



BOJANGLES

3813 NORTH BROADWAY AVENUE
KNOXVILLE, TENNESSEE 37917

OFFERING MEMORANDUM

Represented By:

JESSICA ZAHN GIBSON

jess@ciadvisor.com

COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

4514 Cole Avenue, Suite 300 | Dallas, Texas 75205
972.630.6000 – Office | www.ciadvisor.com

In Association with Tennessee Designated Broker:
Brian Brockman | Bang Realty-Tennessee Inc | TN License # 343847

CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

BOJANGLES
KNOXVILLE, TENNESSEE

BOJANGLES

LOCATION	3813 North Broadway Avenue Knoxville, Tennessee 37917
MAJOR CROSS STREETS	On N Broadway Ave, South of I-640
TENANT	BOJ of WNC, LLC
PURCHASE PRICE	\$2,831,000
CAP RATE	6.25%
ANNUAL RENT	\$176,960*
GROSS LEASEABLE AREA	3,821 SF**
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	2015**
LOT SIZE	±1.19 Acres
LEASE EXPIRATION	September 30, 2035
OPTIONS	Four 5-Year Renewal Options

* Current Rent is \$165,383 until September 30, 2020. Seller to credit Purchaser shortfall (if any) in rent at the Close of Escrow.

** According to Knox County Assessor

POINTS OF INTEREST

RETAIL | SHOPPING | ENTERTAINMENT: Nearby retailers include Kroger, Big Lots, Save-A-Lot, Food City, Dollar General, Dollar Tree, Office Depot, Party City, Harbor Freight Tools, Goodwill, Aaron's, Walgreens, CVS, Advance Auto Parts, O'Reilly Auto Parts; Knoxville has national retailers such as Walmart Supercenter, Target, Costco Wholesale, Kohl's, Burlington, Lowe's Home Improvement, Home Depot, Floor & Decor, Academy Sports + Outdoors, Hobby Lobby, Publix Supermarkets, At Home, Ashley HomStore, Best Buy, Bed Bath & Beyond, Marshalls, PetSmart, AMC Theatres

HIGHER EDUCATION: Less than 5 miles from **University of Tennessee** (a public research university offering 900+ programs of study & over 890 undergraduate & graduate programs of study with total enrollment of 29,460)

HEALTH CARE: 6.5 miles from **University of Tennessee Medical Center** (a 685-bed, non-for-profit academic medical center, the region's only Level I Trauma Center, and is one of the largest employers in Knoxville)

INVESTMENT HIGHLIGHTS

LEASE:

15 Years Remaining on Initial 20-Year Absolute NNN Lease with 7% Rental Escalations Every 5 Years

TENANT:

BOJ of WNC, LLC Owns & Operates 50 Locations in North Carolina, South Carolina, Tennessee, Georgia & Kentucky

LARGE PARCEL | TRAFFIC COUNTS:

- Positioned on a Large ±1.19-Acre Lot with Great Drive-By Visibility on N Broadway Ave (aka U.S. Route 441) where Traffic Counts Exceed 41,160 CPD!
- 5% Sales Growth In 2019

2019 DEMOGRAPHICS (5-MI):

Total Population: 153,233 | Average Household Income: \$48,831



FINANCIAL ANALYSIS

BOJANGLES
KNOXVILLE, TENNESSEE

SUMMARY

TENANT	BOJ of WNC, LLC
PURCHASE PRICE	\$2,831,000
CAP RATE	6.25%
GROSS LEASEABLE AREA	3,821 SF
YEAR BUILT	2015
LOT SIZE	±1.19 Acres
EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.

PROPOSED FINANCING SUMMARY

All Cash or Buyer to obtain new financing at Close of Escrow.

Loan to Value (75%)	\$2,123,250
Down Payment (25%)	\$707,750
Term	10-Year Term - 4.25% Rate No Prepayment Penalty
Amortization	25 Years

For more information, contact **Vonezell Pittman**
of **Pittman Financial** at **(704) 877-9288**.

RENT ROLL

TENANT INFO		LEASE TERMS		RENT SUMMARY	
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
BOJ of WNC, LLC	3,821	Years 1-5: 09/28/15 to 09/30/20		\$165,383	
		Years 6-10: 10/01/20 to 09/30/25	Current	\$176,960*	6.25%
		Years 11-15: 10/01/25 to 09/30/30	7%	\$189,347	6.69%
		Years 16-20: 10/01/30 to 09/30/35	7%	\$202,602	7.16%
					6.70% AVG ANNUAL RETURN
RENEWAL OPTIONS		1st Option: 10/01/35 to 09/30/40	7%	\$216,784	
		2nd Option: 10/01/40 to 09/30/45	7%	\$231,958	
		3rd Option: 10/01/45 to 09/30/50	7%	\$248,196	
		4th Option: 10/01/50 to 09/30/55	7%	\$265,569	

* Current Rent is \$165,383 until September 30, 2020. Seller to credit Purchaser shortfall (if any) in rent at the Close of Escrow.

TENANT OVERVIEW

BOJANGLES
KNOXVILLE, TENNESSEE



Bojangles'® has more than 325 company owned and operated restaurants and over 750 franchise locations in 11 states. Bojangles' Inc. is a highly differentiated & growing restaurant operator & franchisor dedicated to serving customers high-quality, craveable food made from its Southern recipes, including breakfast served All Day, Every Day. The company was founded in 1977 in Charlotte, North Carolina by Jack Fulk & Richard Thomas, Bojangles' serves menu items such as made-from-scratch biscuit breakfast sandwiches, delicious hand-breaded bone-in chicken, flavorful fixin's (sides) & Legendary Iced Tea®.



In 2019, Bojangles' was acquired by the Jordan Company and Durational Capital Management. In 1982, The Jordan Company was founded as a middle market private investment partnership focused on leverage buyouts and recapitalizations. The Jordan Company partners with profitable companies to realize significant opportunities for long-term growth.

You can find out more about the Tenant by visiting their website: <http://www.bojangles.com/>



FACING NORTHEAST



BOJANGLES | KNOXVILLE, TENNESSEE

JESSICA ZAHN GIBSON
jess@ciadvisor.com

COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE CO. | 4514 COLE AVENUE | SUITE 300 | DALLAS, TEXAS 75205 | WWW.CIADVISOR.COM
The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

FACING SOUTH



BOJANGLES | KNOXVILLE, TENNESSEE

AERIAL



BOJANGLES | KNOXVILLE, TENNESSEE

JESSICA ZAHN GIBSON
jess@ciadvisor.com

COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE CO. | 4514 COLE AVENUE | SUITE 300 | DALLAS, TEXAS 75205 | WWW.CIADVISOR.COM
The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

AERIAL ZOOMED OUT



BOJANGLES | KNOXVILLE, TENNESSEE

AERIAL CITY VIEW



BOJANGLES | KNOXVILLE, TENNESSEE

LOCATION OVERVIEW

BOJANGLES
KNOXVILLE, TENNESSEE



Knoxville is a city in and the county seat of Knox County, Tennessee. The city has a total area of 104.2 square miles. Knoxville is situated in the Great Appalachian Valley, about halfway between the Great Smoky Mountains to the east and the Cumberland Plateau to the west. The Tennessee River, which slices through the downtown area, is formed in southeastern Knoxville at the confluence of the Holston River, which flows southwest from Virginia, and the French Broad River, which flows west from North Carolina.

The Tennessee Valley Authority, the nation's largest public power provider, is a federally owned corporation headquartered in Knoxville and employs over 12,000 region-wide. The largest company based in Knoxville is movie theater chain **Regal Cinemas**. The second largest company with operations in Knoxville is **Discovery, Inc.**, followed by the health care-staffing firm **TeamHealth**. The largest privately held company based in Knoxville is **Pilot Flying J**, the nation's largest truck stop chain and sixth largest private company.

The **University of Tennessee** is a public research university in Knoxville. Founded in 1794, two years before Tennessee became the 16th state, it is the flagship campus of the University of Tennessee system, with ten undergraduate colleges and eleven graduate colleges. It hosts almost 29,460 students from all 50 states and more than 100 foreign countries. In its 2020 universities ranking, U.S. News & World Report ranked UT 104th among all national universities and 44th among public institutions of higher learning.

The **University of Tennessee Medical Center** is an academic medical center located in Knoxville and serves as a referral center for Eastern Tennessee and regions in Kentucky and North Carolina. The University of Tennessee Graduate School of Medicine oversees residency and medical student education at UPMC. In addition to being a Level I Trauma Center, UPMC is recognized as a center for primary stroke, biomedical imaging, adult & children transplantation, pediatric dialysis, and kidney failure. The hospital operates 581 beds.

2019 DEMOGRAPHICS

	1-MI	3-MI	5-MI
TOTAL POPULATION	9,090	68,016	153,233
POPULATION GROWTH 2010-2019	6.14%	2.07%	3.72%
DAYTIME POPULATION	7,382	59,179	131,331
HOUSEHOLD GROWTH 2010-2019	4.58%	1.56%	3.19%
AVERAGE HOUSEHOLD INCOME	\$42,842	\$42,878	\$48,831

CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. This Marketing Brochure has been prepared to provide summary, unverified 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. Commercial Investment Advisors, Inc. | CIA Brokerage Company 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, PCB's or asbestos, the compliance with 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. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations 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, Purchaser 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 Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By accepting this Marketing Brochure you agree to release Commercial Investment Advisors, Inc. | CIA Brokerage Company hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of any property.

FOR MORE INFORMATION:

JESSICA ZAHN GIBSON

Owner
C +1 602 770 7145
jess@ciadvisor.com

BRIAN BROCKMAN

Tennessee Designated Broker
TN License # 343847

