

# CHECKERS

2223 Whiskey Road - AIKEN, SOUTH CAROLINA 29803

OFFERING MEMORANDUM



ACTUAL PROPERTY

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Marcus & Millichap

Marcus & Millichap

# Financial Overview

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## OFFERING SUMMARY

PRICE	\$1,105,800
CAP RATE	7.20%
NOI	\$79,620
PRICE PER SQUARE FOOT	\$1,523.14
RENT PER SQUARE FOOT	\$109.67
YEAR BUILT	2008
APPROXIMATE LOT SIZE	0.42 Acres
GROSS LEASABLE AREA	726
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Augusta Burgers Express Incorporated + Personal Guaranty
LEASE TYPE	Absolute-Net (NNN)
ROOF AND STRUCTURE	Tenant Responsible

## LEASE SUMMARY

LEASE COMMENCEMENT DATE	11/1/2015
LEASE EXPIRATION DATE	10/31/2030
LEASE TERM	15 Years
TERM REMAINING	13+ Years
INCREASES	Annual CPI Increases, Capped at 3 Percent Starting in Year 6
OPTIONS TO RENEW	Three, Five-Year
OPTIONS TO TERMINATE	None
OPTIONS TO PURCHASE	None
FIRST RIGHT OF REFUSAL	None



ACTUAL PROPERTY

## ANNUALIZED OPERATING DATA:

Base Rent	Annual Rent	Monthly Rent	Increases
11/1/2015	10/31/2020	\$79,620	\$6,635
11/1/2020	10/31/2021	\$82,008	\$6,834
11/1/2021	10/31/2022	\$84,468	3% \$7,039
11/1/2022	10/31/2023	\$87,002	3% \$7,250
11/1/2023	10/31/2024	\$89,612	3% \$7,468
11/1/2024	10/31/2025	\$92,300	3% \$7,692
11/1/2025	10/31/2026	\$95,069	3% \$7,922
11/1/2026	10/31/2027	\$97,922	3% \$8,160
11/1/2027	10/31/2028	\$100,859	3% \$8,405
11/1/2028	10/31/2029	\$103,885	3% \$8,657
11/1/2029	10/31/2030	\$107,001	3% \$8,917
Options			
11/1/2030	10/31/2035	\$112,352	5% \$9,363
11/1/2035	10/31/2040	\$117,969	5% \$9,831
11/1/2040	10/31/2045	\$123,868	5% \$10,322

# Investment Overview

## 2223 Whiskey Road - AIKEN, SOUTH CAROLINA 29803

Marcus & Millichap is pleased to present this Checkers in Aiken, South Carolina; which is 21 miles east of Augusta, Georgia. Checkers is equipped with a double drive-thru, and has more than 13 years remaining on an absolute-net lease with zero landlord responsibilities. This asset has annual rent increases commencing in year six; increases are tied to CPI, capped at 3 percent per year. Checkers has three, five-year options to renew with 5 percent rent escalations in each option. The lease is backed by a personal guaranty from the owner, Carlton A. Pye, as well as his company, Augusta Burgers Express, Incorporated. Andy has been a franchisee of Checkers since 1998 and now operates more than 20 quick service restaurants.

This highly visible Checkers is located along Whiskey Road, a primary state highway connecting Aiken to the Savannah River Site and Edgefield, South Carolina. Traffic counts exceed 37,000 vehicles per day. The subject property is half a mile south of the Aiken Mall Redevelopment Project, a new retail development involving the complete demolition of the current mall and the construction of a brand new, mixed-use, outdoor shopping and dining venue. This project is currently valued at \$5-million. Checkers also benefits from its proximity to three schools. Within one and a half miles, there are more than 2,981 students attending South Aiken High School, Kennedy Middle School, and Millbrook Elementary School. This asset benefits from being on a dense retail corridor. The trade area features more than 1.3-million square feet of retail, anchored by national tenants such as: Publix, Lowe's, Target, Walmart, The Home Depot, Hobby Lobby, Academy Sports, and Kroger.

Additional Tenants in the immediate vicinity include: Walgreens, AT&T, Burger King, Chick-fil-A, Golden Corral, Outback Steakhouse, Wendy's, McDonald's, Wells Fargo Bank, Chipotle, Verizon, O'Charley's, Dollar Tree, Sonic, CVS, PetSmart, Subway, Golden Corral, Regal Cinemas, and many more.

- **Double Drive-Thru Checkers in Aiken, South Carolina | 21 Miles East of Augusta, Georgia**
- **Located Along Whiskey Road | Primary State Highway Connecting Aiken to the Savannah River Site and Edgefield, South Carolina**
- **Absolute Net Lease with More Than 13 Years of Base Term Remaining | Three, Five Year Options to Extend**
- **Inflation Hedge | Annual Rent Increases Commencing in 2020 | CPI Increases Capped at 3 Percent Per Year**
- **Heavily Trafficked Corridor | More Than 37,000 Vehicles Per Day Along Whiskey Road**
- **Dense Retail Trade Area | More Than 1.3-Million Square Feet of Retail | Anchored By: Publix, Lowe's, Target, Walmart, The Home Depot, Kroger**
- **Strong Demographic Area | More Than 28,000 Residents With An Average Household Income of More Than \$84,000 Within the Three Mile Radius**
- **There are Three Schools Located Within 1.5 Miles | South Aiken High School, Kennedy Middle School, Millbrook Elementary School | Accounting For More Than 2,981 Students**
- **Asset Will Benefit from Aiken Mall Redevelopment Project | \$5-Million Scrape and Rebuild | Less Than Half a Mile South of Subject**



# Tenant Overview - Checkers

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Checkers & Rally's restaurants were born out of the idea that a bland and flavorless burger was downright bad and that Americans everywhere deserved a better tasting burger — one that was unexpectedly bold, made-to-order, and priced at a value that was hard to beat. Founded by experienced foodies with a renegade spirit, both the Checkers & Rally's feature the double-drive-thru concept, with its over-the-top checkerboard squares, chrome styling, and red neon signs.

Based in Tampa, Florida; Checkers & Rally's Restaurants, Incorporated operates and franchises both Checkers and Rally's restaurants. With more than 840 restaurants and room to grow, Checkers & Rally's is a proven brand with flexible building formats that is aggressively expanding across the country. In recent years, the brand has been a recipient of several of the industry's most prestigious awards including: number one Restaurant Franchise in Franchise Business Review's Top 50 Multi-Unit Franchises for 2015, Top 500 by Entrepreneur Magazine, and Best Drive-Thru in America by QSR Magazine.



In March 2017, Oak Hill Capital Partners announced an agreement to acquire Checker's Drive-In Restaurants, Incorporated from Sentinel Capital Partners. The aggregate value of the transaction is approximately \$525 million. Oak Hill seeks to partner with exceptional entrepreneurs, management teams, and corporations that share a common vision for maximizing value creation, and structures each investment to align the economic interests of all constituencies. Oak Hill believes in creating transaction structures and incentive programs that reward management teams for value creation, and aligning management's economic outcomes with those of the Oak Hill team. In addition, Oak Hill has offered significant co-investment opportunities to Limited Partners, which further aligns these constituencies.

TENANT PROFILE	
TENANT TRADE NAME	Checkers
OWNERSHIP	Private
TENANT	Augusta Burgers, Incorporated
LEASE GUARANTOR	Augusta Burgers Express Incorporated + Personal Guarantee "Carlton Pye"
NUMBER OF LOCATIONS	5
HEADQUARTERED	Tampa, FL
WEB SITE	<a href="http://www.checkers.com">www.checkers.com</a>



ACTUAL PROPERTY

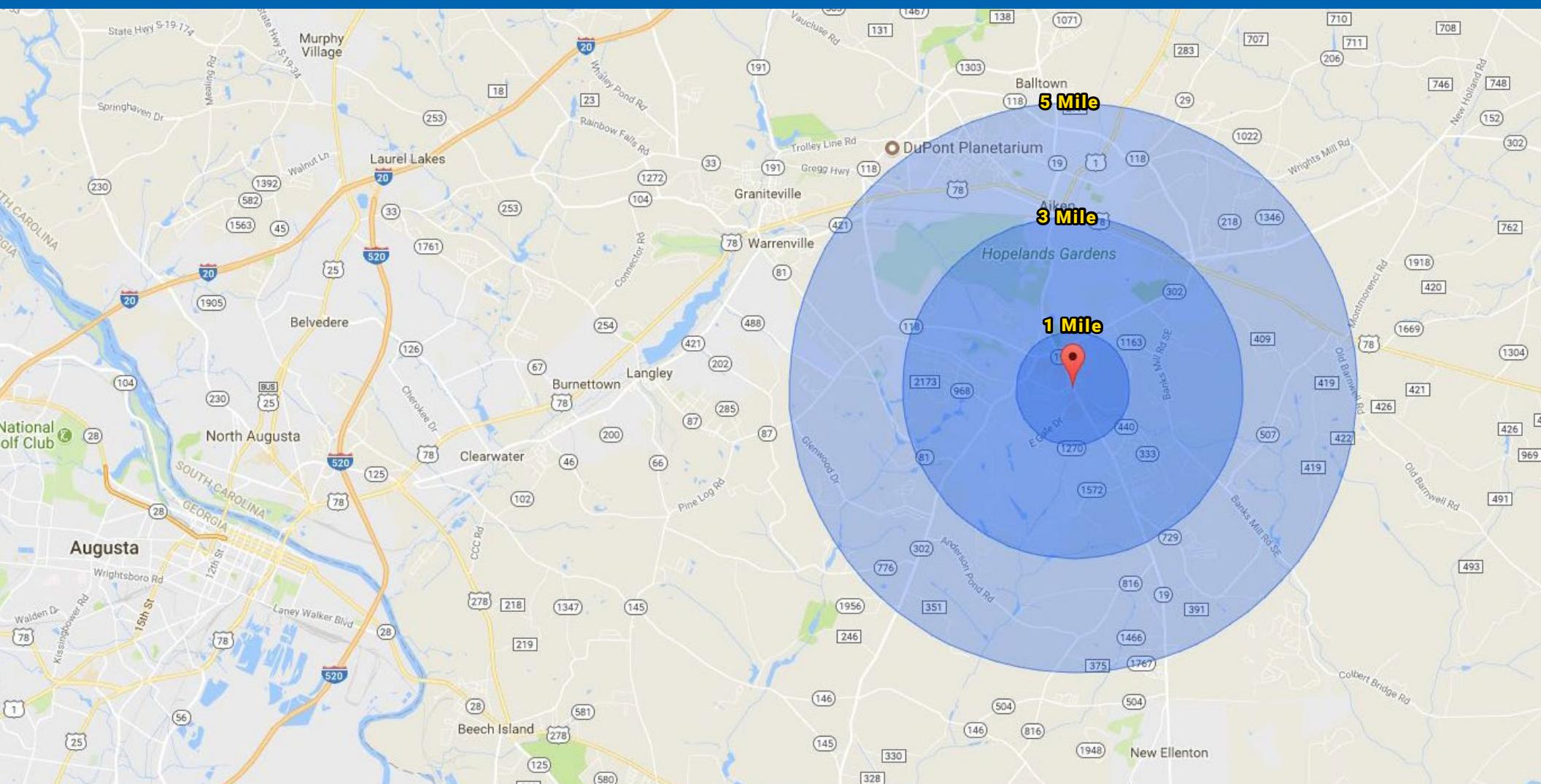
# Aerial Overview

2223 Whiskey Road - AIKEN, SOUTH CAROLINA 29803



# Area Overview & Demographics

2223 Whiskey Road - AIKEN, SOUTH CAROLINA 29803



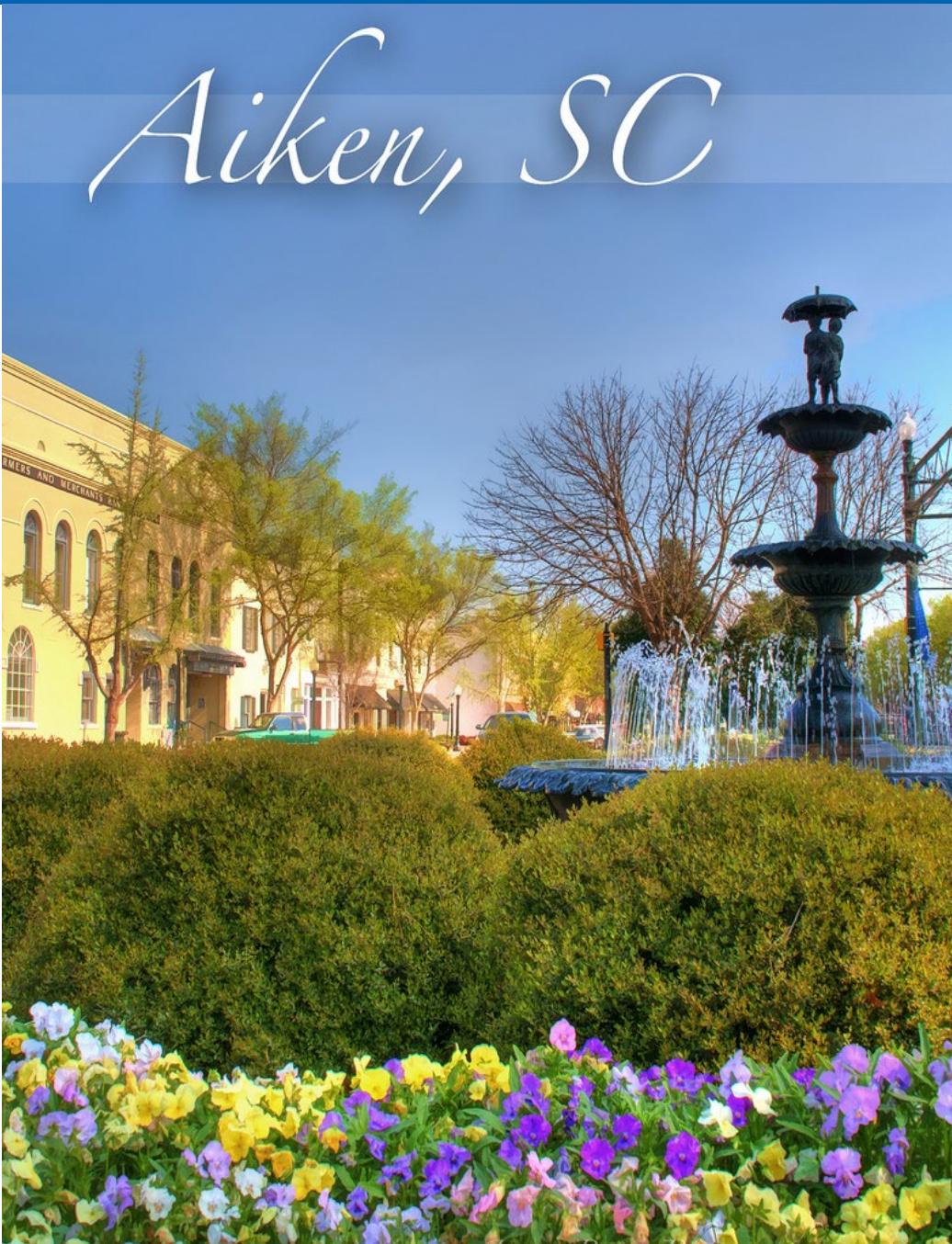
	1-Mile	3-Mile	5-Mile
<b>Population</b>			
2000 Population	3,916	24,695	43,695
2010 Population	4,914	28,383	49,052
2017 Population	4,934	29,706	51,726
2022 Population	5,013	30,416	53,034

	1-Mile	3-Mile	5-Mile
<b>Households</b>			
2010 Households	2,301	12,527	20,665
2017 Households	2,302	13,072	21,765
2022 Households	2,337	13,378	22,312

	1-Mile	3-Mile	5-Mile
<b>Household (HH) Incomes</b>			
2017 Average HH Income	\$62,578	\$84,479	\$76,149
2017 Median HH Income	\$48,249	\$65,229	\$55,976
2017 Per Capita Income	\$29,196	\$37,175	\$32,042

# Market Overview - Aiken, South Carolina

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Aiken, South Carolina, in Aiken county, is 16 miles east of Augusta, Georgia and 125 miles southwest of Charlotte, North Carolina. The city benefits from easy access to the nearby cities and towns with which it shares the Augusta - Aiken metropolitan area.

A trip to Aiken means getting outdoors, experiencing history, meandering through beautiful parks and bustling shopping. As you explore Aiken you will notice a thriving downtown that has much to offer. Aiken hosts world-class events and festivals showcasing music, dance, outdoor concerts, food, history, and much more. In Aiken there's always something new to discover.

Aiken is dotted with beautiful parkways and shaded streets for visitors to explore. Tourists can visit the city's various historical mansions or enjoy the folklore.

There are several restaurants and cafes in the city where tourists can enjoy a lip smacking traditional treat. Aiken is home to the University of South Carolina Aiken. Aiken was recognized with the All-America City Award in 1997 by the National Civic League.





# CHECKERS

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BROKER OF RECORD

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