



ACTUAL SITE

## TACO BELL

3045 WILLIAMS BOULEVARD SW  
CEDAR RAPIDS, IOWA 52404

## OFFERING MEMORANDUM

Represented by:  
**JUSTIN ZAHN**  
[justin@ciadvisor.com](mailto:justin@ciadvisor.com)

**COMMERCIAL INVESTMENT ADVISORS, INC.**  
**CIA BROKERAGE COMPANY**

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260  
480.214.5088 – Office | [www.ciadvisor.com](http://www.ciadvisor.com)

In Association with Iowa Designated Broker:  
Jessica Zahn Gibson | CIA Brokerage Company | Iowa License # B6728400

Represented by:  
**JUSTIN CARLSON**  
[jcarlson@ciadvisor.com](mailto:jcarlson@ciadvisor.com)

**CIA**  
commercial  
investment  
advisors



# INVESTMENT OVERVIEW

**TACO BELL**  
CEDAR RAPIDS, IOWA

NAME	TACO BELL
LOCATION	3045 Williams Boulevard SW Cedar Rapids, Iowa 52404
MAJOR CROSS STREETS	On N Euclid Ave, North of W North Union St
TENANT	TIMBERLINE MANAGEMENT, LLC
PURCHASE PRICE	\$1,494,000
CAP RATE	5.50%
ANNUAL RENT	\$82,150*
GROSS LEASEABLE AREA	3,221 SF**
RENTAL ESCALATIONS	\$1,400 Annually
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	2007**
LOT SIZE	±0.81 Acre**
LEASE EXPIRATION	October 18, 2033
OPTIONS	One-10-Year Renewal Option

\* Current Rent is \$80,750 until October 22, 2019. Seller to credit Purchaser shortfall (if any) in rent at the Close of Escrow.

\*\* According to Linn County Assessor

## POINTS OF INTEREST

**RETAIL | SHOPPING | ENTERTAINMENT:** Nearby retailers include Walmart Supercenter, Target, Kohl's, Menards, JCPenney, Ross Dress for Less, Burlington, Gander Outdoors, Harbor Freight Tools, Staples, Dollar Tree, Fareway Grocery, Walgreens, CVS Pharmacy, AMC Classic

**HIGHER EDUCATION:** 4 miles from Coe College (a private, 4-year, residential liberal arts college offering numerous majors & areas of study, and pre-professional programs with total enrollment of over 1,400); 7 miles from Kirkwood Community College (a public community college offering degrees & certificates in 21 different fields with a total enrollment of 14,190)

**HEALTH CARE:** 3 miles from UnityPoint Health – St. Luke's Hospital (a general medical & surgical hospital with 532 beds)

## INVESTMENT HIGHLIGHTS

**LEASE:** 14 Years Remaining on Initial 20-Year Absolute NNN Lease with Annual \$1,400 Rental Increases

**TENANT:** Timberline Management, LLC is an Experienced Operator with 12 Taco Bell Restaurants Throughout Eastern Iowa

**SEASONED LOCATION:** Successfully Open & Operating Since 2007 with an **Attractive 8.5% Rent to Sales Ratio!**

**TRAFFIC COUNTS:** Great Drive-By Visibility on Main North/South Thoroughfare where Traffic Counts Exceed 36,000 CPD!

**DOMINANT RETAIL CORRIDOR:** Well Positioned at a Signalized Intersection in Dominant Retail Corridor (2 Blocks Away from 854,000 SF Westdale Mall)!

**2019 DEMOGRAPHICS (5-MI):** Total Population: 106,703 | Avg HH Income: \$72,076 | **Population Growth 2010-2019 (1-MI): 18.02%**





# FINANCIAL ANALYSIS

TACO BELL  
CEDAR RAPIDS, IOWA

## SUMMARY

TENANT	Timberline Management, LLC
PURCHASE PRICE	\$1,494,000
CAP RATE	5.50%
GROSS LEASABLE AREA	3,221 SF
LEASE STARTS	October 24, 2012
LEASE ENDS	October 18, 2033
YEAR BUILT	2007
LOT SIZE	±0.81 Acre
EXPENSE REIMBURSEMENT	This is an <b>Absolute NNN lease</b> . Tenant is responsible for all expenses.
OPTIONS	One-10-Year Renewal Option
FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.

## ANNUALIZED OPERATING DATA

LEASE STARTS	LEASE ENDS	ANNUAL BASE RENT	ANNUAL INVESTOR RETURN	RENTAL INCREASES
<b>10/23/19*</b>	10/21/20	\$82,150	5.50%	Existing
10/22/20	10/21/21	\$83,550	5.59%	\$1,400
10/22/21	10/21/22	\$84,950	5.69%	\$1,400
10/22/22	10/21/23	\$86,350	5.78%	\$1,400
10/22/23	10/20/24	\$87,750	5.87%	\$1,400
10/21/24	10/20/25	\$89,150	5.97%	\$1,400
10/21/25	10/20/26	\$90,550	6.06%	\$1,400
10/21/26	10/20/27	\$91,950	6.15%	\$1,400
10/21/27	10/19/28	\$93,350	6.25%	\$1,400
10/20/28	10/19/29	\$94,750	6.34%	\$1,400
10/20/29	10/19/30	\$96,150	6.44%	\$1,400
10/20/30	10/19/31	\$97,550	6.53%	\$1,400
10/20/31	10/18/32	\$98,950	6.62%	\$1,400
10/19/32	<b>10/18/33</b>	\$100,350	6.72%	\$1,400

AVERAGE BLENDED RETURN: 6.11%

\* Current Rent is \$80,750 until October 22, 2019. Seller to credit Purchaser shortfall (if any) in rent at the Close of Escrow.



# TENANT OVERVIEW

TACO BELL  
CEDAR RAPIDS, IOWA

**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 Mexican inspired foods that include tacos, burritos, quesadillas, nachos novelty and specialty items, and a variety of “value menu” items. Taco Bell offers quality ingredients and are the first QSR to offer American Vegetable Association (ASA)-certified menu items.

Taco Bell with **more than 350 franchise organizations operate over 7,000 restaurants** that serve more than 40 million customers each week in the U.S. **Internationally, the brand is growing with nearly 500 restaurants across almost 30 countries across the globe.**

Taco Bell provides educational opportunities and serve the community through their nonprofit organization, The Taco Bell Foundation, and support fans and team members with their passions through programs such as the Live Más Scholarship. Taco Bell provides access to sports, gaming and new music through their Feed The Beat program.

Outside of their restaurants, fans can access Taco Bell through their mobile app, desktop on Ta.co and delivery through our partnership with Grubhub. Taco Bell became the first QSR to launch a mobile app in U.S. restaurants for both drive-thru and dining orders.

In 2016, we were named as one of Fast Company's Top 10 Most Innovative Companies in the World.

## ABOUT THE TENANT TIMBERLINE MANAGEMENT, LLC

**Timberline Management, LLC** is an experienced operator with **12 Taco Bell restaurants throughout Eastern Iowa.**

## PARENT COMPANY: YUM! BRANDS, INC.

TYPE	PUBLIC
TRADED AS	NYSE: YUM – Yum! Brands, Inc.
INDUSTRY	RESTAURANTS – FAST FOOD
S&P CREDIT RATING	BB (STABLE) Dec 10 2015
MOODY'S RATING	Ba3 (STABLE) May 17 2017
MARKET CAP	\$31.798 BILLION
# OF LOCATIONS	48,000+ KFC, PIZZA HUT & TACO BELL RESTAURANTS WORLDWIDE

<https://www.yum.com>



At Yum!, we're focused on building KFC, Pizza Hut and Taco Bell to be the world's most loved, trusted and fastest growing restaurant brands. With **more than 48,000 KFC, Pizza Hut and Taco Bell restaurants in over 140 countries**, we're passionate about serving delicious food and experiences to millions of customers every day. Our iconic brands are the global leaders of the chicken, pizza and Mexican-style food categories, opening over eight new restaurants per day on average, making us a leader in global retail development.

### Market Summary > Yum! Brands, Inc. NYSE: YUM

103.96 USD +0.51 (0.49%) ↑

Apr 26, 12:46 PM EDT · Disclaimer





# INTERIOR PHOTOS

## ACTUAL

TACO BELL  
CEDAR RAPIDS, IOWA





# AERIAL



TACO BELL | CEDAR RAPIDS, IOWA



# AERIAL ZOOMED OUT



TACO BELL | CEDAR RAPIDS, IOWA



# AERIAL CITY VIEW



TACO BELL | CEDAR RAPIDS, IOWA



# LOCATION OVERVIEW


**TACO BELL**  
CEDAR RAPIDS, IOWA



**Cedar Rapids** is the second largest city in Iowa and is the county seat of Linn County. The city lies on the Cedar River, 20 miles north of Iowa City and 100 miles northeast of Des Moines. The population is over 130,000 with a total area of 72 square miles. Cedar Rapids is one of the largest cities in the world for corn processing. The grain processing industry is their most important sector, directly providing 4,000 jobs (that pay on average \$85,000), and also providing 8,000 jobs indirectly. Fortune 500 company Collins Aerospace and trucking company, CRST, are based in Cedar Rapids. Aegon also has its US headquarters there. Other large companies that have facilities in Cedar Rapids include Archer Daniels Midland, Cargill, General Mills, Toyota Financial Services and Nordstrom.

St. Luke's is a 532-bed hospital in Cedar Rapids, Iowa. It was founded in 1884 as Cedar Rapids' first hospital and is now one of two hospitals in Cedar Rapids; The other being Mercy Medical Center. St. Luke's emergency department treats over 55,000 patients each year and the most cases of trauma in Iowa. This has led to a partnership with the University of Iowa Hospitals and Clinics for training future ER doctors. It is the area's only Level III Regional Neonatal Intensive Care Unit.

Cedar Rapids is home to two four-year colleges, Coe College and Mount Mercy University. Coe College is a private, four-year, residential liberal arts college, founded in 1851. There are over 1,400 students enrolled on the 70-acre campus. Mount Mercy University is a Catholic liberal arts university, that has over 1,820 students enrolled. They offer over 45 undergraduate programs and six graduate programs on their 40-acre campus.

	2019 DEMOGRAPHICS		
	1-MI	3-MI	5-MI
TOTAL POPULATION	10,177	52,783	106,703
POPULATION GROWTH 2010-2019	18.02%	3.36%	4.40%
DAYTIME POPULATION	10,447	52,317	107,204
HOUSEHOLD GROWTH 2010-2019	20.55%	4.12%	4.89%
AVERAGE HOUSEHOLD INCOME	\$63,514	\$66,056	\$72,076



# CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. This Marketing Brochure has been prepared to provide summary, **unverified** information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Commercial Investment Advisors, Inc. | CIA Brokerage Company has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Purchaser is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

**BY ACCEPTING THIS MARKETING BROCHURE YOU AGREE TO RELEASE COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE COMPANY HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF ANY PROPERTY.**

## FOR MORE INFORMATION:

### JUSTIN ZAHN

Vice President  
O +1 480 718 5555  
C +1 402 730 6021  
justin@ciadvisors.com

### JUSTIN CARLSON

Senior Investment Advisor  
O +1 480 214 5089  
C +1 480 580-8723  
jcarlson@ciadvisors.com





This form is required by the real estate laws of the State of Iowa.

**DISCLOSURE OF AGENCY RELATIONSHIP**

The undersigned acknowledge that Jessica Zahn Gibson, as Appointed Agent(s) of CIA Brokerage Company, represents Timberline Properties, LLC named below (hereinafter the "Client") with respect to the sale or lease of the following property: Taco Bell, 3045 Williams Blvd SW, Cedar Rapids, IA.

If the Appointed Agent(s) represents both the Seller/Landlord and Buyer/Tenant, the duties of the Appointed Agent(s) are set forth in the Dual Agency Consent Forms executed by each client and those forms are incorporated herein as if fully set forth.

If the Appointed Agent(s) represents either the Seller/Landlord or Buyer/Tenant, but not both, the Appointed Agent has the following duties to its client:

- a) Place the client's interests ahead of the interests of any other party unless loyalty to a client violates a duty as a disclosed dual agent or other applicable law.
- b) Disclose the information known that is material to the transaction that is not known by the client or could not be discovered by the client through a reasonably diligent inspection.
- c) Fulfill any obligations within the scope of the brokerage agreement, except those obligations which are inconsistent with other duties the Appointed Agent(s) has under law.
- d) Disclose any financial interests Appointed Agent(s) has in any business entity to which the client has been referred for any service or product related to this transaction.

The following duties apply to all parties:

- a) To provide brokerage services to all parties in the transaction honestly and in good faith.
- b) To diligently exercise reasonable skill and care in providing brokerage services to all parties.
- c) To disclose to each party all material adverse facts that we know, except for the following:
  1. Material adverse facts known by that party
  2. Material adverse facts a party could discover through a reasonably diligent inspection and which would be discovered by a reasonably prudent person under like or similar circumstances.
  3. Material adverse facts the disclosure of which is prohibited by law.
  4. Material adverse facts that are known to a person who conducts an inspection on behalf of a party.
- d) To account for all property coming into the possession of the Broker or the Appointed Agent(s) that belongs to any party within a reasonable time after receiving the property.

CIA Brokerage Company and its licensees may provide brokerage services simultaneously to more than one party in different transactions.

Each party by signing this form acknowledges that this discloser was made prior to providing specific assistance or prior to any offer being made or accepted by a party to a transaction, whichever is sooner.

**SELLER/LANDLORD:** Timberline Properties, LLC    **BUYER/TENANT:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_