

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



OFFERING MEMORANDUM
32 Mama B Drive
Danielsville, GA 30633



Exclusively Listed By



Gary Chou

SVP & Senior Director

Gary.Chou@matthews.com
DIR (310) 919-5827
MOB (714) 928-8016
LIC # 01911222 (CA)



Kevin Chang

Associate

Kevin.Chang@matthews.com
DIR (310) 919-5828
MOB (951) 616-8918
LIC # 01976724 (CA)

KYLE MATTHEWS

Broker of Record
LIC # 67120 (GA)

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Investment Highlights

LONG-TERM, WORRY-FREE INVESTMENT

- Brand New Store – Former Chicken Express property is in the process of being converted into one of Burger King's latest prototypes
- Long Term Lease – Brand new 20-year lease with Four (4), 5-Year options
- Absolute NNN Lease – Tenant takes care of all landlord responsibilities including tax, insurance, maintenance, roof and structure
- Growing Cash Flow – There are 7.50% increases every 5 years – Excellent hedge against inflation!

GROWTH FOCUSED TENANT

- High Growth Operator – Tenant currently has 11 stores with plans to expand strategically in existing markets – Expected to have 20 stores by end of 2019

STRATEGIC LOCATION

- Short Drive to Athens – Affordable housing and close proximity (approximately 16 miles) to Athens, GA make this an excellent commuter town
- Out-Positions Competitors – Burger King is poised to be the closest food establishment to local K-12 institutions - Madison County High School, Foothills Education Charter High School, and Danielsville Elementary School
- Sparse Competition – Danielsville is an underserved market – Burger King's main competitor in town is a Hardee's

FINANCIAL OVERVIEW



LIST PRICE

\$1,728,000



CAP RATE

6.25%



TERM REMAINING

±20 Years

EXECUTIVE SUMMARY

| | |
|---------------|---|
| Property Name | Burger King |
| Address | 32 Mama B Drive Danielsville, GA 30633 |
| Year Built | 2019 |
| Building Size | ± 2,736 SF |
| Lot Size | ± 1.55 AC (± 67,518 SF) |
| APN | D001 115 |

LEASE SUMMARY

| | |
|-----------------------|--|
| Tenant Trade Name | Burger King |
| Type of Ownership | Fee Simple |
| Lease Guarantor | Personal Guarantee (Please contact agent for details) |
| Lease Type | NNN |
| Roof & Structure | Tenant Responsible |
| Original Lease Term | ± 20 Years |
| Increases | 7.50% Every 5 Years |
| Lease Commencement | COE |
| Lease Expiration Date | 20 Years from COE |
| Term Remaining | 20 Years |
| Options | Four, 5-Year Options |

ANNUALIZED OPERATING DATA

| Year | Monthly Rent | Annual Rent | RPSF | Cap Rate |
|------------|--------------|-------------|---------|----------|
| Year 1-5 | \$9,000 | \$108,000 | \$26.55 | 6.25% |
| Year 6-10 | \$9,675 | \$116,100 | \$28.54 | 6.72% |
| Year 11-15 | \$10,401 | \$124,808 | \$30.68 | 7.22% |
| Year 16-20 | \$11,181 | \$134,168 | \$32.98 | 7.76% |
| Option 1 | \$12,019 | \$144,231 | \$35.46 | 8.35% |
| Option 2 | \$12,921 | \$155,048 | \$38.11 | 8.97% |
| Option 3 | \$13,890 | \$166,677 | \$40.97 | 9.65% |
| Option 4 | \$14,931 | \$179,177 | \$44.05 | 10.37% |

Tenant Overview

TENANT OVERVIEW

Burger King Worldwide operates the world's #2 hamburger chain by sales with almost 17,000 restaurants in the US and more than 100 other countries. 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. 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. Burger King's menu has expanded from a basic offering of burgers, French fries, sodas, and milkshakes to a larger and more diverse set of products. 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. But the company has reduced its domestic expansion efforts recently. Burger King has used joint ventures to expand in countries like China, Mexico, Russia, and Singapore.



PARENT COMPANY TRADE NAME

Restaurant Brands International, Inc.



NO. OF LOCATIONS

± 17,000



HEADQUARTERED

Miami, FL



WEBSITE

www.bk.com



YEAR FOUNDED

1953

Surrounding Tenants





Representative Photo

Area Overview

DANIELSVILLE, GA

Just 15 minutes from the home of the University of Georgia in Athens, and an easy drive from the metropolitan cities of Atlanta and Greenville, South Carolina, Danielsville and Madison County offer a laid back respite. Lush pastures and rolling hills, acres of natural pine and hardwood forests, peaceful streams and rocky rivers surround six small towns, great for biking, motorcycle rides and meandering the countryside in your car. Nearby Watson Mill Bridge State Park has the longest covered bridge in Georgia. For wine lovers, a visit to Boutier Winery for a tour and tasting is a must. And the Broad River Water Trail flows through the area and offers great paddling for any river enthusiast.

AREA DEMOGRAPHICS

| POPULATION | 3-Mile | 5-Mile | 7-Mile |
|--------------------------|----------|----------|----------|
| 2010 Census | 2,874 | 6,939 | 15,266 |
| 2019 Estimate | 2,982 | 7,203 | 16,075 |
| 2024 Projection | 3,104 | 7,490 | 16,815 |
| Growth 2010 - 2019 | 3.76% | 3.81% | 5.30% |
| Growth 2019 - 2024 | 4.09% | 3.98% | 4.60% |
| HOUSEHOLDS | 3-Mile | 5-Mile | 7-Mile |
| 2010 Census | 1,053 | 2,594 | 5,748 |
| 2019 Estimate | 1,079 | 2,661 | 5,979 |
| 2024 Projection | 1,119 | 2,759 | 6,236 |
| Growth 2010 - 2019 | 2.47% | 2.58% | 4.02% |
| Growth 2019 - 2024 | 3.71% | 3.68% | 4.30% |
| INCOME | 3-Mile | 5-Mile | 7-Mile |
| Average Household Income | \$54,741 | \$61,012 | \$65,638 |



±15 MILES

±87 MILES



ATHENS, GA MSA

Take a hip trip to Athens, Georgia! The eclectic college town of Athens is 61 miles northeast of Atlanta, nestled just below the foothills of the Blue Ridge Mountains. A vibrant, restored Victorian-era downtown teems with art galleries, trendy shops, world-renowned nightclubs and distinctive dining. Historic architecture and impressive gardens complete the unique blend of traditional heritage and trend-setting southern culture. The vibe and energy that gave birth to R.E.M and the B-52's are alive and well today.

UNIVERSITY OF GEORGIA

The University of Georgia, also known as UGA, is a public flagship research university in Athens, Georgia. Founded in 1785, it is one of the oldest public universities in the US. The university is ranked as one of the "Best National Universities for Undergraduate Teaching" (tied with such universities as Harvard and Columbia). U.S. News & World Report presently ranks the university 13th among public national universities. Athens has consistently ranked among America's best college towns primarily due to its vibrant music scene and delicious restaurants.

ATLANTA, GA MSA

Atlanta is the capital of and the most populous city in the U.S. state of Georgia, the cultural and economic center of the Atlanta metropolitan area, and the ninth largest metropolitan area in the United States.

Atlanta is an “alpha-” or “world city”, exerting a significant impact upon commerce, finance, research, technology, education, media, art, and entertainment. It ranks 36th among world cities and 8th in the nation with a gross domestic product of \$270 billion. Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology.

Encompassing \$304 billion, the Atlanta metropolitan area is the eighth-largest economy in the country and 17th-largest in the world. Corporate operations comprise a large portion of Atlanta’s economy, with the city serving as the regional, national, or global headquarters for many corporation

Atlanta is home to professional franchises for three major team sports: the Atlanta Braves of Major League Baseball, the Atlanta Hawks of the National Basketball Association, and the Atlanta Falcons of the National Football League. Due to the more than 30 colleges and universities located in the city, Atlanta is considered a center for higher education.



25

**FORTUNE 500/1000
HEADQUARTERS**



#1

**MOST-TRAVELED
AIRPORT IN THE WORLD**



#1

**BEST STATE FOR
DOING BUSINESS**



ECONOMY

Atlanta's economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology. Corporate operations comprise a large portion of Atlanta's economy, with the city serving as the regional, national, or global headquarters for many corporations. Atlanta contains the country's third largest concentration of Fortune 500 companies, and the city is the global headquarters of corporations such as The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, UPS, and Newell-Rubbermaid. Over 75 percent of Fortune 1000 companies conduct business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations. Many corporations are drawn to Atlanta on account of the city's educated workforce; as of 2010, nearly 43% of adults in the city of Atlanta have college degrees, compared to 27% in the nation as a whole.

TOURISM

Atlanta is one of the most visited cities in America, with over 37 million visitors per year. In 2015 alone, the tourism industry generated \$58.9 billion in business sales. Although the most popular attraction among visitors to Atlanta is the Georgia Aquarium, the world's largest indoor aquarium, Atlanta's tourism industry mostly driven by the city's history museums and outdoor attractions. Atlanta contains a notable amount of historical museums and sites, including the Martin Luther King, Jr. National Historic Site, which includes the preserved childhood home of Dr. Martin Luther King, Jr., as well as his final resting place. The Atlanta Cyclorama & Civil War Museum, which houses a massive painting and diorama in-the-round, with a rotating central audience platform, depicting the Battle of Atlanta in the Civil War; the World of Coca-Cola, featuring the history of the world famous soft drink brand and its well-known advertising; the College Football Hall of Fame which honors college football and its athletes; the National Center for Civil and Human Rights, which explores the Civil Rights Movement and its connection to contemporary human rights movements throughout the world; the Carter Center and Presidential Library, housing U.S. President Jimmy Carter's papers and other material relating to the Carter administration and the Carter family's life; and the Margaret Mitchell House and Museum, site of the writing of the best-selling novel *Gone with the Wind*. Atlanta also contains various outdoor attractions. The Atlanta Botanical Garden, adjacent to Piedmont Park, is home to the 600-foot-long Kendeda Canopy Walk, a skywalk that allows visitors to tour one of the city's last remaining urban forests from 40-foot-high. The Canopy Walk is considered the only canopy-level pathway of its kind in the United States. Zoo Atlanta, located in Grant Park, accommodates over 1,300 animals representing more than 220 species. Home to the nation's largest collections of gorillas and orangutans, the Zoo is also one of only four zoos in the U.S. to house giant pandas. Festivals showcasing arts and crafts, film, and music, including the Atlanta Dogwood Festival, the Atlanta Film Festival, and Music Midtown, respectively, are also popular with tourists.

GEORGIA AQUARIUM



COLLEGE FOOTBALL HALL OF FAME



ATLANTA BOTANICAL GARDEN



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **32 Mama B Drive | Danielsville, GA 30633 (“Property”)**. It has been prepared by Matthews Retail Advisors. 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 Retail Advisors. 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 Retail Advisors 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 Retail Advisors 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.

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