

SINGLE TENANT

ABSOLUTE NNN
GROUND LEASE
INVESTMENT
OPPORTUNITY

GRAND OPENING NOV 2018



WITH DRIVE-THRU

DAVENPORT
FLORIDA





PRESENTED TO



PRESENTED BY

**MATTHEW MOUSAVI | MANAGING PRINCIPAL
SRS NATIONAL NET LEASE GROUP**

610 Newport Center Drive, Suite 1500 | Newport Beach, CA 92660

DL: 949.698.1116 | M: 714.404.8849

Matthew.Mousavi@srsre.com | CA License No. 01732226

**PATRICK R. LUTHER, CCIM | MANAGING PRINCIPAL
SRS NATIONAL NET LEASE GROUP**

610 Newport Center Drive, Suite 1500 | Newport Beach, CA 92660

DL: 949.698.1115 | M: 480.221.4221

Patrick.Luther@srsre.com | CA License No. 01209944

Broker of Record: John Artope - FL License No. BK3172617





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INVESTMENT SUMMARY

SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee interest (land ownership) in an absolute NNN leased, franchisee guaranteed, newly constructed, drive-thru equipped, Taco Bell, investment property located in Davenport, FL. The building was constructed at tenant cost, indicating strong financial commitment to the location. The tenant, JEM Restaurant Group of Florida, Inc., has signed a brand new 10-year ground lease with 4 (5-year) options to extend. The lease features a 10% rental increase in year 6 of the initial term and at the beginning of each option period, steadily growing NOI and hedging against inflation. The lease is franchisee guaranteed and is absolute NNN with zero landlord responsibilities. JEM Restaurant Group of Florida, Inc. operates 100+ Taco Bell and Pizza Hut locations across the state. The franchisor, YUM! Brands, is one of the largest restaurant operators in the world, with over 45,000 locations in more than 140 countries and territories.

The subject property is currently under construction with an estimated grand opening of November 2018. The Taco Bell will feature a 1,925 SF, state of the art, prototype store with a drive-thru. On average, stores with drive-thrus average higher sales and outperform those without. Taco Bell is strategically located at the signalized, hard corner intersection of Osceola Polk Line Rd. and Lake Wilson Rd. (combined 40,900 VPD). It is a free-standing outparcel in a newly constructed, Aldi-anchored center. Other nearby national/credit tenants include Publix, CVS Pharmacy, 7-Eleven, and more, increasing consumer draw to the trade area. Moreover, the property is about a mile east of Interstate 4 (89,000 VPD), the primary thoroughfare traveling through Davenport, Orlando, and all of central Florida.

Just a 10-minute drive away, Davenport is a bedroom community of Orlando, FL, the fifth most populated city in Florida. It is home to Orlando International Airport, one of the busiest airports in the state, which reported over 44 million passengers in 2017. Orlando also houses the world-famous Walt Disney World, Epcot Center, and Universal Studios in Orlando. More locally, the 5-mile trade area is supported by a population of over 38,000 residents and nearly 14,000 with an average household income of \$81,012.



OFFERING SUMMARY

OFFERING

PRICING:	\$1,500,000
NET OPERATING INCOME:	\$75,000
CAP RATE:	5.00%
GUARANTY:	Franchisee
TENANT:	JEM Restaurant Group of Florida, Inc.
NUMBER OF LOCATIONS:	100+
LEASE TYPE:	Absolute NNN (Ground Lease)
LANDLORD RESPONSIBILITIES:	None

PROPERTY SPECIFICATIONS

RENTABLE AREA:	1,925 SF
LAND AREA:	0.84 Acres
PROPERTY ADDRESS:	Osceola Polk Line Road and Lake Wilson Road in Davenport, FL 33896
YEAR BUILT:	2018
PARCEL NUMBER:	272602701016000020
OWNERSHIP:	Leased Fee (Land)



INVESTMENT HIGHLIGHTS

GRAND OPENING NOV. 2018 | 10-YEAR FRANCHISEE GUARANTEED LEASE | RENTAL INCREASES

- Brand new 10-year lease commencing at estimated grand opening of Nov. 2018
- Features a 10% rental increase at the beginning of the term's 6th year, growing NOI and hedging against inflation
- 10% rental increases at the beginning of each of the 4 (5-year) option periods

ABSOLUTE NNN | LEASED FEE OWNERSHIP | ZERO LANDLORD RESPONSIBILITIES

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor

YUM! BRANDS, INC. FRANCHISOR | STRONG TENANT/OPERATOR

- One of the largest franchisors in the world, with over 45,000 locations in more than 140 countries and territories
- On average, YUM! Brands, Inc. opens over seven (7) new restaurants per day worldwide
- The tenant, JEM Restaurant Group of Florida, Inc. operates 100+ Taco Bells & Pizza Huts across the state

BRAND NEW CONSTRUCTION | DRIVE-THRU EQUIPPED | OUTPARCEL IN AN ALDI-ANCHORED SHOPPING CENTER

- Brand new, modern-style construction with the restaurant set to open in Nov. 2018
- Restaurants with drive-thrus regularly outperform those without
- Outparcel to an Aldi-anchored shopping center with Tire Kingdom and Wawa, creating consumer draw to the immediate trade area and promoting crossover shopping
- Nearby national/credit tenants include Publix, CVS Pharmacy, 7-Eleven, and more, further increasing consumer draw

SIGNALIZED HARD CORNER INTERSECTION | INTERSTATE 4 | EXCELLENT VISIBILITY

- Located at the signalized hard corner intersection of Osceola Polk Line Rd. and Lake Wilson Rd., with a combined 40,900 VPD
- Located about a mile from Interstate 4, the primary thoroughfare going through Central Florida, averaging 89,000 VPD
- Excellent visibility and street frontage

BEDROOM COMMUNITY OF ORLANDO MSA | DISNEYWORLD

- 10 minutes from Orlando, the fifth most populated city in Florida
- Orlando International Airport reported over 44 million passengers in 2017
- Home to the world famous Walt Disney World, Epcot Center, and Universal Studios amusement parks, which reports an average of over 52 million visitors each year

DEMOGRAPHICS IN 5-MILE TRADE AREA

- More than 38,000 residents and nearly 14,000 employees support the trade area
- \$81,012 average household income



PROPERTY OVERVIEW



ACCESS

Osceola Polk Line Road: 1 Access Point
Lake Wilson Road: 2 Access Points



TRAFFIC COUNTS

Lake Wilson Road: 16,900 Cars Per Day
Osceola Polk Line Road: 24,000 Cars Per Day
Interstate 4: 89,000 Cars Per Day



IMPROVEMENTS

There is approximately 1,925 SF of existing building area.



PARKING

There are approximately 26 parking spaces on the owned parcel.
The parking ratio is approximately 13.51 stalls per 1,000 SF of leasable area.



YEAR BUILT

2018



PARCEL

Parcel Number: 272602701016000020 Acres: 0.84 Square Feet: 36,708



ZONING

Vacant Commercial



OSCEOLA POLK LINE RD. - 23,600 VPD



WELLS
FARGO

Wawa



hair cuttery

Allstate
You're in good hands.

PAPA JOHN'S

TIRE
KINGDOM
SERVICE • BRAKES • BATTERIES • MORE

FUTURE DEVELOPMENT

LAKE WILSON RD. - 6,300 VPD



Reunion Resort Golf Course & Housing

Reunion Resort Golf Course & Housing

S. Old Lake Wilson Rd.

 24,000
CARS PER DAY

Osceola Polk Line Rd.



ANYTIME FITNESS

WELLS FARGO



tropical CAFE



EXIT REALTY CHAMPIONS

SUBWAY

Publix

Z Medical Center

LOYALTY

PAPA JOHN'S



Wawa



TIRE KINGDOM

Future Development

Proposed 20+ Acre Residential Development

Lake Wilson Rd.

 16,900
CARS PER DAY

Victoria Park Apartments



2018 ESTIMATED POPULATION

1 Mile.....	2,730
3 Mile.....	12,036
5 Mile.....	38,416

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$74,526
3 Mile.....	\$68,749
5 Mile.....	\$81,012

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	1,624
3 Mile.....	6,513
5 Mile.....	13,799



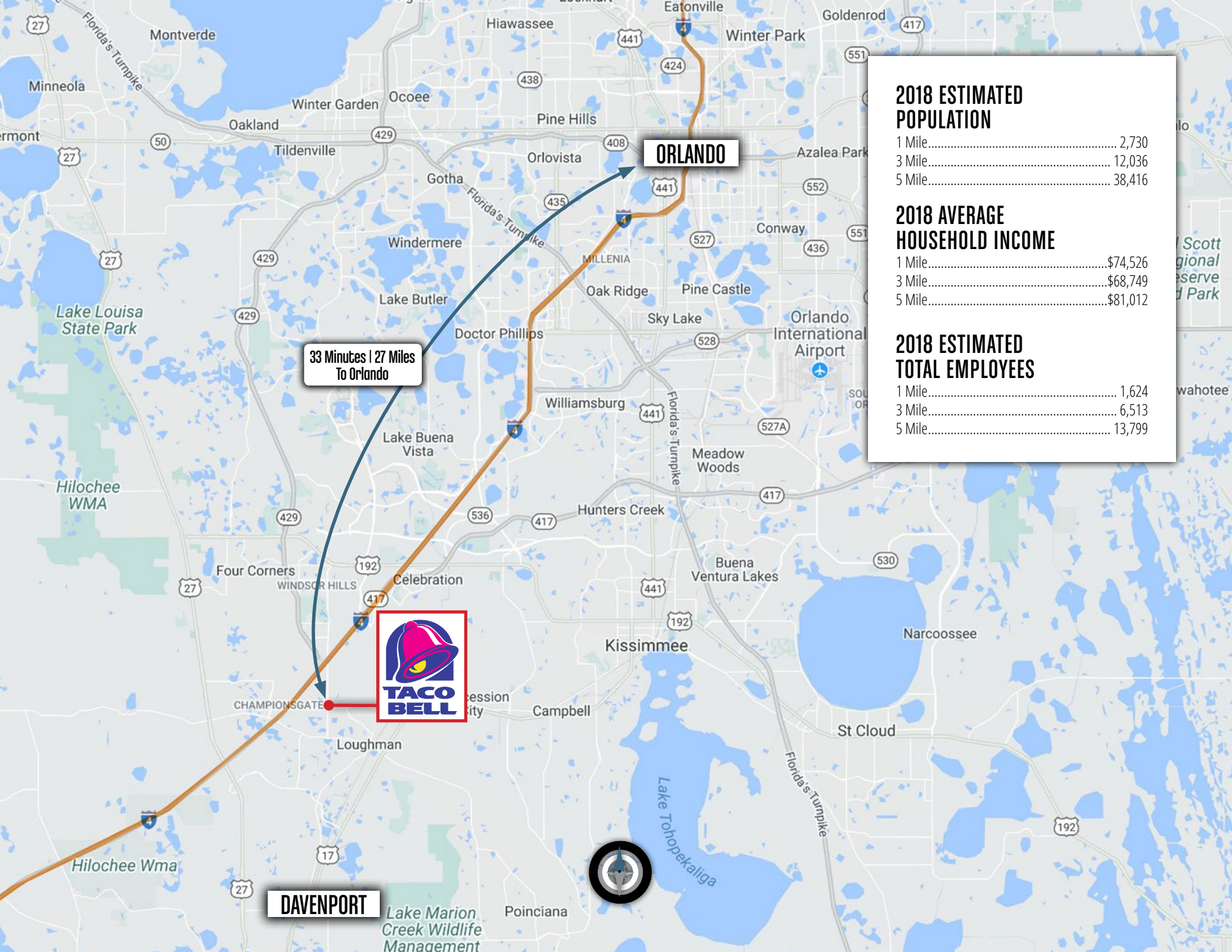
Interstate 4
89,000
CARS PER DAY

Osceola Polk Line Rd.
24,000
CARS PER DAY

Lake Wilson Rd.
16,900
CARS PER DAY

Ronald Reagan Pkwy
8,000
CARS PER DAY





2018 ESTIMATED POPULATION

1 Mile.....	2,730
3 Mile.....	12,036
5 Mile.....	38,416

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$74,526
3 Mile.....	\$68,749
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2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	1,624
3 Mile.....	6,513
5 Mile.....	13,799



AREA OVERVIEW

Davenport, Florida

Davenport is a city in Polk County, Florida, United States. The City of Davenport had a population of 4,849 as of July 1, 2018. While the city of Davenport itself is very small, the area north of the city close to Interstate 4 and US 27 is experiencing explosive growth. It is part of the Lakeland–Winter Haven Metropolitan Statistical Area. The current mayor is Darlene Bradley, who is serving from 2015 to 2017. In December 2017, Mayor Bradley was arrested on a host of charges including use of a false identity.

The area around Davenport in northeast Polk County used to be centered on the remote Circus World amusement park. It was redeveloped in 1987 into Boardwalk and Baseball and included a minor league baseball park that would attract spring training and minor league baseball teams for the Kansas City Royals, earning the area the moniker “Baseball City”. The amusement park failed in 1990, and the Royals left for Arizona and the Cactus League in 2003. Davenport’s current economic outlook is very poor. The Baseball City name is now extinct, and the area around the stadium (which was demolished in 2005) has been redeveloped into Posner Park, a large outdoor shopping mall.

Polk County is located in the U.S. state of Florida. The county population was 686,483, as of July 1, 2017. Its county seat is Bartow, and its largest city is Lakeland. Polk County comprises the Lakeland–Winter Haven Metropolitan Statistical Area. This MSA is the 87th-most populous metropolitan statistical area and the 89th-most populous primary statistical area of the United States as of July 1, 2012. The center of population of Florida is located in Polk County, near the city of Lake Wales. Polk County is home to one public university, one state college, and four private universities. One Fortune 500 company—Publix Super Markets—has headquarters in the county.

Polk County’s economy is supported by a workforce of over 275,000 in 2010. Traditionally, the largest industries in Polk County’s economy have been phosphate mining, agriculture, and tourism. Notable companies headquartered in Polk County include Publix (the employee-owned grocery chain) and Florida’s Natural (the agricultural cooperative).



AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2018 Estimated Population	2,730	12,036	38,416
2023 Projected Population	3,584	14,739	46,492
2010 Census Population	2,257	9,517	27,866
Projected Annual Growth 2018 to 2023	5.59%	4.14%	3.89%
Historical Annual Growth 2010 to 2018	2.33%	2.89%	3.97%
2018 Estimated Households	1,021	4,430	13,949
2023 Projected Households	1,312	5,393	16,761
2010 Census Households	866	3,535	10,278
Projected Annual Growth 2018 to 2023	5.14%	4.01%	3.74%
Historical Annual Growth 2010 to 2018	2.02%	2.77%	3.77%
2018 Estimated White	81.45%	82.20%	82.89%
2018 Estimated Black or African American	8.57%	7.83%	7.23%
2018 Estimated Asian or Pacific Islander	2.86%	2.64%	2.88%
2018 Estimated American Indian or Native Alaskan	0.55%	0.48%	0.42%
2018 Estimated Other Races	7.88%	8.46%	8.55%
2018 Estimated Hispanic	32.86%	33.45%	33.00%
2018 Estimated Average Household Income	\$74,526	\$68,749	\$81,012
2018 Estimated Median Household Income	\$56,724	\$53,713	\$59,555
2018 Estimated Per Capita Income	\$26,801	\$24,949	\$29,417
2018 Estimated Total Businesses	109	389	965
2018 Estimated Total Employees	1,624	6,513	13,799



RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM		BEGIN	INCREASE	RENTAL RATES			PSF	RECOVERY TYPE	OPTIONS
		LEASE START	LEASE END			MONTHLY	PSF	ANNUALLY			
JEM Restaurant	1,925	Nov. 2018	May 2028	Year 1	-	\$6,250	\$3.25	\$75,000	\$39	Absolute NNN	4 (5-Year)
Group of Florida, Inc.		(est.)	(est.)	Year 6	10%	\$6,875	\$3.57	\$82,500	\$43	(Ground Lease)	10% Incr. at beg.
(Franchisee Guaranty)											of each option

Note: Tenant has Right of First Refusal. Tenant shall have 15 days from receipt of the Acquisition Notice to exercise its Right of First Refusal by delivering notice thereof to Landlord. Closing date of such purchase shall not be less than 45 days after the date of Tenant's Refusal notice to Landlord.

FINANCIAL INFORMATION

Price:\$1,500,000
 Net Operating Income:\$75,000
 Cap Rate:5.00%
 Lease Type:Absolute NNN

For financing options and loan quotes, please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.

PROPERTY SPECIFICATIONS

Year Built:2018
 Rentable Area:1,925 SF
 Land Area:0.84 Acres
 Address:Osceola Polk Line Road and Lake Wilson Road in Davenport, FL 33896





BRAND PROFILE

TACO BELL

Taco Bell Corp. owns, operates, and franchises a chain of Mexican-inspired quick service restaurants in the United States. The company's restaurants offer made to order and customizable tacos, burritos, quesadillas, gorditas, nachos, chalupas, beverages, desserts and sides, and other specialty items. The company was founded in 1962 and is headquartered in Irvine, California. It also has restaurants in China; and Saskatoon, Canada. Taco Bell Corp. operates as a subsidiary of Yum! Brands, Inc.

Company Type:	.....	Subsidiary
Parent:	.....	Yum! Brands
2017 Employees:	.....	60,000
2017 Revenue:	.....	\$5.88 Billion
2017 Net Income:	.....	\$1.34 Billion
2017 Assets:	.....	\$5.31 Billion
Credit Rating:	.....	S&P: BB
Credit Rating:	.....	Moody's: Ba3





NATIONAL NET LEASE GROUP


SRS GLOBAL STATS



1000+
PROPERTIES CURRENTLY
REPRESENTED



600+
CLIENTS REPRESENTED
IN 2016



\$2.6B*
TRANSACTION VALUE



20+
OFFICES



250+
BROKERS,
PROFESSIONALS,
AND STAFF



#1
LARGEST REAL ESTATE FIRM
EXCLUSIVELY DEDICATED TO
RETAIL SERVICES IN NORTH AMERICA

*STATISTICS ARE FOR 2017.

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.