



Sonic

Hazel Green, AL (Huntsville MSA)



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Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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PROPERTY HIGHLIGHTS

- Absolute NNN Lease to Established Sonic Franchisee with Approximately 10 Years Remaining
- Strong Store Sales with Percentage Rent Included – 7.00% Rent-to-Sales Ratio
- Personal Guaranty from Experienced Operator with 32 Units
- Sonic is the Largest Drive-In Restaurant Brand in the U.S. with Over 3,500 Locations in 45 States
- Huntsville Area Voted #3 Best Place to Live in the Country by U.S. News
- Approximately Half a Mile from Townsend Place
- ~370 Acres of New Commercial & Residential Development



~15 MILES OUTSIDE OF THE CITY

Strong Location in Huntsville Suburb



\$80,900+ AVERAGE HOUSEHOLD INCOME

within a 5 Mile Radius



Heavily Trafficked Corridor Along U.S. Route 431

27,408 AADT AADT



FUNCTIONAL SITE

with Drive-Thru Component & Outdoor Patio Seating



CLOSE PROXIMITY TO HAZEL GREEN HIGH SCHOOL & ELEMENTARY



PROPERTY OVERVIEW



PRICE

\$2,441,000

5.50% CAP RATE

LOCATION

The property is located at 14171 Hwy 231/431 in Hazel Green, Alabama.

LOT SIZE

Approximately 1.6 acres or 70,402 square feet.

IMPROVEMENTS

A 1,490 square foot building for **Sonic Drive-In** restaurant.

LEASE

Leased to **SDI Hazel Green, AL, LLC** for 23 years from August 1, 2009 through January 15, 2033. Monthly Base Rent is the greater of \$8,600 or 7% of net monthly sales. Tenant has two consecutive options to extend the term, each for an additional five year period. The lease is NNN with tenant responsible for taxes, insurance, maintenance, and repairs, including roof and structure.

ANNUAL RENT

Years	Annual Rent	Additional % Rent (Based on TTM as of 4/23)	Total NOI
Years 11 – 23	\$103,200	\$31,054	\$134,254

FINANCING

The property will be delivered free and clear of permanent financing.

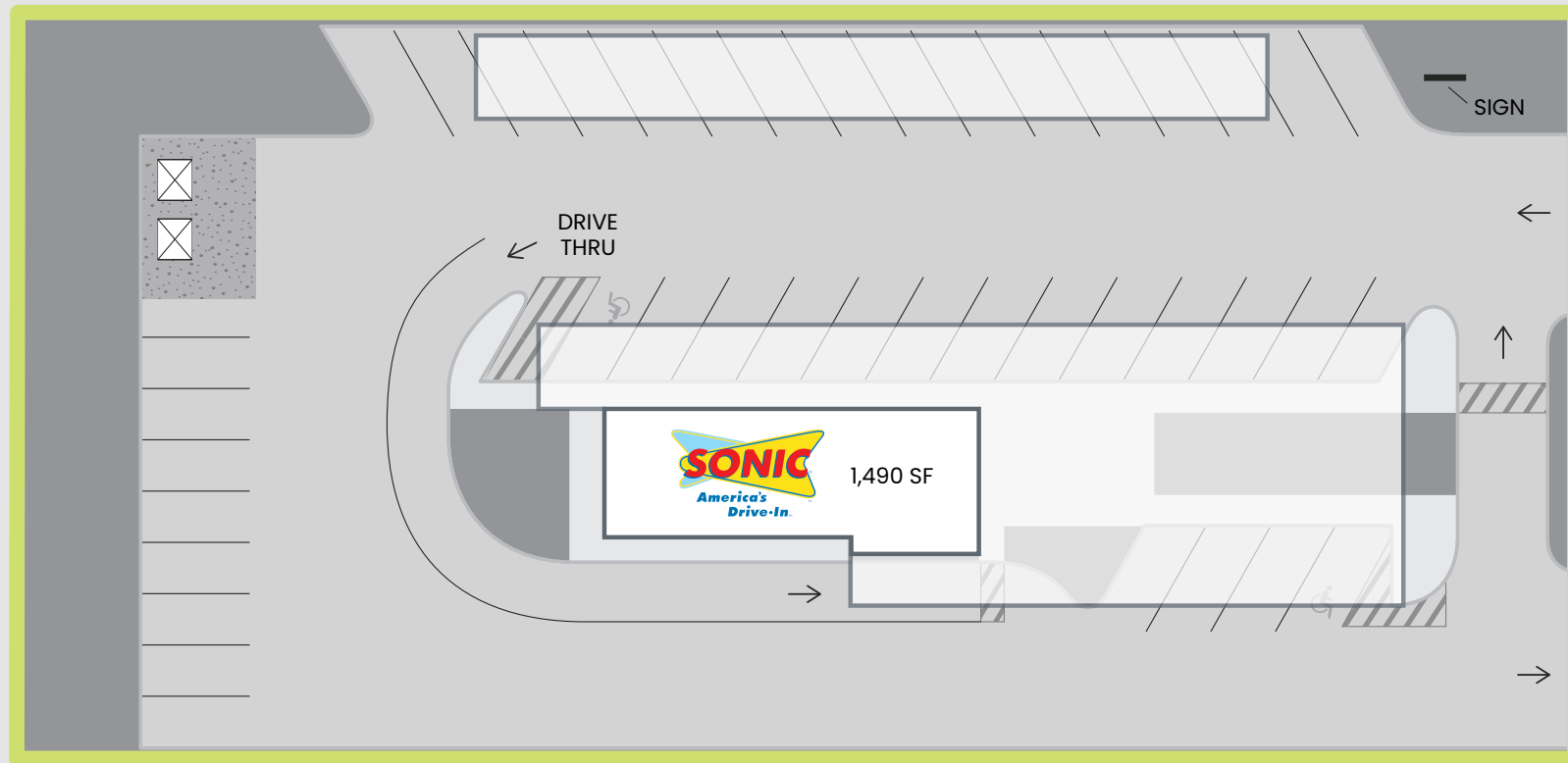
TENANT INFORMATION



Sonic is the largest drive-in restaurant brand in the U.S., with 3,548 locations across 46 states. The company serves a wide array of breakfast, lunch, and dinner options, including sandwiches, burgers, desserts, and signature soft drinks, which are brought to customers' cars by carhops, often on roller skates. The brand is ranked #38 in Entrepreneur Magazine's Franchise 500, and was ranked the #4 burger chain nationwide by QSR Magazine in 2021.

Sonic is a subsidiary of Inspire Brands, Inc., which has acquired multiple major quick-service and casual dining restaurant brands in recent years: the company acquired Buffalo Wild Wings and Rusty Taco for \$2.9 billion in 2017, Sonic for \$2.3 billion in 2018, and acquired Jimmy Johns in 2019. Overall, Inspire Brands is the 2nd largest restaurant company in the U.S., with more than 32,000 restaurants and over 3,200 franchisees across 65 countries, with total system-wide sales of \$27.4 billion. Inspire Brands is a subsidiary of Roark Capital Group, an Atlanta-based private equity firm.

SITE PLAN



WEST VIEW

Walmart
Supercenter

BURGER KING **Arby's**

Papa Murphy's **ZAXBY'S** **Great Clips** **AT&T**

Walgreens **Pet Depot**
verizon **DOLLAR TREE** **HIBBETT SPORTS**
GAME TESTED. ATHLETE APPROVED.

DOLLAR GENERAL
TACO BELL

FOODLAND
SUBWAY
EXXON **H&R BLOCK**

New Development
(325 Acres Residential
600+ New Homes)

TOWNSEND PLACE New Development
(44+ Acres Commercial)

UNITED STATES POSTAL SERVICE

Advance Auto Parts

Pierce's
wings & things

O'Reilly

SONIC
America's Drive-In

State Farm



Hazel Green High School

Hazel Green Elementary

Bank of FRANKEWING
Member FDIC

Chevron

W Limestone Rd

Joe Quick Rd



(27,408 AADT)

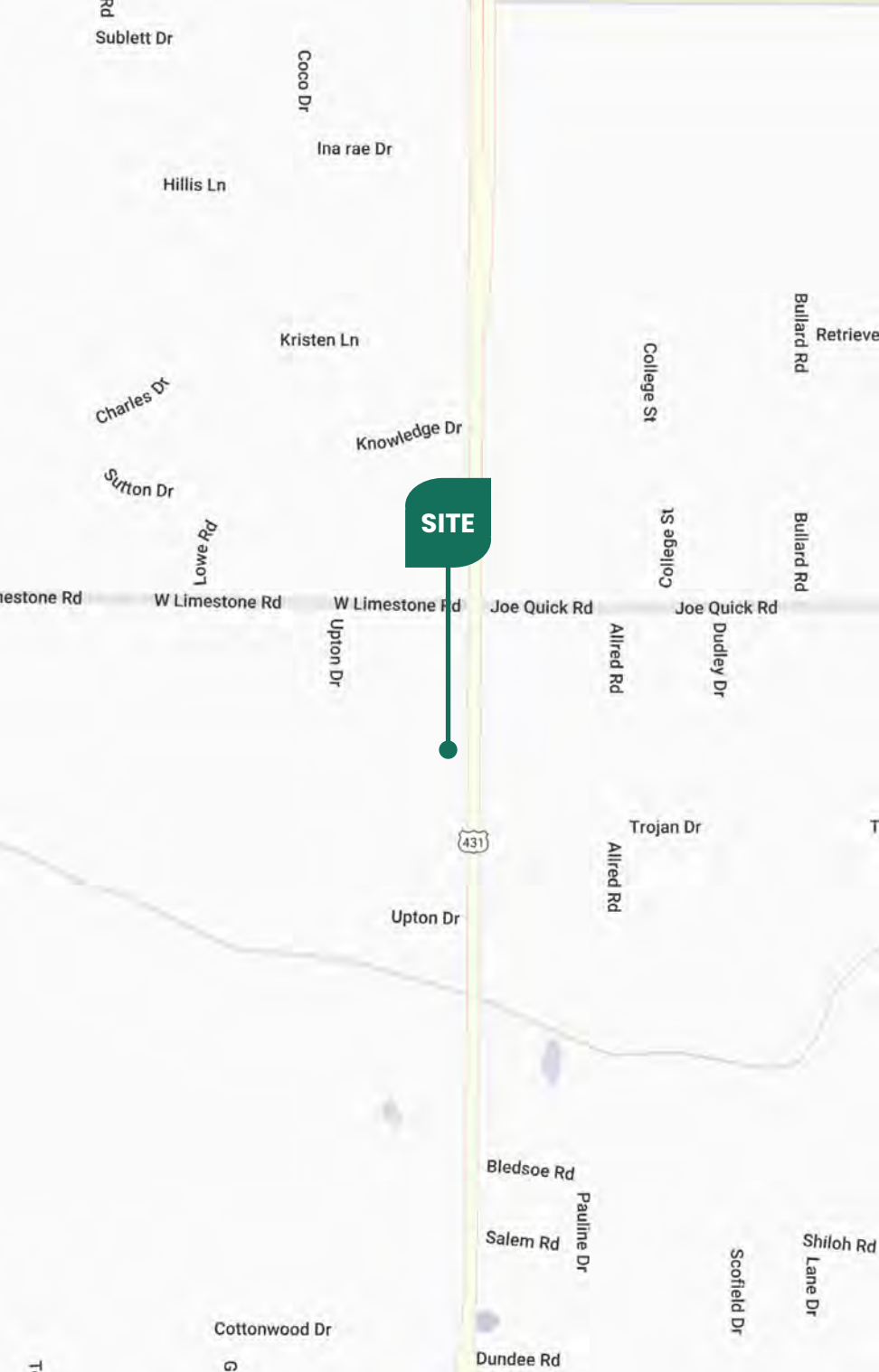


LOCATION OVERVIEW

Hazel Green is an unincorporated community on the northern side of Madison County, Alabama, just below the Tennessee line and is included in the Huntsville-Decatur Combined Statistical Area.

As of the 2010 census, the population of the Hazel Green community was 3,630 and has grown 7.5% to 3,901 in 2022, and yet the Huntsville Metropolitan Area's population of 648,217 makes it the 2nd-largest metropolitan area in Alabama. The total GDP for the Huntsville MSA is \$30,867.880M.

Huntsville is an up-and-coming research, technology, and high-tech manufacturing center in north Alabama. It is known as the "Space Capital of America." U.S. News & World Report named Huntsville the #3 Best Place to Live in the country. Forbes has named Huntsville one of the Top 20 Leading Metros for Business and Kiplinger's Personal Finance has named Huntsville one of the country's Top 10 Cities for Raising Families.



SITE INFORMATION

Sonic is strategically located with frontage on U.S. Highway 231/431 (27,408 AADT). The total daytime population is 19,967 and the average household income is \$80,900 within 5 miles.

Hazel Green High School, Hazel Green Elementary school, and two child care/development centers are all within a half mile. Other restaurants and retailers in the vicinity include Walmart Supercenter, Walgreens, O'Reilly Auto Parts, Foodland, Subway, Burger King, Zaxby's, Taco Bell, Arby's, AT&T, Verizon, and more. The new Townsend Place development is currently under construction less than half a mile north of the property. Townsend Place includes 325 acres of new single family homes and over 44 acres of commercial development along U.S. Highway 231/431.

There are 65 colleges within 100 miles of Hazel Green enrolling a total of 251,375 students. The nearest university is Alabama A & M University in Normal, with an enrollment of 5,977 students, out of nearly 10,000 applicants, is 9.7 miles from Hazel Green. A-A & M offers both undergrad and graduate programs. Oakwood University, a private college in Huntsville, is 17 miles away and has an enrollment of 1,461. Oakwood is ranked #41 in the 2022 Best Regional Colleges.

Huntsville Hospital, 15 miles south of the site, is an 881-bed hospital that serves as the regional referral center for North Alabama and southern Tennessee. It is the second-largest hospital in Alabama and has expanded its services throughout the region with the development of Huntsville Hospital Health System contributing an annual economic impact exceeding \$1 billion.

DEMOGRAPHICS



2021 POPULATION
74,539



AVG. HOME VALUE
\$222,227



AVG. HOUSEHOLD INCOME
\$81,527

14171 Highway 231/431 | Hazel Green, AL

Population Summary	3 Miles	5 Miles	10 Miles
2010 Total Population	7,037	17,110	65,324
2021 Total Population	7,991	20,161	74,539
2026 Total Population	8,331	21,293	78,080
2021-2026 Annual Rate	0.84%	1.10%	0.93%
Average Household Income			
2021	\$70,930	\$80,980	\$81,527
2026	\$82,712	\$93,963	\$93,283
Average Home Value			
2021	\$196,354	\$222,227	\$217,349
2026	\$272,564	\$287,366	\$276,286

Major Employers in Madison County

of
Employees

U.S. Army/Redstone Arsenal	30,000
NASA/Marshall Space Flight Center	6,000
Huntsville Hospital System	5,919
Huntsville City Schools	3,079
The Boeing Company	2,600
Madison County Schools	2,389
SAIC	2,229
City of Huntsville	2,206
ADTRAN	1,740
Uah	1,675



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