

CHICK-FIL-A NNN GROUND LEASE (COVERED LAND PLAY)

411 COLONADES WAY | CARY, NC 27518



EXCLUSIVE ADVISORS



JOE GRAHAM, CCIM

Executive Vice President

+1 919 831 8196

joe.graham@cbre-raleigh.com

555 Fayetteville Street

Suite 800

Raleigh, NC 27601

www.cbre.us

AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and/or related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates may represent various clients with competing interests in the same transaction. For example, this Memorandum may be received by our Affiliates, including CBRE Investors, Inc. or Trammell Crow Company. Those, or other, Affiliates may express an interest in the property described in this Memorandum (the "Property") may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither CBRE, Inc. nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, CBRE, Inc. will act in the best interest of the client(s) it represents in the transaction described in this Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Memorandum.

CONFIDENTIALITY AGREEMENT

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc. nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

DISCLAIMER

© 2021 CBRE, Inc. The information contained in this document has been obtained from sources believed reliable. While CBRE, Inc. does not doubt its accuracy, CBRE, Inc. has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

INVESTMENT SUMMARY

PROPERTY DETAILS

LOCATION	411 Colonades Way, Cary, NC	PURCHASE PRICE	\$2,200,742
BUILDING SIZE	3,865 SF	CURRENT NOI	\$77,026 <i>(slight leakage in 2020, from CAM cap of \$571.25, with base rent of \$77,597.25)</i>
LAND SIZE	±0.92 Acre	ESCALATIONS	10% escalators every five years
LEASE TYPE	NNN Ground Lease (Covered Land Play)	CAP RATE	3.5%
YEAR BUILT	2001		
LEASE EXPIRATION	3/1/2026 <i>Tenant is buying land from the neighboring parcel (see site plan), to add a double drive thru at its own expense; at which time that is complete, Tenant is required to exercise the next option.</i>	OPTIONS	Option 3: 4/1/2026 - 3/31/2031 \$85,356.98 <i>*early exercise due to completion of double drive-thru</i> Option 4: 4/1/2031 - 3/31/2036 \$93,892.67 Option 5: 4/1/2036 - 3/31/2041 \$103,281.94 Option 6: 4/1/2041 - 3/31/2046 \$113,610.13
WALT	±5 Years <i>(with additional 5 years upon tenant completion of double drivethru, expected within ~12 months)</i>		

INVESTMENT HIGHLIGHTS

- › Subject rent is less than half of market rent, creating huge upside if the Tenant were to leave!
- › Excellent real estate (outparcel to Whole Foods and across from Wake Med Cary Hospital)
- › Tenant is under contract to purchase additional land for double drive thru at Tenant expense
- › Extremely High barriers to entry
- › Some of the highest demographics in the state

TENANT HIGHLIGHTS

- › Chick-fil-A operates more than 2,605 restaurants, primarily in the United States with locations in 47 states and the District of Columbia
- › Chick-fil-A has been a family owned and privately held restaurant company since being founded in 1967
- › Chick-Fil-A is the highest grossing unit level QSR in the nation with average sales of \$5.213M per unit (*Nations Restaurant News*)
- › Total company revenue was \$3.8 billion in 2019, a 26.7% increase over its \$3.0 billion revenue in 2018



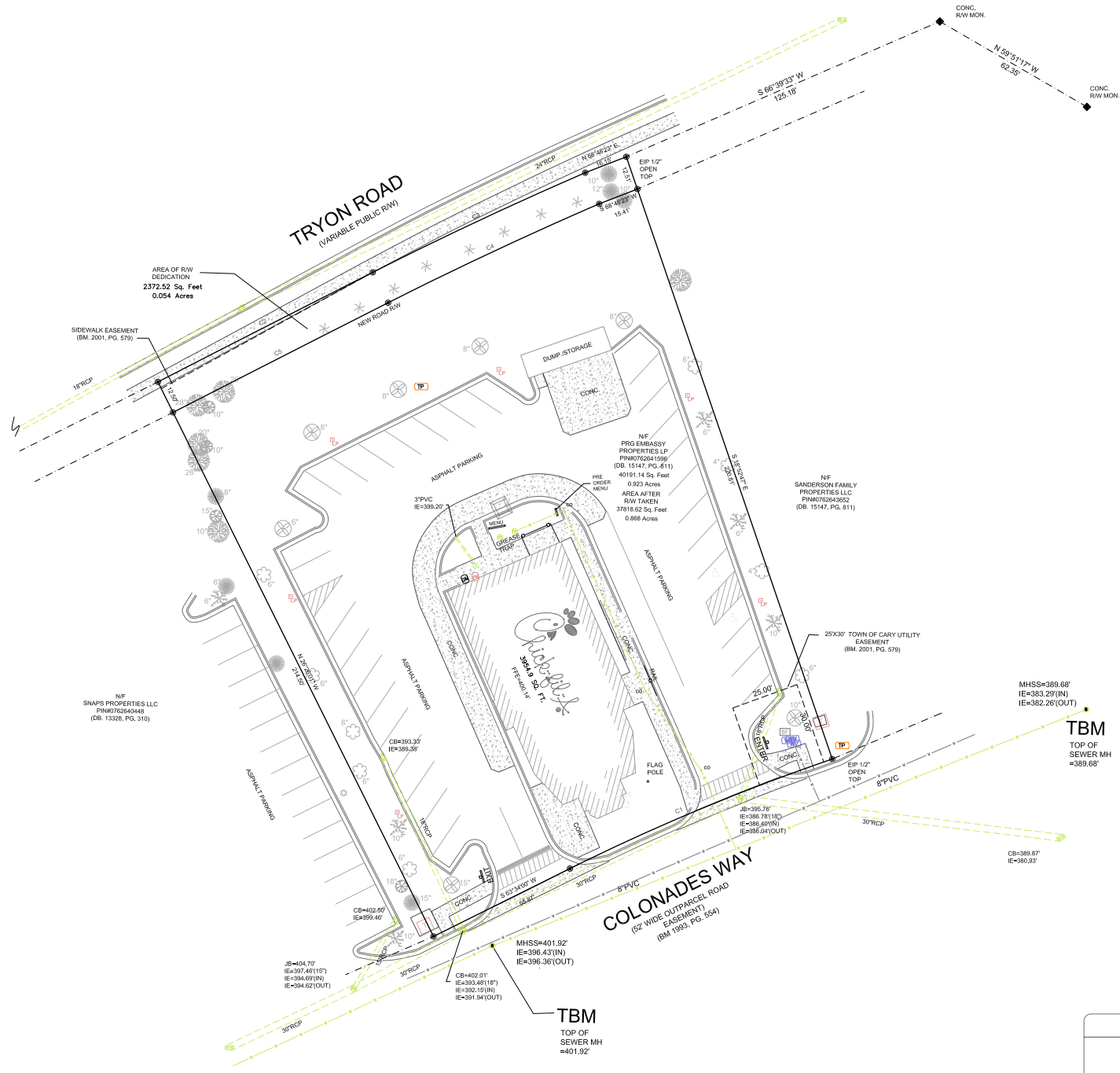
PROPERTY AERIAL



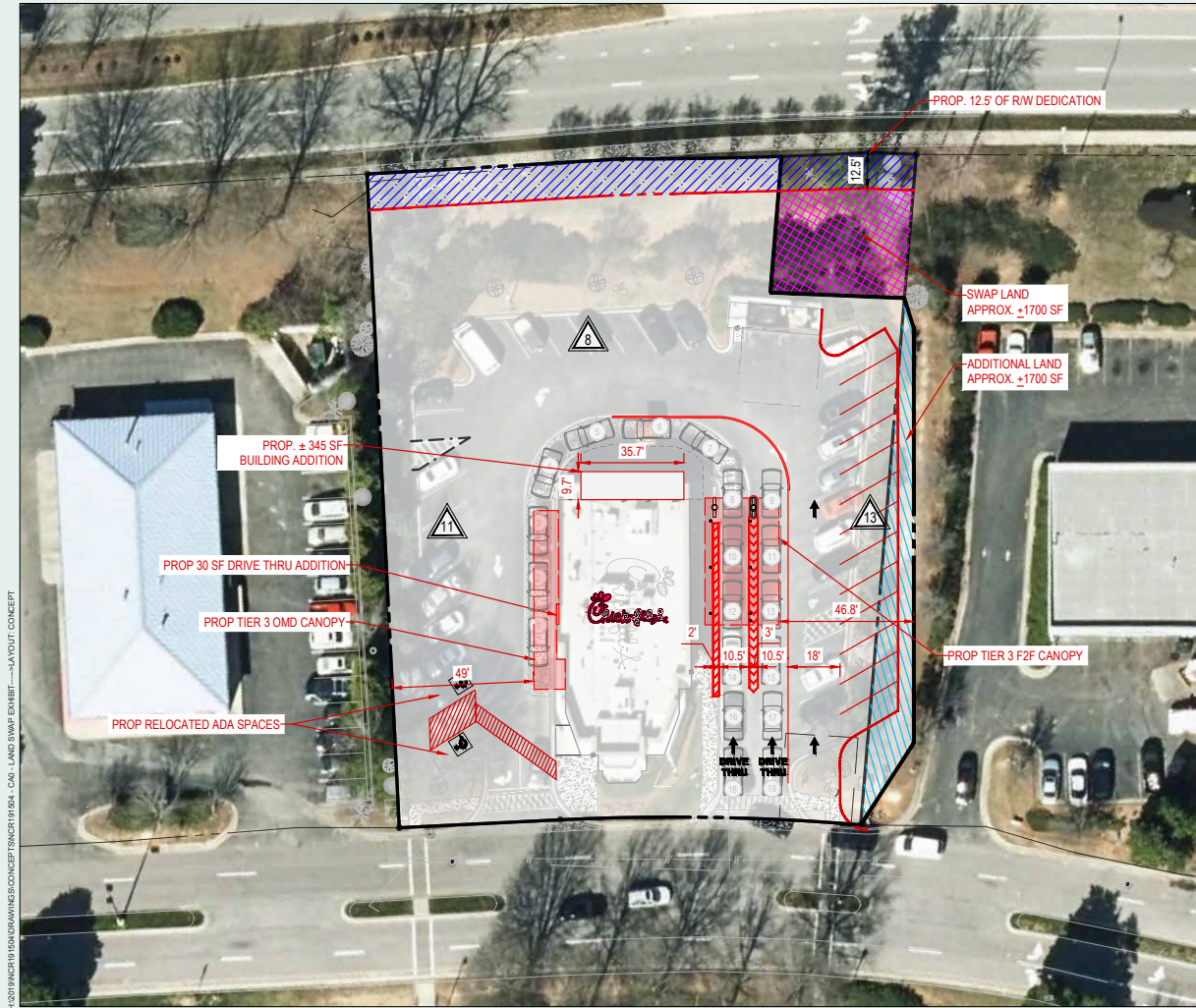
PROPERTY AERIAL



SURVEY



SITE PLAN Including Neighboring Land Swap to Accommodate Double Drive-Thru



CONCEPT PLAN GENERAL NOTES

1. THIS PLAN IS BASED ON JURISDICTIONAL GIS INFORMATION AND AERIAL IMAGERY

2. THE CONCEPT REPRESENTED HEREIN IDENTIFIES A DESIGN CONCEPT RESULTING FROM LAYOUT PREFERENCES IDENTIFIED BY OWNER COUPLED WITH A PRELIMINARY REVIEW OF ZONING AND LAND DEVELOPMENT REQUIREMENTS AND ISSUES. THE APPLICABLE APPROVALS IS NOT WARRANTED AND CAN ONLY BE ASSESSED AFTER FURTHER EXAMINATION AND VERIFICATION OF SAME REQUIREMENTS AND PROCUREMENT OF JURISDICTIONAL APPROVALS.

3. THE CONCEPTUAL PLAN IS PREPARED FOR CONCEPTUAL PRESENTATION PURPOSES ONLY AND IS NOT INTENDED FOR UTILIZATION AS A ZONING AND/OR CONSTRUCTION DOCUMENT. THE EXISTING CONDITIONS SHOWN HEREON ARE BASED UPON INFORMATION THAT WAS SUPPLIED TO BOHLER ENGINEERING AT THE TIME OF PLAN PREPARATION AND MAY BE SUBJECT TO CHANGE UPON AVAILABILITY OF ADDITIONAL INFORMATION.

PARKING TABULATIONS

REQUIRED:	1 SPACE PER EVERY 3 PERSONS OF MAXIMUM RATED OCCUPANCY
MAX OCCUPANCY:	123 / 3 PERSONS PER SPACE=41 SPACES
EXISTING:	32 SPACES
PROVIDED:	32 SPACES
STACKING SPACES:	19 SPACES

SETBACKS

	REQUIRED	PROPOSED
FRONT (SOUTH)	N/A	N/A
REAR (NORTH)	30	63
WEST	N/A	46
EAST	N/A	49



DEMO SNAPSHOT

	1 MILE	3 MILES	5 MILES
EST. POPULATION (2020)	5,551	63,760	173,802
POPULATION GROWTH (2010-2020)	1.23%	1.21%	1.45%
PROJ. POPULATION (2025)	6,083	69,284	189,843
EST. HOUSEHOLDS (2020)	2,324	25,775	69,141
HOUSEHOLD GROWTH (2010-2020)	1.32%	1.21%	1.43%
PROJ. HOUSEHOLDS (2025)	2,545	27,967	75,312
ESTIMATED AVG. HH INCOME (2020)	\$144,952	\$127,120	\$115,909
PROJECTED AVG. HH INCOME (2025)	\$154,459	\$127,120	\$115,909



EXCLUSIVE ADVISOR

CBRE | Raleigh

JOE GRAHAM, CCIM

Executive Vice President

+1 919 831 8196

joe.graham@cbre-raleigh.com

555 Fayetteville Street

Suite 800

Raleigh, NC 27601

www.cbre.us