



REPRESENTATIVE



OFFERING MEMORANDUM

KRYSTAL

Winder (Atlanta MSA), GA

Marcus & Millichap

OFFERING SUMMARY



19 Monroe Highway,
Winder, GA 30680

| | |
|------------------------|------------|
| PRICE | \$624,000 |
| CAP RATE | 7.50% |
| NOI | \$46,800 |
| RENTABLE SQUARE FEET | 971 |
| YEAR BUILT | 1994 |
| LOT SIZE | 0.74 AC |
| TENANT TRADE NAME | Krystal |
| LEASE GUARANTOR | Franchisee |
| LEASE TYPE | NNN |
| ROOF & STRUCTURE | Tenant |
| LEASE TERM | 15 Years |
| RENT COMMENCEMENT DATE | March 2012 |

| | | | |
|---------------------------|-------------|--|----------|
| LEASE EXPIRATION DATE | | March 2027 | |
| TERM REMAINING ON LEASE | | 6 Years | |
| INCREASES | | 1% annual increases after year 3 in the initial lease and 7.5% increases in each of the 4, 5-year option periods | |
| OPTIONS | | Four, 5-Year Option Periods | |
| BASE RENT | Years 1-3 | | \$46,800 |
| | Year 4 | | \$47,268 |
| | Year 5 | | \$47,740 |
| | Year 6 | | \$48,218 |
| OPTION RENT | Years 7-11 | (Option 1) | \$51,835 |
| | Years 12-16 | (Option 2) | \$55,722 |
| | Years 17-21 | (Option 3) | \$59,901 |
| | Years 22-26 | (Option 4) | \$64,394 |
| TENANT RESPONSIBILITIES | | Taxes, Insurance, CAM, Roof & Structure | |
| LANDLORD RESPONSIBILITIES | | 100% No Landlord Responsibilities | |



| DEMOGRAPHIC SUMMARY | 1-MILE | 3-MILE | 5-MILE |
|-----------------------|----------|----------|----------|
| POPULATION | 3,281 | 21,835 | 45,291 |
| AVG. HOUSEHOLD INCOME | \$48,651 | \$67,303 | \$73,070 |
| POPULATION GROWTH | 18.23% | 17.79% | 19.90% |

INVESTMENT HIGHLIGHTS

OUTPARCEL TO PUBLIX ANCHORED SHOPPING CENTER

- This Krystal location has two drive thru lanes and two points of entry onto Monroe Highway (21,300 VPD).
- This Krystal sits as an outparcel to a 168,625 SF Publix Anchored Shopping Center that includes Bealls Outlet and CATO.
- Surrounding national retailers include Walmart, Goodwill, Ingles, Tractor Supply, CVS, ALDI and more.
- The property is located on the cross roads of Monroe Highway (21,300 VPD) and Hwy 29 (12,200 VPD).
- Located 2 miles from the Barrow County Airport that supports an average of 78 aircraft operations per day.
- Barrow County Recreation Complex is located behind this Krystal. This complex regularly hosts camps and practices throughout the year with soccer fields, tennis courts, and baseball fields.

LOW RENT & SUPERIOR SALES

- This location has a conservative rent to sales ratio.
- Krystal is paying a low \$46,800 in rent that equates to an attractive low price point.

ATLANTA MSA

- Winder is well located 50 miles east of Atlanta and 20 miles west of Athens, GA.
- Atlanta is the county seat of Fulton County and has the ninth-largest metropolitan area in the nation with a population of more than 6 million people.
- Home to the country's 3rd largest concentration of Fortune 500 headquarters including The Coca-Cola Company, The Home Depot, Delta Airlines, Chick-fil-A and many more.
- Atlanta is the 7th most visited city in the US with over 35 Million visitors per year that contribute over \$66 Billion to the economy annually.
- The busiest airport in the world, Hartsfield-Jackson Atlanta International Airport, is located in Atlanta and supports over 107 Million passengers per year.

DOUBLE DRIVE THRU KRYSTAL LOCATION

- This Krystal location has two drive thru lanes and two points of entry onto Monroe Highway (21,300 VPD).

6 YEAR NNN LEASE WITH INCREASES

- This Krystal has 6-Years remaining on an initial 15-year lease that is operated by an experienced and growing legacy franchisee.
- The lease is absolute NNN and the Tenant is 100% responsible for all expenses including taxes, insurance, CAM, Roof & Structure.
- There are 1% annual rent increases after June 2023 until lease expiration in March 2027.
- There are 7.5% rent increases every 5 years in each of the four, 5-year option periods.

KRYSTAL RESTAURANTS LLC

- Krystal is the Southeast's longest-standing QSR chain that has been in business for over 89 years and does over \$306 Million in sales volume.
- Krystal has over 305 stores in 10 states and has 6,500+ employees.
- Krystal was recently acquired by Fortress Investment Group & Golden Child Holdings in May of 2020.

TENANT SUMMARY



REPRESENTATIVE



89
YEARS IN
BUSINESS

305+
STORE
COUNT

6,500+
EMPLOYEE
COUNT

\$306M
2020 SALES
VOLUME

\$52.7B
FORTRESS
INVESTMENT GROUP

Krystal is the nation's 2nd oldest quick service restaurant founded in 1932 during the Great Depression. As the original chain in the south, Krystal was selected to the USA Today's 2019 Top-10 Best Regional Fast-Food List. There are over 305 Krystal locations in 10 States with over 6,500 employees that do over \$306 Million in system wide sales. With a widespread presence throughout most of the U.S., Krystal is looking to break into and develop new markets in SC, VA, TX, OK, MO and more. In May of 2020, Krystal was acquired by Fortress Investment Group & Golden Child Holdings. Fortress Investment Group and Golden Child have strong ties to Atlanta, the south and the Krystal Brand. Fortress Investment Group has over \$52.7 billion of assets under management and Golden Child is an active investor and manager in the restaurant sector that has extensive turnaround experience.

publix

CATO ROSES
SHOE SHOW MEGA PAPA JOHN'S

bealls
OUTLET.

ANYTIME
FITNESS



DG

Krystal
DOUBLE
DRIVE THRU



21,300 VPD
Monroe Hwy

U-HAUL
AUTHORIZED DEALER



12,200 VPD
Highway 29

CITY OF WINDER GEORGIA



DEMOGRAPHIC SUMMARY

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ATLANTA MSA

CAPITAL OF THE SOUTHEAST

Atlanta is the hub and economic engine of the Southeast, which is the fastest growing region in the U.S. The city's thriving economy and job base, coupled with its high quality and low cost of living, make it an ideal destination to draw young and educated talent from all parts of the country. Diversified investments from corporations, as well as state and local governments, make Atlanta an ideal place to conduct business. Currently there are 15 Fortune 500 companies that call Atlanta home, which include the recently relocated Mercedes-Benz and State Farm Insurance headquarters. Bolstering the city's economic appeal, Atlanta is also home to the busiest airport in the world, Hartsfield-Jackson Atlanta International Airport, which handles more than 100 million passengers per year.

6 MILLION

9TH MOST POPULOUS
MSA IN THE US
EST. 2025 POPULATION
6.9 MILLION

15

FORTUNE 500
COMPANIES
CALL ATLANTA
HOME

785,000

NEW JOBS FORECAST
THROUGH 2025
30% HIGHER THAN
US AVERAGE



Coca-Cola



DELTA



Southern Company



First Data™



Mercedes-Benz



State Farm®

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Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

Dated:

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Fax: (815) 550-1286
don.mcminn@marcusmillichap.com

Re: 19 Monroe Highway – Winder, GA 30680 (Krystal)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$25,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$25,000 deposited at the expiration of the Inspection Period (\$50,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date
(Please Check One)

☐ **New Property:** Within 10 Calendar Days after rent commencement and receipt of tenant estoppel.

☐ **Existing Property** Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within
10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's

Purchaser's Initials _____ Seller's Initials _____

accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation (written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____

Purchaser's Initials _____ Seller's Initials _____