



DEL TACO OFFERING MEMORANDUM

128 UT-73
SARATOGA SPRINGS, UT 84045

Marcus & Millichap

MOUNTAIN WEST
COMMERCIAL REAL ESTATE

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EXCLUSIVELY LISTED BY

Marcus & Millichap

MW

MOUNTAIN WEST
COMMERCIAL REAL ESTATE

CONFIDENTIALITY AND DISCLOSURE

Mountain West Commercial Real Estate has been retained on an exclusive basis to market the property described as 128 UT-73, Saratoga Springs, UT 84045. Broker has been authorized by seller of the property to prepare and distribute the enclosed information for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and the prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and /or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the Market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

EXECUTIVE SUMMARY

PRICING

PURCHASE PRICE	\$3,700,000
NET OPERATING INCOME (APRIL 2020)	\$203,613
CAP RATE	5.50%

LEASE INFORMATION

TENANT TRADE NAME	Del Taco
LEASE GUARANTOR	Utah Del, Inc. (35+ Unit Operator)
COMMENCEMENT	4/1/2010
EXPIRATION	3/31/2030
LEASE TYPE	NNN
LEASE TERM	20 Years
LEASE TERM REMAINING	11 Years
RENTAL INCREASES	10% Every 5-Years
EXTENSION OPTIONS	Four, 5-Year Options
TENANT'S FIRST RIGHT OF REFUSAL	Yes
PROPERTY TAXES, INSURANCE, UTILITIES, MAINTENANCE	Tenant Responsible

PROPERTY INFORMATION

PROPERTY ADDRESS	128 UT-73, Saratoga Springs, UT 84045
GROSS LEASABLE AREA (SF)	2,800 SF
LAND SIZE (AC)	1.07
YEAR BUILT	2010

INVESTMENT HIGHLIGHTS

STRONG AND EXPERIENCED OPERATOR

This Del Taco restaurant is operated by Utah Del, Inc. They have been in business nearly 20 years and operate over 35 stores throughout Utah and Nevada.

LONG-TERM ABSOLUTE NET LEASE

DEL TACO HAS OCCUPIED THIS BUILDING SINCE IT WAS BUILT IN 2010. THERE ARE 11 YEARS REMAINING ON A 20-YEAR NNN LEASE AND REQUIRES NO LANDLORD RESPONSIBILITIES.

HIGH TRAFFIC COUNTS

THE SUBJECT PROPERTY IS LOCATED JUST EAST OF REDWOOD ROAD ALONG CROSSROADS BLVD (HWY 73) WITH TRAFFIC COUNTS OF 19,570 AADT (2017).

STRONG DEMOGRAPHICS

THE POPULATION IS 38,801 PEOPLE WITHIN A 3-MILE RADIUS AND PROJECTED TO GROW TO 44,142 (13.77%) BY 2024. THE MEDIAN HOUSEHOLD INCOME WITHIN THE 3-MILE RADIUS IS \$83,785 WITH AN AVERAGE HOUSEHOLD SIZE OF 3.80 (NATIONAL AVERAGE IS 2.53).

LOCATED IN THE HEART OF "SILICON SLOPES"

Starting in the 1980s and throughout the 1990s, the valley became one of the entrepreneurial hot spots of the nation and, in particular, has become a Mecca for high-tech, computer-related companies. With more than 6,500 startup and tech companies in Utah, Utah County as a whole has come to be known as Silicone Slopes.

OPTIONS & ESCALATIONS

LEASE TERM	START	EXPIRATION	MONTHLY RENT	ANNUAL RENT	RENT/ SF	% INCREASE
INITIAL TERM	4/1/2010	3/31/2015	\$14,022.96	\$168,275.52	\$58.03	
INITIAL TERM	4/1/2015	3/31/2020	\$15,425.25	\$185,103.00	\$63.83	10.00%
* INITIAL TERM	4/1/2020	3/31/2025	\$16,967.78	\$203,613.36	\$70.21	10.00%
INITIAL TERM	4/1/2025	3/31/2030	\$18,664.56	\$223,974.72	\$77.23	10.00%
OPTION 1	4/1/2030	3/31/2035	\$20,531.02	\$246,372.22	\$84.96	10.00%
OPTION 2	4/1/2035	3/31/2040	\$22,584.12	\$271,009.47	\$93.45	10.00%
OPTION 3	4/1/2040	3/31/2045	\$24,842.54	\$298,110.45	\$102.80	10.00%
OPTION 4	4/1/2045	3/31/2050	\$27,326.79	\$327,921.53	\$113.08	10.00%

*There is a 10% rent increase occurring on April 1st, 2020. The price is based on a 5.50% CAP rate on rent starting April 1st, 2020.

PROPERTY FEATURES & LAND OVERVIEW

PROPERTY FEATURES

Location

128 UT-73
Saratoga Springs, UT 84045

Site

Located just East of Redwood Road on the North side of Crossroads Blvd (Highway 73).

Land Area

Consists of 1.07 Acres or 46,609 SF of land area.

Building Area

The subject property consists of 1 stand-alone retail building including a drive-thru totaling approximately 2,800 SF of gross leasable area.

Parking

The subject property provides 50 free surface parking stalls, which equates to 17.2 spaces per 1,000 SF parking ratio.

Frontage & Access

The subject property has 270 feet of frontage along Crossroads Blvd (Highway 73). There is one (1) direct access point to the subject property along Commerce Dr. and two (2) separate access points shared with McDonald's.

Traffic Counts:

Crossroads/Hwy 73 19,570 AADT

Year Built:

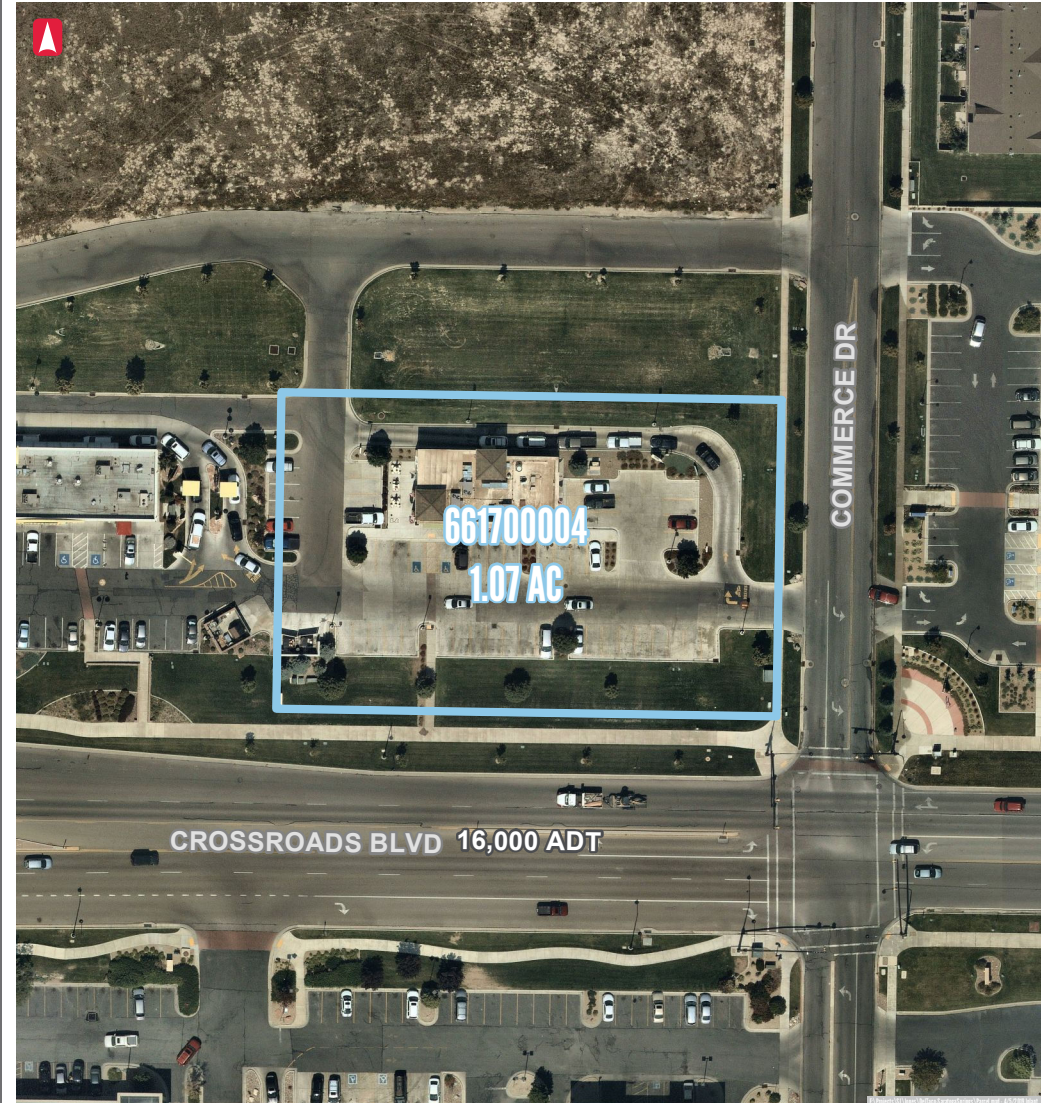
2010

Zoning:

Commercial

LAND OVERVIEW

APN #	ADDRESS	ACRES	SF
661700004	128 UT-73	1.07	46,609



CLOSE UP

SITE

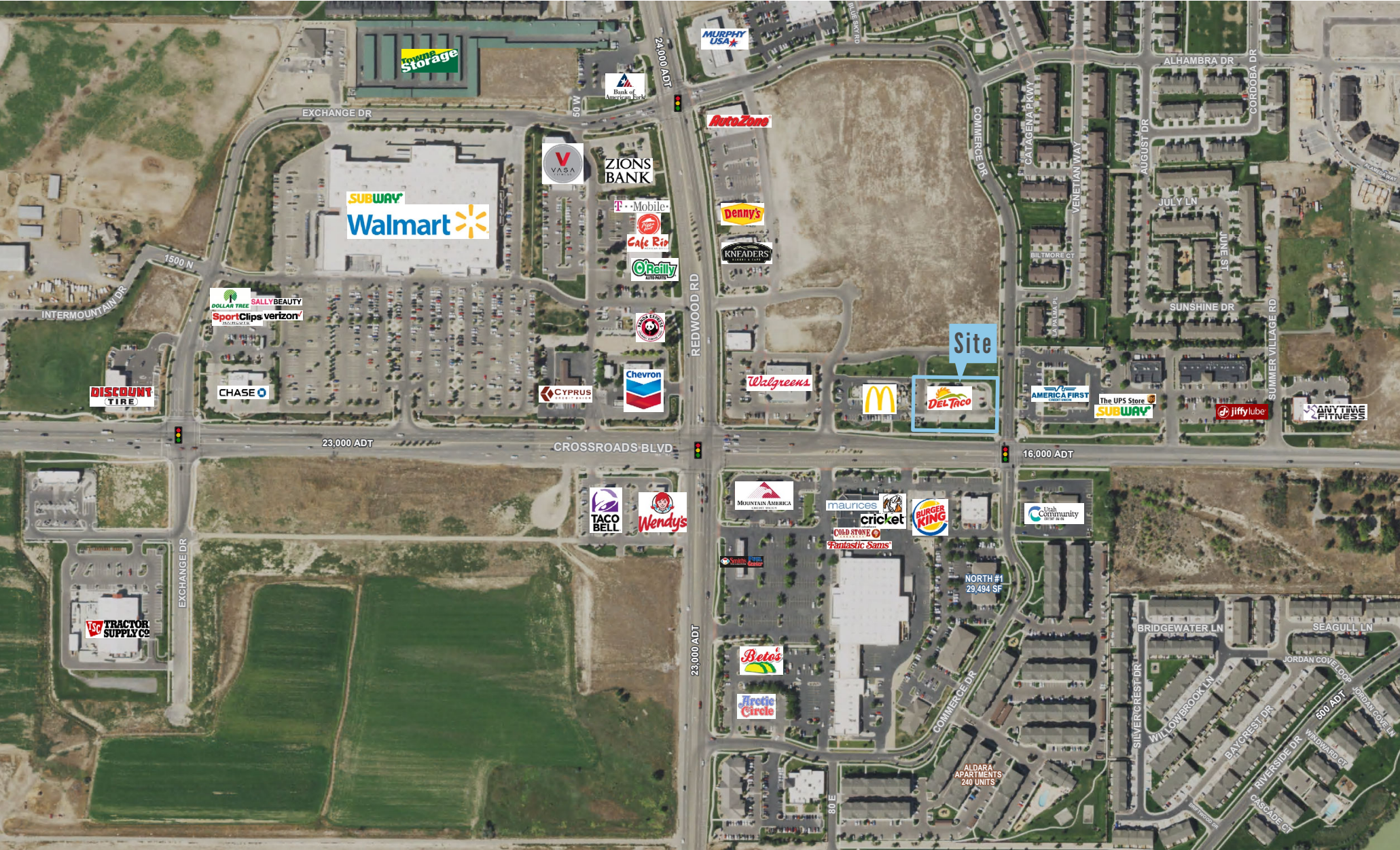
DEL TACO



AMERICA FIRST
CREDIT UNION

COMMERCE DR

CROSSROADS BLVD



DEMOGRAPHICS

POPULATION



1 MILE
7,174
2018 EST.
POPULATION

3 MILES
38,680
2018 EST.
POPULATION

5 MILES
111,275
2018 EST.
POPULATION

HOUSEHOLDS & MEDIAN INCOME



1 MILE
982
2018 EST.
HOUSEHOLDS

3 MILES
6,466
2018 EST.
HOUSEHOLDS

5 MILES
19,107
2018 EST.
HOUSEHOLDS

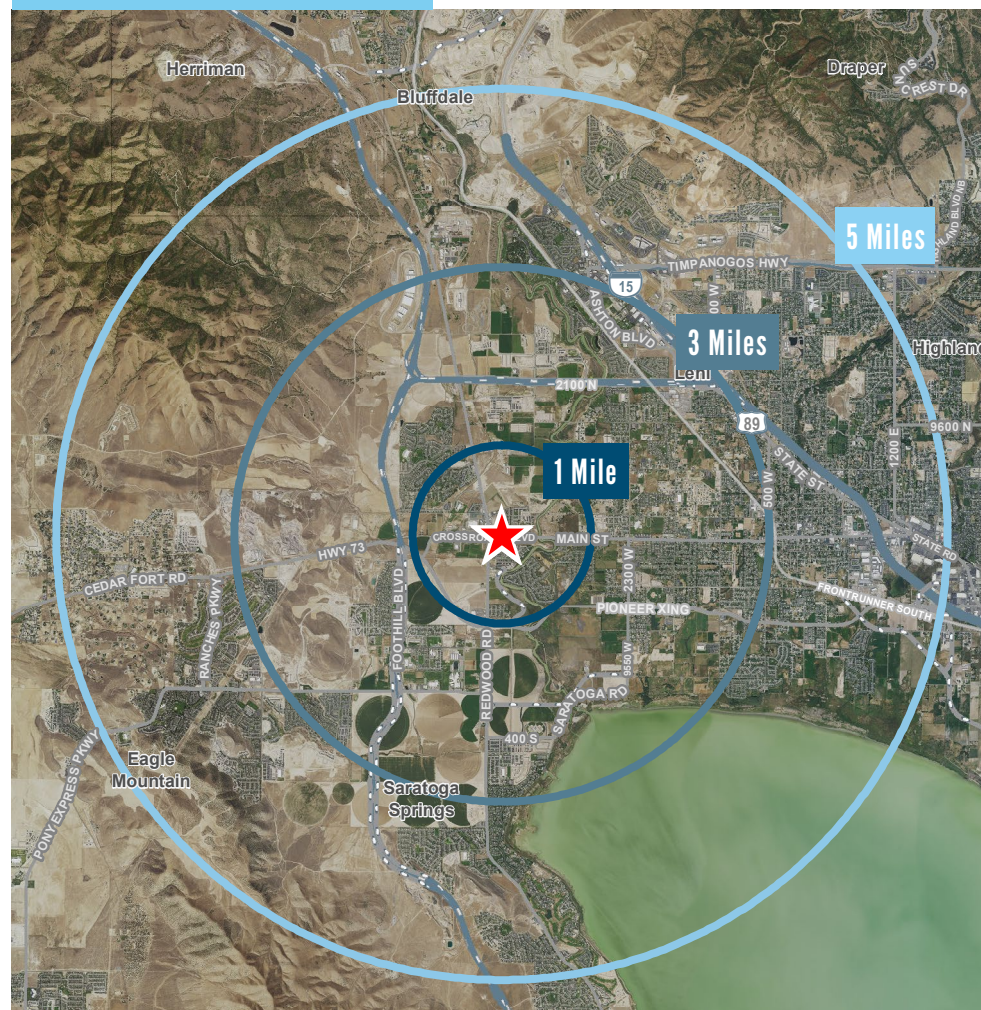


1 MILE
\$77,200
2018 EST.
INCOME

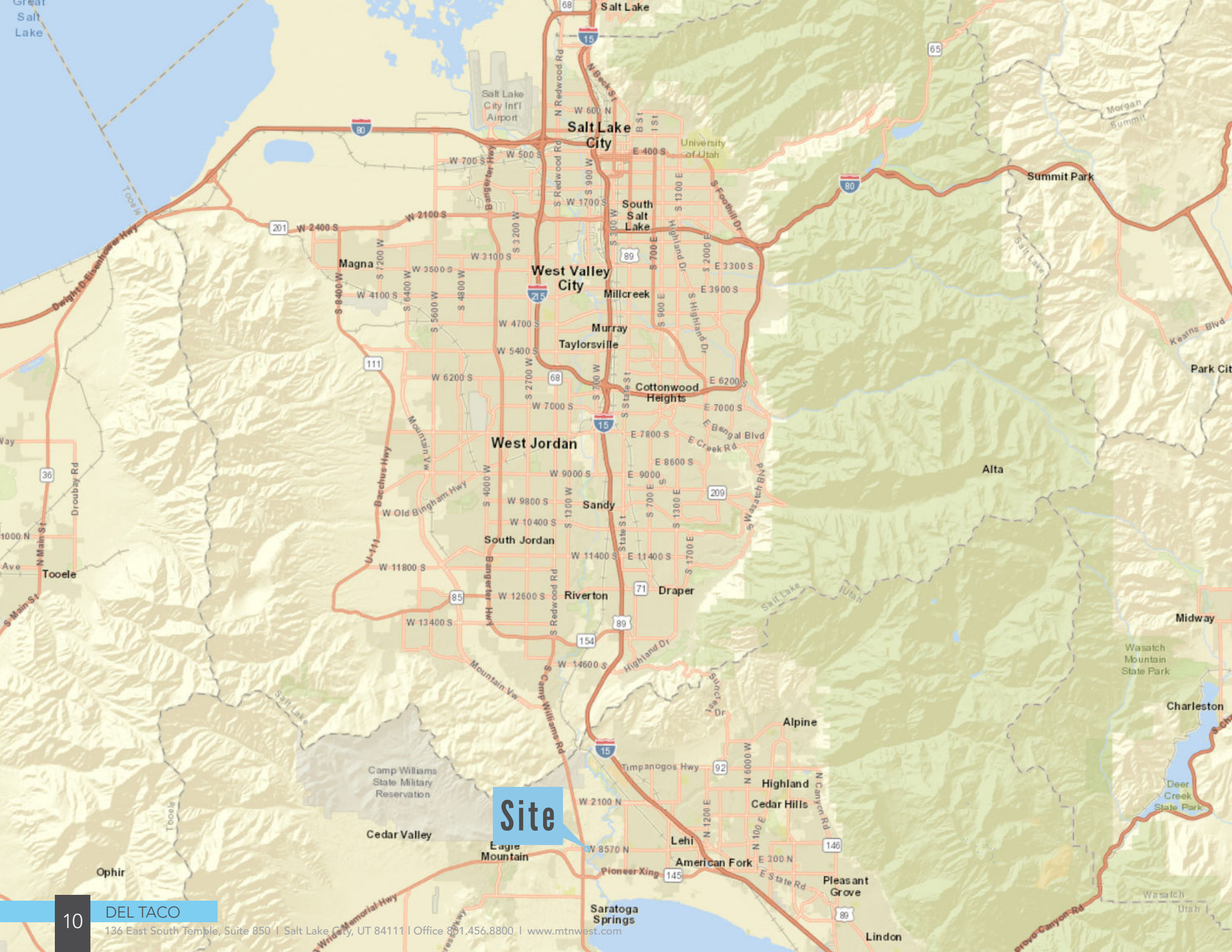
3 MILES
\$77,039
2018 EST.
INCOME

5 MILES
\$81,139
2018 EST.
INCOME

BUFFERS - 1, 3, 5 MILES







Site

TENANT PROFILE



FRANCHISEE INFORMATION

Paul Hitzelberger was one of the five original founders of Del Taco and worked in their corporate office for 16 years as its Executive Vice President. He has also been a senior officer with General Mills, among other large companies. When Paul retired from Del Taco corporate in 2001, part of his "retirement plan" included transitioning to the franchisee side of operations.

Paul and his wife, Jane, now oversee Utah Del Inc., which owns and operates over 35 Del Tacos across Utah and Nevada. Paul has been a champion for restaurant growth across the state of Utah. Utah Del has plans for continued expansion along the Wasatch Front in the coming years. What does Paul attribute his success to? Listening to his employees, a commitment to his customers satisfaction, and complete confidence in the quality of his product, which he describes as being "number one in it's category".

He is the recipient of the Utah Restaurant Association's (URA) 2018 Lifetime Achievement Award due to his more than 32 years of leadership in the restaurant industry. In addition to supporting the growth of the Utah restaurant industry, the Hitzelbergers are passionate about assisting their community and families in need and have donated more than \$1.1 million to various state and local organizations since 2008.

ABOUT DEL TACO RESTAURANTS, INC.

Del Taco (NASDAQ: TACO) offers a unique variety of both Mexican and American favorites such as burritos and fries, prepared fresh in every restaurant's working kitchen with the value and convenience of a drive-thru. Del Taco's menu items taste better because they are made with quality ingredients like fresh grilled chicken and carne asada steak, hand-sliced avocado, hand-grated cheddar cheese, slow-cooked beans made from scratch, and creamy Queso Blanco.

Founded in 1964, today Del Taco serves more than three million guests each week at its more than 560 restaurants across 14 states. For more information, visit www.deltaco.com.

COMPANY
DEL TACO

OF LOCATIONS IN NORTH AMERICA
560

HEADQUARTERS
LAKE FOREST, CALIFORNIA

YEAR FOUNDED
1964

OWNER
DEL TACO HOLDINGS, INC.



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