

OFFERING MEMORANDUM

# BURGER KING

1925 LA PORTE ROAD | WATERLOO, IA 50702



**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES  
2020 REMODEL REPRESENTATIVE PHOTO



# EXCLUSIVELY LISTED BY



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REPRESENTATIVE PHOTO





# INVESTMENT HIGHLIGHTS

## PASSIVE LONG-TERM INVESTMENT

- Long-Term Lease – Tenant to sign a brand new 20-year lease with four (4), 5-year options at close of escrow
- Growing Cash Flow – The lease has 7.50% increases every 5 years providing investors with an excellent hedge against inflation
- Absolute NNN – Tenant is responsible for Taxes, Insurance, Maintenance, Roof and Structure – Ideal for passive investors
- Strong Remodel Pipeline – Plans to renovate each site after close of escrow – Contact broker for details

## PREFERRED OPERATORS OF EXCELLENT BRAND

- Growth Focused Operator – The franchisee is a 65+ unit operator with a significant presence in Iowa, Kansas and Missouri – Franchisee has track record of growing organically as well as through acquisition
- Preferred Burger King Partner – The franchisee is a 'strategic partner' of Burger King Corporation, which allows them to acquire smaller operators within their territories and support from Burger King to go after opportunities in adjacent markets
- Extensive Operational Experience – The executive and operating team have decades of successful restaurant experience in a number of brands such as Dunkin Donuts, McDonald's, Taco Bell, Arby's, etc.
- Iconic Brand – Established in 1954, Burger King has grown to over 15,000 units worldwide

## LOCATION HIGHLIGHTS

- Established Location – In operation since 1989
- Main Thoroughfare – E San Marnan Drive has the highest traffic counts of any road in town – Average daily traffic exceeds 40,200 cars per day
- Close Proximity to Schools – Located within 2 miles of two high schools and a community college
- Excellent Retail Synergy – Nearby tenants include Target, Panera Bread, IHOP, LongHorn Steakhouse, Walmart Supercenter, Best Buy, Chick-fil-A, Hobby Lobby, amongst many others



# 1925 LA PORTE ROAD, WATERLOO, IA

## FINANCIAL OVERVIEW



LIST PRICE

\$2,540,000



CAP RATE

5.80%



TERM REMAINING

± 20 Years

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Cap Rate
Year 1-5	\$12,280	\$147,363	5.80%
Year 6-10	\$13,201	\$158,415	6.24%
Year 11-15	\$14,191	\$170,296	6.70%
Year 16-20	\$15,256	\$183,069	7.21%
Option 1	\$16,400	\$196,799	7.75%
Option 2	\$17,630	\$211,559	8.33%
Option 3	\$18,952	\$227,426	8.95%
Option 4	\$20,374	\$244,482	9.63%

## EXECUTIVE SUMMARY

Property Name	Burger King
Address	1925 La Porte Road Waterloo, IA 50702
GLA	± 3,354 SF
Land Area	± 1.35 AC / 58,806 SF
Year Built	1989/2020R

## TENANT SUMMARY

Tenant Trade Name	Burger King
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee
Lease Type	NNN
Roof and Structure	Tenant Responsible
Original Lease Term	20 Years
Lease Commencement Date	COE
Rent Commencement Date	COE
Lease Expiration Date	20 Years from COE
Term Remaining on Lease	+/- 20 Years
Increase	7.50% Every 5 Years
Options	4, 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

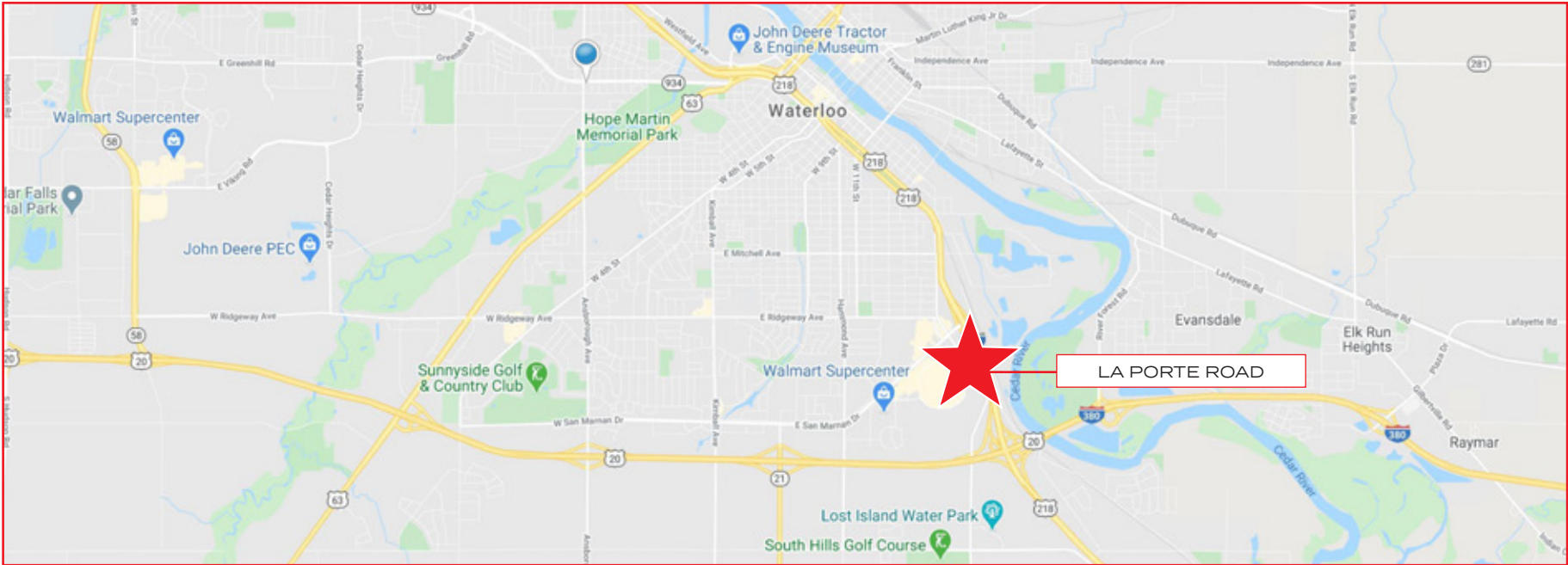


# SURROUNDING TENANTS





# AREA OVERVIEW



## WATERLOO, IA

Situated along the banks of the Cedar River, Waterloo is located in Black Hawk County in northern Iowa. The city is known for its diverse population and is recognized as one of Iowa’s historic cities. It is part of the Cedar Falls MSA and is the most populated of the two cities. The active community is constantly working on the growth and progress of their town. There are events throughout the year that help different organizations throughout the area. With the population growing, the city, as a whole, positively progresses.

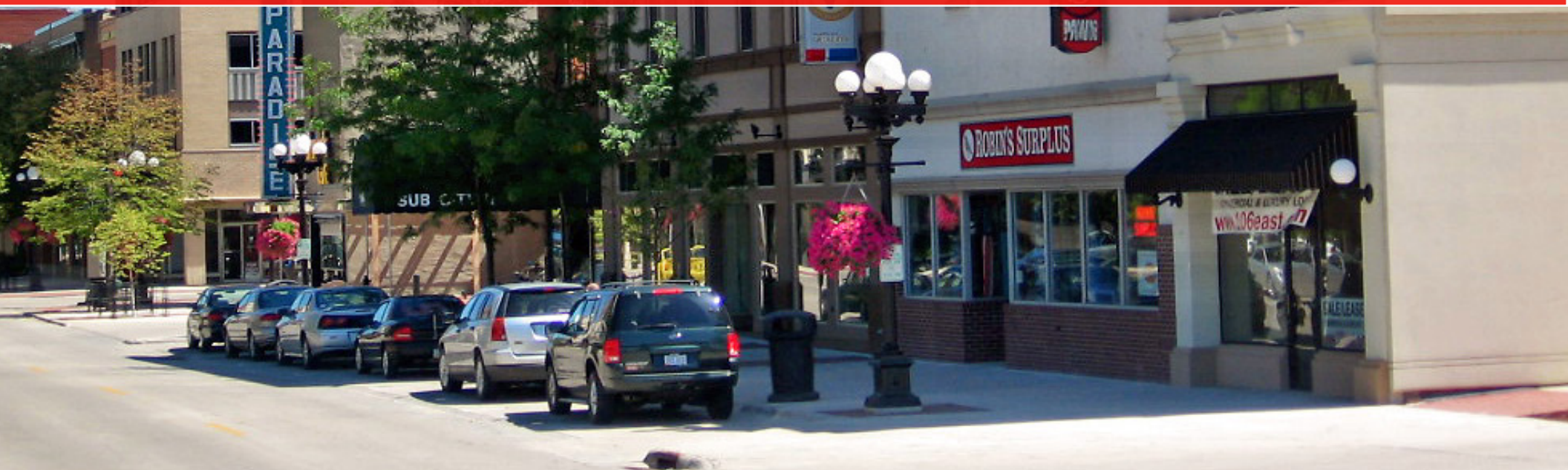
## AREA DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2020 Estimate	4,609	48,112	73,381
2025 Projection	4,744	48,278	73,603
HOUSEHOLDS	1-Mile	3-Mile	5-Mile
2020 Estimate	2,131	20,639	31,378
2025 Projection	2,228	20,860	31,687
INCOME	1-Mile	3-Mile	5-Mile
Average Household Income	\$56,696	\$64,095	\$64,413



## ECONOMY

Waterloo's economy is primarily built on the industrial sector. Recently, more businesses have chosen to build their headquarters and plants in Waterloo, which has created 5 new industrial parks throughout the area. One of the more established industrial sites is the John Deere Tractor Assembly Plant. The surrounding county has a long history of manufacturing and plan on investing in bringing more advanced manufacturing and food processing corporations to help support the Iowa workforce. They have also seen tremendous growth in the Information Technology Sector in the last decade.





## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **1925 La Porte Road, Waterloo, IA (“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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