

BURGER KING

Exclusive Net-Lease Offering



OFFERING MEMORANDUM

BURGER KING



1563 N Peoria Ave, Tulsa, OK 74106

Confidentiality and Disclaimer

Table of Contents



Investment Highlights	3
Financial Analysis	4
Concept Overview	5
Surrounding Area	6
Location Overview	7
Property Photos	8
Surrounding Area Photos	9
Local Market Development	10
Market Overview	11
Local Map	12
Regional Map	13
Demographics	14

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a

guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a

thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.



Investment Highlights

PRICE: \$2,454,545 | CAP: 5.50% | RENT: \$135,000

BURGER KING

About the Investment

- ✓ Long Term, 20-Year Sale-Leaseback
- ✓ Brand New Construction
- ✓ Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Attractive Rental Increases of 1.50% Annually Beginning in Year 6
- ✓ Four, Five-Year Tenant Renewal Option Periods

About the Location

- ✓ Dense Retail Corridor McDonald's, QuikTrip, Walgreens, Taco Bell, Popeyes, Sonic, Save-A-Lot, Family Dollar, Dollar General, and Pizza Hut among Many Others
- ✓ Strong Academic Presence | Less Than Five Miles From Tulsa Community College and The University of Tulsa | Over 20,100 and 4,600 Students Enrolled, Respectively
- ✓ Excellent Demographics | Population Exceeds 396,800 Individuals Within a 10-Mile Radius
- ✓ Positive Real Estate Fundamentals | Approximately 8-Miles From Tulsa International Airport (TUL) - the Global Maintenance Headquarters for America Airlines | Serves Over 2,885,000 Passengers Annually
- ✓ Strong Traffic Counts | Over 46,600 Vehicles Per Day Along Cherokee Expressway

About the Tenant / Brand

- ✓ Switchgrass Holdings, LLC is a Tulsa-Based Franchisee | 29-Units and Growing | Largest Franchisee in the State of Oklahoma
- ✓ Strong Track Record With Proven Operational Expertise
- ✓ Burger King Brand is One of the World's Most Recognized Consumer Brands





Financial Analysis

PRICE: \$2,454,545 | CAP: 5.50% | RENT: \$135,000



PROPERTY DESCRIPTION	
Property	Burger King
Property Address	1563 N Peoria Ave
City, State, ZIP	Tulsa, OK 74106
Year Built	2019
Estimated Building Size	2,866
Lot Size	+/-0.84 Acres
Type of Ownership	Fee Simple
THE OFFERING	
Purchase Price	\$2,454,545
CAP Rate	5.50%
Annual Rent	\$135,000
LEASE SUMMARY	
Property Type	Net-Lease Quick-Service Restaurant
Guarantor	Switchgrass Holdings, LLC (29-Units)
Original Lease Term	20 Years
Lease Commencement	Upon Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.50% Annually Starting Year 6
Options to Renew	Four, Five-Year Tenant Renewal Options

RENT SCHEDULE			
Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$135,000	\$11,250	-
Year 2	\$135,000	\$11,250	-
Year 3	\$135,000	\$11,250	-
Year 4	\$135,000	\$11,250	-
Year 5	\$135,000	\$11,250	-
Year 6	\$137,025	\$11,419	1.50%
Year 7	\$139,080	\$11,590	1.50%
Year 8	\$141,167	\$11,764	1.50%
Year 9	\$143,284	\$11,940	1.50%
Year 10	\$145,433	\$12,119	1.50%
Year 11	\$147,615	\$12,301	1.50%
Year 12	\$149,829	\$12,486	1.50%
Year 13	\$152,076	\$12,673	1.50%
Year 14	\$154,358	\$12,863	1.50%
Year 15	\$156,673	\$13,056	1.50%
Year 16	\$159,023	\$13,252	1.50%
Year 17	\$161,408	\$13,451	1.50%
Year 18	\$163,830	\$13,652	1.50%
Year 19	\$166,287	\$13,857	1.50%
Year 20	\$168,781	\$14,065	1.50%



Concept Overview: Burger King

BURGER KING

3G Capital

3G Capital is a global investment firm focused on long-term value, with a particular emphasis on maximizing the potential of brands and businesses. The firm and its partners have a strong history of operational excellence, board involvement, deep sector expertise, and an extensive global network. 3G Capital works in close partnership with management teams at its portfolio companies and places a strong emphasis on recruiting, developing and retaining top-tier talent. In October 2010, 3G Capital completed the acquisition of Burger King®, one of the most widely-recognized consumer brands in the world.

Restaurant Brands International

Restaurant Brands International is one of the world's largest quick service restaurant companies with approximately \$30 billion in system sales and over 25,000 restaurants in 100 countries. Restaurant Brands International owns three of the world's most prominent and iconic quick service restaurant brands – Tim Hortons®, Burger King®, and Popeyes®. These independently operated brands have been serving their respective guests, franchisees, and communities for over 50 years.

#2 Fast Food Hamburger Chain, Globally

- More than \$16 billion in annual system-wide sales, and nearly 350,000 team members, worldwide. The concept has a market capitalization of roughly \$10 billion.

Global Brand Presence | Fully – Franchised Business Model

- Nearly 14,000 restaurants in 100+ countries. QSR industry-leading EBITDA margins

Rich Heritage | Stable, Reliable Long-Term Ownership

- Founded in 1954 with deep ties to the Miami Community. Burger King has been actively managed by 3G since 2010.

General Information

Address	Oakville, ON
Website	http://www.rbi.com
Stock Ticker	QSR (NYSE)
Current Price*	\$67.32
Market Cap	\$20.098B

*As of November 13, 2019

GREAT FOOD COMES FIRST

Every day, more than 11 million guests visit BURGER KING® restaurants around the world. And they do so because our restaurants are known for serving high-quality, great-tasting, and affordable food. Founded in 1954, BURGER KING® is the second largest fast food hamburger chain in the world. The original HOME OF THE WHOPPER®, our commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined our brand for more than 50 successful years.

Burger King Worldwide, Inc.

Founded in 1954, Burger King® is the second largest fast food hamburger chain in the world. The original Home of the Whopper, the Burger King® system operates in approximately 14,000 locations serving more than 11 million guests daily in 100 countries and territories worldwide. Approximately 100 percent of Burger King® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades.

Switchgrass Holdings, LLC

Switchgrass Holdings, LLC is a Tulsa-based franchisee of Burger King restaurants. Switchgrass Holdings, LLC currently has 29 locations with plans for further new restaurant development. Switchgrass is the largest franchisee in the state of Oklahoma. They are embarking on a multi-year expansion and reinvestment campaign with plans to open several brand-new Burger King restaurants across Oklahoma. Switchgrass is updating their facilities with new deluxe dining layouts, state-of-the art technology and double drive-through lanes to enhance their customers' dining experience.



Surrounding Area

BURGER KING



Cherokee Expressway ADTC: 46,670

N Peoria Avenue ADTC: 17,194



Location Overview

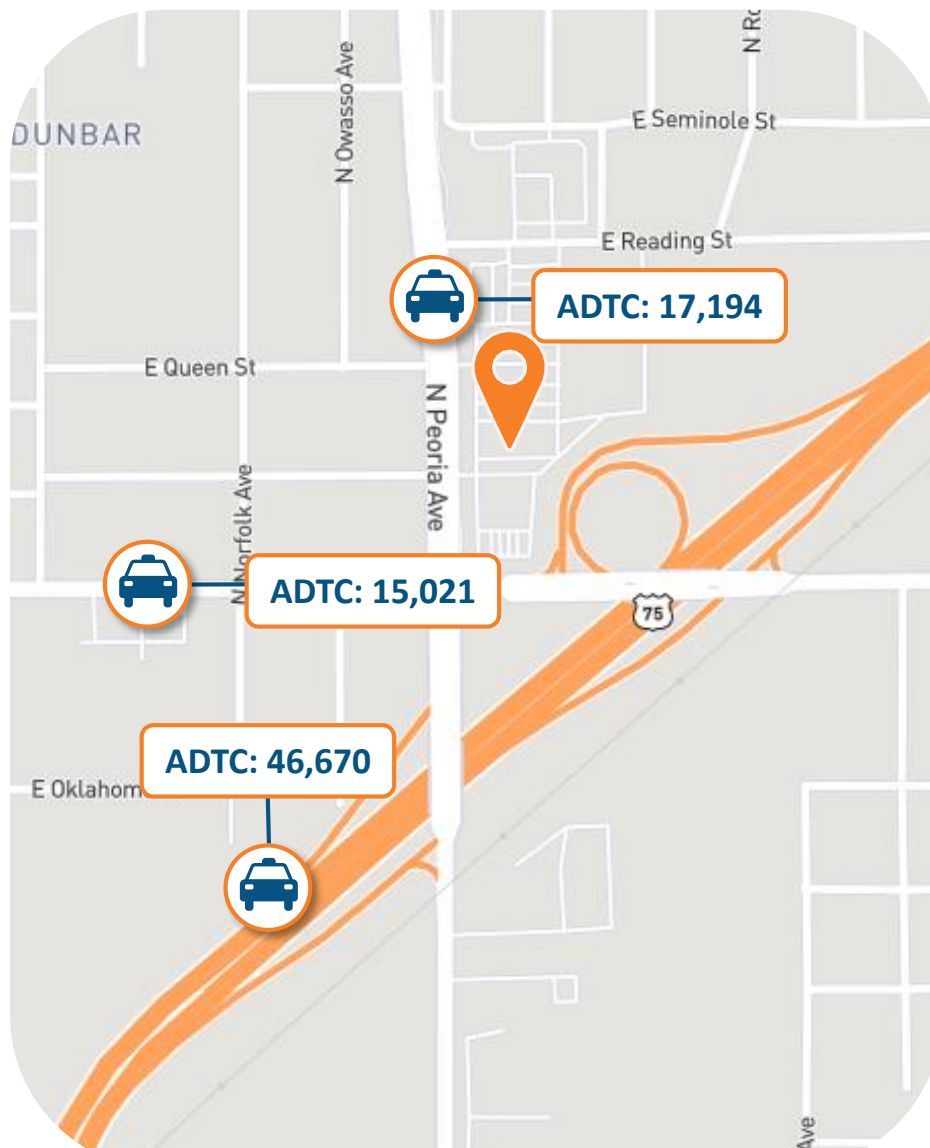
Property Address: 1563 N Peoria Ave, Tulsa, OK 74106

BURGER KING

The subject investment property benefits from being well-positioned in an urban infill consisting of national and local tenants, shopping centers, and schools within close proximity of this property. Major national tenants include McDonald's, QuikTrip, Taco Bell, Walgreens, Popeyes, Save-A-Lot, Family Dollar, Dollar General, Pizza Hut, as well as many others. The subject property benefits from its close proximity to several academic institutions. Most notable is Tulsa Community College Northeast and The University of Tulsa, which have total enrollments exceeding 20,100 and 4,680 students, respectively. Both institutions are located within a 3-mile radius of the subject property. Saint Francis Hospital, a 1,112-bed, general medical and surgical facility, is located less than 8-miles from the Burger King. Tulsa International Airport (TUL), the global maintenance headquarters for American Airlines, serves over 2,885,000 passengers annually and is located 5-miles north of the subject property.

The subject property is located on North Peoria Avenue which experiences an average daily traffic count of 17,194 vehicles. North Peoria Avenue is located directly off of Cherokee Expressway which brings an additional 46,670 average vehicles per day to the area. The subject property benefits from being situated in a heavily populated area. There are more than 144,150 individuals residing within a five-mile radius and more than 396,800 individuals within a ten-mile radius.

Tulsa, a city in and the county seat of Tulsa County, is the most densely populated county in Oklahoma, with urban development extending into Osage, Rogers, and Wagoner counties. Tulsa is the second-largest city in Oklahoma and the 45th-most populous city in the United States. There are 30 companies in Tulsa that employ more than 1,000 people locally, and small businesses make up more than 80% of the city's companies. Though the oil industry has historically dominated Tulsa's economy, efforts in economic diversification have created a base in the sectors of aerospace, finance, technology, telecommunications, high tech, and manufacturing. A number of substantial financial corporations are headquartered in Tulsa, the largest being the BOK Financial Corporation. As the second largest metropolitan area in Oklahoma and a hub for the growing Northeastern Oklahoma-Northwest Arkansas-Southwestern Missouri corridor, the city is also home to a number of the region's most sophisticated law, accounting and medical practices.





Property Photos





Surrounding Area Photos





GATHERING PLACE

Tulsa's Riverfront Park—

The **\$465 Million** Gathering Place is the Largest Public Park With Private Funds, Created to Revitalize a City – Opened September 2018

The Gathering Place, Tulsa, Oklahoma's newest public park, is anything but basic. Opened in September 2018, the 66.5-acre riverside landscape looks more like an ultra-green theme park than a typical urban park with trees thrown in for shade.

Designed by landscape architects Michael Van Valkenburgh Associates (MVVA), the \$465 million project was dreamed up by the George Kaiser Family Foundation and backed by over 80 other local corporate and philanthropic donors. It's located just 2 miles from downtown Tulsa along the Arkansas River. After four years of the first phase of construction, it's now one of the city's greatest amenities, providing spots for sport, relaxation, and water play underneath a sprawling tree canopy and atop grassy open lawns.

While the park boasts threads of regional bike trails, courts for ball-handling sports, and 21 points of entry and exit, it's the surprising structural elements of play that make it stand out. MVVA designed a 5-acre adventure playground for kids age two to 12 that features seven thematic spaces.

Toward the park's south side, MVVA designed the Sky Garden and Four Season Garden, as well as Swing Hill, situated on the highest point of The Gathering Place with prime views of downtown Tulsa. At the farthest end of the park, visitors can enjoy courts for basketball, volleyball, street hockey, and soccer, or ride over to the skateboard and bike park, which offers courses for all ages and levels.

A 50,000-square-foot children's science museum will also be constructed in this area, coming late summer 2020. Phases 2 and 3 of construction, will bring the park to a total of 100 acres.



Market Overview

City: Tulsa | County: Tulsa | State: Oklahoma

Tulsa, OK



Tulsa is the second-largest city in the state of Oklahoma and 45th-most populous city in the United States. It is the principal municipality of the Tulsa Metropolitan Area, a region with 981,005 residents in the MSA and 1,151,172 in the CSA. The city serves as the county seat of Tulsa County, the most densely populated county in Oklahoma, with urban development extending into Osage, Rogers, and Wagoner counties. The Tulsa International Airport (TUL) and the Tulsa Port of Catoosa, connect the region with international trade and transportation.

There are 30 companies in Tulsa that employ more than 1,000 people locally, and small businesses make up more than 80% of the city's companies. Though the oil industry has historically dominated Tulsa's economy, efforts in economic diversification have created a base in the sectors of aerospace, finance, technology, telecommunications, high tech, and manufacturing. A number of substantial financial corporations are headquartered in Tulsa, the largest being the BOK Financial Corporation. The city has been called one of America's most livable large cities by Partners for Livable Communities by Forbes, and Relocate America.

Major Employers

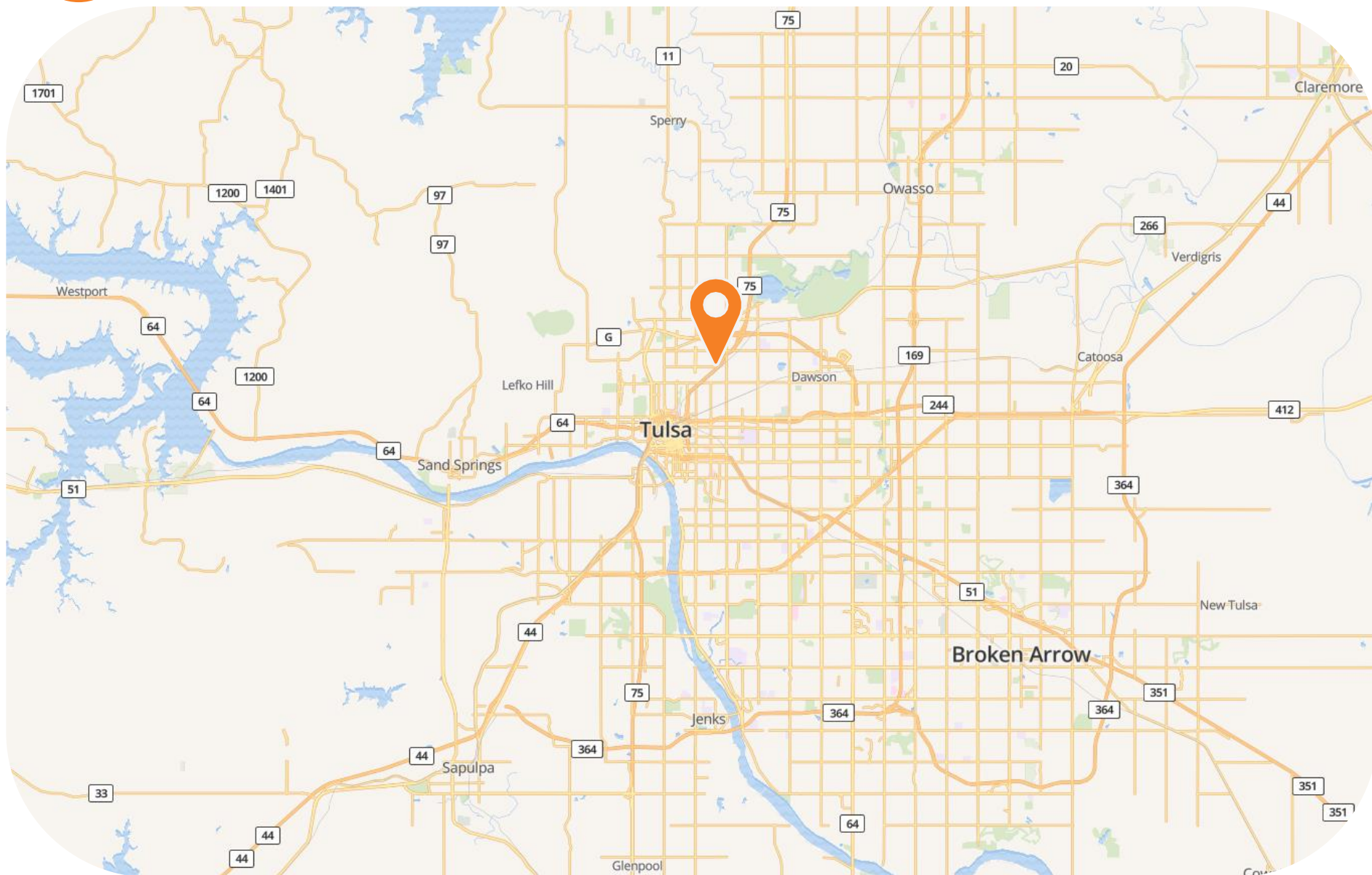
Employer	Estimated # of Employees
American Airlines	9,057
St John Health System	3,676
Saint Francis Hospital	3,095
Caprock Pipeline Company	3,000
Nordam Repair Division	2,443
Oral Roberts University	2,002
Walmart	2,000
Tulsa County Personnel Department	1,900
Williams	1,878
Hillcrest Medical Center	1,745
Matrix Service Inc	1,700
AAON Heating and Cooling Products	1,619



Local Map

BURGER KING

Property Address: 1563 N Peoria Ave, Tulsa, OK 74106

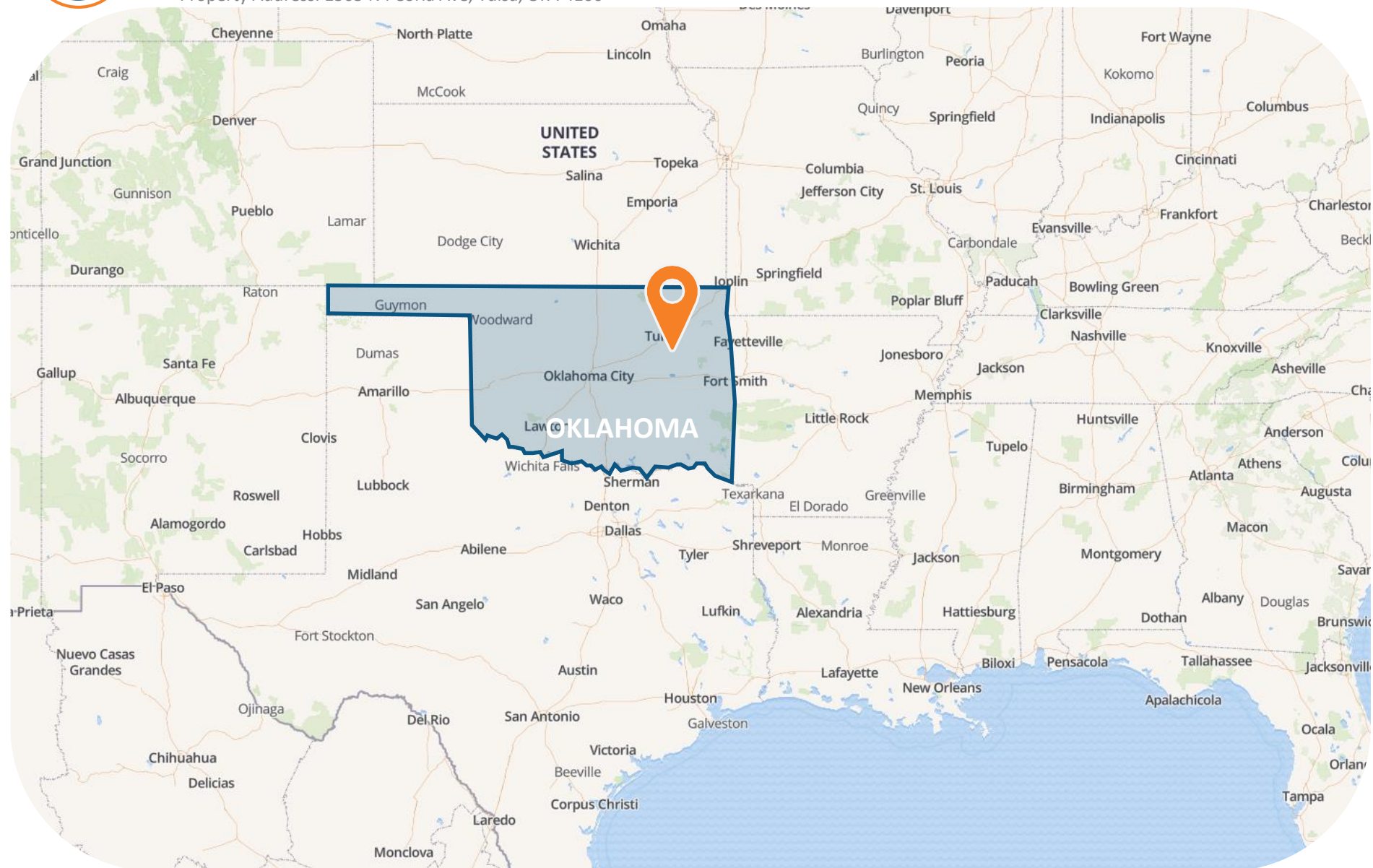




Regional Map

BURGER KING

Property Address: 1563 N Peoria Ave, Tulsa, OK 74106





Demographics

Property Address: 1563 N Peoria Ave, Tulsa, OK 74106

BURGER KING

3 Miles 5 Miles 10 Miles

Population Trends:

2023 Projection	72,043	141,272	393,017
2018 Estimate	73,131	144,158	396,804
2010 Census	71,356	141,475	385,531
2000 Census	74,119	149,601	393,239

INCOME

Average	\$45,795	\$58,469	\$63,041
Median	\$30,048	\$36,109	\$41,984
Per Capita	\$19,227	\$24,926	\$26,727

HOUSEHOLDS

2023 Projection	29,653	60,311	167,311
2018 Estimate	29,594	60,517	166,597
2010 Census	28,579	58,940	160,703
2000 Census	29,595	62,192	165,822

HOUSING

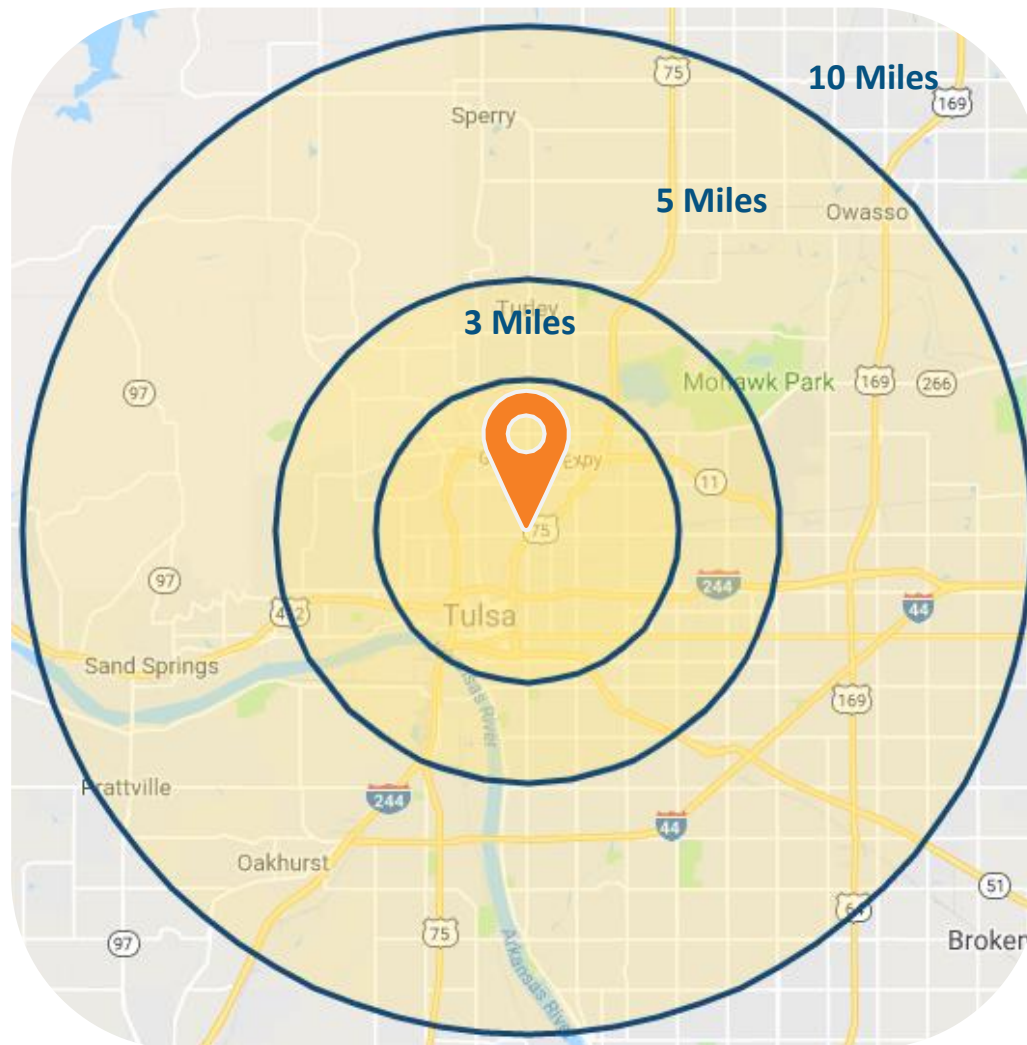
2018	\$82,838	\$99,775	\$126,002
------	----------	----------	-----------

EMPLOYMENT

2018 Daytime Population	125,715	201,056	512,053
2018 Median Time Traveled	20 Mins	19 Mins	20 Mins

RACE & ETHNICITY

White	40.74%	51.30%	59.05%
Native American	0.24%	0.18%	0.13%
African American	34.74%	25.89%	15.86%
Asian/ Pacific Islander	1.20%	1.10%	2.48%



BURGER KING

Marcus & Millichap

Exclusive Net-Lease Offering

