

HARDEE'S | Montevallo, AL



Joe Bertocchini - Vice President

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HARDEE'S Montevallo | Investment Summary

Location:	255 North Main Street Montevallo, AL 35115	
Parcel Size:	1.38 Acres (60,297 sf)	
Building Size:	3,490 sq.ft.	
Net Operating Income:	\$57,817*	*Rent is currently \$56,683. Seller will credit the difference in rent between the close date and the next rental increase.
Price / Cap Rate:	\$700,812	8.25%

Comments: This Single Tenant Investment benefits from being located on Montevallo's Main Street, the city's main thoroughfare. With the state's only public liberal arts university, the University of Montevallo, located in the heart of the city, cultural and athletic events are abundant. The city of Montevallo boasts a great quality of life as well as being only a 45 minute drive from Alabama's largest metropolitan areas. Other major retailers in the area include: McDonalds, Subway, KFC, CVS, & Movie Gallery. The subject property is also located within a ½ mile of Montevallo Middle School and Montevallo High School. 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%.

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HARDEE'S Montevallo | Lease Summary

Lease Term:	20 Years Commencing July 31, 2006
Building Size:	3,490 Square Feet
Rental Rate:	\$57,817*
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 Montevallo | 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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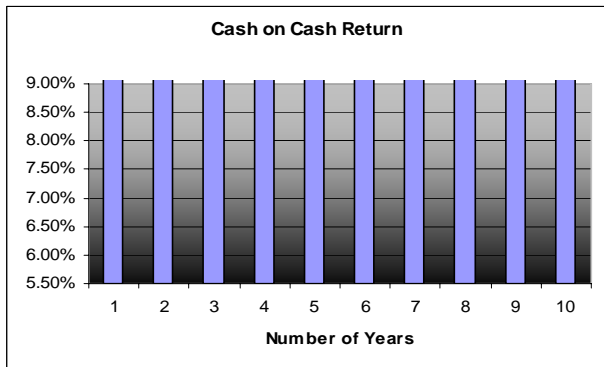
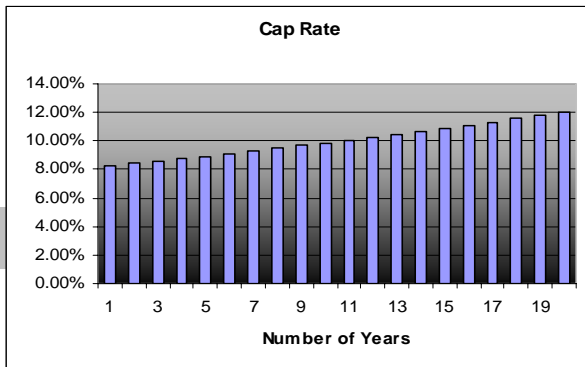
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HARDEE'S Montevallo | Cash Flow

Year	Income	CAP	Cash Flow	% Return Cash/Cash	Principal Reduction	Total Return	%Return Total Return	Assumptions	
1	\$57,817	8.25%	\$22,363	9.12%	\$5,193	\$27,555	11.23%	Price:	\$700,812
2	\$58,973	8.42%	\$23,519	9.59%	\$5,554	\$29,073	11.85%	Down Payment:	\$245,284 35.00%
3	\$60,153	8.58%	\$24,698	10.07%	\$5,941	\$30,639	12.49%	Loan Amount:	\$455,528 65.00%
4	\$61,356	8.75%	\$25,901	10.56%	\$6,355	\$32,256	13.15%	Interest:	6.75%
5	\$62,583	8.93%	\$27,129	11.06%	\$6,797	\$33,926	13.83%	Amortization:	30
6	\$63,835	9.11%	\$28,380	11.57%	\$7,271	\$35,651	14.53%	Due Date	10
7	\$65,111	9.29%	\$29,657	12.09%	\$7,777	\$37,434	15.26%	Monthly Payment:	\$2,954.54
8	\$66,414	9.48%	\$30,959	12.62%	\$8,318	\$39,277	16.01%	Annual debt service:	\$35,454.54
9	\$67,742	9.67%	\$32,287	13.16%	\$8,897	\$41,185	16.79%	Notes:	
10	\$69,097	9.86%	\$33,642	13.72%	\$9,517	\$43,159	17.60%		
11	\$70,479	10.06%			Total:	\$350,156			
12	\$71,888	10.26%							
13	\$73,326	10.46%							
14	\$74,793	10.67%							
15	\$76,288	10.89%							
16	\$77,814	11.10%							
17	\$79,371	11.33%							
18	\$80,958	11.55%							
19	\$82,577	11.78%							
20	\$84,229	12.02%							

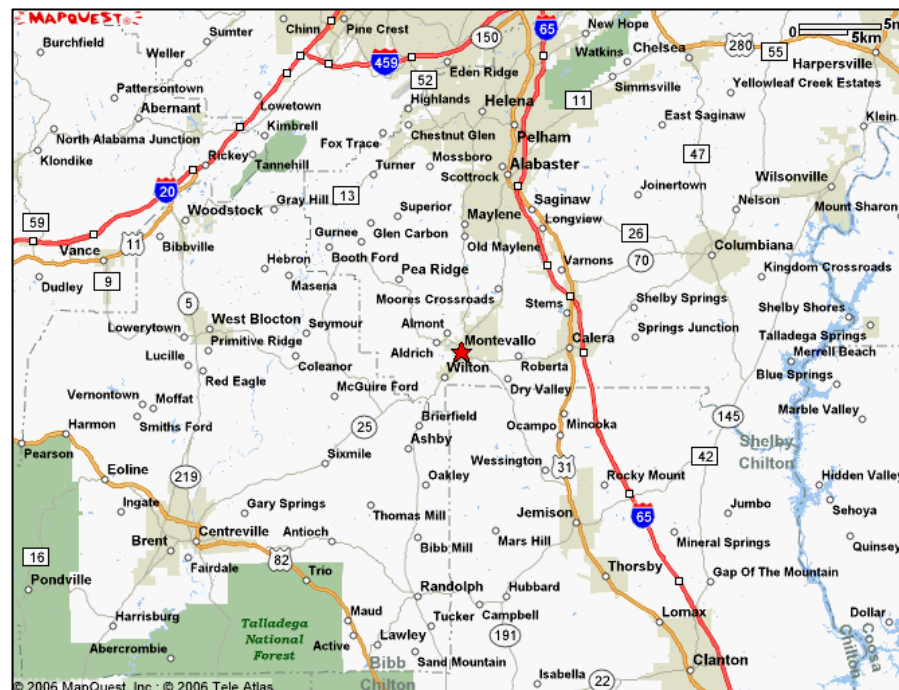
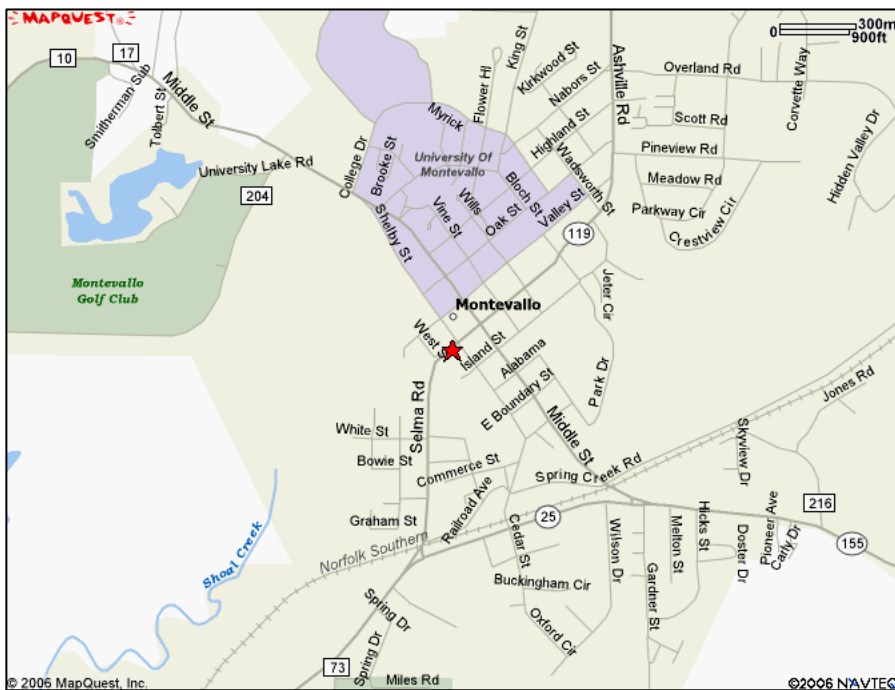
Option Period	Cap Rate	Cash on Cash Return
1	8.25%	9.12%
2	8.42%	9.59%
3	8.58%	10.07%
4	8.75%	10.56%
5	8.93%	11.06%
6	9.11%	11.57%
7	9.29%	12.09%
8	9.48%	12.62%
9	9.67%	13.16%
10	9.86%	13.72%
11	10.06%	14.29%
12	10.26%	14.86%
13	10.46%	15.43%
14	10.67%	16.00%
15	10.89%	16.57%
16	11.10%	17.14%
17	11.33%	17.71%
18	11.55%	18.28%
19	11.78%	18.85%
20	12.02%	19.42%



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HARDEE'S Montevallo | Maps



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