

CBRE



BURGER KING

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BURGER KING

-- WHITEHALL, PA --

TENANT OVERVIEW

A photograph of a Burger King restaurant building. The building is a single-story structure with a tan-colored facade and a red roofline. A large, illuminated Burger King sign is mounted on a dark green pillar to the left of the entrance. The entrance features a glass door and large windows. A paved parking lot is in the foreground, and some landscaping with small bushes is visible near the building. The sky is overcast and grey.



BURGER KING FRANCHISEE - GPS Hospitality

GPS Hospitality is a privately held company and a fast-growing BURGER KING, Popeyes and Pizza Hut franchisee with close to 500 restaurants in 13 states nationwide. GPS Hospitality was founded by Thomas A. Garrett in 2012 and has over 10,000 employees.

Founded in 1954, the BURGER KING® brand is the second largest fast food hamburger chain in the world. The BURGER KING® system operates more than 14,000 locations in approximately 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. The BURGER KING® brand is owned by Restaurant Brands International Inc. (TSX,NYSE:QSR), one of the world's largest quick service restaurant companies with more than \$23 billion in system sales and over 19,000 restaurants.

BURGER KING CORPORATE OVERVIEW

| | |
|--------------------------|--|
| TENANT TRADE NAME: | Burger King |
| TENANT OWNERSHIP STATUS: | Public |
| BOARD/SYMBOL: | NYSE/QSR (Restaurant Brands International) |
| REVENUE: | \$1.6 Billion (Burger King - 2020) |
| TENANT: | Franchisee - GPS Hospitality |
| LOCATIONS: | -/+ 500 (GPS) |
| CORPORATE HEADQUARTERS: | Atlanta, GA (GPS) |

BURGER KING
-- WHITEHALL, PA --

FINANCIAL OVERVIEW





LIST PRICE
\$1,969,000



CAP RATE
4.50%



TOTAL NOI
\$88,585

Property Highlights

EARLY 10-YR LEASE EXTENSION

Burger King has been successfully operating in the subject property since 1995 and just extended its lease early for an additional 10 years (14yrs. remain), illustrating their success and commit in this location

EXCEPTIONAL REAL ESTATE

The Subject property is situated on a signalized hard corner, at the main intersection/entrance of the MacArthur Commons shopping center, fronting on MacArthur Rd. with over 35,000 V.P.D.

QSR TENANT W/DRIVE-THRU

A leading operator in the QSR industry, Burger King has remained open and current on rent, partly due to the drive-thru at the subject property, a critical component to successful operations throughout the pandemic and beyond

DOMINANT RETAIL LOCATION

MacArthur Commons, anchored by Giant, Burlington, DICK's Sporting Goods, TJX and shadow anchored by Walmart, is strategically located in the middle of several million square feet of retail space, including the Lehigh Valley Mall and national retailers such as Lowe's, Aldi, Chick-fil-a, Members First Credit Union, Starbucks and Panera to name a few

STRONG FUNDAMENTALS

Low and replaceable rent, small price point, 1.1 acre signaled hard-corner, 14yrs of base lease term and two 5-year options to renew with 8% rental increases

DENSITY & GROWTH

Strong population density (93K+ in 3-mi, 212K+ in 5-mi) coupled with projected annual growth in the 1, 3- and 5-mile radius of the subject property

FINANCIAL
OVERVIEW



PROPERTY ADDRESS:

2687 MACARTHUR ROAD | WHITEHALL, PA 18052

PRICE: \$1,969,000

CAP RATE: 4.50%

| | |
|--------------------------|--|
| YEAR BUILT: | 1995 |
| BUILDING SQUARE FOOTAGE: | 3,289 |
| LOT SIZE: | 1.121 Acres |
| TYPE OF OWNERSHIP: | Ground Lease |
| TENANT: | Burger King |
| GUARANTEE: | GPS Hospitality |
| LEASE TYPE: | NNN Ground Lease |
| OCCUPANCY HISTORY: | 20-yr Initial lease term with another 20yrs in options exercised |
| ROOF AND STRUCTURE: | Tenant Responsible |
| LEASE COMMENCEMENT: | 7/13/1995 |
| LEASE EXPIRATION: | 7/31/2035 |
| TERM REMAINING ON LEASE: | 14 Years |
| INCREASES: | 8% in each option |
| OPTIONS: | 2x5 Years |

| ANNUALIZED OPERATING DATA | | |
|---------------------------|--------------|-------------|
| RENT INCREASES | ANNUAL | MONTHLY |
| Current – 7/31/2035 | \$88,585.05 | \$7,382.08 |
| Option 1 | \$95,664.30 | \$7,972.03 |
| Option 2 | \$103,317.44 | \$8,609.79 |
| NET OPERATING INCOME: | | \$88,585.05 |

Percentage Rent for each Lease Year shall be equal to 3.5% of the amount by which Gross Sales during any Lease Year exceeds the Sales Base

Investment Overview

CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE this Burger King property located on MacArthur Road in Whitehall, Pennsylvania. Burger King has been successfully operating in the subject property since 1995 and just extended its lease early for an additional 10 years (14yrs. remain), illustrating their success and commit in this location. A leading operator in the QSR industry, Burger King has remained open and current on rent, partly due to the drive-thru at the subject property, a critical component to successful operations throughout the pandemic and beyond.

This 3,289 square foot property sits on 1.121 acres and is situated on a signalized hard corner, at the main intersection/entrance of the MacArthur Commons shopping center, fronting on MacArthur Rd. with over 35,000 V.P.D.. It's also located at one of entrance/exit points for MacArthur Commons, anchored by Giant, Burlington, DICK's Sporting Goods, TJX and shadow anchored by Walmart, and is strategically located in the middle of several million square feet of retail space, including the Lehigh Valley Mall and national retailers such as Lowe's, Aldi, Chick-fil-a, Members First Credit Union, Starbucks and Panera to name a few. This market boasts exceptional and growing demographics with 7,382 people within 1 mile, 93,075 people within 3 miles and 212,090 people within 5 miles. The population in this surrounding area has increased over the last 5 years and is projected to continue through 2025. This offering with low and replaceable rent, small price point, 1.1 acre signaled hard-corner, 14yrs of base lease term and two 5-year options to renew with 8% rental increases provides the ideal investment for the astute investor.

BURGER KING
-- WHITEHALL, PA --

PROPERTY SUMMARY



PROPERTY
PHOTOS



GIANT Burlington
DICK'S SPORTING GOODS **TJ-maxx**
netco planet fitness

Walmart

T-Mobile
SMOOTHIE KING

QDOBA
Panera BREAD

BURGER KING

meineke
car care center

metro
by T-Mobile

Starbucks

MACARTHUR RD - 35,699 V.P.D.

ExxonMobil



GIANT Burlington
DICK'S SPORTING GOODS TJ-maxx
netco planet fitness

meineke
car care center

BURGER KING

metro
by T-Mobile

T-Mobile
SMOOTHIE KING

Walmart

LABOY

QDOBA
Panera BREAD

Starbucks

Lowe's

McDonald's

Chick-fil-A

BB&T

MATTRESS FIRM

PET SUPPLIES PLUS
Minus the hassle.

Pizza hut

DUNKIN'

THE HOME DEPOT at home JOANN ALDI

Arby's

WELLS FARGO

USPS.COM

LOCAL MAP



REGIONAL MAP



LOCATION OVERVIEW



This 3,289 square foot Burger King property sits on 1.121 acres as a pad site to MacArthur Commons. MacArthur Commons is anchored by Giant, Burlington, DICK's Sporting Goods, TJX and shadow anchored by Walmart, and draws traffic to the area providing a built in customer base for Burger king. The site has excellent access and visibility on MacArthur Road with traffic count exceeding 35,000 vehicles per day. It's also located at one of entrance/exit points for MacArthur Commons, and is strategically located in the middle of several million square feet of retail space, including the Lehigh Valley Mall and national retailers such as Lowe's, Aldi, Chick-fil-a, Members First Credit Union, Starbucks and Panera to name a few. This market boasts exceptional and growing demographics with 7,382 people within 1 mile, 93,075 people within 3 miles and 212,090 people within 5 miles. The population in this surrounding area has increased over the last 5 years and is projected to continue through 2025.

Whitehall Township is located in the center of the Lehigh Valley. The township is one hour north of Philadelphia and an hour and a half from New York City. Whitehall is home to the largest indoor shopping center and Lifestyle Center at the Lehigh Valley Mall and four major shopping centers located along the "Golden Strip" (MacArthur Road). The Lehigh Valley is one of the fastest growing economies in Pennsylvania.



SUBJECT AREA DEMOGRAPHICS



| POPULATION | 1 MILE | 3 MILES | 5 MILES |
|-----------------------------|----------|----------|----------|
| 2010 POPULATION | 6,843 | 89,560 | 201,913 |
| 2020 POPULATION | 7,382 | 93,075 | 212,090 |
| PROJECTED POPULATION (2025) | 7,559 | 95,008 | 217,564 |
| HISTORICAL ANNUAL GROWTH | | | |
| 2010-2020 | 0.74% | 0.38% | 0.48% |
| PROJECTED ANNUAL GROWTH | | | |
| 2020-2025 | 0.48% | 0.41% | 0.51% |
| HOUSEHOLDS | 1 MILE | 3 MILES | 5 MILES |
| 2010 HOUSEHOLDS | 2,744 | 34,137 | 77,344 |
| 2020 HOUSEHOLDS | 2,988 | 35,149 | 80,678 |
| PROJECTED HOUSEHOLDS (2025) | 3,063 | 35,756 | 82,688 |
| HISTORICAL ANNUAL GROWTH | | | |
| 2010-2020 | 0.83% | 0.29% | 0.41% |
| PROJECTED ANNUAL GROWTH | | | |
| 2020-2025 | 0.50% | 0.34% | 0.49% |
| HOUSEHOLD INCOME | 1 MILE | 3 MILES | 5 MILES |
| 2020 AVERAGE | \$76,833 | \$65,353 | \$71,996 |
| 2020 MEDIAN | \$60,273 | \$50,041 | \$51,449 |

| POPULATION BY RACE | 1 MILE | 3 MILES | 5 MILES |
|-----------------------------------|--------|---------|---------|
| WHITE POPULATION | 82.0% | 62.7% | 63.2% |
| AFRICAN AMERICAN POPULATION | 4.7% | 10.2% | 10.5% |
| ASIAN POPULATION | 4.7% | 2.5% | 2.8% |
| PACIFIC ISLANDER POPULATION | 0.1% | 0.8% | 0.6% |
| AMERICAN INDIAN AND ALASKA NATIVE | 0.0% | 0.1% | 0.1% |
| OTHER RACE POPULATION | 5.6% | 18.9% | 18.3% |
| TWO OR MORE RACES POPULATION | 2.8% | 4.8% | 4.5% |

| HISPANIC OR LATINO POPULATION BY ORIGIN | 1 MILE | 3 MILES | 5 MILES |
|--|--------|---------|---------|
| HISPANIC OR LATINO | 14.3% | 38.5% | 37.8% |
| WHITE NON-HISPANIC | 75.1% | 49.5% | 49.6% |

| 2020 AGE BY GENDER | 1 MILE | 3 MILES | 5 MILES |
|--------------------|-----------|-----------|-----------|
| MEDIAN AGE | | | |
| MALE/FEMALE | 47.3/52.5 | 36.2/39.4 | 37.3/40.0 |

| TRAFFIC COUNTS | |
|----------------|------------|
| MACARTHUR RD | SCHADT AVE |
| 35,699 | 13,114 |

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