

OFFERING MEMORANDUM

# TACO BELL

30850 STAGECOACH BOULEVARD | EVERGREEN, CO 80439



**±2,187 SF SINGLE TENANT NET LEASED INVESTMENT**

**PRICE: \$1,975,000 CAP RATE: 5.47%**





PREPARED BY



2398 East Camelback Road, Suite 950  
Phoenix, AZ 85016

**TIM WESTFALL**

*Managing Director*  
602 952 3822 | twestfall@ngkf.com

**RYAN MORONEY**

*Director*  
602 952 3820 | rmoroney@ngkf.com

*Broker of Record:*  
*Michael Quinlan*  
*License # FA.100006512*  
*Newmark Knight Frank*  
*Denver, CO*

**AFFILIATED BUSINESS DISCLOSURE**

Newmark Knight Frank (the "Agent") has been engaged as the exclusive sales representative for the sale of 30850 Stagecoach Boulevard, Evergreen, CO 80439 (the "Property") by 'Ownership' (the "Seller"). This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation (4/2/20) of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.

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## EXECUTIVE SUMMARY





## THE OFFERING

Newmark Knight Frank (NKF), as exclusive advisor, is pleased to present the opportunity to acquire an absolute NNN leased Taco Bell (the Property) investment property, a 2,187-square-foot drive-thru restaurant in Evergreen, CO, located 29 miles west of Denver.

This single-story building is located on ±1.19 acres just one turn off SR74/Evergreen Parkway, the main arterial connecting Evergreen to Interstate 70 to Denver.

The Property, with a 5-mile population of ±25,704, is strategically located in the commercial retail district of Evergreen, making it easy to grab a quick bite while running errands as a resident or while stocking up on supplies as a visitor. The Property is one of only two drive-thru fast food options within a 10-mile radius. Lack of direct competition in the market makes this an attractive and convenient option for residents and visitors alike.

With consistent year-over-year sales growth and long-term Tenant commitment to this site, this Property will be a reliable passive investment for years to come.

BUILDING ADDRESS	<b>30850 Stagecoach Blvd   Evergreen, CO   80439</b>
TENANT	<b>Taco Bell</b>
GUARANTY	<b>Alvarado Concepts, LLC</b>
LEASE TYPE	<b>Absolute NNN</b>
YEAR BUILT	<b>1997</b>
TOTAL BUILDING AREA	<b>±2,187</b>
LAND AREA	<b>±1.19 Acres</b>
TRAFFIC COUNTS	<b>East/West Stagecoach Boulevard: ±6,098 VPD North/South State Highway 74: ±26,965 VPD</b>









## OFFERING HIGHLIGHTS

- Tenant is one of the **largest Yum! Brands** franchisees in the United States, operating 200+ Taco Bell, Pizza Hut, & KFC locations throughout multiple states
- **Ideal Lease Structure** – absolute NNN deal with ZERO Landlord responsibilities
- Taco Bell recently extended their lease obligation an additional 5 years **showing firm commitment** to the site. Taco Bell has operated out of this location since the building was constructed in 1997
- Extremely limited competition within 10 mile radius of site – Taco Bell is **one of only two drive-thru fast food users** that serve the surrounding 5-mile population of 25,795
- Unit Level performance – operator has posted **consistent YOY sales growth** including a strong YTD 2020 where sales are trending to be \$1M+
- 200+ unit-backed franchisee, Alvarado Concepts LLC, recently took over operations of this specific location **which has increased sales and overall unit health**
- **Immediate access to State Highway 74 (±26,965 VPD)** which connects Evergreen and the surrounding communities to Denver – Evergreen is less than 30 miles from Denver
- **Favorable Lease Terms** - Tenant shall pay Landlord a percentage of gross sales over \$1M with increased escalations should unit performance improve



## SITE PLAN





Evergreen/  
Conifer Pediatrics



Evergreen Physical  
Therapy Specialists

New West  
PHYSICIANS

Advanced  
Dermatology



REPLAYS  
SPORTS EXCHANGE

U-HAUL

Edward Jones



ELEVATION  
SPORTS

Evergreen Tennis Club



± 26,965 VPD



COLDWELL BANKER  
RESIDENTIAL  
BROKERAGE



AUTO PARTS

Mountain Vet to Pet

Spago Nails & Spa



STAGECOACH BOULEVARD ±6,098 VPD





SemaConnect  
ESCO CONSTRUCTION CO.  
Walgreens

Osmosis + BEAUTY  
kinetic arts dance studio  
Habitat for Humanity  
L&H  
CAM Fire Service  
Annie Coppock PHOTOGRAPHY  
Hammer Enterprises Integrated Solutions  
Evergreen Rentals  
LEXOTA  
Bow Wow Barbers  
CROSSFIT

CO  
74  
± 26,965 VPD

COLDWELL BANKER RESIDENTIAL BROKERAGE  
NAPA AUTO PARTS  
Mountain Vet to Pet  
Spago Nails & Spa  
TBANK

TACO BELL

STAGECOACH BOULEVARD ± 6,098 VPD





**U-HAUL**  
Edward Jones  
ELEVATION  
Evergreen Tennis Club  
Wendy's



± 26,965 VPD

Stagecoach Park & Fields

STAGECOACH BOULEVARD ±6,098 VPD

**BIG R**  
STORES  
**REPLAYS**  
SPORTS EXCHANGE

**RE/MAX**  
ALLIANCE

**TACO BELL**

**COLDWELL BANKER**  
RESIDENTIAL BROKERAGE  
**NAPA**  
**AUTO PARTS**  
**Mountain Vet to Pet**  
Spago Nails & Spa  
**t-BANK**







## 02 FINANCIAL & LEASE SUMMARY



# FINANCIAL & LEASE SUMMARY

## FINANCIAL SUMMARY

PRICE	<b>\$1,975,000</b>
CAP RATE	<b>5.47%</b>
NOI / ANNUALLY	<b>\$108,000</b>
FINANCING	<b>Free &amp; Clear</b>



This absolute NNN lease has just under 5 years remaining on its newly extended commitment with four 5-year options to renew & 10% increases in each option period.

## LEASE SUMMARY

TENANT	Taco Bell
LEASE GUARANTOR	Alvarado Concepts, LLC with 200 Taco Bell, Pizza Hut & KFC franchises in CA, NM & CO. Alvarado Concepts, LLC is one of the largest Yum! Brands franchisees in the US
LEASE TYPE	NNN
NOI / ANNUALLY	\$108,000 (as of March 2020)
TENANT RESPONSIBILITY	Tenant pays for CAM, taxes, insurance and maintains all aspects of the Premises including structural repairs
LANDLORD RESPONSIBILITY	None
LEASE EXPIRATION	November 30, 2024
EXTENDED LEASE TERM	5 Years
REMAINING TERM	4.2 Years
LEASE OPTIONS	Four 5-Year Options to Renew
RENTAL INCREASES	10% Increase in Each 5-Year Option Period
PERCENTAGE RENT	3% of Gross Sales over Break Point



## RENT SCHEDULE

PERIOD	RENT/YEAR/NNN	RENT/MONTH	INCREASES	CAP RATE
Initial Term: Dec 1, 2019 - Nov 30, 2024	\$108,000.00	\$9,000.00	10%	5.47%
Option 1: Dec 1, 2024 - Nov 30, 2029	\$118,800.00	\$9,900.00	10%	6.01%
Option 2: Dec 1, 2029 - Nov 30, 2034	\$130,680.00	\$10,890.00	10%	6.62%
Option 3: Dec 1, 2034 - Nov 30, 2039	\$143,748.00	\$11,979.00	10%	7.28%
Option 4: Dec 1, 2039 - Nov 30, 2044	\$158,122.80	\$13,176.90	10%	8.00%







# 03 **TENANT PROFILE**

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WWW.TACOBELL.COM

Operating as a subsidiary of Yum! Brands, Inc., Taco Bell Corp. owns, operates, and franchises a chain of Mexican-inspired quick service restaurants in the United States. The company's restaurants offer made to order and customizable tacos, burritos, quesadillas, gorditas, nachos, chalupas, beverages, desserts and sides, and other specialty items. As the leading Mexican-inspired quick service restaurant brand, Taco Bell and its more than 350 franchise organizations proudly serve over 42 million customers each week through nearly 7,000 restaurants across the nation, as well as through its mobile, desktop and delivery ordering services. Overseas, Taco Bell has over 250 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. Taco Bell plans to have 8,000 restaurants by the year 2023, which is anticipated to add an estimated 100,000 jobs nationwide.



NYSE: YUM



200,000+ EMPLOYEES



\$29B MARKET CAP



\$5B IN REVENUE



7,000+ LOCATIONS



LOUISVILLE, KY HEADQUARTERS

#### GUARANTOR: ALVARADO CONCEPTS LLC

Alvarado Concepts LLC is a Denver-based Yum! Brands franchisee that operates approximately **200 Taco Bell, Pizza Hut, and KFC** franchises in Colorado, California and New Mexico. The family-run restaurant business spans two generations and has operated Taco Bell restaurants for nearly 35 years across the United States.

The husband and wife team of Robert and Linda Alvarado founded their original restaurant company in 1984 with the development of their first Taco Bell restaurant in Denver, Colorado. Over the next 35 years, through development of several sister business units to Alvarado Concepts, and more than a half of a dozen acquisitions, the Alvarado's restaurant business has grown within the YUM! Brands family to include 228 restaurants throughout CO, CA, New Mexico, Texas and Wisconsin. Alvarado Concepts LLC prides itself on being one of the most respected franchises in the Yum! Brands system, on its legacy of brand stewardship, on its 35-year track record of superior restaurant operations and new unit development, and on the lasting impact the company has had by giving back to its local communities. The combination of consistently excellent operations, a proven track record as a strong developer, and a long history of stewarding brand efforts and community involvement, has resulted in Alvarado Concepts being a preferred choice by the Taco Bell brand for growth and acquisitions.





# 04 AREA OVERVIEW

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# AREA OVERVIEW

## EVERGREEN, COLORADO - JEFFERSON COUNTY

Jefferson County Economic Development Corporation (Jeffco EDC) is an advocate for the county's business community and is dedicated to building economic prosperity and promotes job creation by encouraging attraction, expansion, and retention of primary employers.

Jefferson County is home to some of the world's most successful and diverse companies that are creating world-class technologies and products, including Lockheed Martin, MillerCoors, Terumo BCT, and Pilatus Business Aircraft. Join these companies and benefit from Jefferson County's pro-business environment, highly educated workforce, strategic location and unmatched quality of life.

Located just 29 miles to the west of Denver, Evergreen's historic Main Street, bordered between a pink cliff wall of boulders and the rapidly flowing mountain waters of Bear Creek is compact, but full of irresistible fine arts, crafts and gifts worthy of any home, as well as bistros, coffee shops, boutiques, specialty shopping, live music and dining along the creek. The downtown also provides a host of personal and business services from health and wellness professionals to property managers, insurance agents, builders and designers. Whether you are a visitor or a local, you are sure to find downtown Evergreen provides everything you may need.

## 5-MILE DEMOS



**24,795**

POPULATION



**10,156**

HOUSEHOLDS



**52.3**

MEDIAN AGE



**\$171,684**

AVERAGE HH INCOME



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