



**1823 WEST HILL AVENUE
VALDOSTA, GEORGIA 31601**

Actual Location

OFFERING MEMORANDUM

CAPITAL MARKETS | NET LEASE PROPERTY GROUP

CBRE



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NET LEASE INVESTMENT OPPORTUNITY IN VALDOSTA

The CBRE Net Lease Property Group is pleased to exclusively offer for sale the 2,285-square-foot Pizza Hut situated on 0.66 acres in Valdosta, Georgia. Located in Lowndes County, the city of Valdosta is nestled on the southern border of Georgia and is the principal city of the Valdosta Metropolitan Statistical Area (MSA Population: 146,174). Pizza Hut's NNN lease features ± 4.8 years of term remaining. The property is positioned with excellent access and visibility at the signalized intersection of West Hill Avenue (22,400) and Norman Drive, where it is just feet from the on-ramp to Interstate 75 (54,900 VPD) and only 2 miles west of downtown Valdosta. Pizza Hut is strategically located adjacent to Sunoco Gas and IHOP, and is directly across from McDonald's, Quality Inn South (48 Rooms), Days Inn (63 Rooms), and Super 8 (72 Rooms). The site benefits from its position within Valdosta's primary retail and commercial corridor with 4.8 MSF of retail, 1.3 MSF of office, 4.4 MSF of industrial, and 3,188 multifamily units within a 3-mile radius. Major retailers within the immediate vicinity include Walmart Supercenter, Sam's Club, Academy Sports + Outdoors, Waffle House, Wendy's, Burger King, Bojangles', Sonic, FedEx, Motel 6 (132 Rooms), Fairfield Inn & Suites (132 Rooms), Holiday Inn (158 Rooms), Cheddar's Scratch Kitchen, Spirit Halloween, and Honda, among others. Pizza Hut is also 2 miles from the Valdosta Mall (the only enclosed regional shopping mall within a 75-mile radius), and is 2.2 miles from the Valdosta State University campus (Enrollment: 11,211). The property is provided with a substantial built-in customer base due to its proximity to the James H Rainwater Conference Center and over 1,000 hotel rooms within walking distance. Pizza Hut further benefits from dynamic demographics with a population of 27,669 and average household income of \$40,228 within a 3-mile radius.



PRICE:
\$1,200,000



CAP:
6.50%



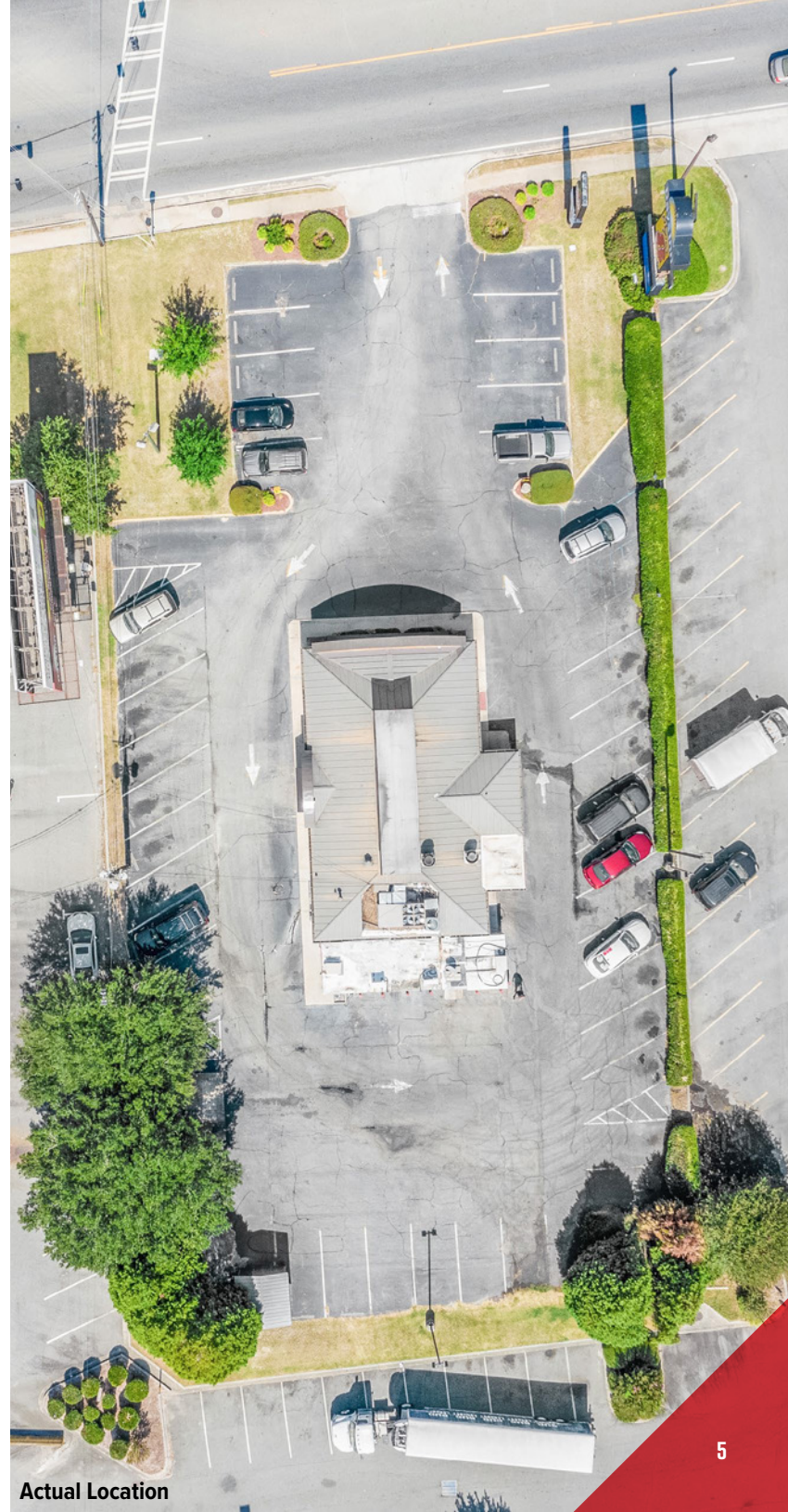
NOI:
\$78,000

PROPERTY SUMMARY

ADDRESS:	1823 West Hill Avenue, Valdosta, GA 31601
TENANT:	NPC International, Inc.
PARKING:	47 Spaces
BUILDING SIZE:	2,285 SF
PARCEL SIZE:	0.66 Acres
YEAR BUILT/RENOVATED:	1976

DEMOGRAPHICS

	1 mile radius	3 mile radius	5 mile radius
POPULATION:	1,581	27,669	60,751
AVERAGE HOUSEHOLD INCOME:	\$32,930	\$40,228	\$46,764



Actual Location

INVESTMENT HIGHLIGHTS

PREMIER TENANT

NPC International is the largest Pizza Hut and Wendy's franchisee with over 1,213 Pizza Hut units in 27 states and over 386 Wendy's in 7 states. The franchisee is the 5th largest restaurant unit operator in the United States and operates roughly 20% of the U.S. Pizza Hut system. NPC opened its first Pizza Hut in 1962, just 4 years after the brand was founded.

BRAND OVERVIEW

Pizza Hut is an American restaurant chain and international franchise that specializes in pizza, pasta, side dishes, and desserts. Today, the chain has 18,515 stores and has become the world's largest pizza chain in regard to number of locations. As of June 30, 2019, Pizza Hut reported TTM total revenues of \$993 million.

Yum! Brands, Inc. (NYSE: YUM) is one of the world's largest restaurant companies and owns KFC, Pizza Hut and Taco Bell. As of June 30, 2019, YUM reported TTM total revenues of \$5.5 billion, TTM net income of \$1.3 billion, and total assets of \$4.6 billion.

NNN LEASE

Pizza Hut's NNN lease features ± 4.8 years of term remaining. No landlord responsibilities.

SEASONED PIZZA HUT LOCATION WITH LOW RENT-TO-SALES

This Valdosta location has been operating since 1976 and boasts extremely healthy rent-to-sales of 6.0%.

EXCELLENT ACCESS/VISIBILITY - POSSIBILITY OF FUTURE REDEVELOPMENT

Two-thirds of an acre positioned with excellent access and visibility at the signalized intersection of West Hill Avenue (22,400) and Norman Drive, where it is just feet from the on-ramp to Interstate 75 (54,900 VPD) and only 2 miles west of downtown Valdosta.

NEAR TERM UPSIDE - NO OPTIONS REMAINING

Pizza Hut has no options left to renew. With strong store sales, this will give the Landlord leverage to renegotiate a new lease or redevelop.

STRATEGIC LOCATION

Pizza Hut is strategically located adjacent to Sunoco Gas and IHOP, and is directly across from McDonald's, Quality Inn South (48 Rooms), Days Inn (63 Rooms), and Super 8 (72 Rooms). Pizza Hut is 2 miles from the Valdosta Mall (the only enclosed regional shopping mall within a 75-mile radius), and is 2.2 miles from the Valdosta State University campus (Enrollment: 11,211).

PRIMARY RETAIL & COMMERCIAL CORRIDOR

The site benefits from its position within Valdosta's primary retail and commercial corridor with 4.8 MSF of retail, 1.3 MSF of office, 4.4 MSF of industrial, and 3,188 multifamily units within a 3-mile radius. Major retailers within the immediate vicinity include Walmart Supercenter, Sam's Club, Academy Sports + Outdoors, Waffle House, Wendy's, Burger King, Bojangles', Sonic, FedEx, Motel 6 (132 Rooms), Fairfield Inn & Suites (132 Rooms), Holiday Inn (158 Rooms), Cheddar's Scratch Kitchen, Spirit Halloween, and Honda, among others.

SUBSTANTIAL BUILT-IN CUSTOMER BASE

The property is provided with a substantial built-in customer base due to its proximity to Interstate 75, and has over 1,000 hotel rooms within walking distance.

DYNAMIC DEMOGRAPHICS

Pizza Hut benefits from dynamic demographics with a population of 27,669 and average household income of \$40,228 within a 3-mile radius.

VALDOSTA, GEORGIA

Located in Lowndes County, the city of Valdosta is the 14th largest city in Georgia and is the principal city of the Valdosta Metropolitan Statistical Area (MSA Population: 146,174). Nestled on the southern border of Georgia, the city is home to Valdosta State University (Enrollment: 11,211; 2.2 miles east of site), which offers associate, bachelor, graduate, and doctoral degrees. Additionally, Valdosta is centrally located between Atlanta, Jacksonville, FL, and Tallahassee, FL.



75
Interstate 75:
54,900 VPD



U-HAUL



ALIGATOU



48 Rooms



184 Rooms



Days Inn
63 Rooms

West Hill Avenue: 22,400 VPD





LEASE SUMMARY

TENANT:	NPC International, Inc.
LEASE EXPIRATION:	July 21, 2024
TERM REMAINING:	±4.8 years
LEASE TYPE:	NNN
CURRENT TERM RENT:	\$78,000
RENT INCREASES:	Flat
REMAINING OPTIONS:	None
TAXES:	Tenant will pay as additional rent during the Term all Impositions levied against the Leased Premises.
INSURANCE:	Tenant will maintain, at Tenant's sole expense, the following policies of insurance: (i) public liability insurance covering the Leased Premises, in the amount of at least \$2,000,000 combined single limit coverage or such higher amounts as may be required pursuant to the Location Franchise Agreement between Tenant and Pizza Hut, Inc. covering the Lease Premises; and (ii) fire insurance with extended coverage endorsement, including vandalism and malicious mischief coverage, on the Lease Premises in an amount equal to the full replacement value of all buildings, excluding foundation and excavation costs.
REPAIRS AND MAINTENANCE:	Tenant will, at its own expense, maintain the interior and exterior of the Leased Premises, including all adjacent sidewalks, in good order and condition, including, without limitation, interior and exterior walls, roof, and parking lot and parking lot improvements.





HOSPITALITY DRIVE



WEST HILL AVENUE: 22,400 VPD





TENANT OVERVIEW

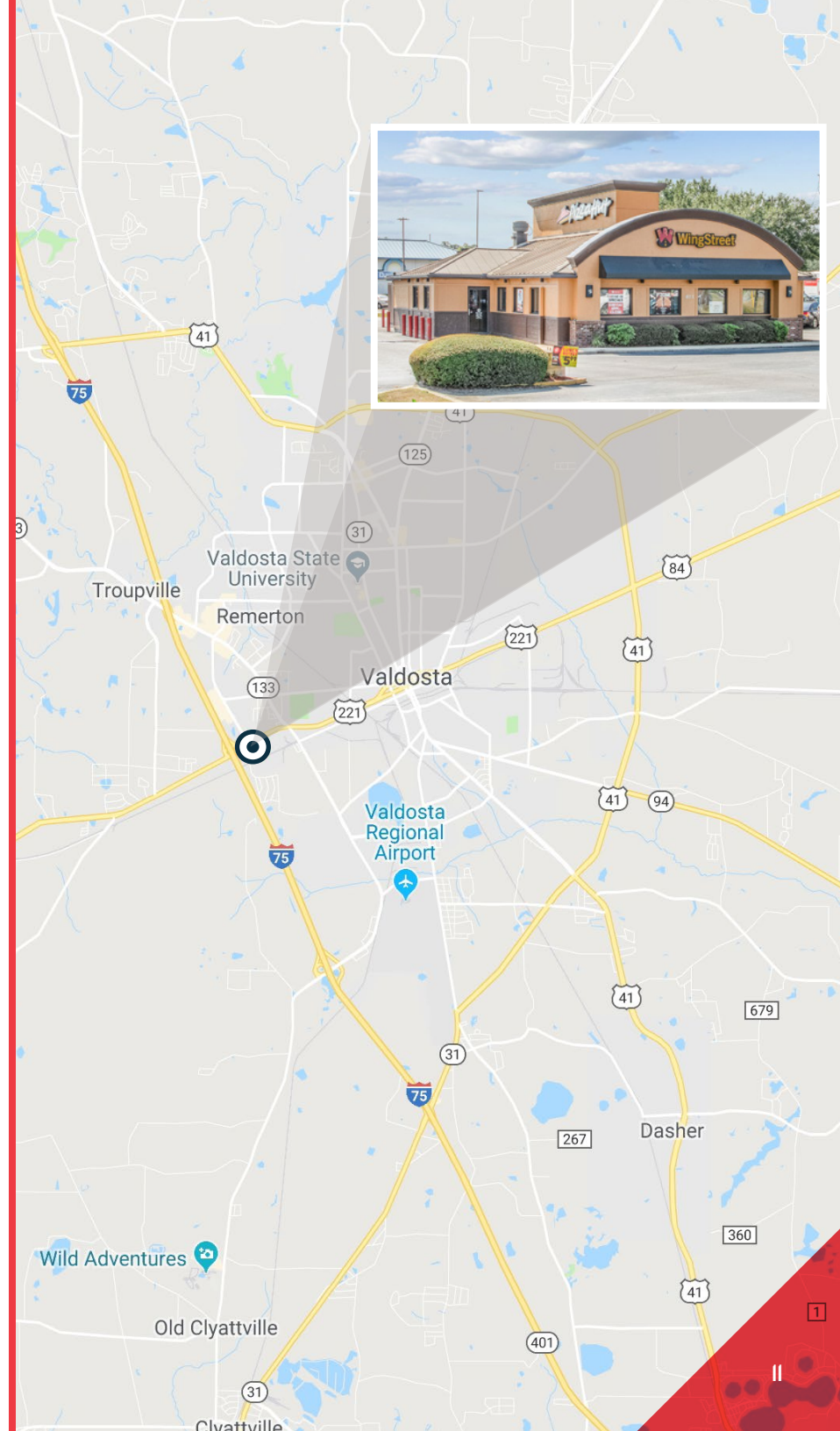
NPC International is the largest Pizza Hut and Wendy's franchisee with over 1,213 Pizza Hut units in 27 states and over 386 Wendy's in 7 states. The franchisee is the 5th largest restaurant unit operator in the United States and operates roughly 20% of the U.S. Pizza Hut system. NPC opened its first Pizza Hut in 1962, just 4 years after the brand was founded.



BRAND OVERVIEW

Yum! Brands, Inc. (NYSE: YUM), which is one of the world's largest restaurant companies and owns Pizza Hut, KFC, and Taco Bell. YUM has over 48,000 restaurants in more than 140 countries. 98% of its units are operated by independent franchisees or licensees. YUM's competitive advantage is framed by four strategic objectives: (1) Building Relevant, Easy and Distinctive Brands; (2) Developing Unmatched Franchise Operating Capability; (3) Driving Bold Restaurant Development; and (4) Growing Unrivaled Culture and Talent. YUM employs approximately 34,000 individuals. As of June 30, 2019, YUM reported TTM total revenues of \$5.5 billion, TTM net income of \$1.3 billion, and total assets of \$4.6 billion.

Pizza Hut is an American restaurant chain and international franchise that specializes in pizza, pasta, side dishes, and desserts. In 1958, the company was founded in Wichita, Kansas by two Wichita State University students, Dan and Frank Carney. Today, the chain has 18,515 stores and has become the world's largest pizza chain in regard to number of locations. Pizza Hut features multiple restaurant formats including the original family-style dine-in locations; storefront delivery and carry-out locations; and hybrid locations with carry-out, delivery, and dine-in options. As of June 30, 2019, Pizza Hut reported TTM total revenues of \$993 million.





Actual Location

VALDOSTA, GEORGIA | MARKET OVERVIEW

Located in Lowndes County, the city of Valdosta is nestled on the southern border of Georgia and is the principal city of the Valdosta Metropolitan Statistical Area (MSA Population: 146,174). Known as the “Azalea City,” Valdosta is known for its abundance of azaleas and hosts an annual Azalea Festival during March. The city is home to Valdosta State University (Enrollment: 11,211), which offers associate, bachelor, graduate, and doctoral degrees. Additionally, Valdosta is centrally located between Atlanta, Jacksonville, FL, and Tallahassee, FL.

Economy

- The region’s economy is anchored by higher education and defense. Trade and transportation are helping maintain growth.
- Despite the nation’s struggle with the growth of e-commerce, Valdosta’s smaller boutique companies have been able to leverage the online economy to support operations through direct sales or marketing. Several small businesses that originated online have opened brick-and-mortar shops downtown.
- While the area’s demographics strengthen, higher education provides a more viable and educated workforce.

Education

- The metro area is served by the Valdosta City and Lowndes County school districts, as well as the Scintilla Charter Academy.
- Valdosta is home to several private schools including Valwood School—an independent college preparatory school, Georgia Christian School, Lighthouse Christian School, Open Bible Christian School, and Highland Christian Academy, among others.
- Fifteen minutes from the Florida border, Valdosta State University offers associate, bachelor, graduate, and doctoral degrees. In addition to Georgia, in-state tuition is provided to residents of Florida, South Carolina, Alabama, and Tennessee.
- Wiregrass Georgia Technical College and the Embry-Riddle Aeronautical University-Worldwide: Moody Campus are also located within the area.



TOP EMPLOYERS

OF EMPLOYEES

MOODY AIR FORCE BASE	5,500
SOUTH GEORGIA MEDICAL CENTER	2,875
VALDOSTA STATE UNIVERSITY	1,545
FRESH BEGINNINGS	1,100
LOWE’S COMPANIES	906
WILD ADVENTURES	800
WALMART INC.	750
WIREGRASS GEORGIA TECHNICAL COLLEGE	500
COVERGYS CORP.	400
PACKAGING CORP OF AMERICA	340

Source: Moody’s Analytics, 2019

AFFILIATED BUSINESS DISCLOSURE

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CONFIDENTIALITY AGREEMENT

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc. nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

DISCLAIMER

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