



REPRESENTATIVE



OFFERING MEMORANDUM

KRYSTAL

Statesboro, GA

Marcus & Millichap

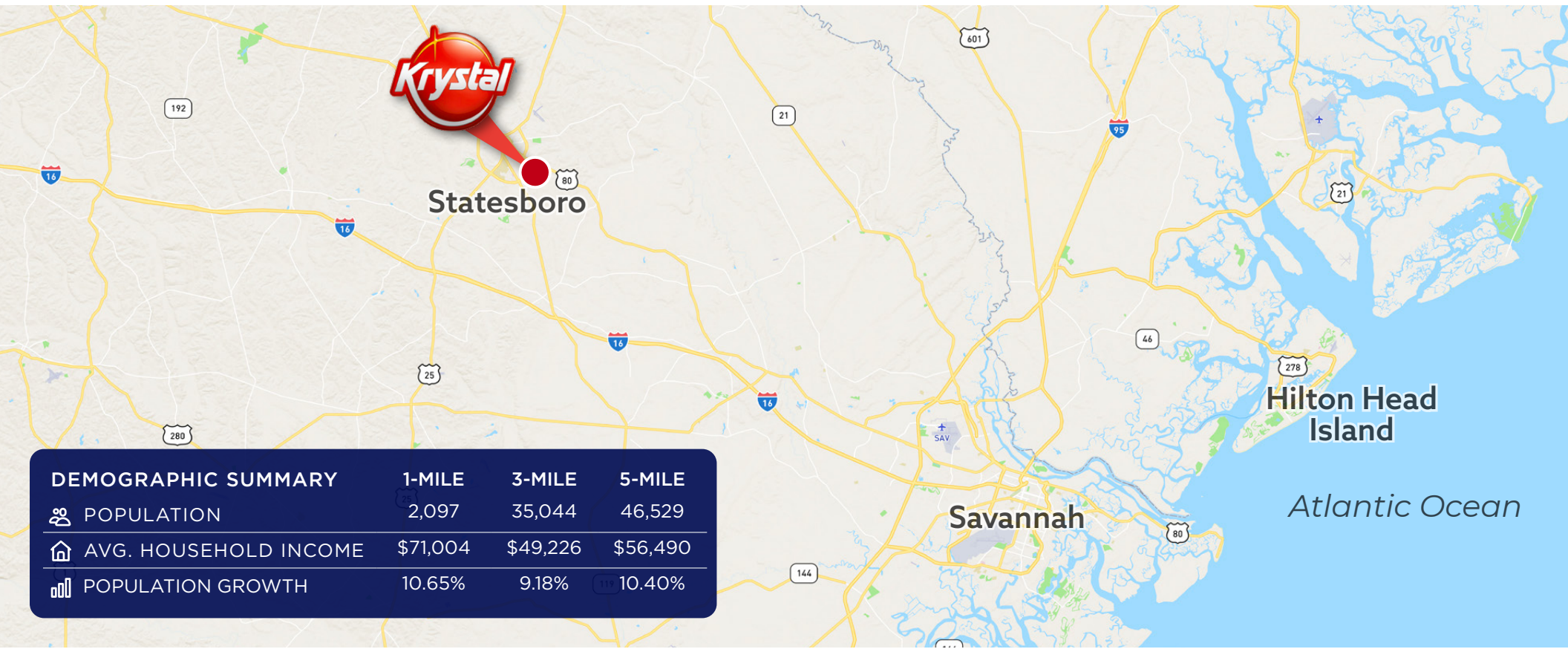
OFFERING SUMMARY



781 Brannen St,
Statesboro, GA 30458

PRICE	\$1,953,000
CAP RATE	5.25%
NOI	\$102,500
RENTABLE SQUARE FEET	2,248
YEAR BUILT	2007
LOT SIZE	0.98 AC
TENANT TRADE NAME	Krystal
LEASE GUARANTOR	Corporate
LEASE TYPE	NNN

ROOF & STRUCTURE	Tenant
LEASE TERM	20 Years
RENT COMMENCEMENT DATE	Upon Close of Escrow
LEASE EXPIRATION DATE	20 Years from Close of Escrow
TERM REMAINING ON LEASE	20 Years
INCREASES	1% Increases After Year 6 in Initial Lease and Options
OPTIONS	Four, 5-Year Option Periods
TENANT RESPONSIBILITIES	Taxes, Insurance, CAM, Roof & Structure
LANDLORD RESPONSIBILITIES	100% No Landlord Responsibilities



DEMOGRAPHIC SUMMARY	1-MILE	3-MILE	5-MILE
POPULATION	2,097	35,044	46,529
AVG. HOUSEHOLD INCOME	\$71,004	\$49,226	\$56,490
POPULATION GROWTH	10.65%	9.18%	10.40%

LEASE ABSTRACT



RENT COMMENCEMENT DATE	Upon Close of Escrow	
LEASE EXPIRATION DATE	20 Years from Close of Escrow	
TERM REMAINING ON LEASE	20 Years	
LEASE TYPE	NNN	
BASE RENT	Years 1-6	\$102,500
	Years 7	\$103,525
	Years 8	\$104,560
	Years 9	\$105,605
	Years 10	\$106,661
	Years 11	\$107,728
	Years 12	\$108,805
	Years 13	\$109,893
	Years 14	\$110,992
	Years 15	\$112,102
	Years 16	\$113,223
	Years 17	\$114,356
	Years 18	\$115,499
	Years 19	\$116,654
	Years 20	\$117,821
OPTION RENT	Years 21-25 (Option 1)	1% Annual Increases
	Years 26-30 (Option 2)	1% Annual Increases
	Years 31-35 (Option 3)	1% Annual Increases
	Years 36-40 (Option 4)	1% Annual Increases
INCREASES	1% Increases After Year 6 in Initial Lease and Options	
OPTIONS	Four, 5-Year Option Periods	
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INVESTMENT HIGHLIGHTS

BRAND NEW 20-YEAR CORPORATE NNN LEASE

- The subject property has a brand new 20-year Corporate Guaranteed NNN Lease with Krystal Company LLC that will commence at closing.
- Tenant is 100% responsible for all expenses including taxes, insurance, CAM, Roof & Structure.
- There are 1% rent annual increases after year 6 in the initial lease and in all four, 5-Year option periods.

DRIVE THRU KRYSTAL LOCATION

- This property is a 2,248 SF Krystal with a drive thru and three points of entry.
- This store was built in 2007 and will be a candidate to be reimaged to their new prototype.

PRIMARY RETAIL CORRIDOR LOCATION

- Subject property sits at a lighted pin corner at the heart of the Statesboro retail corridor along Veterans Memorial Pkwy (25,700 VPD).
- Directly across the street is a 115,181 SF retail power center (Statesboro Crossing) with T.J. Maxx, Hobby Lobby, Petco, ALDI and More.
- Over 1.5M SF of retail within a 1-mile radius of this property which includes Walmart, Lowe's, Tractor Supply, BI LO, Big Lots!, and The Statesboro Mall.

HOME TO GEORGIA SOUTHERN UNIVERSITY

- Subject property is located 2 miles from Georgia Southern University (28,000+ Students). The close proximity to GA Southern has helped historically drive sales at this location.
- GA Southern is the 6th largest college in the state of Georgia.
- GSU has been ranked as a Top 12 Business School and one of America's Best Colleges by Forbes.

KRYSTAL

- Krystal is the Southeast's longest-standing QSR chain that has been in business for over 89 years.
- Krystal has over 305 stores in 10 states with over 6,500+ employees and does over \$306 Million in sales volume.
- Krystal was recently acquired by Fortress Investment Group & Golden Child Holdings in May of 2020
- Fortress manages assets on behalf of approximately 1,800 institutional clients and private investors worldwide totaling approximately \$52.7 billion.
- Golden Child is an active investor and manager in the restaurant sector that has extensive turnaround experience.

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.

East Georgia Regional
Medical Center

Georgia Southern
Botanical Garden



GEORGIA
SOUTHERN
UNIVERSITY

28,000+ Students



STATESBORO MALL



Brannen St. +/- 9,390 VPD



US Hwy 80 +/- 23,900 VPD



Veterans Memorial Parkway +/- 25,700 VPD



Waterpark
120,000 Annual Visitors
3.1 Mi



Statesboro-Bulloch County Aiprt (TBR)

18,500 Aircraft Operations per Year



4.7 Mi

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RETAIL GROUP

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Re: 781 Brannen Street– Statesboro, GA 30458 (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 \$50,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$50,000 deposited at the expiration of the Inspection Period (\$100,000 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 _____