

BURGER KING

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

Representative Photo

BURGER KING

11959 Southern Blvd, Royal Palm Beach, FL 33411

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services of Florida, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS. Activity ID: ZAA0330073

The Burger King logo, featuring the words "BURGER KING" in white, bold, sans-serif capital letters on an orange rectangular background.

11959 Southern Blvd, Royal Palm Beach, FL 33411

Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept Overview	6
Surrounding Area	7
Property Photos	8
Surrounding Area Photos	9
Location Overview	10
Local Map	11
Regional Map	12
Demographics / Market Overview	13-14

BURGER KING





Investment Highlights

PRICE: \$3,300,000 | CAP: 5.00% | RENT: \$165,000

BURGER KING

About the Investment

- ✓ Brand New Triple-Net (NNN) 20-Year Sale-Leaseback
- ✓ 52-Unit Franchisee
- ✓ Exceptional Store Sales Well Above The National Average
- ✓ 1.25% Annual Rental Increases Starting Year 3

About the Location

- ✓ Very Affluent Community | Average Income of \$100,000 Within Five-Mile Radius
- ✓ Building Is Slated for Remodel In 2020
- ✓ Outparcel to Publix | Dense Retail Corridor | Other Tenants Include: Costco, Walgreens, Marshalls, HomeGoods, Stein Mart, Carrabba's, Panera Bread, Outback, Starbucks, Several Quick Service Restaurants and Hospitality Accommodations
- ✓ Strong Traffic Counts | Southern Blvd & Forest Hill Blvd | 64,500 and 34,000 Vehicles Per Day Respectively
- ✓ Compelling Location Fundamentals | Within 12 Miles of Downtown West Palm Beach

About the Tenant / Brand

- ✓ Seven Restaurants ("7Restaurants") is a 52-Unit Burger King Operator
- ✓ 7Restaurants has Significant Growth Plans for this Entity | 10-15 New Sites in 2019 | Providing the Future Landlord with the Benefit of Credit Enhancement as Operations Continue to Grow
- ✓ 7Restaurants has an Excellent Track Record With Proven Operational Expertise
- ✓ The 7Restaurants Management Team has a Combined 70+ Years of Experience in The Burger King System
- ✓ Burger King Brand is One of the World's Most Recognized Consumer Brands



Representative Photo



Representative Photo



Financial Analysis

PRICE: \$3,300,000 | CAP: 5.00% | RENT: \$165,000

BURGER KING

PROPERTY DESCRIPTION

Property	Burger King
Property Address	11959 Southern Blvd.
City, State, ZIP	Royal Palm Beach, FL 33411
Year Built / Renovated	2002
Building Size	2,164
Lot Size	+/- 0.99 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$3,300,000
CAP Rate	5.00%
Annual Rent	\$165,000

LEASE SUMMARY

Property Type	Net-Leased Restaurant
Tenant/Guarantor	Franchisee(52-Unit Operator)
Original Lease Term	20 Years
Lease Commencement	Upon Close of Escrow
Lease Expiration	20 Years from COE
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	1.25% Every Year, Starting Year 3

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$165,000	\$13,750	-
Year 2	\$165,000	\$13,750	-
Year 3	\$167,063	\$13,922	1.25%
Year 4	\$169,151	\$14,096	1.25%
Year 5	\$171,265	\$14,272	1.25%
Year 6	\$173,406	\$14,450	1.25%
Year 7	\$175,574	\$14,631	1.25%
Year 8	\$177,768	\$14,814	1.25%
Year 9	\$179,990	\$14,999	1.25%
Year 10	\$182,240	\$15,187	1.25%
Year 11	\$184,518	\$15,377	1.25%
Year 12	\$186,825	\$15,569	1.25%
Year 13	\$189,160	\$15,763	1.25%
Year 14	\$191,524	\$15,960	1.25%
Year 15	\$193,919	\$16,160	1.25%
Year 16	\$196,343	\$16,362	1.25%
Year 17	\$198,797	\$16,566	1.25%
Year 18	\$201,282	\$16,773	1.25%
Year 19	\$203,798	\$16,983	1.25%
Year 20	\$206,345	\$17,195	1.25%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Burger King located in Royal Palm Beach, FL. The property consists of approximately 2,164 rentable square feet and is situated on approximately 0.99 acres of land. The property is subject to a 20-year triple-net (NNN) sale-leaseback. The lease will commence upon the close of escrow. The base annual rent will be \$165,000 and the lease calls for 1.25% rental increases every year starting year 3 during the base term and continuing through the four, five-year tenant renewal options.



Concept Overview

BURGER KING

About Burger King

Burger King – founded in 1954 – is the second largest fast food hamburger chain in the world. The original Home of the Whopper, the Burger King system operates in approximately 14,000 locations serving more than 11 million guests daily in 100 countries and territories worldwide. Almost 100 percent of Burger King® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades. In 2010, 3G Capital, a global multi-million-dollar investment firm focused on long term value creation, purchased Burger King Corporation, making it a privately-held company. 3G Capital works in close partnership with management teams at its portfolio companies and places a strong emphasis on recruiting, developing and retaining top-tier talent.

About 7Restaurants

Seven Restaurants, LLC ("7Restaurants") is among the most sophisticated multi-unit franchisee operators in the Burger King system. 7Restaurants owns and operates Burger King restaurants in the Broward County and Treasure Coast areas of south Florida. They currently have 52+ units and with significant reinvestment in the business, 7Restaurants is well positioned for exponential growth with the support of a highly seasoned senior management team. The group has a combined 70 years of experience in the Burger King system and expertise in fields such as M&A, franchising, and development.



SEVEN 7 RESTAURANTS
a franchisee of Burger King Corporation

#2 Fast Food Hamburger Chain, Globally

- More than \$16 billion in annual system-wide sales, and nearly 350,000 team members, worldwide. The concept has a market capitalization of roughly \$10 billion.

Global Brand Presence | Fully – Franchised Business Model

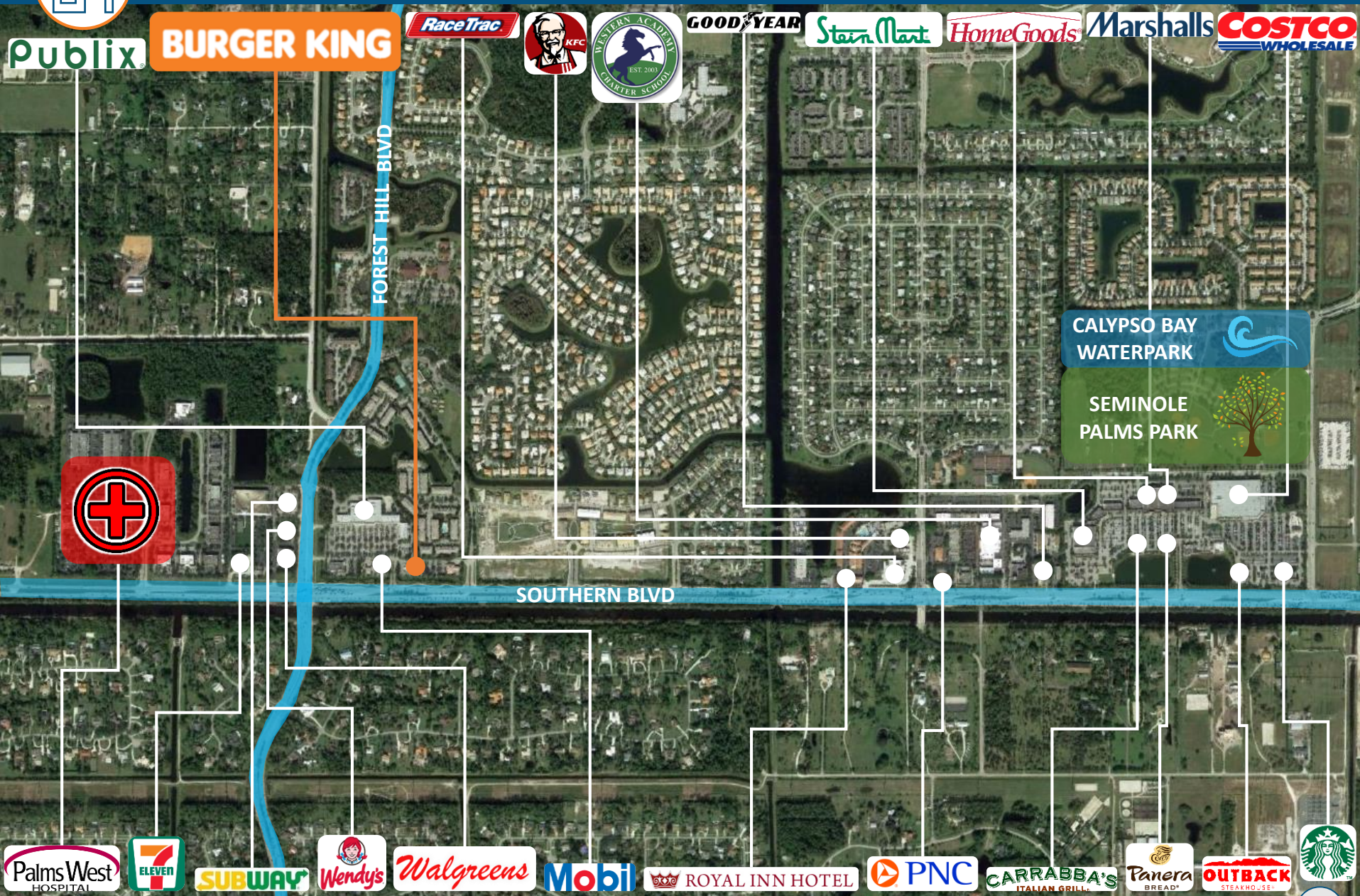
- Nearly 14,000 restaurants in 100+ countries. QSR industry-leading EBITDA margins





Surrounding Area

BURGER KING





Property Photos

BURGER KING



Remodel
Scheduled for
2020!





Surrounding Area Photos

BURGER KING





Location Overview

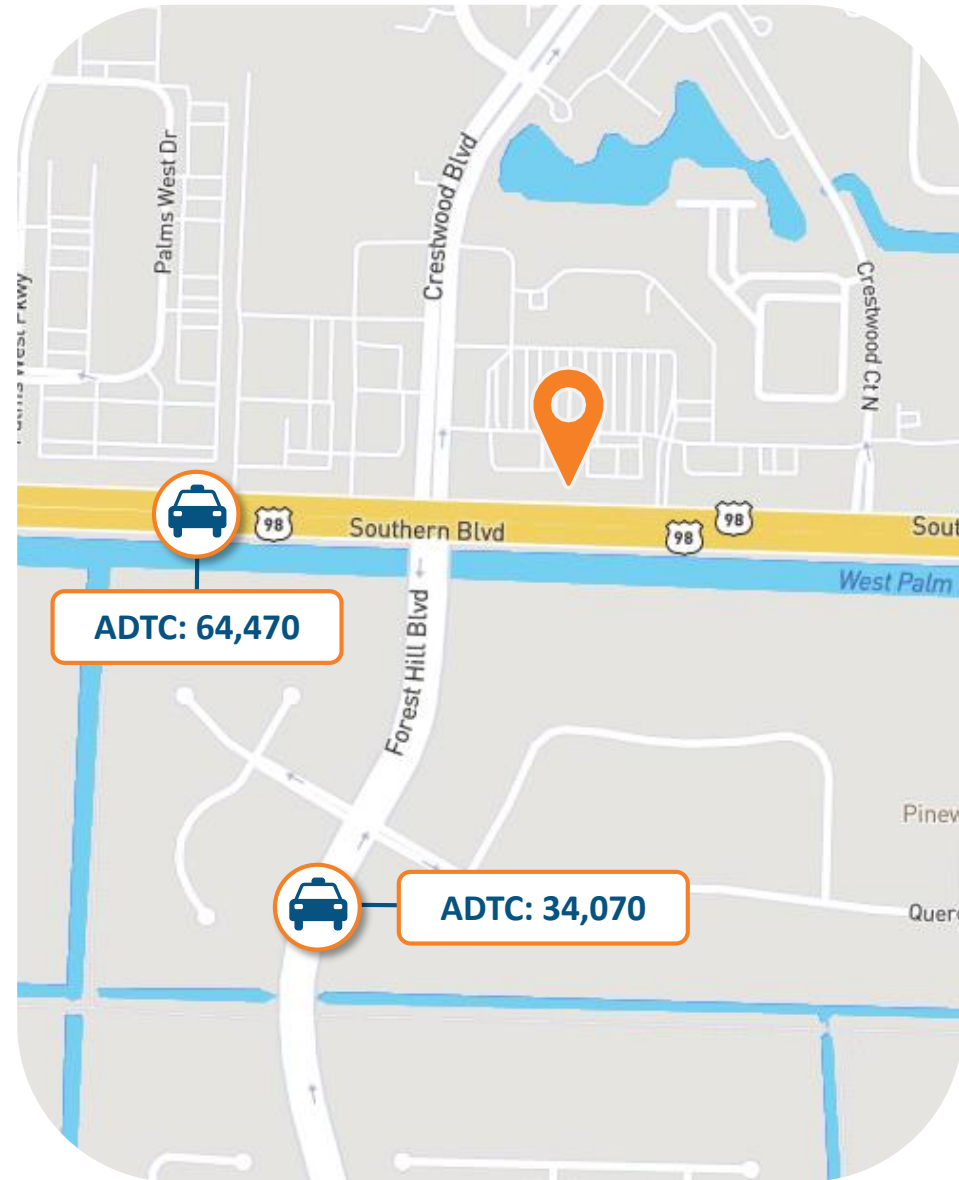
Property Address: 11959 Southern Blvd, Royal Palm Beach, FL 33411

BURGER KING

The subject investment property is positioned on Southern Blvd in Royal Palm Beach, Florida. Southern Blvd brings approximately 64,400 vehicles per day in front of the subject site. Additionally, Southern Blvd intersects with Forest Hill Blvd, which brings an additional 34,000 vehicles into the immediate area. There are more than 70,100 individuals within a three-mile radius of the subject property and more than 128,600 individuals within a five-mile radius. This Burger King is also positioned in a very wealthy suburban area, with an average income over \$100,000 within a five-mile radius.

The subject property also benefits from being well-positioned as an outparcel to a Publix, with proximity to several national and local tenants. Major national tenants include: Costco, Publix, Walgreens, Marshalls, HomeGoods, Stein Mart, Carrabba's, Panera Bread, Outback, Starbucks, several quick service restaurants and hospitality accommodations. This Burger King is also conveniently located in the direct vicinity of Palms West Hospital. The 204-bed facility is located on a spacious 94-acre campus and offers top-quality care for a full complement of healthcare services. Additionally, there are many schools located in the area surrounding the subject property. Schools in the immediate area are Renaissance Charter School at Palms West, Western Academy Charter School, St. David's Episcopal School, and Wellington Collegiate Academy, combining to enroll over 1,300 students.

Royal Palm Beach is a village situated in southeast Florida, located within Palm Beach County. The village is approximately fifteen miles inland from the Atlantic Ocean and it is known for its many parks and general mission to protect green space. Royal Palm Beach has been recognized as a Tree City USA Community by the National Arbor Day Foundation since 1990 for its various green initiatives. The village offers a variety of activities for the outdoor and sports enthusiast including soccer, basketball, tennis, Pop Warner youth football and cheerleading, senior activities, and year-round golf programs. The public schools within the village consist of "A"-rated elementary and middle schools and there are numerous private schools offering classes from pre-kindergarten through high school. In 2008, Family Circle Magazine recognized the Village of Royal Palm Beach as one of the Top 10 Best Towns for Families. The mission of the village is to represent the public interest, promote quick, courteous response to residents' problems, provide leadership and direction to the Village's future, and assure the present and future fiscal integrity of the municipal government. The village of Royal Palm Beach strives to provide its citizens with a clean, safe, family-oriented community.

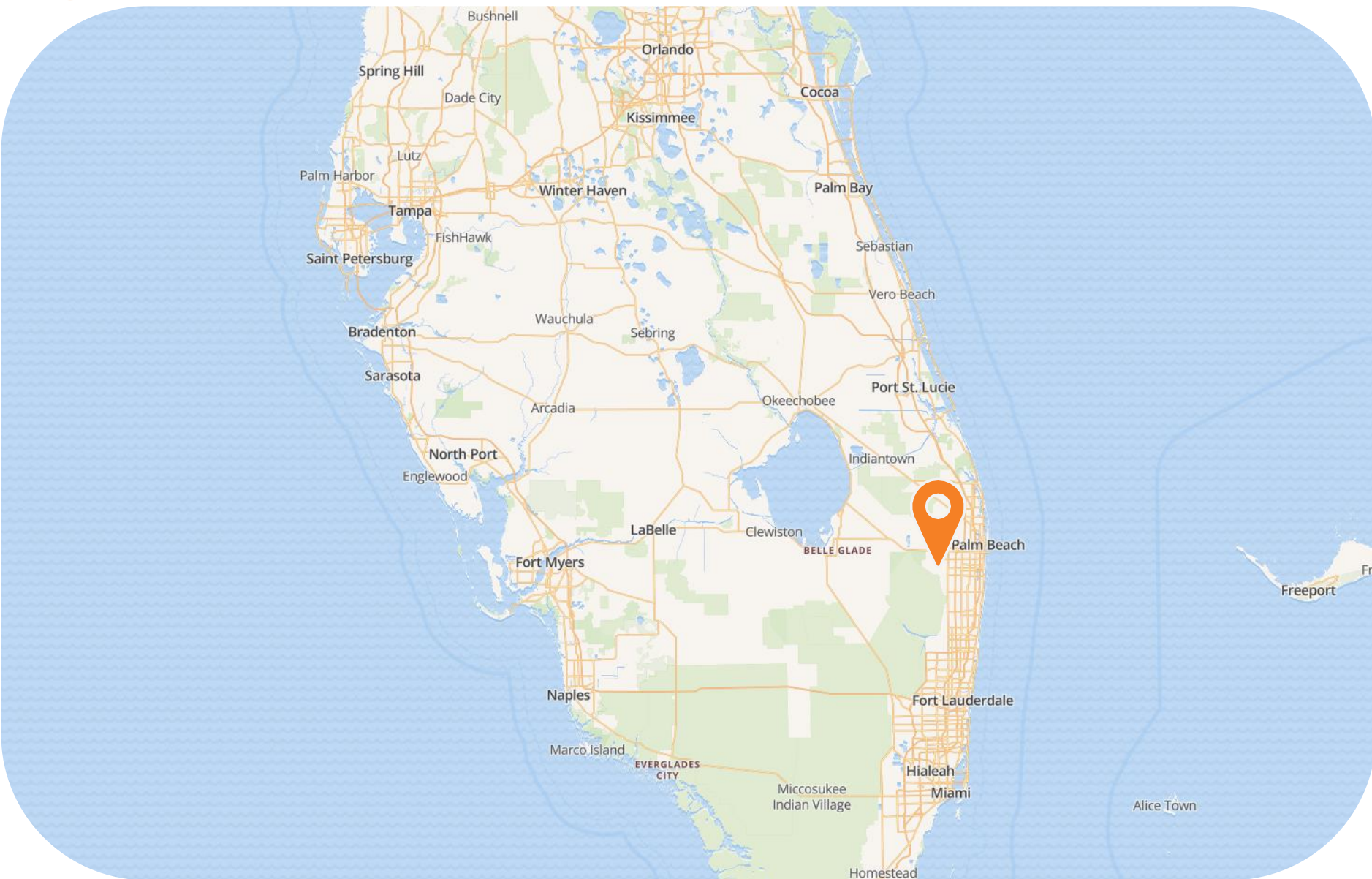




Local Map

BURGER KING

Property Address: 11959 Southern Blvd, Royal Palm Beach, FL 33411

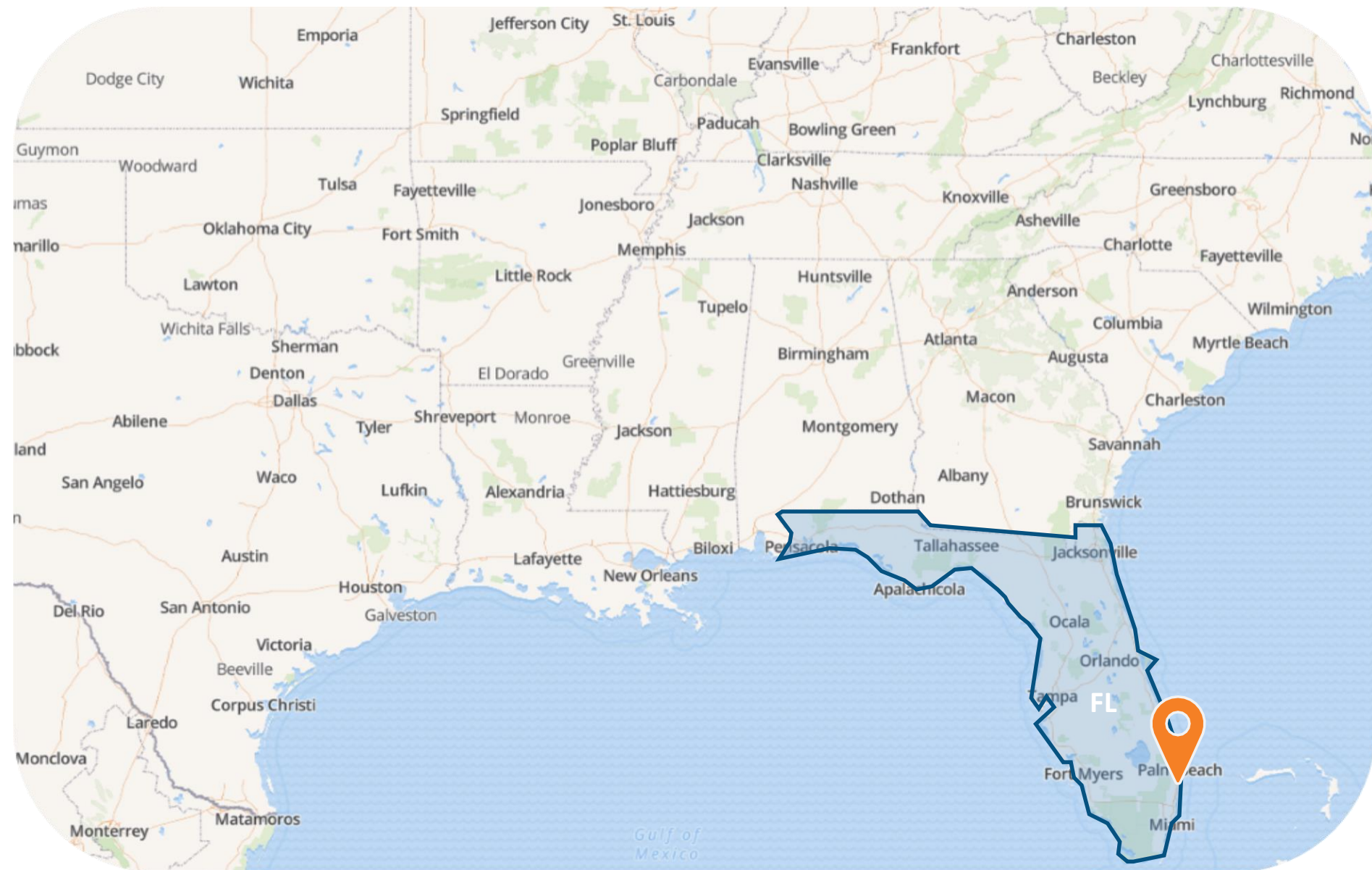




Regional Map

BURGER KING

Property Address: 11959 Southern Blvd, Royal Palm Beach, FL 33411





Demographics

Property Address: 11959 Southern Blvd, Royal Palm Beach, FL 33411

BURGER KING

1 Mile 3 Miles 5 Miles

POPULATION

2022 Projection	8,707	77,092	147,102
2017 Estimate	7,819	70,168	128,608
2010 Census	7,424	65,353	117,719
2000 Census	5,512	47,532	78,772

INCOME

Average	\$89,127	\$96,853	\$100,810
Median	\$71,304	\$72,301	\$73,544
Per Capita	\$33,232	\$33,776	\$35,321

HOUSEHOLDS

2022 Projection	3,267	27,185	52,142
2017 Estimate	2,915	24,443	44,872
2010 Census	2,773	22,860	41,239
2000 Census	2,026	16,636	27,279

HOUSING

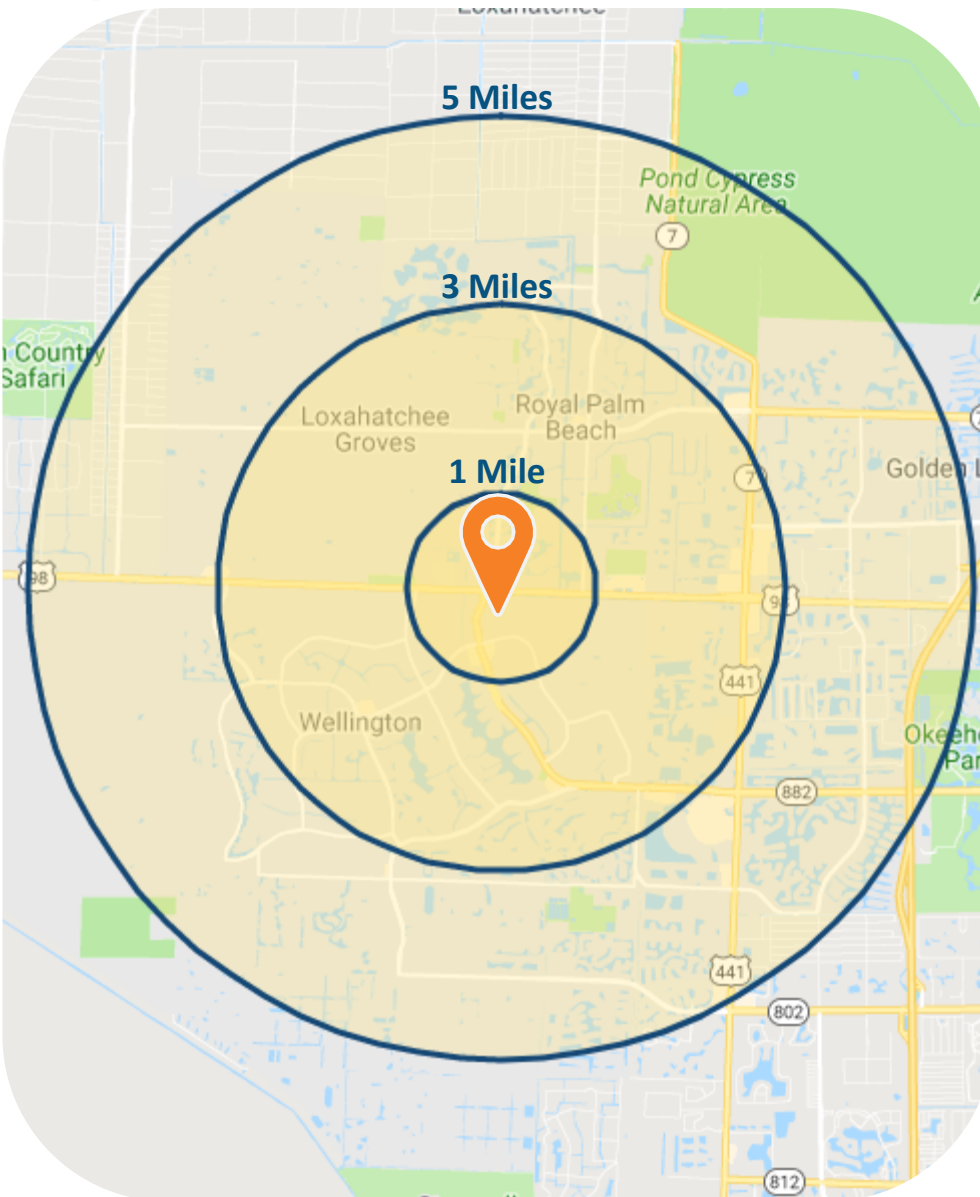
2017	\$242,577	\$251,925	\$270,685
------	-----------	-----------	-----------

EMPLOYMENT

2017 Daytime Population	6,977	53,586	106,568
2017 Unemployment	3.75%	3.85%	4.03%
2017 Median Time Traveled	31 Mins	32 Mins	32 Mins

RACE & ETHNICITY

White	73.50%	69.91%	70.66%
Native American	0.12%	0.06%	0.05%
African American	15.10%	18.21%	17.75%
Asian/Pacific Islander	4.03%	4.05%	4.43%





Market Overview

City: Royal Palm Beach | County: Palm Beach | State: Florida

West Palm Beach, Florida

Royal Palm Beach is located less than 12 miles from downtown West Palm Beach. West Palm Beach is a city in and the county seat of Palm Beach County, Florida, United States. It is located immediately to the west of the adjacent Palm Beach, which is situated on a barrier island across the Lake Worth Lagoon. West Palm Beach is a principal city of the Miami metropolitan area, which was home to an estimated 6,158,824 people in 2017. The city is home to sunny palm-lined streets, breathtaking waterfront views, quaint shopping districts, historic and scenic neighborhoods, and exciting year-round outdoor festivals. West Palm Beach has several world class shopping and entertainment districts including CityPlace, Clematis Street, Antique Row, Northwood Village and more. Its government, business community and citizenry unite to build a positive, progressive business environment that is supportive and cooperative, which combined with its outstanding lifestyle and easy workability, creates Florida's best metropolitan location where professional and personal lives both flourish, and where dreams still come true. West Palm Beach offers an incredible business infrastructure that cuts costs, improves efficiencies and makes business easier to do than other areas of the country. Several industries such as Marine Services, Investment and Financial Services, Healthcare, Biotech, and Professional Services have long enjoyed supportive, thriving concentrations of similar businesses. Although today part of the largest metropolitan statistical area in the Southeast, its gentle pace, relaxed atmosphere, and fulfilling amenities separate it drastically from others in the area.

Major Employers

Employer	Estimated # of Employees
Palms West Hospital	700
Dillards	350
Stockton Maintenance Group Inc	321
Stonewood Grill & Tavern	302
Nuvista Living at Wellington	300
Ranger Construction Industries Inc	300
Walmart	300
Lowe's	250
The Home Depot	247
McDonalds	233
Wellington High School	216

BURGER KING

Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

Ryan Nee
Marcus & Millichap
5900 North Andrews Ave., Suite 100
Fort Lauderdale, FL 33309
Tel: (954) 245-3400
Fax: (954) 245-3410
License: BK3154667



11959 Southern Blvd, Royal Palm Beach, FL 33411