



**Bojangles**

20-YEAR GROUND LEASE

3551 AUSTIN PEAY HIGHWAY | MEMPHIS, TN

**\$2,455,000 | 4.00% CAP RATE**





OFFERING SUMMARY

Atlantic Capital Partners has been engaged to offer a free-standing Bojangles in Memphis, TN. This property sits at an ideal location next to a brand new Starbucks near the signalized intersection of Yale Rd (17,000 VPD) & Austin Peay Highway (70,000 VPD). The property will sit as an outparcel to a brand new retail development that is currently in the process of being developed, which already features a Starbucks and a commitment from Chick-fil-A.

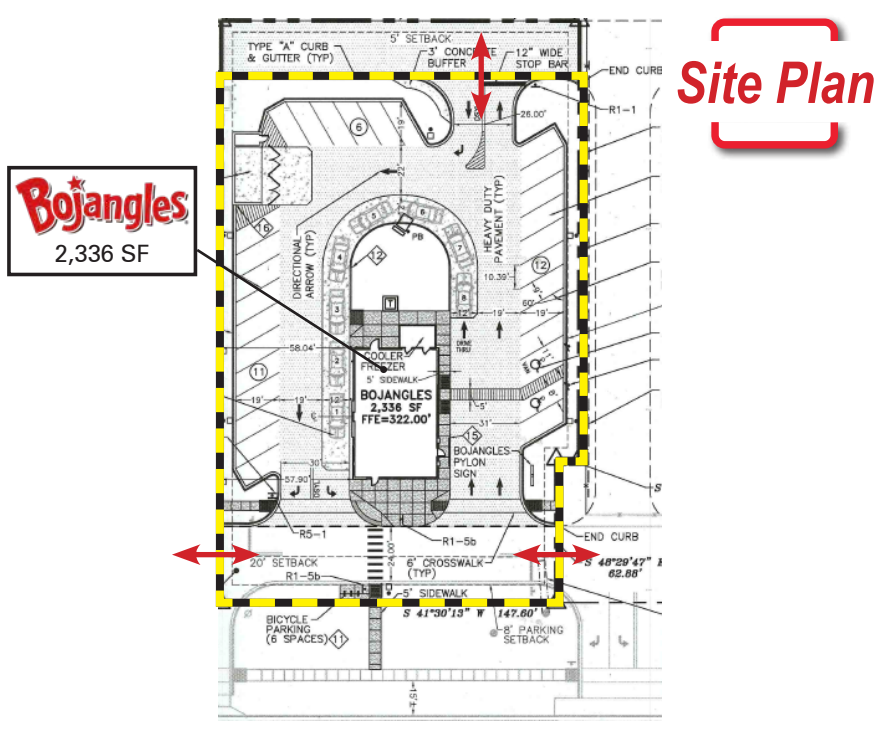
INVESTMENT HIGHLIGHTS

- Tax Free State
- 20-Year Absolute NNN Ground Lease
- Located at Marketplace at Raleigh Development
- Across the Street from New Raleigh Civic Center
- Proximity to New Amazon Fulfillment Center
- Proximity to Nike North American Logistics Campus
- Excellent Exposure near Heavily Trafficked Intersection
- Passive Income (Mailbox Money)
- Top Retailers Located Nearby

EXECUTIVE SUMMARY

PROPERTY	Bojangles Ground Lease
LOCATION	3551 Austin Peay Highway; Memphis, TN
BUILDING SIZE (GLA)	± 2,366 SF
LAND SIZE	± 0.93 Acres
YEAR BUILT	2022
TENANT/GUARANTOR	Bojangles/BOJANGLES OPCO, LLC (Corporate)
RENT TYPE	Absolute NNN Ground Lease
LANDLORD RESPONSIBILITIES	None
RENT COMMENCEMENT	4/1/2022
CURRENT RENT	\$98,204.00

RENT SCHEDULE	RENT TERM	RENT
LEASE YEARS 1-5	4/1/2022 - 3/31/2027	\$98,204
LEASE YEARS 6-10	4/1/2027 - 3/31/2032	\$108,024
LEASE YEARS 11-15	4/1/2032 - 3/31/2037	\$118,827
LEASE YEARS 16-20	4/1/2037 - 3/31/2042	\$130,710
1ST EXTENSION TERM	4/1/2042 - 3/31/2047	\$143,780
2ND EXTENSION TERM	4/1/2047 - 3/31/2052	\$158,159



161,015

PEOPLE WITHIN A 5 MILE RADIUS

\$60,746

AVERAGE HOUSEHOLD INCOME IN A 1 MILE RADIUS

70,000

ADT ON AUSTIN PEAY HIGHWAY



Long Term Lease with Large Rent Increases

20 year lease with 10% base rent increases every 5 years

Located at Marketplace at Raleigh Development

Bojangles will join Starbucks & Chick-fil-A at this 8.44 acre development which has plans to include two 20,000 SF retail buildings and 1 more outparcels in addition to:



Across the Street from New Raleigh Civic Center

This 67 acre, \$45M development features a new, 17,500-square-foot library and the 38,000 square-foot Austin Peay Police Station and Traffic Precinct, where 600 police officers will be stationed, a skate park, and a walking trail around the 11 acre pond

Additional Surrounding Development



10 additional acres in the Raleigh Civic Center are still open for development and targeting multi-family

Proximity to New Amazon Fulfillment Center

Opened in late 2020, this 3.5M SF, \$200M Amazon center created over 1,000 full time jobs | To the west of the current center will be another 181,000 SF delivery station that is currently under construction which will accommodate approximately 500 jobs



Proximity to Nike North American Logistics Campus

The property sits just 4 miles to the east of the \$301M distribution center that was built in 2015 | The 2.8M SF building is one of the largest distribution centers in the nation and employs 1,900 people



Excellent Exposure near Heavily Trafficked Intersection

Austin Peay Highway (70,000 VPD) & Yale Road (10,500 VPD) give this property exceptional exposure on a daily basis



Passive Income

Brand new construction and the **absolute NNN ground lease** with a strong corporate guaranty provides an investor with truly passive income

Efficient Tenant

In 2021, Bojangles ranked in the top of all QSRs for their average sales per unit, bringing in over \$1.86M

Top Retailers Located Nearby

Surrounding this property lies many top retailers in the country including:







20 ACRES TO BE  
DEVELOPED BY THE  
CITY OF MEMPHIS

RALEIGH CIVIC  
CENTER PROJECT

6.8 ACRES  
OF LAND  
CURRENTLY  
FOR SALE



Yale Rd

70,000 ADT

Austin Peay Hwy

AUSTIN PEAY  
POLICE  
STATION

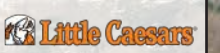
PUBLIC  
LIBRARY

RALEIGH SPRINGS  
CIVIC CENTER

RALEIGH SPRINGS  
TOWN CENTER  
SKATE PARK



Krystal



NEAT HEATING  
AND COOLING



17,000 ADT



MARKETPLACE  
AT RALEIGH  
DEVELOPMENT





- Year 1 Rent: \$98,204
- 2,366 SF Building
- 20 Year Lease
- 10% Rent Escalations Every 5 Years
- Zero Landlord Responsibilities
- Two (2), Five Year Options

**Bojangles**  
UNDER CONSTRUCTION

MARKETPLACE  
AT RALEIGH  
DEVELOPMENT

**Chick-fil-A**  
PLANNED

**Patriot Bank**

**Starbucks**

Austin Peay Hwy

70,000 ADT



## ABSOLUTE NNN GROUND LEASE BOJANGLES

Atlantic Capital Partners has been engaged to offer a free-standing, absolute NNN ground lease Bojangles. This property lies in Raleigh, Memphis, TN, a booming submarket that has seen significant investments from Amazon, Nike, and the city of Memphis in the past few years. This property is part of Bojangles plans to expand into western Tennessee and will be the third Bojangles in the Memphis area, however neither of the other two locations lie within a 7 mile drive of this property. This property will be a part of a larger development, Marketplace at Raleigh, that has plans to feature this Bojangles, a Starbucks, a Chick-fil-A, one more outparcel, and two 20,000 SF retail buildings (Tenants TBD). Brand new construction coupled with an absolute NNN ground lease will provide an investor with truly passive income for years to come.

Situated on a 0.93 acre parcel, the 2,366 square feet, free-standing building is currently under construction with rent expected to commence in April 2022. The property sits on Austin Peay Highway (70,000 VPD) and lies near the signalized intersection between Austin Peay Highway and Yale Road (17,000 VPD). Bojangles has expressed their long-term interest in this location by signing a 20 year lease, with 2, 5year options which would allow them to operate at this location through 2052. In addition to this location, Bojangles is opening another location in Memphis, TN to go along with their first in this market that opened in 2020. The surety of the cash flow generated from this asset is further enhanced by the guarantor on the lease, Bojangles OPCO LLC (Corporate).

Bojangles| Memphis, TN is being offered for sale free-and-clear of existing debt for \$2,455,000, which equates to a 4.00% cap rate on the current net operating income.

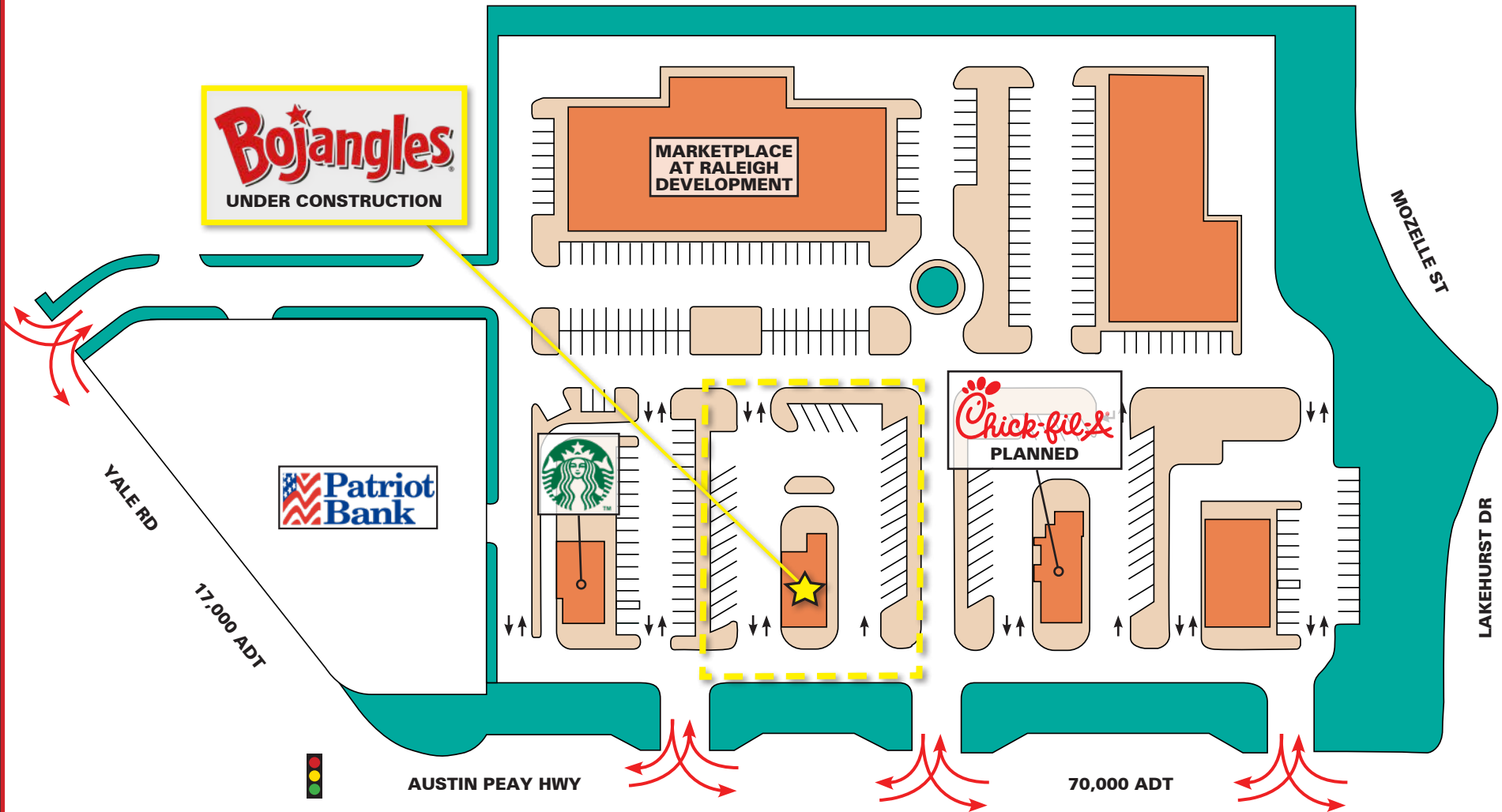


PROPERTY DESCRIPTION

Site Plan

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ROFR	Yes (30 Days)	

ASKING PRICE: \$2,455,000  
CAP RATE: 4.00%







## MEMPHIS, TN MARKET OVERVIEW

Memphis is a city along the Mississippi River in southwestern Shelby County, Tennessee, United States. Its 2020 population was 633,104, making it Tennessee's second-most populous city behind Nashville; the nation's 28th-largest; and the largest city proper of those situated along the Mississippi River. Greater Memphis is the 42nd-largest metropolitan area in the United States, with a population of 1,348,260 in 2017. The city is the anchor of West Tennessee and the greater Mid-South region, which includes portions of neighboring Arkansas, Mississippi, and the Missouri Bootheel. Memphis is the seat of Shelby County, Tennessee's most populous county. Memphis is a regional center for commerce, education, media, art, and entertainment. It has long had a prominent music scene, with historic blues clubs on Beale Street originating the unique Memphis blues sound in the early 20th century. The city's music has continued to be shaped by a multicultural mix of influences: the blues, country, rock and roll, soul, and hip-hop. Memphis-style barbecue has achieved international prominence, and the city hosts the World Championship Barbecue Cooking Contest, which attracts over 100,000 visitors to the city annually.

## RALEIGH, MEMPHIS, TN (PROPERTY LOCATION)

Raleigh is a community in north-central Memphis, Tennessee, United States, named for a formerly incorporated town that used to be at its center. Raleigh is bordered on the west by the community of Frayser (the boundary being the north-south Illinois Central Railroad tracks, which formed the Memphis city limits until 1975), on the east by the incorporated suburb of Bartlett, on the south by the Wolf River and Interstate 40, and on the north by the Memphis city limits. With the exception of a large Nike distribution center on New Frayser-Raleigh Road, Raleigh's business community is almost exclusively retail. The two main commercial corridors are Covington Pike and Austin Peay Highway, which meet at a major intersection that includes Methodist North Healthcare Hospital on one corner and a Walmart Supercenter and other businesses on the other. The southern section of Covington Pike comprises Memphis's largest collection of automobile dealerships and related businesses. The area around Stage Road offers fast food and casual restaurants, shopping centers, and major retailers such as Home Depot. Austin Peay Highway likewise is crowded with fast food and casual restaurants, shopping centers, grocery stores, and Raleigh Springs Mall, which was the community's commercial center from its opening in 1971 into the 1990s. It later struggled to retain tenants because of competition from newer complexes and other changes. In 2016 the City of Memphis bought up the mall to build the Raleigh Springs Civic Center. The Civic Center houses a public library, police station, traffic and special operations station, and skate park.







# RECENT DEVELOPMENTS IN THE SURROUNDING AREA



*Austin Peay Station at Raleigh Springs Civic Center*



*Raleigh Springs Civic Center Skate Park*



*Raleigh Springs Civic Center Library*



*2.8M SF Nike North American Logistics Campus*



*Amazon Fulfillment Center*



# ABOUT BOJANGLES

Bojangles (known as Bojangles' Famous Chicken 'n Biscuits until 2020) is an American regional chain of fast food restaurants that specializes in cajun-seasoned fried chicken and buttermilk biscuits that primarily serves the Southeastern United States. Currently, restaurants are in 14 U.S. states including Alabama, Arkansas, Florida, Georgia, Illinois, Kentucky, Maryland, Mississippi, North Carolina, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia, and the District of Columbia. In January 2019, Bojangles was acquired by The Jordan Company and Durational Capital Management.

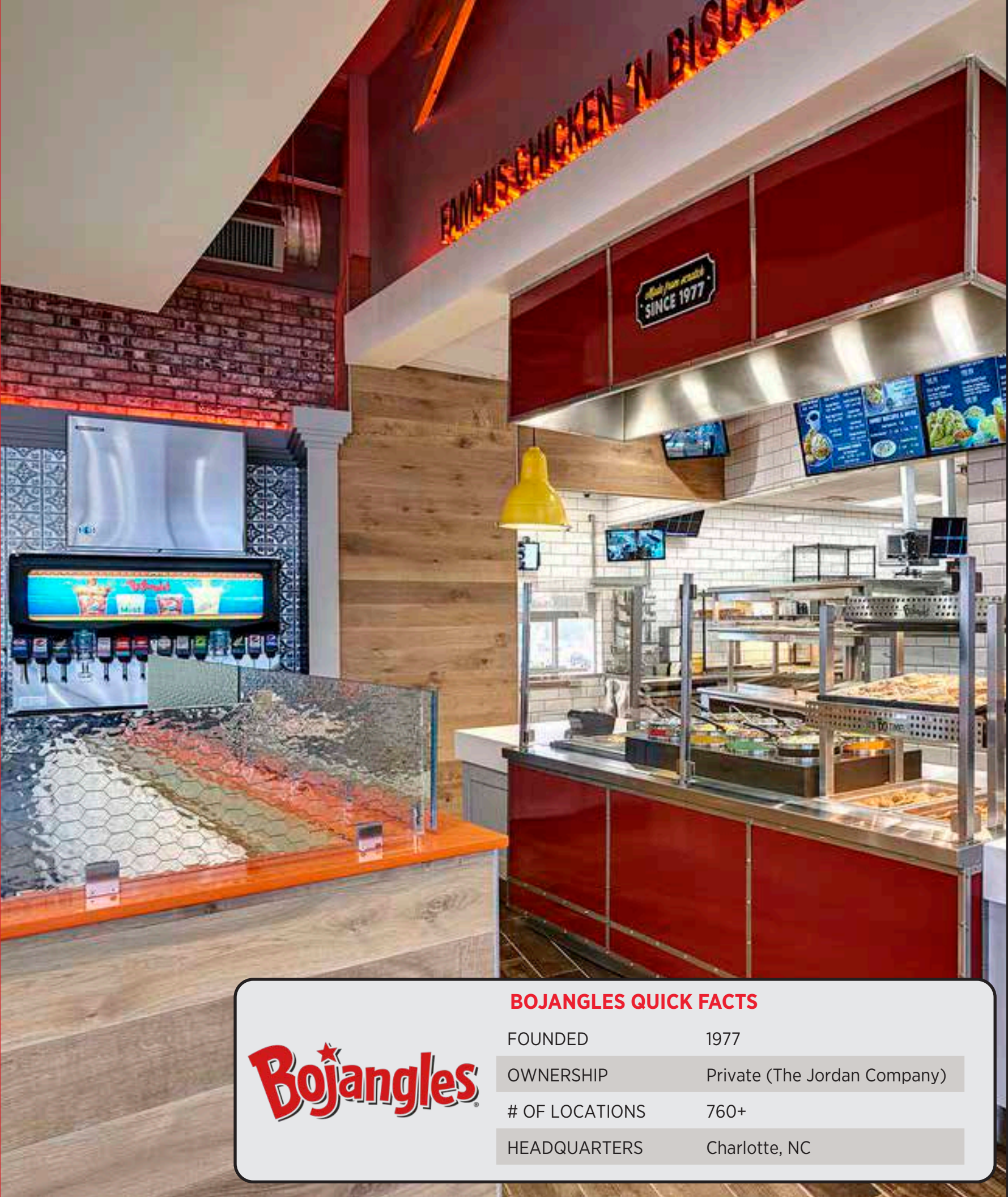
For more information, please visit [bojangles.com](https://www.bojangles.com)

## About The Jordan Company

In 1982, The Jordan Company was founded as a middle market private investment partnership focused on leverage buyouts and recapitalizations. Today, they are managed by a senior leadership team that has invested together for over 22 years, partnering with management teams on over 290 investments to help build long-term success stories. They buy and help build established middle market companies with enterprise values ranging from \$100 million to \$1.5+ billion, across a range of industries. Our partners are well-managed, with consistent revenue growth and profitability, and an identifiable opportunity for long-term future growth.

## About Durational Capital Management

Durational was founded in 2017 with a focus on investing in consumer businesses with a long-term horizon and implementing operationally focused strategies. The founders and managing partners, Matthew Bradshaw and Eric Sobotka, have decades of experience in consumer-sector investing. Prior to founding Durational, Matthew and Eric were hedge fund portfolio managers focused on investing in the consumer sector and provide a deep understanding of consumer businesses and the underlying secular trends.



### BOJANGLES QUICK FACTS

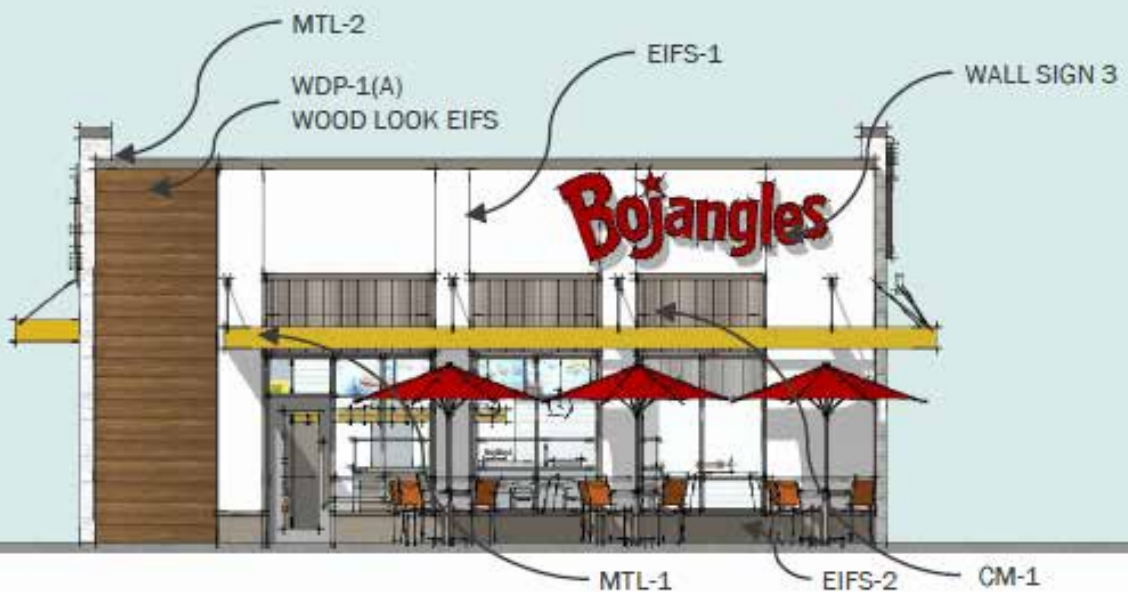
FOUNDED	1977
OWNERSHIP	Private (The Jordan Company)
# OF LOCATIONS	760+
HEADQUARTERS	Charlotte, NC



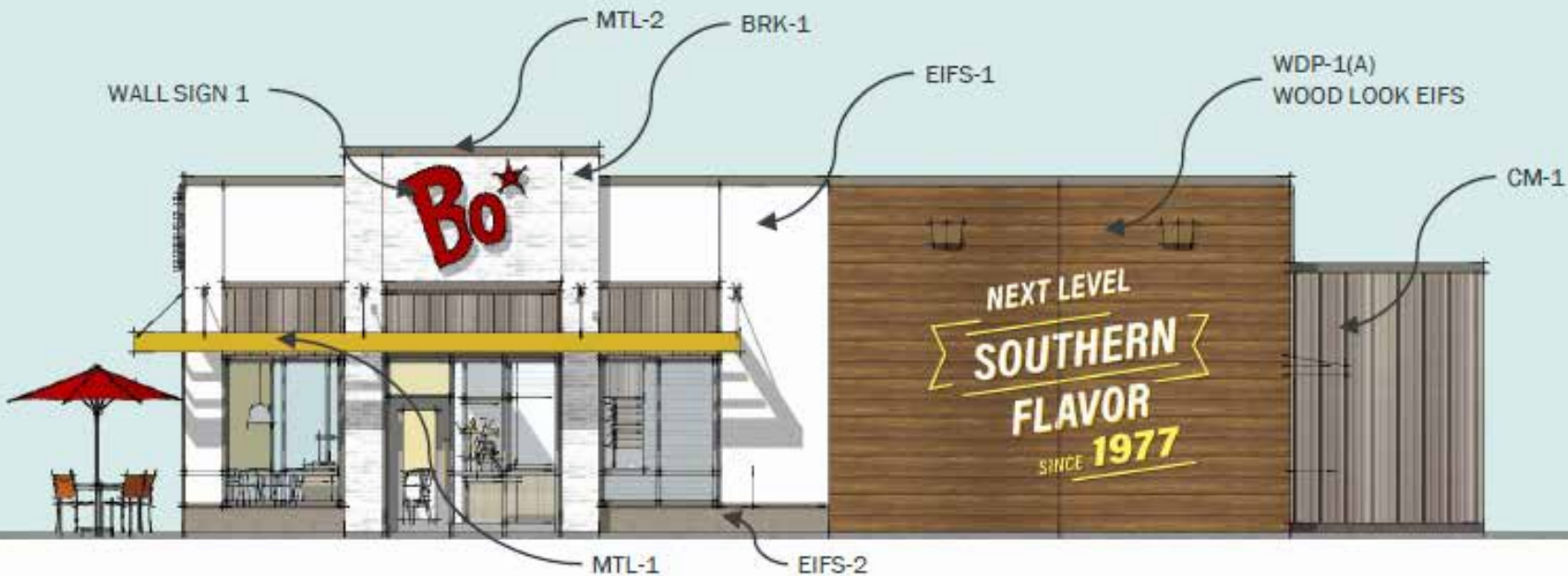
BOJANGLES NEW FRONTIER DESIGN



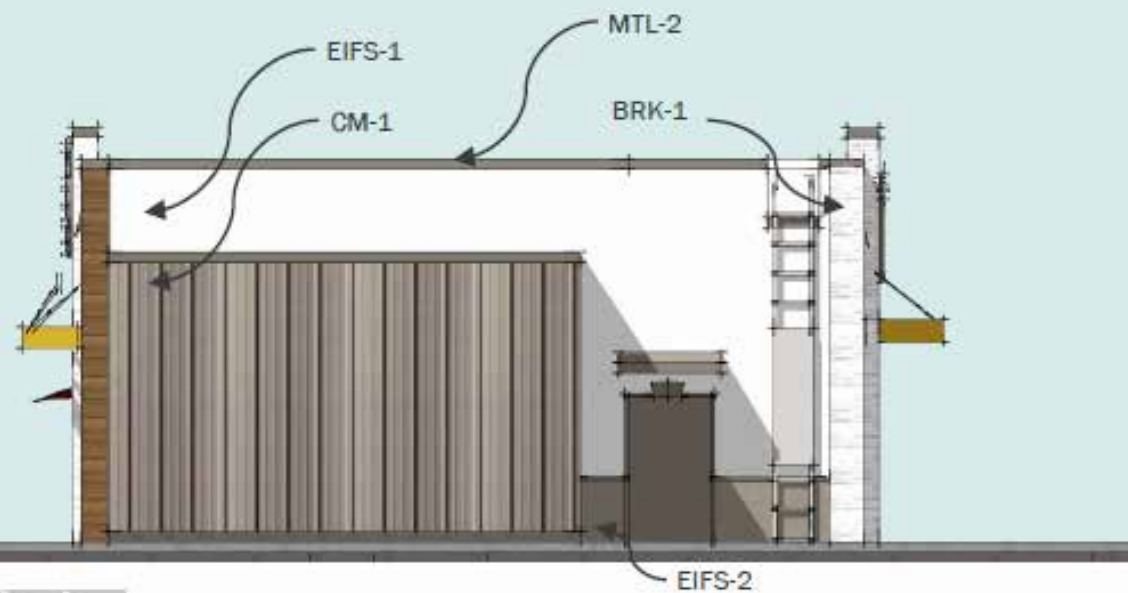
SECONDARY ENTRANCE (PICK UP) FACADE



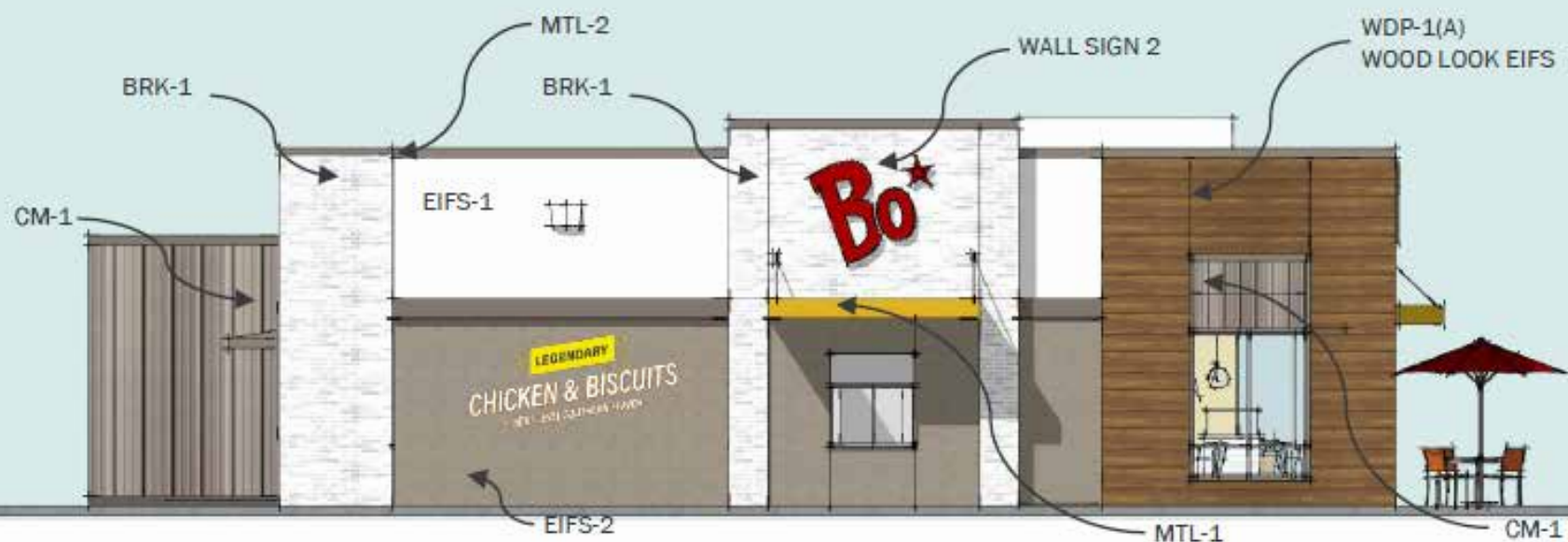
MAIN ENTRANCE FACADE



REAR FACADE



DRIVE THRU PICK UP FACADE





BOJANGLES REPRESENTATIVE PHOTOS





DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2026 POPULATION PROJECTION	8,240	64,531	160,771
2021 POPULATION	8,247	64,713	161,015
2010 POPULATION	8,161	64,904	160,153

POPULATION BY RACE	1 MILE	3 MILES	5 MILES
WHITE	18.07%	27.72%	36.18%
BLACK	76.79%	63.61%	52.17%
HISPANIC ORIGIN	4.32%	8.35%	11.98%
AM. INDIAN & ALASKAN	0.10%	0.22%	0.26%
ASIAN	0.98%	1.29%	1.69%
HAWAIIAN & PACIFIC ISLAND	0.05%	0.06%	0.05%
OTHER	2.50%	5.05%	7.27%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	2,938	23,351	57,420
2021 HOUSEHOLDS	2,933	23,238	57,388
2026 HOUSEHOLD PROJECTION	2,919	23,122	57,157
ANNUAL GROWTH 2021-2026	1,983	13,720	34,104
OWNER OCCUPIED	950	9,518	23,285
RENTER OCCUPIED	683	2,903	4,844

HOUSEHOLDS BY HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
AVG HOUSEHOLD INCOME	\$60,746	\$60,480	\$61,213
MEDIAN HOUSEHOLD INCOME	\$52,596	\$46,955	\$46,051
<\$25,000	651	6,095	14,626
\$25,000 - \$50,000	674	6,033	15,878
\$50,000 - \$75,000	837	4,740	10,993
\$75,000 - \$100,000	379	2,740	6,639
\$100,000 - \$150,000	273	2,513	6,096
\$150,000 - \$200,000	73	577	1,762
\$200,000+	45	539	1,394







20-YEAR GROUND LEASE

3551 AUSTIN PEAY HIGHWAY | MEMPHIS, TN

**\$2,455,000 | 4.00% CAP RATE**

**PRIMARY DEAL CONTACTS**

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**BROKER OF RECORD**

**Roy Crain**

TN LICENSE #: 358050

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