

SINGLE TENANT ABSOLUTE NNN

Ground Lease Investment Opportunity



Ground Lease w/ 10% Bumps | Primary Retail Corridor



1770 Scenic Highway N | Snellville, Georgia

ATLANTA MSA

ACTUAL SITE



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Qualifying Broker: Scott Tiernan, SRS Real Estate Partners-Southeast, LLC | GA License No. 318675

OFFERING SUMMARY



OFFERING

Pricing	\$3,050,000
Net Operating Income	\$164,890
Cap Rate	5.40%

PROPERTY SPECIFICATIONS

Property Address	1770 Scenic Highway N Snellville, Georgia 30078
Rentable Area	3,332 SF
Land Area	1.35 AC
Year Built	2016
Tenant	Snellville Custard Operations, LLC
Guaranty*	AC Operations (9 Locations)
Lease Type	Absolute NNN (Ground Lease)
Landlord Responsibilities	None
Lease Term Remaining	7+ Years
Increases	10% Every 5 Years & Beg. of Each Option
Options	3 (5-Year)
Rent Commencement	August 1, 2016
Lease Expiration	July 31, 2031

*AC Operations, LLC guaranty burns off 8/31/2025

RENT ROLL & INVESTMENT HIGHLIGHTS



Tenant Name	Square Feet	LEASE TERM		RENTAL RATES				
		Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options
Freddy's	3,332	August 2016	July 2031	Current	-	\$13,741	\$164,890	3 (5-Year)
(Franchisee Guaranty)				August 2026	10%	\$15,115	\$181,379	

*AC Operations, LLC guaranty burns off 8/31/2025

10% Increase Beg. of Each Option

7+ Years Remaining | Options To Extend | Scheduled Rental Increases | JRI Hospitality - Parent Entity

- 7+ years remain on this franchisee signed lease with 3 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, steadily growing NOI and hedging against inflation
- Founded in 2011, JRI Hospitality owns and operates over 80 restaurants in 15 states, including Freddy's Frozen Custard & Steakburgers, Moka's Cafe, The Original Grande, and Chompie's Restaurants. They are the largest Freddy's franchisee
- Freddy's Frozen Custard & Steakburgers is a leading fast-casual franchise concept with more than 440 locations across 36 states nationwide

Absolute NNN Ground Lease | Land Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- Investor benefits from leased fee interest (land ownership)
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Signalized, Hard Corner Intersection | Dense Retail Corridor | Presidential Commons | Several Big Box Retailers

- Freddy's located at the signalized, hard corner intersection of Scenic Highway North and Tree Lane averaging 57,400 vehicles passing by daily
- Scenic Highway is a dense, primary retail corridor serving the city of Snellville with several national/credit tenants such as Chipotle, Outback, Zaxby's, McDonald's, and more
- The asset is directly next to Presidential Commons, a 375,000+ SF Kroger and The Home Depot anchored shopping center
- The immediate trade area is supported by several big box retailers such as Target, Best Buy, Ross, Lowe's, Walmart Supercenter, and more
- Strong tenant synergy promotes crossover store exposure to the site

Strong Demographics In 5-Mile Trade Area

- More than 195,000 residents and 43,000 employees support the trade area
- Residents within a 1-mile radius boast an affluent average household income of over \$130,000

FINANCIAL & ASSUMABLE LOAN SUMMARY



PRICING SUMMARY

Asking Price	\$3,141,000
Price/SF	\$943
Net Operating Income	\$164,890
Cap Rate	5.25%
Cash/Cash	3.11%

Operating Cash Flow

In-Place

Potential Rental Revenue	\$164,890
Less Expenses	NNN
Net Operating Income	\$164,890
Less Loan Payment	(\$94,632)
Cash Flow	\$70,258

LOAN SUMMARY

Current Loan Amount (10/20/2022):	\$1,030,085
Down Payment:	\$2,258,000
Payment (annual):	(\$94,632)
Interest Rate (fixed):	4.85%
Maturity Date:	9/11/2038
Cash Over Loan Balance:	\$2,258,000
Loan Type:	Self Amortizing

NOTES

1. Loan is assumable with the following summary above
2. Assumable financing available -- seller can deliver free & clear

PROPERTY OVERVIEW



LOCATION



Snellville, Georgia
Gwinnett County
Atlanta-Sandy Springs-Roswell MSA

ACCESS



Presidential Circle SW: 1 Access Point

TRAFFIC COUNTS



Scenic Highway: 57,400 VPD
Main Street SE/State Highway 10/U.S. Highway 78:
69,800 VPD

IMPROVEMENTS



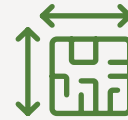
There is approximately 3,332 SF of existing building area

PARKING



There are approximately 53 parking spaces on the owned parcel.
The parking ratio is approximately 15.9 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 5-056 -367
Acres: 1.35
Square Feet: 58,806

CONSTRUCTION



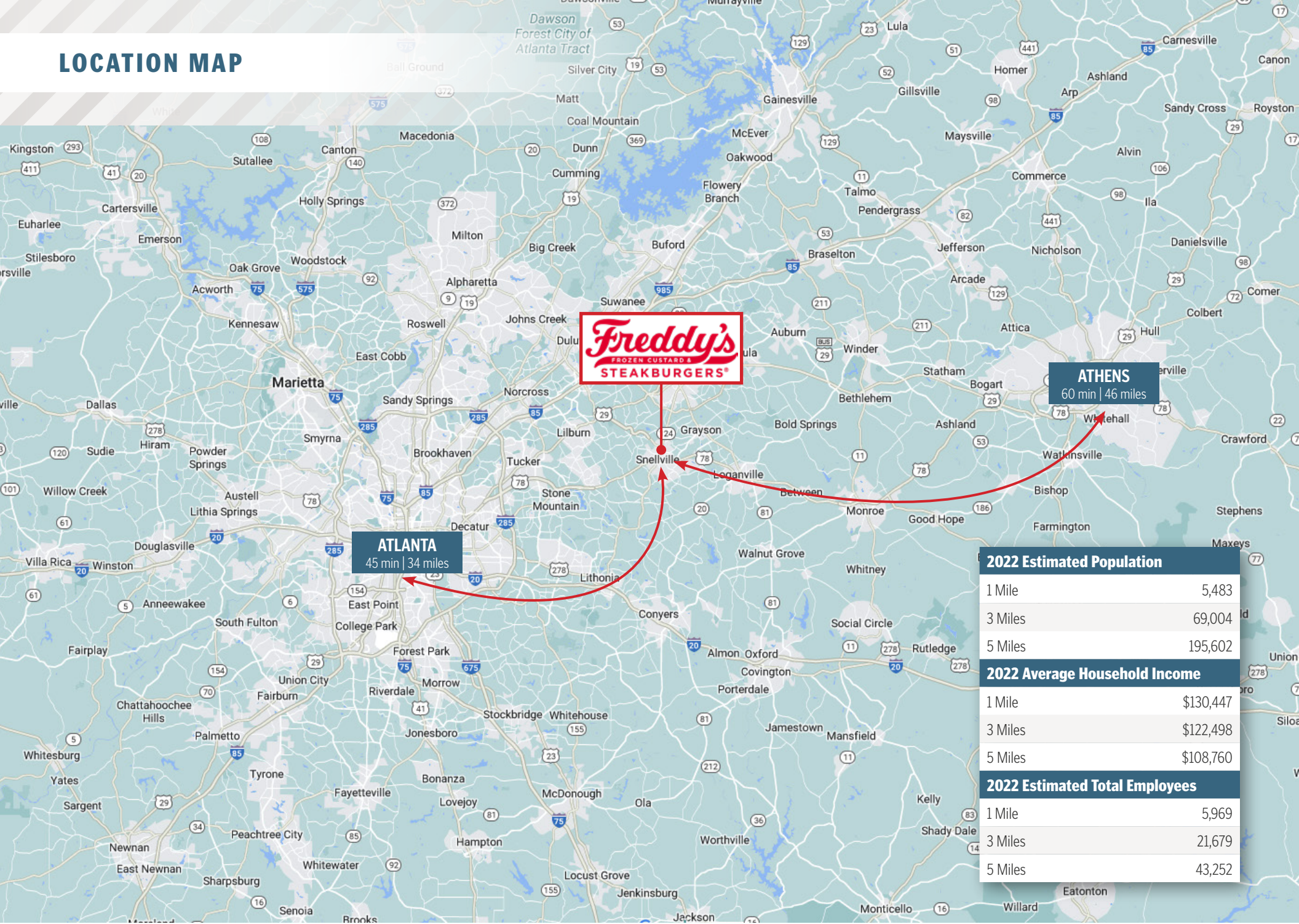
Year Built: 2016

ZONING



BG: General Business

LOCATION MAP









BROOKWOOD ELEMENTARY SCHOOL

ALTON C. CREWS MIDDLE SCHOOL

EASTSIDE MEDICAL CENTER

WEB GIN HOUSE RD.

13,500 VEHICLES PER DAY

57,400 VEHICLES PER DAY

SCENIC HWY N

PRESIDENTIAL COMMONS

PHARR ELEMENTARY SCHOOL

THE SHOPPES AT WEBB GIN







SNELLVILLE, GEORGIA

The City of Snellville is located 25 miles northeast of Atlanta at the crossroads of US 78 (Main Street) and SR 124 (Scenic Highway). It has evolved from a rural outpost and later a bedroom community to become a suburban city with a growing economy. The City of Snellville had a population of 21,634 as of July 1, 2022.

The city of Snellville, Georgia, was settled and has continued to grow around the confluence of two major federal and state transportation arteries. As a non-interstate transportation hub, the City has attracted a large amount of retail and commercial interest over the years with the I-24 Scenic Highway corridor. The 10.48-square-mile city continues to be oriented around the intersection of these two regional routes and is made up primarily of shopping plazas along major roads and quiet residential neighbourhoods with single-family homes.

The Scenic Highway North character area is the city's economic engine. Scenic Highway (SR 124) has one of the highest concentrations of retailers in the metro area, with shopping plazas leased primarily by national chain and big box retailers providing convenience goods for local shoppers. Specialty goods retailers, like furniture and beauty

supply stores, attract regional shoppers from outside the Snellville area. More than 34 percent of people who work in Snellville work in the retail industry, and another 28 percent work in accommodation and food services.

Healthcare and social assistance is the largest industry in Snellville, employing 37 percent of people who work in the city. Eastside Medical Center along SR 124 (Scenic Highway) are hallmarks of the Snellville economy. Excellent schools, a variety of parks and recreational options, an active faith community, and Summit Chase Golf and Country Club support the quality of life in Snellville. Undeveloped land is limited, located primarily in the eastern part of the city.

Thousands of visitors are attracted daily to the shopping area and the city has also made great strides in other tourism and visitor related activities. The June - September Farmers' Market has been voted the best in the nation and operates every Saturday during the growing season. Snellville also have six major concerts/festivals throughout the year on the Towne Green which brings thousands of visitors to town.

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2022 Estimated Population	5,483	69,004	195,602
2027 Projected Population	5,765	71,358	202,248
Projected Annual Growth 2022 to 2027	1.01%	0.67%	0.67%
2022 Median Age	46.6	40.1	37.5
Households & Growth			
2022 Estimated Households	1,840	22,009	62,560
2027 Projected Households	1,925	22,761	64,666
Projected Annual Growth 2022 to 2027	0.91%	0.67%	0.66%
Race & Ethnicity			
2022 Estimated White	55.46%	43.43%	38.07%
2022 Estimated Black or African American	19.99%	32.71%	35.67%
2022 Estimated Asian or Pacific Islander	12.99%	11.92%	10.83%
2022 Estimated American Indian or Native Alaskan	0.75%	0.62%	0.77%
2022 Estimated Other Races	6.27%	5.83%	8.97%
2022 Estimated Hispanic	14.70%	12.86%	18.14%
Income			
2022 Estimated Average Household Income	\$130,447	\$122,498	\$108,760
2022 Estimated Median Household Income	\$86,245	\$95,773	\$84,019
Businesses & Employees			
2022 Estimated Total Businesses	424	2,288	5,019
2022 Estimated Total Employees	5,969	21,679	43,252





FREDDY'S

[freddys.com](https://www.freddys.com)

Company Type: Private

Locations: 440+

Freddy's Frozen Custard & Steakburgers is a leading fast-casual franchise concept with more than 440 locations across 36 states nationwide. Founded in Wichita, Kansas, in 2002, the brand offers a unique combination of cooked-to-order steakburgers, all-beef hot dogs, shoestring fries and other savory items along with freshly churned frozen custard treats. Known for operating the Freddy's Way, Guests experience genuine hospitality and food prepared fresh with premium ingredients. This signature approach has fueled Freddy's ongoing growth throughout the U.S. and garnered national recognition from industry-leading rankings, including being named No. 1 on Forbes Best Franchises to Buy and No. 59 on Entrepreneur's Franchise 500.





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NET LEASE
TRANSACTION
VALUE
in 2021

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