

NEW 20-YEAR NNN BURGER KING

643 ATHENS ROAD, LEXINGTON, GA 30648

ATHENS, GA MSA



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Representative Photo

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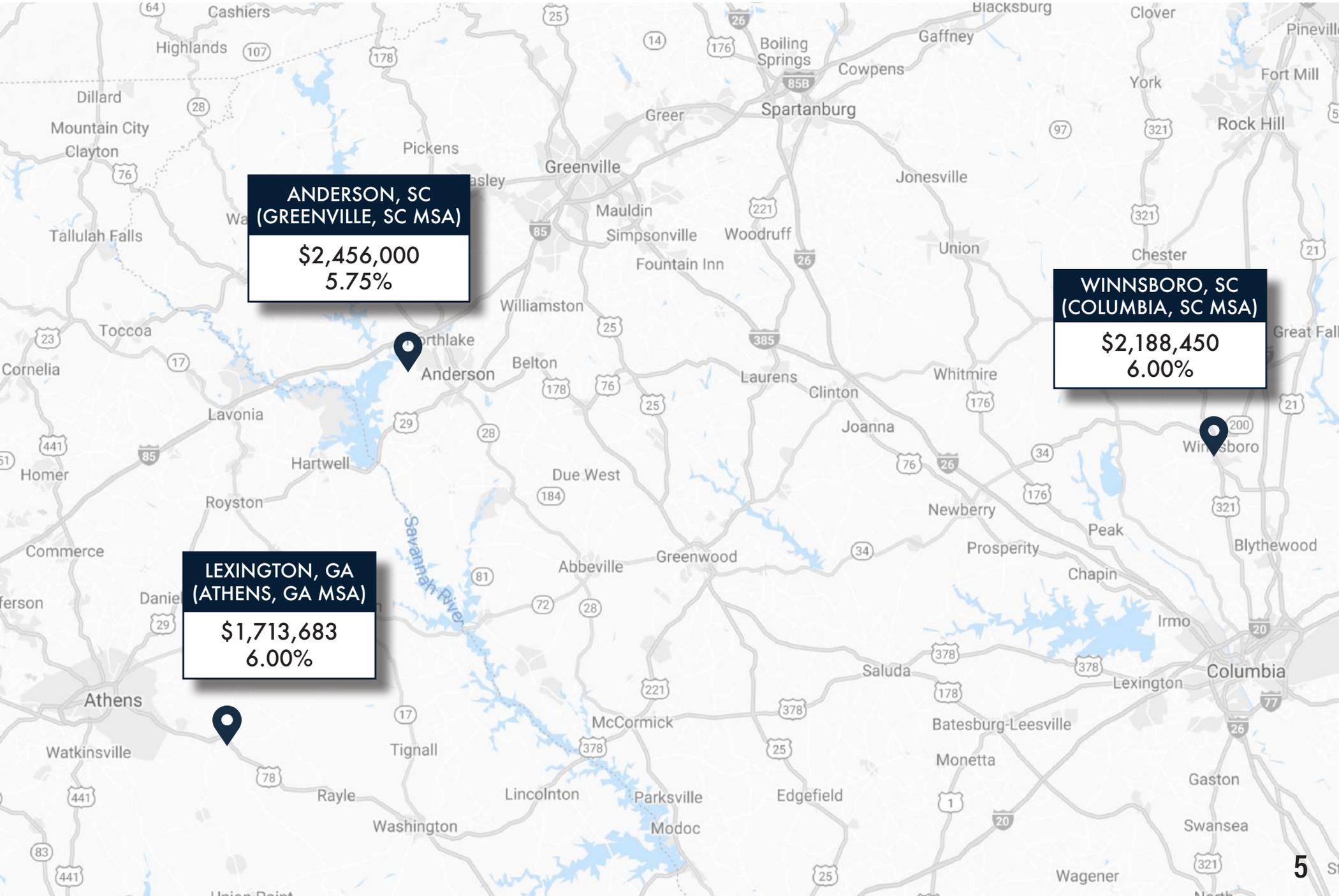
04

A photograph of a university campus. In the foreground, a large, ornate black metal archway with two spherical lamps stands on a stone base. A paved path leads through the archway towards a large, white, classical-style building with columns. The scene is surrounded by lush green trees, and the sun is shining brightly from the upper left, creating a lens flare effect. A historical marker is visible on the left side of the path.

01-EXECUTIVE SUMMARY

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PORTFOLIO OFFERING



ANDERSON, SC
(GREENVILLE, SC MSA)
\$2,456,000
5.75%

WINNSBORO, SC
(COLUMBIA, SC MSA)
\$2,188,450
6.00%

LEXINGTON, GA
(ATHENS, GA MSA)
\$1,713,683
6.00%



OFFERING HIGHLIGHTS

Price*	\$1,713,683
Cap Rate	6.00%
Year Built	2019
Building GLA	3,400 SF
Lot Size	1.96 Acres
NOI*	\$102,821

*The NOI and Price are subject to adjustments due to final construction costs.

TOP ATHENS-CLARKE COUNTY MSA EMPLOYERS

- University of Georgia
- Caterpillar Athens Plant
- Piedmont Athens Regional
- Pilgrim’s
- Clarke County School District
- DialAmerica
- St. Mary’s Health Care System
- Power Partners, Inc.
- Unified Government of Athens-Clarke County
- Carrier Transicold

INVESTMENT OVERVIEW

Optimal Lease Structure

- Attractive 20-year base term
- Four (4), 5-year renewal terms
- 10% rent escalations every 5 years throughout entire lease
- Absolute NNN lease with NO LL responsibilities
- Strong personal and franchisee guarantee

Athens-Clarke County, GA MSA

- Total population of over 203,000 people
- Home to multiple corporate headquarters, including Partner Software, Digital Insight, Docebo, Merial, and Janssen Pharmaceuticals, Inc.
- Home to the University of Georgia
 - o ±37,000 students across 17 colleges and schools
 - o Georgia's largest public research university and #16 on *U.S. News & World Report's* "Best Colleges" list

Best-In-Class QSR Tenant

- Newly constructed Burger King
- 2019 construction with latest BTS prototype
- Burger King rankings:
 - o #6 biggest fast-food chain in America (2019 QSR Magazine)
 - o #2 biggest burger chain in America (2019 Work+Money)
- Brand has 17,800+ locations worldwide

Strong Real Estate Fundamentals

- Strategically located within Athens-Clarke County, GA MSA
- Flat topography with optimal visibility
- Ample parking with 52 spaces
- Frontage along Athens Road

About the Operator - Carolina Franchise Holdings

- Preferred territories span GA, SC & NC
- Management Team includes professional backgrounds covering development, accounting & QSR operations
- Cumulative experience of Management Team exceeds 160+ years of professional experience
- 1 of 5 franchisees across North America selected by Burger King Corporate to beta test new operations model rolled out to all franchisees in 2020
- 9 units opened in 2018, 17 units opened or scheduled to open by YE 2019, 5 units scheduled to open by Q1 2020



Representative Photo

A photograph of a building under construction. The building's exterior walls are covered in light-colored plywood sheathing. The ground floor features a long, continuous window with a grey metal frame. A construction worker in a bright yellow safety vest and white pants is visible near the right side of the building. The scene is set against a clear blue sky. A large, semi-transparent grey rectangular box is overlaid on the center of the image, containing text.

02-PROPERTY DETAILS

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AERIAL



CRAWFORD-LEXINGTON
MEDICAL CENTER



DOLLAR GENERAL



CONSTRUCTION PHOTOS



Photos taken on September 22, 2019

REGIONAL MAP





03-LOCATION OVERVIEW

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LOCATION OVERVIEW

The city of Lexington, GA is the county seat of Oglethorpe County in Northeast Georgia just outside of Athens. Nestled in the northeastern reaches of the Peach State, Athens, Georgia is an unmistakably southern city steeped in vibrant college culture. While the spirited city is perhaps **most known for the University of Georgia, the state's largest public research university and the birthplace of public higher education in America**, it's also home to a thriving music scene, award-winning restaurants and a host of other attractions.

Athens is home to the University of Georgia, **one of the nation's top public universities. With its comprehensive reach, the university's 17 colleges and schools enroll more than 37,000 students.** It has an annual \$6.3B impact on the state of Georgia. It was ranked **#16 on *U.S. News & World Report's* Best Colleges** and **#10 The *New York Times's* College Access Index.**

The Athens-Clarke County metropolitan area serves as an employment, cultural, educational, and business center for surrounding counties and all of Northeast Georgia. **Athens-Clarke County boasts a diverse business mix, with major Fortune 500 companies and local entrepreneurial startups** calling the area home. The County has a rich manufacturing history and a strong industrial base that provide a formidable business foundation in the heart of the Southeast U.S. Athens-Clarke County offers a variety of state and local incentives to new and expanding businesses in the area, including homestead and Freeport exemptions. These incentives, along with low taxes, a low cost of living, and a powerful workforce of more than 34,000, make the county an attractive choice for businesses seeking the perfect location for their operations. Athens is **home to a growing number of young technology companies including Docebo, Roundsphere, and Cogent Education.** The city is also home to more established technology companies such as **Partner Software, Peachtree Medical Billing, and Digital Insight.** Athens is also home to several pharmaceutical manufacturing and biotechnology companies such as **Merial and Janssen Pharmaceuticals, Inc.** The University of Georgia also hosts its own biotechnology research centers mostly from the lower east side of town bordering Oconee county.



DEMOGRAPHICS

POPULATION	3 - MILE	5 - MILE	7 - MILE
2018 Estimate	2,458	4,284	7,595

HOUSEHOLDS	3 - MILE	5 - MILE	7 - MILE
2023 Projections	983	1,637	2,900
2018 Estimate	938	1,550	2,724

2018 POPULATION BY RACE	3 - MILE	5 - MILE	7 - MILE
% White Population	77.81%	75.51%	75.87%
% Black Population	17.76%	19.78%	19.47%
% Asian Population	1.53%	1.54%	1.32%
% American Indian, Eskimo, Aleut Population	0.37%	0.39%	0.37%
% Hawaiian or Pacific Islander Population	0.00%	0.00%	0.00%
% Multi-Race Population	1.93%	1.91%	1.82%
% Other Population	0.60%	0.86%	1.16%

POPULATION PROFILE	3 - MILE	5 - MILE	7 - MILE
20 to 34 Years	17.2%	16.8%	17.0%
35 to 59 Years	30.9%	30.2%	31.7%
60 to 74 Years	18.2%	18.5%	18.6%
Age 75+	9.2%	9.5%	8.3%
2018 Median Age	42.8	43.1	43.1
Elementary (0-8)	5.04%	5.44%	4.79%
Some High School (9-11)	16.36%	15.99%	14.85%
High School Graduate (12)	31.48%	33.15%	33.12%
Some College (13-15)	22.55%	20.14%	20.81%
Associates Degree Only	4.11%	4.80%	5.96%
Bachelors Degree Only	11.38%	10.65%	9.67%
Graduate Degree	7.16%	7.65%	8.66%



Photos taken on September 22, 2019



04-FINANCIAL ANALYSIS

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LEASE ABSTRACT

TENANT:

CFH Lexington, LLC d/b/a Burger King

LEASE GUARANTOR:

CFH Master Holding, LLC (Franchisee) & Bruce Daniels (Personal)

BUILDING SIZE:

±2,720 Square Feet

LEASE COMMENCEMENT:

Est. October 15, 2019

BASE TERM:

20 Years

BASE RENT:

\$8,568.42 per month/\$102,821.00 annually (Years 1-5)
\$9,425.25 per month/\$113,103.00 annually (Years 6-10)
\$10,367.75 per month/\$124,413.00 annually (Years 11-15)
\$11,404.50 per month/\$136,854.00 annually (Years 16-20)

OPTIONS:

Four (4), 5 year options

OPTION RENT:

Option 1: \$12,544.92 per month/\$150,539.00 annually (Years 21-25)
Option 2: \$13,799.42 per month/\$165,593.00 annually (Years 26-30)
Option 3: \$15,179.33 per month/\$182,152.00 annually (Years 31-35)
Option 4: \$16,697.25 per month/\$200,367.00 annually (Years 36-40)

RENT ESCALATIONS:

10% Every 5 Years

TAXES, UTILITIES AND OTHER CHARGES:

Tenant agrees to pay, at Tenant's sole expense and for its own account, on or before the due date.

NET LEASE:

It is the intention of Landlord and Tenant that the Rent shall be absolutely net to Landlord, and Tenant shall pay and be responsible for all costs, expenses and obligations of every kind and nature relating to the Property which may accrue or become due during the Term, including, without limitation, all utilities and other services consumed or otherwise utilized by Tenant in its occupancy of the Property.

RIGHT OF FIRST REFUSAL:

No

REPAIR OF BUILDING & PREMISES:

Solely Tenant's responsibility which shall include roof, HVAC, lighting, parking lot, etc.

INSURANCE:

Tenant, at Tenant's expense, at all times during the Term of this Lease from and after the Possession Date, will procure, maintain and keep in force commercial general liability insurance, employer's liability insurance and property insurance.

ASSIGNMENT & SUBLETTING:

Notwithstanding any Landlord approved assignment or subletting or any Permitted Transfer hereunder, Tenant shall remain fully responsible to Landlord in accordance with the terms and provisions of this Lease and Guarantor shall remain fully responsible to Landlord in accordance with the terms and provisions of the Guaranty.

ESTOPPEL:

Within fifteen (15) business days





GUARANTOR

GUARANTOR CFH Master Holding, LLC (Franchisee) & Bruce Daniels (Personal)

NO. OF UNITS 15+

LOCATIONS NC, SC, GA

CORPORATE

TENANT TRADE NAME Burger King

OWNERSHIP Restaurant Brands International

HEADQUARTERS Miami-Dade County, FL



17,800+
Locations



\$3.62 BILLION
Total Equity of Parent Company



\$21.62 BILLION
2018 Systemwide Sales



LOCATED IN 100 COUNTRIES
as of 2018

TENANT SUMMARY

Burger King (BK) is an American global chain of hamburger fast food restaurants. Headquartered in the unincorporated area of Miami-Dade County, Florida, the company was founded in 1953 as Insta-Burger King, a Jacksonville, Florida-based restaurant chain. In 1954, its two Miami-based franchisees David Edgerton and James McLamore purchased the company and renamed it “Burger King”. Burger King’s menu has expanded from a basic offering of burgers, French fries, sodas, and milkshakes to a larger and more diverse set of products. In 1957, the “Whopper” became the first major addition to the menu, and it has become Burger King’s signature product since.

Burger King has over 17,800 outlets in 100 countries. Of these, nearly half are located in the United States, and 99.7% are privately owned and operated. Restaurant Brands International (RBI) is one of the world’s largest quick service restaurant companies with more than \$32 billion in system-wide sales and approximately 26,000 restaurants in more than 100 countries and U.S. territories. RBI owns three of the world’s most prominent and iconic quick service restaurant brands – BURGER KING®, TIM HORTONS®, and POPEYES®. These independently operated brands have been serving their respective guests, franchisees and communities for decades.

MANAGEMENT TEAM



BRUCE DANIELS Founder & CEO

Bruce is the Founder of Carolina Franchise Holdings and serves as CEO. Prior to CFH, Bruce was a co-founder and Managing Partner at West 4th Capital, a residential development in Sao Paulo, Brazil. West 4th delivered over 2,000 units with a total sales value of ~\$95 million. In Brazil, he led the origination, underwriting and domestic and international capital raise of the first CDO squared in Brazil as Partner of Petra S.A. Prior to Brazil, Bruce worked within Merrill Lynch and Bear Stearns Investment Banking groups focused on M&A transactions within the general industries and real estate sector. Bruce began his career at Arthur Anderson within the audit and consulting practices. In addition, Bruce served 8 years in the United States Army as a member of the Georgia National Guard.

Bruce received an MBA from New York University where he was awarded a Stern Fellowship. He completed B.B.A. degrees in Finance and Accounting at the University of Georgia where he received a full scholarship as a Terry Scholar.

BENJAMIN WASSER Chief Operating Officer

Benjamin Wasser is the Chief Operating Officer at Carolina Franchise Holdings, LLC. Prior to CFH, Ben has over 8 years of QSR experience and recently served as the Director of Franchise Performance for Burger King Corporation from 2014 to 2019, a position that was responsible for strategy, operations, marketing, sales, profitability, development and future business growth for over 400 locations across both North and South Carolina. Prior to moving to the Carolinas, he was the Director of Company Operations overseeing 50 units owned by BKC. As the Director of Operations, Benjamin was able to achieve top ranking in the operating reporting matrix across all franchise groups and revamped the marketing strategy increasing sales by 10% while achieving double digit EBIDTA margins for the first time in the company's history.

Benjamin has obtained his white and yellow belt certification in Six and served in the McLamore and RBI, MBA committee's during his time at RBI. Benjamin received his undergraduate degree in business management from Palm Beach Atlantic University.

MANAGEMENT TEAM



DAVID WALLACE DIRECTOR OF DEVELOPMENT

- 21 years as Construction Manager for Popeyes Louisiana Kitchen (RBI)
- Led development of corporate owned stores and oversaw franchisee development
- 14 years as General Contractor and subcontractor for restaurants, residential and commercial construction

BOBBY CLARK REGIONAL MANAGER

- 36 years of QSR experience
- 10 years with Burger King brand
- Vice President of Operations for Cambridge Franchise Holdings
 - › 20 to 170 units in under 5 years
- 26 years with Wendy's brand
 - › Director of Operations for large multi-unit franchisee
 - › 9 years as District Manager
 - › 8 years as Restaurant Manager

BRANDON ELLIS CONTROLLER

- 6 years as controller within public and private companies
- 12 years of experience in accounting and finance roles (Bi-Lo and GE Power & Water)
- MBA from Clemson University
- Bachelors - Banking, Corporate Finance and Securities Law from the University of South Carolina

JOHN LANCASTER DIRECTOR OF FOOD & LABOR

- Over 7 years with Burger King brand
- Director within Carolina Franchise Holdings since founding
- 6 years with Burger King Corporate (Restaurant Brands International)
- Manager of Franchise Performance for 3 years overseeing performance of South Carolina units
- Sales & Profit Coach for South Carolina for 3 years

BENJAMIN FLEMING DIRECTOR OF TALENT & MARKETING

- 3 years with Burger King brand
- Manager of Franchise Performance with Burger King Corporate (Restaurant Brands International)
- Brand Manager for Grand Forest Inc. for 3 years
- Marketing Director for Black Bean Co.
- Bachelors of Marketing from North Greenville University

JIMMY GADAGNO NEW BUILD OPERATIONS MANAGER

- 20 years with Burger King multi-unit franchisee in the Carolinas
- Top Restaurant Manager for 3rd generation franchisee
- Retired after 20 years with Westinghouse/Eaton Electric prior to beginning BK career
- Manufacturing Manager

FINANCIAL SUMMARY

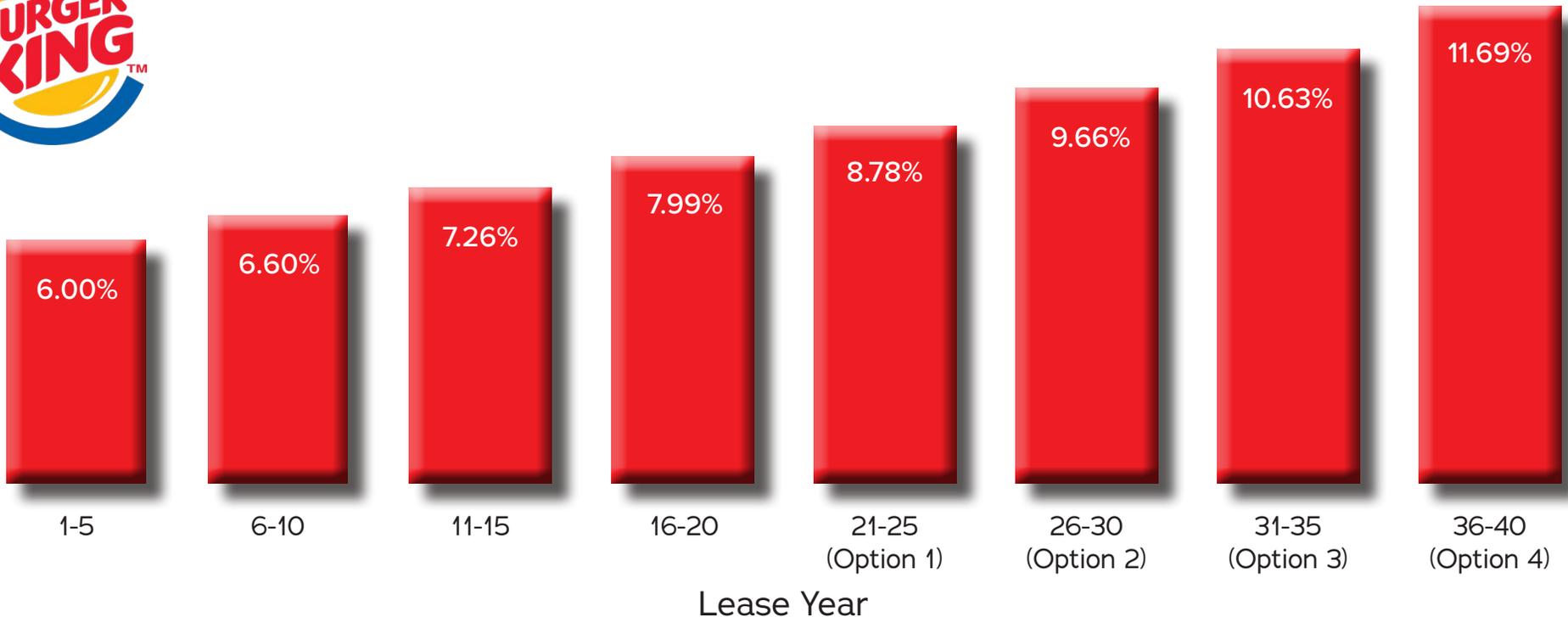
THE OFFERING

Price*:	\$1,713,683
Property Address:	643 Athens Road, Lexington, GA 30648
Cap Rate:	6.00%
Gross Leasable Area (GLA):	3,400 SF
Lot Size:	1.96 Acres
Year Built:	2019
Type of Ownership:	Fee Simple

LEASE SUMMARY

Property Subtype:	Net Leased Restaurant
Tenant:	CFH Lexington, LLC d/b/a Burger King
Rent Increases:	10% Every 5 Years
Guarantor:	Franchisee & Personal
Lease Type:	Absolute NNN
Lease Commencement:	Est. 10/15/19
Lease Term:	20 Years
Renewal Options:	Four (4), 5-Year
Landlord Responsibility:	None
Right of First Refusal:	No

*The NOI and Price are subject to adjustments due to final construction costs.





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MK

MOLLOY KAYE

RETAIL GROUP

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