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Company Overview

INDUSTRY QSR

OWNERSHIP Privately owned by Friedman Fleischer & Lowe

HEADQUARTERS Atlanta, GA

ANNUAL REVENUE \$698,500,000

AVERAGE UNIT VOLUME

2020

\$766,800

OF LOCATIONS 1700+ in 26 countries; 911 in the U.S.

PREFERRED LOCATION Major retail corridors, outparcels to major retailers

CURRENT STATES

Alabama Arizona Arkansas California Colorado Florida Georgia Illinois Indiana Kansas Louisiana Michigan Mississippi Missouri

Nevada New Jersey New Mexico North Carolina Ohio Oklahoma Pennsylvania

South Carolina Tennessee Texas Virginia Washington Washington DC Wyoming

Company Overview

1952 - Founded by George W. Church in San Antonio, TX across the street from the Alamo

1965 - Franchising began, signature marinade developed

1968 - Church family sold the company

TIMELINE OF CRITICAL EVENTS

1969 - Company was incorporated and went public

1979 - Began international expansion into Japan, Puerto Rico, Mexico, Canada under the trade name

"Texas Chicken"

2017 - Announced a multi-year development deal with Goalz Restaurant Group, LLC to develop 20

Church's Chicken restaurants each year in Florida, Kentucky, Ohio, Colorado, North Carolina and

South Carolina.

AVERAGE STORE SIZE 1,700 SF - 3,000 SF

AVERAGE PARCEL SIZE 0.3 - 1 Acres

AVERAGE RENT PER STORE \$70,000 per year

TYPICAL LEASE TYPE NNN with 10% increases every Five Years

TYPICAL NEW LEASE TERM 20 Years

GROWTH PLANS? Developing 20 new restaurants each year in Florida, Kentucky, Ohio, Colorado, North Carolina and

South Carolina.

15 locations closed in 2015 for not paying taxes

RECENT CLOSURES? In 2018, Greenville, South Carolina saw several of its locations close

At least one closure in 2020 in Mansfield, Ohio

T-12 SALES COMPS SEE LINK

OVERALL REAL ESTATE REVIEW

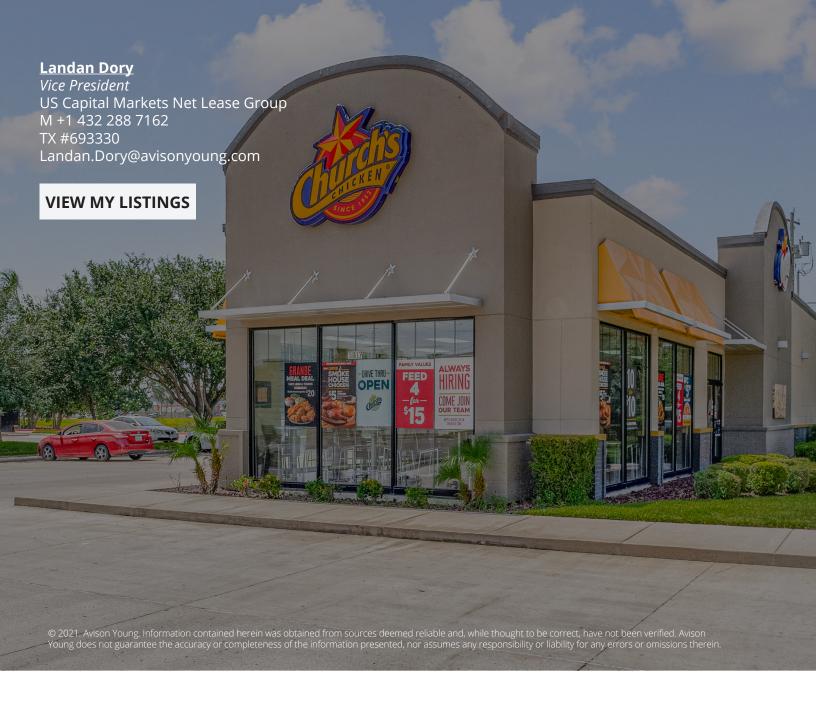
Church's Chicken, like any QSR competes for the best real estate like hard corners and major retailer outparcels. Lower on-average rents have proven a barrier to obtain competitive locations recently, though many locations have been well established for years. 2020 Average Unit Sale Volume of \$766,000 effectively prevents healthy on-average rents in excess of \$70,000. In Texas, investors have had to deal with substandard construction on Church's Chickens if, and when the tenant leaves and when prepping the space for a new user. Many sites were built with a sub-floor design (as opposed to slab foundation) with improper ventilation causing structural wood rot.





Let's talk.

Interested in Church's Chicken as your next investment or looking to sell your location? I put no small effort into researching and becoming the expert on any particular tenant. For your next purchase or sale, please consider our firm for your advisory and transactional services.



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