



Representative Photo

# Investment Offering - Single Tenant

191 Disc Drive | Sparks, NV 89436

For Sale By Owner:

Joshua Volen, President | (858) 367-5901 | CA BRE #01437000

**CIRE** | Partners  
COMMERCIAL INVESTMENT REAL ESTATE

# Investment Offering - Single Tenant

191 Disc Drive | Sparks, NV 89436

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# property snapshot

**191 Disc Drive | Sparks, NV**

**Built in 2006**

**±2,227 SF Located on 1.15 Acres**

**Single-Tenant Net Leased - Retail**

**Fee Simple Ownership**



CIRE Partners is pleased to exclusively offer for sale a single tenant net leased asset located in the Sparks Galleria retail center in Sparks, NV. The subject property consists of an approximately 2,227 SF building on a 1.15 acre parcel located at 191 Disc Drive. Taco Bell occupies 100% of the property on a ±8 years remaining lease term and 4 remaining options.

The subject property is strategically located on Disc Drive benefiting from three primary points of entry to the property including one signalized entrance at Galleria Parkway. The Sparks submarket has become the talk of northern Nevada as investment by technology behemoths Apple, Google, and Tesla has served as the catalyst to great economic and residential growth. The recent business activity has provided new economic and residential expansion in the area.

Taco Bell Corporation is a subsidiary of Yum! Brands, Inc., (NYSE: YUM) which also owns the likes of Pizza Hut and KFC. Taco Bell's aggressive growth goals have been announced to expand as a system to operate approximately 9,000 stores and aim to create an additional 100,000 new American jobs by 2022. The tenant mix at Sparks Galleria features a diverse collection of national retailers and restaurants including Sprouts Farmers Market, Marshalls/HomeGoods, T-mobile, Starbucks, GameStop, Fitness Connection, Round Table, IHOP, Kay Jewelers, Salons by JC, Qdoba and more.

## pricing summary

<b>Purchase Price</b>	<b>\$3,630,000</b>
<b>NOI</b>	<b>\$181,500</b>
<b>CAP rate</b>	<b>5.00%</b>
<b>Lease Term</b>	<b>±8 Years Remaining</b>

# investment overview

Address	191 Disc Drive   Sparks, NV 89436
APN	510-483-02
Square Footage	±2,218 SF
Year Built	2006
Purchase Price	\$3,630,000
CAP Rate	5.00%
NOI	\$181,500
Parking	42 Spaces (18.93/1,000)
Zoning	RCSO
Lease Type	Absolute NNN
Remaining Lease Term	±8 Years
Traffic Counts	Disc Drive: ±8,273 ADT Pyramid Way: ±34,985 ADT

Year(s)	Dates	Monthly Rent	Rate	NOI	CAP Rate
<b>Current</b>	<b>09/12/2018 - 09/11/2023</b>	<b>\$15,125.00</b>	<b>\$6.79 / SF</b>	<b>\$181,500</b>	<b>5.00%</b>
16 - 20	09/12/2023 - 09/11/2028	\$16,637.50	\$7.47 / SF	\$199,650	5.50%
Option 1	09/12/2028 - 09/11/2033	\$18,301.25	\$8.25 / SF	\$219,615	6.05%
Option 2	09/12/2033 - 09/11/2038	\$20,131.38	\$9.07 / SF	\$241,576	6.65%
Option 3	09/12/2038 - 09/11/2043	\$22,144.51	\$9.98 / SF	\$265,734	7.32%
Option 4	09/12/2043 - 09/11/2048	\$24,358.96	\$10.98 / SF	\$292,307	8.05%

## investment highlights

- Absolute NNN Lease with fixed 10% increases every five years
- Strong Franchise Lease Guaranty
- No Landlord Responsibilities: Tenant responsible for property taxes, insurance, HVAC, roof and structure, parking lot and common area maintenance.
- Recent area development of new economic and residential expansion in the Sparks, Nevada area
- Property is within close proximity to a newly developed shopping center anchored with Sprouts and Marshall / HomeGoods which drives a high amount of traffic to the Taco Bell location
- Sparks Galleria features a diverse collection of national retailers and restaurants, including Sprouts Farmers Market, Marshalls/HomeGoods, T-mobile, Starbucks, GameStop, Fitness Connection, Round Table, IHOP, Kay Jewelers, Salons by JC, Qdoba and more



## lease abstract

Tenant	Taco Bell
Lease Commencement	August 1, 2008
Lease Expiration	September 11, 2028
Lease Type	Absolute NNN
Current Annual NOI	\$181,500
Renewal Option	Four - 5 Year Options
Landlord Responsibilities	None
Guarantor	Franchise

location map





location aerial





property aerial





## Sparks, NV

The beautiful and family-oriented city of more than 92,000 residents is located in the Truckee Meadows between the Carson and Virginia Mountain Ranges at an elevation of nearly 4,500 feet, less than an hour from Lake Tahoe. They share their beautiful valley on the eastern slope of the Sierra with our neighbor to the west, Reno. The climate is mild, with lots of sun, low humidity and rainfall, and a full four seasons. The City is the closest metropolitan area to the Tahoe-Reno Industrial Center, home to Tesla Motors gigafactory. Sparks is also in proximity to prominent higher-education institutions to include the University of Nevada, Reno, a Tier One university. Since the 1990's Sparks has grown tremendously, offering residents and visitors a wide array of services and activities. Sparks was reported as the fastest growing city in Nevada between 1999 - 2008 and continues to grow. The city's Community Services and Planning Department and the Sparks Redevelopment Agency work closely with current business owners and new developers to provide a 'business friendly' environment within which to pursue responsible economic activities. The Sparks industrial area provides many opportunities for a wide range of businesses to open or expand their operations in western Nevada, with excellent commercial and cargo air (Reno-Tahoe International Airport), surface (I-80 and U.S. 395) and rail (Union Pacific) transportation at one's doorstep.

Sparks is also well known for its outstanding Parks and Recreation system designed to appeal to young and old alike, with numerous neighborhood parks, regional sports facilities and an unusually large number of fun and exciting recreation programs. Opened in 2009 is the Whitewater Park at Rock Park. Along with pools for kayaking, tubing and rafting for all skill levels, the new features include improved riverbank landscaping, shade and play structures. New to the growing list of recreational activities is the Golden Eagle Regional Park, located on 450 acres east of Wingfield Springs, south of Vista Boulevard. The facility consists of six softball fields, four baseball fields, two youth baseball/softball fields, stadium-size soccer/football field and two multi-purpose fields, along with volleyball and bocce ball. Another wonderful destination park is the picturesque Sparks Marina. Eighty acres of water accommodate swimming, boating, fishing, scuba diving and picnicking facilities, and breath-taking views of the nearby mountains. Few other cities in the country can offer such an amenity to its residents and visitors.

The future for Sparks Galleria is bright as recent business activity has provided new economic and residential expansion in the area. Business expansion leads to new employment and housing starts. There are more than 16,000 new units planned or under construction with another 3,600 units pending approval in the Sparks/Spanish Springs area that will have a positive impact on area retail. Of those 16,000 units, more than 86% are in the Sparks Crossing trade area.





In addition to its significant influx of major new businesses, the region prides itself on its life-work balance. Nevada now reports a 3.9% unemployment rate coinciding with an estimated 2.6% annual employment growth and Washoe County's unemployment rate was 3.5% as of July 2018. Recent tech and construction activity has surged the economy and GDP has shown significant continual growth (\$147.5 billion in 2016 - a 13% jump from \$128.3 billion in 2006). - *Nevada Business Times*

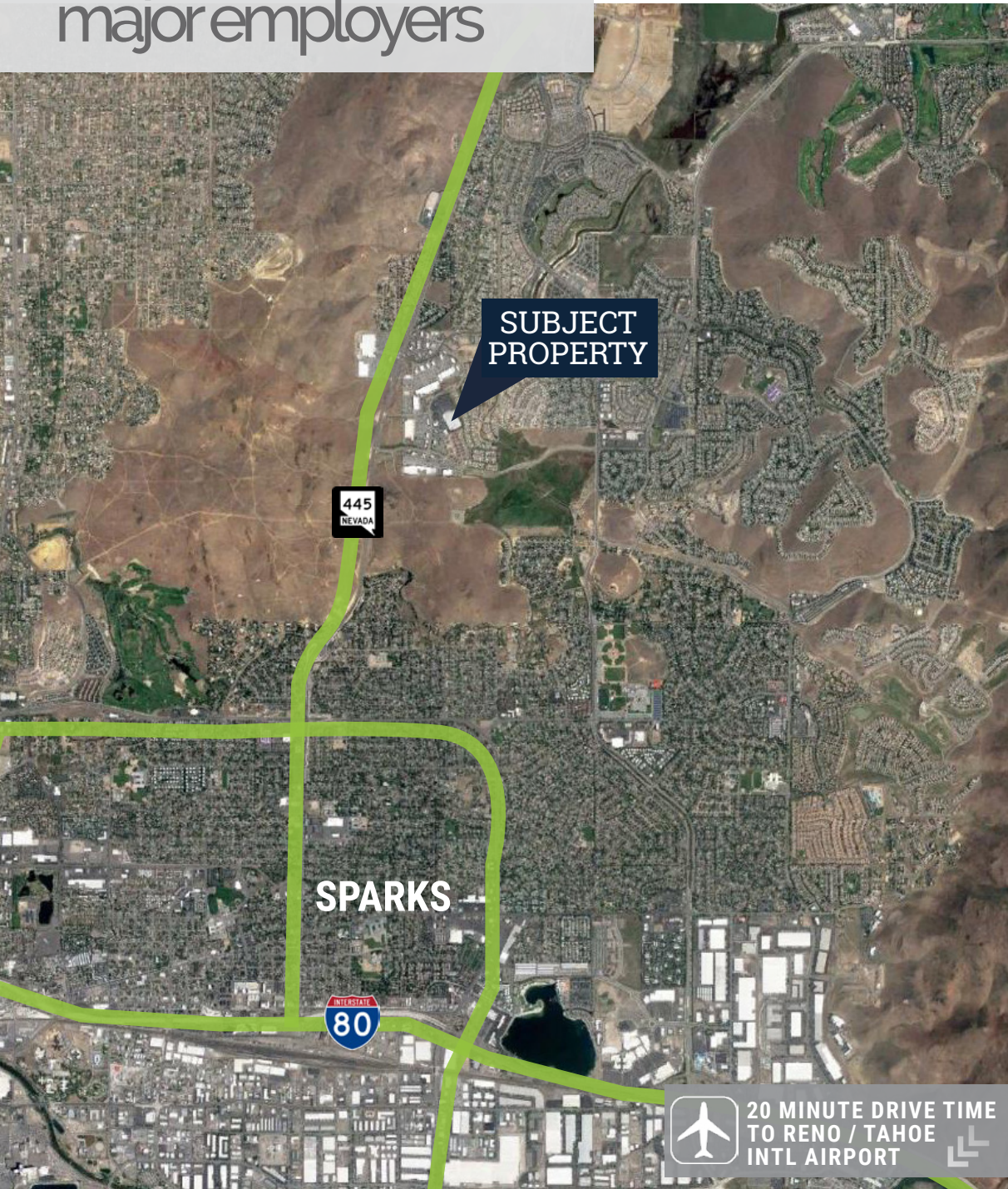
## Northern Nevada Tech Boom

- Tesla in partnership with Panasonic, is building a \$5 billion “gigafactory” in the Nevada desert outside of Reno, which will generate ±6,500 jobs.
- eBay plans to invest more than \$400 million in Nevada State to expand its data operations.
- Switch Supernap is in the process of building its \$1 billion SUPERNAP data center – expected to be the largest data center in the world once complete – the project will be built in seven phases totaling 7.2 million square feet and is located in the Tahoe Reno Industrial Center.
- Amazon Reno Fulfillment Center built a new 630,000 square foot warehousing center.
- Google recently purchased 1,210 acres of land at the Tahoe Reno Industrial Center; plans for the site are not yet known.
- Apple Data Center announced their plans in May, 2017, to invest \$1 billion in expanding its data center that already houses their massive iCloud facility in the Reno Technology Park – this will add an additional 100 jobs.
- Block Chain recently purchased 67,125 acres in the Tahoe Reno Industrial Center for their new corporate headquarters and software design research center.
- Unmanned Aerial Systems Designation, FAA approved a test site for developing drones and unmanned aerial vehicles. Research project drones projected to become an \$11.5 billion industry by 2025
- Nuance Drone and Virtual Reality Lab, a JV between NASA and UN Reno and tackles airspace management research and connects NASA’s airspace simulation
- Zulily e-Commerce giant employees 1,000+ people in its 707,000 SF distribution facility in the Tahoe Reno Industrial Center
- Rockspace Data Center plans to build a \$422 million, 150,000 SF data center at Reno Technology Park.
- Thrive Market dubbed “Whole Foods meets Costco” online retailer for natural and organic products relocated its 325,000 SF facility from Commerce, CA. The facility will be staffed with 400 employees and projected to provide the region with a total economic impact of \$870 million its first ten years.





## major employers



## Employers within a 20 minute drive time



**\$1.0B** total investment  
**10-YEAR** development plan



**\$5.0B** Gigafactory  
**6,500+** local employees



**\$3.0B** total investment  
**7.20 MSF** world's largest data center



**\$422.0M** data center expansion  
**\$95.5M** total payroll



**\$100M** total investment  
**630,000 SF** fulfillment anchor



# housing supply

SPANISH SPRINGS SUBREGION

UNDER CONSTRUCTION

APPROVED

PENDING

DEVELOPERS



D·R·HORTON®

*America's Builder*SUNROAD  
ENTERPRISES

LENNAR®

TANAMERA  
CONSTRUCTION, LLC  
MEMBER LICH 70017Toll Brothers  
AMERICA'S LUXURY HOME BUILDER®

## New Housing Supply

- 3,959 Units Under Construction
- 4,748 Units Approved
- 8,218 Units Pending Approval

## Rapid Population Growth

- 50,000 5-Year Increase in Population  
(11% increase)

## Future Housing Need

- Additional 9,000 homes per year are needed

SUBJECT  
PROPERTY



# nearby employers



Tesla/Panasonic selected Northern Nevada as their location for the world's largest Gigafactory focusing on manufacturing of cutting edge technologically advanced energy storage. The first of several buildings at 3 million square feet is currently under construction and will open in 2016. The project is expected to create up to 20,000 jobs. The economic impact of Tesla is so large that it will add 20% to the region's GDP.



Switch is under construction with the world's largest data center at 1.2 million square feet. Switch has committed to constructing a total of 7 buildings and 6.49 million square feet of high tech data campus on 1,000 acres. The company is expected to hire thousands of employees. Due to its location in Northern Nevada Switch is also constructing a fiber hyperlink which will connect Reno, Las Vegas, Los Angeles and San Francisco in under 7 milliseconds.



Apple acquired 345 acres in the 2,300 acre Reno Technology Park and is currently under construction on its \$1 billion iTunes data center. Additionally, Apple's Braeburn Capital, its money management division, is headquartered in south Reno investing billions in this tax free state.



Google acquired ±1,210 acres of land which will house a future data center.



Ghost Systems, a cyber security data firm, recently moved its headquarters to Reno and plans to construct a larger underground data center in the Reno Technology Park. Economic Development officials anticipate this company to be a large high tech employer.



Clear Capital with 400 finance and technology jobs recently moved its headquarters to Class A office space in Downtown Reno.



Microsoft Licensing moved its headquarters to Reno a decade ago and now has 500 employees. The company licenses software worldwide from its 120,000 square foot campus in south Reno.



International Game Technology is the world's largest gaming company. Its Reno campus at 1 million square feet houses both R&D and manufacturing groups.



Renown Health is the largest healthcare provider in the region. The company currently employs 5,600 and continues to aggressively expand in the region.



Sierra Nevada Corporation is one of the nation's largest defense contractors and is headquartered in Sparks, Nevada. It has 3,000 employees, most of whom are scientists, engineers, or technical personnel with college or advanced degrees.



Intuit Payroll Services has been headquartered in Reno since 2001. It now has 600 employees located in 150,000 square feet of office space.



# tenant profile

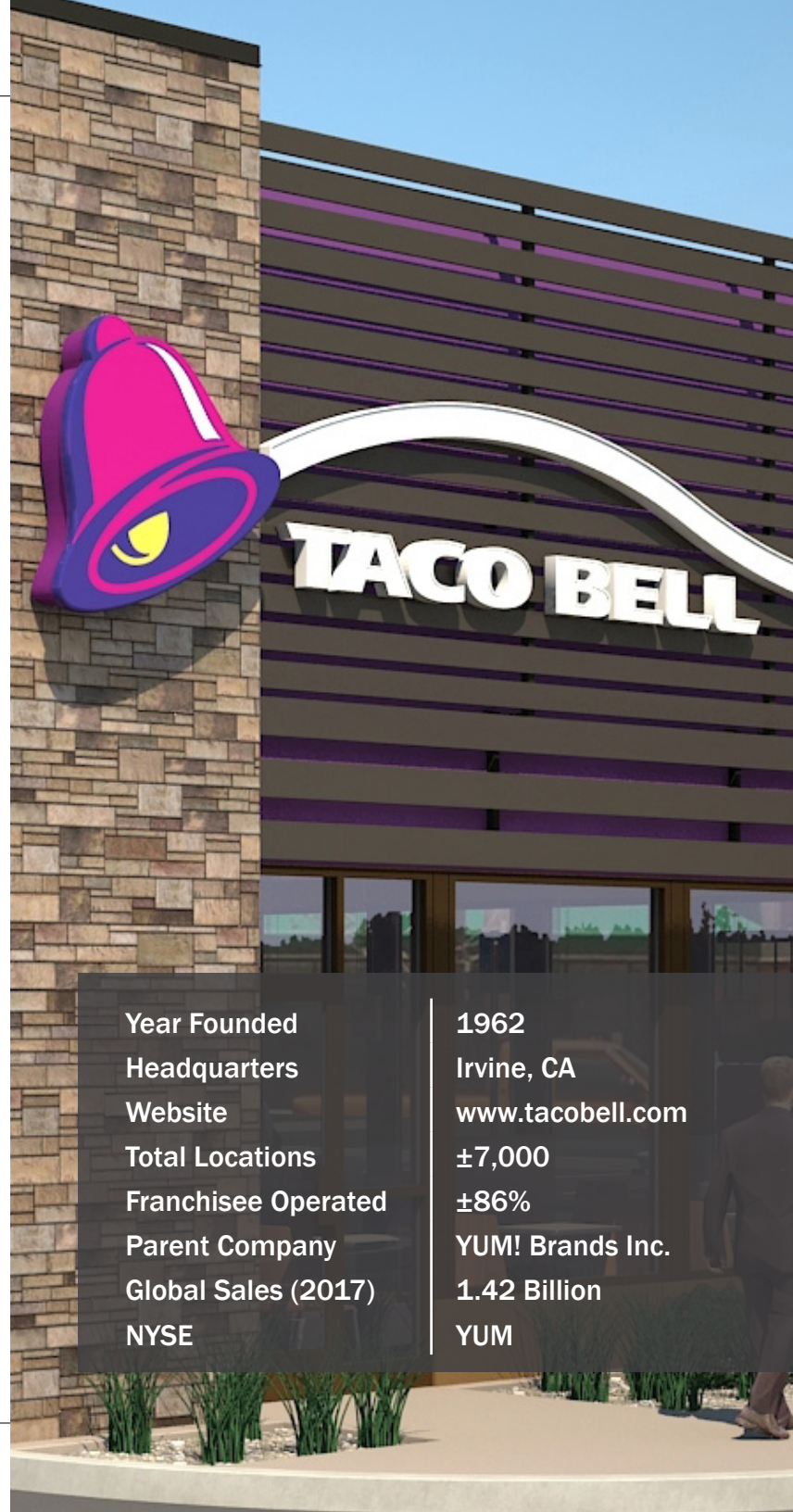
Taco Bell Corporation is a subsidiary of Yum! Brands, Inc., (NYSE: YUM) which also owns the likes of Pizza Hut and KFC. In 2017 Taco Bell outperformed its siblings under the YUM! Brands, Inc. umbrella by boasting an overall robust 8% same store sales increase (Stores open more than a year), surpassing its initial projection of 3.7% growth during the fiscal year.

The founder of Taco Bell, Glen Bell, started with a hot dog stand in San Bernardino, California in 1946. After experimenting with alternative food items, he opened three Taco-Tia stands (his initial attempts were named for his daughter) between 1954 and 1955, which he later sold to his partners. He then opened the first Taco Bell in Downey, California on March 21, 1962. Glenn Bell would go on to sell Taco Bell to PepsiCo in 1978. In October of 1997, PepsiCo announced a spin-off of its three franchises –KFC, Pizza Hut, and Taco Bell –which combined them into one new publicly owned company, Tricon Global Restaurants, Inc. In May of 2002, Tricon Global Restaurants Inc. changes its name to Yum! Brands, Inc.

Since the company's inception, Taco Bell has led the quick service restaurant industry by offering inventive Mexican inspired burger-alternative foods for customers seeking made to order and customizable tacos, burritos, and specialties such as the exclusive Doritos® Locos Tacos, a gourmet-inspired Cantina Power® Menu and lower calorie Fresco options. Taco Bell's successful breakfast debut offers portable, iconic items such as the A.M. Crunchwrap, Biscuit Taco, Breakfast Stackers, and exclusive signature protein-packed Naked Egg Taco.

Taco Bell encourages customers to “Live Más,” both through its food and community outreach programs aimed to give back to their loyal consumers and employees with such programs as their Feed The Beat® music program, the non-profit Taco Bell® Foundation™, their College football inspired Live Mas Student Section®, Taco Bell's employee Live Mas Scholarship fund, and Video Game sponsorship program Feed the Beta®.

More than 350 franchise organizations (as of 2017 make up roughly 86% of total stores) operate nearly 6,000 restaurants across the United States that proudly serve more than 46+ million customers every week. Taco Bell's aggressive growth goals have been announced to expand as a system to operate approximately 9,000 stores and aim to create an additional 100,000 new American jobs by 2022.



**Year Founded**

**1962**

**Headquarters**

**Irvine, CA**

**Website**

**[www.tacobell.com](http://www.tacobell.com)**

**Total Locations**

**±7,000**

**Franchisee Operated**

**±86%**

**Parent Company**

**YUM! Brands Inc.**

**Global Sales (2017)**

**1.42 Billion**

**NYSE**

**YUM**



