695	\$92,340	\$44.74	5.82%
3	\$7,791	\$93,494	\$45.30	5.89%
4	\$7,889	\$94,663	\$45.86	5.97%
5	\$7,987	\$95,846	\$46.44	6.04%
6	\$8,087	\$97,044	\$47.02	6.12%
7	\$8,188	\$98,257	\$47.61	6.19%
8	\$8,290	\$99,486	\$48.20	6.27%
9	\$8,394	\$100,729	\$48.80	6.35%
10	\$8,499	\$101,988	\$49.41	6.43%
11	\$8,605	\$103,263	\$50.03	6.51%
12	\$8,713	\$104,554	\$50.66	6.59%
13	\$8,822	\$105,861	\$51.29	6.67%
14	\$8,932	\$107,184	\$51.93	6.76%
15	\$9,044	\$108,524	\$52.58	6.84%
16	\$9,157	\$109,880	\$53.24	6.93%
17	\$9,271	\$111,254	\$53.90	7.01%
18	\$9,387	\$112,645	\$54.58	7.10%
19	\$9,504	\$114,053	\$55.26	7.19%
20	\$9,623	\$115,478	\$55.95	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 AREA





# AREA OVERVIEW



## MARIETTA, GA



Distance to:  
Hartsfield-Jackson Atlanta International Airport - 27.7 Miles



Distance to:  
Downtown Atlanta - 19.8 Miles



Distance to:  
Mercedes-Benz Stadium - 19.5 Miles



Distance to:  
Georgia Aquarium - 18.9 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	4,836	54,262	160,118
2019 Estimate	5,204	60,542	176,293
2024 Projection	5,439	64,074	185,799
Growth 2019-2024	4.52%	5.83%	5.39%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Census	2,052	22,589	61,996
2019 Estimate	2,273	25,359	68,802
2024 Projection	2,403	26,891	72,734
Growth 2019-2024	5.72%	6.04%	5.71%

INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$96,218	\$91,521	\$92,932



## 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

Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology. Corporate operations comprise a large portion of Atlanta’s economy, with the city serving as the regional, national, or global headquarters for many corporations.

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 **811 Church St NE | Marietta, GA 30060** ("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.



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