

SUBJECT PROPERTY

RALLY'S RESTAURANT

855 EAST 5TH AVENUE, FLINT, MI 48503

30445 Northwestern Highway, Suite 275
Farmington Hills, MI 48334
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EXCLUSIVELY LISTED BY:

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INVESTMENT SUMMARY

List Price:	\$1,212,460
Current NOI:	\$78,810
Initial Cap Rate:	6.50%
Land Acreage:	0.58 Acres
Year Built	1994
Building Size:	783 SF
Lease Type:	Ground Lease NNN
Lease Term:	20 Years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present a Checkers Restaurant located at 855 East 5th Avenue, Flint, MI. The tenant, Checkers (Corporate) Drive-In Restaurants, Inc. has signed a brand new 20 year NNN Ground lease with 10% Rent Increases every 5 Years. There is one five year option period which also includes a ten percent increase. There are zero landlord responsibilities attached to this lease. The subject property is located directly across from University of Michigan Flint Campus on the NE Hard Corner of E 5th Ave and Saginaw St (25,000 VPD.) Surrounding retail tenants include: Family Dollar, Little Caesar's, Subway, Taco Bell, KFC, McDonald's, Dollar General, and many more. It is situated in a very densely populated area with over 162,000 residents within five miles. The median home value within one mile exceeds \$69,000.



PRICE \$1,212,460



CAP RATE 6.50%



LEASE TYPE Ground Lease NNN



TERM 20 Years

INVESTMENT HIGHLIGHTS

- NNN Ground Lease Requires Zero Landlord Responsibility
- 10% Rent Increases Scheduled Every 5 Years to Hedge Against Inflation
- One, 5 Year Option Period in Place with 10% Rent Increase
- Checkers Drive-In Restaurants, Inc is the Tenant Responsible for the Lease
- Strategically Located on Hard Corner Main Intersection with Traffic Counts over 25,000
- Equipped with Double Drive-Through Concept
- Open Sunday-Wednesday 10AM-3AM | Thursday 10AM-4AM | Friday & Saturday 10AM-5AM



PROPERTY SUMMARY

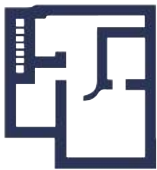
Year Built:	1994
Year Renovated:	2007
Lot Size:	0.58 Acres
Building Size:	783 SF

LEASE SUMMARY

Tenant:	Rally's
Lease Type:	Ground Lease NNN
Primary Lease Term:	20 Years
Annual Rent:	\$78,810
Landlord Responsibilities:	Zero
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	January 2019
Lease Expiration Date:	December 2038
Lease Term Remaining:	20 Years
Rent Bumps:	10% Every 5 Years Including Option
Renewal Options:	One, 5 Year Option
Tenant on Lease:	Checkers Drive-In Restaurants, Inc. (Corporate)
Tenant Strength:	900+
Tenant Website:	www.rallys.com



TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	RENT PER SF/YR
Rally's	783	Jan 2019	Dec 2038	\$78,810	100.0	\$100.65
Totals/Averages	783			\$78,810		\$100.65



TOTAL SF
783



TOTAL ANNUAL RENT
\$78,810



OCCUPANCY RATE
100%



TENANT STRENGTH
900+ LOCATIONS



POPULATION
163K WITHIN 5 MILE



OVERVIEW

Company:	Checkers Drive-In Restaurants, Inc.
Founded:	Oak Hill Capital Partners
Owner:	Oak Hill Capital Partners
Headquarters:	Tampa, Florida
Website:	www.Checkers.com

TENANT HIGHLIGHTS

- Checker's New Owner, Oak Hill Capital Partners, sees 1,200 Checkers/Rally's Stores by 2020
- Oak Hill Capital Partners has opened up 100 Checkers/Rally's in the last 3 Years
- As of March 2017, Oak Hill Capital Partners had 250 more Locations in their Pipeline

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
2019-2023	\$78,810	\$78,810	-
2024-2028	\$86,691	\$7,224	10%
2029-2033	\$95,360	\$7,947	10%
2034-2038	\$104,896	\$8,741	10%
1st Option 2039-2043	\$115,386	\$9,615	10%

CHECKERS | RALLYS

Checkers Drive-In Restaurants, Inc., is one of the largest chains of double drive-thru restaurants in the United States. The company operates **Checkers** and **Rally's** restaurants in 28 states and the District of Columbia. They specialize in hamburgers, hot dogs, french fries, and milkshakes.

Originally separate companies serving different geographic areas with Checkers serving the Southeast and Rally's serving the Midwest, Checkers and Rally's merged in August 1999. Generally-speaking, the Checkers name remains used in the Southeast as well as the Northeast while the Rally's name remains used in the Midwest as well as California; the two brands have overlap in several areas.

On March 23, 2017, Checkers announced that it would be sold to Oak Hill Capital Partners for \$525 million. The Checkers & Rally's System sees 1,200 Restaurants by 2020.

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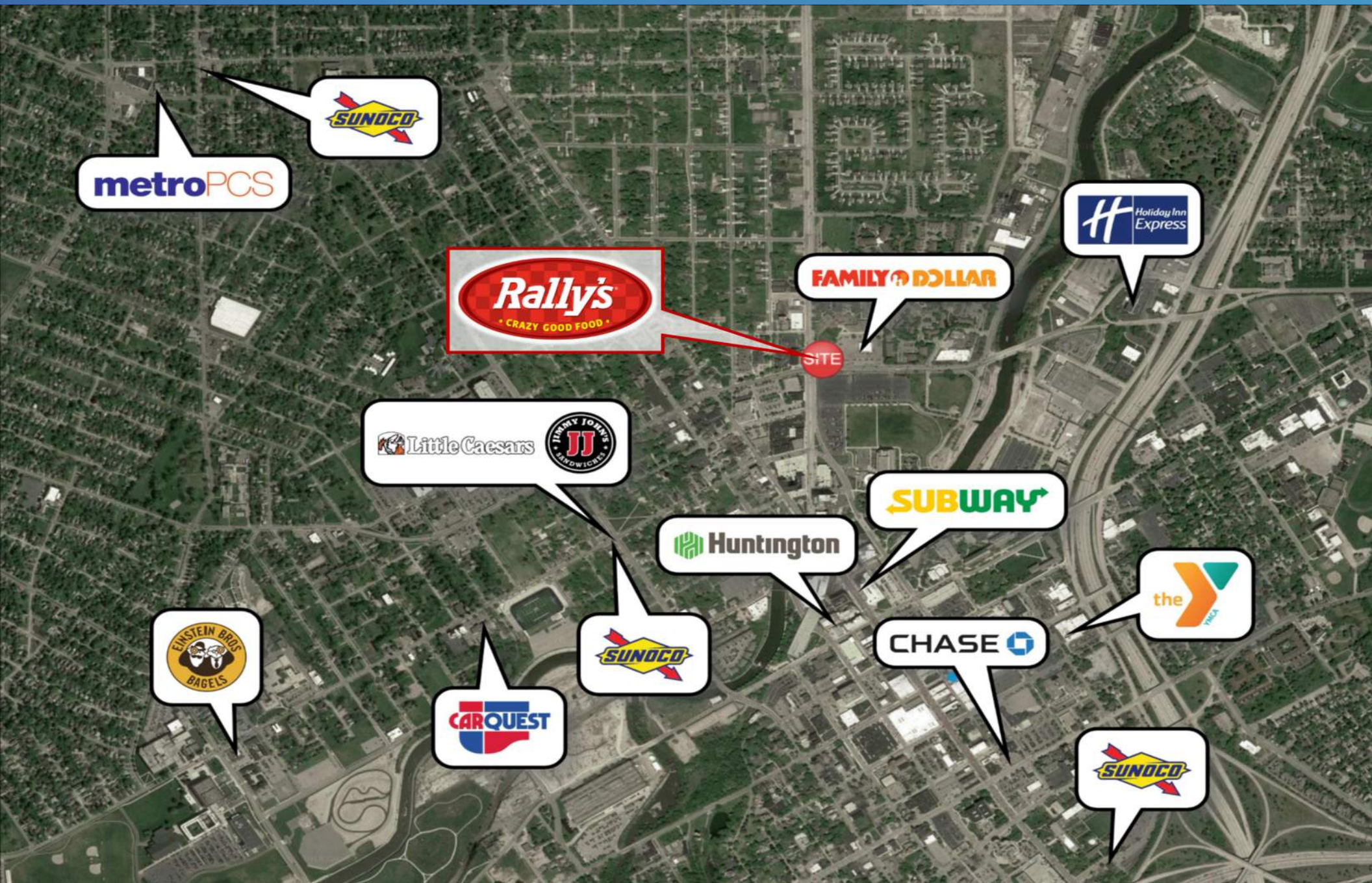
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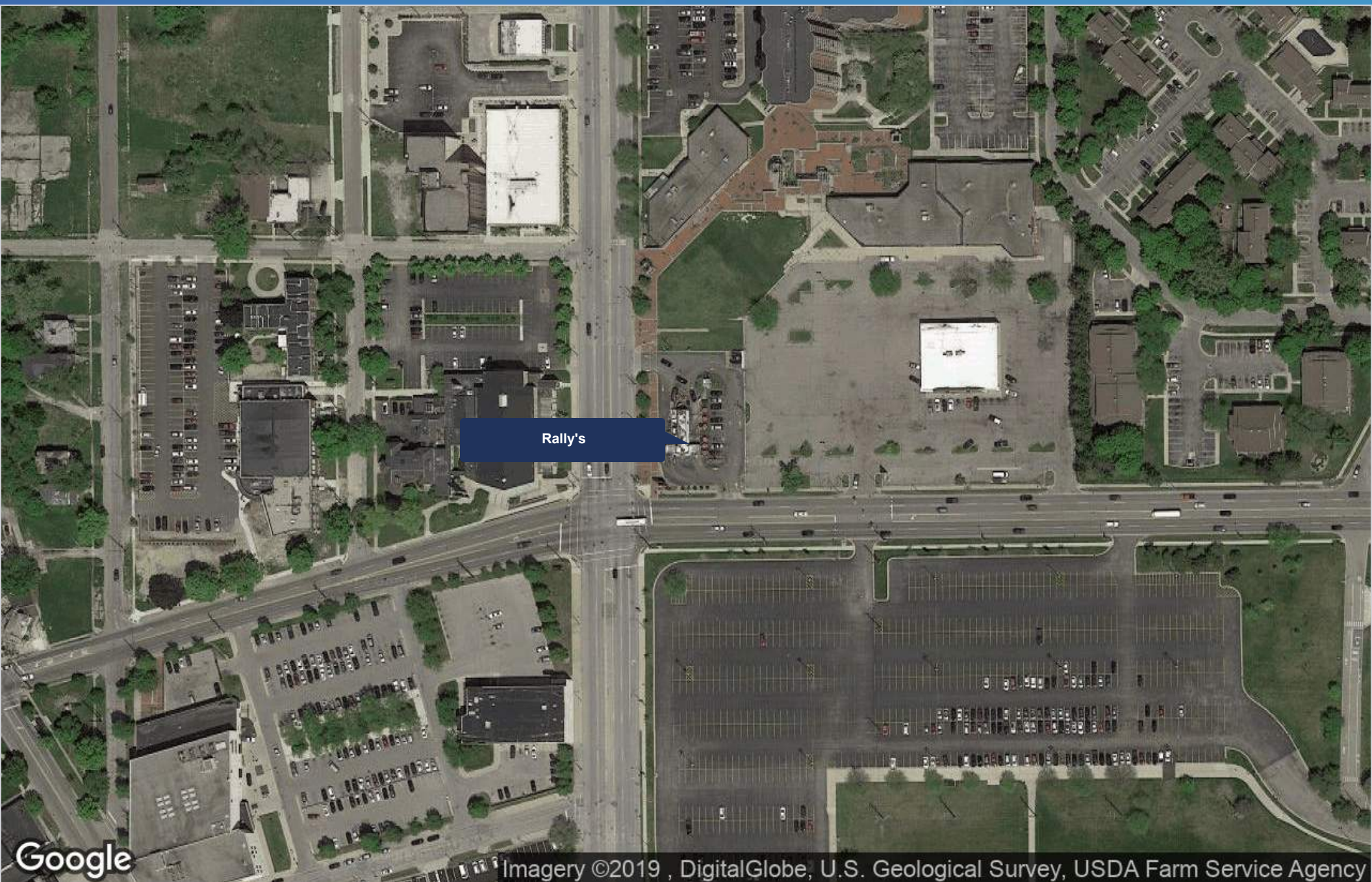




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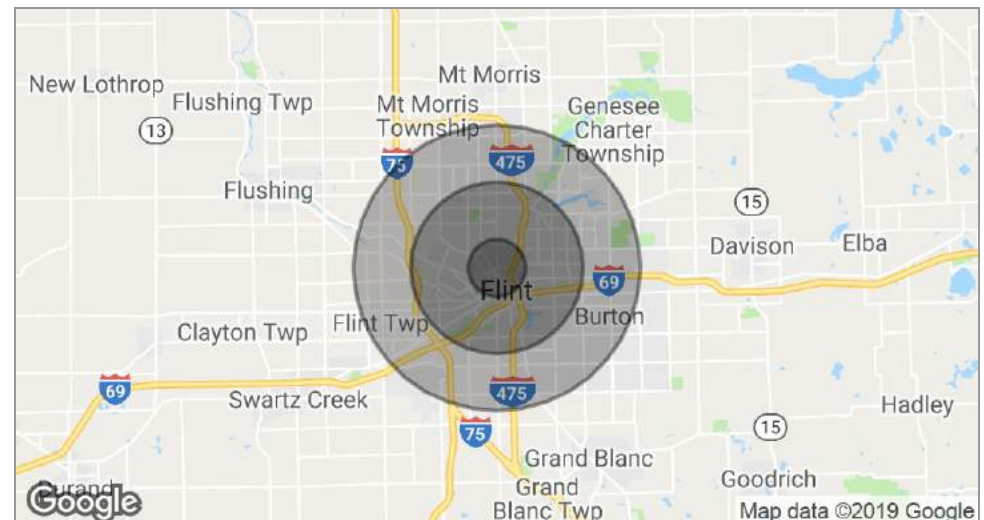


FLINT, MICHIGAN

Flint is the largest city and seat of Genesee County, Michigan, United States. Located along the Flint River, 66 miles northwest of Detroit, it is a principal city within the region known as Mid Michigan. The Flint metropolitan area is located entirely within Genesee County. It is the fourth largest metropolitan area in Michigan.

From the late 19th century to the mid 20th century, the city was a leading manufacturer of carriages and later automobiles, earning it the nickname "Vehicle City". General Motors (GM) was founded in Flint in 1908, and the city grew into an automobile manufacturing powerhouse for GM's Buick and Chevrolet divisions after World War II up until the early 1980s recession. Flint was also the home of the Flint Sit-Down Strike of 1936–37 that played a vital role in the formation of the United Auto Workers.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2018	8,849	87,724	162,848
Median Age	37.30	37.20	38.20
# Of Persons Per HH	2.8	2.5	2.5
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	3,669	34,813	65,149
Average HH Income	\$20,427	\$26,610	\$30,793
Average House Value	\$69,413	\$57,552	\$62,790





TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

The FNL Team

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