



ZAXBY'S RESTAURANT

1303 E BEEBE CAPPS EXPRESSWAY, SEARCY, AR 72143

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EXCLUSIVELY LISTED BY:

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INVESTMENT SUMMARY

List Price:	\$1,688,567
Current NOI:	\$120,732.57
Initial Cap Rate:	7.15%
Land Acreage:	0.94
Year Built	2008
Building Size:	3,788 SF
Price PSF:	\$445.77
Lease Type:	Absolute NNN
Lease Term:	7+ Years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present this Zaxby's restaurant located at 1303 E Beebe Capps Expressway in Searcy, AR. This ten year absolute NNN lease has no landlord responsibilities and over seven years remaining on the initial term. There are two, ten year options with ten percent rent increases every five years including each option. The lease is also guaranteed across all units operated under 1788 Chicken, LLC and features an additional ten year personal guarantee. 1788 Chicken, LLC operates over 30 Zaxby's sites in GA, TN, MS and AR. The principals also operate 148 Pizza Huts in CA, OR and NV, and 13 additional Zaxby's outside of 1788 Chicken, LLC.

The subject property is directly across from Harding University, the largest private university in Arkansas with over 7,100 students. It is also close to Arkansas State University - Searcy which has over 4,000 students. In addition, two Walmart distribution centers are minutes from the subject property and serve as major employers for Searcy's residents.

The subject property is strategically located on E Beebe Capps Expressway (18,000 VPD), which is one of the major arteries through Central Arkansas. Surrounding retailers include Popeye's, Pizza Hut, McDonald's, Walmart, Sonic Drive-In, Starbucks & Kroger.



PRICE \$1,688,567



CAP RATE 7.15%



LEASE TYPE Absolute NNN



TERM 7+ Years

INVESTMENT HIGHLIGHTS

- 3,788 SF Zaxby's Restaurant with Drive-Thru on .94 Acres
- Absolute NNN Lease | No Landlord Responsibilities
- 10% Rent Increases Every 5 Years
- Searcy is a Suburb of Little Rock, AR | 53 Miles North of Downtown Little Rock |
- Across From Harding University and Close to Arkansas State University - Searcy | Near 2 Walmart Distribution Centers
- 10 Mile Population Exceeds 47,000 | 1.41% Projected Population Growth Within 3 Miles by 2023
- 3 Mile Median Home Value Exceeds \$145,000
- 5 Mile Average Household Income Exceeds \$56,000

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FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$120,732	\$31.87
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$120,732	\$31.87

PROPERTY SUMMARY

Year Built:	2008
Lot Size:	0 Acres
Building Size:	3,788 SF
Zoning:	Commercial
Construction Style:	Prototype
Ownership:	Fee Simple
Traffic Count:	18,000 VPD on E Beebe Capps Expy.
Parking Lot:	Asphalt
Parking Spaces:	20 Surface Parking Spaces

LEASE SUMMARY

Tenant:	Zaxby's Restaurant
Lease Type:	Absolute NNN
Primary Lease Term:	10 Years
Annual Rent:	\$120,733
Rent PSF:	\$31.87
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	September 12, 2016
Lease Expiration Date:	September 11, 2026
Lease Term Remaining:	7+ Years
Rent Bumps:	10% Every Five Years
Renewal Options:	Two, Ten Year Options
Lease Guarantor:	1788 Chicken, LLC (30+ Unit Operator)
Lease Guarantor Strength:	Strong
Tenant Website:	www.zaxbys.com



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TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	ESC DATE	RENT PER SF/YR
Zaxby's	3,788	September 12, 2016	September 11, 2026	\$120,733	100.0		\$31.87
						9/12/2021	\$35.06
						9/12/2026	\$38.57
						9/12/2031	\$42.42
						9/12/2036	\$46.66
						9/12/2041	\$51.33
Totals/Averages		3,788		\$120,733		\$31.87	



TOTAL SF
3,788



TOTAL ANNUAL RENT
\$120,733



OCCUPANCY RATE
100%



AVERAGE RENT/SF
\$31.87



NUMBER OF TENANTS
1

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OVERVIEW

Company:	Zaxby's
Founded:	1990
Ownership:	Privately Held
Founders:	Zach McLeroy & Tony Townley
Headquarters:	Athens, GA
Website:	www.zaxbys.com

TENANT HIGHLIGHTS

- As of December 31, 2017, Zaxby's had 877 open and operating licensed Restaurants. Of these 877 Restaurants, 736 were owned and operated by third-party licensees that are not owned or controlled by Zaxby's principal shareholders.
- Zaxby's was named the ninth fastest-growing chain in the Nation's Restaurant News Top 100 in 2015.
- Zaxby's is "The Official Chicken of College Sports" and has collective intellectual property rights to 30 Division I football and basketball teams.

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	% INCREASE
09/12/2016 - 09/11/2021	\$120,732.57	\$10,061.05	
09/12/2021 - 09/11/2026	\$132,805.83	\$11,067.15	10%
09/12/2026 - 09/11/2031	\$146,086.41	\$12,173.87	10%
09/12/2031 - 09/11/2036	\$160,695.05	\$13,391.25	10%
09/12/2036 - 09/11/2041	\$176,764.56	\$14,730.38	10%
09/12/2041 - 09/11/2046	\$194,441.02	\$17,676.45	10%

COMPANY BACKGROUND

Enjoying great chicken in an atmosphere where you could be yourself? That's what childhood friends Zach McLeroy and Tony Townley wanted to achieve when they founded Zaxby's back in the 1990s. Today, the brand has over 800 U.S. locations.

The fast-food chain operates primarily in the Southern United States and offers an array of chicken wings, chicken fingers, sandwiches and salads. Zaxby's locations are full-service restaurants in freestanding buildings that provide in-store seating and drive-thru windows.

Zax LLC is an independently owned and operated licensee of Zaxby's Franchising LLC. Zax LLC operates over 140 locations in 8 states.

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Zaxby's Restaurant

Google

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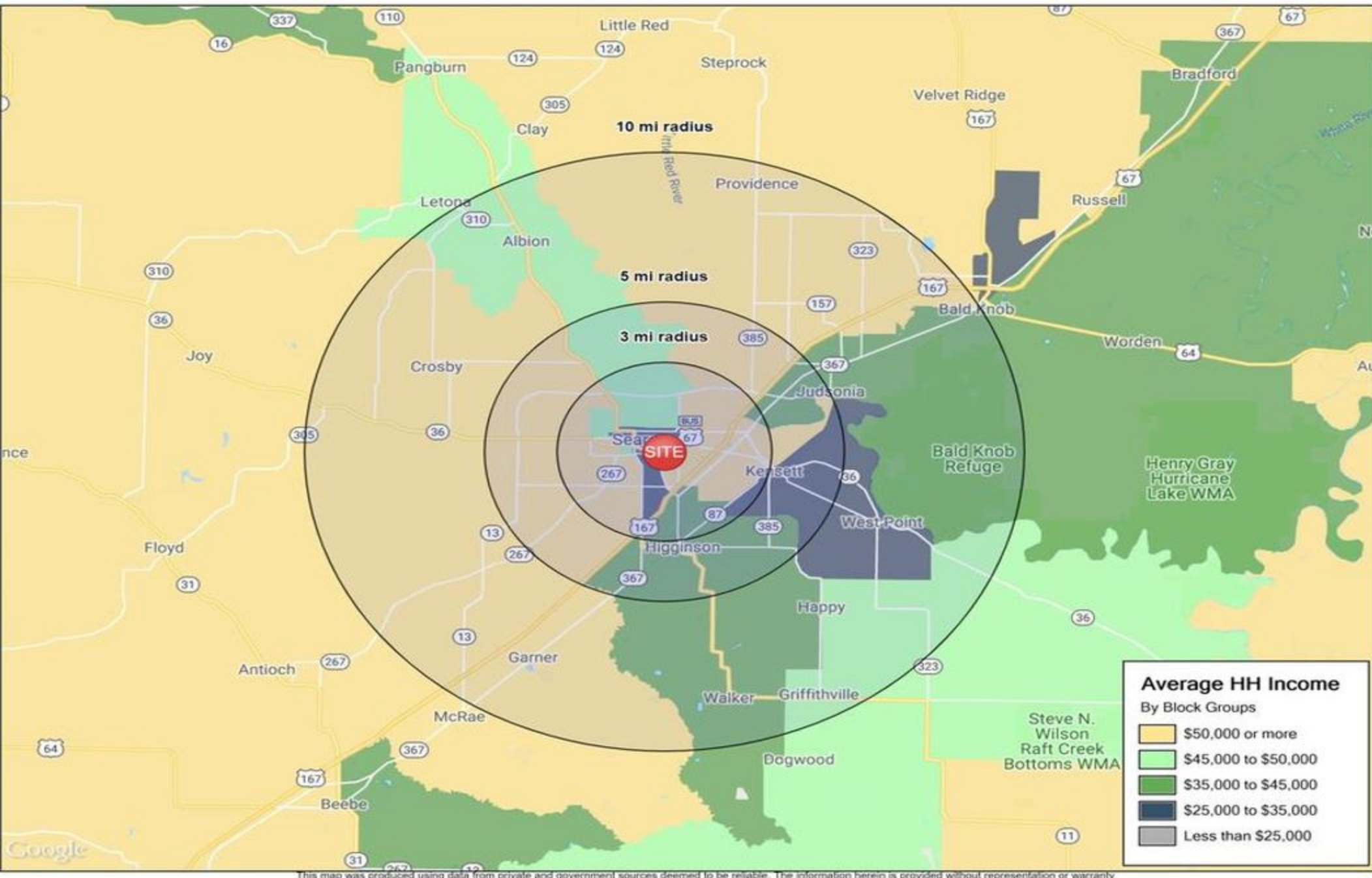
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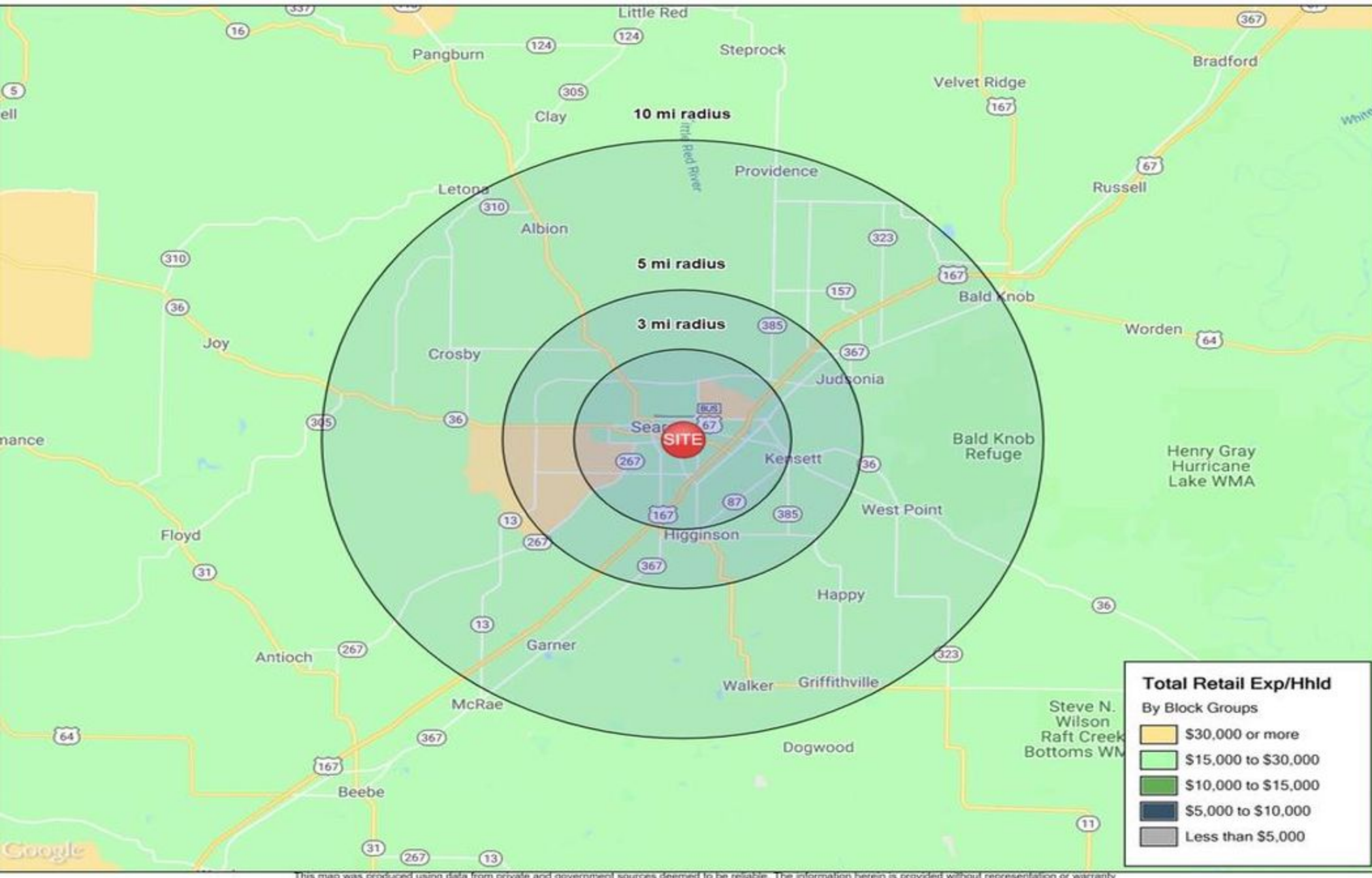
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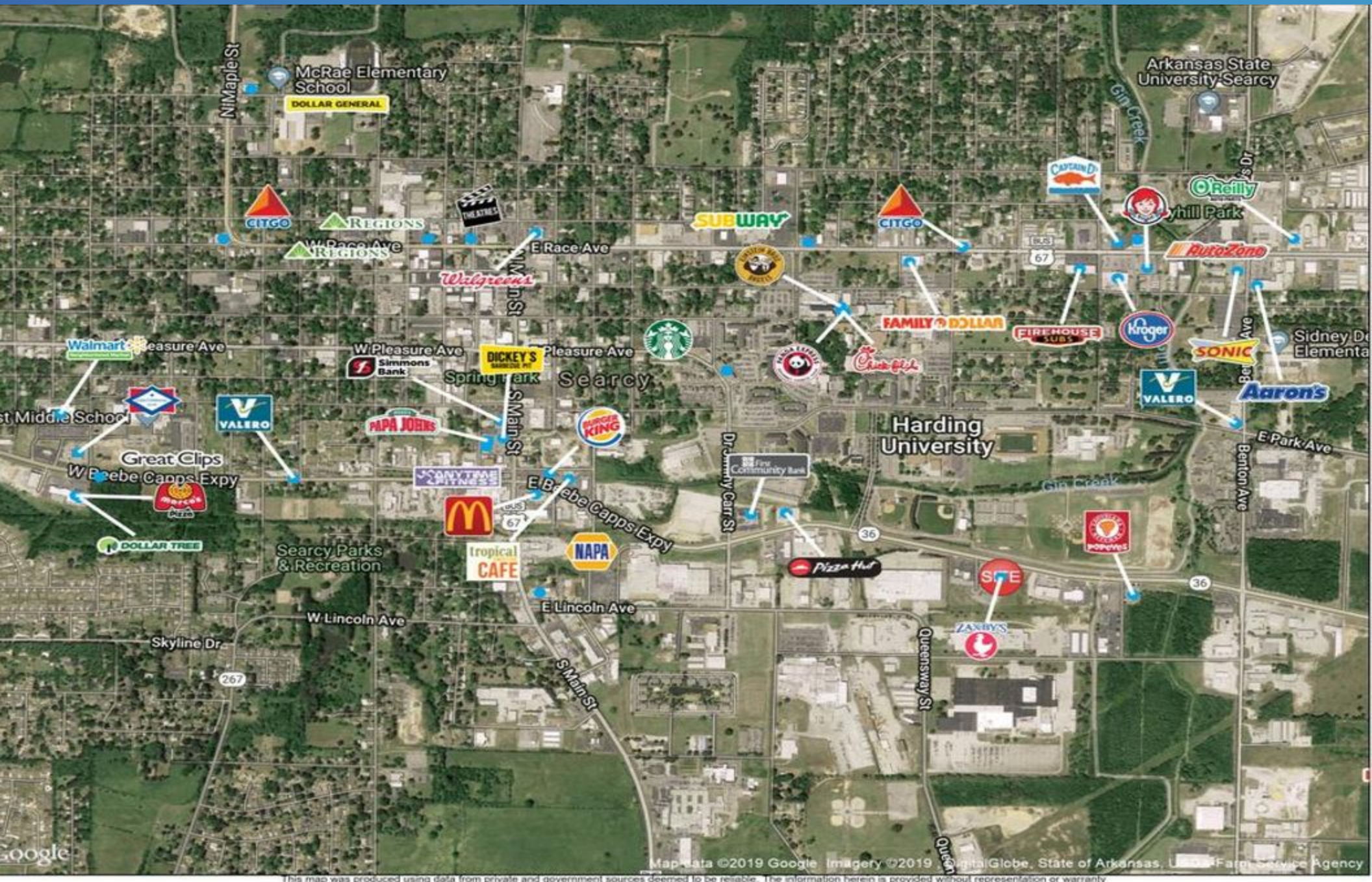
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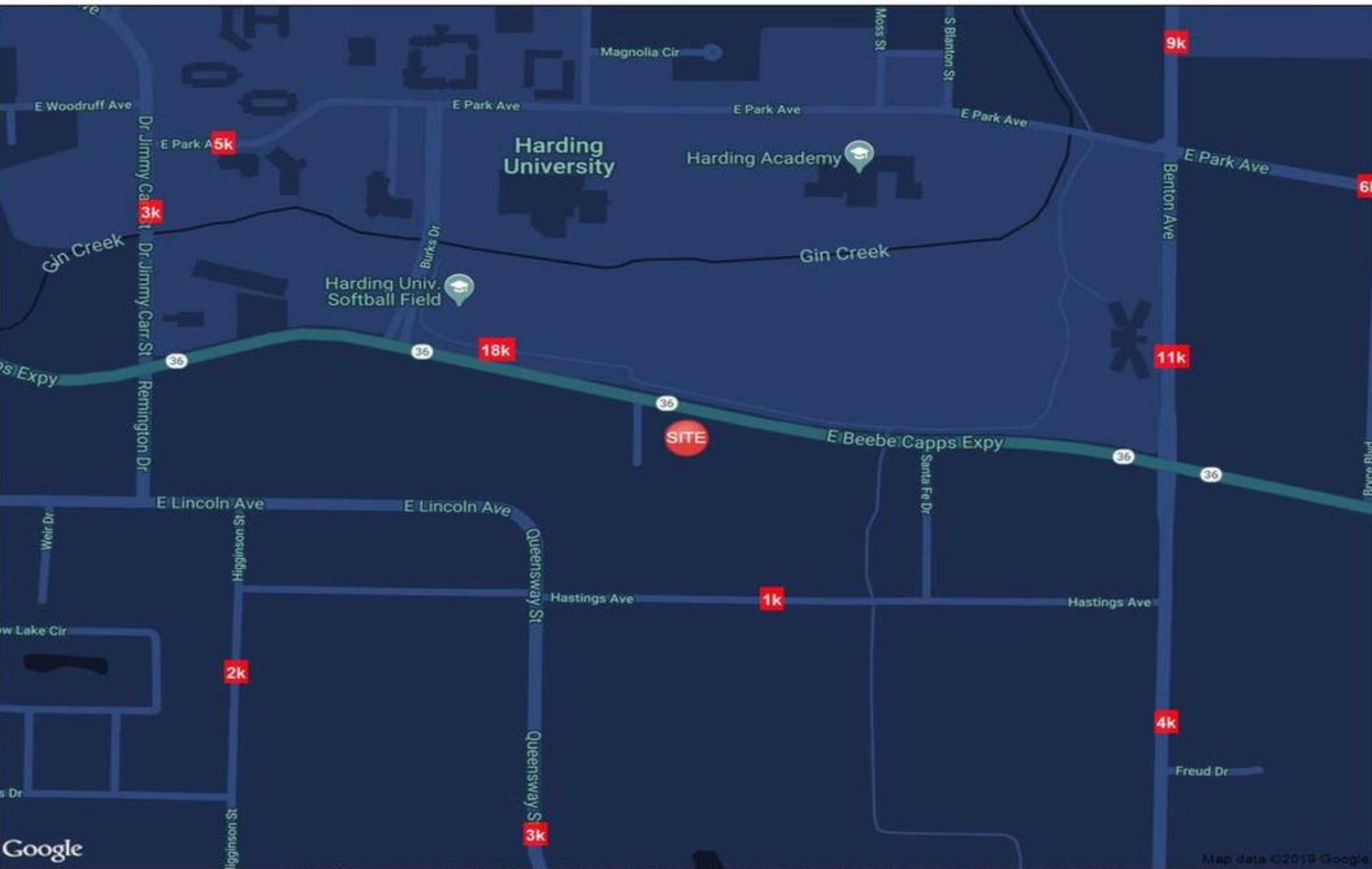
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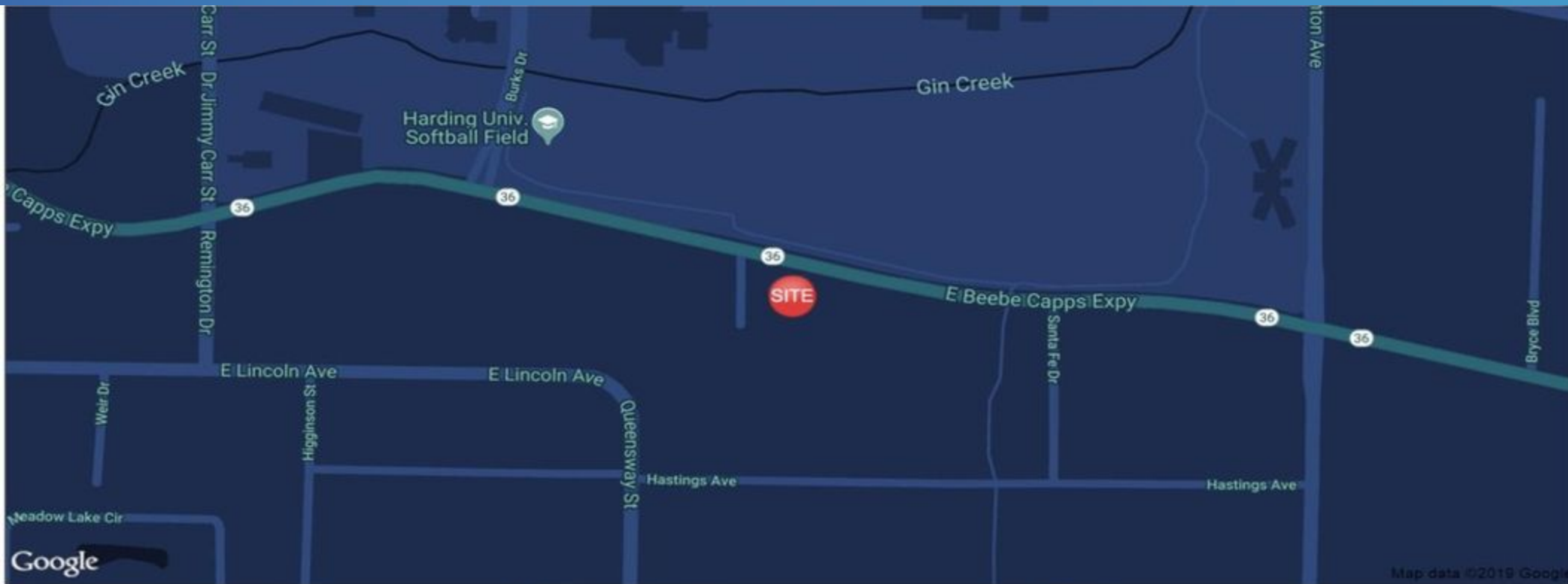
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Aerial View



Demographics

	1 mi radius	3 mi radius	5 mi radius
Population	6,539	24,221	33,334
Households	1,929	9,299	12,990
Population Median Age	24.7	33.8	35.1
5 Yr Pop Growth (Total%)	-0.1%	0.0%	0.3%

5 Mile Information



Photo



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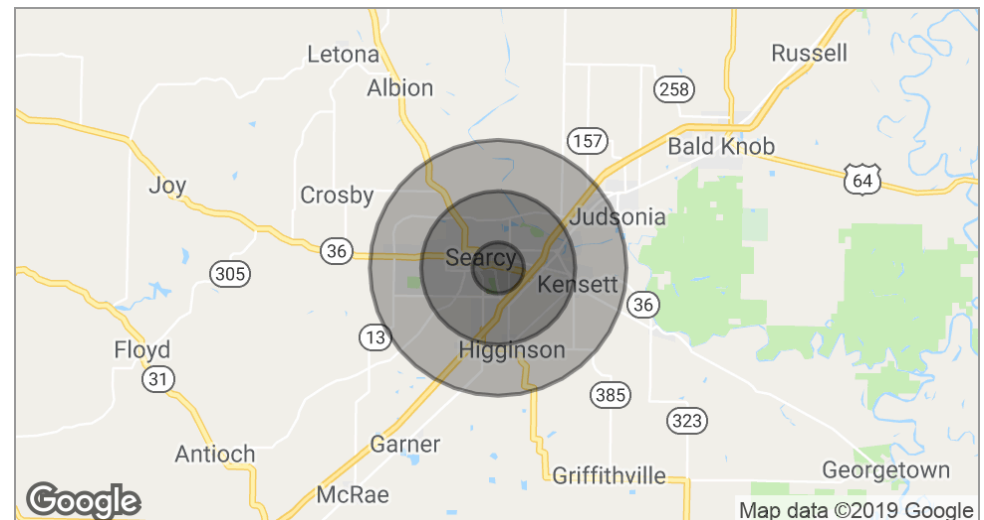


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Searcy is the largest city and county seat of White County, Arkansas. According to 2014 Census Bureau estimates, the population of the city is 23,768. It is the principal city of the Searcy, AR Micropolitan Statistical Area which encompasses all of White County. The city takes its name from Richard Searcy, a judge for the Superior Court of the Arkansas Territory. A college town, Searcy is the home of Harding University and ASU-Searcy.

One of the state's largest banks, First Security Bank, was established in Searcy in 1932 as Security Bank. In July 1978 Walmart opened its first distribution center (outside of Bentonville) in Searcy. The facility is still open as a Sam's Club Distribution Center. Latina Imports and Latina Nursery are also located in Searcy and is one of the largest female, Hispanic-owned companies in Arkansas.

POPULATION	3 MILES	5 MILES	10 MILES
Total Population 2018	24,640	32,833	47,293
Total Population 2023	24,988	33,295	47,869
Population Growth Rate	1.41%	1.41%	1.22%
Average Age	35.90	36.80	37.50
Average Household Size	2.30	2.40	2.50
HOUSEHOLDS & INCOME	3 MILES	5 MILES	10 MILES
Total Households	9,036	12,194	17,714
Average HH Income	\$53,503	\$56,633	\$56,885
Median Home Value	\$145,654	\$145,298	\$136,283





TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

The FNL Team

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