

NNN-LEASE • LEE'S SUMMIT, MO • 6,000 SQFT

BURGER KING

EXCLUSIVE OFFERING

637 NORTHEAST HIGHWAY 291, LEE'S SUMMIT, MO 64086



BURGER KING
ABSOLUTE-NET LEASE

OFFERING MEMORANDUM

Marcus & Millichap

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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.

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Lee's Summit, MO Activity ID: ZAA0300320

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Burger King - Lee's Summit
Activity ID: ZAA0300320
Missouri

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BURGER KING

section 1
Executive Summary



offering summary

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investment overview

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investment highlights

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OFFERING SUMMARY

BURGER KING

PRICE	CAP	NOI
\$1,500,000	6.93%	\$103,965
Base Term Remaining	7 Years	
Options	Four, 5-Year Options	
Increases	2.00% Annually	
Gross Square Feet	6,000 SF	
Lot Size	1.06 Acres	
Year Built	1998	
Zoning	CP-2 - Planned Community Commercial	



BURGER KING - LEE'S SUMMIT

637 NORTHEAST HIGHWAY 291, LEE'S SUMMIT, MO 64086

BURGER KING

Marcus & Millichap proudly present a Fee Simple interest in Burger King located in Lee's Summit, MO for consideration. Almost seven years remain of the twenty year base term followed by four, five-year options. The lease commenced May 24, 2006 and expires on May 23, 2026. This interest is being offered at \$1,500,000 with a current net operating income of \$103,965, bringing the capitalization rate to 6.93%. The absolute triple-net lease features strong two percent annual rent increases which continues throughout the option periods.

This 1.06 acre-lot features a two-story, 6,000 square-foot restaurant equipped with 72 parking spaces, a drive-thru lane and an indoor play area. The upstairs story is used for private parties and regional tenant employee training. The site is on a prime corner lot at a signalized intersection on Missouri State Highway 291. The clear visibility from both directions is supplemented by the high traffic count of 27,275 VPD. The site is centrally situated along a strong retail corridor featuring retailers Walmart, Sprouts Farmers Market, Hy-Vee Grocery Store and Hobby Lobby within a mile.

The location is operated by Tasty King, LLC a subsidiary of Tasty Brands, LP wholly owned by Triton Pacific Capital Partners, LLC. Tasty King currently operates 64 Burger King restaurants with locations Missouri, Iowa and Kansas. They plan to continue growing their holdings through acquisitions as well as development.

Lee's Summit is only 20 miles from Kansas City, MO, and enjoys a current population of 97,290 making it the sixth largest city in Missouri. The Average Household Income within a five mile radius of the subject property is reported at \$99,183.

INVESTMENT HIGHLIGHTS

EXCELLENT LEASE TERMS

- Seven Years Base Term Remaining
- Four, 5-Year Option Periods
- Franchisee Guarantee Tasty King, 64-Unit Operator
- Strong Annual Increases of 2% Every Year
- Absolute Net Lease (No Landlord Responsibilities)

PRIME RETAIL LOCATION

- Central Located Along High-Volume Retail Corridor
- 34,100 VPD on State Highway 291
- Withing Two Miles of Downtown Lee's Summit
- 2 Story Site Features Drive-Thru, Indoor Play Area and 72 Parking Spaces
- Corner Location at Signalized Intersection
- Six Thousand Square-Foot Restaurant location

BURGER KING

section 2
Property Description

local and regional maps

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tenant overview

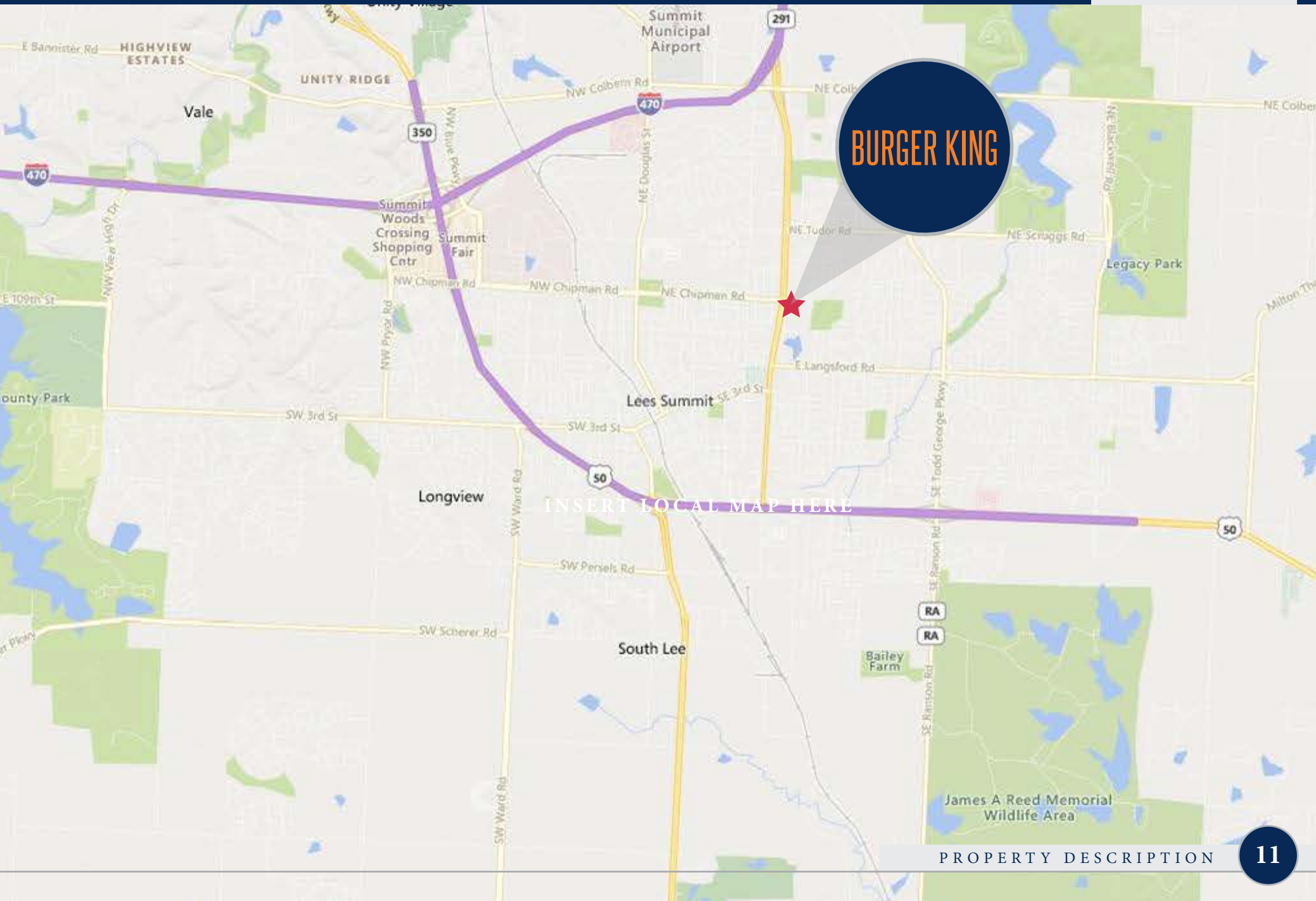
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property details

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LOCAL AREA MAP

BURGER KING





CREDIT RATING: C1

Restaurant Brands international, Inc. (DBA Burger King and Tim Hortons)

GENERAL INFORMATION

Address	874 Sinclair Road, Oakville Ontario, L6K 2Y1, Canada
Phone	(905) 845-6511
Website	www.rbi.com

STORE BASE

Store Count	25,744
TTM Sales	\$5,357,000,000

KEY PERSONNEL

Chief Operating Officer	Josh Kobza
Chief Financial Officer	Matthew Dunnigan
Executive Chairman	Daniel S. Schwartz
Chief Executive Officer	Jose Cil

FINANCIAL MARKETS

Stock Ticker	QSR
Current Price	\$65.80 as of 6/1/19
52 Week High/Low	\$69.26 / \$50.20

Credit Rating Chart Comparison

CreditIntell | F&Dreports

Please note that our rating model is our own proprietary model and is not meant to align with other rating agency models. This comparison was compiled purely for informational purposes based on a representative sampling of ratings on various retailers.

RATING	CREDIT QUALITY	EST. S&P
A1	Excellent	AAA
A2	Excellent	AA (+/-)
B1	Good	A (+/-)
B2	Good	BBB (+/-)
C1	Satisfactory	BB(+/-)
C2	Satisfactory	B+
D1	Below Satisfactory	B
D2	Below Satisfactory	B-
E1	Poor	CCC+/CCC
E2	Poor	CC
F1	Critical	C
F2	Critical	D

Company Overview

We are a Canadian corporation originally formed on August 25, 2014 to serve as the indirect holding company for Tim Hortons and its consolidated subsidiaries and Burger King and its consolidated subsidiaries, and, since our acquisition of Popeyes in March 2017, Popeyes and its consolidated subsidiaries. We are one of the world's largest quick service restaurant ("QSR") companies with more than \$30 billion in system-wide sales and over 25,000 restaurants in more than 100 countries and U.S. territories as of December 31, 2018. Our Tim Hortons®, Burger King® and Popeyes® brands have similar franchise business models with complementary daypart mixes and product platforms. Our three iconic brands are managed independently while benefiting from global scale and sharing of best practices. As of December 31, 2018, approximately 100% of total restaurants for each of our brands was franchised.*

Our Burger King® Brand

Founded in 1954, Burger King ("BK") is the world's second largest fast food hamburger restaurant ("FFHR") chain as measured by total number of restaurants. As of December 31, 2018, we owned or franchised a total of 17,796 BK restaurants in more than 100 countries and U.S. territories. BK restaurants are quick service restaurants that feature flame-grilled hamburgers, chicken and other specialty sandwiches, french fries, soft drinks and other affordably-priced food items.*

OPERATOR PROFILE

BURGER KING



Tasty Brands, LP
(DBA Tasty King, LLC)

GENERAL INFORMATION	
Address	32451 Golden Lantern, Suite 304 Laguna Niguel, CA 92677
Ownership	Triton Pacific Capital Partners, LLC

UNITS	
Store Count	64
States	Iowa, Kansas and Missouri

The Restaurants

The Burger King Restaurants will be independently-owned and operated by Tasty Brands, LP and our affiliates. We and our affiliates have entered into a franchise operating agreement with BKC for each store.

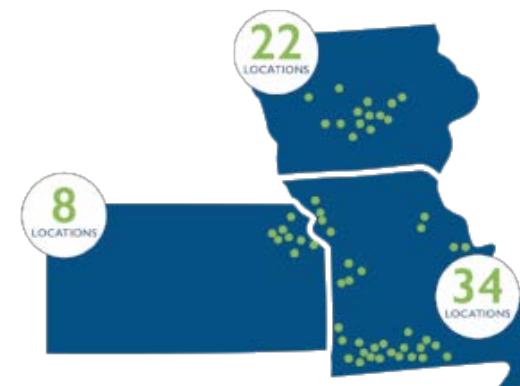
Tasty King has entered into an Area Development and Remodel Agreement with BKC. Under this agreement, BKC is providing incentives to Tasty King to develop within its designated territory as well as remodel older units to comply with the current image requirements for Burger King. We anticipate that these remodel investments should drive sales growth and generate an attractive return on investment. As a 'strategic partner' for BKC, Tasty King also anticipates having the opportunity to acquire smaller operators within the territory as well as have the support of BKC to pursue acquisition opportunities in adjacent markets.

Triton Pacific Capital Partners, LLC

Triton Pacific, a Los Angeles based Private Equity firm founded in 2001, has sponsored Private Equity partnerships totaling \$1 Billion in assets and offerings. Triton Pacific offers a unique approach for retail investors by providing access to income producing Private Equity to both accredited and non-accredited investors.

TritonPacific
Capital Partners, LLC

Tasty King, LLC Burger King Locations Kansas: 8 | Iowa: 22 | Missouri: 34



PROPERTY DETAILS

MONTHLY RENT	ANNUAL RENT	RENT PER SF	PRICE	PRICE PER SF
\$8,664	\$103,965	\$17,33	\$1,500,000	\$250.00

PROPERTY SUMMARY

Total Square Footage	6,000 SF
Space Use	Single Tenant Restaurant
Acreage	1.06 Acres
Parking Spaces	72
Year Built/Renovated	1998
Type of Ownership	Fee Simple
Zoning	CP-2: Planned Community Commercial
Street Address	637 Northeast Highway 291
City, State, Zip	Lee's Summit, MO 64086
County	Jasckson
MSA	Kansas City

LEASE SUMMARY

Type	Absolute Net
Original Term	20 Years
Lease Commencement	05/24/2006
Lease Expiration	05/23/2026
Increases	2.0% Annual Increase
Guarantee	Franchisee
Renewal Options	Four, 5-Year Options
Repairs & Maintenance	Tenant Responsibility
Real Estate Taxes	Tenant Responsibility
Insurance	Tenant Responsibility
Roof & Structure	Tenant Responsibility
Right of First Refusal	No

BURGER KING

section 3
Financial Analysis



annualized income
.....
acquisition financing

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ANNUALIZED INCOME

CAP	PRICE	PRICE/SF	INITIAL CASH/CASH
6.93%	\$1,500,000	\$250.00	7.92%

RENT SCHEDULE						
YEAR		INCREASE	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	(May 2019)	-	\$103,965	\$8,664	\$17.33	6.93%
2	(May 2020)	1%	\$106,045	\$8,837	\$17.67	7.07%
3	(May 2021)	1%	\$108,166	\$9,014	\$18.03	7.21%
4	(May 2022)	1%	\$110,329	\$9,194	\$18.39	7.36%
5	(May 2023)	1%	\$112,536	\$9,378	\$18.76	7.50%
6	(May 2024)	1%	\$114,786	\$9,566	\$19.13	7.65%
7	(May 2025)	1%	\$117,082	\$9,757	\$19.51	7.81%

FINANCING DETAILS*	
Year 1 Net Operating Income	\$103,965
Annual Debt Service Payment	\$74,273
Year 1 Net Cash Flow After Debt Service	\$30,452
Year 1 Debt Service Coverage	1.40
Year 1 Debt Yield	9.24%
Loan Constant	7.66%

PURCHASE LOAN*	
New Acquisition Financing	\$1,125,000
Loan To Value	75.00%
Interest Rate	4.30%
Amortization Period	25 Years
Loan Term	7-Year Fixed

BURGER KING

section 5
Market Overview

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area retail map

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location overview

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market research

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demographics

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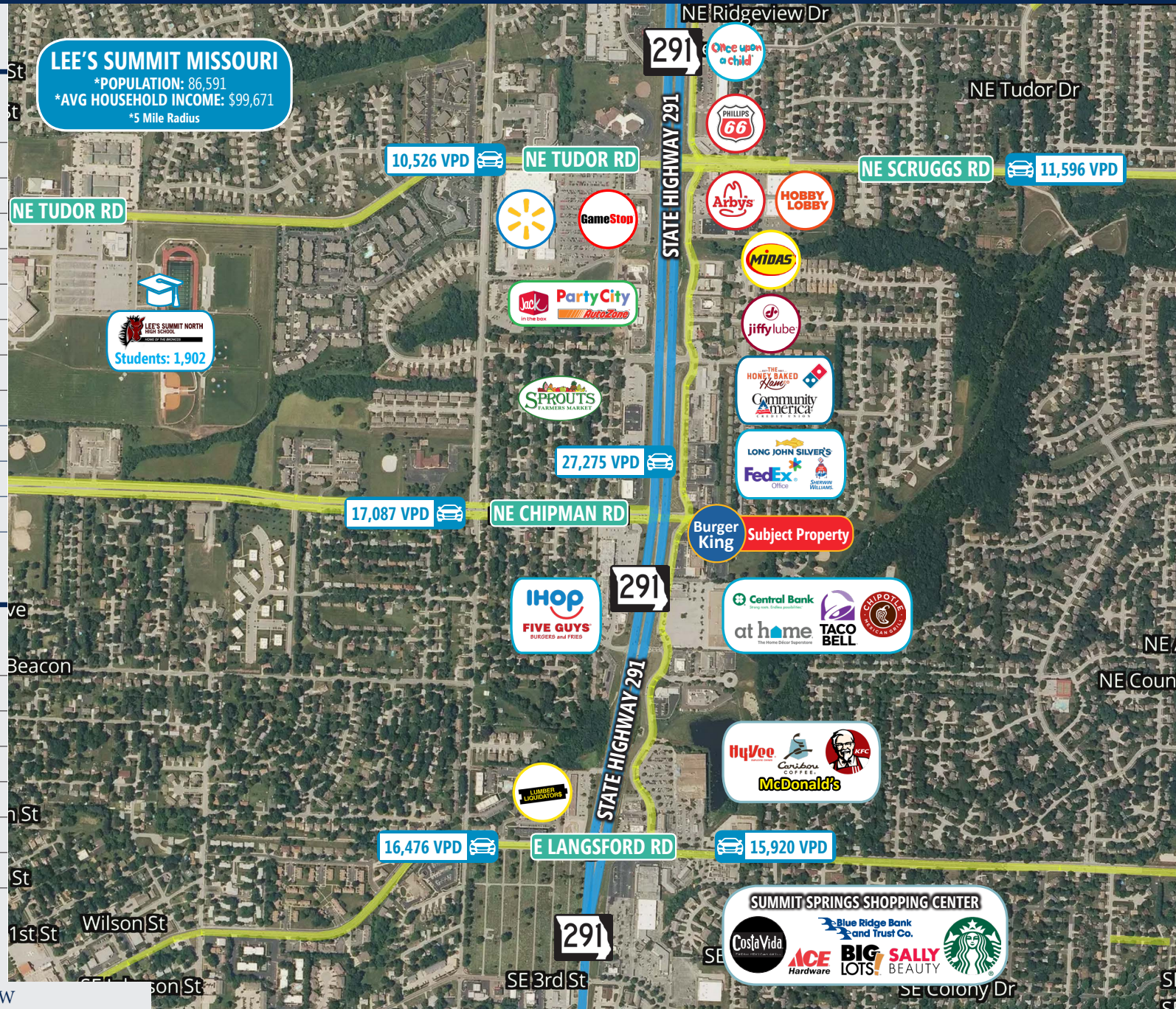
Major Employers*

EMPLOYER	# OF EMPLOYEES
Midwest Pain Management Center	973
State of Missouri	968
John Knox Village Home Health	900
National Benefits Center	800
Truman Medical Center-East	800
Macys	400
Unity	400
Lees Summit Medical Center	390
RCA Group Inc	375
Aspen Contracting Inc	325
Hy-Vee Inc	300
McAlisters Deli	297

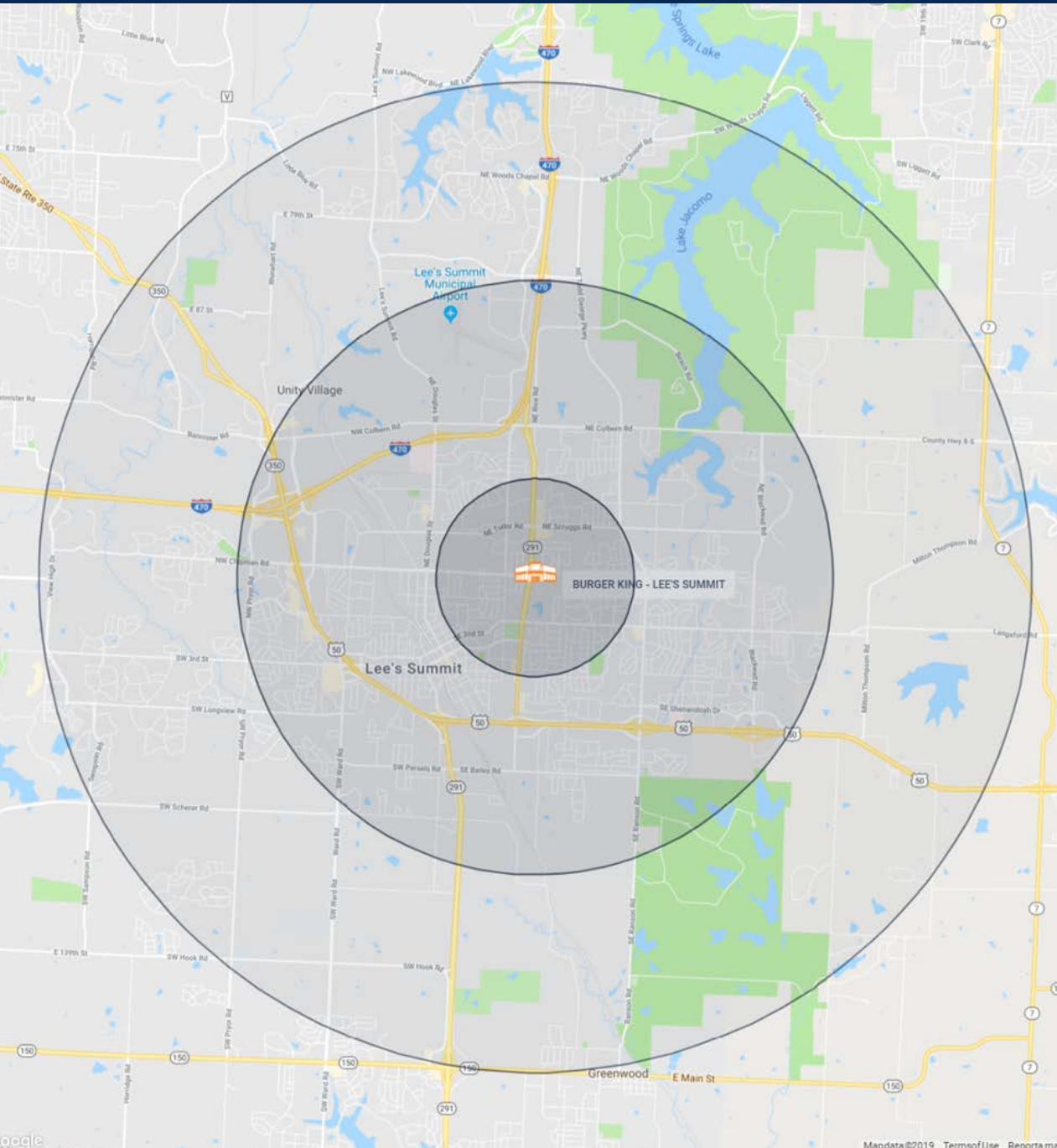
Demographics

	1-MILE	3-MILES	5-MILES
2018 Estimate Pop	14,401	53,691	86,591
2010 Census Pop	13,842	51,173	79,858
2018 Estimate HH	5,883	20,971	32,517
2010 Census HH	5,745	20,246	30,368
Median HH Income	\$56,287	\$67,046	\$76,549
Per Capita Income	\$29,125	\$32,729	\$37,557
Average HH Income	\$71,207	\$83,644	\$99,671

*Number of employees based on 5 mile radius



DEMOGRAPHICS



	1-Miles	3-Miles	5-Miles
POPULATION			
2023 Projection	14,776	55,891	93,183
2018 Estimate	14,401	53,691	86,591
2010 Census	13,842	51,173	79,858
2000 Census	13,256	48,096	66,155
INCOME			
Average	\$71,207	\$83,644	\$99,671
Median	\$56,287	\$67,046	\$76,549
Per Capita	\$29,125	\$32,729	\$37,557
HOUSEHOLDS			
2023 Projection	6,142	21,947	35,096
2018 Estimate	5,883	20,971	32,517
2010 Census	5,745	20,246	30,368
2000 Census	5,217	18,610	25,070
HOUSING			
2018	\$161,028	\$166,702	\$189,612
EMPLOYMENT			
2018 Daytime Population	17,464	55,127	79,447
2018 Unemployment	2.92%	2.77%	2.56%
2018 Median Time Traveled	26	26	26
RACE & ETHNICITY			
White	82.23%	85.95%	84.74%
Native American	0.12%	0.12%	0.14%
African American	9.13%	7.63%	9.00%
Asian/Pacific Islander	1.54%	1.46%	1.73%



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