


# OFFERING MEMORANDUM

BURGER KING

119 Alabama Street
Columbus, MS 39702

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BURGER KING

*Representative Photo*

# Investment Highlights

**PRICE: $2,921,696 | CAP: 6.25% | RENT: $182,606**

BURGER KING

## About the Investment

- ✓ Long Term Lease | 15.0 Years Left on 20-Year Lease
- ✓ Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Operated by Carrols Restaurant Group (NASDAQ: TAST), one of the Largest Restaurant Companies and Franchisee's in the United States
- ✓ Guaranteed by New CFH, LLC | Subsidiary of Carrols With Over 200+ Units
- ✓ Attractive Rental Increases of One Percent (1.50%) Annually
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each
- ✓ Available Individually or as a Portfolio

## About the Location

- ✓ Dense Retail Corridor | Walgreens, Food Giant, Dollar Tree, Autozone, Dollar General, Wendy's, KFC, Sonic, Hardee's, Pizza Hut, Subway and Many More
- ✓ Strong Traffic Counts | Over 19,000 and 13,000 Vehicles Per Day Along Alabama St and Gardner Blvd, Respectively
- ✓ Large Student Population | Approximately 6,500 Students Attending Classes Nearby
- ✓ One Mile Away from Propst Park | Largest Recreational Center in the City, with 18 Baseball Diamonds, 4 Tennis Courts, Skate Park, Activity Center, & Community Center

## About the Tenant / Brand

- ✓ Carrols Restaurant Group is one of the Largest Restaurant Companies in the United States and the Largest Burger King Franchisee Globally | 1,100+-Unit Operator | Carrols Has Operated Burger King Restaurants Since 1976
- ✓ Carrols Operates in 23 States and Employs over 27,000 People
- ✓ Experienced Leadership Team with Proven Track Records
- ✓ Burger King Brand is One of the World's Most Recognized Consumer Brands






# Financial Analysis

## PRICE: $2,921,696 | CAP: 6.25% | RENT: $182,606

BURGER KING

| PROPERTY DESCRIPTION | |
|---|---|
| Concept | Burger King |
| Street Address | 119 Alabama Street |
| City, State ZIP | Columbus, Mississippi 39702 |
| Year Built / Renovated | 2000 |
| Building Size Estimated (SF) | 3,636 |
| Lot Size Estimated (Acres) | 1.28 |
| Type of Ownership | Fee Simple |
| **THE OFFERING** | |
| Price | $2,921,696* |
| CAP Rate | 6.25% |
| Net Operating Income | $182,606 |
| **LEASE SUMMARY** | |
| Property Type | Retail |
| Property Subtype | Net-Lease Quick-Service Restaurant |
| Credit Type | Franchisee |
| Tenant | Burger King |
| Guarantor | New CFH, LLC |
| Original Lease Term | 20 Years |
| Lease Commencement | June 30rd, 2017 |
| Lease Expiration | June 30rd, 2037 |
| Lease Term Remaining | 15.0 Years |
| Lease Type | Triple-Net (NNN) |
| Landlord Responsibilities | None |
| Rental Increases | 1.50% Annually |
| Renewal Options Remaining | 4x5 |

*Price Based on Upcoming Rental Increase

| RENT SCHEDULE | | | |
|---|---|---|---|
| Lease Year | Annual Rent | Monthly Rent | Rent Escalation |
| Current - 6/30/2023 | $179,907 | $14,992 | - |
| 7/1/2023 - 6/30/2024 | $182,606 | $15,217 | 1.50% |
| 7/1/2024 - 6/30/2025 | $185,345 | $15,445 | 1.50% |
| 7/1/2025 - 6/30/2026 | $188,125 | $15,677 | 1.50% |
| 7/1/2026 - 6/30/2027 | $190,947 | $15,912 | 1.50% |
| 7/1/2027 - 6/30/2028 | $193,811 | $16,151 | 1.50% |
| 7/1/2028 - 6/30/2029 | $196,718 | $16,393 | 1.50% |
| 7/1/2029 - 6/30/2030 | $199,669 | $16,639 | 1.50% |
| 7/1/2030 - 6/30/2031 | $202,664 | $16,889 | 1.50% |
| 7/1/2031 - 6/30/2032 | $205,704 | $17,142 | 1.50% |
| 7/1/2032 - 6/30/2033 | $208,789 | $17,399 | 1.50% |
| 7/1/2033 - 6/30/2034 | $211,921 | $17,660 | 1.50% |
| 7/1/2034 - 6/30/2035 | $215,100 | $17,925 | 1.50% |
| 7/1/2035 - 6/30/2036 | $218,327 | $18,194 | 1.50% |
| 7/1/2036 - 6/30/2037 | $221,601 | $18,467 | 1.50% |

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Burger King located at 119 Alabama Street Columbus, Mississippi. The site consists of roughly 3,636 rentable square feet of building space on estimated 1.28-acre parcel of land. This Burger King is subject to a 20-year absolute triple-net (NNN) lease, which commenced on June 30th, 2027 and has 15 years remaining. The current annual rent is scheduled to increase by 1.50% annually and in each of the 4, 5-year renewal options.

# Concept Overview

## GREAT FOOD COMES FIRST

Every day, more than 11 million guests visit BURGER KING® restaurants around the world. And they do so because our restaurants are known for serving high-quality, great-tasting, and affordable food. Founded in 1954, BURGER KING® is the second largest fast food hamburger chain in the world. The original HOME OF THE WHOPPER®, our commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined our brand for more than 60 successful years.

### #2 Fast Food Hamburger Chain, Globally

- More than $20 billion in annual system-wide sales, and nearly 350,000 team members, worldwide. The concept has a market capitalization of roughly $11 billion.

### Global Brand Presence | Fully – Franchised Business Model

- Over 18,000 restaurants in 100+ countries. QSR industry-leading EBITDA margins

### Rich Heritage | Stable, Reliable Long-Term Ownership

- Founded in 1954 with deep ties to the Miami Community. Burger King has been actively managed by 3G since 2010.

### 3G Capital

3G Capital is a global investment firm focused on long-term value, with a particular emphasis on maximizing the potential of brands and businesses. The firm and its partners have a strong history of operational excellence, board involvement, deep sector expertise, and an extensive global network. 3G Capital works in close partnership with management teams at its portfolio companies and places a strong emphasis on recruiting, developing and retaining top-tier talent. In October 2010, 3G Capital completed the acquisition of Burger King®, one of the most widely-recognized consumer brands in the world.

## General Information

| | |
|---|---|
| Address | Toronto, ON |
| Website | http://www.rbi.com |
| Stock Ticker | QSR (NYSE) |
| Current Price* | $47.97 |

*As of June 22, 2022

### Carrols, LLC

Carrols, LLC is Burger King's largest franchisee and has operated BURGER KING® restaurants since 1976. As of April 30, 2019, the Company completed the acquisition of 221 additional BURGER KING® and Popeyes restaurants in 10 Southern and Southeastern states. Carrols, which operates 1,010 Burger King and 55 Popeyes restaurants in 23 states following the acquisition, is the largest franchisee of Restaurant Brands International, Inc. Carrols LLC's direct parent company, Carrols Restaurant Group, INC. (Nasdaq: TAST), is one of the only publicly traded companies solely controlling Burger King Franchises and one of the largest restaurant companies and franchisee's in the United States.

### Burger King Worldwide, Inc.

Founded in 1954, Burger King® is the second largest fast food hamburger chain in the world. The original Home of the Whopper, the Burger King® system operates in approximately 18,000 locations serving more than 11 million guests daily in 100 countries and territories worldwide. Approximately 100 percent of Burger King® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades.

### Restaurant Brands International

Restaurant Brands International is one of the world's largest quick service restaurant companies with approximately $23 billion in system sales and over 18,000 restaurants in 100 countries. Restaurant Brands International owns two of the world's most prominent and iconic quick service restaurant brands – Tim Hortons® and Burger King®. These independently operated brands have been serving their respective guests, franchisees, and communities for over 50 years.

# Surrounding Area

BURGER KING



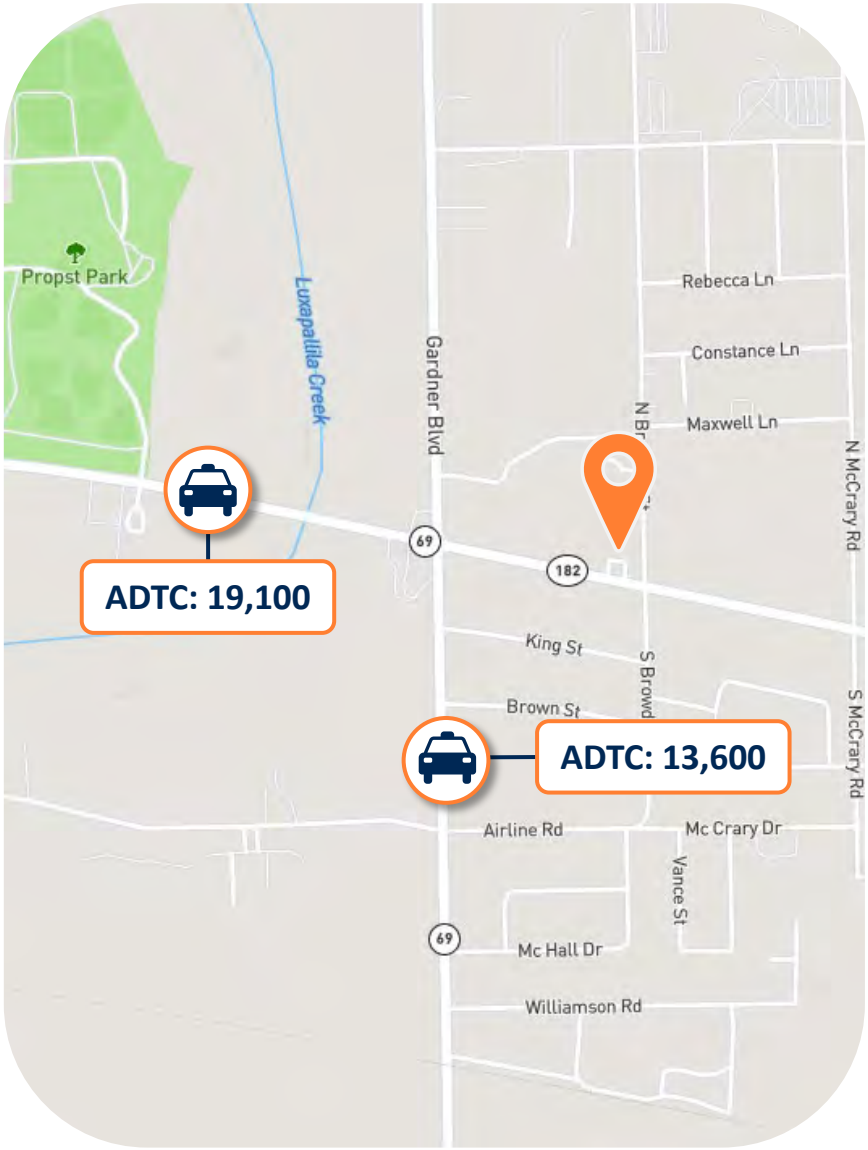
# Location Overview

BURGER KING

This Burger King investment property is positioned on Alabama Street. Alabama Street experiences an average daily traffic count of approximately 19,100 vehicles. Gardener Boulevard intersects with Alabama Street which brings an additional 13,600 vehicles into the immediate area daily. There are over 23,000 individuals residing within a three-mile radius of the property and over 36,000 vehicles within a five-mile radius.

The subject property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, academic institutions, and shopping centers all within close proximity of this property. Major national tenants in the area include: Walgreens, Food Giant, Dollar Tree, Wendy's, KFC, Sonic, Hardee's, Pizza Hut as well as several others. This Burger King is located within a 2-mile radius to several academic institutions. Most notable being: Mississippi University for Women, Columbus High School, Sale Elementary, Fairview Elementary, Stokes-Beard Elementary which enroll a total of over 6,500 students. The subject property is located 2 miles away from the heart of Columbus, MS and 60 miles away from Tuscaloosa, AL with populations of 23,800 and 100,600, respectively. The Columbus-Lowndes County Airport is a public use airport with airlines such as Delta flying out of it and is under 3 miles away from the subject property.

Columbus is a city in and the county seat of Lowndes County, on the eastern border of Mississippi. It is home to many attractions including the Lake Lowndes State Park. Lake Lowndes State Park provides a complete recreational facility for individuals, families, and groups to enjoy the park. It is located on a beautiful 150-acre lake and offers unlimited opportunities for fishing and camping, softball, tennis, football, and other organized sports and is under 10 miles away from the subject property. Columbus also has a racecar track, Columbus Speedway A.K.A the Bullring, which is an active racetrack holding races very often including their honorable September 11th race. Propst Park has a wide range of activities for the whole family to participate in. The facility is home to 4 youth softball fields, 4 adult softball fields, 10 youth baseball fields, a disc golf course, 4 tennis courts, a skateboard park, a water spray park, a playground area, an activity center, a community center, and a dog park. This park lies within a mile of Subject Property.



# Property Photos




*Subject Property*

# Surrounding Area Photos

BURGER KING





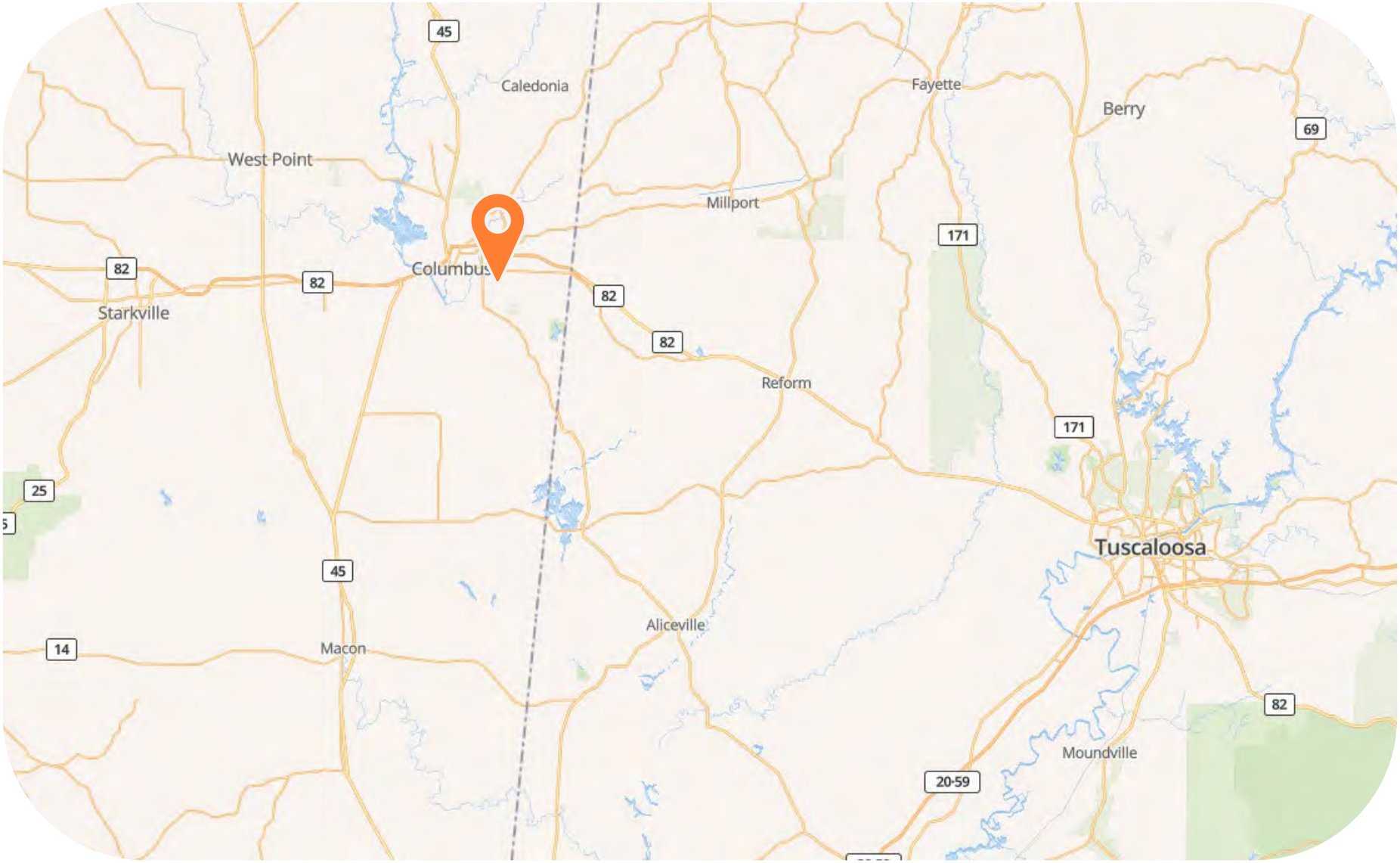






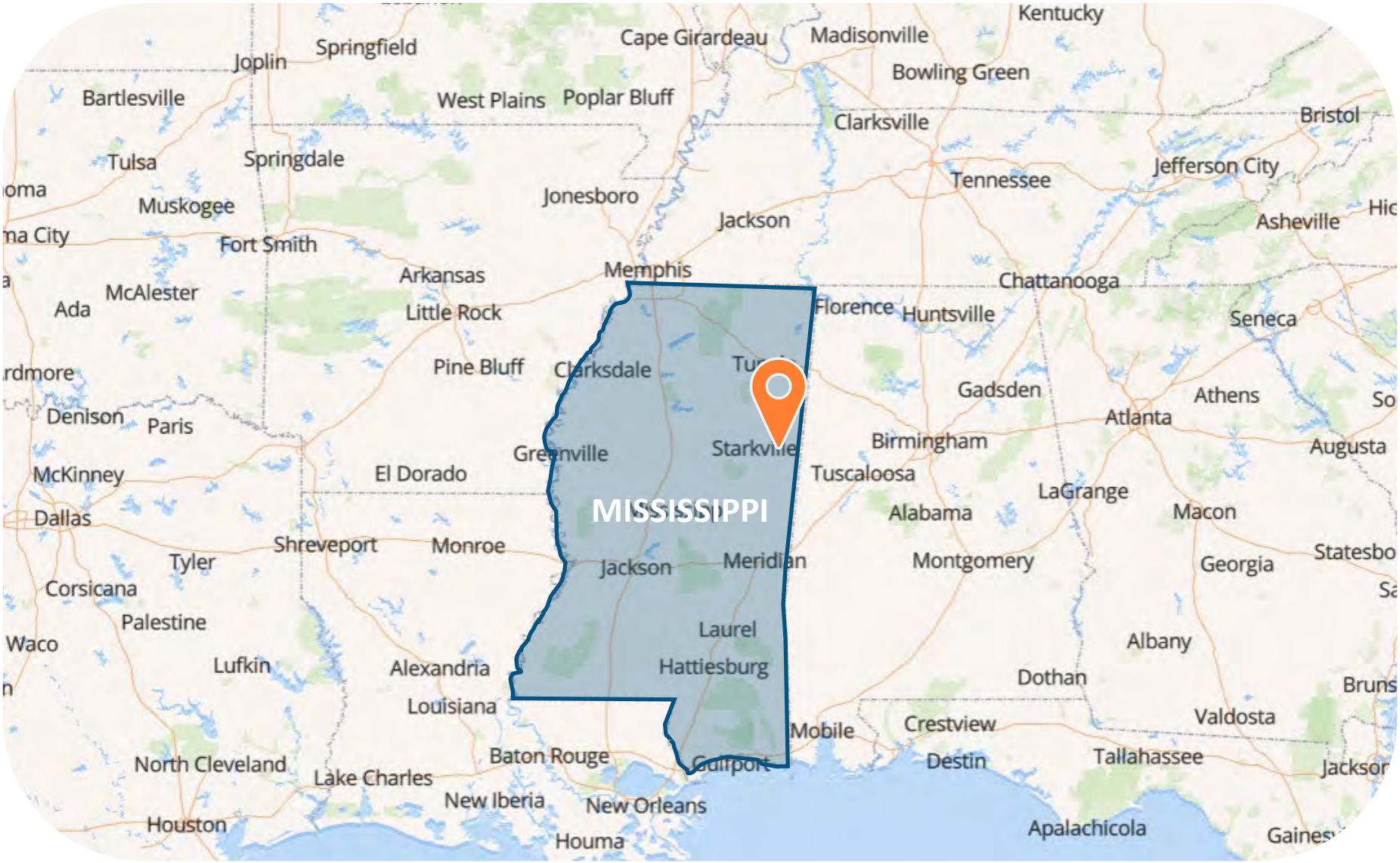
# Local Map

BURGER KING



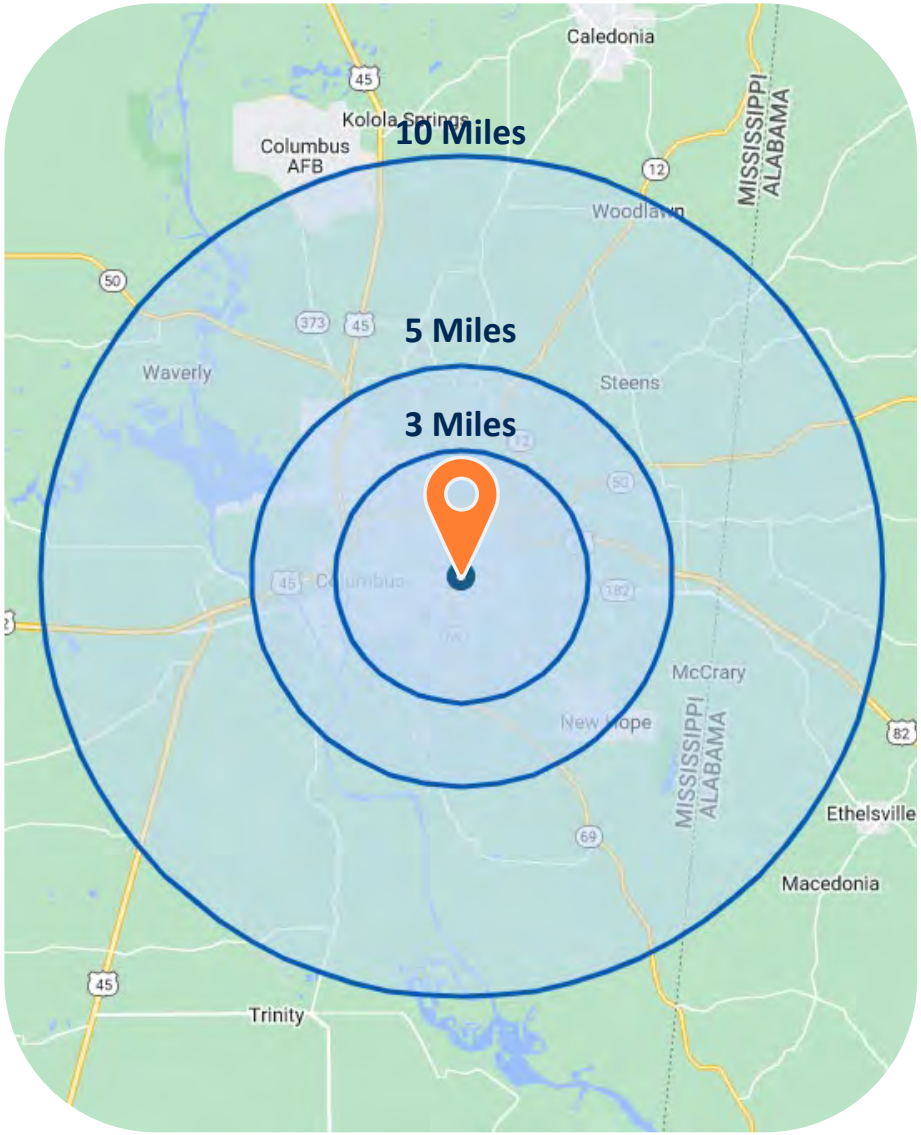
# Regional Map

BURGER KING



# Demographics

BURGER KING




| | 3 Miles | 5 Miles | 10 Miles |
|---|---|---|---|
| **POPULATION TRENDS** | | | |
| 2010 Population | 24,261 | 38,007 | 52,916 |
| 2022 Population | 23,704 | 36,822 | 50,899 |
| 2027 Population Projection | 23,487 | 36,421 | 50,273 |
| **HOUSEHOLD TRENDS** | | | |
| 2010 Households | 9,457 | 15,047 | 20,884 |
| 2022 Households | 9,242 | 14,605 | 20,116 |
| 2027 Household Projection | 9,155 | 14,447 | 19,869 |
| Annual Growth 2010-2022 | 0.40% | 0.40% | 0.30% |
| **AVERAGE HOUSEHOLD INCOME (2022)** | $53,855 | $62,180 | $65,837 |
| **MEDIAN HOUSEHOLD INCOME (2022)** | $34,087 | $42,071 | $48,965 |
| **HOUSEHOLDS BY HOUSEHOLD INCOME (2022)** | | | |
| < $25,000 | 3,654 | 4,768 | 5,873 |
| $25,000 - 50,000 | 2,175 | 3,316 | 4,302 |
| $50,000 - 75,000 | 1,278 | 2,091 | 3,249 |
| $75,000 - 100,000 | 870 | 1,923 | 2,911 |
| $100,000 - 125,000 | 391 | 720 | 1,140 |
| $125,000 - 150,000 | 407 | 805 | 1,126 |
| $150,000 - 200,000 | 191 | 492 | 864 |
| $200,000+ | 277 | 489 | 652 |

# Market Overview




**Columbus** is a city in and the county seat of Lowndes County, on the eastern border of Mississippi, located primarily east, but also north and northeast of the Tombigbee River, which is also part of the Tennessee Tombigbee Waterway. Columbus is the principal city of the Columbus Micropolitan Statistical Area, which is part of the larger Columbus West Point Combined Statistical Area. Columbus is also part of the area of Mississippi called The Golden Triangle, consisting of Columbus, West Point and Starkville, in the counties of Lowndes, Clay and Oktibbeha. The term was created as a marketing strategy in the 1990's to promote economic development in the region and encourage additional cooperation between local communities in attracting investment. The three counties are home to a population of over 128 000 and 500 000 workers are within 60 miles of the region. The area's economic development potential is anchored by the presence of Mississippi State University, Columbus Air Force Base, and associated spin off industries in research, high tech manufacturing, aerospace, transportation, and education. The Golden Triangle Region has attracted 5 9 billion in capital investment since 2008.

Since the early 21st century, several manufacturing companies have located at the Golden Triangle Industrial Park in Lowndes County, leading to a resurgence in the Columbus area. The Triangle is home to an advanced tech steel mill developed by the Russian Severstal company, a drone plant, and a helicopter factory (Eurocopter now known as Airbus Helicopters). Area residents say the latter helps them establish the region as one that can support highly skilled, high-tech jobs. In addition, Yokohama Tires of Japan opened a manufacturing plant in the area in 2015.

# EXCLUSIVE NET-LEASE OFFERING

BURGER KING

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