

OFFERING MEMORANDUM
Net Leased Restaurant

Marcus & Millichap

**BURGER
KING**

**1533 Joe B Jackson Pkwy
Murfreesboro, TN
37127**

20 Year Sale Leaseback

Strong Sales

Experienced Operator





FINANCIAL OVERVIEW

PRICE: \$2,480,000 | RENT: \$124,000 | 5.00% Cap

ANNUALIZED OPERATING DATA

| | |
|------------------------------|-------------------------|
| Property Address | 1533 Joe B Jackson Pkwy |
| City, State, Zip | Murfreesboro, TN 37127 |
| Estimated Building Size (SF) | 4,014 |
| Lot Size Acres | 1.52 Acre |
| Year Built | 2017 |

| | |
|--------------------------------|---------------------|
| 2020 Sales | \$1,550,000 |
| Annual Rent (8% Rent to Sales) | \$124,000 |
| Rental Escalations | 7.50% Every 5 Years |
| Average Cap Rate | 6.79% |

LEASE SUMMARY

| | |
|------------------------|---------------------------|
| Property Type | Net Leased Restaurant |
| Ownership | Franchisee |
| Tenant | Newell-Berg Alliance, LLC |
| Guarantor | 19 Units |
| Rent 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 Option |
| Annual Rent | \$124,000 |
| Rent Escalation | 7.50% Every Five Years |
| Right of First Refusal | Yes |

| RENT SCHEDULE | ANNUAL RENT | MONTHLY RENT | CAP RATE |
|--------------------------|-------------|--------------|----------|
| YEARS 1-5 | \$124,000 | \$10,333 | 5.00% |
| YEARS 6-10 | \$133,300 | \$11,108 | 5.38% |
| YEARS 11-15 | \$143,298 | \$11,941 | 5.78% |
| YEARS 16-20 | \$154,045 | \$12,837 | 6.21% |
| OPTION 1: YEARS 21-25 | \$165,598 | \$13,800 | 6.68% |
| OPTION 2: YEARS 26-30 | \$178,018 | \$14,835 | 7.18% |
| OPTION 3: YEARS 31-35 | \$191,369 | \$15,947 | 7.72% |
| OPTION 4: YEARS 36-40 | \$205,722 | \$17,144 | 8.30% |



INVESTMENT OVERVIEW

I-24 Exit

STRONG, CONSISTENT SALES

MULTI-STATE & BRAND OPERATOR

60,000 VEHICLES PER DAY

Marcus & Millichap is pleased to present for sale this single-tenant, absolute triple-net Burger King Restaurant investment opportunity located in Murfreesboro, TN. The property consists of approximately 1.52 acre improved with a 4,014 square foot building. The restaurant was constructed in 2017. The restaurant will have a new 20-year lease in place with a seasoned RBI Brands Franchisee growing in the Burger King and Popeyes brands. 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 \$124,000 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 in Murfreesboro, TN which is part of the Nashville, MSA. It is immediately off Interstate 24 in close proximity to an Amazon Fulfillment Center. Along this industrial corridor are other manufacturing, warehouse, and logistics suppliers. Some of these corporations include Schwan Cosmetics, MasTec Network Solutions, Wegmann Automotive, Dexter Stamping, Daiei Manufacturing, and FedEx Ground Distribution.



NASHVILLE, TN OVERVIEW



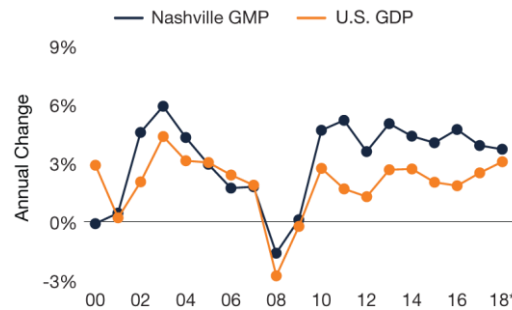
ECONOMY

- The entertainment and country music capital houses a number of venues such as Ryman Auditorium, Grand Ole Opry, Country Music Television and Music Row.
- The nation's lowest 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: HCA Holdings, Dollar General, Community Health Systems, LifePoint Health, Delek US Holdings and Tractor Supply Co.

MAJOR AREA EMPLOYERS

| |
|--|
| Vanderbilt University and Medical Center |
| The Kroger Co. |
| Community Health Systems |
| Saint Thomas Health |
| Nissan North America |
| HCA Healthcare |
| Ryman Hospitality Properties |
| Electrolux Home Products |
| Cracker Barrel Old Country Store, Inc. |
| Randstad |

Economic Growth



SHARE OF 2017 TOTAL EMPLOYMENT





SITE DESCRIPTION

| | |
|--------------------------|--|
| Property | Burger King |
| Property Address | 1533 Joe B Jackson Pkwy Murfreesboro, TN 37127 |
| Year Built | 2017 |
| Number of Parking Spaces | 61 |
| Construction Type | Joisted Masonry |
| Foundation | Poured Concrete Slab |
| Exterior Walls | Concrete Block, Brick, Stone |
| Land Area | 1.52 Acres |
| Zoning Designation | Restaurant, Bar, Food Services |

**INVESTMENT
HIGHLIGHTS**

**20 YEAR SALE
LEASEBACK**

**60,000
AVERAGE
VEHICLES PER
DAY**

**8.00% RENT TO
SALES RATIO**

**1.52
ACRES**

**AMAZON
FULFILLMENT
CENTER
COORIDOR**

**INTERSTATE 24
EXIT**

**DOUBLE DRIVE
THRU**

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LOCATION OVERVIEW | DEMOGRAPHICS




Murfreesboro is a city in, and the county seat of, Rutherford County, Tennessee. The population is 130,968 which is a 3.79% growth from the previous year. Within Rutherford County, which includes the cities of LaVergne, Smyrna, and Christiana, the population is 332,285.

Rutherford County, which includes the City of Murfreesboro, is the geographic center of Tennessee. It is located 34 miles southeast of downtown Nashville in the Nashville metropolitan area of Middle Tennessee. It is Tennessee's fastest growing major city and one of the fastest growing cities in the country.

Murfreesboro is also home to Middle Tennessee State University, the second largest undergraduate university in the state of Tennessee, with 22,881 total students as of fall 2017. Major employers and industries include sectors such as Health Care, Retail Trade, and Manufacturing.

Automotive giant Nissan has a production facility in Rutherford County employing over 8,000. Amazon also contributes to the local economy with a fulfillment center which employs over 1,550.

Murfreesboro, Tennessee

| POPULATION | | | INCOME | | | HOUSEHOLDS | | |
|---|---------|---------|---|----------|----------|---|---------|---------|
| 2025 Projection | | | Average | | | 2025 Projection | | |
| 1-MILE | 3-MILES | 5-MILES | 1-MILE | 3-MILES | 5-MILES | 1-MILE | 3-MILES | 5-MILES |
| 1,408 | 34,065 | 84,640 | \$96,313 | \$93,666 | \$79,093 | 597 | 13,169 | 32,207 |
| 2020 Population | | | Median | | | 2020 Households | | |
| 1-MILE | 3-MILES | 5-MILES | 1-MILE | 3-MILES | 5-MILES | 1-MILE | 3-MILES | 5-MILES |
| 1,140 | 30,268 | 76,695 | \$82,546 | \$75,495 | \$61,424 | 480 | 11,541 | 28,876 |
|  | | |  | | |  | | |

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An aerial photograph of a commercial property, likely a fast-food restaurant, featuring a large parking lot with several cars and a central building with a flat roof. The property is outlined in yellow. It is situated at a street intersection with a grassy area and trees to the left. A semi-transparent white box in the top right corner contains the text '1.52 ACRES'.

1.52 ACRES

DOUBLE
DRIVE THRU

BUILT 2017

60,000
VEHICLES PER
DAY



Tenant Overview

The operator of this location was awarded developer of the year by Burger King Corporation in 2012 and is also President of the Southeast Coalition of Franchisees which operates nearly 2,000 restaurants. This franchisee currently operates 19 Burger Kings and 24 Popeyes. Their restaurants incorporate the best technologies in fast food operations from state of the art warming tables, in restaurant training centers, non slip floors, frozen never thawed fry dispensers and self cleaning oil disposal systems. The franchisee's total sales are set to exceed \$40 million.



Burger King (BK) is an American global chain of hamburger fast food restaurants. Headquartered in the unincorporated area of Miami-Dade County, Florida, the company was founded in 1953 as Insta-Burger King, a Jacksonville, Florida-based restaurant chain. After Insta-Burger King ran into financial difficulties in 1954, its two Miami-based franchisees David Edgerton and James McLamore purchased the company and renamed it "Burger King". Over the next half-century, the company would change hands four times, with its third set of owners, a partnership of TPG Capital, Bain Capital, and Goldman Sachs Capital Partners, taking it public in 2002. In late 2010, 3G Capital of Brazil acquired a majority stake in the company, in a deal valued at US\$3.26 billion. The new owners promptly initiated a restructuring of the company to reverse its fortunes. 3G, along with partner Berkshire Hathaway, eventually merged the company with the Canadian-based doughnut chain Tim Hortons, under the auspices of a new Canadian-based parent company named Restaurant Brands International.

CORPORATE OVERVIEW



Tim Hortons



RBI is an American Canadian multinational fast-food holding company. Formed in 2014 by the \$12.5 billion merger between American fast-food restaurant chain Burger King and Canadian coffee shop and restaurant chain Tim Hortons and expanded by the 2017 purchase of American fast-food chain Popeyes Louisiana Kitchen, the company is the fifth-largest operator of fast food restaurants in the world. The company is based alongside Tim Hortons in Toronto. Burger King and Popeyes retain their existing operations and headquarters, both in Miami. The 2014 merger focused primarily on expanding the international reach of the Tim Hortons brand, and providing financial efficiencies for both companies. The company is majority-owned by the Brazilian investment company 3G Capital—the previous majority owner of Burger King—holding a 51% stake. The company is publicly traded on the New York and Toronto Stock Exchanges. In January 2019, Jose Cil was named the CEO of Restaurant Brands International.

Every day, more than 11 million guests visit BURGER KING® restaurants around the world and they do so because their restaurants are known for serving high-quality, great-tasting, and affordable food. Founded in 1954, the BURGER KING® brand is the second largest fast-food hamburger chain in the world. The original HOME OF THE WHOPPER®, the BURGER KING® system operates more than 17,800 locations in more than 100 countries and U.S. territories. Almost 100 percent of BURGER KING® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades.





- American Headquarters
- 250 Employees
- \$43 Million in Annual Sales
- Supplier for
 - Aston Martin
 - Porsche
 - Volvo
 - BMW



amazon fulfillment

- 1,550 Employees
- 7th Largest Employer in County
- 1.1 Million Square Foot Facility



WAFLE
HOUSE

SUBWAY



- \$20 Million in Annual Sales
- Supplier for
 - Food Services
 - Healthcare
 - Commercial Industries

BURGER
KING

Exxon

Murfreesboro, TN
Population 130,968
34 Miles From Nashville, TN



Interstate 24
60,000
Cars Per Day



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Exclusive Listing

Burger King
Murfreesboro, TN