

BRAND NEW CONSTRUCTION DRIVE-THRU QSR

Absolute NNN Ground Lease Investment Opportunity



208 E Capitol Drive

MILWAUKEE WISCONSIN

REPRESENTATIVE PHOTO



EXCLUSIVELY MARKETED BY



MATTHEW MOUSAVI

Managing Principal

SRS National Net Lease Group

matthew.mousavi@srsre.com

D: 949.698.1116 | M: 714.404.8849

610 Newport Center Drive, Suite 1500

Newport Beach, CA 92660

CA License No. 01732226

PATRICK R. LUTHER, CCIM

Managing Principal

SRS National Net Lease Group

patrick.luther@srsre.com

D: 949.698.1115 | M: 480.221.4221

610 Newport Center Drive, Suite 1500

Newport Beach, CA 92660

CA License No. 01912215



Real Estate Broker of Record: Kenneth Galvin, SRS Real Estate Partners, LLC | WI License No. 937945



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INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee interest (land ownership) in an absolute NNN, drive-thru equipped, Taco Bell investment property located in Milwaukee, Wisconsin. The tenant, Pacific Bells, LLC, recently executed a brand new 25-year lease with 6 (5-year) options to extend, demonstrating their commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and option periods, growing NOI and hedging against inflation. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management-free investment opportunity for a passive investor. Formed in 1986, Pacific Bells is an experienced Taco Bell franchisee currently operating over 240 restaurants in 8 states. The building will feature state-of-the-art, brand new construction with modern amenities and design.

Taco Bell will be strategically located at the signalized, hard corner intersection of W. Capitol Drive and N. Richards Street, averaging a combined 36,800 vehicles passing by daily. The building will be complete with a drive-thru, providing ease and convenience for customers. On average, stores with drive-thrus average higher sales than those without. The site benefits from nearby direct on/off ramp access to Interstate 43 (132,000 VPD), a major commuter thoroughfare for the state of Wisconsin connecting both Milwaukee and Green Bay. Taco Bell is ideally positioned directly across from a Walmart Supercenter (109,800 SF), a premier anchor tenant that significantly increases consumer draw to the immediate trade area and promotes crossover store exposure for the asset. Other nearby national/credit tenants include Aldi, The Home Depot, Ross Dress for Less, Office Depot, Dollar Tree, Starbucks, and more, further increasing exposure and crossover synergy for the asset. Moreover, the subject property is located less than 1.5 miles northwest of the University of Wisconsin-Milwaukee, a 104-acre campus that currently enrolls 25,000 students and employs over 1,600 faculty making it the second largest university in Wisconsin. Additionally, Taco Bell is surrounded by nearby residential neighborhoods and is poised to take advantage of the large potential consumer base. The 5-mile trade area is supported by a dense population of more than 347,400 residents and 194,100 daytime employees with an average household income of \$64,179.

OFFERING SUMMARY



OFFERING

Pricing	\$1,720,000
Net Operating Income	\$80,000
Cap Rate	4.65%
Tenant	Pacific Bells, LLC (240+ Units)
Lease Type	Absolute NNN - Ground Lease
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	2,200 SF
Land Area	0.55 Acres
Property Address	208 E. Capitol Drive Milwaukee, Wisconsin 53212
Year Built	2021 (Est.)
Parcel Number	Undergoing Reparcelization
Ownership	Leased Fee (Land Ownership)

INVESTMENT HIGHLIGHTS



Brand New 25-Year Lease | Scheduled Rental Increases | Strong Operator (240+ Units) | Brand New Construction

- Tenant recently executed a brand new 25-year lease with 6 (5-year) options to extend, demonstrating their commitment to the site
- Lease features 10% rental increases every 5 years throughout the initial term and option periods, growing NOI and hedging against inflation
- Building will feature state-of-the-art, brand new construction with modern amenities and design
- Formed in 1986, Pacific Bells is an experienced Taco Bell franchisee currently operating over 240 restaurants in 8 states

Absolute NNN | Leased Fee Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Nearby Residential Neighborhoods | Dense Population | Strong Demographics in 5-Mile Trade Area

- Surrounded by nearby residential neighborhoods, Taco Bell is poised to take advantage of the large potential consumer base in the area
- More than 347,400 residents and 194,100 employees support the trade area
- \$64,179 average household income

Across From Walmart Supercenter | National/Credit Tenants | University of Wisconsin-Milwaukee (25,000 Students)

- Directly across from a Walmart Supercenter (109,800 SF), a premier anchor tenant that significantly increases consumer draw to the immediate trade area and promotes crossover store exposure for the asset
- Other nearby national/credit tenants include Aldi, The Home Depot, Ross Dress for Less, Office Depot, Dollar Tree, Starbucks, and more
- Located less than 1.5 miles northwest of the University of Wisconsin-Milwaukee, a 104-acre campus that currently enrolls 25,000 students and employs over 1,600 faculty making it the second largest university in Wisconsin

Signalized, Hard Corner Intersection | Drive-Thru Equipped | Quick Access to Interstate 43 (132,000 VPD)

- Taco Bell will be located at the signalized, hard corner intersection of W. Capitol Drive and N. Richards Street, averaging a combined 36,800 vehicles passing by daily
- Building will be complete with a drive-thru, providing ease and convenience for customers
- On average, stores with drive-thrus average higher sales than those without
- Nearby direct on/off ramp access to Interstate 43 (132,000 VPD), a major commuter thoroughfare for the state of Wisconsin connecting both Milwaukee and Green Bay

PROPERTY OVERVIEW



Location



Milwaukee, Wisconsin
Milwaukee, Washington & Waukesha County

Parking



There are approximately 23 parking spaces on the owned parcel.
The parking ratio is approximately 10.45 stalls per 1,000 SF of leasable area.

Access



E. Capitol Drive: 2 Access Points

Parcel



Parcel Number: Undergoing Reparcelization
Acres: 0.55
Square Feet: 23,958 SF

Traffic Counts



E. Capitol Drive: 30,000 Vehicles Per Day
North South Fwy/I 43: 132,000 Vehicles Per Day

Construction



Year Built: 2021 (Est.)

Improvements



There is approximately 2,200 SF of existing building area

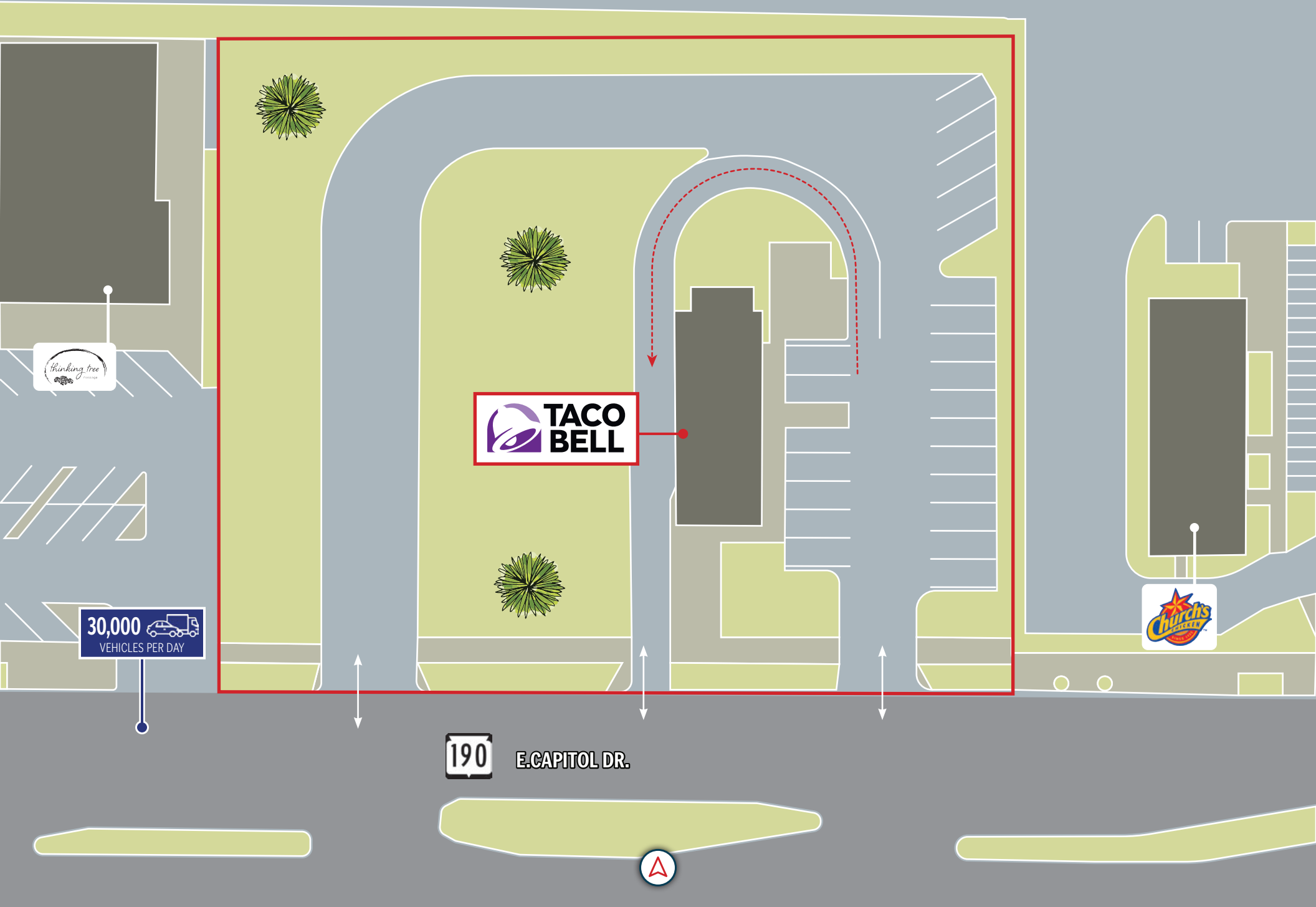
Zoning



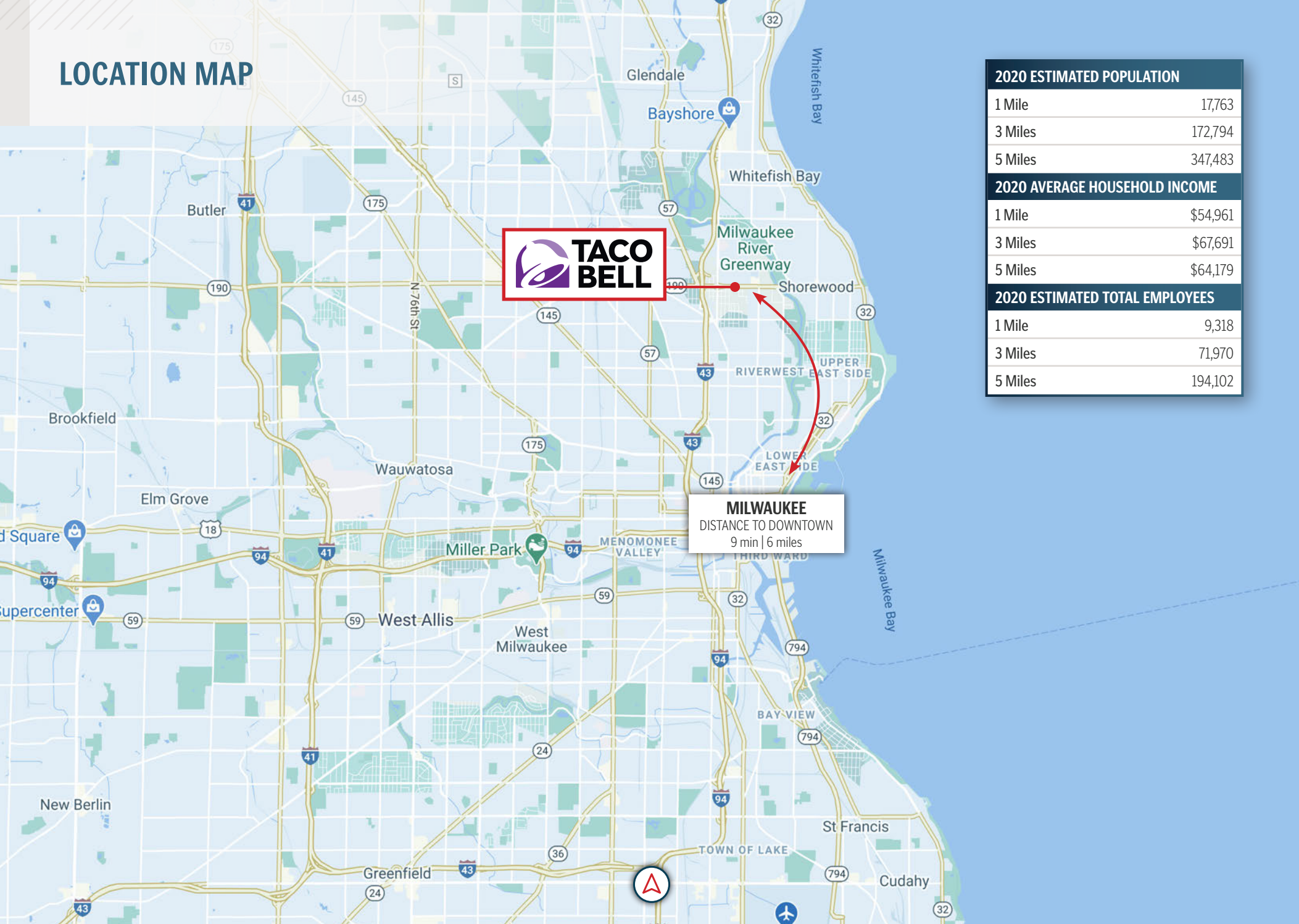
LB2: Local Business



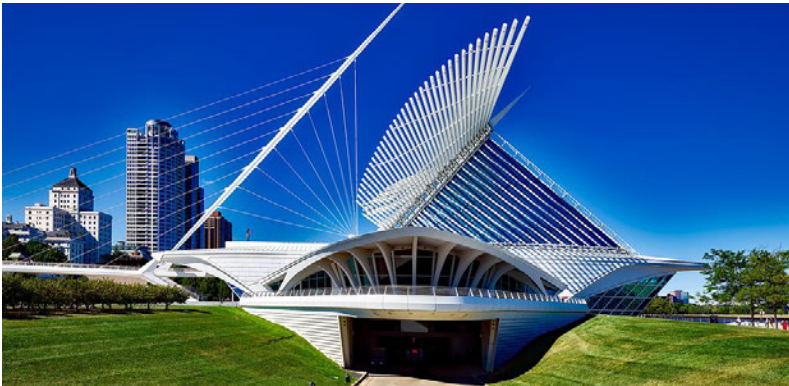




LOCATION MAP



2020 ESTIMATED POPULATION	
1 Mile	17,763
3 Miles	172,794
5 Miles	347,483
2020 AVERAGE HOUSEHOLD INCOME	
1 Mile	\$54,961
3 Miles	\$67,691
5 Miles	\$64,179
2020 ESTIMATED TOTAL EMPLOYEES	
1 Mile	9,318
3 Miles	71,970
5 Miles	194,102



MILWAUKEE, WISCONSIN

The city of Milwaukee is the largest city in Wisconsin with a population of 588,573 as of July 1, 2020. Milwaukee is also the main cultural and economic center of the combined population of 2.04 million for the Milwaukee-Racine-Waukesha metropolitan area.

The city's economic structure reveals a diversified economy with strong service and manufacturing sectors. Milwaukee is the economic hub of the southeast region and entire state of Wisconsin. It is a premiere center for advanced manufacturing, fresh water research and development, clean/green technology, health care, biomedical technology, and financial services. These core industries spur innovation, business formation and growth, a strong and growing entrepreneurial climate, and provides a boost to Milwaukee's national and global competitiveness. Milwaukee's transportation system is a gateway for tourism, conventions, commerce, business growth and economic development.

Once known almost exclusively as a manufacturing and brewing powerhouse, Milwaukee's economy has changed with the national shift to a service-based economy. In the past few decades, major new additions to the city include the Milwaukee Riverwalk, the Wisconsin Center, Miller Park, the Calatrava (an internationally renowned addition to the Milwaukee Art Museum) and Pier Wisconsin, as well as major renovations to the University of Wisconsin – Milwaukee Panther Arena. Many new condominiums, lofts, and apartments have been completed or are under construction in neighborhoods on and near the lakefront and riverbanks.

Milwaukee plays an important role in international and domestic trade. Of vital importance to both the local and state economies, the Port of Milwaukee is an international seaport providing transportation and distribution services to commercial businesses in the area. The Port of Milwaukee processed over 2 million metric tons of cargo in 2018. It is served by the Union Pacific and Canadian Pacific railways, and has convenient access to the interstate highway system.

AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2020 Estimated Population	17,763	172,794	347,483
2025 Projected Population	17,695	174,441	351,199
2010 Census Population	17,913	172,404	346,098
HOUSEHOLDS & GROWTH			
2020 Estimated Households	7,419	72,678	140,681
2025 Projected Households	7,399	73,807	142,782
2010 Census Households	7,424	71,615	138,374
RACE & ETHNICITY			
2020 Estimated White	34.74%	41.57%	36.69%
2020 Estimated Black or African American	54.44%	49.68%	51.27%
2020 Estimated Asian or Pacific Islander	3.60%	3.22%	4.92%
2020 Estimated American Indian or Native Alaskan	0.46%	0.40%	0.46%
2020 Estimated Other Races	2.88%	1.85%	2.73%
2020 Estimated Hispanic	7.84%	5.64%	7.59%
INCOME			
2020 Estimated Average Household Income	\$54,961	\$67,691	\$64,179
2020 Estimated Median Household Income	\$35,476	\$40,901	\$40,189
2020 Estimated Per Capita Income	\$23,139	\$29,023	\$26,361
DAYTIME POPULATION			
2020 Estimated Total Businesses	563	4,728	11,674
2020 Estimated Total Employees	9,318	71,970	194,102



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Pacific Bells, LLC	2,200	TBD	25 Years	Year 1	-	\$6,667	\$3.03	\$80,000	\$36.36	Absolute NNN	6 (5-Year)
				Year 6	10%	\$7,333	\$3.33	\$88,000	\$40.00		
				Year 11	10%	\$8,067	\$3.67	\$96,800	\$44.00		

10% Increases Thereafter Throughout Initial Term & Option Periods

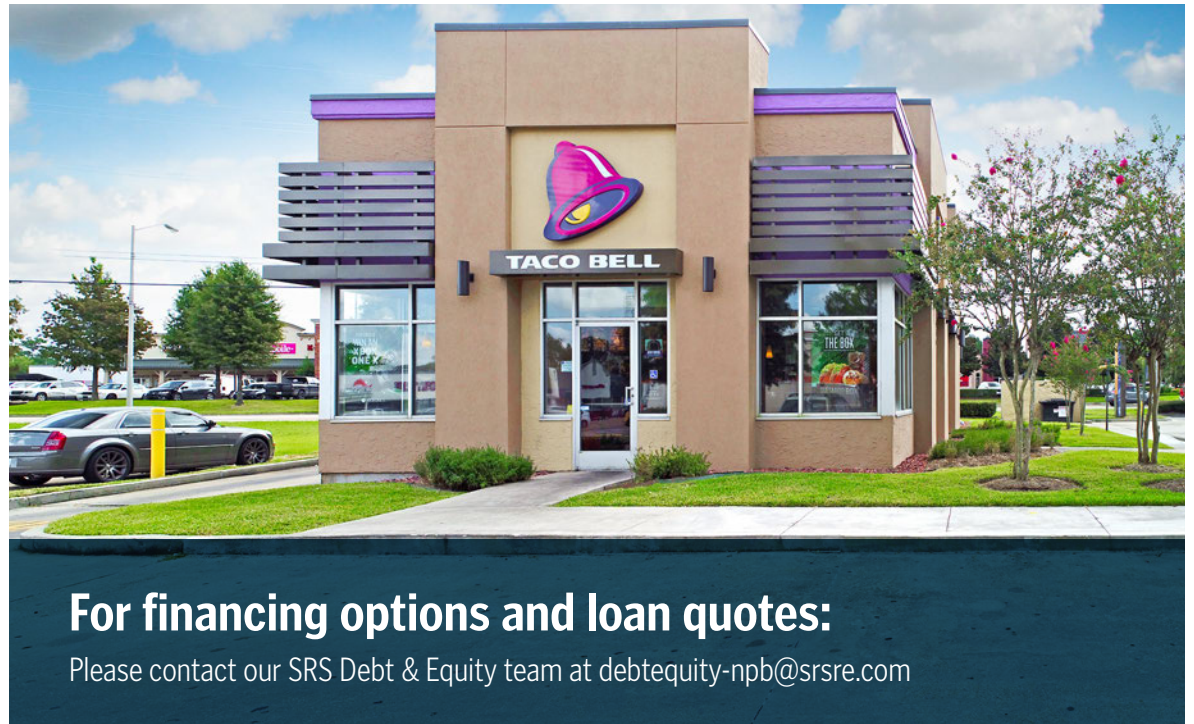
1) Tenant has a 5-Day Right of First Refusal (ROFR).

FINANCIAL INFORMATION

Price	\$1,720,000
Net Operating Income	\$80,000
Cap Rate	4.65%
Lease Type	Absolute NNN - Ground Lease

PROPERTY SPECIFICATIONS

Year Built	2021 (Est.)
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For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



TACO BELL

tacobell.com

Company Type: Subsidiary

Locations: 7,100+

Parent: Yum! Brands

2019 Employees: 34,000

2019 Revenue: \$5.60 Billion

2019 Net Income: \$1.29 Billion

2019 Assets: \$5.23 Billion

Credit Rating: S&P: BB

Taco Bell Corp., a subsidiary of Yum! Brands, Inc. (NYSE: YUM), is the world's leading Mexican-inspired quick-service restaurant brand. Taco Bell serves made-to-order and customizable tacos and burritos and other specialties with bold flavors, quality ingredients, breakthrough value, and best-in-class customer service to over 46 million customers weekly across the globe. Globally, Taco Bell and its franchisees operate more than 7,100 restaurants, including more than 600 restaurants across 30 countries outside of the U.S. The company was founded in 1962 and is headquartered in Irvine, California.



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in North America
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to retail

2K+

RETAIL
TRANSACTIONS
company-wide
in 2020

485

NET LEASE
PROPERTIES SOLD
in 2020

\$1.5B

NET LEASE
TRANSACTION VALUE
in 2020

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