

ZAXBY'S



Brand New 2023 Construction | 20-Year Absolute Net Lease | Hard Corner with 25,000+ Cars/Day



OFFERING MEMORANDUM  
SPARTANBURG, SOUTH CAROLINA

Marcus & Millichap  
THE SULO GROUP

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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# OFFERING SUMMARY

## PROPERTY ADDRESS

**Zaxby's**  
2272 Nazareth Church Road  
Spartanburg, SC 29301

## OFFERING SUMMARY

Price:	\$3,907,000
Cap Rate:	6.15%
Net Operating Income:	\$240,229
Building Square Footage:	2,904 Sq Ft
Year Built:	2023
Lot Size:	+/- 1.00 Acres

## LEASE SUMMARY

Tenant:	Zaxby's
Guaranty:	Franchise
Rent Commencement:	11/1/2023
Lease Expiration:	10/31/2043
Lease Term:	20 Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	1.50% Annual Increases
Renewal Options:	Four, Five-Year
Right of First Refusal:	None

## OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
2	11/1/2024	10/31/2025	\$240,229	6.15%
3	11/1/2025	10/31/2026	\$243,832	6.24%
4	11/1/2026	10/31/2027	\$247,490	6.33%
5	11/1/2027	10/31/2028	\$251,202	6.43%
6	11/1/2028	10/31/2029	\$254,970	6.53%
7	11/1/2029	10/31/2030	\$258,795	6.62%
8	11/1/2030	10/31/2031	\$262,677	6.72%
9	11/1/2031	10/31/2032	\$266,617	6.82%
10	11/1/2032	10/31/2033	\$270,616	6.93%
11	11/1/2033	10/31/2034	\$274,675	7.03%
12	11/1/2034	10/31/2035	\$278,796	7.14%
13	11/1/2035	10/31/2036	\$282,978	7.24%
14	11/1/2036	10/31/2037	\$287,222	7.35%
15	11/1/2037	10/31/2038	\$291,531	7.46%
16	11/1/2038	10/31/2039	\$295,904	7.57%
17	11/1/2039	10/31/2040	\$300,342	7.69%
18	11/1/2040	10/31/2041	\$304,847	7.80%
19	11/1/2041	10/31/2042	\$309,420	7.92%
20	11/1/2042	10/31/2043	\$314,061	8.04%

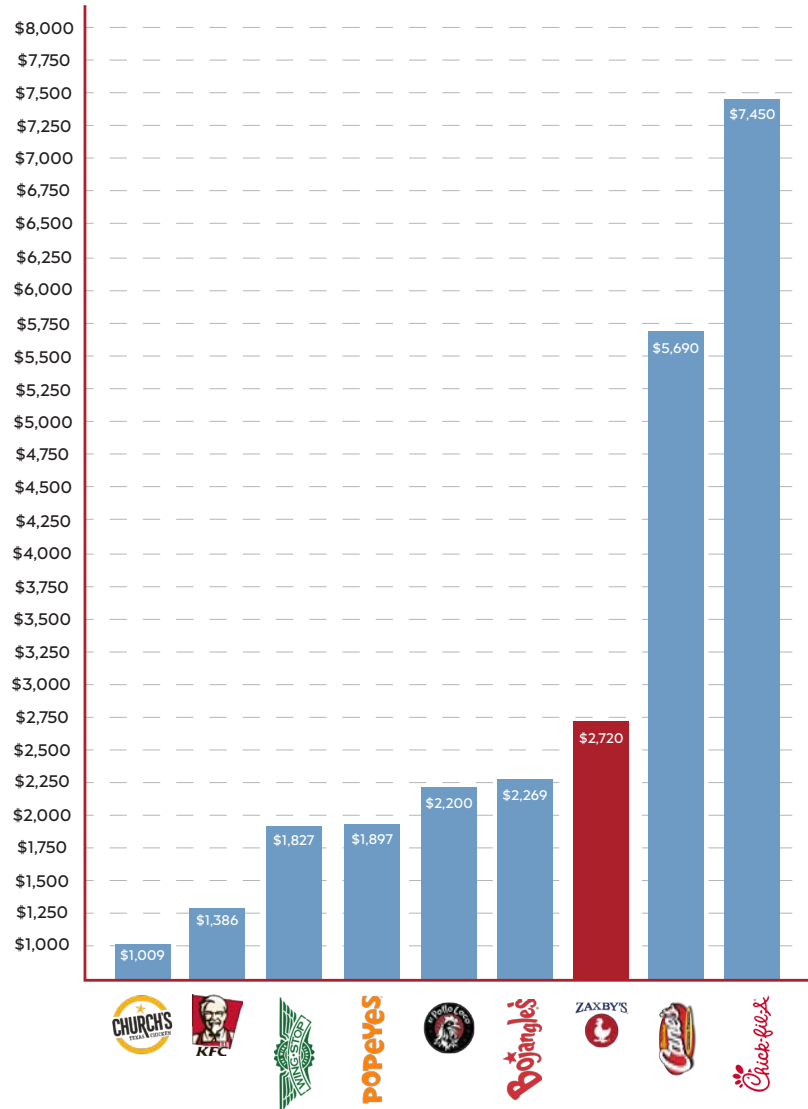
# INVESTMENT HIGHLIGHTS

- **Brand New 2023 Construction | 20-Year Absolute NNN Lease**
  - Brand New 2023 Construction Zaxby's with zero landlord responsibilities.
  - Twenty-year base term with four, five-year options to renew.
  - Annual increases of 1.50% during the initial term and option periods.
- **Top 3 Chicken Chain in the Country by Average Unit Volume (\$2.72M)**
  - Zaxby's did \$2.56B in sales across their 940+ stores, trailing only Chick-Fil-A and Raising Cane's in average unit volume (AUV) for chicken restaurants.
  - Zaxby's AUV of (\$2.72M) in 2023 was a 9.1% increase from 2022.
- **Double Drive-Thru | Stoplight Intersection off Major Interstate (I-85)**
  - Double Drive-Thru is Zaxby's newest prototype providing customers with more efficient service and experience.
  - Subject property is less than ½ mile away from I-85 and Greenville HWY with 97,000+ vehicles per day, while subject property sees 30,000+ vehicles per day.
  - Large 1 Acre parcel provides customers with enough parking and traffic flow.
- **Dynamic Location with Major Traffic Drivers**
  - Hwy 85 connects Spartanburg SW to Greenville (22mi) and Atlanta (165mi) and NE to Charlotte (81mi).
  - Subject property is 1 Mile away from 2.75M Sq Ft of Industrial properties.
  - Subject property is less than 1 Mile away from ~1,000 Units of new Apartment units.
  - Across the street from newly opened 120,000 SF Charter School which aims to enroll 1,200 students and currently hosts youth sports leagues and events with 4 full size turf and grass fields, beach volleyball courts, indoor courts, and weight room.
- **Spartanburg is a Top Growth Market in the United States**
  - Greenville-Spartanburg-Anderson is the 8th Largest MSA in Southeast and Spartanburg was the 8th Fastest Growing Metro in the U.S. in 2023 (U.S. Census Bureau).
  - Spartanburg County landed \$1.1B in new investment in 2023 (GSA Business).
  - Subject property had 2.0% annual population growth in a 3 mile radius with projected 2.7% annual population growth in the next 5 years (CoStar Group).



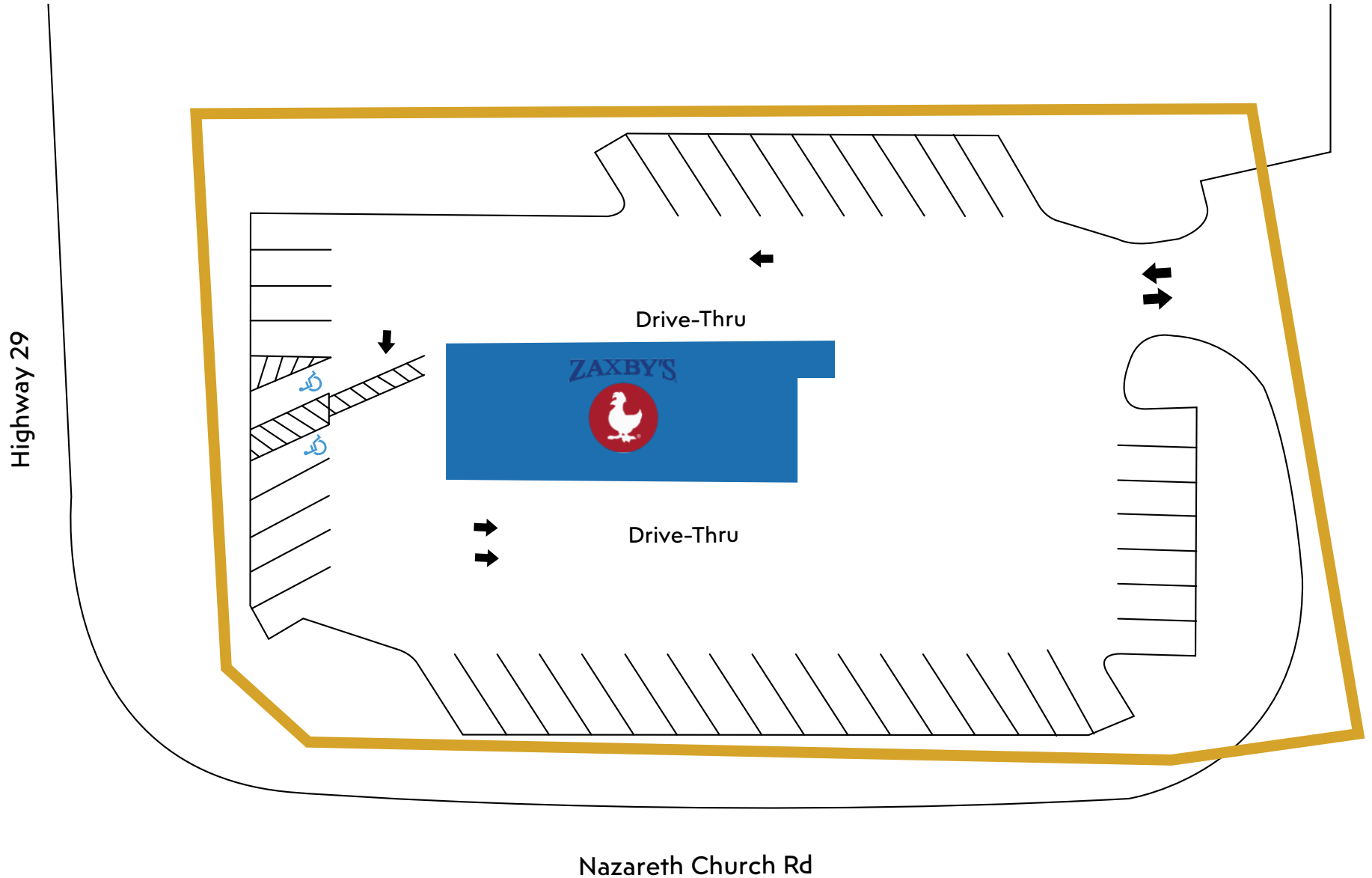
# ZAXBY'S - TOP 3 CHICKEN CHAIN IN THE COUNTRY BY AUV (\$2.72M)

## 2023 Estimated Sales Per Unit



\*Per QSR 50 2024: 2023 AUV's, Fast-Food Chicken Chains

# SITE PLAN



# AERIAL OVERVIEW



**DEMOGRAPHICS**

**POPULATION (2023):**

3-Mile Radius	18,210
5-Mile Radius	67,984
10-Mile Radius	242,929

**HOUSEHOLD INCOME (AVERAGE):**

3-Mile Radius	\$89,636
5-Mile Radius	\$89,596
10-Mile Radius	\$77,712

**Evolve at New Hope Farm**  
280 Units

**97,800 CPD**

*Milliken*

**National Coffee User**  
Coming Soon

**Exxon**

**SUBWAY**

**WAFFLE HOUSE**

**7-ELEVEN**

**Highway 29**  
25,876 CPD

**Subject Property**



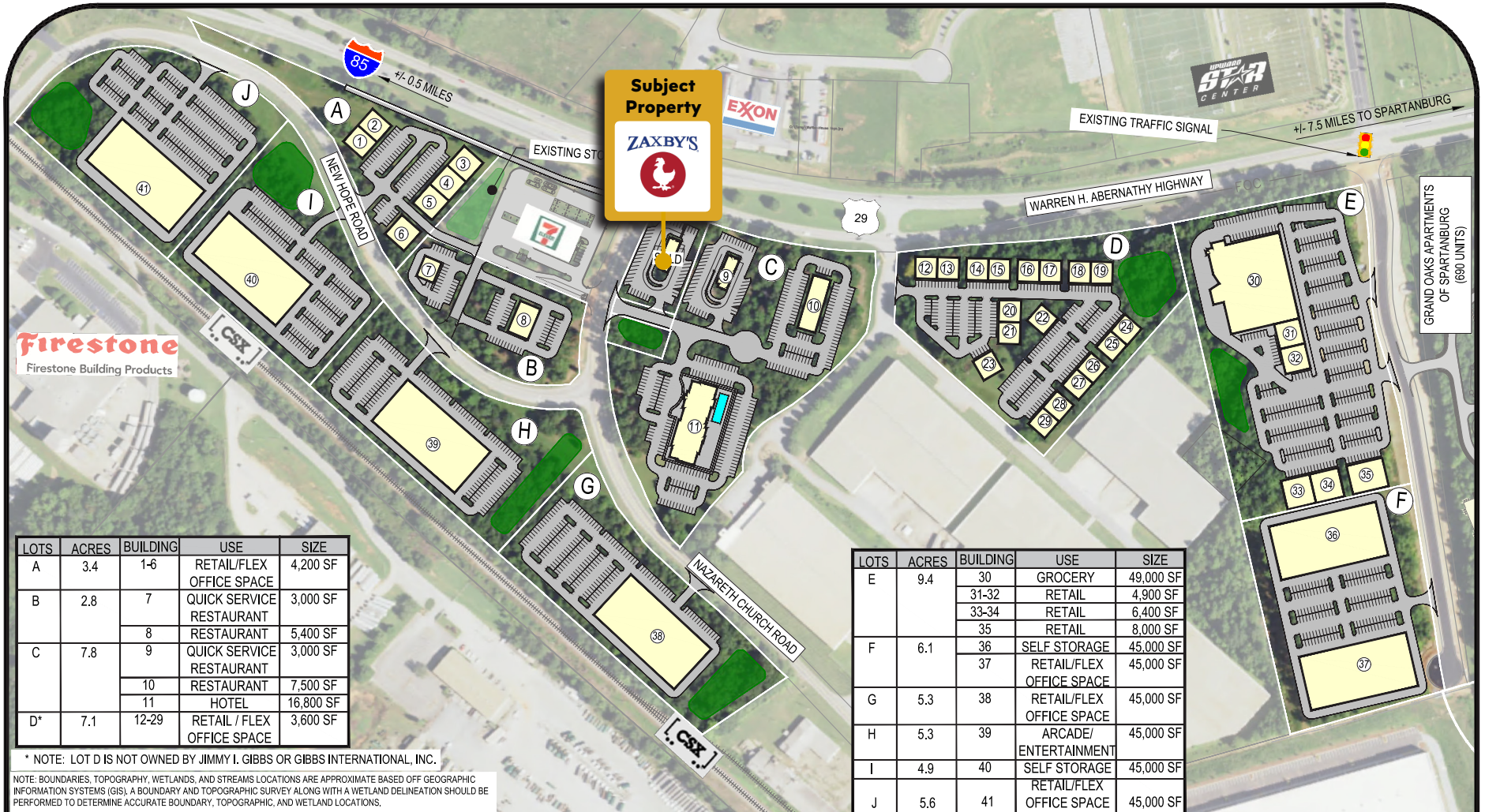
**Nazareth Church Rd**

# AERIAL OVERVIEW





# AERIAL OVERVIEW



LOTS	ACRES	BUILDING	USE	SIZE
A	3.4	1-6	RETAIL/FLEX OFFICE SPACE	4,200 SF
B	2.8	7	QUICK SERVICE RESTAURANT	3,000 SF
		8	RESTAURANT	5,400 SF
C	7.8	9	QUICK SERVICE RESTAURANT	3,000 SF
		10	RESTAURANT	7,500 SF
D*	7.1	11	HOTEL	16,800 SF
		12-29	RETAIL / FLEX OFFICE SPACE	3,600 SF

LOTS	ACRES	BUILDING	USE	SIZE
E	9.4	30	GROCERY	49,000 SF
		31-32	RETAIL	4,900 SF
		33-34	RETAIL	6,400 SF
		35	RETAIL	8,000 SF
F	6.1	36	SELF STORAGE	45,000 SF
		37	RETAIL/FLEX OFFICE SPACE	45,000 SF
G	5.3	38	RETAIL/FLEX OFFICE SPACE	45,000 SF
H	5.3	39	ARCADE/ ENTERTAINMENT	45,000 SF
I	4.9	40	SELF STORAGE	45,000 SF
J	5.6	41	RETAIL/FLEX OFFICE SPACE	45,000 SF

\* NOTE: LOT D IS NOT OWNED BY JIMMY I. GIBBS OR GIBBS INTERNATIONAL, INC.  
 NOTE: BOUNDARIES, TOPOGRAPHY, WETLANDS, AND STREAMS LOCATIONS ARE APPROXIMATE BASED OFF GEOGRAPHIC INFORMATION SYSTEMS (GIS). A BOUNDARY AND TOPOGRAPHIC SURVEY ALONG WITH A WETLAND DELINEATION SHOULD BE PERFORMED TO DETERMINE ACCURATE BOUNDARY, TOPOGRAPHIC, AND WETLAND LOCATIONS.

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( IN FEET )

Project No. 20209-0042  
 July 11, 2022

## Conceptual Commercial Development Plan Gibbs Property along US Highway 29 Spartanburg County, South Carolina

**Gibbs International, Inc**  
 Contact: Lucas Ward  
 (864) 606-2615

**ALLIANCE CONSULTING ENGINEERS**  
 Prepared by Alliance Consulting Engineers, Inc.

# TENANT PROFILE

The very first Zaxby's opened in 1990 in Statesboro, GA. Founder and CEO Zach McLeroy built the concept around indescribably good chicken and the unrivaled flavor of Zax sauce. The concept, one of the earliest premium quick-service restaurants, proved successful. In 1994, Zach and Tony decided to franchise the brand. They set up their headquarters in Athens, GA, and began serving more than just our hungry guests. They built a franchisee community of entrepreneurs to take the Zaxby's brand to new heights.

Since the beginning, Zaxby's has been known for two things: indescribably good chicken and Zax Sauce. For years, Zach made the sauce himself and distributed it to various locations to keep the sacred recipe safe. When there were too many locations to keep up with, he had it manufactured, but even then, the process ensured no one single person would know the recipe from start to finish.

Zaxby's built its reputation on quality food and amazing flavors. We start with high-quality ingredients like 100% whole white-meat chicken. From hand-breading chicken to chopping fresh veggies, all of our ingredients are expertly prepared with care. And we don't start making your meal until you order it.

The culture was built around a desire to enrich the lives of others. Today, there are more than 950 locations, twelve distinct sauces, countless Z words, and one Signature Sandwich.



**Company Type:** Private  
**Location:** Athens, Georgia (950+ locations)  
**Website:** <https://www.zaxbys.com/>

**950+**  
Locations Nationwide

**#29**  
QSR Top 50 Ranking – 2023

**\$2.56B**  
2023 Systemwide Sales

# TENANT PROFILE

## Omnipotent Brands

From where they stand, the industry is saturated with hospitality groups that promise a unique vision to support and expand their franchises. While they desire to increase potential at every level, our ultimate goal is to strengthen and inspire the individuals that make us who we are.

Their vision is to create a life experience for all team members that enables them to rise above - to grow and to lead. Whether it's your first job or you've worked in the industry for years, it's important for us to be a positive contributor to your career and success. They strive to empower team member's potential by training and equipping them with the right tools to successfully advance to become the leaders of tomorrow.

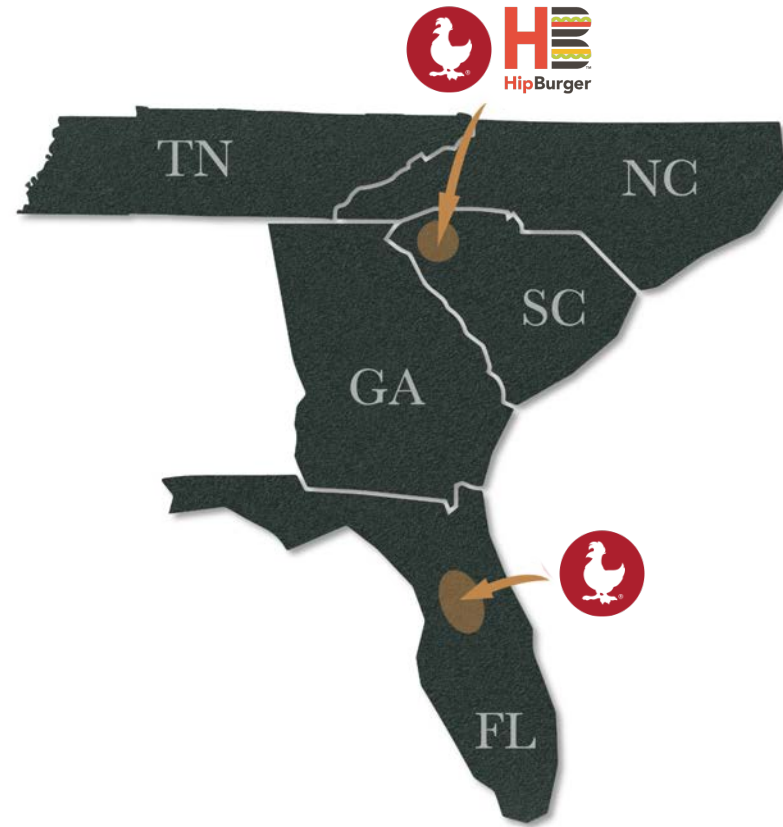


### Florida

- 10 Zaxby's currently under operations in Florida with 2-3 new openings in 2025

### South Carolina

- 1 Zaxby's operating in the Upstate with 2 more openings coming in Fall 2024 with further expansions of 3 more opening by Summer 2025 for a total of 6 locations
- 1 HipBurger operating in Greenville with a new store opening in Clemson Winter 2024 and 3 more stores opening in 2025 in the Upstate, SC



# TENANT PROFILE



**Robert Baxley** is the CEO of Omnipotent Brands, LLC. Prior to joining the team, Robert spent 29 years with the Zaxby's brand – from franchisee of 21 locations to Chief Operating Officer. He most recently served as President of all Zaxby's corporate locations where he led growth strategy, workforce development and operations as the business incubator for the entire brand. With a passion for innovation, Robert is also the cofounder of HipBurger, a growing fast casual burger and nugget concept in the upstate of South Carolina. He currently resides in Athens, GA with plans to relocate to Greenville, SC.



**Daniel Knowlton** is the COO of Omnipotent Burger, LLC. Daniel spent 24 years with the Zaxby's brand and contributed significantly to their growth from 3 locations to more than 800 through his continual promotion across operations leadership positions – from Assistant Manager to General Manager to District Manager to Director of Operations of all corporate locations. With a passion for developing others, he currently consults with multi-unit Zaxby's operators on team development and operational excellence. In 2017, Daniel became the owner and President of HipBurger where he is responsible for concept development as well as operations. He currently resides in the Greenville, SC metropolitan area.



**Justin Joiner** is an Owner and Operating Partner for the Florida Zaxby's locations. Justin has spent 17 years with the Zaxby's brand. He was a Field Operations Manager with Zaxby's Franchising, LLC where he oversaw operations compliance for up to 45 locations. Prior to this position, Justin was an Operations Consultant, District Manager and General Manager within the Zaxby's system. He currently resides in Bronson, FL.



**John White** is an Owner and Operating Partner for the Florida Zaxby's locations. John has spent 25 years in the hospitality industry with brands such as Aramark, Boston Market and Zaxby's – 13 of those 25 years were with the latter. Most recently he was a Regional Manager with Zaxby's in Florida, Louisiana and Georgia. Prior to this role, John was a District Manager and General Manager with Zaxby's. He currently resides in Florida.



**Travis Townsend** is an Owner and Operating Partner for the South Carolina Zaxby's locations. Travis has been with the brand for 15 years. He started out as an Assistant Manager and moved his way to becoming a General Manager. Travis then moved up to Zaxbys Corporate as a Consultant for over 156 locations. He currently resides in Greenville, SC.



**Ben Carroll** is an Owner and Operating Partner for the South Carolina Zaxby's locations. Prior to joining the team, Ben worked for almost 8 years in the finance industry as a mortgage professional. Prior to joining the finance industry, Ben worked for several years in the restaurant business. He currently resides in Greenville, SC.

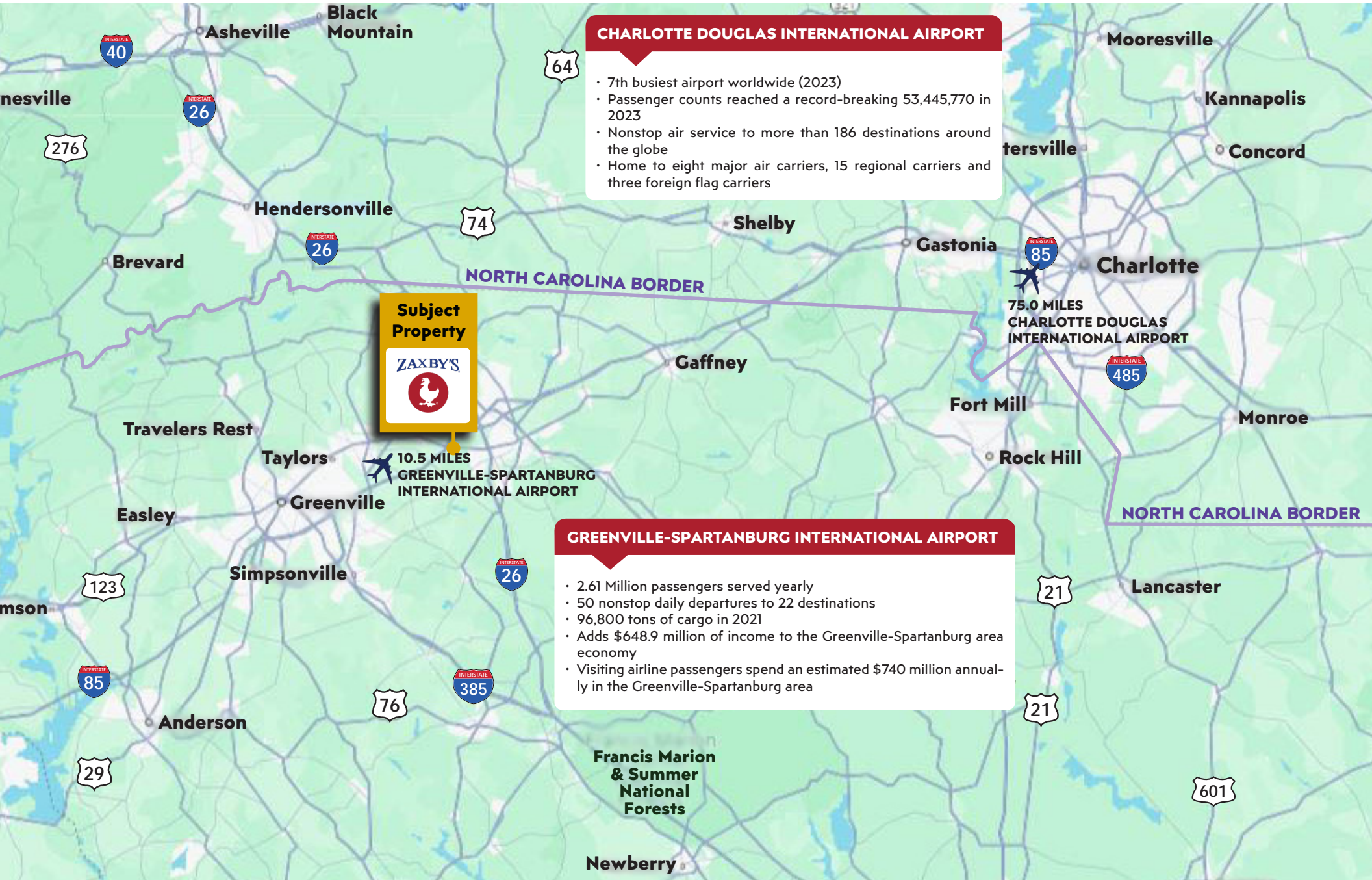


**Insignis Partners** has an ownership interest in Omnipotent Brands and its various subsidiaries and operations. It also provides substantial assistance and oversight by providing operational and financial back-office support to the various operators. Please refer to the following pages for more information on Insignis Partners.

# PROPERTY PHOTOS



# REGIONAL MAP



## CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT

- 7th busiest airport worldwide (2023)
- Passenger counts reached a record-breaking 53,445,770 in 2023
- Nonstop air service to more than 186 destinations around the globe
- Home to eight major air carriers, 15 regional carriers and three foreign flag carriers

**Subject Property**

10.5 MILES  
GREENVILLE-SPARTANBURG INTERNATIONAL AIRPORT

## GREENVILLE-SPARTANBURG INTERNATIONAL AIRPORT

- 2.61 Million passengers served yearly
- 50 nonstop daily departures to 22 destinations
- 96,800 tons of cargo in 2021
- Adds \$648.9 million of income to the Greenville-Spartanburg area economy
- Visiting airline passengers spend an estimated \$740 million annually in the Greenville-Spartanburg area

# AREA OVERVIEW

## SPARTANBURG

- Spartanburg 4th largest county in South Carolina by population.
- Nestled in the foothills of the Blue Ridge Mountains, Spartanburg has been known as the Hub City since it became a major railroad intersection in the 19th century.
- Spartanburg's proximity to breathtaking mountains, sandy beaches and the Eastern seaboard means people are perfectly positioned for work and play.
- Spartanburg is within driving distance of Greenville-Spartanburg International Airport, Charlotte Douglas International Airport and Hartsfield-Jackson International Airport, and less than a half-day's drive from major regional destinations.
- Downtown Spartanburg is undergoing a renaissance of sorts. New, exciting investments creating game-changing developments for locals and visitors alike.
- From delicious restaurants to welcoming shops to great hotels, downtown Spartanburg has something for everyone.
- Much of Spartanburg's culinary diversity is because of its international business community. People from all over come here to work and live, and they bring their local flavors with them. German, Mexican, cuisine from several Asian countries, and Southern dishes are all found downtown.
- Downtown Spartanburg is home to a number of specialty shops and boutiques offering high-end fashions.
- Spartanburg also has museums, including the Hub City Railroad Museum and Spartanburg Art Museum. Ballet Spartanburg performs throughout the year and has a center for dance education.
- BMW doesn't just have its only North American manufacturing plant outside Spartanburg. It also offers the amazing BMW Performance Driving School.
- The Carolina Panthers NFL football team holds training camp at Wofford College in July and August.



# DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
2010 Population	14,442	52,028	195,835
2020 Population	17,070	64,828	233,549
2023 Population	18,210	67,984	242,929
2028 Population	19,820	74,579	263,608
HOUSEHOLDS			
2010 Households	5,478	20,016	74,664
2020 Households	6,583	24,934	89,155
2023 Households	6,965	26,485	94,229
2028 Households	7,607	29,135	102,697
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	70.0%	70.1%	66.3%
2020 Owner Occupied Housing Units	0.7%	0.7%	0.7%
2023 Owner Occupied Housing Units	68.9%	71.2%	68.5%
2028 Owner Occupied Housing Units	68.9%	71.4%	68.9%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	30.0%	29.9%	33.7%
2020 Renter Occupied Housing Units	0.3%	0.3%	0.3%
2023 Renter Occupied Housing Units	31.1%	28.8%	31.5%
2028 Renter Occupied Housing Units	31.1%	28.6%	31.1%
AVERAGE HOUSEHOLD INCOME	<b>\$89,636</b>	<b>\$89,596</b>	<b>\$77,712</b>

## AREA SNAPSHOT

242,929

POPULATION (10-MILE)

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261,089

DAYTIME POPULATION (10-MILE)

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94,229

HOUSEHOLDS (10-MILE)

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\$89,636

AVERAGE HOUSEHOLD INCOME (3-MILE)