

OFFERING MEMORANDUM  
Net Leased Restaurant  
Marcus & Millichap



1665 Hankook Road  
Clarksville, TN  
(NASHVILLE MSA)

New Construction  
Opened August 2019



# FINANCIAL OVERVIEW

PRICE: \$2,635,000 | RENT: \$145,000

Property Address	1665 Hankook Road
City, State, Zip	Clarksville, TN 37043
Estimated Building Size (SF)	Approximately 2,300
Lot Size	1.10 Acres
Year Built	2018

## LEASE SUMMARY

Property Type	Net Leased Restaurant
Ownership	Franchisee
Tenant	PLK Inc.
Guarantor	24+ Units
Lease Commencement Date	Close of Escrow
Lease Expiration	20 Years
Lease Term Remaining	20 Years
Lease Type	NNN
Roof & Structure	Tenant Responsibility
Options to Renew	Four 5-Year Options
Base Term Rental Escalations	7.5% Every Five Years
Rent to Sales Ratio	7.25%
Right of First Refusal	Yes

## ANNUALIZED OPERATING DATA

Annual Rent	\$145,000
Rental Escalations	7.5% Every 5 Years
Average Cap Rate	7.19%

RENT SCHEDULE	ANNUAL RENT	MONTHLY RENT	CAP RATE
Years 1-5	\$145,000.00	\$12,083.33	5.50%
Years 6-10	\$155,875.00	\$12,989.58	5.92%
Years 11-15	\$167,565.62	\$13,963.80	6.36%
Years 16-20	\$180,133.04	\$15,011.09	6.84%
Option I Years 21-25	\$193,643.01	\$16,136.92	7.35%
Option II Years 26-30	\$208,166.23	\$17,347.19	7.90%
Option III Years 31-35	\$223,778.69	\$18,648.22	8.49%
Option IV Year 36-40	\$240,562.09	\$20,046.84	9.13%

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## INVESTMENT OVERVIEW

Property Address	1665 Hankook Road
City, State, Zip	Clarksville, TN 37043
Estimated Building Size (SF)	Approximately 2,300
Lot Size	1.10 Acres
Year Built	2018
Net Operating Income	\$145,000

### INVESTMENT SUMMARY

Marcus & Millichap is pleased to present for sale this single-tenant, absolute triple-net lease Popeyes Louisiana Kitchen Restaurant investment opportunity located at 1665 Hankook Road in Clarksville a submarket of Nashville, Tennessee. The property consists of 1.1 acres improved with an approximately 2,300-square foot building. The newly constructed restaurant has a brand new 20-year lease in place with a seasoned RBI Brands Franchisee growing in the Popeyes brand. This franchisee has been a Burger King and Popeyes operator for over a decade and has been awarded for his growth and operations within the brand. Annual base rent is set at \$145,000 with 7.5 percent rental increases every five years in the base term, as well as the four, five-year renewal options.

The restaurant is located directly on Hankook Road near the intersection of International Blvd, just off of the I-24 exit, directly leading into Clarksville's main Business corridor along International Drive. The newly constructed \$800 Million Hankook Tire Facility is situated directly behind this property and notably to the north of the property along International Drive is the \$600 Million facility that Google just completed.

This Popeyes is located in one of the fastest growing areas of Clarksville and is surrounded by new Home Development, Retail Development and Economic Development through Industries. The immediate demographics are tremendous with an average household income exceeding \$90,000 and a 2 percent unemployment rate in the market.

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**BRAND NEW 20 YEAR  
ABSOLUTE NET LEASE**

**BRAND NEW 2018  
CONSTRUCTION**

**OUTSTANDING STORE  
SALES**

**EXPERIENCED, MULTI-  
BRAND OPERATOR**

**PLK, Inc** was founded by a longtime Burger King operator in order to expand the Popeyes Brand within the markets he has operated for over a decade. Since it's formation they have constructed three new Popeyes locations and have multiple sites and acquisitions in the pipeline. This franchisee currently has a total store count of 24 including the Burger Operations. Total Revenues are set to exceed \$30M. This franchisee's attention to detail and innovation throughout his FF&E helped him achieve an award as Developer of the year back in 2012.



## Popeyes Louisiana Kitchen

Founded in New Orleans in 1972, Popeyes® has more than 40 years of history and culinary tradition. Popeyes distinguishes itself with a unique New Orleans style menu featuring spicy chicken, chicken tenders, fried shrimp and other regional items. The chain's passion for its Louisiana heritage and flavorful authentic food has allowed Popeyes to become one of the world's largest quick service restaurant chicken concepts with over 2,600 restaurants in the U.S. and around the world. In March 2017, Popeye's was acquired by Restaurant Brands International, Inc. (NYSE/TSX: QSR, TSX: QSP) the third largest operator of fast food restaurants in the world.



### Popeyes Louisiana Kitchen, Inc

Headquartered	Atlanta, GA
Website	<a href="http://www.popeyes.com">www.popeyes.com</a>
Parent Company	RBI, Inc
Credit Rating	B1
Stock Ticker	QSR
2018 Sales (TB)	\$18,209.2 MM
Current Price	\$55.60 as of 12/7/2018
52 Wk High/Low	\$65.17/\$52.06
Store Count	20,351
No. of Employees	30,300

Existing Residential Homes



AERIAL MAP



**\$800 Million Research and Manufacturing Facility Completed in 2017 and employing over 1,000. The Facility currently totals 1.5 million SF and encompasses over 460 acres. Phase two should add nearly 1,000 more jobs and is planned in the next two years.**



New Commercial Development



**113,766**  
Cars Per Day





# AERIAL MAP

Rossvie High School: 1,700 Students  
Rossvie Middle School: 1,200 Students  
Rossvie Elementary School: 900 Students



113,766  
Cars Per Day



**Hankook**  
driving emotion

Google



**BURGER KING**



**Agero**  
Safe. Smart. Driven.



## Clarksville, TN

**Clarksville, TN** is situated just 45 miles northwest of Nashville, TN. Clarksville was founded in 1785 and consists of 95 square miles. The population has grown nearly 20% since 2010 and continues to be one of the fastest growing suburbs of Nashville, TN. There are 39 public schools and 3 private schools serving over 34,000 students along with Austin Peay State University which hosts more than 10,000 students.

**Google, Trane, and Hankook Tire** all call Clarksville home and employ more than 3,000 combined. Google recently purchased the former Hemlock Semiconductor Facility and have begun a \$600 million redevelopment of the site to be completed in 2020. While Hankook Tire just completed its \$800 million tire plant in Clarksville. Trane has been a Clarksville staple for more than 60 years and employees over 1,500 in its 1.4 million square foot facility.

**Nashville, TN MSA** is quickly approaching over 2.5 million people with annual tourism exceeding 15.2 million visitors.

### POPULATION

#### 2024 Projection

1-MILE	3-MILES	5-MILES
5,504	14,514	53,894

#### 2019 Population

1-MILE	3-MILES	5-MILES
4,740	13,018	45,706



### INCOME

#### Average

1-MILE	3-MILES	5-MILES
\$106,714	\$92,420	\$86,342

#### Median

1-MILE	3-MILES	5-MILES
\$90,307	\$74,108	\$86,342



### HOUSEHOLDS

#### 2023 Projection

1-MILE	3-MILES	5-MILES
2,007	5,660	20,404

#### 2019 Households

1-MILE	3-MILES	5-MILES
1,730	4,818	19,070





2018  
POPULATION

**1.9M**

Growth 2018-2023\*:  
**6.9%**



2018  
HOUSEHOLD

**744K**

Growth 2018-2023\*:  
**8.0%**



2018  
MEDIAN AGE

**36.4**

U.S. Median  
**38**



2018  
MEDIAN  
HOUSEHOLD INCOME

**\$60,600**

U.S. Median  
**\$58,800**

## NASHVILLE METRO HIGHLIGHTS



SEVENTH-LARGEST METROPOLITAN AREA GROWTH IN YOUNG PROFESSIONALS

Nashville was ranked as the #7 large metro gaining the most young professionals (ages 25-34) based on 2018 U.S. Census Bureau data. Nashville was previously ranked #37 in 2017



2.4% UNEMPLOYMENT RATE WITH LARGE, DIVERSE EMPLOYMENT BASE

The Nashville metro is home to one of the most diverse employment bases in the country driven by Healthcare, Entertainment, and Logistics.



TOURISM

15.2 million tourists visited Nashville in 2018 which is a 4% increase over 2017's 14.7 million visitors.

## SPORTS & ENTERTAINMENT

NASHVILLE  
PREDATORS



TENNESSEE  
TITANS

NASHVILLE  
SOUNDS



LIPSCOMB  
UNIVERSITY



GRAND OLE  
OPRY

## QUALITY OF LIFE

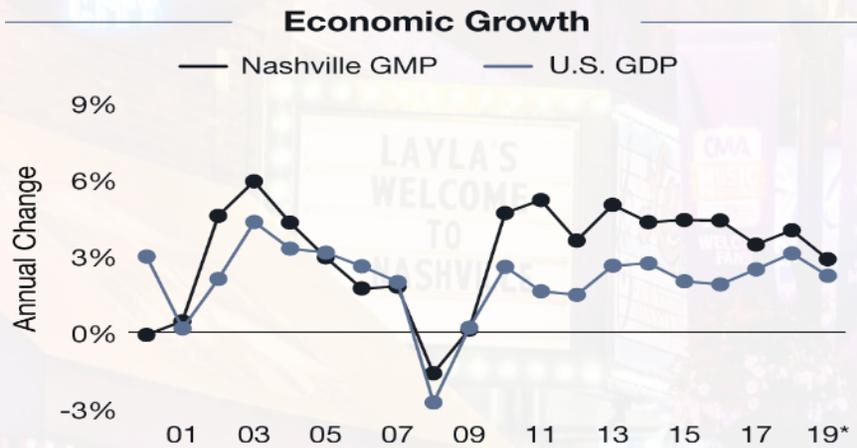
While music may be in Nashville's blood, Music City has a lot more to offer, including performing arts, history, cuisine, professional sports, education institutions, natural beauty and Southern charm. Music is alive not only at the Grand Ole Opry, but also at the Ryman Auditorium, Fontanel Mansion, Schermerhorn Symphony Center and the Tennessee Performing Arts Center. For country music fans, there is the Country Music Hall of Fame and Museum. Performing arts include the Nashville Ballet, Nashville Symphony, Nashville Opera Association, Tennessee Repertory Theatre, Nashville Children's Theatre and the ACT 1 (Artists' Cooperative Theatre). Museums in the metro include the Tennessee State Museum, the Vanderbilt University Fine Arts Gallery and Frist Center for the Visual Arts.

\* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

# ECONOMY

- The entertainment and country music capital houses a number of venues such as Ryman Auditorium, Grand Ole Opry, Country Music Television and Music Row.
- Low tax burdens and incentives for businesses attract companies to the region and are assisting in diversifying the economy.
- Fortune 500 companies headquartered in the region include: HCA Holdings, Dollar General, Community Health Systems, Envision Healthcare, LifePoint Health, Delek US Holdings and Tractor Supply Co.
- Amazon, Google, Ernst & Young, Alliance Bernstein, Bridgestone, Mitsubishi along with another 120+ businesses are in the pipeline to move to Nashville



## SHARE OF 2018 TOTAL EMPLOYMENT

 **19%**  
TRADE, TRANSPORTATION  
AND UTILITIES

 **17%**  
PROFESSIONAL AND  
BUSINESS SERVICES

 **15%**  
EDUCATION AND  
HEALTH SERVICES

 **12%**  
GOVERNMENT

 **11%**  
LEISURE AND HOSPITALITY

 **7%**  
FINANCIAL ACTIVITIES





# LOCATION MAP



**305K**  
CLARKSVILLE  
EST. MSA  
POPULATION

**48**  
Miles

**1.75M**  
NASHVILLE  
EST. MSA  
POPULATION



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# exclusive listing

## Popeyes | Clarksville, TN

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