

OFFERING MEMORANDUM

# BURGER KING

34071 COMMERCE DRIVE | DE SOTO, KS 66018



**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



# EXCLUSIVELY LISTED BY



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# INVESTMENT HIGHLIGHTS

## LONG-TERM STABILIZED INVESTMENT

- Long-Term Lease – There are  $\pm$  19 years remaining on the original 20-year lease with four (4), 5-year options for the tenant to extend
- Strong Hedge Against Inflation – There are 7.50% increases in rent every 5 years, allowing properties to keep up with rising market rents
- Absolute NNN Lease – Landlord has zero landlord responsibilities, the tenant takes care of insurance, real estate taxes, and maintenance
- Latest Prototype – Brand new 2019 construction

## EXCELLENT LOCATION IN STRONG RETAIL AREA

- Strong Retail Corridor – Nearby tenants include Dollar General, Subway, Pizza Hut, Family Dollar, Harps Foods, McDonald's, amongst others
- Stop-and-Go Location – Burger King is conveniently located off K-10 which sees over 28,400 cars in average daily traffic
- Close Proximity to Schools – Burger King is less than 1-mile to both De Soto High School and Lexington Trails Middle School

## SEASONED OPERATOR OF AN 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



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## FINANCIAL OVERVIEW



LIST PRICE

\$2,500,000



CAP RATE

5.60%



TERM REMAINING

± 19 Years

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	RPSF	Cap Rate
Year 1-5	\$11,667	\$140,000	\$47.46	5.60%
Year 6-10	\$12,542	\$150,500	\$51.02	6.02%
Year 11-15	\$13,482	\$161,788	\$54.84	6.47%
Year 16-20	\$14,493	\$173,922	\$58.96	6.96%
Option 1	\$15,580	\$186,966	\$63.38	7.48%
Option 2	\$16,749	\$200,988	\$68.13	8.04%
Option 3	\$18,005	\$216,062	\$73.24	8.64%
Option 4	\$19,356	\$232,267	\$78.73	9.29%

## EXECUTIVE SUMMARY

Property Name	Burger King
Address	34071 Commerce Drive De Soto, KS 66018
GLA	± 2,950 SF
Land Area	± 1.01 AC / 43,996 SF
Year Built	2019

## 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	7/31/2019
Rent Commencement Date	12/1/2019
Lease Expiration Date	11/30/2039
Term Remaining on Lease	±19Years
Increase	7.50% Every 5 Years
Options	4, 5-Year Options

# TENANT OVERVIEW

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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

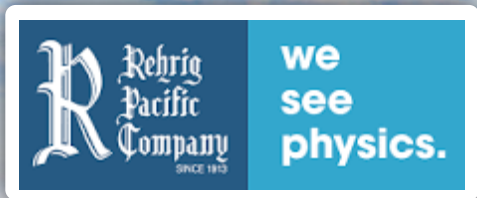
[www.bk.com](http://www.bk.com)



## YEAR FOUNDED

1953





10

± 28,400 VPD





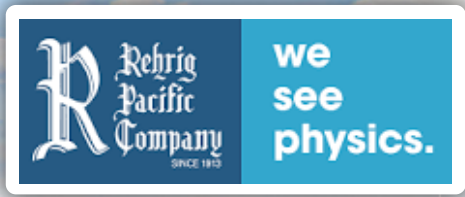
STARSLIDE  
ELEMENTARY SCHOOL  
480 STUDENTS



DESOTO  
HIGH SCHOOL  
3,400 STUDENTS



LEXINGTON TRAILS  
MIDDLE SCHOOL  
354 STUDENTS

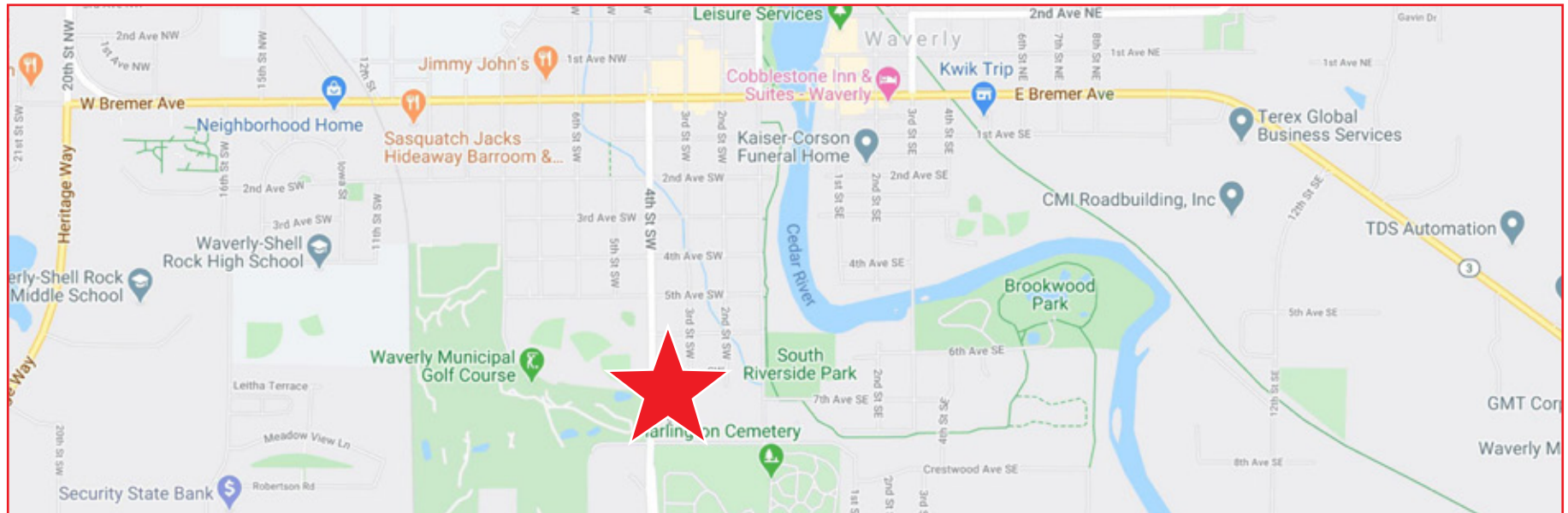


10

± 28,400 VPD



# AREA OVERVIEW



## DE SOTO, KS

The City of De Soto delivers big adventure and lifelong opportunities to its residents. Civic pride, inclusiveness, and collaboration are hallmarks of this welcoming city where responsible growth is a goal. De Soto is a safe, vibrant, and attractive community, where people and families live, learn, work and play, and where one can take advantage of the cultural aspects of a major metropolitan area while enjoying the quality of life advantages of a non urban lifestyle.

## AREA DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2025 Projection	2,062	7,012	11,669
2020 Estimate	1,943	6,648	11,061
Growth 2020-2025	6.13%	5.47%	5.50%
Growth 2010-2020	17.40%	14.62%	18.15%
HOUSEHOLDS	1-Mile	3-Mile	5-Mile
2025 Projection	739	2,574	4,343
2020 Estimate	695	2,419	4,087
Growth 2020-2025	6.33%	6.41%	6.26%
Growth 2010-2020	18.60%	17.83%	20.99%
INCOME	1-Mile	3-Mile	5-Mile
Average Household Income	\$121,683	\$111,557	\$120,992



## KANSAS CITY, KS

Kansas City, Kansas lies on the northwestern edge of Kansas, just 29 miles from the subject property. Among the 100 largest cities in the United States, it is the most centrally located in the lower 48 states. This central location makes it very competitive for employment involving transportation, communication, and distribution.

Kansas City covers 319 square miles and is home to approximately 481,360 residents, making it the largest city in Missouri, both in area and in population. Its area is the 11th largest among United States cities that are not consolidated with counties. Its population is the 37th largest in the United States. Kansas City is a regional headquarters of the Federal Reserve Bank and contains the headquarters for Hallmark Cards, DST, Russell Stover Candies, Kansas City Southern Railway, H&R Block, Boulevard Brewing, and American Century Investments. Kansas City has the most freeway lanes per capita of any United States city. It is one of only six cities in the nation with four primary interstate highways within its City limits (I-70, I-35, I-29, and I-49).

Kansas City is a large, prosperous, self-sufficient and culturally rich city located astride the Missouri River. The attractive downtown boasts museums and architectural attractions, including modern buildings and restorations of older sites such as the 1914 Union Station.

More recently, a major urban redevelopment and renewal effort has taken hold, anchored by a new Federal Reserve and IRS complex employing 7,000 and a new headquarters for financial services giant H&R Block, plus a new entertainment district. These developments and more renovations of attractive older buildings are adding life to the area, and there is also a significant push towards residential units in the city.













## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Burger King** located at **34071 Commerce Drive, De Soto, KS 66018 (“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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