



PALOMAR
Real Estate Group

Steak 'n Shake

4329 Belair Frontage Road
Augusta, GA 30909

Legal Conditions

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for the limited use in considering whether to pursue negotiations to acquire Steak 'n Shake (the "Property") located in Augusta, GA and is not intended to be an offer for the sale of the Property.

This confidential memorandum, which contains brief, selected information pertaining to the business and affairs of the Property, has been prepared by The Palomar Group. This confidential memorandum does not purport to be all-inclusive or to contain all the information which a prospective purchaser may desire. Neither Seller nor The Palomar Group nor any of their officers, employees or agents make any representation of warranty, expressed or implied, as to the accuracy or completeness of this confidential memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto.

By receipt of this confidential memorandum, it is agreed that the memorandum and its contents are confidential, that they will be held and treated in the strictest of confidence, that the Recipient will not, directly or indirectly, disclose or permit anyone else to disclose this memorandum or its contents to any other person, firm or entity without prior written authorization of the Seller, and that the Recipient will not use or permit to be used this memorandum or its contents in any fashion or manner detrimental to the interest of the Seller. Photocopying or other duplication is strictly prohibited.

THE SELLER EXPRESSEDLY RESERVES THE RIGHT AT ITS SOLE DISCRETION TO REJECT ANY OR ALL PROPOSALS OR EXPRESSIONS OF INTEREST IN THE PROPERTY AND TO TERMINATE DISCUSSIONS WITH ANY PARTY AT ANYTIME WITH OR WITHOUT NOTICE.

If the Recipient does not wish to pursue negotiations leading to this acquisition, or if in the future the Recipient discontinues such negotiations, Recipient agrees to return this confidential memorandum to The Palomar Group.

THIS CONFIDENTIAL MEMORANDUM SHALL NOT BE DEEMED A REPRESENTATION OF THE STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THIS MEMORANDUM.

THE PALOMAR GROUP (BROKER) MAKES THE DISCLOSURE THAT ITS ROLE IS EXCLUSIVELY REPRESENTING THE SELLER, NOT THE BUYER AND AS SUCH, BROKERS MUST WORK TO OBTAIN FOR SELLER THE BEST PRICE AND TERMS AVAILABLE. NEITHER SELLING BROKER OR SELLER ARE RESPONSIBLE FOR ANY COMPENSATION TO ANY OTHER PARTY IN CONNECTION WITH THE SALE OF THE PROPERTY.

THIS PROPERTY IS BEING SOLD AS AN "AS IS, WHERE IS" SALE.

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The Palomar Group is a full-service commercial Investment Sales firm. The Investment Sales Team specializes in well positioned anchored or unanchored retail properties throughout the country. Their proven track record on both the acquisition and disposition sides are a direct result of their understanding of the marketplace, appropriate asset valuation based off current market conditions, and the alignment of assets to the most suitable and qualified Buyer/ Seller. The Team has worked on over 7 million square feet of retail, office and multifamily, having a hand in over \$700 million in transactions across 12 states.



NOI
\$185,600



Cap Rate
6.25%



Asking Price
\$2,970,000



Square Footage
3,512 SF



Tenant
Steak 'n Shake



Rent Escalations
10% increases ever 5 years incl. Opts.
3/1/2022 - \$204,160.00/yr. — 6.87% cap
3/1/2027 - \$224,576.00/yr. — 7.56% cap
3/1/2032 - \$247,033.60/yr. — 8.32% cap



Year Built
2012



Lease Expiration
2/28/2037
20 Year Term

THE OPPORTUNITY



Address

4329 Belair Frontage Road
Augusta, GA 30909



Parcel Number

074 094 – Columbia County
1.914 acres



Square Feet

3,512 SF



Lease Type

NNN



Year Built

2012



NOI

\$185,600



Asking Price

\$2,970,000
6.25% Cap Rate



Rent Commencement/ Expiration

Commencement: 2/10/2017
Expiration: 2/28/2037

Lease Summary – Escalations & Options

Date	Annual	CAP
3/1/2022 – 2/28/2027	\$204,160.00	6.87%
3/1/2027 – 2/28/2031	\$224,576.00	7.56%
3/1/2032 – 2/28/2037	\$247,033.60	8.32%

Options

3/1/2037 – 2/28/2042	\$271,736.96	9.14%
3/1/2042 – 2/28/2047	\$298,910.66	10.64%
3/1/2047 – 2/28/2052	\$328,801.72	11.07%

THE ASSET

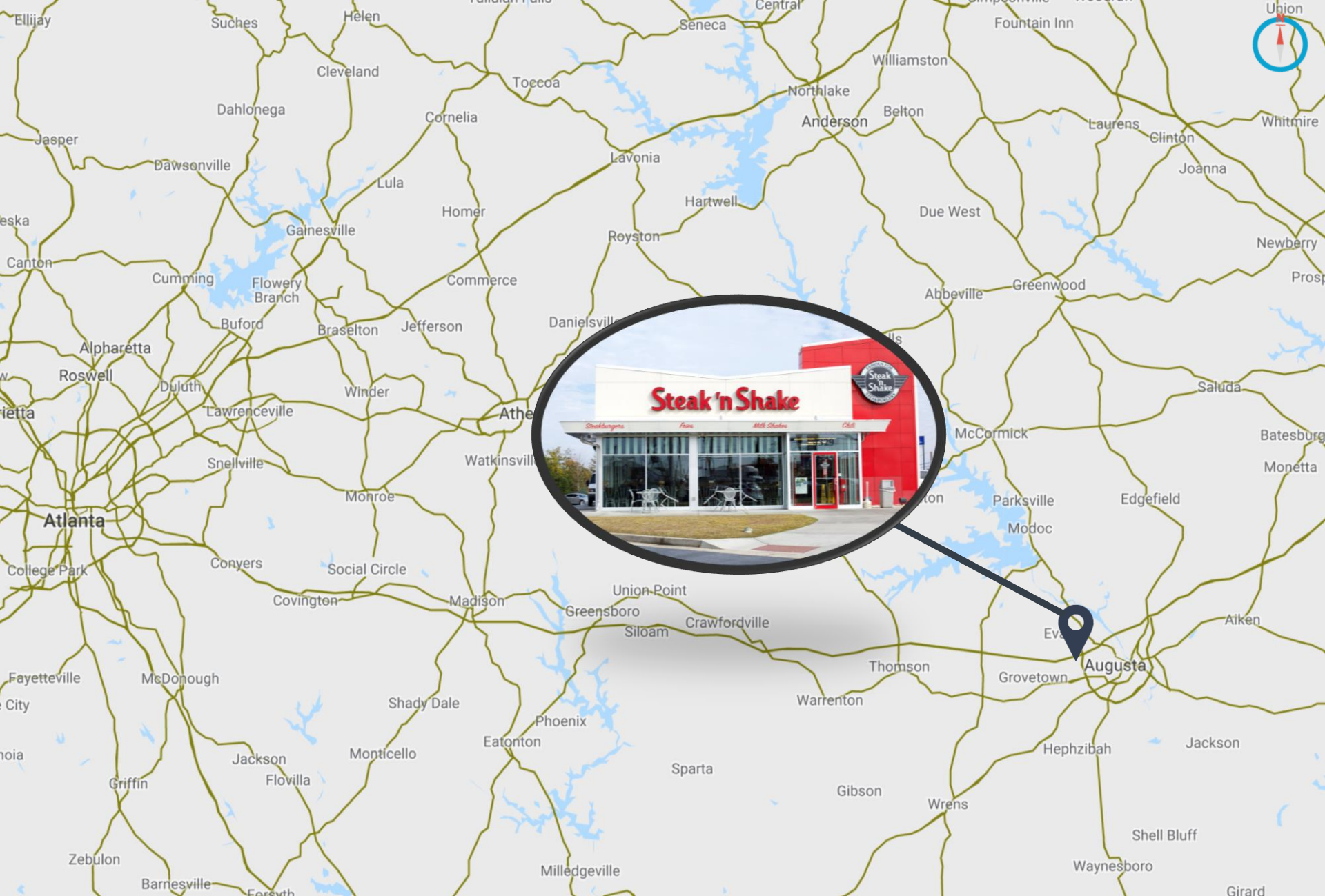
- Approximately **18 years of lease term remaining**
- **Absolute NNN Lease** | Zero Landlord Responsibilities
- Strong demographics and growth associated with **Cyber Command at Ft Gordon Army Base**
- 20-year base term with **10% rental bumps every 5 years**
- **Multi-unit operator**
- One of **top performing** Steak 'n Shakes in Georgia

PROPERTY FUNDAMENTALS

- Fast Food vacancies within the market are **nearly non-existent**
- Large tract of land at **nearly 2 acres**
- **Signalized corner** just off I-20 (over 76,000 cars per day)
- **Dynamic daytime traffic generators** between I-20, Fort Gordon, Doctors Hospital, ADP, T-Mobile, and **Augusta's primary professional submarket**
- Recently installed **Tesla charging stations** in parking lot

LOCATION

- **Location offers** strong local trade, high traffic and visibility as well as excellent ingress and egress
- **Huffington Post reports** Augusta, Georgia, is one of the hottest, cutting edge high tech centers in the country today, growing by leaps and bounds and poised to become a major center for cyber security.
- **Only Steak 'n Shake location in the market**
- **Interstate Location**
- Located on Jimmy Dyess Pkwy, **the primary corridor** accessing the main gate at Ft Gordon











AUGUSTA



AUGUSTA GEORGIA

Augusta is Georgia's second-largest city, and it's the second-oldest city in the state. With over half a million residents, the Augusta area has a variety of amenities, including a vibrant arts community and many fine restaurants. And unlike other growing cities in the Southeast, the area has fewer of the traffic snarls that plague so many metropolitan areas. In addition to the low cost of living and affordable housing, Augusta offers its residents a beautiful historic city with a diverse culture, active arts community and mild climate. The Augusta area is known for its balmy climate, with an annual average temperature of 64 degrees. Some studies suggest its location between the Atlantic and Gulf coasts contributes to generally mild winters. Those warm winters turned the region into a seasonal resort in the late 1800s and early 1900s and gave Augusta much of its early reputation for hospitality and warmth.

When it comes to events in Augusta, there's the Masters Tournament and then there's everything else. This isn't to say there isn't any other event that draws out-of-towners to the area, but golf's premiere event is such a big deal, even schools let out for that one week in April. The Masters Tournament is held on the beautiful grounds of Augusta National Golf Club. Another major event in Augusta is the largest Half-Ironman competition in the U.S.

Augusta is the center of shopping for the entire MSA, with a variety of downtown shops and suburban shopping centers and malls. A resurgence in downtown Augusta is occurring monthly, solidifying this area as the region's town center.

Health care continues to be one of the strongest employment sectors in Augusta, recognized as a regional health care provider. The area also is building a reputation as a leading medical research center.

From its pair of airports to multiple taxicab companies and a citywide public transit system, the Garden City's transportation offerings reflect a diverse set of services.

Georgia Cyber Innovation & Training Center:

Governor Nathan Deal recently signed a bill (pictured right) investing \$50M for a world class cyber range and training facility in Augusta to be developed in conjunction with Augusta University. The 150,000sf facility will be located at Augusta University's Riverfront Campus. "We have a chance for Georgia, and specifically, Augusta, to become the cyber capital of the United States, if not, the world" Augusta University President Brooks Keel said. The facility will combine academia, private industry and government to establish statewide cybersecurity standards. Construction of the facility will begin in the spring of 2017 and will take 18 months to complete.

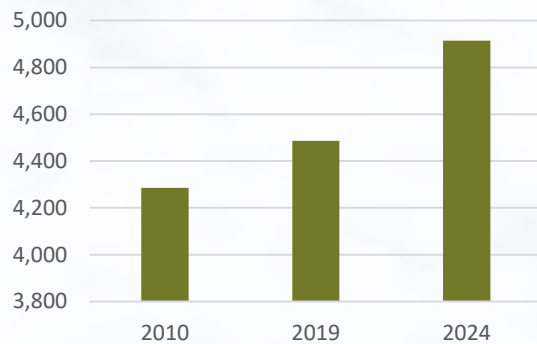
US Army Cyber Command Locating at Augusta's Fort Gordon:

On November 29, 2016 ground was broken on an \$85M facility at Fort Gordon that will house the headquarters of the US Army's Cyber Command. The facility, to be completed in 2019, will operate with over 1,200 soldiers and civilians. Fort Gordon is already home to the US Army's Cyber Center of Excellence, which trains soldiers and civilians in cyber warfare.

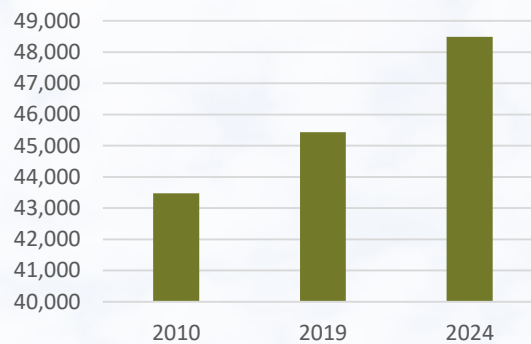
NSA at Fort Gordon:

Already operational at Fort Gordon is the Gordon Regional Security Operations Center (pictured right). The 604,000sf facility, that cost \$286M to build, operates with over 4,000 soldiers and civilians. Additional expansion is expected on the 160 acre campus in the heart of Fort Gordon.

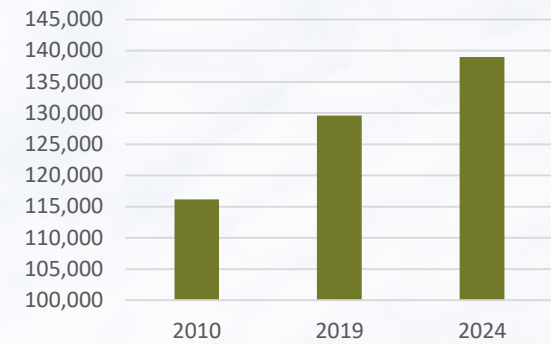
1 Mile Population



3 Mile Population



5 Mile Population



Population:	1 Mile	3 Mile	5 Mile
2024 Projection	4,914	48,487	138,990
2019 Estimate	4,487	45,436	129,599
2010 Census	4,285	43,471	116,170
Growth 2019-2024	9.52%	6.71%	7.25%
Growth 2010-2019	4.71%	4.52%	11.56%

2019 Household Income	1 Mile	3 Mile	5 Mile
2019 Avg Household Income	\$71,475	\$70,917	\$75,975
2019 Med Household Income	\$57,222	\$62,703	\$62,296



Households:	1 Mile	3 Mile	5 Mile
2024 Projection	1,823	18,470	50,930
2019 Estimate	1,678	17,426	47,714
2010 Census	1,625	16,864	43,504
Growth 2019 - 2024	8.64%	5.99%	6.74%
Growth 2010 - 2019	3.26%	3.33%	9.68%



2019 Households by Household Income:	1 Mile	3 mile	5 Mile
<\$25,000	375	2,552	7,927
\$25,000 - \$50,000	412	4,462	11,538
\$50,000 - \$75,000	282	3,766	9,471
\$75,000 - \$100,000	208	2,866	7,193
\$100,000 - \$125,000	194	1,991	4,911
\$125,000 - \$150,000	111	1,009	2,750
\$150,000 - \$200,000	33	466	2,202

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