



TACO BELL

HANCEVILLE, ALABAMA (GREATER BIRMINGHAM)

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM



ACTUAL SITE

\$1,920,000 | 5.00% CAP RATE

- » 25-Year Absolute NNN Lease with 1% Annual Rental Increases
- » No Landlord Management
- » Operated by Taco Bell's Largest Franchisee (350+ Units)
- » High-Traffic Location at Signalized Hard Corner
- » Central Location in Prime Commercial Corridor
- » Directly Across from Wallace State Community College (5,301 Students and 620 Employees)
- » Near Major Tourist Attractions
- » Strong Greater Birmingham Market
 - » Located in One of Alabama's Fastest Growing Counties
- » New 2019 Construction Featuring Dedicated Drive-Thru

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") 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 a 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. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective 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.

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INVESTMENT SUMMARY

ADDRESS	702 Main Street Northeast, Hanceville, Alabama	
PRICE	\$1,920,000	
CAP RATE	5.00% return	
NOI	\$96,000	
TERM	25 years	
RENT COMMENCEMENT	March 19, 2019	
LEASE EXPIRATION	February 10, 2044	
RENTAL INCREASES	1% annual rental increases	
	YEAR	RENT
	1-25	1% annual rental increases
	26-30 (Option 1)	1% annual rental increases
	31-35 (Option 2)	1% annual rental increases
	36-40 (Option 3)	1% annual rental increases
	41-45 (Option 4)	1% annual rental increases
	46-50 (Option 5)	1% annual rental increases
	51-55 (Option 6)	1% annual rental increases
YEAR BUILT	2019	
BUILDING SF	2,780 SF	
PARCEL SIZE	1 acre (43,560 SF)	
LEASE TYPE	Absolute NNN, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot	

LONG-TERM ABSOLUTE NNN LEASE

- » 25-year NNN lease with absolutely no landlord management, providing an ideal investment for an out-of-area investor
- » Operated by Taco Bell's largest franchisee, with over 350 units
- » Rare annual rental increases, providing an excellent hedge against inflation

HIGH-TRAFFIC LOCATION AT SIGNALIZED HARD CORNER

- » Strategically located at the signalized hard corner of College Drive and U.S. Route 31, with excellent visibility and access to 14,010 vehicles per day
- » U.S. Route 31 is Hanceville's prime commercial corridor
- » Directly adjacent to Dollar Tree and is within walking distance of well-known retailers like McDonald's, AT&T, O'Reilly Auto Parts, Dollar General Market, and several others

ACROSS FROM MAJOR COLLEGE AND NEAR TOURIST ATTRACTIONS

- » Directly across from Wallace State Community College, the third largest community college in the state of Alabama, with 5,301 students and 620 employees
- » Across from The Evelyn Burrow Museum, which attracts a growing audience from the community and beyond, with more than 10,000 visitors annually
- » Less than five miles from the Shrine of the Blessed Sacrament, a cathedral-like chapel on Our Lady of the Angels Monastery Farm in Hanceville, which is visited by more than 80,000 people per year

NEW 2019 CONSTRUCTION

- » 2019 construction featuring a dedicated drive-thru, providing additional customer convenience and boosting sales revenue
- » Features latest store designs and concepts
- » New building, limiting near-term deferred maintenance or capital costs



ACTUAL SITE



DOWNTOWN
CULLMAN
(8 miles)


Walmart 
DISTRIBUTION CENTER



(5,301 students and 620 employees)



Hanceville Plaza






(42 rooms)

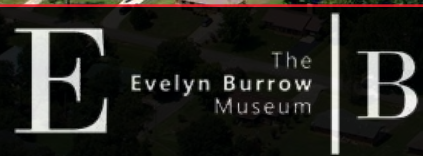
















31 / U.S. Route 31 (14,010 AADT)

College Drive





(5,301 students and 620 employees)

E The Evelyn Burrow Museum **B**

College Drive

31 / U.S. Route 31
(14,010 AADT)



SITE PLAN



U.S. HIGHWAY 31

POLE
SIGN

OUTDOOR
PATIO


TACO BELL
2,780 SF

DRIVE-THRU

DRIVE-THRU

COLLEGE DRIVE NORTHEAST



TENANT SUMMARY



Taco Bell Corp.—a subsidiary of the world’s largest restaurant company, Yum! Brands, Inc. (NYSE: “YUM”)—is the nation’s leading Mexican-inspired quick service restaurant (QSR) brand. From breakfast to late night, Taco Bell serves made-to-order and customizable tacos, burritos, and other craveable choices. Taco Bell proudly serves over two billion customers each year in 6,577 restaurants across the nation, as well as through its mobile, desktop, and delivery ordering services. Overseas, Taco Bell has over 495 restaurants, with plans to add 2,000 more restaurants internationally within the next decade. In 2016, Taco Bell was named as one of Fast Company’s Top 10 Most Innovative Companies in the World.

A Fortune 500 corporation, Yum! Brands, Inc. operates the licensed brands Taco Bell, KFC, and Pizza Hut worldwide, with over 48,000 restaurants in more than 140 countries and territories.

The franchisee for the subject property is Tacala, LLC, one of the largest Taco Bell franchisees, operating over 350 restaurants across the Southeast United States and Texas. Tacala is owned by Altamont Capital Partners, a private equity firm with over \$2.5 billion of capital under management.

For more information, please visit www.tacobell.com and www.tacala.com.

OWNERSHIP	Yum! Brands, Inc.	LOCATIONS	6,738
REVENUE	\$2.03B	HEADQUARTERS	Irvine, CA

LEASE ABSTRACT

TENANT	Tacala, LLC	
ADDRESS	702 Main Street Northeast, Hanceville, Alabama	
RENT COMMENCEMENT	March 19, 2019	
LEASE EXPIRATION	February 10, 2044	
RENEWAL OPTIONS	Six (6) five (5) year options	
RENTAL INCREASES	YEAR 1-25 26-30 (Option 1) 31-35 (Option 2) 36-40 (Option 3) 41-45 (Option 4) 46-50 (Option 5) 51-55 (Option 6)	RENT 1% annual rental increases 1% annual rental increases 1% annual rental increases 1% annual rental increases 1% annual rental increases 1% annual rental increases 1% annual rental increases
REAL ESTATE TAXES	Tenant is responsible for all taxes.	
INSURANCE	Tenant is responsible for all insurance.	
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance and repair, including roof, structure, and parking lot.	
MAINTENANCE BY LANDLORD	None	
RIGHT OF FIRST REFUSAL	None	

PROPERTY OVERVIEW

LOCATION

The property is strategically located at the signalized hard corner of College Drive and U.S. Route 31, with excellent visibility and access to 14,010 vehicles per day. U.S. Route 31 is Hanceville's prime commercial corridor. The property is directly adjacent to Dollar Tree and is within walking distance of well-known retailers like McDonald's, AT&T, O'Reilly Auto Parts, Dollar General Market, and several others.

The property is centrally located near major employers and community amenities. The property is directly across from Wallace State Community College, the third largest community college in the state of Alabama, with 5,301 students and 620 employees. The property is also across from The Evelyn Burrow Museum, which offers a unique collection of decorative arts from the Victorian era to modern times, from fine examples of delicately crafted porcelain to artful everyday wares. By presenting a wide range of fine and decorative art exhibitions, The Evelyn Burrow Museum attracts a growing audience from the community and beyond, including increasing visits from guests across the country and around the world, with more than 10,000 visitors annually. Additionally, the property is less than five miles from the Shrine of the Blessed Sacrament, a cathedral-like chapel on Our Lady of the Angels Monastery Farm in Hanceville, which is visited by more than 80,000 people per year.

ACCESS

Access from U.S. Route 31 and College Drive Northeast

TRAFFIC COUNTS

U.S. Route 31: 14,010 AADT

PARKING

31 parking stalls, including two (2) handicap stalls

YEAR BUILT

2019

NEAREST AIRPORTS

Birmingham—Shuttlesworth International Airport (BHM) and Huntsville International Airport (HSV)



31
PARKING
STALLS



2019
YEAR BUILT



14K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
BIRMINGHAM—
SHUTTLESWORTH
INTERNATIONAL
AIRPORT AND
HUNTSVILLE
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Hanceville is a city in Cullman County, Alabama. U.S. Route 31 passes through the city, leading north nine miles Cullman, the county seat, and south 14 miles to Smoke Rise. Located in the heart of North Alabama, Cullman County is centrally positioned on Interstate 65 between two of the state's largest cities (Huntsville and Birmingham). Ranking among the highest nationally and regionally in poultry, sweet potato, and agriculture production, Cullman County is also known for its school systems and parks, which are among the best in the state. Hanceville is home to Wallace State Community College, the third largest community college in the state of Alabama, with an enrollment of around 6,000 students.

Cullman County comprises the Cullman Micropolitan Statistical Area, which is a component of the Birmingham-Hoover-Talladega Combined Statistical Area (CSA), also known as Greater Birmingham. Greater Birmingham had an estimated population of 1,325,786 in 2018, making it the largest population region in Alabama, constituting over 27% of the state's population. The economy of Greater Birmingham is the most diversified of any metropolitan area in Alabama, ranging from service industries such as banking and finance to health-related technological research and heavy industry. Birmingham ranks as one of the most important business centers in the Southeastern United States and as one of the largest banking centers in the nation. Birmingham is also the retail, cultural, and entertainment capital of Alabama. The Birmingham metro area has consistently been rated as one of America's best places to work and earn a living, based on the area's competitive salary rates and relatively low living expenses.

- » More than 80,000 tourists come to Hanceville per year to visit the Shrine of the Blessed Sacrament, a cathedral-like chapel on Our Lady of the Angels Monastery Farm.
- » Cullman County is one of Alabama's fastest growing counties.
- » The Birmingham region constitutes the largest economy in Alabama, making up over 30% of the state's total gross domestic product (GDP).

MAJOR EMPLOYERS IN GREATER BIRMINGHAM

OF EMPLOYEES

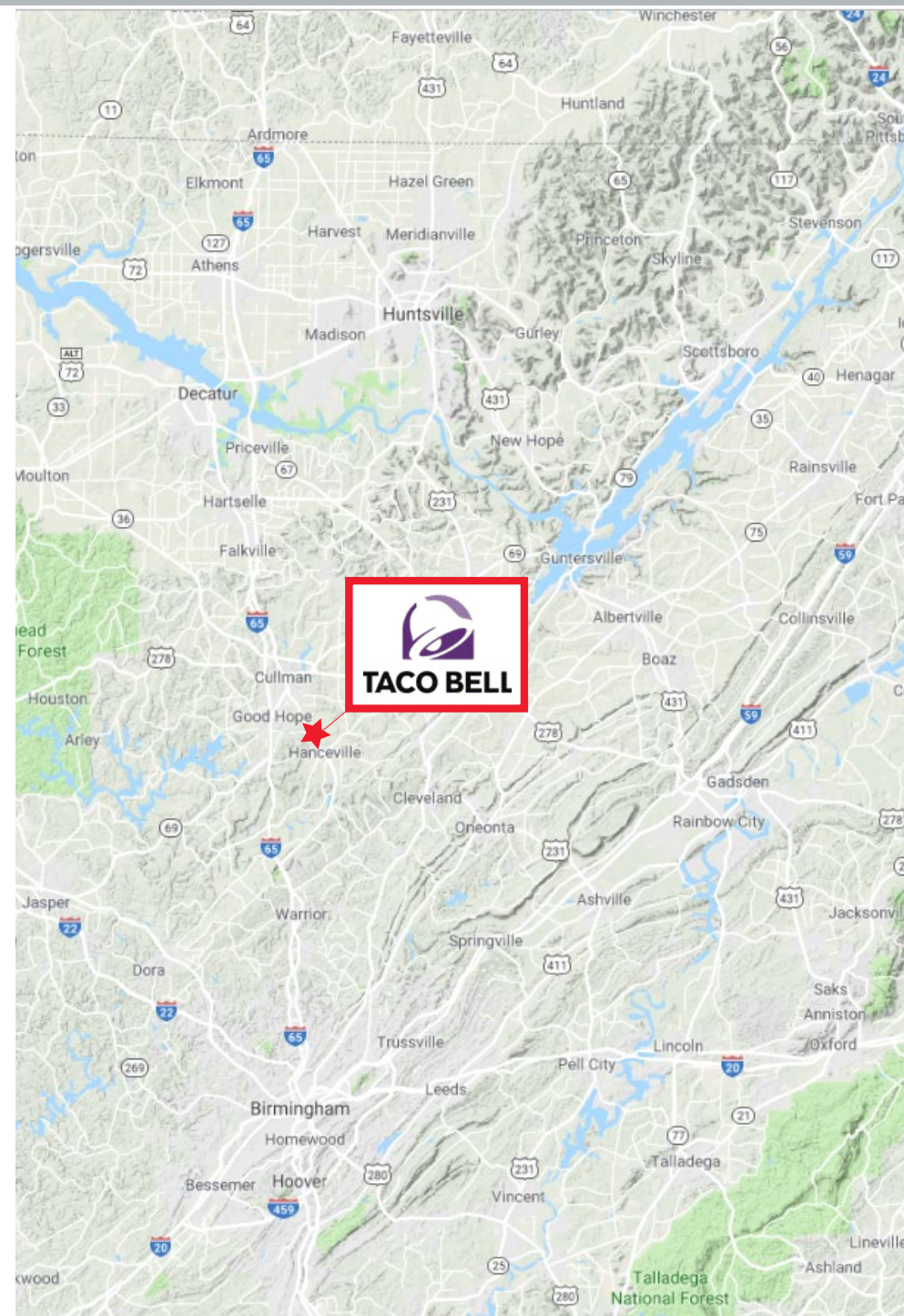
UNIVERSITY OF ALABAMA AT BIRMINGHAM	23,000
REGIONS FINANCIAL CORPORATION	9,000
ST. VINCENT'S HEALTH SYSTEM	5,100
CHILDREN'S OF ALABAMA	5,000
AT&T	4,517
HONDA MANUFACTURING OF ALABAMA	4,500
BROOKWOOD BAPTIST HEALTH	4,459
JEFFERSON COUNTY BOARD OF EDUCATION	4,400
CITY OF BIRMINGHAM	4,200
MERCEDES-BENZ U.S. INTERNATIONAL	3,600



DEMOGRAPHIC PROFILE

2019 SUMMARY	1 Miles	3 Miles	5 Miles
Population	1,995	6,480	11,432
Households	856	2,541	4,420
Families	450	1,611	2,970
Average Household Size	2.03	2.41	2.50
Owner Occupied Housing Units	384	1,530	2,932
Renter Occupied Housing Units	472	1,010	1,487
Median Age	40.1	40.4	41.5
Average Household Income	\$46,264	\$48,451	\$51,182

2024 ESTIMATE	1 Miles	3 Miles	5 Miles
Population	2,056	6,693	11,799
Households	882	2,618	4,548
Families	460	1,650	3,038
Average Household Size	2.04	2.42	2.51
Owner Occupied Housing Units	393	1,586	3,031
Renter Occupied Housing Units	489	1,032	1,516
Median Age	41.2	41.9	43.1
Average Household Income	\$51,607	\$53,191	\$55,711



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