

POPEYES

Brand New 20-Year Sale Leaseback | Absolute-Net Lease with 10% Increases Every Five Years



OFFERING MEMORANDUM

POPEYES
WILSON, NC (RALEIGH MSA)

Marcus & Millichap
THE SULO GROUP

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POPEYES

1702 Raleigh Road
Wilson, NC 27896

FINANCIAL SUMMARY

Price	\$3,835,000
Cap Rate	4.50%
Net Operating Income	\$172,539
Building Sq Ft	4,200 Sq Ft
Year Built Renovated	2000 2020
Lot Size	+/- 0.92 Acres

LEASE SUMMARY

Lease Type	Absolute Net
Tenant	Wildor Restaurant Group, LLC
Guarantor	Franchise
Roof and Structure	Tenant Responsible
Primary Term	20 Years
Lease Commencement Date	Close of Escrow
Rent Commencement Date	Close of Escrow
Lease Expiration Date	2042
Term Remaining	20 Years
Rental Increases	Yes
Renewal Options	Two, Five-Year

OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1-5	\$172,539	4.50%
6-10	\$189,793	4.95%
11-15	\$208,772	5.44%
16-20	\$229,649	5.99%
Options	Annual Rent	Cap Rate
21-25 (Option 1)	\$252,614	6.59%
26-30 (Option 2)	\$277,876	7.25%

Base Rent	\$172,539
Net Operating Income	\$172,539
Total Return	4.50% \$172,539

HIGHLIGHTS



Brand New 20-Year Sale Leaseback

At the close of escrow, a brand new 20-year lease will be signed, with attractive 10% increases in rent every five years. In addition to the long-term lease, this will be an absolute-net lease with zero landlord responsibilities.



Lease is Guaranteed by Wildor Restaurant Group, LLC

Wildor Restaurant Group, LLC (WRG) has been a Popeyes franchisee since 2013 and currently has 10 locations open and operating with three others currently under construction. WRG signed a development agreement in 2018 to open 15 (Portfolio Total would be 19) additional restaurants by 2027 which gives them the exclusive development rights to 12 prime counties in North Carolina and Virginia.



Brand New Gut Renovated Building in 2020

WRG's Wilson location was successfully completely gut renovated back in 2020. The sale leaseback will be set at an attractive 8.00% rent-to-sales ratio. This location's performance has quickly risen only after being open for just over one year, demonstrating its strength in the marketplace.



Raleigh, North Carolina Metropolitan Statistical Area

The market is approximately a two-hour drive west of the Atlantic ocean and four-hour commute east of the Appalachian Mountains. The metro is composed of 11 counties: Wake, Durham, Johnston, Chatham, Orange, Franklin, Harnett, Vance, Granville, Lee and Person. The most highly populated is Wake County with more than 1.1 million residents, almost half of the entire metro's populous. Raleigh, home to the state capitol, has approximately 467,500 citizens, which leads the region. Durham is the second-largest city with 273,000 residents, followed by Cary, where roughly 164,400 people live. The metro is projected to add nearly 228,800 people over the next five years, which will result in the formation of 93,600 households.



SITE PLAN



SITE PLAN KEY

Parcel Outline



Building Sq Ft

5,000 Sq Ft

Lot Size

+/- 0.88 Acres

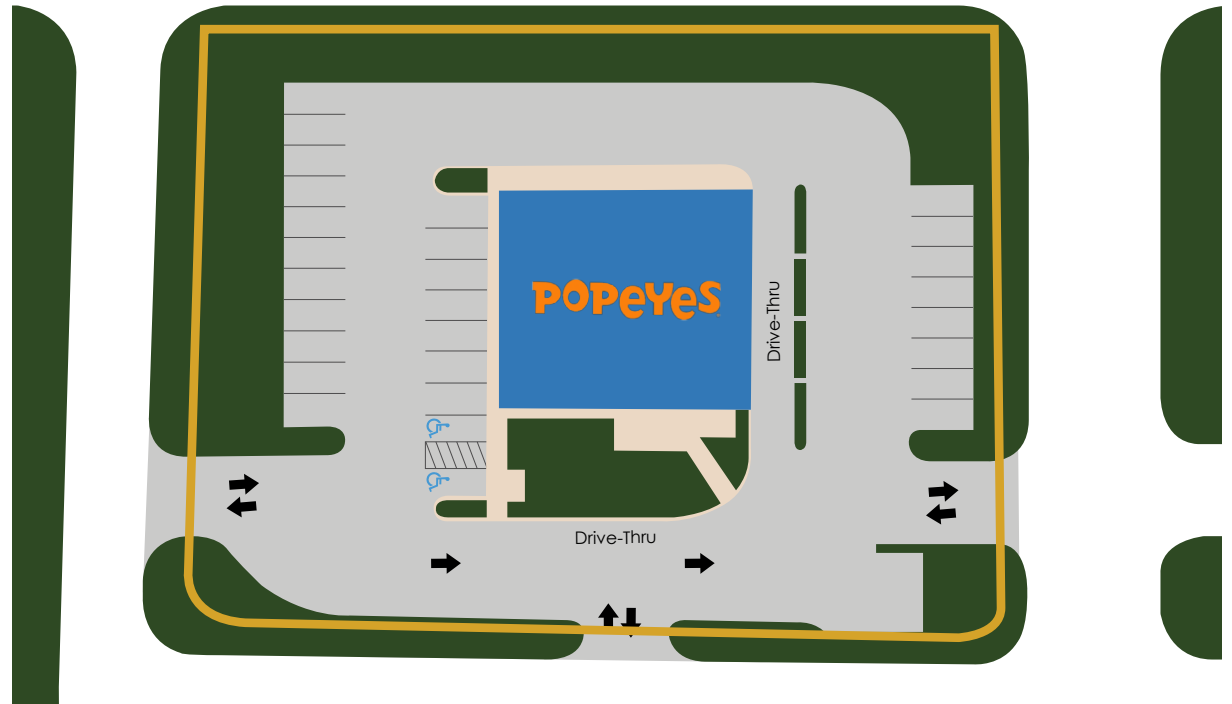
Ingress/Egress



Raleigh Rd Pkwy W



18,006 Daily





Founded in 1972, Popeyes® has more than 40 years of history and culinary tradition. Popeyes® owes its beginnings to entrepreneur and culinary innovator, Al Copeland. With one small restaurant and a big idea, Copeland introduced the New Orleans style fried chicken that has now made the brand famous throughout the world.

Popeyes® culinary heritage is built upon the rich Cajun and creole flavor profiles that are unmistakably Louisiana. We continuously draw upon and celebrate this heritage to inspire new, authentic menu creations the world craves. Popeyes distinguishes itself with a unique New Orleans style menu featuring spicy chicken, chicken tenders, fried shrimp and other regional items. This unique and flavorful food has allowed Popeyes to become one of the world's largest chicken quick-service restaurants, with over 2,700 restaurants in the U.S. and around the world.

Popeyes has set up several restaurants which are located on military installations throughout the world. They're making sure that our service men and women have good access to this American favorite when they're away from the comforts of home.

Source: <https://www.popeyes.com/company>

TENANT OVERVIEW

No. of Locations:	2,700+
Year Founded:	1972
Headquarters:	Miami, FL
Website:	https://www.popeyes.com/

WILDOR RESTAURANT GROUP LLC

Founded by Chuck Bright and Pankaj Parmar in 2013. WRG has the exclusive development rights to 12 prime counties in North Carolina (Durham, Wake, Franklin, Warren, Vance, Granville, Person, Orange, Wilson, Nash, Alamance) and Virginia (Mecklenberg). These counties were strategically chosen by WRG based on their high sales potential.

Ownership Group and Operational Hierarchy

Chuck Bright: Owner and President of Operations

- More than 15 years of experience as a multi-unit retail owner
- Grew a chain of convenience stores from six locations to 20 locations with gross revenues of more than \$75 million per year from 2004-2015
- Sold the chain in 2015 to focus on developing Popeyes

Anthony Harris: Director of Operations

- 20 years of experience in multi-unit operations with Bojangles and another Popeyes franchisee
- Employed with Wildor Restaurant Group since 2016

TENANT OVERVIEW

No. of Locations:	10 Current, Three Under Construction (19-Unit Development Agreement)
Year Founded:	2013

Thanks to Chicken Sandwich, Popeyes is Making \$400K More per Restaurant

Can the fast-food chain keep it up in 2021? There's no reason to bet against it.

There was a statistic early on in Popeyes' chicken sandwich saga that felt better suited for fiction. As social buzz rampaged throughout the sector, Apex Marketing Group estimated Popeyes reaped \$65 million in equivalent media value, nearly triple the \$23 million media value the sandwich generated in its first few days of sale.

While it feels ages ago, Popeyes ran out of chicken sandwiches by the end of that August, just two weeks after launch. It sold as many in 14 days as it expected to through September. Individual restaurants reported serving 1,000 chicken sandwiches per day. A June report in Ad Age said Popeyes' tweet (the now-infamous Chick-fil-A challenge) earned more than 20 billion impressions worth some \$220 million. By the time 2019 closed, Popeyes had more than doubled its Twitter following and had so much word-of-mouth momentum it canceled an ad campaign scheduled for Labor Day.

Source: <https://www.qsrmagazine.com/fast-food/thanks-chicken-sandwich-popeyes-making-400k-more-restaurant>

CATEGORY RANK	QSR 50 RANK	COMPANY	2020 US SYSTEMWIDE SALES MILLIONS	2020 AVERAGE SALES PER UNIT THOUSANDS	2020 FRANCHISED LICENSED UNITS	2020 COMPANY UNITS	2020 TOTAL UNITS	TOTAL CHANGE IN UNITS FROM 2019
1	3	Chick-fil-A*	12,800	5,013	2,589	18	2,607	105
2	14	KFC	4,700	1,305	3,896	47	3,943	-122
3	15	Popeyes Louisiana Kitchen	4,587	1,920	2,593	41	2,634	135
4	23	Wingstop	2,000	1,489	1,506	32	1,538	153
5	24	Zaxby's	2,000	2,200	760	145	905	10
6	28	Raising Cane's	1,722	3,850	92	417	509	52
7	32	Bojangles	1,374	1,861	432	326	758	12
8	34	El Pollo Loco	880	1,837	283	199	482	0
9	43	Church's Chicken	741	820	753	160	913	-27

*Includes figures estimated by QSR

Source: <https://www.qsrmagazine.com/content/qs50-2021-chicken-segment>



AERIAL - SOUTHWEST



AERIAL - WEST

 WILSON CHRISTIAN ACADEMY
509 Students

 **LOWE'S**

 CANDLEWOOD SUITES

 Hampton Inn

 TARGET

 AutoZone

 COOK OUT

 ZAXBY'S

 Dunham's SPORTS

 Great Clips®

 HOBBY LOBBY

 verizon


 BUFFALO WILD WINGS

 chili's

 Denny's


 Valvoline

 Wendy's

 MCDONALD'S

 RAC
Rent-A-Center

 San Jose Pasa
MEXICAN RESTAURANT

Forest Hills Rd NW
 14,563 CPD

 DISCOUNT TIRE

Raleigh Rd Pkwy W
 18,006 CPD

 BURGER KING

 SCOOTER'S

 WAYBACK BURGERS

 MATTRESS Warehouse
SLEEPHAPPENS.COM

Subject Property
 POPEYES

 BIG LOTS!


AERIAL - NORTHWEST



Dunham's
SPORTS

Great Clips®

HOBBY
LOBBY

 **FOREST HILLS**
MIDDLE SCHOOL
481 Students

 **BUFFALO**
WILD
WINGS

Forest Hills Rd NW
 14,563 CPD

Denny's

RAC
Rent-A-Center

WAYBACK
BURGERS

 **San Jose**
MEXICAN RESTAURANT

MCDONALD'S

 **SCOOTER'S**

BIG
LOTS!

BURGER
KING

Subject Property
POPEYES

Raleigh Rd Pkwy W
 18,006 CPD

DISCOUNT
TIRE

MATTRESS
Warehouse
SLEEPHAPPENS.COM



Forest Hills Rd NW
 14,563 CPD

FOREST HILLS MIDDLE SCHOOL
 481 Students

Raleigh Rd Pkwy W
 18,006 CPD

Subject Property
POPEYES

HOBBY LOBBY MCDONALD'S
 Great Clips® BUFFALO WILD WINGS
Dunham's SPORTS Denny's

BIG LOTS! SCOOTERS RAC Rent-A-Center
 BURGER KING WAYBACK San Jose MEXICAN RESTAURANT

Walmart Supercenter TSC TRACTOR SUPPLY CO
 HIBBETT DISCOUNT SPORTS TIRE Arby's
 T-Mobile Applebee's CHIPOTLE MEXICAN GRILL
 Domino's jiffylube multicare SALLY BEAUTY Jersey Mike's SUBS
 Marco's Pizza STAPLES metro by T-Mobile

planet fitness JIMMY JOHN'S

Thornberry Park Apartment Homes
 264 Units

Smithfield's
 CHICKEN 'N BAR-B-Q

AutoZone

First Citizens Bank

ZAXBY'S

COOK-OUT

verizon Valvoline chilis Wendy's

LOWE'S

Target **BED BATH & BEYOND** Harris Teeter
 Beyond any store of its kind. Neighborhood Food & Pharmacy
Marshall's **belk** MODERN SOUTHERN STYLE
BEST BUY **PET SMART** Panera BREAD
SUBWAY **ROSS** DRESS FOR LESS
 Olive Garden **SportClips** HAIRCUTS
PNC **MATTRESS FIRM** **Moe's** Southwest

goodwill **SONIC** Chick-fil-**z**
Hardee's

ALDI **Aaron's** Ashley HOMESTORE **MR. TIRE** AUTO SERVICE CENTERS

Bojangles' MCDONALD'S

VINSON-BYNUM ELEMENTARY SCHOOL
 368 Students

WILSON CHRISTIAN ACADEMY
 509 Students

O'Reilly AUTO PARTS
DOLLAR GENERAL
 boostmobile

CVS pharmacy

WAFFLE HOUSE

WALGREENS

FOOD LION

Wilson Medical Center

LOCATION OVERVIEW



WILSON

Only a short distance outside of the hustle and bustle of North Carolina's capital city of Raleigh, the town of Wilson offers its own variety of fun things to do year-round. One of the main draws in town for visitors is the Whirligig Park, but there's much more to Wilson than this one-of-a-kind park.

The town boasts that it has "Southern culture focused on the arts," which can be seen in the many unique craft shops, festivals, and more. Wilson, North Carolina is also a great place for anyone who loves exploring gardens.

RALEIGH

Raleigh, the capital city of North Carolina, is one of the South's most vibrant, eclectic cities where eclectic meets traditional and historic meets modern. Centrally located along the USA's eastern coast, the city forms part of North Carolina's famed Research Triangle, a wellspring of education, research, and technical innovation.

Get your toes tapping to the sounds of emerging music and bands, as well as rollicking bluegrass festivals and more. Invigorate your senses by sampling the many flavors of artisan craft brews and spirits. Discover gifts and treasures from local boutiques, including many handmade and custom designs for truly eclectic finds. And, join in broadening your horizons through an enticing array of visual and performing arts exhibitions.

With mild winters and warm summers, Raleigh invites outdoor recreation all year. Pedal, jog or walk along boardwalks, paths and bridges spotting historical sites and scenic wetlands on the 44-kilometer Neuse River Greenway Trail. Hike through forests and nature trails at the popular William B. Umstead State Park or paddle the Neuse River Canoe Trail.

Source: <https://vacationidea.com/north-carolina/best-things-to-do-in-wilson-nc.html>, <https://www.visitraleigh.com/>, <https://www.visittheusa.com/destination/raleigh>



45.9 MILES
EAST OF
RALEIGH, NC



57.0 MILES
RALEIGH-DURHAM
INTERNATIONAL AIRPORT



28.7 MILES
CAROLINA
PREMIUM OUTLETS



2.5 MILES
BARTON
COLLEGE



BARTON COLLEGE



WHIRLINGIG STATION



PNC ARENA

RALEIGH - DURHAM - CHAPEL HILL

The Raleigh-Durham-Chapel Hill metro is located in the north-central portion of North Carolina where the North American Piedmont and Atlantic Coastal Plain regions join. The market is approximately a two-hour drive west of the Atlantic ocean and four-hour commute east of the Appalachian Mountains. The metro is composed of 11 counties: Wake, Durham, Johnston, Chatham, Orange, Franklin, Harnett, Vance, Granville, Lee, and Person. The most highly populated is Wake County with more than 1.1 million residents, almost half of the entire metro's populous. Raleigh, home to the state capitol, has approximately 467,500 citizens, which leads the region. Durham is the second-largest city with 273,000 residents, followed by Cary, where roughly 164,400 people live.



Highly Skilled Workforce

Numerous world-renowned colleges and universities are located in the metro and contribute to an educated labor pool.



Affordable Cost of Living

A metro median home price of roughly \$350,000 is lower than many other East Coast communities and the annual median household income is well above that of the U.S.



High-Tech Employment

The Research Triangle Park attracts and fosters high-tech and biotechnology firms.



QUALITY OF LIFE

Situated on rolling hills between the Atlantic coast beaches and the Appalachian Mountains, the Raleigh-Durham-Chapel Hill region provides a wide variety of outdoor activities. Sports enthusiasts follow the Atlantic Coast Conference rivalry among the University of North Carolina, Chapel Hill, North Carolina State, and Duke. Also, the NHL's Carolina Hurricanes play in Raleigh and minor league baseball is represented by the Durham Bulls and the Carolina Mudcats.

The region also provides many cultural opportunities, such as the Carolina Theater, Carolina Ballet, North Carolina Symphony, and NC Opera. Venues include the Durham Performing Arts Center, the Time Warner Cable Music Pavilion at Walnut Creek, and the Raleigh Amphitheatre and Festival Site.

LOCATION OVERVIEW



ECONOMY

A pillar of the Raleigh-Durham-Chapel Hill economy is the Research Triangle Park (RTP), spanning 7,000 acres and home to more than 300 global companies that employ roughly 50,000 salaried employees.

In addition to a thriving life-sciences sector, the metro is home to one of the fastest-growing CleanTech clusters, with a host of companies focused on smart grid technologies, electric vehicles, and renewable energy.

The metro ranks high in tech jobs, partially attributed to three Tier 1 universities: Duke University, North Carolina State University, and University of North Carolina at Chapel Hill.



DEMOGRAPHICS

The metro is projected to add nearly 228,800 people over the next five years, which will result in the formation of 93,600 households.

A median home price of \$350,000 allows 64% of households to own their homes, on par with the national level.

Roughly 42% of people age 25 and older hold a bachelor's degree; among these residents, 16% have also earned a graduate or professional degree.

TOP EMPLOYERS

EMPLOYER	EMPLOYEES	INDUSTRY
Duke University and Health System	43,108	Higher Education
IBM Corp.	400,000 (Worldwide)	Technology Company
WakeMed Health and Hospitals	8,000	Healthcare
Cisco Systems Inc.	71,000+ (Worldwide)	Communications and Information Technology
UNC Rex Healthcare	5,500	Healthcare
SAS Institute Inc.	13,946	Software
Walmart Inc.	56,000+	Retail and Wholesale
Harris Teeter	30,000	Supermarket
Food Lion	65,250	Grocery Retail
Target Corp.	350,000 (Worldwide)	Retail

POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	4,974	38,284	53,862
2021 Population	4,968	38,589	54,505
2026 Population	4,972	38,861	54,997

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Households	2,145	15,710	21,463
2021 Households	2,155	15,939	21,842
2026 Households	2,178	16,144	22,170

INCOME	1-MILE	3-MILE	5-MILE
Median Household Income	\$71,891	\$47,915	\$46,654
Per Capita Income	\$40,732	\$27,961	\$26,646
Average Household Income	\$93,078	\$66,587	\$65,654

POPULATION

In 2021, the population in your selected geography is 54,505. The population has changed by 10.54% since 2000. It is estimated that the population in your area will be 54,997 five years from now, which represents a change of 0.90% from the current year. The current population is 46.56% male and 53.44% female. The median age of the population in your area is 39.8, compare this to the Entire US average which is 38.4. The population density in your area is 693.61 people per square mile.

HOUSEHOLDS

There are currently 21,842 households in your selected geography. The number of households has changed by 13.64% since 2000. It is estimated that the number of households in your area will be 22,170 five years from now, which represents a change of 1.50% from the current year. The average household size in your area is 2.43 persons.

INCOME

In 2021, the median household income for your selected geography is \$46,654, compare this to the Entire US average which is currently \$65,694. The median household income for your area has changed by 43.11% since 2000. It is estimated that the median household income in your area will be \$46,801 five years from now, which represents a change of 0.31% from the current year.

The current year per capita income in your area is \$26,646, compare this to the Entire US average, which is \$36,445. The current year average household income in your area is \$65,654, compare this to the Entire US average which is \$94,822.

EDUCATION

The highest level of 2021 educational attainment in your selected area is as follows: 6.74% percent graduate degree, 16.33% percent bachelor's degree, 8.47% percent associate degree, 20.16% percent some college, 28.78% percent high-school graduate, 12.18% percent some high school and 7.33% percent elementary.

The U.S. averages are 12.05% percent graduate degree, 19.52% percent bachelor's degree, 8.35% percent associate degree, 20.53% percent some college, 27.23% percent high-school graduate, 7.09% percent some high school and 5.24% percent elementary.

HOUSING

In 2000, there were 10,349 owner occupied housing units in your area and there were 8,871 renter occupied housing units in your area. The median rent at the time was \$341.

EMPLOYMENT

In 2021, there are 28,262 employees in your selected area, this is also known as the day-time population. The 2000 Census revealed that 50.35% of employees are employed in white-collar occupations in this geography, and 49.43% are employed in blue-collar occupations. In 2021, unemployment in this area is 8.00%. In 2000, the average time traveled to work was 21.9 minutes.

