



FILE PHOTO

INVESTMENT OFFERING | \$1,377,000
HARDEE'S | SALE-LEASEBACK – ABSOLUTE NNN



5680 HIGHWAY 11 EAST, PINEY FLATS, TN

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Property. 3,550± SF building on 0.95± acres.

Tenant. River Valley Restaurants, LLC, currently operates over 40+ Hardee's restaurants in the mid-eastern United States.

Lease structure. 20-year, Sale-Leaseback – absolute NNN lease with 10% rent increases every 5-years in primary term and options.

Location. Hardee's is strategically located along HWY 11, locally known as "Bristol HWY" (25,000 VPD). Bristol HWY is a major thoroughfare which serves Piney Flats and the surrounding area. Notable nationally recognized credit tenants in the immediate trade include Food City, CVS, Walgreens, Dollar Tree, Family Dollar, Anytime Fitness, NAPA, Advance Auto Parts, Waffle House, Burger King, McDonald's, Bojangles', Taco Bell, Subway, KFC, and multiple local shops. Piney Flats is approximately 119-miles from Knoxville, TN.

PAGE 1: COVER

PAGE 2: TABLE OF CONTENTS | DISCLAIMER

PAGE 3: INVESTMENT | TENANT | LEASE OVERVIEW

PAGE 4-5: AERIAL PHOTOS

PAGE 6: SITE PLAN

PAGE 7: LOCATION OVERVIEW

PAGE 8-9: LOCATION MAPS

PAGE 10: DEMOGRAPHICS



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TENNESSEE BROKER OF RECORD:
JEFF BROWNING | LICENSE #00271829

5680 HIGHWAY 11 EAST, PINEY FLATS, TN

PRICE:	\$1,377,000
NET OPERATING INCOME:	\$75,694
PROJECTED BUILDING AREA:	3,550+ Square Feet
LAND AREA:	0.95± Acres
YEAR BUILT RENOVATED:	1993 2013
LANDLORD RESPONSIBILITY:	None
OWNERSHIP:	Fee Simple Interest
OCCUPANCY:	100%

LEASE OVERVIEW

Initial Lease Term:	20-Years, Plus (4), 5-Year Options to Renew
Rent Commencement:	2017 – Upon Closing
Lease Expiration:	2037 – Upon Closing
Lease Type:	Sale-Leaseback – Absolute NNN
Rent Increases:	10% Every 5-Years In Primary Term & Options
Year 1-5 Annual Rent (Current):	\$75,694
Year 6-10 Annual Rent:	\$83,263
Year 11-15 Annual Rent:	\$91,589
Year 16-20 Annual Rent:	\$100,748
Year 21-25 Annual Rent (Option 1):	\$110,823
Year 26-30 Annual Rent (Option 2):	\$121,905
Year 31-35 Annual Rent (Option 3):	\$134,096
Year 36-40 Annual Rent (Option 4):	\$147,506

TENANT OVERVIEW

LESEE: River Valley Restaurants, LLC

RIVER VALLEY RESTAURANTS / LBE HOLDINGS

River Valley Restaurants, LLC, currently operates 40 Hardee's restaurants in the mid-eastern United States. River Valley Restaurants is a subsidiary of LBE Holdings, LLC. LBE Holdings, LLC, Summit Restaurant Holdings, LLC, and Pioneer Restaurants, LLC (known as the Lund Brown Group) combine to be the second largest franchisee in the CKE restaurant system. The Lund Brown group operate 301 restaurants in over 16 states including 286 Hardee's, 10 Carl's Jr., 3 Dunkin Donuts, 1 Taco Bell and a Pizza Hut Express.

HARDEE'S | www.hardees.com

Hardee's is an American restaurant chain, which predominantly operates in the South and Midwest states. It has evolved through several corporate ownerships since its establishment in 1960. It is currently owned and operated by CKE Restaurants. Along with its sibling restaurant chain, Carl's Jr., Hardee's is the 5th largest fast-food restaurant chain in the United States after Subway, McDonald's, Burger King, and Wendy's. As of November 2013, there are 1,977 Hardee's locations in 30 states.

CARL KARCHER ENTERPRISES, INC. | www.ckr.com

Founded by Carl's Jr. entrepreneur Carl Karcher in 1964, Carl Karcher Enterprises (CKE) today owns, operates, franchises and/or licenses 3,500+ quick-service restaurants (QSR) in 43 states, primarily under the brand names Carl's Jr. and Hardee's, both of which offer innovative, premium products intended to appeal to a target audience of young, hungry guys. CKE Restaurants is the parent company of Carl's Jr., Hardee's, Green Burrito, and Red Burrito restaurant chains. The company employs a dual branding technique for Carl's Jr. with Green Burrito. Similarly Hardee's has a dual branding strategy with Red Burrito. Carl's Jr. primarily operates in Western US and West Coast regions. In 2013, CKE Restaurants, Inc. was purchased by the private equity firm Roark Capital Group, based out of Atlanta. Roark's franchise and multi-unit portfolio includes 29 brands that collectively have more than 15,000 locations and \$15 billion in system-wide revenues across 50 states and 68 countries. Roark's total locations include nearly 13,000 domestic locations and more than 2,300 international locations. They also include nearly 13,000 franchise locations (operated by 4,200 franchisees) & 2,300 company-owned locations. The firm has \$3 billion of equity capital under management.



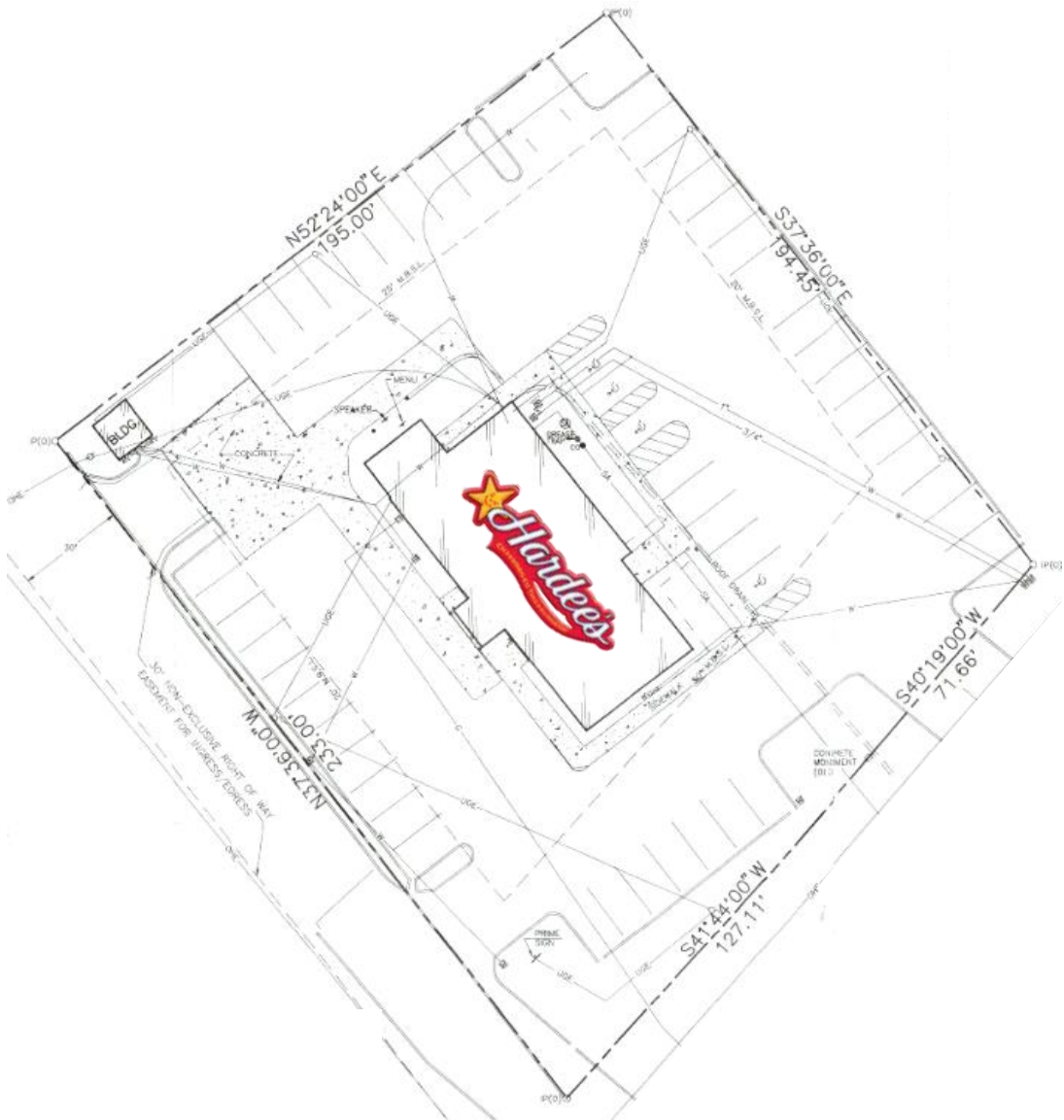
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IMMEDIATE TRADE AREA

Hardee's is strategically located along HWY 11, locally known as "Bristol HWY" (25,000 VPD). Bristol HWY is a major thoroughfare which serves Piney Flats and the surrounding area. Notable nationally recognized credit tenants in the immediate trade include Food City, CVS, Walgreens, Dollar Tree, Family Dollar, Anytime Fitness, NAPA, Advance Auto Parts, Waffle House, Burger King, McDonald's, Bojangles', Taco Bell, Subway, KFC, and multiple local shops. Piney Flats is approximately 119-miles from Knoxville, TN.

PINEY FLATS, TN / TRI-CITIES

Located at the center of Tennessee, Virginia, Kentucky, North Carolina, and West Virginia, the Tri-City area is within a day's drive of over half of the U.S. population. While there is not a singular major metropolitan city within this region, the proximity and history of cooperation make Tri-Cities its own unique MSA. With a population over 480,000, the Tri-Cities are bustling with growth. The Tri-Cities is the region comprising the cities of Kingsport, Johnson City, and Bristol and the surrounding smaller towns and communities in Northeast Tennessee and Southwest Virginia, including Piney Flats.. That cooperative spirit is perhaps most illustrated by the cities coming together decades ago to be named – as a region – an All-American City. The Tri-County Industrial Park and the Tri-Cities Airport, both located in Sullivan County also exemplify the kind of regionalism that has helped build the community for private and corporate citizens alike.

Known for its scenic hills, valleys, lakes, and rivers, this region provides some of the best opportunities for outdoors enthusiasts, supported by a thriving arts culture that includes the Birthplace of Country Music Museum. Regional educational institutions and initiatives have proven of great benefit to some of the largest employers, along with an outstanding, affordable quality of life that is invaluable when recruiting outside talent.

KNOXVILLE, TN

Knoxville is the 3rd largest city in Tennessee and the county seat of Knox County. Knoxville, has a population of 178,874 and is the principal city of the Knoxville Metropolitan Statistical Area (KMSA).

Knoxville is the home of the flagship campus of the University of Tennessee, whose sports teams, called the "Volunteers" or "Vols," are extremely popular in the surrounding area. The University of Tennessee is classified by the Carnegie Commission as a university with "very high research activity," conducting more than \$300 million in externally funded research annually.

Knoxville is also home to the headquarters of the Tennessee Valley Authority, as well as the corporate headquarters of several national and regional companies.

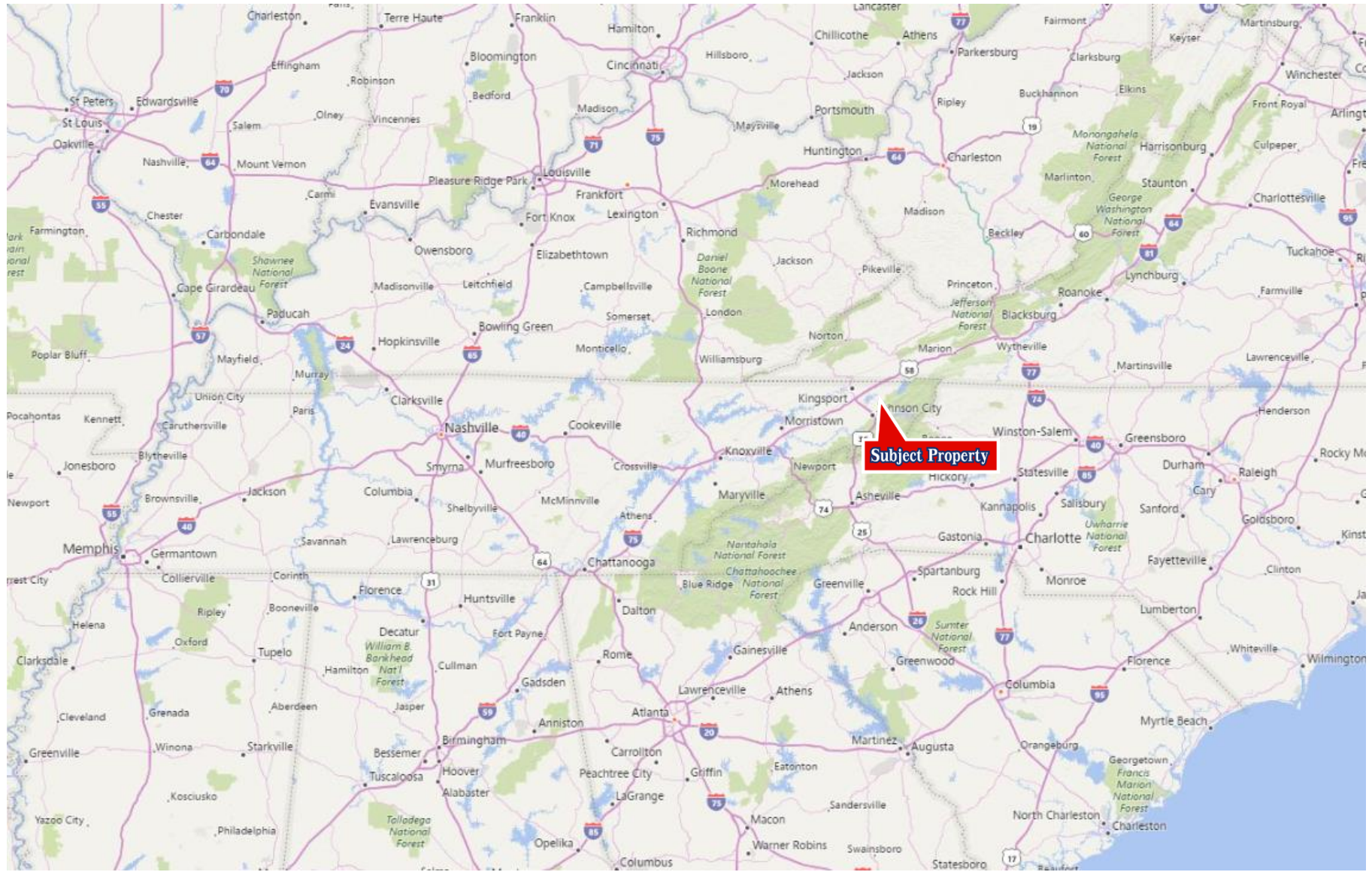
The Tennessee Valley Authority (TVA), the nation's largest public power provider, is a federally owned corporation headquartered in Knoxville. TVA reported \$11.8 billion in revenue in 2011, and employs over 12,000 region-wide. The largest publicly traded company based in Knoxville (in terms of revenue) is movie theater chain Regal Entertainment Group, which reported \$2.81 billion in revenue in 2010. Regal is the only Knoxville-based company listed in the Fortune 1000 (#724). Knoxville is also home to the nation's fourth largest wholesale grocer, The H. T. Hackney Company, which reported \$3.8 billion in revenue in 2012, and one of the nation's largest digital-centric advertising firms, Tombras Group, which reported \$80 million in revenue in 2011.

Manufacturing, retail, and technology are also keystones to the city's economy. Over 700 manufacturing establishments are scattered throughout the Knoxville area. The Knoxville area is home to 182 shopping centers and factory outlets, and over 2,400 retail establishments. Two regional malls (West Town Mall and Knoxville Center) are located within the city; Knoxville retailers reported \$6.47 billion in sales in 2007.

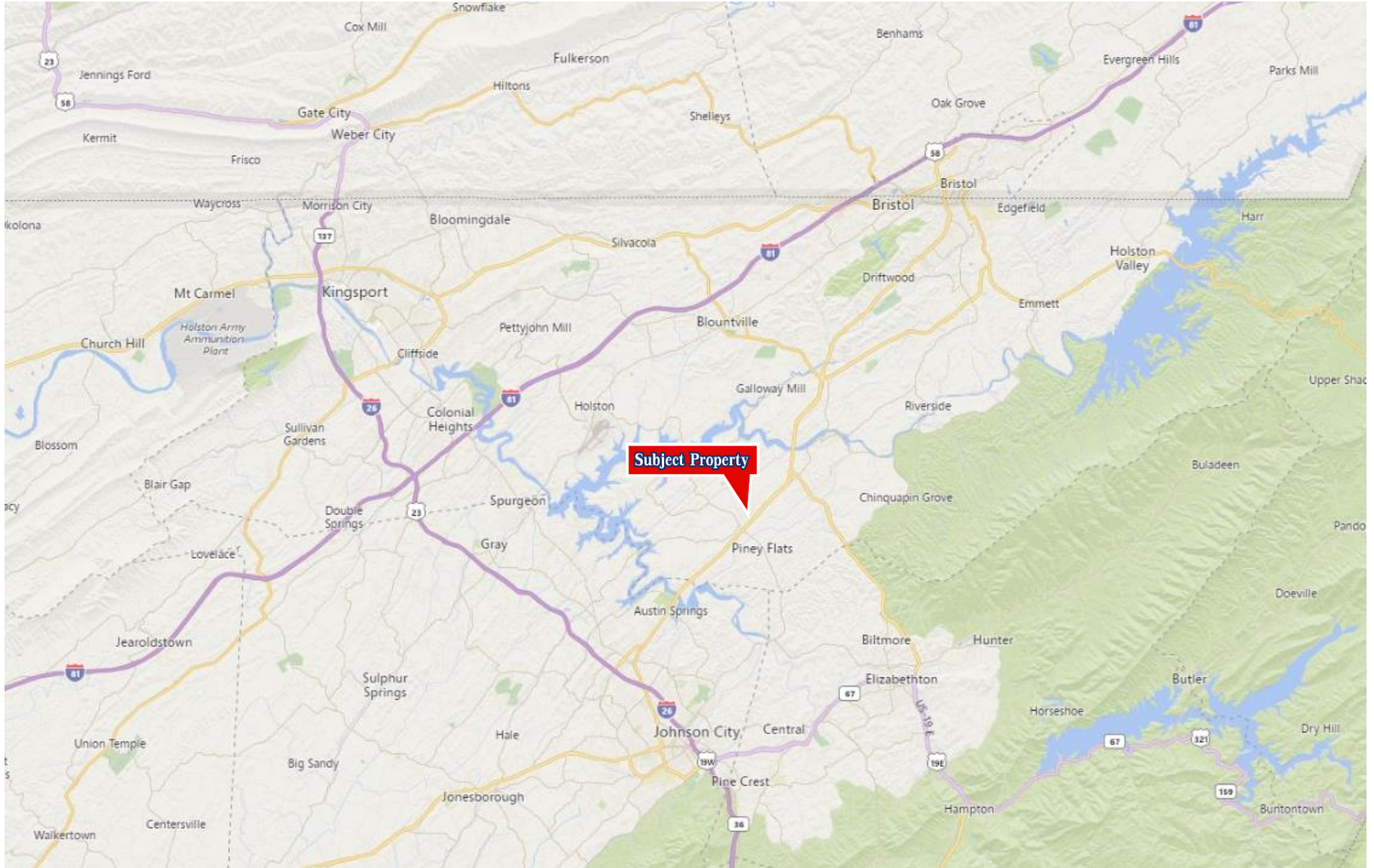
KNOXVILLE MSA "KMSA"

The KMSA , which has an estimated population of 848,350, is in turn the central component of the Knoxville-Sevierville-La Follette Combined Statistical Area, which has a population of 1,029,155. The Tennessee Technology Corridor stretches across 7,000 acres between West Knoxville and Oak Ridge. The Corridor is home to 13 research and development firms employing nearly 2,000 people. Along with the Technology corridor, there are other significant technological facilities, Such as Oak Ridge National Laboratory (ORNL). ORNL is a multi-program science and technology laboratory managed for the U.S Department of Energy by UT-Battelle, LLC. Today, ORNL pioneers the development of new energy sources, technologies, and materials and the advancement of knowledge in the biological, chemical, computational, engineering, environmental, physical, and social sciences. There are 4400 staff members, of which 1600 are scientists and engineers. ORNL also has a budget of \$1.65 billion, 80% of which is sourced from the Department of Energy, and has an economic impact on wages to the area of \$274 million.

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5680 Hwy 11 E		1 mi radius	3 mi radius	5 mi radius
Piney Flats, TN 37686-4437				
POPULATION	2016 Estimated Population	1,670	6,669	17,407
	2021 Projected Population	1,641	6,598	17,395
	2010 Census Population	1,582	6,621	17,317
	2000 Census Population	1,423	6,083	16,102
	Projected Annual Growth 2016 to 2021	-0.3%	-0.2%	-
	Historical Annual Growth 2000 to 2016	1.1%	0.6%	0.5%
	HOUSEHOLDS	2016 Estimated Households	709	2,858
2021 Projected Households		721	2,931	7,753
2010 Census Households		656	2,765	7,242
2000 Census Households		561	2,460	6,528
Projected Annual Growth 2016 to 2021		0.3%	0.5%	0.7%
Historical Annual Growth 2000 to 2016		1.7%	1.0%	0.9%
AGE	2016 Est. Population Under 10 Years	9.4%	10.4%	10.3%
	2016 Est. Population 10 to 19 Years	10.9%	10.9%	11.2%
	2016 Est. Population 20 to 29 Years	12.6%	12.1%	11.7%
	2016 Est. Population 30 to 44 Years	18.2%	18.6%	18.3%
	2016 Est. Population 45 to 59 Years	22.2%	23.3%	23.4%
	2016 Est. Population 60 to 74 Years	20.5%	18.5%	18.4%
	2016 Est. Population 75 Years or Over	6.2%	6.4%	6.6%
	2016 Est. Median Age	43.1	42.6	42.7
MARITAL STATUS & GENDER	2016 Est. Male Population	49.7%	49.6%	49.8%
	2016 Est. Female Population	50.3%	50.4%	50.2%
	2016 Est. Never Married	24.5%	25.0%	23.0%
	2016 Est. Now Married	58.9%	53.0%	51.8%
	2016 Est. Separated or Divorced	9.7%	14.1%	17.4%
2016 Est. Widowed	6.8%	7.9%	7.9%	
INCOME	2016 Est. HH Income \$200,000 or More	1.1%	2.7%	4.3%
	2016 Est. HH Income \$150,000 to \$199,999	2.8%	4.2%	4.1%
	2016 Est. HH Income \$100,000 to \$149,999	4.0%	7.7%	9.3%
	2016 Est. HH Income \$75,000 to \$99,999	11.1%	9.6%	10.3%
	2016 Est. HH Income \$50,000 to \$74,999	19.1%	18.0%	18.7%
	2016 Est. HH Income \$35,000 to \$49,999	16.8%	14.2%	13.2%
	2016 Est. HH Income \$25,000 to \$34,999	21.1%	18.4%	15.1%
	2016 Est. HH Income \$15,000 to \$24,999	8.9%	10.5%	10.3%
	2016 Est. HH Income Under \$15,000	15.1%	14.6%	14.6%
	2016 Est. Average Household Income	\$50,379	\$59,998	\$65,127
	2016 Est. Median Household Income	\$38,813	\$44,350	\$47,977
	2016 Est. Per Capita Income	\$21,385	\$25,712	\$27,972
2016 Est. Total Businesses	69	255	477	
2016 Est. Total Employees	997	4,241	5,892	

5680 Hwy 11 E		1 mi radius	3 mi radius	5 mi radius
Piney Flats, TN 37686-4437				
LABOR FORCE	2016 Est. Labor Population Age 16 Years or Over	1,401	5,526	14,393
	2016 Est. Civilian Employed	53.0%	59.1%	58.4%
	2016 Est. Civilian Unemployed	1.5%	1.5%	1.6%
	2016 Est. in Armed Forces	-	-	-
	2016 Est. not in Labor Force	45.5%	39.4%	40.0%
	2016 Labor Force Males	49.3%	49.4%	49.4%
	2016 Labor Force Females	50.7%	50.6%	50.6%
OCCUPATION	2010 Occupation: Population Age 16 Years or Over	775	3,077	7,903
	2010 Mgmt, Business, & Financial Operations	6.6%	8.5%	9.1%
	2010 Professional, Related	24.0%	22.2%	22.0%
	2010 Service	15.8%	18.6%	17.4%
	2010 Sales, Office	30.1%	24.3%	25.9%
	2010 Farming, Fishing, Forestry	0.1%	0.1%	0.3%
	2010 Construction, Extraction, Maintenance	6.5%	9.2%	10.6%
	2010 Production, Transport, Material Moving	16.9%	17.0%	14.7%
	2010 White Collar Workers	60.7%	55.0%	57.0%
	2010 Blue Collar Workers	39.3%	45.0%	43.0%
TRANSPORTATION TO WORK	2010 Drive to Work Alone	88.6%	88.2%	87.9%
	2010 Drive to Work in Carpool	8.6%	6.5%	7.2%
	2010 Travel to Work by Public Transportation	-	-	0.1%
	2010 Drive to Work on Motorcycle	-	0.1%	0.5%
	2010 Walk or Bicycle to Work	0.3%	0.4%	0.5%
	2010 Other Means	1.6%	1.1%	0.6%
	2010 Work at Home	0.9%	3.7%	3.1%
TRAVEL TIME	2010 Travel to Work in 14 Minutes or Less	20.9%	19.3%	21.4%
	2010 Travel to Work in 15 to 29 Minutes	64.1%	55.4%	51.3%
	2010 Travel to Work in 30 to 59 Minutes	14.4%	23.0%	24.6%
	2010 Travel to Work in 60 Minutes or More	0.6%	2.3%	2.6%
	2010 Average Travel Time to Work	20.2	20.9	20.8
CONSUMER EXPENDITURE	2016 Est. Total Household Expenditure	\$31.1 M	\$141 M	\$390 M
	2016 Est. Apparel	\$1.08 M	\$4.88 M	\$13.5 M
	2016 Est. Contributions, Gifts	\$1.94 M	\$9.22 M	\$26.0 M
	2016 Est. Education, Reading	\$1.04 M	\$5.06 M	\$14.4 M
	2016 Est. Entertainment	\$1.72 M	\$7.85 M	\$21.7 M
	2016 Est. Food, Beverages, Tobacco	\$4.91 M	\$21.9 M	\$60.3 M
	2016 Est. Furnishings, Equipment	\$1.02 M	\$4.69 M	\$13.1 M
	2016 Est. Health Care, Insurance	\$2.86 M	\$12.7 M	\$35.0 M
	2016 Est. Household Operations, Shelter, Utilities	\$9.68 M	\$43.8 M	\$121 M
	2016 Est. Miscellaneous Expenses	\$461 K	\$2.08 M	\$5.77 M
	2016 Est. Personal Care	\$404 K	\$1.82 M	\$5.05 M
	2016 Est. Transportation	\$6.03 M	\$26.9 M	\$74.3 M