

20-Year NNN Sale-Leaseback

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



6050 Jimmy Carter Boulevard, Norcross, GA 30071

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

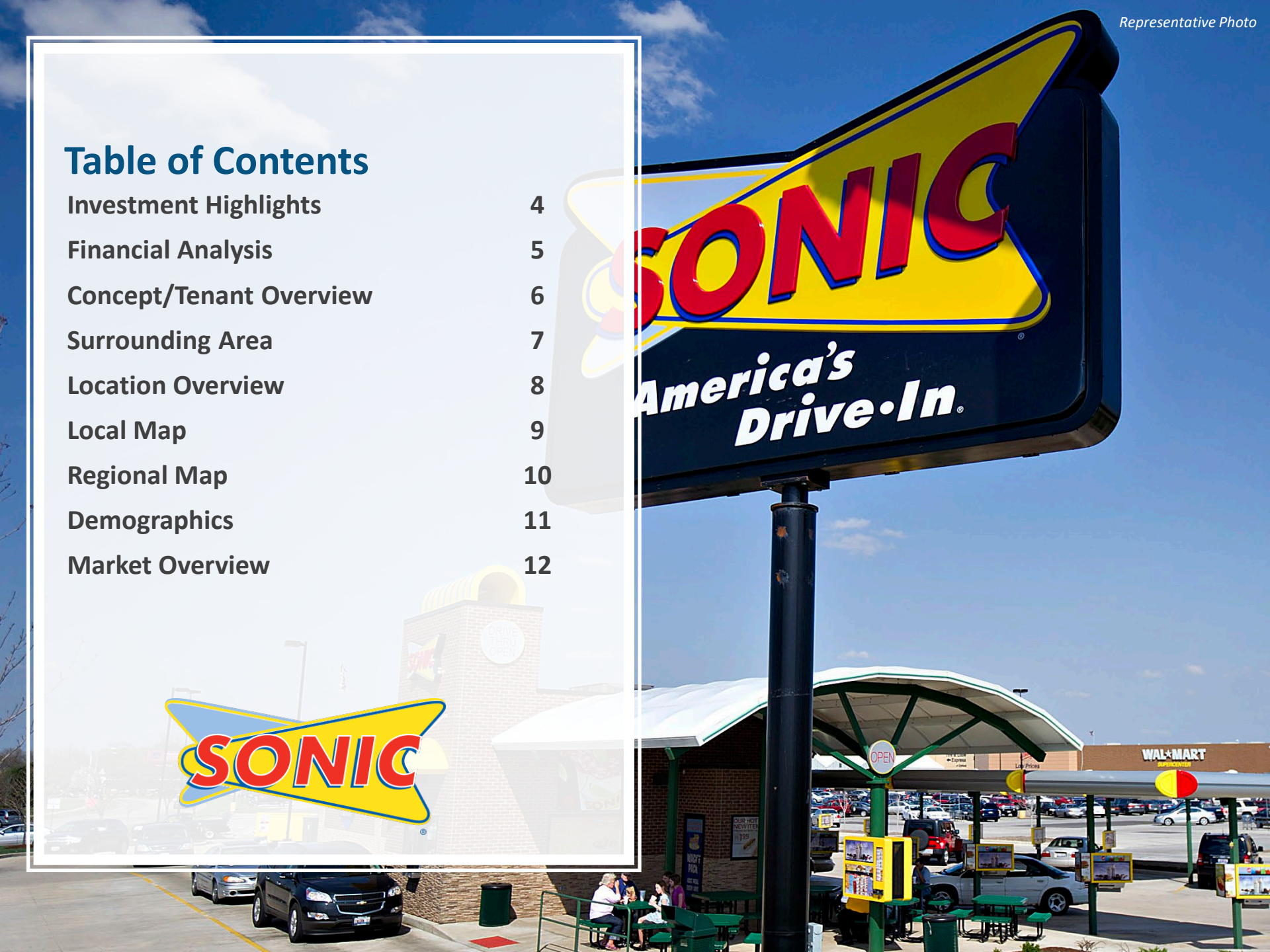


Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept/Tenant Overview	6
Surrounding Area	7
Location Overview	8
Local Map	9
Regional Map	10
Demographics	11
Market Overview	12



SONIC
*America's
Drive-In®*





Investment Highlights



PRICE: \$1,779,425 | CAP: 5.15% | RENT: \$91,640

About the Investment

- ✓ 20-Year Absolute Triple-Net (NNN) Sale-leaseback
- ✓ Franchisee Guarantee from AFG SR OP II, LLC (18 Units)
- ✓ 1.50% Annual Rental Increases Starting Year Six (6)
- ✓ Four (4), Five (5)-Year Tenant Renewal Option Periods

About the Location

- ✓ Dense Retail Corridor | Surrounded By Public Storage, Dollar Tree, Wells Fargo, Pappadeaux, The Varsity, Dunkin Donuts, Starbucks and Many Others
- ✓ Affluent Suburban Community | Average Household Income Exceeds \$105,000 for Homes within 10 Miles of the Subject Property
- ✓ Robust Demographics | More than 277,000 Individuals Reside within a Five-Mile Radius of the Subject Property
- ✓ Strong Student Presence | More than 10,000 Students Attend Schools in Close Proximity to the Subject Property
- ✓ Dense Industrial Corridor | OFS Fitel, US Cabinet Depot, Univar, Peterson, Atlantic Properties and Many Others All within a One-Mile Radius of the Subject Property
- ✓ Strong Traffic Counts | Jimmy Carter Boulevard and I-85 | Average 22,000 and 46,000 Vehicles Per Day, Respectively
- ✓ Approximately 30 Mile from Downtown Atlanta | Georgia's Capital and Most Populous City

About the Brand

- ✓ Sonic Drive-In Opened Their First Restaurant in 1953 and Now Maintains More Than 3,600 Drive-In Restaurants
- ✓ Sonic Continues to Thrive | Maintenance of Strong Real Sales Growth, Industry-Leading Customer Frequency, and High Returns for Stockholders
- ✓ Rated Top QSR Restaurant Chain in 14 States Amidst Covid-19 Pandemic





Financial Analysis



PRICE: \$1,779,425 | CAP: 5.15% | RENT: \$91,640

PROPERTY DESCRIPTION

Property	Sonic
Property Address	6050 Jimmy Carter Boulevard
City, State, ZIP	Norcross, GA 30071
Estimated Building Size	1,605
Estimated Lot Size	+/- 1.04 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,779,425
CAP Rate	5.15%
Annual Rent	\$91,640

LEASE SUMMARY

Property Type	Net Leased Quick Service Restaurant
Tenant / Guarantor	AFG SR Norcross, LLC / AFG SR OP II, LLC (18 Units)
Original Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years From COE
Lease Term Remaining	20 Years
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.50% Annually Starting Year Six (6)
Options to Renew	Four (4) Periods of Five (5) Years Each

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$91,640	\$7,637	-
Year 2	\$91,640	\$7,637	-
Year 3	\$91,640	\$7,637	-
Year 4	\$91,640	\$7,637	-
Year 5	\$91,640	\$7,637	-
Year 6	\$93,015	\$7,751	1.50%
Year 7	\$94,410	\$7,867	1.50%
Year 8	\$95,826	\$7,985	1.50%
Year 9	\$97,263	\$8,105	1.50%
Year 10	\$98,722	\$8,227	1.50%
Year 11	\$100,203	\$8,350	1.50%
Year 12	\$101,706	\$8,476	1.50%
Year 13	\$103,232	\$8,603	1.50%
Year 14	\$104,780	\$8,732	1.50%
Year 15	\$106,352	\$8,863	1.50%
Year 16	\$107,947	\$8,996	1.50%
Year 17	\$109,566	\$9,131	1.50%
Year 18	\$111,210	\$9,267	1.50%
Year 19	\$112,878	\$9,407	1.50%
Year 20	\$114,571	\$9,548	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Sonic located at 6050 Jimmy Carter Boulevard in Norcross, GA. The site will consist of roughly 1,605 rentable square feet of building space on estimated 1.04-acre parcel of land. The Sonic is subject to a 20-year absolute triple-net (NNN) sale-leaseback, which will commence upon close of escrow. The initial annual rent will be \$91,640 and is scheduled to increase by one-and-a-half percent (1.50%) annually starting year six (6) throughout the base term and in each of the four (4), five (5)-year renewal options.



Concept Overview



SONIC DRIVE-IN OVERVIEW

Sonic Corporation operates and finances the largest chain of drive-in restaurants in the United States. The first Sonic Drive-In restaurant was opened in 1953, and as of September 2020, there are approximately 3,600 Sonic's nationwide. The typical Sonic Drive-In has 16 to 24 parking space, each having its own payment terminal, intercom speaker system and menu board. Sonic offers a highly diverse menu. The menu is built around the finest quality items available, offering conveniently priced items as well as healthy alternatives. Signature food items include specialty drinks (such as cherry limeades and slushes), ice cream desserts, made-to-order chicken sandwiches and hamburgers, a variety of hot dogs including six-inch premium beef hot dogs and foot long quarter-pound cones, hand-made onion rings and tater tots.



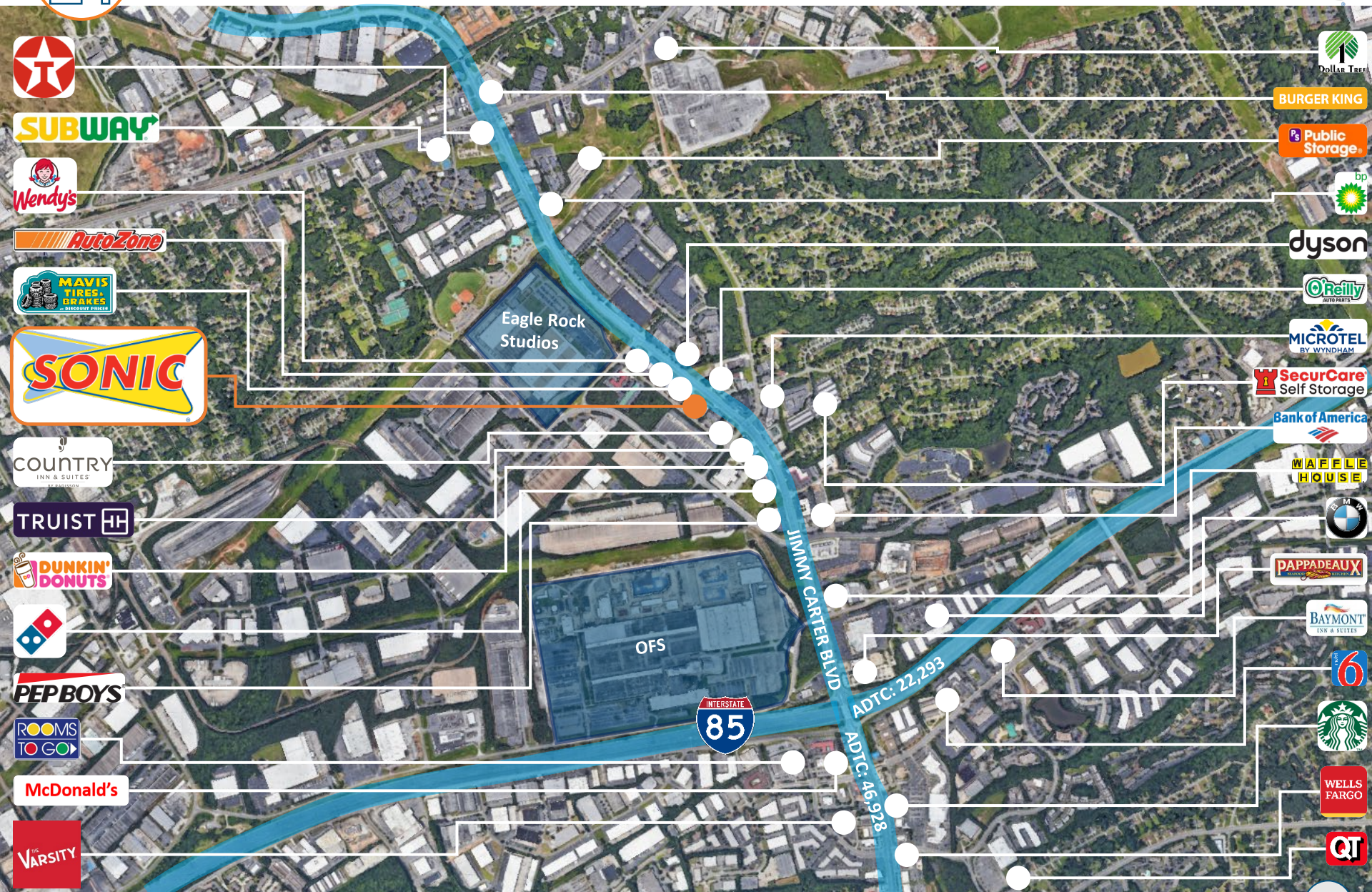
Highly Popular Amidst Covid-19 Pandemic Map of Top QSR Chain in Each State



topdax



Surrounding Area





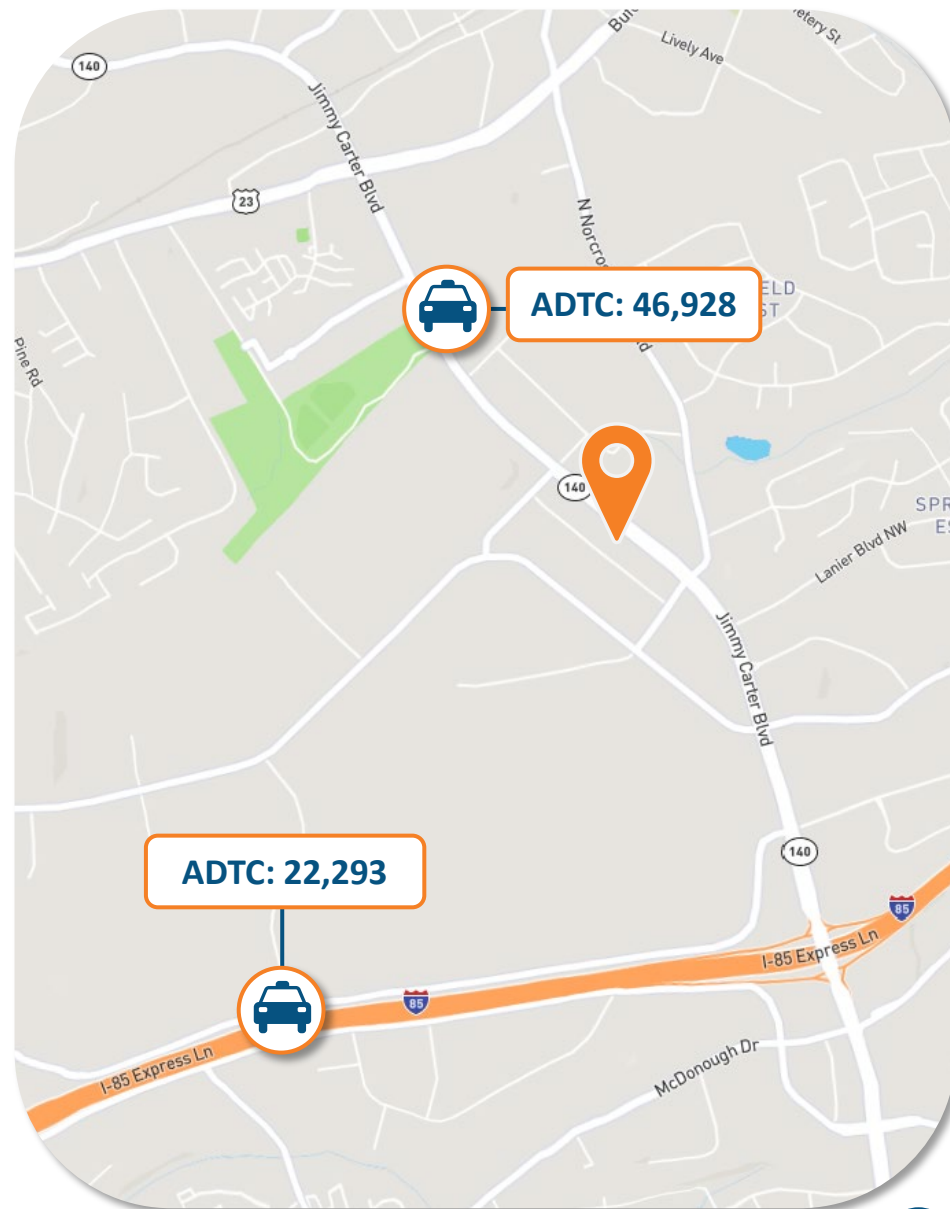
Location Overview



This Sonic Drive-In property is located at 6050 Jimmy Carter Boulevard in Norcross, Georgia. Norcross is located in Gwinnett County, Georgia. This Sonic Drive-In property is located on Jimmy Carter Boulevard, which experiences an average daily traffic count of 46,928 vehicles. Interstate 85 runs perpendicular to Jimmy Carter Boulevard and brings an additional 22,293 vehicles per day to the area.

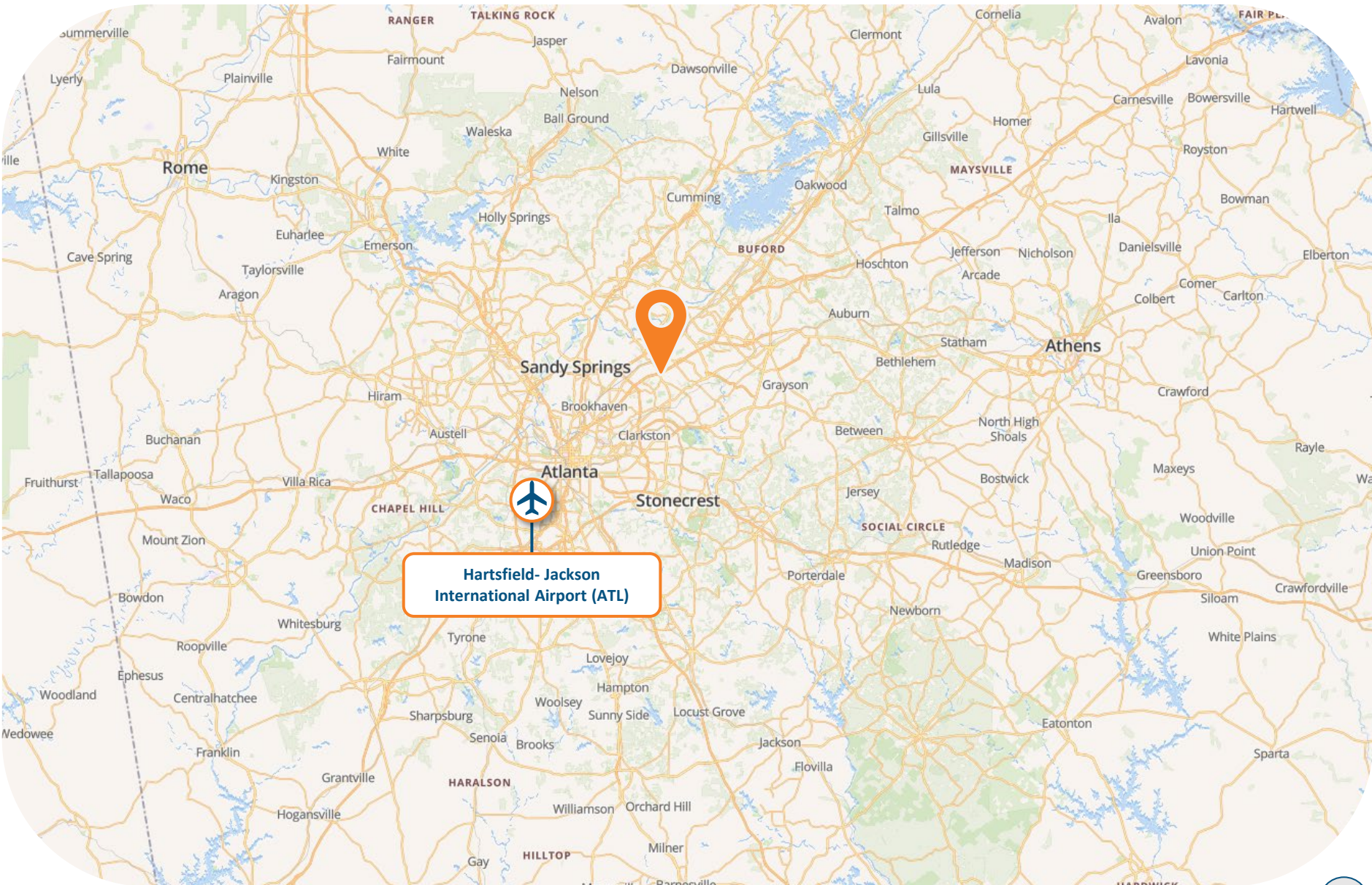
The subject property benefits from its strategic location in a dense retail and industrial corridor. Sonic is conveniently located near several industrial tenants such as OFS Fitel, US Cabinet Depot, Univar and many others. This location is also close to Eagle Rock Studios which offers over 160,000 square feet of space for filming and special events. Major retail tenants in the surrounding area include Public Storage, Dollar Tree, Wells Fargo, Pappadeaux, The Varsity, Dunkin Donuts, Starbucks and many others. Norcross High School, Wesleyan School, Greater Atlanta Christian School, and Meadowcreek High School are all within a five-mile radius of the subject property. These schools have a combined enrollment exceeding 10,000 students. Nearby access to Interstate 65 also provides for easy transportation to major cities to the north including Birmingham and Nashville.

Norcross is a city in Gwinnett County, Georgia, United States. It is included in the Atlanta-Sandy Springs-Marietta metropolitan statistical area. Norcross is recognized as a "Platinum Level Green Community." The city was voted "Gwinnett's Best Arts & Culture Scene" by Gwinnett Magazine, and area artists display their work throughout downtown. An ongoing calendar of activities keeps this vintage town fresh and exciting to visit with events like the outdoor summer concert series and the annual art festival, Norcross Art Splash (October), which is one of the biggest in metro Atlanta. Other events include the "Bluesberry Festival" in July and the British Car Fayre in September.



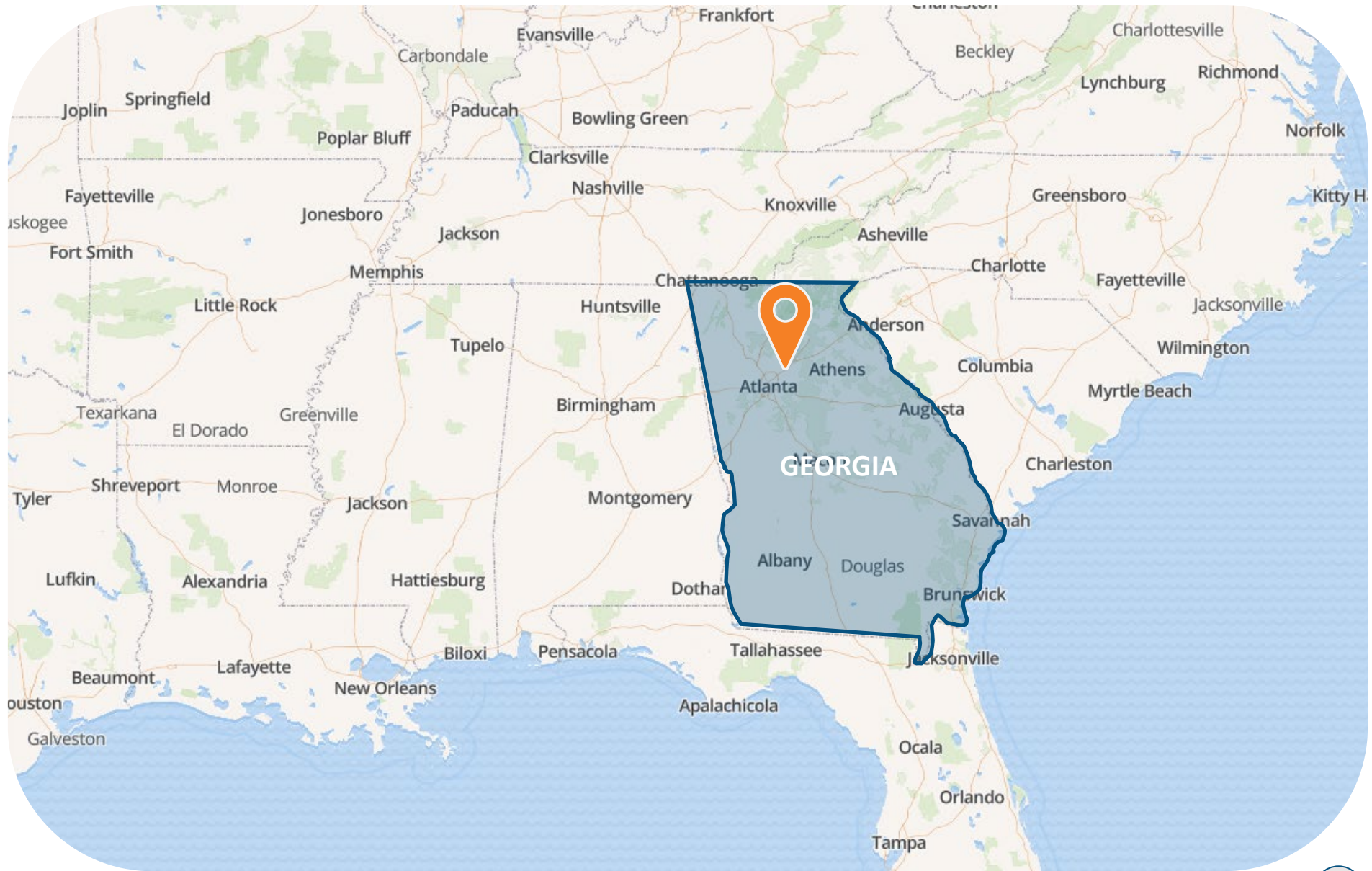


Local Map



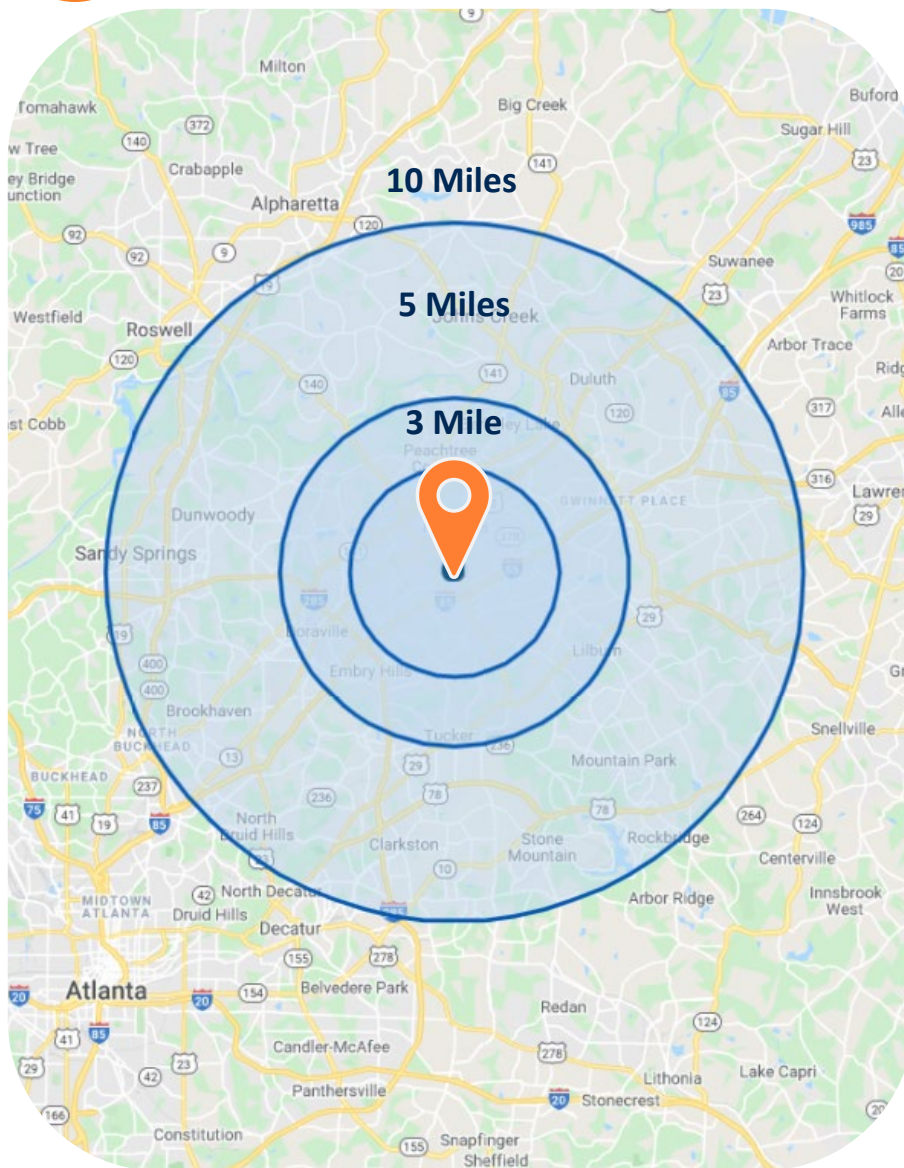


Regional Map





Demographics



POPULATION TRENDS

	3 Miles	5 Miles	10 Miles
2010 Population	96,489	238,017	889,310
2021 Population	115,225	277,062	1,019,516
2026 Population Projection	120,656	288,682	1,060,804
Annual Growth 2010-2021	1.80%	1.50%	1.30%
Annual Growth 2021-2026	0.90%	0.80%	0.80%

POPULATION BY RACE (2021)

	3 Miles	5 Miles	10 Miles
White	64,965	160,815	573,720
Black	31,342	66,725	260,614
American Indian/Alaskan Native	2,451	4,961	9,025
Asian	12,627	35,744	146,934
Hawaiian & Pacific Islander	276	536	1,103
Two or More Races	3,564	8,282	28,120
Hispanic Origin	57,849	109,373	215,111

HOUSEHOLD TRENDS

	3 Miles	5 Miles	10 Miles
2010 Households	32,101	82,852	339,812
2021 Households	38,301	95,699	388,452
2026 Household Projection	40,070	99,534	403,888
Annual Growth 2010-2021	0.60%	0.60%	0.80%
Annual Growth 2021-2026	0.90%	0.80%	0.80%

Avg Household Income

3 Miles	5 Miles	10 Miles
\$64,091	\$79,521	\$105,341

Median Household Income

3 Miles	5 Miles	10 Miles
\$47,808	\$56,187	\$73,643

HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

	3 Miles	5 Miles	10 Miles
< \$25,000	7,576	16,878	51,697
\$25,000 - 50,000	12,503	26,393	79,674
\$50,000 - 75,000	8,035	18,532	66,556
\$75,000 - 100,000	3,612	10,154	45,780
\$100,000 - 125,000	2,873	7,511	35,375
\$125,000 - 150,000	1,406	4,736	25,752
\$150,000 - 200,000	1,229	5,369	32,827
\$200,000+	1,066	6,126	50,790



Market Overview



Atlanta, GA



Atlanta has a metropolitan area that encompasses 29 counties in northwestern Georgia. With few natural barriers to limit development, tremendous population growth over the past decade expanded the metro's borders and the region now has a population of roughly 5.7 million people. Over the next five years the region is expected to add nearly 500,000 residents. Meanwhile, new redevelopment projects in the downtown and midtown sections of Atlanta present a vast array of housing, entertainment and retail opportunities that are enticing residents back into the city and providing options for people moving to the metro. Encompassing \$304 billion, the Atlanta metropolitan area is the eighth largest economy in this country and 17th-largest in the world. Over 75 percent of Fortune 1000 companies conduct business in Atlanta. Many corporations are drawn to Atlanta on account of the city's educated workforce. As of 2010 43 percent of adults in the city have college degrees, compared to 27 percent in the nation as a whole. Atlanta is home to the headquarters of many different corporations such as The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, UPS, and Newell Rubbermaid among others. Atlanta has a dynamic, distinctly Southern culture. This is due to a large population of migrants from other parts of the U.S., in addition to many recent immigrants to the U.S. who have made the metropolitan area their home, establishing Atlanta as the cultural and economic hub of an increasingly multi-cultural metropolitan area. Thus, although traditional Southern culture is part of Atlanta's cultural fabric, it is mostly the backdrop to one of the nation's most cosmopolitan cities. This unique cultural combination reveals itself in the arts district of Midtown, the quirky neighborhoods on the city's eastside, and the multi-ethnic enclaves found along Buford Highway. Atlanta is home to four professional sports teams: the Atlanta Braves (MLB), the Atlanta Hawks (NBA), the Atlanta Falcons (NFL), and Atlanta United FC (MLS).

Glen Kunofsky

Glen.Kunofsky@marcusmillichap.com

NY: 10301203289

(O): (212) 430-5115

Edward Otocka

Edward.Otocka@marcusmillichap.com

NY: 10401232117

(O): (212) 430-5235

James Westerberg

James.Westerberg@marcusmillichap.com

NY: 10401302501

(O): (646) 805-1449

(M): (516) 477-7026

Jack Winslow

John.Winslow@marcusmillichap.com

NY: 10401332843

(O): (646) 805-1412

(M): (203) 921-7155



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

John Leonard
Title: Broker of Record
Marcus & Millichap
1100 Abernathy Rd., N.E. Bldg. 500,
Ste. 600
Atlanta, GA 30328
Tel: (678) 808-2700
License: 252904