

# SHONEY'S



\*REPRESENTATIVE PHOTO



OFFERING  
MEMORANDUM

## SHONEY'S ABSOLUTE NNN LEASE

3313 PEMBERTON BOULEVARD VICKSBURG, MS

OFFERING MEMORANDUM  
**PRESENTED BY:**

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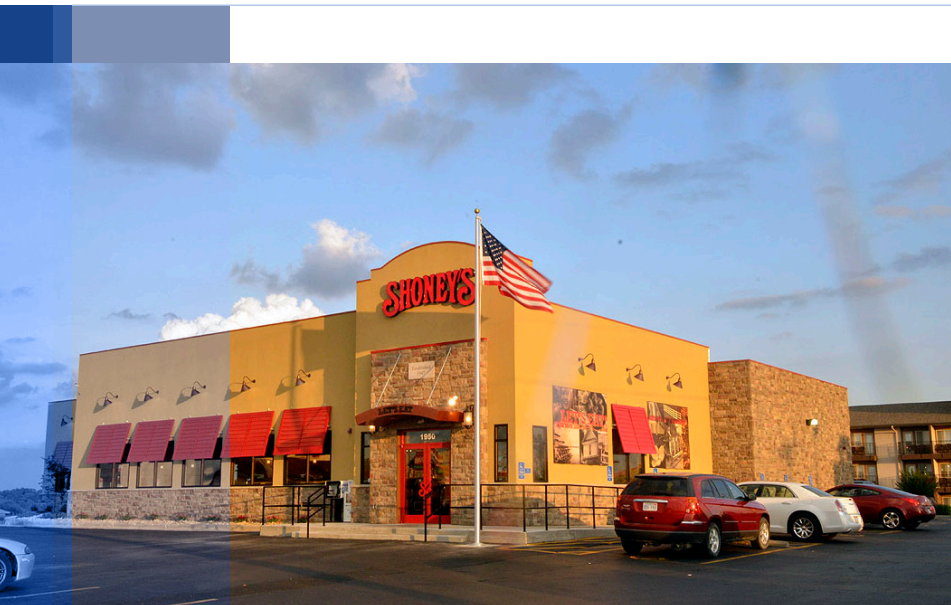
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# INVESTMENT OVERVIEW



This is the unique opportunity to purchase a long term absolute NNN leased Shoney's property. The lease is a 20 year term which commenced in 2007 and calls for 2% rental increases every 5 years (as of January 2017) and two 10 year renewal options beyond the initial term. The lease provides for zero landlord obligations. Shoney's USA, Inc. corporately guarantees the lease. The property benefits greatly from its location and position in the market. It sits on a major retail thoroughfare just off of Interstate 20 with many national and regional retailers in the surrounding area. It has numerous traffic generators in the immediate area including, Pemberton Square Mall, Home Depot, Kroger, Fairfield Inn & Promise Hospital. The Home Depot location is the only one within 36 miles and Promise Hospital of Vicksburg is the area's newest long-term acute care hospital established in 2003. Pemberton Square Mall is ¼-mile from Shoney's and is Vicksburg only regional enclosed major shopping center. Anchored by Dillard's, Belk, and J.C. Penney, Pemberton Square services a seven county trade area. Wilcox Theatre 4. The 2018 rent to sales ratio totaled 7.74%.

## INVESTMENT HIGHLIGHTS

**ABSOLUTE NNN CORPORATE GUARANTEE LEASE**

**10 YEARS REMAINING ON INITIAL TERM**

**LOCATED OFF OF A MAJOR INTERSTATE**

**ZERO LANDLORD OBLIGATIONS**

**ACROSS FROM REGIONAL MALL**

**HIGH TRAFFIC COUNTS OF APPROXIMATELY 46,000 VEHICLES PER DAY ALONG I-20**

## OFFERING SPECIFICATIONS

**PRICE** \$949,950

**CAP RATE** 7.67%

**NET OPERATING INCOME** \$72,828

**SQUARE FOOTAGE** 5,584

**LOT SIZE** 1.12 AC

**2018 RENT TO SALES** 7.74%



# FINANCIAL SUMMARY

## SHONEY’S • ABSOLUTE NNN LEASE OFFERING

3313 PEMBERTON BOULEVARD VICKSBURG, MS

\$949,950 • 7.67%

### SUMMARY

TENANT NAME	SHONEY’S
SQUARE FOOTAGE	5,584
LEASE BEGINS	1/22/2007
LEASE ENDS	1/31/2027
ANNUAL RENT	\$72,828
OPTIONS	TWO, 10 YEAR
INCREASES	2% EVERY 5 YEARS
RENT TO SALES	8.3%

### OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
2017	\$72,828	7.67%
2022	\$74,285	7.82%
OPTION 1	\$75,770	7.98%
OPTION 2	\$77,286	8.14%

# LEASE ABSTRACT

## BASIC TERMS

TENANT	SHONEY’S
GUARANTOR	SHONEY’S
BUILDING SIZE	5,584 SF
LOT SIZE	1.12 AC
ADDRESS	3313 Pemberton Boulevard Vicksburg, MS
LEASE START	1/22/2007
LEASE END	1/31/2027
RENEWAL OPTIONS	Two, 10-Year
INCREASES	2% Every 5 Years

## OBLIGATIONS

LANDLORD OBLIGATIONS	NO LANDLORD OBLIGATIONS
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## RENT SCHEDULE

PERIOD (YEARS)	MONTHLY RENT	ANNUAL RENT	RENT/SF
CURRENT	\$6,069.00	\$72,828.00	\$13.04
2022	\$6,190.38	\$74,284.56	\$13.30
OPTION 1	\$6,314.19	\$75,770.25	\$13.57
OPTION 2	\$6,440.47	\$77,285.66	\$13.84

# TENANT OVERVIEW

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**PRIVATELY** HELD



**230+** LOCATIONS

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## SHONEY'S

Shoney's is a privately held restaurant chain that operates primarily in the Southeast, Midwest and Mid-Atlantic states of the United States and is headquartered in Nashville, Tennessee. It is named after Alex Schoenbaum, who was the owner of the original chain of Big Boy restaurants in the southeastern United States in the 1950s. The corporate entity is Shoney's North America Corp., and David Davoudpour is chairman and chief executive officer. Davoudpour acquired Shoney's in 2006 through Royal Hospitality Corp. in Atlanta. He is founder and chairman of Royal Hospitality. As of early 2011, there were approximately 230 company-owned and franchised Shoney's restaurants in 17 states, stretching from Maryland to Florida in the east and from Missouri to Texas in the west.

As part of his revitalization efforts, Davoudpour has established an aggressive quality improvement process that includes a new menu, new restaurant prototypes and rebuilds, and a new Executive and Operations team focused on adding unique twists to the Southern comfort food menu for which Shoney's is known.

In January 2014, Shoney's opened its first mall location, in Sugarloaf Mills, Lawrenceville, Georgia. It also includes a full bar, a first for Shoney's.

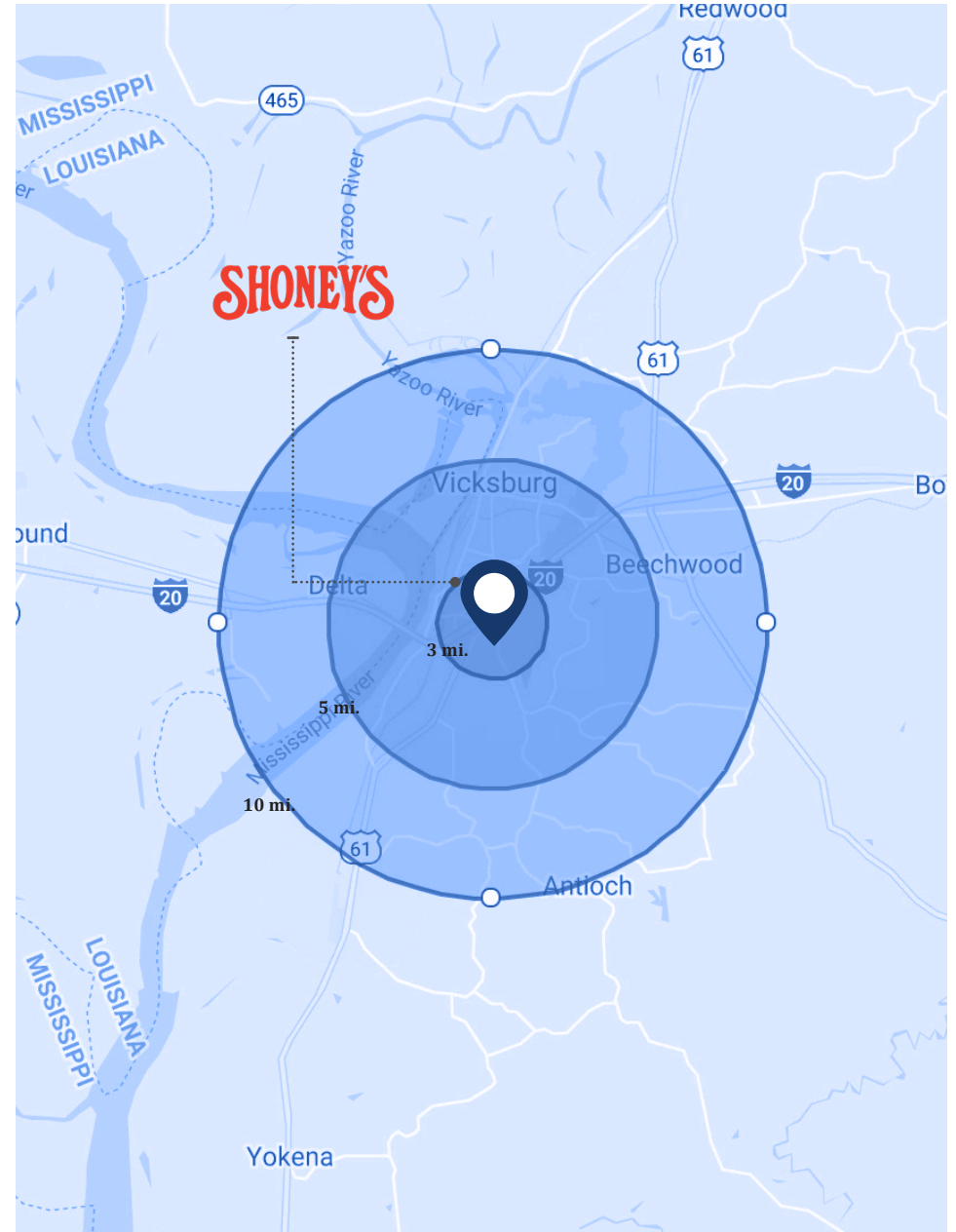


# LOCATION AERIAL





# REGIONAL OVERVIEW



# DEMOGRAPHICS



	0.5 MILE	1 MILE	1.5 MILES
TOTAL POPULATION	505	2,293	5,569
TOTAL HOUSEHOLDS	214	973	2,384
AVERAGE HOUSEHOLD INCOME	\$52,684	\$51,546	\$50,292
AVERAGE AGE	38.9	38.8	39.3

# AREA OVERVIEW

DEMOGRAPHICS	0.5 MILE	1 MILE	1.5 MILES
TOTAL POPULATION	505	2,293	5,569
TOTAL HOUSEHOLDS	214	973	2,384
PERSONS PER HOUSEHOLD	2.4	2.4	2.3
AVERAGE HOUSE VALUE	\$125,527	\$124,687	\$124,413
AVERAGE HOUSEHOLD INCOME	\$52,684	\$51,546	\$50,292
AVERAGE AGE	38.9	38.8	39.3
POPULATION WHITE	218	976	2,305
POPULATION BLACK	274	1,248	3,111
POPULATION AM. INDIAN & ALASKAN	5	34	87
POPULATION ASIAN	7	33	77
POPULATION HAWAIIAN & PACIFIC ISLAND	0	0	0
POPULATION OTHER	0	2	6

## VICKSBURG, MISSISSIPPI

Shoney’s is located just off of an I-20 exit in Vicksburg, Mississippi. Vicksburg is located 234 miles northwest of New Orleans on the Mississippi and Yazoo rivers, and 40 miles due west of Jackson, the state capital. In 2010, it became a Micropolitan Statistical Area with a population of 49,644. Vicksburg is the principal city of the Vicksburg Micropolitan Statistical Area, which includes all of Warren County.



# SHONEY'S

VICKSBURG, MISSISSIPPI



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