



SINGLE TENANT  
NET LEASE  
OPPORTUNITY

HEBER CITY | UT

HORVATH & TREMBLAY

LISTED IN CONJUNCTION WITH UTAH BROKER DZ NET LEASE REALTY, LLC





## LEAD AGENTS



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WITH UTAH BROKER DZ  
NET LEASE REALTY, LLC,  
LICENSE NO. 8325532-CN00

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## INVESTMENT HIGHLIGHTS



Horvath & Tremblay is pleased to present the exclusive opportunity to purchase an absolute net lease Burger King located at 171 East Gateway Drive in Heber City, Utah (the "Property"). Burger King has been in occupancy at the Property since the building was completed in 2017 and has over 17 years remaining on their initial 20-year lease term.

The Property is strategically located in a Walmart-anchored trade area adjacent to the intersection of three heavily traveled roadways: US-40, US-189 and E 1200 Street. Heber City is located in northwestern Wasatch County, approximately 45 miles southeast of Salt Lake City.

- **LONG TERM LEASE:** The Burger King lease has 17+ years of term remaining plus 4, 5-year renewal options.
- **RENT INCREASES:** The Lease calls for an attractive annual rent increases of 1.25%, both in the current term and option periods, providing an attractive hedge against inflation.
- **RECENT CONSTRUCTION:** The Property was constructed by the Lessee and opened for business in March 2017. The Burger King features an attractive, modern exterior and interior design, ample parking and drive-thru lane.
- **ZERO MANAGEMENT RESPONSIBILITIES:** The Burger King Lease requires zero Landlord management responsibilities, making it an attractive investment for the passive real estate investor.
- **STRONG GUARANTOR:** The Lease is guaranteed by Meridian Restaurants Unlimited. Founded in 2002, Meridian owns and operates 200+ restaurants (Burger King, Chili's and Black Bear Diner) and employs 5,000+ team members throughout 11 states.
- **STRATEGIC RETAIL LOCATION:** The Property is strategically located in a Walmart-anchored trade area at the confluence of three primary roadways: US-40, US-89, and E 1200 Street.
- **RETAIL TRADE AREA:** Additional retailers driving traffic to the area include Walmart Supercenter, Petco, Tractor Supply Co, Dollar Tree, Sportsman's Warehouse, Chase Bank, Lee's Marketplace, Little Caesars, Arby's, McDonald's, Subway, Wendy's and a State Liquor Store.
- **ADDITIONAL TRAFFIC DRIVERS:** Additional traffic drivers in the immediate area include Best Western Plus, Holiday Inn Express, Heber Valley Hospital, 5-Minute Clinic, The Lodge Skilled Nursing & Rehab Facility, Wasatch High School (2,000 students) and the Wasatch County Courthouse.
- **IMPROVING DEMOGRAPHICS:** Approximately 28,500 people live within a 5-mile radius of the Property with an average household income of \$95,327. The population has grown 6.2% within the 5-mile radius since 2000 and is anticipated to grow an additional 5.2% through 2024.
- **HIGH TRAFFIC COUNTS:** Approximately 62,400 vehicles per day pass through the nearby intersection of US-40, US-189 and E 1200 Street at the center of the trade area.





\$	<b>LIST PRICE:</b>	<b>\$2,313,398</b>
%	<b>CAP RATE:</b>	<b>5.65%</b>
📄	<b>NOI:</b>	<b>\$130,707</b>

**171 EAST GATEWAY DRIVE | HEBER CITY, UT 84032**



**OWNERSHIP TYPE:** Fee Simple

**LAND AREA:** 0.78 Acres

**BUILDING AREA:** 4,516 SF

**GUARANTOR:** Meridian Restaurants

**LEASE TYPE:** Absolute Net Lease

**CURRENT ANNUAL RENT:** \$130,707

**RENT INCREASE:** 1.25% Annually

**RENT COMMENCEMENT DATE:** 03/08/2017

**LEASE EXPIRATION DATE:** 03/09/2037

**LEASE TERM REMAINING:** 17+ Years

**RENEWAL OPTIONS:** 4, 5-Year Options

#### ANNUALIZED OPERATING DATA

YEARS	START	END	ANNUAL RENT	% INC
3	03/08/2019 - 03/07/2020		\$130,707	
4	03/08/2020 - 03/07/2021		\$132,341	1.25%
5	03/08/2021 - 03/07/2022		\$133,996	1.25%
6	03/08/2022 - 03/07/2023		\$135,670	1.25%
7	03/08/2023 - 03/07/2024		\$137,366	1.25%
8	03/08/2024 - 03/07/2025		\$139,083	1.25%
9	03/08/2025 - 03/07/2026		\$140,822	1.25%
10	03/08/2026 - 03/07/2027		\$142,582	1.25%
11	03/08/2027 - 03/07/2028		\$144,365	1.25%
12	03/08/2028 - 03/07/2029		\$146,169	1.25%
13	03/08/2029 - 03/07/2030		\$147,996	1.25%
14	03/08/2030 - 03/07/2031		\$149,846	1.25%
15	03/08/2031 - 03/07/2032		\$151,719	1.25%
16	03/08/2032 - 03/07/2033		\$153,616	1.25%
17	03/08/2033 - 03/07/2034		\$155,536	1.25%
18	03/08/2034 - 03/07/2035		\$157,480	1.25%
19	03/08/2035 - 03/07/2036		\$159,449	1.25%
20	03/08/2036 - 03/09/2037		\$161,442	1.25%





## ABOUT THE TENANT

### BURGER KING CORPORATION

Every day, more than 11 million guests visit Burger King restaurants around the world. Founded in 1954, Burger King is the 2nd largest fast food hamburger chain in the world. In 2010 3G Capital, an investment group controlled by the Brazilian billionaire Jorge Paulo Lemann, took over the company in a leveraged buyout. By 2012, Burger King shares were being sold to the public again, with 3G and Berkshire Hathaway retaining a controlling interest. Burger King Corporation reported 2017 gross sales of over \$20 billion.

### MERIDIAN RESTAURANTS UNLIMITED

Meridian restaurants, founded in 2002 with 14 restaurants, in 2019 they attained a long-term goal of 200 restaurants spread across 3 top-tier brands across eleven states: Burger King, Chili's and Black Bear Diner.





# HEBER CITY | UT



28,500+  
PEOPLE WITHIN 5 MILES



\$95,000+  
AVERAGE HOUSEHOLD INCOME



62,400 VPD  
INTERSECTION OF US-40, US-189  
AND E 1200 STREET

## OVERVIEW

Heber City is located in Wasatch County, Utah approximately 45 miles southeast of Salt Lake City. Heber City has been experiencing rapid growth in population and business that necessitated the recent construction of a new high school, library and fire station. The 2018 population is estimated at 16,400, an impressive increase of 44% over the 2010 census population of 11,362.

Heber City has become an attractive bedroom community for the larger commercial centers in Orem, Provo, Park City and Salt Lake City due to its proximity to the outdoors and major regional highways. Major highways US Route 40 and US Route 189 both cross through the city. Interstate 80 is located approximately 15 miles north of the city and can be accessed via Highway 40 while Interstate 15 can be accessed via US-189 through Provo Canyon and is 25 miles away. A typical drive to downtown Salt Lake City takes 45 to 60 minutes.

Notably, Heber City has one of the lowest unemployment rates in Utah. Local developers and business leaders cite that there are not enough jobs in the city itself (as 27% of residents commute to Park City or Salt Lake City for work) and wish to improve the city's self-reliance. Average home prices in the valley doubled from 2002-2008 and the population has grown by 25% in that same time period.

Tourism is a year-round industry in the Heber Valley. The winter season features cross-country and downhill skiing, as well as snowboarding and snowmobiling on several trails and at the nearby ski resorts of Park City. In the summer and fall, golfing, off-roading, hunting, fishing, and other outdoor recreational activities are abundant. Skiing and Snowboarding are very popular among Heber City's residents, with many residents taking advantage of the proximity to Park City Mountain Resort, Canyons, and Deer Valley, all of which are located in nearby Park City.

	3 MILES	5 MILES	10 MILES
POPULATION			
2019 Estimate	22,325	28,550	32,120
2024 Projection	28,023	35,963	40,529
2010 Census	15,592	20,211	22,479
BUSINESS			
2019 Est. Total Business	843	1,050	1,132
2019 Est. Total Employees	6,467	8,387	9,442
HOUSEHOLDS			
2019 Estimate	7,099	9,306	10,651
2024 Projection	8,191	10,781	12,358
2010 Census	4,605	6,115	6,902
INCOME			
Average Household Income	\$93,969	\$95,327	\$94,128
Median Household Income	\$81,733	\$83,108	\$83,455























E 1200 SOUTH



GATEWAY DRIVE





Walmart  
Save money. Live better.

PETCO

DOLLAR TREE

GNC  
LIVE WELL

Famous Footwear  
MEET YOUR FAVORITE

ANYTIME FITNESS

Little Caesars

SPORTSMAN'S WAREHOUSE

CHASE









