



# HOOTERS

*400 Cahaba Valley Road, Pelham, AL 35124*

OFFERING MEMORANDUM

**Marcus & Millichap**  
PATEL YOZWIAK GROUP

# HOOTERS

400 Cahaba Valley Road, Pelham, AL 35124

## OFFERING SUMMARY



### THE OFFERING SUMMARY

CAP RATE	PURCHASE PRICE	PER SF
<b>6.50%</b>	<b>\$2,308,000</b>	<b>\$470</b>

### PROPERTY DESCRIPTION

Property Name:	<b>HOOTERS</b>
Property Address:	400 Cahaba Valley Road Pelham, AL 35124
Year Built:	2002
Lot Size:	±1.63 Acres
Gross Leasable Area:	4,906-SF
Occupancy:	100%
Flood Zone:	Yes, AE
Parking Ratio:	12.23 Per 1,000-SF

### LEASE ABSTRACT

Tenant:	<b>PWW Pelham, LLC</b>
Guarantor:	Franchisee (Piece of Work Wings, LLC)
Lease Type:	Absolute Net
Rent Commencement:	Estimated 7/1/2003
Lease Expiration:	6/30/2030
Years Remaining:	4.5+
Rental Increases:	On 7/1/2027 and Start of Options
Option Terms:	2, 5-Year Options
Right of First Refusal:	15 Day Notice Period
Landlord Responsibility:	None
Tenant Responsibility:	All Else

### RENT SCHEDULE

START	END	ANNUAL BASE RENT	RSF	INCREASE %
<b>CURRENT</b>	6/30/2027	\$150,000	\$30.57	-
7/1/2027	6/30/2030	\$156,000	\$31.80	4.00%
<b>OPTION 1</b>	6/30/2035	\$205,000	\$41.79	31.41%
<b>OPTION 2</b>	6/30/2040	\$225,000	\$45.86	9.76%



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## INVESTMENT HIGHLIGHTS

### HOOTERS BUILD-TO-SUIT CONSTRUCTION

The subject property is a 4,096-square-foot, freestanding, build-to-suit Hooters restaurant situated on a large 1.63-acre lot and fully occupied by Hooters.

### ABSOLUTE NET LEASE | NO LANDLORD RESPONSIBILITIES

Tenant operates under an absolute net lease, leaving the landlord with no out-of-pocket obligations. Tenant is responsible for Property Taxes, Insurance, all R&M including repair and replacement to the Roof.

### 20+ YEAR HISTORICAL OCCUPANCY

The tenant has operated at this location for more than 20 years and recently signed a lease extension pushing the term to 6/30/2030, with two additional five-year options that could extend the lease through 6/30/2040.

### ATTRACTIVE RENT INCREASES

The tenant is scheduled for a 4% rent increase on 7/1/2027, which effectively raises the cap rate to 6.76% at the asking price. The tenant also has a 31% increase at the start of the first option period.

### #1 RANKED HOOTERS WITHIN 50MI RADIUS - PLACER.AI

According to Placer.ai, the subject property ranks number one out of four locations within a 50-mile radius in visits per square foot, supported by approximately 57,500 annual visits.

### PROXIMITY TO PELHAM CIVIC COMPLEX & ICE ARENA

The subject property is located less than one mile from the Pelham Civic Complex & Ice Arena, a 30,000-SF meeting and event venue featuring two NHL-sized ice rinks. The facility is home to the Birmingham Bulls and the University of Alabama Hockey Club.

### PROXIMITY TO OAK MOUNTAIN AMPHITHEATRE 43-AC REDEVELOPMENT

The subject property is located within walking distance of the 43-acre Oak Mountain amphitheatre redevelopment, which is proposed to include a town center featuring retail, dining, office space, medium-density residential, and hospitality components.

### DENSE AND AFFLUENT POPULATION

The subject property is situated within a 5-mile radius of more than 86,000 residents, with average household incomes exceeding \$118,000.



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## TENANT SUMMARY

### COMPANY PROFILE

Hooters is a globally recognized casual-dining and sports-bar brand founded in 1983 in Clearwater, Florida. The concept is known for its wings, seafood, burgers, full-bar service, and high-energy sports atmosphere, supported by strong brand recognition built over four decades. The system includes a mix of company-operated and franchised restaurants throughout the United States and internationally, with the brand consistently ranking among the most recognizable names in the casual dining category.

### CURRENT OWNERSHIP & CORPORATE STRUCTURE (2025 UPDATE)

On October 31, 2025, the founding group behind the original Hooters brand, Hooters Inc. (“Original Hooters”), along with operating partner Hoot Owl Restaurants LLC, completed their acquisition of Hooters of America (HOA). The combined ownership group now controls approximately 140 of the 198 domestic Hooters restaurants, in addition to supporting the broader system of approximately 60 international locations, representing approximately \$700 million in annual systemwide sales.

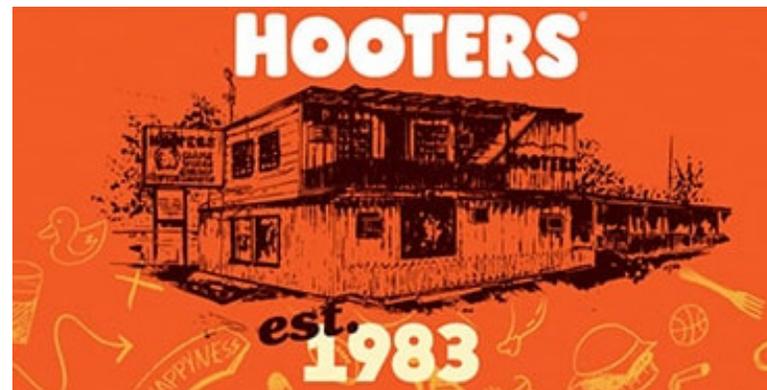
This transaction concludes the company’s financial restructuring process and positions the legacy ownership group back at the helm of the global brand.

### POST-BANKRUPTCY REPOSITIONING & STRATEGIC DIRECTION

Following a court-supervised restructuring earlier in 2025, the brand is undergoing a comprehensive, founder-driven refresh. Corporate leadership has publicly committed to a “return to its roots” strategy focused on:

- Re-emphasizing food quality and using fresher, higher-grade ingredients
- Streamlining the menu to improve operations and unit-level profitability
- Revitalizing the original beach-themed, community-centric atmosphere
- Reinforcing core brand identity, including traditional Hooters uniforms and guest experience
- Driving stronger franchise consistency and investing in the long-term stability of the brand

This strategy is aimed at strengthening the brand’s competitive position, improving systemwide performance, and stabilizing unit economics following several years of industry-wide headwinds in the casual dining sector.



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## PROPERTY DESCRIPTION

SUBJECT PROPERTY



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Year Built:	2002
Lot Size: (AC)	1.63
GLA: (SF)	4,906
Parking Spaces:	60
Flood Zone:	Yes, AE
Zoning:	B2
Parking Spaces:	60

CAHABA VALLEY ROAD (29,500+ VPD)

# HOOTERS

400 Cahaba Valley Road, Pelham, AL 35124

## PROPERTY AERIAL



# HOOTERS

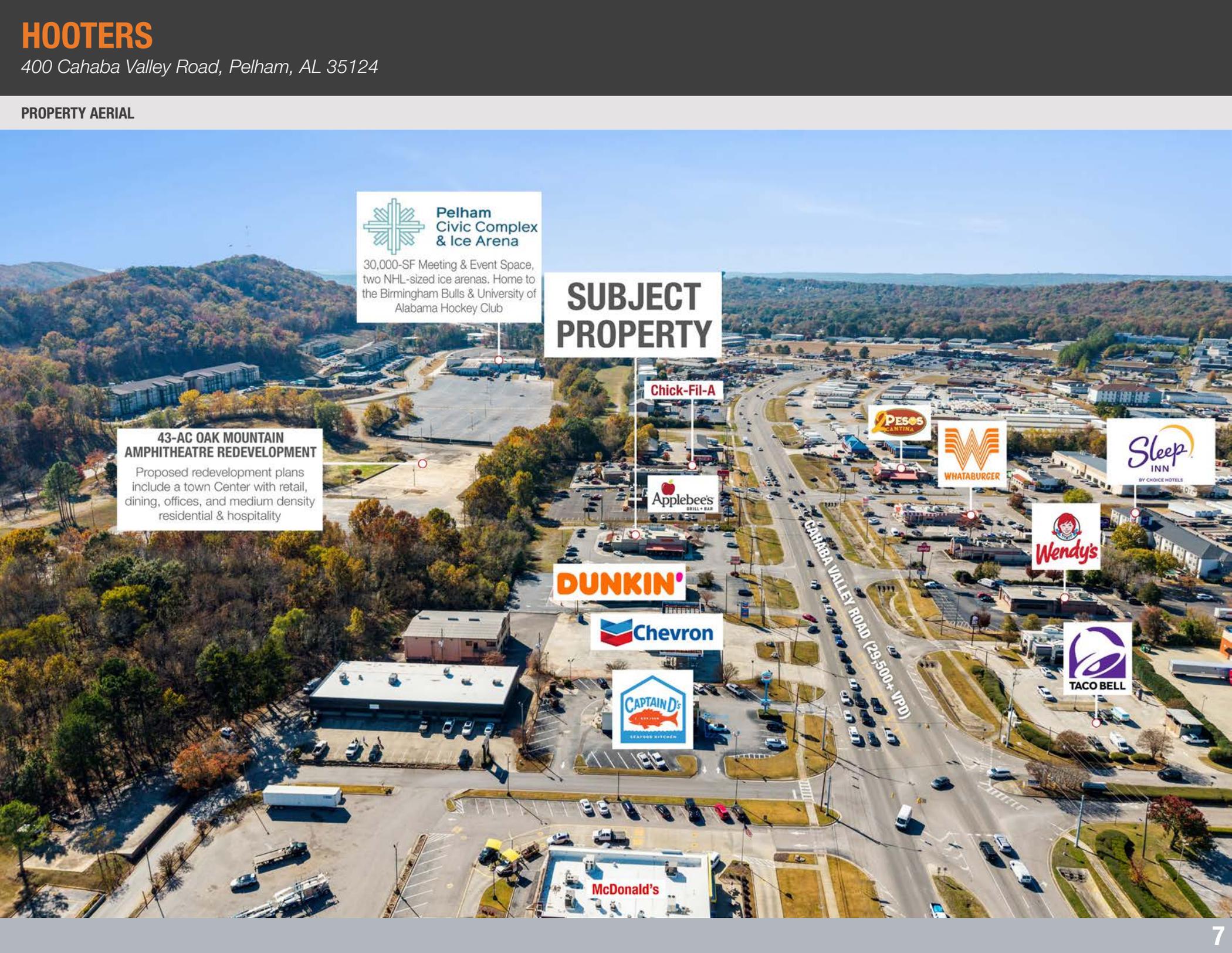
400 Cahaba Valley Road, Pelham, AL 35124

## PROPERTY AERIAL

**Pelham Civic Complex & Ice Arena**  
30,000-SF Meeting & Event Space, two NHL-sized ice arenas. Home to the Birmingham Bulls & University of Alabama Hockey Club

**43-AC OAK MOUNTAIN AMPHITHEATRE REDEVELOPMENT**  
Proposed redevelopment plans include a town Center with retail, dining, offices, and medium density residential & hospitality

**SUBJECT PROPERTY**



**Chick-Fil-A**  
**PESCO'S CANTINA**  
**WHATABURGER**  
**Sleep INN**  
BY CHOICE HOTELS  
**Wendy's**  
**TACO BELL**  
**DUNKIN'**  
**Chevron**  
**CAPTAIN D'S**  
SEAFOOD KITCHEN  
**Applebee's**  
GRILL + BAR  
**McDonald's**

CAHABA VALLEY ROAD (29-500 + IVD)

## MARKET OVERVIEW

### BIRMINGHAM-HOOVER

The Birmingham-Hoover metro contains a population of roughly 1.2 million residents in north central Alabama. The metro comprises Jefferson, Bibb, Shelby, Blount, Chilton, Walker and St. Clair counties. The most populous city is Birmingham, with nearly 200,000 people, followed by Hoover and Vestavia Hills with 94,500 and 40,000 residents, respectively. Population growth is expanding outward from the city along the interstate system into nexting cities like Alabaster.

### ECONOMY

- Built on a history of steel production, Birmingham-Hoover's abundant natural resources have given rise to a robust advanced materials and manufacturing sector. Industry employers include O'Neal Industries, Kamtek Inc., U.S. Steel and CMC Steel.
- Health care and education have become prominent sources of local employment. The University of Alabama at Birmingham is a leader in biotechnology and medical research.
- The business services and financial sector is expanding. Major banks, insurance companies and other financial institutions, such as Regions Financial Corporation, are represented in the area.

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

### QUICK FACTS



#### POPULATION

**1.2M**

Growth 24-29\*

**1.4%**



#### HOUSEHOLDS

**480K**

Growth 2024-2029\*

**2.0%**



#### MEDIAN AGE

**39.0**

U.S. Median:

**39.0**



#### MEDIAN HH INCOME

**\$79,000**

U.S. Median:

**\$76,100**



### METRO HIGHLIGHTS



#### CHANGING LOCAL ECONOMY

Once a manufacturing-dominant economy, key industries have expanded to include business services, biosciences and technology. This shift has increased the area's appeal to young professionals.



#### AUTOMOBILE MANUFACTURING AND DISTRIBUTION CENTER

Mercedes-Benz, Honda, Hyundai and Autocar have production plants in the metro. Mazda Toyota Manufacturing opened a similar facility in Huntsville in 2021.



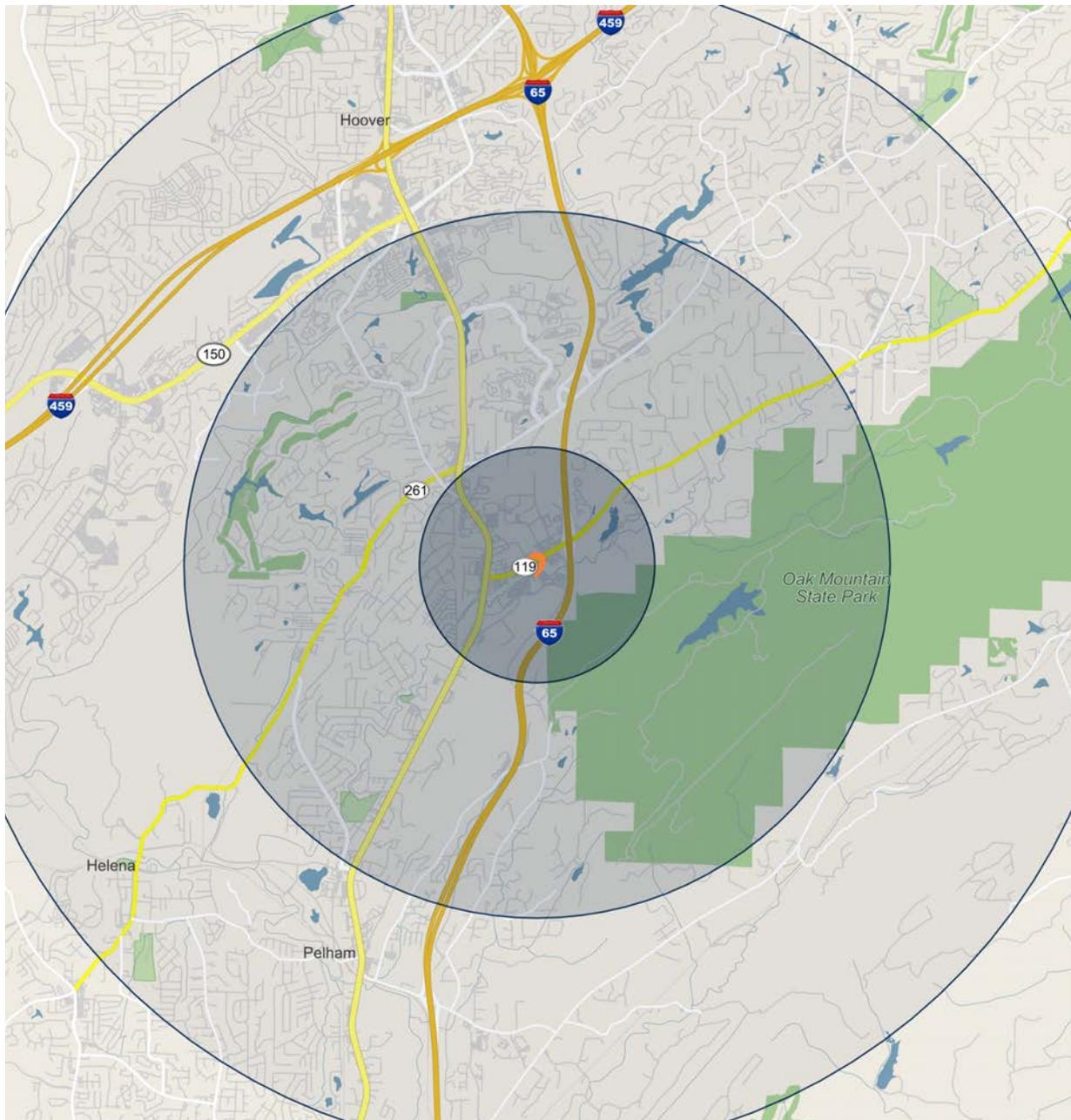
#### NASCENT BIOTECH SECTOR

Over 150 companies across the metro are engaged in the life sciences sector. Private bioscience investments in Alabama have topped \$280 million since 2021, with much of this capital concentrated in Birmingham. This won the Greater Birmingham Region a federal TechHub designation in 2023.

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## DEMOGRAPHICS



<b>POPULATION</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2029 Projection	1,998	31,028	88,041
2024 Estimate	1,915	30,281	86,385
2020 Census	1,809	29,492	84,233
2010 Census	1,919	28,841	78,811
<b>HOUSEHOLD INCOME</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
Average	\$101,117	\$111,015	\$118,200
Median	\$73,163	\$91,335	\$98,810
Per Capita	\$37,881	\$45,979	\$46,858
<b>HOUSEHOLDS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2029 Projection	688	13,166	36,281
2024 Estimate	657	12,827	35,475
2020 Census	615	12,362	34,367
2010 Census	602	11,865	31,313
<b>HOUSING</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
Median Home Value	\$201,503	\$328,488	\$344,884
<b>EMPLOYMENT</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2024 Daytime Population	2,961	52,519	114,303
2024 Unemployment	1.18%	1.00%	1.16%
Average Time Traveled	28	26	27
<b>EDUCATIONAL ATTAINMENT</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
High School Graduate	0.48%	0.70%	0.70%
Some College (13-15)	26.91%	22.38%	22.02%
Associate Degree Only	18.71%	13.96%	13.33%
Bachelor's Degree Only	7.31%	7.21%	7.22%
Graduate Degree	35.20%	49.06%	50.66%

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