

BURGER KING

CHERRYVILLE (CHARLOTTE MSA), NORTH CAROLINA



JUST OPENED!

CONFIDENTIAL OFFERING MEMORANDUM

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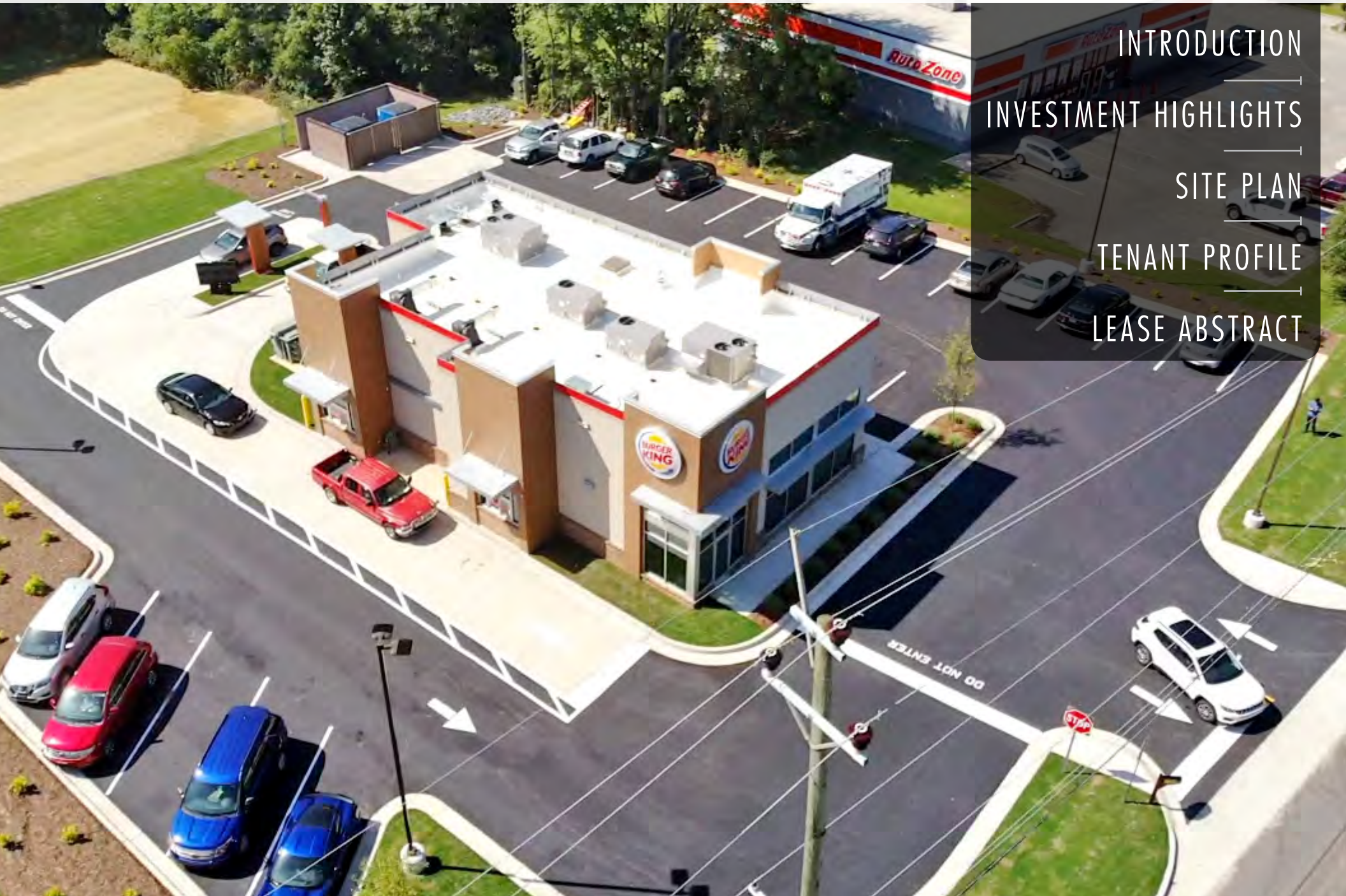
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REPRESENTATIVE PHOTO

EXECUTIVE SUMMARY



INTRODUCTION

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LEASE ABSTRACT

DOWNTOWN CHARLOTTE

GASTONIA

FLEETNET AMERICA
(350 EMPLOYEES)

PEPSI BEVERAGE COMPANY
(50 EMPLOYEES)

E Church Street (16,000 AADT)

CHERRYVILLE GOLF
AND COUNTRY CLUB

US LEISURE / RESIN
PARTNERS INC
(250 EMPLOYEES)

Marcus Moss Lawn
& Garden Center

South Pine Needles



CAROLINA
FLOOR CARE SYSTEMS



Advance
Auto Parts



Pizza Hut



Walmart

McDonald's

Riddley

BB&T



DOLLAR GENERAL



JOHN CHAVIS MIDDLE SCHOOL
(416 STUDENTS)

CHERRYVILLE ELEMENTARY SCHOOL
(412 STUDENTS)

WILLIAM B BEAM INTERMEDIATE
(194 STUDENTS)

DOWNTOWN CHERRYVILLE

SOUTHERN SHAVINGS CO
(20 EMPLOYEES)

CHERRYVILLE SENIOR
HIGH SCHOOL
(536 STUDENTS)

INTRODUCTION

LONG TERM ABSOLUTE NNN LEASE

- **20-Year Initial Lease Term** | Long term lease with four, 5-year renewal options
- **New Construction with Double Drive Thru** | Built in 2020 with double drive thru prototype
- **10% Rent Increases Every 5 Years** | Hedge against inflation with 10% rent bumps every 5 years and per each option
- **Absolute NNN Lease Structure** | Zero responsibilities for Landlord | Tenant handles all expenses of every kind
- **Established Tenant & Brand** | 17,800+ Burger King locations worldwide in over 100 countries

STRONG EMPLOYMENT & STUDENT BASE

- **Highest Traffic Counts in Cherryville** | 16,000 VPD along E Church St | 5,400 VPD on side street
- **Established Fast Food Market** | McDonald's, KFC and Bojangles have healthy sales histories
- **1,000+ Employees within 1 Miles** | Nearby FleetNet America (350 employees), Resin Partners (250 employees), Keystone Powdered Metals (200 employees), R-Anell Housing Group (181 employees) and Pepsi (50 employees)
- **1,500+ Students Within 1-Mile Radius** | Adjacent to Cherryville High, John Chavis Middle School, Cherryville Elementary and W B Beam Intermediate
- **Close Proximity to Charlotte** | 16 miles north of Gastonia and 38 miles northwest of Charlotte

SOUGHT AFTER BRAND & SEASONED OPERATOR

- **2nd Largest Fast Food Burger Chain** | Over 7,200 units in the US and nearly 18,000 stores worldwide
- **Promising Revenue Stream and Parent Company** | \$21.62 Billion in sales across all Burger King locations in 2018
- **Impressive Parent Company** | Restaurant Brand International (RBI) owns Burger King, Popeyes and Tim Hortons | RBI had \$3.62 billion in total equity in 2018
- **Veteran Operator and Growing Franchisee** | 30+ units opened and operating with plans to grow to 45+ units by Q1 2021 | Locations include GA, FL, NC and SC



ADDRESS

1104 E Church St
Cherryville, NC 28021



YEAR BUILT

2020



GLA

2,350 SF



LAND ACREAGE

2.14 Acres



TENANCY

Single



\$2,307,000
6% CAP RATE

6.96% AVG CAP RATE OVER TERM



GROSS LEASEABLE AREA

2,350 SF



TERM

20 YEARS



YEAR BUILT

2020



NOI

\$138,408

Tenant	Burger King
Lease Type	Absolute NNN
Term	20 Years
RCD	9/15/20
Options	Four, 5-Year
Rental Increases	10% Every 5 Years
Guarantor	Corporate

RENT SCHEDULE

Initial Term	Monthly Rent	Annual Rent	Cap Rate
1-5	\$11,533.99	\$138,408	6.00%
6-10	\$12,687.39	\$152,249	6.60%
11-15	\$13,956.13	\$167,474	7.26%
16-20	\$15,351.74	\$184,221	7.99%

Extension Term	Monthly Rent	Annual Rent	Cap Rate
Option 1	\$16,886.91	\$202,643	8.78%
Option 2	\$18,575.61	\$222,907	9.66%
Option 3	\$20,433.17	\$245,198	10.63%
Option 4	\$22,476.48	\$269,718	11.69%



E CHURCH (16,000 AADT)



Tokyo
Japanese

The Great
Outdoors

Bojangles'

Auto
Zone



TENANT PROFILE – BURGER KING



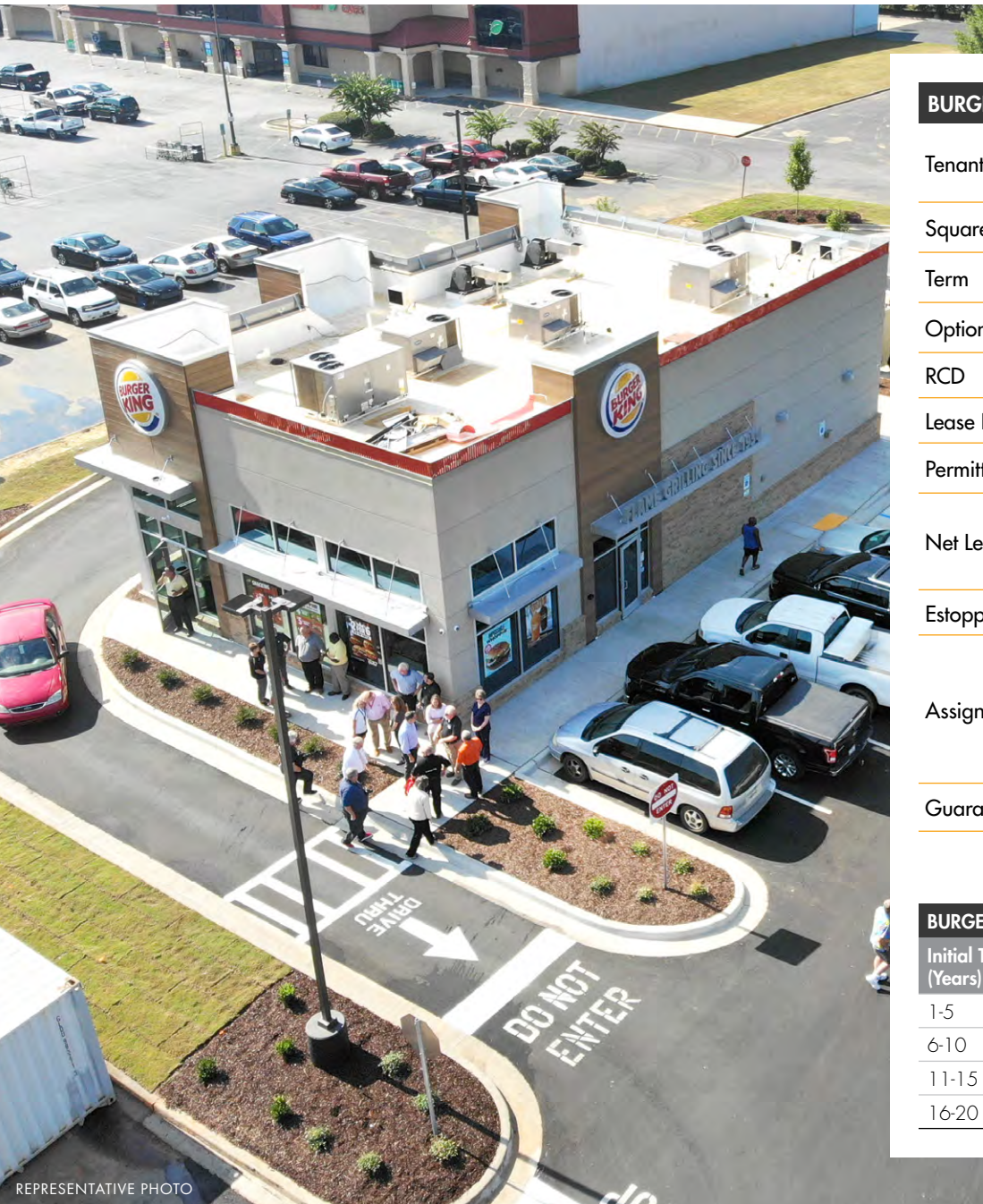
Company Name	Burger King
Property Type	Quick Service Restaurant
Parent Company Name	Restaurant Brands International
Ownership	Public
Number of Locations	17,800 (worldwide)
Headquarters	Miami-Dade County, Florida
Website	www.bk.com
Year Founded	1953
Traded On	NYSE
Ticker Symbol	QSR (Restaurant Brands International)



Headquartered in the unincorporated area of Miami-Dade County, Florida, Burger King operates as the #2 fast food hamburger chain in the world. The company was founded in 1953 and since its inception, Burger King has grown to over 17,800 locations worldwide in over 100 countries. Everyday, more than 11 million guests visit Burger King Restaurants around the world due to its affordability, exceptional quality and great tasting food. From the famous Whopper sandwich to the recently debuted Pretzel Bacon King burger, Burger King offers a wide array of options. The chain offers a large selection of burgers, chicken sandwiches, salads, breakfast items, sides (nuggets, fries, mozzarella sticks) and dessert. In 2018, Burger King Worldwide had a total revenue stream of \$21.6 billion. Burger King is owned and operated by Restaurant Brands International – owner of Burger King, Tim Hortons and Popeyes. RBI is a publicly traded company on the New York Stock Exchange under the ticker symbol: QSR.

- 1953 • Insta-Burger King founded in Jacksonville, FL by Keith Kramer and Matthew Burns
- 1954 • Insta-Burger King purchased by James McLamore and David Egerton and rebranded to Burger King
- 1959 • Franchising system is established
- 1967 • Pillsbury Company purchases Burger King for \$18M
- 1989 • Pillsbury is purchased by British Liquor company Grand Metropolitan (later Diageo) for \$5.7 billion
- 2002 • Texas Pacific Group purchases Burger King from Diageo for \$1.6 billion
- 2009 • 12,000th store opened in Beijing
- 2010 • Brazil based 3 G Capital acquires BK in a deal worth \$3.26 billion
- 2014 • Burger King merges with Canadian donut/coffee chain Tim Hortons and Restaurant Brands International is created

LEASE ABSTRACT



REPRESENTATIVE PHOTO

BURGER KING LEASE ABSTRACT

Tenant	CFH Cherryville, LLC d/b/a Burger King
Square Footage	2,350 SF
Term	20 Years
Options	Four (4), 5-year options
RCD	9/15/20
Lease Expiration Date	9/30/40
Permitted Use	Tenant shall use the Property as a quick service restaurant.
Net Lease	Rent shall be absolutely net to Landlord, and Tenant shall pay and be responsible for all costs, expenses and obligations of every kind relating to the Property.
Estoppel	Within fifteen (15) days after either party's request.
Assignment and Subletting	Tenant shall not assign this Lease or sublease the Property without the prior, written consent of Landlord, except a) an assignment of this Lease to any subsidiary or parent of Tenant or b) assignment of the Lease or subletting of the Property to any approved franchisee of Burger King.
Guarantor	Bruce Daniels and CFH Master Holding, LLC

BURGER KING RENT SCHEDULE

Initial Term (Years)	Monthly Rent	Annual Rent	Extension Term	Monthly Rent	Annual Rent
1-5	\$11,533.99	\$138,408	First	\$16,886.91	\$202,643
6-10	\$12,687.39	\$152,249	Second	\$18,575.61	\$222,907
11-15	\$13,956.13	\$167,474	Third	\$20,433.17	\$245,198
16-20	\$15,351.74	\$184,221	Fourth	\$22,476.48	\$269,718

LOCATION OVERVIEW

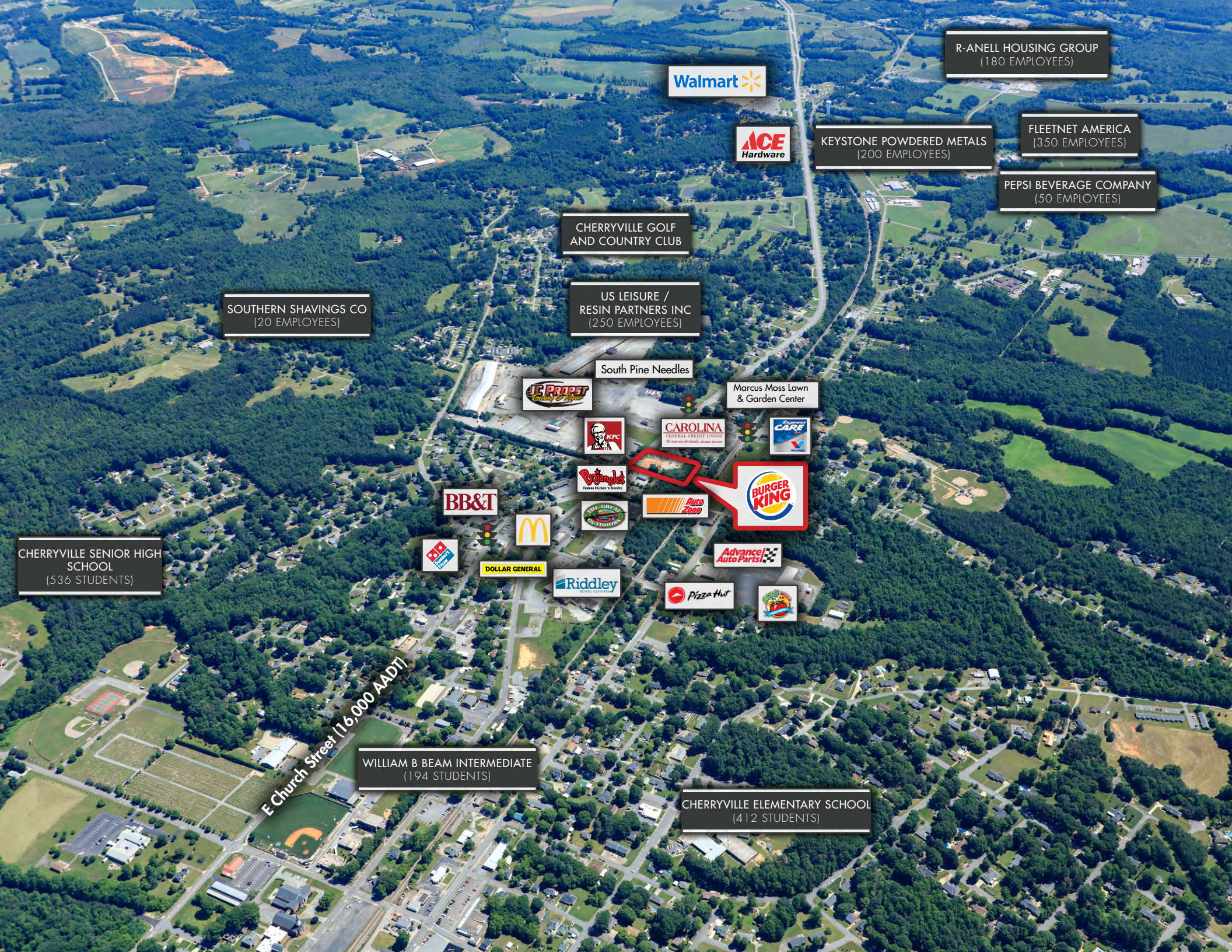


LOCATION MAP

TRADE AREA ZOOMED OUT

TRADE AREA ZOOMED IN

CHERRYVILLE, NORTH CAROLINA



Walmart

ACE
Hardware

R-ANELL HOUSING GROUP
(180 EMPLOYEES)

KEYSTONE POWDERED METALS
(200 EMPLOYEES)

FLEETNET AMERICA
(350 EMPLOYEES)

PEPSI BEVERAGE COMPANY
(50 EMPLOYEES)

CHERRYVILLE GOLF
AND COUNTRY CLUB

US LEISURE /
RESIN PARTNERS INC
(250 EMPLOYEES)

SOUTHERN SHAVINGS CO
(20 EMPLOYEES)

South Pine Needles

JE PROPER
Tennis & More

Marcus Moss Lawn
& Garden Center

KFC

CAROLINA
FEDERAL CREDIT UNION
We meet you like family. Because you are.

CARE

Bojangles
Southern Chicken & Biscuits

BURGER
KING

BB&T

McDonald's

Auto Zone

Dominos

DOLLAR GENERAL

Riddley
RENTAL FURNITURE

Advance
Auto Parts

Pizza Hut

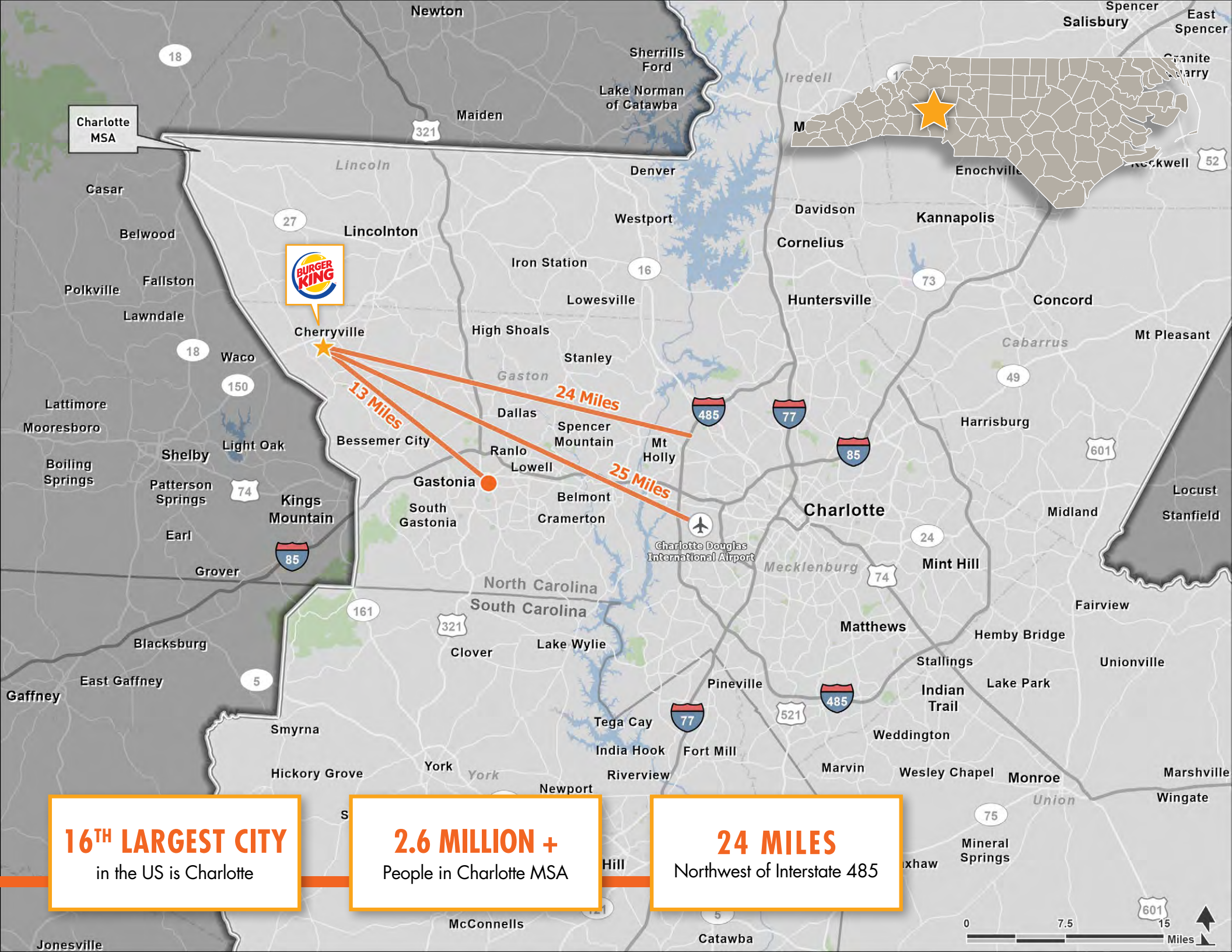
Cherryville
Elementary School

CHERRYVILLE SENIOR HIGH
SCHOOL
(536 STUDENTS)

WILLIAM B BEAM INTERMEDIATE
(194 STUDENTS)

CHERRYVILLE ELEMENTARY SCHOOL
(412 STUDENTS)

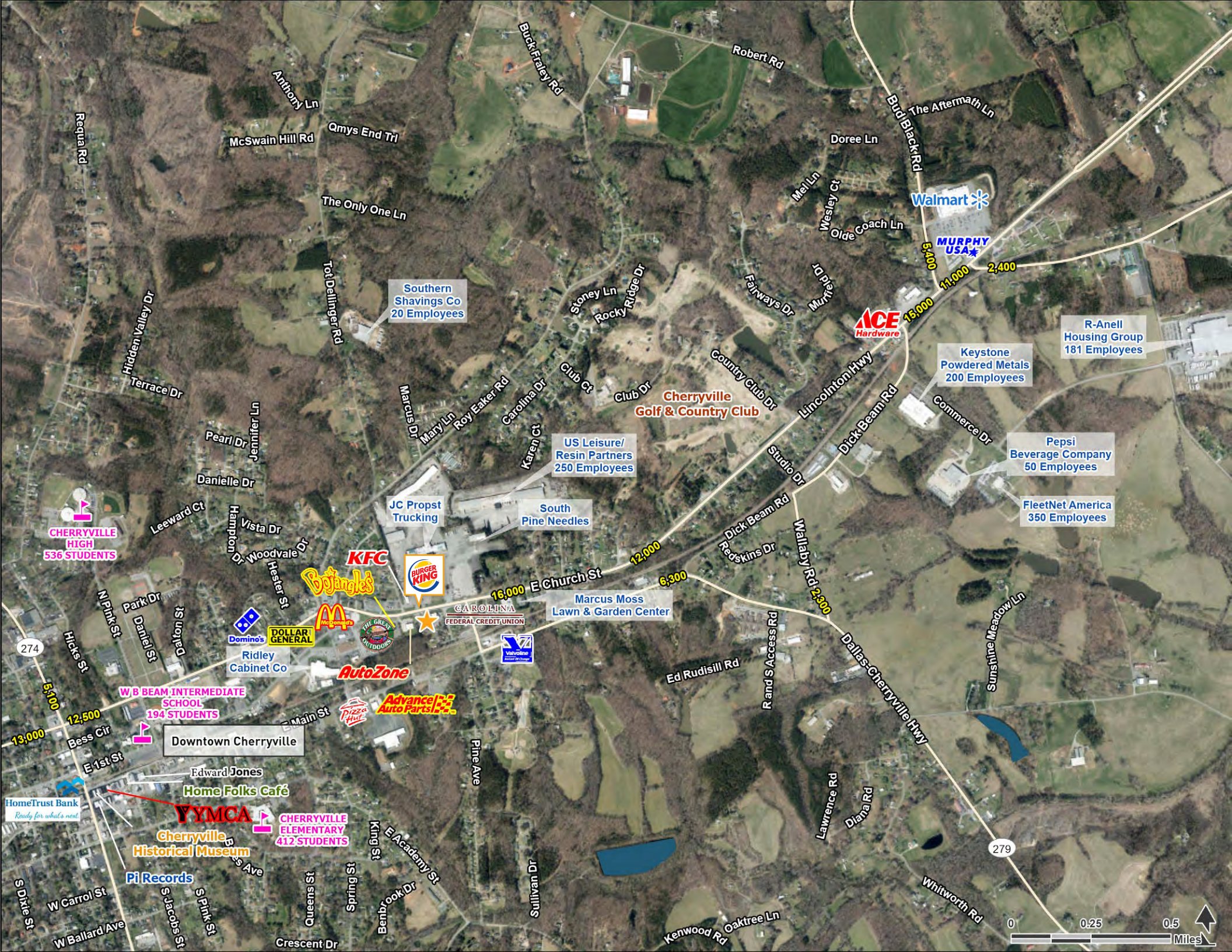
E Church Street (16,000 AADT)

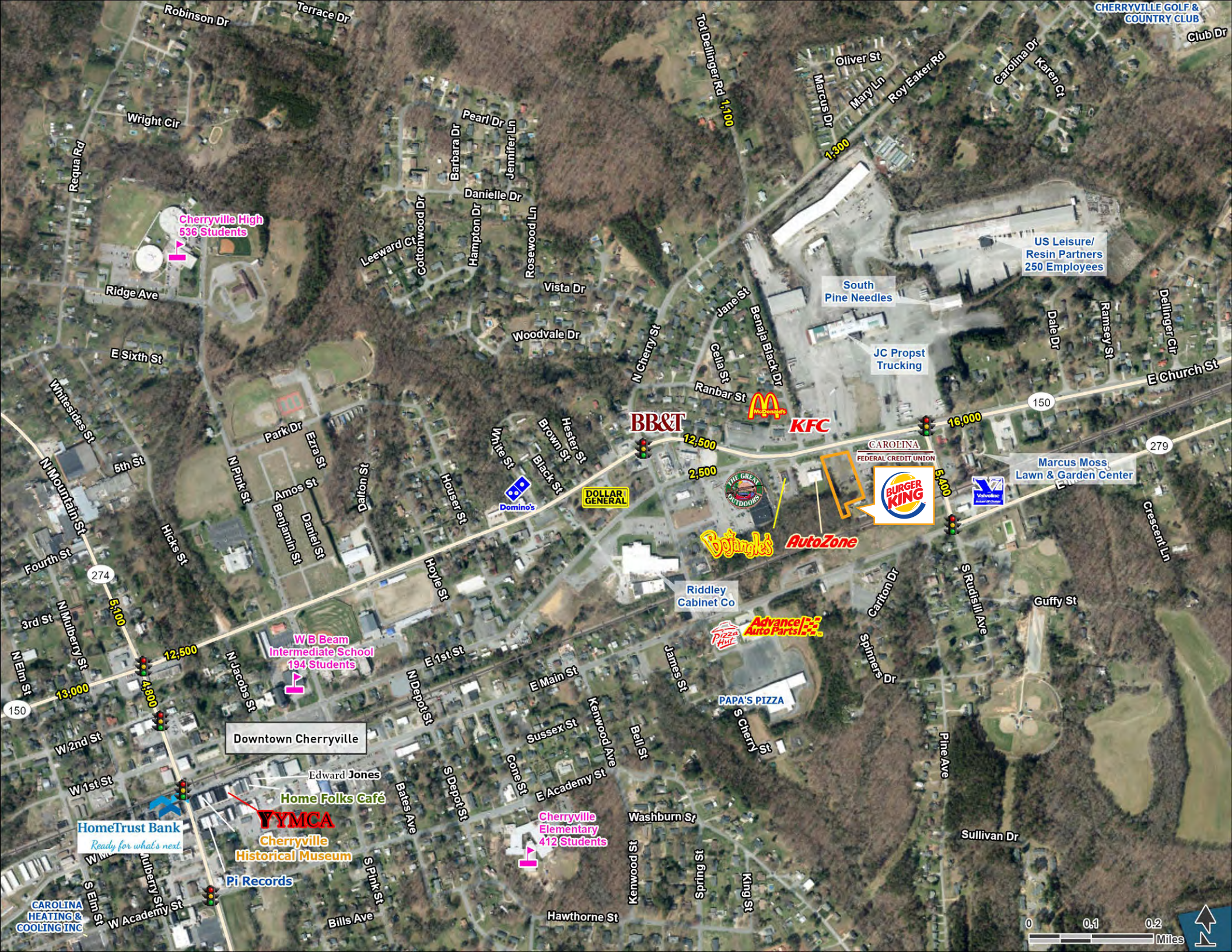


16TH LARGEST CITY
in the US is Charlotte

2.6 MILLION +
People in Charlotte MSA

24 MILES
Northwest of Interstate 485





CHERRYVILLE GOLF & COUNTRY CLUB

Cherryville High
536 Students

US Leisure/
Resin Partners
250 Employees

South
Pine Needles

JC Propst
Trucking

Marcus Moss,
Lawn & Garden Center

W B Beam
Intermediate School
194 Students

Downtown Cherryville

Home Folks Café

YYMCA

Cherryville
Historical Museum

Pi Records

HomeTrust Bank
Ready for what's next.

CAROLINA
HEATING &
COOLING INC



AREA OVERVIEW

Cherryville is located in Gaston County, NC (224,000+ residents), 24 miles northwest of Charlotte's Interstate 485 and 13 miles north of Gastonia. The city is part of the Charlotte – Concord – Gastonia Metropolitan Statistical Area with a total population exceeding 2.6 million (2019 Census estimates). The city of Cherryville is made up of a diverse economic base with a robust employment, education system and history.



ECONOMY

Cherryville's largest employers include FleetNet America (350 employees), Resin Partners (250 employees), Keystone Powdered Metal Company (220 employees), Bradington-Young Furniture Company (187 employees), R-Anell Housing Group (181 employees) and Pepsi (50 employees).

The largest non-manufacturing employers are in the governmental, institutional and construction sectors. The public school system employs 200 people locally while the government offices of Cherryville employ 90 people. Rutherford Electric Membership Cooperative employs 186 people and Beam Construction Company employs 150+ people.



EDUCATION

Public schools in Cherryville are part of the Gaston County Schools public school system, the 9th largest public school system in North Carolina. The four schools within the city of Cherryville make up a total of 1,600+ students and 200 employees. These facilities include Cherryville Elementary School, William Blaine Beam Intermediate School, John Chavis Middle School and Cherryville High School.



POINTS OF INTEREST

The city of Cherryville is rich in history. Some of the focal points within the city include the Cherryville Historical Museum, the C. Grier Beam Truck Museum, the 1922 Noah Benjamin Kendrick House and Rudisill Stadium.

Other main attractions in close proximity are Crowders Mountain State Park (20 minute drive), Kings Mountain State Military Park (30 minute drive) and Professional baseball by the Triple A Charlotte Knights or Single A Hickory Crawdads (30 minute drive).

DEMOGRAPHICS

RADII
—
DRIVE TIMES





FARRIS GROUP



Tire Cord USA

SANSTONE
Family of Businesses

CHERRYVILLE SENIOR
HIGH SCHOOL
(536 STUDENTS)

DOWNTOWN CHERRYVILLE

WILLIAM B BEAM
INTERMEDIATE
(194 STUDENTS)

CHERRYVILLE
ELEMENTARY SCHOOL
(412 STUDENTS)



DOLLAR GENERAL



BB&T



US LEISURE / RESIN
PARTNERS INC
(250 EMPLOYEES)

SOUTHERN SHAVINGS CO
(20 EMPLOYEES)

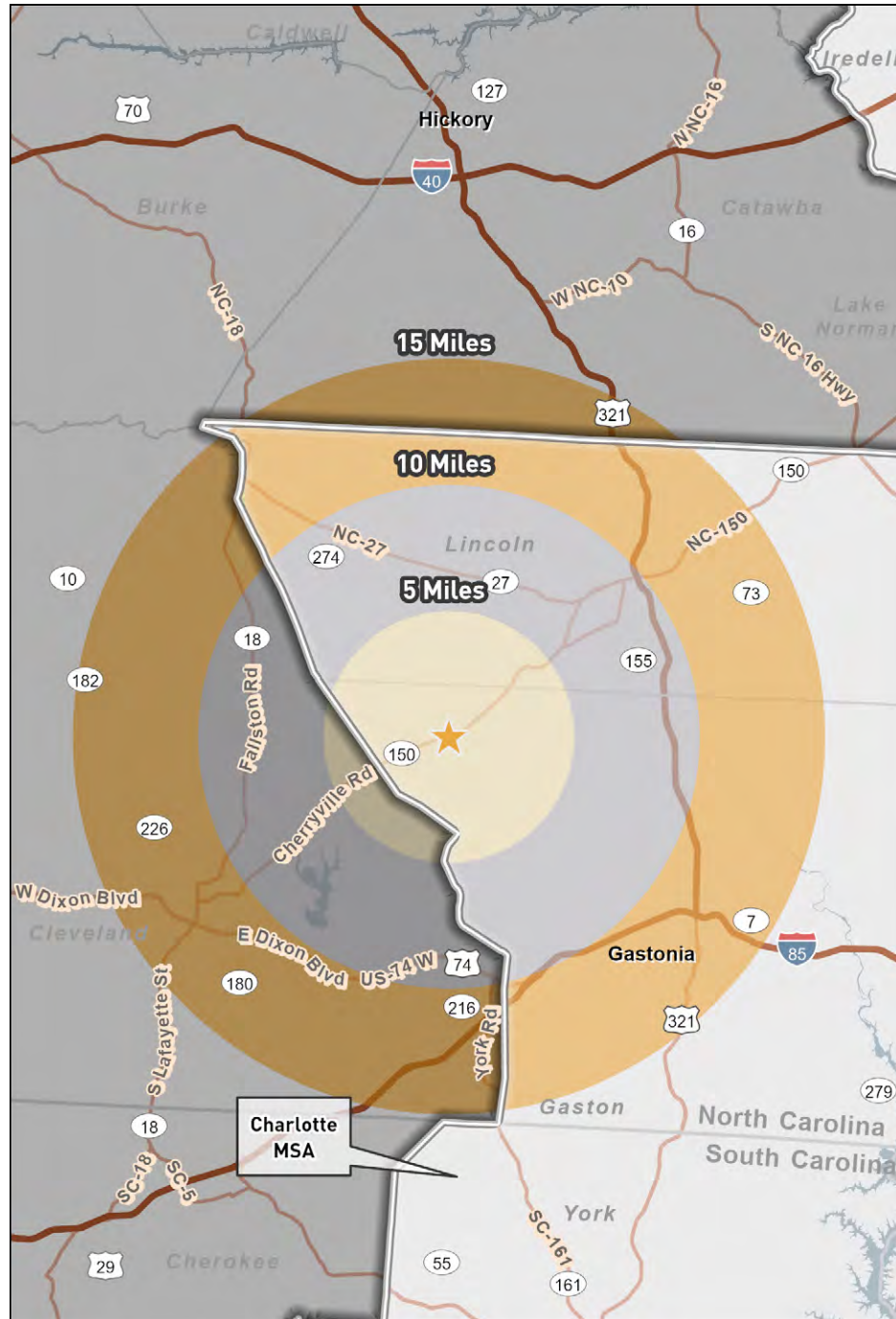
South Pine Needles



Marcus Moss Lawn
& Garden Center



E Church Street (16,000 AADT)



Population

	5 miles	10 miles	15 miles
2019 Total Population	18,416	84,777	237,044
2024 Total Population	18,697	86,824	243,774
2010 Total Population	18,088	82,085	226,107
2019 Group Quarters Population	180	770	3,529
2010-2019 Population: Annual Growth Rate	0.19%	0.35%	0.51%
2019-2024 Population: Annual Growth Rate	0.30%	0.48%	0.56%
2019 Male Population	9,064	41,600	115,423
2019 Female Population	9,353	43,178	121,622
2019 Median Age	43.3	42.9	41.4

Households

2019 Total Households	7,155	33,287	92,379
2024 Total Households	7,258	34,081	94,965
2019 Owner Occupied Housing Units	5,124	22,679	58,238
2019 Median Home Value	\$131,745	\$136,535	\$127,391

Population By Race

2019 White Population	85.76%	83.51%	73.47%
2019 Black/African American Population	8.76%	11.04%	19.46%
2019 American Indian/Alaska Native Population	0.30%	0.31%	0.36%
2019 Asian Population	0.59%	0.63%	0.89%
2019 Pacific Islander Population	0.01%	0.02%	0.03%
2019 Other Race Population	2.45%	2.37%	3.42%
2019 Hispanic Population	4.93%	5.23%	7.11%

Educational Attainment

2019 Population Age 25+: Less than 9th Grade	4.82%	5.67%	5.85%
2019 Population Age 25+: 9-12th Grade/No Diploma	10.42%	10.69%	11.64%
2019 Population Age 25+: High School Diploma	28.22%	27.95%	27.79%
2019 Population Age 25+: GED/Alternative Credential	6.60%	5.95%	6.36%
2019 Population Age 25+: Some College/No Degree	25.10%	23.09%	23.06%
2019 Population Age 25+: Associate's Degree	8.72%	10.38%	9.73%
2019 Population Age 25+: Bachelor's Degree	11.86%	10.98%	10.63%
2019 Population Age 25+: Graduate/Professional Degree	4.27%	5.29%	4.93%

Income

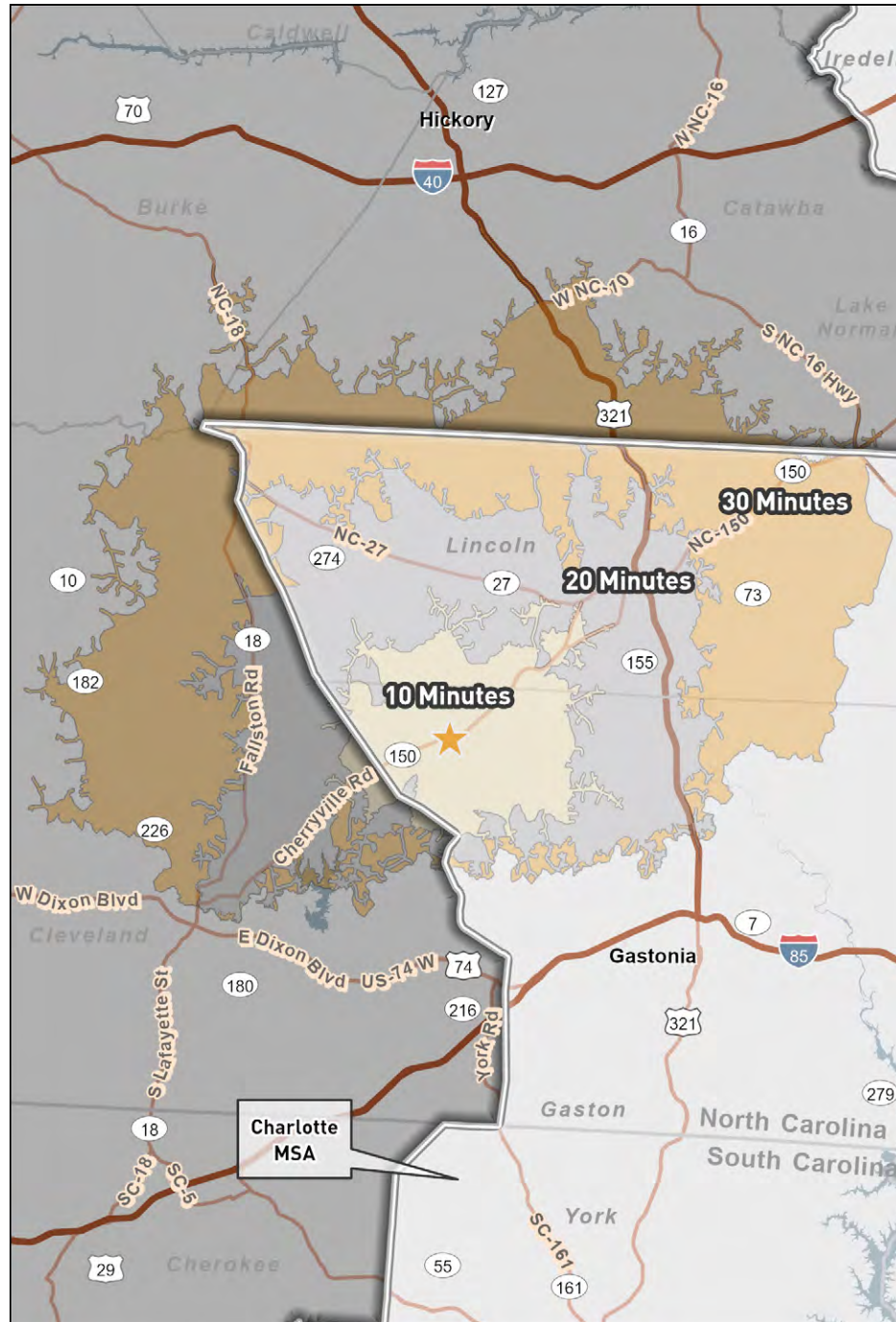
2019 Average Household Income	\$62,154	\$59,277	\$55,258
2019 Median Household Income	\$49,206	\$45,176	\$41,402
2019 Per Capita Income	\$24,025	\$23,300	\$21,551

Business

2019 Total (NAICS11-99) Businesses	412	2,218	7,911
2019 Total (NAICS11-99) Employees	3,870	21,816	87,818

Daytime Population

2019 Total Daytime Population	14,588	71,695	228,927
2019 Daytime Population: Workers	3,983	23,910	93,580
2019 Daytime Population: Residents	10,605	47,785	135,347



Population

	10 minutes	20 minutes	30 minutes
2019 Total Population	14,062	97,068	270,284
2024 Total Population	14,288	99,847	279,085
2010 Total Population	13,793	93,248	255,366
2019 Group Quarters Population	171	1,303	3,804
2010-2019 Population: Annual Growth Rate	0.21%	0.43%	0.62%
2019-2024 Population: Annual Growth Rate	0.32%	0.57%	0.64%
2019 Male Population	6,881	47,549	131,321
2019 Female Population	7,180	49,520	138,963
2019 Median Age	43.4	42.4	41.3

Households

2019 Total Households	5,510	38,189	105,508
2024 Total Households	5,594	39,270	108,863
2019 Owner Occupied Housing Units	3,892	25,005	66,737
2019 Median Home Value	\$136,224	\$135,942	\$131,980

Population By Race

2019 White Population	86.88%	80.19%	73.81%
2019 Black/African American Population	7.62%	13.70%	18.78%
2019 American Indian/Alaska Native Population	0.26%	0.33%	0.37%
2019 Asian Population	0.64%	0.70%	1.04%
2019 Pacific Islander Population	0.01%	0.03%	0.03%
2019 Other Race Population	2.55%	2.83%	3.62%
2019 Hispanic Population	5.04%	6.38%	7.48%

Educational Attainment

2019 Population Age 25+: Less than 9th Grade	4.59%	5.92%	5.55%
2019 Population Age 25+: 9-12th Grade/No Diploma	9.92%	11.36%	11.19%
2019 Population Age 25+: High School Diploma	26.83%	26.99%	27.29%
2019 Population Age 25+: GED/Alternative Credential	6.64%	5.96%	6.33%
2019 Population Age 25+: Some College/No Degree	25.57%	22.95%	23.13%
2019 Population Age 25+: Associate's Degree	8.77%	9.95%	9.96%
2019 Population Age 25+: Bachelor's Degree	13.09%	11.41%	11.50%
2019 Population Age 25+: Graduate/Professional Degree	4.57%	5.46%	5.04%

Income

2019 Average Household Income	\$63,613	\$58,120	\$56,949
2019 Median Household Income	\$50,056	\$43,390	\$43,089
2019 Per Capita Income	\$24,762	\$22,927	\$22,220

Business

2019 Total (NAICS11-99) Businesses	379	3,295	9,152
2019 Total (NAICS11-99) Employees	3,778	34,321	103,865

Daytime Population

2019 Total Daytime Population	12,107	92,031	264,309
2019 Daytime Population: Workers	4,067	37,143	111,554
2019 Daytime Population: Residents	8,040	54,888	152,755

Marcus Moss Lawn & Garden Center



N Rudisill Ave (5,400 AADT)



CAROLINA
FEDERAL CREDIT UNION
We treat you like family...because you are.



Under Construction



E Church Street (16,000 AADT)





REPRESENTATIVE PHOTO

DISCLAIMER

This Offering Memorandum has been prepared by TSCG for use by interested parties to evaluate the potential acquisition of Burger King located in Cherryville, North Carolina (the "Property"). All projections have been developed by TSCG, Owner and designated sources, are based upon assumptions relating to the general economy, competition, and other factors beyond the control of TSCG and Owner, and therefore are subject to variation. No representation is made by TSCG or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein has been obtained from sources deemed to be reliable and believed to be correct, TSCG, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, TSCG, Owner and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient.

The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the property will be made available to interested and qualified prospective investors upon written request. Owner and TSCG each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or TSCG and that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the property and you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owner or TSCG. If you have no interest in the property, please return the Offering Memorandum to TSCG.

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