



Representative Photo

OFFERING MEMORANDUM
Net Leased Restaurant

Marcus & Millichap



TACO BELL™

**11556 N. Williams St.
Dunnellon, FL 34432**

**New Construction
Opening May 2019**



TABLE OF CONTENT

Financial Overview	3
Investment Summary	4
Company Overview	5
Site Plan	6
Site Images	7
Surrounding Retail Aerial	8-10
Demographics Location Overview	11-13

FINANCIAL OVERVIEW

PRICE: \$2,600,000 | RENT: \$143,669

Property Address	11556 N Williams Street
City, State, Zip	Dunnellon, FL 34432
Estimated Building Size (SF)	2,053
Lot Size SF/Acres	28,693 SF 0.66 Acre (s)
Year Built	2019

LEASE SUMMARY

Property Type	Net Leased Restaurant
Ownership	Private
Tenant	U.S. Leader, Inc.
Guarantor	20-Unit Franchisee
Lease Commencement Date	Earlier of the date on which tenant opens for business to the public, or 30 days following notice of work completed. Estimated Opening date of May, 2019
Lease Expiration	15 Years Thereafter
Lease Term Remaining	15 Years
Lease Type	NNN
Roof & Structure	Tenant Responsibility
Options to Renew	Five 5-Year Options
Base Term Rental Escalations	10% Every Five Years
Percentage Rent	No
Right of First Refusal	Yes

ANNUALIZED OPERATING DATA

Annual Rent	\$143,669
Rental Escalations	10% Every 5 Years
Average Cap Rate	7.86%

RENT SCHEDULE	ANNUAL RENT	MONTHLY RENT	CAP RATE
YEARS 1-5	\$ 143,669	\$ 11,972	5.50%
YEARS 6-10	\$ 158,036	\$ 13,170	6.05%
YEARS 11-15	\$ 173,839	\$ 14,487	6.66%
Option I Years 16-20	\$ 191,223	\$ 15,935	7.32%
Option II Years 21-25	\$ 210,346	\$ 17,529	8.05%
Option III Years 26-30	\$ 231,380	\$ 19,282	8.86%
Option IV Years 31-35	\$ 254,518	\$ 21,210	9.74%
Option V Year 36-40	\$ 279,970	\$ 23,331	10.72%

INVESTMENT SUMMARY

Property Address	11556 N Williams Street
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INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present this absolute triple-net lease Taco Bell restaurant located in Dunnellon, Florida. The property will be operated by U.S. Leader Restaurants, Inc, part of a multi-brand entity operating Taco Bells, Burger Kings and nearly 100 Popeyes in the Southeast. The property consists of a .66-acre parcel improved with an approximately 2,053-square foot building. The newly constructed restaurant has a brand new 15-year lease in place with the annual base rent set at \$143,669 with 10 percent rental increases every five years in the base term, as well as the five five-year renewal options.

The subject property is located on an outparcel to an active CVS-anchored shopping plaza right on US 41, one of the state’s oldest highways, running from the heart of Downtown Miami, then west along the Nature Coast into Georgia. A new construction Hardee’s is also underway on the adjacent parcel as well a new construction multi-tenant retail center behind the restaurant. Healthy real estate fundamentals with traffic counts of 25,000 vehicles daily and neighboring retailers including KFC, McDonald’s, Sonic, Dunkin’, Wendy’s and Pizza Hut, as well as a Walmart Supercenter located less than a half-mile down the street.

The historic city of Dunnellon is located near the west coast of Florida, less than two hours from Orlando and the Walt Disney World attractions. It is part of the expanding Ocala MSA, surrounded by two rivers and known not only for its spectacular waterways, springs and wildlife, but also it’s quaint historic downtown filled with cafes, antique and art shops, extensive trail system and ecotourism.

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U.S. LEADER RESTAURANTS, INC. (“USL”)

US Leader Restaurants, Inc. is a 20-unit Taco Bell Franchisee that currently operates restaurants in the Orlando and Jacksonville DMAs. USL was formed in 1991 and purchased by Southern Bell Holdings in 2006. USL is 100% owned by Southern Bell Holdings, LLC which was formed for the acquisition of the USL assets in 2006 and has no other holdings. USL is currently operated and managed by equity partner, Tony Capley. Tony is a 30+ year Taco Bell veteran who previously worked for Taco Bell Corporation before joining USL in 2006. USL had revenues of \$33MM+ for 2018.

The ownership of USL has several other restaurant interests including Popeyes Louisiana Kitchen and Burger King. The collective store count is currently 145 restaurants with an aggressive growth strategy across all three quick-service restaurant brands.



TACO BELL

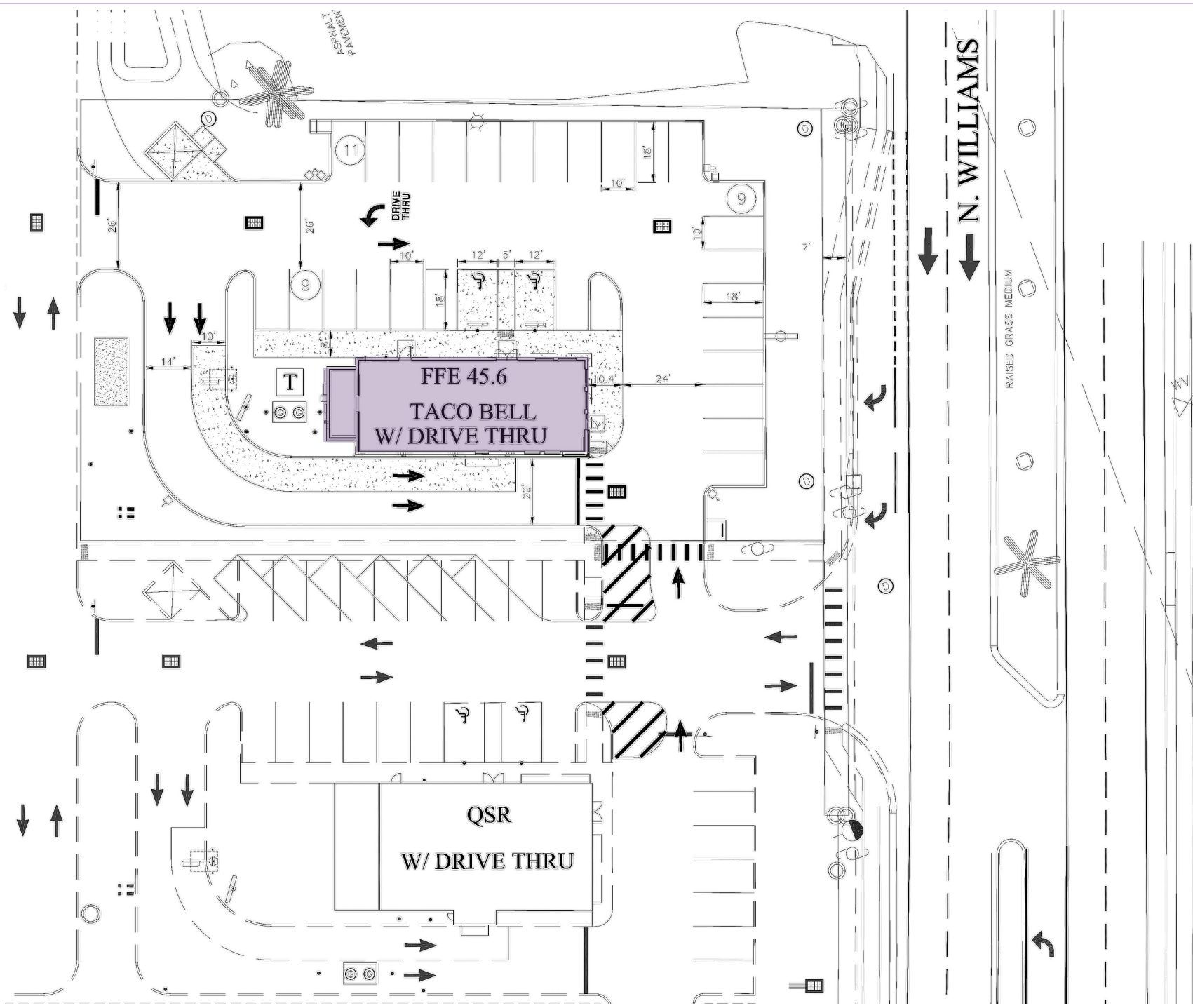
Taco Bell is an American chain of fast food restaurants based out of Irvine, California and a subsidiary of Yum! Brands, Inc. The restaurants serve a variety of Tex-Mex foods that include tacos, burritos, quesadillas, nachos, novelty and specialty items, and a variety of "value menu" items. As of 2018, Taco Bell serves more than 2 billion customers each year at 7,000 restaurants, more than 80 percent of which are owned and operated by independent franchisees and licensees.

The Yum! logo, which consists of the word "Yum!" in a bold, black, sans-serif font, enclosed within a white speech bubble shape with a black outline.



Tenant Name	Taco Bell
Headquartered	Irvine, CA
Website	www.tacobell.com
Parent Company	YUM! Brands, Inc
Credit Rating	BB Ba3
Stock Ticker	YUM
2017 Sales (TB)	\$1.88 Billion
Current Price	\$94.59 as of 2/19/2019
52 Wk High/Low	\$95.45/\$77.09
Store Count	7,000
No. of Employees	210,000

SITE PLAN



PROPERTY IMAGES



RETAIL AERIAL

CVS/

ACE
Hardware

Save
a lot

DOLLAR
GENERAL

2,053 SF Building | 0.66 Acres

Dunnellon Square
Private Community

Hardee's
CHARBROILED THICKBURGERS

Opening Spring 2019

TACO
BELL

New Construction
Opening May 2019

(New Construction Multi-Tenant
Retail Opening 2020)



25,000 VPD

N. Williams St. | U.S. 41



RETAIL AERIAL



RETAIL AERIAL



DUNNELLO, FLORIDA

The north-central city of Dunnellon lies west of Ocala and north of Homosassa. This small town is located on the Rainbow and Withlacoochee rivers and bills itself as the Treasure of the Nature Coast. Dunnellon has something to offer everyone: from beautiful Rainbow Springs State Park and the awesome rivers to strolling the lovely tree lined streets of the Dunnellon Historic District. Spend yours days on a river boat ride, tubing, swimming, kayaking down the river, fishing for that big bass or shopping for one-of-a-kind gifts at the unique shops and antique stores. Experience engaging family attractions, fascinating history, captivating museums and unique shopping. Get out and enjoy an endless array of hiking, biking, birding, kayaking and other outdoor activities. And stay well with wide variety of accommodations to suit every taste and budget.

Dunnellon is part of the Ocala MSA of Marion Count. Ocala, a small agricultural and manufacturing center, is about halfway between Gainesville to the north and Orlando to the southeast. With its attractive tree-lined streets and Old South–style homes, it more resembles a typical Southern city than a Florida city or beach town. Ocala is the capital of Florida’s thoroughbred industry, and ranching and horse breeding are popular.

POPULATION

2023 Projection		
3-MILE	5-MILES	10-MILES
9,120	18,142	65,167

2018 Population		
3-MILE	5-MILES	10-MILES
8,404	16,170	57,976



INCOME

Average		
3-MILE	5-MILES	10-MILES
\$53,161	\$53,401	\$52,752

Median		
3-MILE	5-MILES	10-MILES
\$41,441	\$42,786	\$40,208



HOUSEHOLDS

2023 Projection		
3-MILE	5-MILES	10-MILES
4,368	8,214	28,331

2018 Households		
3-MILE	5-MILES	10-MILES
3,978	7,271	25,107



LOCATION OVERVIEW



OCALA, FL MSA

Known as a strong manufacturing base and for its equine industry, the Ocala metro is able to attract global companies. A lower cost of doing business and strategic location in central Florida are strong motivators for businesses that establish a footprint here. The metro comprises all of Marion County and Jacksonville, Orlando and Tampa are all within a two-hour drive. Residents age 65 and older account for 28 percent of the population, contributing to a large healthcare sector.

METRO HIGHLIGHTS



HEALTHCARE

Munroe Regional Medical Center and Ocala Health are two of the largest employers, with thousands of workers locally.



LOGISTICS & DISTRIBUTION

Ocala is centered among Jacksonville, Orlando and Tampa, leading companies to locate their distribution networks here.



MANUFACTURING

Lockheed Martin employs over 1,000 workers in the county, assembling numerous products for defense and aerospace purposes

ECONOMY

- Retailers Walmart and Publix employ roughly 3,900 workers across several locations in Marion County, accounting for a substantial portion of the workforce. Walmart is the second largest employer here.
- A skilled workforce, rich distribution advantages and a strong manufacturing base offer an attractive environment for major companies to establish or grow their business in the county. Large companies in the area include FedEx, Frito Lay, ClosetMaid and National Parts Depot.
- The Ocala Metro is the Horse Capital of the World. The equine industry has a yearly economic impact of \$2.6 billion.



2017
POPULATION:

346K

Growth
2017-2022*:

9.8%



2017
HOUSEHOLDS:

142K

Growth
2017-2022*:

12.1%



2017
MEDIAN AGE:

48.6

U.S. Median:
37.8



2017 MEDIAN
HOUSEHOLD INCOME:

\$42,000

U.S. Median:
\$56,300

LOCATION MAP



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exclusive listing

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