

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

**OFFERING  
MEMORANDUM**



REPRESENTATIVE PHOTO

# HARDEE'S

1115 COLISEUM BLVD | MONTGOMERY, AL 36110



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## Investment Highlights

### ATTRACTIVE ANNUAL CASH FLOW INCREASE

- Above market return with quickly growing cash flow
- 2.00% annual rent increases
- Absolute NNN investment – zero landlord responsibilities

### HIGHLY TRAFFICKED RETAIL CORRIDOR

- The property is located in the Montgomery, AL MSA with over 230,000 people in a 10-mile radius
- Hardee's is situated at a hard corner along Coliseum Boulevard and Congressman William L. Dickinson Drive, which boasts ± 30,000 ADT
- Walmart Neighborhood Market is ideally located across the street, attracting more traffic to the immediate area
- Across the street from Alabama National Guard, US Marine Corps Reserve Center, Alabama Police Academy and the State Trooper District

### TENANT STRENGTH

- Carl Karcher Enterprises (CKE) is one of the largest national QSR concepts in the world with over 3,100 Carl's Jr and Hardee's locations





REPRESENTATIVE PHOTO





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# Financial Overview

## Investment Summary

» <b>NAME</b>	Hardee's
» <b>PROPERTY ADDRESS</b>	1115 Coliseum Blvd Montgomery, AL 36110
» <b>LIST PRICE</b>	\$1,210,500
» <b>NOI (YEAR 1-5)</b>	\$122,867
» <b>CAP RATE (YEAR 1-5)</b>	10.15%
» <b>YEAR BUILT / RENOVATED</b>	1988/1992
» <b>GLA</b>	±3,604 SF
» <b>TOTAL LAND AREA</b>	± 1.55 Acres (67,629 SF)



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## Annualized Operating Data

	Monthly Rent	Annual Rent	Increases	Cap Rate
10/1/2020 - 9/30/2021	\$10,238.93	\$122,867.20	2.00%	10.15%
10/1/2021 - 9/30/2022	\$10,443.71	\$125,324.54	2.00%	10.35%
10/1/2022 - 9/30/2023	\$10,652.59	\$127,831.04	2.00%	10.56%
10/1/2023 - 9/30/2024	\$10,865.64	\$130,387.66	2.00%	10.77%
10/1/2024 - 9/30/2025	\$11,082.95	\$132,995.41	2.00%	10.99%
10/1/2025 - 10/30/2025	\$11,304.61	\$135,655.32	2.00%	11.21%
Four, 5-year options	2.00% increase from prior year			

## Tenant Summary

Tenant Trade Name	Hardee's
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee - 110 units
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	19 years
Lease Commencement Date	9/29/06
Rent Commencement Date	9/29/06
Lease Expiration Date	10/25/25
Term Remaining on Lease	±4.75 years
Increase	2.00% annual
Options	Four, 5-year options

# Tenant Overview



## 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.

**PARENT COMPANY TRADE NAME**  
CKE RESTAURANTS HOLDINGS, INC.

**CREDIT RATING (S&P)**  
B-

**# OF LOCATIONS**  
± 1,950

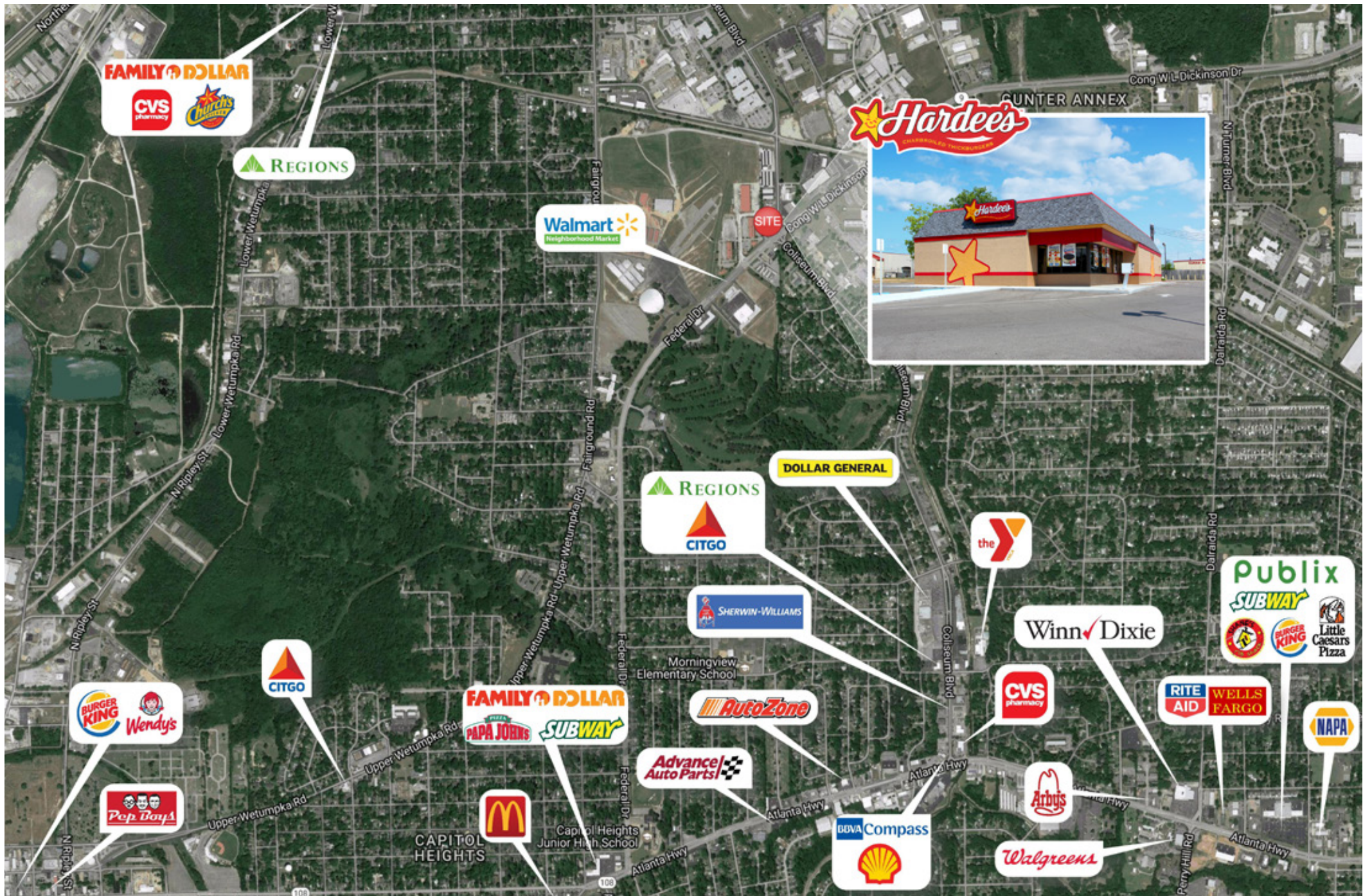
**# OF EMPLOYEES**  
± 16,680

**HEADQUARTERED**  
ST. LOUIS, MISSOURI

**WEBSITE**  
[WWW.HARDEES.COM](http://WWW.HARDEES.COM)

**YEAR FOUNDED**  
1960











# Area Overview





## MONTGOMERY, AL

Montgomery is the capital of the U.S. state of Alabama and is the county seat of Montgomery County. Named for Richard Montgomery, it is located on the Alabama River, in the Gulf Coastal Plain. As of the 2010 Census, Montgomery had a population of 205,764. It is the second-largest city in Alabama, after Birmingham.

In addition to housing many Alabama government agencies, Montgomery has a large military presence due to Maxwell Air Force Base; public universities Alabama State University, Troy University, and Auburn University at Montgomery; private colleges/ universities Faulkner University and Huntingdon College; high-tech manufacturing, including Hyundai Motor Manufacturing Alabama; and cultural attractions such as the Alabama Shakespeare Festival and Montgomery Museum of Fine Arts.

Montgomery has won several national awards including being voted Best Historic City by USA Today, being named an All-America City in 2014 by the National Civic League, being named a "Top City For Job Growth" in 2014 by ziprecruiter.com, and being named the happiest city in Alabama. Montgomery has also been recognized nationally for its successful, and ongoing downtown revitalization and new urbanism projects with Montgomery having been one of the first cities in the nation to implement Smart Code Zoning.

## DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2000 Census	6,395	44,933	104,729
2010 Census	6,458	42,792	99,746
2019 Estimate	6,178	40,425	95,099
2024 Projection	6,108	39,813	94,009

HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2000 Census	2,554	18,386	42,905
2010 Census	2,435	17,138	40,442
2019 Estimate	2,352	16,273	38,827
2024 Projection	2,332	16,053	38,476

INCOME	1 Mile	3 Mile	5 Mile
2019 Est. Average Household Income	\$50,982	\$53,782	\$60,573





## ECONOMY

Montgomery is strategically located at the intersection of Interstate 65 and Interstate 85 at the center of the Black Belt region, making it an economic hub for many industries. It is home to many Alabama government agencies, but also has a strong military presence due to the Maxwell Air Force Base. Public universities like Alabama State University, Troy University, Auburn University at Montgomery, and Faulkner drive revenue into the local economy. Montgomery also has a strong industrial base that includes Hyundai Motor Manufacturing, Mercedes Benz and Honda. In recent years Montgomery has increased employment in the healthcare sector and it serves as a hub for healthcare in central Alabama and the Black Belt Region. This unique diversity provides a well-balanced economic environment that supports and fuels economic growth.

## TOP EMPLOYERS



Mercedes-Benz



AUBURN  
UNIVERSITY



HYUNDAI





## **Confidentiality Agreement & Disclaimer**

This Offering Memorandum contains select information pertaining to the business and affairs of a **Hardee's** located at **1115 Coliseum Blvd, Montgomery, AL 36110** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This 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 is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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.

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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