

CHURCH'S CHICKEN

EUTAW, AL

Marcus & Millichap
Real Estate Investment Services



OFFERING MEMORANDUM



The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure 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. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.



SECTION ONE

.....PRICING & FINANCIAL ANALYSIS

SECTION TWO

.....PROPERTY DESCRIPTION

SECTION THREE

.....DEMOGRAPHIC ANALYSIS

TABLE OF CONTENTS



Financial Overview

LOCATION

119 Greensboro Street
Eutaw, AL 35462

ANNUALIZED OPERATING DATA

Price	\$693,500	Base Rent (\$44.39/SF)	\$55,490
Down Payment	100% \$693,500	Net Operating Income	\$55,490
Rentable Square Feet	1,250	Total Return	8.00% \$55,490
Price/SF	\$554.80		
CAP Rate	8.00%		
Year Built	1985		
Lot Size	.52 Acres		
Type of Ownership	Fee Simple		

TENANT SUMMARY

Tenant Trade Name	Church's Chicken
Ownership	Private
Tenant	Church's Chicken
Lease Guarantor	Corporate Guarantee
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
Lease Term	20 Years
Lease Commencement Date	12/28/2004
Rent Commencement Date	12/28/2004
Lease Expiration Date	12/27/2024
Term Remaining on Lease	13 Years
Options:	Two 10-Year Options
Increases:	1.5% annually next increase occurs 12/28/2012

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. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services of Atlanta, Inc. © 2012 Marcus & Millichap



Investment Overview



INVESTMENT HIGHLIGHTS

- *1.5% annual rent increases*
- *Long-term Absolute NNN Lease*
- *Annual Rent Increases*
- *Corporate Guarantee*
- *3rd largest Operator and Franchisor of Chicken Quick Service Restaurants (QSRs)*

The investment property features a 1,250 square foot Church's Chicken on over half an acre of land in Eutaw Alabama. The subject property conveniently fronts State Highway 14 (Greensboro Street) and is pad to Family Dollar. Piggly Wiggly is located two blocks away from the property. The Church's Chicken features a drive-thru and is located within half a mile of many of the Greene County government buildings including the Greene County Hospital, the County Courthouse and the County Offices.

EUTAW, ALABAMA

Eutaw, Alabama located roughly 35 miles southwest of Tuscaloosa is the county seat of Greene County and is included in the Tuscaloosa Metropolitan Statistical Area. Tuscaloosa is the fifth largest city in Alabama with an estimated population of 90,468 in 2010, and home to the University of Alabama. The city is the regional center of industry, commerce, healthcare and education for West Alabama.



Tenant Overview

CAJUN OPERATING COMPANY

- Cajun Operating Company, headquartered in Atlanta, is the third largest operator and franchisor of chicken quick service restaurants, with over 1,700 restaurants worldwide. More than 250 of the locations are company-owned while the rest are franchised.
- During 2007 it opened nearly 100 new locations, mostly in the US. Church's Chicken has big designs on international expansion as well: It has already opened a number of restaurants under the Texas Chicken brand in Russia and the UK, with plans to expand to 1,000 units through 2012.
- Founded in San Antonio, Texas in 1952, Church's Chicken is a highly recognized brand name with a strong reputation as being the "Value Leader" in the chicken quick service restaurant category.
- The company produces over \$1 billion in sales per year and has an average of 3 million customers per week.
- Church's Chicken restaurants serve traditional Southern fried chicken with a focus on providing meals at low prices for value-conscious consumers. The menu includes other Southern specialties such as fried okra, coleslaw, mashed potatoes and gravy, corn on the cob, jalepeno peppers and honey butter biscuits.



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. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services of Atlanta, Inc. © 2012 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Tenant Summary

LEASE STRUCTURE:

The lease was structured to be an absolute net lease, whereby the tenant is responsible for all expenses including structural repair. The Base rent consists of two sums: The "ROI Rent" which is paid to Landlord plus the "SER Rent", which the Tenant pays to itself. The lease is written to adhere to the rules and duties prescribed by Shari'a, the sacred law of Islam. Shari'a law forbids the payment of interest and prohibits signing a new lease which directly requires the payment of taxes, some types of insurance premiums, or to make structural repairs. Instead there is a "Supplemental Agreement" whereby Landlord pays Tenant a monthly fee (which is equal to "SER Rent") to pay the taxes, insurance, make the structural repairs and take care of all the Landlord obligations under the Lease. The Tenant in turn pays the Landlord additional monthly rent designated as "SER Rent" under the Lease. Since the "SER Rent" under the Lease is the same as the fee owed under the "Supplemental Agreement" no money changes hands. The Tenant only pays the "ROI Rent" to Landlord each month, and the Landlord therefore pays no expenses.



Property Photos



PROPERTY DESCRIPTION

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. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services of Atlanta, Inc. © 2012 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Area Photos



PROPERTY DESCRIPTION

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. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services of Atlanta, Inc. © 2012 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Area Maps



LOCAL MAP



REGIONAL MAP

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. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services of Atlanta, Inc. © 2012 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services

CHURCH'S CHICKEN
EUTAW, AL

OFFERING MEMORANDUM