



BRAND NEW CONSTRUCTION | LONG-TERM ABSOLUTE NNN LEASE | I-35 FREEWAY LOCATION

TACO BELL

TACO BELL

ACTUAL PROPERTY

[CLICK HERE TO SEE](#)



**COVID-19
RESPONSE**

In Association with ParaSell, Inc | A Licensed Missouri Broker #2019035835

OFFERING MEMORANDUM
BETHANY, MISSOURI

FIRST STREET
BROKERAGE
SONOMA | CA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

BETHANY, MISSOURI

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OFFERING SUMMARY

TACO BELL



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LOCATION

Taco Bell
4132 Miller Street
Bethany, Missouri 64424



OFFERING SUMMARY

Price:	\$2,021,000
Current Net Operating Income (NOI):	\$106,120
Current Capitalization Rate:	5.25%
Net Rentable Area:	3,200
Year Renovated	2020
Lot Size (Acres):	1.53

LEASE TERMS (1)

Lease Commencement:	11/24/2020
Lease Expiration:	10/30/2040
Lease Term:	20 Years
Lease Type:	Absolute NNN
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$8,843 (\$2.76/sf)
Annual Rent:	\$106,120 (\$33.16/sf)
Rental Increases:	8.0% Every 5 Years
Renewal Options:	Four 5-Year @ 8.0% Each Option

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



ACTUAL PROPERTY



REPRESENTATIVE PHOTO



INVESTMENT HIGHLIGHTS

TACO BELL



HANLEY INVESTMENT GROUP
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- **Newly Renovated Taco Bell with Long-Term Historical Occupancy:**
 - New 20-year absolute NNN lease with zero landlord responsibilities
 - 8% increases every 5 years
 - 10-year operating history at this location
 - The location has had such a strong performance that the operator converted the location to the new 2020 prototype
 - The tenant is one of the largest franchisees, Royal City Bell, who operates 61 locations with continued expansion in Kansas and Missouri
 - The same principals own and operate 200+ Taco Bell sites under 3 separate franchises
- **COVID-19 Resilience:** Royal City Bell kept their stores open and utilized their drive-thru to keep sales steady in a time when many other retailers saw a decline in sales (see page 10 for further detail)



REPRESENTATIVE PHOTO



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

INVESTMENT HIGHLIGHTS

TACO BELL



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- **Proven I-35 Location with Excellent Access:** The subject property is conveniently located off I-35, the primary interstate connecting Bethany to the Kansas City metro area and Des Moines, Iowa
- **Mandatory Destination for Commuters:** Situated half-way between Kansas City and Des Moines, Bethany serves as a popular pit stop for the 12,500 daily truckers that commute on Interstate 35
- **Bethany has a Regional Draw From the Walmart Supercenter and other National Tenants:**
 - Only Walmart Supercenter location in a 40-mile radius
 - Nearby tenants include Casey's General Store, Dairy Queen, Dollar Tree, McDonald's, and Sonic
- **Synergy From Other "Truck Stop" Retailers:** Same I-35 exit as McDonald's, Dairy Queen, Casey's, Kum & Go, and three hotels/motels



ACTUAL PROPERTY



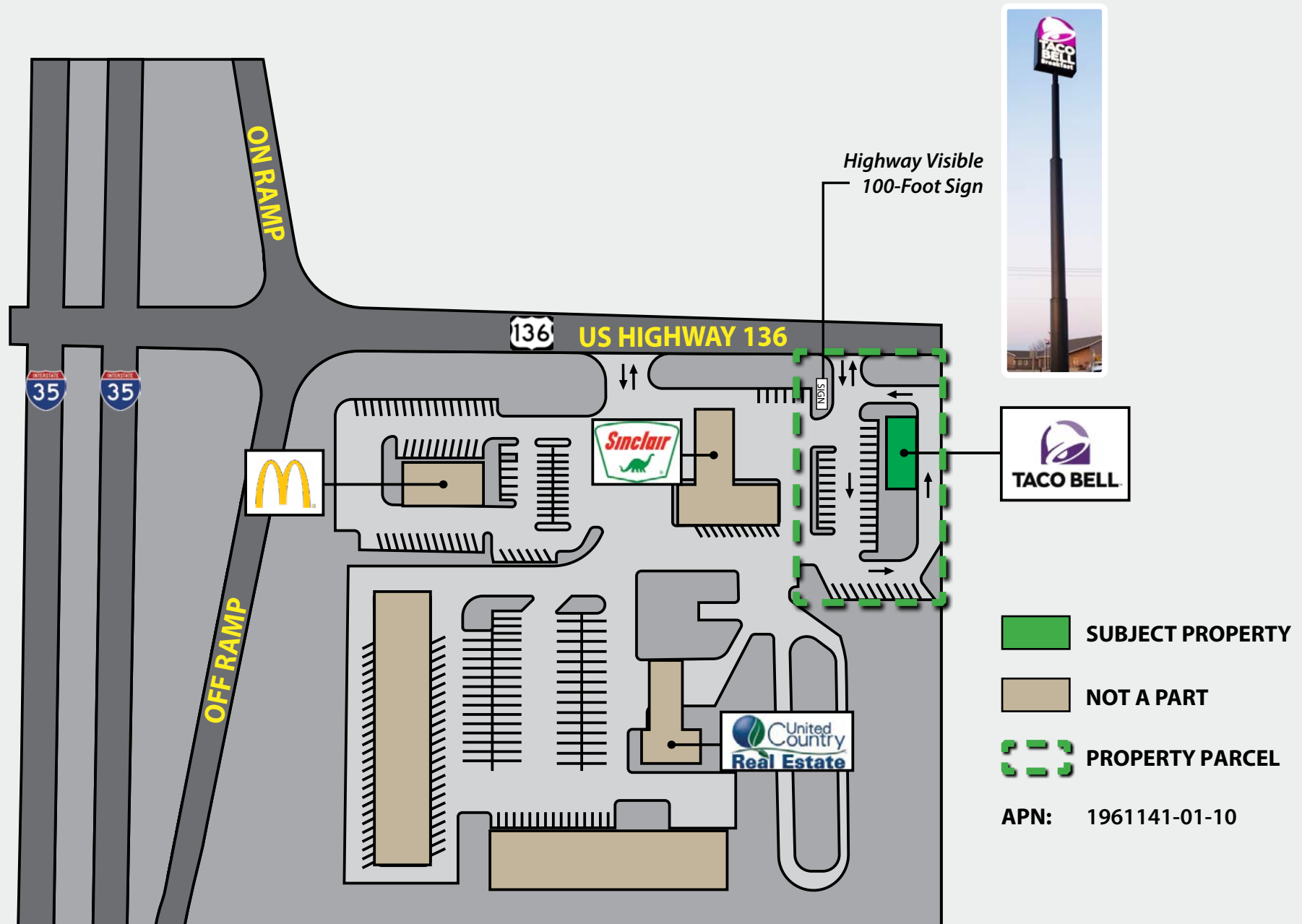
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SITE PLAN / PARCEL MAP

TACO BELL



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AERIAL OVERVIEW

TACO BELL



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DES MOINES
- 1 HOUR & 30 MINUTE DRIVE TIME -

KANSAS CITY
- 1 HOUR & 15 MINUTE DRIVE TIME -

**NATURAL STOPPING POINT FOR
COMMUTERS TRAVELING BETWEEN
KANSAS CITY AND DES MOINES**

- Halfway point between two major logistics hubs
- 12,500 semi-trucks use I-35 to commute between Kansas City and Des Moines each day









#WeSeeYouKSHB: Taco Bell franchisee launches Project Karma during COVID-19 pandemic

By Charlie Keegan | April 15, 2020

Families picking up lunch at Boys and Girls Clubs of Greater Kansas City noticed something extra in their sack Wednesday – tacos and burritos.

The group that owns about 60 Taco Bell franchises in the Kansas City area donated the Mexican-inspired food to supplement meals the families receive.

Diversified Restaurant Group calls its goodwill effort Project Karma. The company launched the initiative last month in response to the COVID-19 pandemic. It delivers meals to first responders, nurses and children.

"We're used to having people come in and out," Melissa Lindsey, Diversified Restaurant Group's vice president of operations in Kansas City, said. "So being able to get out and help give back to somebody else is really more important."



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**COVID-19
RESPONSE**

Why Buy This Investment in the Time of COVID-19?

Royal City Bell kept their stores operating and benefited from having drive-thrus

- **System-wide sales have remained stable (and still above average) with a very strong rent to sales ratio**
- **Royal City Bell has focused on retaining employees while helping the community**
- **"Special Heroes Bonus" to Employees**
 - Due to strong Q1 performance provided for a special bonus to all store employees as a thank you for their hard work serving the community
 - *Commitment to Families:* Stores provided a weekly family meal to each employee on schedule
 - *Senior Spotlight:* Celebrating employees who are graduating high school seniors that were impacted by school closures
- **Meal donations to six Boys and Girls Club locations in Kansas City to feed children who were out of school**



Taco Bell is the nation's leading Mexican-inspired quick service restaurant, operating in over 30 countries around the world. There are currently 7,089 Taco Bell locations that serve over 42 million customers weekly, primarily within the United States. Taco Bell opened a record number of new restaurants in 2015, added 300 new restaurants in 2016, 181 new restaurants in 2018, and has plans to add 2,000 more internationally in the next decade. The division generated \$11 billion in global sales in 2019.

Taco Bell is a subsidiary of Yum! Brands, a company with more than 50,000 restaurants in 150 countries and territories. Yum! is ranked #496 on the Fortune 500 with revenues of over \$5.7 billion in 2019 systemwide sales, and is recognized as one of the Aon Hewitt Top Companies for Leaders in North America. The Company's restaurant brands – KFC, Pizza Hut, and Taco Bell – are the global leaders of the chicken, pizza, and Mexican-style food categories. Worldwide, the Yum! Brands system opens over 6 new restaurants per day on average, making it a leader in global retail development.

TOP HONORS

- **#4 "The QSR 50"** - QSR Magazine (2019, 2020)
- **#4 "Fastest Growing Quick-Service Restaurant Chains"** - QSR Magazine (2020)
- **"America's Favorite Mexican Restaurant"** - Harris Poll EquiTrend Study (2018)

Company Type: Public (NYSE: YUM)
Locations: 7,089 (50,000+ Yum! Locations)
Website: www.tacobell.com

Bethany, Missouri

- Community located in Harrison County in Northwest Missouri; 3,292 residents
- Served by I-35, U.S. Highways 69 and 136 and State Highway 13, approximately 95 miles North of Kansas City and 100 miles South of Des Moines, Iowa
- #10 "Places with the Lowest Cost of Living in Missouri" - Niche (2020)
 - 26% lower than the U.S. average cost of living; 12% lower than the state average cost of living

ECONOMY

- Top industries include health care, social assistance, accommodation, food services, and retail trade
- **Roy Broyles Memorial Airport** - Features a 2,200-foot asphalt runway
 - The nearest commercial air transportation is Kansas City International Airport (85 miles)
 - The nearest air freight service is located in Trenton, Missouri (41 miles)
- **South Harrison School District** - Serves 1,240 students and employs 80 teachers

- Notable colleges and universities nearby include The North Central Career Center (located in the city), North Central Missouri College, Missouri Western State University, and Graceland College

TOURISM

- **Northwest Missouri State Fair** - Held annually over Labor Day weekend featuring many different entertainment options at the grandstand including the local talent show, car races, a demolition derby, and famous name musical entertainment
- **Hunting & Fishing** - The County is recognized annually for their top quality hunting featuring such game animals as deer, turkey, pheasant, quail, and other game birds

City of Bethany *Highlights*

#10

PLACES WITH LOWEST
COST OF LIVING IN MO

3,292

TOTAL
POPULATION



HOME TO NORTHEAST
MISSOURI STATE FAIR



CITY OF BETHANY



HARRISON COUNTY COURTHOUSE



NORTHWEST MISSOURI STATE FAIR



Des Moines, Iowa

- Iowa's capital city and the county seat of Polk County
- 217,000 residents; 792,000 in the Greater Des Moines Region
- #5 Best Place to Live in the U.S. – U.S. News & World Report (2020)
- #5 "Metro for Number of Economic Development Projects" among metros with a population of 200,000 to 1 million - Site Selection Magazine (2020)

ECONOMY

- Serves as a government, commercial, cultural and recreational hub for the state
- Key industries include financial services, insurance, government, manufacturing, trade, and service
- The region's finance and insurance sector has a \$4.8 billion annual payroll and contributed \$17 billion to the GDP in 2018
- Top employers include Wells Fargo & Company (13,500), UnityPoint Health Partners (8,026), Principal (6,500), Hy-Vee, Inc. (6,400) and Nationwide (4,525)
- Other notable companies headquartered here include John Deere Companies, Vermeer Corporation, and Corteva Agriscience

- 644,590 estimated potential labor force in the commuting zone according to 2017 Greater Des Moines Workforce Analysis

DEVELOPMENTS

- \$1.27 billion region-wide and \$305 million downtown in capital investments in 2019
- *The Federal Courthouse* - \$137 million, 9-story building; scheduled to open in 2022
- *Soccer Stadium* - \$95 million, 6,000- to 8,000-seat stadium that will be part of a mixed-use development with restaurants, retail, and office space; in planning
- *Edison Condo Building* - 52 units in a pair of three-story buildings; the studio, one- and two-bedroom units will range in size from 600-1,500 square feet with prices ranging from \$150,000 to \$300,000

City of Des Moines *Highlights*

792,000

**POPULATION IN THE
GREATER REGION**



**15% POPULATION INCREASE
FROM 2010-2018**

#5

**METRO FOR NUMBER OF
DEVELOPMENT PROJECTS**

Downtown Des Moines



**#5
BEST PLACES TO
LIVE IN THE U.S.**

Wells Fargo West Des Moines Campus



**\$50B
GROSS DOMESTIC
PRODUCT**

Wells Fargo Arena



**644K
REGIONAL
LABOR FORCE**



Des Moines, Iowa

- Located at the crossroads of Interstates 35 and 80, the area is accessible for many industries and businesses
- Top 10 "Best Place for Business and Careers" – Forbes (2019)
- #3 "Best City for High Salaries and Low Costs of Living" – The Ascent (2019)
- #7 "Best City for Living the American Dream" – SmartAsset (2019)
- #3 "Best Affordable Place to Live in the U.S." – U.S. News & World Report (2019)

- **Hotel Fort Des Moines** - \$50 million, top-to-bottom renovation; the hotel has hosted 10 presidents and stars like Elvis Presley and Elizabeth Taylor
- Work is ongoing to transform an industrial area south of the East Village into a walkable, mixed-use district with thousands of residential units, retail shops, and offices

EDUCATION

- Iowa's public high school graduation rate is highest in the nation at 91% (2017), with a regional average rate of nearly 5 points above the U.S
- Six colleges and universities are located within the City: Drake University, Des Moines Community College (branch), Des Moines University, Grand View University, Mercy College of Health Sciences, Vatterott College

TRANSPORTATION AND LOGISTICS

- One of the few areas in the United States that are served by three Class I railroads; Burlington Northern Santa Fe, Iowa Interstate, Norfolk and Southern, and Union Pacific
- **Des Moines International Airport** - The largest airport in the state and the 90th most active commercial airport in the nation
 - Served by six commercial carriers with over 120 domestic flights per day
 - Top 50 airports for cargo tonnage in the U.S. by the Bureau of Transportation with over 1 million square feet of cargo aircraft parking area and 100,000+ square feet of warehouse space
 - Port of Entry with on-site U.S. Customs and U.S. Department of Agriculture inspectors
- **Foreign Trade Zone (FTZ) #107** - Conveniently located on Interstate 80 and 35

City of Des Moines *Highlights*

\$3.1B

**DEVELOPMENT INVESTED
OVER THE PAST 5 YEARS**



**3.4% JOB GROWTH
OVER PAST FIVE YEARS**

Buxton Park



Hotel Fort Des Moines Rendering



Des Moines International Airport



\$247M

**5-YEAR INVESTMENT IN
CITY INFRASTRUCTURE**

Kansas City

- 15-county metropolitan area that straddles the border between Missouri and Kansas
- 31st largest MSA in the nation
- 2.1 million people; projected to grow to 2.25 million by 2024, adding nearly 35,000 new households
- #34 "Best Places to Buy a Home in America" - Niche (2020)



ECONOMY

- The business-friendly atmosphere and low cost of living translates into major growth in the region
- 1.1 million in non-farm employment, up 16,100 (1.4%) from 2018
- Top employers include Federal Government (18,744), Cerner Corporation (13,964), Children's Mercy Hospitals & Clinics (8,123), and Internal Revenue Service (4,600)
- Other notable companies include AT&T, BNSF Railway, Farmers Insurance Group, Garmin, Hallmark Cards, H&R Block, General Motors, Honeywell, Ford Motor Company, and Sprint Corporation
 - Seaboard and Lansing Trade Group, two Fortune 500 companies, headquartered here
- Tech industry is booming; 2nd only to healthcare as the fastest growing industry in the region
 - 9.5% overall economic impact and responsible for 93,880 jobs
- Computer and mathematical occupations are 41% more concentrated in this area than in the U.S. as a whole
- **Cerner Corporation Headquarters** - A global healthcare IT company; largest private employer with nearly 14,000 people in the area with a total workforce of nearly 20,000 people
 - \$4.4 billion Innovations Campus currently under construction
- Urban environment draws large groups of skilled young professionals to the area
 - Home to one of the 20 largest concentrations of college graduates in the United States
 - 42 local businesses made the list of "5,000 Fastest-Growing Private Companies" by Inc. Magazine (2016)
 - Named "Best Places for Business & Careers" numerous times by Forbes (2017)
- Kansas City Downtown has gone through one of the largest redevelopments in the country
 - Over \$4 billion in investments since 2000

2.1M

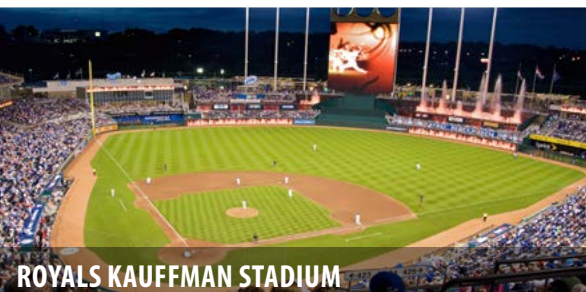
**2019 ESTIMATED
TOTAL POPULATION**



**1.1 MILLION
EMPLOYEES**



**HOME TO
CERNER CORPORATION**



ROYALS KAUFFMAN STADIUM



DOWNTOWN KANSAS CITY



GARMIN HEADQUARTERS

Kansas City

- #3 "Most Diverse Places to Live in Missouri" - Niche (2020)
- \$132.7 billion Gross Metro Product (GPD) in 2018
- Known as "City of Fountains" with over 200 fountains, the 2nd most in the world just behind Rome
- Leawood, a suburb located in South Kansas City, was voted "Best Small Cities to Live in America" by WalletHub (2019)



TRANSPORTATION

- Important logistics and distribution hub due to its central location at the intersection of 3 major interstates: I-70, I-35, and I-29
 - 27% more interstate transportation distribution miles per capita than any other metropolitan area
 - 2nd busiest rail hub by tonnage
 - ◆ Nearly half of all eastbound intermodal freight entering the country through west coast ports passes through the area
- **Kansas City International Airport (MCI)** - 15 miles northwest of downtown Kansas City; 11.5 million passengers annually
 - \$1.5 billion remodel currently underway; planned completion in 2023
 - ◆ 1 million square foot single terminal; 39 gates with the ability to expand to 50; 6,300-space parking structure along landside and airside improvements

LANDMARKS

- **Country Club Plaza** - 55-acre site in the historic upscale Country Club District; upscale apartments and mansions surround the plaza
 - 804,000 square feet of retail space and 468,000 square feet of office space
- **The Truman Sports Complex** - Houses 2 major sports and entertainment venues (Arrowhead and Kauffman stadium)
 - Home to NFL's Kansas City Chiefs and Major League Baseball's Kansas City Royals
- **Kansas Speedway and Hollywood Casino:**
 - Kansas Speedway is one of the premier racing facilities in the midwest that hosts multiple NASCAR races and the ARCA Racing Series championship race
 - Hollywood Casino is a joint venture between Kansas Speedway and Penn National Gaming; initial phase includes a 100,000 square foot gaming floor
 - ◆ Additional phases include a hotel, convention center, and an entertainment district

#3

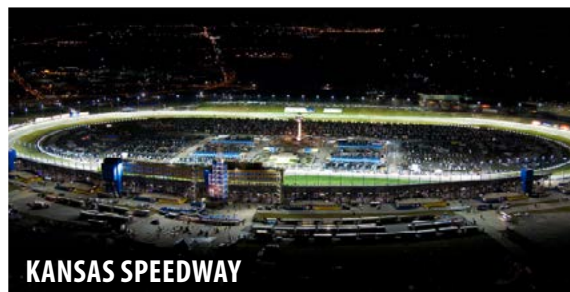
**MOST DIVERSE PLACES
TO LIVE IN MISSOURI**

\$132.7B

**GROSS METRO
PRODUCT**

#2

**BUSIEST TRANSPORTATION
HUB BY TONNAGE**





	<u>3-Mile</u>	<u>5-Mile</u>	<u>Trade Area</u>
Population			
2024 Projection	3,185	3,621	81,652
2019 Estimate	3,324	3,760	82,195
2010 Census	3,549	3,990	82,992
2000 Census	3,332	3,762	80,771
Growth 2000-2010	6.51%	6.06%	2.75%
Households			
2024 Projection	1,337	1,482	30,519
2019 Estimate	1,395	1,538	30,675
2010 Census	1,507	1,652	31,236
2000 Census	1,460	1,592	31,151
Growth 2000-2010	3.22%	3.77%	0.27%
2019 Est. Population by Single-Classification Race			
White Alone	3,150	3,572	77,370
Black or African American Alone	22	26	2,310
American Indian and Alaska Native Alone	18	19	386
Asian Alone	16	18	452
Native Hawaiian and Other Pacific Islander Alone	3	3	58
Some Other Race Alone	62	62	460
Two or More Races	56	64	1,178
2019 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	153	157	1,796
Not Hispanic or Latino	3,171	3,603	80,399
2019 Est. Average Household Income	\$46,700	\$47,548	\$57,870

CONFIDENTIALITY AGREEMENT

TACO BELL



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

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\$6.6 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



TOP BROKERAGE GLOBALLY
in investment sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.