



318 W U.S. HWY 19E BYPASS  
BURNSVILLE, NC

MATTHEWS<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



REPRESENTATIVE PHOTO

OFFERING  
MEMORANDUM





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REPRESENTATIVE PHOTO

# SECTION 1

## EXECUTIVE OVERVIEW

### INVESTMENT HIGHLIGHTS

- » **Long term commitment to location** – Tenant recently signed a 20-year lease
- » **Absolute NNN Lease** – Zero landlord responsibilities providing for passive income
- » **Strong hedge against inflation** – 10% rental increases every 5-years
- » **Low Rent** - At just \$75,800 annually the rent is replaceable
- » **Highly trafficked location with little competition** – Hwy 19 sees roughly 16,000 cars per day
- » **Drive-thru building** - Highly desirable building type
- » **Growing Population** - Strong projected growth of 3.5% in the next 5 years

### INVESTMENT SUMMARY

Address	318 W US Hwy 19 E Burnsville, NC 28714
Price	\$1,450,000
Cap Rate	5.23%
Rent	\$75,800.00
GLA	±3,000 SF
Lot Size	±39,200 SF (0.90 Acres)
Year Built	1978

## SECTION 2

# FINANCIAL OVERVIEW

### TENANT SUMMARY

Lease Commencement	20-Mar-19
Lease Term	20 Years
Lease Expiration	30-Mar-39
Lease Type	Absolute NNN
Ownership	Fee Simple
Roof Responsibility	Tenant
Landlord Responsibilities	None
Guarantee	Mountain Star LLC
Renewals	Four, 5 years Option with 10% increase
Increases	10% every 5-years

### DEBT QUOTE

Loan quote provided by Matthews™ Capital Markets based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing. Please contact:

**Patrick Flanagan**  
patrick.flanagan@matthews.com

**LTV: 65.00%**

**RATE: 3.75%-4.35%**

**AMORTIZATION: 25 Years**

### ANNUALIZED OPERATING DATA

DATE	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
3/20/2019 - 3/30/2024	\$6,316.67	\$75,800.00	\$30.32	5.23%
4/1/2024 - 3/30/2029	\$6,948.33	\$83,380.00	\$33.35	5.75%
4/1/2029 - 3/30/2034	\$7,643.17	\$91,718.00	\$36.69	6.33%
4/1/2034 - 3/30/2039	\$8,407.48	\$100,889.80	\$40.36	6.96%
4/1/2039 - 3/30/2045*	\$9,248.23	\$110,978.78	\$44.39	7.65%
4/1/2045 - 3/30/2049*	\$10,173.05	\$122,076.66	\$48.83	8.42%
4/1/2049 - 3/30/2054*	\$11,190.36	\$134,284.32	\$53.71	9.26%
4/1/2054 - 3/30/2059*	\$12,309.40	\$147,712.76	\$59.09	10.19%

\*denotes options





DOLLAR GENERAL



GLEN RAVEN™



WELLS  
FARGO

BUCHANAN & YOUNG

IN BUSINESS FOR OVER 50 YEARS!



± 21,000 VPD



± 21,000 VPD



ingles



SUBWAY



UNITED GROCERY OUTLET



CVS pharmacy

ROSES Hwy 55







## SECTION 3

# TENANT OVERVIEW



### PARENT COMPANY TRADE NAME

CKE RESTAURANTS HOLDINGS, INC.

### CREDIT RATING (S&P)

B-

### # OF LOCATIONS

± 1,950

### # OF EMPLOYEES

± 16,680

### HEADQUARTERED

ST. LOUIS, MISSOURI

### WEBSITE

WWW.HARDEES.COM

### YEAR FOUNDED

1960

## TENANT OVERVIEW

As a subsidiary of fast food giant CKE Restaurants, Hardee's Food Systems is a leading fast food chain operator with more than 1,950 locations in some 30 states, primarily in the Midwest and Southeast. The chain offers a variety of premium-priced Angus beef hamburgers under such names as Thickburger, Six Dollar Burger, and the Monster Thickburger. Hardee's also serves up chicken sandwiches, salads, fries, and beverages, as well as dessert items. About 475 of the restaurants are operated by the company, while the rest are franchised.

## GEOGRAPHIC OUTREACH

Since the opening of the first restaurant in Greenville, North Carolina in 1960, Hardee's has established a strong presence throughout the Midwest and Southeast. Most locations are in the United States, distributed among some 30 states.

## STRATEGY

The company's Hardee's chain has started to incorporate its own dual branding strategy, pairing some of its locations with Red Burrito outlets. Plans to continue expansion in international markets are underway and involve the use of franchise development agreements. CKE is targeting growth in Brazil, Canada, China, and Russia. In 2014 Carl's Jr. announced plans to expand in Ontario, Canada's "Golden Horseshoe," a territory that includes Toronto, Mississauga, Oakville, Burlington, Hamilton, Brantford and London. Hardee's chains market themselves as gourmet burger outlets with slightly higher menu prices. In lieu of rapid expansion, CKE has focused on managing costs and investing in additional marketing efforts to drive traffic to its restaurants. Its chains target primarily a young, male demographic with oversized burgers made with premium Angus beef.



**SUBJECT  
PROPERTY**

**ASHEVILLE, NC  
±36 MILES**



## SECTION 4

# AREA OVERVIEW

### BURNSVILLE, NC

Located in Yancey County, Burnsville is home to over 1,900 residents. It is nestled in a valley surrounded by the highest peaks in eastern America, including Mt. Mitchell, the tallest mountain east of the Mississippi River. Its charming rural-artistic downtown area is dominated by the Town Square and locally-owned businesses, such as shops, galleries, restaurants, and breweries. Main Street also showcases colorful murals and towering trees. A major business within the town is the Glen Raven Custom Fabrics Plant, which is the only operating textile factory in the county. Burnsville is located 35 miles northeast of Asheville, along the Mt. Mitchell Scenic Byway.

Even with a small-town feel, there is always something to do throughout Yancey County, which is a large attraction for agritourism. Burnsville and Yancey County offer nearly 100 miles of hiking trails. A popular outdoor attraction is Mount Mitchell State Park, which offers stunning views and has camping grounds, hiking trails, and a museum. The Parkway Playhouse in Burnsville is a small professional theatre with several shows throughout the year. It is one of the oldest continually operating theatre companies in North Carolina. During the first weekend in August, the Mount Mitchell Crafts Fair transforms the streets around Burnsville's Town Square into a festival affair for craft and art lovers, with more than 200 juried crafters displaying and selling. Burnsville is a small town with big adventures to offer residents and visitors with its vast open spaces, fresh mountain air, and starry skies.



## UNIVERSITY OF NORTH CAROLINA - ASHEVILLE

Established in 1927, UNC Asheville is a public liberal arts university and one of the 17 institutions in the University of North Carolina system. Currently, over 3,600 students attend the university. UNC Asheville offers over 30 majors that students can choose from to achieve bachelor of arts, bachelor of science, or bachelor of fine arts degrees. UNC Asheville also awards a Master of Liberal Arts and Sciences. Popular majors include psychology, biology, and mass communication. The university is also the headquarters of the Council of Liberal Arts and Colleges (COPLAC). UNC Asheville contributes over \$450 million in local economic output and supports over 3,900 jobs in the local economy.



**#7 IN TOP PUBLIC SCHOOLS**

-U.S. News & World Report



**#3 IN BEST COLLEGE LOCATIONS IN NORTH CAROLINA**

-Niche, 2021





## ECONOMY

Asheville is home to a growing business community. With a \$20 billion economy, the key industries driving Asheville's economic growth include healthcare, science, technology, arts & culture, tourism, and many more. Due to its ideal location, which is midway between Washington D.C. and Miami, businesses can easily access all major East coast markets including Canada from Asheville. Asheville is home to UNC Asheville which produces well-educated and highly-skilled professionals that are ready to make a difference in the workforce. With its diverse workforce, accessibility, and a variety of urban amenities, Asheville is the ideal place for any business to thrive. ([ashevillechamber.org](http://ashevillechamber.org))

## MAJOR EMPLOYERS

EMPLOYERS	EMPLOYEES
Mission Health Hospital	1000+
Ingles Markets, Inc.	1000+
Wal-Mart Associates Inc.	1000+
Mission Community Anesthesiology	1000+
Eaton Corporation	500-999
Kendro Laboratory Products Lp	500-999
A-B Tech	500-999
Unison Engine Components	500-999
UNC Asheville	500-999
Lower Home Centers Inc	500-999







## BILTMORE ESTATE

Built during the 1890s, the Biltmore Estate is George Vanderbilt's 8,000-acre estate that is known to be America's Largest Home and one of Asheville's major attractions. The estate's most popular attraction is the 250-room French Renaissance castle. The estate is also home to forested trails, lively gardens, and a beautiful winery that is known to be one of the most visited wineries in the nation. Several luxury shopping and dining amenities are also offered at the estate. Frederick Law Olmsted, the father of American landscape architecture, designed the elegant gardens and trails. The Biltmore was one of Olmsted's last great projects which also included New York's Central Park and the grounds of the U.S. Capitol. Today, the Biltmore Estate is owned and operated by George Vanderbilt's descendants.



## BLUE RIDGE PARKWAY

Known as America's Favorite Scenic Drive, Blue Ridge Parkway stretches for 469 miles and weaves around the peaks of the Blue Ridge Mountains which contain Shenandoah National Park and the Great Smoky Mountains National Park. It also offers trails with stunning views of the mountain ranges where adventurers can go hiking, biking, and picnicking. There are several attractions to visit along Blue Ridge Parkway including Craggy Gardens, Mount Mitchell, Folk Art Center, Mount Pisgah, and many more.



## DOWNTOWN ASHEVILLE

As the shopping mecca of Asheville, Downtown Asheville is teeming with entertainment as it features over 200 local boutiques, over 100 delicious eateries, captivating museums, fun street performers, and a variety of free events throughout the year. Downtown Asheville is frequently dubbed the "Paris of the South" due to its diverse mix of culture, music, and art.



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of Hardee's located at 318 W U.S. Hwy 19E Bypass, Burnsville, NC 28714 ("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:

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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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