

Krystal



ACTUAL SITE PHOTO

OFFERING MEMORANDUM Presented By:



KRYSTAL BURGER | ABSOLUTE NNN LEASE

1006 280 BYPASS PHENIX CITY, AL

KASE ABUSHARKH | FOUNDING PRINCIPAL
T: 925.348.1844 E: kase@thekasegroup.com TX LICENSE#708586

JACOB ABUSHARKH | MANAGING PRINCIPAL
T: 415.269.2474 E: jacob@thekasegroup.com BRE#01385529

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INVESTMENT OVERVIEW

The Kase Group is pleased to present an absolute nnn leased Krystal Burger in Phenix City, Alabama. There are 19 years remaining on the initial term. Krystals has 1.25% annual increases and eight 5 year options to renew. The asset is well positioned on a major commercial thoroughfare. There are several national retailers in the area including Advance Auto Parts, Big Lots, Family Dollar, and many others.

The lease is guaranteed by the Krystal Company, an 86-year-old hamburger chain with 356 units across 11 Southeastern states. Krystal is the Southeast's longest-standing quick service restaurant chain and the second oldest in the United States. This is a rare opportunity to own an excellent net lease deal with zero landlord obligations.

OFFERING SPECIFICATIONS

PRICE	\$3,240,908
CAP RATE	6.50%
NET OPERATING INCOME	\$210,659
SQUARE-FOOTAGE	2,139
LOT SIZE	0.59 AC
YEAR RENOVATED	2017
MARKET	COLUMBUS GA

DEAL POINTS

LONG TERM ABSOLUTE NNN LEASE

19 YEARS REMAINING ON INITIAL TERM

ZERO LANDLORD OBLIGATIONS

100% FEE SIMPLE INTEREST

ANNUAL INCREASES IN RENT

CORPORATE GUARANTEE FROM U.S.'S 2ND OLDEST QSR

LOCATED ON A MAJOR COMMERCIAL THOROUGHFARE

NEARBY SEVERAL NATIONAL RETAILERS



FINANCIAL SUMMARY

KRYSTAL | ABSOLUTE NNN LEASE

1006 280 BYPASS PHENIX CITY, AL

\$3,240,908

6.50% CAP

FEE SIMPLE OWNERSHIP

SUMMARY

TENANT NAME	KRYSTAL
BUILDING SIZE	2,139
LEASE START	9/21/2012
LEASE ENDS	6/30/2037
ANNUAL RENT	\$210,659
INCREASES	1.25% ANNUALLY
OPTIONS	EIGHT, 5 YEAR



TENANT OVERVIEW



360 +
LOCATIONS



\$280 M IN SALES
VOLUME



6,500+
EMPLOYEES

KRYSTAL

The lease is guaranteed by The Krystal Company, an 86-year-old hamburger chain with 356 units across 11 Southeastern states. Krystal is the Southeast's longest-standing quick service restaurant chain and the second oldest in the United States.

The Krystal Company is well known for the famous Krystal Burger, with its steamed-in onion flavor, which is always served hot and fresh. It is the oldest quick service restaurant chain in the South and the second oldest in the United States. The company was founded in 1932 in Chattanooga, TN amid the harsh financial times of the Great Depression by two men, Rody Davenport Jr. and J. Glenn Sherrill, with the mission of bringing those in the South the best burger possible. Krystal became an overnight southern icon, known not only for its signature product, but also for its hospitality and value.

Since its inception 86 years ago, Krystal's menu offerings have expanded to include a wide variety of menu items. Most notably, the company now offers breakfast scramblers, chicken sandwiches, milkshakes, and frozen slush drinks. In 2003, the company began offering free Wi-Fi to its patrons and by 2005 became the largest provider of free Wi-Fi for fast-food chains nationwide. The hamburger chain has grown to include a total of 356 company-operated and franchised locations across 11 Southeastern states.

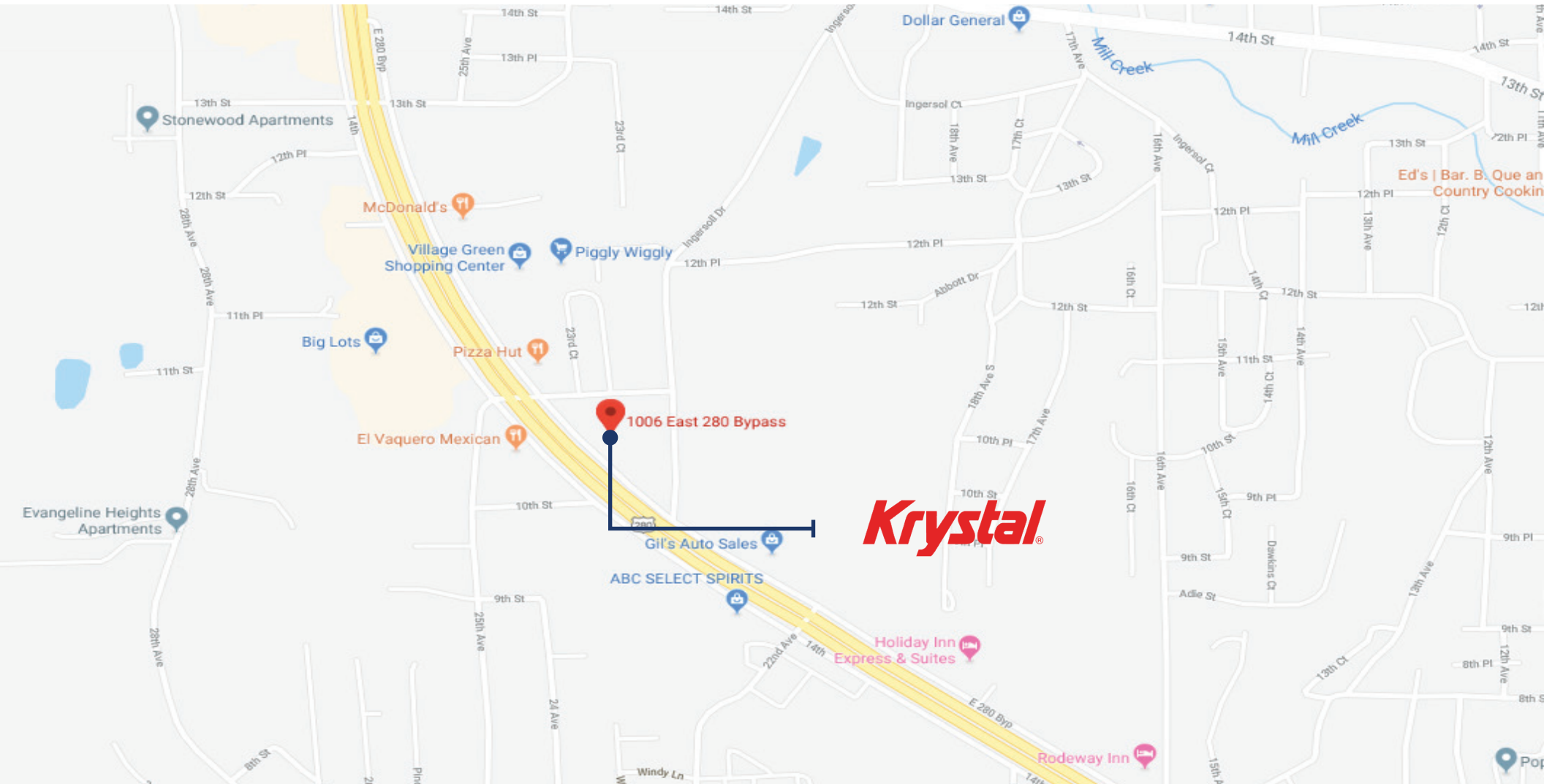
Krystal's system-wide sales finished 2017 in excess of \$280,000,000 and they continue to perform well within the quick service restaurant category. On March 22, 2012, Argonne Capital Group purchased The Krystal Company from a group of Tennessee-based investors and has since revitalized brand awareness, developed a new forward thinking prototype and appointed a new high powered management team to lead the company in its next phase of growth. Krystal has undertaken a portfolio wide asset redevelopment plan targeting +50 store replacements at approximately \$1.2M per unit. Completed units are setting new sales records.

LOCATION AERIAL



DEMOGRAPHICS

	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	58,718	124,733	272,631
NUMBER OF HOUSEHOLDS	24,545	50,981	105,047
AVERAGE HOUSEHOLD INCOME	\$43,509	\$48,535	\$58,408
MEDIAN AGE	35.90	36.50	36.10



AREA OVERVIEW

PHENIX CITY, AL

Phenix City is a city in Lee and Russell counties in the State of Alabama, and the county seat of Russell County. As of the 2010 census, the population of the city was 32,822. Phenix City lies immediately west across the Chattahoochee River from much larger Columbus, Georgia



DEMOGRAPHICS

3 MILES

5 MILES

10 MILES

TOTAL HOUSEHOLDS

24,545

50,981

105,047

TOTAL POPULATION

58,718

124,733

272,631

PERSONS PER HOUSEHOLD

2.30

2.40

2.50

AVERAGE HOUSEHOLD INCOME

\$43,509

\$48,535

\$58,408

AVERAGE HOUSE VALUE

\$111,233

\$121,831

\$143,579

AVERAGE AGE

35.90

36.50

36.10

WHITE

25,151

56,754

139,501

BLACK

31,289

62,276

117,432

AM. INDIAN & ALASKAN

287

619

1,501

ASIAN

450

1,639

5,951

HAWAIIAN & PACIFIC ISLAND

74

238

656

OTHER

1,467

3,207

7,590



PHENIX CITY | ALABAMA



WWW.THEKASEGROUP.COM

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