



Shake Shack

No LL Responsibilities / 10% Rent Increases Every 5 Years

\$5,457,000 | 5.00% CAP

7900 Gateway Promenade Place, Gainesville, VA 20155 (Washington DC)

- ✓ **Rent Commencement:** February 2025
- ✓ **Brand New 15-Year Corporate Ground Lease** w/ 10% Rental Increases Every 5 Years
- ✓ **Subject Property is Located on Gateway Promenade Pl**, Right off Linton Hall Rd (38,800+ VPD) and Wellington Rd (18,200+ VPD).
- ✓ **112,520+ Residents** Living Within a 5-Mile Radius That Have an Average Household Income of \$177,262.
- ✓ **Shake Shack has Been One of the Fastest-Growing Food Chains** in the US with Over 552 Locations Globally

Shake Shack Inc. (NYSE: SHAK) owns and **operates more than 552 locations** both domestically and internationally. The company was **founded in 2004** and is **headquartered** in New York, NY.



INVESTMENT OVERVIEW

SHAKE SHACK GAINESVILLE, VA

File Photo



CONTACT FOR DETAILS

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Bob Moorhead

Managing Partner
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bob@securenetlease.com

VA Broker of Record: Hunt Gunter

License #: 22516590

\$5,457,000

5.00% CAP

NOI

\$272,870

Building Area

±3,086 SF

Land Area

±0.11 AC

Year Built

2025

Lease Type

Ground Lease

Occupancy

100%

- ✓ **Rent Commencement:** February 2025
- ✓ **Brand New 15-Year Ground Lease** with 10% rental increases every 5 years, including options periods.
- ✓ **Subject Property is Located on Gateway Promenade Pl,** right off Linton Hall Rd (38,800+ VPD) and Wellington Rd (18,200+ VPD). It is half a mile down the road from Highway 29/Lee Highway (52,100+ VPD).
- ✓ **Excellent Demographics** - There are 112,520+ residents living within a 5-mile radius of the property that have an average household income of \$177,262.
- ✓ **Located in a Dense Retail Corridor Near Several Nationally Recognized Tenants:** Target, Walgreens, Chick-fil-A, Panera Bread, CAVA, Taco Bell, and many more.
- ✓ **Gainesville, Virginia is Only 30 Miles from Washington, D.C.,** 60 miles from Baltimore, Maryland, and 75 miles from Richmond, VA. Gainesville offers a small-town vibe while not being too far from large metro areas.
- ✓ **Shake Shack has Been One of the Fastest-Growing Food Chains in the US** with over 552 locations globally. The company's System Wide Sales for 2023 was over \$1.7 B which is 23.5% increase over 2022.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

HAYMARKET
ELEMENTARY SCHOOL
(865 STUDENTS)

55

GEORGE G TYLER
ELEMENTARY SCHOOL
(449 STUDENTS)

PACE WEST
SCHOOL
(25 STUDENTS)

DOGWOOD
MEDICAL GROUP LLC

THE MARQUE
APARTMENTS

BUCKLAND MILLS
ELEMENTARY
(739 STUDENTS)

THE RESIDENCES
AT SOMERHILL
FARMS APARTMENTS
(140 UNITS)

JOHN MARSHALL HIGHWAY
±22,907 VPD

SHAKE SHACK
SUBJECT PROPERTY
7900 GATEWAY PROMENADE PL.

66 EXPRESS OUTSIDE THE BELTWAY
±59,653 VPD

BAE PRID
FARM

29

LEE HIGHWAY
±48,924 VPD

WELLS FARGO

7 ELEVEN

Public Storage

CUBESMART
self storage

Cabela's

iStorage

SUBWAY

Exxon

Wawa

Public Storage

BJ's

USPS.COM

WELLINGTON ROAD
±18,200 VPD

Bank of America

DOLLAR TREE

SPRINGHILL
SUITES
BY MARRIOTT

TARGET	LOWE'S	BEST BUY	Starbucks
HomeGoods	Giant	Bath & Body Works	PANDA EXPRESS
HOBBY LOBBY	HAVERTY'S FURNITURE - EST 1885	MOD	CHIRP! CHIRP!
PET SMART	GOODYEAR	BURGER KING	DOMINO'S
FIVE BELOW	DSW DESIGNER SHOE WAREHOUSE	ups	KFC
MATTRESS FIRM	LA Z BOY	ups	Domino's
LA Z BOY	ihop	ups	Domino's
Total Wine & MORE	OUTBACK STEAKHOUSE	TACO BELL	KFC
FIVE GUYS BURGERS and FRIES	Panera BREAD	Buffalo Wild Wings	Chick-fil-A
SUBWAY			

Wegmans	DICK'S SPORTING GOODS
Michaels	ROSS DRESS FOR LESS
DUNKIN'	OLD NAVY
Moe's	tropical CAFE
Jersey Mike's	

ROBERT TRENT
JONES GOLF CLUB

LAKE MANASSAS

GAINESVILLE
HIGH SCHOOL
(1,371 STUDENTS)

GAINESVILLE
MIDDLE SCHOOL
(1,396 STUDENTS)

PINEY BRANCH
ELEMENTARY SCHOOL
(752 STUDENTS)

GLENKIRK
ELEMENTARY SCHOOL
(636 STUDENTS)

PAPA JOHN'S

619

LINTON HALL ROAD
±38,800 VPD

Self Storage Plus

KT Enterprises Inc.

THE MARQUE APARTMENTS

55

JOHN MARSHALL HIGHWAY
±22,907 VPD

SUBWAY

Onelife FITNESS

Dewberry

SHEETZ

66 EXPRESS OUTSIDE THE BELTWAY
±59,653 VPD

THE RESIDENCES AT SOMERHILL FARMS APARTMENTS (140 UNITS)

WHITE CAP

extended STAY AMERICA

TARGET **LOWE'S** **BEST BUY** **Starbucks**

HomeGoods **Giant** **Bath & Body Works** **PANDA EXPRESS**

HOBBY LOBBY **HAVERTY'S FURNITURE - EST 1885** **MOD** **CRISPEL**

PET SMART **GOODYEAR** **ups** **BURGER KING**

five BELOW **DSW DESIGNER SHOE WAREHOUSE** **Domino's** **KFC**

MATTRESS FIRM **LA Z BOY** **Chick-fil-A**

Total Wine & MORE **ihop** **OUTBACK STEAKHOUSE** **TACO BELL**

FIVE GUYS BURGERS and FRIES **Panera BREAD** **BUFFALO WILD WINGS**

SUBWAY

Cabela's

Advance! Auto Parts
jiffy lube multicare

CVS pharmacy

LEE HIGHWAY
±48,924 VPD

FITNESS enterprise

7 ELEVEN

iStorage

Roy Rogers

7 ELEVEN

29

Public Storage

CUBE SMART self storage

SUNOCO

DOLLAR TREE

Bank of America

Wawa

THE LEARNING EXPERIENCE

CALIBER COLLISION

WELLINGTON ROAD
±18,200 VPD

SHAKE SHACK
SUBJECT PROPERTY
7900 GATEWAY PROMENADE PL.

BJs

USPS.COM

B.P.

SPRINGHILL SUITES BY MARRIOTT

LIFETIME FITNESS

CALIBER COLLISION

REGAL LOFT
Orangetheory FITNESS
SmashBURGER

GATEWAY PROMENADE PLACE

619

LINTON HALL ROAD
±38,800 VPD

jiffy lube live

GAINESVILLE HIGH SCHOOL
(1,371 STUDENTS)

GAINESVILLE MIDDLE SCHOOL
(1,396 STUDENTS)

TENANT OVERVIEW

SHAKE SHACK GAINESVILLE, VA

Shake Shack

Lessee: Shake Shack Virginia, LLC

Guarantor: SSE Holdings, LLC

REVENUE
\$1.09 B

STOCK TICKER
SHAK

LOCATIONS
552+

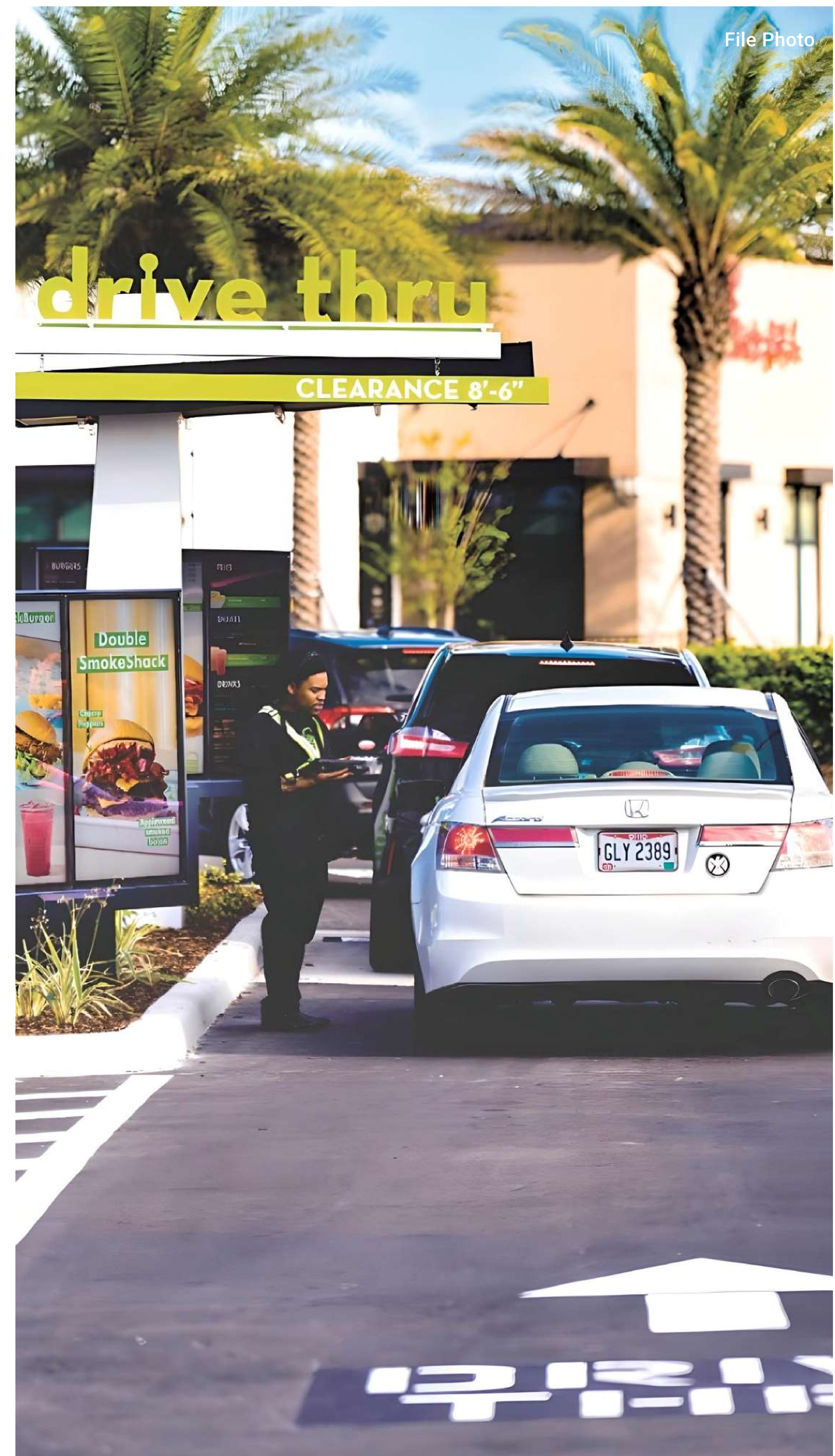
SHAKE  SHACK®

shakeshack.com

Shake Shack serves elevated versions of American classics using only the best ingredients. It's known for its delicious made-to-order Angus beef burgers, crispy chicken, hand-spun milkshakes, house-made lemonades, beer, wine, and more.

With its **high-quality** food at a great value, warm hospitality, and a commitment to **crafting uplifting experiences**, Shake Shack quickly became a **cult-brand** with widespread appeal. Shake Shack's purpose is to Stand For Something Good®, from its premium ingredients and employee development, to its **inspiring designs** and deep community investment.

Since the original Shack opened in **2004** in NYC's Madison Square Park, the Company has expanded to over **552 locations** system-wide, including **352 in 34 U.S. States** and the District of Columbia, and over **200 international locations**.



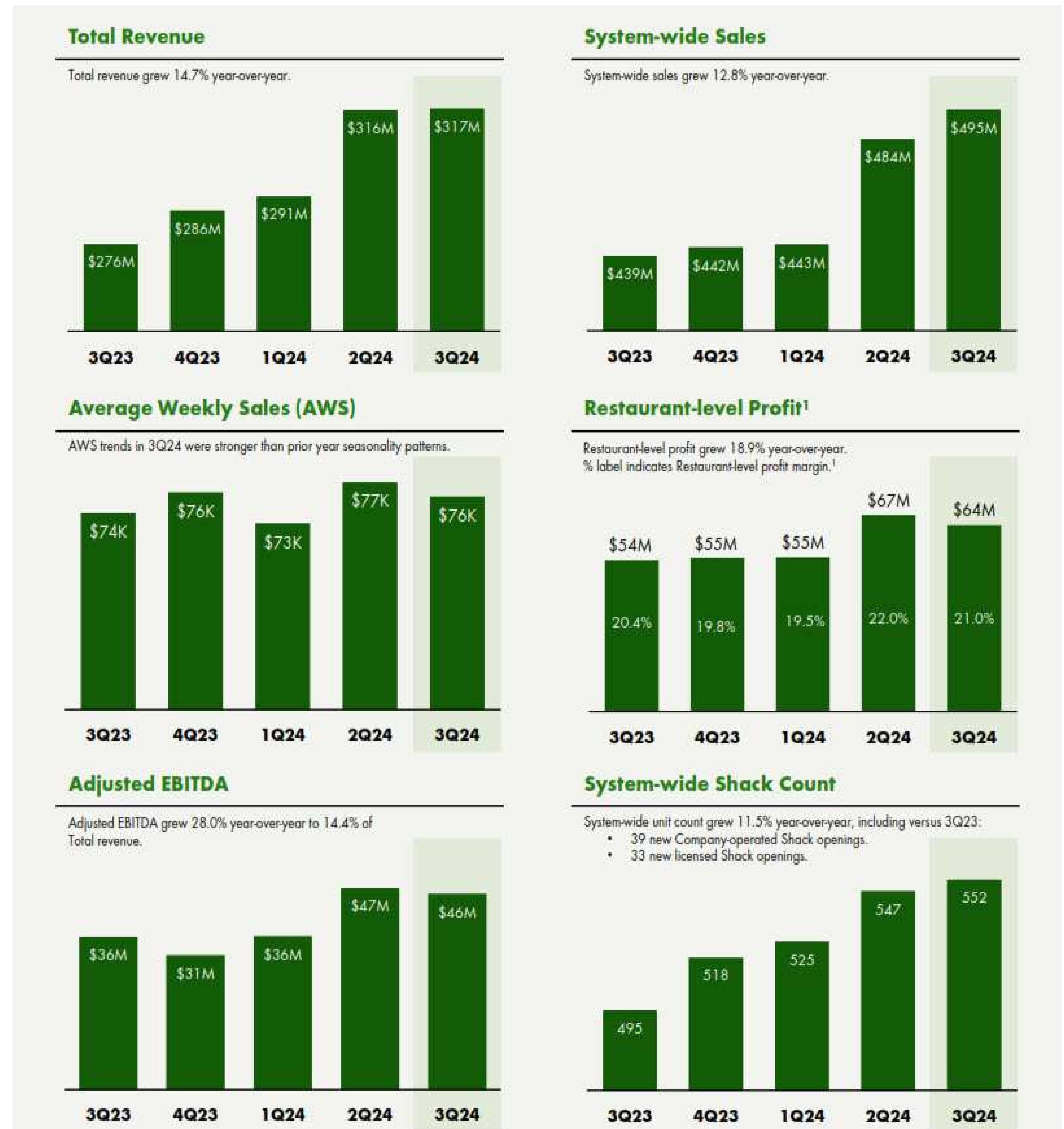
SHAKE SHACK Q3 2024 HIGHLIGHTS

SHAKE SHACK GAINESVILLE, VA

Shake Shack Announces Third Quarter 2024 Financial Results

- Total revenue of \$316.9 million, up 14.7% versus 2023, including \$304.9 million of Shack sales and \$12.0 million of Licensing revenue.
- System-wide sales of \$495.1 million, up 12.8% versus 2023.
- Same-Shack sales up 4.4% versus 2023.
- Operating loss of \$18.0 million, inclusive of a \$29.1 million charge for Impairments, loss on disposal of assets, and Shack closures, versus operating income of \$5.7 million in 2023.
- Restaurant-level profit (1) of \$64.2 million, or 21.0% of Shack sales.
- Net loss of \$11.1 million, inclusive of a \$29.1 million charge for Impairments, loss on disposal of assets, and Shack closures, versus net income of \$8.1 million in 2023.
- Adjusted EBITDA (1) of \$45.8 million, up 28.0% versus 2023.
- Net loss attributable to Shake Shack Inc. of \$10.2 million, or loss of \$0.26 per share, inclusive of a \$29.1 million charge for Impairments, loss on disposal of assets, and Shack closures.
- Adjusted pro forma net income (1) of \$11.2 million, or earnings of \$0.25 per fully exchanged and diluted share.
- Opened eight new Company-operated Shacks, including three drive-thrus. Opened nine new licensed Shacks.

[CLICK HERE FOR ARTICLE >>](#)



IN THE NEWS

SHAKE SHACK GAINESVILLE, VA

Shake Shack Soars 12% Following Impressive Q3 Earnings Report and Analyst Upgrades

FEBRUARY 11, 2024 (MEDIA PRESS DESK)

Investors and analysts alike are celebrating Shake Shack's (SHAK) stellar performance in its most recent quarterly report, resulting in a significant surge in the company's stock price. Over the past week, the popular hamburger chain has witnessed a remarkable 12% increase, primarily driven by robust third-quarter results and a flurry of target price upgrades from several analysts.

The company reported a year-over-year **revenue growth of 15%**, reaching \$317 million, thanks to the opening of new restaurants and a same-restaurant sales increase of over 4%.

Even more noteworthy was Shake Shack's ability to enhance its "pro forma" metrics, or non-GAAP (Generally Accepted Accounting Principles) results, with net income soaring by 48% to \$11.1 million, translating to more than \$0.25 per share. Analysts had anticipated lower figures, estimating revenue at \$316 million and adjusted earnings at \$0.19 per share.

In the wake of these impressive earnings, many analysts quickly adjusted their outlook on Shake Shack. By the close of the market on Friday, at least seven analysts had **raised their price targets for the stock**, bolstering positive sentiment around the company.

Among the notable upgrades was from Jake Bartlett of Truist Securities, who increased his fair value estimate from \$127 to \$144 per share while maintaining a "Buy" recommendation. In his research note, Bartlett highlighted the **management's effectiveness** in navigating the value dynamics and praised the marketing strategies and service enhancements implemented in the company's restaurants.

With investor enthusiasm at an **all-time high**, Shake Shack's impressive quarterly results and subsequent analyst support mark a promising chapter for the beloved burger chain. As it attracts **further interest in the market**, the company's trajectory suggests a bright future for both the brand and its shareholders.

EXPLORE ARTICLE



Why Investors Were Gorging on Shake Shack Stock This Week

JERIC VOLKMAN, NOVEMBER 1, 2024 (YAHOO FINANCE)

This week's news from hamburger slinger Shake Shack (NYSE: SHAK) was overwhelmingly positive -- hence the stock's double-digit gain over the past five trading days. According to data compiled by S&P Global Market Intelligence, it ended the week more than 12% higher in price.

On Wednesday, Shake Shack served up a very tasty meal for investors in the form of its third-quarter results. Revenue rose a sturdy **15% year-over-year** to hit \$317 million, thanks to a combination of new restaurant openings and a more than 4% rise in same-restaurant sales.

More impressively, the company managed to increase its "pro forma," i.e., non-GAAP (generally accepted accounting principles), or adjusted net income by 48% to just over \$11.1 million, or \$0.25 per share.

On average, analysts tracking Shake Shack were modeling less than \$316 million on the top line, and \$0.19 per share for adjusted profitability.

Several of those pundits were quick to make **upward adjustments** on their Shake Shack takes following the earnings release. By my count, no less than seven raised their price targets on the stock by Friday market close, and these bullish moves helped boost sentiment on the company.

Among the raisers was Truist Securities' Jake Bartlett, who hiked his fair value assessment of the stock to **\$144 per share** from the previous \$127. In doing so, he maintained his buy recommendation. According to sources, Bartlett wrote in a new research note that **management is being quite effective** at finding the right price/value dynamic, and has done well with marketing and the speed of service in the company's restaurants.

EXPLORE ARTICLE



LEASE OVERVIEW

SHAKE SHACK GAINESVILLE, VA


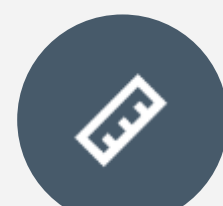
Initial Lease Term	15 Years, Plus Two, 5 - Year Options to Renew
Projected Rent Commencement	February 2025
Projected Lease Expiration	January 2040
Lease Type	Ground Lease
Rent Increases	10% Every 5-Years
Annual Rent Years 1-5	\$272,870
Annual Rent Years 6-10	\$300,157
Annual Rent Years 11-15	\$330,173
Option 1	\$363,190
Option 2	\$399,509

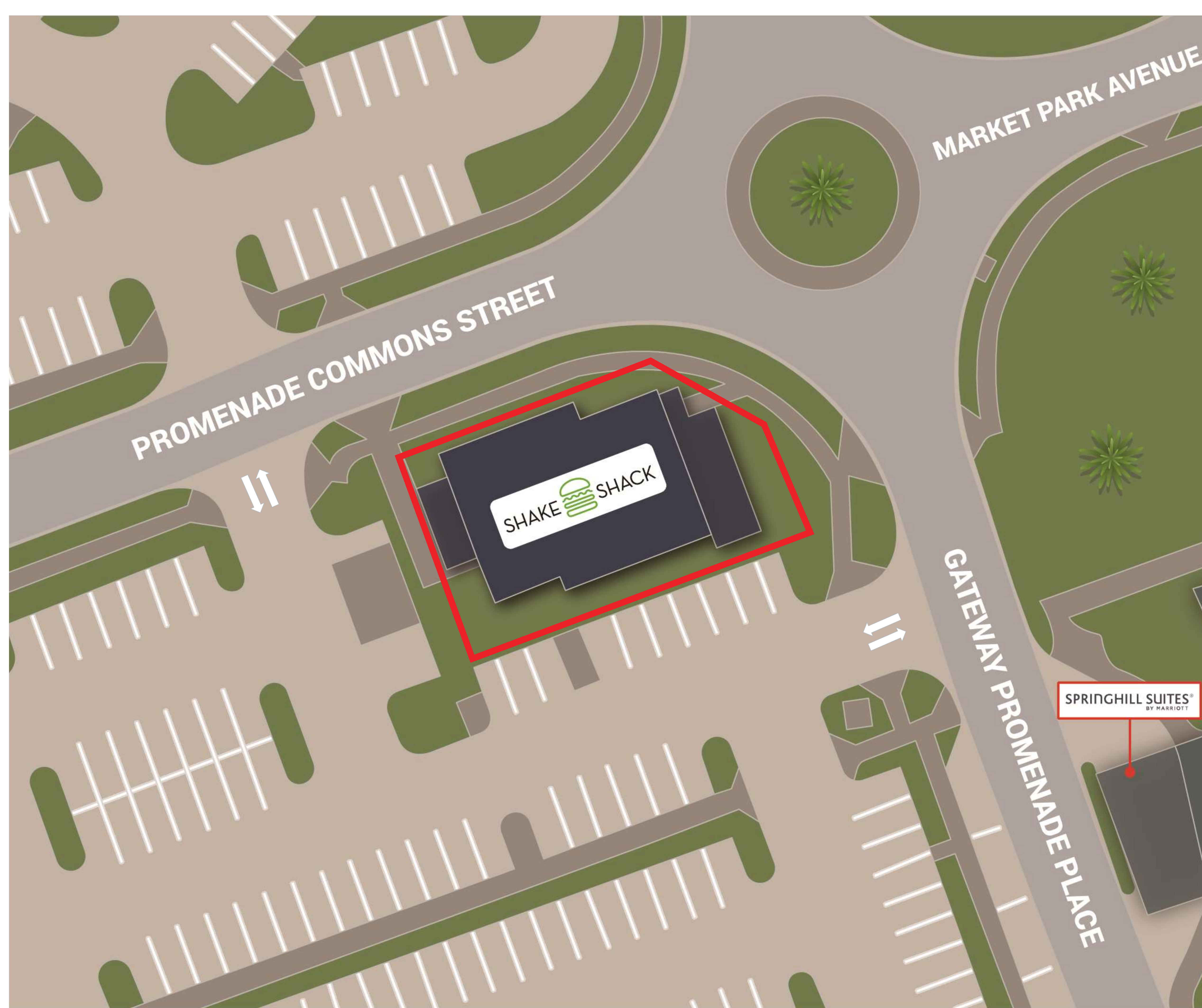
This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



SITE OVERVIEW

SHAKE SHACK GAINESVILLE, VA

	Year Built		2025
	Building Area		±3,086 SF
	Land Area		±0.11 AC



NEIGHBORING RETAILERS

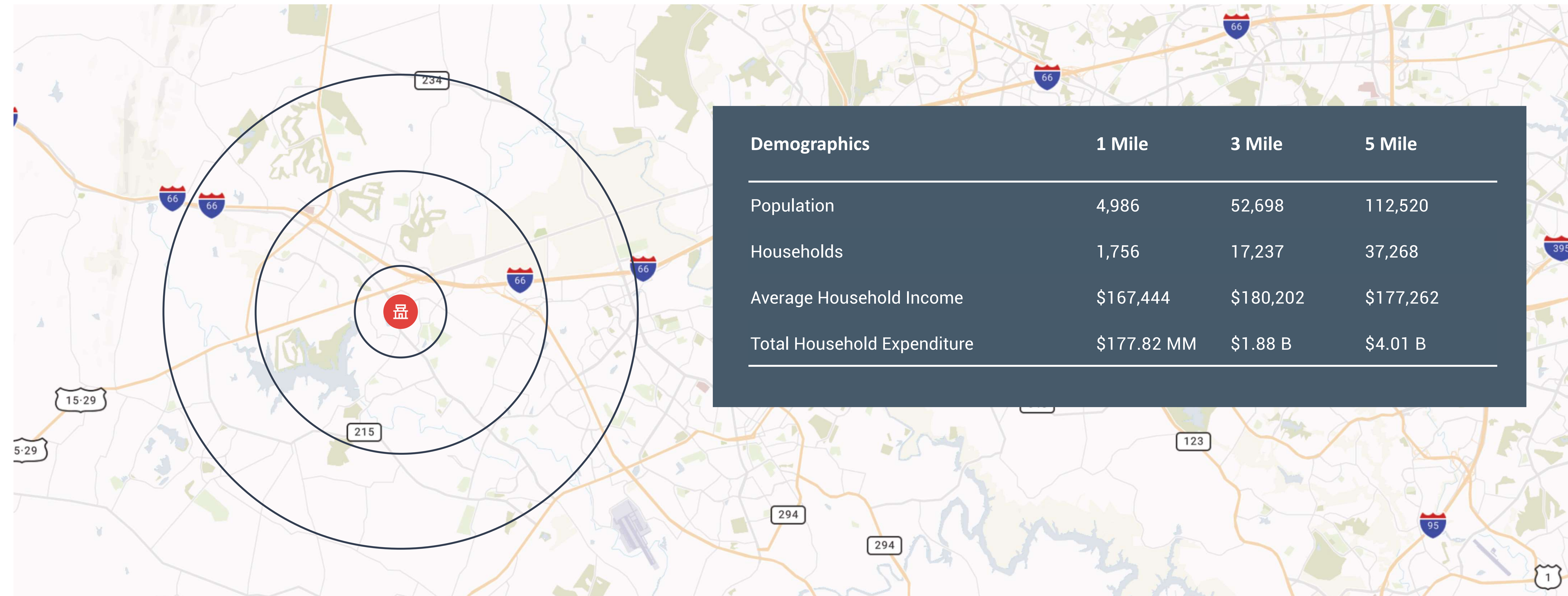
- Target
- Lowe's
- Best Buy
- Hobby Lobby
- Old Navy
- HomeGoods
- Five Below
- Chico's
- Bath & Body Works
- Ross Dress For Less



File Photo

LOCATION OVERVIEW

SHAKE SHACK GAINESVILLE, VA



VIRGINIA ECONOMIC DRIVERS


1. U.S. Department of Defense
2. Wal-Mart
3. Fairfax County Public Schools
4. Sentara Healthcare
5. Huntington Ingalls Industries, Inc
6. University of Virginia / Blue Ridge Hospital
7. Amazon Fulfillment Services Inc.
8. Inova Health System
9. Capital One Bank
10. Food Lion

LOCATION OVERVIEW

SHAKE SHACK GAINESVILLE, VA

Gainesville

Virginia

 16,754
Population

 \$163,942
Median Household Income



Gainesville is just a Short
Drive from Washington
D.C.

30 MILES

Gainesville is about an
Hour from Baltimore,
Maryland

60 MILES

Gainesville is a census-designated place in western Prince William County, Virginia, United States.

Gainesville is a vibrant suburban district home to major shopping, dining, and entertainment choices.

Complete with a wide array of restaurants, cafes, and town events, the town brings together the perfect amount of Virginia charm without being too far from a large metro area. It provides the perfect balance of two very different worlds.

Major attractions include the shopping megapolis known as Virginia Gateway, and other attractions such as Tin Cannon Brewery, Regal Cinemas, Murlarkey Distillery and Cabela's.

Local attractions include historic sites like Rippon Lodge and Bull Run Regional Park where visitors can take part in all kinds of outdoor activities including hiking and biking trails or birdwatching. Virginia Gateway the premier shopping destination for the Gainesville and Haymarket area, with over 120 retail shops and restaurants, this exciting mixed-use development has over 1.3 million square feet of national, regional and local merchants in a convenient shopper-friendly environment. The Conway Robinson State Forest is "an urban oasis" - a beautiful forest in the midst of the most developed urban/suburban area in Virginia. Gainesville is served by Gainesville High, Gainesville Middle School, Bull Run Middle School, George G. Tyler Elementary School, Glenkirk Elementary School, Buckland Mills Elementary School. The nearest major airport is Washington Dulles International Airport (IAD / KIAD). This airport has international and domestic flights from Dulles, Virginia and is 21 miles from the center of Gainesville, VA.

IN THE NEWS

SHAKE SHACK GAINESVILLE, VA

Microsoft spends big on data center land near Gainesville

BEN PETERS, MARCH 1, 2024 (INSIDENOVA)

Microsoft Corp. recently acquired vacant property zoned for data centers in Gainesville for more than \$465 million, according to a Washington Business Journal report.

The properties were sold for **\$465.5 million** by 41992 John Marshall Highway LLC, an entity closely associated with JK Land Holdings LLC, a land acquisition firm managed by Loudoun-based logistics and data center **mogul Chuck Kuhn**, according to the Washington Business Journal.

The publication reports the property comprises about 124 acres across two parcels at 13490 University Blvd. and 5941 Wellington Road, directly south of Conway Robinson State Forest and Manassas National Battlefield Park, near where the contentious PW Digital Gateway data center corridor is primed for development.

A spokesperson with JK Land Holdings verified the legitimacy of the sale but otherwise declined to comment. Microsoft could not be immediately reached for comment. Both parcels' existing **heavy industrial** zoning designation already accommodates **data center development**. But a rezoning application submitted to Prince William County last year for the University Boulevard site is seeking an allowance for up to nearly **4 million** square feet of data centers and a new electric substation.

County documents show the Wellington Road parcel sits on land that was previously home to the Atlantic Research Corporation, which operated a rocket and **missile production** and testing facility under contract with the **U.S. Department of Defense** until 2005 when it was decommissioned. The **University Boulevard** site is nearby.

EXPLORE ARTICLE



The Cordish Cos. to codevelop \$1.4B mixed-use gaming development in Virginia

APRIL 15, 2024 (THE DAILY RECORD)

Bruce Smith Enterprise and Baltimore-based The Cordish Companies have responded to a request for proposal issued by the City of Petersburg, Virginia, with plans to codevelop a \$1.4 billion Live Gaming & Entertainment District, anchored by Live Casino & Hotel Virginia.

The Live Casino & Hotel will generate **\$2.8 billion** in economic stimulus to the region, **\$504 million** in tax revenues including **\$240 million** to the city of Petersburg, **\$802 million** in **economic benefits** during **construction**, **\$201 million** in annual economic benefits each year after opening and more than **7,500 new construction** and permanent jobs.

Upon completion, the project will have more than 400,000 square feet of gaming, hotel and dining space. It will include 35,000 square feet of meeting and convention space, an upscale 200-room hotel featuring 20 suites, resort pool and fitness center, 1,600 slot machines, 46 live action table games, including a 15-table poker room, high limit slot and table areas and a sportsbook, a 3,000-seat entertainment venue for talent from across Virginia and the greater region, as well as for meetings, conventions and social gatherings as well as eight food and entertainment options.

The Cordish Companies is **one of the largest**, developer-operators of upscale **mixed-use, entertainment** and casino resort destinations in the United States. For more than a century, The Cordish Companies **has built a portfolio** of **world-class destinations** and projects that span across several platforms including casino resorts, restaurants, hotels, sports-anchored entertainment districts, **mixed-use developments**, concert venues, luxury residential communities, coworking spaces, and **more**.

EXPLORE ARTICLE



IN THE NEWS

SHAKE SHACK GAINESVILLE, VA

Key Data Center Developments Coming to Prince William County

Gainesville Crossing Data Campus (GCDC):

- A 130-acre project, the GCDC aims to house five data centers with a total power capacity of 306 MW. It includes an on-site substation and advanced cooling and energy efficiency features, targeting a Power Usage Effectiveness (PUE) ratio of less than 1.25. The first building became operational in 2023
- The campus is designed for hyperscale and enterprise tenants, with a focus on sustainability and security. It is strategically located about 20 miles southwest of Ashburn, VA, the central hub for data centers in the U.S.

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66 and US 29 Technology Park:

- This 2.89 million square-foot proposed development includes up to six data center buildings on a 102-acre site. It requires rezoning for a portion of the property, reflecting ongoing efforts to expand data center zoning in Prince William County

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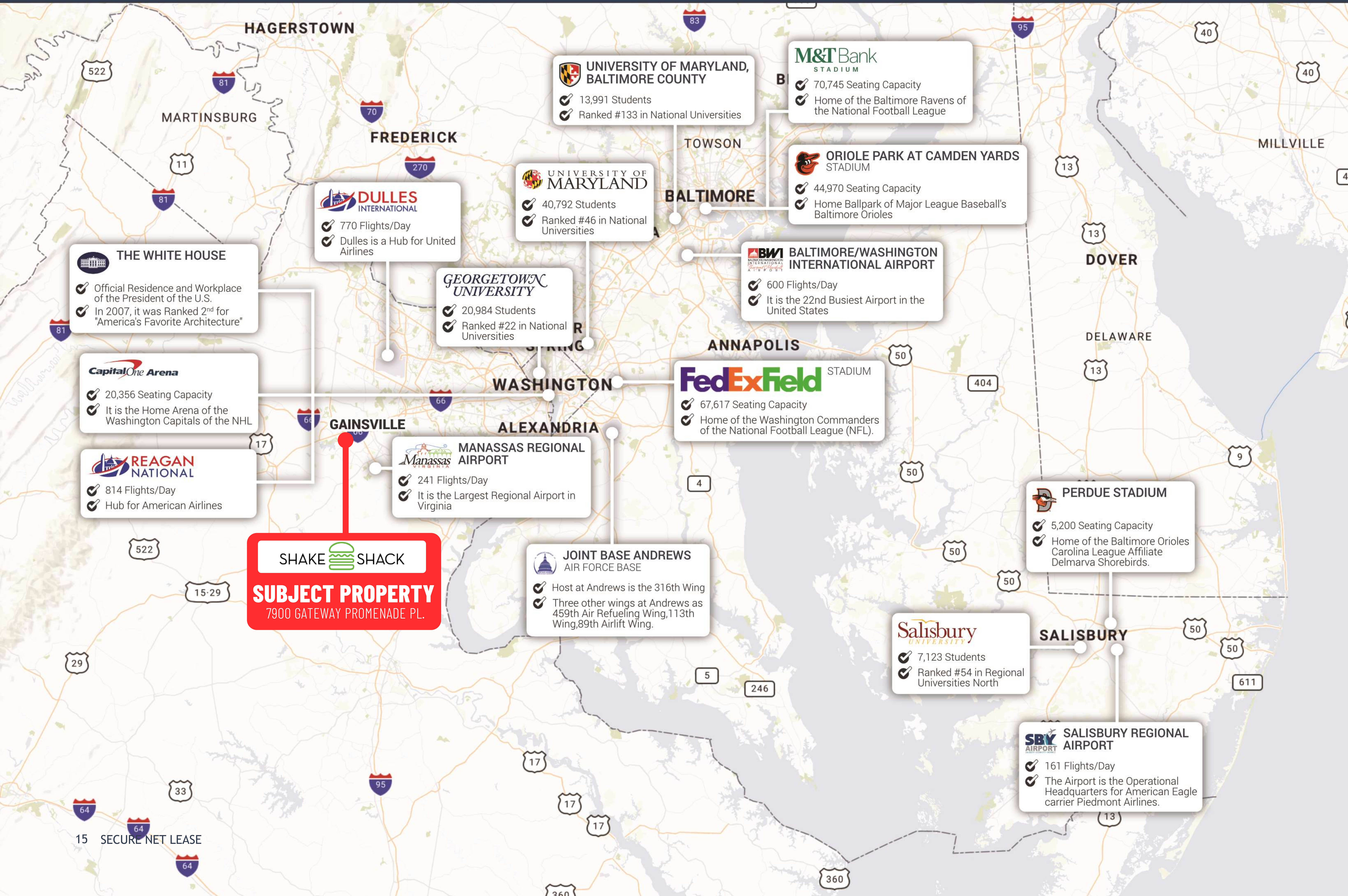
Broader Regional Trends:

- Prince William County, including Gainesville, is experiencing rapid growth in data center construction to meet rising demand. Recent approvals have expanded the county's Data Center Opportunity Zone, facilitating new developments Virginia Mercury
- These data center projects align with the region's strong position in technology and infrastructure, supported by proximity to major transportation hubs like Dulles International Airport and subsea cable landing stations in Virginia. The area's transformation reflects a shift towards a high-tech, energy-intensive economy.

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METRO AREA

SHAKE SHACK GAINESVILLE, VA



THE WHITE HOUSE

- ✓ Official Residence and Workplace of the President of the U.S.
- ✓ In 2007, it was Ranked 2nd for "America's Favorite Architecture"

Capital One Arena

- ✓ 20,356 Seating Capacity
- ✓ It is the Home Arena of the Washington Capitals of the NHL

REAGAN NATIONAL

- ✓ 814 Flights/Day
- ✓ Hub for American Airlines

SHAKE SHACK

SUBJECT PROPERTY

7900 GATEWAY PROMENADE PL.

DULLES INTERNATIONAL

- ✓ 770 Flights/Day
- ✓ Dulles is a Hub for United Airlines

GEORGETOWN UNIVERSITY

- ✓ 20,984 Students
- ✓ Ranked #22 in National Universities

UNIVERSITY OF MARYLAND

- ✓ 40,792 Students
- ✓ Ranked #46 in National Universities

UNIVERSITY OF MARYLAND, BALTIMORE COUNTY

- ✓ 13,991 Students
- ✓ Ranked #133 in National Universities

BWI BALTIMORE/WASHINGTON INTERNATIONAL AIRPORT

- ✓ 600 Flights/Day
- ✓ It is the 22nd Busiest Airport in the United States

FedExField STADIUM

- ✓ 67,617 Seating Capacity
- ✓ Home of the Washington Commanders of the National Football League (NFL).

JOINT BASE ANDREWS AIR FORCE BASE

- ✓ Host at Andrews is the 316th Wing
- ✓ Three other wings at Andrews as 459th Air Refueling Wing, 113th Wing, 89th Airlift Wing.

M&T Bank STADIUM

- ✓ 70,745 Seating Capacity
- ✓ Home of the Baltimore Ravens of the National Football League

ORIOLE PARK AT CAMDEN YARDS STADIUM

- ✓ 44,970 Seating Capacity
- ✓ Home Ballpark of Major League Baseball's Baltimore Orioles

PERDUE STADIUM

- ✓ 5,200 Seating Capacity
- ✓ Home of the Baltimore Orioles Carolina League Affiliate Delmarva Shorebirds.

Salisbury UNIVERSITY

- ✓ 7,123 Students
- ✓ Ranked #54 in Regional Universities North

SALISBURY REGIONAL AIRPORT

- ✓ 161 Flights/Day
- ✓ The Airport is the Operational Headquarters for American Eagle carrier Piedmont Airlines.

MANASSAS REGIONAL AIRPORT

- ✓ 241 Flights/Day
- ✓ It is the Largest Regional Airport in Virginia

CALL FOR ADDITIONAL INFORMATION

Dallas

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Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
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