

ACTUAL SITE PHOTO



\$1,411,765

5.95% CAP RATE

- » **STRONG LOCATION IN GROWING MARKET**
 - » Shadow Anchored by Extremely Busy Walmart Supercenter
 - » Surrounded by Dozens of New-Built Nationally Recognized Retailers
- » **RECESSION RESISTANT INVESTMENT**
 - » Strong Rent-to-Sales Ratio (7.30%±)
 - » Annual Rent Increases
 - » Zero Landlord Responsibilities
- » **UPDATED THIRD PARTY REPORTS ON FILE**
 - » Brand New Survey (11/2022)
 - » Brand New Clean Phase I (11/2022)

OFFERING MEMORANDUM

16056 US-280, Chelsea, AL 35043



- | 10+ Years Remaining
- | Absolute Net Lease
- | Dense Retail Area

CONTENTS

1

INVESTMENT DETAILS

2

LOCAL AERIALS

3

EXECUTIVE SUMMARY

4

TENANT OVERVIEW

5

MARKET OVERVIEW

6

DEMOGRAPHICS

WHY INVEST?



LOCATION

- ✓ Shadow Anchored by Extremely Busy Walmart Supercenter
- ✓ Strategically Positioned on US-280 | Daily Traffic Volume of 35,000±
- ✓ Chelsea, AL is Widely Considered the Fastest Growing City in Shelby County, One of the Fastest-Growing Counties in Alabama
- ✓ Surrounding Tenants: Walmart Supercenter, Dollar Tree, Publix, Winn Dixie, Tractor Supply Co, Sherwin Williams, AutoZone, Walgreens, Regions Bank, UPS, Advance Auto Parts, and Many More
- ✓ Located Just 10-Miles from Birmingham, AL; 45-Miles from Montgomery, AL; 145-Miles from Atlanta, GA



LEASE

- ✓ Operated by The Starboard Group (100+ Units)
- ✓ Guaranteed by 4-Unit Carveout Entity
- ✓ Healthy Rent-to-Sales Ratio (7.30%±)
- ✓ Absolute-NNN Lease | No LL Responsibilities Making This a Perfect Investment for Out of State Investors
- ✓ Rent Increases of 1% Annually
- ✓ Nearly 11 Years Remaining on Base Lease Term w/ Four (4), Five (5) Year Renewal Options



TENANT

- ✓ The Starboard Group is One of the Largest Restaurant Franchisees in America
- ✓ Total 2021 Sales in Excess of \$168 Million
- ✓ Founded in 1999, the Starboard Group Operates Wendy's, In Addition to Other concepts, Distributed Across the South Eastern, Midwestern, and Eastern States

Walmart 
Supercenter



Wendy's

280 35,096± AADT



BIRMINGHAM, ALABAMA
 10-MILES AWAY



Walmart
 Supercenter

MURPHY USA

280
35,096± AADT

Coosa Pines
 Federal Credit Union

marc-1
CAR WASH

SONIC

REGIONS

Wendy's

ANYTIME FITNESS
 Get to a healthier place.
CATO
 Look Smart. Buy Smart.

DOLLAR TREE



ALSO AVAILABLE FOR SALE
2ND GEN RESTAURANT SPACE
2019 REMODEL W/ DRIVE THRU
2,063 SF BLDG | 0.73 AC LOT
CONTACT AGENT FOR DETAILS

ALSO AVAILABLE FOR SALE
COMMERCIAL LOT
36,155 SF (0.83 ACRES)
CONTACT AGENT FOR DETAILS

DEMOGRAPHICS	3-Miles	5-Miles	10-Miles
Total Population (2022)	11,914	29,372	109,068
Projected Growth ('22-'27)	9.96%	9.07%	6.16%



16056 US-280,
Chelsea, AL 35043



16056 US-280,
Chelsea, AL 35043



35,096±
ANNUAL AVERAGE
DAILY TRAFFIC (US-280)

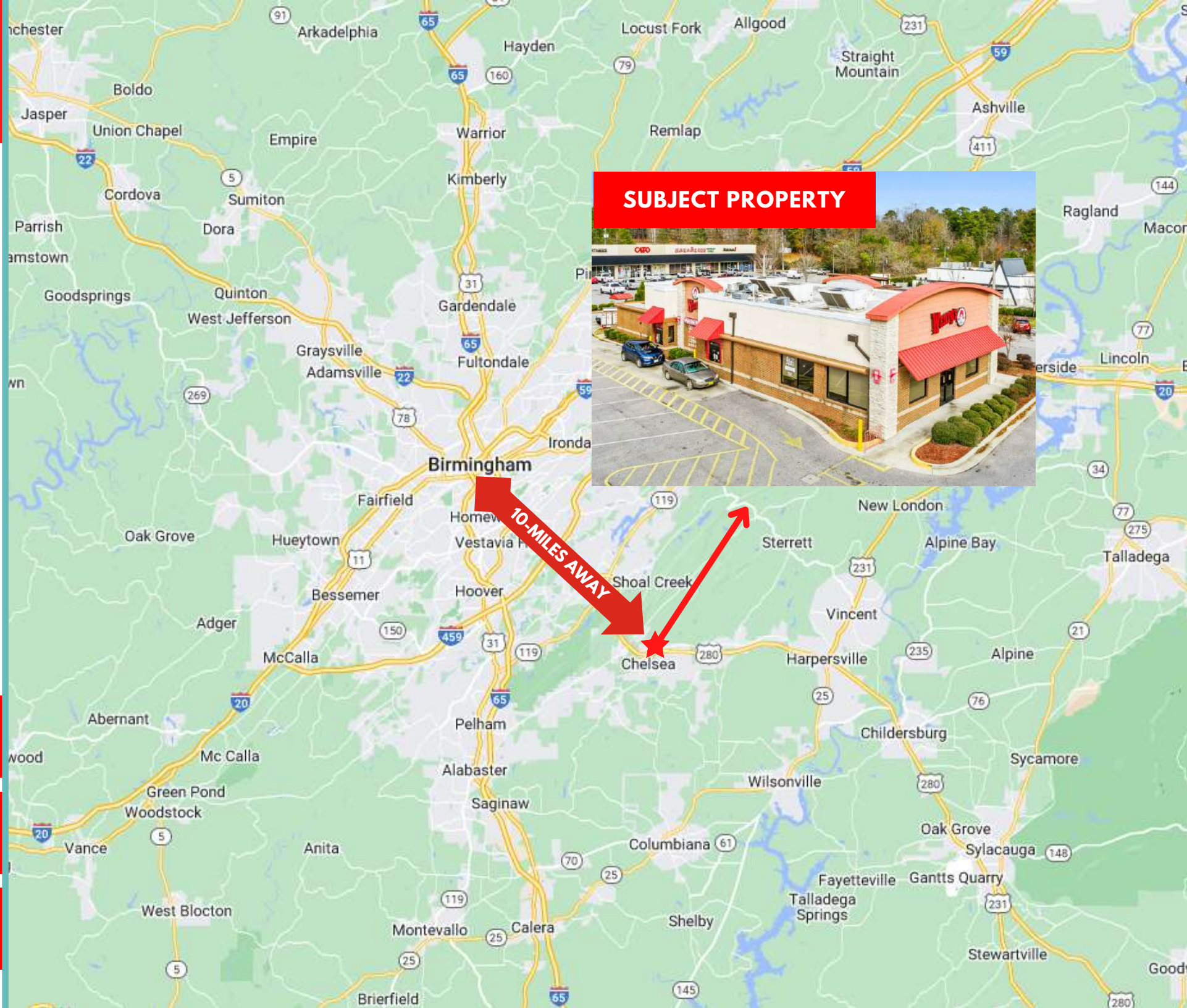


10%±
PROJECTED POPULATION
INCREASE 2022-2027

10-MILES FROM
BIRMINGHAM, AL

75-MILES FROM
MONTGOMERY, AL

145-MILES FROM
ATLANTA, GA



EXECUTIVE SUMMARY



LIST PRICE

\$1,411,765



CAP RATE

5.95%



LEASE TERM

10.75 YEARS



The Property

PROPERTY ADDRESS	16056 US-280, Chelsea, AL 35043
ASSET CLASS	Single Tenant QSR
LEASE TYPE	Absolute-Net
OPERATOR	Starboard Group (100+ Unit Operator 4-Unit Guarantee)

Site Description

PARCEL	09-7-26-0-001-023.002
BUILDING SIZE	3,306± SF
LOT SIZE	1.10± AC
PARKING SPACES	37 Spaces
YEAR BUILT	2013

Investment Overview

PRICE	\$1,411,765
NET OPERATING INCOME	\$84,000
CAP RATE	5.95%
RENEWAL OPTIONS	Four (4), Five (5) Year Options
LEASE COMMENCEMENT	09/02/2013
LEASE EXPIRATION	09/30/2033
RENT INCREASES	1% Annually

HIGHLIGHTS

PRICE	\$1,411,765
NOI	\$84,000
CAP RATE	5.95%
LOT SIZE	1.10 AC
BUILDING SIZE	3,306 SF
LEASE COMMENCEMENT	09/02/2013
LL RESPONSIBILITIES	None
FIRM TERM EXPIRATION	09/30/2033

FEATURES

- Updated 3rd Parties on File (Survey/Phase I)
- Located in Dense Retail Corridor Along U.S. Route 280 (Main Connector of Birmingham, AL and Auburn, AL)
- Strategically Shadow Anchored by Extremely Busy Walmart Supercenter
- Surrounded by Newly Built National Retailers and Hospitality Accommodations Including: Dollar Tree, Publix, Winn Dixie, La Quinta Inn (Coming 2023), Sherwin Williams, Circle K, Walgreens, Advance Auto Parts, Regions Bank, and Many More

WENDY'S

ABSOLUTE NNN INVESTMENT OPPORTUNITY

RECCESION RESISTANT CONCEPT W/ DRIVE THRU

This freestanding Wendy's is located in front of a Walmart Supercenter on a large 1.10 acre lot in Chelsea, AL. The property benefits from its strategic location alongside US-280, a major connector between Birmingham and Auburn, with a daily traffic volume of approximately 35,000 vehicles.

This Wendy's is operated by The Starboard Group, a 100+ unit restaurant operator, and is offered with 10.75± years remaining on the base term of an Absolute-NNN lease, featuring annual rent increases of 1% to hedge against inflation.

Chelsea is located in close proximity to the Birmingham MSA, with a population of 1,115,289±, and is about 10-miles from Birmingham, 75-miles from Montgomery, and 145-miles from Atlanta. Chelsea is widely considered the fastest growing city in Shelby County, which is one of the fastest-growing counties in Alabama.



BRAND AND TENANT OVERVIEW

THE STARBOARD GROUP



Securing the success of your investment...

Founded in 1999, The Starboard Group operates 100+ restaurants, including Wendy's and other concepts, distributed across the South Eastern, Midwestern, and Eastern States

No matter what restaurant chain you enter, The Starboard Group's mission is to create a safe and healthy environment for all guests and stakeholders. They work hard to create exceptional value. Finding hard-working and talented employees and giving back to the community are critical components of their mission.

The vision for The Starboard Group has remained consistent over the years: to be a premiere franchisee for Wendy's, and other quick dining restaurants across the nation. They have a talented team focused on creating a meaningful customer experience with every meal served.



**100+
UNIT OPERATOR**



**\$168.2+ MILLION
IN ANNUAL SALES**



**3,500+
EMPLOYEES**



OPERATOR:	The Starboard Group
GROSS LEASABLE AREA:	3,306 SF
GUARANTOR:	4-Unit Carveout Entity
RENT COMMENCEMENT:	09/02/2013
BASE TERM EXPIRATION:	09/30/2033
RENT INCREASES:	1% Annually
MONTHLY RENT:	\$7,000

IN THE NEWS...



Wendy's Drops New Sandwich and Fries

By The Wendy's Company | November 16, 2022

Wendy's all-new Italian Mozzarella Chicken Sandwich, Italian Mozzarella Cheeseburger and Garlic Fries are bringing bold and savory innovation to menus.

"We have a winning track record of taking familiar favorites and combining them in exciting new ways to deliver a culinary experience that you won't find anywhere else. The Italian Mozzarella Sandwiches are forged from the same delicious inspiration and innovation, giving fans an adventurous flavor experience with every bite," said John Li, Vice President of Culinary Innovation for the Wendy's Company. "We're not just about creating game-changing sandwiches though, we're continuing to innovate with what we believe are category-best French Fries, as well."

FULL
ARTICLE



Wendy's Uses Innovation to Jolt Sales

By Ben Coley of QSR Magazine | November 9, 2022

Wendy's breakfast daypart is close to meeting its 2022 year-end goal thanks to the menu's first piece of major menu innovation—Homestyle French Toast Sticks.

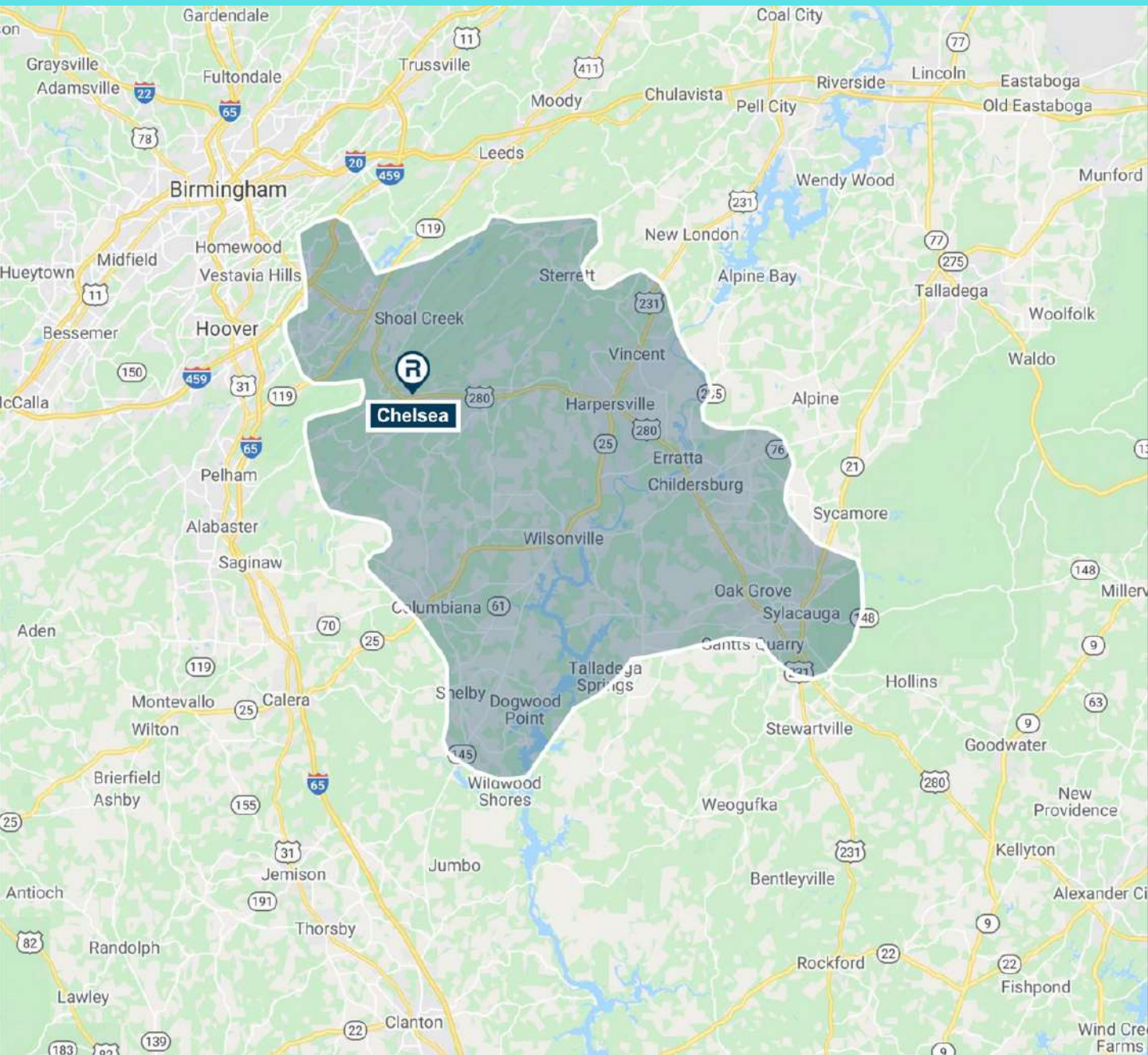
The product, launched in August and now the No. 1 selling breakfast item, drove "meaningful acceleration" in U.S. breakfast sales across the third quarter. CEO Todd Penegor said the response from customers has been "overwhelmingly positive." The morning daypart's average weekly sales per unit approached \$3,000—the benchmark Wendy's hopes for in 2022—as the chain exited Q3. It earned around \$2,700 in Q1 and Q2. The chain is confident that French Toast Sticks, combined with a \$3 croissant promotion, will lift the brand past \$3,000 before the year is over.

FULL
ARTICLE



CHELSEA TRADE AREA

SHELBY COUNTY | ALABAMA



134,570

Trade Area
Population



138,537

Trade Area Daytime
Population



\$87,718

City Median
Household Income



45%

City Bachelor
Degree or Higher

29%

Population
Increase Since
2010



MARKET OVERVIEW

Chelsea, Alabama

One of The Fastest Growing Cities in Alabama

Chelsea is widely considered the fastest growing city in Shelby County, which is one of the fastest-growing counties in the state; there's a reason Chelsea recently adopted "Home is Here" as part of its new branding campaign. Chelsea prides itself on being a popular destination for families and it is reflected throughout the City.

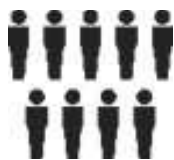
From a robust housing market to newly developed City amenities and excellent schools, Chelsea strives to provide hometown charm to citizens and visitors alike. Chelsea also embraces business evidenced by multiple retail groundbreaking events in recent months and a newly City-owned and developed business park for IT, Biotech and high tech startups that choose Chelsea to take advantage of its highly educated residents.

Chelsea has extensive growth potential from scenic rolling wooded hills for continued residential development to the busy U.S. Highway 280 corridor for vast commercial development potential.



DEMOGRAPHICS

Selected Geography: 10-Miles Radius



POPULATION

In 2022, the population in your selected geography is 116,626. The population has changed by 62.9 percent since 2000. It is estimated that the population in your area will be 123,968 five years from now, which represents a change of 6.3 percent from the current year. The current population is 48.2 percent male and 51.8 percent female. The median age of the population in your area is 40.3, compared with the U.S. average, which is 38.6.



HOUSEHOLDS

There are currently 47,281 households in your selected geography. The number of households has changed by 65.3 percent since 2000. It is estimated that the number of households in your area will be 50,350 five years from now, which represents a change of 6.5 percent from the current year.



INCOME

In 2022, the median household income for your selected geography is \$94,211, compared with the U.S. average, which is currently \$66,422. The median household income for your area has changed by 48.7 percent since 2000. It is estimated that the median household income in your area will be \$110,660 five years from now, which represents a change of 17.5 percent from the current year.



EDUCATION

The selected area in 2022 had a higher level of educational attainment when compared with the U.S. averages. 19.9 percent of the selected area's residents had earned a graduate degree compared with the national average of only 12.3 percent, and 35.4 percent completed a bachelor's degree, compared with the national average of 19.7 percent.



HOUSING

The median housing value in your area was \$362,383 in 2022, compared with the U.S. median of \$250,735. The average household size in your area is 2.4 people.



EMPLOYMENT

In 2022, 64,842 people in your selected area were employed. The 2000 Census revealed that 81.3 percent of employees are in white-collar occupations in this geography, and 18.7 percent are in blue-collar occupations. In 2022, unemployment in this area was 2.0 percent.

Actual Site Photo



OFFERING MEMORANDUM

16056 US-280,
CHELSEA, AL 35043





CONFIDENTIALITY & DISCLAIMER

THE INFORMATION CONTAINED IN THE FOLLOWING MARKETING BROCHURE IS PROPRIETARY AND STRICTLY CONFIDENTIAL. IT IS INTENDED TO BE REVIEWED ONLY BY THE PARTY RECEIVING IT FROM MARCUS & MILLICHAP AND SHOULD NOT BE MADE AVAILABLE TO ANY OTHER PERSON OR ENTITY WITHOUT THE WRITTEN CONSENT OF MARCUS & MILLICHAP. THIS MARKETING BROCHURE HAS BEEN PREPARED TO PROVIDE SUMMARY, UNVERIFIED INFORMATION TO PROSPECTIVE PURCHASERS, AND TO ESTABLISH ONLY A PRELIMINARY LEVEL OF INTEREST IN THE SUBJECT PROPERTY. THE INFORMATION CONTAINED HEREIN IS NOT SUBSTITUTE FOR A THOROUGH DUE DILIGENCE INVESTIGATION. MARCUS & MILLICHAP HAS NOT MADE ANY INVESTIGATION, AND MAKES NO WARRANTY OR REPRESENTATION, WITH RESPECT TO THE INCOME OR EXPENSES FOR THE SUBJECT PROPERTY, THE FUTURE PROTECTED FINANCIAL PERFORMANCE OF THE PROPERTY, THE SIZE AND SQUARE FOOTAGE OF THE PROPERTY AND IMPROVEMENTS, THE PRESENCE OR ABSENCE OF CONTAMINATING SUBSTANCES, PCB'S OR ASBESTOS, THE COMPLIANCE WITH STATE AND FEDERAL REGULATIONS, THE PHYSICAL CONDITION OF THE IMPROVEMENTS THEREON, OR THE FINANCIAL CONDITION OR BUSINESS PROSPECTIVES OF ANY TENANT, OR ANY TENANT'S PL ANS OR INTENTIONS TO CONTINUE ITS OCCUPANCY OF THE SUBJECT PROPERTY. THE INFORMATION CONTAINED IN THIS MARKETING BROCHURE HAS BEEN OBTAINED FROM SOURCES WE BELIEVE RELIABLE.

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 TH AT 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.

NON-ENDORSEMENT NOTICE

MARCUS & MILLICHAP IS NOT AFFILIATED WITH, SPONSORED BY, OR ENDORSED BY ANY COMMERCIAL TENANT OR LESSEE IDENTIFIED IN THIS MARKETING PACK AGE. THE PRESENCE OF ANY CORPORATION'S LOGO OR NAME IS NOT INTENDED TO INDICATE OR IMPLY AFFILIATION WITH, OR SPONSORSHIP OR ENDORSEMENT BY, SAID CORPORATION OF MARCUS AND MILLICHAP, ITS AFFILIATES OR SUBSIDIARIES, OR ANY AGENT , PRODUCT, SERVICE, OR COMMERCIAL LISTING OF MARCUS & MILLICHAP, AND IS SOLELY INCLUDED FOR THE PURPOSE OF PROVIDING TENANT LESSEE INFORMATION ABOUT LISTING TO PROSPECTIVE CUSTOMERS.

SPECIAL COVID-19 NOTICE

ALL POTENTIAL BUYERS ARE STRONGLY ADVISED TO TAKE ADVANTAGE OF THEIR OPPORTUNITIES AND OBLIGATIONS TO CONDUCT THOROUGH DUE DILIGENCE AND SEEK EXPERT OPINIONS AS THEY MAY DEEM NECESSARY, ESPECIALLY GIVEN THE UNPREDICTABLE CHANGES RESULTING FROM THE CONTINUING COVID-19 PANDEMIC. MARCUS & MILLICHAP HAS NOT BEEN RETAINED TO PERFORM, AND CANNOT CONDUCT, DUE DILIGENCE ON BEHALF OF ANY PROSPECTIVE PURCHASER. MARCUS & MILLICHAP'S PRINCIPAL EXPERTISE IS IN MARKETING INVESTMENT PROPERTIES AND ACTING AS INTERMEDIARIES BETWEEN BUYERS AND SELLERS. MARCUS & MILLICHAP AND ITS INVESTMENT PROFESSIONALS CANNOT AND WILL NOT ACT AS LAWYERS, ACCOUNTANTS, CONTRACTORS, OR ENGINEERS. ALL POTENTIAL BUYERS ARE ADMONISHED AND ADVISED TO ENGAGE OTHER PROFESSIONALS ON LEGAL ISSUES, TAX, REGULATORY, FINANCIAL, AND ACCOUNTING MATTERS, AND FOR QUESTIONS INVOLVING THE PROPERTY'S PHYSICAL CONDITION OR FINANCIAL OUTLOOK. PROJECTIONS AND PRO FORMA FINANCIAL STATEMENTS ARE NOT GUARANTEES AND, GIVEN THE POTENTIAL VOLATILITY CREATED BY COVID-19, ALL POTENTIAL BUYERS SHOULD BE COMFORTABLE WITH AND RELY SOLELY ON THEIR OWN PROJECTIONS, ANALYSES, AND DECISION-MAKING.

Broker of Record:

Eddie Greenhalgh

Marcus & Millichap
15 Richard Arrington Jr. Blvd. North, Suite 300
Birmingham, AL 35203

Listing Team:

Jason Fefer

Net Leased Properties Group
jason.fefer@marcusmillichap.com
Marcus & Millichap
1900 Avenue of the Stars Suite 2000
Los Angeles, CA 90067
Tel: (310) 909-2394

Tyler Bindi

Net Leased Properties Group
tyler.bindi@marcusmillichap.com
Marcus & Millichap
1900 Avenue of the Stars Suite 2000
Los Angeles, CA 90067
Tel: (310) 909-2374

Robert Narchi

Senior Director - Net Leased Properties Group
Senior Managing Director of Investments
robert.narchi@marcusmillichap.com
Marcus & Millichap
1900 Avenue of the Stars Suite 2000
Los Angeles, CA 90067
Tel: (310) 909-5426