

# BURGER KING

EXCLUSIVE NET-LEASE OFFERING



# OFFERING MEMORANDUM

**BURGER KING**

3500 Highway 101  
Florence, OR 97439

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# BURGER KING

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**BURGER KING**



# Investment Highlights

PRICE: \$2,335,090 | CAP: 5.25% | RENT: \$122,592

**BURGER KING**

## About the Investment

- ✓ Long-Term, 20-Year Absolute Triple Net (NNN) Lease Commencing Upon the Close of Escrow
- ✓ Two Percent (2.00%) Rental Increases Annually Starting in Year 6
- ✓ Four (4), Five (5)-Year Tenant Renewal Options

## About the Location

- ✓ Brand New Construction | Site is Expected to Open in July 2021
- ✓ Dense Retail Corridor | Fred Myer, O'Reilly Auto Parts, Rite Aid, Bi-Mart, Subway, U-Haul and Many More
- ✓ Strong Traffic Counts | Highway 101 | Boasts Average Daily Traffic Counts of Approximately 12,200 Vehicles
- ✓ Compelling Location Fundamentals | Located on the Hard Corner of a Four Way Intersection
- ✓ Large Academic Presence | Siuslaw High School and Siuslaw SD Middle School | Located Under One-Mile from the Subject Property | Combined Enrollment of 760 Students

## About the Tenant / Brand

- ✓ Burger King is the #2 Fast Food Hamburger Chain, Globally
- ✓ Nearly 14,000 restaurants in 100+ countries
- ✓ Burger King Serves More than 11,000,000 Guests Per Day
- ✓ 100% of Burger Kings are Owned and Operated by Independent Franchises
- ✓ Ambrosia QSR Oregon, LLC is a Well-Funded Developer and Operator of Burger King Locations | They are One of the Top Performing Operators within the Burger King System







# Financial Analysis

PRICE: \$2,335,090 | CAP: 5.25% | RENT: \$122,592

**BURGER KING**

## PROPERTY DESCRIPTION

Property	Burger King
Property Address	3500 Highway 101
City, State ZIP	Florence, OR 97439
Year Built	2021
Building Size (SF)	2,728
Lot Size (Acres)	+/- 0.85 Acres
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$2,335,090
CAP Rate	5.25%
Annual Rent	\$122,592

## LEASE SUMMARY

Property Type	Net-Leased Restaurant
Tenant / Guarantor	Ambrosia QSR Oregon / Ambrosia QSR III, LLC
Original Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	2.00% Annually Starting Year 6
Options to Renew	Four (4), Five (5)-Year Options

## RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$122,592	\$10,216	-
Year 2	\$122,592	\$10,216	-
Year 3	\$122,592	\$10,216	-
Year 4	\$122,592	\$10,216	-
Year 5	\$122,592	\$10,216	-
Year 6	\$125,044	\$10,420	2.00%
Year 7	\$127,545	\$10,629	2.00%
Year 8	\$130,096	\$10,841	2.00%
Year 9	\$132,698	\$11,058	2.00%
Year 10	\$135,351	\$11,279	2.00%
Year 11	\$138,059	\$11,505	2.00%
Year 12	\$140,820	\$11,735	2.00%
Year 13	\$143,636	\$11,970	2.00%
Year 14	\$146,509	\$12,209	2.00%
Year 15	\$149,439	\$12,453	2.00%
Year 16	\$152,428	\$12,702	2.00%
Year 17	\$155,476	\$12,956	2.00%
Year 18	\$158,586	\$13,215	2.00%
Year 19	\$161,758	\$13,480	2.00%
Year 20	\$164,993	\$13,749	2.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Burger King located at 3500 Highway 101 in Florence, OR. The property consists of 2,728 square feet of building space and is situated on an estimated 0.85 acres of land. The tenant is subject to a 20-year absolute triple net (NNN) lease, that will commence upon close of escrow. The base rent is \$122,592 and will increase by 2.00% percent annually starting in year six and continuing throughout the base term and into each of the four (4), five (5)-year tenant renewal option periods.



# Concept Overview

## About Burger King

**BURGER KING**



### About Burger King

Founded in 1954, Burger King® is the second largest fast food hamburger chain in the world. The original Home of the Whopper, the Burger King® system operates in approximately 14,000 locations serving more than 11 million guests daily in 100 countries and territories worldwide. Approximately 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.

### Tenant Overview

Ambrosia QSR Oregon, LLC is a well-funded developer and operator of Burger King locations. The guarantor is Ambrosia QSR III, LLC, a 66-unit Burger King entity which has been one of the top performing operators within the Burger King system. With new capital investors, the tenant is looking to expand, and has signed a corporate agreement to develop new Burger Kings each through 2022. The operator is following a tactical and sophisticated development thesis by selecting high quality locations with tremendous upside potential.

### Great Food Comes First

Every day, more than 11 million guests visit BURGER KING® restaurants around the world. And they do so because our restaurants are known for serving high-quality, great-tasting, and affordable food. Founded in 1954, BURGER KING® is the second largest fast food hamburger chain in the world. The original HOME OF THE WHOPPER®, our commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined our brand for more than 50 successful years.

### #2 Fast Food Hamburger Chain, Globally

- More than \$16 billion in annual system-wide sales, and nearly 350,000 team members, worldwide. The concept has a market capitalization of roughly \$10 billion.

### Global Brand Presence | Fully – Franchised Business Model

- Nearly 14,000 restaurants in 100+ countries. QSR industry-leading EBITDA margins

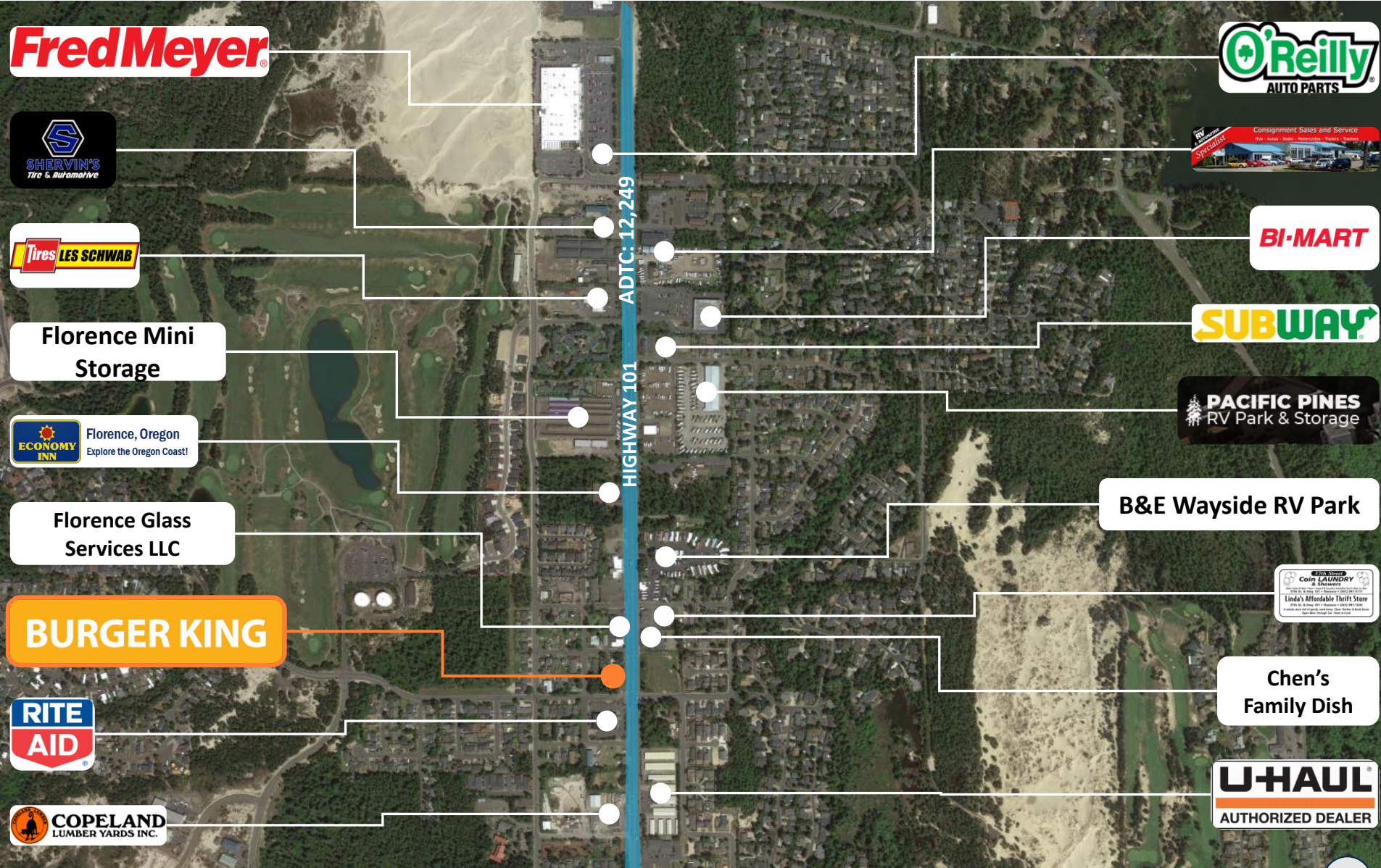




# Surrounding Area

3500 Highway 101, Florence, OR 97439

**BURGER KING**





# Location Overview

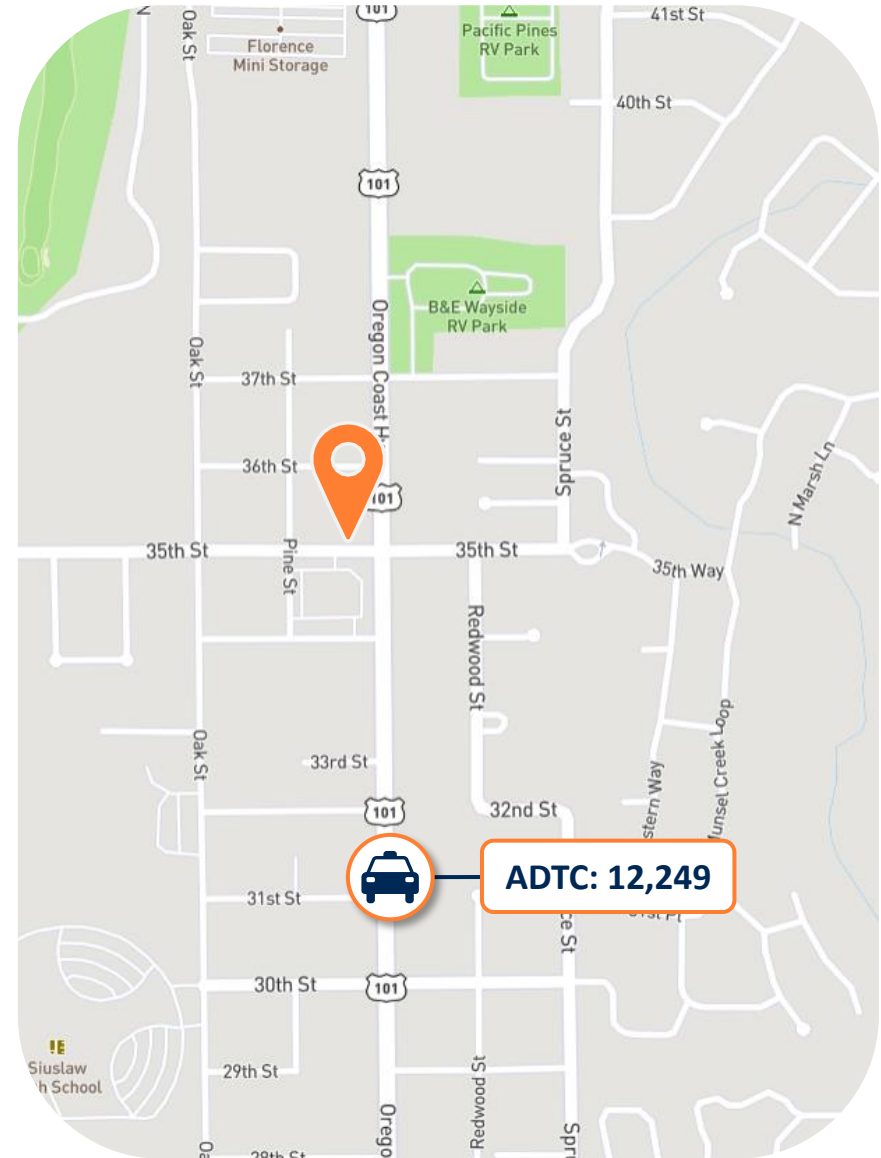
3500 Highway 101, Florence, OR 97439

**BURGER KING**

The Burger King property is situated on the corner of Highway 101 and 35<sup>th</sup> Street. Highway 101 boasts average daily traffic counts of 12,249 vehicles. There are approximately 15,589 individuals residing within a five-mile radius of the subject property and 17,585 individuals within a ten-mile radius.

The subject property benefits from being located on the hard corner of a four-way intersection surrounded by national and local tenants, shopping centers, and academic institutions. Major national tenants in the immediate area include: Fred Myer, O'Reilly Auto Parts, Rite Aid, Bi-Mart, Subway, U-Haul and many more. The subject Burger King benefits from being within a three-mile radius of several academic institutions. Most notable of these being, Siuslaw High School and Siuslaw SD Middle School, which have a combined total enrollment of 760 students.

Florence is a coastal city in Lane County, in the U.S. state of Oregon. It lies at the mouth of the Siuslaw River on the Pacific Ocean and about midway between Newport and Coos Bay along U.S. Route 101. The former mainstays of Florence's economy were logging, commercial fishing, and agriculture, but today tourism is increasingly significant. Some local businesses include Sand Master Park, Mo's Restaurants and Three Rivers Casino Resort, which is run by the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians. The Port of Siuslaw promotes commercial fishing, shipping and tourism. About one-third of Florence's population consists of retirees. There are several parks and other sites managed by the Oregon Parks and Recreation Department near Florence, including Darlingtonia State Natural Site and Heceta Head Lighthouse at Devil's Elbow to the north, and Jessie M. Honeyman Memorial State Park to the south. The Oregon Dunes National Recreation Area, managed as part of the Siuslaw National Forest, begins south of Florence.







# Local Map

3500 Highway 101, Florence, OR 97439

**BURGER KING**





# Regional Map

3500 Highway 101, Florence, OR 97439

**BURGER KING**

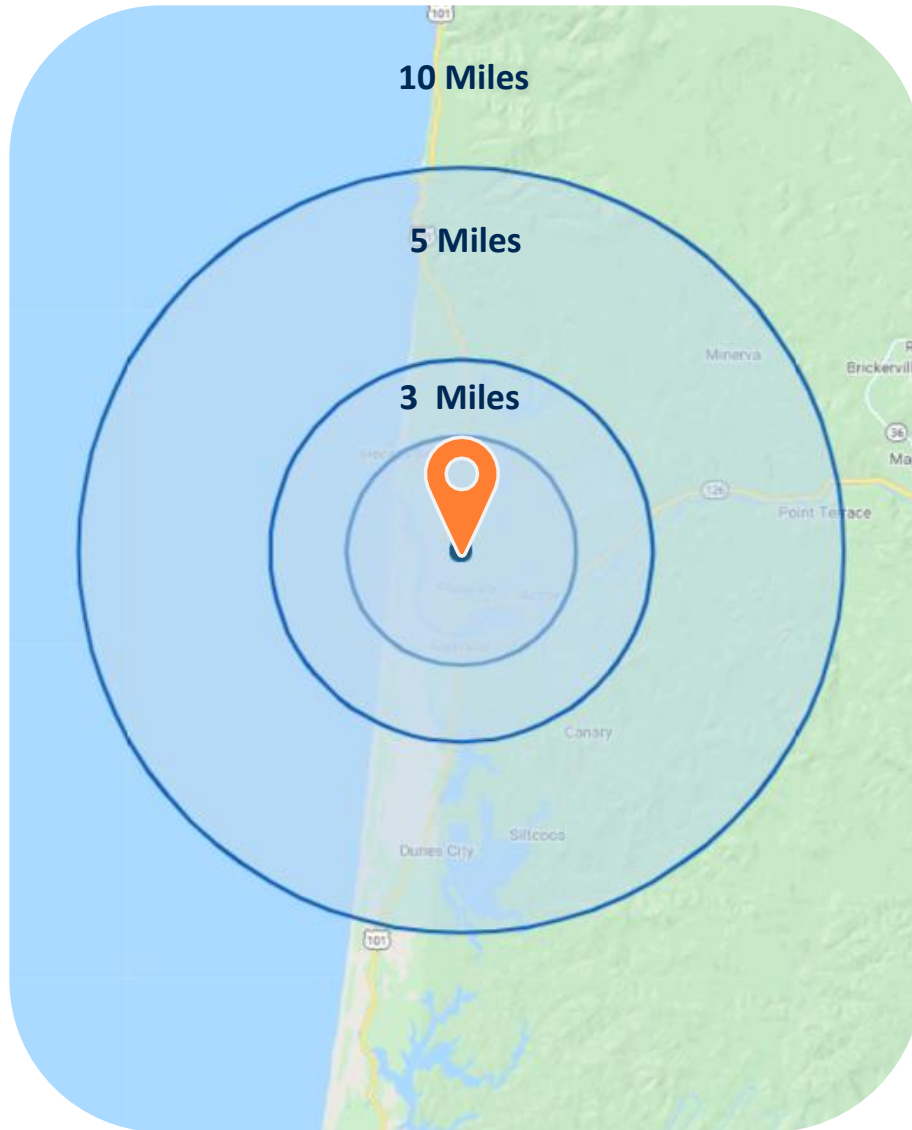






# Demographics

3500 Highway 101, Florence, OR 97439



## BURGER KING

**3 Miles 5 Miles 10 Miles**

### Population Trends:

2010 Population	10,615	13,031	14,784
2020 Population	12,531	15,589	17,585
2025 Population Projection	13,491	16,814	18,953
Growth 2010 - 2020	1.80%	2.00%	1.90%
Growth 2020 - 2025	1.50%	1.60%	1.60%

### Population by Race (2020):

White	11,658	14,500	16,376
Black	53	70	79
American Indian/Alaskan Native	201	259	284
Asian	162	198	219
Hawaiian & Pacific Islander	48	54	57
Two or More Races	410	507	570
Hispanic Origin	730	854	907

### Household Trends:

2010 Households	5,265	6,386	7,200
2020 Households	6,147	7,573	8,497
2025 Household Projection	6,608	8,160	9,148
Growth 2010 - 2020	-0.10%	-0.10%	-0.20%
Growth 2020 - 2025	1.50%	1.60%	1.50%
Owner Occupied	4,459	5,687	6,512
Renter Occupied	2,149	2,473	2,636

### Average Household Income (2020):

<b>\$60,469</b>	<b>\$62,498</b>	<b>\$64,171</b>
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### Households by Household Income (2020):

<\$25,000	1,702	2,044	2,209
\$25,000 - \$50,000	1,838	2,204	2,401
\$50,000 - \$75,000	1,166	1,400	1,610
\$75,000 - \$100,000	649	852	979
\$100,000 - \$125,000	238	315	374
\$125,000 - \$150,000	108	170	261
\$150,000 - \$200,000	237	316	345
\$200,000+	210	274	319

### Median Household Income (2020):

<b>\$41,643</b>	<b>\$42,889</b>	<b>\$44,490</b>
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# Market Overview

3500 Highway 101, Florence, OR 97439

**BURGER KING**



**Florence** is a city in the U.S. state of Oregon, in the Pacific Northwest located just under sixty miles from Eugene. Eugene is at the southern end of the verdant Willamette Valley, near the confluence of the McKenzie and Willamette Rivers, about 50 miles east of the Oregon Coast. Eugene is the state's third most populous city (after Portland and Salem) and the county seat of Lane County. The Eugene-Springfield, Oregon metropolitan statistical area (MSA) is the 146th largest metropolitan statistical area in the US and the third-largest in the state, behind the Portland Metropolitan Area and the Salem Metropolitan Area. The city's population for 2018 was estimated to be 171,245 by the US Census. Eugene is home to the University of Oregon, Northwest Christian University, and Lane Community College. The city is also noted for its natural environment, recreational opportunities, such as bicycling, running/jogging, rafting, and kayaking, and its focus on the arts. Eugene's official slogan is "A Great City for the Arts and Outdoors." It is also referred to as the "Emerald City" and as "Track Town, USA." The Nike corporation had its beginnings in Eugene. In 2021, the city will host the 18<sup>th</sup> Track and Field World Championships.

Eugene's largest employers are PeaceHealth Medical Group, the University of Oregon, and the Eugene School District. Eugene's largest industries are wood products manufacturing and recreational vehicle manufacturing. Eugene has quickly made a name for itself as a culinary hub in Oregon. The city has over 25 breweries, offers a variety of fine dining options with a local focus; the city is surrounded by award-winning wineries.

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