*** FLORIDA - NO STATE INCOME TAX ***



SLIM CHICKENS

131 MIRACLE STRIP PARKWAY SW FORT WALTON BEACH, FLORIDA 32548

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In Association with Florida Designated Broker: Jessica Gibson | CIA Brokerage Company | FL License # BK3479261



INVESTMENT OVERVIEW

SLIM CHICKENS

LOCATION

131 Miracle Strip Parkway SW Fort Walton Beach, Florida 32548

MAJOR CROSS STREETS

On Miracle Strip Pkwy SW, East of Memorial Pkwy NW

TENANT

NORTH FLORIDA RESTAURANT GROUP, LLC

GUARANTORS

CHRIS MCMILLAN, AMY MCMILLAN, RICHARD
MADDOX & REBECCA REATHERFORD

PURCHASE PRICE

\$3,455,000

CAP RATE

5.50%

ANNUAL RENT

\$190,000

GROSS LEASEABLE AREA

±2,762 SF

RENTAL ESCALATIONS

7% Every 5 Years

LEASE TYPE

Absolute NNN

OWNERSHIP

(Building & Land) Fee Simple

YEAR BUILT

November 2021 (Est. - Under Construction)

LOT SIZE

±0.828 Acre

LEASE EXPIRATION

October 31, 2041

OPTIONS

Two 5-Year Renewal Options

POINTS OF INTEREST

SHOPPING | ENTERTAINMENT: Fort Walton Beach has major retailers such as Walmart Supermarket, Target, Sam's Club, Kohl's, Lowe's Home Improvement, Home Depot, Ashley HomeStore, Dillard's, Tuesday Morning, T.J. Maxx, Old Navy, Hibbett Sports, Joann Fabrics, Office Depot, Books-A-Million, Ulta Beauty, Party City, Dollar General, Family Dollar, Big Lots, Publix Super Market, Bealls Outlet, Winn Dixie, Tractor Supply Co., etc.

Hurlburt Field (6 miles from the subject property) is home of the 1st Special Operations Wing (SOW), falls under the Air Force Special Operations Command. For FYE 2020, there were 8,261 active duty personnel, 787 reservists & guards, 11,641 family members, 1,863 civilian employees & 2,347 contractors. Total FYE 2020 salaries for military & civilian = \$968.7 million & expenses totaled to \$115.6 million.

Eglin AFB (8 miles form the subject property) is Air Force Material Command base serving as the focal point for all Air Force armaments. In 2018, Elgin was comprised of 3,065 military, 2,859 civilians & 2,109 contractors with a total economic impact of \$2.75 billion annually.

INVESTMENT HIGHLIGHTS

LEASE: Brand New 20-Year Absolute NNN Lease with Attractive 7.00% Rental Escalations Every 5 Years

TENANT | LEASE GUARANTOR: North Florida Restaurant Group Operates a Total of 12 Restaurants (8 Sonic Drive-In, 3 Slim Chickens & 1 Rib Crib Locations) with Five Personal Guarantees Back of the Performance of the Lease with a Combined Net Worth in Excess of \$33.6 Million!

BRAND NEW CONSTRUCTION: New, High-Quality Build-to-Suit Construction of Slim Chicken's Latest Prototype - Slated to Open November 2021!

TRAFFIC COUNTS: Great Drive-By Visibility & Access on US Hwy 98 (Main East/West Thoroughfare) with Traffic Counts in Excess of 30,000 CPD!

HIGH BARRIERS TO ENTRY/TOURIST DESTINATION: Well Positioned in a Densely Populated/High Barriers to Entry Retail Corridor - Minutes from the Beach & Walking Distance from Thousands of Hotel Rooms in Fort Walton's Beach Tourism District!

2021 DEMOGRAPHICS (5-MI): Total Population: 74,718 | Average Household Income: \$76,341



FINANCIAL ANALYSIS

SUMMARY

TENANT North Florida Restaurant Group, LLC

GUARANTORS Chris McMillan, Amy McMillan, Richard

Maddox & Rebecca Reatherford

PURCHASE PRICE \$3,455,000

CAP RATE 5.50%

GROSS LEASABLE AREA ±2,762 SF

YEAR BUILT

LOT SIZE

EXPENSE REIMBURSEMENT

FINANCING

Nov 2021 (Est. - Under Construction)

+0.828 Acre

This is an Absolute NNN lease.

Tenant is responsible for all expenses.

All Cash or Buyer to obtain new financing at Close of Escrow.





RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM*	INCREASE	RENT	ANNUAL INVESTOR RETURN
North Florida Restaurant Group, LLC	2,762	Ye <mark>ars 1-5: 11/01/21 to 10/31/26</mark>	Current	\$190,000	5.50%
		Years 6-10: 11/01/26 to 10/31/31	7.00%	\$203,300	5.88%
		Years 11-15: 11/01/31 to 10/31/36	7.00%	\$217,531	6.30%
		Years 16-20: 11/01/36 to 10/31/41	7.00%	\$232,758	6.74%
	A DA				6.10% AVG ANNUAL RETURN
RENEWAL OPTIONS		1st Option: 11/01/41 to 10/31/46	7.00%	\$249,051	
		2nd Option: 11/01/46 to 10/31/51	7.00%	\$266,485	

^{*} Estimated dates subject to change based on construction timeline.

IR USING OUR LICKENS.COM

TENANT OVERVIEW

Slim Chickens is a fast-casual restaurant chain which specializes in chicken tenders & wings. "Our Always Fresh" philosophy means that they strive to bring their guests quality chicken by serving them 100% all-natural, premium chicken.

Slim Chickens leans on a simple list of high-quality ingredients using house recipes crafted by founders Tom Gordon and Greg Smart. They marinade their chicken using fresh buttermilk and trained their team members to hand-bread every tender using a decade-old process to marinade and lock in moisture. Every meal is cooked right when ordered to ensure mouth-watering flavor in every bite.

There are countless ways to customize a meal. Shake or dip their always fresh chicken tenders and wings in more than 10 house sauces. Slim Chickens diverse menu extends beyond the classics, to their own spin on sandwiches, salads and wraps—from the southern fried Cayenne Chicken Ranch Sandwich, to sweet-savory Chicken & Waffles and decadent seasonal Jar Desserts.

The first location opened in 2003, inside a former sushi restaurant in Fayetteville, Arkansas. In 2005, the second location opened in the nearby city of Rogers. The chain's expansion accelerated in 2008 with five more openings in Arkansas and Oklahoma. In 2013, the first franchise location was opened; the next year, six regional franchise deals were made. In a partnership with Persian Gulf conglomerate Alghanim Industries, the first international Slim Chickens opened in Salmiya, Kuwait in May 2017. There has been 3 branches in the UK since May 2017 and in February 2020, its first branch in Kent, England opened in Bluewater Shopping Centre.

Currently, there are 102 Slim Chickens locations in the United States, Kuwait and United Kingdom.

https://slimchickens.com/

ABOUT THE TENANT

North Florida Restaurant Group, LLC operates a total of 12 restaurant locations (8 Sonic Drive-In, 3 Slim Chickens & 1 Rib Crib). There are 5 Personal Guarantees that back the performance of the lease with a combined net worth in excess of \$33.6 million!

One of the Operating Partners was the 2018 Sonic Operator of the Year!



SLIM CHICKENS | FORT WALTON BEACH, FLORIDA







LOCATION OVERVIEW



Fort Walton Beach is a city in southern Okaloosa County. It is the principal city of the Fort Walton Beach–Crestview–Destin Metropolitan Statistical Area. The biggest employers are the U.S. military, the hospitality industry, δ defense contractors.

Fort Walton Beach is a year-round fishing and beach resort community. Its busiest time of the year is the summer, causing a boost to the local economy because of seasonal human migration.

There are two major Air Force bases which border Fort Walton Beach. **Hurlburt Field** is home to Headquarters, Air Force Special Operations Command, the 1st Special Operations Wing, and the Joint Special Operations University. **Eglin AFB** is home to the Air Force Materiel Command's Air Armament Center and the 96th Air Base Wing, the 46th Test Wing, and Air Combat Command's 33rd Fighter Wing. Eglin is geographically one of the largest Air Force bases at 724 square miles, and thus home to joint exercises, and missile and bomb testing.

2020 TOP OKALOOSA COUNTY PUBLIC EMPLOYERS

- . Okalooosa County School District (education) 3,294 employees
- 2. Okaloosa County BCC (county government) 955 employees
- 3. Northwest Florida State College (education) 717 employees
- 4. Okaloosa County Sherriff's Office (county government) 461 employees

2020 TOP OKALOOSA COUNTY PRIVATE EMPLOYERS

- 1. Fort Walton Beach Medical Center (healthcare) 1,341 employees
- 2. Publix (retail) 1,092 employees
- 3. Lockheed Martin (defense contractor) 925 employees
- 4. Reliance Test & Technology (government contractor) 721 employees
- 5. North Okaloosa Medical Center (healthcare) 609 employees
- 6. Boeing (aerospace & defense contractor) 500 employees

2021 DEMOGRAPHICS							
	1-MI	3-MI	5-MI				
Total Population	7,351	43,083	74,718				
Projected Population (2026)	8,071	46,136	79,935				
Daytime Demographics Age 16+	7,568	40,034	70,349				
Median Age	41.8	38.7	38.1				
Average Household Income	\$60,728	\$73,755	\$76,341				

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