



TACO BELL GROUND LEASE

BROOKFIELD, WISCONSIN

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$1,667,000 | 4.50% CAP RATE

- » 25-Year NNN Ground Lease with Rental Increases Every Five Years
 - » Leased to 298-Unit Franchisee
 - » Guaranteed by 231-Unit Taco Bell Entity
 - » Assignment: Tenant Shall Remain Liable Under the Terms of This Lease
- » Irreplaceable Infill Location in Populous, Affluent, and Growing Area
 - » 240,030 Residents Within a Five-Mile Radius of the Property
 - » Prominent Location Along North 124th Street and West Lisbon Road (28,100 AADT)
- » Central Location Near Large Retailers, Employers, and Community Hubs
 - » Within a Five-Mile Radius of 10 Major Shopping Centers with a Combined 4.6 Million SF of Retail Space and 503 Stores
 - » 10 Miles from Downtown Milwaukee and Lake Michigan



ACTUAL SITE

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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	4025 North 124th Street, Brookfield, Wisconsin		
PRICE	\$1,667,000		
CAP RATE	4.50%		
NOI	\$75,000*		
TERM	25 years		
RENT COMMENCEMENT	September 20, 2019		
LEASE EXPIRATION	August 31, 2044		
RENTAL INCREASES	\$5,000 rental increases every five (5) years		
	YEAR	RENT	RENT
	1-5	\$75,000	4.50%
	6-10	\$80,000	4.80%
	11-15	\$85,000	5.10%
	16-20	\$90,000	5.40%
	21-25	\$95,000	5.70%
	26-30 (option 1)	\$100,000	6.00%
	31-35 (option 2)	\$105,000	6.30%
	36-40 (option 3)	\$110,000	6.60%
	41-45 (option 4)	\$115,000	6.90%
	46-50 (option 5)	\$120,000	7.20%
YEAR BUILT	2019		
BUILDING SF	2,080 SF		
PARCEL SIZE	1.00 acres (43,620 SF)		
LEASE TYPE	NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

* See Lease Abstract



25-YEAR NNN GROUND LEASE WITH GUARANTY

- » 25-year NNN ground lease with five option periods of five years each
- » Tenant is responsible for taxes, insurance, and all maintenance
- » No landlord management, making this asset an ideal investment opportunity for an out-of-area investor
- » 2019 construction built to latest Taco Bell prototype featuring ample on-site parking and dedicated drive-thru
- » Leased to 298-unit franchisee and guaranteed by 231-unit entity

IRREPLACEABLE INFILL LOCATION IN POPULOUS, AFFLUENT, AND GROWING AREA

- » Irreplaceable infill location at the corner of North 124th Street and West Lisbon Road (28,100 AADT)
- » Convenient access from Interstate 41 (124,000 AADT), significantly increasing traffic to the site
- » 240,030 residents within a five-mile radius of the property, providing a large customer base for the property
- » Average annual household income of \$88,468 within one mile of the site
- » Projected 14 percent AHI increase within five miles of the site in the next five years, poising Brookfield and Taco Bell for significant concurrent growth

CENTRAL LOCATION NEAR LARGE RETAILERS, EMPLOYERS, AND COMMUNITY HUBS

- » Immediately surrounded by several national retailers, including Target, The Home Depot, McDonald's, Starbucks, Petco, Jimmy Johns, Hobby Lobby, and many more
- » Within a five-mile radius of 10 major shopping centers with a combined 4.6 million SF of retail space and 503 stores, promoting crossover shopping to the location
- » A half-mile from Milwaukee Tools global headquarters, with over 1,100 employees, driving daytime traffic to the property
- » Two miles from Brookfield East High School (1,246 students), increasing lunch time traffic to the site
- » Five miles from Froedtert Hospital (735 beds, 3,372 employees)
- » 10 miles from Downtown Milwaukee and Lake Michigan, greatly increasing regional traffic to the location



HYATT PLACE
(150 rooms)

TACO BELL

KFC
McDonald's
Wendy's

QUALITY INN
(127 rooms)

Walmart



Interstate 41
(126,000 AADT)

Stratford Plaza
WING STOP
Advance Auto Parts
noodles & company

Alsco Uniform

U-HAUL
Moving & Storage Center

Capitol & 124th Shopping Center
TARGET
PETCO
Where the pets go.
HOBBY LOBBY

THE HOME DEPOT

North 124th Street
(20,000 AADT)

QDOBA

BURGER KING

McDonald's

Starbucks

Porbelly
FedEx Office
Print & Ship Services
SALLY BEAUTY SUPPLY

Chick-fil-A

First Citizens Bank

Shopper's World of Brookfield
Burlington
O'Reilly AUTO PARTS
ROSS DRESS FOR LESS
metro market

Arby's

Timothy Johnson's
JJ
Since 1983
Sport Clips
BARBERS

TACO BELL

INDUSTRIAL REGION

enterprise

INDUSTRIAL REGION

Cadillac

West Lisbon Road
(8,100 AADT)

Cream City Skatepark

Butler Skateland

Butler Inn

Peebles Car Wash

INDUSTRIAL REGION

INDUSTRIAL REGION

CHASE



Brookfield East High School
(1,246 students)

Shopper's World of Brookfield

Burlington cost factory **O'Reilly** AUTO PARTS
ROSS metro market
DRESS FOR LESS

CHIPOTLE MEXICAN GRILL **Culver's**
Welcome to delicious!

Midwest Discount Furniture

Chick-fil-A

First Citizens Bank

Portobello **FedEx Office**
Print & Ship Services **SALLY**
BEAUTY SUPPLY

McDonald's

BURGER KING

QDOBA

JOHN JONES
Sport Clips
HAIR CUTTING

Starbucks

Capitol & 124th Shopping Center

TARGET **HOBBY LOBBY**
PETCO Where the pets go. **LOBBY**

planet fitness
Walgreens

KREI

GMC

Cadillac

Arby's

Milwaukee
(1,100+ employees)

MIDAS
Batteries + Bulbs

TACO BELL

Stratford Plaza

WING STOP
Advance Auto Parts
noodles & company

THE HOME DEPOT

West Lisbon Road
(8,100 AADT)

INDUSTRIAL REGION

INDUSTRIAL REGION

North 124th Street
(20,000 AADT)

AlSCO Uniform

Interstate 41
(126,000 AADT)



Wauwatosa West High School and
Eisenhower Elementary School
(1,450 students)

Burleigh Square



Elm Brook Plaza



Nails 4 You, Cheveux,
Conceentra Urgent Care,
Jet's Pizza, Redbox



INDUSTRIAL
REGION



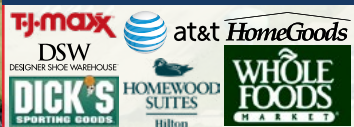
INDUSTRIAL
REGION

Shopper's World of Brookfield



Midwest
Discount Furniture

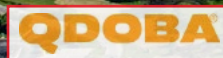
The Mayfair Collection



INDUSTRIAL
REGION



West Capitol Drive
(50,800 AADT)



North 124th Street
(20,000 AADT)



INDUSTRIAL
REGION



West Lisbon Road
(8,100 AADT)

Capitol & 124th Shopping Center



Stratford Plaza



INDUSTRIAL
REGION



Midtown Center
Pick 'n Save **usbank**
Firestone **CITITRENDS**
GameStop **Cosmo Prof**

LAKE MICHIGAN
(10 miles)

MILWAUKEE
(10 miles)

Children's
Hospital of Wisconsin
(306 beds, 2,000 employees)

Madison Elementary School
(299 students)

Divine Savior Holy Angels High School and
Milwaukee Lutheran High School
(1,361 combined students)

Petroff's Plaza
SUBWAY
Walgreens

U-HAUL
Moving & Storage Center

Goodwill

Interstate 41
(126,000 AADT)

Capitol & 124th Shopping Center
TARGET **HOBBY LOBBY**
PETCO Where the pets go.

INDUSTRIAL REGION
Penzey's Spices
Stained Glass Studio,
360 Brazilian Jiu Jitsu Academy

THE HOME DEPOT

Stratford Plaza
WING-STOP
Advance Auto Parts
noodles & company

Tommy John's
JJ
Sport Clips

McDonald's

Alsoco Uniform

North 124th Street
(20,000 AADT)

Starbucks

BURGER KING

QDOBA

INDUSTRIAL REGION

INDUSTRIAL REGION

West Lisbon Road
(8,100 AADT)

TACO BELL

West Capitol Drive
(50,800 AADT)

MIDAS
Batteries + Bulbs

Arby's

Chick-fil-A

Potbelly
FedEx Office
SALLY BEAUTY SUPPLY

First Citizens Bank

INDUSTRIAL REGION

Shopper's World of Brookfield
Burlington **O'Reilly AUTO PARTS**
ROSS metro market
DRESS FOR LESS

SITE PLAN

WEST CAPITOL DRIVE

NORTH 124TH STREET

WEST LISBON ROAD



MONUMENT SIGN

DRIVE-THRU

DRIVE-THRU

DRIVE-THRU

DRIVE-THRU

DRIVE-THRU



TENANT SUMMARY



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 over 7,000 restaurants across the nation, as well as through its mobile, desktop, and delivery ordering services. Overseas, Taco Bell has over 500 restaurants, with plans to become a \$15B company in global system sales with 9,000 restaurants globally by 2022. In 2016, Taco Bell was named as one of Fast Company's Top 10 Most Innovative Companies in the World. In a 2018 Harris Poll consisting of more than 77,000 people, Taco Bell was voted as America's favorite Mexican Restaurant. 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 145 countries and territories.

Founded in 1986 by Dennis and Anna January, the first Pacific Bells Taco Bell location was established in Tualatin, Oregon. Since then, Pacific Bells has expanded throughout Oregon, Washington, Ohio, Wisconsin, Mississippi, Tennessee, Alabama, and California. Today, Pacific Bells operates more than 230 Taco Bells and 65 Buffalo Wild Wings, making them the 4th largest Taco Bell operator and largest Buffalo Wild Wings operator in the nation.

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

OWNERSHIP	Yum! Brands, Inc.	LOCATIONS	7,072
REVENUE	\$1.98B	HEADQUARTERS	Irvine, CA

LEASE ABSTRACT

TENANT	Pacific Bells, LLC		
GUARANTOR	Pacific Bells, LLC		
ADDRESS	4025 North 124th Street, Brookfield, Wisconsin 53005		
RENT COMMENCEMENT	September 20, 2019		
LEASE EXPIRATION	August 31, 2044		
RENEWAL OPTIONS	Five (5) option periods of five (5) years each		
RENTAL INCREASES	YEAR	RENT	RENT
	1-5	\$75,000	4.50%
	6-10	\$80,000	4.80%
	11-15	\$85,000	5.10%
	16-20	\$90,000	5.40%
	21-25	\$95,000	5.70%
	26-30 (option 1)	\$100,000	6.00%
	31-35 (option 2)	\$105,000	6.30%
	36-40 (option 3)	\$110,000	6.60%
	41-45 (option 4)	\$115,000	6.90%
	46-50 (option 5)	\$120,000	7.20%
REAL ESTATE TAXES	Tenant shall pay all real estate taxes directly.		
INSURANCE	Tenant is responsible for all insurance costs.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance costs.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		
ASSIGNMENT	In the event of an assignment to other parties, Tenant shall remain liable under the terms of this lease.		
PARKING AND CROSS ACCESS	Tenant acknowledges that a portion of the premises is dedicated to providing four (4) exclusive parking stalls to the owners of the adjacent parcels. Landlord agrees to contribute \$535 to Tenant during Year 1 of Lease with subsequent 1.5% annual increases for taxes, maintenance, and insurance costs associated with those stalls.		

PROPERTY OVERVIEW

LOCATION

The property has an irreplaceable infill location at the corner of North 124th Street and West Lisbon Road, with visibility and access to 28,100 vehicles per day in front of the location. Traffic to the site is increased by nearby Interstate 41, which experiences an extremely high traffic count of 124,000 vehicles per day. The site benefits from its location in a densely populated area, with 240,030 residents living within a five-mile radius of the location. The property is also based in a growing and affluent area, with an average annual household income of \$88,468 within one mile of the site. The property is primed to grow along with the surrounding area, with a projected 14 percent average annual household income increase within five miles of the site in the next five years.

The property has a central location between large employers, retailers, and community hubs. The site is immediately surrounded by several national retailers, including Target, The Home Depot, McDonald's, Starbucks, Petco, Jimmy Johns, Hobby Lobby, and many more. The location is also within a five-mile radius of 10 major shopping centers with a combined 4.6 million SF of retail space and 503 stores, promoting crossover traffic to the location. Traffic to the location is also increased by its proximity within two miles of Brookfield East High School (1,246 students), and five miles from Froedtert Hospital (735 beds, 3,372 employees). The property is also located 10 miles from Downtown Milwaukee and Lake Michigan, greatly increasing regional commuter traffic to the site.

ACCESS

Access from North 124th Street, West Lisbon Road, and West Capitol Drive

TRAFFIC COUNTS

North 124th Street:	20,000 AADT
West Lisbon Road:	8,100 AADT
West Capitol Drive:	50,800 AADT
Interstate 41:	124,000 AADT

PARKING

29 parking stalls, including two (2) handicap stalls

YEAR BUILT

2019

NEAREST AIRPORT

General Mitchell International Airport (MKE | 19 miles)



ACTUAL SITE



29
PARKING
STALLS



2019
YEAR BUILT



28K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
GENERAL
MITCHELL
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Brookfield is a city located in Waukesha County, Wisconsin. Brookfield covers almost 27 square miles, numbers 40,000 residents, and is a major business, retail, and industrial hub in southeastern Wisconsin. Brookfield offers shopping, fine dining, outdoor golf, and parks to the increasing number of young families moving into the area. Brookfield's concert hall, Sharon Lynne Wilson Center for the Arts, is located in Mitchell Park, and Brookfield's main beach is located at Fox Brook Park, where hiking in natural preserves, sailing, biking, and golfing are also available. Brookfield Square is the main shopping mall for the city and also serves as a commercial anchor to the Bluemound Road shopping district serving the western suburbs of Milwaukee and Waukesha County. Brookfield Days is held annually in June, at Wirth Park, supported by the local community. A farmer's market also runs on weekends during the summer months at the Brookfield City Hall.

Waukesha County has a population of approximately 404,000 residents, making it the third-most populous county in Wisconsin. The county is included in the Milwaukee–Waukesha–West Allis, Wisconsin Metropolitan Statistical Area. As home to more than 12,000 companies and approximately 400,000 residents, Waukesha County ranks as one of Wisconsin's most economically vibrant counties. Waukesha County's economic foundation is fueled by more than 232,000 employees who work at a diverse range of businesses, from Fortune 100 companies to sole proprietorships. Manufacturing represents about 20 percent of jobs in Waukesha County, one of the highest concentrations of manufacturing jobs in the nation.

- » Brookfield is the third largest city in Waukesha County.
- » Fiserv is headquartered in Brookfield. The firm provides financial services technology (software, for the most part) for banks, thrifts, credit unions, securities broker dealers, leasing and finance companies, and retailers, among others. Its 2016, revenue was approximately \$5.5 billion.
- » Because of its large number of lakes, the northwestern corner of Waukesha County is referred to as "Lake Country" by local residents. It includes Pewaukee, Delafield, Hartland, Merton, Nashotah, Chenequa, Okauchee Lake, Oconomowoc, Summit, and Lac La Belle.

MAJOR EMPLOYERS IN WAUKESHA COUNTY, WI	# OF EMPLOYEES
KOHL'S DEPARTMENT STORES	5,722
PRO HEALTH CARE	4,631
QUAD GRAPHICS INC.	3,875
FROEDTERT HOSPITAL	3,372
GENERAL ELECTRIC HEALTHCARE	3,099
ROUNDY'S	2,953
AURORA HEALTH CARE	2,722
SCHOOL DISTRICT OF WAUKESHA	1,632
WALMART CORPORATION	1,611
ELMBROOK SCHOOL DISTRICT	1,397
MILWAUKEE TOOLS GLOBAL HEADQUARTERS	1,100



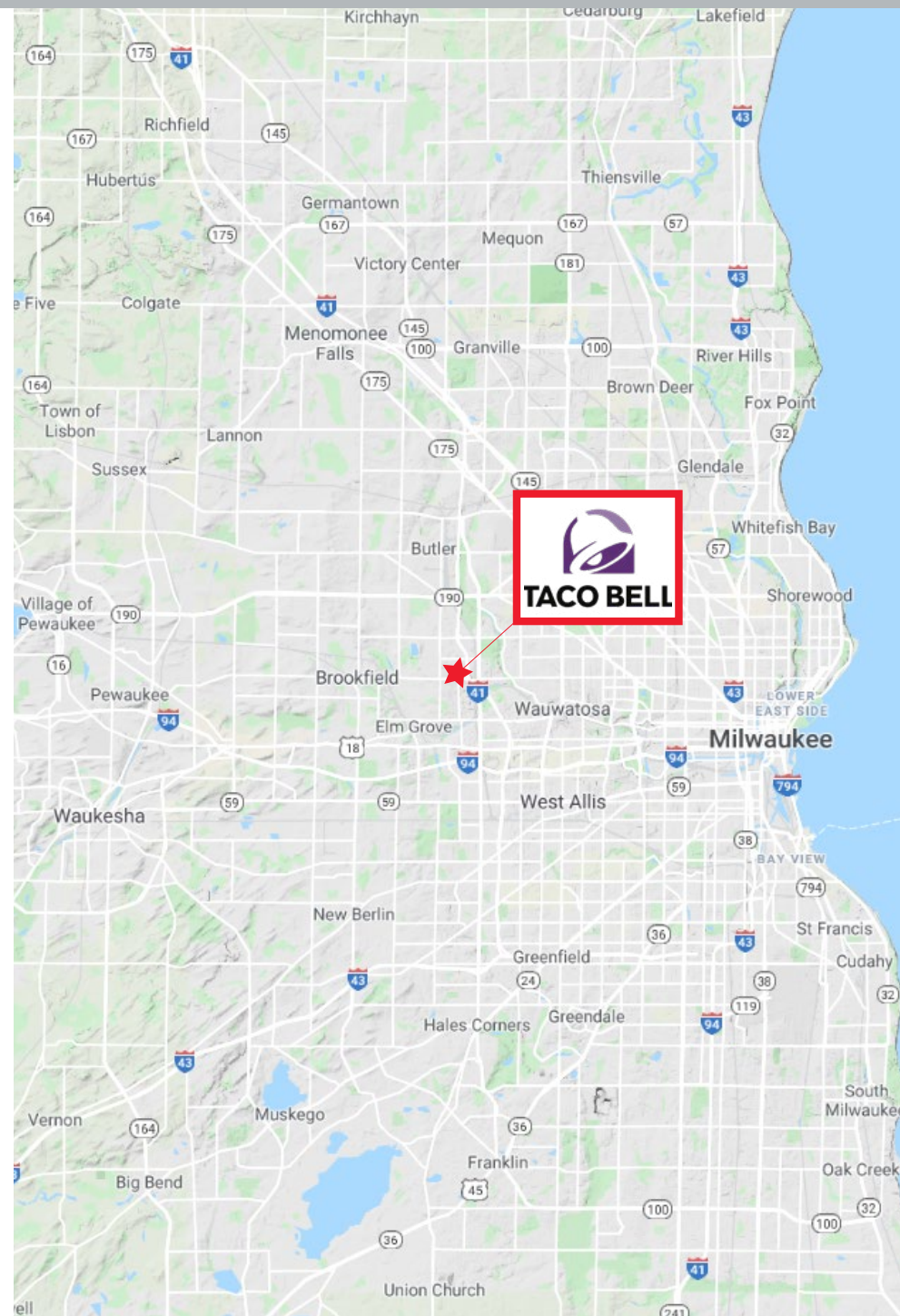
DEMOGRAPHIC PROFILE

2019 SUMMARY	1 Miles	3 Miles	5 Miles
Population	2,803	75,562	240,030
Households	1,261	30,560	94,807
Families	756	19,857	61,635
Average Household Size	2.21	2.44	2.50
Owner Occupied Housing Units	899	19,609	57,518
Renter Occupied Housing Units	362	10,951	37,289
Median Age	46.9	39.7	37.8
Average Household Income	\$88,468	\$86,842	\$83,180

2024 ESTIMATE	1 Miles	3 Miles	5 Miles
Population	2,824	76,761	243,221
Households	1,276	31,062	96,085
Families	760	20,167	62,409
Average Household Size	2.20	2.44	2.50
Owner Occupied Housing Units	915	19,856	58,305
Renter Occupied Housing Units	361	11,205	37,780
Median Age	47.8	40.7	38.7
Average Household Income	\$101,632	\$98,457	\$94,825



**POPULATION OF 240,030
WITHIN FIVE MILES**





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