




**564 BATTLEFIELD PARKWAY**  
FORT OGLETHORPE (CHATTANOOGA MSA), GEORGIA

ACTUAL LOCATION



Jones Lang LaSalle ("JLL") Capital Markets, Net Lease is pleased to exclusively offer a premier net lease opportunity to acquire a single tenant Del Taco (the "Property") located in Fort Oglethorpe, Georgia, in the Chattanooga MSA – the anchor of the Tennessee-Georgia-Alabama intersection and the logistics hub of the southeastern United States. Del Taco is optimally positioned next to the Fort Oglethorpe Marketplace, adjacent to the city's busiest intersection (50,600 VPD). The property is located along a major retail corridor at a signalized intersection, sharing access with the busiest Dollar General Market in the state, and is minutes away from two schools combining for 1,560 students and only a mile from CHI Memorial Hospital of Georgia.

**\$1,737,000**  
Purchase Price 

**4.75%**  
Cap Rate 

**\$82,500**  
NOI 

**19 Years**  
Remaining Lease Term 





# INVESTMENT HIGHLIGHTS



## EXTREMELY LOW RENT WITH ATTRACTIVE RENT INCREASES

Del Taco pays a strikingly low \$82,500 with 10% rent increases every 5 years during the initial term and continuing into option periods.



## MARKET-LEADING DEL TACO LOCATION

Del Taco at Fort Oglethorpe is the #1 (out of 21) Del Taco in the state of Georgia and the #20 (out of 540 reported) Del Taco in the US, based on customer visits over the last 3 months (Placer.ai).



## DOMINANT STORE WITH EXCEPTIONAL SALES VOLUME

Q1 2021 annualized store sales result in a phenomenal sub-5% rent-to-sales ratio, with this location achieving sales 31% above the average Del Taco store.



## RAPIDLY GROWING BRAND IN PRIORITY MARKET

Del Taco envisions long-term potential of over 2,000 stores in the US, with a priority on creating a strong, long-lasting presence in Georgia.





# INVESTMENT HIGHLIGHTS



## BOOMING "FREIGHT ALLEY"

The Chattanooga Region moves the highest freight volume of anywhere in the US due to its central location and extensive distribution infrastructure (Cambridge Systematics) – earning Chattanooga the nickname, "Freight Alley".



## POWERFUL EMPLOYMENT GROWTH

Forbes recently reported a study by ManpowerGroup North America that ranked Chattanooga #1 among cities in the US with the greatest employment outlooks.



## THRIVING ECONOMY OF CATOOSA COUNTY

Catoosa County has the highest median income, lowest poverty rate, and the lowest unemployment rate – 2.4% as of April 2021, its lowest in 20 years – in the Chattanooga Region.



## INCREDIBLE VISIBILITY AT SIGNALIZED INTERSECTION

Located on the going-home side of Battlefield Parkway (30,700 VPD), Del Taco has 200 feet of frontage and is favored by a significant volume of cars that stack up at the signalized intersection in front of the property.



## DAILY SHOPPING DESTINATION WITH HIGH-PERFORMING GROCER

Del Taco shares access and customers with Fort Oglethorpe Marketplace, home to the #1 (out of 7) Dollar General Market in Georgia based on customer visits over the last 3 months (Placer.ai).



## HIGH-TRAFFIC LOCATION NEXT TO MAJOR INTERSECTION

Del Taco sees an incredible daily flow of traffic, as the property is located adjacent to the busiest intersection in Fort Oglethorpe, with the two roads combining for 50,600 vehicles per day.



## COMPLIMENTARY TENANT MIX

Del Taco is the first choice for families coming and going from the 4.5-star (311 Google Reviews) Xtreme Air Mega Park – the largest trampoline park in America – located in the Fort Oglethorpe Marketplace.







DOWNTOWN CHATTANOOGA  
9 MILES

Fountain Brook Apartments  
224 Units

LAFAYETTE ROAD (19,900 VPD)

Wendy's

FOOD CITY

Advance Auto Parts

DUNKIN'

DOLLAR GENERAL  
MARKET  
Goodwill Industries of the Chesapeake, Inc.  
BIG LOTS!  
XTREME AIR MECA PARK

BATTLEFIELD PARKWAY (30,700 VPD)

DEL TACO





WEST AERIAL





## TENANT OVERVIEW



Del Taco Restaurants Inc. (TACO) is a national operator and franchisor of restaurants featuring fresh and fast made-to-order cuisine, offering both Mexican-inspired food, such as tacos and burritos, and American classic dishes, including "Double Del" cheeseburgers, crinkle cut fries, and milkshakes. With attributes of both a fast-casual restaurant and a QSR – a combination known as "QSR+" – Del Taco occupies a place in the restaurant market distinct from most competitors. By offering a diverse menu as well as a 24-hour service model in many restaurants, Del Taco is able to attract a broader customer base and serve a wider variety of customers than other Mexican limited service restaurants. Del Taco has ambitious plans for expansion, having grown to 295 company-operated and 301 franchise-operated restaurants, with long-term restaurant potential of 2,000 locations in the United States. In addition, company revenue has grown by over 10% in the last four years and is projected to increase another 10% by the end of 2022.

The franchisee for the Property is Jetz Foods, LLC, an expanding franchisee with a team boasting over 30 years of combined experience in the industry. Jetz Foods currently operates over 35 QSRs and has plans to open 2 more Del Taco locations in 2021.

### CORPORATE OVERVIEW

<b>Ownership:</b>	Public (NASDAQ: TACO)
<b>Year Founded:</b>	1964
<b>Headquarters:</b>	Lake Forest, CA
<b>Locations:</b>	596
<b>Employees:</b>	7,892
<b>Revenue:</b>	\$498 Million (2020)



# LEASE ABSTRACT

**\$1,737,000**  
Purchase Price 

**4.75%**  
Cap Rate 

**\$82,500**  
NOI 

## LEASE DETAILS

Address	564 Battlefield Parkway, Fort Oglethorpe, GA 30742
Tenant	Jetz Foods, LLC
Guarantor	Thomas A. Getz (10-Year Personal Guaranty)
Lot Area	+/- 0.81 Acres
Size	+/- 2,500 SF
Year Built	2020
Annual Rent	\$82,500
Lease Type	Ground
Lease Effective Date	5/29/2019
Rent Commencement	6/14/2020
Lease Expiration	6/30/2040
Remaining Lease Term	19 Years
Remaining Options	Four (4), Five (5) Year Options

## RENT SCHEDULE

Description	Dates	Annual Rent	Rent Increase
Current Term: Years 1-5	Jun-20 - Jun-25	\$82,500	-
Current Term: Years 6 - 10	Jul-25 - Jun-30	\$90,750	10%
Current Term: Years 11 - 15	Jul-30 - Jun-35	\$99,825	10%
Current Term: Years 16 - 20	Jul-35 - Jun-40	\$109,808	10%
Option Term 1: Years 21 - 25	Jul-40 - Jun-45	\$120,789	10%
Option Term 2: Years 26 - 30	Jul-45 - Jun-50	\$132,868	10%
Option Term 3: Years 31 - 35	Jul-50 - Jun-55	\$146,155	10%
Option Term 4: Years 36 - 40	Jul-55 - Jun-60	\$160,771	10%

## TENANT RESPONSIBILITY DETAIL

Insurance	Tenant maintains property insurance and liability insurance.
CAM Payment	Tenant pays to Landlord \$2,000 per year as contribution to the expenses of maintenance of the common areas of the Shopping Center. This contribution will increase 10% every 10 years.
Real Estate Taxes	Tenant shall pay all real estate taxes directly to the taxing authority.
Utilities	Tenant is responsible for all charges for water and sewer services and any other utility or service used in the leased premises.
Maintenance & Repairs	Tenant is responsible for and pays to keep the leased premises in good condition and repair.

## LANDLORD RESPONSIBILITY DETAIL

CAM Payment	Landlord shall pay the Shopping Center Owner \$2,000 per year towards the cost of maintaining the Access Driveways on the Shopping Center parcel. This payment will increase 10% every 10 years.
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## LEASE NOTES

ROFR	If Landlord receives an offer from a third party to purchase the premises, Landlord shall notice the Tenant and Tenant has 5 days to accept purchase terms or waive its purchase right.
Assignment / Subletting	Tenant may not assign or transfer without Landlord's consent. Tenant and Guarantor shall not be released from liability or any obligation under the lease for 10 years from the Commencement Date.



DOWNTOWN CHATTANOOGA  
9 MILES





# MARKET OVERVIEW

# CATOOSA

Located in Northwest Georgia on the Tennessee border, Catoosa County is around 100 miles northwest of Atlanta and 17 miles south of Chattanooga, Tennessee. The County consists of two major cities, Ringgold and Fort Oglethorpe. Location is a major advantage for Catoosa County: between its location along Interstate-75 – a major North-South transportation vein – closeness to the Chattanooga Metropolitan Airport (15 miles) and the Hartsfield- Jackson Atlanta International Airport (110 miles), and proximity to the Appalachian Regional Inland Port and maritime ports of Savannah, GA, Catoosa County is well-suited for economic growth.

## POPULATION

With a population of 67,850, Catoosa County is expecting to see consistent growth over the next several years. As people are flocking to Catoosa County for its incredible beauty, excellent schools, temperate weather, and low cost of living, the population is expected to grow 4.5% by 2025.

## ECONOMY

Catoosa County is quickly becoming an economic stronghold for the region, boasting the highest median income, lowest poverty rate, and lowest unemployment rate in the Chattanooga Region (Catoosa County Economic Development Authority). The BLS reports that Catoosa County is currently at its lowest unemployment rate in 20 years at 2.4%. In addition, real estate owners in Catoosa County enjoy a low tax environment which includes typical real estate tax assessments that are 21.5% less than the national average.

## EDUCATION

Catoosa County has a highly skilled workforce and an award-winning public school system. The County's Board of Education has earned and maintained the highest award granted by the Georgia School Board Association – "Exemplary School Board" – status for several years. In addition to its thriving public schools, Catoosa County is home to the Georgia Northwestern Technical College Catoosa County Campus, a technical school which produces workers that feed into the area's industries, including manufacturing, transportation, and utilities.



# CHATTANOOGA, TENNESSEE

Chattanooga is situated approximately 100 miles northwest of Atlanta, 130 miles from Nashville, and abuts the Georgia border at the convergence of three major interstates, I-24, I-75, and I-59. With the scenic beauty of the surrounding Tennessee Valley, stable population, diverse economy, and strategic location, Chattanooga is one of the most progressive and livable mid-size cities in the U.S. Since 2000, Chattanooga has won 3 national awards for outstanding “livability” and 9 Gunther Blue Ribbon Awards for excellence in housing and consolidated planning. The city has seen tremendous growth over the past decade, becoming a destination market for many businesses and people alike.

## EMPLOYMENT

Chattanooga serves as home to the corporate headquarters for a number of nationally recognized companies, including: BlueCross BlueShield of Tennessee (Tennessee’s leader in health care financing), CBL & Associates Properties (one of the largest shopping center developers in the U.S.), McKee Foods Corporation (maker of Little Debbie snack cakes), U.S. Xpress Enterprises (the 5th largest publicly owned truckload carrier in the U.S.), and Unum (the world’s largest underwriter of disability insurance).

The top employers in Chattanooga include the Erlanger Health System, the Tennessee Valley Authority, and the CHI Memorial Hospital System.

In addition, Chattanooga has attracted a number of major companies looking to take advantage of the region’s highly developed transportation system and access to distribution channels. Amazon, Volkswagen, and Whirlpool are all examples of major companies with a strong presence in the Chattanooga metro area.

**NO. 1  
CITY IN THE U.S.  
FOR FREIGHT  
VOLUME**  
(Cambridge Systematics)

**NO. 1  
CITY IN THE  
U.S. FOR  
EMPLOYMENT  
OUTLOOK**  
(Manpower Group)

**NEARLY 3  
MILLION  
TOURISTS  
EACH YEAR**

**OVER \$300  
MILLION  
IN NEW  
RESIDENTIAL  
PROJECTS**





# DEMAND DRIVERS

## LOGISTICS & DISTRIBUTION HUB

Benefitting from its premier location along the Tennessee River, Chattanooga has become a logistics and distribution hotspot. Chattanooga is centrally located within a region that has come to be known as “Freight Alley”, a logistics and distribution network that covers a large portion of the southeastern US and contributes to over 40% of the economy of the region, attracting companies and investment to this thriving area. As a result of its central location within this booming distribution network, Chattanooga ranks first among all metropolitan cities for the movement of freight.

## TECHNOLOGY HUB

Chattanooga, or “Gig City” as it is commonly referred, was the first city in the Western Hemisphere to provide 1 Gigabit-per-second internet service (20-200 times the max speed in other communities) to all its residents and businesses. The ultra-high-speed internet and advanced fiber optic network has been successful in luring numerous tech start-ups to Chattanooga and is estimated to have attracted \$4 billion in foreign investment to the area.

## TOURISM

Often referred to as the “Scenic City” because of the surrounding mountains and ridges of the Appalachian Mountains and Cumberland Plateau, Chattanooga offers a number of attractions and events for residents, students, and visitors to enjoy. Tourism is a \$935 million industry in Chattanooga and Hamilton County and accounts for an annual payroll of over \$91 million. 3 million tourists annually flock to the Tennessee Aquarium, Chattanooga Choo Choo Hotel, Ruby Falls, the Tennessee Riverwalk, and the Riverbend Festival, an annual nine-day music festival held in downtown Chattanooga.



FREIGHT ALLEY

TENNESSEE RIVER



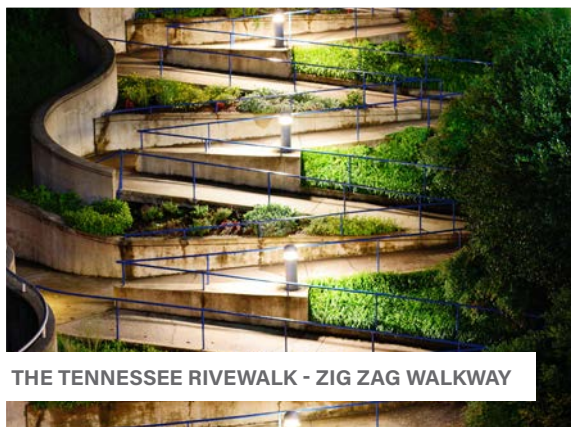
DOWNTOWN CHATTANOOGA



CHATTANOOGA CHOO CHOO HOTEL



ROCK CITY



THE TENNESSEE RIVERWALK - ZIG ZAG WALKWAY

TENNESSEE AQUARIUM

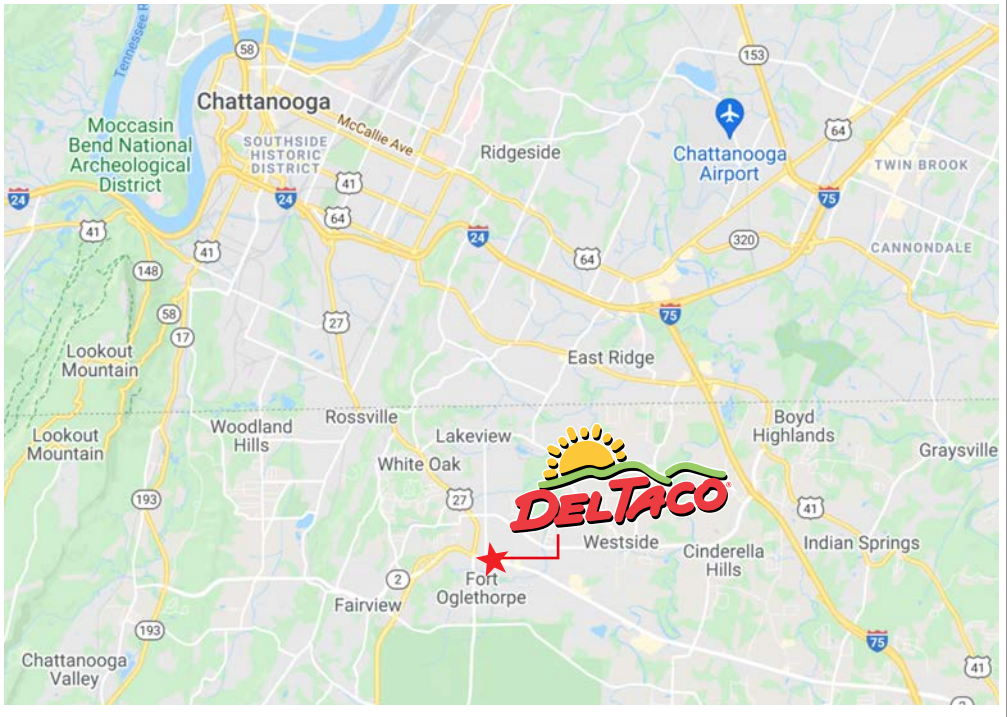




# STRONG DEMOGRAPHICS

## Demographic Overview

POPULATION	2-Mile	5-Mile	10-Mile	Chattanooga MSA
2025 Projection	20,277	105,086	299,716	604,219
2020 Estimate	19,615	101,735	287,024	578,622
% Growth 2020-2025	3.4%	3.3%	4.4%	4.4%
HOUSEHOLD INCOME				
Average	\$52,421	\$56,147	\$70,648	\$76,570
Median	\$39,577	\$42,071	\$50,554	\$54,899



CHATTANOOGA, TENNESSEE





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