

golden corral

675 SCHILLINGER RD. S.
MOBILE, AL



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

**OFFERING
MEMORANDUM**

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES







SECTION 1

EXECUTIVE OVERVIEW




INVESTMENT SUMMARY

» PROPERTY ADDRESS	675 Schillinger Rd. S. Mobile, AL 36695
» OFFERING PRICE	\$2,749,240
» CAP RATE	7.50%
» LOT SIZE	±10,136 SF
» TOTAL LAND AREA	±1.03 Acres
» YEAR BUILT/REMODEL	1999/2016

INVESTMENT HIGHLIGHTS

- »  Absolute Triple-Net (NNN) Lease: Tenant Recently Exercised Their 2nd Five (5) Year Option
- »  Operated and Guaranteed by Golden Corral Corporation – Corporate Guarantee
- »  Passive Investment – No Landlord Expense or Management Responsibility
- »  Reported Store Sales: Has consistently performed above the national average for Golden Corrals
- »  Extremely Healthy Rent-to-Sales Ratio of 5.52%
- »  Tenant Recently Put Over \$500,000 in Renovations, Showing A Strong Commitment to The Site

LOCATION HIGHLIGHTS

- »  Excellent Visibility and Exposure Located on a Hard-Signalized Corner Off Schillinger Rd., which Boasts More Than 27,000 VPD
- »  A+ Location: Out-parceled to a Walmart Super-Center, The Investment Location is a 10,136 SF Building on Over 1-acre of Land; This Adds a Tremendous Amount of Intrinsic Value to the Asset
- »  Notable tenants include Target, Home Depot, Kohl's, Office Max, AMC, Burke's Outlet, and a large array of the nation's strongest retail tenants

SECTION 2

FINANCIAL OVERVIEW

PARCEL MAP



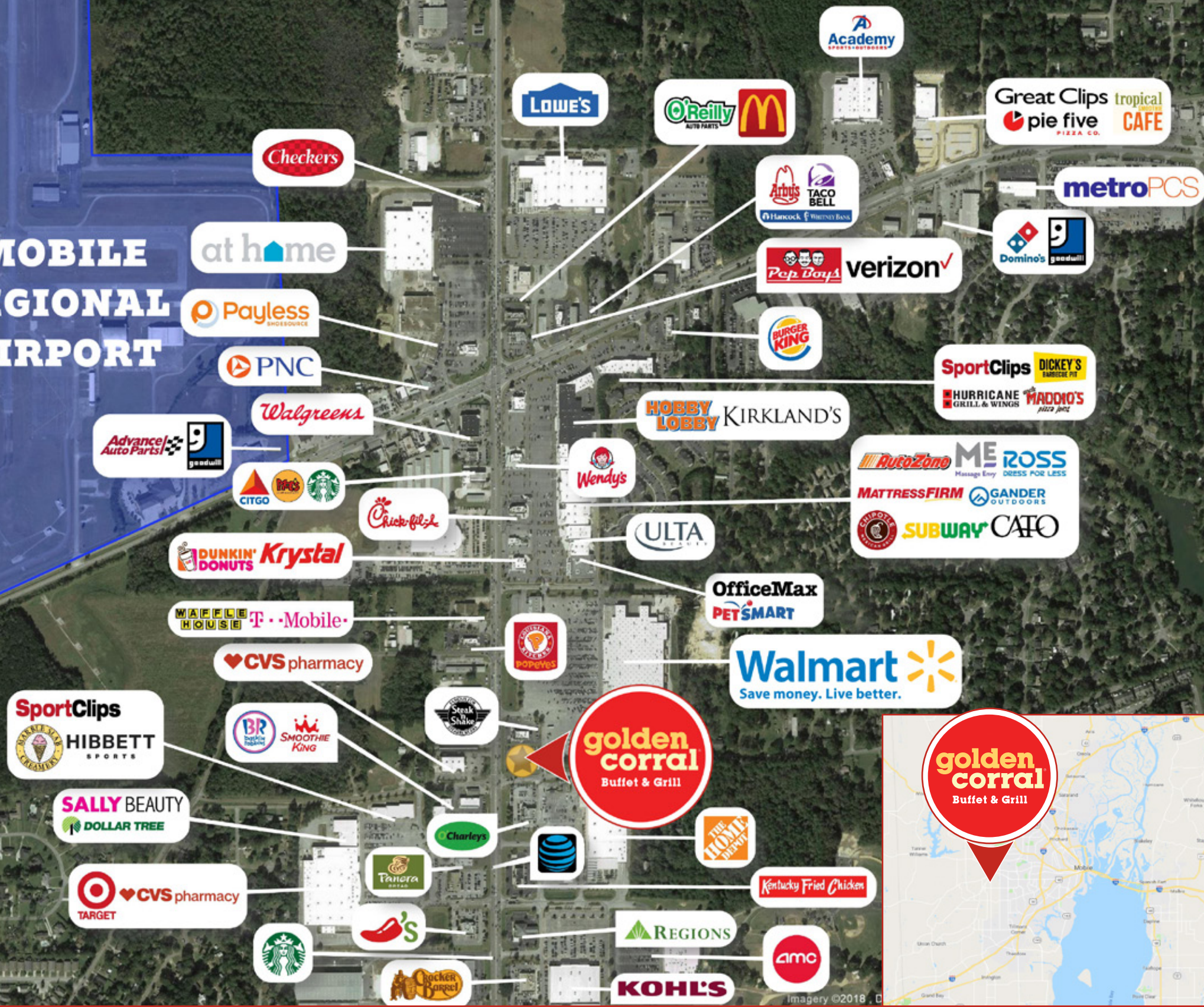
TENANT SUMMARY

Tenant Trade Name	Golden Corral
Type of Ownership	Fee Simple
Lease Guarantor	Golden Corral Corporation
Lease Type	NNN
Roof and Structure	Tenant Responsible
Original Lease Term	15 Years
Lease Commencement Date	1/11/99
Current Lease Expiration Date	1/31/24
Term Remaining on Lease	5+ Years
Increases	The Greater of (i) 5.00% of Gross Sales > \$3.05mm; or (ii) 115% of Annual Minimum Rent
Options	Four (4) Five-year Options

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Original Base Rent	Current Base Rent	True Annual Rent (5% of Sales > \$3.05M)	Rent/SF	Rent-to-Sales
2015	\$14,683	\$176,192.52	\$202,621.40	\$206,192.52	\$20.34	5.60%
2016	\$14,683	\$176,192.52	\$202,621.40	\$206,192.52	\$20.34	5.51%
2017	\$14,683	\$176,192.52	\$202,621.40	\$206,192.52	\$20.34	5.52%

MOBILE REGIONAL AIRPORT



SECTION 3 TENANT OVERVIEW



GOLDEN CORRAL



» **COMPANY NAME**
GOLDEN CORRAL



» **INDUSTRY**
RESTAURANT



» **HEADQUARTERED**
RALEIGH, NORTH CAROLINA



» **OWNERSHIP**
PRIVATE



» **YEAR FOUNDED**
1973




» **WEBSITE**
WWW.GOLDENCORRAL.COM

Golden Corral is an American family-style restaurant chain serving breakfast, lunch, and dinner, featuring a large all-you-can-eat buffet and grill offering numerous hot and cold dishes, a carving station, and their Brass Bell Bakery. It is a privately held company headquartered in Raleigh, North Carolina, with locations in forty-one states and throughout Puerto Rico.

Golden Corral's legendary endless buffet features an abundant variety of delicious all-time favorites and new menu offerings for breakfast, brunch, lunch, and dinner. Guests can choose from over 150 items including USDA, grilled to order sirloin steaks, pork, seafood, and shrimp alongside traditional favorites like pot roast, fried chicken, meatloaf, mashed potatoes, mac and cheese, Bourbon Street Chicken, fresh salads, famous yeast rolls, the ALL NEW Smokehouse and more.

AMERICA'S #1 BUFFET AND GRILL



SECTION 4 AREA OVERVIEW

MOBILE, ALABAMA

Mobile is the county seat of Mobile County, Alabama and is the principal municipality of the Mobile metropolitan area. This region of 412,992 residents is composed solely of Mobile County; it is the third-largest metropolitan statistical area in the state.

Alabama's only saltwater port, Mobile is located on the Mobile River at the head of the Mobile Bay and the north-central Gulf Coast. The Port of Mobile has always played a key role in the economic health of the city, beginning with the settlement as an important trading center between the French colonists and Native Americans, down to its current role as the 12th-largest port in the United States.

Considered one of the Gulf Coast's cultural centers, Mobile has several art museums, a symphony orchestra, professional opera, professional ballet company, and a large concentration of historic architecture. Mobile is known for having the oldest organized Carnival or Mardi Gras celebrations in the United States. Its French Catholic colonial settlers celebrated this festival from the first decade of the 18th century. Beginning in 1830, Mobile was host to the first formally organized Carnival mystic society to celebrate with a parade in the United States.

**“MOBILE IS RANKED ONE OF THE
NATION’S BEST PLACES TO LIVE AND
GROW A BUSINESS”**



DEMOGRAPHICS

POPULATION	1- MILE	3 - MILE	5 - MILE
2023 Projection	5,243	47,048	116,940
2018 Estimate	5,330	47,259	117,548
2010 Census	5,180	45,330	114,447
HOUSEHOLDS	1- MILE	3 - MILE	5 - MILE
2023 Projection	2,372	20,590	50,306
2018 Estimate	2,333	20,236	49,463
2010 Census	2,051	18,615	45,994
INCOME	1- MILE	3 - MILE	5 - MILE
2018 Est. Average Household Income	\$82,794	\$77,441	\$78,626

ECONOMIC DEVELOPMENT

Through expansion over the past decade, Mobile's economic development efforts have garnered \$1.7 billion in capital investment and created more than 17,400 jobs with an average annual salary of \$54,000. Mobile is ranked one of the nation's best places to live and grow a business. The low cost of doing business, diverse business base, availability of a professional and skilled workforce, intermodal transportation hub and quality lifestyle continue to attract people and business.

RECENT DEVELOPMENTS



- » Mobile Aeroplex at Brookley, an expanding aerospace industry hub, captured the global business spotlight when Airbus selected Mobile for its only assembly site in the western hemisphere. Construction is underway on this \$600 million project, and the first deliveries were expected in 2016. Industry companies including Airbus, Continental Motors, and VT MAE continue to expand local operations.



- » Austal USA is Mobile's largest manufacturing employer. The company now has more than 4,200 employees working on military contracts of up to \$5.1 billion. Austal will build up to 12 Littoral Combat Ships and 10 Joint High-Speed Vessels for the U.S. Navy.



- » The \$5.2 billion state-of-the-art stainless and carbon steel complex in north Mobile County was one of the largest private investments in U.S. history. The complex consists of AM/NS Calvert and Outokumpu Stainless. The development has spurred more than 300 local supplier jobs by companies doing business with the steel manufacturers.



MOBILE ECONOMY

Aerospace, steel, shipbuilding, retail, services, construction, medicine, and manufacturing are Mobile's major industries. After having economic decline for several decades, Mobile's economy began to rebound in the late 1980s. Between 1993 and 2003 roughly 13,983 new jobs were created as 87 new companies were founded and 399 existing companies were expanded.

Defunct companies that had been founded or based in Mobile included Alabama Drydock and Shipbuilding Company, Delchamps, and Gayfers. Current companies that were formerly based in the city include Checkers, Minolta-QMS, Morrison's, and the Waterman Steamship Corporation. In addition, AlwaysHD, Foosackly's, Integrity Media, and Volkert, Inc. are headquartered in Mobile.



PORT OF MOBILE

Mobile's Alabama State Docks underwent the largest expansion in its history in the early 21st century. It expanded its container processing and storage facility and increased container storage at the docks by over 1,000% at a cost of over \$300 million, a project completed in 2005. Despite the expansion of its container capabilities and the addition of two massive new cranes, the port went from 9th largest to the 12th largest by tonnage in the nation from 2008 to 2010.



SHIPYARDS

Shipbuilding began to make a major comeback in Mobile in 1999 with the founding of Austal USA. A subsidiary of the Australian company Austal, it expanded its production facility for the United States defense and commercial aluminum shipbuilding on Blakeley Island in 2005. Austal announced in October 2012, after winning a new defense contract and completing another 30,000 square feet building within their complex on the island, that it will expand from a workforce of 3,000 workers to 4,500 employees.

Atlantic Marine operated a major shipyard at the former Alabama Drydock and Shipbuilding Company site on Pinto Island. It was acquired by British defense conglomerate BAE Systems in May 2010 for \$352 million. Doing business as BAE Systems Southeast Shipyards, the company continues to operate the site as a full-service shipyard, employing approximately 600 workers with plans to expand.



MOBILE AEROPLEX AT BROOKLEY

The Mobile Aeroplex at Brookley is an industrial complex and airport located 3 miles south of the central business district of the city. With more than 70 companies, it is the largest industrial and transportation complex in the region; it is comprised of mostly aerospace businesses spread over 1,650 acres. Notable employers at Brookley include Airbus North America Engineering (Airbus Military North America's facilities are at the Mobile Regional Airport), ST Aerospace Mobile (a division of ST Engineering), and Continental Motors.

On October 16, 2017, Airbus announced a partnership with Bombardier Aerospace, taking over a majority share of the Bombardier CSeries airliner program. As a result of this partnership, Airbus plans to open an assembly line for CSeries aircraft in Mobile, particularly to serve the US market. This effort may allow the companies to circumvent high import tariffs on the CSeries family.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Golden Corral** located at **675 Schillinger Rd, Mobile, AL** (“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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