

# JAMESCAPITAL

A D V I S O R S



SONIC DRIVE-IN

3160 15TH ST, TUSCALOOSA, AL 35401



MARKETING PACKAGE

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## INVESTMENT SUMMARY

Tenant	Sonic Drive-In
Street Address	3160 15th St
City	Tuscaloosa
State	AL
Zip	34759
GLA	1,312 SF
Lot Size	0.52 AC
Year Built	1993

\$ **\$1,787,765**  
LIST PRICE

% **5.50%**  
CAP RATE

\$ **\$98,327**  
NET OPERATING INCOME

Rent / SF \$74.94



**Absolute (NNN) Sale Leaseback** - At closing, this property will be operating under a brand new, 20-year Absolute Net (NNN) lease, under which the Tenant is responsible for all real estate taxes, insurance and property maintenance.

**Ample Rent Growth with 1.5% Annual Increases** - The lease will feature 1.5% annual rental increases , providing the landlord the benefit of compounding rent growth, and a strong hedge against inflation.

**Lease Backed by 62-Unit Operator** - The lease is fully backed by Quality Drive-In I, LLC, a 62-unit subsidiary of Quality Restaurant Group with locations across the states of Alabama and Florida.

**Strong Tenant Commitment** - The lease features an initial term of 20 Years with an additional four (4) 5-year options to extend the lease until 2060, indicating strong commitment to the site.

**Pandemic Proof Business Model** - While the COVID-19 pandemic has had a negative impact on most restaurant businesses, Sonic Drive-In has seen a surge in demand as customers enjoy their meals from the safety of their car with minimal exposure via the convenient drive-in and mobile order services using the Sonic app.



SONIC DRIVE-IN  
RETAIL AERIAL





## LEASE SUMMARY

Lease Type	Absolute Net (NNN)
Type of Ownership	Fee Simple
Original Lease Term	20 Years
Commencement Date	COE
Lease Expiration	20 Years After COE
Term Remaining	20 Years
Increases	1.5% Annually
Options	Four (4), 5-year

Real Estate Taxes	Tenant Responsible
Insurance	Tenant Responsible
Roof & Structure	Tenant Responsible
Lease Guarantor	Quality Drive-In I, LLC
Company Name	Sonic Drive-In
Ownership	Private
Years in Business	67
Number of Locations	3,500



**Hard Corner Location** - Ideally positioned off of 15th St & Martin Luther King Jr Blvd, this property has visibility from over 22,917 vehicles passing daily.

**Strong Demographics** - There is an estimated 111,245 residents within five miles of the subject property with an average annual income of \$60,463, which serves as the ideal target market & further support sales.

**Nationally Recognized Brand** - Sonic was founded 1953 in Shawnee, OK and is today comprised of over 3,500 restaurants located in 46 of the 50 states. As of 2019 Sonic ranked #3 on Entrepreneur Magazine's Franchise 500 list, up from #6 in 2018, a trend which is expected to continue through 2020.

**Educational Hub** - This site is located within the city's educational hub, surrounded by educational providers including Stillman College, Shelton State College, Tuscaloosa Career & Technology Academy, Westlawn Middle, Martin L. King Jr Elementary & Central Elementary, all within a 2-mile radius from the site.

**Steady Growth in the Surrounding Area** - The population within a five-mile radius saw a growth rate of 11.91% 2010-2020, with an expected continuous rise in population of 3.70% by 2025, totaling over 115,366 residents.



SONIC DRIVE-IN  
RETAIL AERIAL





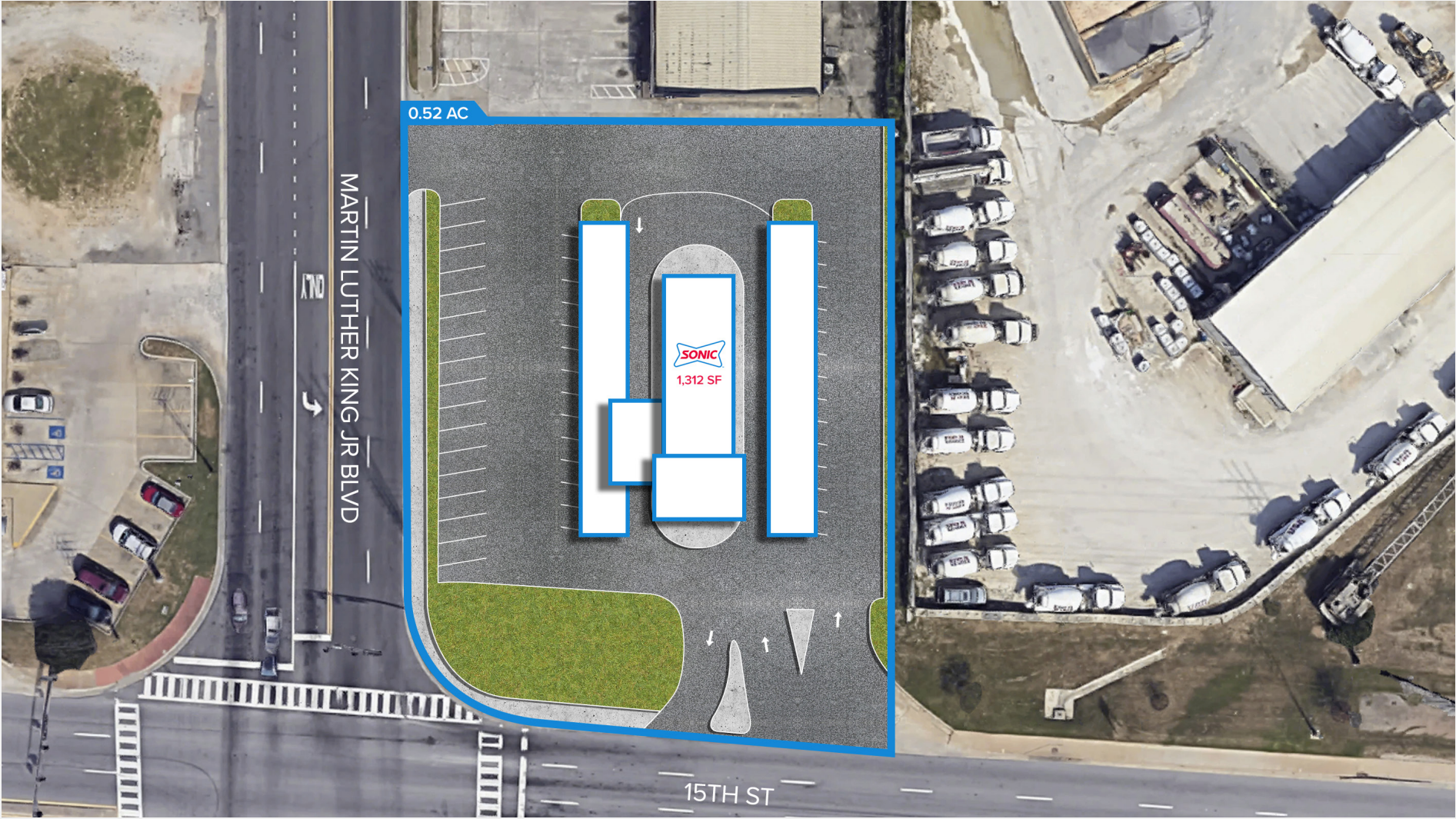
SONIC DRIVE-IN

RENT SCHEDULE

Period	Term	Annual Rent	Monthly Rent	Increase	CAP Rate
Year 1	Base Term	\$98,327.10	\$8,193.92	-	5.50%
Year 2	Base Term	\$99,802.01	\$8,316.83	1.50%	5.58%
Year 3	Base Term	\$101,299.04	\$8,441.59	1.50%	5.67%
Year 4	Base Term	\$102,818.52	\$8,568.21	1.50%	5.75%
Year 5	Base Term	\$104,360.80	\$8,696.73	1.50%	5.84%
Year 6	Base Term	\$105,926.21	\$8,827.18	1.50%	5.93%
Year 7	Base Term	\$107,515.10	\$8,959.59	1.50%	6.01%
Year 8	Base Term	\$109,127.83	\$9,093.99	1.50%	6.10%
Year 9	Base Term	\$110,764.75	\$9,230.40	1.50%	6.20%
Year 10	Base Term	\$112,426.22	\$9,368.85	1.50%	6.29%
Year 11	Base Term	\$114,112.61	\$9,509.38	1.50%	6.38%
Year 12	Base Term	\$115,824.30	\$9,652.03	1.50%	6.48%
Year 13	Base Term	\$117,561.67	\$9,796.81	1.50%	6.58%
Year 14	Base Term	\$119,325.09	\$9,943.76	1.50%	6.67%
Year 15	Base Term	\$121,114.97	\$10,092.91	1.50%	6.77%
Year 16	Base Term	\$122,931.69	\$10,244.31	1.50%	6.88%
Year 17	Base Term	\$124,775.67	\$10,397.97	1.50%	6.98%
Year 18	Base Term	\$126,647.30	\$10,553.94	1.50%	7.08%
Year 19	Base Term	\$128,547.01	\$10,712.25	1.50%	7.19%



SONIC DRIVE-IN  
SITE PLAN





## ABOUT THE BRAND

### Sonic Drive-In

SONIC® is an American success story that continues to flourish with every new chapter. Founded in 1953, SONIC franchises have risen from humble origins to one of the most instantly recognizable brands in the nation, with over 3,500 locations across 46 states with over 9,200 employees. SONIC is the largest chain of drive-in franchises in America owned by Inspire Brands, a global multi-brand restaurant company.



**3,500**  
Number of Locations



**9,200+**  
Employees



**\$423 Million**  
Annual Revenue



**46 States**  
Geographical Footprint



### SONIC Unveils Bold New Look

SONIC recently unveiled the first drive-in of the brand's new restaurant design.  
[Read More](#)



### SONIC Aims for Further Growth

SONIC aims to open 1,000 new restaurants over the next ten years.  
[Read More](#)



### Pandemic Impact on SONIC

SONIC's same-store sales perform in the area of 20-30 percent increases.  
[Read More](#)



### Inspire Brands Named #2

With the acquisition of Dunkin', Inspire Brands becomes 2nd largest restaurant co.  
[Read More](#)



ABOUT THE OPERATOR

Quality Drive-In I, LLC

Quality Drive-In I, LLC is a 62-unit subsidiary of Quality Restaurant Group (QRG), one of the fastest growing and largest quick service restaurant and fast casual restaurant groups in the country. QRG owns and operates 350 quick service restaurants with over 9,000 employees across 14 states. QRG currently owns and operates Pizza Huts (Quality Huts ; Arby's (Quality Meats); and Moe's Southwest Grills (Quality Fresca) restaurants.

 **350**  
Unit Count

 **4**  
Major Chains

 **9,000+**  
Employees

 **14 States**  
Geographical Footprint



QRG Acquires 62 SONIC Locations

QRG announced the acquisition of 62 SONIC locations in Florida & Alabama.  
[Read More](#)



QRG Acquires 67 MOE'S Locations

QRG becomes the largest MOE'S Franchisee after acquiring 67 locations.  
[Read More](#)



New HQ Means QRG Growth

CEO Matt Slain believes it's time to build his company's infrastructure.  
[Read More](#)



QRG Featured in Franchisee Magazine

QRG leadership dives into how they grew to nearly 350 units in 2 years.  
[Read More](#)

## LOCATION OVERVIEW

### Tuscaloosa, AL

Located in west-central Alabama along the fall line and the Black Warrior River, the city of Tuscaloosa is the state's fifth most populous city and is the county seat of Tuscaloosa County with the population of 101,129 in 2019. Tuscaloosa served as the state's capital from 1826 to 1846. Tuscaloosa was known as "The Oak City" and "The Druid City" (after an ancient Celtic people who worshiped oaks) in its early years because huge water oak trees lined the downtown streets.

The city of Tuscaloosa is now the hub for West Alabama industry and commerce, anchored by the sprawling nearby Mercedes-Benz plant. Tuscaloosa is home to a vast array of remarkable sights that are known only inside its bounds. With hundreds of restaurants, activities, museums and parks, it has managed to become one of Alabama's most progressive cities. Visitors come to enjoy the refreshing atmosphere, historic features and bustling nightlife that Tuscaloosa has to offer. With its great energy and eyes on the future, Tuscaloosa continues to thrive on being your one and only.



Tuscaloosa is a historic Alabama town with an eye on the future. Home to the renowned University of Alabama, established in 1820, is the oldest and largest of the public universities in Alabama as well as the flagship of the University of Alabama System. The university offers programs of study in 13 academic divisions leading to bachelor's, master's, education specialist, and doctoral degrees. The Tuscaloosa city school system consists of 12 elementary schools, five middle schools, and five high schools.

The Tuscaloosa County Park and Recreation Authority operates 31 small parks in the area, including Capitol Park in the city of Tuscaloosa, which features the ruins of the old State Capitol building. A significant number of museums, cultural sites, and sports venues also are located in the Tuscaloosa area and on the UA campus. The school's collection includes portraits of George Washington, Thomas Jefferson, and the Marquis de Lafayette. Nearby Northport hosts the annual Kentucky Arts Festival, nationally recognized for its quality and diversity of artistic styles, ranging from folk to contemporary arts as well as traditional crafts. Tuscaloosa has a revitalized Downtown on the banks of the Black Warrior River and more woods, water, food and fun than you'll know what to do with.



LOCATION OVERVIEW

1.

University of Alabama

University of Alabama, Tuscaloosa, AL 35487

2.7 MILES FROM SUBJECT PROPERTY
2.

Bryant-Denny Stadium

920 Paul W. Bryant Dr, Tuscaloosa, AL 35401

2.1 MILES FROM SUBJECT PROPERTY
3.

Alabama Museum of Natural History

427 6th Ave, Tuscaloosa, AL 35487

3.1 MILES FROM SUBJECT PROPERTY
4.

Bama Theatre

600 Greensboro Ave, Tuscaloosa, AL 35401

1.1 MILES FROM SUBJECT PROPERTY
5.

Paul W. Bryant Museum

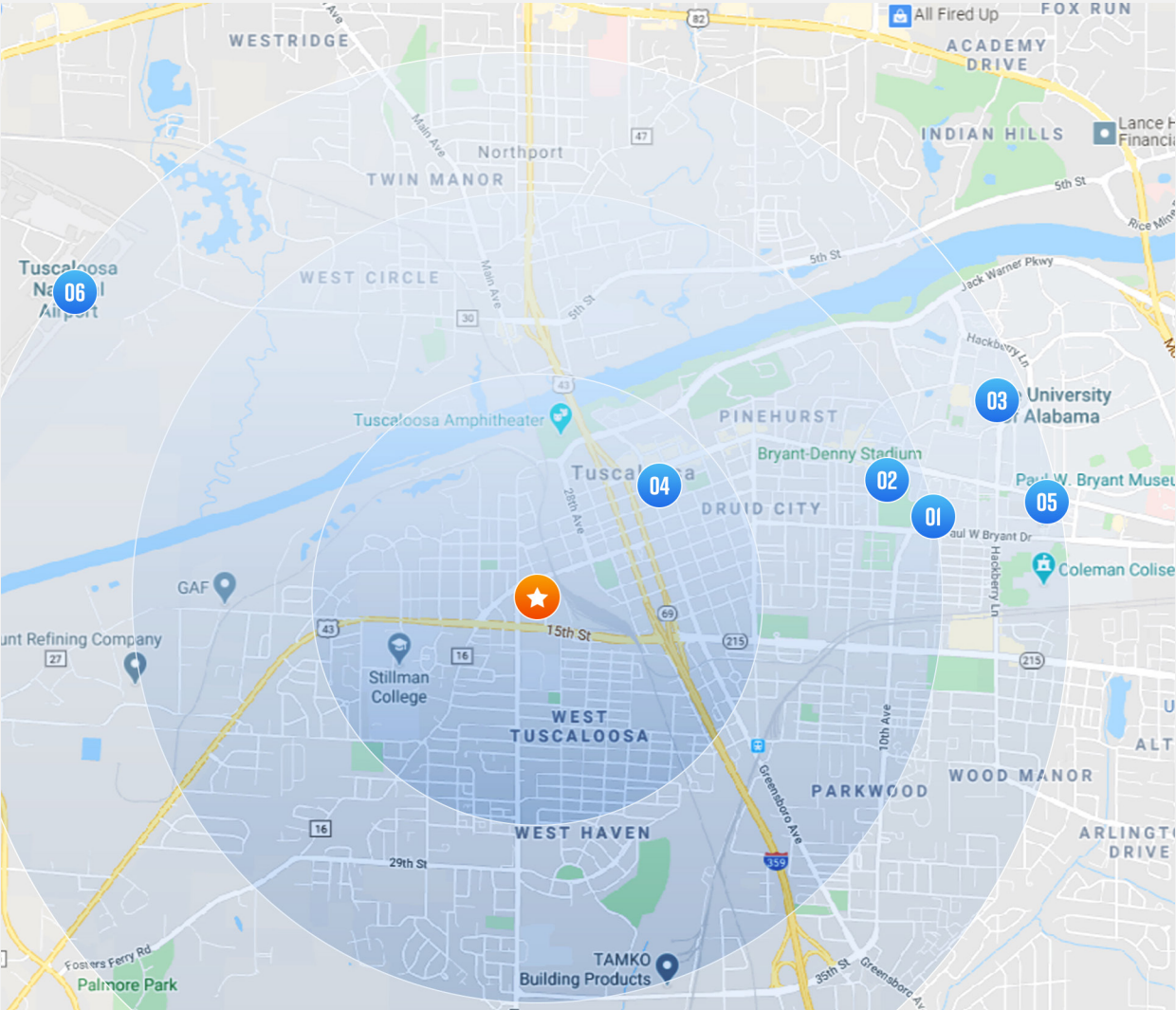
300 Paul W. Bryant Dr, Tuscaloosa, AL 35401

2.7 MILES FROM SUBJECT PROPERTY
6.

Tuscaloosa National Airport

7601 R. Cardinal Airport Rd, Tuscaloosa, AL 35401

5.6 MILES FROM SUBJECT PROPERTY



## LOCATION OVERVIEW



01

### UNIVERSITY OF ALABAMA

**THIS PUBLIC UNIVERSITY HAS OVER 38,000 ANNUALLY ENROLLED STUDENTS.**



02

### BRYANT-DENNY STADIUM

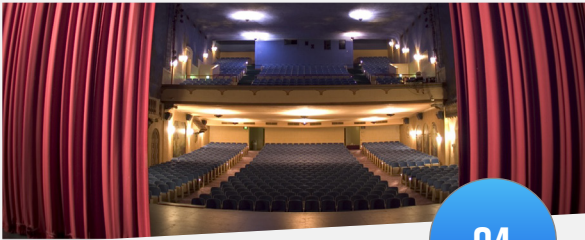
**THIS FAMOUS OUTDOOR STADIUM HAS A CAPACITY OF OVER 101,821 VISITORS.**



03

### ALABAMA MUSEUM OF NATURAL HISTORY

**THIS MUSEUM IS THE OLDEST IN THE STATE, FOUNDED IN 1831.**



04

### BAMA THEATRE

**THE HISTORIC THEATRE SERVES AS THE CITY'S PERFORMING ARTS CENTER.**



05

### PAUL W. BRYANT MUSEUM

**THIS MUSEUM OPENED IN 1988 TO "HOUSE THE HISTORY OF ALABAMA FOOTBALL."**



06

### TUSCALOOSA NATIONAL AIRPORT

**THIS NATIONAL MUSEUM HAS ABOUT 2,400 COMMERCIAL FLIGHTS PER YEAR.**



SONIC DRIVE-IN

DEMOGRAPHICS



POPULATION

	1-Mile	3-Mile	5-Mile
2025 Projection	9,996	61,614	115,366
2020 Estimate	9,595	59,499	111,245
2010 Census	8,324	53,640	99,409
Growth '20 - '25	4.18%	3.55%	3.70%
Growth '10 - '20	15.27%	10.92%	11.91%

HOUSEHOLDS

	1-Mile	3-Mile	5-Mile
2025 Projection	3,797	23,837	46,104
2020 Estimate	3,620	23,010	44,493
2010 Census	2,989	20,657	39,871
Growth '20 - '25	4.89%	3.59%	3.62%
Growth '10 - '20	21.11%	11.39%	11.59%
Average Income	\$45,464	\$47,611	\$60,463
Median Income	\$29,818	\$30,137	\$43,379

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SONIC DRIVE-IN

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