

Burger King - KS

2100 N Buckeye Ave, Abilene, KS 67410



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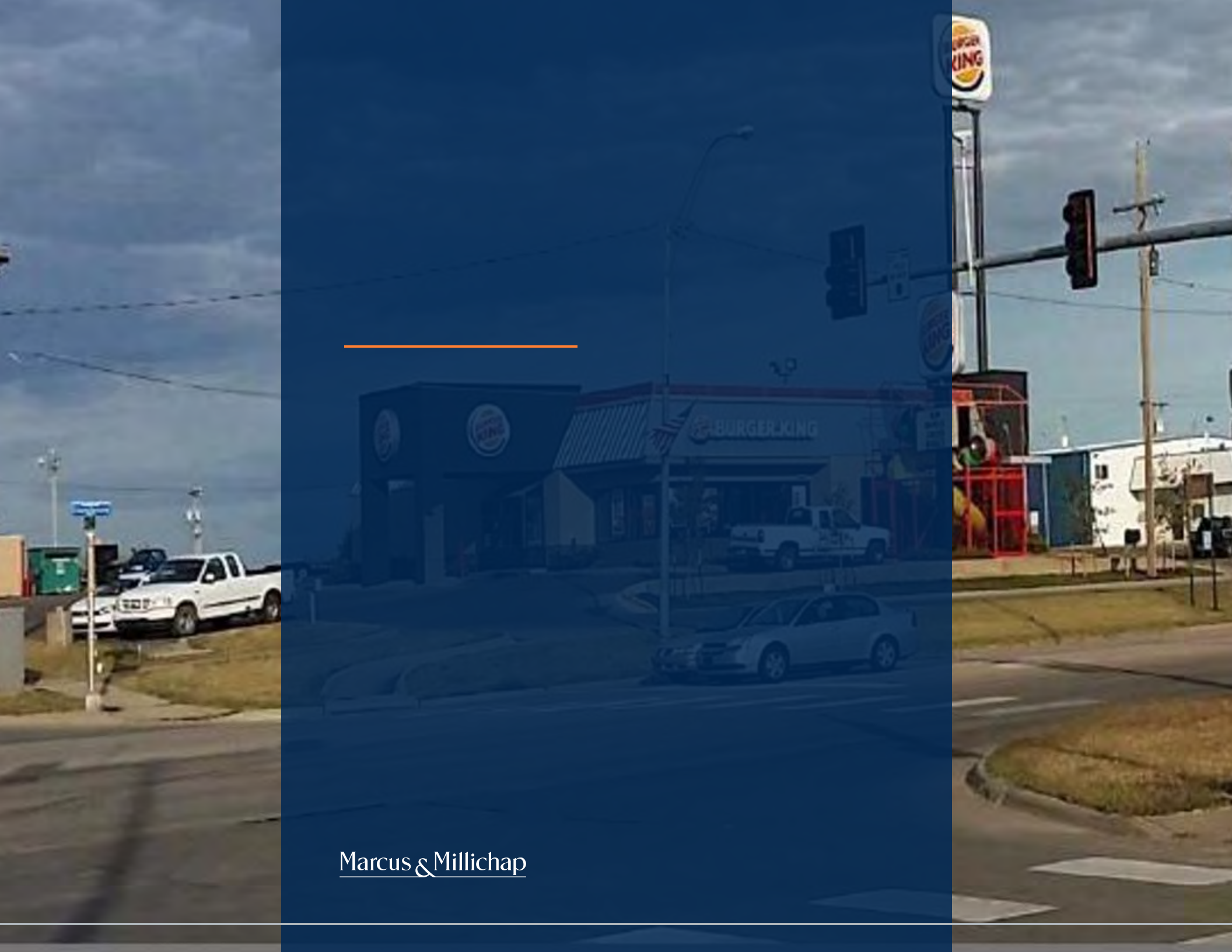
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SECTION 1

Executive Summary

OFFERING SUMMARY

INVESTMENT HIGHLIGHTS

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PROPERTY SUMMARY // Burger King - KS

PROPERTY DESCRIPTION

Marcus & Millichap is pleased to present this excellent investment opportunity for investors wanting to own a global brand - Burger King, operated by an award-winning Burger King franchisee.

The franchisee has grown from being a partner in one store in 1999 to a Burger King operator now owning and operating 58 Burger King locations in the Kansas and Missouri region. Additionally, the franchisee has become a multi-brand operator with the purchase of eight Denny's locations in the past several years.

The franchisee continues to invest in locations, and completed a remodel of the Abilene store in 2012 & 2023, proving commitment to the brand, operations and continued commitment to growing the business.

Abilene, Kansas, is home to Russell Stover Candies, Inc. and Great Plains Manufacturing, which are major employers in the area.

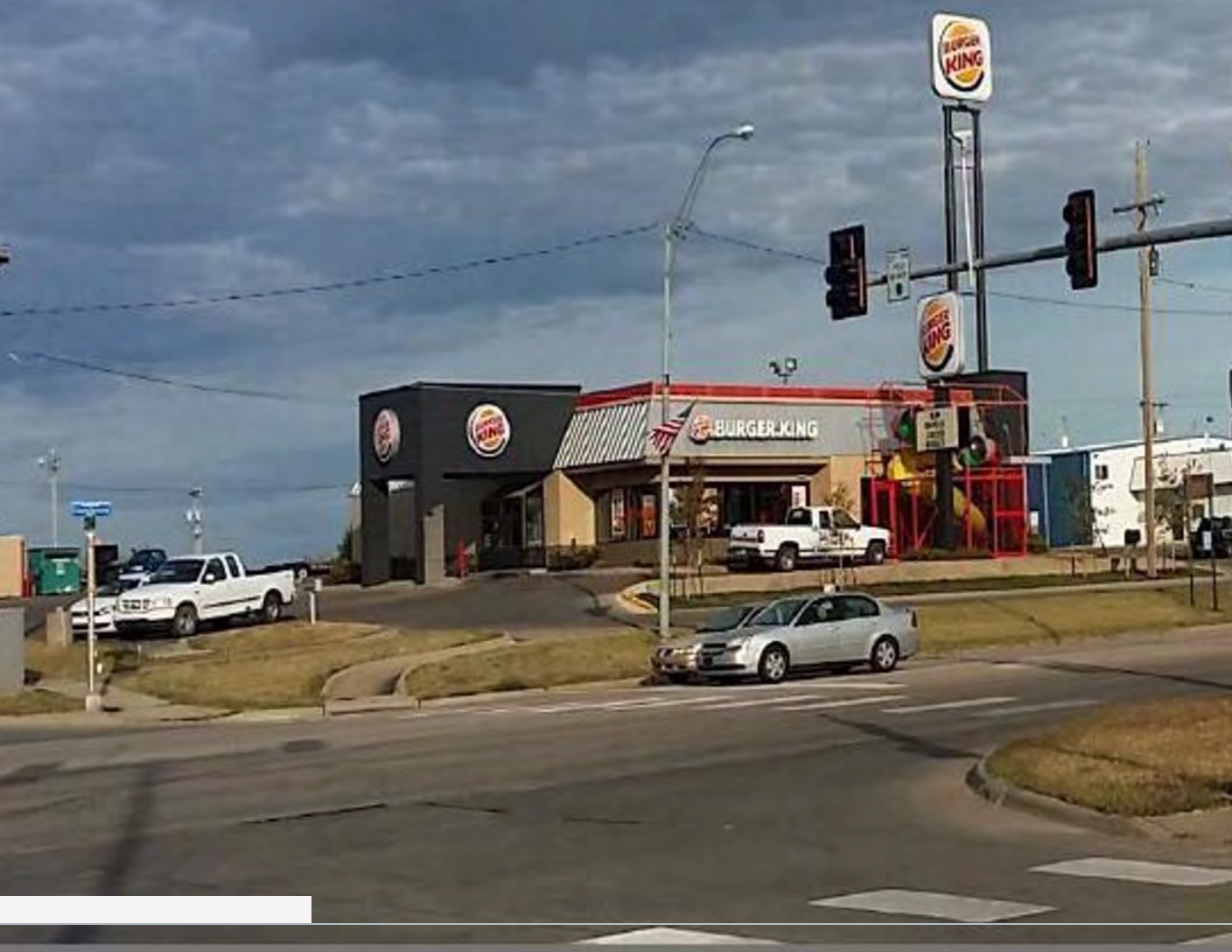
PROPERTY HIGHLIGHTS

- Absolute NNN Lease with 11.5 Years Remaining
- Award-Winning Franchisee with 58 Burger King Locations
- The Store was Renovated in 2012 & 2023
- Rent Increase Paid the Greater of \$81,408/Ann or 8.5% of Gross Sales
- NYSE: QSR - RBI is an American Canadian Multi-National Fast-Food Holding Co.
- Signalized Intersection Location & Store has a Children's Playground



OFFERING SUMMARY

Listing Price:	\$1,350,000
Number of Suites:	1
Lot Size:	37,701 SF
Year Built/Renovated:	1984/2012/2023
Gross SF:	3,811 SF
NOI:	\$81,408
Cap Rate:	6.03%



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.



Genesh, Inc. and Principal Background

Recent History:

- Currently Mukesh Dharod is the sole owner of Genesh, Inc. which currently operates 58 Burger King Restaurants in the Kansas and Missouri Region.
- In 2011 Mukesh opened new BK's at; The Whopper Bar, at the K Ck Live District in KCMO, the new BK at Ridgeview and K-10 in Olathe, the ne BK at 135th & Quivira in Overland Park, the one noted above in Jennings, and the new BK in Lawrence, 2011 sales were, \$48,630,000. All the Genesh's BK's were converted to BKC approved POS and all Genesh's BK purchase the required soft service equipment.
- In 2012 Genesh purchased, installed and trained for the new BKC Game Changer which included new electronic menu board, smoothies, and new breakfast products. In November of 2012 Genesh, Inc. purchased 4 existing BK stores in the KC area. Genesh Inc. is one of a few BK franchisees that have a very high percentage of Rock 60 or higher, 56%, in 2012; 7 more BK had a major remodel to the 20/20 Image.
- In 2013 Genesh Inc. opened a Co-Brand BK in Wichita, KS in the North Rock Rd Walmart. Genesh Inc. future plans are to continue to move his restaurants to the new 20/20 Image signing up 5 more locations over the next 3 years for a major remodel, and take advantage of multiple stores purchases coming on the market.
- Genesh Inc. management team is currently made up of a Chief Operating Officer, Anthony Robinson, 1 Executive Directors of Operation, and 9 Multi-Unit Directors, all with vast knowledge of both Burger King and The Genesh Inc. Success Culture.
- In 2008 Genesh Inc. signed a Multi-Unit franchise development agreement with Burger King Corporation to develop 14 new Burger King Restaurants in Kansas and Missouri, Genesh Inc. has opened 16 new Restaurants during one of the worst economic times.

Background & Early Years:

- Mukesh Dharod graduated from Bombay University in India with a Bachelors of Commerce Degree and immigrated to California, USA in 1990.
- Mukesh began his career in Los Angeles as an employee with Jack in The Box Restaurants (1990).
- Mukesh has worked in many operational positions including shift manager, assistant manager, restaurant manager and district manager.
- Mukesh started his career with Burger King in 1999 with a 50% partnership in one BK restaurant.
- In 2000 Mukesh formed G&D Management Inc. with Jay Gala to purchase and operate 2 existing BK's in Hayes and Colby KS. Jay Gala would manage these BK's outside of any BK's that Mukesh owns.
- In 2002 Mukesh through G&D Management Inc. purchased the operations of the Abilene BK. Mukesh also formed G&D Real Estate, LLC with Jay and Kant Doshi, which purchased the Real Estate of the Abilene BK.

- In 2009 Genesh Inc. was asked to enter the St. Louis market. Mukesh did this by purchasing 4 existing Burger King's along I-44. He has opened his first new location in St. Louis in Jennings.
- In 2010 Jay Gala no longer wanted to run the G&D Management Inc. BK's therefore Mukesh bought him out of both the operations and the Real Estate. Mukesh through Genesh Inc. manages the 3 BK's. All the debt of the LLC has been paid in full.

ACHIEVEMENTS

- Mukesh was chosen as one of the 10 Burger King franchisees to serve a 2-year term advising The Burger King Executive Team on the Operational Excellence Committee.
- Successfully completed 5 scrape and rebuilds along with 7 major remodels during 2007, which brings Mukesh current in all restaurants with image standards.
- Ranked 12 in 2007 INC 5,000 fastest growing food and beverage companies and ranked 761 for the fastest growing companies Nationwide.
- The impact of Genesh Inc. 2007 reimagining of the acquisitions and operational improvement resulted in sales increases of 30% - 80% with an increased average check of 10% - 40% in most locations.
- Mukesh was one of the first franchisees in The Burger King system to move to a 24-hour operation strategy even when most other franchisees did not believe in the extended hours.
- Annually achieves among the top scores as ranked by Burger King Corporation in the area of operational excellence.
- Maintains 100% clean and safe audits completed by third party EcoSure in each of the 52 restaurants Mukesh operates.

Other Concepts Owned & Operated: The Road Inc.

On September 15, 2008, Mukesh Dharod, formed The Road Inc. to purchase the operations of 14 Denny's stores from Denny's Corporation located in IL and WI. Mr. Dharod set up a separate experienced management team in IL and WI, led by Ted Gallagher. At that time Denny's Corporation gave Mukesh a below market purchase option on the real estate for 9 of those stores. The Road Inc. thought The Road Real Estate LLC turned down one of the properties and has as of 7/30/10 purchased 8 of the properties.

The Road Inc. opened in September, 2010 a new Co-Brand Denny's in Sought Milwaukee. In 2011 Sales were \$19,346,000.

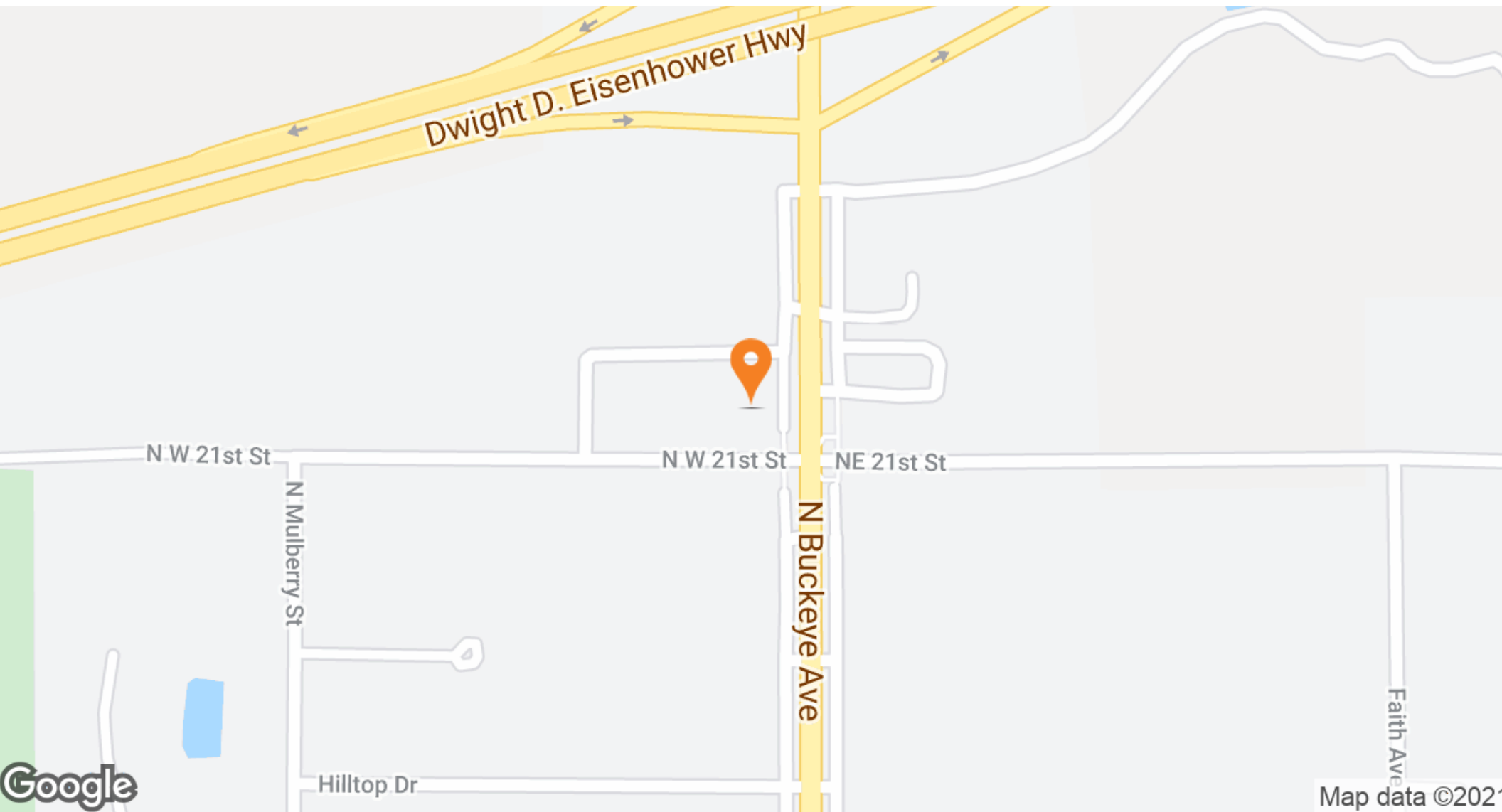
In August 2012, The Road Inc opened a new Denny's on Capital Drive Milwaukee, which brings the total Denny's to 16. The Road Inc's future plans are to opened one new Denny's each year and take advantage of existing Denny's location coming on the market.

In 2013, 3 stores had major remodels. The Greenfield site continues down the City approval process.

REGIONAL MAP // Burger King - KS



Burger King - KS // LOCAL MAP



Burger King - KS // RETAILER MAP





SECTION 2

Financial Analysis

FINANCIAL DETAILS

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Burger King - KS // FINANCIAL DETAILS

THE OFFERING

Price	\$1,350,000
Capitalization Rate	6.03%
Price/SF	\$388.35

PROPERTY DESCRIPTION

Year Built / Renovated	1984/2012/2023
Gross Leasable Area	3,811 SF
Type of Ownership	Fee Simple
Lot Size	0.86 Acres

LEASE SUMMARY

Tenant	Burger King
Rent Increases	Paid the Greater of \$81,408/Ann or 8.5% Gross Sales
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	11/9/2012
Lease Expiration	12/31/2032
Renewal Options	Four (5) YR Options
Term Remaining on Lease (Yrs)	11.5 Years
Landlord Responsibility	None
Tenant Responsibility	Absolute NNN

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$81,408	\$6,784	\$21.36	6.03%

Note:

Annual rent is greater of \$81,408 or 8.5% of Gross Sales

Sales figure had declined due to nearby convenience store with Arby's coming in, however the tenant is committed to the location with a 2023 remodel and sales has increased from 2019.

Current rent to sales ratio is approximately 11%



SECTION 3

Market Overview

MARKET OVERVIEW

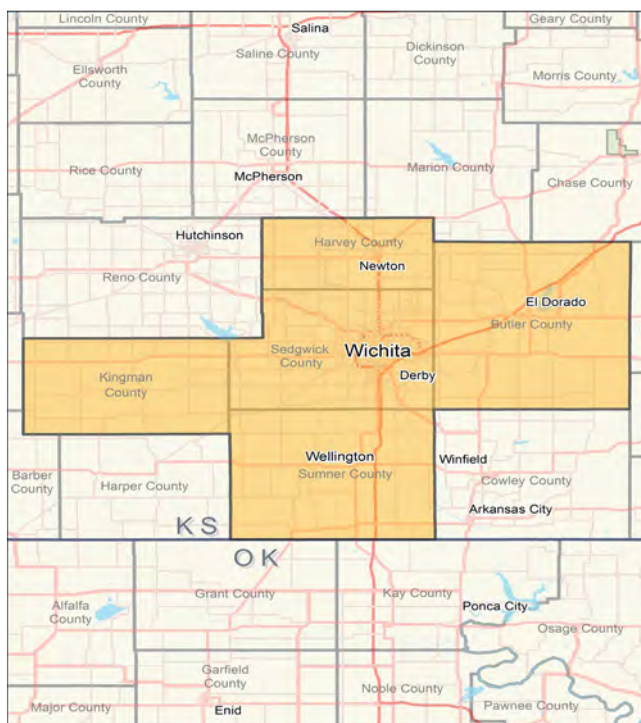
DEMOGRAPHICS

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MARKET OVERVIEW // Burger King - KS

WICHITA

Boasting a diverse economic base of manufacturing, aircraft production, healthcare and professional service, the Wichita market is composed of five counties. The most populous is Sedgwick County with over 520,000 residents. The city of Wichita is home to nearly 397,200 citizens, accounting for over half of the metro's entire population. Wichita State University lies within the metro, enrolling a student body exceeding 16,000 in both graduate and undergraduate programs. The metro is home to several other smaller liberal arts colleges as well.



METRO HIGHLIGHTS



DIVERSE MANUFACTURING BASE

Manufacturers of aviation, air-conditioners, turf equipment, food products and telecommunications are active in the metro.



EDUCATIONAL CENTER

With Wichita State University located here, education is a key economic driver. Public school districts and the university provide more than 11,600 jobs.



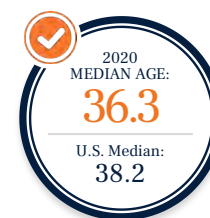
LARGE GOVERNMENT PRESENCE

More than 5,000 workers are employed by either the state of Kansas or the U.S. government, providing a large contingent of employment to the metro. McConnell Air Force Base also contributes nearly 5,700 personnel.

ECONOMY

- Aviation is an integral part of the economy, with Spirit AeroSystems, Bombardier and Textron Aviation providing roughly 24,000 jobs.
- Numerous other active distribution and manufacturing companies in the metro include Cargill Meat Solutions, Koch Industries Inc., Johnson Controls and AGCO Corp.
- Several telecommunications firms have established bases of operations in the market. Combined T-Mobile and Cox Communications employ over 1,800 personnel in the metro.
- The large healthcare sector is represented by Ascension Via Christi, Wesley Healthcare and Robert J. Dole VA Medical Center together employing nearly 7,500 workers.

DEMOGRAPHICS



* Forecast

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

KANSAS CITY

The Kansas City metro sits close to both the geographic and population centers of the United States and serves as a major regional commercial, industrial and cultural hub. The market consists of 14 counties: Clay, Bates, Cass, Platte, Clinton, Caldwell, Jackson, Lafayette and Ray counties in Missouri; and Johnson, Linn, Miami, Leavenworth and Wyandotte counties in Kansas. The metro has 2.2 million residents. Jackson is the most populous county with 709,000 people, followed by Johnson with 605,000 residents. Kansas City, Missouri, is the largest city with 491,000 citizens, followed by Overland Park, Kansas, with 190,000 people.

METRO HIGHLIGHTS



CENTRAL LOCATION

A large portion of North America is within a 12-hour drive, making the metro a transportation and distribution hub.



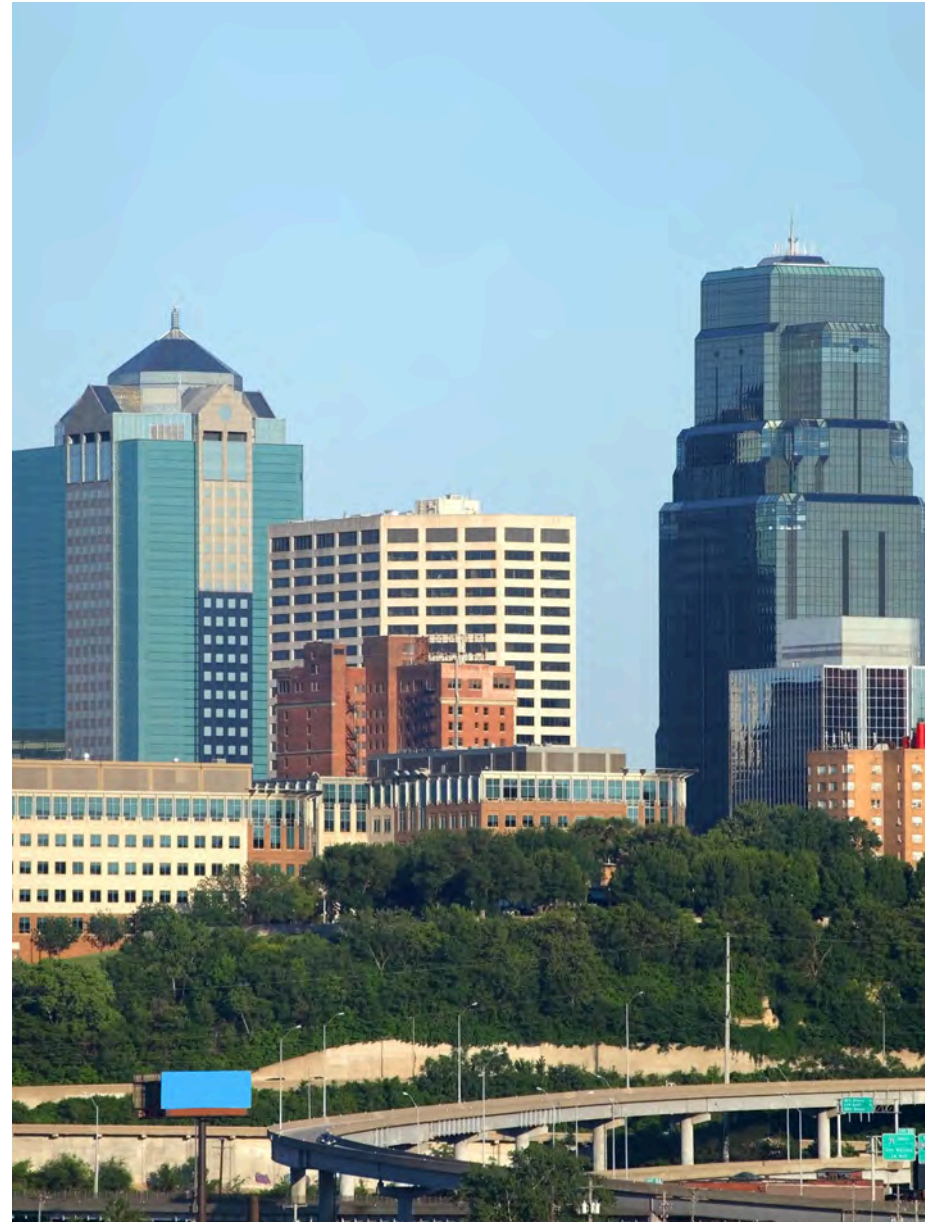
EXPANSIVE TRANSPORTATION SYSTEM

The region is the second-largest rail center in the United States and features an efficient and well-connected airport. BNSF Railway also has an intermodal facility in the area.



AFFORDABLE COST OF LIVING

Kansas City offers a lower cost of living than many other large Midwestern markets.



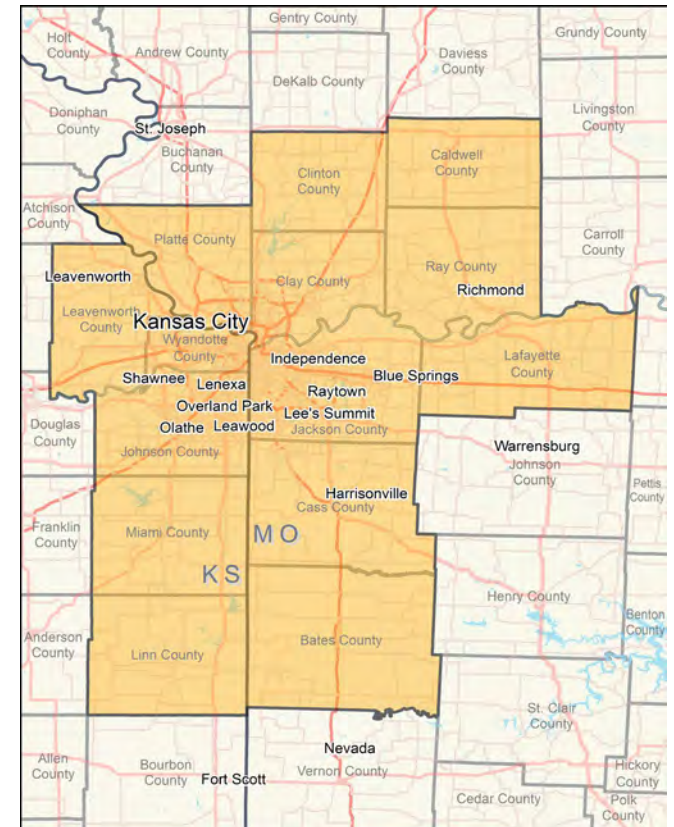
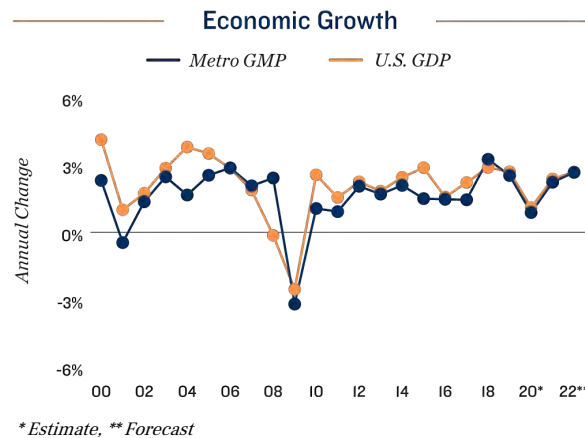
MARKET OVERVIEW // Burger King - KS

ECONOMY

- Its central location, extensive transportation network and intermodal facilities make the metro an important logistics and distribution hub. An increase in import volumes at U.S. ports will drive intermodal activity in the region this year.
- Lower costs of living and doing business as well as an educated workforce attract corporations and job seekers to the metro. Kansas City is home to two 500 Fortune companies: Seaboard and Cerner.
- Expanding industries in the metro include finance and insurance, engineering, life sciences, manufacturing and information technology.

MAJOR AREA EMPLOYERS

Honeywell
DST Systems
Hallmark Cards Inc.
University of Kansas Healthcare
Cerner Corp.
St. Luke's Health System
HCA Midwest Health System
Burns & McDonnell
UMB Financial
Children's Mercy Hospital



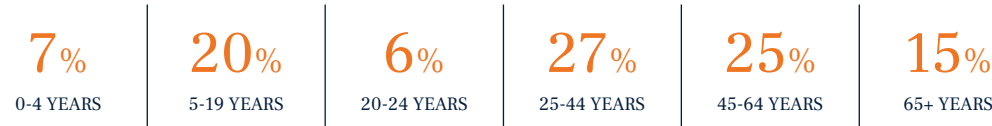
SHARE OF 2020 TOTAL EMPLOYMENT



DEMOGRAPHICS

- The metro is expected to add nearly 70,700 people over the next five years, resulting in the formation of approximately 33,300 households.
- A median home price below the U.S. median has produced a homeownership rate of 65 percent, slightly exceeding the national rate.
- Roughly 36 percent of residents age 25 and older have bachelor's degrees; of those residents, 13 percent have also earned a graduate or professional degree.

2020 Population by Age



QUALITY OF LIFE

Kansas City has a variety of entertainment options. The metro has three major professional sports franchises: the Kansas City Chiefs of the NFL, MLB's Kansas City Royals and Sporting KC of the MLS. The city boasts a rich jazz music history and houses the American Jazz Museum. Kansas City also features a downtown entertainment district that combines restaurants and retail, including the Sprint Center. Cultural venues include the Kemper Museum of Contemporary Art, Nelson-Atkins Museum of Art, the Lyric Opera of Kansas City and the Starlight Theatre. The metro maintains an exceptional education system with nationally ranked school districts, colleges, universities and institutions of advanced learning and research, including the University of Missouri-Kansas City.

* Forecast

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

SPORTS



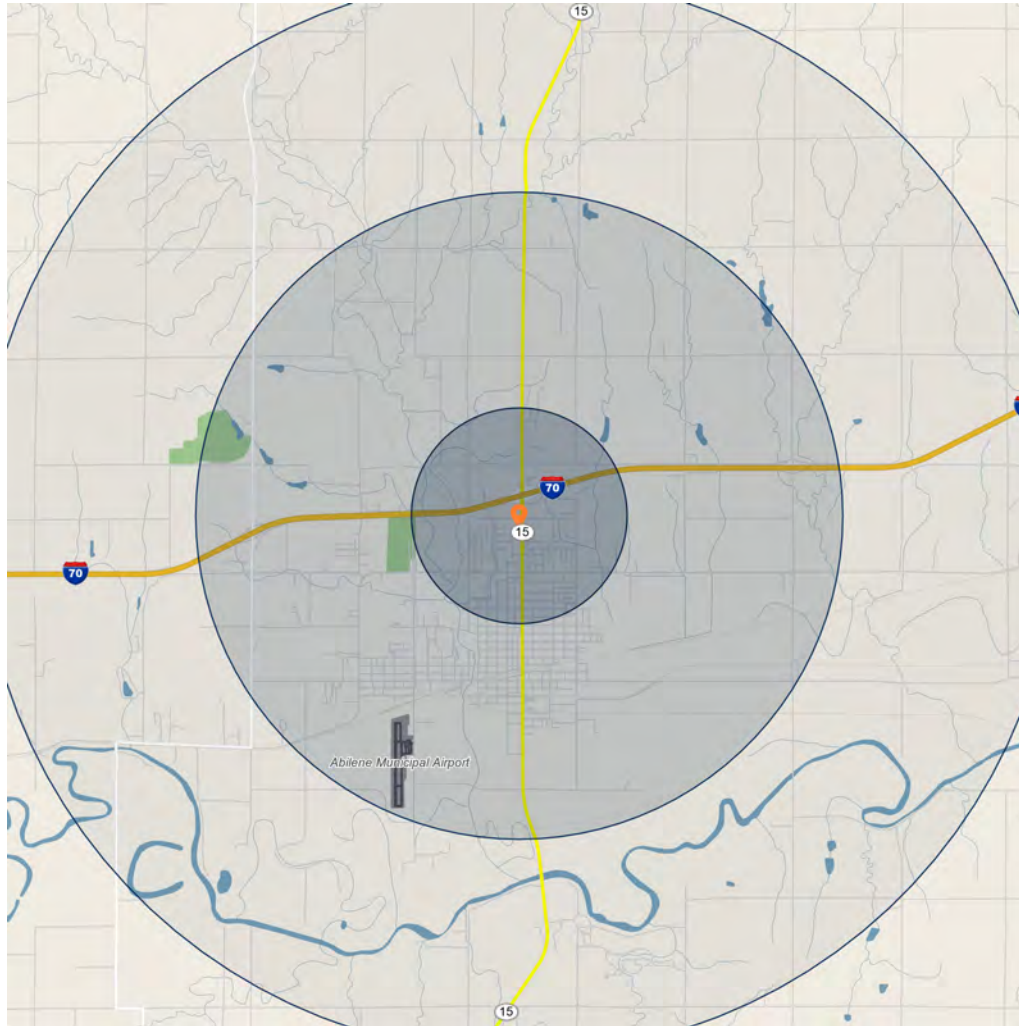
EDUCATION



ARTS & ENTERTAINMENT



DEMOGRAPHICS // Burger King - KS



POPULATION

	1 Mile	3 Miles	5 Miles
2025 Projection	2,419	7,364	8,241
2020 Estimate	2,424	7,391	8,261
2010 Census	2,568	7,807	8,701
2000 Census	2,444	7,536	8,401

HOUSEHOLD INCOME

	1 Mile	3 Miles	5 Miles
Average	\$75,246	\$65,950	\$66,313
Median	\$62,629	\$56,559	\$56,953
Per Capita	\$32,644	\$27,856	\$28,003

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2025 Projection	1,042	3,093	3,461
2020 Estimate	1,044	3,094	3,459
2010 Census	1,104	3,269	3,645
2000 Census	1,075	3,227	3,572

HOUSING

	1 Mile	3 Miles	5 Miles
Median Home Value	\$135,478	\$127,311	\$128,488

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2020 Daytime Population	2,966	7,756	8,347
2020 Unemployment	3.24%	4.13%	3.97%
Average Time Traveled (Minutes)	16	17	17

EDUCATIONAL ATTAINMENT

	1 Mile	3 Miles	5 Miles
High School Graduate (12)	30.62%	36.96%	36.94%
Some College (13-15)	18.94%	22.32%	22.74%
Associate Degree Only	6.73%	6.89%	7.22%
Bachelor's Degree Only	22.30%	17.43%	17.05%
Graduate Degree	11.74%	8.06%	7.90%

BROKER OF RECORD

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