

SINGLE TENANT

INVESTMENT OPPORTUNITY



(NYSE: DPZ)

VERNAL UTAH





EXCLUSIVELY MARKETING BY

JACK CORNELL | SENIOR ASSOCIATE SRS NATIONAL NET LEASE GROUP

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

M: 570-762-6075

Jack.Cornell@srsre.com | UT License No. 9518385-SA00

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

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





TABLE OF CONTENTS

4

INVESTMENT SUMMARY

OFFERING SUMMARY | INVESTMENT HIGHLIGHTS

7

PROPERTY OVERVIEW

AERIALS | SITE PLAN | LOCATION MAP

12

AREA OVERVIEW

DEMOGRAPHICS

14

FINANCIALS

RENT ROLL | BRAND PROFILE

INVESTMENT SUMMARY

SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest in a NN leased, franchisee guaranteed, Domino's Pizza, investment property located in Vernal, UT. The tenant, DR Pizza, Inc., has over 7 years remaining on their initial lease term. DR Pizza currently has 3 operational Domino's locations, with a 4th location under construction, and a goal to add 3 more units in the next 5 years. The tenant entered this site in 2015, and has seen 20% sales growth every year since opening. DR Pizza Inc. recently paid for extensive remodeling of the site, which cost about \$65,000, demonstrating a strong financial and long-term commitment to the site. The lease is franchisee guaranteed and is NN with landlord responsibilities limited to real estate taxes, as well as structural and mechanical elements of the property.

The subject property is located at the signalized hard corner intersection of U.S. Highway 40 and 100 S. St., which together average over 26,000 vehicles passing by each day. It is in the heart of a dense retail corridor, with nearby national/credit tenants including a Walmart Supercenter, Aaron's, TJ Maxx, Lowe's Home Improvement, Bealls, Aaron's, 7-Eleven, and more, increasing consumer draw to the immediate trade area. The 5-mile trade area is supported by a population of more than 28,000 residents with an average household income of \$88,495.

Domino's has experienced record growth in recent years, and reported \$12.2 billion in global sales in 2017. Between 2010 and 2017, the company's stock appreciated more than 2000 percent and actually outperformed companies such as Amazon, Apple, Netflix and Alphabet in that timeframe. Domino's continuously implements innovative technologies to make their products accessible at the touch of a button for its consumers. This has helped their stock demonstrate consistent growth for years with sights of growing even further moving forward.



OFFERING SUMMARY

OFFERING

PRICING:	\$400,000
ANNUAL RENT:	\$30,000
NET OPERATING INCOME:	\$23,229
CAP RATE:	5.81%
GUARANTY:	Franchisee
TENANT:	DR Pizza, Inc.
NUMBER OF LOCATIONS:	3 (4th Under Construction)
LEASE TYPE:	NN
LANDLORD RESPONSIBILITIES:	Real Estate Taxes, Structure & Mechanical

PROPERTY SPECIFICATIONS

RENTABLE AREA:	1,589 SF
LAND AREA:	0.31 Acres
PROPERTY ADDRESS:	895 W. US-40, Vernal, UT 84078
YEAR BUILT:	2005
PARCEL NUMBER:	05:014:0050
OWNERSHIP:	Fee Simple (Land and Building)



INVESTMENT HIGHLIGHTS

7 YEARS REMAINING ON LEASE | RECENT REMODEL BY TENANT | 20% ANNUAL SALES GROWTH

- 7 years remaining on initial 10-year lease term, with rent adjusting to Fair Market Value in the 6th year
- Tenant has demonstrated financial commitment to the site by recently paying for an extensive store remodel, which cost upward of \$65,000
- Domino's has seen 20% sales growth each year since opening- contact agent for more details

DOMINO'S, INC. GROWTH

- Domino's stock has appreciated more than 2000 percent from 2010, which is more than Amazon, Apple, Netflix, and Alphabet in that timeframe
- Domino's reported \$12.2 billion in global sales in 2017, with projections of further growth moving forward

NN LEASE | FEE SIMPLE OWNERSHIP | LIMITED LANDLORD RESPONSIBILITIES

- Tenant pays for CAM, insurance and maintains all aspects of the premises
- Landlord responsibilities limited to taxes, structural & mechanical elements of the property
- Ideal, low-management investment for an out-of-state, passive investor

SIGNALIZED HARD CORNER INTERSECTION | EXCELLENT VISIBILITY | PYLON SIGN

- Situated at the hard corner intersection of U.S. Highway 40 and 100 S. St., which average a combined 26,000 vehicles passing by each day
- Property has a large pylon sign increasing visibility to the site

DENSE RETAIL CORRIDOR | NEARBY WALMART SUPERCENTER

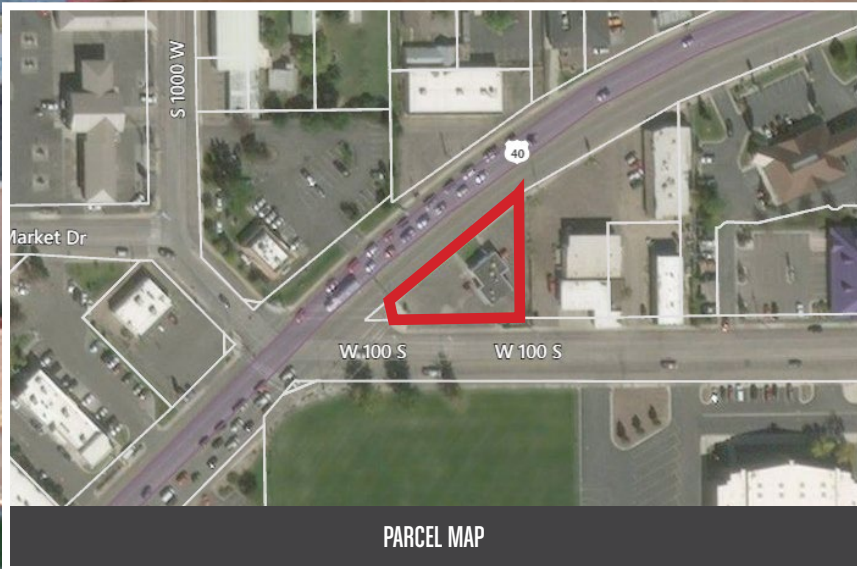
- Nearby national tenants include Walmart Supercenter, TJ Maxx, Lowe's Home Improvement, Bealls, Aaron's, 7-Eleven, and more
- Increases consumer draw to the trade area and promotes crossover shopping

5-MILE TRADE AREA DEMOGRAPHICS

- More than 28,000 residents and nearly 12,000 employees support the trade area
- \$88,495 average household income



PROPERTY OVERVIEW



ACCESS

U.S. Highway 40 & 191:..... 2 Access Point(s)
W. 100 S:..... 1 Access Point



TRAFFIC COUNTS

U.S. Highway: 26,200 Cars Per Day



IMPROVEMENTS

There is approximately 1,589 SF of existing building area.



PARKING

There are approximately 18 parking spaces on the owned parcel.
The parking ratio is approximately 11.33 stalls per 1,000 SF of leasable area.



YEAR BUILT

2005



PARCEL

Parcel Number: 05:014:0050 Acres: 0.31 Square Feet: 13,504



ZONING

CC1 - Central Commercial



26,200
CARS PER DAY



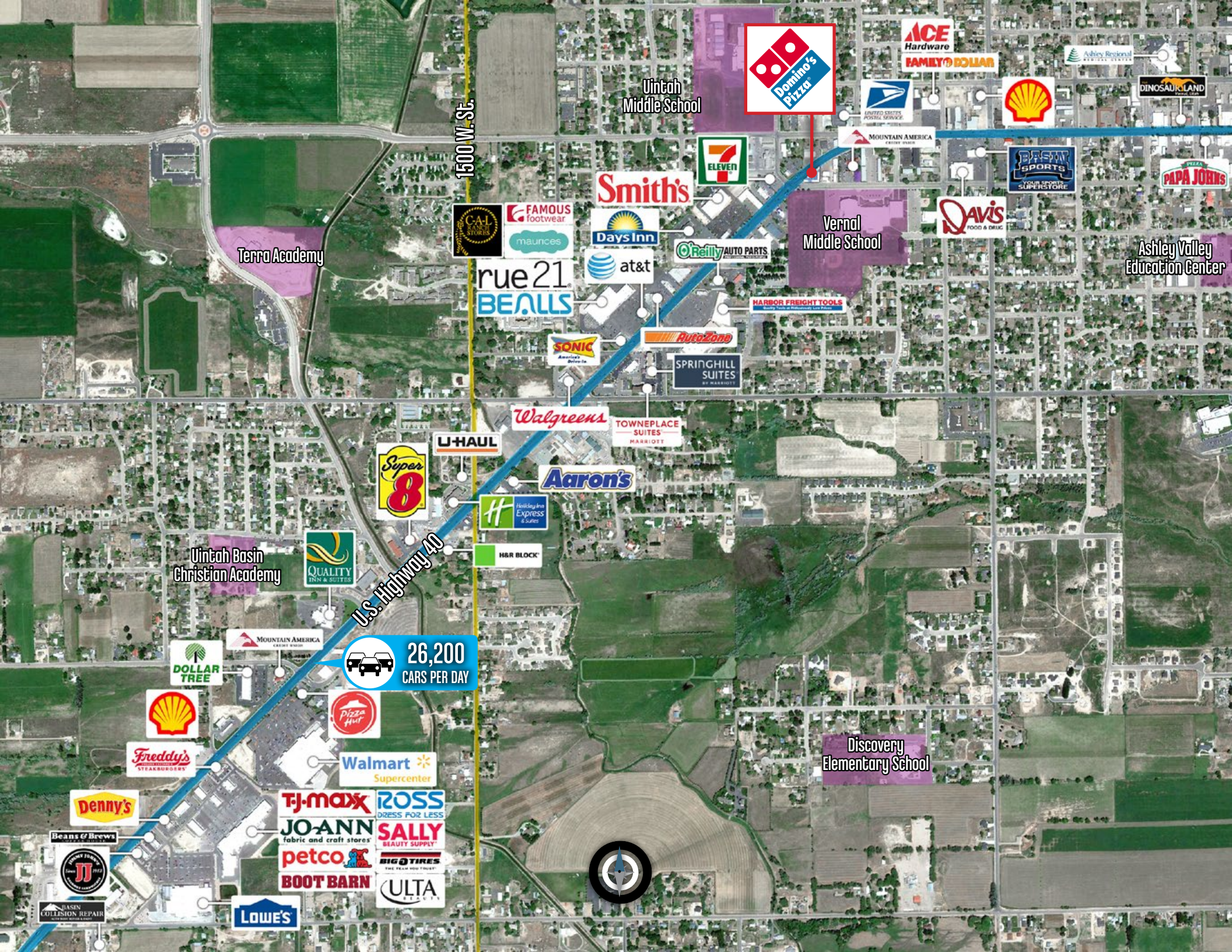
U.S. Highway 40



100 S. St.

Vernal Middle School





Uintah Middle School

Vernal Middle School

Ashley Valley Education Center

Terra Academy

Uintah Basin Christian Academy

Discovery Elementary School

1500 W. ST.

U.S. Highway 40

26,200
CARS PER DAY

Smith's

rue21
BEALLS

Walgreens

Aaron's



Freddy's
STEAKBURGERS

Denny's

Beans & Brews



Lowe's

TJ-MAXX
JO-ANN
fabric and craft stores
petco
BOOT BARN
ROSS
DRESS FOR LESS
SALLY
BEAUTY SUPPLY
BIG O TIRES
ULTA





26,200 VPD

PYLON SIGN



W. 100 S





AREA OVERVIEW

Vernal, Utah

Vernal, the county seat and largest city in Uintah County is in northeastern Utah, United States, about 175 miles (280 km) east of Salt Lake City and 20 miles west of the Colorado border. As of July 1, 2018, the city population was 10,817. The population has since grown to 10,844 as of the 2014 population estimate.

Vernal's economy is based on extracting natural resources, including petroleum, natural gas, phosphate, and uintaite (more commonly known as Gilsonite). This has led to the establishment of branch offices of companies such as Halliburton and Schlumberger.

Tourism also plays a role in Vernal's economy due to the town's roots in the Old West and being a large site of ancient dinosaur fossils. Vernal and the surrounding area are popular among outdoor enthusiasts as they are situated near plentiful spots for fishing, fly fishing, hunting, and other outdoor activities. Vernal is the hunting & fishing capital of the state of Utah.

Vernal's public schools include Ashley Valley Education Center, Uintah High, Vernal Junior High, Vernal Middle, Ashley Elementary, Discovery Elementary, and a branch of Utah State University. In 2015, the Terra Academy opened as a K–12 charter school. Private schools include White House Academy and Uintah Basin Christian Academy. In 2007, Uintah School District built new buildings for two elementary schools, Maeser and Naples Elementary, in the nearby communities to accommodate increased enrollment and eliminate unsafe older buildings. Other area schools include Davis Elementary, Lapoint Elementary, and Eagle View Elementary (pre-K–8). The National Outdoor Leadership School (NOLS) Rocky Mountain Branch.

While staying in Vernal one can pay a visit to the Dinosaur National Monument, Western Heritage Museum, Daughters of Utah Pioneers Museum, and Thorne Museum and Studio. The Red Fleet State Park, Steinaker State Park, and Utah Field House of Natural History State Park are also nearby. The city is home to many churches such as the Kingsbury Community Church, Vernal Christian Church, Assembly of God Church, and Saint James Catholic Church. It also hosts the Uintah County Fair every year in the month of August.

The city's Vernal Regional Airport has scheduled nonstop air service to Salt Lake City (SLC) and Denver (DEN) operated by Boutique Air with Pilatus PC-12 turboprop aircraft. Passenger service is subsidized by the Essential Air Service (EAS) program.



AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2018 Estimated Population	6,854	21,394	28,454
2023 Projected Population	7,293	22,910	30,501
2010 Census Population	5,848	17,920	23,819
Projected Annual Growth 2018 to 2023	1.25%	1.38%	1.40%
Historical Annual Growth 2010 to 2018	1.94%	2.17%	2.18%
2018 Estimated Households	2,377	7,086	9,177
2023 Projected Households	2,519	7,560	9,798
2010 Census Households	2,058	6,011	7,780
Projected Annual Growth 2018 to 2023	1.17%	1.30%	1.32%
Historical Annual Growth 2010 to 2018	1.76%	2.01%	2.02%
2018 Estimated White	94.23%	94.43%	95.04%
2018 Estimated Black or African American	0.57%	0.57%	0.57%
2018 Estimated Asian or Pacific Islander	0.66%	0.50%	0.48%
2018 Estimated American Indian or Native Alaskan	2.32%	1.94%	1.70%
2018 Estimated Other Races	5.35%	3.42%	2.97%
2018 Estimated Hispanic	15.54%	10.72%	9.44%
2018 Estimated Average Household Income	\$83,146	\$86,840	\$88,495
2018 Estimated Median Household Income	\$58,886	\$65,750	\$67,817
2018 Estimated Per Capita Income	\$29,092	\$29,129	\$28,982
2018 Estimated Total Businesses	429	1,060	1,169
2018 Estimated Total Employees	3,988	10,536	11,677



RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM		BEGIN	INCREASE	RENTAL RATES			PSF	RECOVERY TYPE	OPTIONS
		LEASE START	LEASE END			MONTHLY	PSF	ANNUALLY			
DR Pizza, Inc. (Franchisee Guaranty)	1,589	9/28/2015	9/28/2025	Current Year 6	- FMR	\$2,500	\$1.57	\$30,000	\$18.88	NN	N/A

FINANCIAL INFORMATION

Price:\$400,000
 Net Operating Income:\$23,229
 Cap Rate:5.81%
 Lease Type: NN

PROPERTY SPECIFICATIONS

Year Built:2005
 Rentable Area: 1,589 SF
 Land Area: 0.31 Acres
 Address: 895 W. US-40, Vernal, UT 84078

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

NOTES

- 1) Commencing on the 5th anniversary of the Effective Date, rent shall adjust to a rate reasonably determined by Landlord to be Fair Market Rent (FMR) for the Property.
- 2) Tenant is granted a right of first refusal. Tenant must respond within 30 days of receipt of the offer notice.
- 3) Net Operating Income takes into account annual rent, minus LL's insurance (\$4,371) and tax (\$2,400) expenses



BRAND PROFILE

DOMINO'S PIZZA

Domino's Pizza, Inc., through its subsidiaries, operates as a pizza delivery company in the United States and internationally. It operates through three segments: Domestic Stores, International Franchise, and Supply Chain. The company offers pizzas under the Domino's Pizza brand name through company-owned and franchised Domino's Pizza stores. Domino's is the second largest pizza restaurant chain in the world, with more than 13,800 locations in over 85 markets. . Domino's Pizza, Inc. was founded in 1960 and is headquartered in Ann Arbor, Michigan.

Company Type:Public (NYSE: DPZ)
2017 Employees: 14,100
2017 Revenue:\$2.79 Billion
2017 Assets:\$277.91 Million
2017 Equity:\$836.75 Million
Credit Rating:..... S&P: BBB+
Credit Rating:..... Moody's: Baa1





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.