



# Frito Lay Distribution Center

144 Sweetwater Rd North Augusta, SC

Single Tenant | Industrial NNN | 2% Increases Annually | 10 Year Lease



**NEWMARK**

Actual Photo of Property

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## EXECUTIVE SUMMARY

We are pleased to present a newly constructed investment property located at 144 Sweetwater Rd in North Augusta, SC. The property is leased to Frito-Lay, an American subsidiary of PepsiCo., under a 10-year, passive, Industrial NNN lease with 2% annual rent escalations.

Designed to meet high-demand logistics needs, the 19,759 SF building sits on 5 acres and boasts 20 dock doors, extensive outdoor storage, abundant truck parking spaces and close proximity to Interstate 20 and Highway 25.

**PURCHASE PRICE**  
**\$9,379,600**



**10 Year Lease Term**



**Investment Grade  
Parent S&P Credit  
Rating: A+**



**Industrial NNN Lease**

**CAP RATE**  
**6.25%**



**2% Annual Rent  
Increases**



**Brand New Industrial  
Construction**



**Strategic Location**



Actual Photo of Property

# INVESTMENT HIGHLIGHTS



## STRONG CREDIT TENANT

Frito-Lay is an American subsidiary of PepsiCo (S&P Credit Rating: A+), which is ranked 46th on the Fortune 500 list. PepsiCo's net revenue in 2023 was \$91.47B with 27% of that coming from Frito-Lay North America.



## 10 YEAR LEASE WITH ANNUAL RENT ESCALATIONS

The tenant signed a 10 year lease with rent commencing in July of 2024. There are 2% annual rental increases in the original lease term and two (2) five (5) year options at 95% of FMV but no less than 102% of last years rent. The Industrial NNN lease is passive, with landlord responsibilities limited to roof, structure, and parking lot.



## STRATEGIC LOCATION

The subject property is a product exchange center located off of Highway 25 and I-20 within easy reach of major Southeastern hubs including Charleston (150 mi), Atlanta (150 mi), Columbia (67 mi), Athens (100 mi), and the Port of Savannah (130 mi). This proximity offers unparalleled access to major interstate highways, facilitating efficient distribution and transportation routes to and from these critical economic centers.



## BRAND NEW BUILD TO SUIT

The subject property was completed in July of 2024. The 19,759 SF building consists of 14,650 SF of warehouse and 5,010 SF of office. The metal building sits on 5 Acres and has a FAR of 7.9% coverage. There is also a 1,625 SF Mobile Maintenance Unit on the property. This MMU is an onsite service garage that Frito-Lay uses to do routine maintenance on their vehicles (i.e. oil changes, tire rotations, etc.).



# TENANT OVERVIEW



# PEPSICO

PepsiCo products are enjoyed by consumers more than one billion times a day in more than 200 countries and territories around the world. PepsiCo's product portfolio includes a wide range of enjoyable foods and beverages, including many iconic brands that generate more than \$1 billion each in estimated annual retail sales.



Frito-Lay North America is the convenient foods business unit of PepsiCo (NYSE, PEP), which is headquartered in Plano, TX. Frito-Lay operates more than 30 highly advanced manufacturing plants across the country and 200 distribution centers. Frito-Lay has approximately 15,000 routes that make over 500,000 weekly service calls on approximately 290,000 customers.



**HEADQUARTERS**  
Plano, Texas



**2023 REVENUES**  
\$24.69 Billion



**WEBSITE**  
Tenant: [www.fritolay.com](http://www.fritolay.com)

**YEAR FOUNDED**  
1961

**EMPLOYEES**  
55,000+

**S&P CREDIT RATING**  
A+



## OUR DISTRIBUTION NETWORK

Our products are primarily brought to market through DSD (Direct-Store-Delivery), customer warehouse and distributor networks and are also sold directly to consumers through e-commerce platforms and retailers. The distribution system used depends on customer needs, product characteristics and local trade practices.



## LEASE

<b>Tenant / Guarantor</b>	PepsiCo Global Real Estate, Inc.
<b>Tenant DBA</b>	Frito-Lay
<b>Lease Expiration Date</b>	June 30, 2034
<b>Remaining Lease Term</b>	10 Years
<b>Current Rent</b>	\$586,225
<b>Rent Increases</b>	2% Annual Increases
<b>Renewal Options</b>	Two (2), Five (5) Year Options
<b>Renewal Option Rent</b>	95% of FMV, but no less than base rent at the expiration of the Lease Term
<b>Expenses</b>	Industrial NNN
<b>Taxes</b>	Tenant
<b>Insurance</b>	Tenant
<b>Utilities</b>	Tenant
<b>Interest</b>	Fee Simple
<b>Tenant Responsibilities</b>	Operating Expenses - Property Taxes, Insurance, Utilities Roof/ Drains - Maintain HVAC - Maintain Paving - Maintain/ Replace Landscape - Maintain/ Replace Building and Mechanical Systems - Maintain/ Replace
<b>LL Responsibilities</b>	Roof (CapEx) & Structure CapEx of HVAC (cost to repair exceeds 50% of replacement cost - useful life reimbursed by Tenant)

## RENT SCHEDULE

Lease Year	Primary Term Lease Date	Annual Rent	Monthly Rent	Rent Increase	Rent PSF
1	August 1, 2024 - June 30, 2025	\$586,225	\$48,852		\$29.67
2	August 1, 2025 - June 30, 2026	\$597,950	\$49,829	2%	\$30.26
3	August 1, 2026 - June 30, 2027	\$609,908	\$50,826	2%	\$30.87
4	August 1, 2027 - June 30, 2028	\$622,107	\$51,842	2%	\$31.48
5	August 1, 2028 - June 30, 2029	\$634,549	\$52,879	2%	\$32.11
6	August 1, 2029 - June 30, 2030	\$647,240	\$53,937	2%	\$32.76
7	August 1, 2030 - June 30, 2031	\$660,185	\$55,015	2%	\$33.41
8	August 1, 2031 - June 30, 2032	\$673,388	\$56,116	2%	\$34.08
9	August 1, 2032 - June 30, 2033	\$686,856	\$57,238	2%	\$34.76
10	August 1, 2033 - June 30, 2034	\$700,593	\$58,383	2%	\$35.46



# STRATEGIC LOCATION



## Proximity to Augusta National Golf Club



Augusta National Golf Club, is a magnet for corporate hospitality and networking, drawing in business leaders from around the globe. This prestigious venue not only showcases elite golf but also serves as a catalyst for business deals, partnerships, and global branding opportunities. Since 1934, the Masters Tournament has been home to some of golf’s greatest moments. Amidst blooming azaleas, towering pines and flowering dogwoods, the first full week of April ushers in a stage unique to golf and to sport.

## Port of Savannah and Port of Charleston



Spanning over 1,345 acres, the Port of Savannah stands as the third-largest container gateway in the United States, boasting an impressive 2023 TEU (Twenty-foot Equivalent Units) volume of 4,506,367 from January through November. The Port of Charleston encompasses 280 acres and ranks as the ninth-busiest, with a notable 2023 TEU volume of 2,274,586 during the same period.

## Proximity to Major MSA’s



The subject property is located off of Highway 25 and I-20 within easy reach of major Southeastern hubs including Charleston (150 mi), Atlanta (150 mi), Columbia (67 mi) Savannah (130 mi) and Athens (100 mi). This proximity offers unparalleled access to major interstate highways, facilitating efficient distribution and transportation routes to and from these critical economic centers.

## Vehicles Per Day



**64.3K**  
I-20

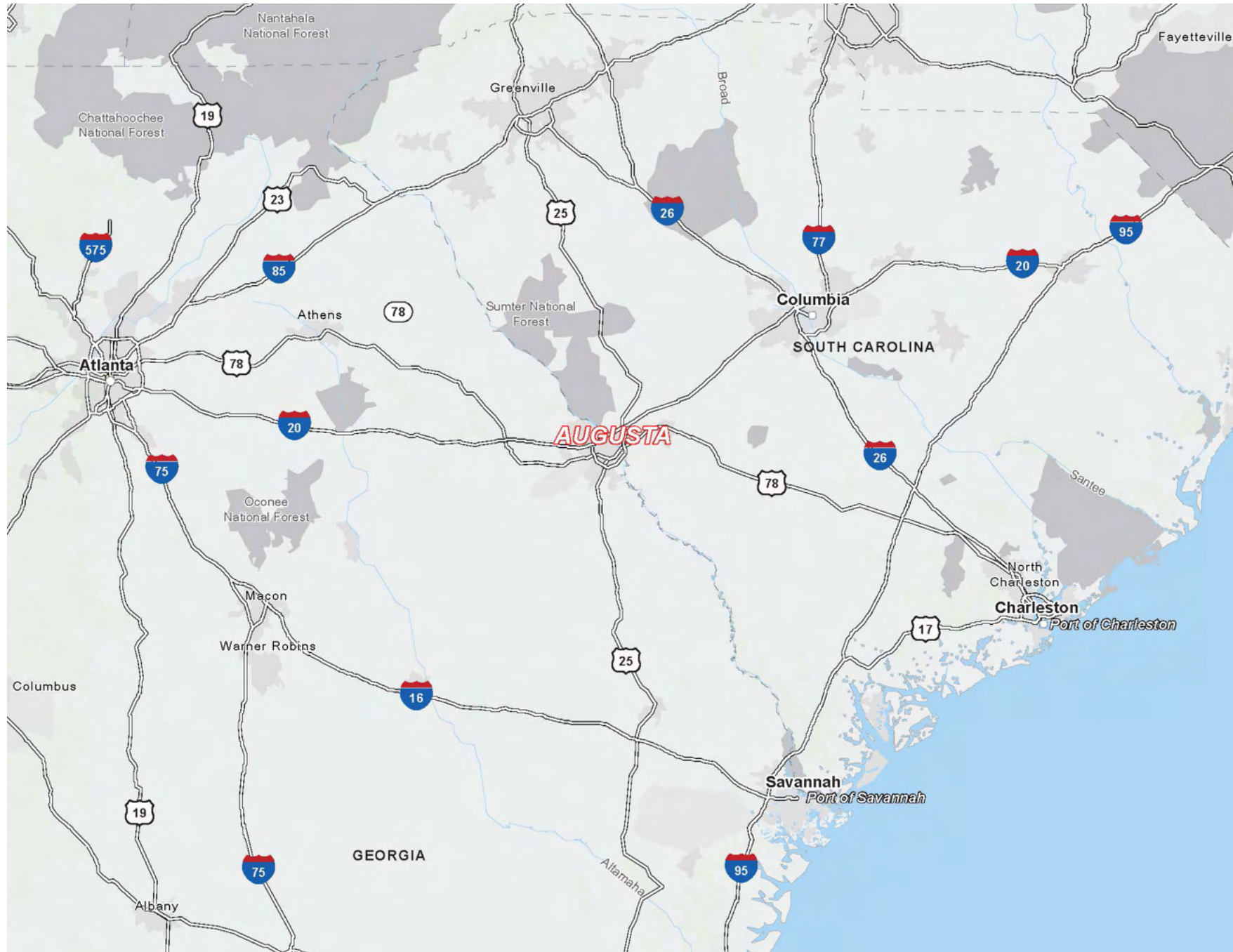
**35.3K**  
I-16

**64.6K**  
I-26

**37.3K**  
HWY 25



# LOCATION MAP

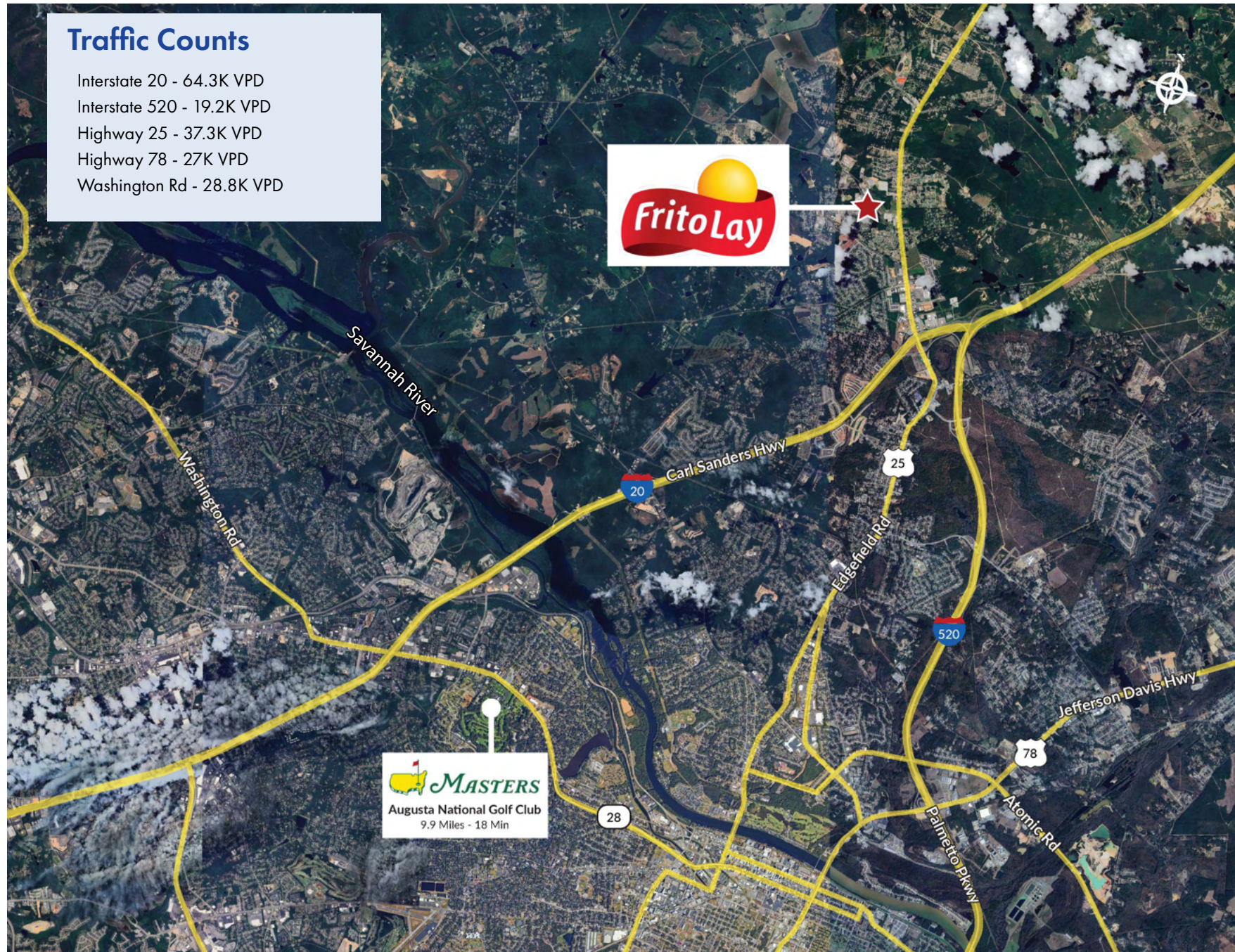




# PROXIMITY TO AUGUSTA NATIONAL

## Traffic Counts

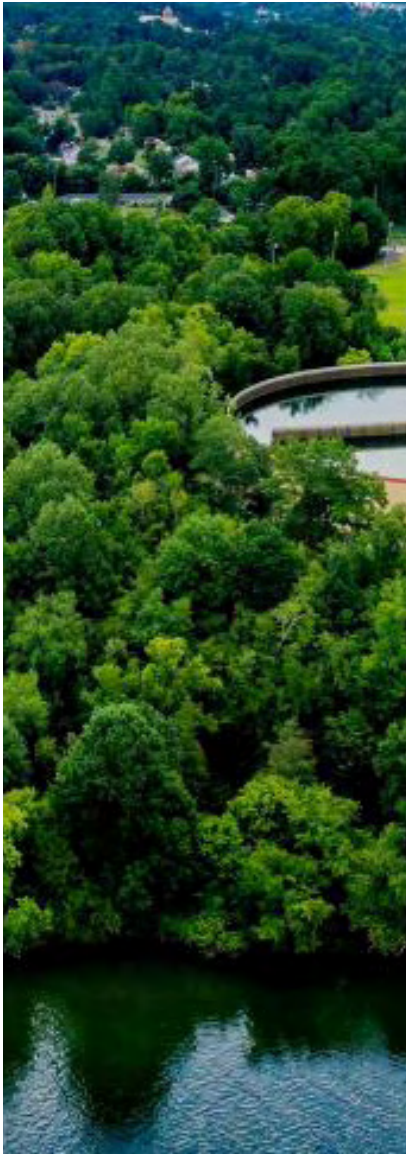
Interstate 20 - 64.3K VPD  
Interstate 520 - 19.2K VPD  
Highway 25 - 37.3K VPD  
Highway 78 - 27K VPD  
Washington Rd - 28.8K VPD





## MARKET OVERVIEW

North Augusta, South Carolina, situated along the north bank of the Savannah River, is an integral part of the Augusta-Richmond County Metropolitan Area. Its strategic location and growing community offer a compelling market for real estate investment and development.



### ECONOMIC GROWTH

North Augusta is experiencing steady economic growth, driven by a mix of manufacturing, services, and an increasing focus on healthcare and education. The area benefits from its proximity to major employers in Augusta, GA, including the cyber security and medical sectors, making it an attractive location for professionals.

### COMMERCIAL DEVELOPMENT

North Augusta has seen notable commercial developments, particularly in the downtown area and along the riverfront. Projects like the Riverside Village mixed-use development, which includes retail, office space, and residential units, reflect the city's plan for revitalization and growth.

### INVESTMENT OPPORTUNITIES

Investors are attracted to North Augusta for its potential in both residential and commercial sectors. The city's growth initiatives, quality of life, and advantageous location near Augusta, GA, open up opportunities for rental properties, retail spaces, and new housing developments.

### AUGUSTA INDUSTRIAL MARKET

The Augusta industrial market is made up of 53.3M SF of inventory. Within this market, the logistics space is the largest subtype with 25.7 million SF in this category, followed by 23.7 million SF of specialized space and 3.9 million SF of flex space.

There have been 45 sales in the past year, with 19 of those being in the logistics space. Vacancy in the Augusta industrial market is 6.7% and has increased by 1.6% over the past 12 months.

### AUGUSTA MSA INDUSTRIAL MARKET

 **53.3M**  
Inventory SF

 **6.7%**  
Vacancy Rate

 **79.5K**  
SF Under Construction



# DEMOGRAPHICS

	5 MILE	10 MILE	20 MILE
<b>POPULATION SUMMARY:</b>			
2010 Total Population	31,192	162,318	465,043
2023 Total Population	35,032	173,201	524,821
2028 Total Population	35,761	175,786	536,511
2023-2028 Annual Rate	0.41%	0.30%	0.44%
2023 Total Daytime Population	24,721	186,045	537,895
<b>HOUSEHOLD SUMMARY:</b>			
2010 Households	11,900	66,503	178,274
2020 Households	13,261	70,710	199,122
2023 Households	13,833	72,843	205,930
2028 Households	14,336	74,635	212,529
<b>MEDIAN HOUSEHOLD INCOME:</b>			
2023	\$67,591	\$60,558	\$61,391
2028	\$75,610	\$68,716	\$71,416
<b>MEDIAN HOME VALUE:</b>			
2023	\$206,810	\$212,785	\$213,101
2028	\$214,969	\$221,773	\$224,229
<b>MEDIAN AGE:</b>			
2023	40.8	40.4	38.6
2028	42.2	41.6	39.6
<b>2023 POPULATION BY RACE/ ETHNICITY:</b>			
White Alone	68.8%	58.2%	51.5%
Black Alone	20.1%	28.7%	35.5%
American Indian Alone	0.3%	0.3%	0.4%
Asian Alone	1.1%	3.2%	2.6%
Pacific Islander Alone	0.1%	0.1%	0.2%
Some Other Race Alone	2.9%	2.9%	2.8%
Two or More Races	6.8%	6.6%	7.0%
Hispanic Origin	6.5%	6.4%	7.0%





## NEW CONSTRUCTION WITH ABILITY TO EXPAND

Completed in July of 2024, this property features a 19,759 square foot building situated on an expansive 5-acre lot. This sizable parcel presents real estate investors with an excellent opportunity to capitalize additional streams of income.

### Potential Opportunities

- Industrial Outdoor Storage
- Enhance Current Storage Capabilities
- Tenant Expansion
- New Construction





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