

FOR SALE

BURGER KING

4311 HAMILTON MIDDLETOWN ROAD | LIBERTY TOWNSHIP, OHIO 45011



Capital Markets | Investment Properties

www.burgerkinglibertytownship.com

CBRE

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a

purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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TABLE OF CONTENTS

- 04** Executive Summary
- 08** Property Discussion
- 15** Financials
- 20** Local Market Overview





EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



CBRE is proud to present the subject property, a recently constructed Burger King located in the growing Liberty Township, a northern suburb of Cincinnati, Ohio. The property is prominently located along Hamilton Middletown Road (Ohio State Route 4) at the signalized intersection of Horseshoe Bend Road. Burger King was delivered the site and constructed its building in 2018 and opened the location June 1, 2019. The property is leased to Carrols Corporation, the largest Burger King Franchisee in the country, totals 2.2 acres of land, and provides for approximately eighteen (18) years of remaining lease term.

The landlord-friendly lease features fixed 10% rental increases beginning after year five (2024) and every five years thereafter which will provide a substantial lift to an investors overall return over the course of its hold period. The NNN ground lease structure provides for no landlord responsibilities or expenses.

Demographics in the area surrounding the center can only be described as exceptionally strong. The population in a one, three- and five-mile radius are growing 4,426, 33,581 and 111,530 with strong average household incomes at \$97,898, \$122,200 and \$104,742 in same radii.

Traffic counts in the area are over 23,000 cars per day in the immediate area and the area includes multiple national retailers including a brand new 124,000-square-foot Kroger Marketplace. Other neighboring retailers include Tractor Supply, O'Reilly's Auto Parts, Skyline Chili, McDonald's, Waffle House, and Taco Bell amongst others.

INVESTMENT SNAPSHOT

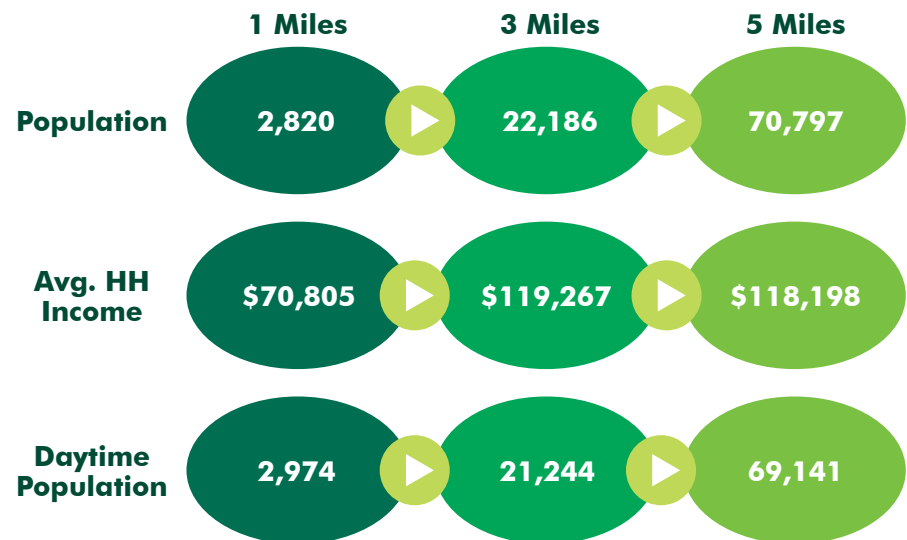
Tenant	Carrols, LLC dba Burger King
Address	4311 Hamilton Middletown Road (SR 4) Liberty Township, Ohio 45011
MSA	Cincinnati, Ohio
Tenant Website(s)	www.burgerking.com www.carrols.com www.rbi.com
Acres	2.287
Year Built	2019
Square Feet	2,816
Current Base Rent	\$46,000
Rent Increases	10% beginning Year 6 (6/1/24) & every 5 years thereafter
Asking Price	\$1,025,000
Cap Rate	4.50%
Lease Type	Ground Lease – Absolute NNN
Lease Term	18 years remaining
Current Term Lease Start	6/1/2019
Current Term Lease Expiration	5/31/2039
Operator	Carrols Corporation
Guarantor	Carrols, LLC
Renewal Options	Six (6), five (5) year renewal options with 10% base rental rate increases



INVESTMENT HIGHLIGHTS

- + Constructed in 2019, the store includes its new prototype format and design.
- + Absolute NNN ground lease provides for a hands-free investment with approximately eighteen (18) years of remaining lease term.
- + Carrols, LLC is the largest Burger King franchisee in the country providing for significant operational strength.
- + 10% base rent increases every five years beginning in three (3) years will provide lift to an investors overall return.
- + Low cost investment opportunity at arguably a below market rent.
- + 2.28-acre parcel at a signalized corner along a heavily traveled State Route.
- + Burger King is a global brand with over 17,800 locations worldwide in more than 100 countries.

DEMOGRAPHICS



TERMS & CONDITIONS

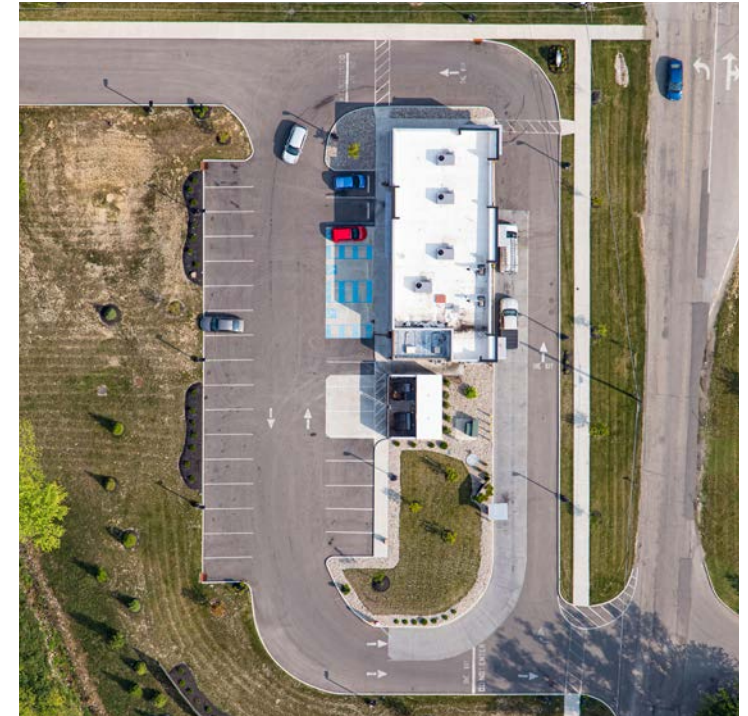
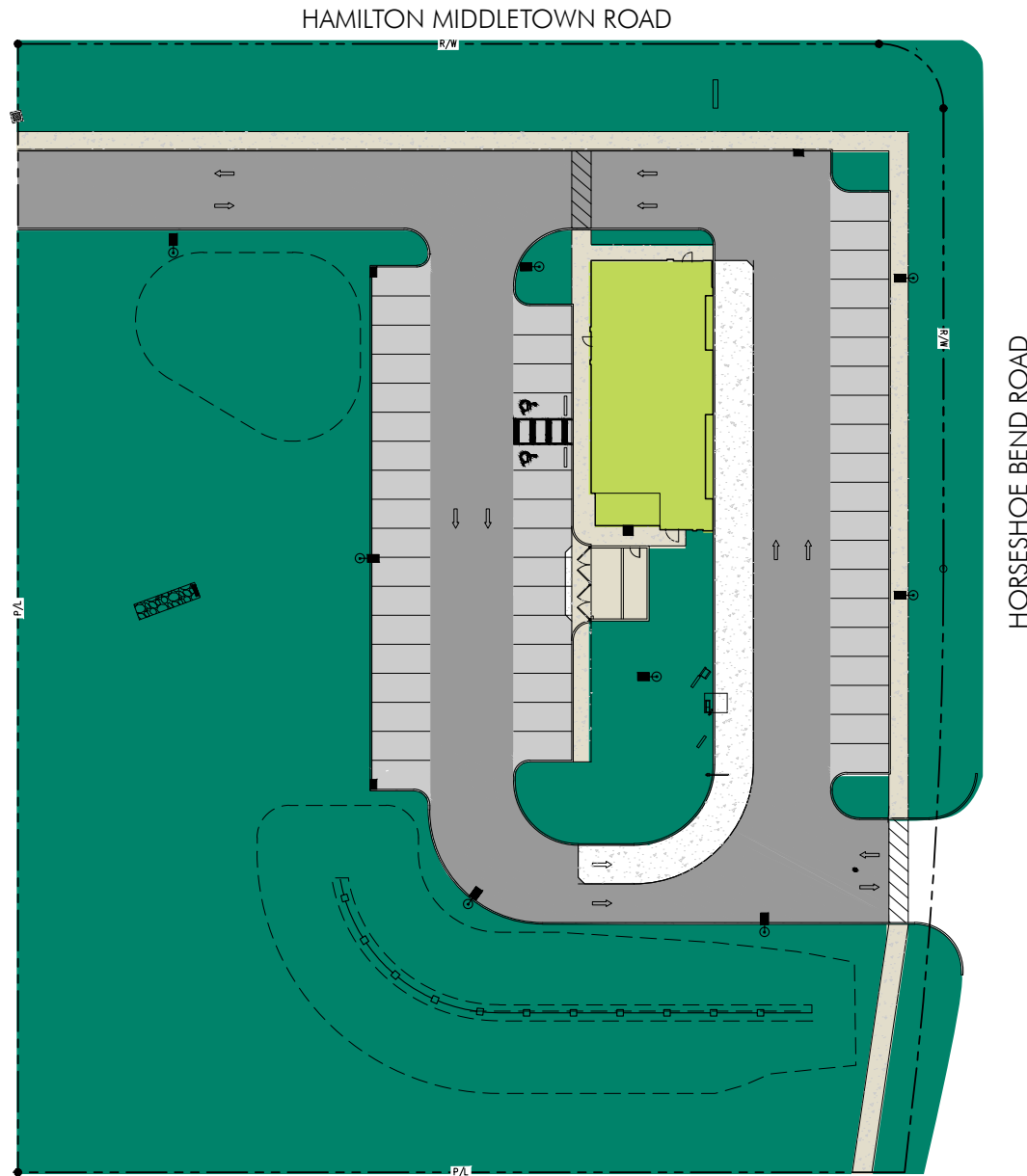
The property is being offered for sale, fee simple absolute, by CBRE, to a select group of investors on an “as is”, all cash basis. All Letters of Intent should include, at a minimum, the purchase price, earnest money, due diligence period, closing date and allocation of closing costs between Purchaser and Seller.



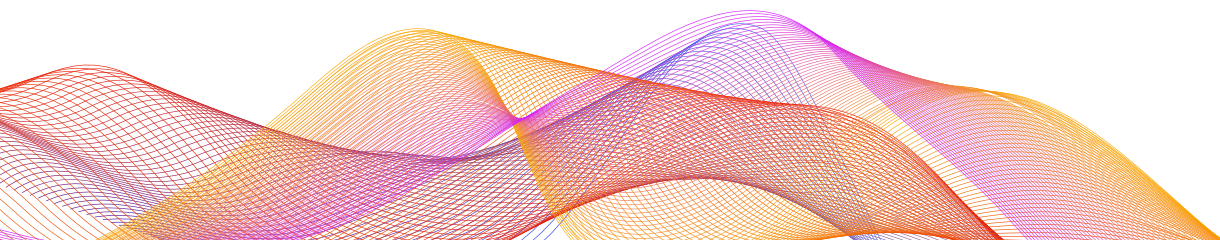


PROPERTY DISCUSSION

SITE PLAN



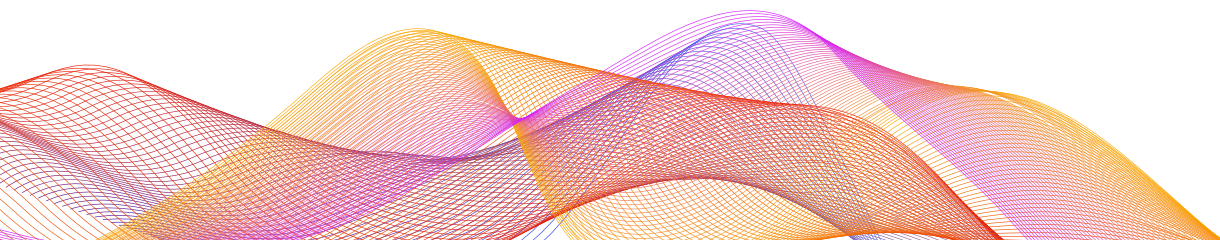
VIEW NORTH



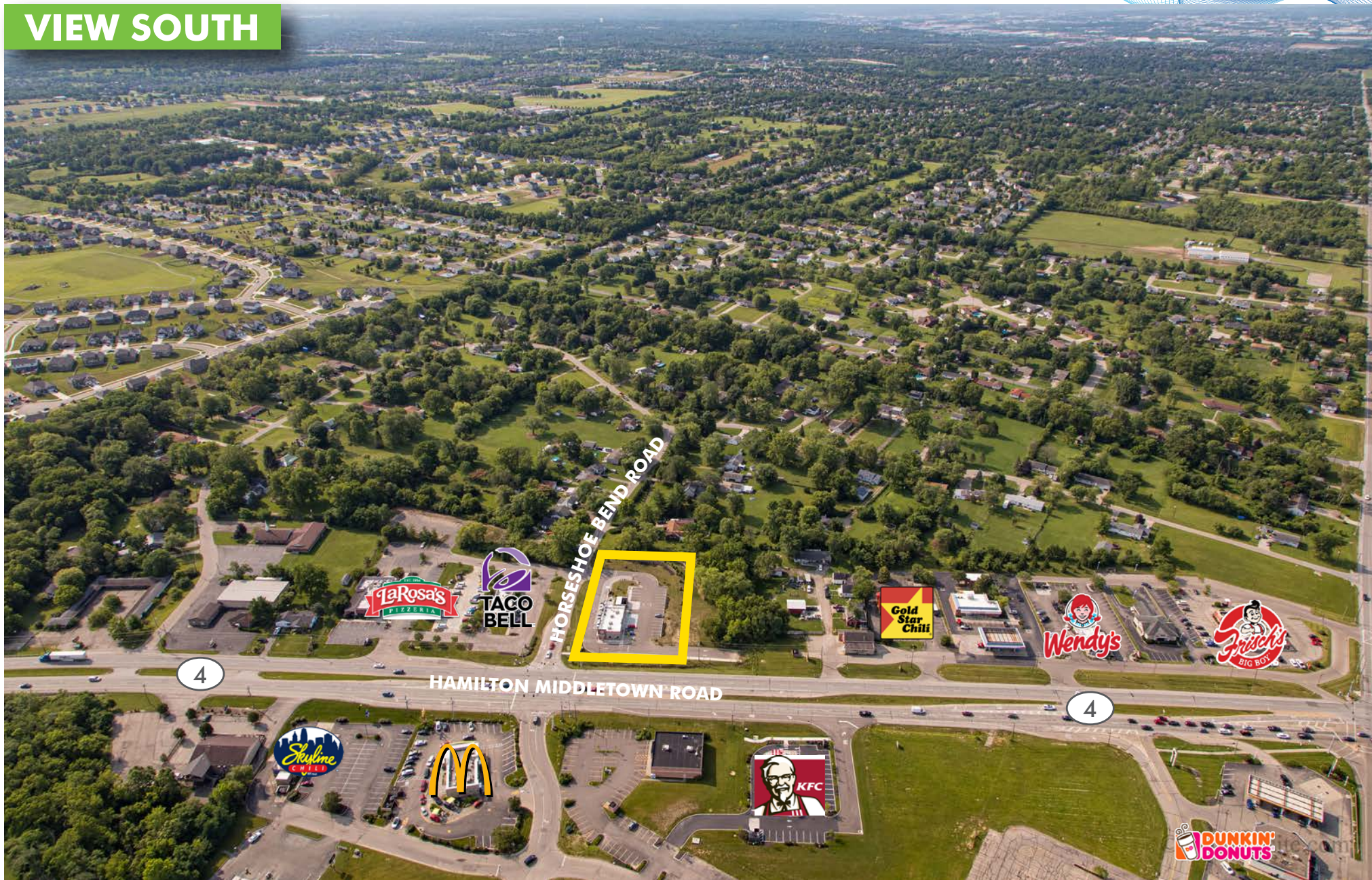
VIEW EAST



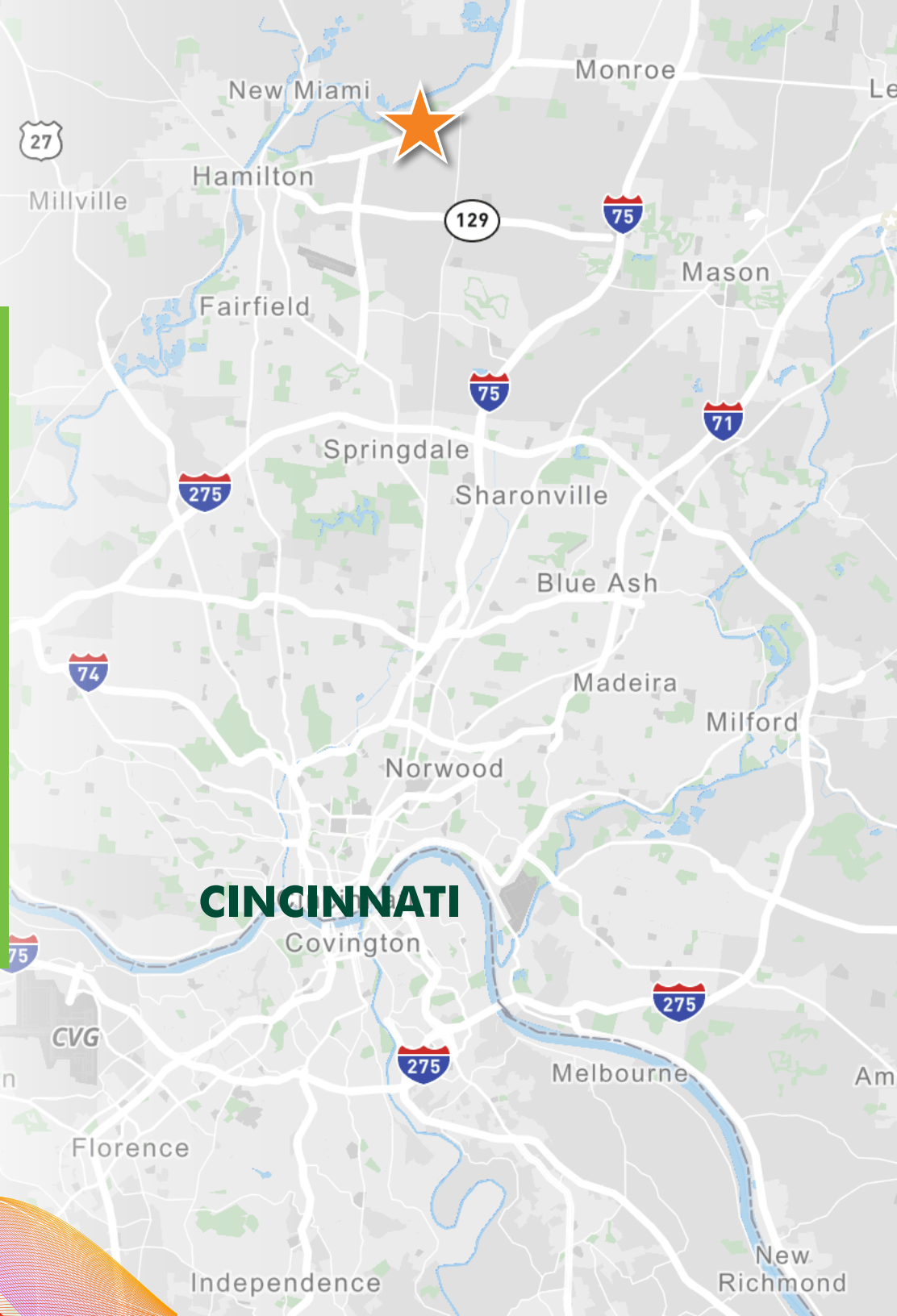
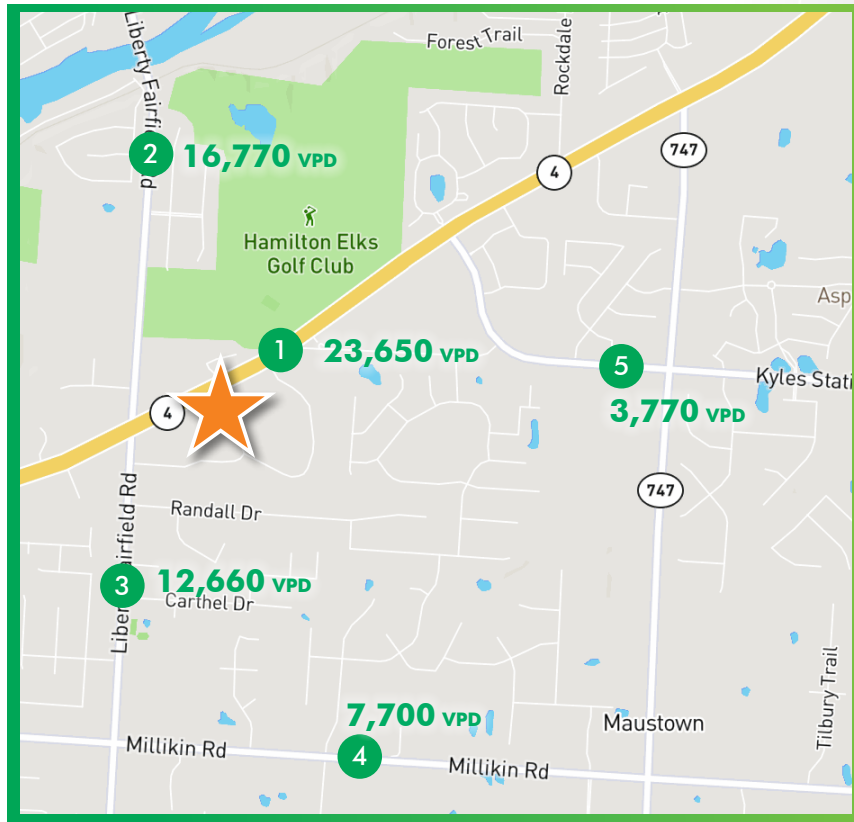
VIEW WEST



VIEW SOUTH



LOCATION MAPS





FINANCIALS

LEASE ABSTRACT

Owner	4311 OH-4 LLC
Tenant	Carrols, LLC - dba BurgerKing
Website	www.burgerking.com
Address	4311 Hamilton Middletown Road Liberty Township, OH 45011
Parcel	D2020038000032
County	Butler
Zoning	B-2
Initial Term	20 years
Renewal Options	Six (6), five (5) years option periods
Lease Type	Ground Lease
Acreage	2.287
Building SF	2,816
Year Built	2019
Initial Term	20 years
Lease Start	6/1/2019
Rent Commencement	6/1/2019
Term Expiration	5/31/2039

<u>Initial Term</u>	<u>Rent/Month</u>	<u>Rent/Year</u>	<u>Rent/SF</u>	<u>% Inc.</u>	<u>Total Rent</u>
6/1/19 - 5/31/24	\$3,833.33	\$46,000	\$16.34	--	\$230,000
6/1/24 - 5/31/29	\$4,216.67	\$50,600	\$17.97	10.00%	\$253,000
6/1/29 - 5/31/34	\$4,638.33	\$55,660	\$19.77	10.00%	\$278,300
6/1/34 - 5/31/29	\$5,102.17	\$61,226	\$21.74	10.00%	\$306,130
					\$1,067,430

<u>Option Renewal</u>	<u>Rent/Month</u>	<u>Rent/Year</u>	<u>Rent/SF</u>	<u>% Inc.</u>
One: Years 21-25	\$5,612.38	\$67,349	\$23.92	10.00%
Two: Years 26-30	\$6,173.62	\$74,083	\$26.31	10.00%
Three: Years 31-35	\$6,790.98	\$81,492	\$28.94	10.00%
Four: Years 36-40	\$7,470.08	\$89,641	\$31.83	10.00%
Five: Years 41-45	\$8,217.09	\$98,605	\$35.02	10.00%
Size: Years 46-50	\$9,038.80	\$108,466	\$38.52	10.00%

Utilities	Tenant responsibility
Real Estate Taxes	Tenant responsibility
Insurance	Tenant responsibility
Repairs, Maintenance & Replacement	Tenant responsibility
Common Area	Tenant responsibility
Trash Removal	Tenant responsibility
Roof & Structure	Tenant responsibility
Parking Lot	Tenant responsibility
HVAC	Tenant responsibility
Option Notice Period	12 months prior to expiration date
Termination:	None
Right of First Offer to Purchase	Landlord will give Tenant 14 days written notice upon executed deal sheet to accept or reject terms of agreed upon offer
Subletting & Assignment	With Landlord consent which shall not be unreasonably withheld; Tenant will remain liable to perform all covenants and conditions of lease
Hold Over	150%
Estoppel	Within 20 days written request

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TENANT SUMMARY

Carrols is one of the largest restaurant companies in the United States and have been operating restaurants for more than 60 years. Based on number of restaurants, Carrols is the largest Burger King® franchisee in the United States and have operated Burger King restaurants since 1976. As of January 3, 2021, they operate 1,009 Burger King® restaurants located in 23 Northeastern, Midwestern, Southcentral and Southeastern states and 65 Popeyes® restaurants in seven Southeastern states.

Carrols Corporation began in 1960, when Carrols Systems was founded as a division of a larger Midwestern firm. At that time, Herbert N. Slotnick was granted the exclusive Carrols license rights for the state of New York. Under his direction, Carrols Drive-In Restaurants of New York became the largest and most flourishing franchise group in the System and Carrols became the northeast's leader in the growing fast-food field.

Progressing through the mid-seventies, Carrols had grown to one of the largest regionalized fast-food chains in the northeastern United States, with over 150 restaurants.

In the latter part of 1975, Carrols made a major decision concerning its future growth and direction. Carrols entered into a franchise agreement with BURGER KING ® Corporation, which involved the conversion of a select number of Carrols restaurants to BURGER KING ® restaurants over a five-year period. Concurrently, the remaining Carrols restaurants (non-convertible locations) were phased out and became non-operational.



AT A GLANCE



\$1.59 B
Revenues

\$319.2 M
Market
Capitalization

\$110.25 M
EBITDA

TAST
Stock Symbol

NASDAQ
Exchange

* Fiscal Year-End March 2021

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RBI – BURGER KING CORP PARENT COMPANYwww.rbi.com

RBI is a Canadian corporation that serves as the indirect holding company for Tim Hortons, Burger King and Popeyes and their consolidated subsidiaries. RBI is one of the world's largest quick service restaurant ("QSR") companies with approximately \$31 billion in system-wide sales and approximately 27,000 restaurants in more than 100 countries as of December 31, 2020. The companies Tim Hortons®, Burger King® and Popeyes® brands have similar franchise business models with complementary daypart mixes and product platforms. These three iconic brands are managed independently while benefiting from global scale and sharing of best practices.

RBI'S business generates revenue from the following sources: (i) franchise revenues, consisting primarily of royalties based on a percentage of sales reported by franchise restaurants and franchise fees paid by franchisees; (ii) property revenues from properties we lease or sublease to franchisees; and (iii) sales at Company restaurants. In addition, Tim Hortons business generates revenue from sales to franchisees related to our supply chain operations, including manufacturing, procurement, warehousing and distribution, as well as sales to retailers.



POPEYES

Tim Hortons

BURGER KING® BRANDwww.burgerking.com

Founded in 1954, Burger King ("BK") is the world's second largest fast-food hamburger restaurant ("FFHR") chain as measured by total number of restaurants. As of December 31, 2020, RBI owned or franchised a total of 18,625 BK restaurants in more than 100 countries. BK restaurants are quick service restaurants that feature flame-grilled hamburgers, chicken, and other specialty sandwiches, french fries, soft drinks and other food items.

TIM HORTONS® BRANDwww.timhortons.com

Founded in 1964, Tim Hortons ("TH") is one of the largest donut/coffee/tea restaurant chains in North America and the largest in Canada as measured by total number of restaurants. As of December 31, 2020, RBI owned or franchised a total of 4,949 TH restaurants. TH restaurants are quick service restaurants with a menu that includes premium blend coffee, tea, espresso-based hot and cold specialty drinks, fresh baked goods, including donuts, Timbits®, bagels, muffins, cookies and pastries, grilled paninis, classic sandwiches, wraps, soups and more.

POPEYES® BRANDwww.popeyes.com

Founded in 1972, Popeyes ("PLK") is the world's second largest quick service chicken concept as measured by total number of restaurants. As of December 31, 2020, RBI owned or franchised a total of 3,451 PLK restaurants. PLK restaurants are quick service restaurants that distinguish themselves with a unique "Louisiana" style menu featuring fried chicken, chicken tenders, fried shrimp and other seafood, red beans and rice and other regional items.



MARKET OVERVIEW

ABOUT GREATER CINCINNATI

Greater Cincinnati is located along the Ohio River in southwest Ohio, at the convergence of Ohio, Indiana, and Kentucky. This location is the core of a growing metroplex bounded by Indianapolis, Columbus, Louisville, and Lexington. Including the surrounding counties, the Cincinnati metropolitan area is home to over 2.3 million people. Cincinnati is a vibrant and dynamic 24-hour metropolis, whose diverse and thriving economic base, skilled labor pool, and a wide variety of cultural and recreational activities make it one of the most important and influential cities in the Midwest. These attributes have attracted numerous corporations and eight Fortune 500 companies, among them Kroger, Procter and Gamble Co., Fifth Third Bancorp, and American Financial Group. Cincinnati ranks in the top ten markets nationally in number of Fortune 500 companies headquartered within its city limits - ahead of New York, Boston, Chicago, and Los Angeles per capita.



More than **47 colleges** and universities in the Greater Cincinnati Metro



Premier location being nearly a **one day drive** to most major cities



There are **2 Fortune 100 Companies** and **8 Fortune 500** companies HQ'd in Cincinnati



Ohio is the **9th largest** exporting state and **11th largest** importing state in the US



Various **tax incentives** available among Ohio, Kentucky, and Indiana



Infrastructure aids shipping with **2 class 1 railroads**, **200 miles of river**, **1 major airport**, **DHL International** shipping hub



Lowest cost index in the nation



Home to the **largest airport cargo hub** by volume and the **7th largest** air cargo hub in North America

Cincinnati's diversified economy, centralized location, and robust infrastructure are driving growth in the region. The metro area is uniquely positioned for future growth due to an established labor force and nationally renowned educational and medical institutions.

CINCINNATI LARGEST EMPLOYERS

Cincinnati Children's Hospital	15,796
Kroger Co.	14,987
Cincinnati/NKY International Airport	14,602
Tri-Health	12,332
UC Health	11,000
Bon Secours Mercy Health	10,500
University of Cincinnati	10,159
Procter & Gamble	10,000
St. Elizabeth Healthcare	8,885
Fifth Third Bank	7,366
City of Cincinnati	6,631
Christ Hospital	6,197
Cincinnati Public Schools	6,084
Kings Island	5,000

Source: CBC Book of Lists

INDUSTRY & BUSINESS

AIR TRANSPORTATION

Transportation linkages have helped define Cincinnati's dynamic character over its history. As the U.S. expanded to the west and south of Cincinnati, the city's central location has become ever more strategic. Cincinnati remains a significant transportation and distribution link for the region thanks to the presence of the Cincinnati/Northern Kentucky International Airport (CVG). As a primary domestic sort hub for DHL, the world's largest air courier, Cincinnati has access to overnight cargo service to most of the U.S. Northern Kentucky is within a one-day drive or a 90-minute flight of two-thirds the nation's population. This airport is serviced by nine airlines, including: Air Canada, Alaska Airlines, Allegiant Air, American Airlines, Delta, Frontier, Southwest, United, and Viva Aerobus.

In May of 2019, Amazon broke ground on a \$1.5 billion investment to build a new three million square foot air cargo hub adjacent to CVG to accommodate express e-commerce traffic. Amazon has been an active member of the business community in Kentucky for nearly 20 years, employing more than 10,000 people in full-time jobs across 14 fulfillment centers. Northern Kentucky was selected due to the large, skilled workforce, centralized location with great connectivity to the nearby fulfillment locations, and excellent quality of living for the employees. The proven workforce and an already extensive shipping and logistics industry have been the backbone of Amazon for nearly 20 years. The 900-acre site will be Amazon's largest processing facility in the world and will add more than 200 daily takeoffs and landings. The new facility also expects to create 2,700 new jobs for the region.

TRADE

The wholesale and retail trade segment accounted for nearly 13% of total jobs, making it the third largest employment sector in the region. Retailers have made Cincinnati a natural choice for business given its transportation and distribution networks, large population, and central location. Finance, Insurance and Real Estate (FIRE) are also broadly represented in the region with Fifth Third Bancorp, Western Southern Financial, and American Financial Group being headquartered in the market and represent 16.5% of the region's employment base.

CINCINNATI FORTUNE 500 COMPANIES

RANK	COMPANY	ANNUAL REVENUE
#20		\$121.2 billion
#45		\$66.8 billion
#118		\$66.8 billion
#338		\$8.0 billion
#421		\$7.2 billion
#427		\$7.2 billion
#443		\$6.8 billion
#459		\$6.5 billion

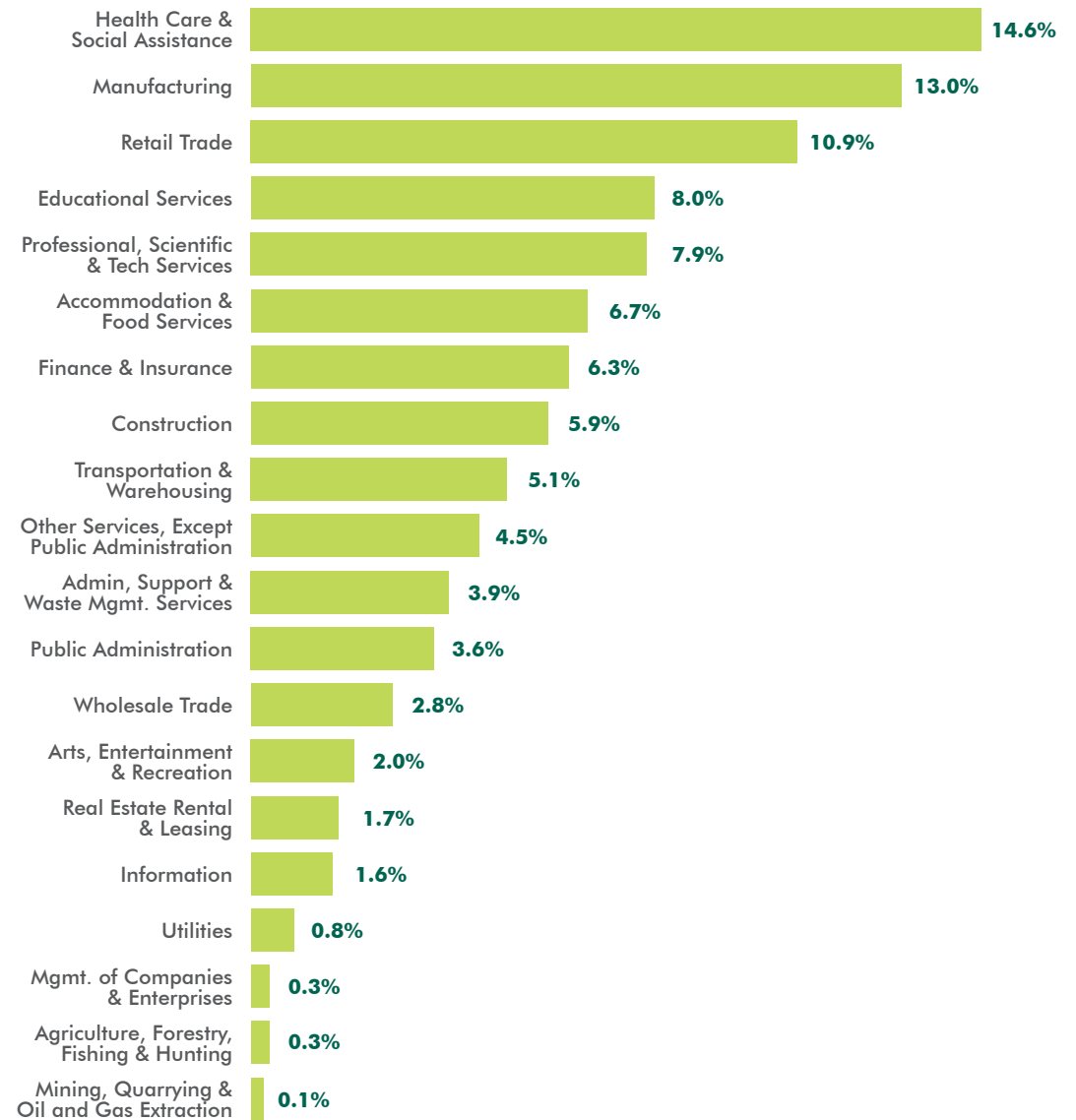
BUSINESS SERVICES

This segment is the largest in Cincinnati and in the United States. Business Services contains 30% of the employment base. The strong presence of banking, insurance, and legal industry leaders in the Cincinnati region creates an ideal location for businesses offering administrative, accounting, and IT support services. Whether managing assets or business risk, originating loans or issuing securities, the region has proven an excellent location for growth-minded, technology-focused financial services businesses of all sizes. The city hosts the headquarters of Fifth Third Bank and American Financial Group among others, and in total business services accounts for over 400,000 jobs.

EMPLOYMENT

The Cincinnati metropolitan area has experienced impressive employment growth during the last decade due in part to the area's emergence as a center of research and development and a haven for scientists in their respective industries. 35,600 skilled workers are employed by Cincinnati's chemical and plastics companies, of which over 3,000 are chemists, chemical engineers, technicians, and chemical plant and system operators. The unemployment rate has recovered nicely since COVID-19 highs, as it's down to 4.8% in November from 9.0% in June 2020. The Cincinnati metropolitan area workforce has consistently been ranked as one of the best in the country. The strength of Cincinnati's economy lies in its stability and diversity, with new job growth occurring throughout major industries and in foreign owned companies across the region. This highly stable economic atmosphere is due in large to part to the region's unusually diverse economy. Consequently, employers do not face sharp swings in labor demand witnessed in other metro areas dependent upon one or two industries.

EMPLOYMENT BREAKDOWN



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