

ZAXBY'S



Brooksville, Florida
(Tampa MSA)

Brand New Construction
With New, 20-Year, NNN
Lease



4, 5-Year Renewal Options
with 8% Rent Increases Every
5 Years

Franchisee is a Multi-Unit
Zaxby's Operator for Almost
20 Years



Part of the Tampa-St.
Petersburg Metro With 3.1
Million Residents

Offering Memorandum

Brand New
Construction;
Opened
February
2020



Marcus & Millichap

Representative Photo

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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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.



Overview

837 South Broad Street, Brooksville, FL 34601

Price:	\$3,299,000
Cap Rate:	5.60%
Rentable Square Feet:	2,931
Annual Rent:	\$184,897
Land Area:	0.73 Acres
Year Built:	2020

Lease Summary

Tenant:	Zaxby's
Website:	www.Zaxbys.com
Lease Guarantor:	Franchisee; Swamp Dawg, LLC
Lease Type:	NNN
Lease Term:	20 Years
Option Periods:	4, 5-Year Options
Rent Increases:	8% Every 5 Years
Roof & Structure:	Tenant
Commencement:	2/6/2020
Lease Expiration:	2/29/2040

Representative Photo



Base Term	Monthly	Annual	Cap Rate
Lease Years 1–5:	\$15,408	\$184,897	5.60%
Lease Years 6–10:	\$16,641	\$199,688	6.05%
Lease Years 11–15:	\$17,972	\$215,664	6.54%
Lease Years 16–20:	\$19,410	\$232,917	7.06%

Option Periods	Monthly	Annual	Cap Rate
Option 1, Years 20–25:	\$20,963	\$251,550	7.63%
Option 2, Years 26–30:	\$22,640	\$271,674	8.24%
Option 3, Years 31–35:	\$24,451	\$293,408	8.89%
Option 4, Years 36–40:	\$26,407	\$316,881	9.61%



20-Year, NNN Lease with 8% Increases

- Brand New Construction; Opened February 2020
- 20-Year, Triple Net (NNN) with Four, Five-Year Renewal Options
- Eight Percent Rent Increases Every Five Years Throughout Base Term and Option Periods
- Franchisee is a Multi-Unit Zaxby's Operator with Almost 20-Years Experience in the Zaxby's System

Strong Demographics and Traffic Counts

- Part of the Tampa-St. Petersburg Metro Area Which Contains Roughly 3.1 Million Residents
- Located off Broad Street with a Daily Traffic Count of More Than 24,000 Vehicles
- Within Close Proximity to Cortez Boulevard/State Road 50, One of the Major Roadways in the Area
- Cortez Boulevard has a Daily Traffic Count of 25,000 Vehicles

Surrounding Area | Busy Retail Corridor

- Surrounding National Retailers Include Walmart Supercenter, Lowe's, Publix, Winn Dixie, Bealls, Big Lots, Save-a-Lot, Advance Auto Parts, AutoZone, 7-Eleven, Walgreens, CVS, Applebee's, McDonald's, Burger King, Wendy's, Pizza Hut, Popeyes, Dunkin Donuts and Many More
- 11 East of Weeki Wachee Springs, an Enchanted Spring that is One of Florida's Most Unique Family Destinations
- 51 Miles North of Tampa
- 74 Miles West of Orlando

Zaxby's is a franchised chain of fast casual restaurants offering chicken wings, chicken fingers, sandwiches and salads. The company operates primarily in the Southeastern U.S. with more than 900 locations in 17 states and is headquartered in Athens, Georgia. Zaxby's has been ranked in the top 25 in the QSR segment, with total sales of \$1.3 billion.

The first Zaxby's was established in Statesboro, Georgia near the Georgia Southern University campus, by childhood friends Zach McLeroy and Tony Townley. The company operates as a casual dining restaurant, offering prepared-at-order chicken fingers, chicken wings, sandwiches, salads, and appetizers. Dipping Sauces are offered with chicken finger orders, and range from mild, to the moderate "Zax Sauce," to the intensely hot "Nuclear" and "Insane." Dining rooms at Zaxby's restaurants are decorated with assorted whimsical objects and signs, which often vary in theme by location and region. Some locations in college towns feature objects and decorations related to the local university.



About Swamp Dawg, LLC

Swamp Dawg, LLC was started in 2010 as a restaurant operations company. As of today, they own and operate six Zaxby's locations, three of which are in Ocala, one in Orlando, one in New Port Richey and one in Spring Hill, Florida. The company currently has several locations under development in Pasco and Hernando counties. In total, they employ over 200 people with gross sales just over \$10 million in 2018.

The sole owner of Swamp Dawg, LLC is Brad Harper. He became a franchisee with Zaxby's in 2000. Brad's primary focus is growing Swamp Dawg, LLC in Pasco and Hernando counties. Before becoming a franchisee with Zaxby's, Brad worked at McLane Foodservice for eight years servicing and working with the Taco Bell franchise. He also proudly served his country in the Air Force for four years.



AERIAL

Advance
Auto Parts

O'Reilly
AUTO PARTS



24,500
Daily

SUNOCO

7-ELEVEN

ZAXBY'S



POPEYES

McDonald's



TACO BELL



KFC

DUNKIN' DONUTS

BR baskin robbins

Wawa
CVS
pharmacy
Burger King

BIG LOTS! **Save a lot**
HARBOR FREIGHT
Applebee's
Aaron's
Walgreens

PAPA JOHN'S
verizon wireless

Walmart

LOWE'S

Habitat for Humanity
DOLLAR TREE
Domino's Pizza
SALLY BEAUTY

Winn-Dixie
BEALLS
AutoZone
T-Mobile
Hungry Howies

Huddle House
Wendy's

TIRES PLUS
TOTAL CAR CARE

DOLLAR GENERAL

Checkers
BURGERS • FRIES • COLAS

Broad Street
Cortez Blvd / State Road 50



29,000
Daily

LOCAL & REGIONAL MAPS



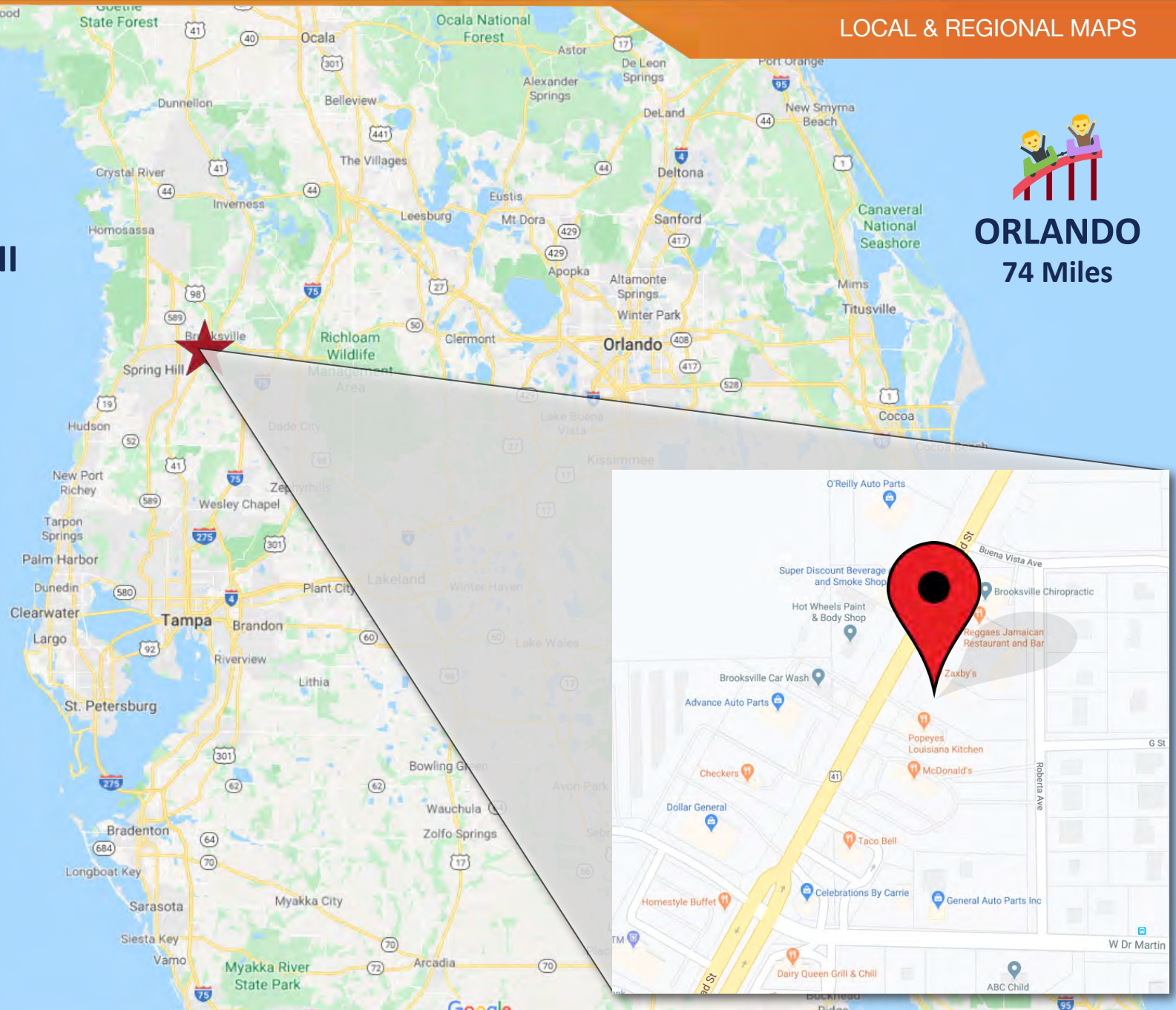
**WEEKI WAUCHI
SPRINGS**
11 Miles



TAMPA
51 Miles



ORLANDO
74 Miles



TAMPA-ST. PETERSBURG

OVERVIEW

Tampa Bay refers both to a larger metropolitan area and to the bay that extends inland from the Gulf of Mexico. The Tampa-St. Petersburg metro contains roughly 3.1 million residents and spans four counties along the west coast of central Florida: Hillsborough, Pasco, Hernando and Pinellas. Tampa, the county seat of Hillsborough County, is the most populous city with more than 372,400 people and is situated northeast of the bay. St. Petersburg follows with nearly 256,000 residents and is located on the peninsula near the mouth of the bay. Robust job growth is attracting new people to the metro, many of whom are living in higher-density redevelopment projects near city cores and large suburban master-planned communities.

METRO HIGHLIGHTS



FAVORABLE BUSINESS CLIMATE

A low cost of living and economic development bring a thriving business landscape to the Tampa Bay-St. Petersburg metro.



PORT ACTIVITY

One of the largest seaports in the Southeast, the Port of Tampa services passenger cruise ships and commercial freighters. The Port of St. Petersburg is also in the metro.



DIVERSE ECONOMY

High-tech industries as well as the tourism, military, finance and seaborne commerce segments drive the region's economy.

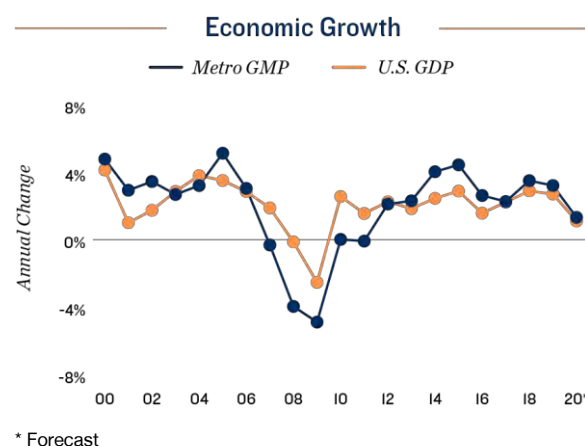


ECONOMY

- Local ports contribute to a major presence in the shipping, distribution and logistics industry. The CSX Intermodal facility in nearby Polk County provides quick access to markets throughout the nation.
- Bioscience and other high-tech industries are expanding. Local Fortune 500 companies include WellCare Health Plans, Tech Data, Raymond James Financial and Jabil Circuit.
- Tourism also plays a significant role in the local economy. Visitors can go to Busch Gardens, the Dali Museum and the region's many beaches, among other sites.

MAJOR AREA EMPLOYERS

BayCare Health Care Systems
Publix Supermarkets, Inc.
HCA West Florida
Tampa International Airport
Verizon Communications, Inc.
MacDill Air Force Base
University of South Florida
JPMorgan Chase
Citibank
TECO Energy Inc.



SHARE OF 2019 TOTAL EMPLOYMENT

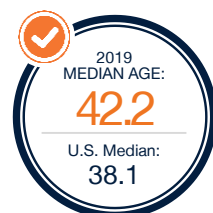




DEMOGRAPHICS

- The local population will expand to approximately 3.2 million residents through 2024. During this time the number of households will increase by 64,200.
- Homeownership of 57 percent is on par with the national rate; the median home price, at \$252,000, is below the national median.
- Roughly 28 percent of residents hold bachelor's degrees, with 10 percent having also attained a graduate or professional degree.

2019 Population by Age



QUALITY OF LIFE

The metro boasts a mild climate and a beautiful waterfront that attract many residents and visitors. It has professional football, hockey and baseball teams. The area has hundreds of golf courses and abundant water-related activities, with Tampa Bay and the Gulf Coast nearby. There are more than 11,000 acres of parkland and 100 trail acres within a 60-mile radius. Numerous state parks, historical sites, museums, theaters and retail centers also dot the landscape. The world-famous Busch Gardens theme park also draws visitors. Educational advancement is available at numerous institutions of higher learning located in the Tampa Bay area. The University of South Florida in Tampa is one of the largest universities in the state.



SPORTS



EDUCATION



ARTS & ENTERTAINMENT



DEMOGRAPHICS

POPULATION	3 MILE	5 MILES	10 MILES
2010 Population	12,754	21,994	102,914
2019 Population	13,544	23,404	112,366
2024 Population	13,714	23,762	116,213
2019 Male Population	6,326	11,228	54,359
2019 Female Population	7,217	12,176	58,007
2019 Median Age	48.3	48.6	46.5

RACE & ETHNICITY	3 MILE	5 MILES	10 MILES
American Indian, Eskimo	0.4%	0.4%	0.4%
Asian	0.8%	0.7%	1.5%
Black	17.1%	11.4%	6.8%
Hawaiian/Pacific Islander	0.1%	0.1%	0.1%
White	77.8%	83.8%	86.3%
Other	1.5%	1.5%	2.3%
Multi-Race	2.3%	2.1%	2.7%
Hispanic Ethnicity	7.8%	7.8%	13.3%
Not of Hispanic Ethnicity	92.2%	92.2%	86.7%

HOUSEHOLDS	3 MILE	5 MILES	10 MILES
2010 Households	5,681	9,373	40,987
2019 Households	6,060	10,017	44,872
2024 Households	6,187	10,243	46,670

HOUSEHOLD INCOME	3 MILE	5 MILES	10 MILES
2010 Avg Household Income	\$46,286	\$53,163	\$55,892
2019 Avg Household Income	\$49,705	\$57,947	\$61,345
2024 Avg Household Income	\$56,417	\$64,899	\$67,997
2010 Med. Household Income	\$33,415	\$38,259	\$42,280
2019 Med. Household Income	\$36,561	\$42,652	\$48,675
2024 Med. Household Income	\$41,021	\$47,791	\$54,451
2010 Per Capita Income	\$21,170	\$22,983	\$22,497
2019 Per Capita Income	\$22,764	\$25,109	\$24,716
2024 Per Capita Income	\$25,970	\$28,280	\$27,518

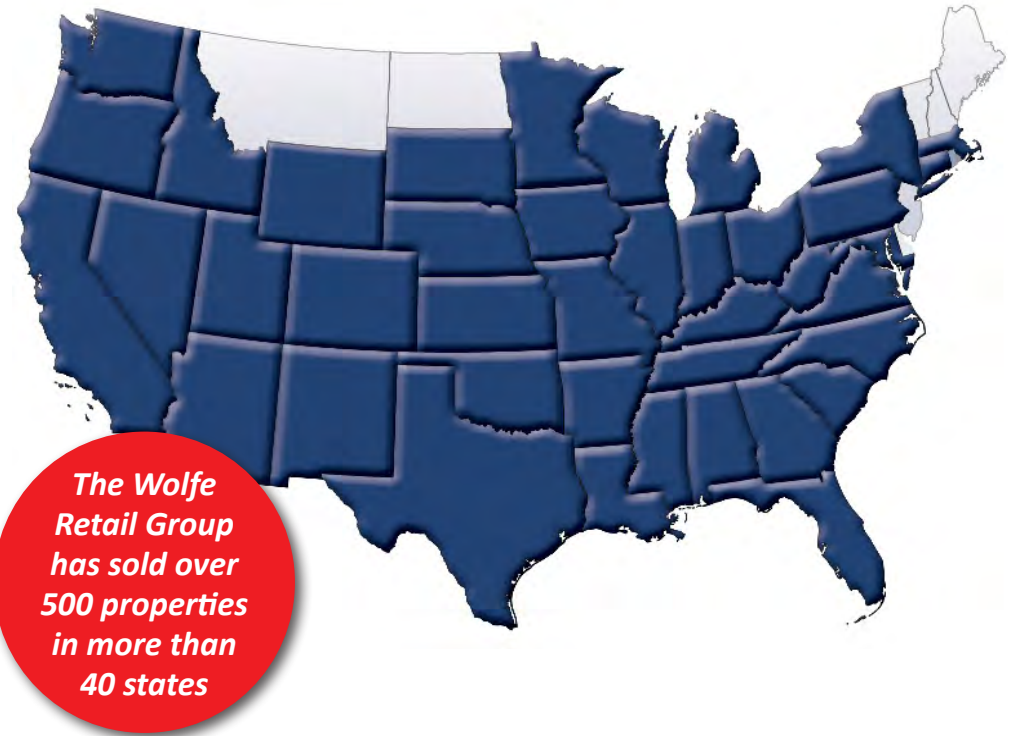


Marcus & Millichap

The Wolfe Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling over 500 separate commercial properties with a market value exceeding \$1.45 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe Retail Group or to view all of our available listings, visit www.WolfeRetailGroup.com



About Marcus & Millichap

With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.

Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.

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