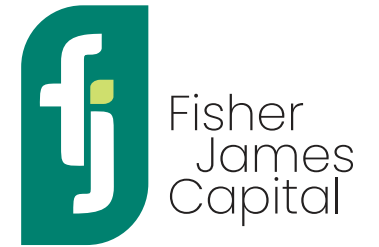


OFFERING MEMORANDUM

Del Taco

DeFuniak Springs, FL





Disclaimer

Fisher James Corp. ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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PROPERTY HIGHLIGHTS

- New 20-Year Absolute NNN Lease to Del Taco
 - No Landlord Maintenance Responsibilities
 - Scheduled 7.5% Rental Escalations throughout Primary Term
- Established Del Taco Operator with 80+ Del Taco Units Across Florida & Georgia
 - Recently Signed New 12-Unit Development Agreement for Florida Panhandle
 - Guarantor Entity Operates 140+ Burger King & Del Taco Locations
- Robust, Rapidly Growing Demographics in Surrounding Area
 - Total Daytime Population of 12,733 within 5 Mile Radius
 - Average Home Value Projected to Increase 72.6% Over Next 5 Years
 - Average Household Income Expected to Grow 21% by 2029
- Significant Development Activity in Surrounding Area
 - Country Ridge Estates Subdivision Slated to Include 180+ New Single Family Residences, 120 Townhomes, and 7 Acre Commercial Site
 - 300-Acre Veteran's Lodge Development will Feature State of the Art Brain Injury Rehabilitation and Research Center, Education and Workforce Training Center, Activity Center, and Residential Cabins
- Approximately Halfway Between Pensacola and Tallahassee
- 25 Miles from Santa Rosa Beach Tourist Hub
 - Economic Impact of \$7.2 Billion for Walton County



**NEW 2024
CONSTRUCTION**
with Drive-Thru



**ESTABLISHED
OPERATOR**



**PROMINENT RETAIL
LOCATION**
Outparcel to New
Tractor Supply Co



**NO STATE
INCOME TAX IN
FLORIDA**



PROPERTY OVERVIEW



PRICE

\$2,767,000

6.60% CAP RATE

LOCATION

The property is located at [2760 S US Highway 331 in DeFuniak Springs, Florida](#).

LOT SIZE

Approximately 0.8 acres or 34,848 square feet.

IMPROVEMENTS

A 2,300 square foot retail building for **Del Taco** with a drive-thru component.

LEASE

Leased to **Consolidated Taco Holdings, LLC** and guaranteed by **Consolidated Restaurant Group, LLC** for twenty (20) years from April 1, 2024 through March 31, 2044 at an initial annual rent of \$182,652. There are four (4) five-year options to renew the lease. Rent is to increase by 7.5% every 5 years and at the start of each option period.

The lease is net with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot. However, in the event Tenant makes any repairs or replacements considered a capital expenditure in the final five (5) years of the lease term, Landlord shall reimburse the amortized cost of the repairs for their remaining useful life upon lease expiration.

ANNUAL RENT

Year	Total Rent	Return
Years 1 – 5	\$182,652	6.60%
Years 6 – 10	\$196,351	7.10%
Years 11 – 15	\$211,077	7.63%
Years 16 – 20	\$226,908	8.20%
Years 21 – 25 (Option 1)	\$243,926	8.82%
Years 26 – 30 (Option 2)	\$262,221	9.48%
Years 31 – 35 (Option 3)	\$281,887	10.19%
Years 36 – 40 (Option 4)	\$303,029	10.95%

FINANCING

The property will be delivered free and clear of permanent financing.

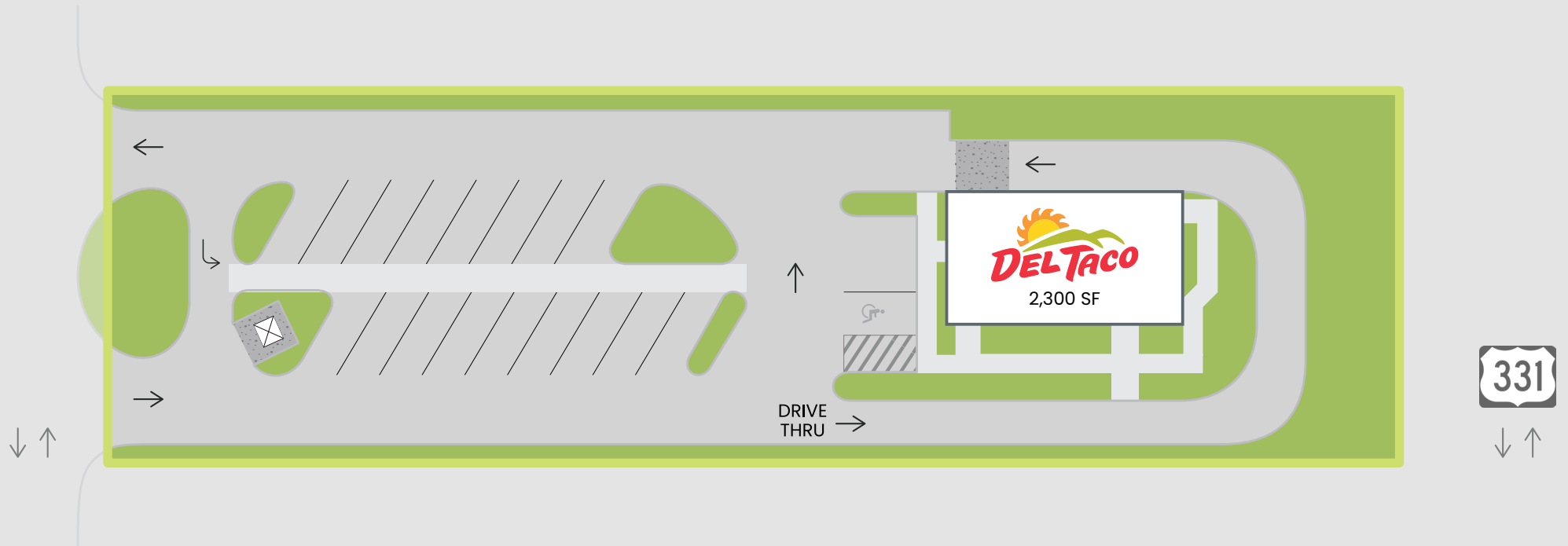
TENANT INFORMATION



Del Taco is a nationwide fast-food chain offering Mexican-inspired and American fast food dishes, including tacos, burritos, quesadillas, fried chicken, burgers, salads, and more. There are approximately 597 Del Taco locations nationwide, primarily located in the Pacific Southwest. Approximately 432 locations are franchised, while the rest are company operated. The company was acquired by Jack in the Box for \$585 million in March of 2022. For the 2nd quarter of 2024, Del Taco locations generated \$87.4 million in revenue.

Consolidated Taco Holdings, LLC, the lease entity, operates more than 80 Del Taco units across Georgia and Florida and recently signed a 12-unit development agreement with Del Taco for the Florida panhandle region. **Consolidated Restaurant Group, LLC**, the guarantor entity, operates 60 Burger King and 80 Del Taco locations across Georgia and Florida with more than \$110 million in annual revenue. The company is run by Ed Stutz, who previously served as North Division Vice President for Arby's Restaurant Group, where he oversaw nearly 800 locations in the U.S. and Canada.

SITE PLAN



AERIAL VIEW



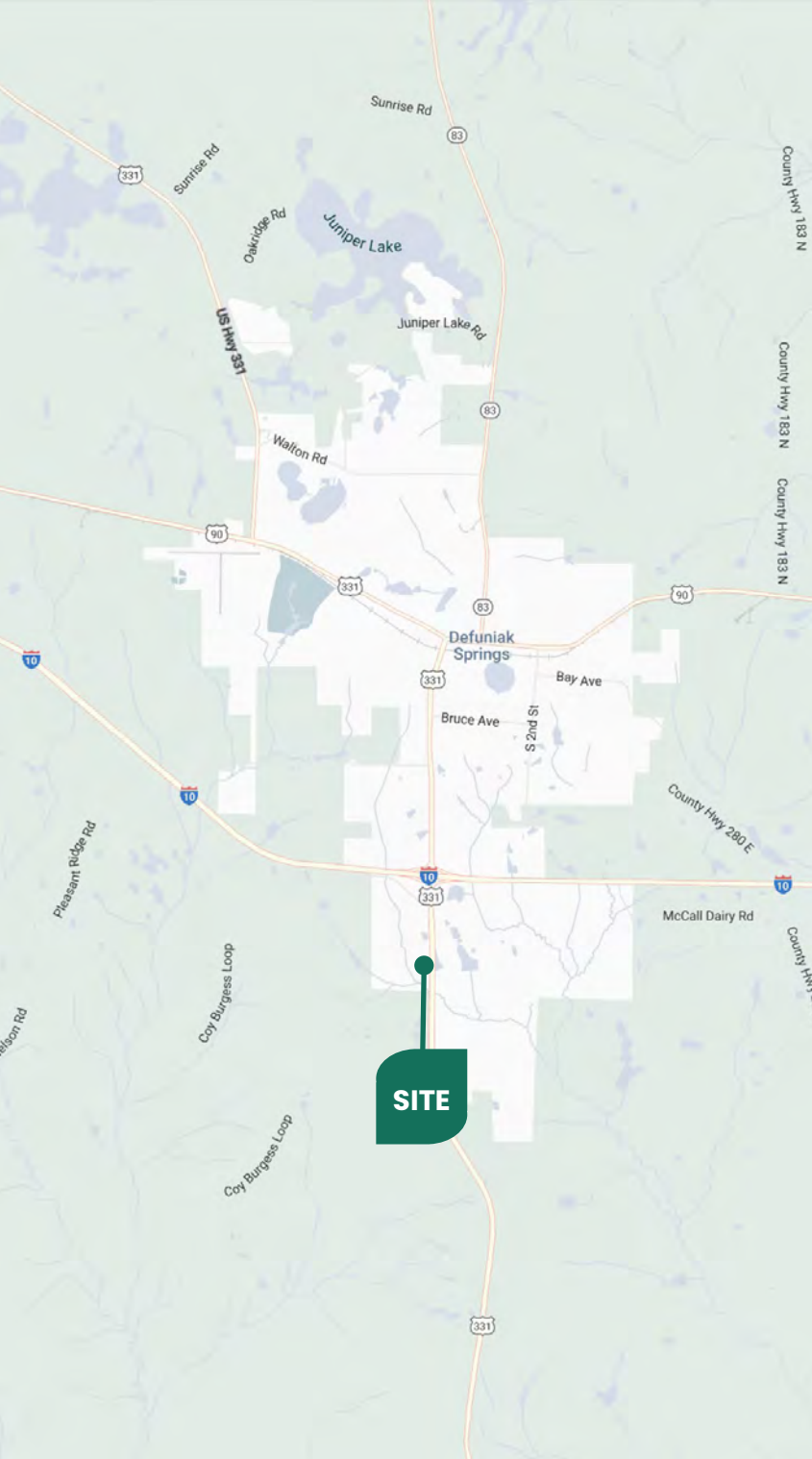
SITE INFORMATION

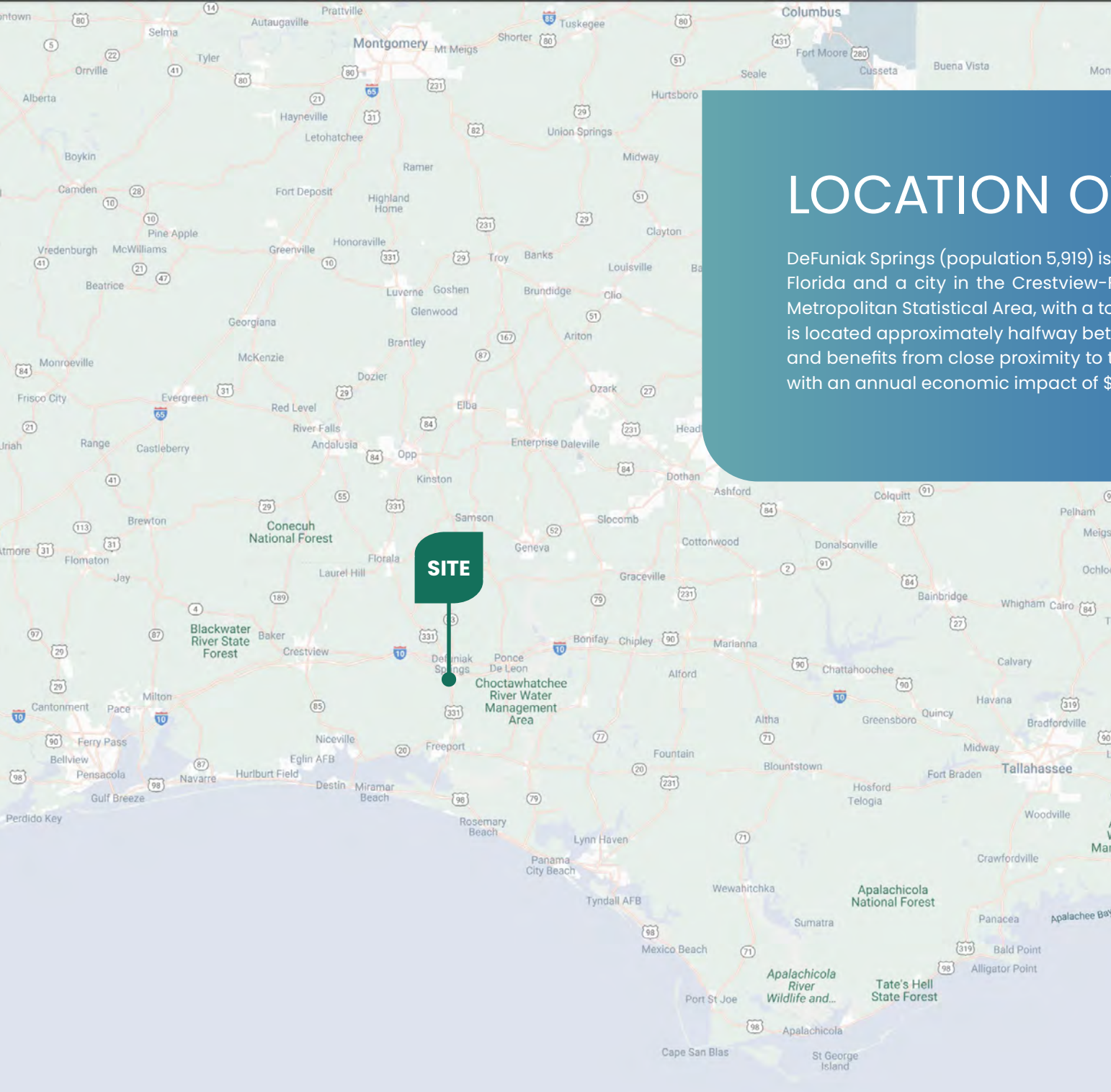
The subject property is prominently located with excellent access and visibility along US Highway 331 (31,500 AADT) in close proximity to its junction with I-10 (20,157 AADT). The site benefits from rapidly growing demographics in the surrounding area with strong income and home value growth due to extensive development activity. Total daytime population within a 5 mile radius is 12,733, and average household income within 3 miles of the site is expected to grow to \$102,759 by 2029, a nearly 21% increase from 2024. Average home value within 5 miles of the site is expected to grow from \$312,744 to \$539,930, an increase of 72.6%. The annual population growth rate within 1 mile of the site is 2.44%.

The site benefits from a prominent location in close proximity to retail centers, employers, and planned developments. The property is located adjacent to the new Country Ridge Estates subdivision, slated to include 180 new single family residences, 120 townhomes, and a 7-acre commercial site, and is across the street from the planned Veteran's Lodge development, a 300-acre veterans rehabilitation community featuring a state of the art brain injury rehabilitation and research center, education and workforce training center, activity center, residential cabins, recreational areas, chapels, and gardens. The property is located outparcel to a new Tractor Supply Company location with additional new retail tenants in the surrounding area including Chick-fil-A, Wendy's, Whataburger, KFC, Zaxby's, and McDonald's.

Major retail centers in the surrounding area include (visit data per Placer.ai):

- Lowe's – 643,600 Annual Visits
- Walmart Supercenter – 2.3 Million Annual Visits
- DeFuniak Square – 789,600 Annual Visits
 - Winn-Dixie – 425,600 Annual Visits
 - Bealls – 126,100 Annual Visits
 - Harbor Freight Tools – 127,300 Annual Visits
- Walton Plaza
 - Tractor Supply Co – 221,100 Annual Visits
 - Walgreens – 229,500 Annual Visits
 - Dollar General – 106,600 Annual Visits
 - Dollar Tree – 167,100 Annual Visits
- Chick-fil-A – 517,700 Annual Visits
- McDonald's – 733,500 Annual Visits, Top 5% in FL, Top 10% Nationwide
- Zaxby's – 216,900 Annual Visits
- Whataburger – 480,900 Annual Visits, #9 Location in FL





LOCATION OVERVIEW

DeFuniak Springs (population 5,919) is the county seat of Walton County Florida and a city in the Crestview–Fort Walton Beach–Destin Florida Metropolitan Statistical Area, with a total population of 304,818. The city is located approximately halfway between Tallahassee and Pensacola and benefits from close proximity to the Santa Rosa Beach tourist hub, with an annual economic impact of \$7.2 billion for Walton County.

DEMOGRAPHICS



2024 TOTAL
POPULATION
22,597



AVG. HOME VALUE
(2024-2029 % Increase)
78.02%



AVG. HOUSEHOLD INCOME
(2024-2029 % Increase)
20.70%

2760 US-331 | DeFuniak Springs, FL 32435

Population Summary	3 Miles	5 Miles	10 Miles
2020 Total Population	4,340	10,385	20,967
2024 Total Population	4,675	11,233	22,597
2029 Total Population	5,240	12,579	25,657
Annual Rate	2.31%	2.29%	2.57%
Total Daytime Population	6,187	12,681	20,763
Average Household Income			
2024	\$85,208	\$77,722	\$77,329
2029	\$102,850	\$92,688	\$92,743
% Increase	20.70%	19.26%	19.93%
Average Home Value			
2024	\$307,939	\$309,855	\$272,117
2029	\$536,795	\$539,346	\$484,435
% Increase	74.32%	74.06%	78.02%

Top Employers in Walton County

Walton County School Board
Walton County Government
Sacred Heart Hospital of the Emerald Coast
Publix Supermarkets
Watercolor Inn and Resort
Sandestin Golf and Beach Resort
Walmart Supercenter
Hilton Sandestin Beach and Golf Resort
Walton Correctional Institution
Professional Products Company



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