

# JAMESCAPITAL



23-YEAR ABSOLUTE NET (NNN) K-MAC ASSET

1302 S. 4TH ST, NASHVILLE, AR 71852



TABLE OF CONTENTS



PAGE

03	Investment Summary
04	Retail Aerial
05	Lease Summary
06	Retail Aerial
07	Rent Schedule
08	Site Plan
09	About the Brand
10	About the Franchisee
11	Location Overview

CONTACT INFORMATION



**NINA VALTCHANOV**  
Senior Associate  
(424) 325-2624



**REED MELILLO**  
Senior Director



## INVESTMENT SUMMARY



Tenant	Taco Bell
Street Address	1302 S. 4th St
City	Nashville
State	AR
Zip	71852
GLA	2,288 SF
Lot Size	0.96 AC
Year Built	2019



**\$1,932,821**  
List Price

**0.96 AC**  
Lot Size



**4.75%**  
Cap Rate

**2,288 SF**  
GLA



**\$91,809**  
NOI

**\$40.13**  
Rent / SF



**Absolute Triple-Net (NNN) Investment** - This Taco Bell operates on an Absolute Triple-Net (NNN) lease with tenant fully responsible for maintenance, insurance & taxes, providing the landlord with a low maintenance asset.

**Ample Rent Growth - 1% Increases Annually** - The lease features 1% annual rental increases, providing the landlord the benefit of compounding rent growth, and a strong hedge against inflation.

**Lease Backed by 300-Unit Operator** - The lease is fully backed by K-Mac Enterprises, one of the largest franchisees in the nation with 300+ locations spread across Arkansas, Indiana, Illinois, Kentucky, Missouri, Mississippi, Oklahoma, Tennessee and Texas.

**Pandemic Proof Business Model** - While the COVID-19 pandemic has had a negative impact on most restaurant businesses, Taco Bell has persevered through this time with sales increasing, including net sales of \$1.45 billion, 8% higher than a year earlier, beating expectations of \$1.42 billion.







TACO BELL  
LEASE SUMMARY



Lease Type	Absolute Net (NNN)
Type of Ownership	Fee Simple
Original Lease Term	25 Years
Commencement Date	05/06/2019
Lease Expiration	05/31/2044
Term Remaining	23 Years
Increases	1% Annually
Options	Four (4), 5-year

Real Estate Taxes	Tenant Responsible
Insurance	Tenant Responsible
Roof & Structure	Tenant Responsible
Lease Guarantor	Franchisee
Company Name	K-Mac Enterprises, inc
Ownership	Private
Years in Business	57
Number of Locations	300



**Drive-Thru Location** - This site was newly constructed in 2018 and features a dedicated drive-thru, which adds a meaningful level of convenience to the customer experience and drives sales.

**Globally Recognized Brand** - Taco Bell is a globally recognized brand with total worldwide system sales of over \$11B FY'19 and 7,363 units spread across Europe, Asia, America, Middle East and Oceania.

**Nearby National Tenants** - This site is surrounded by other national tenants such as the Coca Cola Bottling Company, Shell, O'Reilly Auto Parts and Sears Hometown Store.

**Strong Tenant Commitment** - The lease features an initial term of 25 Years with an additional four (4), 5-year options to extend the lease until 2064, indicating strong commitment to the site.





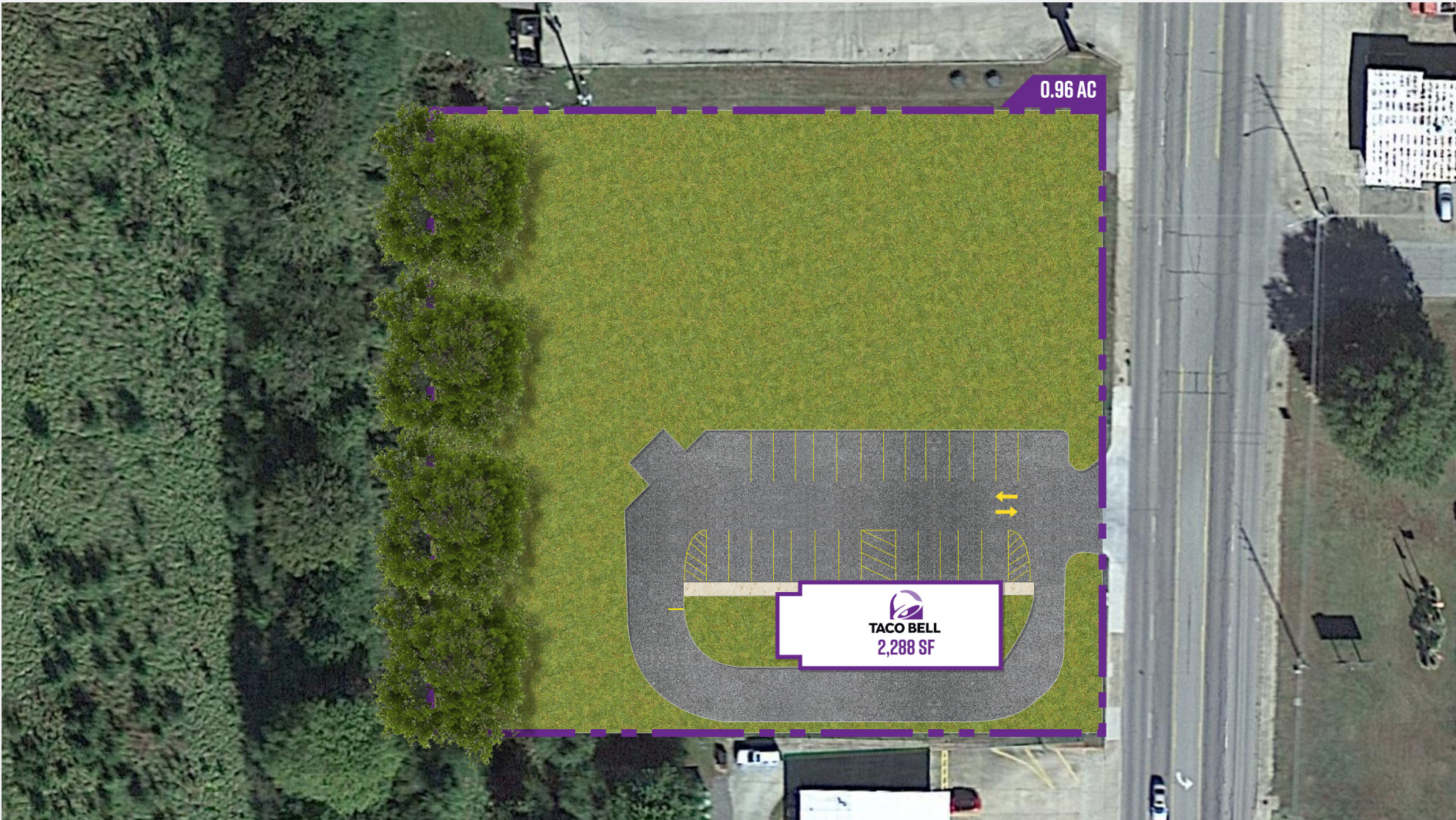


## RENT SCHEDULE



Period	Term	Annual Rent	Monthly Rent	Increase	CAP Rate
<b>05/06/2021 - 05/05/2022</b>	<b>Base Term</b>	<b>\$91,809.00</b>	<b>\$7,650.75</b>	<b>-</b>	<b>4.75%</b>
05/06/2022 - 05/05/2023	Base Term	\$92,727.09	\$7,727.26	1%	4.80%
05/06/2023 - 05/05/2024	Base Term	\$93,654.36	\$7,804.53	1%	4.85%
05/06/2024 - 05/05/2025	Base Term	\$94,590.90	\$7,882.58	1%	4.89%
05/06/2025 - 05/05/2026	Base Term	\$95,536.81	\$7,961.40	1%	4.94%
05/06/2026 - 05/05/2027	Base Term	\$96,492.18	\$8,041.02	1%	4.99%
05/06/2027 - 05/05/2028	Base Term	\$97,457.10	\$8,121.43	1%	5.04%
05/06/2028 - 05/05/2029	Base Term	\$98,431.67	\$8,202.64	1%	5.09%
05/06/2029 - 05/05/2030	Base Term	\$99,415.99	\$8,284.67	1%	5.14%
05/06/2030 - 05/05/2031	Base Term	\$100,410.15	\$8,367.51	1%	5.20%
05/06/2031 - 05/05/2032	Base Term	\$101,414.25	\$8,451.19	1%	5.25%
05/06/2032 - 05/05/2033	Base Term	\$102,428.40	\$8,535.70	1%	5.30%
05/06/2033 - 05/05/2034	Base Term	\$103,452.68	\$8,621.06	1%	5.35%
05/06/2034 - 05/05/2035	Base Term	\$104,487.21	\$8,707.27	1%	5.41%
05/06/2035 - 05/05/2036	Base Term	\$105,532.08	\$8,794.34	1%	5.46%
05/06/2036 - 05/05/2037	Base Term	\$106,587.40	\$8,882.28	1%	5.51%
05/06/2037 - 05/05/2038	Base Term	\$107,653.27	\$8,971.11	1%	5.57%
05/06/2038 - 05/05/2039	Base Term	\$108,729.81	\$9,060.82	1%	5.63%
05/06/2039 - 05/05/2040	Base Term	\$109,817.10	\$9,151.43	1%	5.68%







## ABOUT THE BRAND



## Taco Bell

Taco Bell is an American-based chain of fast food restaurants originating in 1962 & is a subsidiary of Yum! Brands, Inc. Taco Bell has more than 7,363 restaurants, 93 percent of which are owned and operated by independent franchisees and licensees. As of 2020, Taco Bell serves over two billion customers each year.

**7,363+**

Number of Locations

**26 COUNTRIES**

Geographical Footprint

**\$2.07 BILLION**

Annual Revenue

**210,000**

Forbes Ranking



## Taco Bell To Redefine QSR Experience

Taco Bell announces plans for new restaurant concept.

[Read More >](#)



## Taco Bell Hires 30,000 Workers

Taco Bell announces their commitment to hire at least 30,000 workers.

[Read More >](#)



## Taco Bell Drives Yum! Brands' Recovery

Yum! Brands financial results were lifted by strength in the Taco Bell brand.

[Read More >](#)



## Yum Brands Earnings Top Estimates

Yum! Brands reported earnings & revenue that topped analyst predictions.

[Read More >](#)

## ABOUT THE FRANCHISEE

**K-MAC Enterprises Inc.**

K-MAC Enterprises Inc. is a leading operator of Taco Bell quick-service restaurants. The company's restaurants, franchised from YUM! Brands, are located in Arkansas, Illinois, Indiana, Kentucky, Mississippi, Missouri, Oklahoma, Tennessee, and Texas.

**300+**

Number of Locations

**\$400 MILLION**

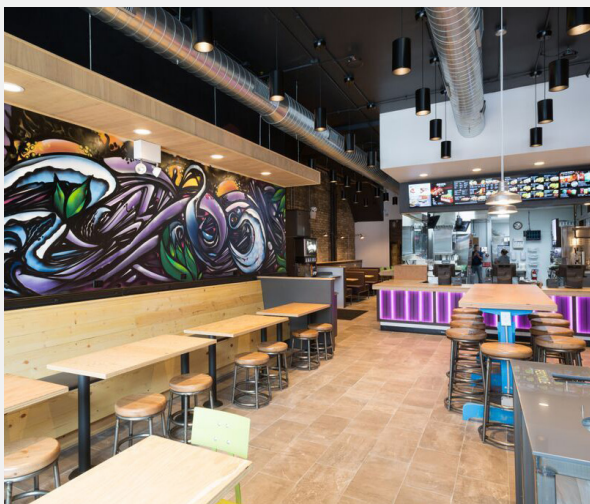
Annual Revenue

**9 STATES**

Geographical Footprint

**6,000+**

Number of Employees

**Mission & Vision**

K-Mac Enterprises, is a franchisee founded in 1964 and headquartered in Fort Smith, Arkansas. Over the company's 50 year history, it has grown to become one of the largest franchisee restaurant businesses in the country. With a vision to be the largest Taco Bell operator, as well as a premier employer in the system, K-MAC Enterprises, Inc. manages over 300 restaurants today and continues to grow. The organization is known for putting people first by developing and aligning great teams, and embracing a recognition culture.

Over the company's 50 year history, it has grown to become one of the largest franchisee restaurant businesses in the country. K-Mac achieves over \$400 million in annual revenues. K-Mac has continually upgraded its existing asset base, having completed over 30 significant remodels since 2011. Going forward, K-Mac remains focused on continuing to grow through acquisitions and new unit development, as well as improving existing store operations.





POPULATION	1-Mile	3-Mile	5-Mile
2025 Projection	2,547	5,786	7,501
2020 Estimate	2,551	5,786	7,496
2010 Census	2,644	5,936	7,649
HOUSEHOLDS	1-Mile	3-Mile	5-Mile
2025 Projection	1,005	2,254	2,914
2020 Estimate	1,007	2,253	2,911
2010 Census	1,042	2,310	2,966
Average Income	\$37,262	\$50,470	\$52,898
Median Income	\$21,875	\$32,009	\$33,593

**Nashville, AR**

Located at the base of the Ouachita Mountains in the Southwest region of the State of Arkansas, Nashville is a quaint community filled with warm, friendly people. Nashville has excellent schools, wonderful small businesses, top-notch industry, and access to beautiful recreational facilities. It is located in Howard County, around 130 miles from the city of Little Rock. One of the largest dinosaur trackways in the world was discovered a few miles from town & was once a major center for peach trade in the state.

## DISCLAIMER



The information contained in this Marketing Brochure has been obtained from sources believed to be reliable, but the accuracy or completeness of the information contained therein cannot be guaranteed. James Capital Advisors, Inc. & Brian Brockman ("Broker") has not, and will not, verify any of this information, nor has Broker conducted, nor will it conduct, any investigation regarding these matters. Broker makes no representations, guarantees, or warranties of any nature about the accuracy or completeness of any information provided. The information provided in this brochure is in no way a substitute for a thorough due diligence investigation by Buyer. Broker has made no investigation of, and has made no representations, guarantees, or warranties of any nature, with regard to income and expenses for this property nor the future financial performance of the property. In addition, Broker has made no investigation of, and has made no representations, guarantees, or warranties as to the size and square footage of the property, the presence of any contaminating substances at the property, the physical condition of the property or compliance with any State, Local or Federal regulations. In addition, Broker has made no investigation of, and has made no representations, guarantees, or warranties of any nature, with regard to the financial condition or future financial condition of any tenants, nor any future plans or intentions of tenants with regard to the continued occupancy of the property. All parties are aware that Broker has no affirmative obligation to conduct a due diligence examination of the property for any Buyer. Any and all projections or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. Therefore, Broker assumes no legal responsibility for accuracy or completeness of this information, and expressly disclaims all representations, guarantees, or warranties related thereto.

The value of the property to any Buyer depends on numerous factors that must be evaluated by Buyer and Buyer's legal, tax, construction, and financial advisors. Buyer and Buyer's advisors should conduct a thorough, independent investigation of the property to determine its suitability for Buyer's intended usage. This investment, as with all real estate investments, carries a substantial risk. As such, Buyer and Buyer's legal and financial advisors are strongly advised to request and review all legal and financial documentations related to the property and tenants.

A tenant's past performance is not a guarantee of future performance. The lease rate stated for some properties may be based on a tenant's projected sales with little or no record of actual performance or comparable rents for the area in question. Returns are in no way guaranteed. Tenants may fail to pay the rent or property taxes or any other tenant obligations under the terms of the lease or may default under the terms of such lease. Regardless of tenant's history of performance, and/or any lease guarantors and/or guarantees, Buyer is responsible for conducting Buyer's own investigation of all matters related to any and all tenants and lease agreements. Broker is not, in any way, responsible for the performance of any tenant or for any breach or default by any tenant of any terms of any lease agreement related to the property. Further, Buyer is responsible for conducting Buyer's own independent investigation of all matters related to the value of the property, including, but not limited to, the value of any long-term leases. Buyer must carefully evaluate the possibility of tenants vacating the property or breaching their leases and the likelihood and financial impact of being required to find a replacement tenant if the current tenant should default and/or abandon the property. Buyer must also evaluate Buyer's legal ability to make alternate use of the property in the event of a tenant abandonment of the property.

## CONFIDENTIALITY

This Marketing Brochure and the information contained within, is propriety and strictly confidential. It is intended to be used only by the party receiving it from Broker. It should not be made available to any other person or entity without the express written consent of Broker.

## RELEASE

This Marketing Brochure has been prepared to provide basic, unverified information for prospective purchasers. By accepting this Marketing Brochure, the recipient agrees to release and hold harmless Broker from any claim, demand, liability or loss arising out, or relating in any way, to the information contained in this Marketing Brochure and from Buyer's investigation of the property. In no event shall James Capital Advisors, Inc. or Broker be liable to any party for any direct, indirect, special, incidental, or consequential damages of any kind whatsoever arising out of the use of this Marketing Brochure or any information contained herein.

## NON-ENDORSEMENT

Broker is not affiliated with, endorsed by or sponsored in any way by any tenant or lessee identified in this Marketing Brochure. The presence of any entity's logo or name is not intended in any way to indicate affiliation, sponsorship or endorsement by said entity of Broker.



## CONTACT INFORMATION



### LISTING AGENTS



**NINA  
VALTCHANOV**  
Senior Associate

(424) 325-2624  
[nina@jamescapitaladvisors.com](mailto:nina@jamescapitaladvisors.com)  
CA RE Lic. 02084952



**REED  
MELILLO**  
Senior Director

(424) 325-2606  
[reed@jamescapitaladvisors.com](mailto:reed@jamescapitaladvisors.com)  
CA RE Lic. 01984199



**MIKE  
JAMES**  
Founder, CEO

(424) 325-2601  
[mike@jamescapitaladvisors.com](mailto:mike@jamescapitaladvisors.com)  
CA RE Lic. 01869890

### BROKER OF RECORD

**BRIAN  
BROCKMAN**

Bang Realty - Arkansas, Inc

(513) 898-1551  
[brian@bangrealty.com](mailto:brian@bangrealty.com)  
AR RE Lic #: PB00082359

