



POPEYES LOUISIANA CHICKEN

Birmingham, AL

PRESENTED BY

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POPEYES
Birmingham, AL
ACT ID X0220248

Marcus & Millichap

1717 Finley Boulevard, Birmingham, Alabama 35204

Price	\$1,235,000
Down Payment	35% / \$432,500
Cap Rate	5.50%
Year Built	1999 / 2014
Lot Size	0.40 Acres

Operating Information

Year 1 NOI	\$67,931
Rent/SF	\$27.30
Gross Leasable Area	2,488

Financing

New Acquisition Financing	\$787,800
Loan To Value	65.00%
Interest Rate	4.25%
Amortization Period	25
Loan Constant	6.50%
Annual Debt Service Payment	\$51,214
Year 1 Debt Service Coverage	1.33
Year 1 Debt Yield	8.62%
Year 1 Net Cash Flow After Debt Service	\$16,717

LEASE SUMMARY

Tenant:	Popeyes Louisiana Chicken
Guarantor:	Sailormen, Inc.
Credit Rating:	Not Rated
Rent Commencement:	April 2015
Initial Lease Term	20 Years

Options: Four, 5-Year Options
1.25% Annual Increases

Lease Type: Absolute Net

Base Rent: \$27.30/SF
\$2.28/SF/Month
\$67,931 Annual Rent

Rent Increases: 1.25% Annually

PROPERTY SUMMARY

THE OFFERING	
Property	Popeyes Louisiana Kitchen
Property Address	1717 Finley Boulevard Birmingham, AL 35204
Price	\$1,235,000
Capitalization Rate	5.50%
Price/SF	496.38
PROPERTY DESCRIPTION	
Year Built / Renovated	1999/2014
Gross Leasable Area	2,488
Zoning	Commercial
Type of Ownership	Fee Simple
LEASE SUMMARY	
Property Subtype	Net Leased Restaurant
Tenant	Popeyes
Rent Increases	1.25% Annually
Guarantor	Sailormen, Inc.
Lease Type	Absolute Net
Lease Commencement	4/2/2015
Lease Expiration	4/1/2035
Lease Term	20
Term Remaining on Lease (Years)	18
Renewal Options	Four, 5-Year Options
Landlord Responsibility	None
Tenant Responsibility	All Including Roof & Structure
Right of First Refusal/Offer	Yes

ANNUALIZED OPERATING INFORMATION			
INCOME			
Net Operating Income			\$67,931
RENT SCHEDULE			
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF
Current	\$67,931	\$5,661	\$27.30
April 2, 2018	\$68,781	\$5,732	\$27.65
April 2, 2019	\$69,640	\$5,803	\$27.99
April 2, 2020	\$70,511	\$5,876	\$28.34
April 2, 2021	\$71,392	\$5,949	\$28.69
April 2, 2022	\$72,285	\$6,024	\$29.05
April 2, 2023	\$73,188	\$6,099	\$29.42
April 2, 2024	\$74,103	\$6,175	\$29.78
April 2, 2025	\$75,029	\$6,252	\$30.16
April 2, 2026	\$75,967	\$6,331	\$30.53
April 2, 2027	\$76,917	\$6,410	\$30.92
April 2, 2028	\$77,878	\$6,490	\$31.30
April 2, 2029	\$78,852	\$6,571	\$31.69
April 2, 2030	\$79,838	\$6,653	\$32.09
April 2, 2031	\$80,835	\$6,736	\$32.49
April 2, 2032	\$81,846	\$6,821	\$32.90
April 2, 2033	\$82,869	\$6,906	\$33.31
April 2, 2034	\$83,905	\$6,992	\$33.72





“The relationship between MDA and Sailormen is a testament to their longstanding commitment to help bring strength, independence and life to hundreds of local kids and adults living with life-threatening muscle diseases.”

[Sailormen, Inc. - Popeyes Raises Record \\$838,353 to Support Muscular Dystrophy Association](#)

Popeyes Louisiana Kitchen Corporation		Financial Markets	
Store Count	2,594	Stock Ticker	PLKI
System-Wide Sales	Total Revenues Increased 3.9% to \$61.7 million in the second quarter 2016, compared to \$59.4 million in the second quarter of 2015.	Current Price	\$51.64
		52 Week High/Low	\$63.00 / \$49.11

POPEYES LOUISIANA KITCHEN, INC.

Founded in Atlanta in 1992 as AFC Enterprises, Inc., the Company is a developer, operator and franchisor of quick-service restaurants ("QSRs" or "restaurants") under the trade name, Popeyes® Louisiana Kitchen and Popeyes® Chicken & Biscuits. In January 2014, AFC Enterprises, Inc. changed its corporate name to Popeyes Louisiana Kitchen, Inc. and is traded on Nasdaq under the ticker symbol "PLKI".

POPEYES PROFILE

The Popeyes® brand was founded in New Orleans, Louisiana in 1972 and is the world's second largest quick-service chicken concept (based on the number of units). Within the QSR industry, Popeyes distinguishes itself with a unique "New Orleans" style menu that features spicy chicken, chicken tenders, fried shrimp and other seafood, as well as jambalaya, Red Beans and Rice and other regional items. Popeyes is a highly differentiated QSR brand with a passion for its Louisiana heritage and flavorful authentic food. Popeyes serves food the world craves and is continuing to expand its global reach. The Company operates and franchises over 2,000 Popeyes restaurants worldwide. Of the 1,600 domestic franchised restaurants, approximately 70% are concentrated in Texas, California, Louisiana, Florida, Illinois, Maryland, New York, Georgia, Virginia and Mississippi. Of the nearly 400 international franchised restaurants, approximately 55% are located in Korea, Canada and Turkey. More than 90% of the company-operated restaurants are concentrated in Louisiana and Tennessee.

General Information About the Tenant		Key Personnel	
Franchisee	Sailormen, Inc.	Mr. Robert S. Berg	Chairman of the Board and Chief Executive Officer
Address	9500 South Dadeland Blvd, Suite #800 Miami, FL 33156	Mr. Steven M Wemple	President and Chief Operating Officer
		Mr. Frank Maloney	Chief Financial Officer and Vice President
Phone	(305) 670-0746	Store Count	132 Locations

Founded in 1984, Sailormen, Inc. operates as a “chicken and biscuits” restaurant franchisee and operator. It operates restaurants in Florida, Alabama, Illinois, Georgia, Mississippi, Louisiana, and Missouri. The company operates as a subsidiary of Interfoods of America, Inc. and is one of the largest domestic franchisees of Popeyes Louisiana Kitchen restaurants.

{ 1970s » 1980s » 1990s » 2000s » 2010+ » }

1972:

Alvin C. Copeland Sr., opens "Chicken on the Run" in the New Orleans suburb of Arabi, serving traditional, Southern-fried chicken.

After several months of lackluster performance, he reopens the restaurant as "Popeyes®" (after Popeye Doyle of *The French Connection*). This time he sells spicy, New Orleans-style chicken.



2010 and Beyond

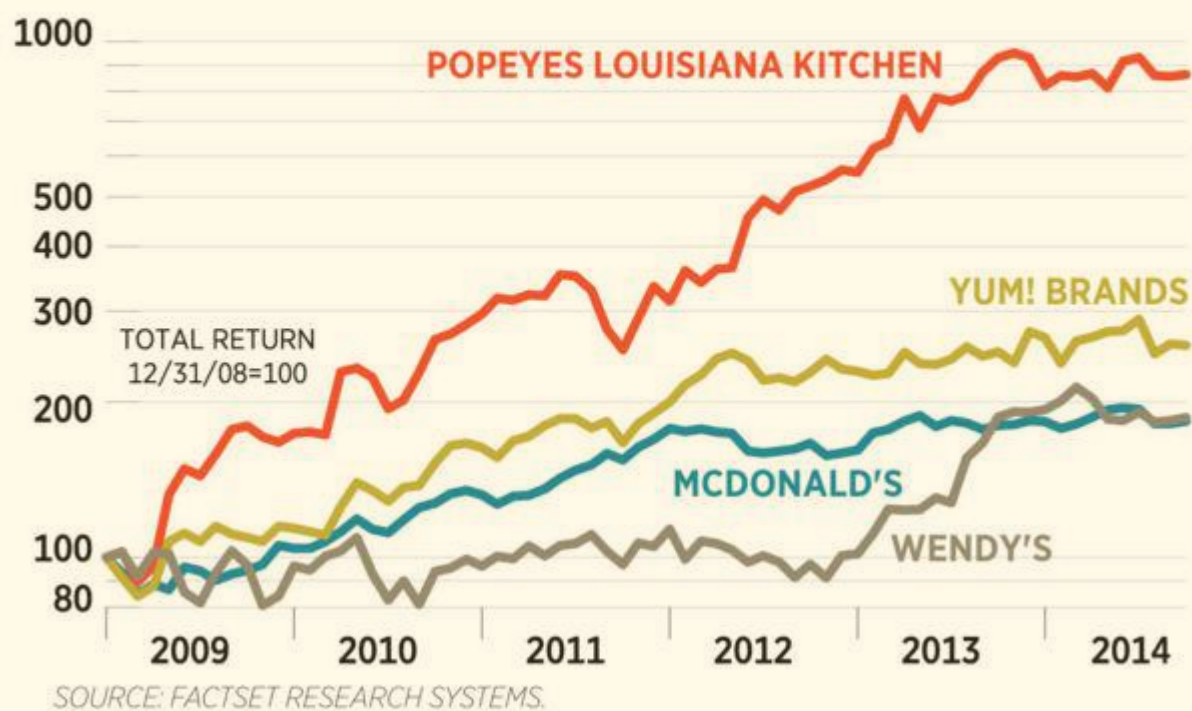
CELEBRATING 40 YEARS OF
POPEYES



Popeyes celebrates 40th anniversary and announces plans for system-wide remodeling of its restaurants.

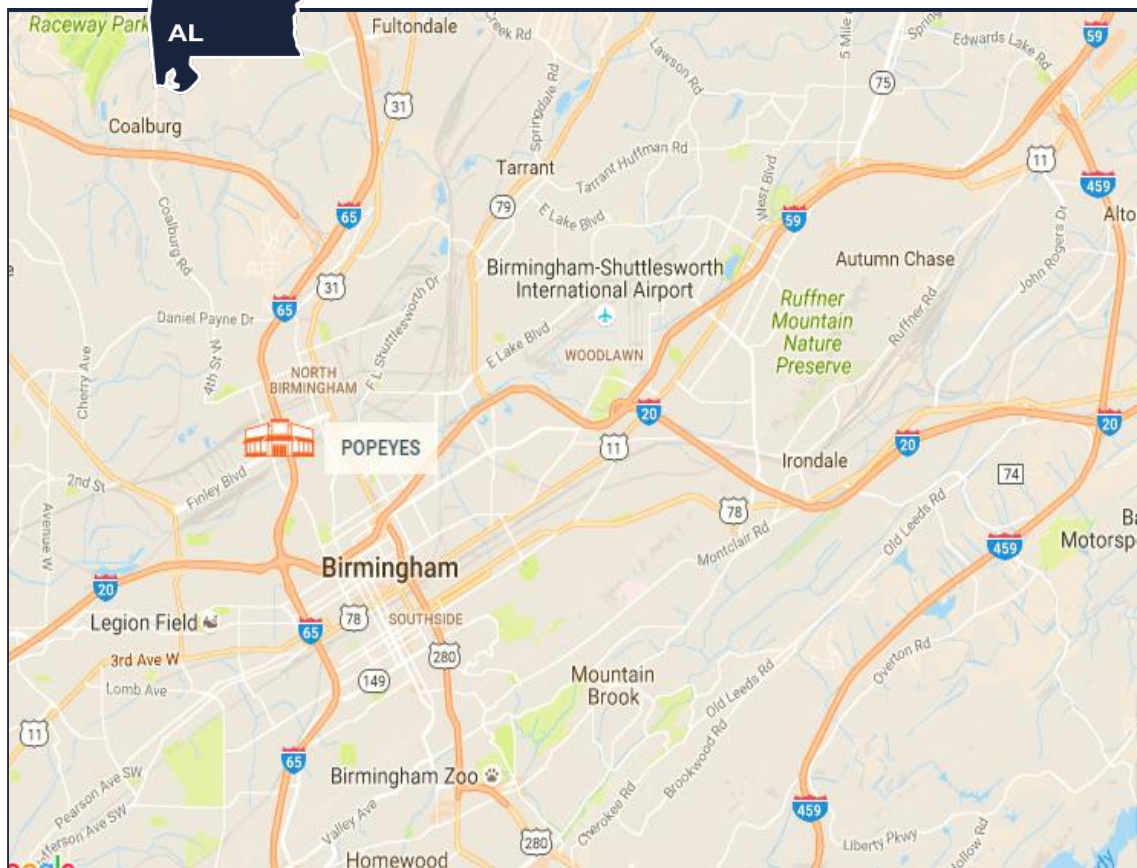
HARDLY CHICKEN FEED

SHAREHOLDERS LIKE THE REMODELED POPEYES, TOO.



Source: Forbes.com ["How Popeyes Reinvented Itself to Win the Fried Chicken War"](#)

1717 Finley Boulevard, Birmingham, AL 35204



- Popeyes Louisiana Kitchen Holds Record 26.6% Market Share of Entire Chicken QSR Category
- Popeyes Corporation Boasts Six Consecutive Years of Same Store Sales Outpacing Entire Chicken QSR
- Subject Location Has Seen Steady Increase in Sales
- Recent 2014 Renovation to Current Brand Image
- Sailormen, Inc. — Popeyes' System-Wide Largest Domestic Franchise Operator
- Recently Executed New 20-Year NNN Lease
- Annual 1.25% Increases With Low Rent-to-Sales

Marcus & Millichap is pleased to present an outstanding investment opportunity of a single tenant, absolute triple net leased Popeyes Louisiana Kitchen in Birmingham, the largest city in Alabama. This popular restaurant serves the surrounding community and is immediately accessible from the Interstate 65 with 90,000 travelers per day. Additionally, a roughly 21,000 vehicles pass the specific location daily along Finley Boulevard.

The property is located only 2.5 miles northeast of the University of Alabama Birmingham and the University of Alabama School of Medicine. The Birmingham-Shuttlesworth International Airport is just seven miles east of the property.

CLOSE PROXIMITY TO:



Airport



Major Highway



Downtown



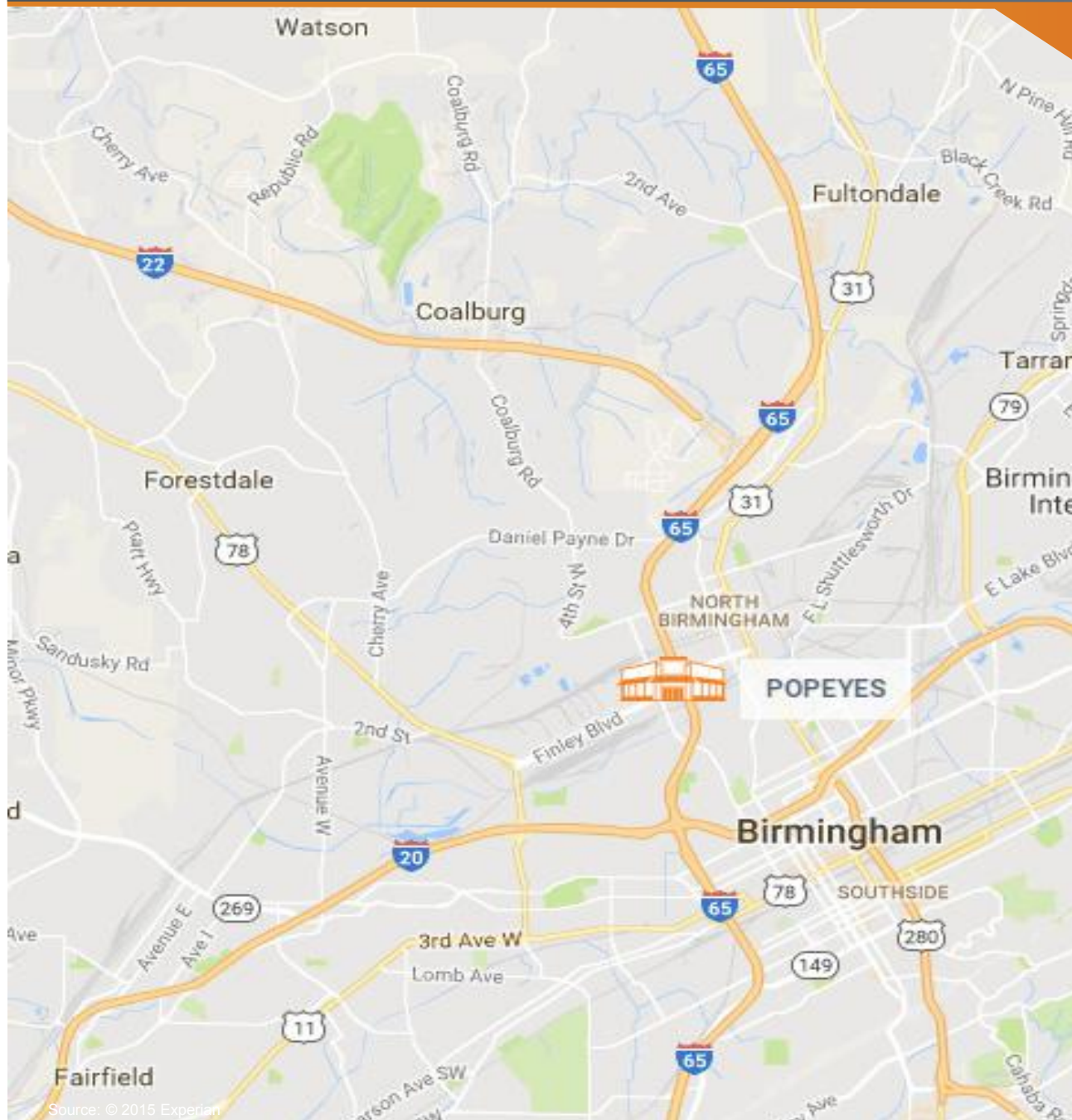
Schools



Shopping Center



DEMOGRAPHICS



POPULATION

	1 Miles	3 Miles	5 Miles
2020 Projection	5,707	37,883	141,812
2015 Estimate	6,128	40,014	146,573
2010 Census	6,132	39,537	145,429
2000 Census	8,111	47,622	168,401

INCOME

Average	\$30,487	\$35,350	\$50,749
Median	\$21,489	\$22,576	\$30,812
Per Capita	\$13,417	\$15,123	\$22,211

HOUSEHOLDS

2020 Projection	2,488	14,958	61,021
2015 Estimate	2,638	15,680	62,619
2010 Census	2,635	15,480	62,010
2000 Census	3,259	18,099	70,893

HOUSING

2015	\$53,841	\$68,678	\$94,850
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EMPLOYMENT

2015 Daytime Population	16,419	97,698	238,846
2015 Unemployment	13.31%	16.35%	9.2%
2015 Median Time Traveled	24	23	22

RACE & ETHNICITY

White	3.57%	11.65%	27.99%
Native American	0.14%	0.05%	0.06%
African American	91.74%	84.95%	66.5%
Asian/Pacific Islander	0.14%	0.52%	1.15%

Source: © 2015 Experian



Representative Photo

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