



 **McDonald's**

2716 HWY 431 S, ABBEVILLE, AL 36310

RARE FEE SIMPLE OWNERSHIP | FUNDAMENTAL LOW BASE RENT | @ TRAFFIC SIGNAL



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INVESTMENT HIGHLIGHTS



LOCATION HIGHLIGHTS

STRATEGICALLY POSITIONED ALONG US-431

- A primary north-south state highway that connects key markets, including Dothan (South), Columbus, GA, Opelika/Auburn, Oxford/Gadsden, Guntersville/Huntsville, and continues north through Nashville, ultimately extending into Kentucky.
- Stretching through the heart of Alabama, US-431 isn't just a highway—it's a backbone of opportunity. From the peanut fields of Dothan to the rocket hubs of Huntsville, this storied route threads together communities, industries, and legacies. Whether it's trucks hauling goods, families exploring the state, or businesses staking their claim along its path, US-431 embodies the grit, growth, and greatness of Alabama.

FAVORABLE CO-TENANCY WITH AUTOZONE

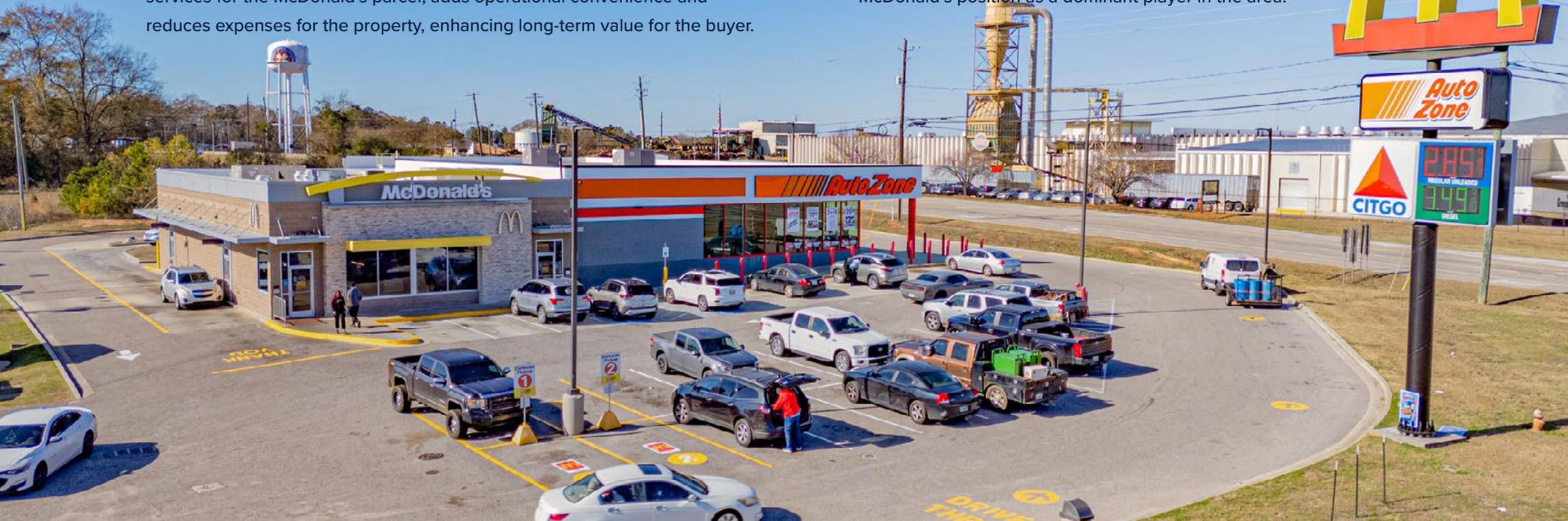
- Adjacent to a corporate AutoZone, built concurrently with the McDonald's, enhancing consumer draw and creating a dynamic retail environment.
- Tenancy with AutoZone, which provides select maintenance and repair services for the McDonald's parcel, adds operational convenience and reduces expenses for the property, enhancing long-term value for the buyer.

CORNER PARCEL

- Positioned at a signalized intersection of US 431 and AL 27, the property benefits from multiple access points and dedicated turn lanes, ensuring convenient and seamless entry for potential customers.
- The McDonald's is situated on a spacious 1.06-acre lot, providing ample room for efficient traffic flow and customer convenience. The site accommodates drive-thru operations seamlessly, ensuring smooth navigation for vehicles, whether customers are dining in or utilizing the drive-thru.
- Located directly across from the YellaWood® Center, which employs over 525 staff and attracts a steady stream of contractors and suppliers daily, this McDonald's captures significant traffic from both local workforce activity and regional business visitors.

LIMITED COMPETITION

- Located in an underserved market with few competing QSRs, solidifying McDonald's position as a dominant player in the area.



INVESTMENT HIGHLIGHTS

TENANT HIGHLIGHTS

BLUE-CHIP, INVESTMENT-GRADE TENANT

- Leased to McDonald's, a globally recognized and creditworthy brand with an investment-grade rating, ensuring reliable and consistent income backed by a corporate guarantee.
- McDonald's is the largest and most recognizable quick-service restaurant (QSR) brand in the world, with over 38,000 locations across 100+ countries, ensuring exceptional creditworthiness and long-term stability for investors.
- Supported by McDonald's Corporation, a Fortune 500 company with a market cap exceeding \$200 billion and a solid BBB+ credit rating, the lease is backed by a tenant with unparalleled financial strength.

RECESSION-RESILIENT ASSET

- Quick-service restaurants like McDonald's have historically performed well in all economic climates, ensuring stability during market fluctuations.

LEASE HIGHLIGHTS

MINIMAL LANDLORD RESPONSIBILITIES & RARE FEE SIMPLE STRUCTURE

- As a Fee Simple (not Ground Lease) agreement, this structure ensures full ownership of the property while passing on maintenance, operational costs, and obligations to McDonald's under the NNN lease. Fee Simple McDonald's leases are rare and highly sought after, offering superior control and security for investors compared to typical ground lease structures.

ATTRACTIVE PRICING & CAP RATE

- Offered at \$1,303,666 with a 6% cap rate, presenting a rare opportunity to acquire a high-quality investment at an affordable price point.

HIGH VALUE POTENTIAL WITH LONG-TERM LEASE, FLEXIBILITY, & MULTIPLE OPTIONS

- The lease is structured for an initial 5-year term with 8 extension options, providing a total potential term of up to 55 years, ensuring long-term occupancy stability. The 10% rent increases every 5 years create strong income growth, while the buyer also has the option to restructure the lease for an even longer term, further enhancing the asset's value and security.



FINANCIAL OVERVIEW



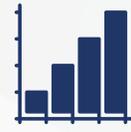
\$1,303,666

LIST PRICE



\$78,220

NOI



6.00%

CAP RATE



±3,600 SF

GLA



±1.06 AC

LOT SIZE



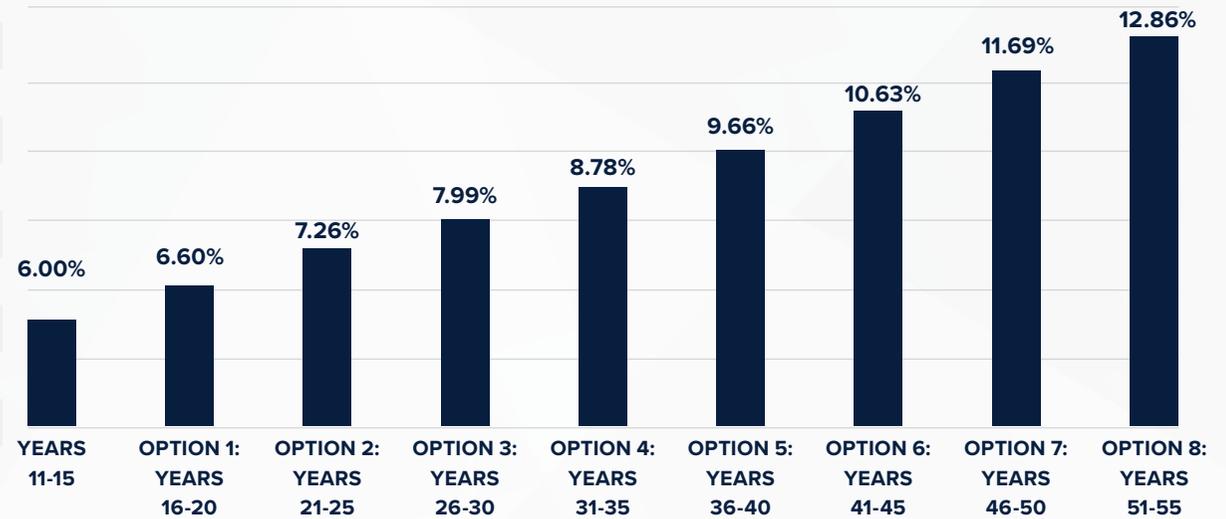
2014

YEAR BUILT

LEASE SUMMARY

| | |
|-------------------------|-----------------------|
| Tenant Name | McDonald's |
| Type of Ownership | Fee Simple |
| Lease Guarantor | Corporate |
| Lease Type | NNN |
| Roof and Structure | Tenant |
| Original Lease Term | 15 Years |
| Lease Commencement Date | October 30, 2014 |
| Lease Expiration Date | October 30, 2029 |
| Term Remaining on Lease | ±5 Years |
| Increase(s) | 10% Every 5 Years |
| # of Options | Eight, 5-Year Options |

RETURN GROWTH CHART



ANNUAL RENT: \$78,219.96 \$86,041.96 \$94,646.15 \$104,110.77 \$114,521.84 \$125,974.03 \$138,571.43 \$152,428.57 \$167,671.43

FINANCING INQUIRIES

For financing options reach out to:

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AERIAL MAP



DOWNTOWN ABBEVILLE
± 3 MILES

YellaWood
Pressure Treated Pine



ABBIE CREEK
ANIMAL HOSPITAL



SUBWAY

MONEY
Ford
ABBEVILLE, AL

Auto Zone
ANCHORED TO MCDONALD'S



27 ± 5,460 VPD

McDonald's
SUBJECT PROPERTY

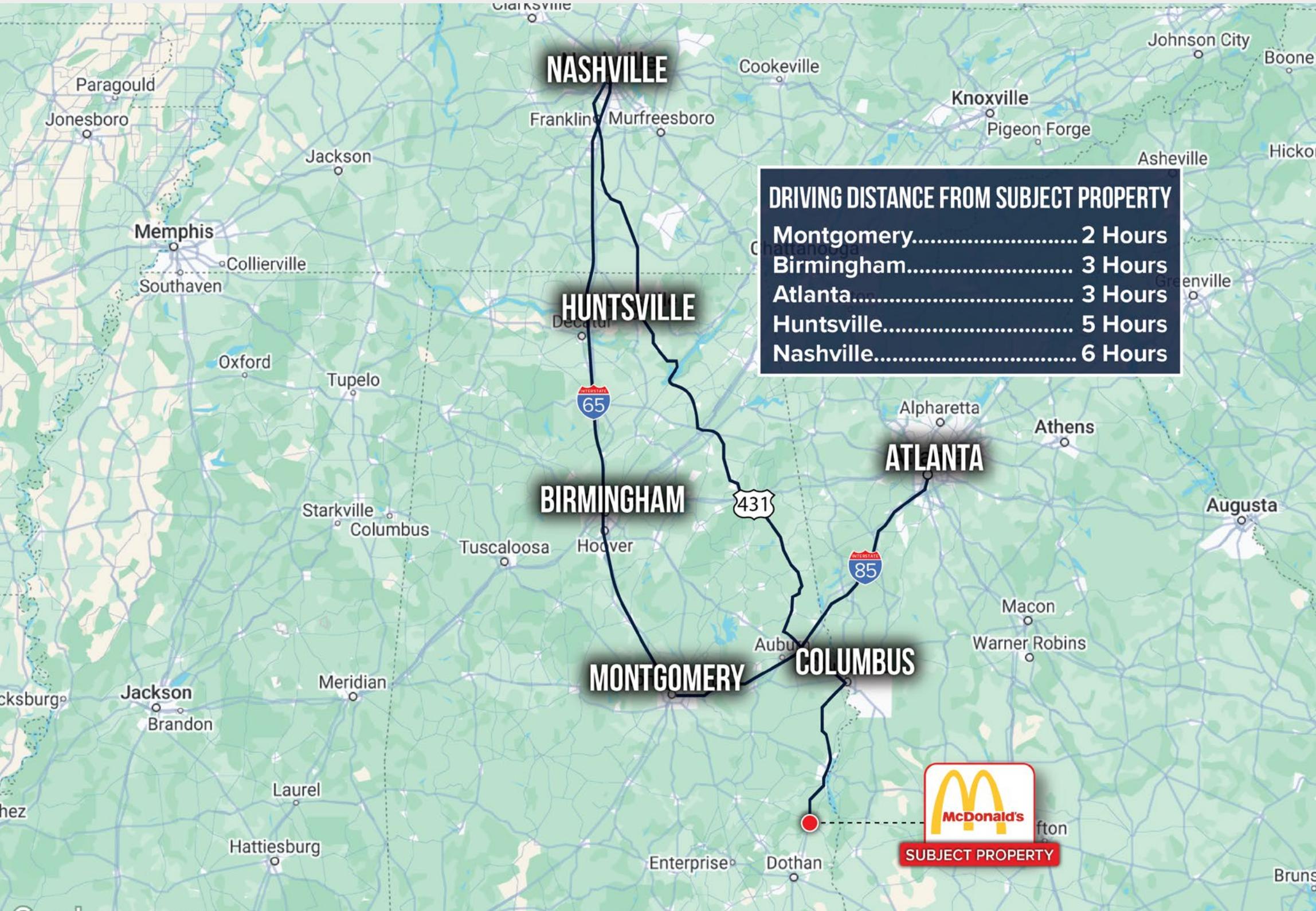
431

± 13,100 VPD

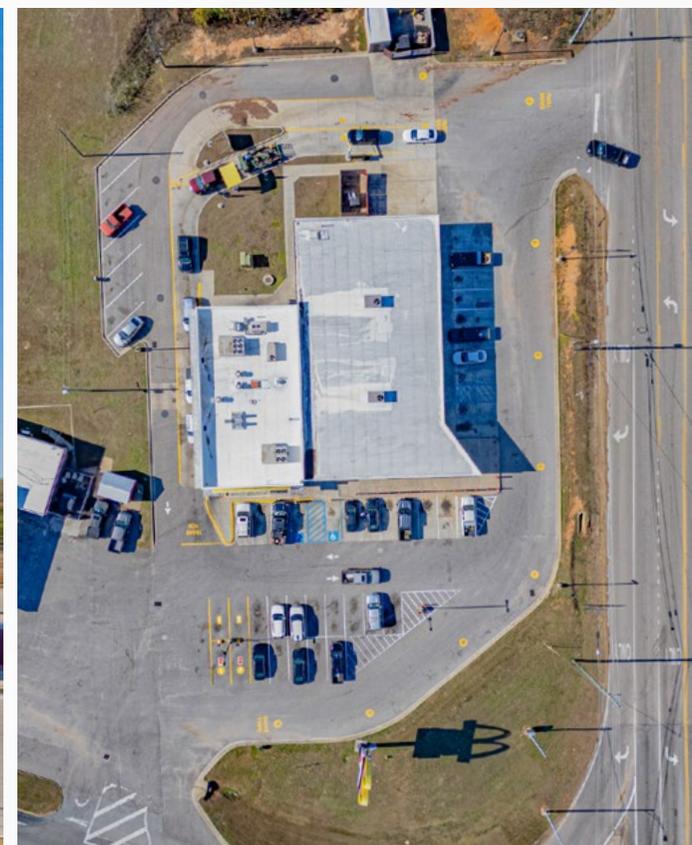
SITE PLAN



REGIONAL MAP



SUBJECT PROPERTY





McDonald's

McDonald's, with its "golden arches" and Dollar Menu, remains the dominant brand in the QSR space. With primary, secondary, and tertiary market locations, McDonald's size and reach provide a strategic competitive advantage, as well as varying risk/return investment opportunities for net lease property buyers. Brand recognition, operating stability, and strong credit ratings reinforce McDonald's as a prime net lease investment property.

McDonald's remains the best example of a "flight to quality" in net lease investing. As cap rates have adjusted across the board for all net lease investments, McDonald's assets continue to attract multiple buyers and trade at a significant premium over other properties. This aggressive pricing is a result of the high credit of the tenant, overall lease terms, and general lack of supply in the marketplace. While McDonald's, like most QSR brands, franchise the vast majority of their locations (approximately 93%), when leasing a location they almost exclusively select locations and guaranty leases on a corporate level.

HEADQUARTERS

Chicago, IL

WEBSITE

McDonald's.com

YEAR FOUNDED

1955

LOCATIONS

42,000+

S&P BOND RATING

BBB+

MARKET CAP

\$201.62 Billion USD

2024 NET SALES

\$6.87 Billion

STOCK SYMBOL

(NYSE:MCD)



MARKET OVERVIEW



ABBEVILLE, AL

Abbeville is a city in Henry County, Alabama, with a population of 2,385 as of 2024. It serves as the county seat and is part of the Dothan Metropolitan Statistical Area. The city's economy has evolved over time, with several key industries contributing to its growth. Agriculture has historically played a significant role, while the timber industry has become a major economic driver with the establishment of the Abbeville Fiber Sawmill, a \$40 million investment that employs 115 full-time workers and has increased demand for timber in southeast Alabama. Manufacturing also contributes to the economic base, with Great Southern Wood Holdings, Inc. (GSW) converting a 550,000-square-foot facility into a southern yellow pine sawmill, bringing new industry and jobs to Abbeville. The city's strategic location, about one hour south of the Greenville-Spartanburg International Metropolitan Area, provides opportunities for business growth and development.



ECONOMY

Henry County, AL's market is characterized by a diverse economy with strong agricultural and manufacturing sectors. As of November 2024, the housing market showed significant growth, with median home prices up 39.5% year-over-year to \$265,000. The county's economy is anchored by key industries including manufacturing, retail, agriculture, timber, and construction. Major employers include YellaWood, Abbeville Fiber, TriDelta Systems, and Red Star Yeast. Agriculture remains important, with the county producing crops and livestock valued at \$105.49 million in 2022. The workforce of 7,761 is distributed across various sectors, with manufacturing accounting for 11.9% of employment. Despite its rural character, Henry County benefits from its proximity to major highways and transportation networks, making it attractive for businesses and contributing to its

MAJOR HENRY COUNTY EMPLOYERS



AREA DEMOGRAPHICS

| POPULATION | 3-MILE | 5-MILE | 10-MILE |
|------------------------------|----------|----------|----------|
| 2020 Census | 2,166 | 3,303 | 6,912 |
| 2025 Estimate | 2,258 | 3,411 | 7,152 |
| 2030 Projection | 2,361 | 3,540 | 7,433 |
| Total Growth 2020-2025 | 4.25% | 3.27% | 3.47% |
| Total Growth 2025-2030 | 4.56% | 3.78% | 3.93% |
| HOUSEHOLDS | 3-MILE | 5-MILE | 10-MILE |
| 2020 Census | 934 | 1,415 | 2,975 |
| 2025 Estimate | 975 | 1,469 | 3,112 |
| 2030 Projection | 1,019 | 1,528 | 3,256 |
| Total Growth 2020-2025 | 4.39% | 3.82% | 4.61% |
| Total Growth 2025-2030 | 4.51% | 4.02% | 4.63% |
| INCOME | 3-MILE | 5-MILE | 10-MILE |
| Income < \$15,000 | 122 | 184 | 363 |
| Income \$15,000 - \$24,999 | 246 | 327 | 571 |
| Income \$25,000 - \$34,999 | 81 | 141 | 385 |
| Income \$35,000 - \$49,999 | 74 | 137 | 327 |
| Income \$50,000 - \$74,999 | 125 | 193 | 428 |
| Income \$75,000 - \$99,999 | 99 | 148 | 310 |
| Income \$100,000 - \$124,999 | 95 | 137 | 261 |
| Income \$125,000 - \$149,999 | 71 | 102 | 196 |
| Income \$150,000 - \$199,999 | 35 | 56 | 142 |
| Income \$200,000 - \$249,999 | 17 | 25 | 61 |
| Income \$250,000 - \$499,999 | 8 | 15 | 47 |
| Income \$500,000+ | 1 | 3 | 20 |
| Average Household Income | \$63,477 | \$64,565 | \$69,188 |
| Median Household Income | \$42,016 | \$43,360 | \$45,192 |

| COMMUTE TIME | 3-MILE | 5-MILE | 10-MILE |
|-------------------------------|--------|--------|---------|
| Less than 15 Minutes | 239 | 339 | 552 |
| 15 - 29 Minutes | 93 | 215 | 723 |
| 30 - 44 Minutes | 115 | 223 | 596 |
| 45 - 59 Minutes | 127 | 194 | 433 |
| 60 or more Minutes | 53 | 84 | 175 |
| Avg Travel Time to Work (Min) | 30 | 30 | 31 |
| EMPLOYMENT CLASS | 3-MILE | 5-MILE | 10-MILE |
| Class of Worker | 665 | 1,107 | 2,632 |
| For-Profit Private Workers | 431 | 741 | 1,801 |
| Non-Profit Private Workers | 18 | 29 | 76 |
| Local Government Workers | 73 | 126 | 298 |
| State Government Workers | 70 | 93 | 172 |
| Federal Government Workers | 38 | 47 | 86 |
| Self-Employed Workers | 33 | 69 | 198 |
| Civilian - Employed | 682 | 1,080 | 2,569 |
| OCCUPATION CLASSIFICATION | 3-MILE | 5-MILE | 10-MILE |
| White Collar | 365 | 581 | 1,334 |
| Blue Collar | 211 | 354 | 816 |
| Service and Farming | 89 | 172 | 482 |

LEASE ABSTRACT

ADDRESS: 2716 US-431, Abbeville, AL 36310

PARCEL: McDonald's pad is designated as Parcel A within the master development plan and throughout the main lease

TENANT: McDONALD'S USA, LLC, a Delaware limited liability company

LEASE GUARANTOR: McDONALD'S USA, LLC, a Delaware limited liability company

RENT COMMENCEMENT: October 30, 2014

LEASE EXPIRATION: October 30, 2029

LEASE TYPE: NNN

BASE LEASE TERM: 15 Years

RENT INCREASES: 10% Every 5 Years

BASE RENTS:

Years 1-5: \$5,387.08 per month/\$64,644.96 Annually

Years 6-10: \$5,925.83 per month/\$71,109.96 Annually

Years 11-15: \$6,518.33 per month/\$78,219.96 Annually

RENEWAL OPTIONS: Eight (8), Five (5) year options.

Tenant must provide notice to Landlord 240 days prior to the expiration of the current term.

OPTION RENTS:

Option 1: (Years 16-20) \$7,170.17 per month/\$86,042.04 Annually

Option 2: (Years 21-25) \$7,887.18 per month/\$94,646.16 Annually

Option 3: (Years 26-30) \$8,675.90 per month/\$104,110.80 Annually

Option 4: (Years 31-35) \$9,543.49 per month/\$114,521.88 Annually

Option 5: (Years 36-40) \$10,497.84 per month/\$125,974.08 Annually

Option 6: (Years 41-45) \$11,547.63 per month/\$138,571.56 Annually

Option 7: (Years 46-50) \$12,702.39 per month/\$152,428.68 Annually

Option 8: (Years 51-55) \$13,972.63 per month/\$167,671.56 Annually

REPAIRS: "Tenant will, at Tenant's cost, keep the Leased Space, the Building and all Leasehold Improvements and Trade Fixtures (defined below) located on the Leased Space in good condition and repair. Without limiting the foregoing, Tenant will maintain the following: all doors and door closures in the Building, windows, window surrounds, plate glass, light fixtures, light bulbs, storage closets, fire protection systems that solely serve the Building and are required by any governmental authority specifically because of Tenant's use of the Leased Space (as opposed to commercial use generally), pest control within the Leased Space, all drive-thru improvements in the Leased Space (subject, however, to Landlord's obligations pursuant to Article 5A below), restrooms in the Leased Space, all Tenant's exclusive directional or other signage, and any trash corral gates, hinges, locks and enclosures." **Section 4E | Main Lease Pages 4-5**

LEASE ABSTRACT CONTINUED

MAINTENANCE: “Tenant will be responsible for any and all repairs and maintenance to all plumbing and fixtures (as well as any damage to the Premises, the Building or any improvement, fixture, equipment or personal property located on Parcel A) serving the Leased Space from the fixtures located on the Leased Space to the point where the lines serving the Leased Space” **Section 5A | Main Lease Page 6**

“Tenant covenants and agrees to maintain in good condition and repair, or cause to be maintained and kept in repair, the parking, and driveways situated on Parcel A, as well as, unless set forth to the contrary in Article 8 of the Lease, the Pylon Sign and lot lights located on Parcel A including without limitation the light poles on Parcel A.” **Section 3 | Shopping Center Addendum**

UTILITIES: “Tenant will pay when due all charges for water, gas, telephone and electricity used on the Leased Space.” **Section 4F | Main Lease Page 5**

TAXES: “Tenant will pay promptly and before they become delinquent all real estate taxes, assessments and other impositions generally or specially imposed at any time during the Term from and after the Rent Commencement Date” **Tax Addendum**

INSURANCE: “Beginning on the Possession Date, Tenant will insure or cause to be insured the Building and the Leasehold Improvements (defined below) and Tenant's contents in the Leased Space and elsewhere on or about the Premises against loss or damage by any perils normally covered by a standard broad form all risk insurance policy in an amount equal to the full replacement value.”

“Tenant will also maintain or cause to be maintained commercial general liability insurance (including completed operations and contractual liability) against claims for personal injury, death or property damage occurring in, on or about the Leased Space or sidewalks or premises adjacent to the Leased Space (other than easements and areas under the control of Landlord) with a single limit of not less than \$1,000,000 per occurrence and \$1,000,000 general aggregate. Tenant will name Landlord as an additional insured on Tenant's liability policy, and will deliver to Landlord, upon request, a certificate of insurance.” **Section 3C | Main Lease Page 4**

LANDLORD'S INSURANCE: “Landlord will maintain commercial general liability insurance against claims for personal injury, death or property damage occurring in, on or about the Premises, to afford protection to limits of not less than \$5,000,000 per occurrence and \$5,000,000 general aggregate. Tenant, and Tenant's sublessee, licensee or ass and Tenant's sublessee, licensee, or assignee The Landlord will maintain commercial general liability insurance against claims for personal injury, death, or property damage occurring in, on, or about the Premises the Tenant at least 30 days prior written notice, will be named as an additional insured on all liability policies.” **Section 5I | Main Lease Page 9**

ASSIGNMENT & SUBLETTING: Tenant may, without the consent of Landlord, but subject to any use restrictions or exclusive use rights set forth in the Declaration, sublease the Premises or assign this Lease or Tenant's rights under this Lease. In such event, Tenant will remain liable for the payment of all rent and other charges required to be paid under this Lease and for the performance of all terms, covenants, and conditions undertaken by Tenant. **Section 11 | Main Lease Page 17**

RIGHT OF FIRST OFFER TO PURCHASE: Landlord agrees that should Landlord, during the Term desire to sell Parcel A or any part of Parcel A, Landlord will give Tenant notice of such intent, the amount of the proposed sale price and all other material terms and conditions of such sale. Tenant will then have the right of first offer to purchase Parcel A by giving notice to Landlord of Tenant's intention to purchase within 60 days after receipt of Landlord's notice. **Section 20 | Main Lease Page 20**

ESTOPPEL CERTIFICATES: “Each Owner, within twenty (20) days of its receipt of a written request from another Owner, shall from time to time provide the requesting Owner a certificate binding upon such responding Owner stating: (a) to the best of such responding Owner's knowledge, whether any party to this Declaration is in default or violation of this Declaration and if so identifying such default or violation; and (b) that this Declaration is in full force and effect and identifying any amendments to the Declaration as of the date of such certificate.” **Section II Declaration of Covenants, Easements, and Restrictions Page 8**

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **2716 Hwy 431 S, Abbeville, AL 36310** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services™ or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.

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