



Burger King Offering  
6236 Lee Hwy.  
Chattanooga, TN





## CONTENTS

### > EXECUTIVE SUMMARY

Executive Summary  
Investment Highlights & Offering Summary

### > PROPERTY INFORMATION

Property Description  
Property Aerial  
Retail Map  
Tenant Overview

### > LOCATION OVERVIEW

Location Overview  
Area Map  
Demographics

### > DISCLAIMER

## CONTACT

CHRISTIAN PERA

Associate  
christian.pera@colliers.com  
+1 847 384 2821

PETER BLOCK

Executive Vice President  
peter.block@colliers.com

JOSEPH AUSTIN

Vice President  
joseph.austin@colliers.com

MARSHALL BURKE

Senior Director  
marshall.burke@harrison-  
bates.com

SETH GILFORD

Associate  
seth.gilford@colliers.com



# EXECUTIVE SUMMARY

Colliers international is pleased to present for sale a single tenant, net leased, Burger King restaurant located in Chattanooga, TN right off two major intersecting highways with exits filtering to the subject property.

This prime location is situated in the Chattanooga airport submarket. As such, it is the best located retail on the strip and the first QSR located off the main ramp of TN-64 and TN-153. Burger King is an outlot to a shopping center and has full access entrances.

The tenant has 8.5 years remaining on an initial 20 year NNN lease. The lease contains four (4), five (5) year renewal options and feature 10% rent increases every five years including options. This is a true NNN lease structure with zero landlord responsibilities. This investment opportunity is being offered for sale at \$2,947,754, a net operating income of \$168,022 and a corresponding cap rate of 5.70%.



## OFFERING SUMMARY

ASKING PRICE:	\$2,947,754
CAP RATE:	5.70%
NOI:	\$168,022
SIZE:	+/- 2,273 SF
LEASE EXPIRATION:	July 25, 2027
EXCALATIONS:	10% every 5 years



# INVESTMENT HIGHLIGHTS & OFFERING SUMMARY

## INVESTMENT HIGHLIGHTS

- › Income tax free state
- › Great Demographics
- › Near Chattanooga Airport

## 1031 EXCHANGE OPPORTUNITY

- › This operator has long term growth strategy to expand
- › Strong sales
- › Growing area







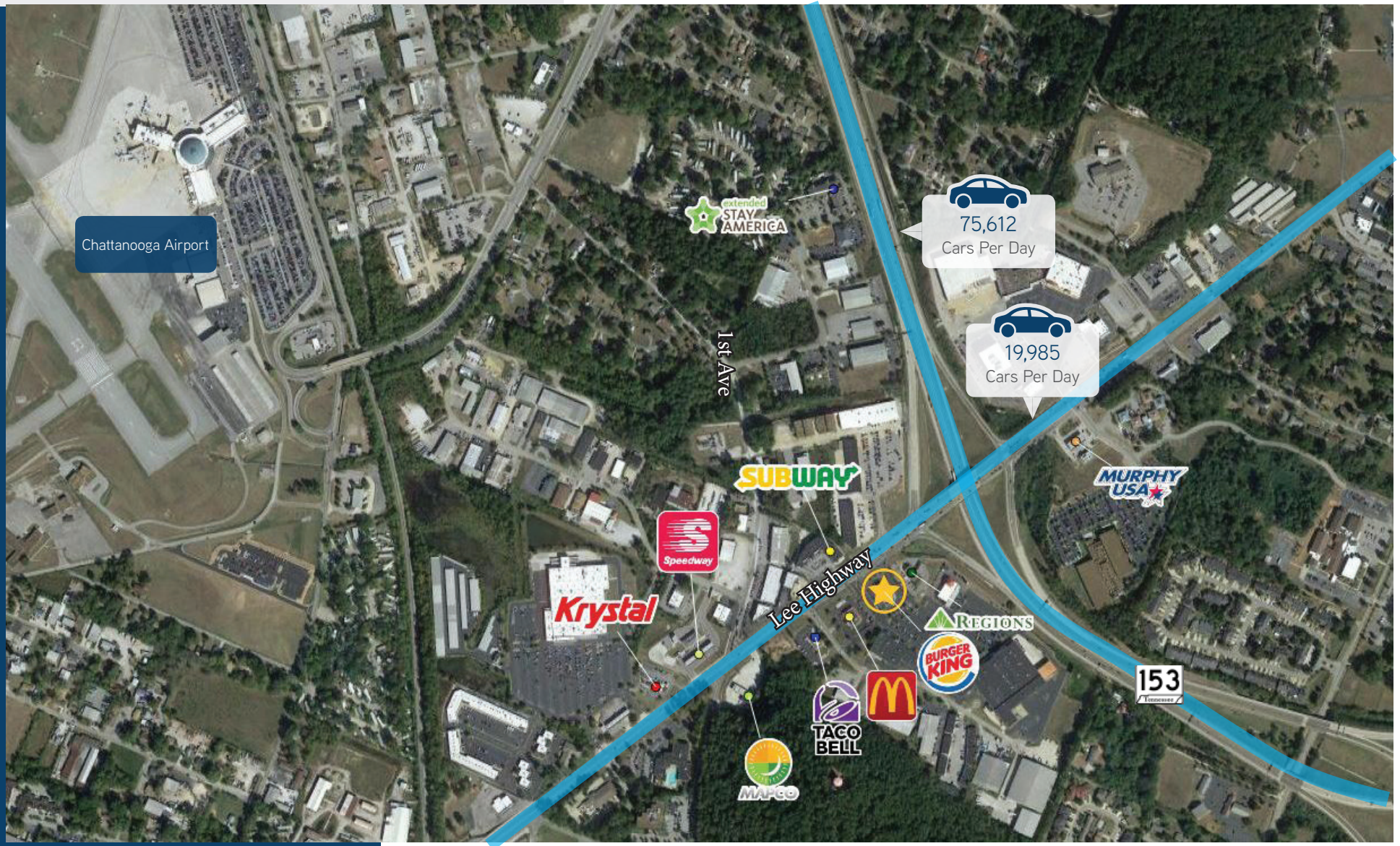
## PROPERTY INFORMATION

### PROPERTY DESCRIPTION

PROPERTY ADDRESS:	6236 Lee Highway Chattanooga, TN 37421
OFFERING PRICE:	\$2,947,754
NOI:	\$168,022
CAP RATE:	5.70%
LEASE TYPE:	NNN – No Landlord Responsibility
LEASE TERM REMAINING:	Through June 25th, 2027
RENEWAL OPTIONS:	Four five (5) year options
YEAR BUILT:	2007
LAND SIZE:	0.53 Acres
BUILDING SIZE:	+/- 2,273 SF
GUARANTOR:	Franchisee Guarantee
TENANT:	Hometown Folks, LLC



# INVESTMENT HIGHLIGHTS & OFFERING SUMMARY







## TENANT OVERVIEW

Burger King Worldwide operates the world's #3 hamburger chain by sales with almost 15,000 restaurants in the US and more than 100 other countries. In addition to its popular Whopper sandwich, the chain offers a selection of burgers, chicken sandwiches, salads, and breakfast items, along with beverages, desserts, and sides. Many of the eateries are stand-alone locations offering dine-in seating and drive-through services; the chain also includes units in high-traffic locations such as airports and shopping malls. Burger King Worldwide is owned and operated by Restaurant Brands International. Burger King has restaurant locations throughout the US and more than 100 other countries. The US and Canada are responsible for about 65% of revenues.

## FRANCHISEE OVERVIEW

Hometown Folks, LLC was established in 2003 in Chattanooga, TN. The company operates 18 Burger King Franchisees located in Chattanooga, TN and the surrounding area and has sales of over \$25.7 million. The franchise owners come from a successful restaurant background that started such concepts as Krystal and Central Park. Their vast experience and history has created their long term, high operational standards and refined systems. Today their Burger King Franchise sales are the highest average unit volume in the history of the brand in the Chattanooga, TN DMA. Hometown Folks LLC were awarded the Brand Leadership Award from Burger King Corporation.



# LOCATION OVERVIEW

## CHATTANOOGA, TN

Chattanooga is the fourth-largest city in Tennessee, approximately 120 miles northwest of Atlanta, 135 miles southeast of Nashville, and 148 miles northeast of Birmingham. Chattanooga is located where three major interstate highways meet.

The subject property is well-positioned off of primary highway I-75, which is the primary freeway that connects Chattanooga to cities such as Atlanta and Knoxville. This Burger King is also located less than a mile from Chattanooga Airport and less than eight miles from The University of Tennessee at Chattanooga, making it a prime location for a consistent customer base.

Furthermore, Chattanooga's tourism industry contributes greatly to the city's economy. Chattanooga is known as the "Scenic City," therefore tourists travel to this area to see attractions along the Tennessee River. Since the Chattanooga airport is only four miles away, there are over a dozen hotels located less than one mile from the property. Chattanooga is becoming increasingly known for its entrepreneurial culture and start-up businesses. The city hosts Startup Week Chattanooga, a large opportunity to grow the city's economy, invite investors, and welcome tourism to travel centers such as this property.





# DEMOGRAPHICS



## 6236 LEE HWY, CHATTANOOGA, TN

### POP FACTS: DEMOGRAPHIC REPORT 2019

	RADIUS 1 (0.0-1.0 miles)	RADIUS 2 (0.0-3.0 miles)	RADIUS 3 (0.0-5.0 miles)
<b>POPULATION</b>			
2000 Census	5,871	35,279	116,338
2010 Census	5,361	39,540	122,699
2019 Estimate	5,703	43,836	130,735
2024 Projection	5,960	46,382	136,465
Growth 2000 - 2010	-8.69	12.08	5.47
Growth 2010 - 2019	6.38	10.87	6.55
Growth 2019 - 2024	4.51	5.81	4.38
<b>HOUSEHOLDS</b>			
2000 Census	2,797	15,599	47,928
2010 Census	2,500	18,177	51,367
2019 Estimate	2,672	20,187	55,132
2024 Projection	2,798	21,376	57,707
Growth 2000 - 2010	-10.62	16.53	7.17
Growth 2010 - 2019	6.88	11.06	7.33
Growth 2019 - 2024	4.72	5.89	4.67

	RADIUS 1 (0.0-1.0 miles)		RADIUS 2 (0.0-3.0 miles)		RADIUS 3 (0.0-5.0 miles)	
2019 EST. POPULATION BY SINGLE CLASSIFICATION RACE						
White Alone	3,301	57.88	24,746	56.45	76,679	58.65
Black or African American Alone	1,439	25.23	14,548	33.19	43,262	33.09
American Indian and Alaska Native Alone	17	0.30	135	0.31	483	0.37
Asian Alone	109	1.91	1,617	3.69	3,627	2.77
Native Hawaiian and Other Pacific Islander Alone	0	0.00	22	0.05	97	0.07
Some Other Race Alone	692	12.13	1,638	3.74	3,423	2.62
Two or More Races	145	2.54	1,129	2.58	3,166	2.42
2019 EST. POPULATION HISPANIC OR LATINO						
Hispanic or Latino	1,271	22.29	3,587	8.18	7,760	5.94
Not Hispanic or Latino	4,432	77.71	40,249	91.82	122,975	94.06
2019 TENURE OF OCCUPIED HOUSING UNITS						
Owner Occupied	1,156	43.26	10,560	52.31	32,509	58.97
Renter Occupied	1,516	56.74	9,627	47.69	22,623	41.03
AVERAGE HOUSEHOLD SIZE						
Total	2.13		2.16		2.33	



## 6236 LEE HWY, CHATTANOOGA, TN

### POP FACTS: DEMOGRAPHIC REPORT 2019

	RADIUS 1 (0.0-1.0 miles)		RADIUS 2 (0.0-3.0 miles)		RADIUS 3 (0.0-5.0 miles)	
2018 EST. HOUSEHOLDS BY HOUSEHOLD INCOME						
CY HHs, Inc < \$15,000	278	10.40%	2,148	10.64%	6,410	11.63%
CY HHs, Inc \$15,000 - \$24,999	334	12.50%	2,611	12.93%	6,915	12.54%
CY HHs, Inc \$25,000 - \$34,999	355	13.29%	2,287	11.33%	6,410	11.63%
CY HHs, Inc \$35,000 - \$49,999	511	19.12%	3,637	18.02%	9,481	17.20%
CY HHs, Inc \$50,000 - \$74,999	536	20.06%	3,953	19.58%	10,225	18.55%
CY HHs, Inc \$75,000 - \$99,999	216	8.08%	1,988	9.85%	5,544	10.06%
CY HHs, Inc \$100,000 - \$124,999	159	5.95%	1,421	7.04%	3,894	7.06%
CY HHs, Inc \$125,000 - \$149,999	99	3.71%	891	4.41%	2,481	4.50%
CY HHs, Inc \$150,000 - \$199,999	70	2.62%	552	2.73%	1,753	3.18%
CY HHs, Inc \$200,000 - \$249,999	33	1.24%	232	1.15%	740	1.34%
CY HHs, Inc \$250,000 - \$499,999	46	1.72%	309	1.53%	890	1.61%
CY HHs, Inc \$500,000+	34	1.27%	159	0.79%	390	0.71%
2019 EST. AVERAGE HOUSEHOLD INCOME						
Total	\$66,968		\$66,236		\$66,698	
2019 EST. MEDIAN HOUSEHOLD INCOME						
Total	\$45,498		\$47,389		\$47,167	
2019 MEDIAN HH INC. BY SINGLE RACE, CLASS, OR ETHNICITY						
White Alone	\$49,863		\$50,831		\$52,329	
Black or African American Alone	\$35,620		\$39,823		\$37,104	
American Indian and Alaska Native Alone	\$29,667		\$31,385		\$31,845	
Asian Alone	\$58,440		\$68,049		\$74,543	
Native Hawaiian and Other Pacific Islander Alone	--		\$87,107		\$106,152	
Some Other Race Alone	\$37,447		\$44,921		\$53,564	
Two or More Races	\$27,661		\$49,544		\$45,780	
Hispanic or Latino	\$41,012		\$41,307		\$42,764	
Not Hispanic or Latino	\$46,795		\$47,726		\$47,342	

## DEMOGRAPHICS





## CONTACT

CHRISTIAN PERA  
Associate  
christian.pera@colliers.com  
+1 847 384 2844

PETER BLOCK  
Executive Vice President  
peter.block@colliers.com

JOSEPH AUSTIN  
Vice President  
joseph.austin@colliers.com

MARSHALL BURKE  
Senior Director  
marshall.burke@colliers.com

SETH GILFORD  
Associate  
seth.gilford@colliers.com

## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property at 6236 Lee Hwy, Chattanooga, TN. It has been prepared by Colliers International. This 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 Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Peter Block from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Colliers International, 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 detrimental to the interest of the Seller.

Owner and Colliers International 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 at 6236 Lee Hwy, Chattanooga, TN. 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 Seller or Colliers International 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 this Offering Memorandum.