



REPRESENTATIVE PHOTO

## Offering Memorandum

### **BURGER KING GROUND LEASE**

**5101 GIBSON BOULEVARD NE**

**ALBUQUERQUE, NM 87108**

Marcus & Millichap











**BURGER KING GROUND LEASE**

5101 Gibson Boulevard NE  
Albuquerque, NM 87108

**FINANCIAL SUMMARY**

Price	\$1,580,000
Down Payment	100% \$1,580,000
Cap Rate	4.75%
Building SF	2,800 SF
Net Cash Flow	4.75% \$75,000
Year Built	2019
Lot Size	.83 Acres

**LEASE SUMMARY**

Lease Type	Triple-Net (NNN) Ground Lease
Tenant	M&M Bros, Inc.
Lease Commencement Date	November 30, 2018
Lease Expiration Date	November 30, 2038
Lease Term	20 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

**ANNUALIZED OPERATING DATA**

LEASE YEARS	ANNUAL RENT	CAP RATE
1 - 5	\$75,000.00	4.75%
6 - 10	\$82,500.00	5.22%
11-15	\$90,750.00	5.74%
16 - 20	\$99,825.00	6.32%

OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$109,807.50	6.95%
Option 2	\$120,788.25	7.64%
Option 3	\$132,867.08	8.41%
Option 4	\$146,153.78	9.25%

<b>BASE RENT</b>	<b>\$75,000</b>
<b>Net Operating Income</b>	<b>\$75,000</b>
<b>Total Return</b>	<b>4.75% \$75,000</b>



# BURGER KING

Every day, more than 11 million guests visit Burger King restaurants around the world. And they do so because Burger King is known for serving high-quality, great-tasting, and affordable food. Founded in 1954, the Burger King brand is the second largest fast food hamburger chain in the world. The original Home of the Whopper, the commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined the brand for more than 50 successful years.

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's strategy is to identify and invest in opportunities that are well-positioned for profitable, long-term growth and success across a variety of different sectors and regions. The firm's management team leverages prior investment experience, industry expertise and an extensive global network to successfully implement this strategy.

Headquarters	Miami, FL
Founded	1954
Locations	+/- 17,800
Parent Company	Restaurant Brands International
Website	<a href="http://www.bk.com">www.bk.com</a>

## FRANCHISEE OVERVIEW

### M&M Brothers, Inc.

M&M Brothers, Inc. currently operates 13 Burger King locations throughout New Mexico.

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## INVESTMENT HIGHLIGHTS

- New 20-Year Triple-Net (NNN) Ground Lease
- Brand New 2019 Construction
- 10% Rental Increases Every 5 Years
- Franchisee Operates 13+ Burger King Locations Throughout New Mexico
- 204,881 Residents in Growing Trade Area – Infill Albuquerque
- Excellent Visibility - Directly Across from AMG Specialty Hospital and Raymond G. Murphy VA Medical Center
- Visible to Over 23,800 CPD Along Gibson Boulevard
- Minutes from Downtown Albuquerque and The University of New Mexico (22,200 Students)
- Less Than 3 Miles from Kirtland Air Force Base – the Region’s Largest Employer
- Strong Daytime Population – 316,750+ Employees in 5-Mile Radius
- Close Proximity to Albuquerque International Sunport

## DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2023 Projection	12,810	84,484	207,005
2018 Estimate	12,773	84,364	204,881
Growth 2018 - 2023	0.29%	0.14%	1.04%
Households	1-Mile	3-Miles	5-Miles
2023 Projections	6,283	37,176	91,125
2018 Estimate	6,198	36,712	89,012
Growth 2018 - 2023	1.36%	1.27%	2.37%
Income	1-Mile	3-Miles	5-Miles
2018 Est. Average Household Income	\$45,564	\$50,128	\$54,387
2018 Est. Median Household Income	\$28,953	\$31,796	\$36,759
2018 Est. Per Capita Income	\$22,322	\$22,390	\$24,031

## LOCATION OVERVIEW

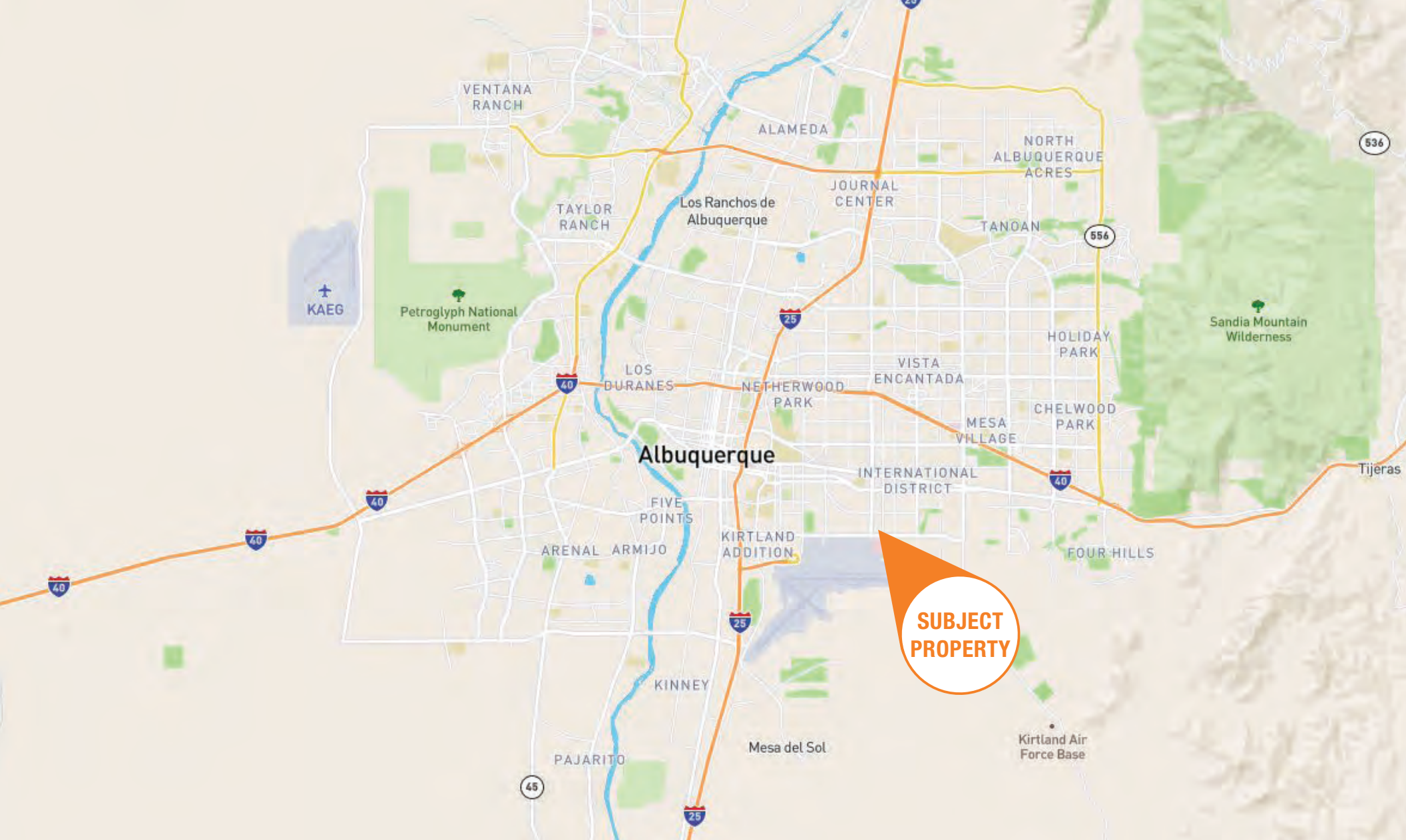
The Albuquerque metropolitan area spans Bernalillo, Sandoval, Torrance and Valencia counties. The metro has grown by 25 percent since 2000, to nearly 911,500 citizens. Albuquerque is the largest city with roughly 558,700 residents followed by Rio Rancho. Over the next five years, the population of the metro will increase by 1.1 percent annually.

Albuquerque’s economic activity relies partially on the government and defense sectors, which are increasing payrolls in the metro. The largest employer of the region is Kirtland Air Force Base, with more than 30,000 civilians and thousands of additional military workers. Additionally, Sandia National Laboratories, Honeywell Defense & Space Electronic Systems and Northrop Grumman provide a substantial amount of the vocational opportunities in the region.

The major drivers of the Albuquerque economy are government, defense, manufacturing and high tech. Since recovering from the recession, the local economy is now accelerating. The U.S. military plays a vital role in the local economy, attracting private and government high-tech institutions, a well-trained labor force and capital investment to the region. The local government shows strong support for the expansions and relocations of business. Both government and business officials in the region have aggressively sought to provide tax incentives and create economic zones to encourage such growth.

The Albuquerque metro offers a wide array of recreational opportunities. Skiing, golfing, mountain biking, camping and hiking are a few of the activities available in the Sandia and Manzano mountains to the east of Albuquerque. The Sandia Peak Tramway provides access to ski resorts and an outstanding view of the beautiful mountains. Furthermore, the region is home to more than 400 miles of trails for biking and hiking.





**3 MILES**  
**Albuquerque**  
**International Sunport**

**4 MILES**  
**The University**  
**of New Mexico**

**5 MILES**  
**Downtown**  
**Albuquerque**

**19 MILES**  
**Cottonwood Mall**  
**(130+ Stores)**

## Net Leased Disclaimer

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

**By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.**

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.

## Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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 offering memorandum 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**



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