

# SINGLE TENANT

ABSOLUTE NNN  
INVESTMENT  
OPPORTUNITY



LAKELAND  
TENNESSEE  
(MEMPHIS MSA)







**EXCLUSIVELY MARKETING BY**

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# INVESTMENT SUMMARY

SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building) in an absolute NNN leased, personally guaranteed, drive-thru equipped, Dunkin' Donuts, investment property located in Lakeland, TN (Memphis MSA). The tenant, Lakeland Donuts, LLC, has approximately 9.5 years remaining with 2 (5-year) options to extend. The lease features 2% annual rental increases throughout the initial term and option periods, steadily growing NOI and hedging against inflation. The lease is personally guaranteed and is absolute NNN with zero landlord responsibilities.

Dunkin' Donuts is located along U.S. Highway 64 (47,900 VPD) with excellent highway frontage and visibility. The asset is also just a half mile off of Interstate 40 (53,500 VPD) with convenient on/off ramp access. Dunkin' Donuts is near Sprouts Farmers Market and directly across from a Kroger anchored center, which helps promote crossover shopping. In addition, less than 2 miles away is Wolfchase Galleria Mall (1,267,000 SF of retail space), with anchor tenants including JCPenney, Macy's, Sears, and Dillard's, and more. Other nearby national/credit tenants include LA Fitness, Walmart Supercenter (24-hour location), Sam's Club, Target, Hobby Lobby, Lowe's Home Improvement, Bed Bath & Beyond, Best Buy, The Home Depot, and more, further increasing consumer traffic to the subject site. The 5-mile trade area is supported by a population of over 127,000 residents and 56,500 employees. The 3-mile affluent average household income exceeds \$94,000.





# OFFERING HIGHLIGHTS

## OFFERING

PRICING:	\$995,000
NET OPERATING INCOME:	\$60,180
CAP RATE:	6.05%
GUARANTY:	Personal
TENANT:	Lakeland Donuts, LLC
LEASE TYPE:	Absolute NNN
LANDLORD RESPONSIBILITIES:	None

## PROPERTY SPECIFICATIONS

RENTABLE AREA:	1,806 SF
LAND AREA:	0.65 Acres
PROPERTY ADDRESS:	8984 US-64, Lakeland, TN 38002
YEAR BUILT:	2012
PARCEL NUMBER:	L01-59-0-0487
OWNERSHIP:	Fee Simple (Land and Building)



# INVESTMENT HIGHLIGHTS

## APPROXIMATELY 9.5 YEARS REMAINING | PERSONALLY GUARANTEED

- Approximately 9.5 years remaining with 2 (5-year) option periods to extend
- Personally guaranteed
- 2% annual rental increases throughout the initial term and option periods

## ABSOLUTE NNN | FEE SIMPLE OWNERSHIP | ZERO LANDLORD RESPONSIBILITIES

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor

## MAJOR HIGHWAY | JUST OFF OF INTERSTATE 40 (53,500 VPD)

- Located along U.S. Highway 64 (47,900 VPD) with excellent visibility
- Just a half mile off of Interstate 40 (53,500 VPD)
- Convenient location with nearby direct on/off-ramp access

## NEAR SPROUTS FARMERS MARKET | ACROSS FROM KROGER ANCHORED CENTER

- Near Sprouts Farmers Market and directly across from a Kroger anchored center
- Strong tenant synergy helps promote crossover shopping

## CLOSE PROXIMITY TO WOLFCHASE GALLERIA MALL | DENSE RETAIL CORRIDOR

- Less than 2 miles away is Wolfchase Galleria Mall (1,267,000 SF of retail space), with anchor tenants including JCPenney, Macy's, Sears, and Dillard's, and more
- Other nearby national/credit tenants include LA Fitness, Walmart Supercenter (24-hour location), Sam's Club, Target, Hobby Lobby, Lowe's Home Improvement, Bed Bath & Beyond, Best Buy, The Home Depot, and more
- Increases consumer traffic to the trade area

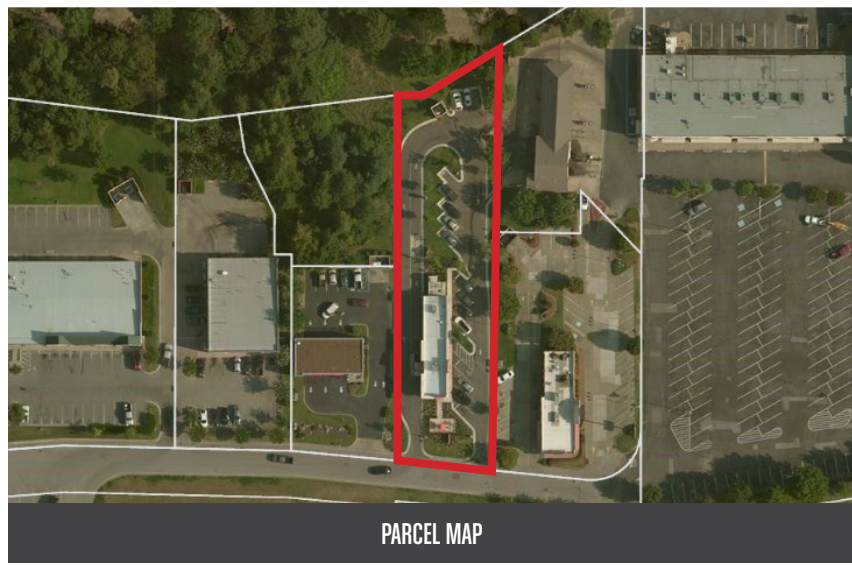
## DENSE POPULATION IN AFFLUENT 5-MILE TRADE AREA

- More than 127,000 residents and 56,500 employees support the trade area
- \$91,000 average household income within 5 miles
- Over \$94,000 affluent average household income within 3 miles





# PROPERTY OVERVIEW



ACCESS

U.S. Highway 64/ State Highway 15: ..... 2 Access Points



TRAFFIC COUNTS

U.S. Highway 64/ State Highway 15: ..... 47,900  
Interstate 40: ..... 53,500



IMPROVEMENTS

There is approximately 1,806 SF of existing building area.



PARKING

There are approximately 16 parking spaces on the owned parcel.  
The parking ratio is approximately 16.73 stalls per 1,000 SF of leasable area.



YEAR BUILT

2012



PARCEL

Parcel Number: LO-159-0-0487 Acres: 0.65 Square Feet: 28,288 SF



ZONING

C-2









Dillard's  
sears  
macy's  
JCPenney  
MALCO

LOWE'S

Sams  
CLUB  
Walmart  
Supercenter

RAYMOND  
HEUBEL - SHAW

O'Charley's  
RESTAURANT • BAR

Best Western  
PLUS

Brunswick Day  
School

47,900  
CARS PER DAY



53,500  
CARS PER DAY



Interstate 40

TITLEMAX

M  
MARATHON



LENNY'S  
DRILL & SUPPLY

Papa Murphy's  
PIZZA • SUBS

at&t

DUNKIN'  
DONUTS

Valvoline

64 U.S. Highway 15 State Highway



SUBWAY

LESLIE'S  
POOL SUPPLIES  
SERVICE & PARTS



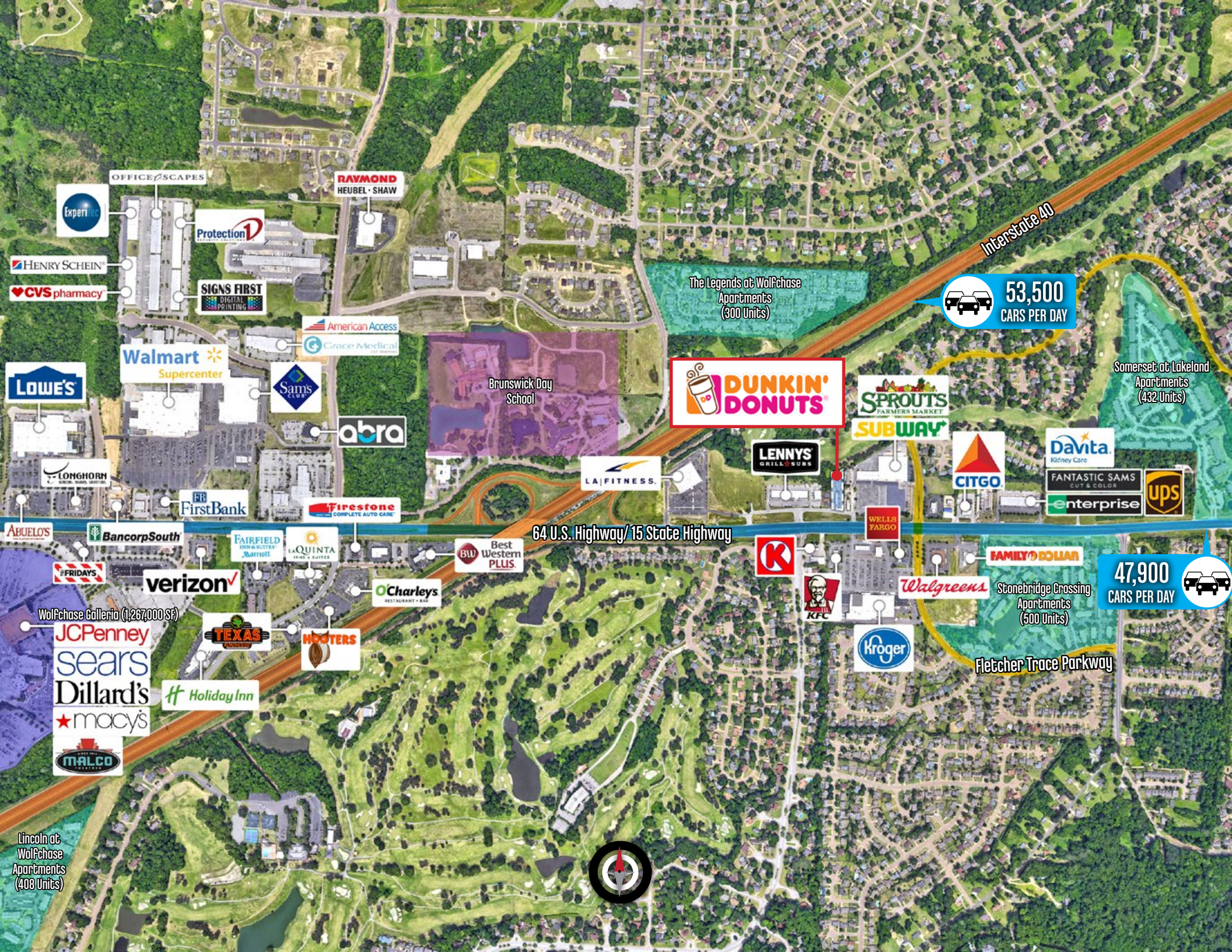


64 U.S. Highway/15 State Highway

47,900  
CARS PER DAY

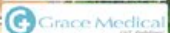
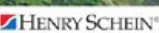




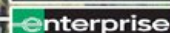


OFFICE/SCAPES

RAYMOND  
HEUBEL · SHAW



Brunswick Day  
School



64 U.S. Highway/15 State Highway



Fletcher Trace Parkway

Stonebridge Crossing  
Apartments  
(500 Units)

47,900  
CARS PER DAY



Lincoln at  
Wolfchase  
Apartments  
(408 Units)





HOWARD'S DONUTS



STONEBRIDGE  
CLEANERS



DRIVE-THRU  
PAD

MONUMENT SIGN



15 64 47,900 VPD





## 2017 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$85,747
3 Mile.....	\$94,360
5 Mile.....	\$91,292

1 Mile.....	1,800
3 Mile.....	28,355
5 Mile.....	56,595



# AREA OVERVIEW

## Lakeland, Tennessee

Lakeland is a city in Shelby County, Tennessee, and a suburb of Memphis. The City of Lakeland had a population of 13,499 as of July 1, 2017. Lakeland ranks in the upper quartile for Diversity Index when compared to the other cities, towns and Census Designated Places (CDPs) in Tennessee.

Lakeland is Served by the Lakeland School System ( LSS ) and Arlington Community Schools. Assigned schools are as follows: Lakeland Elementary, Arlington Middle School , Lakeland Middle Preparatory School opened in the summer of 2017. Grades 5 through 8 attend the school, Arlington High School.

Shelby County is a county in the U.S. state of Tennessee. As of the 2017 census, the population was 936,961. It is the state's largest county both in terms of population and geographic area. Its county seat is Memphis, a port on the Mississippi River and the second most populous city in Tennessee. The county was named for Governor Isaac Shelby (1750–1826) of Kentucky. Shelby County is part of the Memphis, TN-MS-AR Metropolitan Statistical Area. It is bordered on the west by the Mississippi River. Located within the Mississippi Delta, the county was developed as a center of cotton plantations in the antebellum era, and cotton continued as an important commodity crop well into the 20th century. The economy has become more diversified.

Until the end of the 2012–2013 school year, almost all areas in Shelby County that were outside the city of Memphis were zoned to schools operated by Shelby County Schools. Schools in Memphis were operated by Memphis City Schools. On June 30, 2013, Memphis city and Shelby County schools consolidated, forming a unified county school system (still called Shelby County Schools). This lasted one year. In 2014, the incorporated suburbs of Arlington, Bartlett, Collierville, Germantown, Lakeland, and Millington broke away from the Unified System and formed their own municipal districts. Their residents had previously voted in favor of creating municipal school districts, and all voted to pass the related sales tax hike except for Millington, which narrowly rejected the sales tax hike by three votes. On November 27, 2012, U.S. district court Judge Samuel Mays voided this vote since the state law passed at the time applied only to a specific area (which is unconstitutional). The Tennessee state legislature passed the law again, to include all of the state. All six suburbs voted again for the municipal districts and started classes on August 4, 2014.

Shelby County is the site of Memphis International Airport, located 3 miles (5 km) south of the center of Memphis.





# AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2017 Estimated Population	8,820	51,465	127,708
2022 Projected Population	9,194	53,139	131,905
2010 Census Population	8,273	48,775	121,210
2017 Estimated Households	3,676	19,920	48,552
2022 Projected Households	3,830	20,583	50,115
2010 Census Households	3,437	18,801	46,080
2017 Estimated White	61.20%	60.10%	62.20%
2017 Estimated Black or African American	30.00%	29.70%	27.10%
2017 Estimated Asian or Pacific Islander	3.70%	4.50%	4.50%
2017 Estimated American Indian or Native Alaskan	0.40%	0.30%	0.30%
2017 Estimated Other Races	2.00%	2.70%	3.40%
2017 Estimated Hispanic	4.80%	5.90%	6.70%
2017 Estimated Average Household Income	\$85,747	\$94,360	\$91,292
2017 Estimated Median Household Income	\$67,578	\$76,643	\$72,826
2017 Estimated Per Capita Income	\$36,041	\$36,417	\$34,987
2017 Estimated Total Businesses	174	1,678	4,097
2017 Estimated Total Employees	1,800	28,355	56,595





# RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM		BEGIN	INCREASE	RENTAL RATES			PSF	RECOVERY TYPE	OPTIONS
		LEASE START	LEASE END			MONTHLY	PSF	ANNUALLY			
Lakeland Donuts, LLC	1,806	Nov 2017	Nov 2027	Current	-	\$5,015	\$2.78	\$60,180	\$33.32	Absolute NNN	2 (5-Year)
(Personal Guaranty)				Nov 2019	2%	\$5,115	\$2.83	\$61,384	\$33.99		2% Annual Incr.
								2% Annual Rental Incr.			

## FINANCIAL INFORMATION

Price: .....\$995,000  
 Net Operating Income: .....\$60,180  
 Cap Rate: .....6.05%  
 Lease Type: .....Abs. NNN

## PROPERTY SPECIFICATIONS

Year Built: .....2012  
 Rentable Area: .....1,806 SF  
 Land Area: .....0.65 Acres  
 Address: .....8984 US-64, Lakeland, TN 38002

Note: The tenant has the right of first refusal and must respond within 30 days.







# BRAND PROFILE

## DUNKIN DONUTS

Dunkin Donuts LLC operates a chain of coffee and baked goods restaurants in the United States and internationally. Dunkin Donuts has earned a No. 1 ranking for customer loyalty in the coffee category by Brand Keys for 11 years running. The company has more than 12,400 restaurants in 46 countries worldwide. Dunkin Donuts LLC was formerly known as Dunkin Donuts Incorporated and changed its name to Dunkin Donuts LLC in March 2006. The company was founded in 1948 and is based in Canton, Massachusetts. Dunkin Donuts LLC operates as a subsidiary of Dunkin Brands Group, Inc.

Company Type:	.....	Subsidiary
Parent:	.....	Dunkin Brands
2017 Employees:	.....	1,148
2017 Revenue:	.....	\$860.50 Million
2017 Net Income:	.....	\$350.91 Million
2017 Assets:	.....	\$3.94 Billion
2017 Equity:	.....	\$8.45 Million
Ranking:	.....	S&P 400







## NATIONAL NET LEASE GROUP

### SRS GLOBAL STATS



**800+**  
PROPERTIES CURRENTLY  
REPRESENTED



**600+**  
CLIENTS REPRESENTED  
IN 2016



**\$2.6B\***  
TRANSACTION VALUE



**20+**  
OFFICES



**250+**  
BROKERS,  
PROFESSIONALS,  
AND STAFF



**#1**  
LARGEST REAL ESTATE FIRM  
EXCLUSIVELY DEDICATED TO  
RETAIL SERVICES IN NORTH AMERICA

\*STATISTICS ARE FOR 2016.

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.