



ZAXBY'S



3501 W GATE CITY BLVD, GREENSBORO, NC 27407



INTERACTIVE OFFERING MEMORANDUM



EXCLUSIVELY LISTED BY

BROKER OF RECORD

KYLE MATTHEWS

License No. C38369 (NC)

IN CONJUNCTION WITH

HARRISON WACHTLER

ASSOCIATE

Direct +1 (615) 667-0160

Mobile +1 (615) 428-8714

harrison.wachtler@matthews.com

License No. 360155 (TN)

KEEGAN MULCAHY

MARKET LEADER

Direct +1 (858) 324-1893

Mobile +1 (415) 847-5588

keegan.mulcahy@matthews.com

License No. 02067187 (CA)

TABLE OF CONTENTS

| | |
|-------------------------|---|
| FINANCIAL SUMMARY | 3 |
| TENANT OVERVIEW | 7 |
| AREA OVERVIEW | 8 |

FINANCIAL SUMMARY

| BASE TERM - ANNUALIZED OPERATING DATA | | | | |
|---------------------------------------|--------------|--------------|----------|----------|
| TERM | MONTHLY RENT | ANNUAL RENT | RENT PSF | CAP RATE |
| 2024 (Current) | \$16,250.00 | \$195,000.00 | \$28.68 | 7.25% |
| 2025 | \$16,575.00 | \$198,900.00 | \$29.25 | 7.40% |
| 2026 | \$16,906.50 | \$202,878.00 | \$29.84 | 7.54% |
| 2027 | \$17,244.63 | \$206,935.56 | \$30.44 | 7.69% |
| 2028 | \$17,589.52 | \$211,074.27 | \$31.04 | 7.85% |
| 2029 | \$17,941.31 | \$215,295.76 | \$31.67 | 8.00% |
| 2030 | \$18,300.14 | \$219,601.67 | \$32.30 | 8.16% |
| 2031 | \$18,666.14 | \$223,993.71 | \$32.95 | 8.33% |
| 2032 | \$19,039.46 | \$228,473.58 | \$33.60 | 8.49% |
| 2033 | \$19,420.25 | \$233,043.05 | \$34.28 | 8.66% |
| 2034 | \$19,808.66 | \$237,703.91 | \$34.96 | 8.84% |
| 2035 | \$20,204.83 | \$242,457.99 | \$35.66 | 9.01% |
| 2036 | \$20,608.93 | \$247,307.15 | \$36.37 | 9.19% |

*Rent Increases are lesser of annual CPI or annual 2%

| TENANT SUMMARY | |
|-----------------------|-----------------------------------|
| Tenant Name | Zaxby's |
| Type of Ownership | Fee Simple |
| Lease Type | Absolute NNN |
| Tenant | BCD Restaurants, LLC |
| (Roof/Structure) | Tenant Responsible |
| Original Lease Term | 10 Years |
| Lease Commencement | March 31, 2015 |
| Lease Expiration Date | March 31, 2036 |
| Term Remaining | ±12.5 Years |
| Increases | Lesser of Annual 2% or Annual CPI |
| Options Remaining | Two, 5-Year Options |

INVESTMENT HIGHLIGHTS



LIST PRICE

\$2,689,655



NOI

\$195,000



CAP RATE

7.25%



RENT/SF

\$28.68



LOT SIZE

±1.23 AC



GLA

±6,799 SF



YEAR BUILT/RENOVATED

1996/2015

- **Absolute NNN – Zero Landlord Responsibilities** – Ideal for Passive Investor
- **Over 12 years remaining** – This asset serves as a passive long-term investment.
- **Recent Lease Extension** – The tenant recently signed a 10-year extension, which includes two 5-year options to renew, showing their long-term commitment to the location.
- **Strong Store Rankings** – Per Alpha maps, The store ranks in the top 71st percentile for local Zaxby's restaurants with over 32,000 monthly visits on average.
- **Nationally Recognized Expanding Concept** – Zaxby's has over 940 locations nationwide and is rapidly expanding its footprint, fueled by an equity investment of \$2 Billion from Goldman Sachs in 2021.
- **Hedge Against Inflation** – Annual Increases provide a strong hedge against of Inflation.
- **High Growth College Market** – The city of Greensboro, NC is strategically positioned within proximity of three major Universities – **Wake Forest University, University of North Carolina at Chapel Hill, and Duke University.**
- **Strong Frontage and Traffic Counts** – Over 33,000 VPD pass the site.
- **Pandemic Proof Investment** – Quick Service Restaurants performed well throughout the pandemic, specifically, no concessions were necessary for the subject property during COVID-19.
- **Great Visibility & Access** – This restaurant is strategically located in the core retail corridor of Greensboro and has multiple points of ingress and egress off the primary artery of the city.
- **Excellent Retail Synergy** – The subject property is surrounded by many national, name brand retailers such as Walgreens, Denny's, Krispy Kreme, KFC, Cookout, McDonald's, Wells Fargo and Chick-Fil-A.
- **Proximity to Piedmont Triad International Airport** – The Site is within a 15-minute drive of the only International Airport in the Greensboro, Winston Salem & High Point area.



FOUR SEASONS
SHOPPING MALL

FOREVER 21 Bath & Body Works
THE CHILDREN'S PLACE Dillard's
JCPenney VANS


Sheraton


Little Caesars

Waffle
House


DOUBLETREE
BY HILTON




WING-STOP

Fairfield
BY MARRIOTT

INTERSTATE 40
 $\pm 115,000$ VPD

POPEYES


DARRYL'S

WINGATE
BY WYNDHAM


RIGHT FIT
STORAGE

AUTO BELL
car wash


Shooters

ZAXBY'S




W GATE CITY BLVD $\pm 33,000$ VPD

Wendy's 

Conn's


McDonald's

Total  Wine
& MORE

Walmart
Neighborhood Market

Walgreens

Krispy Kreme
DOUGHNUTS

T Mobile
FIREHOUSE
SUBS
FOUNDED BY FIREMEN



THE HEIGHTS TOWNHOMES
133 UNITS



W

cricket
wireless

O'Reilly
AUTO PARTS

WELLS
FARGO



CROSS CREEK APARTMENTS
89 UNITS

INSURANCE
ASSOCIATES

McDonald's

FURNITURE
WORLD

Wendy's

ZAXBY'S



Total Wine
& MORE



W GATE CITY BLVD

± 33,000 VPD

Conn's

Shooters

TENANT PROFILE



Zaxby's is a popular fast-food restaurant chain known for its delicious and unique take on chicken. Founded in 1990 by childhood friends Zach McLeroy and Tony Townley, Zaxby's has grown to become a beloved Southern institution, with hundreds of locations across the United States. What sets Zaxby's apart is its commitment to serving hand-breaded, made-to-order chicken that's cooked to perfection. Their menu features a variety of chicken options, from wings and tenders to sandwiches and salads, all served with their signature Zax Sauce, which adds a flavorful and tangy kick to every bite.

HEADQUARTERS

Athens, GA

COMPANY NAME

Zaxby's Franchising LLC

YEAR FOUNDED

1990

LOCATIONS

900+



GREENSBORO, NC

With a population of over 291,000 residents, Greensboro is North Carolina’s third-largest metro area. It is the county seat of Guilford County. Greensboro is the largest city in the Piedmont Triad (which also includes Winston-Salem and High Point) and is nicknamed the “Gate City” for good reason: It is a short jaunt to and from all the major cities in North Carolina. Spend a day in the Blue Ridge Mountains to the west or head east for a beach weekend.

There is no shortage of arts, entertainment, recreation, shopping, and restaurants to keep locals busy. Greensboro is home to the region’s largest hospital, and it boasts 170 well-kept public parks and gardens. A broad range of neighborhoods offers a diverse array of homes to satisfy different tastes. Despite being a major metropolitan area, Greensboro has a strong sense of community and displays southern hospitality.

ATTRACTIONS

Greensboro Coliseum Complex

The Greensboro Coliseum Complex is a multi-building facility that is designed to entertain Greensboro residents with over 1,100 events that occur annually. Events include concerts, sports tournaments, educational activities, and many more. With 8 venues and 22,000 seating, it is a major economic generator for the city of Greensboro. The facility also includes a Special Events Center with three exhibition halls, a 4,500-seat mini-arena, eight meeting rooms, the 300-seat Odeon Theatre, The Terrace, White Oak Amphitheatre, Greensboro Aquatic Center, ACC Hall of Champions, and The Fieldhouse.

Downtown Greensboro

Located at the heart of the city, Downtown Greensboro is a vibrant and historic attraction filled with local shops, impressive restaurants and breweries, affordable hotels, a variety of health and wellness services, museums, art galleries, and beautiful parks. There is something for everyone in this major entertainment hub.

Four Seasons Town Centre

Located off the I-40 and 2 miles from the Greensboro Coliseum Complex, Four Seasons Town Centre is a three-story shopping destination in Greensboro. With over 140 stores and restaurants, Four Seasons Town Centre is the best place to dine and shop all under one roof.



| PROPERTY DEMOGRAPHICS | | | | |
|----------------------------|----------|----------|----------|--|
| POPULATION | 1-MILE | 3-MILE | 5-MILE | |
| 2020 Population | 9,632 | 162,256 | 378,654 | |
| 2023 Population | 10,632 | 176,714 | 416,591 | |
| 2028 Population Projection | 10,791 | 178,859 | 422,428 | |
| HOUSEHOLDS | 1-MILE | 3-MILE | 5-MILE | |
| 2020 Households | 3,798 | 68,239 | 155,131 | |
| 2023 Households | 4,179 | 73,950 | 169,533 | |
| 2028 Household Projection | 4,243 | 74,895 | 171,942 | |
| INCOME | 1-MILE | 3-MILE | 5-MILE | |
| Avg. Household Income | \$46,794 | \$68,660 | \$74,894 | |

ECONOMY

The Piedmont Triad is located in the southeastern US, in the central part of North Carolina. It is located halfway between New York and Florida and halfway between Washington DC and Atlanta GA. It serves over 1.6 million people. Twelve counties and 62 municipalities comprise the Piedmont Triad Regional Council.

The Piedmont is the area lying between the Atlantic Ocean and the Appalachian Mountains. The Triad is named for the three largest cities in the region: Greensboro, Winston-Salem, and High Point. The region boasts excellent transportation and educational facilities, making the region a hub for commerce along the mid-Atlantic region. There are approximately 900,000 jobs in the Piedmont Triad.

Among the 12,000 miles of roadways in the region are Interstates 40 and 85 which bisect the region east to west and Interstate 77 running north/south. Two new interstates, I-73 and I-74, are already completed in most areas and under construction in others. Piedmont Triad International Airport is located in the center of the region. The Piedmont Triad International Airport is served by 5 major airlines that fly non-stop to 14 domestic destinations. The airport has attracted many aerospace companies to the area such as Collins Aerospace, HondaAero, and Triumph Aerospace. There are 8 other airports that handle both commuter and corporate aircraft.

There are 13 colleges and universities in the region with a total enrollment exceeding 60,000. In addition, 9 technical and community colleges serve an additional 50,000 students. The region's economy has historically been tied to textiles, furniture, and tobacco, but new growth industries are emerging rapidly, including distribution, logistics, biotechnology, and aviation & aerospace.

Several companies are headquartered in Greensboro including Volvo Trucks of North America, Qorvo, NewBridge Bank, The Fresh Market, Fusion3, and many

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **3501 W Gate City Blvd, Greensboro, NC 27407** ("Properties"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

EXCLUSIVELY LISTED BY

BROKER OF RECORD

KYLE MATTHEWS

License No. C38369 (NC)

IN CONJUNCTION WITH

HARRISON WACHTLER

ASSOCIATE

Direct +1 (615) 667-0160

Mobile +1 (615) 428-8714

harrison.wachtler@matthews.com

License No. 360155 (TN)

KEEGAN MULCAHY

MARKET LEADER

Direct +1 (858) 324-1893

Mobile +1 (415) 847-5588

keegan.mulcahy@matthews.com

License No. 02067187 (CA)

ZAXBY'S



3501 W GATE CITY BLVD, GREENSBORO, NC 27407