

FREDDY'S FROZEN CUSTARD & STEAKBURGERS

1701 Capps Landing | Opelika, AL



Presented By:

Julius Swolsky

First Vice President
CA License No. 02074212
+1 949 942 1310
Julius@graystoneca.com

Brenton Baskin

Managing Director
CA License No. 01808681
+1 949 942 1301
Brenton@graystoneca.com

Brian Brockman, CCIM

Bang Realty | Broker of Record
AL License No. 000119315 - 0
+513 898 1551
Brian@bangrealty.com





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EXECUTIVE SUMMARY

Freddy's | Opelika, AL

Graystone Capital Advisors is pleased to exclusively offer for sale a single tenant net leased Freddy's Frozen Custard & Steakburgers property located in Opelika, AL – One of the Fastest Growing MSAs in Alabama.

This Freddy's sale-leaseback features a 20-year absolute triple net lease that includes 10% rental increases every five years. The lease is guaranteed by JRI Hospitality, the largest franchise operator of Freddy's with +/- 80 existing locations across 15 states and plans for additional growth.

The Subject property is ideally positioned in Opelika's primary commercial corridor and benefits from its strategic positioning near both the Tiger Town Power Center and Opelika Marketplace.

Additionally, the site is positioned on the game-day traffic route and is within proximity to major economic demand drivers and proximate to Auburn University (±5-miles southwest), the Central Business District of Opelika (±1.5 miles northeast), and East Alabama Medical Center (±1.5 miles).

The Property serves an expanded trade area that benefits from strong demographics with a population of 111,193 residents and an average household income of \$72,157 within a 10-mile radius.

This property can be purchased individually or as a part of an 6-property portfolio.



KEY FINANCIAL DATA

Price	\$2,783,000
Cap Rate	5.75%
Lease Type	Absolute-Net
Years Remaining	Brand-New 20-Year
Guarantor	JRI Hospitality (#1 Franchisee in System)



INVESTMENT OVERVIEW

Opelika, AL Market Overview

Opelika is the county seat of Lee County in the east-central part of Alabama. It is the principal city of the Auburn-Opelika Metropolitan Area. As of the most recent census, the population of Opelika was 30,995, an increase of 17.1 percent from 2010. The Auburn-Opelika MSA with a population of 150,933, along with the Columbus, Georgia metropolitan area, comprises the Greater Columbus combined statistical area home to 501,649 residents.

Opelika is located between the Hyundai-Kia automobile manufacturing facilities with the Kia Motors manufacturing plant the Hyundai Motors manufacturing plant. Niagara Bottling will open a new \$112 million production facility and Golden State Foods Corp, a supplier to the QSR and retail industries, recently built a state-of-the-art meat processing facility in the Northeast Opelika Industrial Park along Interstate 85. In 2021 Hanwha Cimarron invested \$130 million to supply large-scale tanks for hydrogen tube trailers for urban air mobility (UAM) and aerospace applications. .

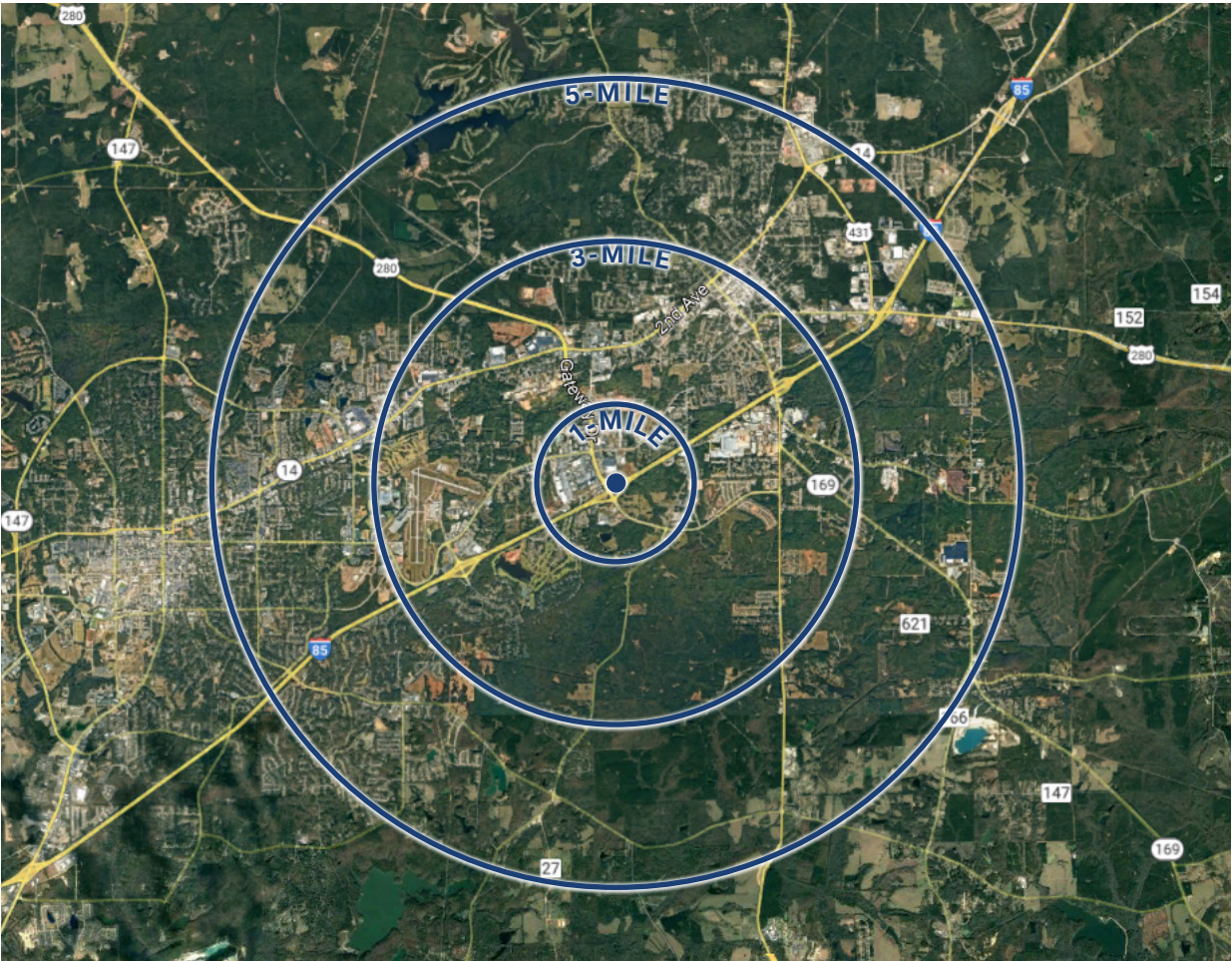
The Auburn-Opelika, AL MSA is home to Auburn University. Auburn University was founded in 1856 and is one of the largest universities in the South. Auburn University continues to grow, with 31,526 students enrolled for the 2022 academic year, and is one of the area's largest employers with over 5,300 full-time employees.



INVESTMENT OVERVIEW

Opelika, AL | Demographics

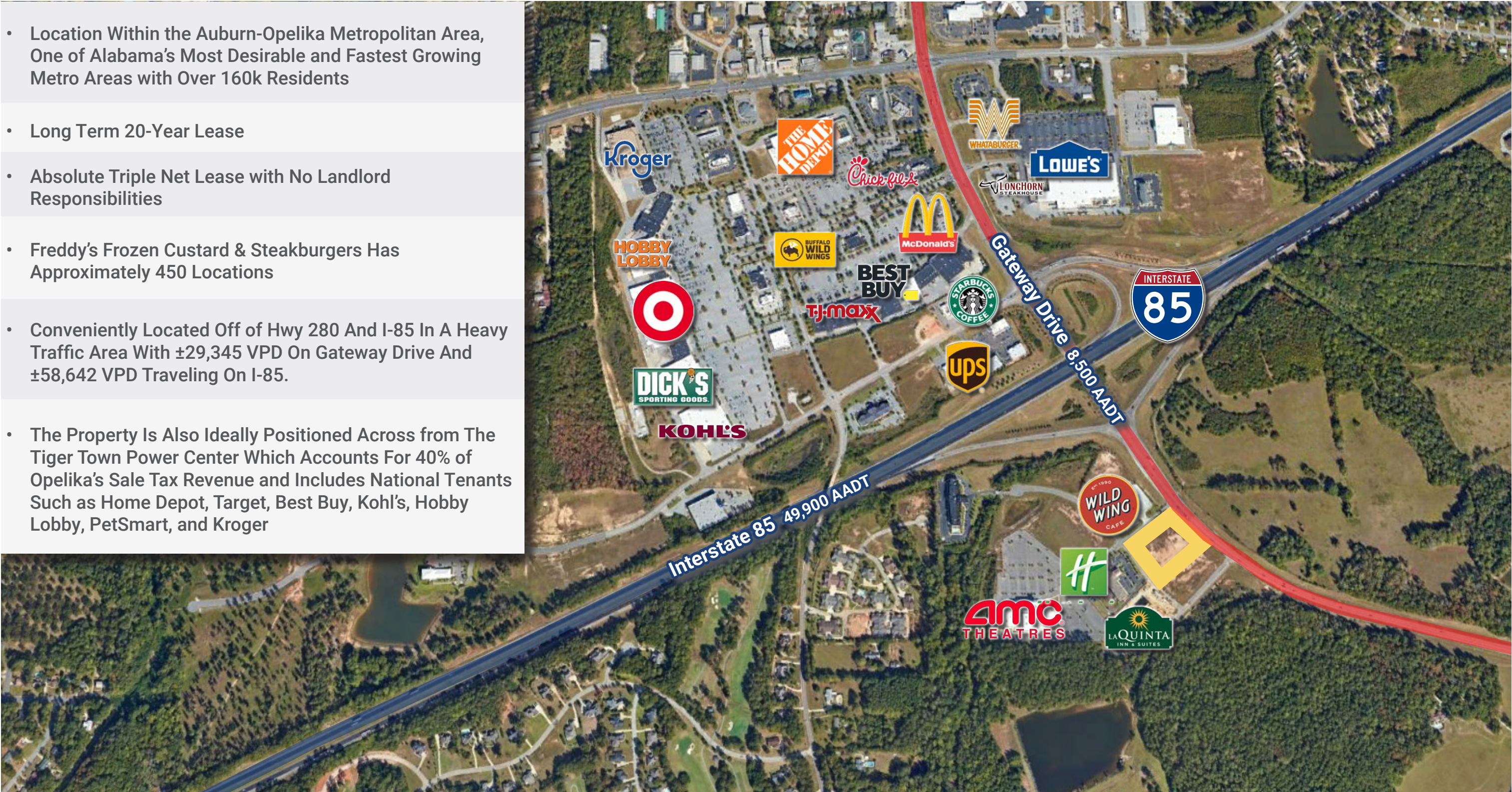
DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
Population:			
2010 Census	5,528	20,486	31,932
2020 Estimate	6,108	23,924	38,495
2025 Projection	6,454	25,498	41,146
2020 Population by Race:			
2020 White Alone	2,416	12,359	21,616
2020 Black Alone	3,501	10,638	14,551
2020 American Indian/Alaska Native Alone	20	75	128
2020 Asian Alone	79	514	1,536
2020 Pacific Islander Alone	4	18	93
2020 Hispanic	133	719	1,997
Households:			
2010 Census	2,287	8,151	12,686
2020 Estimate	2,532	9,564	15,392
2025 Projection	2,679	10,196	16,480
Growth 2010 - 2020	0.7%	1.3%	1.6%
Growth 2020 - 2025	1.2%	1.3%	1.4%
2020 Avg Household Income	\$64,864	\$68,470	\$71,219



INVESTMENT OVERVIEW

Property Highlights

- Location Within the Auburn-Opelika Metropolitan Area, One of Alabama's Most Desirable and Fastest Growing Metro Areas with Over 160k Residents
- Long Term 20-Year Lease
- Absolute Triple Net Lease with No Landlord Responsibilities
- Freddy's Frozen Custard & Steakburgers Has Approximately 450 Locations
- Conveniently Located Off of Hwy 280 And I-85 In A Heavy Traffic Area With $\pm 29,345$ VPD On Gateway Drive And $\pm 58,642$ VPD Traveling On I-85.
- The Property Is Also Ideally Positioned Across From The Tiger Town Power Center Which Accounts For 40% of Opelika's Sale Tax Revenue and Includes National Tenants Such as Home Depot, Target, Best Buy, Kohl's, Hobby Lobby, PetSmart, and Kroger



INVESTMENT OVERVIEW

Tenant Overview



Founded in 2011, JRI Hospitality owns and operates over 80 restaurants in 15 states, including Freddy's Frozen Custard & Steakburgers, Mokas Cafe, The Original Grande, and Chompie's Restaurants. We are projected to expand our reach with 20 projects per year to ensure everyone in the United States can enjoy our line of brands. They are the largest Franchisee of Freddy's Frozen Custard & Steakburgers in the system.

Freddy's Frozen Custard & Steakburgers is an American fast-casual restaurant chain based in Wichita, Kansas. Its menu includes steakburgers, Vienna Beef hot dogs, and chicken sandwiches, and the company provides frozen custard with a variety of specialty sundaes and concretes (blended sundaes) Freddy's was co-founded in 2002 by brothers Bill and Randy Simon with their friend and business partner, Scott Redler. It was named in honor of Bill and Randy's father.



PROPERTY PRICING

Opelika, AL | Financial Analysis

PROPERTY SUMMARY

Address	1701 Capps Landing, Opelika, AL 36804
APN	09-07-25-0-000-013-000
Year Built/Renov.	2017
Gross Leaseable Area	3,480
Lot Area (SF)	68,825
Zoning	Commercial
Type of Ownership	Fee Simple

PRICING

Price	\$2,783,000
Cap Rate	5.75%
Price/SF	\$799.71

LEASE OVERVIEW

Property Sub-Type	Net-Leased Fast Food
Tenant	Franchisee
Guarantor	JRI Hospitality
Lease Type	Absolute-Net
Lease Commencement	Close of Escrow (COE)
Lease Expiration	20 Years From COE
Options	Four, 5-Year
Rental Increases	10% Every 5 Years

ANNUALIZED OPERATING DATA

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Year 1 - Year 5	\$160,000	\$13,333.33	\$45.98	5.75%
Year 6 - Year 10	\$176,000	\$14,666.67	\$50.57	6.32%
Year 11 - Year 15	\$193,600	\$16,133.33	\$55.63	6.96%
Year 16 - Year 20	\$212,960	\$17,746.67	\$61.20	7.65%
Year 21 - Year 25 (Option 1)	\$234,256	\$19,521.33	\$67.31	8.42%
Year 26 - Year 30 (Option 2)	\$257,682	\$21,473.47	\$74.05	9.26%
Year 31 - Year 35 (Option 3)	\$283,450	\$23,620.81	\$81.45	10.19%
Year 36 - Year 40 (Option 4)	\$311,795	\$25,982.89	\$89.60	11.20%



PORTFOLIO OFFERING

Portfolio Overview

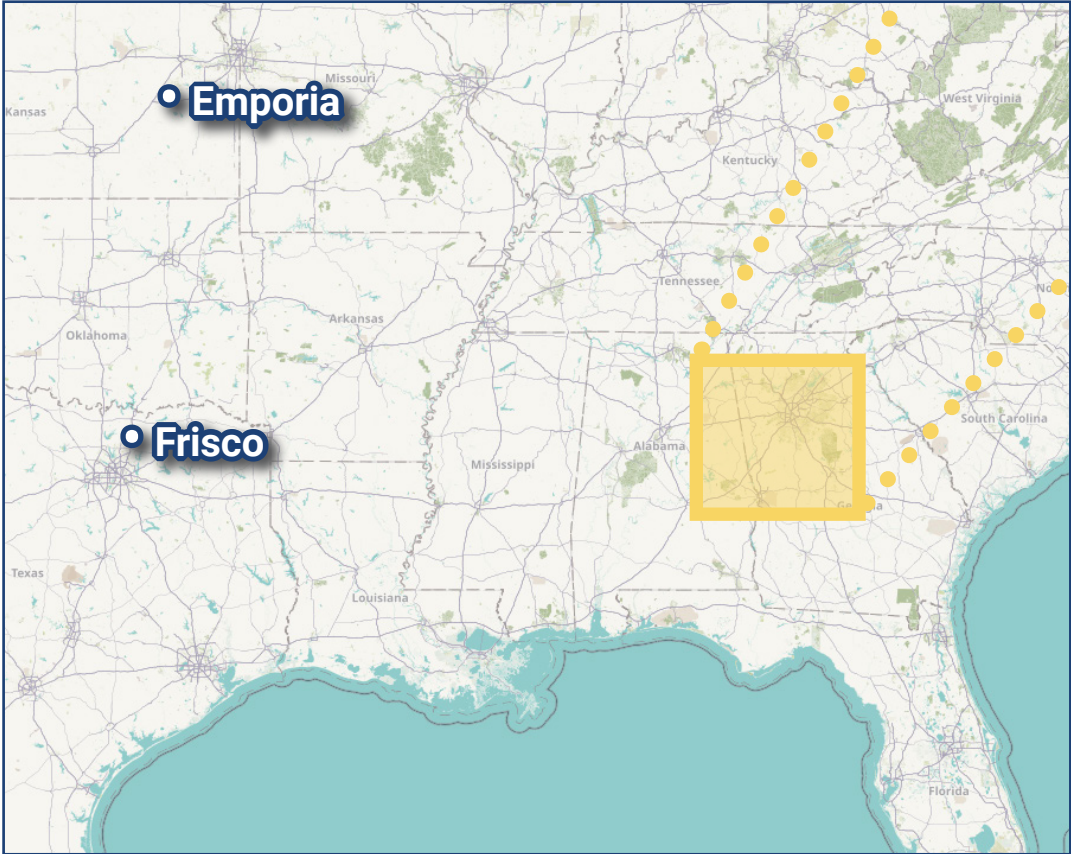
PORTFOLIO AVAILABLE		
Property	Price	Cap
Texas		
Frisco	\$3,275,000	5.50%
Alabama		
Opelika	\$2,783,000	5.75%
Kansas		
Emporia	\$2,035,000	5.65%
Georgia		
Fayetteville	\$3,510,000	5.70%
Newnan	\$2,985,000	5.70%
LaGrange	\$2,632,000	5.70%

Exclusively Listed By
 Graystone Capital Advisors in Cooperation with Bang Realty

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 Senior Vice President
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 Managing Director
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 Brenton@graystoneca.com

Brian Brockman, CCIM
 Bang Realty | Broker of Record
 TX License No. 701472
 KS License No. 239819
 AL License No. 000119315 - 0
 GA License No. 378952
 +513 898 1551
 Brian@bangrealty.com





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The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

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