

PIZZA HUT

7665 N LA CHOLLA BOULEVARD, TUCSON, AZ



OFFERING MEMORANDUM



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Executive Summary

FINANCIAL SUMMARY

Price	\$1,800,000
Down Payment	100% \$1,800,000
Cap Rate	7.70%
Building SF	3,914 SF
Net Cash Flow	7.70% \$138,420.78*
Year Built	2001
Lot Size	.53 Acres

LEASE SUMMARY

Lease Type	Triple-Net (NNN) Lease
Tenant	Pizza Hut of Arizona, Inc.
Guarantor	Franchisee
Lease Commencement Date	November 1, 2007
Lease Expiration Date	November 1, 2022
Lease Term Remaining	3 Years
Rental Increases	1.5% Annual Increases
Renewal Options	5, 5 Year Options

* Rent as of November 2019.

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
11/2/2019 - 11/1/2020	\$138,420.78	7.69%
11/2/2020 - 11/1/2021	\$140,497.09	7.81%
11/2/2021 - 11/1/2022	\$142,604.55	7.92%

Base Rent	\$138,420.78
Net Operating Income	\$138,420.78
Total Return	7.70% \$138,420.78



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Albertsons

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FURNITURE GALLERIES®

BANK OF AMERICA

FOOTHILLS MALL

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FAMOUS footwear **Party City** **OUTBACK** STEAKHOUSE®

claire's **Applebee's** **Levi's**

Payless **Bath & Body Works**

Starbucks **CHIPOTLE** **BR** **baskin robbins**

CATALINA CANYON
APARTMENT HOMES
336 UNITS

ENCLAVE
AT THE FOOTHILLS
300 UNITS

Walmart 
Supercenter

CRAFT REPUBLIC
BAR & GRILL

BBVA **Compass**

Wendy's

Pizza Hut

24,860 CPD
N LA CHOLLA BLVD



24,390 CPD
W MAGEE RD

24,860 CPD
N LA CHOLLA BLVD



Property Description



INVESTMENT HIGHLIGHTS

- » **Triple-Net (NNN) Lease with 3 Years Remaining on Lease Term**
- » 1.5% Annual Rental Increases
- » **137,646 Residents in Growing Tucson Trade Area**
- » Over 49,250 Cars/Day at the Nearby Intersection of North La Cholla Boulevard and West Magee Road
- » **Outparcel to Walmart Supercenter**
- » Average Household Income Exceeds \$80K within 5 Miles of Subject Property
- » **Adjacent to Foothills Mall** - Retailers Include AMC Theaters, Buy Buy Baby, Barnes & Noble, Party City, and More
- » Close Proximity to 1,200+ Luxury Apartment Units
- » Less Than 4 Miles from the I-10 Freeway - Primary Connector for Phoenix and Tucson
- » **11 Miles to Downtown Tucson and The University of Arizona**



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2023 Projection	7,496	69,167	142,234
2018 Estimate	7,359	67,222	137,646
Growth 2018 – 2023	1.87%	2.89%	3.33%

Households

2023 Projection	3,576	29,010	60,126
2018 Estimate	3,470	27,847	57,567
Growth 2018 – 2023	3.06%	4.18%	4.45%

Income

2018 Est. Average Household Income	\$66,048	\$74,991	\$80,238
2018 Est. Median Household Income	\$47,955	\$57,924	\$57,325
2018 Est. Per Capita Income	\$31,209	\$31,240	\$33,680





Tenant Overview



Plano, Texas

Headquarters

Yum! Brands, Inc.

Parent Company

1958

Founded

16,000+

Locations

pizzahut.com

Website

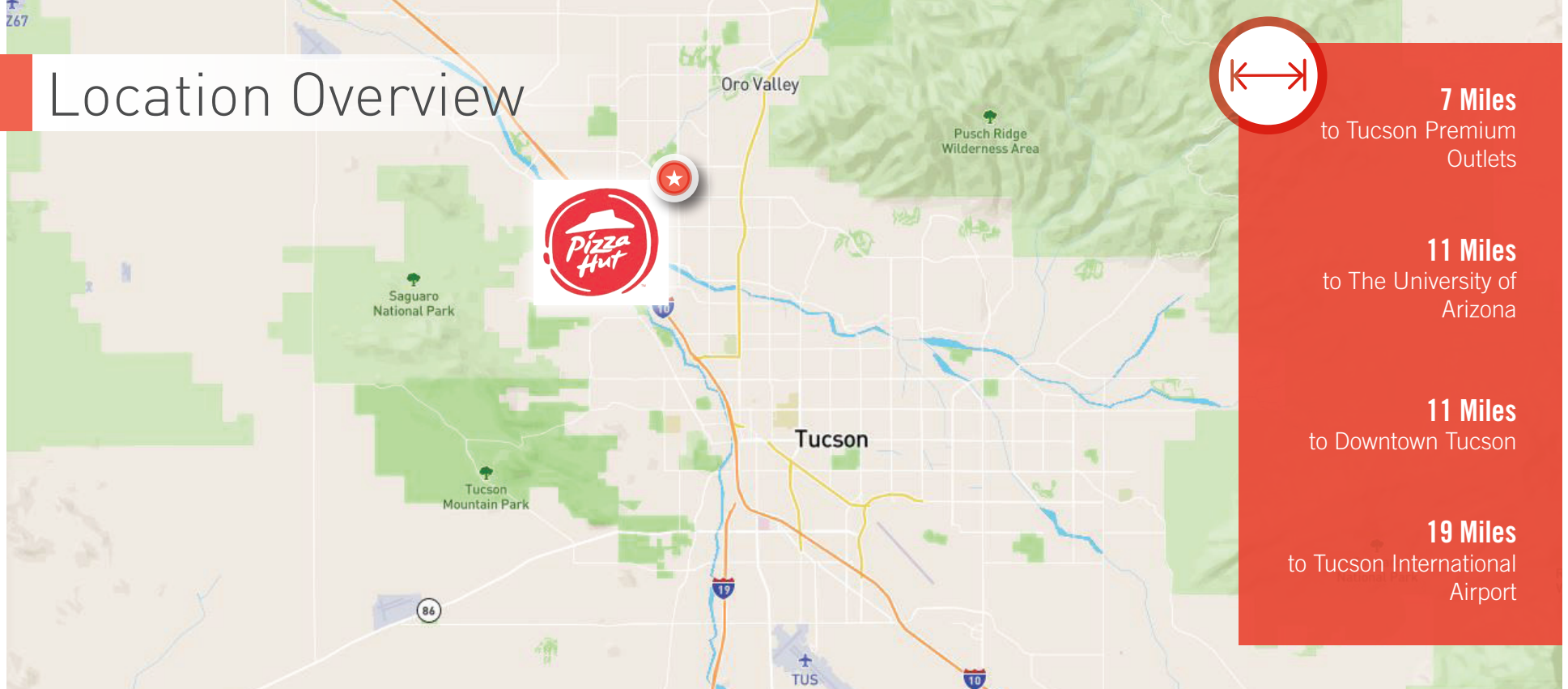
Pizza Hut is an American restaurant chain and international franchise, founded in 1958 in Wichita, Kansas by Dan and Frank Carney. A subsidiary of Yum! Brands, Inc., Pizza Hut delivers more pizza, pasta, and wings than any other restaurant in the world. Pizza Hut is currently the biggest pizza restaurant in the world and operates more than 16,000 restaurants in more than 100 countries. Refusing to blend in with its competitors, Pizza Hut has created unique inventions such as the Stuffed Crust Pizza and delivered the first pizza to the International Space Station in 2001.

Yum! Brands, Inc., based in Louisville, Kentucky, has over 48,000 restaurants in more than 145 countries and territories primarily operating the company's restaurant brands - KFC, Pizza Hut, and Taco Bell - global leaders of the chicken, pizza, and Mexican-style food categories. Worldwide, the Yum! Brands system opens over eight new restaurants per day on average, making it a leader in global retail development. In 2018, Yum! Brands was named to the Dow Jones Sustainability North America Index and ranked among the top 100 Best Corporate Citizens by Corporate Responsibility Magazine.

Property Outline



Location Overview



Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson. Caterpillar, Amazon, Comcast and HomeGoods - all Fortune 500 companies - have added Tucson locations recently.

The University of Arizona is an integral part of Tucson. It has been named a Top 15 US public research institution, and enjoys a large student enrollment of 44,800

students and 11,000 administration staff members and faculty. The University of Arizona's science center in Tucson continues to graduate more students in the optics field than any other similar program in the world. Tucson International Airport (TUS) serves as an international port of entry and offers non-stop service to Phoenix, Los Angeles, San Diego, Las Vegas, San Francisco, Seattle, Salt Lake City, Denver, Minneapolis, Milwaukee, Chicago, Atlanta, Houston, Dallas and Albuquerque.

The nearby community of Marana is known as the most business supportive community in Southern Arizona, home to a number of world-class companies. Marana is among the fastest growing cities in Arizona, growing at a rate of nearly 150 percent since 2000. It is also home to the Forbes 5-Star Rated world-class Ritz-Carlton Dove Mountain resort.

[exclusively listed by]

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