



Offering Memorandum

STEAK 'N SHAKE
4202 FAYETTEVILLE RD
GARNER (RALEIGH), NC 27603



Marcus & Millichap



DOWNTOWN
RALEIGH

US HWY 70
57,000 CPD



ZAXBY'S



FAYETTEVILLE RD
40,000 CPD



MATTRESSFIRM
Wendy's
MURPHY USA

Walmart
Supercenter
SALLY BEAUTY
GameStop
verizon

LIDL
FUTURE
LOCATION

BIG LOTS!
Cato
Bath & Body Works
Gabe's
The Athlete's Foot

DISCOUNT
TIRE
Firestone

Denny's

LENOXPLACE AT
GARNER STATION

STEAK 'N Shake
FAMOUS FOR
BURGER
STARBUCKS

ZAXBY'S

FAYETTEVILLE RD
40,000 CPD

STEAK 'N SHAKE

4202 Fayetteville Rd
Garner (Raleigh), NC 27603

FINANCIAL SUMMARY	
Price	\$2,508,000
Down Payment	100% \$2,508,000
Cap Rate	6.25%
Building SF	2,636 SF
Net Cash Flow	6.25% \$156,737.64
Year Built	1994/2018
Lot Size	0.96 Acres

LEASE SUMMARY	
Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	iFood Inc.
Guarantors	Chandru & Sangeeta C. Gurnani, a married couple Sashi K & Jasbir Rattan, a married couple iFood WV, Inc. a North Carolina corporation
Roof & Structure	Tenant Responsible
Lease Commencement Date	September 17, 2018
Lease Expiration Date	September 16, 2038
Lease Term	20 Years
Rental Increases	1.4% Annual Increases
Renewal Options	4, 5 Year Options



ANNUALIZED OPERATING DATA		
LEASE YEARS	ANNUAL RENT	CAP RATE
1	\$156,737.64	6.25%
2	\$158,931.97	6.34%
3	\$161,157.01	6.43%
4	\$163,413.21	6.52%
5	\$165,701.00	6.61%
6	\$168,020.81	6.70%
7	\$170,373.10	6.79%
8	\$172,758.33	6.89%
9	\$175,176.94	6.98%
10	\$177,629.42	7.08%
11	\$180,116.23	7.18%
12	\$182,637.86	7.28%
13	\$185,194.79	7.38%
14	\$187,787.52	7.49%
15	\$190,416.54	7.59%
16	\$193,082.37	7.70%
17	\$195,785.53	7.81%
18	\$198,526.52	7.92%
19	\$201,305.90	8.03%
20	\$204,124.18	8.14%
BASE RENT		\$156,737.64
Net Operating Income		\$156,737.64
Total Return		6.25% \$156,737.64



Steak 'n Shake was founded in February of 1934 in Normal, Illinois. Gus Belt, Steak 'n Shake's founder, pioneered the concept of premium burgers and milkshakes. For over 80 years, the company's name has been symbolic of its heritage. The word "steak" stood for Steakburger. The term "shake" stood for hand-dipped Milkshakes. Gus was determined to serve his customers the finest burgers and shakes in the business. To provide his point that his burgers were exceptionally prime, he would wheel in a barrel of steaks (including round, sirloin, and T-bones) and grind the meat into burgers right in front of the guests. Hence arose the famous slogan, "In Sight It Must Be Right."

Steak 'n Shake Operations, Inc. is a wholly owned subsidiary of Biglari Holdings Inc. By 2015, this San Antonio, Texas-based company helped Steak 'n Shake attain 24 consecutive quarters of same-store sales growth.

FRANCHISEE OVERVIEW

iFood, Inc. is led by Chandru Gurnani a 30-year veteran of the restaurant industry. During his career Mr. Gurnani has operated numerous multi-unit national franchises including Taco Bell, Jack In the Box, Burger King and Golden Corral. iFood, Inc. purchased the rights to the entire Raleigh market and acquired their first store located on Millbrook Road in 2011. Under Mr. Gurnani's leadership, iFood more than doubled the sales at the Millbrook store over the 6 plus years they have owned it. They added their 2nd store in 2014 and their 3rd store in 2017. iFood plans to continue their strategic and conservative growth throughout the Metro Raleigh area with the ultimate goal of operating up to 15 stores in the region.

www.steaknshake.com



RALEIGH, NORTH CAROLINA

INVESTMENT HIGHLIGHTS

- Brand New 20-Year Absolute Triple-Net (NNN) Lease
- 1.4% Annual Increases
- 2018 Renovation
- Raleigh MSA - 152,330+ Residents in Growing Garner Trade Area
- Opened for Business on September 17, 2018
- Close Proximity to Major Retailers - Walmart Supercenter, Target, Lowe's, Big Lots, Sear's, etc.
- Visible to 40,000+ Cars per Day Along Fayetteville Rd
- 10 Minutes from North Carolina State University (32,110+ Enrolled) and Downtown Raleigh
- Two Miles Off the Interstate 40 (114,000+ Cars per Day)
- More Than 243,550 Daytime Employees in Trade Area
- Near Garner High School (2,650 Enrolled)

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	2,908	51,868	163,386
2017 Estimate	2,732	48,292	152,330
Growth 2017 - 2022	6.44%	7.41%	7.26%
Households	1-Mile	3-Miles	5-Miles
2022 Projections	1,451	20,244	61,133
2017 Estimate	1,323	18,499	56,014
Growth 2017 - 2022	9.66%	9.43%	9.14%
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$57,621	\$57,710	\$62,746
2017 Est. Median Household Income	\$43,479	\$45,272	\$44,342
2017 Est. Per Capita Income	\$27,989	\$22,355	\$24,399

LOCATION OVERVIEW

Located in a region consistently ranked among America's best places to live, work, raise a family and earn a quality education, Garner is a suburban community that offers something for everyone. In addition to being known for its hometown character, historic downtown area, top-rated schools and quiet neighborhoods, Garner also offers an excellent climate for new, relocating or expanding businesses. The town was named an All-American City in 2013 because of innovative, citizen-led projects that improve the quality of life and expand educational and cultural opportunities for citizens of all ages.

Garner is a booming community for both businesses and commerce in the Triangle region. Known for its hometown charm and atmosphere, yet located near the heart of the world-renowned Research Triangle Park, Garner offers an excellent economic climate that's well-suited for new, relocating or expanding businesses.

Raleigh is the capital of North Carolina, and is the state's second-largest city, after Charlotte. Along with Durham and Chapel Hill, Raleigh is situated in the Research Triangle Park, the "Triangle", named for the three hub cities and their respective research universities (Duke University, NC State University, and the University of North Carolina at Chapel Hill). These schools have a notable economic impact on the area. Raleigh has been listed as #2 on Forbe's list of Best Places for Business and Careers, #8 in Education, and #20 in Job Growth.

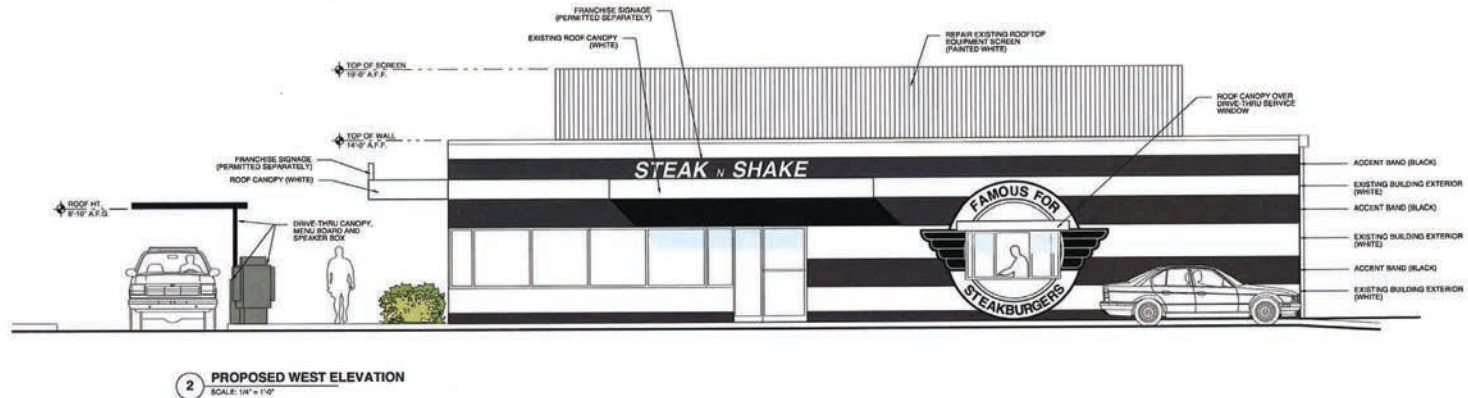
Along with being a top research hub, Raleigh has developed itself into a cultural hub as well. The city is home to a number of museums, including the Contemporary Art Museum of Raleigh, North Carolina Museum of History, North Carolina Sports Hall of Fame, and more. Additionally, Raleigh hosts thousands of events every year, is home to music festivals, has a popular collegiate and professional sports scene, and a host of accolade-worthy, homegrown culinary and cultural festivities.

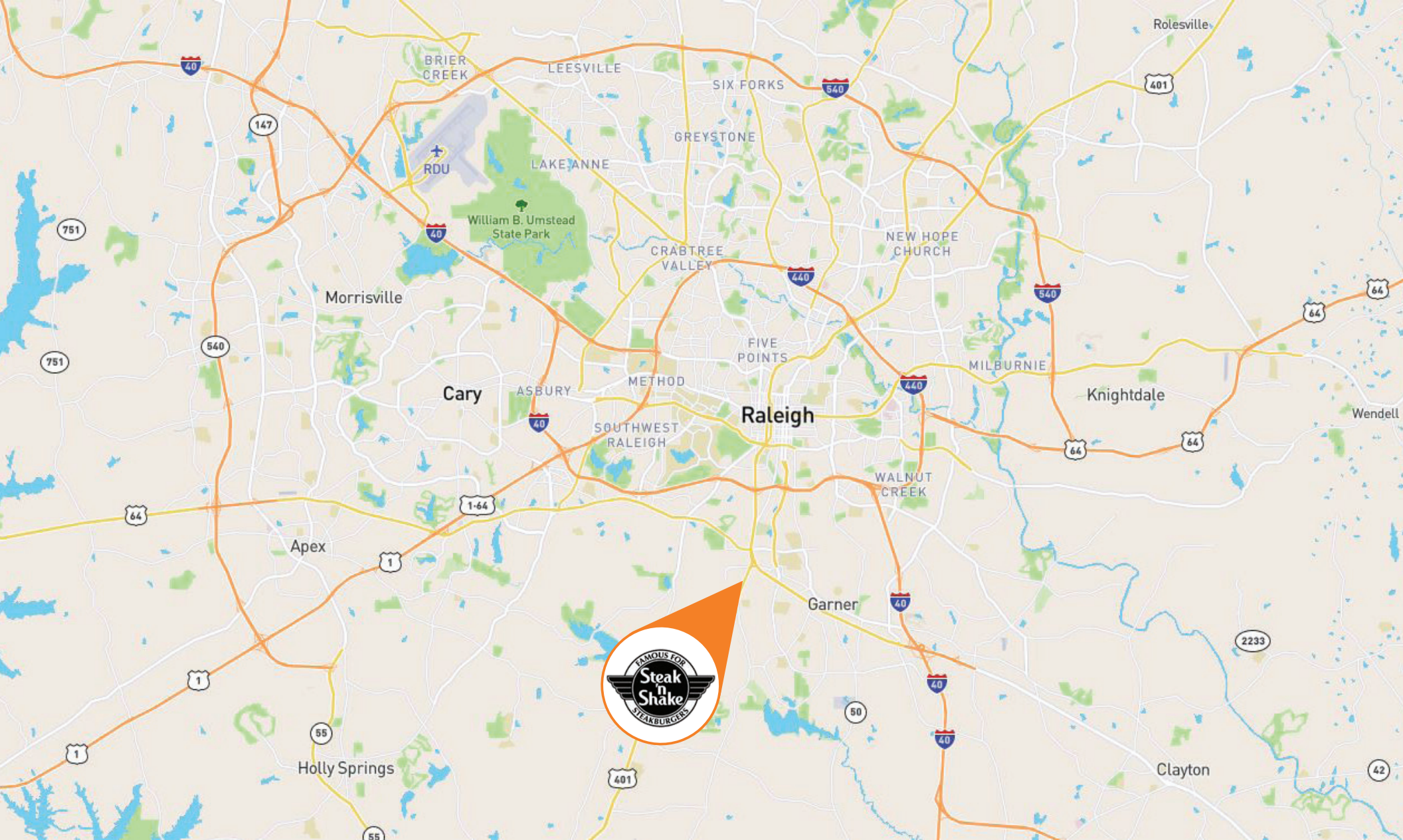
EXTERIOR PHOTOS



INTERIOR PHOTOS







4 MILES

Downtown
Raleigh

5 MILES

North Carolina
State University

19 MILES

Raleigh-Durham
International Airport

21 MILES

Research Triangle
Park

Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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.

Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

exclusively listed

Exclusively listed by:

Marcus & Millichap

OFFICES NATIONWIDE
www.marcusmillichap.com

JAMIE MEDRESS

Executive Managing Director
PHOENIX OFFICE

Tel: (602) 687-6778

Fax: (602) 687-6717

jmedress@marcusmillichap.com

MARK RUBLE

Senior Managing Director
PHOENIX OFFICE

Tel: (602) 687-6766

Fax: (602) 687-6710

mruble@marcusmillichap.com

CHRIS LIND

First Vice President
PHOENIX OFFICE

Tel: (602) 687-6780

Fax: (602) 687-6710

chris.lind@marcusmillichap.com

BENJAMIN YELM

Broker of Record
CHARLOTTE OFFICE
201 S. Tryon Street, Suite 1220
Charlotte, NC 28202
Tel: (704) 831-4600

License: 303785