

OFFERING MEMORANDUM

JACK'S FAMILY RESTAURANTS

40 Russell Drive, Warrior (Birmingham MSA), AL 35180



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Executive Summary

Sale Price

\$2,420,000

Offering Summary

Cap Rate:	6.25%
NOI:	\$151,250
Building Size:	3,522 SF
Lot Size:	1.4 Acres
Year Built:	2019

Property Highlights

- Jack's is owned by AEA Investors - a private equity firm with \$18 billion in assets under management
- Corporately guaranteed NNN lease with Jack's Family Restaurants, LP
- Strong-performing QSR brand with 260+ locations across the Southeast
- Long lease term through October 2038 with four 5 year options
- Build-to-suit Jack's Family Restaurant constructed in 2018
- Bedroom community located to the north of Birmingham
- Average household income exceeds \$91,000 within a 3 mile radius, expected to grow to approximately \$108,000 over the next 5 years.
- Great location on an exit from I-65, offering excellent visibility and access to regional commuter traffic with over 12,000 cars passing per day
- Resilient in all cycles : Value-driven menu and small-town footprint make Jack's recession resistant and inflation friendly



Property Description

This offering is a Jack's Family Restaurant, located just to the north of Birmingham, and is a popular dining destination known for its Southern-style food and friendly service. The property is on a true NNN corporate lease with Jack's Family Restaurants, LP, comprising approximately 3,522 square feet on 1.40 acres. It features a drive-thru, dine-in area, and dedicated surface parking, all designed to support high-volume quick-service operations. The property is on a long-term NNN lease through October 2038 with 4 x 5 year options. Jack's operates over 260 locations across the Southeastern U.S. and is a leading QSR brand in its core Alabama market. Jack's is owned by AEA Investors, a private equity firm with over \$18 billion in assets under management.

Location Description

Located at 40 Russell Drive, Warrior, AL, the property occupies a high visibility corner at the intersection of US Hwy 31 and AL-160 at the I-65 exit, just north of Birmingham. The area benefits from steady commuter traffic and regional accessibility, making it well-suited for quick-service retail. Average household income exceeds \$91,000 within 3 miles and is expected to grow to approximately \$108,000 in the next 5 years.

Aerial Photo



Aerial Photo



Aerial Photo



Additional Photos



Additional Photos



Lease Abstract



Jack's started in 1960, when the grill was fired up for the first time at Jack's Hamburgers in the city of Homewood, Alabama. That first location was a walk-up hamburger stand that served 10-cent sodas, 15-cent fries, and 20-cent shakes. Its popularity grew from town to town and neighborhood to neighborhood. This instant success was built on a foundation of great service, great food, and great people. Over the years, that foundation has only strengthened with community involvement, charitable giving, and the always present "Smiling Faces, Friendly Service". Since those early days, many things have changed, but one thing has remained the same: Jack's is still serving up quality food-with a smile, to keep customers coming back, back, back to Jack's, Jack's, Jack's.

Tenant Overview

Company:	Jack's Family Restaurants, LP
Square Feet:	3,522 SF
Lease Start Date:	October 24, 2018
Lease Expiration:	October 31, 2038
Annual Base Rent:	\$151,250
Reimbursement:	NNN
Website:	www.eatatjacks.com

Rent Schedule

Term	Annual Base Rent	Rent Per SF/YR
Year 1 to 5	\$137,500	\$39.04
Year 6 to 10 - Current	\$151,250	\$42.94
Year 11 to 15	\$166,375	\$47.24
Year 16 to 20	\$183,012	\$51.96
Option:		
4 periods for 5 years each	Greater of 10% or FMV	

The Tenant is responsible for, at its sole cost, maintaining, repairing, and replacing the entire property and all improvements, both interior and exterior, throughout the lease term. The Tenant must also comply with all applicable laws and regulations and deliver the property and building systems in good condition upon lease expiration. The Landlord has no obligation to make any repairs or improvements to the premises during the lease term.

Tenant has a right of first refusal.

Jack's Family Restaurants Overview



1960

*Founded in
Homewood, Alabama*



267

*Locations Throughout
the Southeast*



22

*Under Construction or
in Progress*



In 2019 Jack's Family Restaurants was acquired by AEA, (www.aeainvestors.com), a leading global private investment firm with a 56-year operating history. Founded in 1968, AEA now has over \$18 billion in assets under management and is focused on private equity and debt investments in the middle market. AEA's success is attributed to the fact that it has been able to steadfastly adhere to its principles over many years and economic cycles.

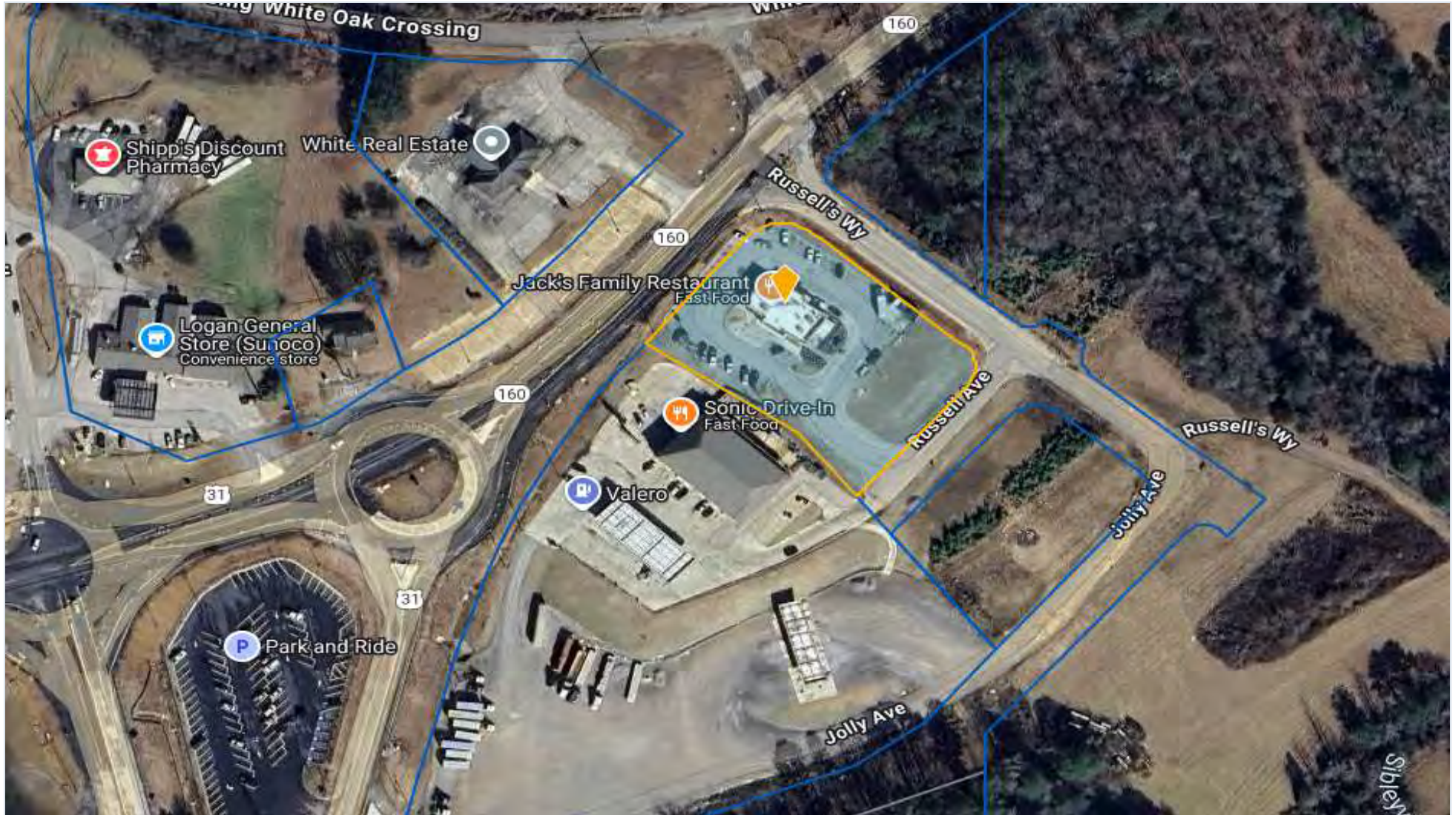
1968

*Found by Rockefeller, Mellon
& Harriman family interests
and S.G. Warburg & Co.*

\$18 billion

*In Assets Under
Management*

Parcel Map



Retailer Map



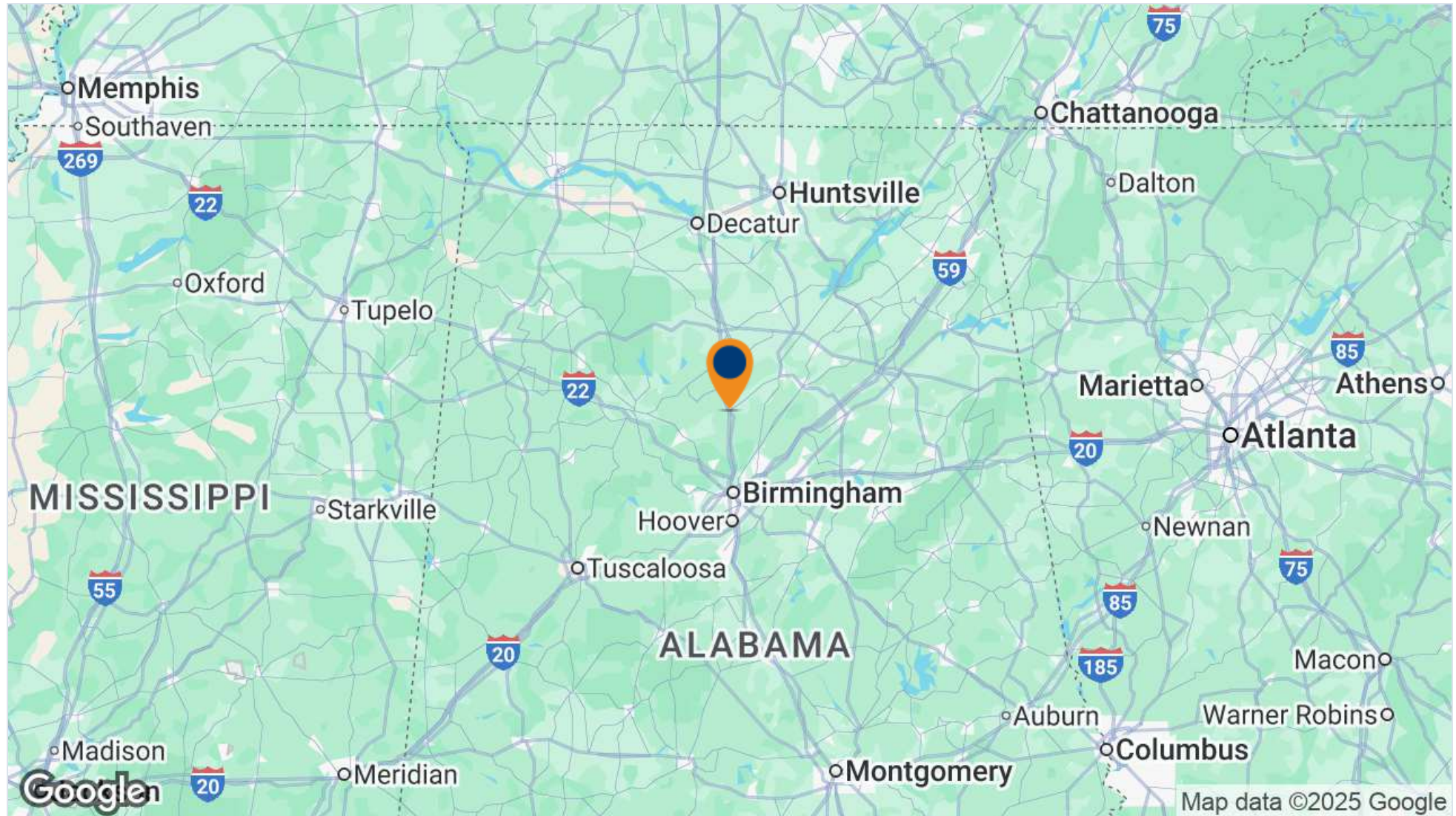
Retailer Map



Market Landscape

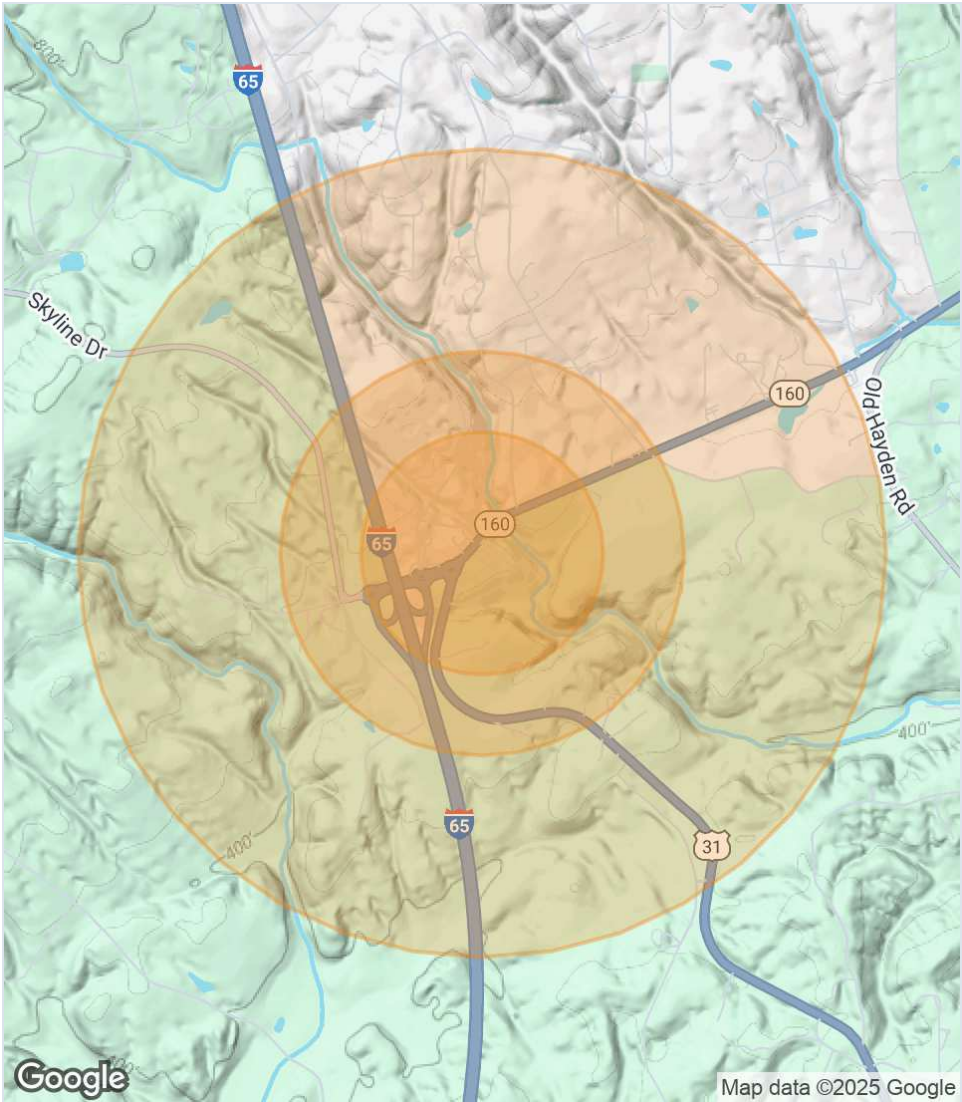


Location Map



Demographics

Population	Three-Mile	Five-Mile	Seven-Mile
2024 Population	5,988	13,928	28,772
2020 Population	6,003	12,969	27,207
5 Year Projected	6,037	14,179	30,014
Households			
2024 Population	2,227	5,305	10,836
2020 Population	1,976	4,664	9,495
5 Year Projected	2,245	5,403	11,301
Income			
2024 Average Household Income	\$91,436	\$86,640	\$92,382
5 Year Projected	\$107,742	\$102,288	\$109,425



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Advisor Biographies Page



Elliott Kyle

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Elliott Kyle is responsible for Skyline Seven's Investment Sales Division and is one of Atlanta's top sale producers. Elliott offers a breadth of brokerage experience having represented private investors, institutions and lenders/ special services. Over the last 16 years alone, Elliott closed real estate transactions in excess of \$750,000,000.

Previously, Elliott was Vice President for Shane Investment Property Group, an Atlanta-based investment sales brokerage firm. In his capacity at Shane, Elliott transacted various property types and was instrumental in the training of new agents. Elliott also held previous senior management positions with Rock-Tenn Company and Manhattan Associates, a multi-national firm. Elliott attended Tulane University and the University of Georgia, earning a degree in Economics. Following his undergraduate studies, Elliott attended Georgia State University, earning his MBA. Elliott lives in Atlanta with his wife, Mary, and son, Charles. Elliott, is a native of Atlanta, and enjoys a number of hobbies, one being an avid golfer and a member of Druid Hills Golf Club. In addition, Elliott has been involved in a number of not-for-profit organizations, such as Senior Warden of the Vestry at St. Luke's Episcopal Church, President of the Board of Trustees at Canterbury Court (CCRC), Vice President with the Druid Hills Civic Association, Courtland Street Mission, and more.



Chase Murphy

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Chase Murphy is a Vice President of Investment Sales and Partner at Skyline Seven Real Estate. Chase represents buyers and sellers and has a vast knowledge of transactional real estate. With a tremendous breadth of experience and contacts, Chase successfully transacts single and multi-tenant retail and office assets throughout the United States. Whether representing developers, institutions or private investors, Chase is committed to profitable and seamless sales for his clients. In the last 10 years alone, Chase has sold in excess of \$750,000,000 of commercial property making him one of the most respected advisors within the capital markets.

Prior to joining Skyline Seven, Chase was an asset manager for Altisource and oversaw a real estate portfolio in excess of \$35,000,000. While under Chase's direction, the company impressively removed \$70,000,000 of distressed real estate assets from their client's balance sheets. Additionally, Chase specialized in building relationships with high touch clients while advising as well as executing loss-mitigation strategies for his client's real estate assets. Chase attended Valdosta State University, earning a degree in finance. A long-time Atlanta resident, Chase lives in Dunwoody with his wife, Kris, son, Patrick, and daughter Merritt. In his free time, he enjoys spending time with his family, playing golf, and attending sporting events whenever possible.

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