



NET LEASE INVESTMENT OFFERING



Freddy's Frozen Custard & Steakburgers

*Sale Leaseback | 20-Yr Lease | Annual Increases | Extremely Affluent Area
Birmingham, AL*



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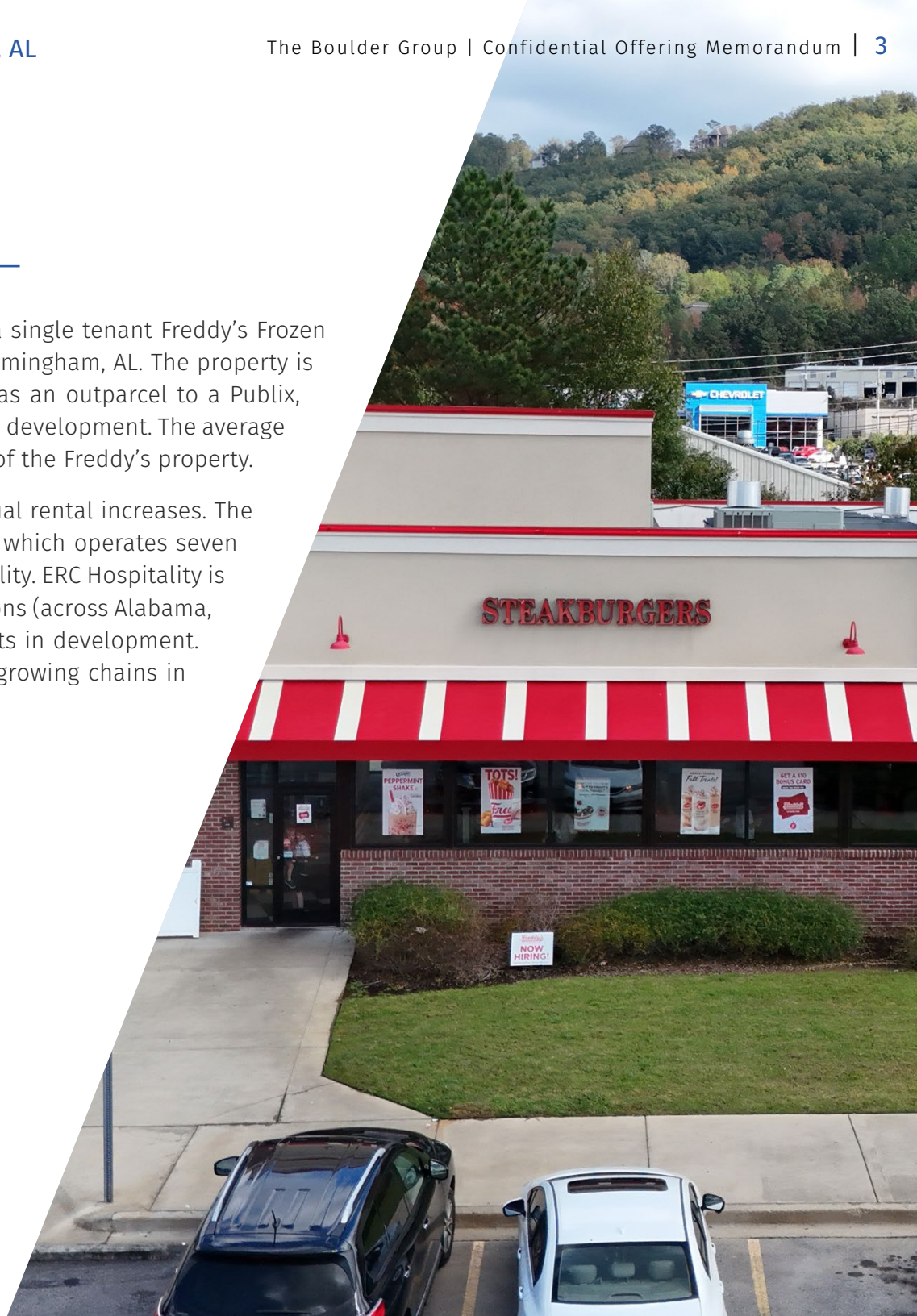
Disclaimer Statement



Executive Summary

The Boulder Group is pleased to exclusively market for sale a single tenant Freddy's Frozen Custard & Steakburgers sale leaseback property located in Birmingham, AL. The property is in an extremely affluent area and is strategically positioned as an outparcel to a Publix, Hobby Lobby, Dick's Sporting Goods, and AMC Theater anchored development. The average annual household income is over \$173,000 within three miles of the Freddy's property.

The twenty-year absolute triple net lease will feature 2% annual rental increases. The lease will be guaranteed by Bama Custard & Bama Custard 2, which operates seven Freddy's locations in Alabama, and is controlled by ERC Hospitality. ERC Hospitality is the 5th largest Freddy's franchisee operating 33 Freddy's locations (across Alabama, Colorado, Texas, and New Mexico) with 4 additional restaurants in development. Freddy's Frozen Custard & Steakburgers is one of the fastest growing chains in the U.S. and operates over 515 locations across the country

The logo for Freddy's, featuring the word "Freddy's" in a red, cursive script font with a registered trademark symbol (®) to the upper right.

Investment Highlights

- » Located in **Birmingham**, the largest MSA in Alabama
- » New **20-year lease** with **2% annual rental increases**
- » Absolute triple net lease with **no landlord responsibilities**
- » **Extremely affluent area** with average annual household income of over \$173,000 within three miles
- » Strategic **outparcel to a Publix, Hobby Lobby, Dick's Sporting Goods, and AMC Theater** anchored development
- » Positioned off **U.S. 280 (50,000+ VPD)**
- » **Regional retail destination** that includes Walmart Supercenter, Lowe's, The Home Depot, Winn-Dixie, Best Buy, Sprouts, and many other retailers
- » Freddy's Frozen Custard & Steakburgers has **over 515 locations and ranks in the Top 10** of the Fastest Growing Chains in the U.S.
- » **Low price point** for a STNL quick-service restaurant and Freddy's Frozen Custard & Steakburgers property
- » Guarantor is **an experienced franchisee**, and an entity controlled by the 5th largest Freddy's franchisee
- » Healthy rent-to-sales (contact broker for details)



Investment Overview



PRICE
\$1,913,000



CAP RATE
5.75%



NOI
\$110,000



ADDRESS
301 Doug Baker Blvd
Birmingham, AL 35242

LEASE TERM:	20 Years	YEAR BUILT:	2016
RENT COMMENCEMENT:	Close of Escrow	BUILDING SIZE:	3,593 SF
RENTAL ESCALATIONS:	2% Annually	LAND SIZE:	.81 Acres
RENEWAL OPTIONS:	Four 5-Year		
LEASE TYPE:	Absolute Triple Net		
LANDLORD RESPONSIBILITIES:	None		
GUARANTOR:	BAMA Custard and Bama Custard 2*		

**Bama Custard & Bama Custard 2 operate seven Freddy's locations in Alabama and is controlled by ERC Hospitality. ERC Hospitality is the 5th largest Freddy's franchisee operating 33 Freddy's locations (across Alabama, Colorado, Texas, and New Mexico) with 4 additional restaurants in development.*



Aerial



Aerial



Publix

DICK'S

GOLF GALAXY

MOE'S
SOUTHWEST GRILL

EUROPEAN WAX CENTER

sweetFrog
premium frozen yogurt

DON PEPE'S
MEXICAN BAR & GRILL

CHICKEN SALAD CHICK

Panera BREAD

FUKU

ups

ME
Massage Envy

PNC

ZAXBY'S

GRANDVIEW
MEDICAL GROUP

Doug Baker Blvd

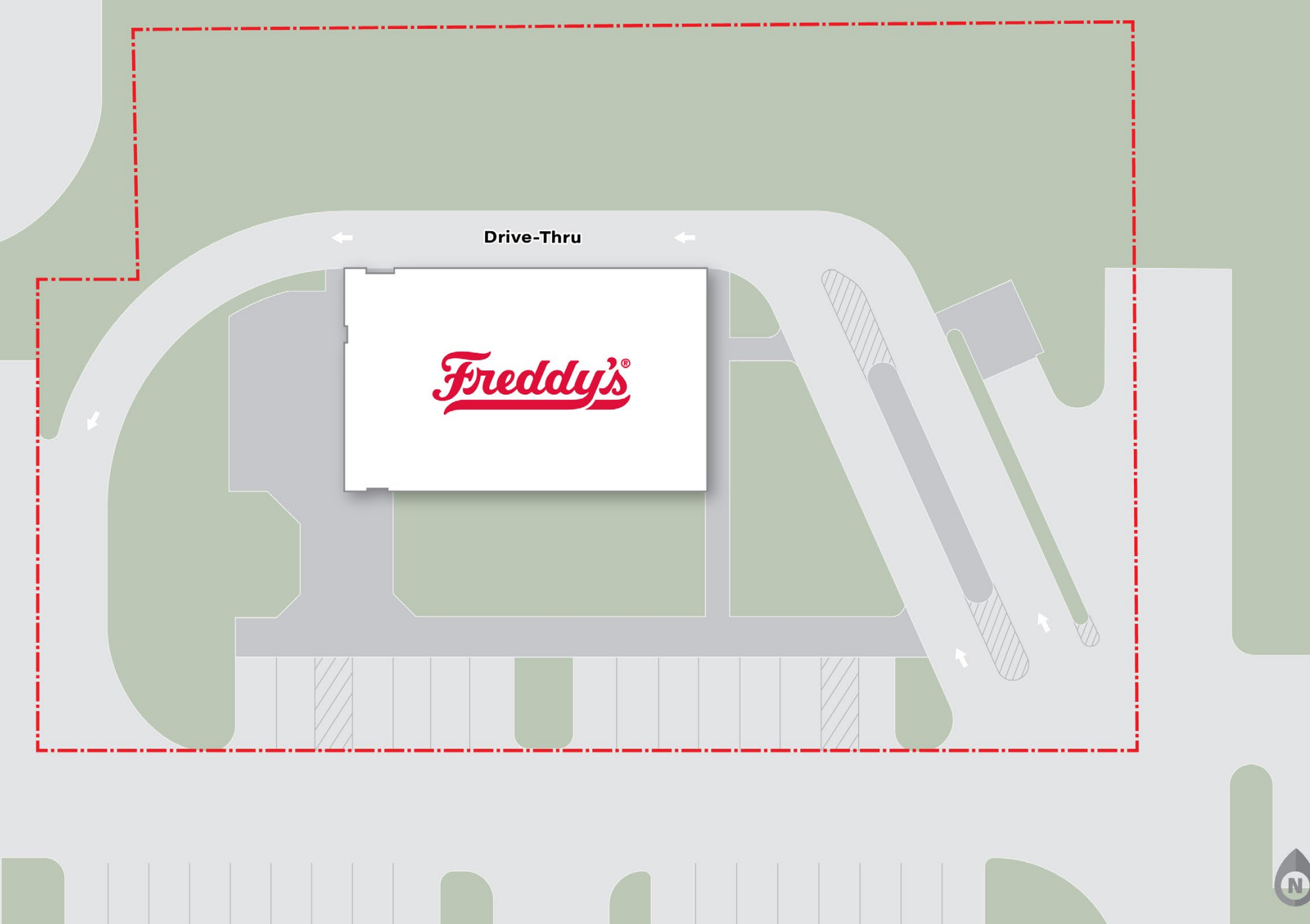
Walgreens

Freddy's

Photographs



Site Plan



Map

Demographics



TOTAL POPULATION

1-MILE	6,143
3-MILE	41,728
5-MILE	71,478



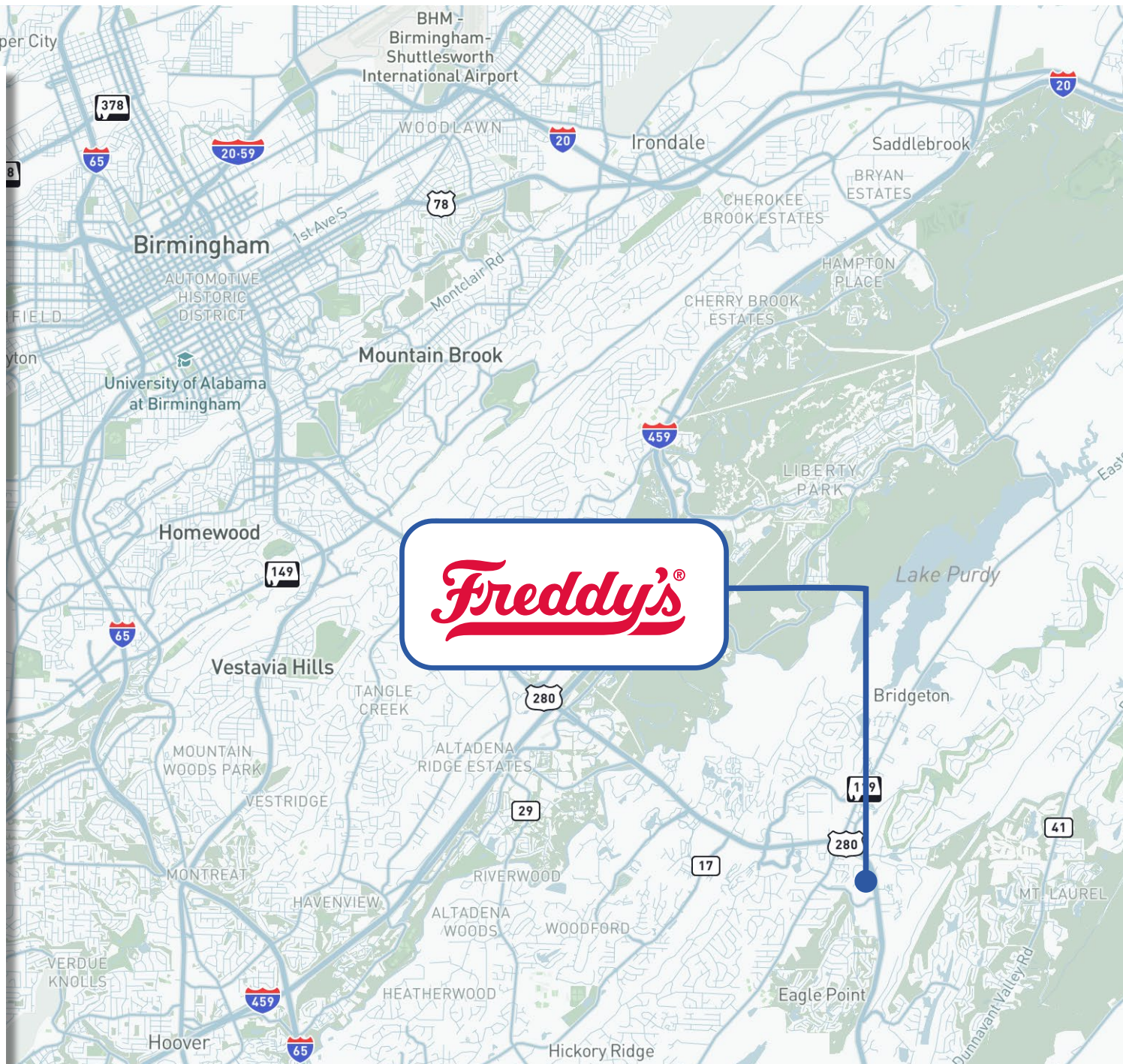
TOTAL HOUSEHOLDS

1-MILE	2,525
3-MILE	17,294
5-MILE	30,187



AVERAGE HOUSEHOLD INCOME

1-MILE	\$170,216
3-MILE	\$173,534
5-MILE	\$169,032



Tenant Overview



FREDDY'S FROZEN CUSTARD & STEAKBURGERS

Freddy's Frozen Custard & Steakburgers is a fast-casual restaurant chain specializing in made-to-order steakburgers, Vienna all-beef hot dogs, shoestring French fries, and house-churned frozen custard. The Wichita, KS-based company was founded in 2002 by brothers Bill & Randy Simon along with their close friend and business partner Scott Redler. They named the restaurant after Freddy Simon, a World War II veteran and Purple Heart and Bronze Star recipient. Freddy's is a privately-owned and family-oriented company with a dedication to hospitality that extends far beyond their guests. They are consistently recognized for their contribution to their communities, veterans, and the restaurant industry.

Today, Freddy's Frozen Custard & Steakburgers operates over 515 locations across 38 states in the U.S. and is continuing to expand. Most of their locations are operated by franchisees. They also have several international locations in Dubai. In March 2021, Thompson Street Capital Partners, a private equity firm based in St. Louis, acquired Freddy's. TSCP invests in founder-led middle market businesses, including more than 150 companies in the health care and life science services, software and technology services and business services and engineered products sectors.

BAMA CUSTARD & BAMA CUSTARD 2

Bama Custard and Bama Custard 2 is an experienced Freddy's Frozen Custard & Steakburgers franchisee that operates seven locations in Alabama. The entity is controlled by one of the largest and most experienced Freddy's franchisees, ERC Hospitality. Among all their entities, ERC Hospitality operates 33 locations and has 4 stores in development. ERC Hospitality is the 5th largest Freddy's franchisee and operates stores in Alabama, Texas, Colorado, and New Mexico. ERC Hospitality was founded in 2014.

Website:	www.freddysusa.com
Headquarters:	Wichita, KS
Number of Locations:	515+
Company Type:	Private Company
Year Founded:	2002





Location Overview

BIRMINGHAM, ALABAMA

The Birmingham MSA has a population of approximately 1,120,000 and is the largest metropolitan area in Alabama and the 47th-most populous in the United States. Birmingham serves as an important regional hub.

Birmingham ranks as one of the most important business centers in the Southeast and is also one of the largest banking centers in the United States. In addition, the Birmingham area serves as headquarters to two Fortune 500 companies: Regions Financial and Vulcan Materials Company, along with multiple other Fortune 1000 companies. Birmingham is strategically located in Central Alabama and is approximately 150 miles west of Atlanta and 58 miles northeast of Tuscaloosa, home to The University of Alabama.

Birmingham is the cultural and entertainment capital of Alabama with numerous art galleries in the area including the Birmingham Museum of Art, the largest art museum in the Southeast. Downtown Birmingham is currently experiencing a cultural and economic rejuvenation, with many new independent shops and restaurants recently opening.

The city is served by four interstate highways, Interstate 20, Interstate 65, Interstate 59, and Interstate 22, as well as a southern bypass expressway Interstate 459. Birmingham is served by the Birmingham–Shuttlesworth International Airport. This airport serves more than 3 million passengers every year. With more than 160 flights daily, the airport offers flights to 37 cities across the United States.

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The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.



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