



LONGVIEW, WASHINGTON

# Burger King



## Recently Remodeled Absolute Net Lease Burger King

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**THE OFFERING** provides the opportunity to acquire a 16-year Absolute Net Burger King restaurant in Longview, WA. The drive-thru equipped restaurant was fully remodeled in 2018 and is operated by an experienced franchisee with 130 QSR locations under management. The lease provides scheduled rent escalations of 8% every five years, including at the beginning of each of the four, five-year option periods.



BURGER KING

## INVESTMENT HIGHLIGHTS

- **ABSOLUTE NNN LEASE PROVIDES ZERO MANAGEMENT RESPONSIBILITY.**
- **16-YEARS REMAINING ON THE PRIMARY TERM WITH 4, 5-YEAR OPTIONS TO EXTEND.**
- **LONG HISTORY OF STRONG PERFORMING SALES.**
- **SCHEDULED RENT INCREASES OF 8% EVERY 5-YEARS, INCLUDING AT THE START OF EACH OPTION TERM WITH THE NEXT SCHEDULED RENT INCREASE SET TO OCCUR ON 12/1/2021.**
- **SUCCESSFUL FRANCHISEE WITH 64 BURGER KINGS UNDER MANAGEMENT AND MORE THAN 130 QSR RESTAURANTS IN TOTAL.**
- **DRIVE-THRU EQUIPPED RESTAURANT COMPLETED FULL REMODEL IN 2018.**
- **LOCATED OFF HIGHWAY 432, WHICH SERVES AS THE CONNECTION BETWEEN I-5 AND THE COAST OF WASHINGTON AND OREGON. LONGVIEW SERVES AS THE LARGEST CITY BETWEEN PORTLAND AND THE GREATER PUGET SOUND.**





**\$3,720,000**

**PRICE**

**5.35%**

**CAP**

LEASEABLE SF

**3,307SF**

LAND AREA

**30,057 SF**

LEASE TYPE

**Absolute NNN**

REMAINING TERM

**16 Years**

YEAR BUILT/REMODELED

**1999/2018**

PARKING

**±35 Spaces;  
10.6/1,000 SF**

ADDRESS

**658 Oregon Way**   
**Longview, WA**



# ABOUT BURGER KING

## About the Tenant

17,000+

LOCATIONS  
WORLDWIDE

35,000+

EMPLOYEES

## Parent Company

QSR

NYSE: QSR  
RESTAURANT  
BRANDS  
INTERNATIONAL

5<sup>th</sup>

LARGEST OPERATOR  
OF FAST-FOOD  
RESTAURANTS  
WORLDWIDE

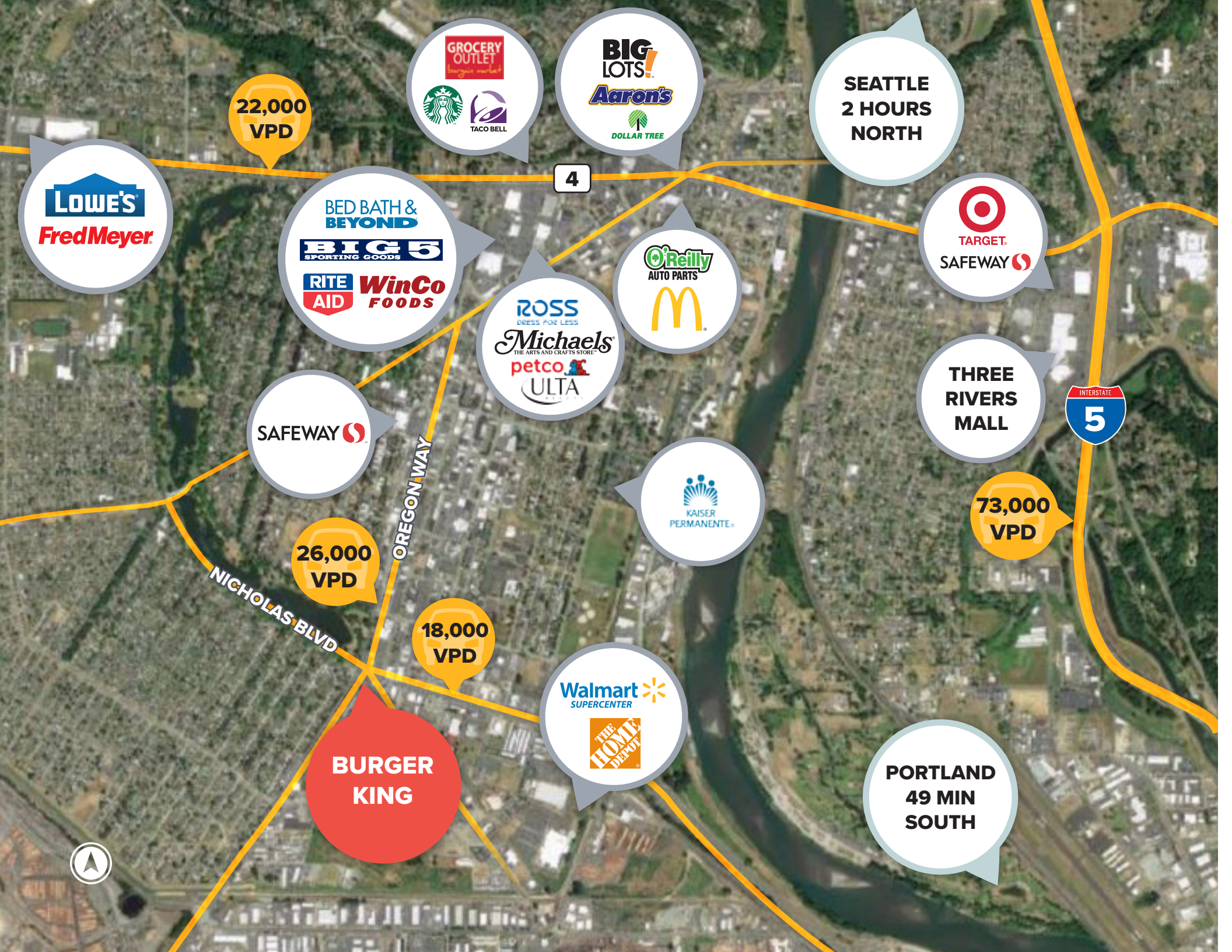
## About the Franchisee

20

LOCATIONS UNDER  
CONTRACT FOR  
2021 & 2022

64

BURGER KING  
LOCATIONS  
ACROSS THE NW



22,000  
VPD

**Lowe's**  
*Fred Meyer*

GROCERY  
OUTLET  
Starbucks  
TACO BELL

**BIG LOTS!**  
*Aaron's*  
DOLLAR TREE

SEATTLE  
2 HOURS  
NORTH

BED BATH & BEYOND  
**BIG 5**  
SPORTING GOODS  
RITE AID WinCo  
FOODS

4

TARGET  
SAFeway

O'Reilly  
AUTO PARTS  
McDonald's

ROSS  
DRESS FOR LESS  
*Michaels*  
THE ARTS AND CRAFTS STORE  
petco  
ULTA

THREE  
RIVERS  
MALL

INTERSTATE  
5

SAFeway

KAISER  
PERMANENTE

73,000  
VPD

26,000  
VPD

OREGON WAY

NICHOLAS BLVD

18,000  
VPD

Walmart  
SUPERCENTER  
THE HOME  
DEPARTMENT

BURGER  
KING

PORTLAND  
49 MIN  
SOUTH



# Within 5 Miles

BURGER KING

# LOCATION OVERVIEW

— PARCEL LINE

**71,101**

**2019  
POPULATION**

**73,237**

**2024  
PROJECTED  
POPULATION**

**\$67,851**

**AVERAGE  
HOUSEHOLD  
INCOME**

**\$50,453**

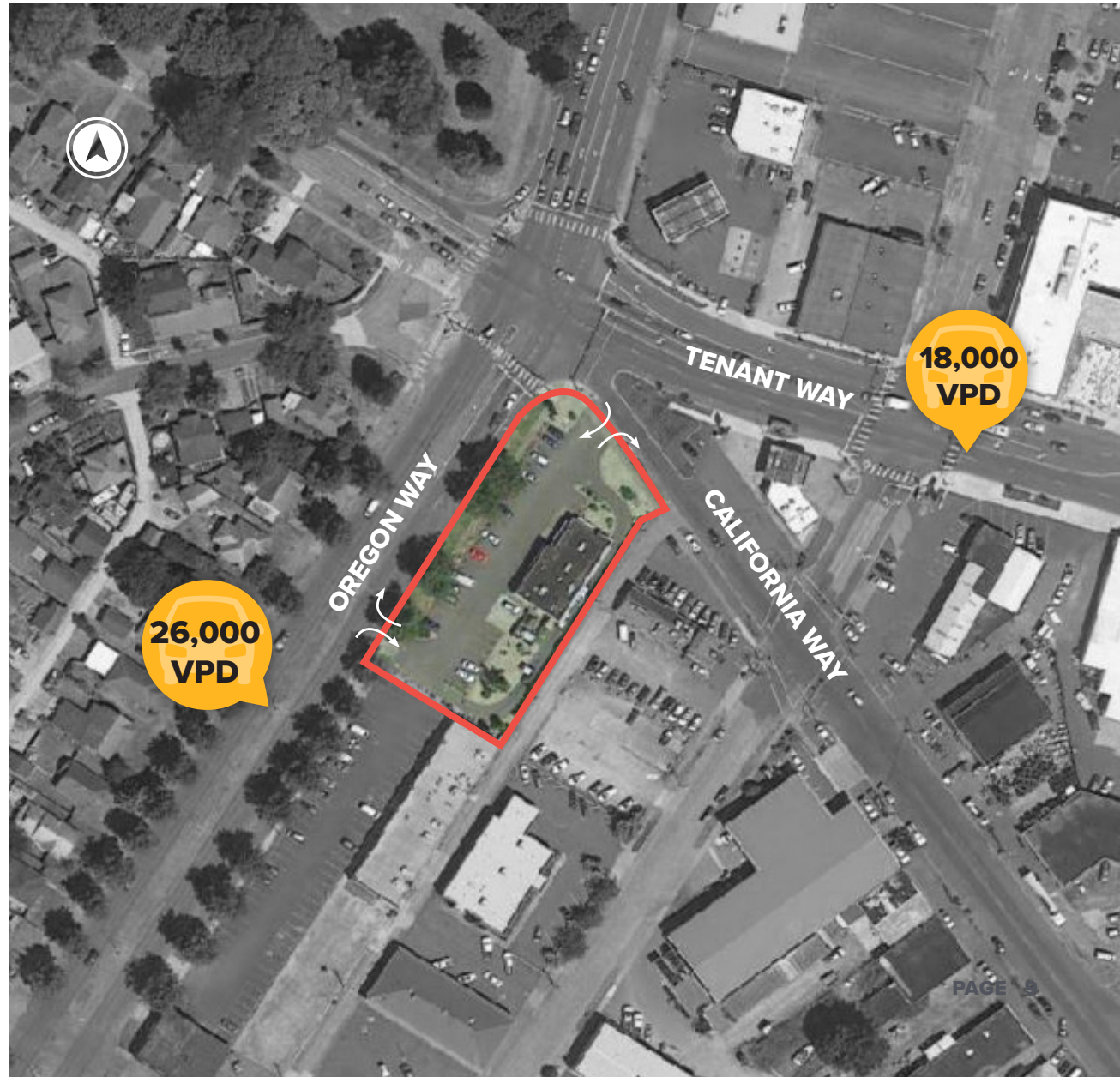
**MEDIAN  
HOUSEHOLD  
INCOME**

**2,461**

**TOTAL  
BUSINESSES**

**33,652**

**TOTAL  
EMPLOYEES**



BURGER KING

## Q&A

### **A: WHAT INFORMATION DO YOU HAVE ABOUT THE ENVIRONMENTAL CONDITION OF THE PROPERTY**

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Per the 2016 Phase I and II report, a service station operated at the Oregon Way location from 1949-1997 with other service stations and auto repair facilities also located nearby. In 1997, multiple USTs were removed from the site, some observed to be in poor condition, and groundwater monitoring activities commenced. The current owner purchased the property in 1999, received an indemnification from the prior owner relating to environmental claims. A 2016 Phase I and Phase II investigation included soil and groundwater sampling found residual contamination from historical site use. Elevated concentrations of GRPH, benzene were detected in soils and significant concentrations of GRPH, DRPH, ORPH, and BTEX were detected in the groundwater throughout the site. Subsequent remediation work including a series of two injections of “trap and treat” technology commenced in 2016. The property is now in its 3rd of 4 quarterly testing periods before it will apply to the State of Washington’s Petroleum Technical Assistance Program (PTAP) and complete steps to achieve a No Further Action (NFA) opinion letter on the Site/Property. The previous indemnifier is paying for completion of this work.



# COMPETITION



## Trade Area

**BURGER KING SITS IN A PRIME LOCATION** with proximity to I-5 (73,000 VPD) and connectivity to the the Puget Sound, the Portland Metro, and the major coastal cities. As one of the larger cities between the Puget Sound and Portland, this location directly benefits from high commuter traffic. Outside of Longview, the nearest Burger King is 40+ miles away.



# FINANCIAL SUMMARY

<b>PRICE</b>	<b>\$3,720,000</b>
<b>CAPITALIZATION RATE</b>	<b>5.35%</b>

## CASH FLOW SUMMARY

<b>SCHEDULED INCOME</b>		<b>PER SF</b>	
Base Rent for the Period of:	4/1/2021 - 3/31/2022	\$58.58	\$193,716
Rent Increases Over Base Rent		\$1.56	\$5,166
<b>Total Effective Gross Income (EGI)</b>		<b>\$60.14</b>	<b>\$198,882</b>

<b>OPERATING EXPENSES</b>		<b>PER SF</b>	
CAMS			NNN
Property Taxes			NNN
Insurance			NNN
<b>Total Operating Expenses</b>		<b>NNN</b>	<b>-</b>

<b>NET OPERATING INCOME</b>	<b>\$198,882</b>
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**RENT ROLL****BURGER KING - LONGVIEW, WA**

Lease Term: 11/30/2016 - 11/29/2036

Size (SF): 3,307

**RENT SUMMARY**

DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF	CAP RATE	
11/30/2016	\$16,143		\$193,716	\$59	5.35%	
12/1/2021	\$17,434	8%	\$209,213	\$63	5.62%	
12/1/2026	\$18,829	8%	\$225,950	\$68	6.07%	
12/1/2031	\$20,336	8%	\$244,026	\$74	6.56%	
<b>OPTIONS</b>						
<b>1</b>	12/1/2036	\$21,962	8%	\$263,548	\$80	7.08%
<b>2</b>	12/1/2041	\$23,719	8%	\$284,632	\$86	7.65%
<b>3</b>	12/1/2046	\$25,617	8%	\$307,403	\$93	8.26%
<b>4</b>	12/1/2051	\$27,666	8%	\$331,995	\$100	8.92%
<b>CURRENT</b>		<b>\$16,143</b>		<b>\$193,716</b>	<b>\$59</b>	<b>5.35%</b>

**Lease Notes**

Comments: Tenant operates on an Absolute NNN lease and has four, five-year options given six months' notice. Tenant may assign or sublease any interest in the Premises without prior written consent to Burger King Corporation "BKC", or an approved franchisee of BKC. Tenant must have prior written consent of Landlord for any alterations, additions, or improvements in excess of \$50,000.

BURGER KING

# LEASE ABSTRACT

## Premise & Term

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<b>TENANT</b>	Ambrosia QSR Burger, LLC
<b>LEASABLE SF</b>	3,307
<b>LEASE TYPE</b>	Absolute Net
<b>RENT COMMENCEMENT</b>	11/30/2016
<b>LEASE EXPIRATION</b>	11/29/2036
<b>TERM</b>	16 Years
<b>OPTIONS</b>	4,5-Year - 180 Days' notice

## Maintenance & Repair

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### TENANT'S OBLIGATIONS

Tenant shall maintain, repair, and replace the entire Premises, including plumbing, heating, air conditioning, ventilation, electrical, lighting, fixtures, walls (interior and exterior), foundation and roof.

### LANDLORD'S OBLIGATIONS

Landlord has no responsibilities.



# Expenses

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## UTILITIES

Tenant shall pay all water, gas, heat, light, power, telephone, and other utilities to the premises.

## TAXES

Tenant shall pay taxes directly to the assessor.

## INSURANCE

Tenant shall maintain property and liability insurance for the duration of the lease.

# Lease Provisions

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## ROFO

Tenant shall have 15 days after receiving written notice of sale conditions from the Landlord to accept the offer and deposit a non-refundable deposit equal to five percent (5%) of the purchase price. Escrow shall close on or before 90 days after the date of Tenant's acceptance. If tenant does not exercise the right, the Landlord may sell the property as long as the purchase price is at least 95% of the price given to the Tenant. If Landlord intends to sell the Premises for less than 95% of the offer price listed in the written notice to the tenant, the Landlord shall offer the tenant the opportunity to buy the Premises on an "as-is" "all cash basis". Tenant shall have 5 business days to agree to purchase at the revised price.

## ALTERATIONS TO PREMISES

Tenant must have prior written consent of Landlord for any alterations, additions, or improvements in excess of \$50K. Any plans Tenant desires to make shall be presented to Landlord in written form with proposed detailed plans and will be paid by Tenant.



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