



5785 E STATE ROUTE 69 | PRESCOTT VALLEY, AZ



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INVESTMENT HIGHLIGHTS



- » **CARL KARCHER ENTERPRISES (CKE)** – Is one of the largest national QSR concepts with ±3,300 locations in 42 states and 28 countries.



- » **ATTRACTIVE LEASE TERM** – Property has over ±10 years remaining on the lease providing the investor with long-term, passive income.



- » **ABSOLUTE NNN LEASE** – The tenant is responsible for all expenses providing an investor with passive income and no landlord responsibilities.



- » **STRATEGIC LOCATION** – The property is strategically located right off E State Route 69, a divided 6-lane highway that sees north of ±40,000 vehicles per day.



- » **COMPLIMENTARY RETAIL** – The location is an outparcel to a major center filled with many national retailers such as DICK'S Sporting Goods, Sprouts Farmers Market, T.J. Maxx, Home Depot, Chick-Fil-A, Chipotle, Dutch Bro's, and Chase Bank to name a few.



- » **INCREASING POPULATION** – Prescott Valley, a town adjacent to the historical Prescott, AZ, has seen consistent year-over-year population growth. The population has steadily increased by 20% since 2010.



- » **SEASONED FRANCHISEE** – Starcorp operates ±150 Carl's Jr. and Hardee's locations throughout the United States.



- » **EMBRY-RIDDLE AERONAUTICAL UNIVERSITY** – The Carl's Jr. is few miles away from Embry-Riddle Aeronautical University, which has consistently been ranked as the No.1 undergraduate Aerospace Engineering program in the nation.



PROPERTY OVERVIEW

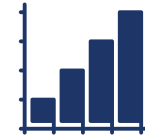
TENANT	Carl's Jr.
PROPERTY ADDRESS	5785 E State Route 69
CITY, ST	Prescott Valley, AZ 86314
GLA	±2,957 SF
YEAR BUILT	2012
LOT SIZE	±0.81 AC



\$3,109,050
LIST PRICE



\$155,452
ANNUAL RENT



5.00%
CAP RATE

LEASE SUMMARY

TENANT TRADE NAME	Carl's Jr.
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Franchisee
LEASE TYPE	Absolute NNN
ROOF AND STRUCTURE	Tenant Responsibility
ORIGINAL LEASE TERM	20 Years
LEASE COMMENCEMENT DATE	3/16/2012
RENT COMMENCEMENT DATE	3/16/2012
LEASE EXPIRATION DATE	3/30/2032
TERM REMAINING ON LEASE	±10.5 Years
RENT INCREASES	5% Every Five Years
OPTIONS	Four (4), Five (5) Year Options
ROFR	Yes

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Increases	Cap Rate
CURRENT - 3/31/2022	\$12,337.50	\$148,050.00	5.00%	5.00%
4/1/2022 - 3/31/2027*	\$12,954.38	\$155,452.50	5.00%	5.00%
4/1/2027 - 3/31/2032	\$13,602.09	\$163,225.12	5.00%	5.25%
Option 1	\$14,282.20	\$171,386.38	5.00%	5.51%
Option 2	\$14,996.31	\$179,955.70	5.00%	5.79%
Option 3	\$15,746.12	\$188,953.48	5.00%	6.08%
Option 4	\$16,533.43	\$198,401.15	5.00%	6.38%

**List price is based off of the rental increase commencing on 4/1/2022. Seller to credit the difference in monthly rentt at the close of escrow.*



PARENT COMPANY TRADE NAME
CKE RESTAURANTS HOLDINGS, INC.

REVENUE
\$1.2B

OF LOCATIONS
± 3,664

OF EMPLOYEES
± 10,000

HEADQUARTERED
CARPINTERIA, CA

WEBSITE
WWW.CARLSJR.COM

YEAR FOUNDED
1941

TENANT OVERVIEW

TENANT OVERVIEW

Carl's Jr. is an American-based fast food restaurant chain operated by CKE Restaurants Holdings, Inc., with locations primarily in the Western and The Southwestern United States. In the spirit of the company's founder, Carl Karcher, CKE believes it can best share in its success by offering support to its neighbors through its scholarship and charitable giving programs, including the Stars for Heroes campaign which raised \$1 Million in 2011. CKE is also working toward greater sustainability with the help of companywide initiatives, including the corporate Green Team

GEOGRAPHIC OUTREACH

CKE has a total of 3,664 franchised or company-operated restaurants in 44 states and 38 foreign countries and U.S. territories.

STRATEGY

With over 3,600 total CKE franchised and company-owned restaurants, and more than 1,500 Carl's Jr. specific, CKE Restaurants Holdings, Inc. is dedicated to helping franchisees build growing restaurant operations that are sustainable for the long term. To this end, the strategy and core positioning of the Carl's Jr. banner is oriented to building top-line sales that support franchise profitability via premium product strategy, strong restaurant fundamentals, and cutting-edge advertising.

KOHL'S SALLY BEAUTY FANTASTIC SAMS



BUFFALO
WILD
WINGS

Great Clips

cricket

GLACIER BANK

Papa Murphy's
TAKE 'N BAKE PIZZA



BMO Harris Bank

FIREHOUSE
SUBS

ROBEKS

DUNKIN'

ihop

T



SUBWAY

Walmart
Supercenter



Advance
Auto Parts

MAVERIK

Do it
Best



DOLLAR GENERAL

Washington Federal.

Culver's

DOLLAR TREE



DUTCH BROS

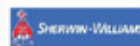
69

± 38,000 VPD

ACE



CIRCLE K



Pepp Boys

Builders
FirstSource

★
Carl's Jr.



HOBBY LOBBY

TJ-maxx

ULTA
BEAUTY

MEN'S WEARHOUSE

SPROUTS
FARMERS MARKET

Firestone

rue21

CHASE

LA Z BOY

MATTRESS FIRM



DICK'S
SPORTING GOODS

maurices

FAMILY DOLLAR Walgreens



BOOT BARN CVS pharmacy



ROSS
DRESS FOR LESS

CHASE

BIG TIRES

metro
by T-Mobile

GNC
LIVE WELL

jiffy lube

AutoZone

O'Reilly
AUTO PARTS

SUBWAY

ZIONS BANCORPORATION

SONIC

PIZZA
PAPA JOHN'S

Little Caesars

ZIONS BANK

RBC

DEL TACO



Denny's



Chevron
SAFeway

AREA OVERVIEW

PRESCOTT VALLEY, AZ

Prescott Valley is a town located in Yavapai County, Arizona about 8 miles east of Prescott. Prescott Valley was the seventh fastest-growing place among all cities and towns in Arizona. Prescott Valley's economy consists of industrial, manufacturing, retail and service businesses. There are many attractions of Prescott Valley that keep people visiting the town. For instance, Prescott Valley is located just 10 minutes from the Prescott National Forest where visitors can enjoy fishing, lakes, hiking, and camping. Additionally, the Entertainment District is located downtown and offers a variety of restaurants, a 6,000-seat events center, a multi-screen movie theater, and retail shops. Outside of shopping and exploring, Prescott Valley also is home to various sports teams such as The Northern Arizona Suns (a minor league basketball team), Arizona Sundogs (minor league hockey team), and Arizona Adrenaline (indoor football team.)

2021 DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
 POPULATION	3,375	24,719	54,696
 HH INCOME	1,295	10,010	22,591



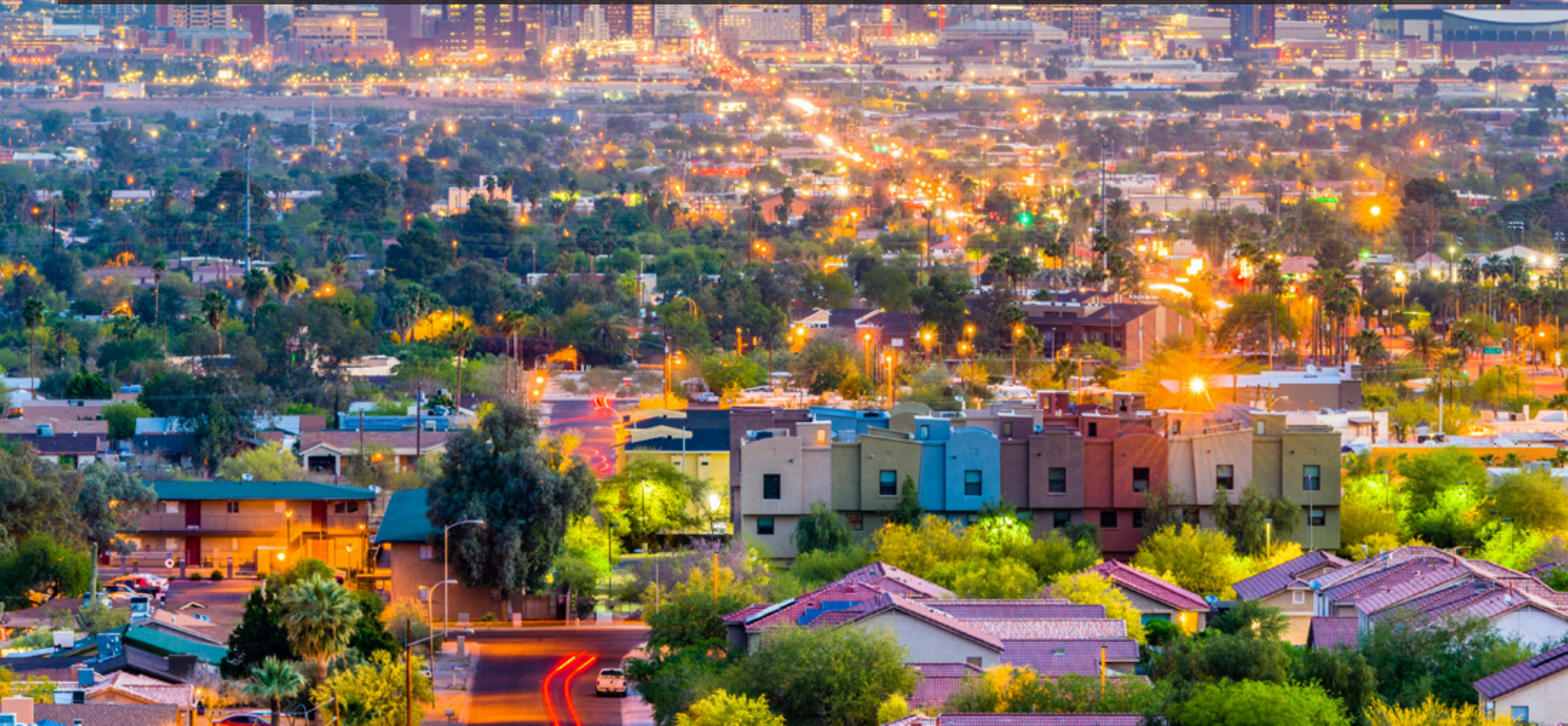
Keyboard shortcuts Map data ©2021 Google, INEGI

PHOENIX, ARIZONA

With a population of around 1.6 million residents, the city of Phoenix is the capital and the most populous city in Arizona. It is also the fifth-most populous city in the nation.

With a population of nearly 5 million residents, the Phoenix Metropolitan Area is the 10th most populated metropolitan in the United States. The Phoenix Metropolitan Area – often referred to as the Valley of the Sun, the Salt River Valley, or Phoenix Metro – is centered on the city of Phoenix, which includes much of the central part of the U.S. state of Arizona. The United

States Office of Management and Budget designates the area as the Phoenix-Mesa-Scottsdale Metropolitan Statistical Area (MSA), defining it as Maricopa and Pinal counties. Greater Phoenix encompasses 2,000 square miles and more than 20 incorporated cities, including Glendale, Scottsdale, Tempe, and Mesa. Maricopa County, in which Phoenix is located, covers more than 9,000 square miles. Phoenix's elevation is 1,117 feet, and the city's horizon is defined by three distinct mountains: South Mountain, Camelback Mountain, and Piestewa Peak.



ECONOMY

The Phoenix Metropolitan area has historically been the center of the state's economy. As with the state of Arizona, the area relied on the five C's (copper, cattle, climate, citrus, and cotton) for its economic growth and expansion. However, after World War II, the area entered the manufacturing industry, which spurred the growth of what would eventually be one of the largest urban areas in the nation.

About 19 million people visited Phoenix in 2019, due to the area's mild winters and long, sunny days. 1.5 million of these visitors were international visitors, thus Phoenix has a strong tourism industry. The estimated direct spending by these visitors in the city exceeded \$3.8 billion. When considering indirect and induced spending, the total economic impact from visitors to Phoenix in 2019 was more than \$6.6 billion. Visitor spending impacted more than 55,000 jobs in Phoenix in 2019. The visitor economy sustains 8.7% of all jobs in the Phoenix area. Total estimated state and local taxes generated through direct, indirect, and induced impacts from Phoenix visitors was more than \$500 million.

The technology and service industries currently account for almost 77% of total employment in the region. Phoenix also has a significant business sector. It is home to several headquarters of Fortune 1000 companies, which includes Avnet, Freeport-McMoRan, Republic Services, Magellan Health, Sports Farmers Market, ON Semiconductor, Knight-Swift Transportation Holdings, and Pinnacle West Capital. According to Forbes, Phoenix has a gross metro product of \$255.9 billion.

Nicknamed the "Valley of the Sun," the Greater Phoenix area sees more sunshine than any other metro area in the country. That in and of itself is enough to entice people to lay down roots, but Arizona's capital also features a desirable combination of a thriving job market, a relatively low cost of living, and plenty of ways to enjoy the nice weather.



ARIZONA STATE UNIVERSITY

Arizona State University is a public metropolitan research university on five campuses across the Phoenix metropolitan area, and four regional learning centers throughout Arizona. With over 119,000 enrolled students (over 11,000 in its Downtown Phoenix campus), ASU is one of the largest public universities by enrollment in the U.S.

Recognized by U.S. News & World Report as the country's most innovative school, Arizona State University is where students and faculty work with NASA to develop, advance, and lead innovations in space exploration. This is where Nobel laureates and Pulitzer Prize winners teach master learners. This is where nationally ranked and internationally ranked programs prepare next-generation innovators to thrive while advancing pioneering research, strategic partnerships, entrepreneurship, and economic development. ASU offers 350 accredited undergraduate degree programs and majors and 450 graduate degree programs and certificates.

ASU's nationally ranked programs inspire the top-qualified graduates and have positioned the university as a "top tier" recruiting and hiring institution by more than 50 of the country's top corporations, according to professional recruiters and rankings services around the world.

ASU graduates more than 20,000 thinkers, innovators, and master learners every year. In FY20, the ASU generated an economic impact of \$4.6 billion on the state's gross product and 53,615 jobs.



#1

IN THE US FOR INNOVATION
(US NEWS & WORLD REPORT, 2016-2021)



#3

IN THE US FOR SUPPLY CHAIN MANAGEMENT/LOGISTICS
(US NEWS & WORLD REPORT, 2021)



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Carl's Jr** located at **5785 E State Route 69, Prescott Valley, AZ 86314** ("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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY

ALEXIS SUAREZ

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