

OFFERING MEMORANDUM

**12556 IL-143 | HIGHLAND, IL 62249**





## EXCLUSIVELY LISTED BY



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# INVESTMENT HIGHLIGHTS

## LONG TERM STABILIZED INVESTMENT

- Long-Term Lease – There are  $\pm$  19 years remaining on the original 20-year lease with four (4), 5-year options for the tenant to extend
- Strong Hedge Against Inflation – There are 7.50% increases in rent every 5 years allowing properties to keep up with rising market rents
- Fee Ownership – Sale includes land and improvements, allowing owners to depreciate the improvements over a 39-year depreciation schedule
- Absolute NNN Lease – Landlord has zero landlord responsibilities, the tenant takes care of insurance, real estate taxes, and maintenance
- Latest Prototype – Brand new 2019 construction

## EXCELLENT LOCATION IN STRONG RETAIL AREA

- Strong Retail Corridor – Other national tenants in the immediate area include Walmart, McDonald's, Pizza Hut, Sonic, Dollar General, Circle K, Taco Bell, Domino's, Regions Bank and AT&T, among others

## SEASONED OPERATOR OF AN EXCELLENT BRAND

- Broadway Restaurant Group operates 55+ locations in the greater St. Louis and surrounding areas
- High Growth Operator – Franchisee currently has 5+ units in the development that are slated for opening in 2019
- Franchisee w/ Strong Fundamentals – Broadway Restaurant Group is a sophisticated operator that is well capitalized with a strategic path for revenue growth and increasing unit count
- Iconic Brand – Established in 1954, Burger King has grown to over 15,000 units worldwide



## FINANCIAL OVERVIEW



### LIST PRICE

\$2,202,000



### CAP RATE

5.75%



### TERM REMAINING

± 19 Years

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	RPSF	Cap Rate
Year 1-5	\$10,554	\$126,653	\$31.13	5.75%
Year 6-10	\$11,346	\$136,152	\$33.47	6.18%
Year 11-15	\$12,197	\$146,363	\$35.98	6.65%
Year 16-20	\$13,112	\$157,341	\$38.68	7.15%
Option 1	\$14,095	\$169,141	\$41.58	7.68%
Option 2	\$15,152	\$181,827	\$44.70	8.26%
Option 3	\$16,289	\$195,464	\$48.05	8.88%
Option 4	\$17,510	\$210,124	\$51.65	9.54%

## EXECUTIVE SUMMARY

Property Name	Burger King
Address	12556 IL-143 Highland, IL 62249
GLA	± 3,100 SF
Land Area	± 1.08AC / 47,045 SF
APN	02-1-18-29-18-301-025
Year Built	2019

## TENANT SUMMARY

Lease Type	NNN
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee
Roof and Structure	Tenant Responsible
Original Lease Term	20 Years
Lease Commencement	9/7/2018
Rent Commencement	1/1/2019
Lease Expiration	12/31/2038
Term Remaining	± 19 Years
Increases	7.5% Every Five Years
Options	Four, 5-Year Options







# TENANT OVERVIEW

## TENANT OVERVIEW

Burger King Worldwide operates the world's #2 hamburger chain by sales with almost 15,000 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 offerings 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

± 15,000



## HEADQUARTERED

Miami, FL



## WEBSITE

[www.bk.com](http://www.bk.com)



## YEAR FOUNDED

1953

# SURROUNDING TENANTS





## AREA OVERVIEW



### HIGHLAND, ILLINOIS

Highland is a city in Madison County, Illinois and apart of the Metro-East region of the Greater St. Louis metropolitan area. The Highland Community Unit School District serves Highland area students including those from Alhambra, Illinois, Grantfork, Illinois, and New Douglas, Illinois. Kindergarten through sixth grade schools are located in each of the districts municipalities while the district's middle and high schools are located in Highland.

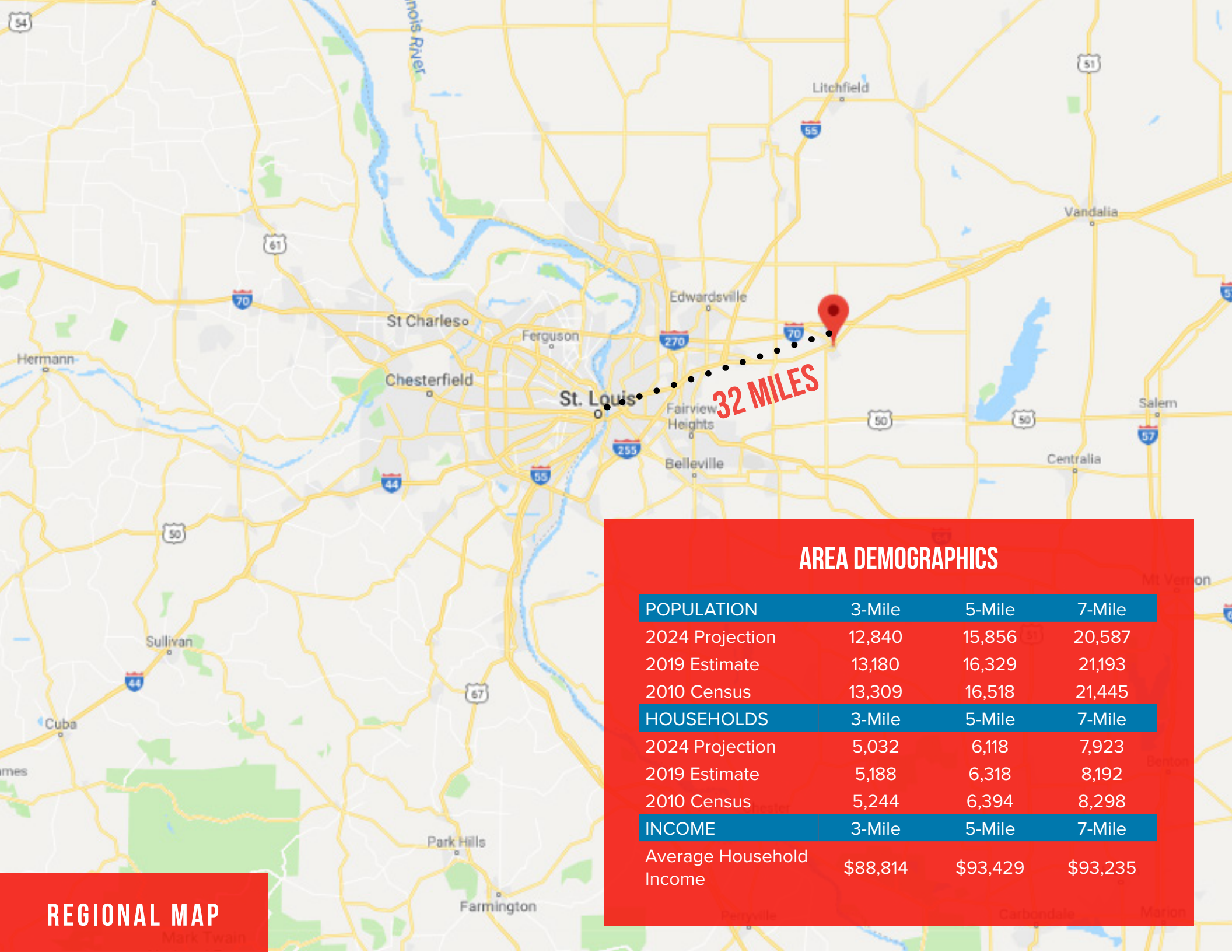
### ST. LOUIS ECONOMY

Other notable corporations headquartered in the region include Arch Coal, Wells Fargo Advisors, Energizer Holdings, Patriot Coal, Post Foods, United Van Lines, and Mayflower Transit, Post Holdings, Olin, and Enterprise Holdings. Several once-independent pillars of the local economy have been purchased by other corporations. Among them are Anheuser-Busch, purchased by Belgium-based InBev; Missouri Pacific Railroad. St. Louis is a center of medicine and biotechnology. The Washington University School of Medicine is affiliated with Barnes-Jewish Hospital, the fifth-largest hospital in the world. The School of Medicine also is affiliated with St. Louis Children's Hospital, one of the country's top pediatric hospitals.

### FORTUNE 500 COMPANIES

- Express Scripts Holding
- Emerson
- Monsanto
- Reinsurance Group of America
- Centene
- Peabody Energy
- Ameren
- Graybar Electric
- Jones Financial





REGIONAL MAP

AREA DEMOGRAPHICS

POPULATION	3-Mile	5-Mile	7-Mile
2024 Projection	12,840	15,856	20,587
2019 Estimate	13,180	16,329	21,193
2010 Census	13,309	16,518	21,445
HOUSEHOLDS	3-Mile	5-Mile	7-Mile
2024 Projection	5,032	6,118	7,923
2019 Estimate	5,188	6,318	8,192
2010 Census	5,244	6,394	8,298
INCOME	3-Mile	5-Mile	7-Mile
Average Household Income	\$88,814	\$93,429	\$93,235



## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **12556 IL-143, Highland, IL 62249** (“**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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