

OFFERING MEMORANDUM

HARDEE'S & EXXON

844 Carl Eller Rd | Mars Hill, NC 28754



EXCLUSIVELY LISTED BY

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INVESTMENT HIGHLIGHTS



Hardee's

- Absolute NNN
- ± 18.5 Years remaining on lease
- Operated and guaranteed by Mountain Star, LLC (25 Unit Franchisee)
- 10% increases every 5 years - Ideal hedge against inflation
- Four (4) - Five (5) year options
- Tenant has occupied space since 2007 and signed a brand new 20 year lease in 2016

Exxon

- Absolute NNN
- ± 19 years remaining on lease
- Operated and guaranteed by Y.A.B., LLC (2 Unit Franchisee - Personal Guarantee)
- 5% increases every 5 years - Market hedge against inflation
- Four (4) - Five (5) year options
- Tenant reports financials - See agent for details

Area

- Strategically located on corner of Carl Eller Rd - 11,000 Vehicles per day
- Interstate 26 - Offers location an additional 19,000 vehicles per day - Visible from location
- Retailers in area - Dollar General, Wells Fargo, CVS, Bojangles, and many others
- Average Household Income - \$55,881 (3-Mile), \$60,527 (5-Mile), \$59,626 (10-Mile)

FINANCIAL OVERVIEW

ExxonMobil



FINANCIAL OVERVIEW



LIST PRICE

\$2,125,714



CAP RATE

6.92%



TERM REMAINING

±19 Years

EXECUTIVE SUMMARY

Property Name	Hardee's/ExxonMobil
Address	844 Carl Eller Rd, Mars Hill, NC 28754
Year Built/Renovated	1973
GLA	± 4,939
Lot Size	± 2.15 Acres

TENANT SUMMARY

Tenant Trade Name	Hardee's	Exxon
Type of Ownership	Fee Simple	Fee Simple
Lease Guarantor	Mountain Star, LLC	Y.A.B., LLC
Lease Type	Absolute NNN	Absolute NNN
Roof & Structure	Tenant Responsibility	Tenant Responsibility
Original Lease Term	20 Years	20 Years
Lease Expiration Date	12/31/2036	6/30/2037
Term Remaining	±18.5 Years	±19 Years
Increases	10% Every 5 Years	5% Every 5 Years
Options	Four, 5-Year Options	Four, 5-Year Options

ANNUALIZED OPERATING DATA

Hardee's	Monthly Rent	Annual Rent	Price/SF	Cap Rate
Current - 12/31/2020	\$4,625.00	\$55,500.00	\$17.34	7.00%
1/1/2021 - 12/31/2026	\$5,087.50	\$61,050.00	\$19.08	7.70%
1/1/2027 - 12/31/2031	\$5,596.25	\$67,155.00	\$20.99	8.47%
1/1/2032 - 12/31/2036	\$6,155.88	\$73,870.50	\$23.08	9.32%
Option 1	\$6,771.46	\$81,257.55	\$25.39	10.25%
Option 2	\$7,448.61	\$89,383.31	\$27.93	11.27%

Exxon	Monthly Rent	Annual Rent	Price/SF	Cap Rate
Current - 6/30/2022	\$7,625.00	\$91,500.00	\$51.06	6.92%
7/1/2022 - 6/30/2027	\$8,006.25	\$96,075.00	\$53.61	7.27%
7/1/2027 - 6/30/2032	\$8,406.56	\$100,878.75	\$56.29	7.63%
7/1/2032 - 6/30/2037	\$8,826.89	\$105,922.69	\$59.11	8.01%
Option 1	\$9,268.24	\$111,218.82	\$62.06	8.41%
Option 2	\$9,731.65	\$116,779.76	\$65.17	8.83%

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TENANT OVERVIEW

ExxonMobil



Parent Company Trade Name

CKE Restaurants



Headquartered

St. Louis, Missouri



No. of Locations

±1,950



Year Founded

1961

TENANT OVERVIEW

As a subsidiary of fast food giant CKE Restaurants, Hardee's Food Systems is a leading fast food chain operator with more than 1,900 locations in some 30 states, primarily in the Midwest and Southeast. The chain offers a variety of premium-priced Angus beef hamburgers under such names as Thickburger, Six Dollar Burger, and the Monster Thickburger. Hardee's also serves up chicken sandwiches, salads, fries, and beverages, as well as dessert items. About 475 of the restaurants are operated by the company, while the rest are franchised.

GEOGRAPHIC OUTREACH

Since the opening of the first restaurant in Greenville, North Carolina in 1960, Hardee's has established a strong presence throughout the Midwest and Southeast. Most locations are in the United States, distributed among some 30 states.

STRATEGY

The company's Hardee's chain has started to incorporate its own dual branding strategy, pairing some of its locations with Red Burrito outlets. Plans to continue expansion in international markets are underway and involve the use of franchise development agreements. CKE is targeting growth in Brazil, Canada, China, and Russia. In 2014 Carl's Jr. announced plans to expand in Ontario, Canada's "Golden Horseshoe," a territory that includes Toronto, Mississauga, Oakville, Burlington, Hamilton, Brantford and London. Hardee's chains market themselves as gourmet burger outlets with slightly higher menu prices. In lieu of rapid expansion, CKE has focused on managing costs and investing in additional marketing efforts to drive traffic to its restaurants. Its chains target primarily a young, male demographic with oversized burgers made with premium Angus beef.

TENANT OVERVIEW

ExxonMobil



Parent Company Trade Name

Exxon Mobil Corporation



Headquartered

Irving, TX



No. of Locations

±13,000



Year Founded

1999

TENANT OVERVIEW

Exxon was the brand name of oil and natural resources company Exxon Corporation, prior to 1972 known as Standard Oil Company of New Jersey. In 1999, Exxon Corporation merged with Mobil to form ExxonMobil. The Exxon brand is still used by ExxonMobil's downstream operations as a brand for certain of its gas stations, motor fuel and related products (the highest concentration of which are located in New Jersey, Pennsylvania, Texas and in the Mid-Atlantic and Southeastern states). Standard Oil Company of New Jersey was one of the Seven Sisters that dominated the global petroleum industry from the mid-1940s to the 1970s.

GEOGRAPHIC OUTREACH

Exxon is ExxonMobil's primary retail gasoline brand in most of the United States, with the highest concentration of retail outlets located in New Jersey, Pennsylvania, Texas and in the Mid-Atlantic and Southeastern states.



SURROUNDING TENANTS



MARS HILL, NC

Conveniently located on Interstate 26 on the route to the famous Blue Ridge Parkway, Mars Hill is a charming mountain town sitting just 19 miles North of Asheville. Located just 11 miles from the Tennessee state line, the city is also close to the Appalachian Trail and many national and state parks and recreation areas. Known for its rich music and crafts heritage, Mars Hill has a great amount of history and community pride.

Median home value in Mars Hill is well above and unemployment levels are well below the state averages, a good indicator of the city's healthy economy. Crime rates are also incredibly far below national averages, making it a safe place to live and work. The Mars Hill University campus anchors the downtown area, as Educational Services is the most common industry in the city.

AREA DEMOGRAPHICS

POPULATION	3-Mile	5-Mile	10-Mile
2023 Projection	2,230	7,556	27,132
2018 Estimate	2,116	7,277	26,075
2010 Census	1,987	6,875	24,750
HOUSEHOLDS	3-Mile	5-Mile	10-Mile
2023 Projection	896	2,775	10,821
2018 Estimate	853	2,658	10,372
2010 Census	812	2,546	9,879
INCOME	3-Mile	5-Mile	10-Mile
Average Household Income 2018	\$55,881	\$60,527	\$59,6256

ASHEVILLE, NORTH CAROLINA

Sitting atop the Blue Ridge Mountains, Asheville is a beautiful city surrounded by the Pisgah, Cherokee, and Nantahala National Forests. With over 90,000 residents, Asheville is the 12th most populous city in North Carolina, the largest city in the Western part of the state, and one of the most beloved tourist destinations in the Southeast.

AWARDS

In the past year, Asheville has been named one of the country's best places to visit by TripAdvisor and one of the world's best places to visit by CNN and Forbes, among others. It has also been named one of the Top Places to Live, Most Secure U.S. Places to Live, overall Best Cities in the United States, America's Happiest City for Women, and #1 Best Place to Retire in the U.S.

Asheville has also been included in the lists of America's Top 15 Dream Towns, Top 10 Music Cities, Top 10 Great Adventure Towns, Best Cities for Beer Drinkers, 30 Most Exciting Food Cities, 15 Most Romantic Cities for Winter Travel, and 16 Friendliest Cities, among many others.

ECONOMY

Asheville has grown from a small pioneering town into a booming metropolitan area. With an unemployment rate well below the national average and recent job growth of 2.77%, the city has a healthy and vibrant economy. Recognized worldwide for being a healthcare hub, Asheville also has booming maker economies, craft entrepreneurship, breweries, small businesses, and tourism industries.

The city's population has been growing each year for the past 40 years. The city's population grew by almost 15% from 2000-2010, and the county's population is expected to be 300,000 by the year 2030.

HIGHER EDUCATION

The Asheville Metropolitan Area is home to the University of North Carolina Asheville, Western Carolina University, Mars Hill University, Warren Wilson College, Montreat College, and Asheville-Buncombe Technical Community College. These universities have more than 42,000 students enrolled annually.

ATTRACTIONS

One of Asheville's most popular attractions is the Biltmore Estate. This beautiful mansion was home to George Washington Vanderbilt II and is the largest privately-owned house in the United States.

Asheville is well-known for its breweries and world-class restaurants. As of 2016, the city had 23 breweries, and has been called the "Napa Valley of Beer" by NPR. The city has the highest rates of craft brew consumption in the Southeast. It was named Beer City USA 4 years in a row, Forbes' Travel Guide 5 Beer Cities to Hit This Summer, and CNN 8 Best Beer Towns in the USA.

Nicknamed "The Land of the Sky," many of Asheville's most popular attractions are related to nature, including the Blue Ridge Parkway, Chimney Rock State Park, Linville Gorge and Falls, and Grandfather Mountain, among others.

THE ARTS

An incredibly environmentally-friendly city, Asheville has a superb air quality index and is renowned for its great quality of life. The city is also known for its passion for the great outdoors and love for the arts. There are more than 25 art galleries, studios, and museums within a half-mile radius of downtown. The city holds many music festivals bringing together a blend of contemporary, classic, and old-time traditions, and there is a drum circle performance in downtown Asheville every Friday night.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **HARDEE'S** located at **4296 Kent Rd Mars Hill, NC 44224** (**"Property"**). It has been prepared by Matthews Retail Advisors. 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 Matthews Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained 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 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 detrimental to the interest of the Seller.

Owner and Matthews Retail Advisors 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 Seller or Matthews Retail Advisors 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.

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