



OFFERING MEMORANDUM

TACO BELL

1716 MARTIN LUTHER KING JR BLVD | GREENVILLE, MS 38701

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



Property Name

Taco Bell



List Price

\$2,206,000



Cap Rate

5.50%



Square Footage

± 2,460



Year Built

2005



LISTED BY

GARY CHOU

SVP & Senior Director

gary.chou@matthews.com

DIR 310.919.5827

MOB 714.928.8016

LIC # 01911222 (CA)

KEVIN CHANG

Associate

kevin.chang@matthews.com

DIR 310.919.5828

MOB 951.616.8918

LIC # 01976724 (CA)

BROKER OF RECORD

Phillip Carpenter

LIC # 18906 (MS)

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS:

SECURED, LONG-TERM LEASE

- **Stabilized Investment** – Over 14 years remaining on original 20-year lease with Four (4), 5-Year options remaining
- **Corporate Signature from Operator** – Lease is signed by K-MAC Enterprises, Inc. which is the primary entity for franchisee - K-MAC is a top 3 Taco Bell operator with over 294 stores under management (271 of which are Taco Bells)
- **Absolute NNN Lease** – Tenant is responsible for Taxes, Insurance, Maintenance, Roof, Structure and Parking Lot – Great benefit for out of state investors!
- **Growing Cash Flow** – There are 1.00% annual increases scheduled throughout the course of the lease and in options

BEST IN CLASS OPERATOR AND BRAND

- **Industry Veterans** – Sam Fiori is currently the CEO of K-MAC and has over 41 years of experience as a quick service restaurant operator – Since joining K-MAC in 1984, Tina Reagan has been recognized on a national level for her management skills and now currently serves as the COO of the company
- **Desirable QSR Concept** – There are over 6,849 Taco Bells in 27 countries with a net growth of over 400 new stores in 5 countries in 2017 – It is the best performing brand in the Yum! Brands portfolio with a 7% increase in system sales growth from 2016 to 2017
- **Growth-Focused Equity Partner** – Lee Equity, a private equity firm with over \$1.00 billion dollars in assets which focuses on growing companies, bought K-MAC Enterprises from Brentwood Associates towards the end of 2016

MAIN RETAIL CORRIDOR

- **Grocery Anchored Center** – Taco Bell sits on a Kroger and Petsense outparcel – Other national tenants in the immediate trade area include Walmart, Lowe's, Wendy's, Dollar Tree, McDonald's and T.J. Maxx, to name a few
- **Primary Thoroughfare** – Martin Luther King Jr. Blvd has the highest traffic counts in Greenville, MS averaging approximately 20,000 cars per day

FINANCIAL OVERVIEW

FINANCIAL HIGHLIGHTS



LIST PRICE

\$2,206,000



CAP RATE

5.50%



TERM REMAINING

±14.75 Years

EXECUTIVE SUMMARY

Property Name	Taco Bell
Gross Leasable Area	± 2,460 SF
Year Built	2005
Lot Size	± 0.71 AC

LEASE SUMMARY

Tenant Trade Name	Taco Bell
Lease Type	NNN
Type of Ownership	Fee Simple
Lease Guarantor	K-MAC Enterprises
Roof & Structure	Tenant Responsible
Original Lease Term	20 Years
Lease Commencement	12/30/13
Rent Commencement	12/30/13
Lease Expiration	12/29/33
Term Remaining	±14.84 Years
Increases	1.00% Annually
Options	Four (4), 5-Year Options
Cap Rate	5.50%
NOI	\$121,321

ANNUALIZED OPERATING DATA

Operating Data	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Year 6	\$10,110.08	\$121,321	\$49.32	5.50%
Year 7	\$10,211.18	\$122,534	\$49.81	5.55%
Year 8	\$10,313.30	\$123,760	\$50.31	5.61%
Year 9	\$10,416.43	\$124,997	\$50.81	5.67%
Year 10	\$10,520.59	\$126,247	\$51.32	5.72%
Year 11	\$10,625.80	\$127,510	\$51.83	5.78%
Year 12	\$10,732.06	\$128,785	\$52.35	5.84%
Year 13	\$10,839.38	\$130,073	\$52.88	5.90%
Year 14	\$10,947.77	\$131,373	\$53.40	5.96%
Year 15	\$11,057.25	\$132,687	\$53.94	6.01%
Year 16	\$11,167.82	\$134,014	\$54.48	6.07%
Year 17	\$11,279.50	\$135,354	\$55.02	6.14%
Year 18	\$11,392.29	\$136,708	\$55.57	6.20%
Year 19	\$11,506.22	\$138,075	\$56.13	6.26%
Year 20	\$11,621.28	\$139,455	\$56.69	6.32%
Option 1	\$11,737.49	\$140,850	\$57.26	6.38%
Option 2	\$11,854.87	\$142,258	\$57.83	6.45%
Option 3	\$11,973.42	\$143,681	\$58.41	6.51%
Option 4	\$12,093.15	\$145,118	\$58.99	6.58%

TENANT OVERVIEW



TACO BELL

Operating as a subsidiary of Yum! Brands, Inc., 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. As the leading Mexican-inspired quick service restaurant brand, Taco Bell and its more than 350 franchise organizations proudly serve over 42 million customers each week through nearly 7,000 restaurants across the nation, as well as through its mobile, desktop and delivery ordering services. Overseas, Taco Bell has over 250 restaurants, with plans to add 2,000 more restaurants internationally within the next decade. In 2016, Taco Bell was named as one of Fast Company's Top 10 Most Innovative Companies in the World. Taco Bell plans to have 8,000 restaurants by the year 2023, which is anticipated to add an estimated 100,000 jobs nationwide.



PARENT COMPANY TRADE NAME
YUM! BRANDS, INC. (NYSE: YUM)



CREDIT RATING (S&P)
BBB



OF LOCATIONS
± 6,500



OF EMPLOYEES
± 175,000



HEADQUARTERED
IRVINE, CALIFORNIA



WEBSITE
WWW.TACOBELL.COM



YEAR FOUNDED
1954

PROPERTY OVERVIEW

THE OFFERING

TENANT SUMMARY

Property Address	1716 Martin Luther King Jr. Blvd Greenville, MS 38701
------------------	----------------------------------------------------------

SITE DESCRIPTION

Number of Stories	One
Year Built	2005
GLA	±2,460 SF
Lot Size	± 0.71 AC
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

PARCEL MAP



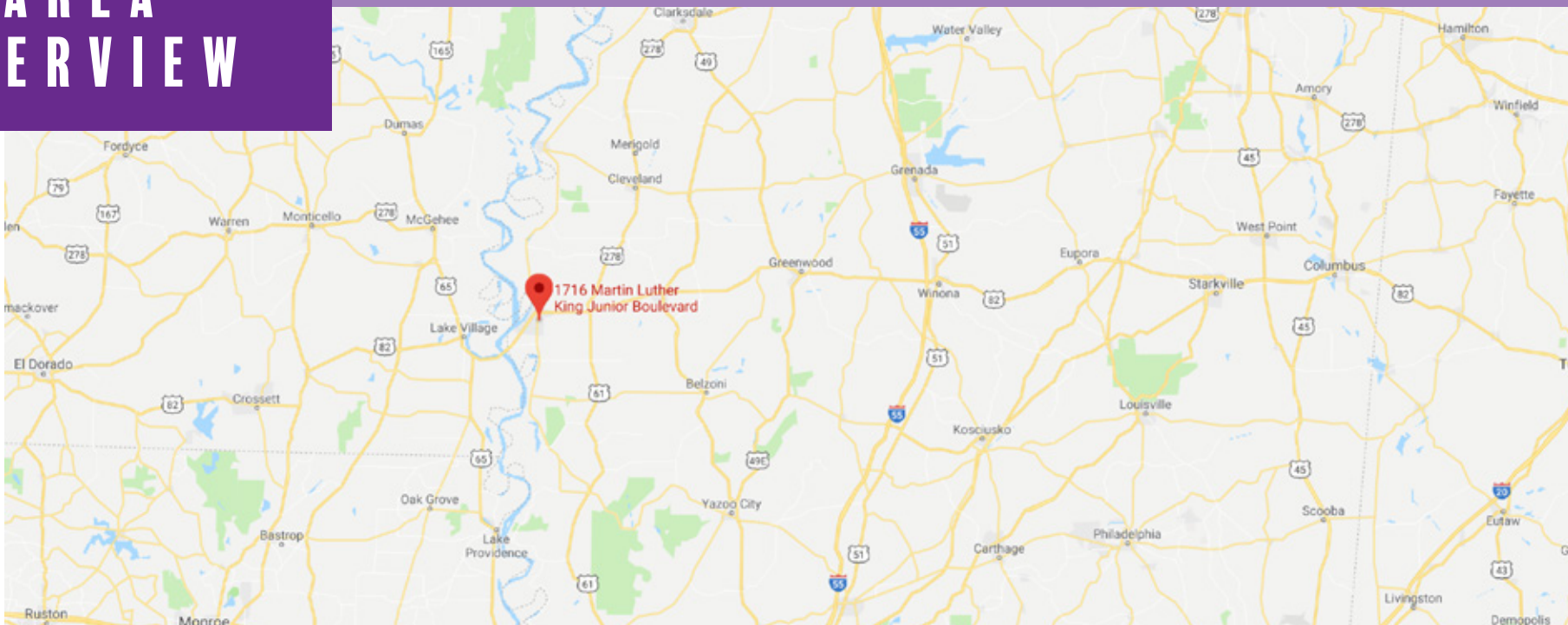
SURROUNDING TENANTS







AREA OVERVIEW



GREENVILLE, MS

On the banks of the colossal Mississippi River is Greenville, a wellspring of music, literature, adventure, imagination, history and plain old fun. Greenville has inspired greatness from Native Americans to cotton barons, Pulitzer-Prize winners, Civil Rights leaders, Bluesmen, poets and inventors. We're proud to share Greenville and Washington County with all; discover for yourself that there's more than meets the eye in this land of rich customs and folklore, creativity and physical beauty that make up one of America's most unique destinations.

Greenville has a rich artistic heritage. In the 20th century, more than 100 published writers, including Shelby Foote, Hodding Carter, and Walker Percy, called Greenville home-more than any town of its size in the country. Muppet creator Jim Henson was born here and raised nearby. World-famous Delta blues musicians are honored on the Greenville Blues Walk, and venues on historic Walnut Street offer live music that continues that tradition. Around here, it's not hard to find a blues festival, a quirky museum, or a hot tamale that'll blister your tongue. But dig a little deeper, ask a few nosy questions, and that's when the real adventure begins.

DEMOGRAPHICS

POPULATION	5 Mile	10 Mile	15 Mile
2010 Census	31,952	44,233	48,876
2019 Estimate	28,258	38,910	43,054
2024 Projection	26,788	36,846	40,795
HOUSEHOLDS	5 Mile	10 Mile	15 Mile
2010 Census	11,639	16,385	18,188
2019 Estimate	10,380	14,578	16,216
2024 Projection	9,885	13,876	15,445
INCOME	5 Mile	10 Mile	15 Mile
2019 Est. Average Household Income	\$44,027	\$49,466	\$50,032

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Taco Bell** located at **1716 Martin Luther King Jr Blvd | Greenville, MS (“Property”)**. It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

EXCLUSIVELY LISTED BY

GARY CHOU

SVP & Senior Director

gary.chou@matthews.com

DIR 310.919.5827

MOB 714.928.8016

LIC # 01911222 (CA)

KEVIN CHANG

Associate

kevin.chang@matthews.com

DIR 310.919.5828

MOB 951.616.8918

LIC # 01976724 (CA)

BROKER OF RECORD

Phillip Carpenter

LIC # 18906 (MS)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



TACO BELL

1716 MARTIN LUTHER KING JR BLVD | GREENVILLE, MS