



325 W Cumberland Gap Parkway, Corbin, KY 40701

NNNDEAL.COM
THE SINGLE TENANT RESOURCE



\$1,215,900 / Investment Highlights

- ❖ 10 year true NNN lease — no landlord obligations
- ❖ Escalations written into the lease to hedge against inflation
- ❖ Stabilized strong store sales due in part to strategic location to PILOT truck station off the Interstate
- ❖ Proven franchisee offering personal guarantee
- ❖ Heavily trafficked frontage — clear visibility and high traffic counts

Offering Memorandum

Marcus & Millichap File Photo

TENANT OVERVIEW



- ❖ **Tenant Trade Name – Huddle House**
- ❖ **Ownership – Private / Bought by Sentinel Capital Holdings in 2012**
- ❖ **Lease Guarantor – Franchisee (5 unit operator)**
- ❖ **Franchisee – Personal guarantee w/10+ years of proven QSR success**
- ❖ **No of Chain Locations – 360 locations in 23 states with plans to open 100 more in 5 years**
- ❖ **Headquarters – Atlanta, Georgia**
- ❖ **Website – www.huddlehouse.com**



360^{+/-}

Locations in 23 States



**Ranked “Hot Again”
Nation’s Restaurant
News # 1 Revitalized
Brand**



**Company Sales Exceed
\$229,000,000 annually**

TENANT INFO



In the News about the Tenant:

**Huddle House acquired by Sentinel Capital:
April 2012.**



Huddle House was founded in 1964 by John Sparks. Having already opened a few restaurants under various names, he needed a great name for his restaurant chain. One evening in Decatur, Georgia, he saw a boy meeting friends after football practice holding his helmet in one hand and a football in the other. It looked as if the group were "huddled up" talking and laughing together. It was at that moment he decided that Huddle House was the perfect name for the restaurant chain and it would be the place where folks would gather, or "huddle up," for great food and good times after Friday night football games. So, with its new name, was born. Sparks continued to successfully build the **HUDDLE HOUSE** brand for many years by adhering to his core values of providing great service and serving quality food cooked-to-order so it's always fresh, hot and delicious. When Sparks passed away in 1978, his wife, Pauline, took the helm until Huddle House was sold to a private firm in 1994. Although Sparks' passion to serve quality food in a warm, friendly environment that brings folks together remains intact, much has changed since the first Huddle House opened its doors. New restaurants feature a look that's bright, colorful and reminiscent of America's classic neighborhood diners. The menu has grown to include a variety of breakfast, lunch, and dinner entrees that take their place beside the "House" classic favorites. Huddle House is proud to have served guests "Any Meal. Any Time." for over 45 years and looks forward to serving you for many years to come.

IN THE NEWS – Press Release **RestaurantNews.com**

Revitalized Huddle House Reveals "Texas-Sized" Growth Plans

Following three consecutive years of comp sales growth and the successful launch of a new contemporary restaurant prototype, [Huddle House](#) announced plans today to open 135 new restaurants throughout the Southeast and Texas over the next five years.





THE OFFERING

Overview

Price	\$1,215,900
Gross Leasable Area	1,776 SF
Lot Size	.57 Acres
Net Operating Income	\$96,000
CAP Rate	7.90%
Year Built	2005

Lease Abstract

Lease Type	NNN
Lease Term	10 Years
Lease Start	4/1/2014
Renewal Options	3 Five-Year Options
Increases	Escalations as per lease
Roof and Structure	Tenant Responsible

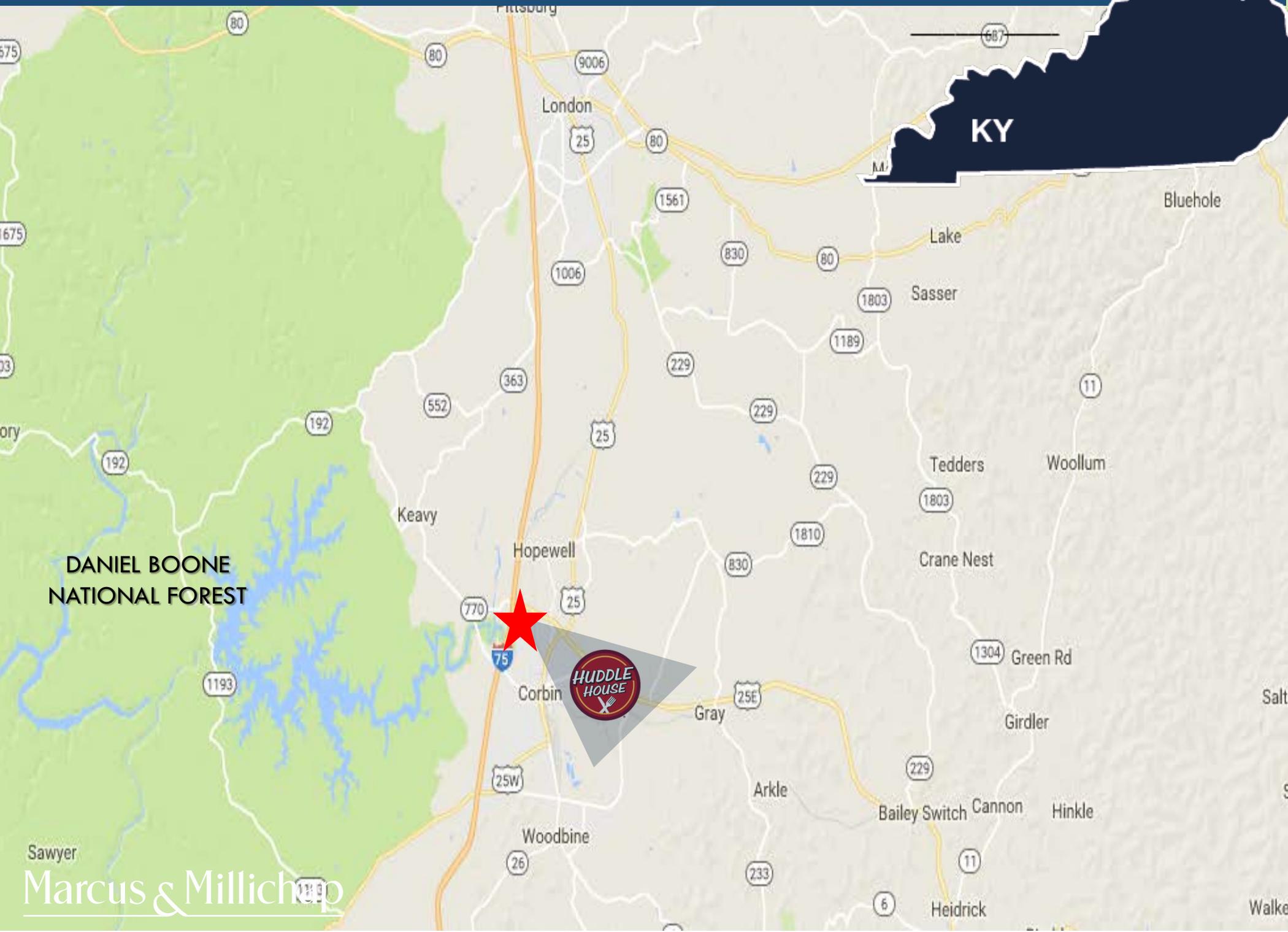


Annualized Operating Data

Lease Term	Annual Rent
2014-2019 (current)	\$91,800
2019-2024 (Priced on 2019 rent)*	\$96,000
Option 1	\$96,000
Option 2	\$96,600
Option 3	\$97,200

* Priced on 2019 rent bump. Seller to credit buyer rent differential (if any) at close of escrow.

ABOUT THE AREA





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CORBIN, KY

Corbin is located off Interstate 75 at Exit 25 by the shores of Laurel Lake, amid the pristine beauty of the Daniel Boone National Forest and is home to the “Niagara of the South” at Cumberland Falls State Resort Park. With nature trails, white water rafting, fishing, horseback riding, scenic beauty and wildlife, Corbin is the perfect destination for an outdoor adventure.

Corbin is home to Colonel Harland Sanders and the birthplace of Kentucky Fried Chicken.

Corbin has a variety of restaurants to satisfy any appetite. Home cooking, steaks and seafood, authentic Italian cuisine, specialty burgers, Old World style with a southern twist and chili dogs will satisfy any palette.

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Baptist Regional Medical Ctr	1,724
Aisin Automotive Casting LLC	730
Walmart	500
CTA Acoustics Inc	350
Perry County Coal LLC	290
First Product	200
Forest Products	200
Pepsi-Cola	187
Troll & Toad	186
Kroger	180
Cumberland River Behavioral	172
Caterpillar Authorized Dealer	165

DEMOGRAPHICS

	3-Miles	5-Miles	7-Miles
2016 Estimate Pop	17,839	27,673	38,267
2016 Census Pop	17,858	27,635	38,276
2016 Estimate HH	7,359	11,003	15,097
2016 Census HH	7,402	11,041	15,173
Median HH Income	\$32,467	\$33,630	\$34,861
Per Capita Income	\$18,703	\$18,548	\$18,683
Average HH Income	\$44,918	\$46,261	\$47,013

* # of Employees based on 7 mile radius

ABOUT THE SURROUNDING AREA

LEXINGTON OVERVIEW

The Lexington area is known as the horse capital of the world and is home to two race tracks and the Kentucky Horse Park. The metro has a population of 501,000 individuals and is composed of Bourbon, Clark, Fayette, Jessamine, Scott and Woodford counties. The market is located about 70 miles east of the state capitol in Frankfort and about an hour south of Cincinnati. Louisville and the Kentucky Derby are approximately 80 miles to the west.



METRO HIGHLIGHTS



MANUFACTURING INDUSTRY

Manufacturing serves an important role in the local economy with products ranging from composite material to aromatherapy merchandise.



HIGHER-EDUCATION INSTITUTIONS

Major secondary institutions in the area include the University of Kentucky, Transylvania University and Bluegrass Community and Technical College.



CORPORATE PRESENCE

Several headquarters are located in Lexington, including Lexmark International, A&W Restaurants and Temper Sealy International.



ECONOMY

- The metro has a highly educated workforce with more than a third of the population having a bachelor's degree or higher.
- Manufacturing has a strong presence in Lexington. The largest is Toyota Motor, which employs 12,500 workers in their plant. Other notable manufacturers include Lockheed Martin, Hitachi Automotive Services, Webasto Roof Systems and Trane Lexington.
- Lexington is also home to the JIF manufacturing plant, reportedly the largest peanut butter manufacturing facility in the world. The fast-food chain Fazoli's is also headquartered in the metro.

DEMOGRAPHICS



* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

Huddle House serves over
40 MILLION
eggs a year.

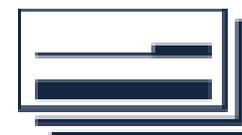


That's over 1,100 miles if you line them up in a row



27,673

Residents in Five Mile
Radius



**\$47,013 Average
Household Income**

DEMOGRAPHIC SNAPSHOT

Created on October 2017

POPULATION	3 Miles	5 Miles	7 Miles
■ 2021 Projection			
Total Population	18,112	28,222	39,111
■ 2016 Estimate			
Total Population	17,839	27,673	38,267
■ 2010 Census			
Total Population	17,858	27,635	38,276
■ 2000 Census			
Total Population	17,245	26,288	36,201
■ Current Daytime Population			
2016 Estimate	21,633	27,852	33,675
HOUSEHOLDS	3 Miles	5 Miles	7 Miles
■ 2021 Projection			
Total Households	7,508	11,288	15,537
■ 2016 Estimate			
Total Households	7,359	11,003	15,097
Average (Mean) Household Size	2.39	2.46	2.50
■ 2010 Census			
Total Households	7,402	11,041	15,173
■ 2000 Census			
Total Households	7,089	10,404	14,140
■ Occupied Units			
2021 Projection	7,508	11,288	15,537
2016 Estimate	8,107	12,075	16,550
HOUSEHOLDS BY INCOME	3 Miles	5 Miles	7 Miles
■ 2016 Estimate			
\$150,000 or More	2.22%	2.05%	1.91%
\$100,000 - \$149,000	4.53%	4.81%	5.03%
\$75,000 - \$99,999	6.65%	7.31%	7.44%
\$50,000 - \$74,999	17.52%	17.52%	18.19%
\$35,000 - \$49,999	15.28%	15.99%	16.62%
Under \$35,000	53.25%	51.72%	50.18%
Average Household Income	\$44,918	\$46,261	\$47,013
Median Household Income	\$32,467	\$33,630	\$34,861
Per Capita Income	\$18,703	\$18,548	\$18,683

HOUSEHOLDS BY EXPENDITURE	3 Miles	5 Miles	7 Miles
Total Average Household Retail Expenditure	\$48,112	\$48,803	\$49,266
■ Consumer Expenditure Top 10 Categories			
Housing	\$12,444	\$12,531	\$12,586
Transportation	\$9,835	\$9,984	\$10,083
Shelter	\$6,250	\$6,274	\$6,296
Food	\$5,879	\$5,977	\$6,049
Utilities	\$3,549	\$3,589	\$3,617
Health Care	\$3,533	\$3,578	\$3,618
Personal Insurance and Pensions	\$3,119	\$3,202	\$3,266
Entertainment	\$2,036	\$2,059	\$2,078
Household Furnishings and Equipment	\$1,355	\$1,367	\$1,368
Apparel	\$1,232	\$1,254	\$1,265
POPULATION PROFILE	3 Miles	5 Miles	7 Miles
■ Population By Age			
2016 Estimate Total Population	17,839	27,673	38,267
Under 20	26.10%	26.18%	26.23%
20 to 34 Years	18.71%	18.35%	18.09%
35 to 39 Years	5.95%	6.12%	6.23%
40 to 49 Years	12.53%	12.98%	13.32%
50 to 64 Years	19.51%	19.88%	20.14%
Age 65+	17.23%	16.48%	15.98%
Median Age	39.38	39.47	39.56
■ Population 25+ by Education Level			
2016 Estimate Population Age 25+	12,056	18,712	25,901
Elementary (0-8)	8.78%	9.12%	9.11%
Some High School (9-11)	12.73%	13.08%	13.37%
High School Graduate (12)	41.16%	40.97%	40.44%
Some College (13-15)	17.44%	17.77%	18.71%
Associate Degree Only	5.86%	5.67%	5.32%
Bachelors Degree Only	7.55%	7.29%	7.46%
Graduate Degree	5.72%	5.21%	4.73%

Source: © 2016 Experian

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HUDDLE HOUSE
Corbin, KY
ACT ID Y0121554

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THE SINGLE TENANT RESOURCE



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