

Listed in Conjunction with IN Real Estate Broker

DZ Net Lease Realty, LLC

IN RE Lic. RB14038419



Part of a 14-Unit Sale Leaseback Portfolio

Marketing Package

Pizza Hut Sale Leaseback

2343 N National Rd, Columbus, IN 47201

20-Year Absolute Triple-Net (NNN) Sale Leaseback

At the close of escrow, this property will be operating under a brand new, 20-year Absolute Triple-Net (NNN) lease structure, under which the Tenant is responsible for all real estate taxes, insurance and property maintenance.

Long Term History of Strong Performance at This Site

This site first opened as a Pizza Hut restaurant in 1999 and has a history of strong performance over the last 19 years, making this a well-established, seasoned location. The new lease has been structured at a very healthy Rent-to-Sales ratio (see agent for details).

Lease backed by substantial 200+ Unit Franchisee

The lease will be backed by Quality Huts, LLC, the 5th largest Pizza Hut franchisee in the United States with more than 200 units under management and annual revenues in excess of \$145 million.



Franchisee will Remodel the Site by 2020

The tenant has scheduled this site for a remodel in 2020, which will likely include an interior refresh as well as a meaningful update to the exterior. For more information on Pizza Hut's newest remodel prototypes, see Page 3.

Ample Rent Growth with Annual Increases over the Lease Term

The lease will feature 1.25% annual rental increases, giving the landlord with the benefit of annual, compounding rent growth throughout the base term and option periods, and providing a strong hedge against inflation.

Globally Recognized Brand – Largest Pizza Company in the World

Pizza Hut has more than 16,000 restaurants in more than 100 countries and has become the largest pizza company in the world since its inception in 1958. With more than \$5.5 Billion in annual revenue, Pizza Hut is the 10th largest restaurant company in the United States.

NEW PIZZA HUT BETA PROTOTYPES

Delivery Based Restaurant (DBR) Remodel Freestanding

\$1.2M - \$1.4M

Estimated Cost

50 - 70 Seats

Maximum Capacity

2,400 - 2,900 SF

GLA

Fast Casual Delco (FCD) Remodel Freestanding

\$700K - \$900K

Estimated Cost

28 Seats

Maximum Capacity

1,848 SF

GLA



DBR Remodel



FCD Remodel

KEY FEATURES OF DBR & FCD

Making it Easier to Get a Better Pizza

Open Kitchen • Counter Ordering • Self-Serve Beverages • Pick-Up Window • “Focal Point” Oven • “Fast-Bake” Oven • 5 Minute Lunch Products • Ops-Friendly Menu • Multiple Seating Options • Wifi and USB Ports • Music / Sound System



DBR & FCD

A Modern Expression
of Pizza Hut Heritage

[Download PDF](#)

Pizza Hut Remodel Deck



FINANCIAL SUMMARY

Purchase Price	\$1,469,640
Cap Rate	5.75%
Net Operating Income	\$84.504
Price / SF	\$399.25
Rent / SF	\$18.20

LEASE SUMMARY

Lease Type	Absolute Net (NNN)
Lease Commencement	Close of Escrow
Term Remaining	20 Years
Increases	1.25% Annual Increases
Options	Four, Five-Year Options
Real Estate Taxes	Tenant Responsibility
Insurance	Tenant Responsibility
Repairs & Maintenance	Tenant Responsibility
Right of First Refusal	30 Days from Receipt of LOI

3,681 SF

GLA

0.97 AC

Lot Size

1994

Year Built

Financial Summary



Pizza Hut Sale Leaseback

2343 N National Rd, Columbus, IN 47201



RENT SCHEDULE

Period	Term	Annual Rent	Cap Rate
Year 1	Base Term	\$84,504	5.75%
Year 2	Base Term	\$85,560	5.82%
Year 3	Base Term	\$86,630	5.89%
Year 4	Base Term	\$87,713	5.97%
Year 5	Base Term	\$88,809	6.04%
Year 6	Base Term	\$89,919	6.12%
Year 7	Base Term	\$91,043	6.19%
Year 8	Base Term	\$92,181	6.27%
Year 9	Base Term	\$93,333	6.35%
Year 10	Base Term	\$94,500	6.43%
Year 11	Base Term	\$95,681	6.51%
Year 12	Base Term	\$96,877	6.59%
Year 13	Base Term	\$98,088	6.67%
Year 14	Base Term	\$99,315	6.76%
Year 15	Base Term	\$100,556	6.84%
Year 16	Base Term	\$101,813	6.93%
Year 17	Base Term	\$ 103,086	7.01%
Year 18	Base Term	\$104,374	7.10%
Year 19	Base Term	\$105,679	7.19%
Year 20	Base Term	\$107,000	7.28%

ABOUT THE OPERATOR

Quality Huts, LLC is a leading national restaurant operator and the 5th largest Pizza Hut Franchisee in the country, operating 200+ Pizza Huts in the Chicago, Indianapolis, Pittsburgh and Baltimore markets. Owned by Quality Restaurant Group and backed by Manhattan-based private equity firm Genrock Capital, Quality Huts is one of the fastest-growing franchisees in the Pizza Hut system, having completed four major acquisitions in the last two years. Quality Huts is lead by an operating team with a combined 105 years of multi-unit restaurant, private equity, and turnaround management experience.

📍 200+

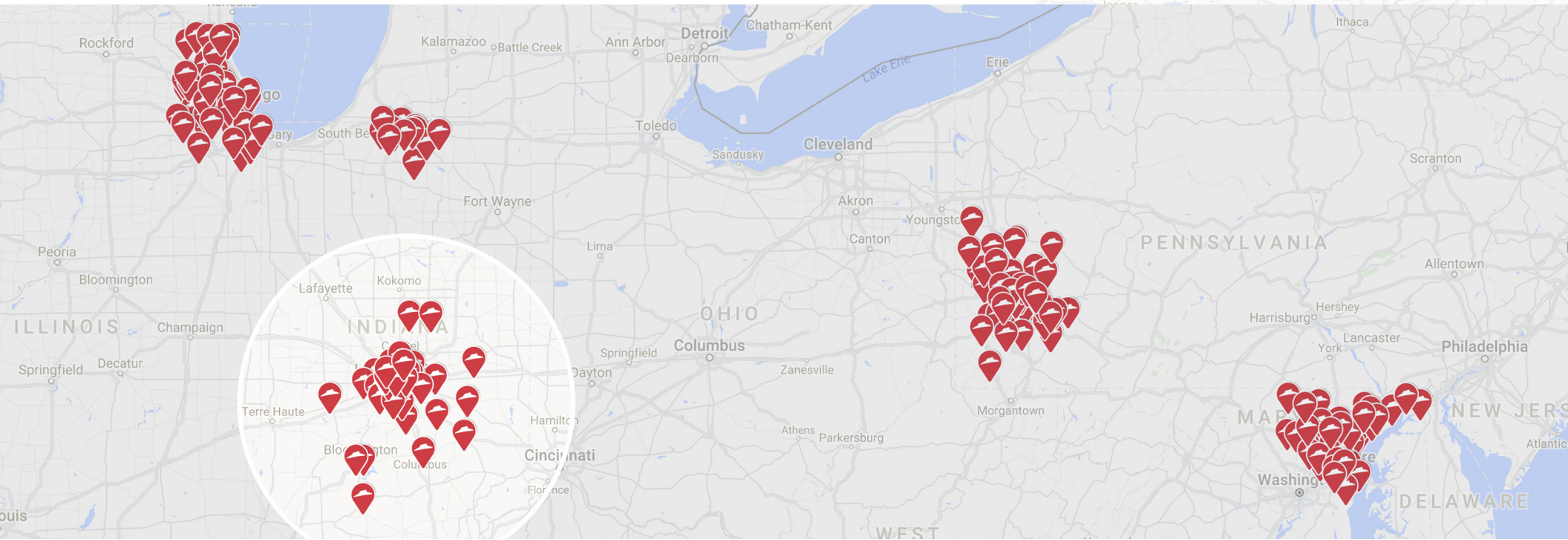
US Locations

\$145 Million

Total Sales (2017)

📍 57

Indiana Locations



ABOUT THE BRAND

Pizza Hut was founded in 1958 by two brothers with one location in Wichita, KS. Now, 60 years later, Pizza Hut is the largest pizza company in the world with more than 16,000 restaurants in more than 100 countries. With more than \$5.5 Billion in domestic sales, Pizza Hut is the 10th largest restaurant chain in the country by annual revenue in the Untied States. Pizza Hut’s parent company Yum! Brands recently pledged to invest \$130m in technology and other areas to push Pizza Hut to the forefront of the pizza delivery market, and the brand is experiencing major changes for the positive, further driving their sales growth and dominant market share.

16,000+	7,522+	\$5.5 B	\$900K
Global Locations	US Locations	2017 US Sales	Avg. Unit Volume



- JULY 2018** [Learn More](#)
Pizza Hut Announces Extension as Official Pizza of NCAA
- FEBRUARY 2018** [Learn More](#)
Pizza Hut Announces New Official Pizza Sponsorship of the NFL
- JANUARY 2018** [Learn More](#)
Pizza Hut Forges Global Alliance with Toyota to Explore Fully-Autonomous Delivery Vehicles
- MAY 2017** [Learn More](#)
Pizza Hut Launches Delivery Tracker
- MAY 2017** [Learn More](#)
Yum Brands Invests \$130m in Pizza Hut
- DECEMBER 2016** [Learn More](#)
Pizza Hut and Amazon Collaborate for Ordering Pizza via Alexa



Property Image

Pizza Hut Sale Leaseback
2343 N National Rd, Columbus, IN 47201

Drive-Through Location

This restaurant also benefits from its drive-through window which adds a meaningful level of convenience to the customer experience and drives sales. This Pizza Hut is the only drive-through pizza restaurant in the trade area.

Located in the Primary Retail Area of Town

There is more than 1 million square feet of retail space located within a half mile of the property, inclusive of the Fair Oaks Mall (400K SF), East Brook Plaza (113K SF), Columbus Center (140K SF) and a 126K square foot Target property.

Excellent Visibility along National Road

The property benefits from its frontage and direct visibility along National Road, a primary North – South thoroughfare in Columbus which boasts traffic counts of more than 20,000 vehicles per day passing directly in front of the property.



Top Performing City with Positive Economic Growth

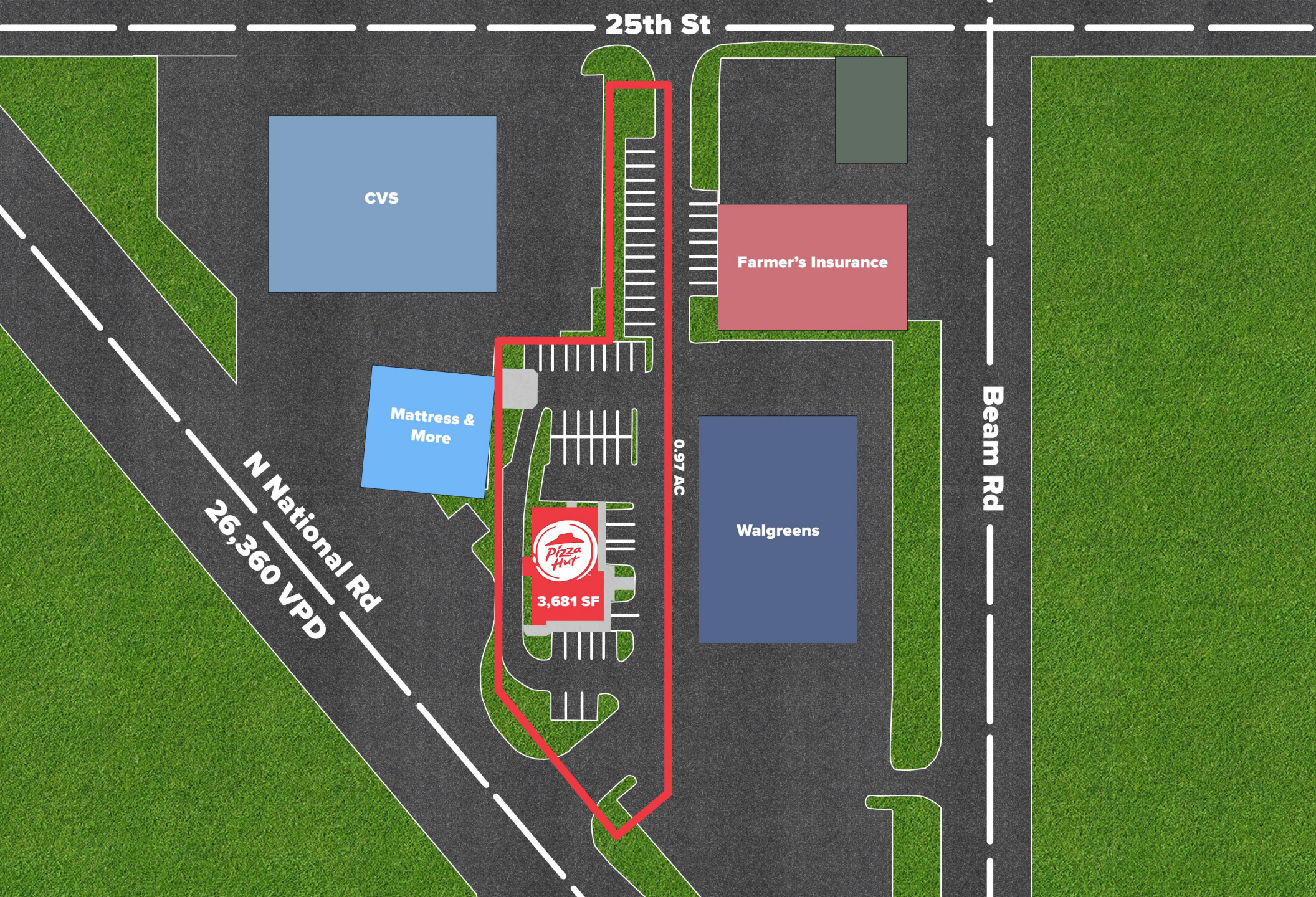
Milken Institute named Columbus, IN one of the top 10 “Best Performing Small Cities”, driven by the community’s Top 10 finishes in 1- and 5-year job growth, one-year wage growth, and one-year high-tech GDP growth.

Close Proximity to Indianapolis and Bloomington

Columbus is a popular suburb and retirement zone for Indianapolis workers and residents, as it is one of the Top 10 “Most Affordable Cities for Retirement” as ranked by AARP and located less than an hour south of Indianapolis, and east of Bloomington

One of the Top 10 MSAs for New and Expanding Businesses

2017 Marked the 6th consecutive year that Columbus was named by Area Development Magazine as a “Leading Location” for new and expanding businesses. Columbus ranked #4 overall among all US MSAs and #1 for both small cities and Midwestern cities.

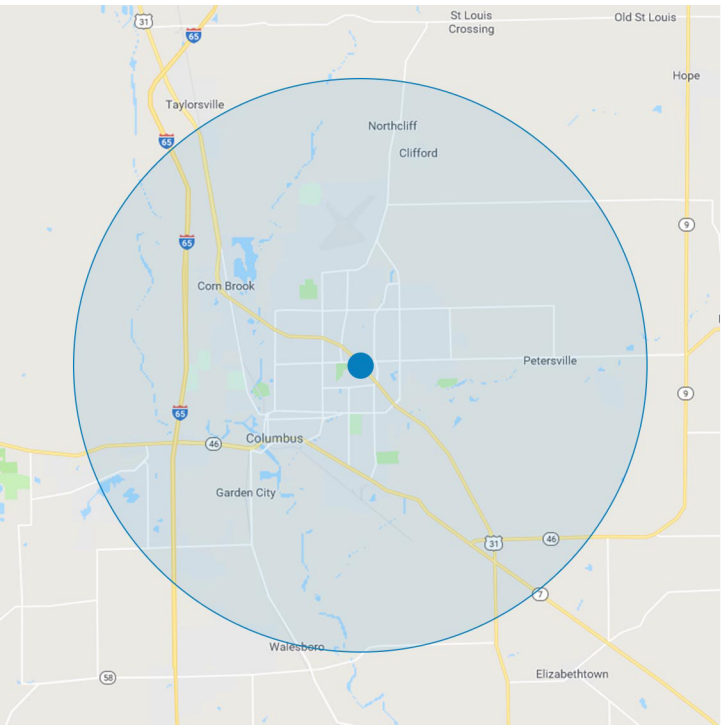






2343 N National Rd, Columbus, IN 47201

POPULATION	1-MILE	3-MILE	5-MILE	10-MILE
2023 Projection	8,382	40,677	51,539	83,609
2018 Estimate	8,206	39,561	49,860	80,782
2010 Census	8,302	38,538	47,076	75,787
Growth 2018 - 2023	2.14%	2.82%	3.37%	3.50%



HOUSEHOLDS	1-MILE	3-MILE	5-MILE	10-MILE
2023 Projection	3,581	16,669	20,694	32,569
2018 Estimate	3,507	16,201	20,016	31,460
2010 Census	3,553	15,736	18,899	29,504
Growth 2018 - 2023	2.11%	2.89%	3.39%	3.53%
2018 Avg HH Income	\$67,520	\$69,736	\$72,812	\$73,762
2018 Med HH Income	\$57,213	\$54,749	\$58,316	\$60,049

Demographics

DISCLAIMER

The information contained in this Marketing Brochure has been obtained from sources believed to be reliable. However, DZ Net Lease Realty, LLC in association with James Capital Advisors, Inc. ("Broker") has not, and will not, verify any of this information, nor has Broker conducted, nor will it conduct, any investigation regarding these matters. Broker makes no representations, guarantees or warranties of any nature about the accuracy or completeness of any information provided. The information provided in this brochure is in no way a substitute for a thorough due diligence investigation by Buyer. Broker has made no investigation of, and has made no representations, guarantees, or warranties of any nature, with regard to income and expenses for this property nor the future financial performance of the property. In addition, Broker has made no investigation of, and has made no representations, guarantees or warranties as to the size and square footage of the property, the presence of any contaminating substances at the property, the physical condition of the property or compliance with any State, Local or Federal regulations. In addition, Broker has made no investigation of, and has made no representations, guarantees or warranties of any nature, with regard to the financial condition or future financial condition of any tenants, nor any future plans or intentions of tenants with regard to the continued occupancy of the property. All parties are aware that Broker has no affirmative obligation to conduct a due diligence examination of the property for any Buyer. Any and all projections or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property.

The value of the property to any Buyer depends on numerous factors that must be evaluated by Buyer and Buyer's legal, tax, construction and financial advisors. Buyer and Buyer's advisors should conduct a thorough, independent investigation of the property to determine its suitability for Buyer's intended usage. This investment, as with all real estate investments, carries a substantial risk. As such, Buyer and Buyer's legal and financial advisors are strongly advised to request and review all legal and financial documentations related to the property and tenants.

A tenant's past performance is not a guarantee of future performance. The lease rate stated for some properties may be based on a tenant's projected sales with little or no record of actual performance or comparable rents for the area in question. Returns are in no way guaranteed. Tenants may fail to pay the rent or property taxes or any other tenant obligations under the terms of the lease. Regardless of tenant's history of performance, and/or any lease guarantors and/or guarantees, Buyer is responsible for conducting Buyer's own investigation of all matters related to any and all tenants and lease agreements. Broker is not, in any way, responsible for the performance of any tenant or for any breach or default by any tenant of any terms of any lease agreement related to the property. Further, Buyer is responsible for conducting Buyer's own independent investigation of all matters related to the value of the property, including, but not limited to, the value of any long term leases. Buyer must carefully evaluate the possibility of tenants vacating the property or breaching their leases and the likelihood and financial impact of being required to find a replacement tenant if the current tenant should default and/or abandon the property. Buyer must also evaluate Buyer's legal ability to make alternate use of the property in the event of a tenant abandonment of the property.

CONFIDENTIALITY

This Marketing Brochure and the information contained within, is propriety and strictly confidential. It is intended to be used only by the party receiving it from Broker. It should not be made available to any other person or entity without the express written consent of Broker.

RELEASE

This Marketing Brochure has been prepared to provide basic, unverified information for prospective purchasers. By accepting this Marketing Brochure, the recipient agrees to release and hold harmless Broker from any claim, demand, liability or loss arising out, or relating in any way, to the information contained in this Marketing Brochure and from Buyer's investigation of the property.

NON-ENDORSEMENT

Broker is not affiliated with, endorsed by or sponsored in any way by any tenant or lessee identified in this Marketing Brochure. The presence of any entity's logo or name is not intended in any way to indicate affiliation, sponsorship or endorsement by said entity of Broker.

LEAD AGENT:

Mike James

Executive Chairman

(424) 325-2601

Mike@JamesCapitalAdvisors.com

CA RE Lic. 01869890

MAIN CONTACT:

Reed Melillo

Director, Institutional Accounts

(424) 325-2606

Reed@JamesCapitalAdvisors.com

CA RE Lic. 01984199

LISTED IN CONJUNCTION WITH:

DZ Net Lease Realty, LLC

IN RE Lic. RB14038419



Part of a 14-Unit Sale Leaseback Portfolio
Marketing Package

Pizza Hut Sale Leaseback
2343 N National Rd, Columbus, IN 47201