

# HOOTERS

PELHAM, ALABAMA



# CONTENTS

3

EXECUTIVE  
SUMMARY

7

LOCATION  
OVERVIEW

# PRESENTED BY

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**TSCG™**



# EXECUTIVE SUMMARY

INTRODUCTION  
—  
TENANT PROFILE



OAK MOUNTAIN STATE PARK  
9,940 ACRES

65 (98,210 AADT)



ABSCO FIREPLACE & PATIO



OAK MOUNTAIN CENTER



CAHABA VALLEY ROAD (29,540 AADT)



# INTRODUCTION

TSCG is pleased to exclusively offer for sale the Hooters (the "Property") located at 400 Cahaba Valley Road, Pelham (Birmingham MSA), AL 35124. The property is situated immediately off Interstate 65 (107,920 AADT) along AL-119 (29,540 AADT). The property consists of a 4,906 square foot restaurant on a 1.63 acre parcel and is 100% occupied by Hooters (corporate store). Hooters has a 15-year operating history in this location and has just renewed its lease for another ten year term. This newly extended lease is guaranteed by Hooters of America, LLC, the parent company. The Property strongly benefits from its proximity to numerous national brands, including Chick-fil-A, Dunkin Donuts, Wendy's, Cracker Barrel, McDonald's, Taco Bell, Arby's, Whataburger, Applebee's, and Wal-Mart, among others. The property is ideally situated in the core of Pelham's most vibrant retail node along Cahaba Valley Road, within sight of I-65. This property benefits greatly from its close proximity to the Oak Mountain Amphitheatre, located immediately behind the site.

PROPERTY INFORMATION	
Address	400 Cahaba Valley Road (AL-119) Pelham, Alabama 35124
Building Square Footage	4,906 SF
Total Land Acreage	1.63 Acres
Year Built	2002
Occupancy	100%
LEASING	
Lease Type	Absolute NNN
Lease Term	10.5 Years
Featured Tenants	Hooters
Current Annual Rent	\$165,000
PRICING	
Cap Rate	6.75%
Price	\$2,444,444



# TENANT PROFILE – HOOTERS



Tenant Name	Hooters
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Rent Commencement Date	8/1/19 on new extension
Lease Expiration Date	6/30/30
Original Lease Term	10.5 years
Renewal Options	Two, 5-Year Options
Rental Increases	Two significant bumps over initial term; bumps in renewal options



## HOOTERS LEASE ABSTRACT

Tenant	HOA Restaurant Holder, LLC d/b/a Hooters
Term	10.5 years
Options	Two (2), 5-year options
Building Size (SF)	4,906
Land Acreage	1.63 Acres
Year Built	2002
Rent Commencement Date	8/1/19 on new extension
Lease Expiration Date	6/30/30
Permitted Use	Full-service sit down restaurant
Operating Expenses	Tenant shall pay to Landlord, as Additional Rent pursuant to the Lease, the full amount of all costs, expenses, assessments and charges imposed upon or levied against the Premises.
Real Estate Taxes	Tenant shall pay to Landlord all Real Estate Taxes relating to the Premises.
Tenant Improvements	Tenant agrees to complete a remodel of the Premises including the interior and exterior to reflect current Brand experience expectations with a minimum spend of \$200,000 on or before December 31, 2022
Guaranty	Corporate

## HOOTERS RENT SCHEDULE

Lease Years	PSF Base Rent	Monthly Base Rent	Annual Base Rent	Cap Rate
Present – 6/30/2023	\$33.63	\$13,750.00	\$165,000.00	6.75%
7/1/2023 – 6/30-2027	\$36.69	\$15,000.00	\$180,000.00	7.36%
7/1/2027 – 6/30/2030	\$39.14	\$16,000.00	\$192,000.00	7.85%
Option Years	PSF Base Rent	Monthly Base Rent	Annual Base Rent	
7/1/2030 – 6/30/2035	\$41.79	\$17,083.33	\$205,000.00	
7/1/2035 – 6/30/2040	\$45.86	\$18,750.00	\$225,000.00	

# LOCATION OVERVIEW

LOCATION MAP

BIRMINGHAM, AL MSA

PELHAM, AL

TRADE AREA ZOOMED OUT

TRADE AREA ZOOMED IN

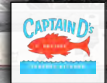
DEMOGRAPHICS



PELHAM CIVIC COMPLEX

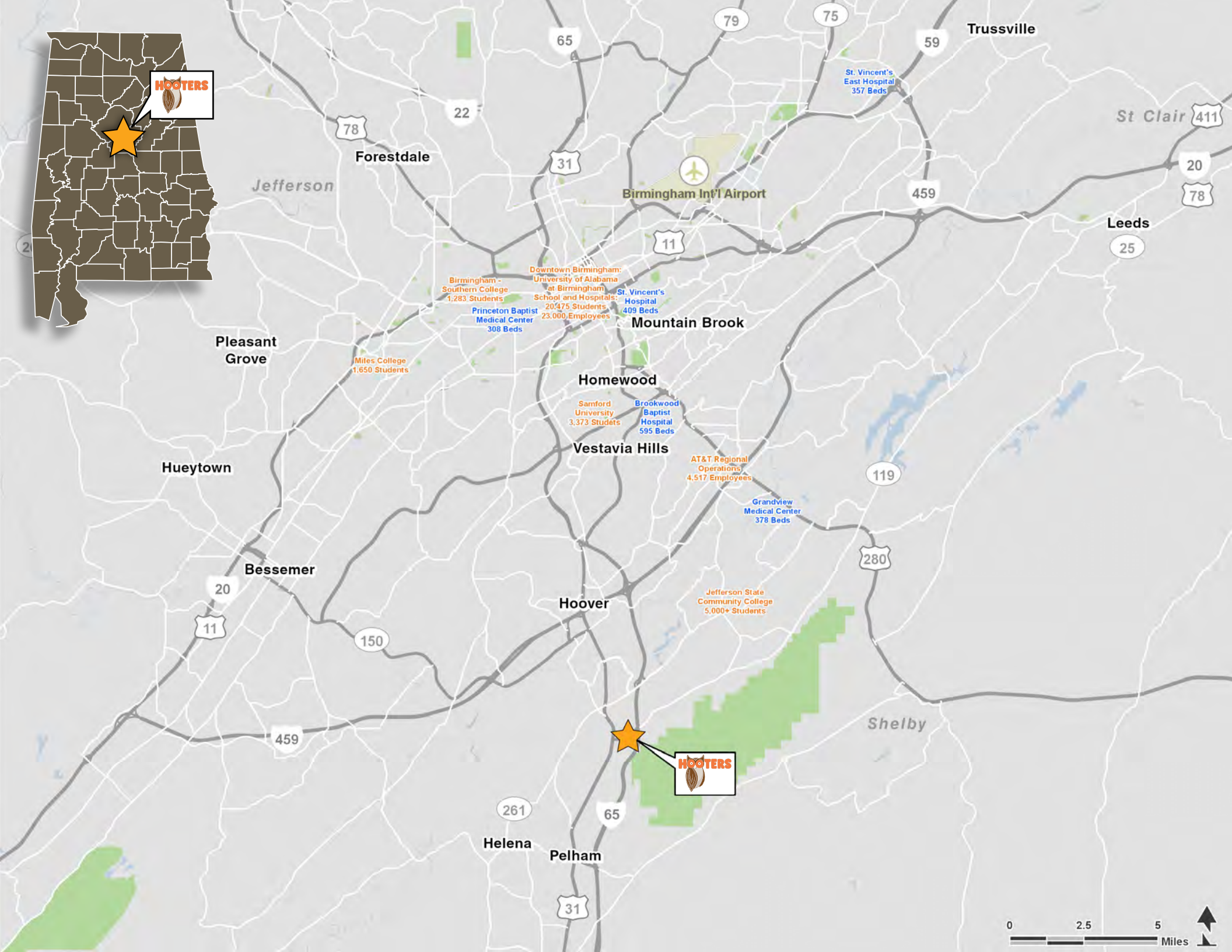
OAK MOUNTAIN AMPHITHEATRE  
150,000+ ANNUAL VISITORS

OAK MOUNTAIN CENTER



CARBA VALLEY ROAD (29,540 ADT)







The Birmingham-Hoover, AL Metropolitan Statistical Area (MSA) is comprised of 7 counties in the central part of Alabama. The population of this MSA is approximately 1.2 Million, making the Birmingham region the largest in Alabama and the 49th largest in the United States. Birmingham ranks as one of the most important business centers in the Southeast and is home to two major banks: Regions Financial Corporation and BBVA Compass. Birmingham is also home to the University of Alabama at Birmingham (UAB) and Samford University. The city has become a powerhouse of construction and engineering companies, including BE&K, Brasfield and Gorrie, Robins and Morton, and B.L. Harbert International, routinely included in the Engineering News-Record lists of top design and international construction firms. The Birmingham metropolitan area has consistently been rated as one of America's best places to work and earn a living, bolstered by the area's competitive salary rates and relatively low living expenses.

From Birmingham's founding in the late 1800's thru the end of the 1960's, Birmingham was the primary industrial center of the south; its major industries were iron and steel production. The pace of Birmingham's early growth earned its nickname "The Magic City" and the city soon became known as "The Pittsburgh of the South" for its steel production. In the 1970s and 1980s, Birmingham's economy was transformed by investments in bio-technology and medical research at the UAB and its adjacent hospital. The UAB Hospital is a Level I trauma center providing health care and breakthrough medical research. UAB is now the area's largest employer and the second largest in Alabama with a workforce of approximately 23,000 employees. Health care services providers Encompass Health (formerly HealthSouth), Surgical Care Affiliates and Diagnostic Health Corporation are also headquartered in the city.

During the city's transformation from its early roots in manufacturing to its current foundation in health care and finance, Birmingham became a leading banking center. Today, Birmingham is home to Regions Financial Corporation and BBVA Compass. SouthTrust, another large bank headquartered in Birmingham, was acquired by Wachovia in 2004. The city still has major operations as one of the regional headquarters of Wachovia, which is now part of Wells Fargo Bank. In 2006, Regions Financial merged with AmSouth Bancorporation, which was also headquartered in Birmingham. This merger formed the 8th largest U.S. bank (by total assets). As a result of the mergers and acquisitions activity in the financial sector, nearly a dozen smaller banks have spawned in the Magic City.

In recent years Birmingham has become a premier "food town" with nationally recognized restaurants and celebrated chefs. In 2018, Birmingham's Frank Stitt, won the James Beard award for "Most Outstanding Restaurant in America" after finishing as a finalist for an astounding nine straight years. The acclaimed Highland's Bar and Grill has served as a training ground for several generations of innovative restaurateurs, creating an exciting culinary scene in the Magic City.

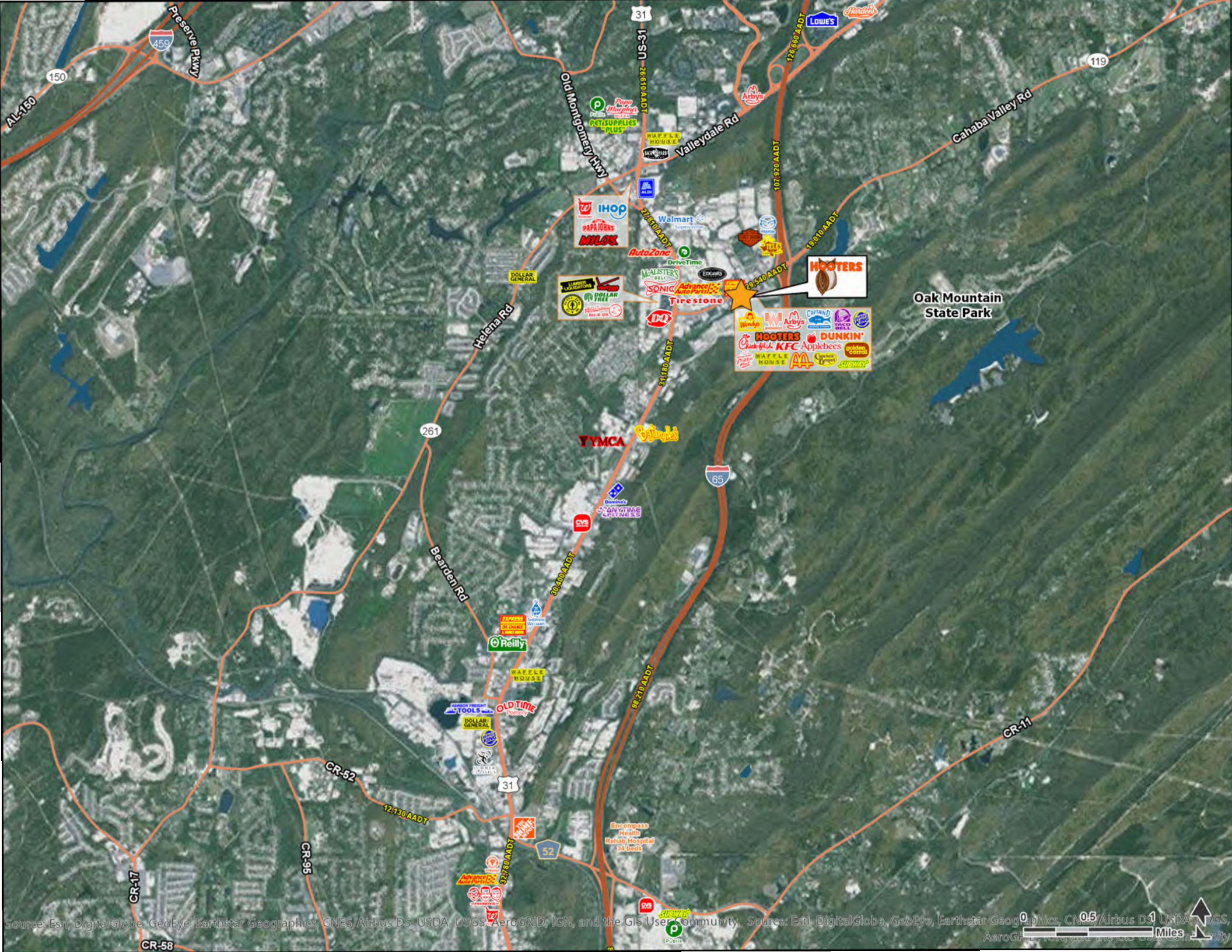
# PELHAM, AL

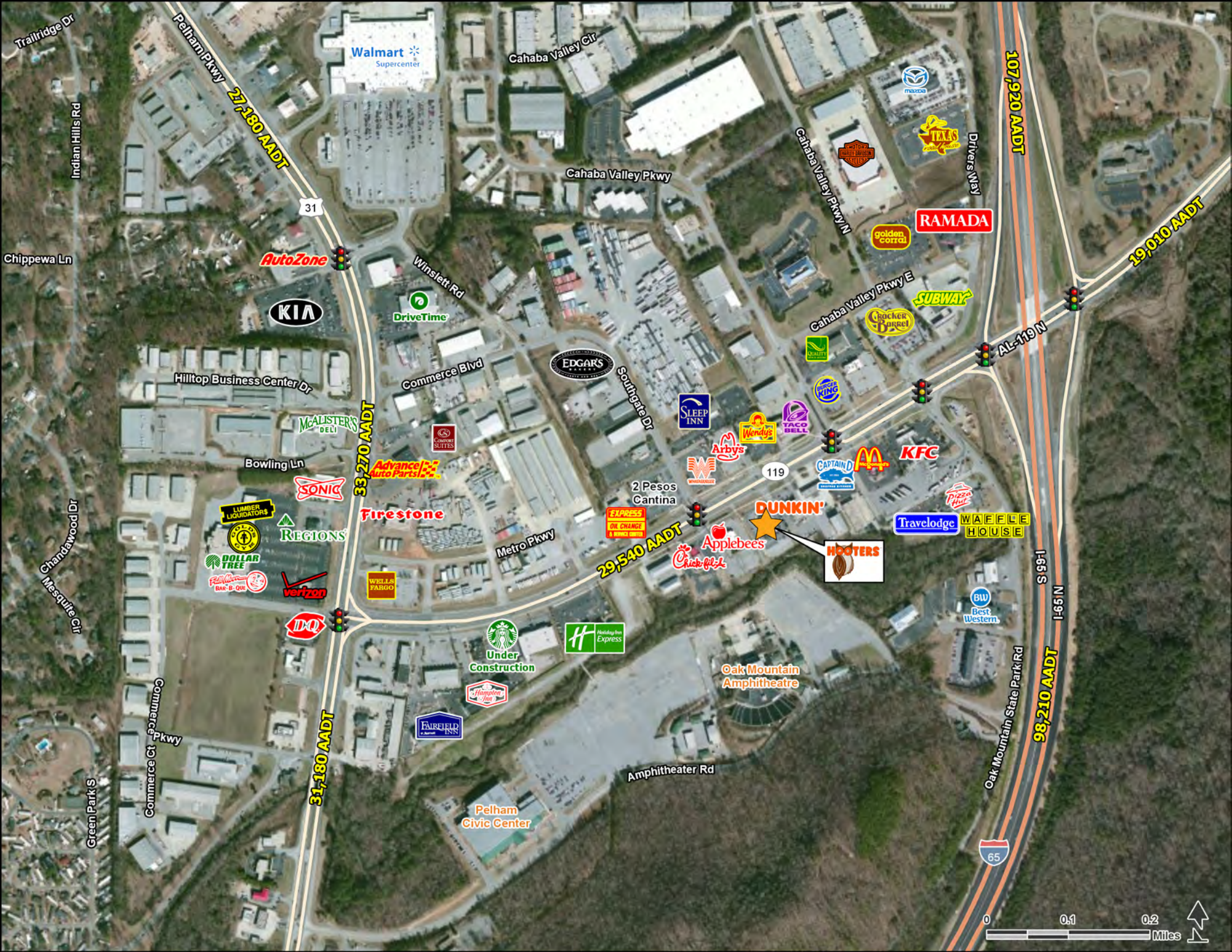
The city of Pelham is a suburb of Birmingham, located approximately 15 miles south of Birmingham’s central business district. Pelham is served by I-65 and US Highway 31, connecting this Shelby County enclave with Birmingham’s CBD. Pelham remains one of the fastest growing cities in Alabama and the city was recently named The Best Place to Raise Kids in Alabama by Bloomberg Businessweek. Pelham boasts over 5,500 businesses and is home to Alabama’s largest and most visited state park, Oak Mountain. This beautiful park offers nearly 10,000 acres and over 50 miles of trails for numerous recreational pursuits. The Pelham Civic Complex and Ice Arena hosts the Birmingham Bulls hockey team. Pelham is also home to the Oak Mountain Amphitheater, Alabama’s largest outdoor music venue, with a 10,500 person capacity. The amphitheater, a Live Nation concert venue, brings approximately 150,000 visitors annually with headliners like John Mayer, Dave Matthews Band, Jimmy Buffett, Brad Paisley, Kenny Chesney and Luke Bryan.



## TOP 10 EMPLOYERS

Employer	Type	# of Employees
University of Alabama at Birmingham	Education, health care services, medical research	23,000
Regions Financial Corporation	Financial services, banking, corporate HQ	9,000
St. Vincent's Health System	Health care services, hospital network serving	5,100
Children's of Alabama	Health care services	5,000
AT&T	Telecommunications, regional operations	4,517
Brookwood Baptist Health	Health care services, management	4,459
Jefferson County Board of Education	Government, public education	4,400
City of Birmingham	Government, city administration	4,200
Blue Cross-Blue Shield of Alabama	Financial services, insurance, corporate HQ	3,100
Alabama Power Company	Utilities services, electrical, corporate HQ	3,092





Walmart  
Supercenter

AutoZone

KIA

SONIC

Firestone

REGIONS

Verizon

DQ

WELLS FARGO

Starbucks

Under Construction

FAIRFIELD INN

Pelham Civic Center

EDGAR'S

EXPRESS  
OIL CHANGE  
& SERVICE CENTER

Holiday Inn Express

Oak Mountain Amphitheatre

DUNKIN'

Applebees  
Chick-fil-A

HOOTERS

RAMADA

golden corral

SUBWAY

CRACKER BARREL

BURGER KING

CAPTAIN D

MCDONALD'S

KFC

Travelodge

WAFLE HOUSE

Best Western

Pelham Pkwy 27,180 AADT

33,270 AADT

29,540 AADT

31,180 AADT

107,920 AADT

19,010 AADT

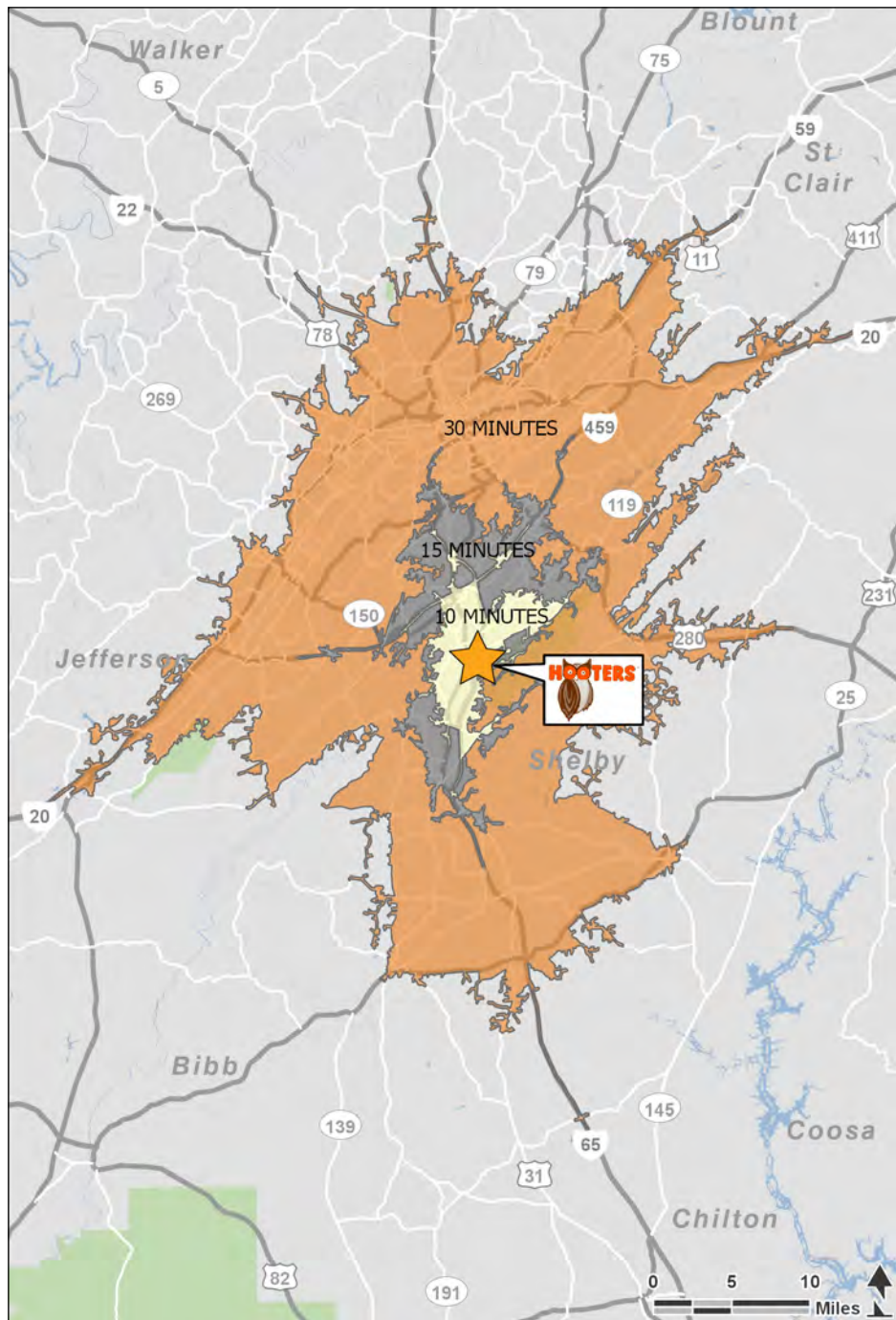
98,210 AADT

65

0 0.1 0.2 Miles



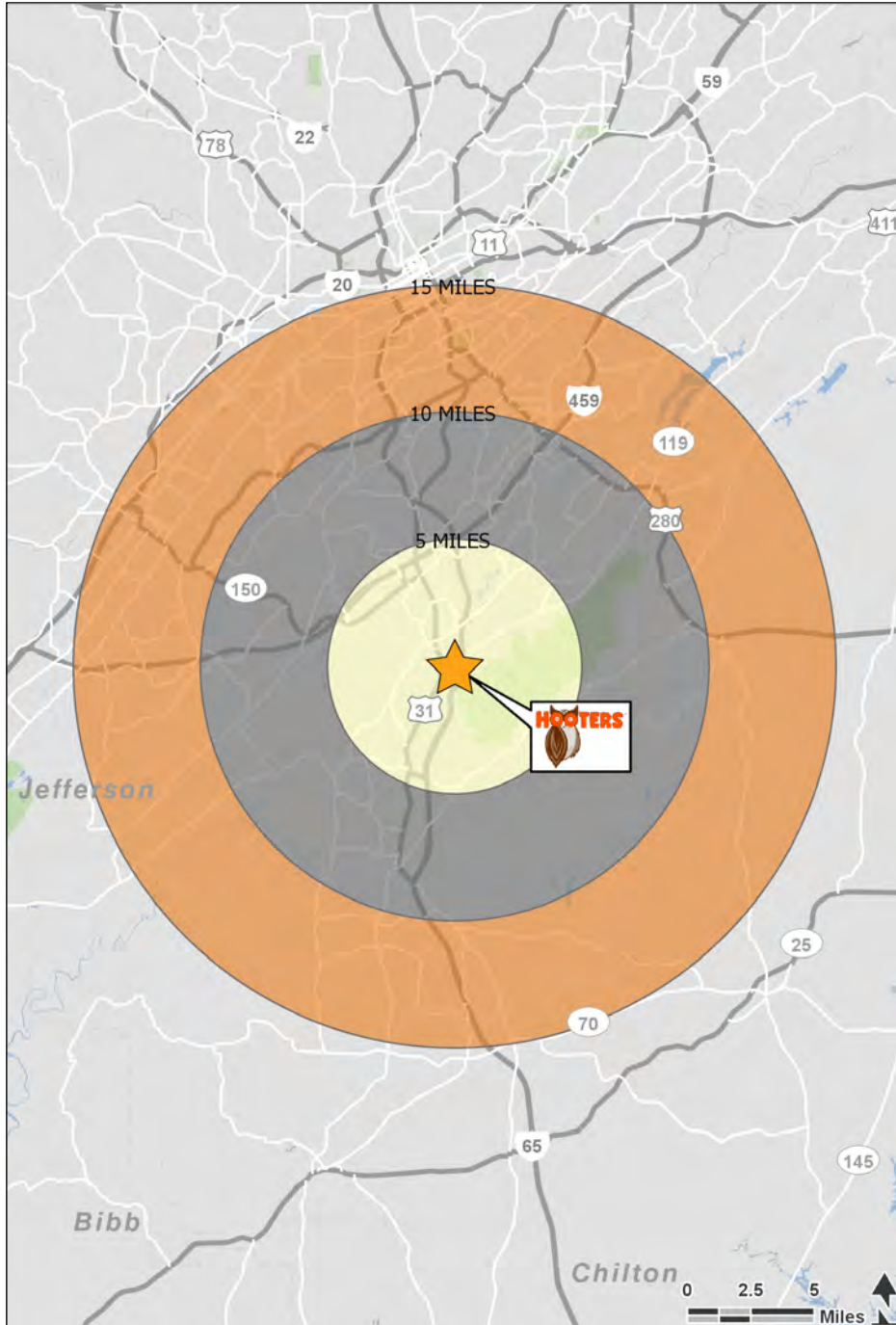
# DEMOGRAPHICS – DRIVE TIME



	10 minutes	15 minutes	30 minutes			
<b>Population</b>						
2019 Total Population	44,017	146,018	663,197			
2024 Total Population	45,379	150,788	683,832			
2010 Total Population	41,567	137,353	626,427			
2019 Group Quarters Population	438	1,240	15,980			
2010-2017 Population: Annual Growth Rate	0.62%	0.66%	0.62%			
2017-2022 Population: Annual Growth Rate	0.61	0.64	0.61			
2019 Male Population	21,343	70,252	317,382			
2019 Female Population	22,674	75,766	345,815			
2019 Median Age	35.2	37.7	38.0			
<b>Households</b>						
2019 Total Households	17,586	59,060	265,552			
2024 Total Households	18,031	60,825	273,519			
2019 Owner Occupied Housing Units	9,866	37,349	161,624			
2019 Median Home Value	\$227,389	\$261,217	\$210,844			
<b>Population By Race</b>						
2019 White Population	29,231	66.41%	109,111	74.72%	367,796	55.46%
2019 Black/African American Population	8,589	19.51%	21,419	14.67%	249,780	37.66%
2019 American Indian/Alaska Native Population	154	0.35%	427	0.29%	1,665	0.25%
2019 Asian Population	2,101	4.77%	6,658	4.56%	15,769	2.38%
2019 Pacific Islander Population	17	0.04%	63	0.04%	297	0.04%
2019 Other Race Population	3,103	7.05%	5,620	3.85%	17,418	2.63%
2019 Hispanic Population	5,839	13.27%	11,338	7.76%	33,337	5.03%
<b>Educational Attainment</b>						
2019 Pop 25 +: Less than 9th Grade	638	2.16%	1,540	1.53%	9,600	2.11%
2019 Pop 25 +: 9-12th Grade/No Diploma	1,266	4.28%	3,004	2.98%	26,135	5.75%
2019 Pop 25 +: High School Diploma	3,877	13.12%	12,888	12.78%	86,829	19.11%
2019 Pop 25 +: GED/Alternative Credential	654	2.21%	1,937	1.92%	13,593	2.99%
2019 Pop 25 +: Some College/No Degree	6,692	22.65%	19,938	19.78%	95,414	21.00%
2019 Pop 25 +: Associate's Degree	2,344	7.93%	6,982	6.93%	34,334	7.56%
2019 Pop 25 +: Bachelor's Degree	8,901	30.12%	33,368	33.10%	115,570	25.44%
2019 Pop 25 +: Graduate/Professional Degree	5,179	17.53%	21,165	20.99%	72,778	16.02%
<b>Income</b>						
2019 Average Household Income	\$92,293	\$103,246	\$86,189			
2019 Median Household Income	\$63,720	\$74,613	\$56,947			
2019 Per Capita Income	\$36,442	\$41,684	\$34,606			
<b>Daytime Population</b>						
2019 Total Daytime Population	63,816	165,432	766,060			
2019 Daytime Population: Workers	44,026	99,837	428,962			
2019 Daytime Population: Residents	19,790	65,595	337,098			

Source: Esri, U.S. Census Copyright: The Shopping Center Group, LLC

# DEMOGRAPHICS – RINGS



	5 miles	10 miles	15 miles			
<b>Population</b>						
2019 Total Population	84,353	296,051	580,482			
2024 Total Population	87,385	309,262	600,450			
2010 Total Population	78,725	272,310	545,037			
2019 Group Quarters Population	526	3,861	14,657			
2010-2017 Population: Annual Growth Rate	0.75%	0.91%	0.68%			
2017-2022 Population: Annual Growth Rate	0.71	0.88	0.68			
2019 Male Population	40,786	143,002	279,023			
2019 Female Population	43,567	153,049	301,459			
2019 Median Age	37.0	37.4	38.0			
<b>Households</b>						
2019 Total Households	32,912	116,997	232,395			
2024 Total Households	33,901	121,826	240,057			
2019 Owner Occupied Housing Units	21,146	78,587	142,791			
2019 Median Home Value	\$251,831	\$269,812	\$227,415			
<b>Population By Race</b>						
2019 White Population	60,194	71.36%	222,698	75.22%	337,839	58.20%
2019 Black/African American Population	14,073	16.68%	46,630	15.75%	201,862	34.77%
2019 American Indian/Alaska Native Population	281	0.33%	833	0.28%	1,481	0.26%
2019 Asian Population	3,811	4.52%	11,710	3.96%	15,040	2.59%
2019 Pacific Islander Population	39	0.05%	121	0.04%	218	0.04%
2019 Other Race Population	4,334	5.14%	8,832	2.98%	14,981	2.58%
2019 Hispanic Population	8,468	10.04%	18,223	6.16%	29,226	5.03%
<b>Educational Attainment</b>						
2019 Pop 25 +: Less than 9th Grade	992	1.73%	2,858	1.41%	7,734	1.94%
2019 Pop 25 +: 9-12th Grade/No Diploma	1,950	3.39%	5,915	2.93%	21,035	5.28%
2019 Pop 25 +: High School Diploma	7,388	12.86%	26,605	13.17%	71,852	18.05%
2019 Pop 25 +: GED/Alternative Credential	1,244	2.17%	4,109	2.03%	11,141	2.80%
2019 Pop 25 +: Some College/No Degree	12,253	21.33%	38,722	19.16%	81,043	20.36%
2019 Pop 25 +: Associate's Degree	4,506	7.84%	13,457	6.66%	29,549	7.42%
2019 Pop 25 +: Bachelor's Degree	18,570	32.32%	67,136	33.22%	107,428	26.98%
2019 Pop 25 +: Graduate/Professional Degree	10,553	18.37%	43,265	21.41%	68,339	17.17%
<b>Income</b>						
2019 Average Household Income	\$101,220	\$106,196	\$90,179			
2019 Median Household Income	\$74,567	\$78,360	\$59,491			
2019 Per Capita Income	\$39,619	\$42,011	\$36,256			
<b>Daytime Population</b>						
2019 Total Daytime Population	93,400	309,935	676,459			
2019 Daytime Population: Workers	55,424	174,490	384,714			
2019 Daytime Population: Residents	37,976	135,445	291,745			

Source: Esri, U.S. Census Copyright: The Shopping Center Group, LLC

OAK MOUNTAIN STATE PARK  
9,940 ACRES

65 (98,210 AADT)

OAK MOUNTAIN AMPHITHEATRE  
150,000+ ANNUAL VISITORS



OAK MOUNTAIN CENTER



CAHABA VALLEY ROAD (29,540 AADT)







## DISCLAIMER

This Offering Memorandum has been prepared by TSCG for use by interested parties to evaluate the potential acquisition of Hooters located in Pelham, Alabama (the "Property"). All projections have been developed by TSCG, Owner and designated sources, are based upon assumptions relating to the general economy, competition, and other factors beyond the control of TSCG and Owner, and therefore are subject to variation. No representation is made by TSCG or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein has been obtained from sources deemed to be reliable and believed to be correct, TSCG, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, TSCG, Owner and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient.

The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the property will be made available to interested and qualified prospective investors upon written request. Owner and TSCG each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or TSCG and that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the property and you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owner or TSCG. If you have no interest in the property, please return the Offering Memorandum to TSCG.

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