

# DUNKIN' DONUTS

151 E Commerce Street, Hernando, MS 38632



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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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# INVESTMENT HIGHLIGHTS

- **Favorable Tenant** - Established multistate Dunkin' Donuts franchisee with over 20 years of experience and continued growth
- **Double Net (NN) Lease** - Minimal Landlord expense and maintenance responsibilities
- **Fixed Rental Increases** - 10% Rental Increases every 5 years
- **Scheduled Rental Increase in Approximately 3 Years** - Increasing Cap Rate to 5.88%
- **Desirable Retail Location** - Situated in close proximity to a Kroger Marketplace (with fuel station) anchored shopping center with surrounding retail including McDonald's, Whataburger, Wendy's, Starbucks, Circle K, Waffle House, AutoZone, O'Reilly Auto Parts, Caliber Collision, Sherwin Williams, Dollar Tree, H&R Block, multiple banks, and numerous other local and national retailers and businesses in the area
- **Walmart Supercenter** - Further enhancing the area is a Walmart Supercenter located approximately a mile to the east with additional retailers including Zaxby's, Taco Bell, KFC, Sonic Drive-In, Arby's, Walgreen's and many others, including a variety of other amenities and Hospitality uses
- **Traffic Counts** - Exceptional Visibility along East Commerce Street, linking downtown Hernando with Interstate 55 with approximately 15,000 VPD increasing to over 20,000 VPD
- **Growing, Award Winning Community** - Hernando, Mississippi serves as a county seat with top-rated schools, and is a suburb of Memphis, TN
- **Strong Demographics** - Average Household Income of \$112,956 and over 26,405 residents in a 5-mile radius

## LOCATION HIGHLIGHTS

- Less than 2-miles from Hernando High School and Hernando Intermediate School
- Less than 1-mile from Hernando Elementary School
- Approximately one-half mile from Interstate 55, a major cross-country, north-south interstate highway connecting the Gulf of Mexico to the Great Lakes
- Located approximately 25-miles south of downtown Memphis, TN



# FINANCIAL ANALYSIS

## PRICING SUMMARY

List Price	\$1,795,000
Annual Rent	\$96,000
Cap Rate	5.35%
Price/SF	\$890.38
Annual Rent/SF	\$47.62



## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Guarantor	Franchisee Guarantee
Lease Commencement	3/24/2024
Lease Expiration	3/31/2039
Renewal Options	Three (5) Year
Rental Increases	10% Every 5 Years
Annual Rent	\$96,000
Rentable SF	2,016' SF
Annual Rent/SF	\$47.62

\*Tenant is a multi-unit franchisee. Please call agent for further details.

## PROPERTY SUMMARY

Total Rentable SF	2,016 SF*
Lot Size	0.35 Acres*
Year Built	2024
Assessor's Parcel Number 1	307418603 0000100
Assessor's Parcel Number 2	N/A

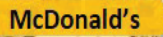
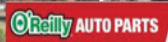
\*Buyer to verify these figures during their Due Diligence Period.



## RENT SCHEDULE

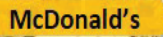
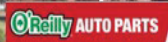
	ANNUAL RENT	RENT INCREASES
Year 1 - 5	\$96,000	10%
Year 6 - 10	\$105,600	10%
Year 11 - 15	\$116,160	10%
Option 1	\$127,776	10%
Option 2	\$140,554	10%
Option 3	\$154,129	10%

\*Next Scheduled Rental Increase on 4/1/2029, increasing Cap Rate to 5.88%.



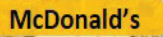
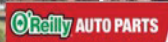
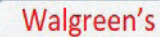
Downtown  
Hernando

E Commerce St 14,766 VPD



Downtown  
Hernando

E Commerce St 14,766 VPD



Downtown  
Hernando

E Commerce St 14,766 VPD



20,684 VPD



Milton Kuykendal  
Park

Downtown  
Hernando



E Commerce St 14,766 VPD



Downtown  
Hernando

DeSoto  
COUNTY SCHOOLS

Hernando  
SMILES  
OUR SMILES SAY IT ALL

DE SOTO COUNTY  
MUSEUM

DUNKIN'

E Commerce St 14, 766 VPD



SUBWAY



DOLLAR TREE

CADENCE  
Bank

RENASANT

Kroger  
Marketplace



Milton Kuykendal  
Park



DUNKIN'



RENASANT

Downtown  
Hernando

E Commerce St 14,766 VPD





Walgreen's



Kentucky Fried Chicken



WHATABURGER



CIRCLE K



CALIBER

O'Reilly AUTO PARTS

WAFFLE HOUSE

McDonald's



AutoZone

PAPA JOHN'S

Milton Kuykendal Park

RENASANT

DUNKIN'



E Commerce St 14,766 VPD

Downtown Hernando

CADENCE Bank



20,584 VPD

20,584 VPD

20,584 VPD

20,584 VPD

20,584 VPD

20,584 VPD

# TENANT OVERVIEW

# INSPIRE



[www.inspirebrands.com](http://www.inspirebrands.com)



Inspire was founded in 2018 with a vision to invigorate great brands and supercharge their long-term growth. Inspire unites distinct yet complementary brands, with the goal of enhancing their strength and impact beyond what could be achieved individually.

Inspire is tightly integrated around extensible, technology-enabled platforms and capabilities, enabling each brand to benefit from the collective scale of the enterprise. The combination of iconic brands and industry re-defining capabilities makes Inspire a restaurant company unlike any other. And as good citizens, we strive to elevate each other and the communities we serve.

In just seven years, the Inspire portfolio has grown to encompass more than 33,000 Arby's, Baskin-Robbins, Buffalo Wild Wings, Dunkin', Jimmy John's, and SONIC restaurants across nearly 60 global markets and all 50 states.

## DUNKIN'

**TUESDAY, DECEMBER 15 (2020)**

**Inspire Brands Completes Its \$11.3B Acquisition of Dunkin' Brands**

[www.dunkindonuts.com](http://www.dunkindonuts.com)

In 1948, Bill Rosenberg opened a restaurant called "Open Kettle," serving premium coffee and donuts. After brainstorming with some executives, he renamed his restaurant "Dunkin' Donuts" in 1950. Since its founding in 1950, Dunkin' Donuts has become the largest coffee and donuts brand in the United States, and grown to more than 14,000 restaurants in nearly 40 global markets. Dunkin' is part of the Inspire Brands family of restaurants. For more information, please visit [dunkindonuts.com](http://dunkindonuts.com), [InspireBrands.com](http://InspireBrands.com).



About the Franchisee. Established in 2006 by James Laskaris and Stephen Attard, our story is one of continuous growth, unwavering commitment, and community service. From our modest origins in Georgia with only five Dunkin' and Baskin Robbins stores, we steadily evolved while holding onto our core values of quality and customer care. Today IDH Alliance has grown to over 70 locations across multiple states. (source: [idhalliance.com](http://idhalliance.com))



**ABOUT US**  
America Runs on Dunkin'®



**14,200+**  
Restaurants

**39**  
Global Markets

**\$14.5B**  
System Sales

**Leading Coffee & Donuts Brand in the U.S.**

**Dunkin' gets America ready to get it done**



**DUNKIN'**

Google Maps

# Hernando, Mississippi



**Hernando**  
MISSISSIPPI

## 10 Reasons Hernando is a Destination of Choice

Based upon a strong population growth rate (107% from 2000 to 2010), it is obvious that Hernando is a destination of choice for many. In 2011 Hernando was named to CNN/Money Magazine's *100 Best Places to Live* and was featured in CNN's *Great American Small Town Series*! The city was also featured in two episodes of ABC's *Everyday Health* program, which aired in 2012. Hernando has the attributes many individuals, families and businesses are looking for when they relocate, including:

**A sense of place.** The city is dedicated to protecting its important historic resources, but also in ensuring that new buildings and developments fit well in the community. Hernando's historic and tree canopied Town Square centers the community and is a popular gathering spot for a variety of activities. Hernando is a connected community.

**A great school system.** Overall academic achievement in the DeSoto County School District is ranked above the national average, and the school district was given an "A" rating in the new state accountability model by the state department of education. Hernando's schools all scored A's. DeSoto County School District is the only district in the state on the Advanced Placement Honor Roll for the number of advanced place courses that are taught and the scores students received.

## **Safety and security, Good quality housing and great neighborhoods, Healthy population**

**Economic vitality.** Although the city is part of the Memphis Metropolitan area, and many Hernando residents work in Memphis, the city has its own vibrant economy. DeSoto County consistently ranks in the top two counties for the lowest unemployment rate in the state, and employment categories ranking high in Hernando include manufacturing, transportation and warehousing, retail trade and educational, health and social services. The city has a strong downtown and plenty of neighborhood and community commercial areas, many within walking and biking distance of residential areas.

**Beautiful city and healthy natural environment | Great city planning  
Good transportation resources | Low Taxes**

(source: [www.cityofhernando.org/residents/relocate-to-hernando](http://www.cityofhernando.org/residents/relocate-to-hernando))

## **HERNANDO IS A GROWING COMMUNITY**

Hernando's population grew 107% from 2000 to 2010, and 118% from 1990 to 2000



TREE CITY USA®

EXCEL BY 5™  
CANDIDATE  
EARLY CHILDHOOD COMMUNITY  
HERNANDO

Hernando Forward Market  
On Go! Hernando Economic Growth Agency

## Healthy Community

In 2010 The Blue Cross & Blue Shield of Mississippi Foundation named Hernando its first ever "Healthiest Hometown in Mississippi" for demonstrating exemplary leadership and commitment to the health of its citizens. The City of Hernando received a \$50,000 grant from the Foundation to support its ongoing health and wellness efforts. Since that time, Hernando has received a second Healthy Hometown Award and two Healthy Heroes grants for its continuing efforts to improve the health of the community.

## Historical and Architecturally Significant Places

The city has five National Register Districts, and various Mississippi Landmarks and individually designated buildings, including the 1925 Water Tower, which was the subject of a New York Times article and graced the cover the Grammy-nominated North Mississippi Allstar's Hernando album cover.

Hernando is a Preserve America Community, a designation for cities blending historical assets with economic development efforts.

Hernando is a Main Street Community. Main Street is an economic development program of the National Trust for Historic Preservation. The city has a Preservation Commission, started in 1997, that administers the historic design standards.

(source: [www.cityofhernando.org/residents/about-hernando](http://www.cityofhernando.org/residents/about-hernando))

# MARKET OVERVIEW

## MEMPHIS

Often considered the home of the blues and the birthplace of rock 'n' roll, Memphis' cultural identity is strongly tied to music. The skyline's most prominent feature is the glass Memphis Pyramid, former arena for the Grizzlies and current home for the country's largest Bass Pro Shop. Memphis spans 3,000 square miles over nine counties in the states of Tennessee, Mississippi and Arkansas. The Tennessee counties include Shelby, Fayette and Tipton. Crittenden County is in Arkansas, and Tate, DeSoto, Tunica, Benton and Marshall counties are in Mississippi. The Mississippi River runs through the metro, forming the border between Tennessee and Arkansas. Other rivers flowing through the region define areas available for development. The market contains about 1.3 million residents, of which roughly 910,000 live in Shelby County. Memphis is the area's most populous city with nearly 619,000 citizens.

## METRO HIGHLIGHTS



### GROWING ECONOMY

A large distribution presence, favorable business climate and diversification into other industries are helping augment the metro's economy.



### SKILLED WORKERS

Memphis has a favorable cost-of-living dynamic, as well as a large skilled trade labor pool that helps draw transportation, utilities, manufacturing and e-commerce companies to the area.



### AFFORDABLE COST OF LIVING

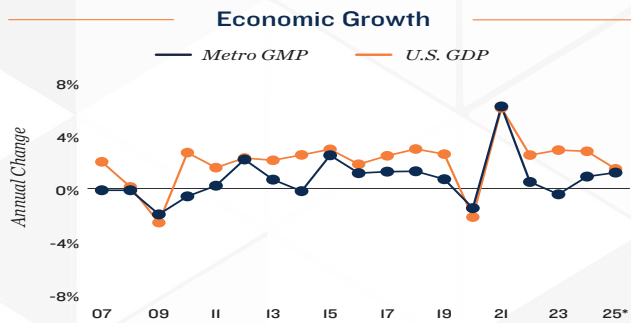
The median home price in Memphis is well below the national benchmark, as is the average effective apartment rent cost. As a result, middle-class families' budgets stretch further than in other major metros.



# MARKET OVERVIEW

## ECONOMY

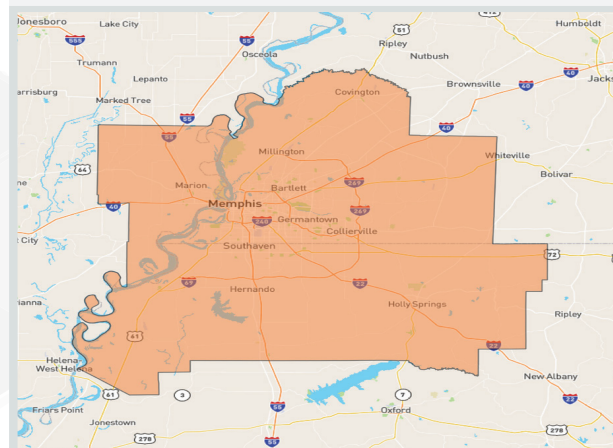
- The metro's central location and favorable business climate attract companies to the region. Fortune 500 firms headquartered in Memphis include FedEx, AutoZone and International Paper.
- Logistics fuel much of the economy, due to the market's location and intermodal capabilities. The metro contains the headquarters for FedEx, while UPS and USPS also have major operations locally. Memphis International Airport is one of the busiest United States airports for cargo.
- Memphis is also a center for agricultural technology. Bayer Crop-Science has an office in the metro.



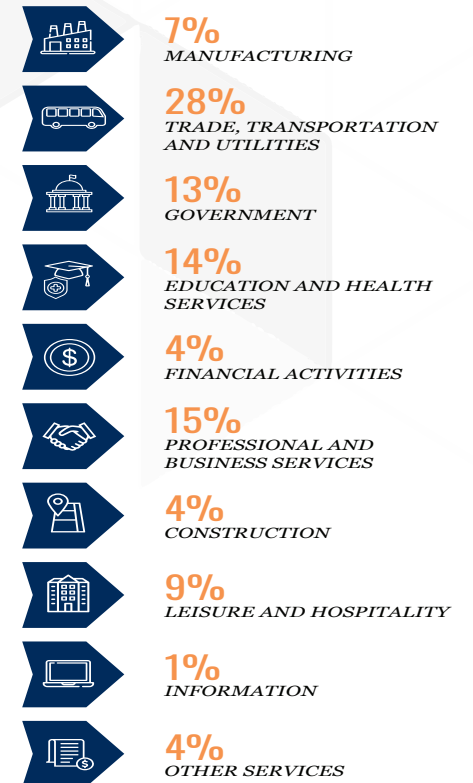
\* Forecast

## MAJOR AREA EMPLOYERS

- FedEx
- United States Government
- Tennessee State Government
- Methodist Le Bonheur Healthcare
- Memphis-Shelby County Schools
- International Paper
- AutoZone
- First Horizon National Corporation
- St. Jude Children's Research Hospital
- Baptist Memorial Healthcare



## SHARE OF 2025 TOTAL EMPLOYMENT



Note: Figures are rounded to nearest whole percentage point

# MARKET OVERVIEW

## DEMOGRAPHICS

- The metro is expected to add about 13,000 people over the next five years, contributing to the formation of approximately 9,000 households.
- A median home price near \$293,000 is below the overall U.S. metric, but a local homeownership rate approaching 60 percent trails the nation amid lower household incomes.
- Roughly 30 percent of people ages 25 and older hold bachelor's degrees; nearly 11 percent hold any advanced degree.

## QUALITY OF LIFE

The "Blues City" region offers an attractive quality of life for residents and visitors with parks and recreational options abound. Local sports are represented by the NBA's Memphis Grizzlies, and the Memphis Redbirds are the metro's minor league baseball team. The Simmons Bank Liberty Stadium hosts the Liberty Bowl and University of Memphis football. Additionally, numerous casinos in Tunica County, Mississippi, offer gaming. Music plays an important role in the history of Memphis. One can relive history by touring Graceland, the former home of Elvis Presley; visiting Sun Studio; or the former Stax Records, which is now the Stax Museum.

## SPORTS

Basketball | **NBA** | Memphis Grizzlies  
Soccer | **MLS** | Memphis 901 FC  
Baseball | **AAA** | Memphis Redbirds



## EDUCATION

- The University of Memphis
- Christian Brothers University
  - Rhodes College
- Southwest Tennessee Community College



## ARTS & ENTERTAINMENT

- Sun Studio
- Lorraine Motel
- Memphis Rock 'n' Soul Museum
- Graceland



## QUICK FACTS



POPULATION  
**1.3M**  
Growth 2025-2029\*  
1%



HOUSEHOLDS  
**532K**  
Growth 2025-2029\*  
1.7%



MEDIAN AGE  
**37**  
U.S. Median:  
39

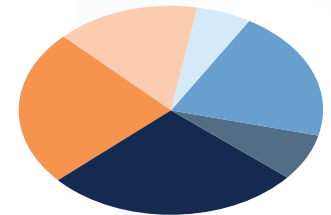


MEDIAN HOUSEHOLD INCOME  
**\$76,000**  
U.S. Median:  
\$76,000

\* Forecast

## 2025 Population by Age

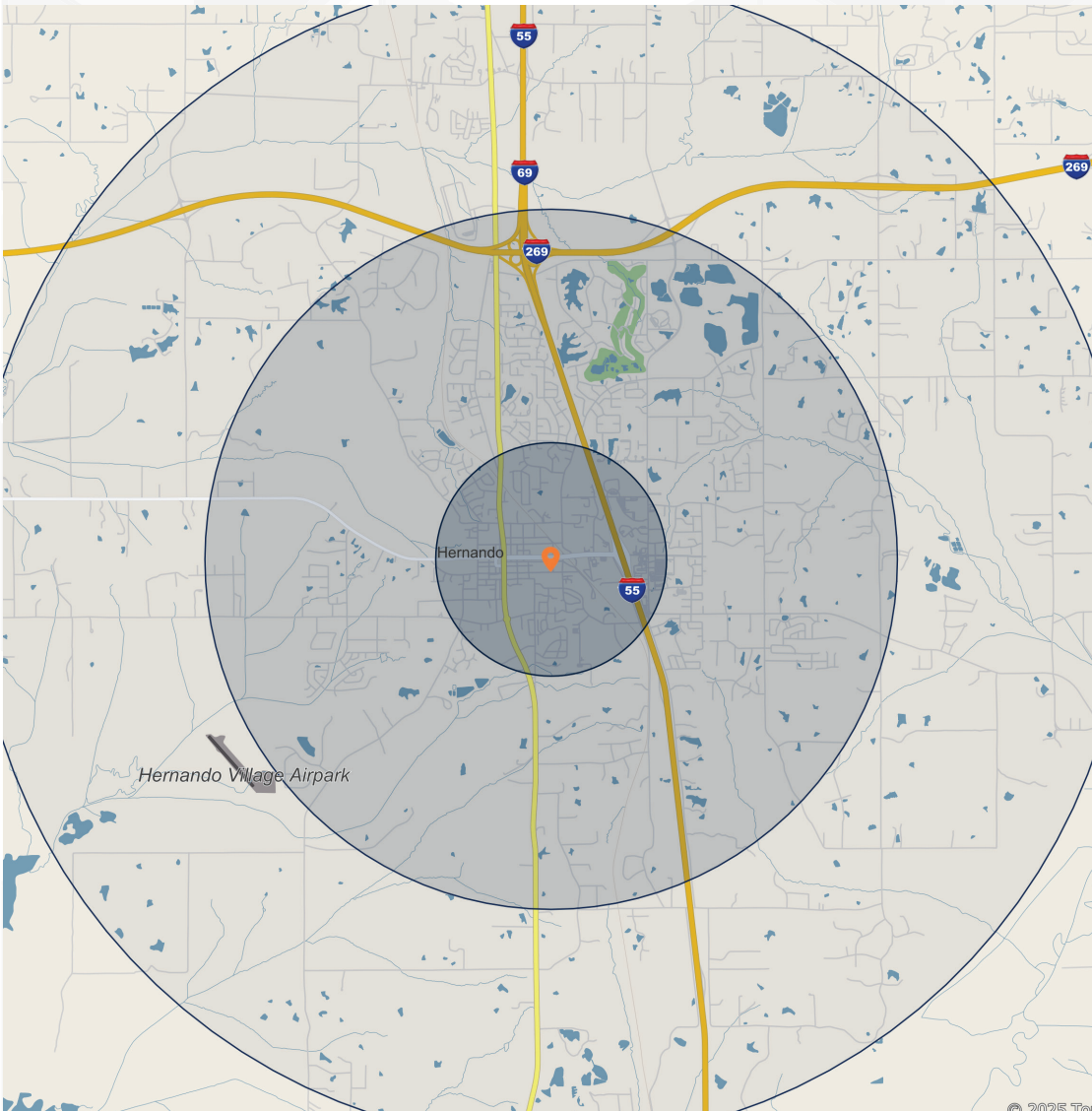
6%	0-4 years
20%	5-19 years
7%	20-24 years
27%	25-44 years
24%	45-64 years
15%	65+ years



\* Forecast

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

# DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
<b>POPULATION</b>			
2030 Projection	5,460	20,918	28,020
2025 Estimate	5,195	19,789	26,405
2020 Census	4,776	18,151	24,085
2010 Census	3,898	15,074	19,893
<b>HOUSEHOLD INCOME</b>			
Average	\$81,814	\$106,744	\$112,956
Median	\$65,020	\$83,464	\$89,998
Per Capita	\$31,608	\$39,881	\$41,881
<b>HOUSEHOLDS</b>			
2030 Projection	2,164	7,786	10,418
2025 Estimate	2,038	7,332	9,784
2020 Census	1,798	6,461	8,570
2010 Census	1,499	5,489	7,246
<b>HOUSING</b>			
Median Home Value	\$294,937	\$316,390	\$322,909
<b>EMPLOYMENT</b>			
2025 Daytime Population	8,485	20,594	23,979
2025 Unemployment	1.24%	1.32%	1.36%
Average Time Traveled (Minutes)	26	27	28
<b>EDUCATIONAL ATTAINMENT</b>			
High School Graduate (12)	0.62%	0.80%	0.84%
Some College (13-15)	31.82%	30.85%	31.31%
Associate Degree Only	17.24%	15.58%	15.14%
Bachelor's Degree Only	11.01%	10.25%	10.94%
Graduate Degree	26.16%	32.77%	32.76%



## BROKER OF RECORD

**William M. "Mickey" Davis**

William M. "Mickey" Davis

Broker of Record

License #: B-15586

5100 Poplar Ave., Ste. 2505

Memphis, TN 38137

Marcus & Millichap