



HIGH PERFORMING STORE

SONIC DRIVE-IN

1600 South Main Street
London, Kentucky 40741

- » **Absolute-Net (Zero Landlord Responsibilities):** New 20 Year Lease with Attractive 1.5% Rental Increases Annually to Hedge Against Inflation.
- » **Strong Existing Operating Entity:** SOAR Restaurants II, LLC Operates 95 Units and Will Continue to Grow Over Time.
- » **High Performing Store:** Existing above National Average Store Sales with Continued Upside Through New Operator Ownership.
- » **Strong Location & Excellent Visibility:** Sonic Drive-In is Located on South Main Street and Just Off KY-129 for a Combined 40,144 Vehicles Per Day.
- » **Near London's Major Schools:** 1/2 Mile from Sonic sits South Laurel Middle School (1,058 Students) and South Laurel High School (1,221 Students).



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Dollar Tree

Little Caesars

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COMMUNITY COLLEGE

Sommerset
Community
College
Laurel Campus

Hardee's

Subject Property

SONIC

SUBWAY

PIZZA
PAPA JOHN'S

BR
baskin
robbins

NISSAN

DQ

McDonald's

Bojangles

Wendy's

South Laurel Middle School
1,058 Students

South Laurel High School
1,221 Students

Ford

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FREIGHT

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Advance
Auto Parts

Krystal

CAPTAIN D'S
SEAFOOD KITCHEN

SONIC DRIVE-IN

Address:	1600 South Main Street London, Kentucky 40741
Price:	\$3,249,553
CAP:	4.85%
NOI:	\$157,603

INVESTMENT SUMMARY

Lease Type:	Absolute-Net
Landlord Responsibility:	None
Year Built / Remodeled:	2003 / 2017
Building Area:	1,417 SF
Land Area:	33,541 SF
Vehicles Per Day:	12,572 (S Main St)
10 Mile Radius Population:	56,750



HIGHLIGHTS

- » **Absolute-Net (Zero Landlord Responsibilities):** New 20 Year Lease with Attractive 1.5% Rental Increases Annually to Hedge Against Inflation.
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- » **High Performing Store:** Existing above National Average Store Sales with Continued Upside Through New Operator Ownership.
- » **Strong Location & Excellent Visibility:** Sonic Drive-In is Located on South Main Street and Just Off KY-129 for a Combined 40,144 Vehicles Per Day.
- » **Near London’s Major Schools:** 1/2 Mile from Sonic sits South Laurel Middle School (1,058 Students) and South Laurel High School (1,221 Students).
- » **Excellent Demographics:** Within a 10 Mile Radius Population is 56,750, Households 22,214, and the Average Household Income is \$59,384.
- » **Nearby National Tenants:** Walmart, Lowes, Kroger, Tractor Supply Co, Chick-fil-A, Walgreens, Burger King, Taco Bell, Bojangles, Wendy’s, Harbor Freight Tools, Office Depot, Texas Roadhouse, Starbucks, McDonald’s, Dairy Queen, Frisch’s, Game Stop, Hardee’s, and Papa John’s to Name a Few.



TENANT OVERVIEW

For more than 60 years, SONIC, America’s Drive-In has built a dominant position in the drive-in restaurant business. They did it by sticking to what made drive-ins so popular in the first place: made-to-order American classics, signature menu items, speedy service from friendly Carhops and heaping helpings of fun and personality.

SONIC is the nation’s largest drive-in restaurant chain serving more than 3 million customers every day. Nearly 90 percent of SONIC’s 3,500 drive-in locations are owned and operated by local business men and women. SONIC has delighted guests with signature menu items, more than 1.3 million drink combinations and friendly service by iconic Carhops.

Company Name:	Headquarters:
Sonic Drive-In	Oklahoma City, OK
Number of Stores:	Customers Per Day:
3,500+	3+ Million
Year Founded:	Number of Employees:
1953	9,200+

OPERATOR OVERVIEW

Based out of Dallas, Texas - CMG Companies is a Franchise Times top 25 multi-unit franchise operator of restaurants, retail, and hotels. CMG operates in 30+ states with approximately 350+ restaurants, 110+ retail units and hotels, along with interests in real estate and other commercial investments. Their humble backgrounds and roots are centered in the hospitality space, operating restaurants since 2001 and hotels since 2010. Brands that CMG are currently involved with are KFC, Taco Bell, Marriott, Hilton, IHG, Genghis Grill, Sonic, Little Caesars, Rent-A-Center and Ace Hardware to name a few.

TENANT SUMMARY


Tenant Name:	Sonic Drive-In
Operating Entity:	SOAR Restaurants II, LLC (95 Units)
Type of Ownership:	Fee Simple
Lease Type:	Absolute-Net
Landlord Responsibilities:	None
Rent Commencement:	Close of Escrow
Lease Expiration:	20 Years From COE
Term Remaining:	20 Years
Increases:	1.5% Annually
Options:	Four, 5 Year



ANNUALIZED OPERATING DATA

Base Rent	Annually	Monthly
Year 1	\$157,603.00	\$13,133.58
Year 2	\$159,967.05	\$13,330.59
Year 3	\$162,366.55	\$13,530.55
Year 4	\$164,802.05	\$13,733.50
Year 5	\$167,274.08	\$13,939.51
Year 6	\$169,783.19	\$14,148.60
Year 7	\$172,329.94	\$14,360.83
Year 8	\$174,914.89	\$14,576.24
Year 9	\$177,538.61	\$14,794.88
Year 10	\$180,201.69	\$15,016.81
Year 11	\$182,904.72	\$15,242.06
Year 12	\$185,648.29	\$15,470.69
Year 13	\$188,433.01	\$15,702.75
Year 14	\$191,259.51	\$15,938.29
Year 15	\$194,128.40	\$16,177.37
Year 16	\$197,040.32	\$16,420.03
Year 17	\$199,995.93	\$16,666.33
Year 18	\$202,995.87	\$16,916.32
Year 19	\$206,040.81	\$17,170.07
Year 20	\$209,131.42	\$17,427.62

REGIONAL MAP

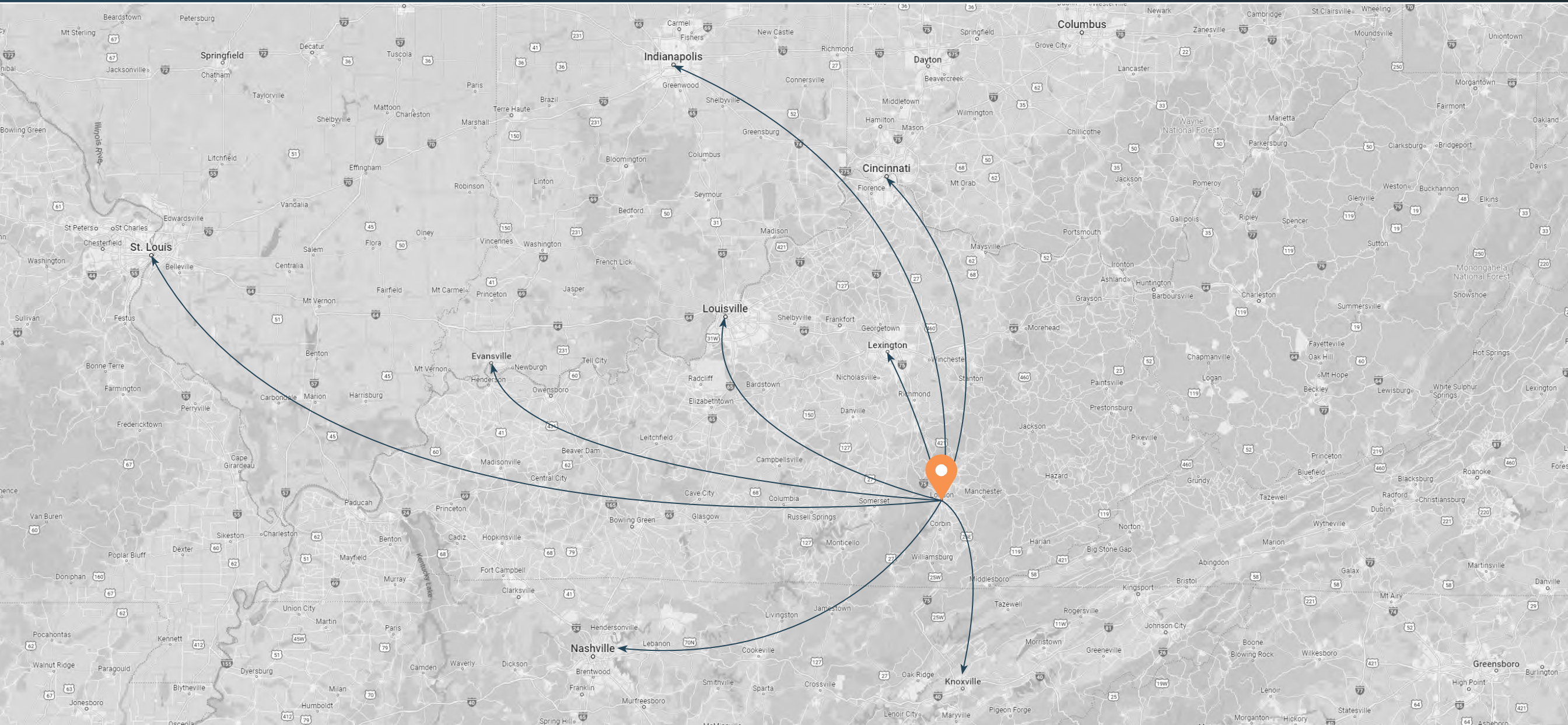
	Subject Property
	London, KY

76 Miles	Lexington, KY
97 Miles	Knoxville, TN

142 Miles	Louisville, KY
205 Miles	Nashville, TN

257 Miles	Evansville, IN
190 Miles	Cincinnati, OH

260 Miles	Indianapolis, MN
409 Miles	St. Louis, MO



LONDON, KENTUCKY

London is a “vacation crossroads” with a relatively low cost of living, which has made our city and a center for business, shopping, entertainment, education and health-care. London also enjoys a sound base of industrial and retail business, and our schools are exemplary. Moderately priced housing, low utility costs, a moderate climate and proximity to huge forests, beautiful lakes, tourist attractions and the metropolitan areas of Lexington and Knoxville combine to make London a very special place for visitors, new residents, and business opportunities.

The City of London’s rights were granted in the Commonwealth of Kentucky in 1826. Since then, London has grown with over 8,000 residents, has been named the Cycling Capital of Kentucky, Kentucky’s 5th official Trail Town, certified as a Tree City by Tree City USA, and annually hosts the World Chicken Festival.



DEMOGRAPHICS

	3 Mile	5 Mile	10 Mile
Population:	16,015	27,136	56,750
Households:	6,595	10,789	22,214
Household Income:	\$61,391	\$62,984	\$59,384

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NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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