

OFFERING MEMORANDUM

BURGER KING

927 4TH STREET SW | WAVERLY, IA 50677



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES
REPRESENTATIVE PHOTO

EXCLUSIVELY LISTED BY



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ADAM MAREK

Broker of Record

FIRM # S44830000 (IA)



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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

- Robust Traffic Counts – Iowa Highway 3 has the highest traffic counts of any road in town – Average daily traffic exceeds 16,000 cars per day
- Close Proximity to Private College – Less than a 5-minute drive, this is the closest Burger King store to Wartburg College, home to approximately 1,505 students annually
- Strong Corridor of National Tenants – Nearby tenants include Pizza Hut, Walmart Supercenter, McDonald’s, Applebee’s, Subway, amongst others

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FINANCIAL OVERVIEW



LIST PRICE

\$2,128,000



CAP RATE

5.80%



TERM REMAINING

± 20 Years

EXECUTIVE SUMMARY

Property Name	Burger King
Address	927 4th Street SW Waverly, IA 50677
GLA	± 3,236 SF
Land Area	± 1.08 AC / 47,128 SF
Year Built	1988/2020R

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Cap Rate
Year 1-5	\$10,287	\$123,444	5.80%
Year 6-10	\$11,059	\$132,702	6.24%
Year 11-15	\$11,888	\$142,655	6.70%
Year 16-20	\$12,780	\$153,354	7.21%
Option 1	\$13,738	\$164,856	7.75%
Option 2	\$14,768	\$177,220	8.33%
Option 3	\$15,876	\$190,511	8.95%
Option 4	\$17,067	\$204,800	9.62%

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



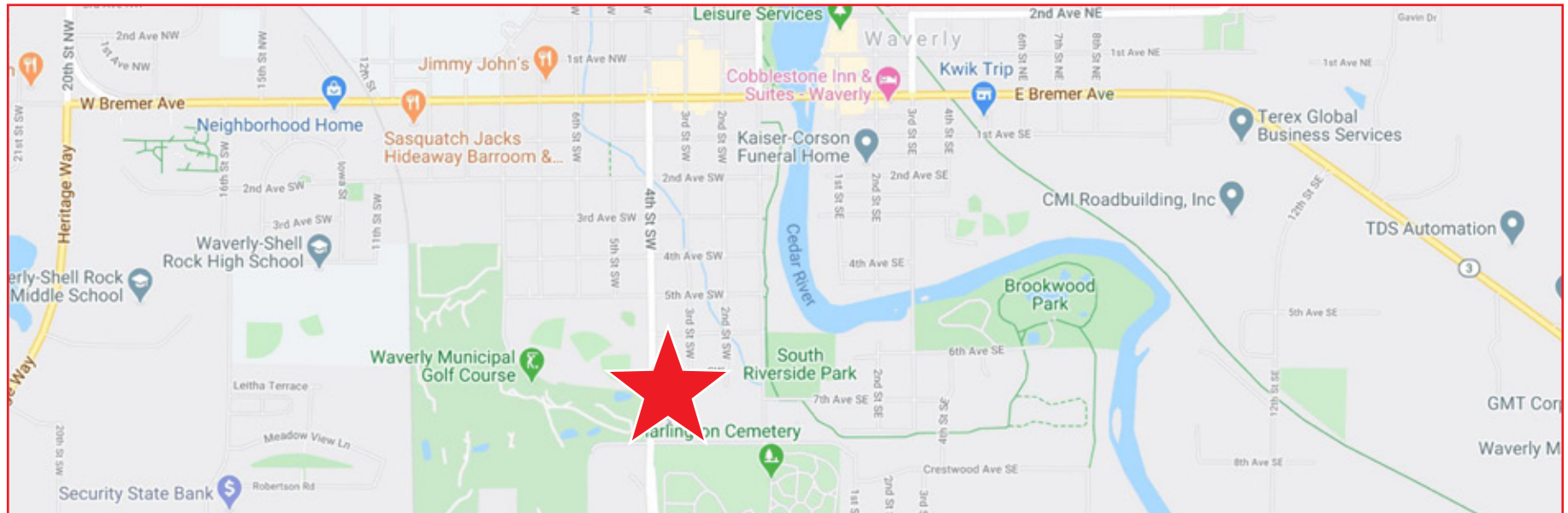
YEAR FOUNDED

1953

SURROUNDING TENANTS



AREA OVERVIEW



WAVERLY, IA

Located in northeast Iowa, Waverly is a beautiful, extraordinary community of nearly 10,000 residents. It is a place for families to live and a community where residents enjoy a high quality of life, friendly and progressive merchants, and a college town atmosphere. Incorporated in 1859, Waverly recently celebrated its rich history during its Sesquicentennial celebration. The city was founded along the Cedar River by William Patterson Harmon who is also credited for establishing Waverly as the Bremer County Seat. Over the years, Waverly has grown with the establishment of Wartburg College and the introduction of rail transportation. Today, Waverly is a vibrant, progressive community with a diverse commercial, agricultural, financial and industrial base.

AREA DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2025 Projection	5,174	11,262	13,639
2020 Estimate	5,072	10,962	13,275
Growth 2020-2025	2.01%	2.74%	2.74%
Growth 2010-2020	3.66%	5.14%	5.01%
HOUSEHOLDS	1-Mile	3-Mile	5-Mile
2025 Projection	1,810	4,304	5,290
2020 Estimate	1,737	4,126	5,082
Growth 2020-2025	4.20%	4.31%	4.09%
Growth 2010-2020	8.70%	9.10%	8.45%
INCOME	1-Mile	3-Mile	5-Mile
Average Household Income	\$62,158	\$66,267	\$67,013



ECONOMY

Waverly's central business district spans the Cedar River, while numerous other businesses and industries are uniquely nestled through the community. An impressive inventory of community assets includes 12 miles of trails and paths, two 18-hole golf courses – one public and one private - a new public library, the new city-owned Waverly Health Center, the new 200,000 square-foot Wartburg-Waverly Sports & Wellness complex, and abundant cultural opportunities which accompany a community with a liberal arts college. Waverly's downtown is designated as a Main Street Iowa District. The district is home to a quality mix of service businesses, specialty shops, destination stores and restaurants. These businesses along with others are part of evolving "life and leisure" business clusters.

As the 17th fastest-growing city in Iowa, Waverly maintains a focus on balanced growth and is an ideal location for commercial, industrial and corporate headquarters and retail developments. As the county seat for Bremer County, Waverly is a hub for activity. City government and economic development leaders have set the course for a prosperous future through their strong commitment to a safe community, investment in parks, trails and services, and through a unique partnership formed to bring economic success through the creation of employment opportunities and a revitalized downtown.

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **927 4th Street, Waverly, IA 50677** (**“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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