

SLIM CHICKENS

EXCLUSIVE NET-LEASE OFFERING



OFFERING
MEMORANDUM



Subject Property

SLIM CHICKENS®

9001 West 135th Street, Overland Park, KS 66223

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Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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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.

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SLIM CHICKENS®

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Investment Highlights

PRICE: \$3,240,617 | CAP Rate: 6.00% | RENT: \$194,437



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About the Investment

- ✓ 15.8 Years Remaining on an original 20-Year Triple Net (NNN)
- ✓ One Percent (1.0%) Annual Rental Increases
- ✓ Four (4), Five (5)-Year Tenant Renewal Options
- ✓ Experienced Franchisee Operator | Corporate Guarantee
- ✓ Lease Term Recently Extended Out to 2036

About the Location

- ✓ Dense Retail Corridor | Home Depot, Chick-fil-A, Panera Bread, Wendy's, Sam's Club, Bank of America, McDonald's, Walgreens, Taco Bell, Buffalo Wild Wings, HomeGoods, Starbucks, Party City, Sonic, Aldi, and More
- ✓ Affluent Suburban Community | Average Income within a One-Mile Radius Exceeds \$151,300
- ✓ Robust Demographics | Population Exceeds 97,000 Individuals Within a Three-Mile Radius & 219,100 Within a Five-Mile Radius
- ✓ Strong Medical Presence in Market | Saint Luke's South Hospital is Located Only Five Minutes North of the Property and Staffs 174 Beds
- ✓ Compelling Location Fundamentals | Within Six Miles of Downtown Tulsa
- ✓ Strong Traffic Counts | Over 30,600 and 20,500 Vehicles Per Day Along W 135th Street and Route-69, Respectively

About the Brand

- ✓ Slim Chickens is Growing as a Top Player in the Fast-Casual Space as it Continues to see Success and Expansion into Key Markets
- ✓ Dedicated, Driven and Experienced Operators within the Restaurant Industry and in the Tulsa, Oklahoma Market
- ✓ Proven Track Record with Strong Operational History Across its 7 Operating Units in Oklahoma With a Total of 100-Units Nationwide | Expanding its Presence into Cities Such as: Broken Arrow, Edmond, Moore, Norman, Oklahoma City, Stillwater and Warr Acres
- ✓ Corporate Guarantee: Now with the Infrastructure in Place for Aggressive Franchising, Slim Chickens Plans to Continually Increase its Revenue Share | 2013 Reported Revenue: Nearly \$20 Million; 2015 Reported Revenue: Nearly \$50 Million; 2017 Reported Revenue: Nearly \$100 Million



Representative Photo



Representative Photo





Financial Analysis

PRICE: \$3,240,617 | CAP Rate: 6.00% | RENT: \$194,437



SLIM CHICKENS®

PROPERTY DESCRIPTION

| | |
|--------------------|---|
| Property | Slim Chickens |
| Property Address | 135 th Street and Grandview St |
| City, State, ZIP | Overland Park, KS 66223 |
| Year Built | 2015 |
| Building Size (sf) | 3,625 |
| Lot Size | +/- 0.90 Acres |
| Type of Ownership | Fee Simple |

THE OFFERING

| | |
|----------------|-------------|
| Purchase Price | \$3,240,617 |
| CAP Rate | 6.00% |
| Annual Rent | \$194,437 |

LEASE SUMMARY

| | |
|----------------------|---|
| Property Type | Net Leased Casual Dining Restaurant |
| Tenant | 3Pointe Restaurant Group – Slims Overland Park, LLC |
| Guarantor | Slim Chickens Restaurants, LLC |
| Ownership Type | Private |
| Original Lease Term | 20 Years |
| Lease Commencement | November 30 th , 2015 |
| Lease Expiration | November 29 th , 2036 |
| Lease Term Remaining | 15.8 Years |
| Lease Type | Triple-Net (NNN) |
| Roof & Structure | Tenant Responsible |
| Rental Increases | One Percent (1.0%) Annually |
| Options to Renew | Four (4), Five (5)-Year Options |

RENT SCHEDULE

| Lease Year(s) | Annual Rent | Monthly Rent | Rent Escalation (%) |
|---------------|-------------|--------------|---------------------|
| Current | \$194,437 | \$16,203 | - |
| Year 7 | \$196,381 | \$16,365 | 1.0% |
| Year 8 | \$198,345 | \$16,528 | 1.0% |
| Year 9 | \$200,328 | \$16,694 | 1.0% |
| Year 10 | \$202,332 | \$16,860 | 1.0% |
| Year 11 | \$204,355 | \$17,029 | 1.0% |
| Year 12 | \$206,399 | \$17,199 | 1.0% |
| Year 13 | \$208,463 | \$17,371 | 1.0% |
| Year 14 | \$210,547 | \$17,545 | 1.0% |
| Year 15 | \$212,653 | \$17,721 | 1.0% |
| Year 16 | \$214,779 | \$17,898 | 1.0% |
| Year 17 | \$216,927 | \$18,077 | 1.0% |
| Year 18 | \$219,096 | \$18,258 | 1.0% |
| Year 19 | \$221,287 | \$18,440 | 1.0% |
| Year 20 | \$223,500 | \$18,625 | 1.0% |
| Year 21 | \$225,735 | \$18,811 | 1.0% |

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Slim Chickens located at 135th Street and Grandview Street, in Overland Park, Kansas. Built in 2015, the property consists of 3,625 square feet of building space and is situated on roughly 0.90 acres of land. The Slim Chickens is subject to a 20-year absolute triple-net (NNN), which commenced on November 30th, 2015. The annual rent is \$194,437 and is scheduled to increase by one percent (1.0%) Annually throughout the base term and in each of the four (4), five (5)-year renewal option.



Brand Overview

About Slim Chickens

Greg Smart and Tom Gordon founded the first Slim Chicken in Fayetteville in February 2003. The two entrepreneurs wanted to develop a southern casual dining, quick service restaurant concept focusing on fresh chicken recipes. Slim Chickens' roots run deep in the Delta where food is honest, meals are social, and the door is always open. They started with a mission to bring a dose of that southern hospitality to a fast, casual setting—serving fresh handmade food to the communities they serve. Now over a decade and thousands of happy customers later, they know that there's something special about their hand-breaded chicken tenders, fresh Buffalo wings, and handmade dipping sauces that keeps their loyal fans coming back...over and over again. Customers tell them that Slims has changed their weekly routines—that their food was simply life changing, and that they can't get enough. No joke. They strive to return that enthusiasm by giving back to the communities they serve—helping local non-profits with fundraisers, donating food to community events, and doing everything they can to improve the lives of people in the communities where they live and work. In more ways than one, Slim Chickens is truly Life Changing Chicken.

Slim Chickens is one of the fastest growing fast casual restaurant chains in the United States. Founded in Fayetteville, Arkansas, Slim Chickens has grown to over seventy locations across Arkansas, Illinois, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, Oklahoma, South Dakota & Texas. Founded off of the desire to develop a southern casual dining, quick service restaurant concept focusing on fresh chicken recipes, Slim Chickens has had success delivering quality products to happy customers for over 15 years. Slim Chickens has experienced such success that its revenue share has increased tenfold. From 2013 to 2017, Slim Chickens reported revenue has grown from \$20 million to nearly \$100 million.

In 2016, CNBC named Slim Chickens as one of the top six franchises to watch. At the time, the brand had nearly 40 locations across the country, serving fast casual fare, and generating consistent revenue streams allowing the company to expand at a rapid pace without raising much capital. Since the brand's inception in 2003, Greg Smart and Tom Gordon founded Slim Chickens with a goal of national expansion. By 2025, the executive operating team of Slim Chickens has set a growth goal of expanding the franchise to 600 locations nationwide.

Ultimately, who is Slim? Slim is our nod to the life changing legends of the south—the musicians, the storytellers, the food and the soul...the eternally cool.



SLIM CHICKENS®

General Information

| | |
|---------------------|--|
| Founded | 2003 |
| Website | www.slimchickens.com |
| Number of Locations | 100 |

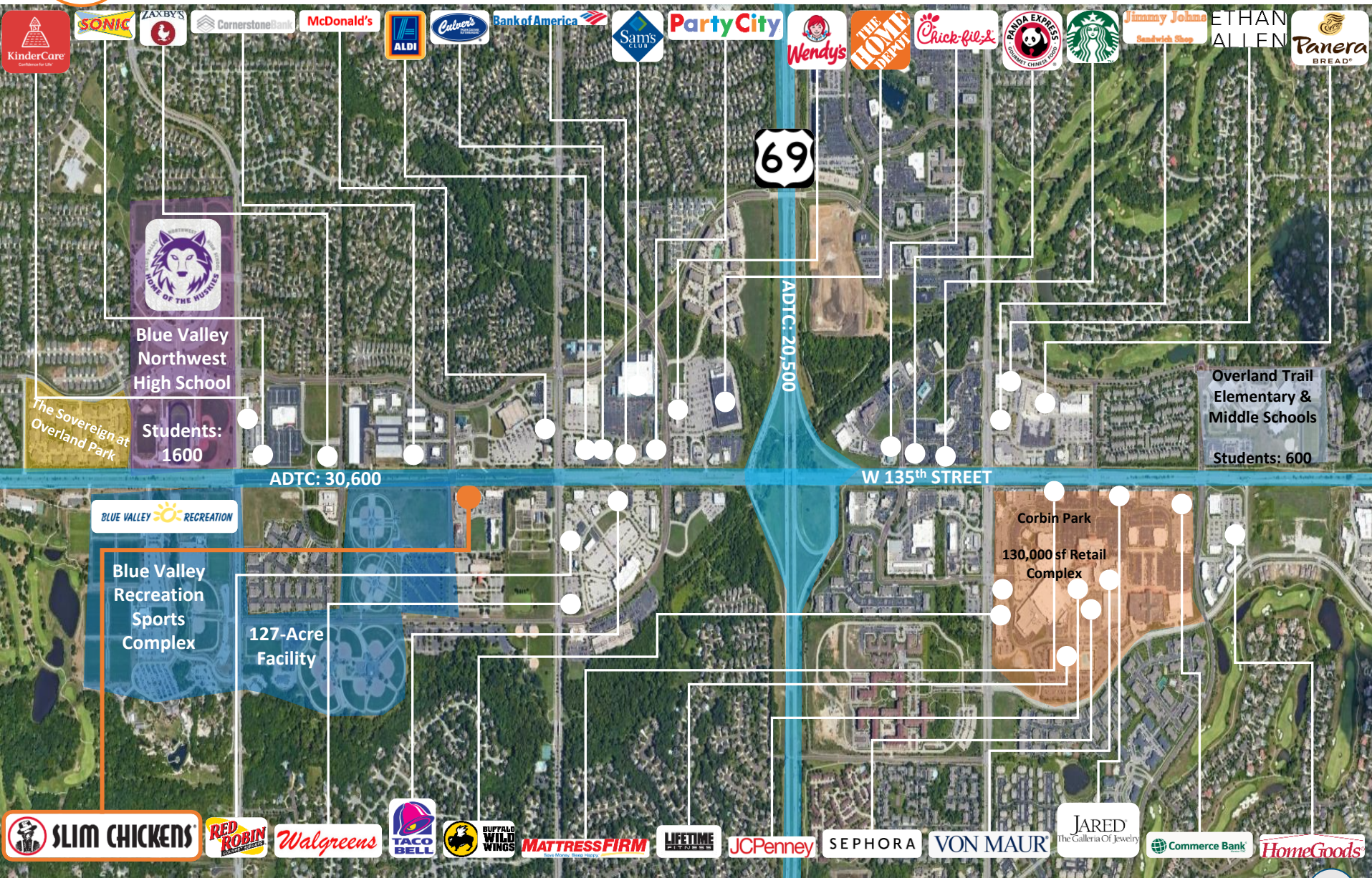




Surrounding Area



SLIM CHICKENS®





Location Overview

Property Address: 9001 West 135th Street, Overland Park, KS 66223

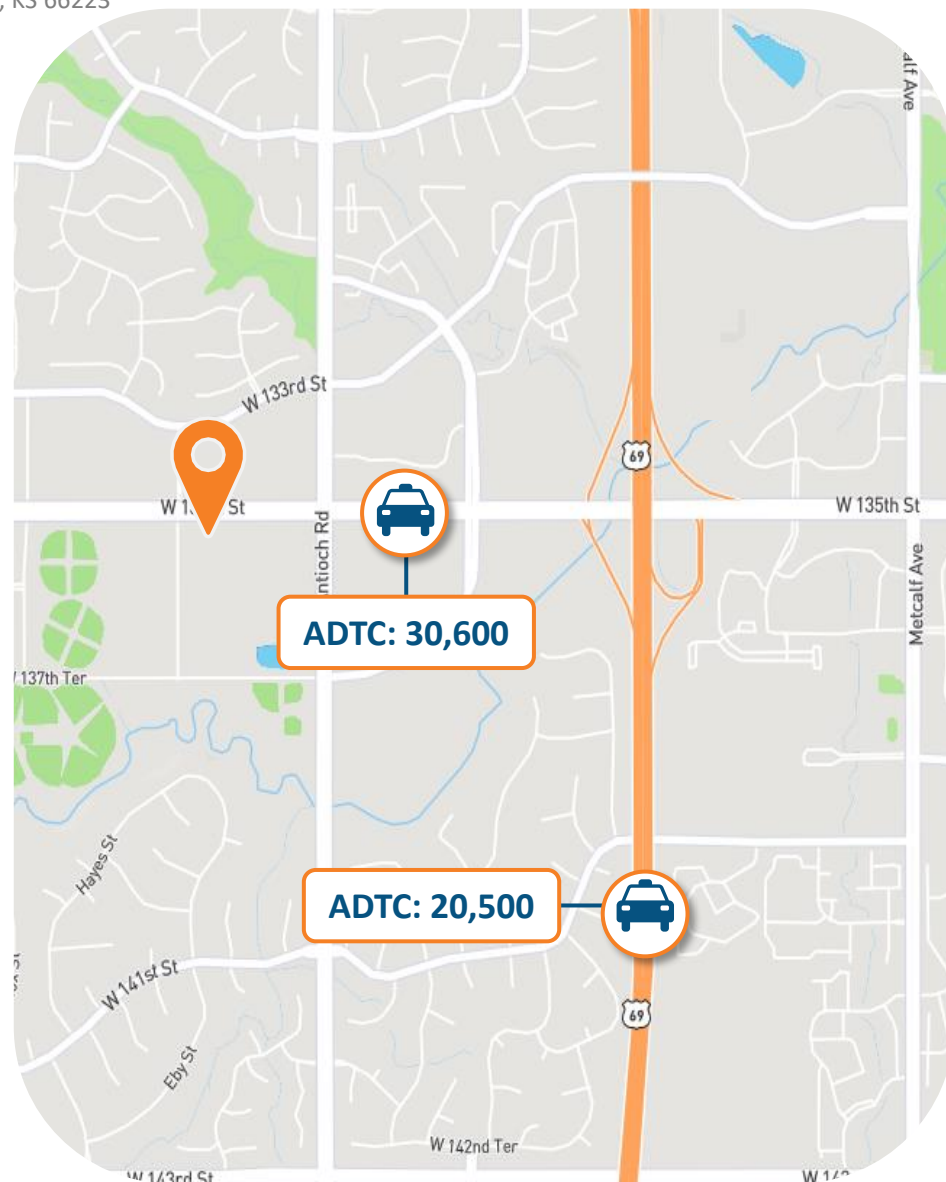


SLIM CHICKENS®

The subject investment property is situated on West 135th Street, which boasts average daily traffic counts exceeding 30,600 vehicles. West 135th Street intersects with Route-69, which brings an additional 20,500 average daily vehicles into the immediate area. There are more than 97,000 individuals residing within a three-mile radius of the property and more than 219,100 individuals within a five-mile radius. This Slim Chickens property is situated in an affluent suburban community with an average household income of over \$151,300 within a one-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and hotels all within close proximity of this property. Major national tenants include: Home Depot, Chick-fil-A, Panera Bread, Wendy's, Sam's Club, Bank of America, McDonald's, Walgreens, Taco Bell, Buffalo Wild Wings, HomeGoods, Starbucks, Party City, Sonic, Aldi, as well as many others. Hospitality accommodations in the immediate area include: Candlewood Suites, Holiday Inn Express & Suites, Hampton Inn & Suites, My Place Hotel, Home2 Suites, SpringHill Suites, among various others. Saint Luke's South Hospital is a 174-bed acute care hospital located just five minutes north of the property. The comprehensive health care facility features 24-hour emergency services, complete inpatient and outpatient diagnostic testing, a spacious maternity unit with Level IIIa neonatal intensive care unit (NICU), inpatient and outpatient rehabilitation services. It is one of ten HCA Midwest Health System hospitals in the Kansas City and surrounding areas, the area's largest healthcare network. Corbin Park is a 130,000 square-foot retail park located just five minutes east of the property and includes: JCPenney, Men's Warehouse, REI, Verizon Wireless and Lifetime Fitness. The area is well-served with Aldi, Hy-Vee, Hen House, Bank of America, Citizens Bank, BP and Holiday Inn nearby.

Highway 69 is located less than a mile east of the property and quickly connects to Interstate 35 which leads to Kansas City, only 20 minutes north of the property. Kansas City is the most populous city in Missouri with a population of approximately 467,000. It is the central city of the Kansas City metropolitan area, a region spanning the Kansas-Missouri border. Kansas City is one of ten regional office cities for the United States Government. The U.S. Government is the largest employer in the Kansas City metro area, with more than 146 federal agencies maintaining a presence. The city is officially nicknamed the City of Fountains; with over 200 fountains, the city claims to have the second most in the world, just behind Rome.



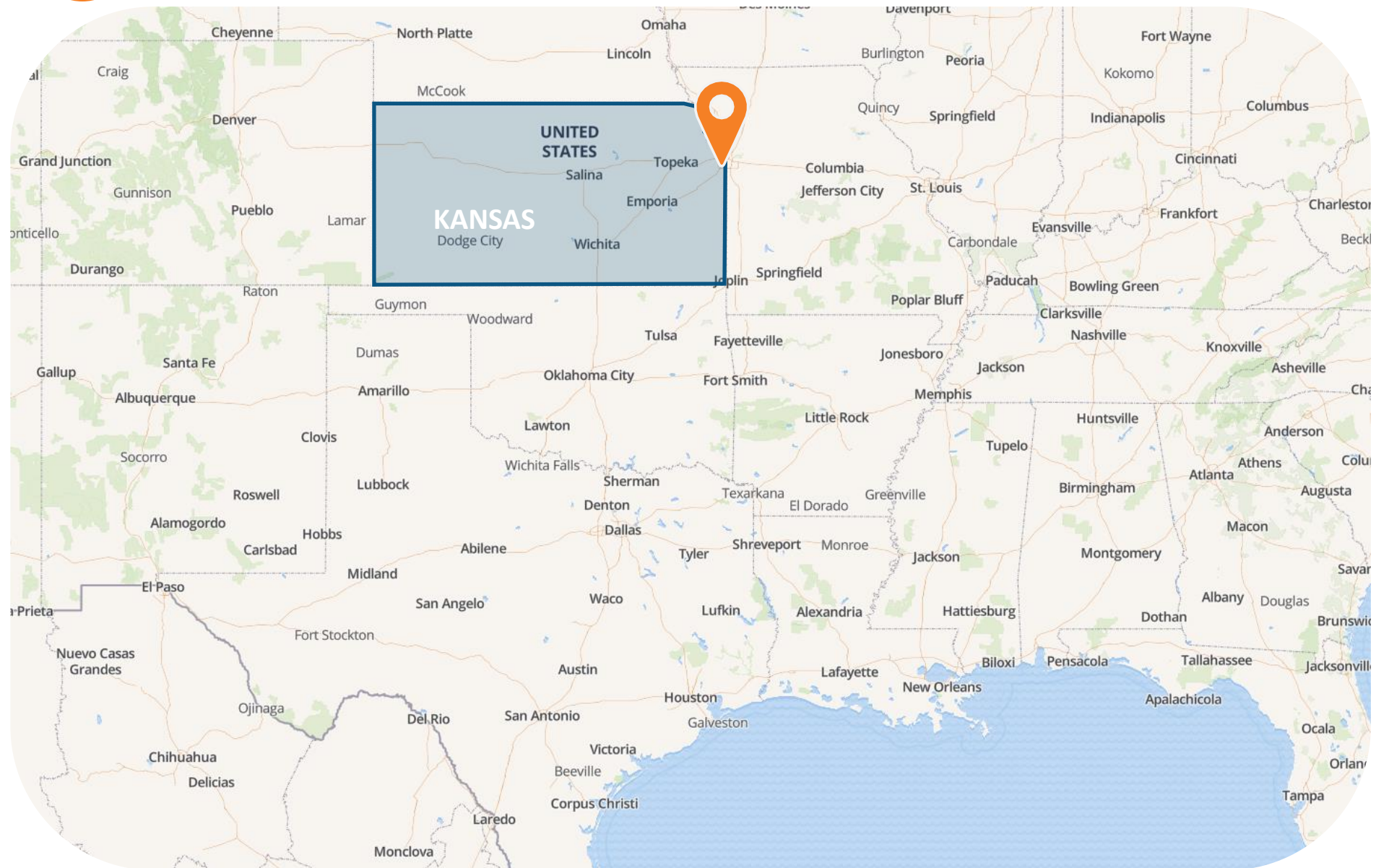


Regional Map



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Property Address: 9001 West 135th Street, Overland Park, KS 66223



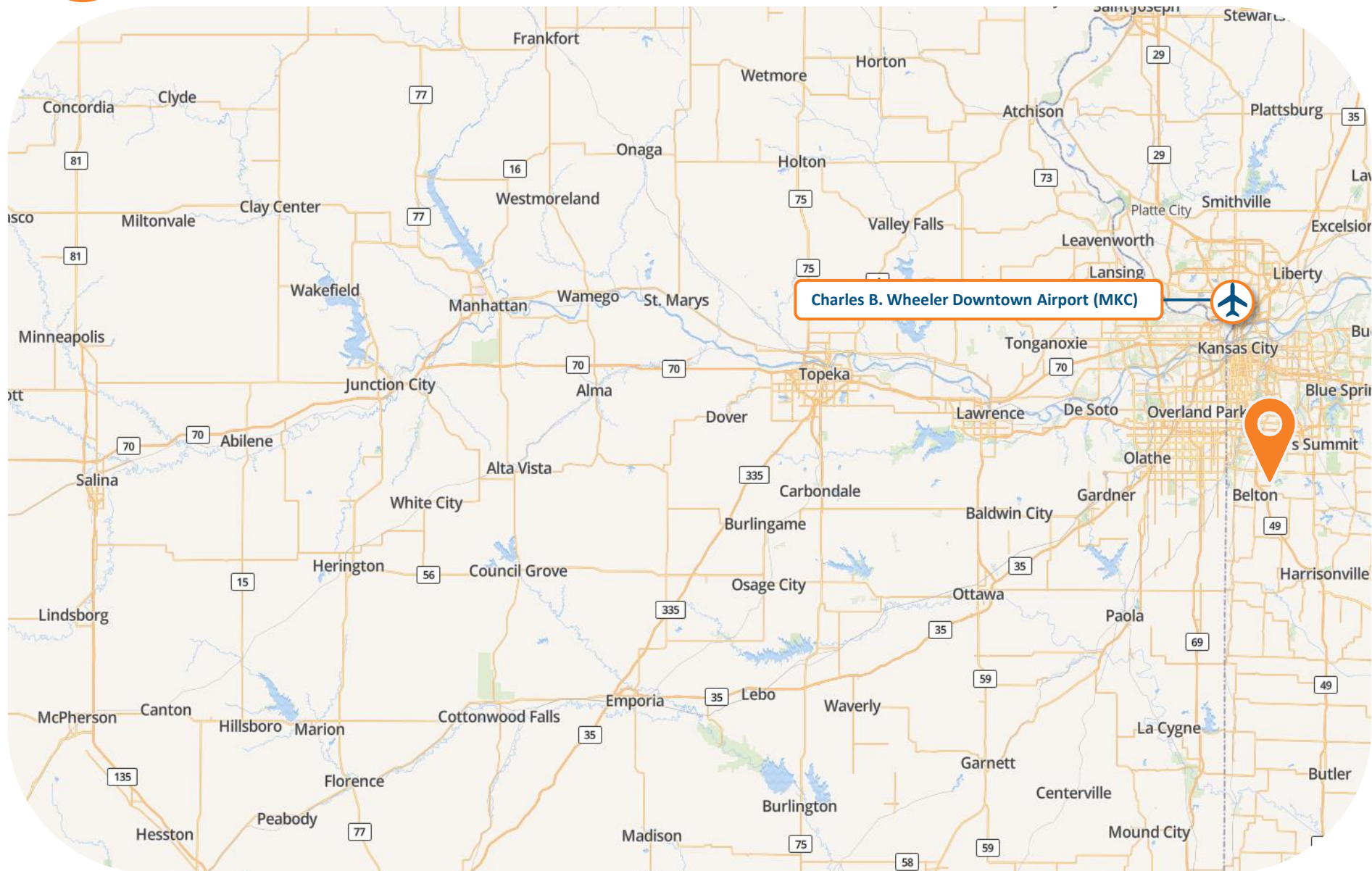


Regional Map

Property Address: 9001 West 135th Street, Overland Park, KS 66223



SLIM CHICKENS®



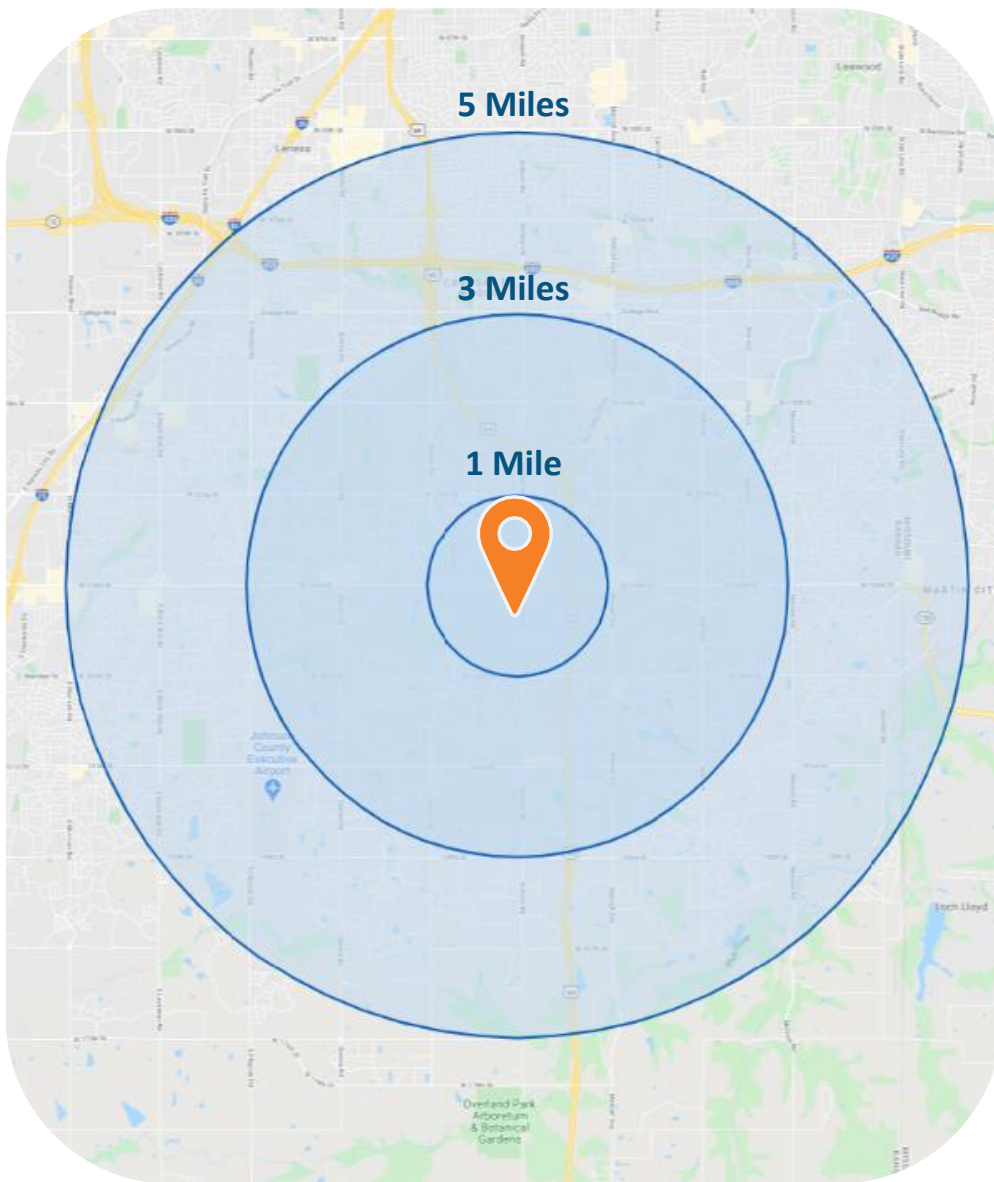


Demographics

Property Address: 9001 West 135th Street, Overland Park, KS 66223



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POPULATION

| | 1 Mile | 3 Miles | 5 Miles |
|-----------------|--------|---------|---------|
| 2025 Projection | 12,357 | 103,219 | 230,645 |
| 2020 Estimate | 11,476 | 97,068 | 219,102 |
| 2010 Census | 9,909 | 85,208 | 196,787 |
| 2000 Census | 8,857 | 63,560 | 158,054 |

INCOME

| | 1 Mile | 3 Miles | 5 Miles |
|------------|-----------|-----------|-----------|
| Average | \$151,260 | \$148,948 | \$139,941 |
| Median | \$119,548 | \$109,995 | \$102,017 |
| Per Capita | \$55,336 | \$58,341 | \$54,786 |

HOUSEHOLDS

| | 1 Mile | 3 Miles | 5 Miles |
|-----------------|--------|---------|---------|
| 2025 Projection | 4,608 | 40,949 | 91,069 |
| 2020 Estimate | 4,198 | 37,978 | 85,651 |
| 2010 Census | 3,532 | 32,915 | 75,980 |
| 2000 Census | 2,786 | 22,683 | 57,692 |

HOUSING

| | 1 Mile | 3 Miles | 5 Miles |
|------|-----------|-----------|-----------|
| 2020 | \$351,140 | \$359,725 | \$324,723 |

EMPLOYMENT

| | 1 Mile | 3 Miles | 5 Miles |
|---------------------------|---------|---------|---------|
| 2020 Daytime Population | 9,736 | 110,470 | 251,572 |
| 2020 Unemployment | 2.43% | 2.51% | 2.45% |
| 2020 Median Time Traveled | 22 Mins | 22 Mins | 22 Mins |

RACE & ETHNICITY

| | 1 Mile | 3 Miles | 5 Miles |
|------------------------|--------|---------|---------|
| White | 77.96% | 80.55% | 82.95% |
| Native American | 0.00% | 0.02% | 0.03% |
| African American | 3.12% | 3.82% | 4.33% |
| Asian/Pacific Islander | 14.83% | 11.74% | 8.31% |



Market Overview

City: Overland Park | Counties: Johnson County | State: Kansas

Kansas City, KS



Kansas City The Kansas City metro consists of Clay, Bates, Cass, Platte, Clinton, Caldwell, Jackson, Lafayette, and Ray counties in Missouri ND Johns, Leavenworth, Linn, Franklin, Miami and Wyandotte counties in Kansas. The metro has over 2 million residents, with the largest concentrations in Jackson and Johnson counties. Kansas City, Missouri, is the largest city in the MSA and its centralized and well location in the region, makes it a prime transportation hub. Kansas City International is considered one of the most convenient and efficient airports in the nation. Additionally, the Charles B. Weaver Downtown Airport fills corporate and charter air needs. The region is strategically located at the intersection of three major interstates: I-70, I-35, and I-29. Kansas City is also one of the busiest rail hubs by tonnage in the country. The infrastructure supports a thriving transportation and logistics industry. Nearly half of all eastbound intermodal freight that enters the United States through the West Coast ports passes through Kansas City. The Kansas City area's economy is large, influential, and important in its region. The area houses many factories, manufacturing plants, an official international trade zone, and more foreign trade zone space than anywhere else in the nation



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