



OFFERING MEMORANDUM

Net Leased Restaurant

Marcus & Millichap



**45 Duval Station Road
Jacksonville, FL 32218**

**New Construction
Opening Sept. 2019**



*Click on this icon seen
throughout the OM to
view a live video feed of
the subject property*

Representative Photo



FINANCIAL OVERVIEW

PRICE: \$2,548,000 | RENT: \$149,047

Property Address	45 Duval Station Road
City, State, Zip	Jacksonville, FL 32218
Estimated Building Size (SF)	2,265
Lot Size SF/Acres	49,515 SF 1.04 Acre (s)
Year Built	2019



LEASE SUMMARY

Property Type	Net Leased Restaurant
Ownership	Private
Tenant	Sailormen, Inc.
Guarantor	103-Unit Franchisee
Lease Commencement Date	Earlier of the date on which tenant opens for business to the public, or 30 days following notice of work completed. Estimated Opening date of September 2019
Lease Expiration	15 Years Thereafter
Lease Term Remaining	15 Years
Lease Type	NNN
Roof & Structure	Tenant Responsibility
Options to Renew	Five 5-Year Options
Base Term Rental Escalations	10% Every Five Years
Percentage Rent	No
Right of First Refusal	Yes

ANNUALIZED OPERATING DATA

Annual Rent	\$149,047 *
Rental Escalations	10% Every 5 Years
Average Cap Rate	8.36%

* Final rent amount will be determined from final construction costs, not to exceed \$149,047

RENT SCHEDULE	ANNUAL RENT	MONTHLY RENT	CAP RATE
YEARS 1-5	\$ 149,047	\$ 12,421	5.85%
YEARS 6-10	\$ 163,952	\$ 13,663	6.44%
YEARS 11-15	\$ 180,347	\$ 15,029	7.08%
Option I Years 16-20	\$ 198,382	\$ 16,532	7.79%
Option II Years 21-25	\$ 218,220	\$ 18,185	8.56%
Option III Years 26-30	\$ 240,042	\$ 20,003	9.42%
Option IV Years 31-35	\$ 264,046	\$ 22,004	10.36%
Option V Year 36-40	\$ 290,450	\$ 24,204	11.40%



INVESTMENT OVERVIEW

Property Address	45 Duval Station Road
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NOI	*\$149,047



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INVESTMENT SUMMARY

Marcus & Millichap is pleased to present for sale this single-tenant, absolute triple-net lease Popeyes Louisiana Kitchen Restaurant investment opportunity located at 45 Duval Station Road, in Jacksonville, Florida. The property consists of more than an acre improved with an approximately 2,265-square foot building. The newly constructed restaurant has a brand new 15-year lease in place with Sailormen, Inc, one of the largest domestic franchisees of Popeyes Louisiana Kitchen restaurants, currently operating more than 100 Popeyes in Florida and Georgia, with approximately eight to ten new restaurants being built every year. Annual base rent is set at \$149,047* with 10 percent rental increases every five years in the base term, as well as the five five-year renewal options.

The new restaurant is located just north of Downtown Jacksonville, the largest city in the TAX-FREE state of Florida. The new Popeyes will open in September of 2019 in the strong, developing trade of Jacksonville's International Airport along the Interstate 95 (I-95) corridor with traffic counts along Exit 363 of over 121,000 vehicles per day. With nearly 3 Million visitors annually enplaning and deplaning, Jacksonville North Estates has blossomed into a full-service trade area that includes a large number of national flagship hotels, restaurants, retail, a 14-screen Regal Cinemas, and the brand new, 92-bed UF Health North hospital as well as Integra River Run apartment complex. Nearby retailers include Walmart, Lowe's, Chick-fil-A, Cracker Barrel, Panera, Starbucks, Outback and McDonald's.

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ACTIVE DEVELOPING TRADE AREA

BRAND NEW 2019 CONSTRUCTION

TAX-FREE STATE

LONG-TERM TRIPLE-NET LEASE

Sailormen inc.

Sailormen, Inc was founded in 1987 with 10 stores and grew to over 150 stores with over \$185MM in revenue in Florida, Georgia, Mississippi, Alabama and Louisiana. In 2018, Sailormen divested its stores in Mississippi, Alabama and Louisiana to concentrate on its new store development in both Florida and Georgia. Currently, Sailormen operates 103 Popeyes in Florida and Georgia with approximately 10 new stores slated to open by the end of 2019.

Sailormen is the recipient of numerous brand awards and its Executives participate on numerous Franchisee Committees including Marketing, Operations, Development and Technology. In addition to their success as a Popeyes franchisee, the longtime partners also own and operate over 50 Burger King and Taco Bell restaurants through affiliated companies and have numerous real estate holdings.



Popeyes Louisiana Kitchen

Founded in New Orleans in 1972, Popeyes® has more than 40 years of history and culinary tradition. Popeyes distinguishes itself with a unique New Orleans style menu featuring spicy chicken, chicken tenders, fried shrimp and other regional items. The chain's passion for its Louisiana heritage and flavorful authentic food has allowed Popeyes to become one of the world's largest quick service restaurant chicken concepts with over 2,600 restaurants in the U.S. and around the world. In March 2017, Popeye's was acquired by Restaurant Brands International, Inc. (NYSE/TSX: QSR, TSX: QSP) the third largest operator of fast food restaurants in the world.

Tenant Name	Popeyes Louisiana Kitchen, Inc
Headquartered	Atlanta, GA
Website	www.popeyes.com
Parent Company	RBI, Inc
Credit Rating	B1
Stock Ticker	QSR
2018 Sales (TB)	\$18,209.2 MM
Current Price	\$55.60 as of 12/7/2018
52 Wk High/Low	\$65.17/\$52.06
Store Count	20,351
No. of Employees	30,300



PROPERTY IMAGES

Click on this icon seen throughout the OM to view a live video feed of the subject property





PROPERTY AERIAL

49,515 SF Lot | 1.04 Acres



11,700 VPD

Main St N

Max Leggett Pkwy

CIRCLE K

CVS/

Duval Station Road



New Construction
Est. Opening September 2019

Benton Street





Bacardi Bottling Corporation



RETAIL AERIAL



Sally Beauty Supply Dist. Center

DHL Express

COACH Dist. Center

Mercedes-Benz USA

Oceanway Middle School



Airport Exit 363

121,000 VPD

UF Health North Hospital



DOLLAR GENERAL



CVS/

Max Leggett Pkwy

CIRCLE K





REGIONAL AERIAL



Duval Station Road



121,000 VPD



Jacksonville International Airport

Airport Exit 363

Airport Road

Max Leggett Pkwy

Main Street



DOWNTOWN JACKSONVILLE

Google





JACKSONVILLE, FL

The Jacksonville metro is located in the northeastern corner of Florida just south of the Georgia border. It comprises five counties: Duval, Clay, St. Johns, Nassau and Baker, with the Atlantic Ocean providing its eastern border. Jacksonville's access to road, rail, sea and air transportation has made it an intermodal hub for the Southeast. JAXPORT is one of the largest ports in the region and is equipped to handle cargo as well as cruise ships and the local ferry service. Naval Air Station Jacksonville and Mayport Naval Station contribute to a strong military presence in the market. The metro houses nearly 1.5 million people. With approximately 883,000 residents, Jacksonville is the largest city in the metro. No other city in the market contains more than 40,000 citizens.

POPULATION

2023 Projection		
3-MILE	5-MILES	10-MILES
23,353	60,695	220,756

2018 Population		
3-MILE	5-MILES	10-MILES
20,195	52,825	206,905



INCOME

Average		
3-MILE	5-MILES	10-MILES
\$71,312	\$74,423	\$62,513

Median		
3-MILE	5-MILES	10-MILES
\$60,784	\$63,859	\$48,174



HOUSEHOLDS

2023 Projection		
3-MILE	5-MILES	10-MILES
8,369	22,217	83,559

2018 Households		
3-MILE	5-MILES	10-MILES
7,158	19,105	77,411



METRO HIGHLIGHTS



BUSINESS ATTRACTION

A lower cost of doing business than other nearby cities and a large, skilled labor pool help draw relocating and expanding companies.



STRONG POPULATION GROWTH

In past decades, the metro's population growth has outpaced that of the nation, a trend that is projected to continue over the next five years.



DEEPWATER PORT

JAXPORT provides a \$27 billion annual economic impact to the metro. More than 9 million tons of cargo pass through the port last year.

ECONOMY

- Once rooted in its military bases, a commercial port, tourism and paper mills, the Jacksonville economy has begun to diversify.
- The metro is home to three Fortune 500 companies: Fidelity National Information Services, Fidelity National Financial and CSX.
- The city has developed a large financial services sector, led by Bank of America, Fidelity National and Citibank.
- Jacksonville has an emerging industrial base in medical products research and manufacturing.

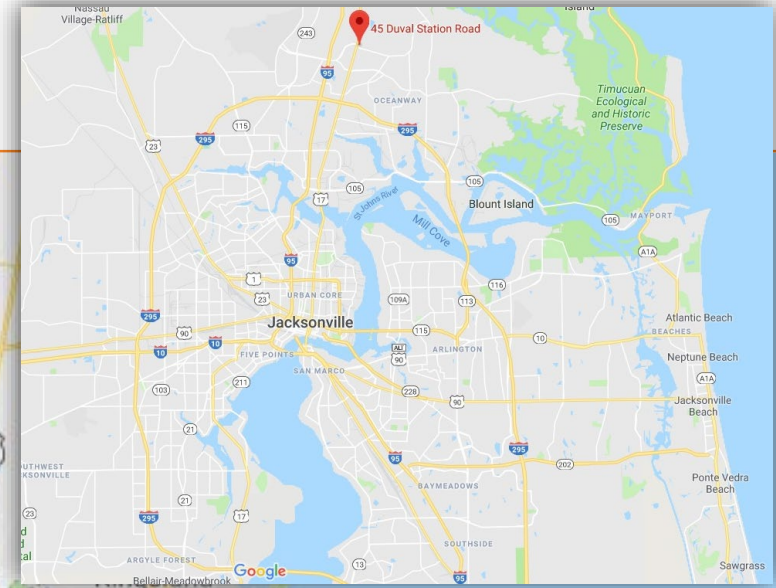
QUALITY OF LIFE

The Jacksonville area offers many recreational events and cultural opportunities. Jacksonville's beach communities consist of Atlantic Beach, Neptune Beach and Jacksonville Beach along 50 miles of shoreline, offering sport fishing, boating and water sport activities. The area is home to the Professional Golfers Association, the World Golf Village and the World Golf Hall of Fame. The Association of Tennis Professionals is also based in the area. Sports teams include the Jacksonville Suns, a minor league baseball team, and the Jacksonville Jaguars of the NFL. Everbank Field hosts the TaxSlayer.com Gator Bowl and the annual matchup between Florida and Georgia. Cultural opportunities and museums abound throughout the metro.



* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



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exclusive listing

Popeyes | Jacksonville, FL

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