



STEAK 'N SHAKE
CARROLLTON, GA

INVESTMENT OFFERING



NATIONAL SINGLE-TENANT
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STEAK 'N SHAKE
CARROLLTON, GA

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STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as Steak 'n Shake, City of Carrollton, County of Carroll, State of Georgia. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property, and it is not to be used for any other purpose or made available to any other person without the express written consent of Seller or FLI. The material is based in part upon information

supplied by the Seller and in part upon financial information obtained by FLI from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

No representation or warranty, expressed or implied, is made by the Seller, FLI, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building at the Property site.

A prospective purchaser's sole and exclusive rights with respect to this

prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or FLI or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.



PROPERTY OVERVIEW



PRICING:
\$1,875,000

NOI:
\$112,500

CAP RATE
6.00%

Faris Lee Investments is pleased to present a rare opportunity to acquire the fee simple interest (land and building) in a Steak 'n Shake with drive-thru that serves the city of Carrollton, Georgia. Steak 'n Shake, with more than 600 locations across the country, will execute a brand new, absolute NNN, 20-year lease upon sale of the property.

The quick-serve restaurant is located in the heart of the trade area and is surrounded by national retailers, namely Walmart, Lowe's, Home Depot, TJ Maxx, Ross, Hobby Lobby, Target, Aldi, Kroger, and Publix. The area has nearly 75,000 permanent residents with average household incomes around \$70,000 within a 10 mile radius.

The property boasts a great location in the trade area, near the busy intersection of Highway 27 and Highway 166 (53,376 total VPD). It's also less than 3 miles from University of West Georgia (13,733 students and 1,200 employees), Carrollton High School, and Central High School.

SPECIFICATIONS:

GLA: 3,006 SF
Land Area: 1.47 Acres

TENANT:



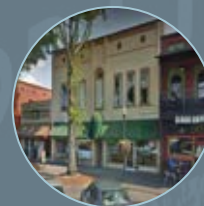
LOCATION:

1460 S. Highway 27
Carrollton, GA 30117



SALE LEASEBACK OPPORTUNITY

Brand new 20-year lease to be signed at close of escrow



SITUATED IN THE HEART OF CARROLLTON

Within blocks of dozens of national retailers and easy access to and from Highways 27 and 166



ABSOLUTE NNN LEASE

No landlord responsibilities make this an ideal purchase for an investor



GUARANTY OF LEASE

Multi-unit operator



STRONG NATIONAL TENANT

Steak 'n Shake is recognized across the country and has over 600 locations total



FIXED INCREASES THROUGHOUT TERM

Healthy 7.5% rent increases every five years, including options

PROPERTY SPECIFICATIONS

1460 S. Highway 27, Carrollton, GA 30117



Land Area

1.47 Acres (64,033 SF)



Rentable Area

3,006 SF



Ownership

Fee Simple (Land & Building)



Access

There are two (2) total access points: one (1) along Highway 27, and one (1) along Sue Alice Lane.



Parking

There are approximately 70 dedicated parking stalls on the owned parcel. The parking ratio is approximately 23.29 parking stalls per 1,000 SF of leasable area.



Traffic Counts (REGis 2019)

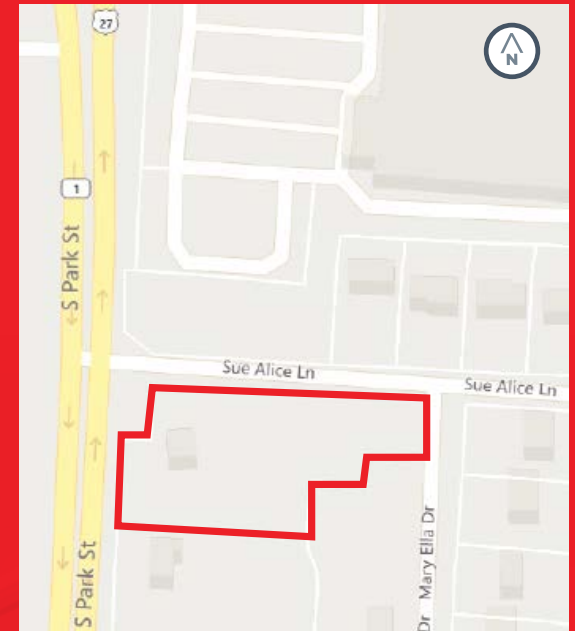
Highway 27: 26,596 VPD
Highway 166: 26,780 VPD



Year Built

2013

Parcel Map






PARCEL NO. C06-010-0059 01



AREA OVERVIEW

IN THE HEART OF THE RETAIL CORRIDOR



DEMOGRAPHICS (REGIS 2019)			
			
	Population	Average HHI	Employees
3 Miles	26,055	\$63,915	21,455
5 Miles	44,065	\$67,703	27,460
10 Miles	74,794	\$69,192	31,330

DISTANCE FROM SUBJECT:



3 Miles

University of West Georgia



49 Miles

Atlanta, GA



112 Miles

Birmingham, AL



130 Miles

Montgomery, AL



61%

Of Carroll County employees also live within the county



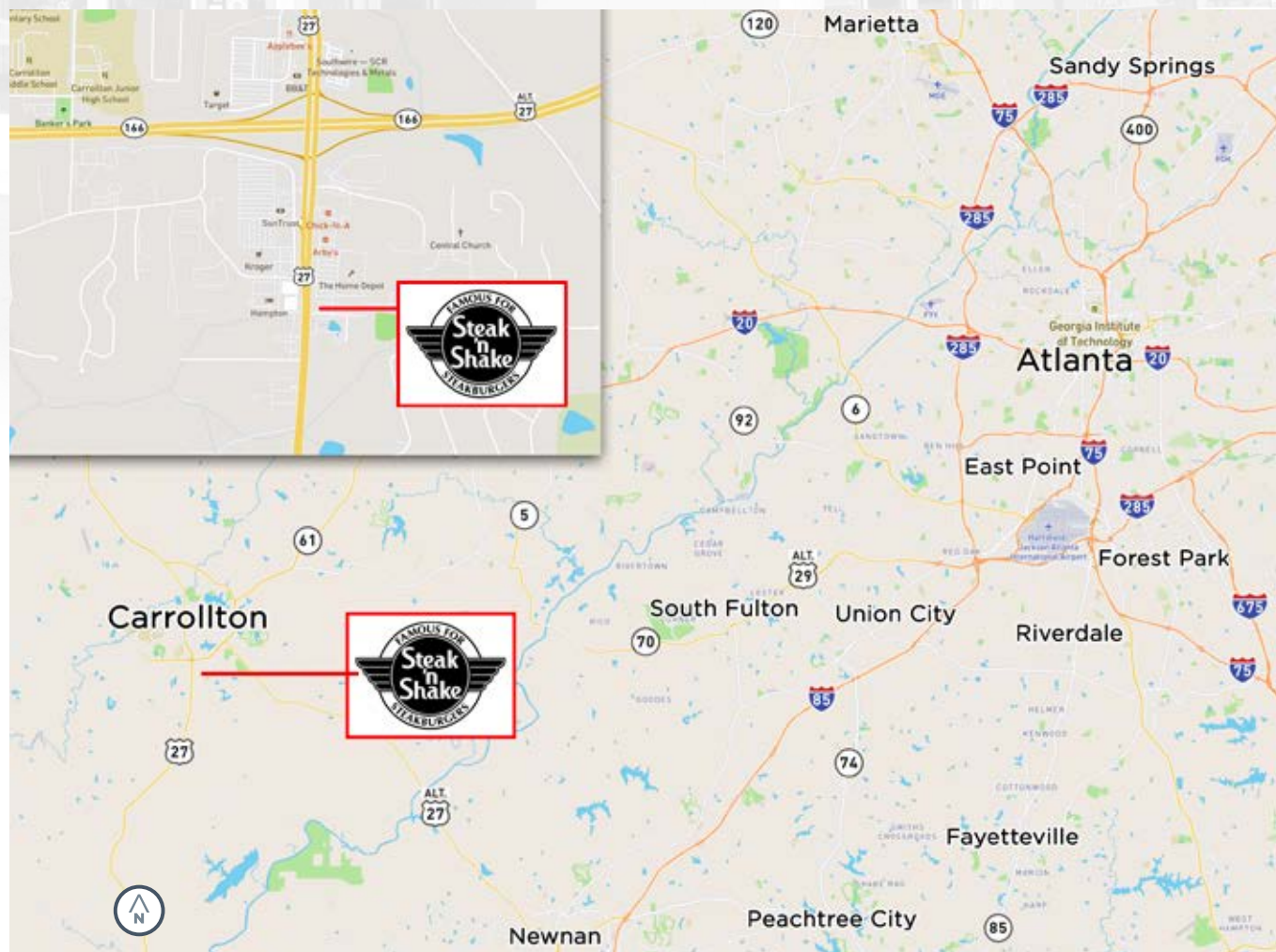
13,345

Estimated retail employment in Carroll County



2 Colleges

In Carrollton (University of West Georgia and West Georgia Technical College)



AREA OVERVIEW

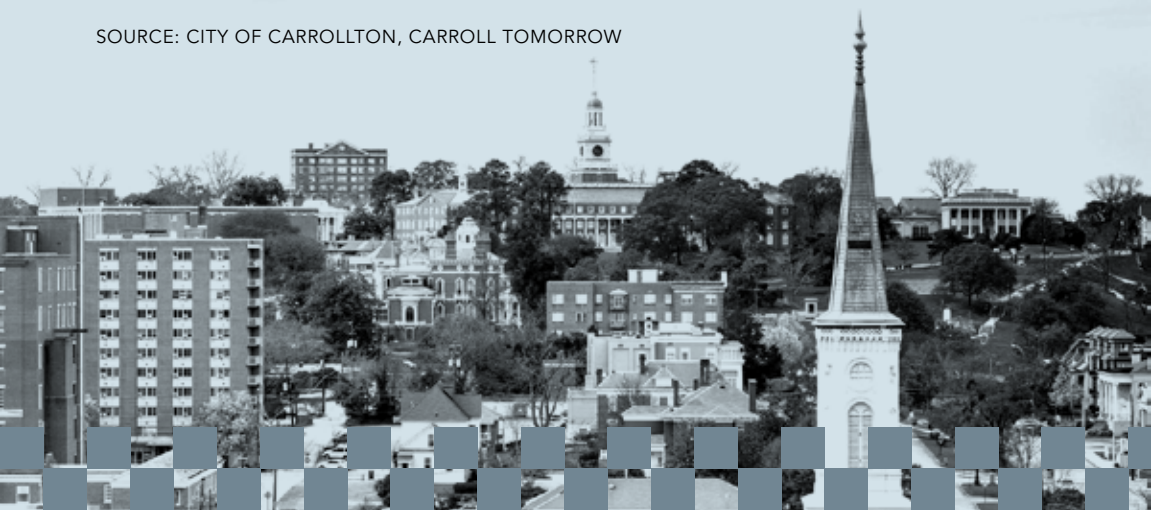
THE CITY OF CARROLLTON

Situated about an hour west of Atlanta, Carrollton is a thriving city with big appeal. From a rich and colorful local arts scene to an uncommon variety of outdoor amenities, the city truly offers something for everyone. Add in two colleges bursting with their own activities and classes, a host of locally-owned restaurants and shops, and a calendar full of lively events, and it’s easy to see that Carrollton is altogether original.

CARROLL COUNTY

Located in West Georgia, Carroll County is 30 miles west of downtown Atlanta and also close to many other southeastern metropolitan areas. Interstate 20 is the major thoroughfare that connects it to Atlanta and Birmingham. Carroll County has 115,000 residents, and is home to many successful industries. Some national retail anchors located in the county include Target, The Home Depot, Publix, Kroger, Lowe’s, and Walmart.

SOURCE: CITY OF CARROLLTON, CARROLL TOMORROW



MAJOR AREA EMPLOYERS

Company	Employment
Southwire	3,400
Tanner Health System	2,800
Carroll County Schools	1,800
University of West Georgia	1,200
Decostar/Magna	830



DEMOGRAPHICS



Population

Carrollton, GA (REGis 2019)	3 Miles	5 Miles	10 Miles
2019 Estimated Population	26,055	44,065	74,794
2024 Projected Population	27,810	46,880	79,635
2010 Census Population	23,393	39,932	68,936
2000 Census Population	21,368	34,674	58,949
Projected Annual Growth 2019 to 2024	1.3%	1.3%	1.3%
Historical Annual Growth 2000 to 2019	1.2%	1.4%	1.4%
2019 Median Age	32.4	32.5	34.7
2019 Estimated Households	9,042	15,590	26,757
2024 Projected Households	9,361	16,047	27,520
2010 Census Households	8,023	13,898	24,204
2000 Census Households	7,624	12,359	21,083
Projected Annual Growth 2019 to 2024	0.7%	0.6%	0.6%
Historical Annual Growth 2000 to 2019	1.0%	1.4%	1.4%
2019 Estimated Average Household Income	\$63,915	\$67,703	\$69,192
2019 Estimated White	62.3%	64.2%	71.2%
2019 Estimated Black or African American	27.2%	25.9%	20.9%
2019 Estimated Asian or Pacific Islander	1.4%	1.5%	1.2%
2019 Estimated American Indian or Native Alaskan	0.4%	0.4%	0.4%
2019 Estimated Other Races	8.7%	8.0%	6.3%
2019 Estimated Hispanic	12.2%	11.3%	8.3%
2019 Estimated Total Businesses	1,580	2,090	2,615
2019 Estimated Total Employees	21,455	27,460	31,330



Income



Business

Households



Ethnicity



FINANCIAL ANALYSIS

WORLD **BUSINESS**

B3



SITE PLAN NOT TO SCALE



Sue Alice Lane

South Park Street

Monument Sign

Monument Sign

Drive-Thru



Monument Sign

Mary Ella Drive



RENT ROLL & TRANSACTION SUMMARY

Tenant	Size (SF)	Current Monthly Rent	Monthly Rent \$/SF	Current Annual Rent	Annual Rent \$/SF	Increase Date	Increase	Rental Increases		Annual Rent	Annual \$/SF	Recovery Type	Lease Start	Lease Expires	Lease Options
Steak 'n Shake	3,006	\$9,375	\$3.12	\$112,500	\$37.43	Year 6	7.5%	\$10,078	\$3.35	\$120,938	\$40.23	Absolute NNN	Year 1	Year 20	3 (5-Year) 7.5% increase at each option
						Year 11	7.5%	\$10,834	\$3.60	\$130,008	\$43.25				
						Year 16	7.5%	\$11,647	\$3.87	\$139,758	\$46.49				

Financial Information

Price:	\$1,875,000
Price/SF:	\$624

Lease Type: Absolute NNN

Tenant is responsible for taxes, insurance, CAM, roof and structure. Landlord has zero responsibilities.

Property Specifications

Rentable Area:	3,006 SF
Land Area:	1.47 Acres
Year Built:	2013
Address:	1460 S. Highway 27 Carrollton, GA 30117
Parcel Number:	C06-010-0059 01
Ownership:	Fee Simple (Land & Building)
Tenant:	Steak 'n Shake

Operating Information

	<u>Year 1</u>	<u>Year 6</u>
Gross Potential Rent	\$112,500	\$120,938
Plus Recapture	NNN	NNN
Effective Gross Income	\$112,500	\$120,938
Less Expenses	(NNN)	(NNN)
Net Operating Income	\$112,500	\$120,938
Cap Rate:	6.00%	6.45%



STEAK 'N SHAKE

www.steaknshake.com

Steak 'n Shake was founded in February, 1934 in Normal, Illinois. Gus Belt, Steak 'n Shake's founder, pioneered the concept of premium burgers and milk shakes.

For over 85 years, the company's name has been symbolic of its heritage. The word "steak" stood for steakburger. The term "shake" stood for hand-dipped milk shakes. Gus was determined to serve his customers the finest burgers and shakes in the business. To prove his point that his burgers were exceptionally prime, he would wheel in a barrel of steaks (including round, sirloin, and T-bones) and grind the meat into burgers right in front of the guests. Hence arose the origin of their famous slogan, "In Sight It Must Be Right."

After 85 years, the company is continuing Steak n Shake's tradition of serving the country's best, freshest, and tastiest burgers and shakes.

Steak 'n Shake Operations, Inc. is a wholly owned subsidiary of Biglari Holdings, Inc. Below is the financial information for the parent company.

Company Type:	Public (NYSE: BH)
Locations:	685+ (more than 600 are Steak 'n Shake locations)
Full Time Employees:	18,684
Fiscal 2018 Net Income:	\$19.39 Million
Fiscal 2018 Revenue:	\$809.89 Million
Fiscal 2018 Assets:	\$1.03 Billion
Fiscal 2018 Equity:	\$570.46 Million
S&P Ranking:	CCC- (Steak 'n Shake Inc.)



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