



Burger King

4663 Navy Road, Memphis
(Millington), TN 38053

OFFERING MEMORANDUM

**FOR MORE INFO
TED DOWDING
(858) 999-7431**

**Rare 10% Rent increases every 5-years
1,000+ Locations**

Strong Corporate Guarantee by the largest
Burger King Operator in the World!
Carrols Corporation with 1,000+ Locations



INVESTMENT HIGHLIGHTS

LONG TERM STABILIZED INVESTMENT

- **Long Term Lease** – There are **14 years remaining** on the original 20-year lease with two (2), 5-year options for the tenant to extend
- **Strong Hedge Against Inflation** – There are **10% increases in rent every 5 years** allowing properties to keep up with rising market rents
- **Attractive Tax Benefits** – Ownership includes land and improvements, allowing owners to **depreciate the improvements** over a 39-year depreciation schedule
- **Absolute NNN Lease** – Landlord has **zero landlord responsibilities** because the tenant takes care of insurance, real estate taxes, and maintenance
- **Strong Sales Growth** – This site has seen **explosive sales growth** over the past three years with 2015 numbers easily ranking above the national Burger King average
- **Recently Rebuilt** - Older building was torn down and significant capital improvements were made to rebuild the site in 2010 - **Long term commitment to location!**

EXCELLENT LOCATION IN STRONG RETAIL AREA

- **Tax Free State** – Tennessee is one of 8 states out of 50 that has **no state income taxes** – great investment for those also living in tax free states or those who do not want to file taxes in other states
- **Strong Retail Corridor** – Other national tenants in the immediate area include McDonald's, Kroger, Taco Bell, Wendy's, O'Reilly Auto Parts, Save-A-Lot, Krystal, Pizza Hut, Cash America Pawn, Walgreens, Dollar General and Domino's Pizza amongst others

SEASONED OPERATOR OF AN EXCELLENT BRAND

- **Strong Guarantee** – **Over 1,000 units** with considerable history of successful operations back the tenant and guaranty on the lease
- **Largest Burger King Operator in the World** – Carrols Corporation www.carrols.com/home/aboutus
- **Iconic Brand** – Burger King has **over 15,000 units** worldwide and has been one of the most successful burger chains in the world since 1954

EXECUTIVE SUMMARY

| | |
|-------------------------------|-------------------------|
| 4663 Navy Road | |
| Millington, TN 38053 | |
| List Price | \$2,450,000 |
| Gross Leasable Area | 2,404 Sq Ft. |
| CAP Rate - Current. | 4.15% |
| Year Built | 2010 |
| Lot Size | ±0.67 Acres (29,185 SF) |



ANNUALIZED OPERATING DATA

| | Monthly Rent | Annual Rent | Rent/SF | CAP Rate |
|-------------------------------|--------------|-------------|---------|----------|
| 1/6/2021 - 1/5/2026 | \$8,464.82 | \$101,578 | \$26.77 | 4.15% |
| 1/6/2026 - 1/5/2031 | \$9,311.30 | \$111,736 | \$29.45 | 4.6% |
| 1/6/2031 - 1/5/2036 | \$10,242.43 | \$122,909 | \$32.40 | 5.02% |
| Option 1: 1/6/2036 - 1/5/2041 | \$11,266.67 | \$135,200 | \$35.64 | 5.52% |
| Option 2: 1/6/2041 - 1/5/2046 | \$12,393.34 | \$148,720 | \$39.20 | 6.01% |

TENANT SUMMARY

| | |
|-------------------------|-------------------------|
| Tenant Trade Name | Burger King |
| Type of Ownership | Fee Simple |
| Lease Guarantor | Carrols Corporation |
| Lease Type | NNN |
| Roof and Structure | Tenant Responsible |
| Original Lease Term | 20 Years |
| Lease Commencement Date | 1/6/2016 |
| Rent Commencement Date | 1/6/2016 |
| Lease Expiration Date | 1/5/2036 |
| Term Remaining on Lease | 14 - Years |
| Increases | 10% Every 5 Years |
| Options | Two (2), 5-Year Options |

Property Overview

THE OFFERING

| | |
|------------------------------------|----------------------|
| Property Name | Burger King |
| Property Address | 4663 Navy Road |
| | Millington, TN 38053 |
| Assessor’s Parcel Number | M0-115I-E0-0003C |

SITE DESCRIPTION

| | |
|-------------------------------------|--------------------------|
| Number of Stories | One |
| Year Built | 2010 |
| Gross Leasable Area (GLA) | 2,404 SF |
| Lot Size | ± 0.67 Acres (29,185 SF) |
| Type of Ownership. | Fee Simple |
| Parking | ± 40 Surface Spaces |
| Parking Ratio | 16.64 : 1,000 SF |
| Landscaping | Professional |
| Topography. | Generally Level |





Regional Map



City Overview

MILLINGTON, TENNESSEE

Millington is a city in Shelby County, Tennessee. Millington is the home of the Memphis International Raceway. It was granted the title “Flag City Tennessee” by the Tennessee State Legislature. The Naval Support Activity Mid-South is located at the former Memphis Naval Air Station.

MEMPHIS - METROPOLITAN STATISTICAL AREA

Memphis is a city in the southwestern corner of Tennessee and the county seat of Shelby County. With a population of about 700,000 Memphis is the largest city in Tennessee, the largest city on the Mississippi River, and the third largest city in the greater Southeastern United States.

The city’s central geographic location has been strategic to its business development. The economic base is diverse and its status as a good business base is on the rise—the city is headquarters for retailer AutoZone and FedEx Corporation, and International Paper is relocating its headquarters from Connecticut. It is also known as a good base for smaller and especially minority owned businesses. Located on the Mississippi River and intersected by five major freight railroads and two Interstate Highways, I-40 and I-55, Memphis is ideally located for commerce in the transportation and shipping industry. Its access by water was key to its initial development, with steamboats plying the Mississippi river. Railroad construction strengthened its connection to other markets to the east and west.

