



# WHATABURGER

HAZEL GREEN, AL  
HUNTSVILLE MSA

OFFERING MEMORANDUM

ACTUAL LOCATION



New 20-Year Absolute NNN Ground Lease | Brand New Construction  
State-of-the-Art Building Design | \$73,076 2-Mile Radius Average Household Income

Marcus & Millichap  
GLASS HERNANDEZ GROUP



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## INVESTMENT HIGHLIGHTS

### » NEW 20-YEAR ABSOLUTE NNN GROUND LEASE

- Freestanding single tenant quick-service restaurant 100% leased to Whataburger (no Landlord management or maintenance obligations whatsoever)
- Passive long-term lease shall commence upon Close of Escrow offering a new investor the maximum attainable term

### » SCHEDULED RENT INCREASES OF 10% EVERY 5-YEARS DURING THE PRIMARY LEASE TERM & OPTIONS

### » OPEN 24 HOURS / 7-DAYS PER WEEK

### » LATEST WHATABURGER BUILDING DESIGN | LARGE OUTDOOR SEATING AREA

- Building design includes a dual-lane drive-through to expedite ordering and increase volume

### » HUNTSVILLE ALABAMA MSA LOCATION: RANKED AMONG COUNTRY'S MOST PROSPEROUS METROS FOR 2023 (BY MYELISTING.COM)

- Hazel Green is situated 20 minutes north of Huntsville and part of the Huntsville MSA
- Huntsville, AL was ranked "Best Place to Live in U.S." for 2022-2023 by U.S. News & World Report <sup>2</sup>

### » WHATABURGER - RENOWNED BURGER CHAIN & RAPIDLY EXPANDING

- Privately owned American fast-food chain with over 1,000 locations
- Headquartered in San Antonio and currently operating in 15 States
- Annual sales revenues exceed \$3.7 Billion
- Consistently Ranked in the Top 25 Fast Food chains in the U.S.

(1) Lease Terms, Building Specifications, and Demographics are estimates. Buyer is responsible for verifying during the Due Diligence process.

(2) Source: <https://huntsvillebusinessjournal.com>





## OFFERING HIGHLIGHTS

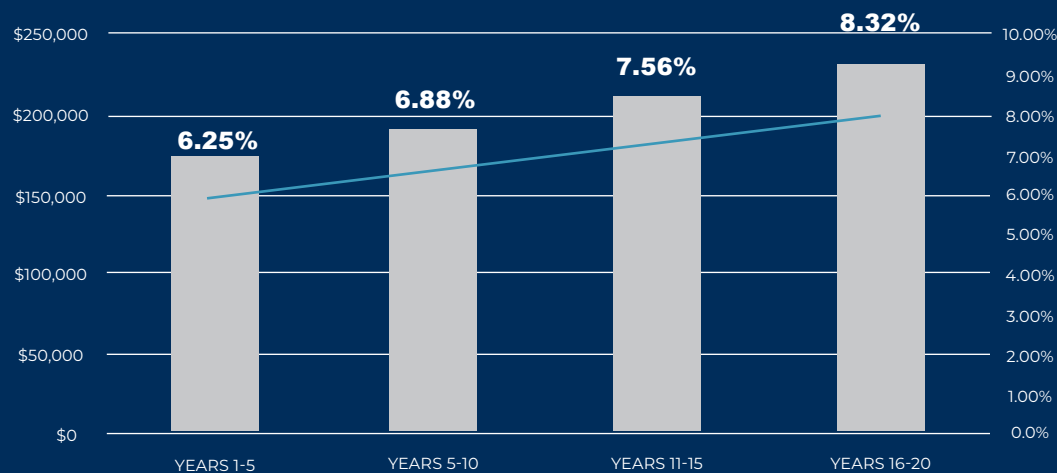


**\$2,900,000**  
OFFERING PRICE

**6.25%**  
CAP RATE

Net Operating Income	\$181,250
Lease Type	Absolute NNN Ground Lease
Lease Term	20 Years
Lease Commencement	COE
Lease Expiration Date	20-Years from COE
Year Built	2023 <sup>1</sup>
Rentable Area	3,358 SF <sup>1</sup>
Lot Size	0.96 Acres <sup>1</sup>
Primary Term Escalations	10% Every 5-Years
Options	6, 5-Year Options
Tenant	MWB Restaurants, LLC

### CAP RATE GROWTH<sup>2</sup>



(1) Rentable Area, Lot Size, Guarantor, Lease Terms, and Year Built are estimates. Buyer is responsible for verifying during the Due Diligence process.

(2) For demonstration purposes only. This graph is not a guarantee of Subject Property's performance, and/or Tenant exercising any option(s) under the lease.



# PROPERTY PHOTOS



LATEST PROTOTYPE DESIGN



5 | WHATABURGER | SCOTTSBORO, AL

DUAL-LANE DRIVE-THRU



NEW CONSTRUCTION



# AERIAL OVERVIEW





# AERIAL OVERVIEW





## WHATABURGER OVERVIEW



**1,000+**

LOCATIONS ACROSS 15 STATES



**\$3.34B**

SYSTEM-WIDE SALES



**\$3.725M**

SALES PER STORE



**#2 RANKED**

HIGHEST AVERAGE SALES PER  
STORE FOR BURGER - ALL CHAINS



**51,000+**

EMPLOYEES SYSTEM-WIDE

Over six decades ago, an adventurous and determined entrepreneur named Harmon Dobson had a bold idea: to serve a burger so big that it took two hands to hold, and so good that after a single bite customers couldn't help but exclaim, "What-a-burger!" He named his humble burger stand, located on Ayers Street in Corpus Christi, Texas, "Whataburger." The founder's original vision still inspires everything they do. Each and every Whataburger is still made to order—when it's ordered. They still greet our customers with a smile 24 hours a day, seven days a week. And while they now serve hot, fresh food at over 1,000 Whataburger restaurants, that burger stand in Corpus Christi is never far from their hearts. From two original employees in Corpus Christi to over 51,000 across 15 states, Whataburger is more successful than ever.

Whataburger is consistently ranked among the top-grossing and fastest-growing chains in the restaurant industry. Numerous accolades and "best of" rankings confirm what satisfied customers already know, Whataburger is America's top burger destination.

(1) Tenant and Lease Guarantor is a franchisee of Whataburger. Whataburger Corporation does not guarantee the Lease. Buyer is responsible for verifying during the Due Diligence process.



# WHATABURGER OVERVIEW<sup>1</sup>



## WHATABURGER

Whataburger is a privately owned American fast food chain specializing in hamburgers. Currently headquartered in San Antonio, Texas, the restaurant originated in Corpus Christi, Texas. Founder Harmon Dobson named the restaurant “Whataburger” based on his goal of serving burgers that were so good, customers would call out “what a burger!”. Today, Whataburger has over 1,000 locations across the South, Southwest, and Midwest United States and generates over \$3.7 billion in annual sales revenue. The chain ranks in the top 25 most popular fast food chains in the United States and #2 highest average sales per store of all burger fast food restaurants.

Whataburger was owned by the Dobson family until 2019 when it was acquired by BDT Capital Partner's, a Chicago-based equity firm. BDT Capital owns majority stake in the chain, but the Dobson family still owns a small portion. Whataburger is still a family-owned business at it's core and values “taking pride in our work, taking care of each other, and love serving our customers”.

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### FRANCHISOR PROFILE

Name	Whataburger
Ownership Type	Private
Segment(s)	Quick Service
Revenue	\$3.73 Billion (FY 2023)
No. of Locations	1,000+ Locations
Coverage	15 States Across the U.S.
Workforce	51,000+ Employees
Headquarters	San Antonio, TX
Year Founded	1950
Website	<a href="http://www.whataburger.com">www.whataburger.com</a>





# MWB RESTAURANTS OVERVIEW



Whataburger is the hometown hamburger place that hasn't compromised. They serve bold flavors and original recipes made to order and pride themselves on extraordinary hospitality and meaningful connections in their communities. That same vision lives in the MWB Restaurants family, a privately owned franchisee of the Whataburger family.

MWB Restaurants, LLC holds restaurant area development agreements with Whataburger for Northern Alabama and East Tennessee. MWB Restaurants and its leadership team's goal is to continue the Whataburger tradition by expanding the company's footprint in Northern Alabama and many other prominent markets in the Southeastern U.S. The company currently operates locations throughout Northern Alabama including Cullman, Florence, Hazel Green, Huntsville (x2) Scottsboro, Albertville, Athens, and has several more opening in 2024 and 2025.

MWB Restaurants, LLC is led by an executive team with vast experience in the restaurant industry, as well as several other industries including consumer products, entertainment and media, sports and outdoor businesses, and more. Please contact agent for further detail.

## FRANCHISEE PROFILE

Name	MBW Restaurants, LLC
Ownership Type	Private
Segment(s)	QSR
Coverage	South, Southeast
Headquarters	Knoxville, TN
Year Founded	2021
Website	<a href="http://www.mwburger.com">www.mwburger.com</a>

## MWB RESTAURANTS TARGETED EXPANSION



### ALABAMA

**30** Locations



### TENNESSEE

**60** Locations



*Leadership of MWB Restaurants has Affiliations with Several Companies in Other Sectors Including:*

#### ANDERSON MEDIA

Anderson Merchandiser LLC  
4,000 associates serving Walmart & National retailers

#### BASSMASTER

The leading promoter of bass fishing tournaments with over 500,000 members.

#### NATURAL HEALTHY CONCEPTS

Internet based retailer of supplements & vitamins

#### TNT FIREWORKS

Nation's largest fireworks retailer

#### BOOKS-A-MILLION

Second largest US based book retailer



# WHATABURGER IN THE NEWS

## WHATABURGER OPENING NEW LOCATION IN NORTH ALABAMA AS IT EXPANDS ACROSS STATE

*William Thornton, AL.com | February 14, 2024*

Whataburger is coming to Hazel Green on Thursday.

The Texas-based burger chain will open its newest Alabama location at 14751 U.S. 231/431 at 11 a.m.

Operating Partner Walter Davis and Whataburger franchisee MWB Restaurants employ about 90 people at the restaurant.

The location will initially offer 24/7 dine-in and drive-thru service, with breakfast available from 11 p.m. to 11 a.m.

In the coming weeks, curbside and delivery services online and through the Whataburger App will be available.

The Texas-based franchise operates in 14 states with more than 1,000 restaurants. It has expanded to several Alabama communities in recent years, opening a Huntsville restaurant in December, and others last year in Cullman, Scottsboro, Albertville and Athens.



## WHATABURGER PLANS TO OPEN 80 NEW STORES IN GEORGIA, ALABAMA OVER FIVE YEARS

*Andy Peters, CoStar News | May 1, 2023*

Whataburger, a fast-food chain whose original stores featured orange A-frame buildings, plans to open at least 80 stores in Georgia and Alabama over the next five years.

Whataburger entered Georgia in November with a store near Kennesaw State University and has since opened an additional four in the Atlanta area. It plans to open at least 50 in Georgia over the next five years. The burger chain operates 29 stores in Alabama and wants to open another 30 in that state by 2027.

Fast-food chains including In-N-Out Burger and Raising Cane's and coffee shops such as Dutch Bros are aggressively plotting expansions nationwide. Meanwhile, Chick-Fil-A and other established quick-service restaurants are demolishing outdated properties and constructing new stores, many of which will have additional drive-thru lanes.

Whataburger is partnering with franchisee Made to Order Holdings on its Atlanta expansion. Whataburger did not respond to a request for comment on whether it's seeking additional franchise partners.

Whataburger's newest Georgia store opened in April in Cumming. Other Georgia cities on its itinerary include Covington, Dawsonville, Monroe, Newnan, Smyrna, Snellville and a second store in Kennesaw.

In Alabama, Whataburger plans to open stores this year in Albertville, Cullman, Hazel Green, Huntsville, Madison and Scottsboro.

The earliest Whataburger stores are in A-frame buildings featuring a distinctive orange-and-white striped design. The company has since developed a new prototype store without the A-frame. Whataburger locations are open 24 hours a day, every day except for Christmas.

Whataburger, founded in Corpus Christi, Texas, in 1950, has its headquarters in San Antonio. It operates more than 900 locations in 14 states, primarily in the Southwest and Southeast.



## LOCATION OVERVIEW

### EXCELLENT RETAIL LOCATION | PROXIMITY TO AREA'S ONLY WALMART SUPERCENTER

The Whataburger benefits from proximity to the only Walmart Supercenter located within a 14-mile radius along with other nearby national tenants including Walgreens, Dollar Tree, Pet Depot, Dollar General, Starbucks, Zaxby's, Express Oil Change, USA Storage Centers, Family Security Credit Union, Culvers, and Super Duck Car Wash.

The property is strategically located within close proximity to several new residential communities including Townsend Farms - 600+ new homes.

### EXPANDING HUNTSVILLE MSA | ROCKET CITY USA

Hazel Green is located in Madison County, Alabama, just south of the Tennessee border and 14 miles north of Huntsville and included in the Huntsville MSA. Madison County is Alabama's third most populated county located in the heart of the Tennessee Valley approximately 100 miles directly south of Nashville.

Huntsville is known for its aerospace, defense, and auto manufacturing industries. The economy has been steadily expanding as new companies and residents relocate to the region. Government contractors such as Boeing, Northrop Grumman, Lockheed Martin, and Raytheon Technologies are leading employers, supporting the area's aerospace and defense industry.

Huntsville has a growing STEM workforce, driven by local employers that include the Hudson Alpha Institute for Biotechnology and the U.S. Army's Redstone Arsenal. The metro is also being reinvented as a tech center, and many buildings are being redeveloped to attract new companies and workers to the area. The number of business and professional services jobs in the metro has increased 18 percent over the past five years, more than double the national pace. The cost-of-living in the Huntsville metro remains below that of many other nearby residential hubs, attracting new households and allowing roughly 64 percent of residents to own their home. The city of Huntsville itself contains about 221,000 individuals with a MSA population of 491,723.



**\$73,076**

Average  
Household Income  
(2-Mile Radius)



**#1**

Huntsville MSA  
#1 Job Market in U.S.  
(Ranked by Smart Asset)



**19,540 VPD**

Strong Traffic Counts  
Along John T. Reid  
Parkway



**#2**

Huntsville is Ranked #2 on  
U.S. News & World Report's  
"Best Places to Live" List

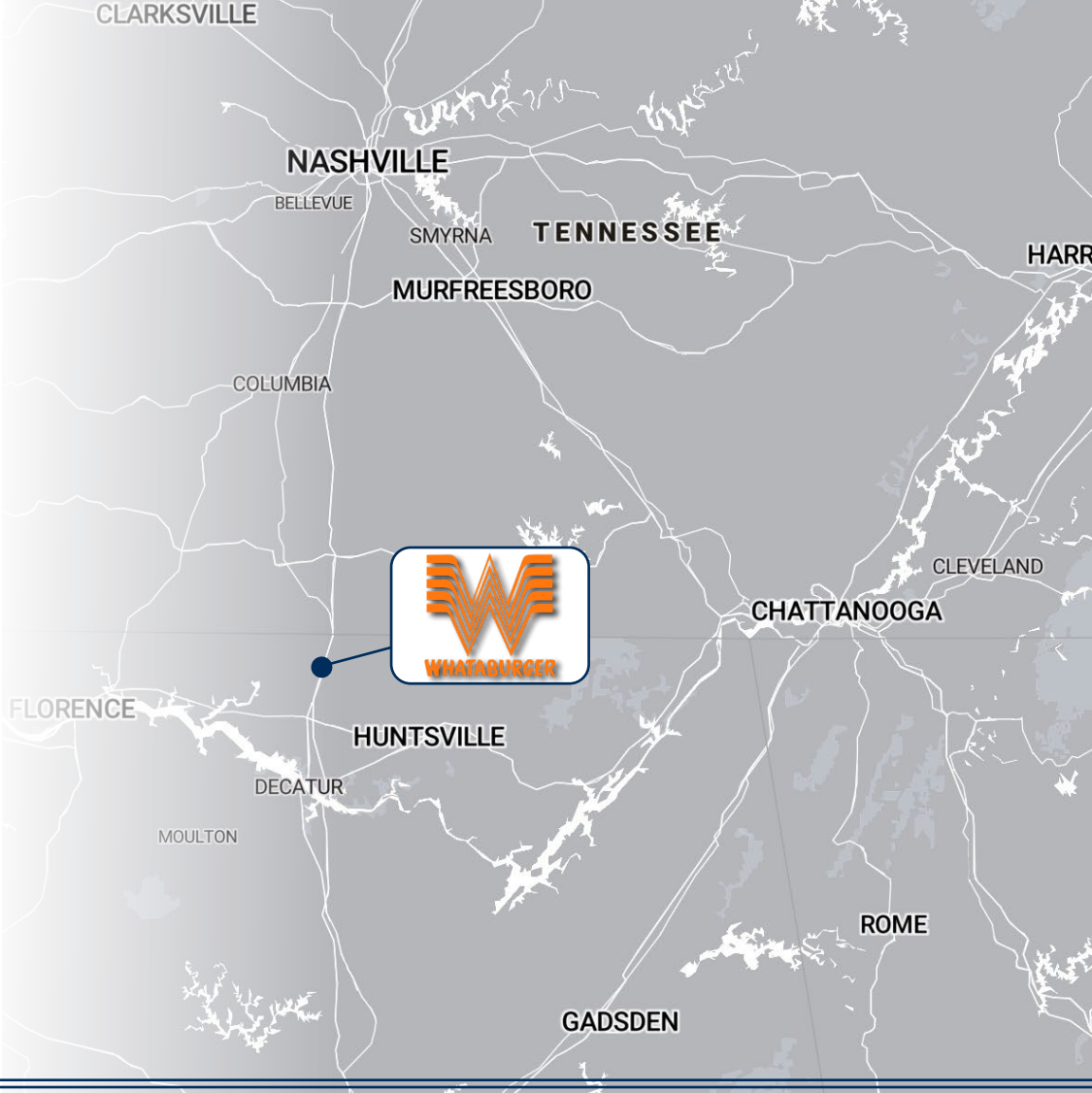


# DEMOGRAPHICS

HAZEL GREEN, AL			
HOUSEHOLD INCOME			
Year 2023	2 Miles	5 Miles	10 Miles
Average	\$73,076	\$83,032	\$85,322
Median	\$57,746	\$68,327	\$69,553

HAZEL GREEN, AL			
POPULATION			
Year	2 Miles	5 Miles	10 Miles
2028 Projection Total Population	5,052	19,984	71,645
2023 Census Total Population	4,825	18,864	68,046
2010 Census Total Population	4,686	16,834	62,402

Sources: Marcus & Millichap Research Services, CoStar



## HUNTSVILLE, AL DEMOGRAPHICS

<b>511k</b> Total Population <hr/> Growth 2023-2028 7.1%	<b>207k</b> Total Households <hr/> Growth 2023-2028 7.5%	<b>39.1</b> Median Age <hr/> U.S. Median Age 38.7	<b>\$77,900</b> Median Household Income <hr/> U.S. Median Income \$68,500
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# HUNTSVILLE, MSA



## HUNTSVILLE, ALABAMA | LOCATION

Known for its aerospace, defense, and auto manufacturing industries, Huntsville's economy has been steadily expanding as new companies and residents relocate to the region. The cost-of-living in the Huntsville Metro Area remains below that of many other nearby residential hubs, attracting new households and allowing roughly 64 percent of residents to own their home.

The Huntsville metro encompasses Limestone and Madison counties, and is located roughly 100 miles north of Birmingham and 110 miles south of Nashville. The city of Huntsville itself contains about 221,000 individuals.

## HUNTSVILLE, ALABAMA | ECONOMY

- » Government contracts such as Boeing, Northrop Grumman, Lockheed Martin and Raytheon Technologies, are leading employers, supporting the area's aerospace and defense industry.
- » Huntsville has a growing STEM workforce, driven by local employers that include the HudsonAlpha Institute for Biotechnology and the U.S. Army's Redstone Arsenal.
- » The metro is being reinvented as a tech center, and many buildings are being redeveloped to attract new companies and workers to the area. The number of business and professional service jobs in the metro has increased 18 percent over the past five years, more than double the national pace.



# HUNTSVILLE, MSA



## U.S. ARMY REDSTONE ARSENAL

Roughly 50,000 civilians and contract employees are located at the facility to support the Army's missile programs.



## NASA

Marshall Space Flight Center, known for developing the most powerful rocket ever designed, maintains a workforce of roughly 7,000.



## HIGHER EDUCATION

The University of Alabama in Huntsville has nearly 10,000 students, with engineering being the largest program. The number of individuals employed by the university totals nearly 1,600.





# WHATABURGER

HAZEL GREEN, AL (HUNTSVILLE, MSA)

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