Rally’s

1159 Grand Caillou, Houma, LA 70363

15-Year NNN Sale Leaseback

Offering Memorandum

MATTHEWS™

Exclusively Listed By

Davis Johnson
Associate
(972) 636-5715
davis.johnson@matthews.com
License No. 814048 (TX)

Lee Cordova
Vice President
(214) 692-2191
lee.cordova@matthews.com
License No. 714883 (TX)

Donnie Jarreau
Broker of Record
Broker Lic. No.: BROK.32688-ACT (LA)
Firm Lic. No.: BROK.995704351-CORP (LA)

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Property Overview

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Investment Highlights

Property Highlights

- **New 15-Year Absolute NNN Lease** commencing at the close of escrow
- **Experienced Multi-Unit Operator –** Lease guaranteed by RCR Foods LLC (3-units)
- **2023 Build –** Tenant fully rebuilt the restaurant to Rally's new prototype model
- **High-Visibility Corner Location** with 22,800 VPD on Grand Caillou Road
- **Built-In Rental Growth –** 5% rent increases every five years
- **Strong Unit Performance –** Sales consistent with Rally's system-wide average
- **Rent-to-Sales:** terms reflects a stable ~7.0% rent-to-sales ratio
- **Strong Demographics –** More than 56,900 residents within a five-mile radius

N
HOBBY LOBBY
LOWE'S
Top 7% of National Locations
Source: AlphaMap
Aaron's
HOOTERS
planet fitness
OUTBACK STEAKHOUSE
HomeGoods
Upper Little Caillou Elementary
±342 Students
THE HOME DEPOT
Chick-fil-A
Raising Cane's
TARGET
Marshalls
ROSS DRESS FOR LESS
Michaels
Houma Junior High School
±673 Students
Walmart Supercenter
Top 19% of National Locations
Source: AlphaMap
24
± 15,150 VPD
Downtown Houma
ROUSES MARKETS
Terrebonne GENERAL HEALTH SYSTEM
General Hospital
±321 Beds | ±1,800 Employees
Walmart Supercenter
ROUSES MARKETS
ROUSES MARKETS
311
± 14,600 VPD
Chick-fil-A
SEVEN BREW DRIVE THRU COFFEE
Rally's CRAZY GOOD FOOD
Subject Property
BURGER KING
CVS pharmacy
COURTYARD Marriott
Industrial Blvd ± 12,940 VPD
Walgreens
AutoZone
Mulberry Elementary
±789 Students
OIL STATES
Manufacturer
±250 Employees
Oaklawn Middle School
±596 Students


NW
Drive-Thru
Rally's
CRAZY GOOD FOOD
Trash Enclosure
Drive-Thru
Outside Covered Seating
Grand Caillou Rd ± 22,800 VPD
Prospect Blvd ± 14,120 VPD

1159 Grand Caillou
Houma, LA 70363

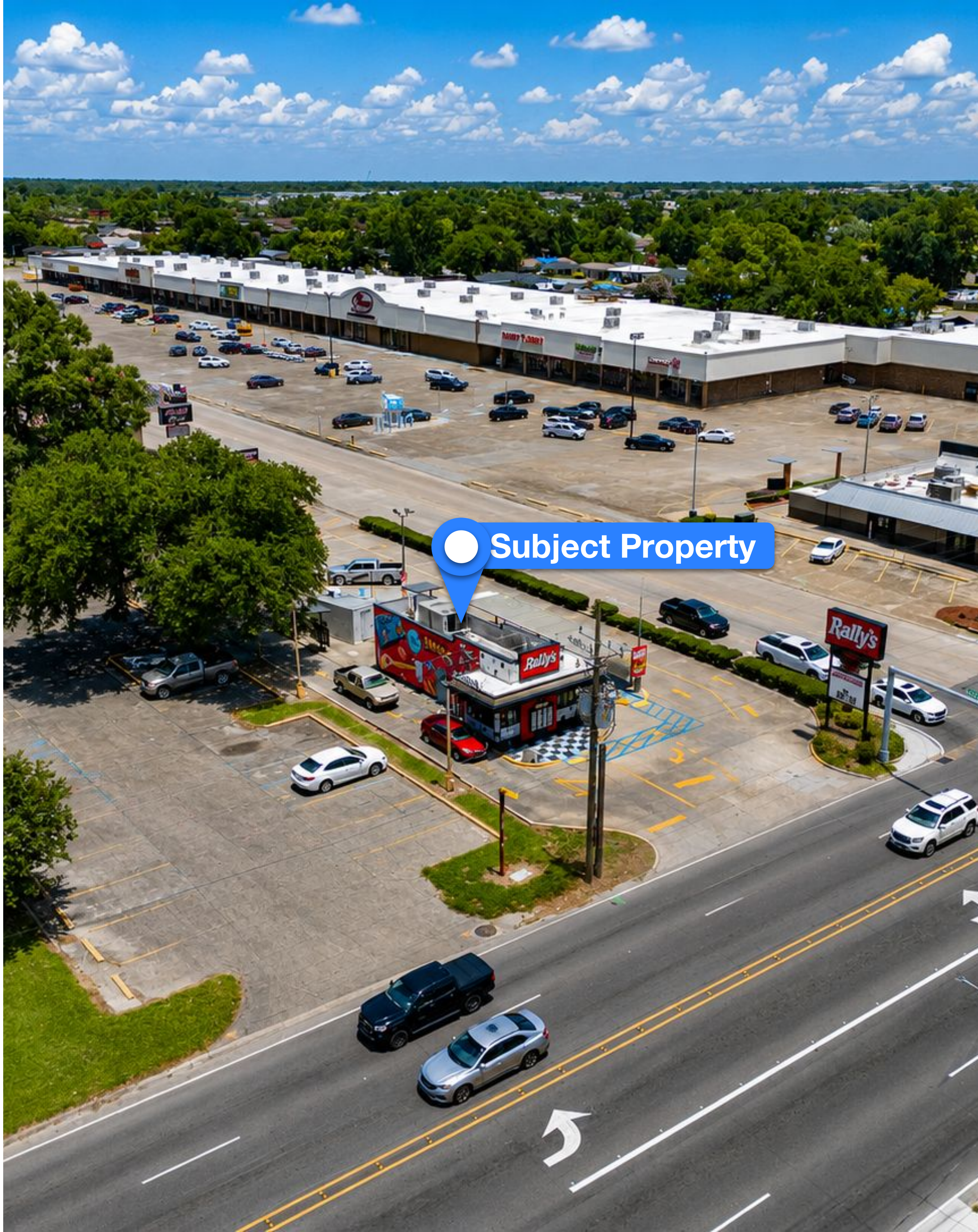
$850,000
Price

$66,492
NOI

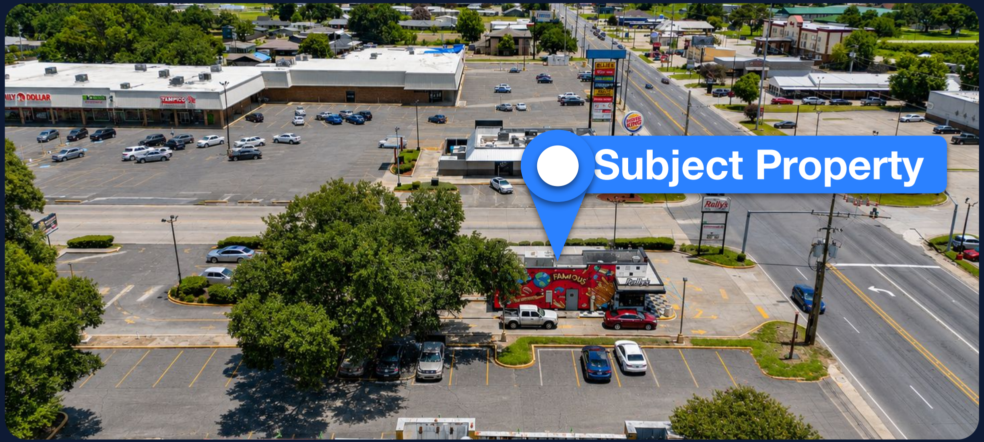
7.82%
Cap Rate

2023
Year Built

±22,800 VPD
Grand Caillou Rd



Property Photos



Financial Overview

Rally's
1159 Grand Caillou Houma, LA 70363

Financial Summary

$850,000	$66,492	7.82%	NNN
Price	NOI	Cap Rate	Lease Type

Property Details

Tenant Trade Name	Rally’s
Lease Guarantor	RCR Foods LLC (3 Units)
Lease Structure	NNN
Landlord Responsibilities	None
Lease Commencement	Close of Escrow
Lease Expiration	15 Years After Close of Escrow
Lease Term	15 Years
NOI	$66,492
Building Size	1,500 SF
Lot Size	0.48 AC
Renewal Options	Two, 5-Year Options

Annualized Operating Data

Lease Year	Monthly Rent	Annual Rent	Rent Increase
Years 1-5	$5,541	$66,492	-
Years 6-10	$5,818	$69,816	5.0%
Years 11-15	$6,108	$73,296	5.0%
Option 1	$6,414	$76,968	5.0%
Option 2	$6,735	$80,820	5.0%

Tenant Summary

Year Founded
1985

Headquarters
Tampa, Florida

Ownership Status
Privately Held

Employees
±800

Locations
720

Tenant Overview

Rally’s is one of two operating brands of Checkers Drive-In Restaurants, Inc., a leading American quick-service restaurant (QSR) company specializing in value-oriented hamburgers, fries, chicken sandwiches, hot dogs, and drive-thru service. Along with its sister brand, Checkers, Rally’s has built a strong regional following through its double drive-thru format, bold menu offerings, and compelling value proposition. The company has established a durable presence across the United States, with a predominantly franchised operating model that supports continued expansion while maintaining brand consistency.

Why Invest in Rally’s?

- **Established National Brand:** Rally's operates under the Checkers & Rally's system, one of the largest double drive-thru quick-service restaurant operators in the United States, with approximately 720 locations nationwide and strong brand recognition in value-oriented dining.
- **Franchise-Driven Business Model:** The predominantly franchised operating structure provides operational consistency and supports long-term brand expansion while reducing corporate operating risk.
- **Resilient Quick-Service Sector:** Value-focused quick-service restaurants have historically demonstrated resilience through varying economic cycles as consumers increasingly seek affordable dining alternatives.
- **Drive-Thru-Oriented Format:** Rally's restaurants are purpose-built around double drive-thru service, positioning the brand to benefit from sustained consumer demand for convenience, speed, and off-premise dining.
- **Ongoing Brand Investment:** The company continues to invest in digital ordering, loyalty programs, menu innovation, and modern restaurant prototypes designed to improve customer engagement and franchisee economics.

Market Overview

Rally's
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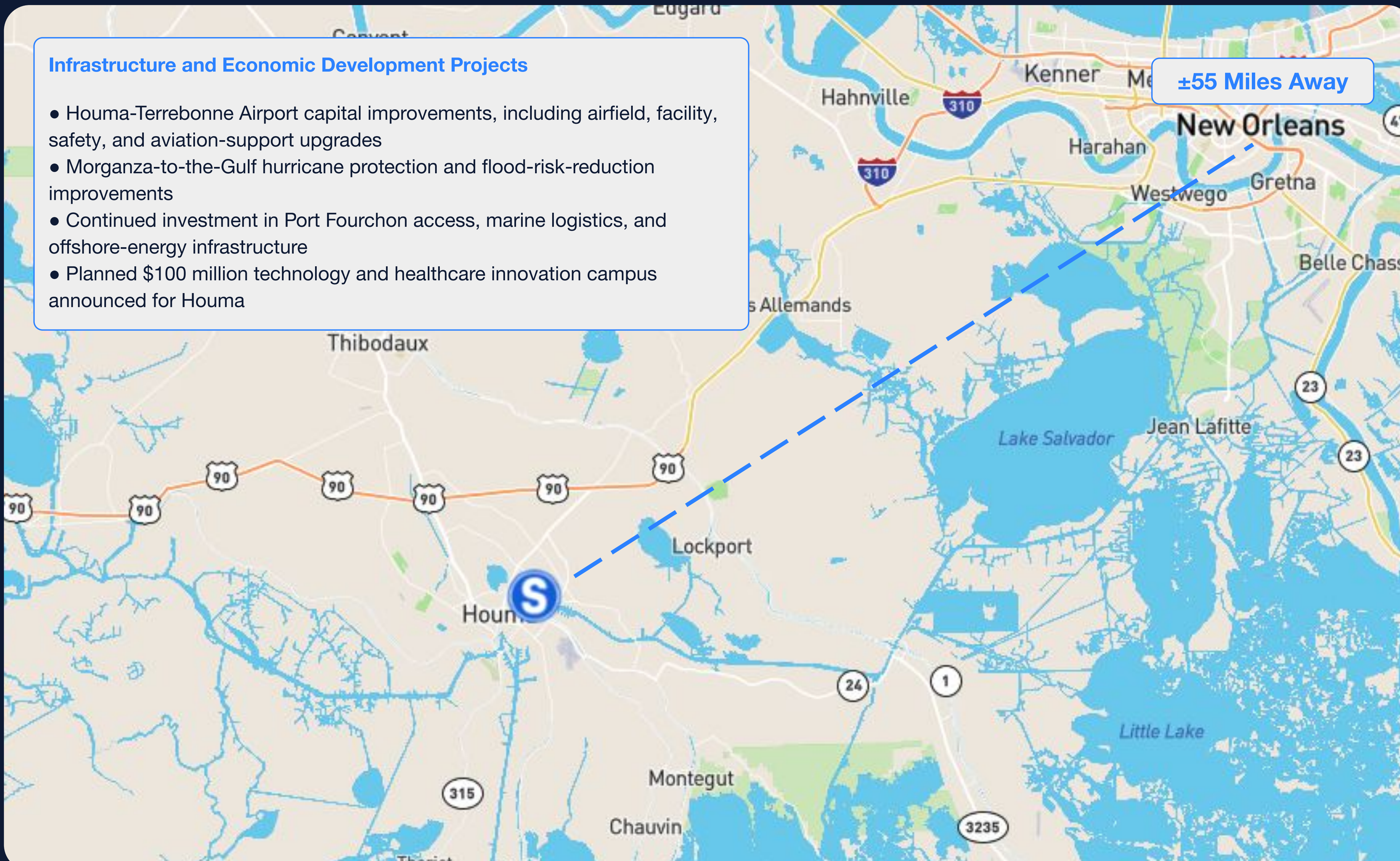
Infrastructure and Economic Development Projects

- Houma-Terrebonne Airport capital improvements, including airfield, facility, safety, and aviation-support upgrades
- Morganza-to-the-Gulf hurricane protection and flood-risk-reduction improvements
- Continued investment in Port Fourchon access, marine logistics, and offshore-energy infrastructure
- Planned $100 million technology and healthcare innovation campus announced for Houma



Houma, LA

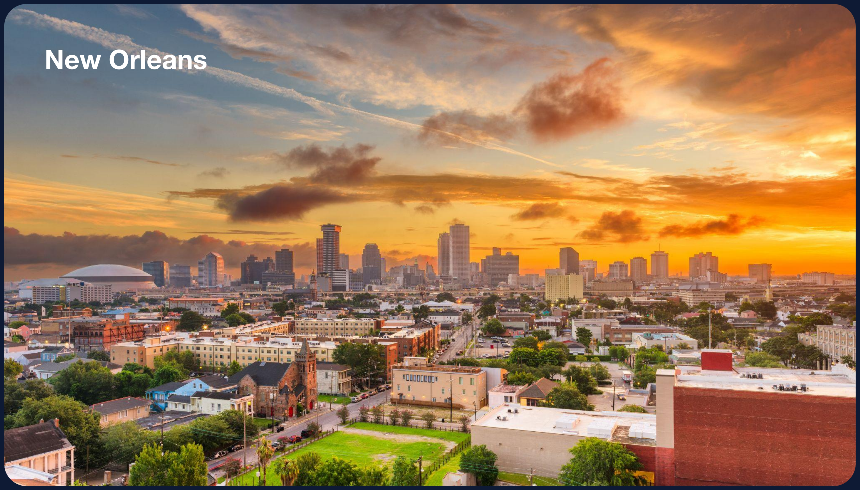
Market Demographics

33,406
Total Population

$58,194
Median HH Income

19,400
Employed Population

4.5%
Retail Vacancy



Local Market Overview

Houma serves as the primary commercial and service center for Terrebonne Parish and a broader group of communities across Louisiana's Bayou Region. The area supports a stable base of households, skilled workers, healthcare providers, marine operators, energy-service companies, and public-sector employees. Its retail economy benefits from Houma's role as a regional destination for shopping, dining, medical care, professional services, and everyday necessities. A high rate of vehicle ownership and limited fixed-route transportation reinforce demand for accessible retail properties located along established arterial roads.

Grand Caillou Road is an important neighborhood commercial corridor extending south from central Houma into densely settled residential areas. Retailers along the corridor benefit from daily commuter activity, nearby households, schools, churches, medical services, and businesses supporting the marine and offshore economy. Houma's comparatively attainable housing costs and short average commute support local consumer spending, while the city's position near Gulf Coast ports and energy infrastructure sustains daytime employment. For retail investors, the market offers an established customer base, limited speculative construction, and demand concentrated around visible, convenient locations.

Property Demographics

Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	5,747	26,154	54,093
Current Year Estimate	6,158	27,704	56,919
2020 Census	6,869	30,066	61,451
Households	**1-Mile**	**3-Mile**	**5-Mile**
Five-Year Projection	2,198	10,574	21,089
Current Year Estimate	2,382	11,274	22,352
2020 Census	2,579	11,928	23,454
Income	**1-Mile**	**3-Mile**	**5-Mile**
Average Household Income	$74,157	$78,903	$89,406

$6B+
Terrebonne Parish GDP

±55 MI
New Orleans

12M+ Annual Passengers
Louis Armstrong New Orleans International Airport

Economic Drivers

Houma is the commercial and employment center of Louisiana's Bayou Region, supported by energy, marine transportation, healthcare, government, and consumer-service industries.

Houma's economic identity is closely tied to offshore energy production, vessel construction and repair, marine logistics, aviation services, healthcare, and government operations. Terrebonne Parish contains an extensive network of navigable waterways and marine-service facilities that support offshore platforms, commercial vessels, fishing operations, and Gulf Coast infrastructure. Healthcare, education, retail, hospitality, and public administration provide additional employment diversity and stabilize consumer activity when energy markets fluctuate.

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