

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



REPRESENTATIVE PHOTO



1400 MAIN STREET,
LOWELL, MI



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1400 Main St,
Lowell, MI

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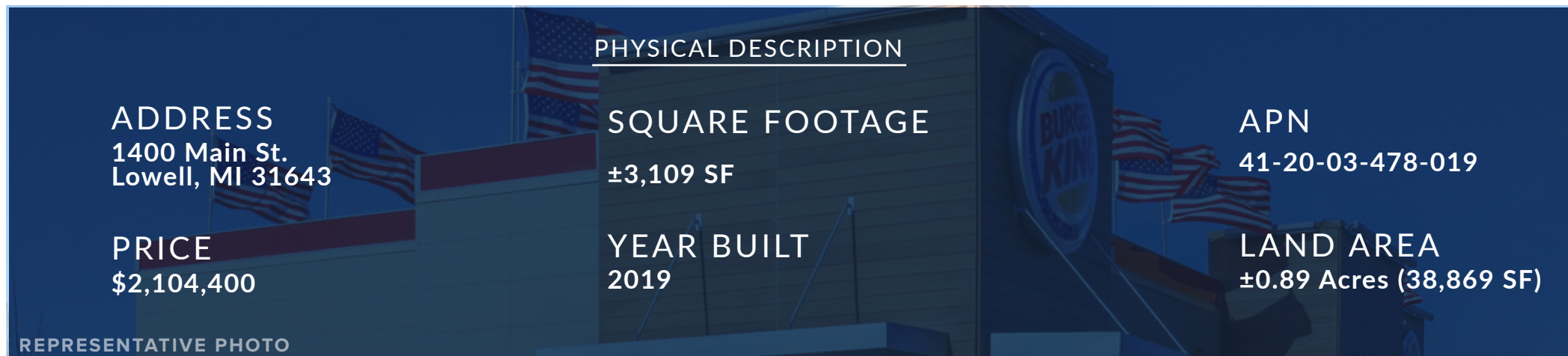
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BROKER OF RECORD
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1400 Main St, Lowell, MI

PROPERTY OVERVIEW



INVESTMENT HIGHLIGHTS

Long-Term, Secure Investment

- » **Brand new, state-of-the-art construction** matching Burger King's current prototype
 - One of the first of Burger King of Tomorrow "BKOT" prototypes in the country, which includes a taller building, larger windows, double drive-thrus, in-restaurant self-order kiosks, and outdoor digital menu boards
- » **New, 20-year absolute NNN lease** with **7.50% rent increases every 5 years** throughout base term and options
- » **Corporately Guaranteed by Crown Ventures** – a franchisee formed in 2009 by John Gross and Brad Mailloux, both of whom have long-standing backgrounds in operations and franchising
- » About 7 miles East of and on the same road as the **Amway World Headquarters**, which stretches one mile from east to west and is comprised of 80 buildings and **3.5MM SF of office and manufacturing space**
 - Amway is a multi-level marketing company that sells health, beauty and home care products and which has been in business since 1959 and which had **revenues of over \$8.8 billion in 2018**
- » **Crown Ventures operates 10 locations** in Michigan and Iowa and will continue to expand their portfolio in years to come
- » **Pride of ownership** owning an asset branded by one of the largest fast food chains in the world

Location

- » Excellent visibility to **over 27,000 VPD Main St** (aka Highway 21), the main thoroughfare through the city
- » Projected 4%+ population growth by 2024 within the 1 and 3-mile radii
- » Located **along the main retail corridor** of the city
- » Less than ¼ of a mile from three different schools
- » Down the street from Meijer, the city's main grocery store, and the new high-end apartment complex being developed: the Townhomes at Two Rivers which will encompass ±101,000 SF with 80 total units.
- » About 9 miles from **Gerald R. Ford International Airport** which handled about **3.3MM passengers in 2018**

1400 Main St, Lowell, MI

FINANCIAL OVERVIEW

BURGER KING TENANT OVERVIEW

PROPERTY NAME	Burger King
PROPERTY ADDRESS	1400 Main St, Lowell, MI 49331
APN	41-20-03-478-019
NUMBER OF STORIES	One
YEAR BUILT	2019
GLA	±3,109 SF
LOT (ACRES)	±38,869 (0.89 Acres)
TYPE OF OWNERSHIP	Fee Simple
LANDSCAPING	Professional
TOPOGRAPHY	Generally Level



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LIST PRICE

\$2,104,400



CAP RATE

6.00%



TERM REMAINING

± 20 Years

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BURGER KING TENANT SUMMARY

TENANT TRADE NAME	Burger King Inc.
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Franchisee (Crown Ventures, Inc.)
LEASE TYPE	NNN
ROOF AND STRUCTURE	Tenant Responsible
ORIGINAL LEASE TERM	20 Years
LEASE COMMENCEMENT	8/28/18
RENT COMMENCEMENT	Est. Mid-July
LEASE EXPIRATION DATE	20 Years from Rent Commencement
INCREASES	7.50% Every Five Years
OPTIONS	Four (4), Five (5) Year Options

ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Years 1-5	\$10,522.17	\$126,266	6.00%
Years 6-10	\$11,311.33	\$135,736	6.45%
Years 11-15	\$12,159.68	\$145,916	6.93%
Years 16-20	\$13,071.65	\$156,860	7.45%
Option 1	\$14,052.03	\$168,624	8.01%
Option 2	\$15,105.93	\$181,271	8.61%
Option 3	\$16,238.88	\$194,867	9.26%
Option 4	\$17,456.79	\$209,481	9.95%

SITE PLAN



[illegible]

1400 Main St, Lowell, MI

AREA OVERVIEW



LOWELL, MI

Lowell is a city in Kent County of the U.S. state of Michigan. The city is in the northern portion of Lowell Township, but is politically independent. Lowell's economy is a mix of manufacturing, restaurants and locally owned businesses. Lowell is bordered by Vergennes Township on the north; Lowell Township on the west, south and east; and Boston Township in Ionia county is one-half mile east of the eastern Lowell city limit.

GRAND RAPIDS

Known for having the most vibrant downtown between Chicago and Cleveland, Grand Rapids is the primary cultural and business hub of western Michigan on the Grand River. As Michigan's second largest city, it has long been a mecca for creators and admirers of craftsmanship.

Upon its establishment, Grand Rapids emerged as a notable furniture-producing center due to nearby hardwood forests. Today, that industry has transitioned towards high-tech office furniture with the headquarters for such names as Steelcase and Herman Miller in the city.

Artistic creativity became an integral part of the city's identity in the 20th century, from visual and performing arts to brewery and cuisine. One of the world's most visited art museums, the Frederik Meijer Gardens & Sculpture Park, is housed in Grand Rapids. Voted Beer City USA in national polls, the city also attracts beer lovers to its Beer City Ale Trail, which boasts more than 40 breweries.

The surrounding area is agricultural, where greater agricultural variety than otherwise found in many Midwestern locations is promoted by the tempering effect of Lake Michigan. Michigan is second only to California in agricultural diversity; the area is responsible for producing 85% of all crops harvested in Michigan.

With high incomes and low living costs, Grand Rapids offers big city amenities and a high quality of life to its residents. Downtown Grand Rapids is clean and traditionally Midwestern with a European appearance where the Grand River flows through. West of the Grand River lies an attractive redevelopment, home of the Van Andel Museum. Nice suburbs spread southwest and east, providing families more spacious living options.

DEMOGRAPHICS

Population	1-Mile	3-Mile	5-Mile
2010 Census	1,575	8,356	15,337
2019 Estimate	1,703	8,982	16,585
2024 Projection	1,763	9,273	17,166
2010-2019 Growth	8.13%	7.49%	8.14%
2019-2024 Growth	3.52%	3.24%	3.50%

Households	1-Mile	3-Mile	5-Mile
2010 Census	567	3,083	5,576
2019 Estimate	622	3,338	6,051
2024 Projection	647	3,454	6,269
2010-2019 Growth	9.70%	8.27%	8.52%
2019-2024 Growth	4.02%	3.48%	3.60%

Income	1-Mile	3-Mile	5-Mile
2019 Est. Average HH Income	\$94,645	\$92,153	\$93,846

DISTANCE FROM MAJOR CITIES



18 MILES
GRAND RAPIDS



52 MILES
LANSING

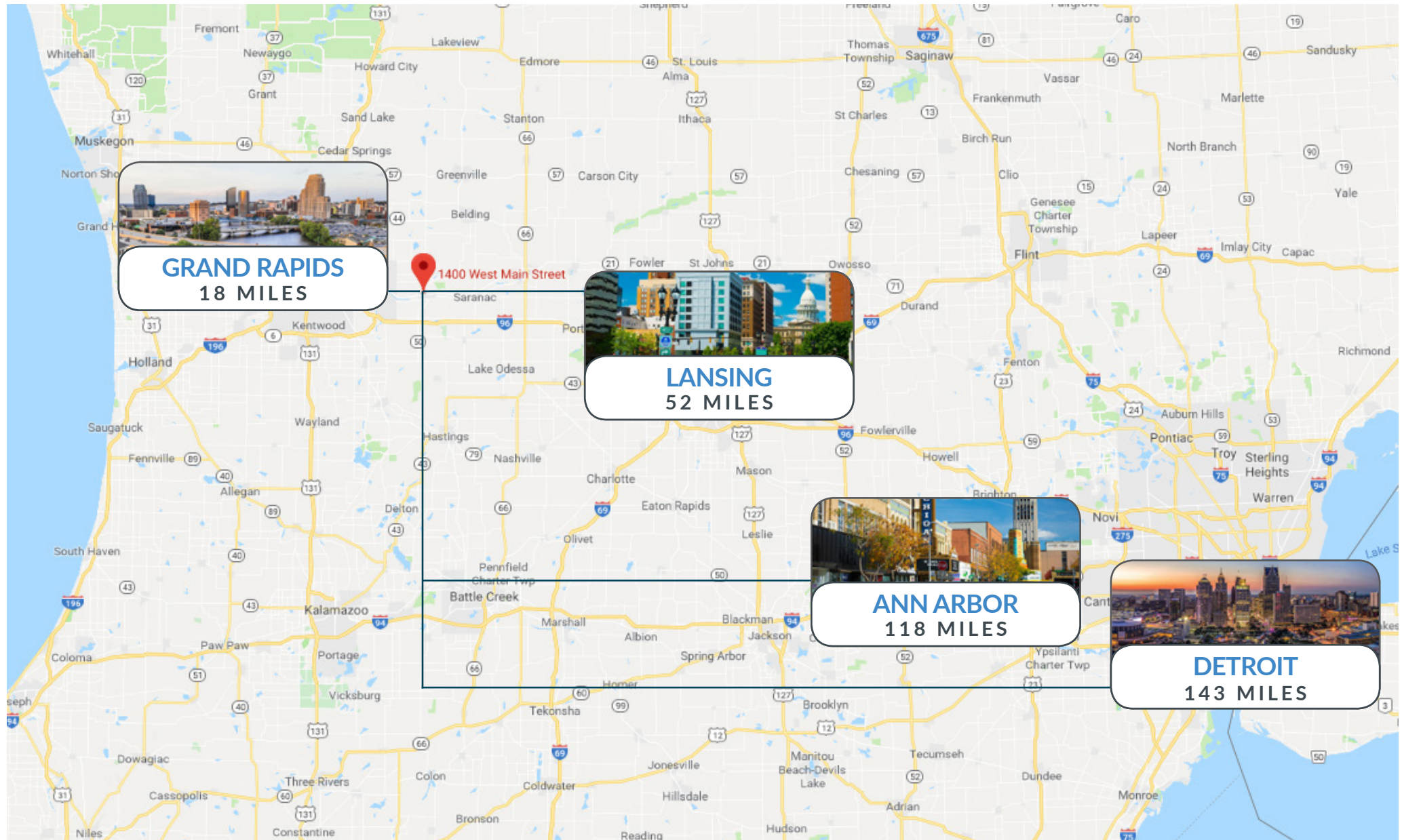


118 MILES
ANN ARBOR



143 MILES
DETROIT

REGIONAL MAP



Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King located at 1400 Main Street, Lowell, MI 49331** ("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.



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