



3201 DR MLK JR BLVD | NEW BERN, NC
OFFERING MEMORANDUM

PIZZA HUT

3201 DR. MLK JR BLVD
NEW BERN, NC

LISTED BY:

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TABLE OF CONTENTS

EXECUTIVE
SUMMARY

3

FINANCIAL
OVERVIEW

4

TENANT
OVERVIEW

7

AREA
OVERVIEW

9

EXECUTIVE SUMMARY

LOCATION HIGHLIGHTS

- The property is ideally situated in the main retail corridor, next to many national retailers such as Walmart Supercenter, Lowe's, Target, Publix, Chick-fil-A, Home Goods, and Harris Teeter to name a few.
- M.L.K. Blvd sees upwards of 28,000 cars per day and is one of the main roads through town.
- New Bern has an average household income of \$78,000, which is ideal for Pizza Hut's target consumer.

LEASE AND TENANT HIGHLIGHTS

- SDS Management has more than 60 Pizza Hut locations and is a seasoned operator for the brand.
- The lease features fixed 9% rental increases every 5-years, providing for a hedge against inflation and future value generation.
- Pizza Hut is one of the largest fast-food concepts in the country with more than 18,000 locations worldwide.





SECTION 2

FINANCIAL OVERVIEW

PRICE:
\$1,226,836

CAP RATE:
6.00%

ANNUAL RENT:
\$73,610.16*

PROPERTY DESCRIPTION

Address	3201 M.L.K. Jr Blvd, New Bern, NC 28560
GLA	±2,570 SF
Lot Size	±0.93 AC

LEASE SUMMARY

Tenant	Pizza Hut
Lease Guarantor	SDS Restaurant Group, LLC - ±60 units
Rent Commencement Date	8/1/2012
Lease Expiration Date	7/31/2027
Original Lease Term	15 Years
Lease Term Remaining	±5.75 Years
Rent Increases	See rent schedule
Option Periods	Three, 5-year options
Lease Type	NN+
Parking Lot / CAM	Tenant Responsibility
Property Tax	Tenant Responsibility
Insurance	Tenant Responsibility
Roof/Structure	Landlord Responsibility
ROFR	30 days

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Increases
Current - 7/31/2022	\$5,634.17	\$67,610.00	8.87%
8/1/2022 - 7/31/2027	\$6,134.18	\$73,610.16	7.60%
Option 1 (8/1/2027 - 7/31/2032)	\$6,600.03	\$79,200.36	10.00%
Option 2 (8/1/2032 - 7/31/2037)	\$7,260.03	\$87,120.39	10.00%
Option 3 (8/1/2037 - 7/31/2042)	\$7,986.04	\$95,832.43	-

*Price is assessed on the rent increase

Please contact a Matthews™ Capital Markets Agent
for financing options:

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Exxon



RIVERTOWNE SQUARE
SHOPPING CENTER

HIBBETT belk
SPORTS
sears
T.J. maxx
maurices
GNC
LIVE WELL
Bath & Body Works
rue21

WELLS
FARGO

MATTRESS
FIRM

Chick-fil-A



Advance
Auto Parts



jiffy lube



OLLIE'S OUTLET
Bargain
GOOD STUFF CHEAP



Staples

McALISTER'S
DELI
DUNKIN'



SUPERCUTS
PIZZA
PAPA JOHN'S



ZAXBY'S
SONIC

DR. M.L.K. JR. BLVD.
± 29,000 VPD



Walmart
Supercenter

SHOPPING CENTER

ROSS five BELOW
DRESS FOR LESS
Hobby Lobby
HomeGoods
ULTA BEAUTY
SportClips
HAIRCUTS
Badcock
HOME FURNITURE
& more

Academy
SPORTS+OUTDOORS



RIVERTOWNE SQUARE
SHOPPING CENTER

PET SMART CATO
BAM! SUBWAY
BOOKS-A-MILLION
FIREHOUSE
SUBS
FOUNDED BY FIREMEN



SALLY
BEAUTY



SECTION 3

TENANT OVERVIEW



THE OFFERING

PROPERTY NAME	
Pizza Hut	
Property Address	
3201 Dr MLK Jr Blvd New Bern, NC 28560	
SITE DESCRIPTION	
GLA	±2,570 SF
Lot Size	±0.93 AC

TENANT OVERVIEW

» COMPANY NAME	» LOCATIONS	» HEADQUARTERS
PIZZA HUT	±18,703	LOUISVILLE, KY
» EMPLOYEES	» INDUSTRY	» REVENUE
±300,000	RESTAURANT	±11.9B

Pizza Hut, Inc. operates a chain of pizza restaurants in the United States and internationally. Pizza Hut offers pizzas, pastas, wings, and drinks, as well as sides and desserts, such as stuffed pizza rollers, breadsticks, cheese sticks, baked desserts, and cinnamon sticks. The company also offers catering services. In addition, Pizza Hut franchises its restaurants. Further, it provides online ordering. The company was founded in 1979 and is based in Plano, Texas. Pizza Hut, Inc. operates as a subsidiary of Yum! Brands, Inc. Pizza Hut is split into several different restaurant formats; the original family-style dine-in locations; storefront delivery and carryout locations; and hybrid locations that offer carry-out, delivery, and dine-in options. Many fullsize Pizza Hut locations offer a lunch buffet, with “all-you-can-eat” pizza, salad, breadsticks, and pasta. Additionally, Pizza Hut has a number of other business concepts that are different from the store type; Pizza Hut “Bistro” locations are “Red Roofs” which offer an expanded menu and slightly more upscale options.



SECTION 4

AREA OVERVIEW

NEW BERN, NC

New Bern is home to two large manufacturing facilities: Moen, Inc. and BSH Appliances, Corp. Moen, the number one faucet brand in North America, employs over 8,000 people in its New Bern facility. BSH Appliances is the world's third-largest home appliance manufacturer specializing in cooking, washing/drying, refrigeration/freezing, and other consumer products. The city hosts the largest of its three U.S.-based factories. It stores and ships home appliances for three BSH brands in North America and employs around 1,200 people.

New Bern is served by the Coastal Carolina Regional Airport, which offers connecting flights to the Atlanta and Charlotte airports daily. Craven Community College is the community's main provider of education. It offers more than 135 degrees and certificates and currently educates over 4,000 students. Overall, New Bern has a gross metro product of \$5.9 billion and a cost of living 12% below the national average.



ECONOMY

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DEMOGRAPHICS

Population	1 Mile	3 Mile	5 Mile
2026 Projection	4,378	30,440	44,816
2021 Estimate	4,294	30,170	44,150
2010 Census	4,273	31,165	44,698
Households	1 Mile	3 Mile	5 Mile
2026 Projection	1,991	13,587	19,614
2021 Estimate	1,935	13,370	19,216
2010 Census	1,868	13,462	19,070
Income	1 Mile	3 Mile	5 Mile
Avg HH Income	\$69,295	\$69,468	\$73,805

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Pizza Hut** located at **3201 Dr MLK Jr Blvd, New Bern, NC** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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