

Zaxby's | Ooltewah (Chattanooga MSA), TN



Actual Site



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Financial Summary

8884 Old Lee Hwy | Ooltewah, TN 37363

Asking Price \$2,430,109 | Cap Rate 7.20%

Net Operating Income (NOI)	\$175,535
Rent/Month	\$14,627.91
Rent/SF	\$54.94
Rentable Square Feet	3,195+/- SF
Land Area	1.00+/- Acres
Tenant	Zaxby's Franchisee
Ownership Type	Fee Simple
Lease Type	NNN
Landlord Responsibilities	None
Store Opened	2007
Rent Commencement	July 10, 2017
Lease Expiration	February 4, 2022
Franchise Renewal Date	February 5, 2027
Increases	2% Annually
Options	Five (5), Five (5) Year

* Tenant has a 30 day Right of First Refusal

Investment Highlights

- 2017 extensive exterior improvements
- Excellent retail corridor & rapid growth
- Just off I-75 with over 78,400 VPD
- Very close to Amazon, Volkswagen, McKee Foods and Enterprise South Industrial Park
- Chattanooga MSA
- Average HH income of \$108,284 within 1 mile of the property
- Low rent to sales ratio



**This listing is part of a portfolio of 8 Zaxby's,
please call us for more information**



Tenant Overview

About Zaxby's

Zaxby's is a franchised chain of fast casual restaurants offering chicken wings, chicken fingers, sandwiches, and salads. The company operates primarily in the Southern United States with more than 800 locations in 17 states (soon to be 18).

The first Zaxby's was established in Statesboro, Georgia, near the Georgia Southern University campus, by childhood friends Zach McLeroy and Tony Townley. The company operates as a casual dining restaurant, offering prepared-at-order chicken fingers, chicken wings, sandwiches, salads, and appetizers. Dipping sauces are offered with chicken finger orders, and range from mild, to the moderate "Zax sauce", to the intensely hot "Nuclear" and "Insane". Dining rooms at Zaxby's restaurants are decorated with assorted whimsical objects and signs, which often vary in theme by location and region. Some locations in college towns feature objects and decorations related to the local university. Similarly, citrus-industry themed decorations line the walls at an Orlando, Florida location.



Quick Facts:

- In 2015, Zaxby's was the 9th fastest growing fast food chain in the US
- \$1.3 Billion in sales in 2015
- The company prides itself on offering a variety of sauces, including its Wimpy, Nuclear, Tongue Torch & Insane wing sauce
- Over 800 locations in 17 states

About the Tenant

1796 Chicken, LLC is a wholly owned subsidiary of 1788 Chicken, LLC. is a successful and growing part of the Zaxby's system who currently are operating over 30 acquired franchises in Georgia, Tennessee, Mississippi and Arkansas. The three primary principles of 1788 Chicken are James Gressett, Drew Gressett and Ray Goff. Between the three principles, they own and operate 148 Pizza Hut Restaurants in California, Oregon and Nevada as well as 13 additional Zaxby's locations outside of the 1788 Chicken, LLC group.



Site Photos



Site Photos



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Location Overview



Demographics

Radius 1 Mile 3 Miles 5 Miles

Population

2017 Population	1,961	21,570	52,000
2022 Population	2,166	23,304	55,365
2010-2017 Annual Rate	5.35%	2.08%	1.56%
2017-2022 Annual Rate	2.01%	1.56%	1.26%
2017 Male Population	49.2%	48.6%	49.0%
2017 Female Population	50.8%	51.4%	51.0%
2017 Median Age	43.6	39.3	40.9

Households

2017 Total Households	750	7,446	18,293
2022 Total Households	825	8,049	19,466
2010-2017 Annual Rate	5.41%	2.07%	1.51%
2017-2022 Annual Rate	1.92%	1.57%	1.25%
2017 Average Household Size	2.61	2.75	2.67

Median Household Income

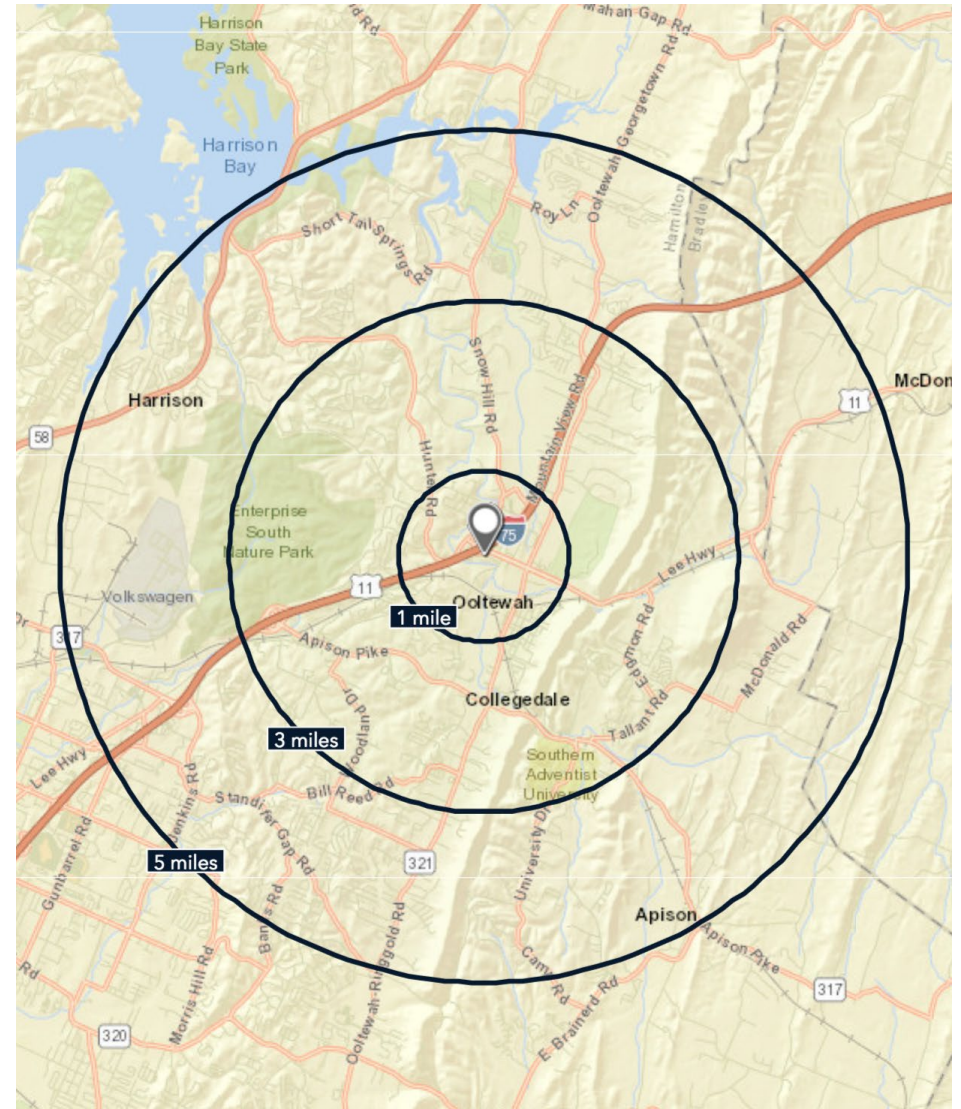
2017 Median Household Income	\$81,848	\$72,956	\$71,017
2022 Median Household Income	\$89,775	\$81,228	\$79,213
2017-2022 Annual Rate	1.87%	2.17%	2.21%

Average Household Income

2017 Average Household Income	\$108,284	\$92,683	\$91,626
2022 Average Household Income	\$120,968	\$105,212	\$103,588
2017-2022 Annual Rate	2.24%	2.57%	2.48%

Per Capita Income

2017 Per Capita Income	\$39,223	\$34,165	\$34,139
2022 Per Capita Income	\$43,628	\$38,398	\$38,234
2017-2022 Annual Rate	2.15%	2.36%	2.29%



Demographics | 1 Mile Radius

KEY FACTS

1,961

Population



Average Household Size

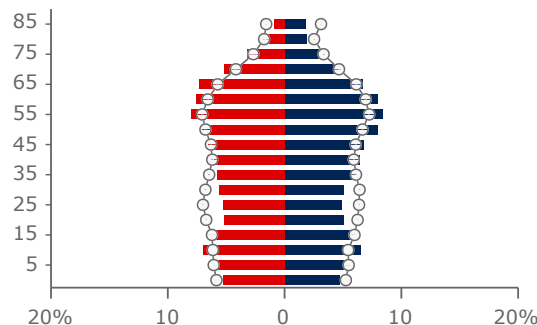
43.6

Median Age

\$81,848

Median Household Income

AGE PYRAMID



The largest group:
2017 Female Population
Age 55-59 (Esri)

The smallest group:
2017 Male Population Age
85+ (Esri)

Dots show comparison to
Hamilton County

INCOME



\$81,848

Median Household Income



\$39,223

Per Capita Income



\$287,116

Median Net Worth

BUSINESS



258

Total Businesses



5,719

Total Employees

EMPLOYMENT



71%

White Collar



17%

Blue Collar



11%

Services



Unemployment Rate

BUSINESSES



1

Comms (SIC)



2

Securities Broker (SIC)



29

Finance/Real Estate (SIC)



7

Insurance (SIC)



9

Banks (SIC)

Market Overview

Chattanooga, TN

Chattanooga is the fourth-largest city in the U.S. state of Tennessee, with a population of 176,588 in 2015. It is the seat of Hamilton County. Located in southeastern Tennessee in East Tennessee, on Chickamauga Lake and Nickajack Lake, which are both part of the Tennessee River, Chattanooga lies approximately 120 miles to the northwest of Atlanta, Georgia, 120 miles to the southwest of Knoxville, Tennessee, about 135 miles to the southeast of Nashville, Tennessee, about 120 miles to the northeast of Huntsville, Alabama, and about 148 miles to the northeast of Birmingham, Alabama. Chattanooga abuts the Georgia border and is where three major interstate highways meet: I-24, I-75, and I-59.

The city, with downtown elevation of approximately 680 feet, lies at the transition between the ridge-and-valley portion of the Appalachian Mountains and the Cumberland Plateau. Surrounded by mountains and ridges, the official nickname for Chattanooga is the Scenic City, reinforced by the city's reputation for outdoor activities. Unofficial nicknames include River City, Chatt, Nooga, Chattown, and Gig

City, referencing Chattanooga's claims that it has the fastest internet service in the Western Hemisphere.

The city has its own typeface, Chatype, which was launched in August 2012. According to the Nooga.com website, this marks the first time that an American city has its own custom-made typeface and also the first time a crowd-funded custom-made typeface has been used for any municipality in the world.

Chattanooga's economy includes a diversified and growing mix of manufacturing and service industries.

Notable Chattanooga businesses include Access America Transport, BlueCross BlueShield of Tennessee, CBL & Associates, Chattem, the world's first Coca-Cola bottling plant, Coker Tire, U.S. Xpress Inc., Covenant Transport, Double Cola, CraftWorks Restaurants & Breweries, Reliance Partners, Tricycle Inc., Unum, Volkswagen, and Amazon. The city also hosts large branch offices of Cigna, AT&T, T-Mobile USA, and UBS. McKee Foods Corporation, the maker of nationally known Little Debbie brand snack cakes, is a privately held, family-run company headquartered in nearby Collegedale, Tennessee.



About Calkain

Who Are We?

Calkain Companies LLC is a national commercial real estate firm that provides consulting and brokerage services to both private and institutional clientele with an expertise on triple net lease investments. We pride ourselves on being a world class leader by providing our clients a full array of commercial real estate investment brokerage and asset management solutions, including advisory, research, estate planning and wealth management.

We have built solid relationships throughout our decades of experience and innovation, implementing long-term allocation within the context of each client's particular risk tolerance and identifying how best to acquire and dispose of income producing properties for each entities' specific set of investment criterion. At Calkain, our foresight and past performance are leading the net lease investment industry.

Our History

Like most success stories, Calkain was formulated from humble beginnings. Jonathan W. Hipp, President and CEO, took the initiative to build upon his decades of experience and performance and left a large international brokerage firm to become an independent and innovative leader within the triple net lease investment community. Armed with a sole employee and a single office, the firm has grown exponentially since its infancy in 2005.

With the growth in staff, seasoned professionals have been attracted to Calkain's model of innovation, entrepreneurship and the fostering of long-lasting and meaningful relationships. Industry experts have joined Calkain in the hopes of implementing the skills they have honed in complementary aspects of real estate investment.

Through a tremendous endeavor, tireless hours have been committed to continually prove that Calkain is America's Net Lease Company®. Its countless accolades received from the world's leading business publications, including Forbes™, Fortune™ and the New York Times™ have confirmed that Calkain is a true leader in triple net lease investing services.

Client Testimonial

"USRA has worked with Calkain on numerous occasions. They have always been meticulous in their work ethic, providing superior service and extremely prompt attention to our needs. I highly recommend them."

- Jack Genende, Partner | U.S. Realty Advisors, LLC. (USRA)

\$11.5 Billion
in Closed Transactions

\$350 Million
in Active Listings



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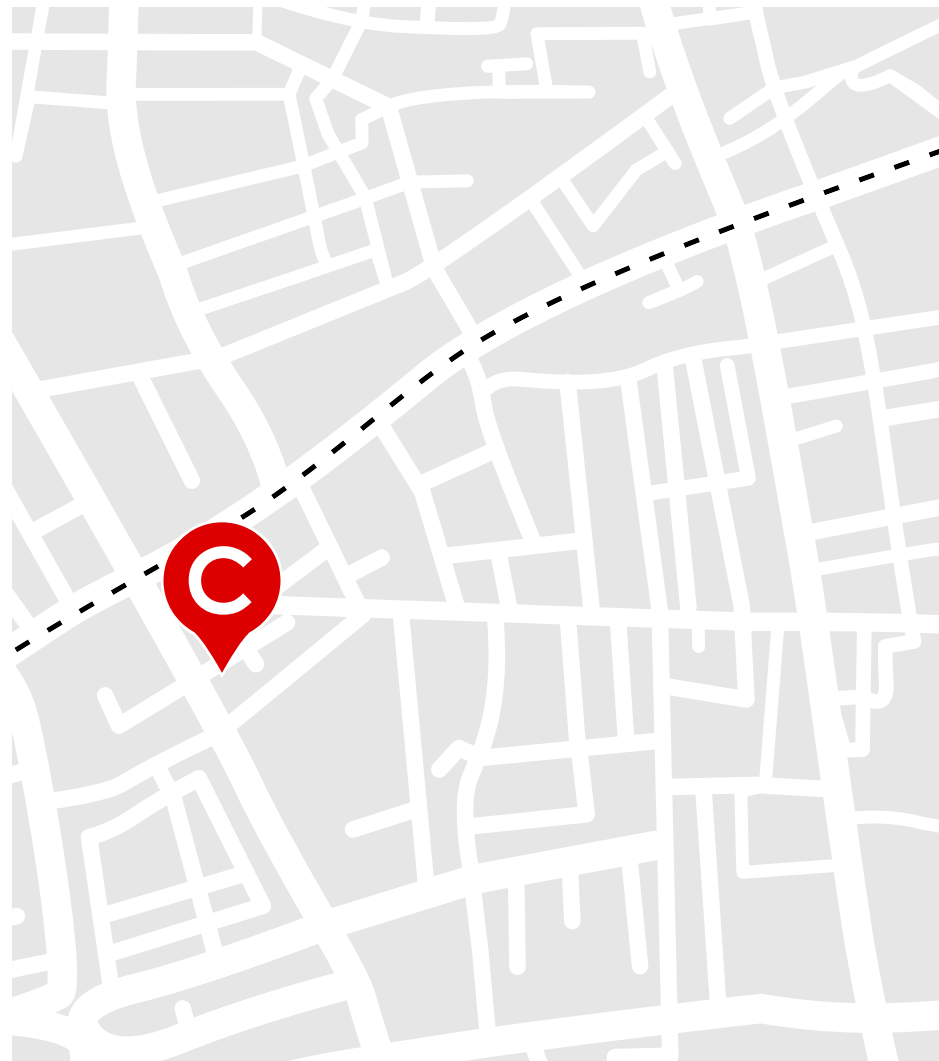
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