

BURGER KING

Exclusive Net-Lease Offering



OFFERING MEMORANDUM

BURGER KING



908 East Trudgeon Street, Henryetta, OK 74437

Confidentiality and Disclaimer

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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.

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Investment Highlights

PRICE: \$1,636,364 | CAP: 5.50% | RENT: \$90,000

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 | Walmart, McDonald's, Taco Bell, Arby's, Subway, KFC, Taco Bueno, Sonic Drive-in, O'Reilly Auto Parts, Henryetta Ford Dealership
- ✓ New Development in the Area | QuikTrip Working on Utility Lines and Easements for New Site on Adjacent Parcel | Burger King and Taco Bueno Also Brand-New Construction | New Prototype McDonald's and Taco Bell Located on Main Street
- ✓ Main Driving Traffic Stop for Travelers | Located on U.S. Highway 75 and Less Than 0.5 Mile From Interstate-40 Entrance Ramp | Drivers Traveling from Tulsa to Dallas on U.S. 75 | More Than 16,500 Vehicles Daily | Drivers Traveling from Oklahoma City to Fort Smith, AR on Interstate-40 | More Than 18,500 Vehicles Daily
- ✓ Less Than Three Miles From Henryetta High School | Over 400 Students Enrolled
- ✓ Notable Medical Centers | Less Than Three Miles From Hillcrest Hospital Henryetta | State of the Art, 41-Bed, 110-Employee Medical Facility

About the Tenant / Brand

- ✓ Switchgrass Holdings, LLC is a Tulsa-Based Franchisee | 43-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: \$1,636,364 | CAP: 5.50% | RENT: \$90,000

PROPERTY DESCRIPTION

Property	Burger King
Property Address	908 East Trudgeon Street
City, State, ZIP	Henryetta, OK 74437
Year Built	2019
Estimated Building Size	2,866
Lot Size	+/-2.00 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,636,364
CAP Rate	5.50%
Annual Rent	\$90,000
Rent/SF	\$31.40
Price/SF	\$571

LEASE SUMMARY

Property Type	Net-Lease Quick-Service Restaurant
Tenant / Guarantor	Switchgrass Holdings, LLC (43-Units)
Ownership Type	Private
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

*Seller reserves the right to increase/decrease the annual rent by up to \$10,000

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$90,000	\$7,500	-
Year 2	\$90,000	\$7,500	-
Year 3	\$90,000	\$7,500	-
Year 4	\$90,000	\$7,500	-
Year 5	\$90,000	\$7,500	-
Year 6	\$91,350	\$7,613	1.50%
Year 7	\$92,720	\$7,727	1.50%
Year 8	\$94,111	\$7,843	1.50%
Year 9	\$95,523	\$7,960	1.50%
Year 10	\$96,956	\$8,080	1.50%
Year 11	\$98,410	\$8,201	1.50%
Year 12	\$99,886	\$8,324	1.50%
Year 13	\$101,384	\$8,449	1.50%
Year 14	\$102,905	\$8,575	1.50%
Year 15	\$104,449	\$8,704	1.50%
Year 16	\$106,015	\$8,835	1.50%
Year 17	\$107,606	\$8,967	1.50%
Year 18	\$109,220	\$9,102	1.50%
Year 19	\$110,858	\$9,238	1.50%
Year 20	\$112,521	\$9,377	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.

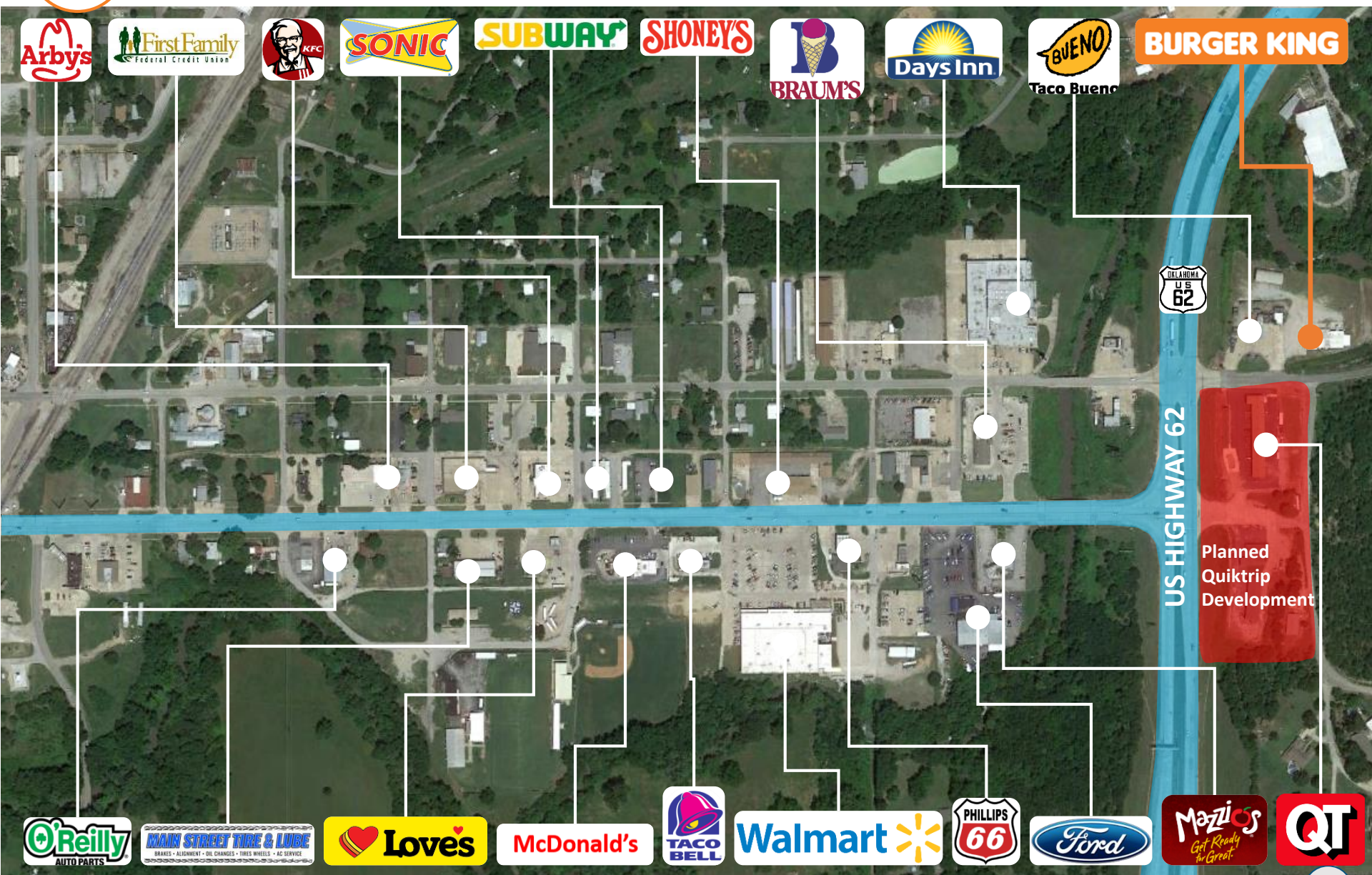
Switchgrass Holdings, LLC

Switchgrass Holdings, LLC is a Tulsa-based franchisee of Burger King restaurants. Switchgrass Holdings, LLC currently has 43 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





Location Overview

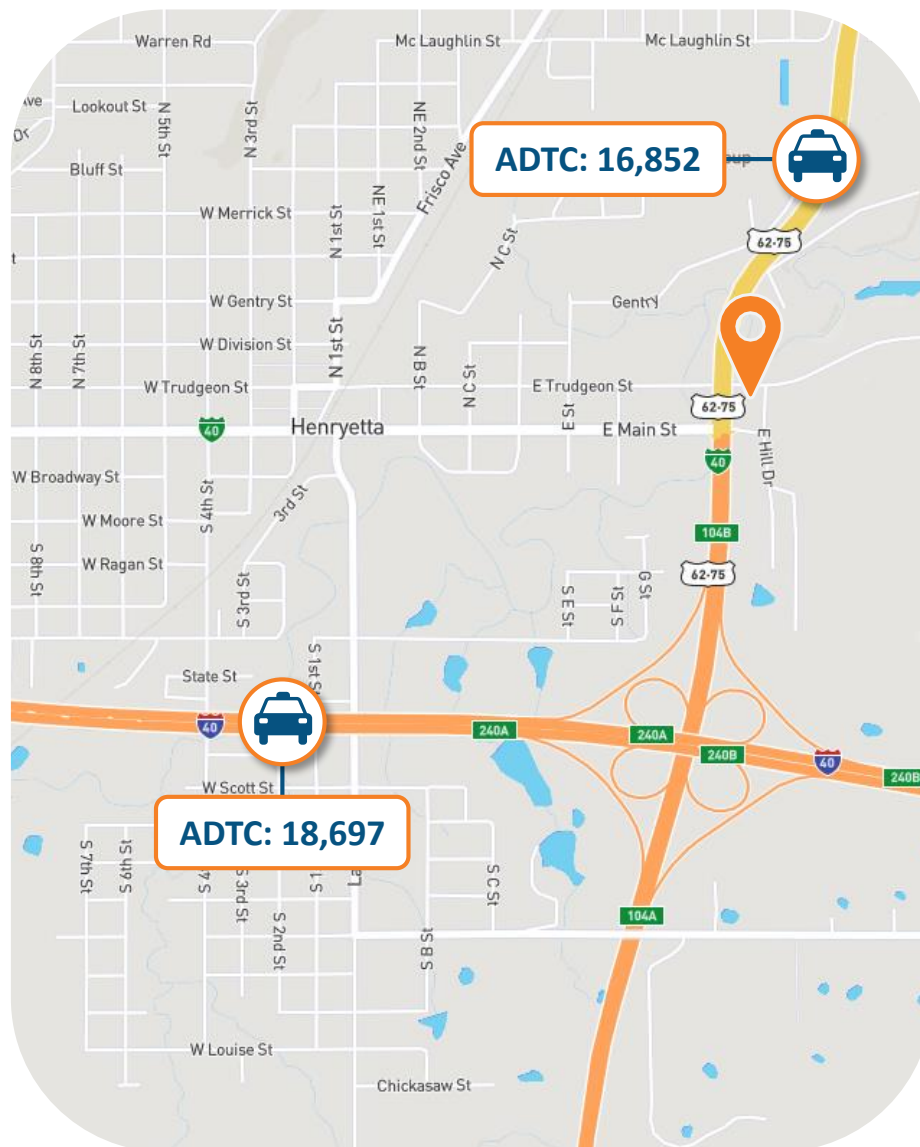
Property Address: 908 E Trudgeon Street, Henryetta, OK 74437

The subject Burger King benefits from being well-positioned in an urban infill consisting of national and local tenants, shopping centers, and schools within close proximity to this property. Major national tenants in the immediate area include Walmart, McDonald's, Taco Bell, Arby's, Subway, KFC, Taco Bueno, Sonic Drive-in, O'Reilly Auto Parts, Henryetta Ford Dealership, and Days Inn among various others. The subject property benefits from its close proximity to several schools. Most notable is the Henryetta High School, which is home to more than 400 students and is located within three miles of this Property. QuikTrip is working with the city of Henryetta on the easements and utility lines for a new QuikTrip store on the parcel located directly south of the Burger King.

The property is located on U.S. highway 75, which experiences an average daily traffic counts of more than 16,500 vehicles. U.S. Highway 75 is the main thoroughfare for drivers traveling from Dallas, TX to Tulsa, Oklahoma's second largest city. Just south of the subject property, U.S. Highway 75 intersects with Interstate-40. Interstate-40 is main artery of travelers heading east from Oklahoma City towards Fort Smith, Arkansas. Interstate-40 experiences average traffic counts of more than 18,500 vehicles per day.

Henryetta is a town in mid Eastern Oklahoma. The town sits on the junction of Interstate-40 and U.S. Highway 62. This strategic positions provides residents a small-town feel while still allowing for easy access to Tulsa and Oklahoma City. Additionally, this location provides a good stop for travelers driving south from Tulsa toward Dallas, Texas. The economy of Henryetta employs over 1,500 people. The largest industries in Henryetta are Retail Trade, Health Care & Social Assistance, as well as Manufacturing. The highest paying industries are Professional, Scientific, Technical Services, and Real Estate. Henryetta is located 90 miles from Oklahoma City and only 50 miles from Tulsa. 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. 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.

BURGER KING





Property Photos





Surrounding Area Photos

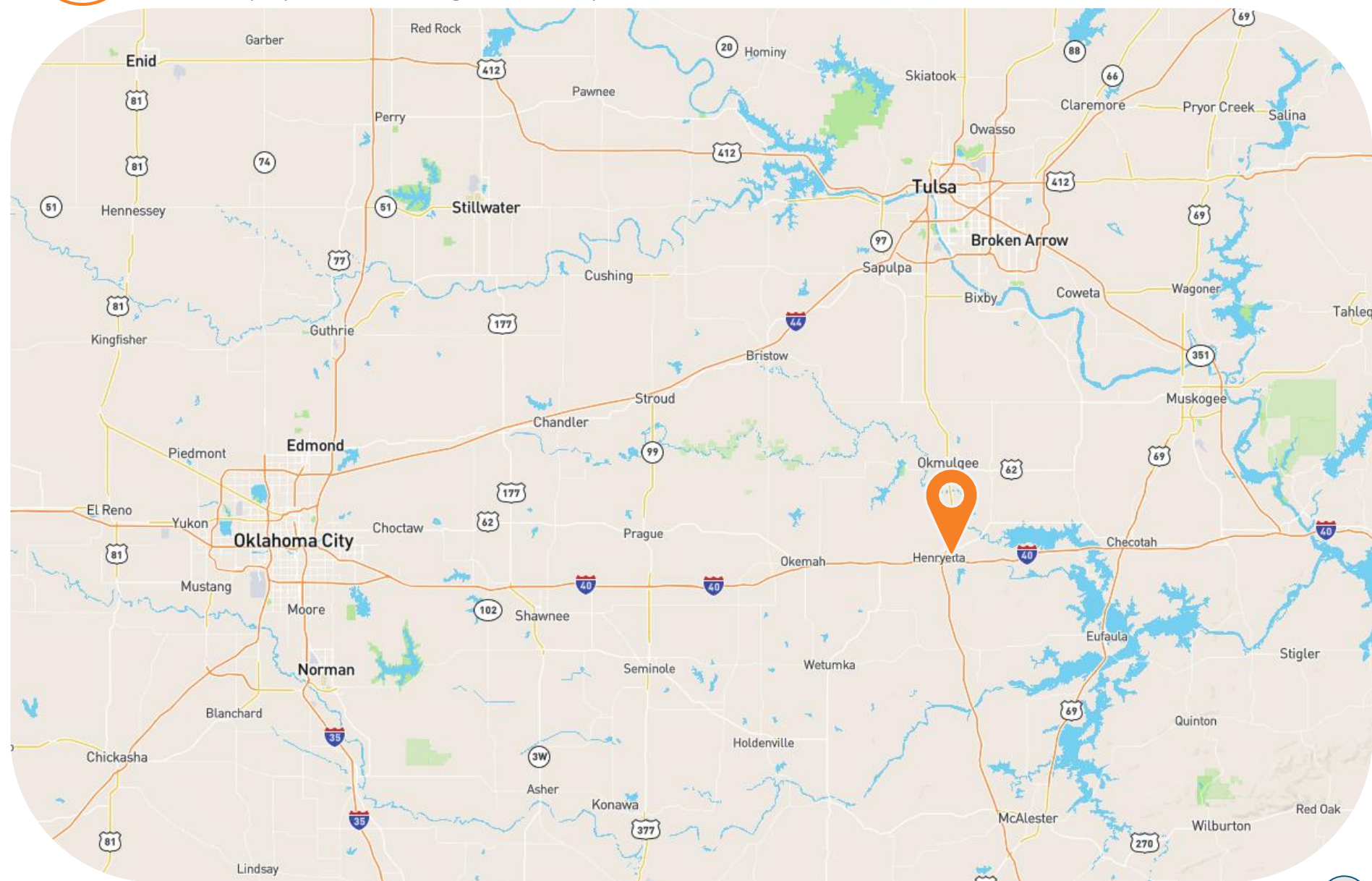




Local Map

BURGER KING

Property Address: 908 E Trudgeon Street, Henryetta, OK 74437

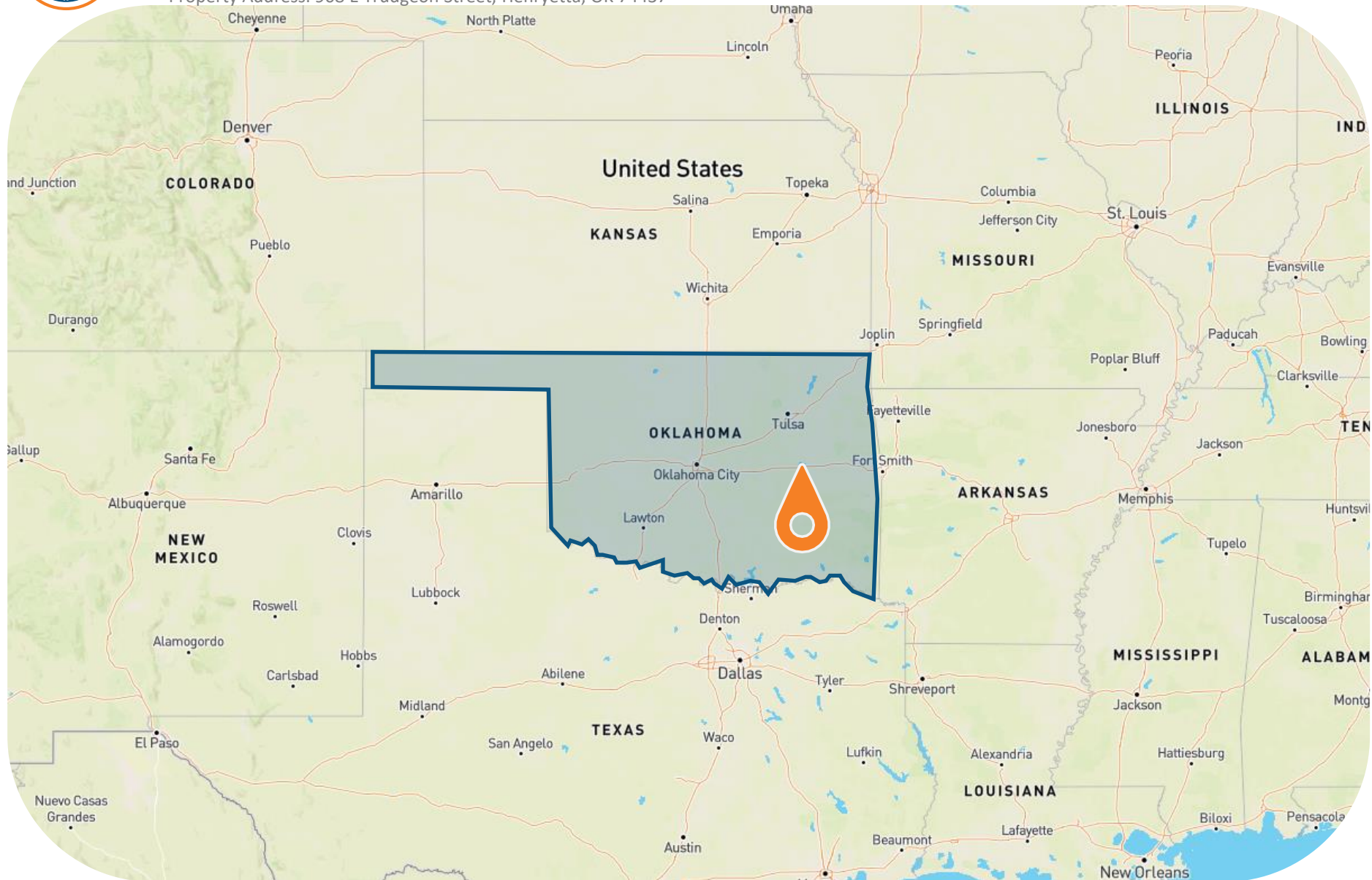




Regional Map

BURGER KING

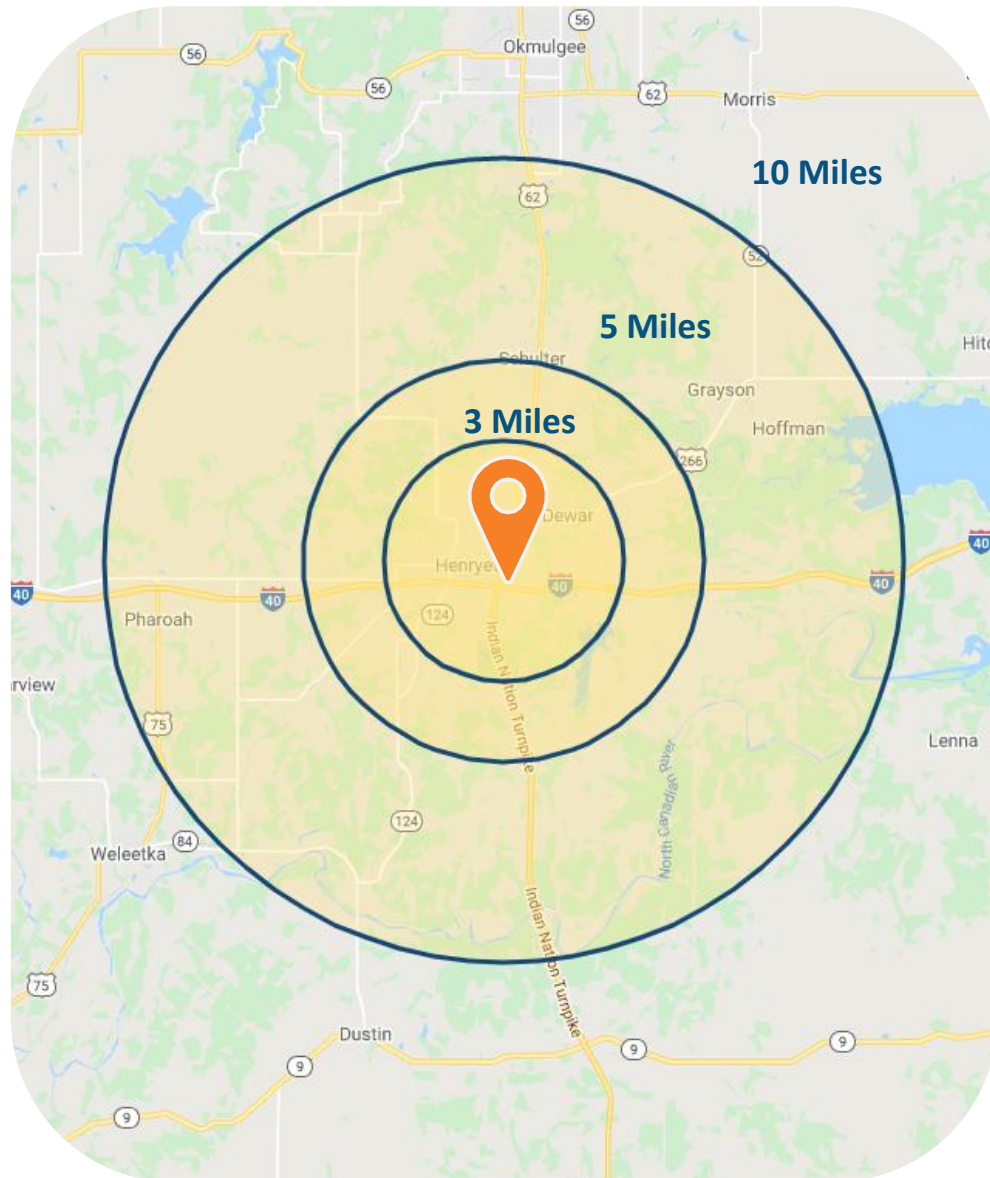
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Demographics

Property Address: 908 E Trudgeon Street, Henryetta, OK 74437



BURGER KING

3 Miles 5 Miles 10 Miles

Population Trends:

2023 Projection	7,273	8,817	12,618
2018 Estimate	7,407	8,959	12,717
2010 Census	7,471	9,047	12,847
2000 Census	7,839	9,455	13,243

INCOME

Average	\$46,657	\$49,151	\$50,985
Median	\$36,840	\$37,904	\$39,292
Per Capita	\$18,506	\$19,310	\$19,608

HOUSEHOLDS

2023 Projection	2,856	3,442	4,843
2018 Estimate	2,894	3,478	4,850
2010 Census	2,947	3,546	4,942
2000 Census	3,136	3,736	5,097

HOUSING

2018	\$70,298	\$72,275	\$76,810
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EMPLOYMENT

2018 Daytime Population	6,576	7,417	9,212
2018 Median Time Traveled	27 Mins	27 Mins	29 Mins

HOUSEHOLDS BY INCOME

<\$25,000	1,034	1,163	1,503
\$25,000-\$50,000	787	922	1,274
\$50,000-\$75,000	527	626	895
\$75,000-\$100,000	297	350	489
\$100,000-\$125,000	136	186	289
\$125,000-\$150,000	42	62	110
\$150,000-\$200,000	39	46	74
\$200,000+	36	44	74

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