

ZAXBY'S®

885 Odum Rd, Gardendale (Birmingham), AL 35071

**Retail
Investment Opportunity**

Offering Memorandum



Brand New 20 Year Absolute NNN Lease w Increases | Near 20 Year Operating History as Zaxby's | Birmingham, AL MSA



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Hutt Cooke

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ZAXBY'S



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Property Overview



Investment Highlights

- **20-YEAR ABSOLUTE NNN LEASE:** Providing a long-term, reliable, passive and growing stream of income.
- **RENTAL INCREASES:** The lease features 10% rental increases every five years throughout the initial term and four, 5-year renewal options, providing contractual income growth and a meaningful hedge against inflation.
- **PROVEN LOCATION — ZAXBY'S SINCE 2007:** The Property has continuously operated as a Zaxby's since 2007, providing nearly 20 years of established operating history at this location and demonstrating the demand for its goods and services.
- **WALMART-ANCHORED RETAIL LOCATION:** The Property is strategically positioned directly adjacent to Walmart Supercenter along Gardendale's established Odum Road retail corridor, benefiting from strong consumer draw, complementary national retailers and restaurants, and convenient connectivity to nearby Interstate 65.
- **NATIONAL FAST-CASUAL CHICKEN BRAND:** Founded in 1990, Zaxby's has grown into one of the nation's largest chicken-focused restaurant concepts, with more than 1,000 locations across 22 states.
- **STRATEGIC INVESTMENT FROM GOLDMAN SACHS:** In 2020, investment funds managed by Goldman Sachs' Merchant Banking Division acquired a significant stake in Zaxby's, providing long-term institutional capital and resources to support the brand's continued growth and national expansion.
- **ESTABLISHED 22-UNIT ZAXBY'S TENANT/OPERATOR:** The location is operated by Credit to CTC AL, LLC a multi-unit Zaxby's franchisee operating 22 locations, demonstrating significant credit worthy operating experience, and an established presence within the Zaxby's system.
- **STRONG LOCAL DEMOGRAPHICS:** The Property benefits from an affluent surrounding consumer base, with average household incomes exceeding \$108,000 within one mile and approximately \$102,000 within three miles, supporting a strong and established customer base.
- **RECESSION-RESILIENT QSR CATEGORY:** Zaxby's operates within the value-oriented quick-service restaurant sector, benefiting from convenient drive-thru service, broad consumer appeal, and an established chicken-focused menu.



Property Overview



Investment Highlights

LOCATION & RETAIL CORRIDOR

- **I-65 Interchange Retail Corridor:** The property is located on Odum Road at Interstate 65 Exit 271, one of the primary commercial nodes in Gardendale, with reported counts of $\pm 97,580$ VPD at the interchange.
- **Established, Dense Co-Tenancy:** The immediate corridor includes Walmart Supercenter, Publix, Hobby Lobby, Buffalo Wild Wings, Olive Garden, Chick-fil-A, Cracker Barrel, Pet Supermarket, and UAB Medicine Primary Care & Pediatrics, reinforcing sustained daily consumer traffic.
- **High-Traffic Local Corridor:** The Fieldstown Road/Odum Road intersection has recorded traffic counts exceeding $\pm 31,000$ VPD, underscoring the site's visibility within Gardendale's primary retail trade area.

MARKET OVERVIEW — BIRMINGHAM-HOOVER MSA

- **Alabama's Largest Metro:** The Birmingham-Hoover MSA is Alabama's largest metropolitan area, spanning seven counties with a population of approximately 1.18—1.19 million residents.
- **Diversified, Anchor-Driven Economy:** The MSA economy is anchored by the University of Alabama at Birmingham (UAB) — the state's largest employer and a nationally recognized medical research institution — alongside strength in finance (headquarters for Regions Bank and Protective Life Corporation), advanced manufacturing/automotive (Mercedes-Benz, Honda, Autocar supply chain), and logistics.

DEMOGRAPHICS

- **Affluent Northern Suburb:** Gardendale is a Jefferson County suburb located roughly 15 miles north of downtown Birmingham. Within 3 miles of the property, there is a current population of approximately 19,406 and an average household income of approximately \$108,399.
- **Stable, Established Community:** The city supports 400+ businesses and has a homeownership-driven residential base, contributing to consistent, need-based retail demand in the corridor.





Odum Rd

Drive Thru

ZAXBY'S



Subject Property



 **Gardendale High School**
±1,076 Students

 **Bragg Middle School**
±731 Students

 **Birmingham**
±11.7 Miles Away

 **MEDICAL WEST**
an affiliate of the UAB HEALTH SYSTEM
Emergency Room
UAB Freestanding Emergency Department

 **TACO BELL**
 **Panera**
BREAD™

THE FILLING STATION
GARDENDALE
CAFE & BAR
SPRINGHILL SUITES®
BY MARRIOTT
Sweet Caroline's
Pizzeria and Creamery

 **Wendy's**
 **Chick-fil-A**
 **AT&T**
 **KFC**

WAFFLE HOUSE

 **CALIBER**
CAR WASH

Fieldstown Rd ± 27,750 VPD

 **Arby's**

Magnolia City Place
Publix **TJ-maxx**
SHOE DEPT.  **MATTRESS FIRM**
 **DOLLAR TREE** **Great Clips**
WELLS FARGO **HOBBY LOBBY** **CATFO**

Walmart 
Supercenter
Top 10% of National Locations
Source: AlphaMap

 **MURPHY USA**

 **REGIONS BANK**

JIM'N NICK'S
COMMUNITY
BAR-B-Q

ZAXBY'S



Subject Property

Odum Rd

SUBWAY
GameStop

 **LOS ARCOS**
Mexican Restaurant

Future Mall Development
The Crossing at Magnolia City Place
Under Development



Future Mall Development
The Crossing at Magnolia City Place
Under Development

Fieldstown Rd ± 27,750 VPD



± 97,580 VPD



Future Mall Development
The Crossing at Magnolia City Place
Under Development



Subject Property



Odum Rd

Property Photos



Year Founded
1990

Headquarters
Athens, GA

Ownership Status
Private Equity

Employees
10,000+

Locations
1,000+

Annual Revenue
±\$2.75B



Tenant Overview

Zaxby's is a fast-casual restaurant chain specializing in premium chicken-centric fare, including its signature Chicken Fingerz™, wings, sandwiches, salads ("Zalads®") and proprietary sauces. Renowned for its strong brand loyalty in the Southern United States and an expanding national footprint, Zaxby's has positioned itself as a differentiated competitor in the chicken segment of the quick-service and fast-casual dining industry. The brand's growth trajectory, modernized restaurant design strategies, and evolving menu offerings underscore its relevance to contemporary consumers and franchise investors alike.

Why Invest in Zaxby's?

- **Established Regional Brand with National Growth Trajectory:** Zaxby's commands strong brand loyalty across the Southeastern U.S. and is actively expanding into new markets, offering investors a combination of stable market share and growth potential.
- **Attractive Franchise-Based Model:** With the majority of its ~1,000 units operated by franchisees, Zaxby's leverages a capital-light structure that supports scalability, strong unit economics, and recurring royalty income.
- **Modernization and Expansion Strategy:** The company is rolling out new restaurant prototypes with enhanced drive-thrus and streamlined kitchen operations, increasing throughput and appealing to next-generation consumers and franchise partners.
- **Privately Held with Institutional Backing:** Backed by private equity investment, including former involvement from Goldman Sachs Merchant Banking, Zaxby's benefits from strategic capital and professionalized leadership under CEO Bernard Acoca.
- **Resilient Sector Demand:** Positioned in the growing fast-casual chicken segment, Zaxby's continues to benefit from consumer demand for high-quality, affordable dining options—particularly protein-centric offerings with differentiated flavor profiles.
- **Loyal Customer Base and Digital Engagement:** Zaxby's leverages a strong loyalty program, robust social media presence, and menu innovation (including sauce retail products) to deepen customer engagement and drive repeat traffic.

| Zaxby's®: A Bold Brand Built for Scalable Growth



A TRANSFORMATIONAL FRANCHISE BRAND

Named QSR's Transformational Brand of 2025, Zaxby's continues to distinguish itself through craveable flavors, disciplined brand execution, and franchisee-focused growth. With a bold identity rooted in Southern hospitality and differentiated sauces, the brand has evolved into a modern, scalable system designed for long-term success.

Source: QSR Magazine

PROVEN GROWTH AT SCALE

Zaxby's generated \$2.754 billion in U.S. systemwide sales for year-end 2025, ranking sixth among chicken chains and among the top 50 highest-grossing QSR brands overall. The brand crossed the 1,000-unit threshold in early 2026, becoming the newest member of the industry's 1,000-unit chicken club alongside Chick-fil-A, KFC, Wingstop, and Popeyes. This sustained sales and unit growth reflects strong unit economics, disciplined expansion, and increasing brand relevance nationwide.

Source: QSR Magazine

STRATEGIC EXPANSION ACROSS THE U.S.

Zaxby's is rapidly expanding beyond its Southeastern roots, targeting new and high-potential markets as it surpasses the 1,000-unit milestone.

Recent growth highlights include:

- 10-store development agreement in Ohio, signaling continued Midwest expansion
- First restaurants in Arizona (Phoenix), featuring dine-in and dual drive-thru formats
- Initial multi-unit development agreement in the Chicagoland area
- New locations in Las Vegas and three planned restaurants on Maryland's Eastern Shore

These developments demonstrate strong franchise demand and a carefully executed national growth strategy.

Sources: Franchising.com, QSR Magazine, Restaurant Dive, PR Newswire

BUILT FOR FRANCHISEE SUCCESS

Zaxby's growth is powered by operational consistency and a bold brand identity. The rollout of its Modern Farmhouse prototype, flexible real estate formats, and a growing development pipeline across 19 states (including six new markets) position franchisees for scalable success.

National marketing campaigns like "Who's Got the Sauce?", combined with menu innovation and strong unit-level support, continue to drive traffic and brand loyalty.

Source: Franchising.com

**Award-Winning,
Differentiated Brand**

**Proven Unit Economics and
System-Wide Growth**

**Expanding Footprint in
High-Demand Markets**

Past 1,000 units and climbing — Zaxby's is expanding flavor nationwide

FINANCIAL OVERVIEW

ZAXBY'S

885 Odum Rd, Gardendale, AL 35071



Financial Summary



\$2,750,000

List Price

6.00%

Cap Rate

20 YEARS

Term Remaining on Lease

±1.07 AC

Lot Size

Investment Summary

Tenant Trade Name	Zaxby's
Tenant	Credit to CTC AL, LLC (22 Units)
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Original Lease Term	20 Years
Rent Commencement Date	COE
Term Remaining on Lease	±20 Years
Increases	10% Every 5 Years
Options	Four, 5 Year Options



Financial Summary



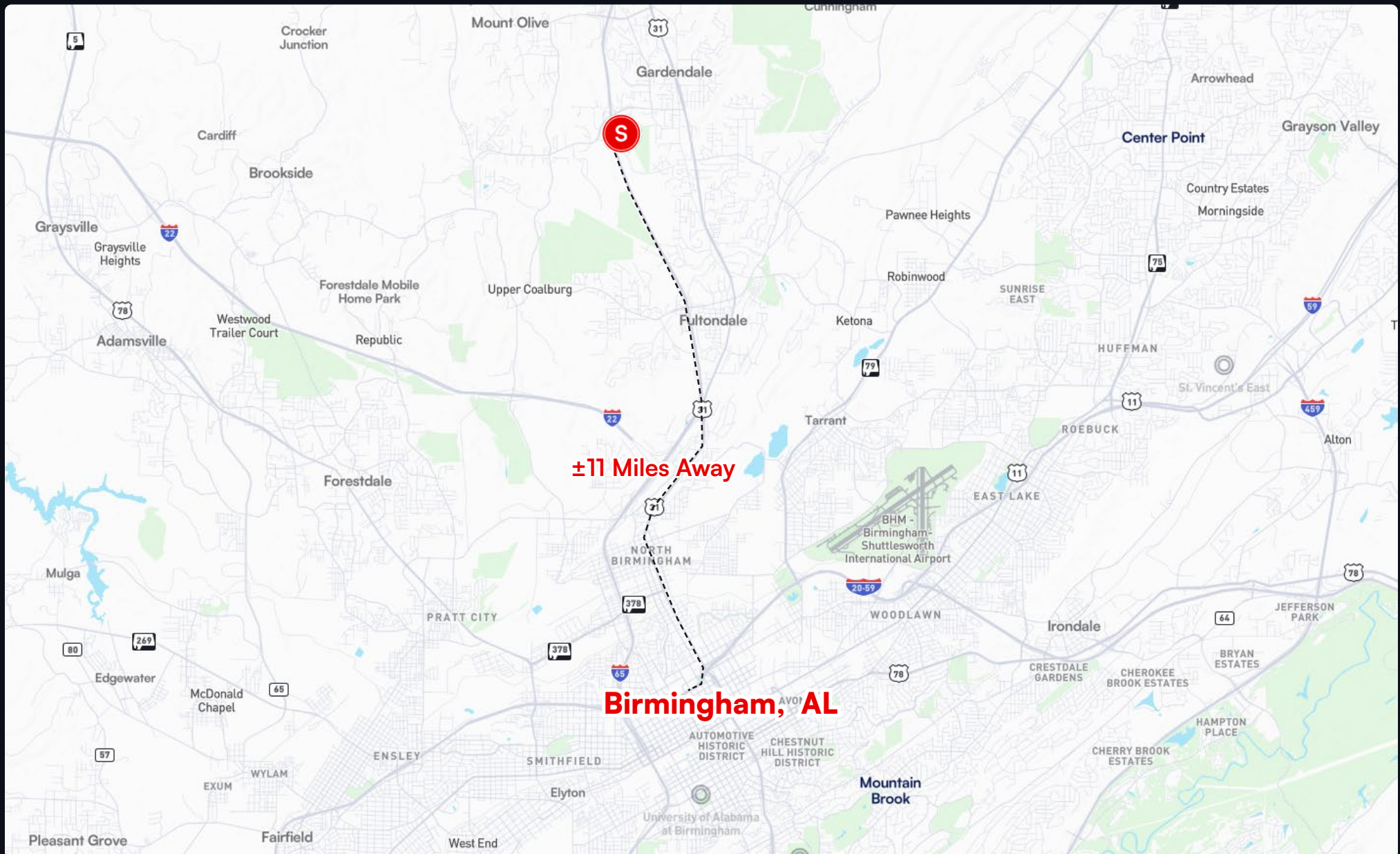
Annualized Operating Data

Lease Year	Monthly Rent	Annual Rent	Increases	Cap Rate
Year 1 - 5	\$13,750.00	\$165,000.00	-	6.00%
Year 6 - 10	\$15,125.00	\$181,500.00	10.00%	6.60%
Year 11 - 15	\$16,637.50	\$199,650.00	10.00%	7.26%
Year 16 - 20	\$18,301.25	\$219,615.00	10.00%	7.99%
Option 1: Year 21 - 25	\$20,131.38	\$241,576.50	10.00%	8.78%
Option 2: Year 26 - 30	\$22,144.51	\$265,734.15	10.00%	9.66%
Option 3: Year 31 - 35	\$24,358.96	\$292,307.57	10.00%	10.63%
Option 4: Year 36 - 40	\$26,794.86	\$321,538.32	10.00%	11.69%

MARKET OVERVIEW

ZAXBY'S

885 Odum Rd, Gardendale, AL 35071



Local Market Overview

Gardendale, AL serves as an established northern retail node within the Birmingham metropolitan area, combining **direct Interstate 65 access with proximity to downtown Birmingham**. The city is approximately 12 driving miles north of Birmingham and is positioned along I-65 and U.S. Highway 31, two corridors that support regional commuting and commercial activity. Gardendale's household fundamentals are favorable for neighborhood-serving retail, with **median household income of approximately \$86,000** and a **homeownership rate at 78.2%**. The city also benefits from a meaningful concentration of retail and consumer spending, reflecting its role as a commercial destination for both local residents and surrounding communities.

The surrounding trade area benefits from access to Birmingham's much larger employment base while retaining a suburban residential profile. Health care, retail trade, manufacturing, education, and professional services contribute to the local employment base, while the broader Birmingham economy adds major concentrations in health care, financial services, education, manufacturing, and professional services. For retailers at 885 Odum Rd, the combination of **convenient access to I-65, established residential neighborhoods, and proximity to metropolitan employment centers** supports daily-needs, restaurant, service, and destination-oriented concepts.

Market Demographics

POPULATION	1-MILE	3-MILE	5-MILE
Current Population	2,680	19,406	32,862
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
Current Households	1,161	7,802	13,365
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$108,399	\$102,960	\$97,010

\$454.4M

Annual Retail Sales

78.2%

Homeownership Rate

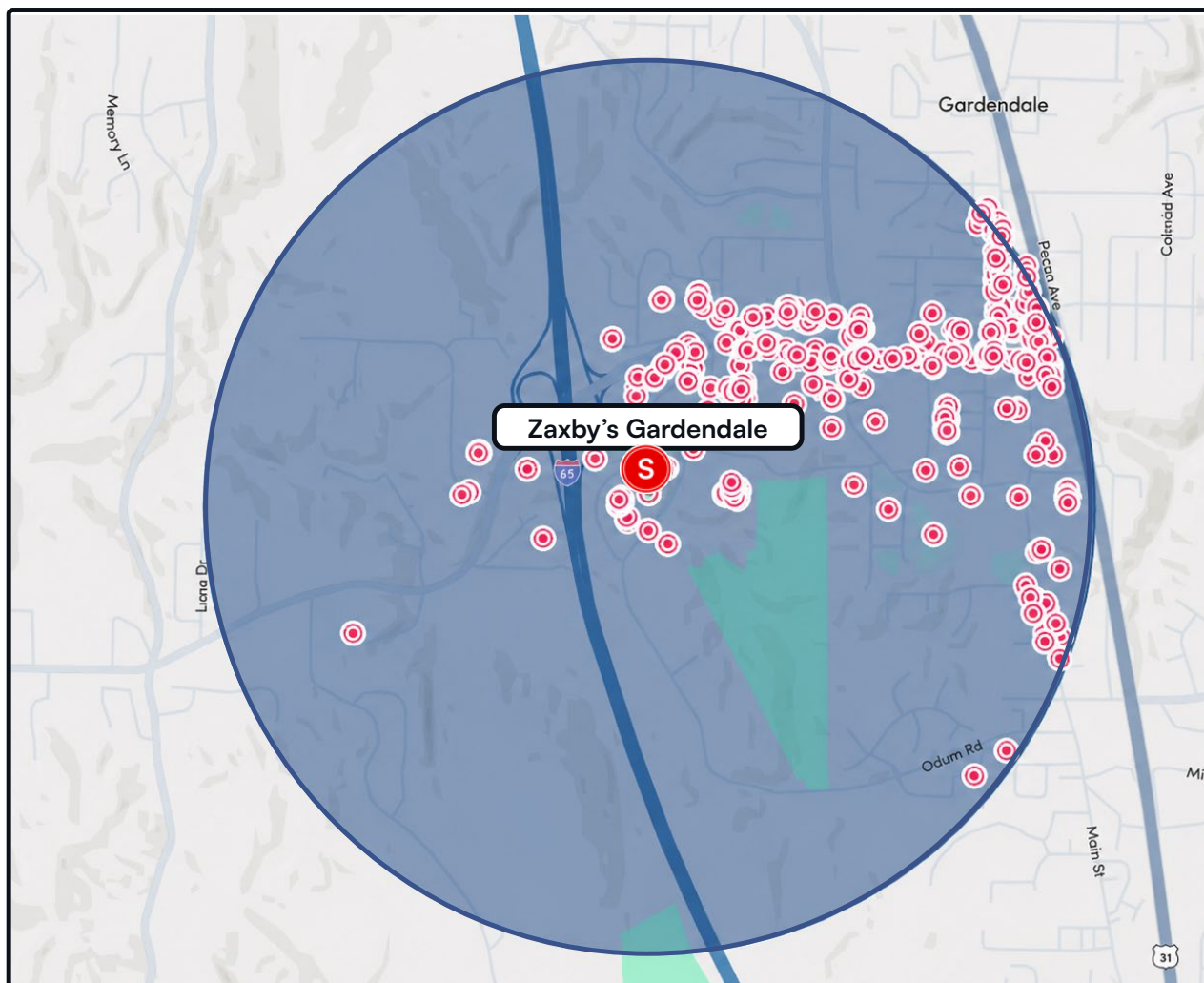
38.0

Median Age

Dense Trade Area in Gardendale Drives Traffic

The trade area surrounding **885 Odum Road in Gardendale, Alabama** is driven primarily by its strategic location near **Interstate 65 and U.S. Highway 31**, providing convenient access to both local residents and regional travelers. The area captures steady traffic from commuters **traveling between Gardendale and Downtown Birmingham**, approximately 12 miles south, while benefiting from **strong interstate accessibility and connectivity** to surrounding northern Jefferson County communities.

Area Visits in a One Mile Radius of Subject Property



Source: AlphaMap

354

Active Locations within Trade Area

17,137

Average Monthly Visits Per Location

72.80M

Total Visits in Last 12 Months



Birmingham MSA

Birmingham is one of the Southeast's most established regional markets, supported by a diversified economy anchored by healthcare, higher education, manufacturing, logistics, financial services, and a growing consumer base. The Birmingham MSA benefits from a strategic location at the convergence of major interstate corridors, including I-20, I-59, I-65, and I-459, providing strong connectivity throughout Central Alabama and supporting significant commuter and retail traffic. The metro is home to major employment and institutional anchors including UAB, the region's extensive healthcare network, Birmingham-Shuttlesworth International Airport, and numerous corporate and industrial employers. A broad mix of residential communities, regional shopping destinations, restaurants, and neighborhood-serving retail supports consistent consumer demand across the market.

Top Employers

University of Alabama at Birmingham (UAB) — 35,000+ Employees

Regions Financial — 9,000+ Employees

Walmart — 7,600+ Employees

Mercedes-Benz — 6,000+ Employees

Children's Health System — 5,635+ Employees

573,500

Nonfarm Employment

±1.2M

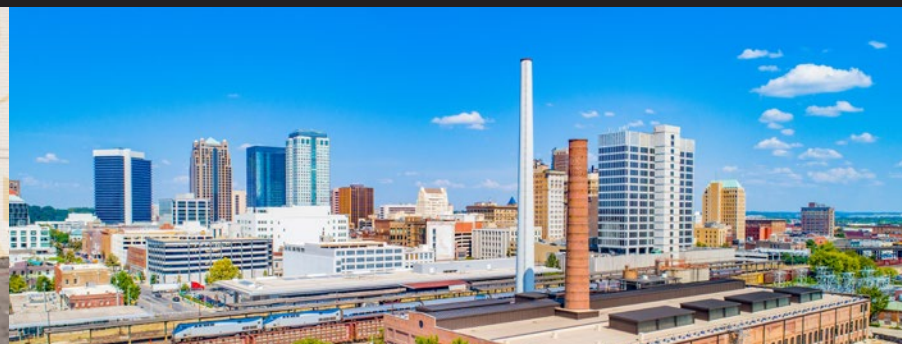
Birmingham Metro Population

\$70K+

Median HH Income

195,893

Birmingham Population



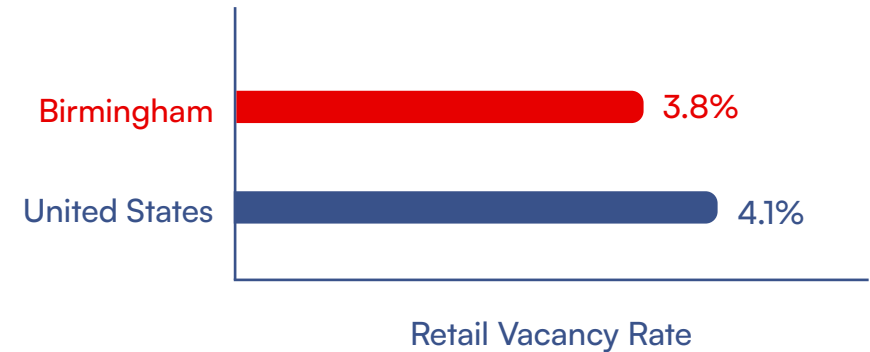
Tight Birmingham Retail Fundamentals Support Gardendale

Birmingham's retail market continues to demonstrate constrained availability, with market vacancy ending 2025 at approximately **3.8%**, compared with roughly **4.1% nationally**. Quality retail space remains limited, supported by restrained new construction and steady tenant demand. Importantly for the property, the Birmingham market has maintained **retail vacancy at or below 5% for more than a decade**, reinforcing the region's historically tight supply environment.

Gardendale's retail position is reinforced by its **strategic access to Interstate 65 and U.S. Highway 31**, two of the primary transportation and commercial corridors serving northern Jefferson County. The City identifies Gardendale as benefiting from economic growth along both corridors, while established retail and dining uses are concentrated around Highway 31, Fieldstown Road, and the nearby I-65 interchange.



Birmingham Retail Market Snapshot



Strategic Retail Positioning

Gardendale occupies a strategic position within Birmingham's northern retail corridor, benefiting from connectivity to Interstate 65 and U.S. Highway 31 and convenient access to the broader metropolitan area. The surrounding commercial district includes an established concentration of retail, dining, service, and automotive uses, particularly along Highway 31 and near the Fieldstown Road/I-65 interchange. Gardendale's primary retail trade area is projected to generate approximately \$1.13 billion in retail and restaurant demand in 2025, reinforcing the community's role as a retail destination serving both local households and consumers throughout northern Jefferson County. With Birmingham retail vacancy remaining historically tight, the location at 885 Odum Road offers retailers access to an established suburban market with strong regional connectivity.

\$1.13B
2025 Retail Trade Area Demand

Gardendale combines a \$1.13 billion retail trade area with Birmingham's historically tight retail fundamentals.

| Disclaimer & Confidentiality Agreement



This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **885 Odum Rd, Gardendale, AL 35071** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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Owner and Matthews™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™ or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

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