

HARDEE'S | Hueytown, AL



*Joe Bertocchini - Vice President*

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## HARDEE'S Hueytown | Investment Summary

|                       |  |   |
|-----------------------|--|---|
| Location:             | 921 Allison Bonnett Memorial Dr<br>Hueytown, AL 35023  |   |
| Parcel Size:          | 0.79 Acres (34,607 sq.ft.)   |   |
| Building Size:        | 2,948 sq.ft.   |   |
| Net Operating Income: | \$65,024*  | *Rent is currently \$63,749. Seller will credit the difference in rent between the close date and the next rental increase. |
| Price / Cap Rate:     | \$788,170 / 8.25%  |   |
| Comments:             | This Single Tenant Investment is located in Hueytown, AL. The subject property benefits from being the first freestanding restaurant building off of Interstate 20 at the Allison Bonnett Memorial Drive exit. Other major retailers in the area include: O'Reilly, Subway, Church's Chicken, Advance Auto Parts, Food World, Wachovia Bank and many others. 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 9.3%. |   |

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**HARDEE'S Hueytown | Lease Summary**

|                          |                                   |
|--------------------------|-----------------------------------|
| Lease Term:              | 20 Years Commencing July 31, 2006 |
| Rental Rate:             | \$65,024*                         |
| 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 Hueytown | 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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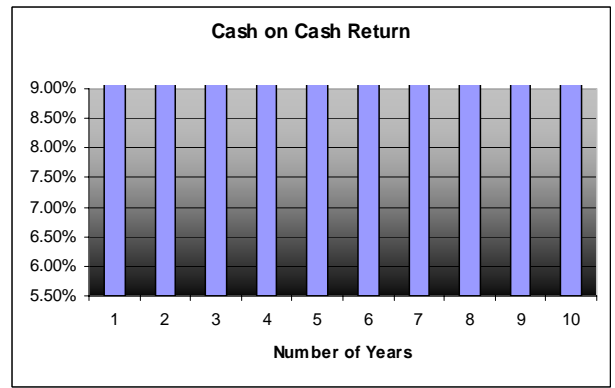
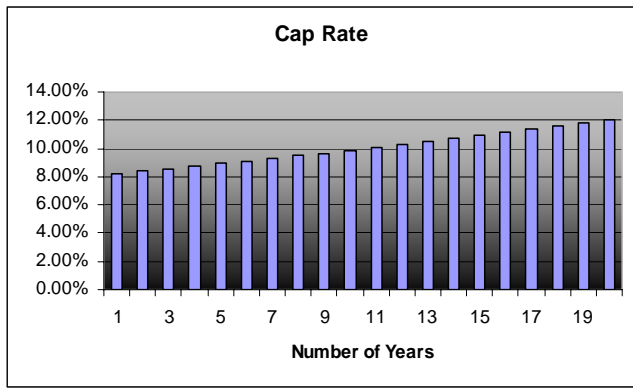
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## HARDEE'S Hueytown | Cash Flow

| Year          | Income   | CAP    | Loan Payment | Cash Flow | % Return Cash/Cash | Principal Reduction | Total Return     | %Return Total Return | Assumptions  |
|---------------|----------|--------|--------------|-----------|--------------------|---------------------|------------------|----------------------|--|
| 1             | \$65,024 | 8.25%  | \$42,941     | \$22,083  | 9.34%              | \$5,880             | \$27,963         | 11.83%               | <b>Price:</b> \$788,170<br><b>Down Payment:</b> \$236,451 30.00%<br><b>Loan Amount:</b> \$551,719 70.00%<br><b>Interest:</b> 6.75%<br><b>Amortization:</b> 30<br><b>Due Date:</b> 10<br><b>Monthly Payment:</b> \$3,578.44<br><b>Annual debt service:</b> \$42,941.27<br><b>Notes:</b> |
| 2             | \$66,325 | 8.42%  | \$42,941     | \$23,384  | 9.89%              | \$6,289             | \$29,673         | 12.55%               |  |
| 3             | \$67,651 | 8.58%  | \$42,941     | \$24,710  | 10.45%             | \$6,727             | \$31,437         | 13.30%               |  |
| 4             | \$69,004 | 8.76%  | \$42,941     | \$26,063  | 11.02%             | \$7,196             | \$33,259         | 14.07%               |  |
| 5             | \$70,384 | 8.93%  | \$42,941     | \$27,443  | 11.61%             | \$7,697             | \$35,140         | 14.86%               |  |
| 6             | \$71,792 | 9.11%  | \$42,941     | \$28,851  | 12.20%             | \$8,233             | \$37,083         | 15.68%               |  |
| 7             | \$73,228 | 9.29%  | \$42,941     | \$30,287  | 12.81%             | \$8,806             | \$39,092         | 16.53%               |  |
| 8             | \$74,693 | 9.48%  | \$42,941     | \$31,751  | 13.43%             | \$9,419             | \$41,170         | 17.41%               |  |
| 9             | \$76,186 | 9.67%  | \$42,941     | \$33,245  | 14.06%             | \$10,075            | \$43,320         | 18.32%               |  |
| 10            | \$77,710 | 9.86%  | \$42,941     | \$34,769  | 14.70%             | \$10,776            | \$45,545         | 19.26%               |  |
| 11            | \$79,264 | 10.06% |              |           |                    |                     |                  |                      |  |
| 12            | \$80,850 | 10.26% |              |           |                    |                     |                  |                      |  |
| 13            | \$82,467 | 10.46% |              |           |                    |                     |                  |                      |  |
| 14            | \$84,116 | 10.67% |              |           |                    |                     |                  |                      |  |
| 15            | \$85,798 | 10.89% |              |           |                    |                     |                  |                      |  |
| 16            | \$87,514 | 11.10% |              |           |                    |                     |                  |                      |  |
| 17            | \$89,264 | 11.33% |              |           |                    |                     |                  |                      |  |
| 18            | \$91,050 | 11.55% |              |           |                    |                     |                  |                      |  |
| 19            | \$92,871 | 11.78% |              |           |                    |                     |                  |                      |  |
| 20            | \$94,728 | 12.02% |              |           |                    |                     |                  |                      |  |
| <b>Total:</b> |          |        |              |           |                    |                     | <b>\$363,683</b> |                      |  |



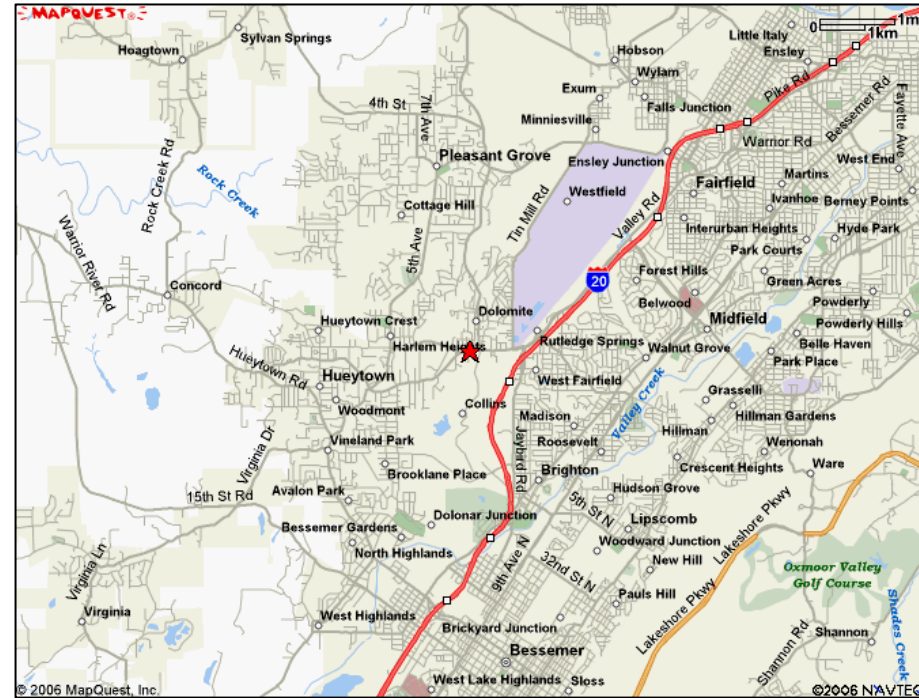
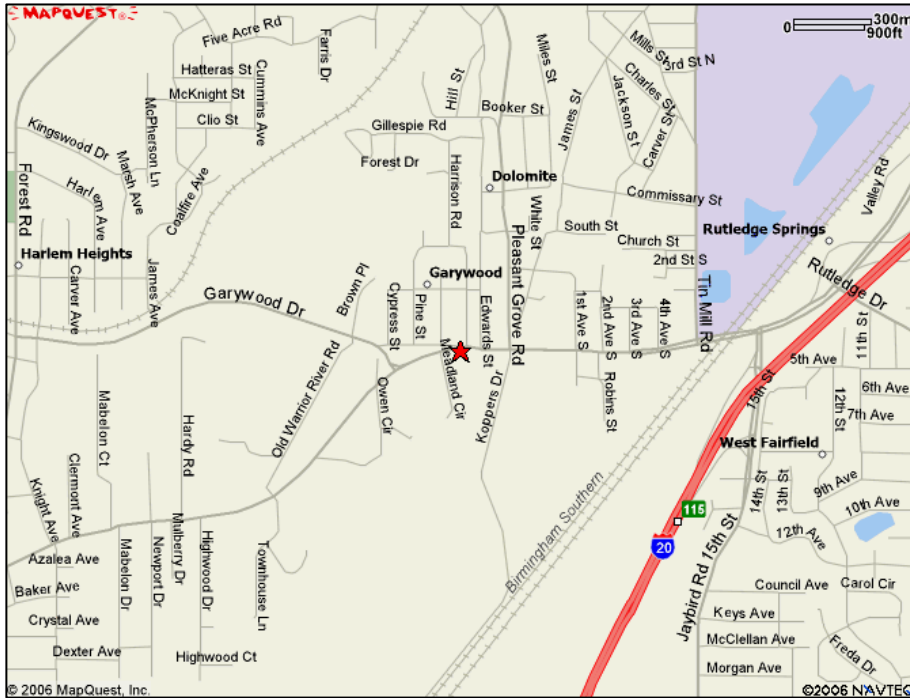
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## HARDEE'S Hueytown | Maps



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