



FREDDY'S | 20-YEAR SALE-LEASEBACK
1701 CAPPS LANDING | OPELIKA, AL

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EXECUTIVE SUMMARY

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.



INVESTMENT 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

KEY FINANCIAL DATA

PRICE	\$2,735,000
CAP RATE	5.85%
GUARANTOR	JRI HOSPITALITY
YEARS REMAINING	20 YEARS



TENANT SUMMARY



TENANT NAME

WEBSITE	JRIUSA.COM
COMPANY TYPE	PRIVATE
NO. OF LOCATIONS	80+
YEAR FOUNDED	2011
HEADQUARTERED	CITY, STATE

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. They are projected to expand our reach with 20 projects per year. 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.





amc
THEATRES

LAQUINTA
INN & SUITES

H

EST. 1990
WILD WING
CAFE

LAQUINTA
INN & SUITES

Freddy's
STEAKBURGERS

GUTHRIE'S
CHICKEN FINGERS
USA

Interstate 85 49,900 AADT

Gateway Drive 8,500 AADT

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.

POPULATION	2-MILE	5-MILE	10-MILE
2020 CENSUS	9,855	66,190	122,911
2025 ESTIMATE	10,610	68,781	131,353
2029 PROJECTION	11,627	74,944	143,533
HOUSEHOLDS			
2010 HOUSEHOLDS	3,844	27,440	49,243
2024 HOUSEHOLDS	4,147	28,459	52,675
2029 HOUSEHOLDS	4,543	30,981	57,607
GROWTH 2020-2024	2.9%	1.8%	2.5%
GROWTH 2024-2029	1.9%	1.8%	1.9%
INCOME			
2024 MEDIAN HH INCOME	\$50,540	\$51,882	\$49,909
2024 AVG HH INCOME	\$63,734	\$73,473	\$72,480
CONSUMER SPENDING	\$109.5 M	\$798.4 M	\$1.491 B



Kroger



Chick-fil-A



LOWE'S

LONGHORN STEAKHOUSE



McDonald's



BUFFALO WILD WINGS

BEST BUY

TJ-MAXX



HOBBY LOBBY



DICK'S SPORTING GOODS

KOHL'S



Gateway Drive 8,500 AADT

Interstate 85 49,900 AADT



AMC THEATRES



PROPERTY SUMMARY

ADDRESS	1701 CAPPS LANDING OPELIKA, AL 36804
APN	09-07-25-0-000-013-000
YEAR BUILT/RENOV.	2017
GLA	3,480
LOT AREA	1.58
ZONING	COMMERCIAL
TYPE OF OWNERSHIP	FEE SIMPLE

LEASE OVERVIEW

TENANT	FREDDY'S FROZEN CUSTARD
GUARANTOR	JRI HOSPITALITY
LEASE TYPE	ABSOLUTE-NET
LANDLORD RESPONSIBILITIES	NONE
LEASE COMMENCEMENT	CLOSE OF ESCROW (COE)
LEASE EXPIRATION	20 YEARS FROM COE
BASE TERM REMAINING	20.0
OPTIONS	FOUR, 5-YEAR
RENTAL INCREASES	10% EVERY 5 YEARS
TENANT PURCHASE RIGHTS	ROFR, 30-DAY

PRICING

PRICE	\$2,735,000
CAP RATE	5.85%
PRICE/SF	\$785.92

ANNUALIZED OPERATING DATA

YEAR	ANNUAL RENT	PSF	CAP RATE
YEARS 1 TO 5	\$160,000	\$45.98	5.85%
YEARS 6 TO 10	\$176,000	\$50.57	6.44%
YEARS 11 TO 15	\$193,600	\$55.63	7.08%
YEARS 16 TO 20	\$212,960	\$61.20	7.79%
YEARS 21 TO 25 (OPT1)	\$234,256	\$67.31	8.57%
YEARS 26 TO 30 (OPT2)	\$257,682	\$74.05	9.42%
YEARS 31 TO 35 (OPT3)	\$283,450	\$81.45	10.36%
YEARS 36 TO 40 (OPT4)	\$311,795	\$89.60	11.40%