

HARDEE'S | Alabaster, AL



Joe Bertocchini - Vice President

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Investment Summary

Location:	Highway 31 South Alabaster, AL 35007
Parcel Size:	0.99 Acres (42,960 sq.ft.)
Building Size:	3,385 sq.ft.
NOI:	\$70,030* *Rent is currently \$68,657. Seller will credit the difference in rent between the close date and the next rental increase.
Cap Rate:	8%
Price:	\$875,375
Comments:	This Single Tenant Investment is located in the city of Alabaster, AL. The subject property benefits from being situated in a city that located in the Heart of Alabama just 17 miles south of Downtown Birmingham. Alabaster also serves as the home of the County's only Hospital - Shelby Baptist Medical Center which is located within a half mile of the subject property. Shelby Baptist serves not only Shelby, but both Bibb and Chilton counties as well. Other retailers in the area include: Arby's, McDonalds, Pizza Hut, Captain D's, as well as the Colonial Alabaster Promenade, Alabaster's premier shopping destination with anchors such as Lowe's and Old Navy. A new 20 year, NNN lease provides an investor with long term income and rare 2% annual increases. With the proposed financing, this investment gives a qualified buyer an opportunity to acquire a NNN investment with a cash flow in excess of 8.5%.

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Lease Summary

Lease Term:	20 Years Commencing July 31, 2006
Building Size:	3,385 Square Feet
Rental Rate:	\$70,030*
Percentage Rent:	None
Rental Increases:	2% Annually
Options:	Two – 5 Year Options
Taxes:	Tenant Pays
Insurance:	Tenant Pays
Maintenance and Repairs:	Tenant Pays
Type of Lease:	True NNN

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Hardee's Overview

Hardee's Restaurant System ("Hardee's") is the nation's 10th largest Quick Service Restaurant (QSR) chain by revenue, generating system-wide sales of over \$1.8 billion. There are currently 1,993 Hardee's restaurants as of the fiscal year ended January 30, 2006. A total of 663 locations are Company-owned, 1,184 are Domestic franchises and another 146 are International franchises. Almost 2,000 locations operate in 30 states in the Midwest and Southeast, Asia, the Middle East and Latin America employing approximately 17,000 people. As of second quarter FY 2006, Hardee's average unit volume was \$872,000 with approximately 48% of the system's restaurants reporting average revenues of \$1 million or greater. For FY 2005 Hardee's reported that the average check per customer was \$4.63, a 24% increase over the average three years prior. This vast system of restaurants was founded by Wilber Hardee in 1961 with the opening of his first store in Rocky Mount, North Carolina. By the end of the first decade, the Hardee's system had grown to over 200 locations, including one in Germany. By 1980 Hardee's acquired the 650 unit chain Burger Chef and opened its 2,000th restaurant. In 1999 Hardee's "Star" re-imaging program remodeled and enhanced the restaurant chain's units, introducing a higher standard of dining environment. This was followed by the Hardee's "Revolution" in 2003, which improved consumer perception of the brand through premium products and higher quality of customer service.

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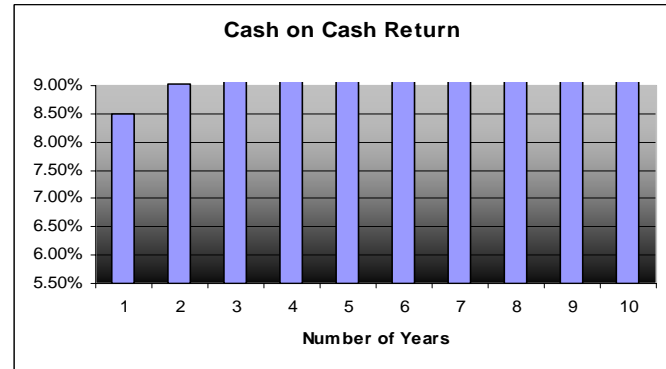
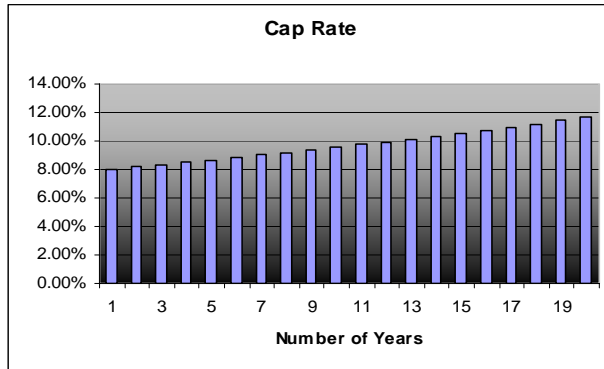
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Cash Flow Summary

Year	Income	CAP	Loan Payment	Cash Flow	% Return Cash/Cash	Principal Reduction	Total Return	% Return Total Return	Assumptions
1	\$70,030	8.00%	\$47,692	\$22,337	8.51%	\$6,531	\$28,868	10.99%	Price: \$875,375 Down Payment: \$262,613 30.00% Loan Amount: \$612,763 70.00% Interest: 6.75% Amortization: 30 Due Date 5 Monthly Payment: \$3,974.37 Annual debt service: \$47,692.39 Notes:
2	\$71,430	8.16%	\$47,692	\$23,738	9.04%	\$6,985	\$30,723	11.70%	
3	\$72,859	8.32%	\$47,692	\$25,166	9.58%	\$7,472	\$32,638	12.43%	
4	\$74,316	8.49%	\$47,692	\$26,624	10.14%	\$7,992	\$34,615	13.18%	
5	\$75,802	8.66%	\$47,692	\$28,110	10.70%	\$8,548	\$36,658	13.96%	
6	\$77,318	8.83%	\$47,692	\$29,626	11.28%	\$9,143	\$38,769	14.76%	
7	\$78,865	9.01%	\$47,692	\$31,172	11.87%	\$9,780	\$40,952	15.59%	
8	\$80,442	9.19%	\$47,692	\$32,750	12.47%	\$10,461	\$43,211	16.45%	
9	\$82,051	9.37%	\$47,692	\$34,358	13.08%	\$11,189	\$45,548	17.34%	
10	\$83,692	9.56%	\$47,692	\$35,999	13.71%	\$11,969	\$47,968	18.27%	
11	\$85,366	9.75%				Total:	\$379,951		
12	\$87,073	9.95%							
13	\$88,814	10.15%							
14	\$90,591	10.35%							
15	\$92,403	10.56%							
16	\$94,251	10.77%							
17	\$96,136	10.98%							
18	\$98,058	11.20%							
19	\$100,020	11.43%							
20	\$102,020	11.65%							



Option Period

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