

HARDEE'S

BRAND NEW 20-YEAR TRIPLE-NET (NNN) SALE LEASEBACK



OFFERING MEMORANDUM



6914 Norwood Ave
Jacksonville, FL 32208

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Investment Highlights

LOCATION

REAL ESTATE FUNDAMENTALS

- ✓ Jacksonville, FL | Most Populous City in the State and Southeastern United States
- ✓ Approximately 170,000 Individuals Residing Within a Five-Mile Radius
- ✓ Heavily-Trafficked Location | Close Proximity to Interstate 95 | 83,000 Vehicles Per Day
- ✓ Located Three Miles Away from UF Health Jacksonville | 695-Bed Facility

LEASE

LEASE STRUCTURE

- ✓ Brand New 20-Year Sale Leaseback
- ✓ Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Attractive Rental Increases | Strong Hedge Against Inflation | 10.00% Every Five (5) Years
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each

TENANT

TENANT / GUARANTOR

- ✓ Franchisee Guarantee from an Experienced 85 Unit Operator
- ✓ Proven Track Record with Operational History of Multiple High-Volume Locations throughout the Country
- ✓ Expansion into Key Markets
- ✓ Hardee's is a Leader in the QSR Industry | 2,200+ Domestic and International Locations



Financial Analysis & Investment Summary

PURCHASE PRICE: \$2,131,520 | CAP RATE: 5.00% | RENT: \$106,576

PROPERTY DESCRIPTION

Property	Hardee's
Property Address	6914 Norwood Ave
City, State ZIP	Jacksonville, FL 32208
Building Size (SF)	3,522
Lot Size (Acres)	1.06
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$2,131,520
CAP Rate	5.00%
Annual Rent	\$106,576

LEASE SUMMARY

Property Type	Net-Leased Restaurant
Guarantor	Franchisee - 85 Units
Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Four (4), Five (5) Year Options
Rental Increases	10.00% Every Five (5) Years

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$106,576	\$8,881	-
Year 2	\$106,576	\$8,881	-
Year 3	\$106,576	\$8,881	-
Year 4	\$106,576	\$8,881	-
Year 5	\$106,576	\$8,881	-
Year 6	\$117,234	\$9,769	10.00%
Year 7	\$117,234	\$9,769	-
Year 8	\$117,234	\$9,769	-
Year 9	\$117,234	\$9,769	-
Year 10	\$117,234	\$9,769	-
Year 11	\$128,957	\$10,746	10.00%
Year 12	\$128,957	\$10,746	-
Year 13	\$128,957	\$10,746	-
Year 14	\$128,957	\$10,746	-
Year 15	\$128,957	\$10,746	-
Year 16	\$141,853	\$11,821	10.00%
Year 17	\$141,853	\$11,821	-
Year 18	\$141,853	\$11,821	-
Year 19	\$141,853	\$11,821	-
Year 20	\$141,853	\$11,821	-

Investment Summary

Marcus & Millichap is pleased to present the exclusive listing for a Hardee's located at 6914 Norwood Ave, Jacksonville, FL. The property consists of 3,522 square feet of building space and is situated on approximately 1.06 acres of land. The tenant will enter into a brand new, 20-year triple-net (NNN) lease with absolutely no landlord responsibilities upon the close of escrow. The lease will call for 10.00% rental increases every five years that will continue through the base term and into the four, five-year tenant renewal options. The lease will carry a franchisee guaranty from Phase Three Star, an 85 unit operator.



Concept Overview

About Hardee's

Wilber Hardee opened his first namesake restaurant in Greenville, North Carolina in 1960. Five months later, he had his first franchisee and, over the years, his burger chain has spread to become a favorite throughout the Midwestern and Southeastern United States. In 1997, CKE Restaurants Holdings, Inc. acquired Hardee's from Imasco for \$327 million. The chain built its reputation on a unique breakfast menu featuring Hardee's mouth-watering Made from Scratch™ Biscuits. With a renewed emphasis on premium quality, Hardee's has taken the lunch/dinner segment to the next level with its line of 100 percent Black Angus beef Thickburgers that come in 1/3-, 1/2- and 2/3-lb. burgers. Other menu favorites include Hand-Breaded Chicken Tenders and charbroiled chicken sandwiches. Hardee's, and their 2,200+ domestic and international locations, have clearly established themselves as a leader in the quick-service restaurant industry.



About Phase Three Star

Phase Three Star is an 85 unit operator of franchised Hardee's restaurants throughout the country. The company is ranked as the #4 Hardee's franchisee by sales in core markets for the brand and is led by a highly experienced management team. Since 2013, Phase Three Star has established themselves as a leader in speed of service and QSC scores.





Surrounding Area





Location Overview

This Hardee's property is located at 6914 Norwood Avenue in Jacksonville, Florida. Jacksonville is a large city in northeastern Florida where the St. John's River meets the Atlantic Ocean and acts as a regional business center for the region.

SURROUNDING RETAIL & POINTS OF INTEREST

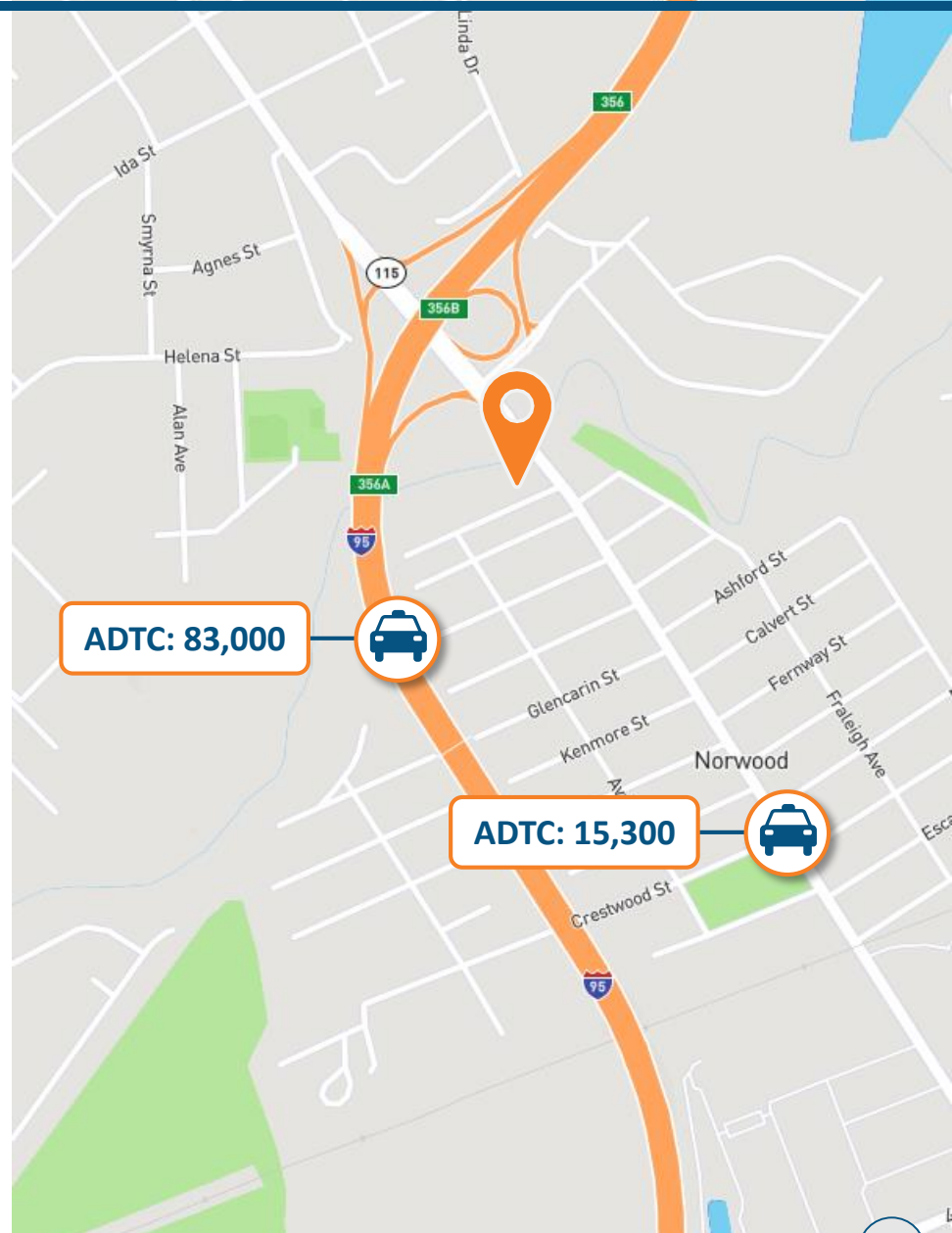
The subject property benefits from its position as one of the first restaurant locations off of the exit ramp of Interstate 95. The subject property is surrounded by many major national tenants including: Publix, Rainbow, Walgreens, Hibbett Sports, Wendy's, Family Dollar, Subway, Papa John's and many more. UF Health Jacksonville, a 695-bed teaching hospital and medical system of the University of Florida in Jacksonville, is located just three miles away. Additionally, the property is located near several academic institutions including: North Shore Elementary School, Brentwood Elementary School, Andrew Jackson High School, SALTech Charter High School and the A. Phillip Randolph Career Academies.

TRAFFIC COUNTS & DEMOGRAPHICS

The subject property has approximately 72,542 individuals residing within a three-mile radius and 169,775 individuals within a five-mile radius of the property. This property is located on Norwood Avenue, which experiences an average daily traffic count of 15,300 vehicles per day. Additionally, the property is one of the first stops off the exit ramp of Interstate 95, which brings an additional 83,000 vehicles per day through the immediate area.

JACKSONVILLE, FL

Jacksonville is a seaport city, the most populous city in the state of Florida, and the most populous city in the southeastern United States. The city is the cultural, commercial and financial center of Northern Florida. A major military and civilian deep-water port, the city's riverine location supports two United States Navy bases and the Port of Jacksonville, Florida's third-largest seaport. The Port of Jacksonville is a leading port in the United States for automobile imports, as well as the leading transportation and distribution hub in the state. Jacksonville serves as headquarters for various banking, insurance, healthcare, logistics, and other institutions. The city is home to many prominent corporations and organizations, including the headquarters of four Fortune 500 companies: CSX Corporation, Fidelity National Financial, Fidelity National Information Services, and Southeastern Grocers. Three colleges and universities lie within the city's limits: the University of North Florida, Jacksonville University, and Florida State College at Jacksonville. One professional sports team, the Jacksonville Jaguars of the National Football League, plays their home games in downtown Jacksonville.



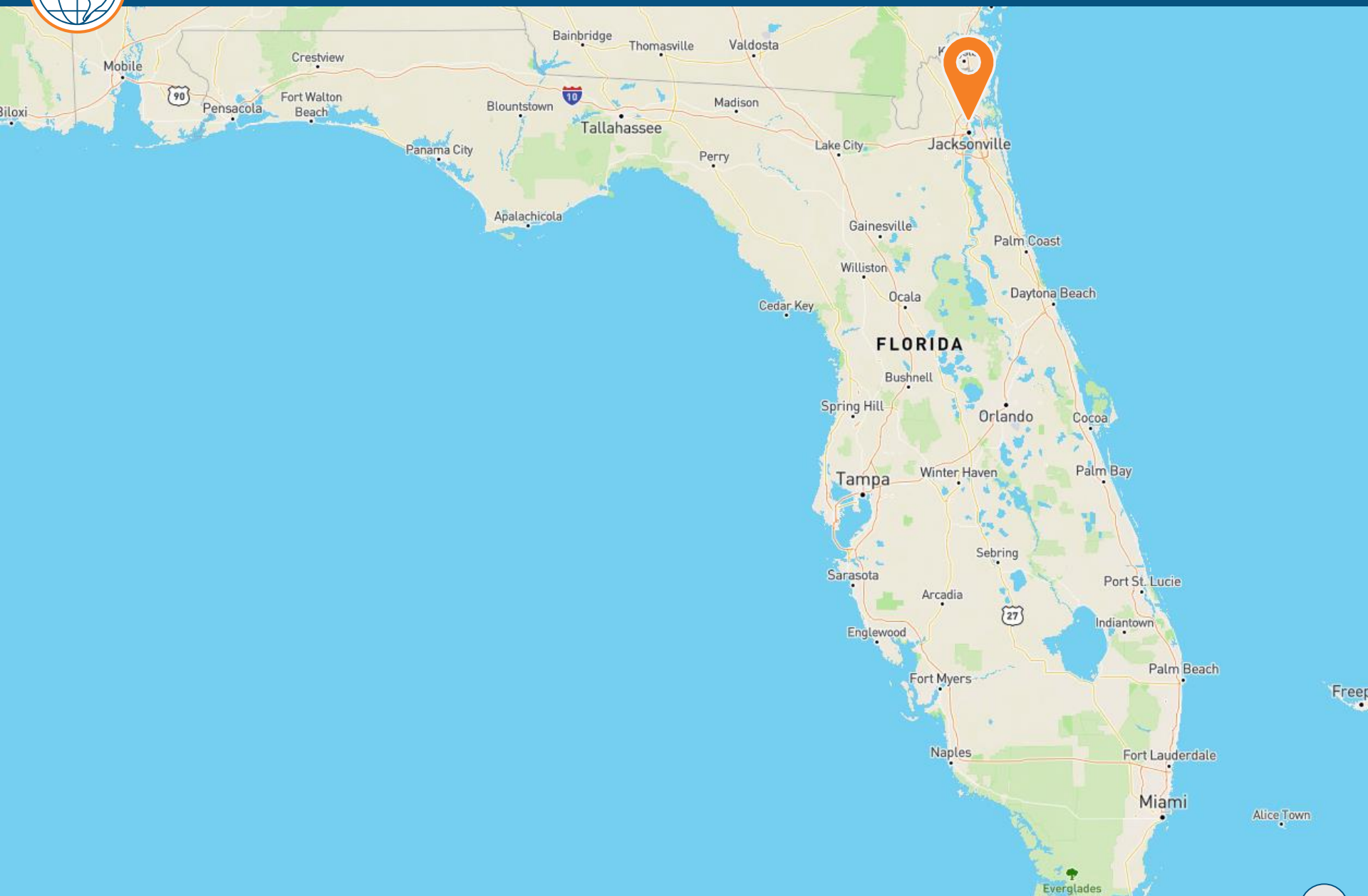


Property Photos



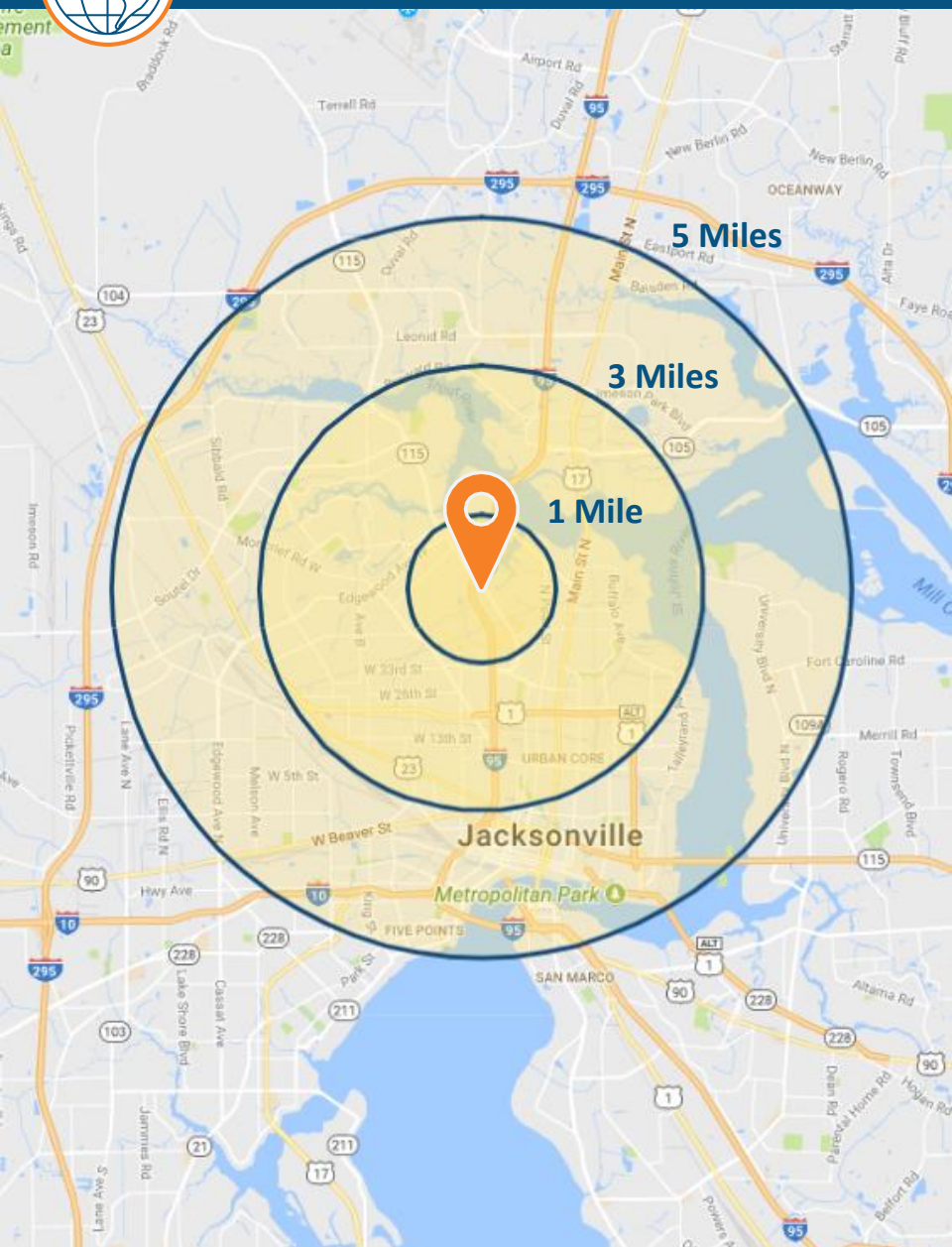


Regional Map





Demographics



MAJOR EMPLOYERS

Employer	# of Employees
Baptist Health Foundation	8,000
Baptist Health System	6,279
FIS	5,200
JEA	4,371
Black Knight Financial Services	4,100
Wolfson Children's Hospital	3,578
Baptist Medical Center	3,004
Jacksonville Sheriff's Office	3,000
University Health Groups	2,999
Black Knight IP Holding Co LLC	1,981
University of Florida	1,622

of Employees based on 5 mile radius

DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
Population			
2022 Projection	7,972	70,038	168,782
2017 Estimate	8,077	72,542	169,775
2010 Census	8,008	70,752	162,510
2000 Census	8,712	80,336	169,111
Income			
Average	\$36,866	\$38,386	\$44,315
Median	\$26,670	\$26,426	\$30,504
Per Capita	\$14,823	\$15,178	\$17,704
Households			
2022 Projection	3,248	28,147	66,359
2017 Estimate	3,200	28,475	65,140
2010 Census	3,225	28,252	63,251
2000 Census	3,282	30,773	64,506
Employment			
2017 Daytime Population	8,560	100,194	273,614
2017 Unemployment	10.70%	10.47%	8.47%
2017 Median Time Traveled	26 Mins	26 Mins	26 Mins

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EXCLUSIVE NET LEASE OFFERING

