## NEW 20-YEAR NNN BURGER KING

TBD SC-24, ANDERSON, SC 29626 GREENVILLE, SC MSA



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## PORTFOLIO OFFERING







## OFFERING HIGHLIGHTS

Price*	\$2,456,000
Cap Rate	5.75%
Year Built	2019
Building GLA	2,300 SF
Lot Size	1.09 Acres
NOI*	\$141,203

\*The NOI and Price are subject to adjustments due to final construction costs.

### TOP UPSTATE SC EMPLOYERS

BMW Milliken North America

Clemson University Spartanburg Regional Healthcare

Greenville County Schools State of South Carolina

Greenville Health System Wal-Mart Stores, Inc.

Michelin North America AnMed Health System

## **INVESTMENT OVERVIEW**

### Optimal Lease Structure

- Attractive 20-year base term
- Four (4), 5-year renewal terms
- 10% rent escalations every 5 years throughout entire lease
- Absolute NNN lease with NO LL responsibilities
- Strong personal and franchisee guarantee

### Greenville-Sparatanburg-Anderson, SC CSA

- Largest CSA in SC with a total population of over 1,460,000 people
- Home to offices and production centers for multiple national and international companies, including BMW, Bausch & Lomb, IRIX Manufacturing, Michelin North America, and GE Power
- Home to the BMW US Manufacturing Plant
  - o ±11,000 employees and over 1,500 vehicles produced daily
  - o Over \$10.6 B invested in the plant since its inception

#### Best-In-Class QSR Tenant

- Newly constructed Burger King
- 2019 construction with latest BTS prototype
- Burger King rankings:
  - o #6 biggest fast-food chain in America (2019 QSR Magazine)
  - o #2 biggest burger chain in America (2019 Work+Money)
- Brand has 17,800+ locations worldwide

### Strong Real Estate Fundamentals

- Strategically located within Greenville, SC MSA
- Flat topography with optimal visibility
- Ample parking with 36 spaces
- Frontage along SC-24

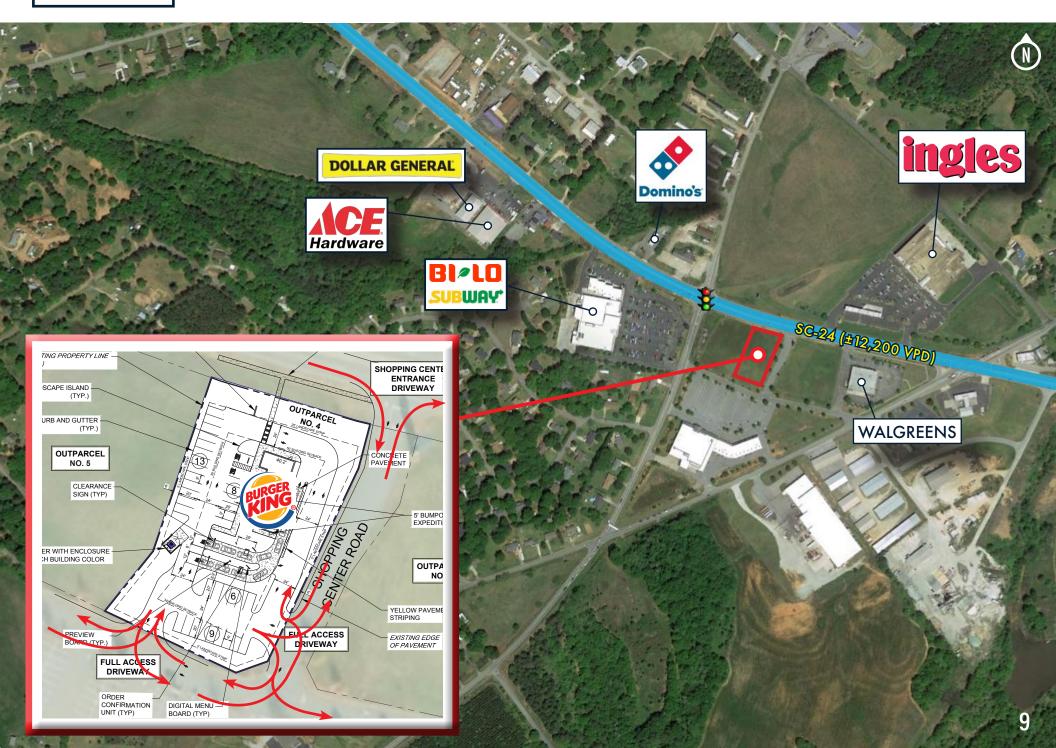
### About the Operator - Carolina Franchise Holdings

- Preferred territories span GA, SC & NC
- Management Team includes professional backgrounds covering development, accounting & QSR operations
- Cumulative experience of Management Team exceeds 160+ years of professional experience
- 1 of 5 franchisees across North America selected by Burger King Corporate to beta test new operations model rolled out to all franchisees in 2020
- 9 units opened in 2018, 17 units opened or scheduled to open by YE 2019, 5 units scheduled to open by Q1 2020





# AERIAL



## AERIAL



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# CONSTRUCTION PHOTOS









## **REGIONAL MAP**





## LOCATION OVERVIEW

Anderson is part of the Greenville-Spartanburg-Anderson MSA, which was ranked seventh in the nation by site consultants considering the top markets for economic development. This 10-county region is also know as The Upstate. Anderson is just off Interstate 85 and is 120 miles from Atlanta and 140 miles from Charlotte. Anderson's economy revolves around manufacturing with over 230 manufacturers, including 22 international companies. In the county, Anderson has a thriving business climate. The top major industries include manufacturers of automotive products, metal products, industrial machinery, plastics, publishing, and textiles. Two industries that many times interconnect are the plastic and automotive sectors. There are more than 27 BMW suppliers in the Upstate region, which is recognized internationally as an automotive supplier hub. The plastics industry has a strong presence in the Upstate, with 244 plastic companies located within the 10 counties of the state's northwest corner. Anderson County, in particular, has 11 automotive suppliers and is a major player in the plastic industry, with 27 plastics companies located within its borders.

Another major industry in the Upstate is healthcare and pharmaceuticals. Greenville Hospital System and Bon Secours St. Francis Health System are the area's largest in the healthcare sector, while the pharmaceutical corporation of Bausch & Lomb has set up regional operations alongside smaller recently developed local companies like IRIX Manufacturing, Incorporated and Pharmaceutical Associates. The Upstate is also home to a large amount of private sector and university-based research including R&D facilities for Michelin, Fuji and General Electric and research centers to support the automotive, life sciences, plastics and photonics industries. Clemson University, BMW, IBM, Microsoft, and Michelin have combined their resources to create International Center for Automotive Research (ICAR), a research park that specializes in the development of automotive technology.

The area is home to multiple universities, including Clemson University, Furman University, and Anderson University. This concentration of higher education attracts and keeps top talent in the area leading to increased economic development and growth. Greenville has consistently ranked as one of the fastest-growing cities in the country.







# DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2023 Projection	2,629	13,014	33,416
2018 Estimate	2,427	12,031	31,217
2010 Census	2,316	11,377	29,813
2000 Census	1,904	9,659	25,476
Growth 2000-2018	27.47%	24.56%	22.53%
HOUSEHOLDS			
2023 Projections	997	5,256	13,708
2018 Estimate	915	4,830	12,670
2010 Census	868	4,546	12,043
2000 Census	703	3,784	10,208
Growth 2000-2018	30.16%	27.64%	24.12%
2018 POPULATION BY RAC	E		
% White Population	85.55%	86.12%	77.92%
% Black Population	10.28%	10.31%	16.35%
% Asian Population	1.22%	1.15%	1.39%
% American Indian, Eskimo, Aleut Population	0.23%	0.23%	0.26%
% Hawaiian or Pacific Islander Population	0.04%	0.05%	0.05%
% Multi-Race Population	1.50%	1.36%	2.02%
% Other Population	1.17%	0.78%	2.02%
POPULATION PROFILE			
20 to 34 Years	17.6%	16.7%	18.8%
35 to 59 Years	35.1%	34.2%	32.7%
60 to 74 Years	17.2%	18.9%	18.0%
Age 75+	6.4%	7.2%	7.0%
2018 Median Age	41.6	43.4	41.3





## LEASE ABSTRACT

TENANT:

CFH Anderson, LLC d/b/a Burger King

LEASE GUARANTOR:

CFH Master Holding, LLC (Franchisee) & Bruce Daniels (Personal)

**BUILDING SIZE:** 

±2,720 Square Feet

LEASE COMMENCEMENT:

Est. November 15, 2019

**BASE TERM:** 

20 Years

**BASE RENT:** 

\$11,766.92 per month/\$141,203.00 annually (Years 1-5) \$12,943.58 per month/\$155,323.00 annually (Years 6-10) \$14,237.92 per month/\$170,855.00 annually (Years 11-15) \$15,661.75 per month/\$187,941.00 annually (Years 16-20)

OPTIONS:

Four (4), 5 year options

**OPTION RENT:** 

Option 1: \$17,227.92 per month/\$206,735.00 annually (Years 21-25)

Option 2: \$18,950.75 per month/\$227,409.00 annually (Years 26-30)

Option 3: \$20,845.83 per month/\$250,150.00 annually (Years 31-35)

Option 4: \$22,930.42 per month/\$275,165.00 annually (Years 36-40)

**RENT ESCALATIONS:** 

10% Every 5 Years

TAXES. UTILITIES AND OTHER CHARGES:

Tenant agrees to pay, at Tenant's sole expense and for its own account, on or before the due date.

#### **NET LEASE:**

It is the intention of Landlord and Tenant that the Rent shall be absolutely net to Landlord, and Tenant shall pay and be responsible for all costs, expenses and obligations of every kind and nature relating to the Property which may acrue or become due during the Term, including, without limitation, all utilities and other services consumed or otherwise utilized by Tenant in its occupancy of the Property.

#### RIGHT OF FIRST REFUSAL:

No

#### REPAIR OF BUILDING & PREMISES:

Solely Tenant's responsibility which shall include roof, HVAC, lighting, parking lot, etc.

#### **INSURANCE**:

Tenant, at Tenant's expense, at all times during the Term of this Lease from and after the Possession Date, will procure, maintain and keep in force commercial general liability insurance, employer's liability insurance and property insurance.

#### **ASSIGNMENT & SUBLETTING:**

Notwithstanding any Landlord approved assignment or subletting or any Permitted Transfer hereunder, Tenant shall remain fully responsible to Landlord in accordance with the terms and provisions of this Lease and Guarantor shall remain fully responsible to Landlord in accordance with the terms and provisions of the Guaranty.

#### **ESTOPPEL**:

Within fifteen (15) business days





### **GUARANTOR**

GUARANTOR	CFH Master Holding, LLC (Franchisee) & Bruce Daniels (Personal)	
NO. OF UNITS	15+	
LOCATIONS	NC, SC, GA	
<u>CORPORATE</u>		
TENANT TRADE NAME	Burger King	
OWNERSHIP	Restaurant Brands International	
HEADQUARTERS	Miami-Dade County, FL	





\$3.62 BILLION
Total Equity of Parent Company

\$21.62 BILLION
2018 Systemwide Sales



**LOCATED IN 100 COUNTRIES** 

## TENANT SUMMARY

Burger King (BK) is an American global chain of hamburger fast food restaurants. Headquartered in the unincorporated area of Miami-Dade County, Florida, the company was founded in 1953 as Insta-Burger King, a Jacksonville, Florida-based restaurant chain. In 1954, its two Miami-based franchisees David Edgerton and James McLamore purchased the company and renamed it "Burger King". 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. In 1957, the "Whopper" became the first major addition to the menu, and it has become Burger King's signature product since.

Burger King has over 17,800 outlets in 100 countries. Of these, nearly half are located in the United States, and 99.7% are privately owned and operated. Restaurant Brands International (RBI) is one of the world's largest quick service restaurant companies with more than \$32 billion in systemwide sales and approximately 26,000 restaurants in more than 100 countries and U.S. territories. RBI owns three of the world's most prominent and iconic quick service restaurant brands – BURGER KING®, TIM HORTONS®, and POPEYES®. These independently operated brands have been serving their respective guests, franchisees and communities for decades. 18

## MANAGEMENT TEAM



# BRUCE DANIELS Founder & CEO

Bruce is the Founder of Carolina Franchise Holdings and serves as CEO. Prior to CFH, Bruce was a co-founder and Managing Partner at West 4th Capital, a residential development in Sao Paulo, Brazil. West 4th delivered over 2,000 units with a total sales value of "\$95 million. In Brazil, he led the origination, underwriting and domestic and international capital raise of the first CDO squared in Brazil as Partner of Petra S.A. Prior to Brazil, Bruce worked within Merrill Lynch and Bear Stearns Investment Banking groups focused on M&A transactions within the general industries and real estate sector. Bruce began his career at Arthur Anderson within the audit and consulting practices. In addition, Bruce served 8 years in the United States Army as a member of the Georgia National Guard.

Bruce received an MBA from New York University where he was awarded a Stern Fellowship. He completed B.B.A. degrees in Finance and Accounting at the University of Georgia where he received a full scholarship as a Terry Scholar.

### BENJAMIN WASSER Chief Operating Officer

Benjamin Wasser is the Chief Operating Officer at Carolina Franchise Holdings, LLC. Prior to CFH, Ben has over 8 years of QSR experience and recently served as the Director of Franchise Performance for Burger King Corporation from 2014 to 2019, a position that was responsible for strategy, operations, marketing, sales, profitability, development and future business growth for over 400 locations across both North and South Carolina. Prior to moving to the Carolinas, he was the Director of Company Operations overseeing 50 units owned by BKC. As the Director of Operations, Benjamin was able to achieve top ranking in the operating reporting matrix across all franchise groups and revamped the marketing strategy increasing sales by 10% while achieving double digit EBIDTA margins for the first time in the company's history.

Benjamin has obtained his white and yellow belt certification in Six and served in the McLamore and RBI, MBA committee's during his time at RBI. Benjamin received his undergraduate degree in business management from Palm Beach Atlantic University.

## MANAGEMENT TEAM



# DAVID WALLACE DIRECTOR OF DEVELOPMENT

- 21 years as Construction Manager for Popeyes Louisiana Kitchen (RBI)
- Led development of corporate owned stores and oversaw franchisee development
- 14 years as General Contractor and subcontractor for restaurants, residential and commercial construction

# BOBBY CLARK REGIONAL MANAGER

- 36 years of QSR experience
- 10 years with Burger King brand
- Vice President of Operations for Cambridge Franchise Holdings
  - > 20 to 170 units in under 5 years
- 26 years with Wendy's brand
  - Director of Operations for large multi-unit franchisee
  - > 9 years as District Manager
  - > 8 years as Restaurant Manager

# BRANDON ELLIS CONTROLLER

- 6 years as controller within public and private companies
- 12 years of experience in accounting and finance roles (Bi-Lo and GE Power & Water)
- MBA from Clemson University
- Bachelors Banking, Corporate Finance and Securities Law from the University of South Carolina

# JOHN LANCASTER DIRECTOR OF FOOD & LABOR

- Over 7 years with Burger King brand
- Director within Carolina Franchise Holdings since founding
- 6 years with Burger King Corporate (Restaurant Brands International)
- Manager of Franchise Performance for 3 years overseeing performance of South Carolina units
- Sales & Profit Coach for South Carolina for 3 years

# BENJAMIN FLEMING DIRECTOR OF TALENT & MARKETING

- 3 years with Burger King brand
- Manager of Franchise Performance with Burger King Corporate (Restaurant Brands International)
- Brand Manager for Grand Forest Inc. for 3 years
- Marketing Director for Black Bean Co.
- Bachelors of Marketing from North Greenville University

# JIMMY GADAGNO NEW BUILD OPERATIONS MANAGER

- 20 years with Burger King multi-unit franchisee in the Carolinas
- Top Restaurant Manger for 3rd generation franchisee
- Retired after 20 years with Westinghouse/Eaton Electric prior to beginning BK career
- Manufacturing Manager

## FINANCIAL SUMMARY

### THE OFFERING

Property Address:

\$2,456,000 Price\*:

TBD SC-24,

Anderson, SC 29626

Cap Rate: 5.75%

Gross Leasable Area (GLA): 2,300 SF

Lot Size: 1.09 Acres

Year Built: 2019

Type of Ownership: Fee Simple

\*The NOI and Price are subject to adjustments due to final construction costs.

### LEASE SUMMARY

Property Subtype:

Tenant:

Rent Increases:

Guarantor:

Lease Type:

Lease Commencement:

Lease Term:

Renewal Options:

Landlord Responsibility:

Right of First Refusal:

Net Leased Restaurant

CFH Anderson, LLC d/b/a Burger King

10% Every 5 Years

Franchisee & Personal

Absolute NNN

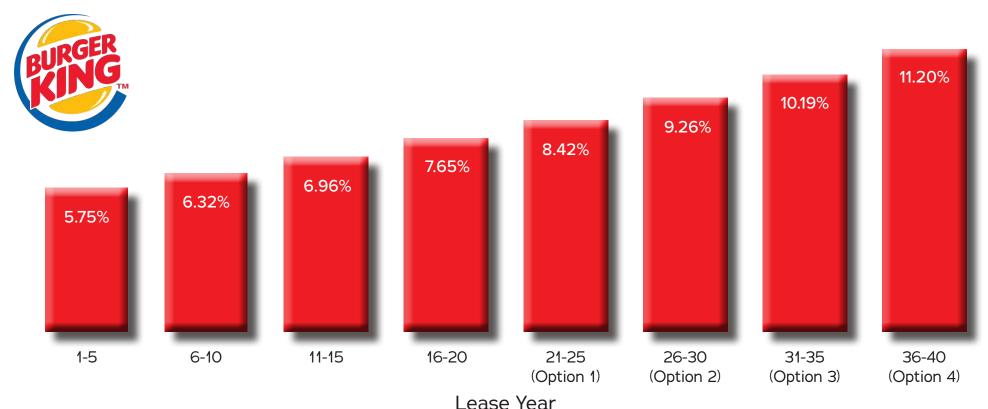
Est. 11/15/2019

20 Years

Four (4), 5-Year

None

No





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