

**Offering Memorandum**



**BURGER KING**

101 LAKEWOOD DRIVE | BATESVILLE, MS 38606





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# EXECUTIVE OVERVIEW



## INVESTMENT HIGHLIGHTS

### LONG TERM STABILIZED INVESTMENT

- **Long Term Lease** – There are ± 17 years remaining on the original 20-year lease with two (2), 5-year options for the tenant to extend.
- **Strong Hedge Against Inflation** – There are 10% increases in rent every 5 years allowing properties to keep up with rising market rents.
- **Attractive Tax Benefits** – Ownership includes land and improvements, allowing owners to depreciate the improvements over a 39-year depreciation schedule.
- **Absolute NNN Lease** – Landlord has zero landlord responsibilities, the tenant takes care of insurance, real estate taxes, and maintenance.

### EXCELLENT LOCATION IN STRONG RETAIL AREA

- **Close Proximity to Two Main Highways** - Next to Interstate 55 which sees 15,000 VPD and US Highway 78 which sees 26,000 VPD.
- **Strong Retail Corridor** – Other national tenants in the immediate area include Walmart, Kroger, Wendy's, Shell, Taco Bell, Lowe's Home Improvement, McDonald's, and Pizza Hut, amongst others.

### SEASONED OPERATOR OF AN EXCELLENT BRAND

- **Substantial Guarantee** – The entity is backed by over 40+ units and is the regional operating company for Cambridge Franchise Holdings' BK units in TN, MS, AR, etc.
- **Capital Partnered with Experience** – Backed by Garnett Station Partners, Cambridge Franchise Holdings has grown to operate over 200+ QSR stores (165 Burger King restaurants and 60 Popeyes restaurants) – BK/Popeyes operations are led by Ray Meeks who is a recipient of multiple BK Franchisee of the Year Awards and has been an operator of QSR concepts since 1984
- **World Renowned Brand** – Burger King first opened in 1954 and today there are 15,000+ BK restaurants in over 100 countries.

# FINANCIAL OVERVIEW

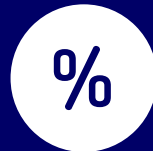


## FINANCIAL HIGHLIGHTS



### LIST PRICE

\$1,715,000



### CAP RATE

6.00%



### TERM REMAINING

± 17 Years

## TENANT SUMMARY

Tenant Trade Name	Burger King
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee (MIC/Tennessee Quality LLC)
Lease Type	NNN
Roof & Structure	Tenant Responsible
Original Lease Term	20 Years
Rent Commencement Date	1/6/2016
Lease Expiration Date	1/5/2036
Term Remaining	± 17 Years
Increases	10% Every 5 Years
Options	Two, 5-Year Options

## PARCEL MAP





## EXECUTIVE SUMMARY

Property Name	Burger King
Property Street	101 Lakewood Drive
City, State, Zip	Batesville, MS 38606
GLA	± 4,161 SF
Lot Size	± 0.69 AC (± 30,000 SF)
Year Built	1995

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Rent PSF	Cap Rate	Increases
Year 1-5	\$8,576	\$102,916	\$24.73	6.00%	10.00%
Year 6-10	\$9,434	\$113,208	\$27.21	6.60%	10.00%
Year 11-15	\$10,377	\$124,528	\$29.93	7.26%	10.00%
Year 16-20	\$11,415	\$136,981	\$32.92	7.99%	10.00%
Option 1	\$12,557	\$150,679	\$36.21	8.79%	10.00%
Option 2	\$13,812	\$165,747	\$39.83	9.66%	10.00%



Loan-To-Value	60% - 70%
Interest Rate	4.90% - 5.15%
Term	10 Years Fixed
Amortization	25-30 Years

**PLEASE CONTACT BRIAN KREBS FOR MORE INFORMATION**

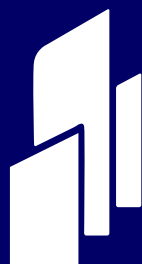
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# SURROUNDING AREA









# TENANT OVERVIEW



Cambridge Franchise Holdings is led by Ray Meeks (CEO), a 30-year Burger King Franchisee and seasoned restaurant operator. He has been the recipient of several Burger King Awards such as the Franchisee of the Year, the Burger King Development, Excellence, and Leadership Award, the Burger King National Award of Excellence, and the Burger King National Brand Leadership Award. Ray has also served as Vice Chairman of the National Franchise Association, which represents Burger King Franchisees across the country and Canada. The company currently operates 200+ locations all over the Southeastern states. Their outstanding track record has allowed Cambridge Franchise Holdings to be recognized as one of the fastest growing and most profitable Burger King franchisees in the Burger King network. They have achieved this with a strong management team, a culture of partnership among all of its employees and healthy financial support from Garnett Station. The company plans to continue growth and expansion through the Southeast through development of new restaurants and acquisitions.

Mirabile Investment Corp (MIC) is owned and operated by Cambridge Franchise Holdings and has 165+ locations with long operating history and above average sales numbers. A large majority of the MIC stores have been renovated in the past 4-5 years.

For further information or questions, please contact Gary Chou.



Parent Company	Cambridge Franchise Holdings / Mirabile Investment Corp
Number of Locations	200 Units
Ownership	Private
Headquartered	Memphis, TN
Web Site	<a href="http://www.garnettstation.com/burger-king/">http://www.garnettstation.com/ burger-king/</a>
Year Founded	2014

# BURGER KING

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.

## GEOGRAPHIC OUTREACH

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. Like most other giants of the fast-food industry, Burger King has expanded its nationwide and international presence primarily through franchising.



**COMPANY TRADE NAME**  
**RESTAURANT BRANDS**  
**INTERNATIONAL, INC**



**REVENUE**  
**\$1.15 B**



**NET INCOME**  
**± \$233.70 M**



**HEADQUARTERED**  
**MIAMI, FL**



**NO. OF EMPLOYEES**  
**± 34,248**



**WEBSITE**  
**WWW.BK.COM**



**# OF LOCATIONS**  
**± 15,000**



**YEAR FOUNDED**  
**1953**



# AREA OVERVIEW



## Batesville, MS

Batesville, Mississippi sits as one of the two county seats in Panola County. The population breakdown of Batesville is primarily made up of families. Those who choose to reside in Batesville have the luxury of the Rail service that is provided by the Grenada Railway as well as the Amtrak's City of New Orleans. Families also have the ability to enroll their children in the South Panola School District through the Batesville Elementary School, Batesville Intermediate School, Batesville Middle School, Batesville Junior High School, and South Panola High School.

### Demographics

POPULATION	1 Mile	3 Mile	5 Mile
2018 Estimate	1,105	8,295	11,754
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2018 Estimate	487	3,292	4,566
INCOME	1 Mile	3 Mile	5 Mile
2018 Est. Average Household Income	\$105,813	\$66,458	\$66,976



## THE SQUARE IN BATESVILLE

Located right in the heart of downtown Batesville, The Square is lined with many historic buildings such as the Panola County Courthouse, Batesville City Hall, the Illinois Central Railroad Centennial Monument, and several other historic homes, churches, and The Red School Building. The mixture of retail stores and professional offices create an environment that caters to everyone. The Square also offers many dining options and a local Farmer's Market each Wednesday afternoon throughout the months of June to October. The Square continues to put on public events throughout the remainder of the year such as SpringFest, Showoff on the Square, Scare on the Square and Holiday Open House.

## Economy

Batesville, MS employs around 93.6% of the residents. The majority of those fall within the Manufacturing, Finance, Insurance, and Educational Services. The highest paying industries are Professional, Scientific, Technology Services, and Healthcare.





## **CONFIDENTIALITY & DISCLAIMER STATEMENT**

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **101 Lakewood Drive Batesville, MS 38606** ("Property"). It has been prepared by Matthews Real Estate Investment Services. 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 Real Estate Investment Services. 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 Real Estate Investment Services 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 Real Estate Investment Services 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.

## EXCLUSIVELY LISTED BY

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