



OFFERING MEMORANDUM

PRESERVE
WEST
CAPITAL



Taco Bell
Livermore, CA | San Francisco Bay Area

www.preservewestcapital.com



PROPERTY HIGHLIGHTS	1	AERIALS	5
PROPERTY INFORMATION	2	ABOUT THE AREA	6
TENANT INFORMATION	3	DEMOGRAPHICS	9
SITE PLAN	4		

Disclaimer

Preserve West Capital (“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.

Putnam Daily
Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064

Lindsey Snider
Vice President
415.906.2887
lindsey@preservewc.com
CA RE License #01443387

Michael Maffia
Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

PROPERTY HIGHLIGHTS



- Long Term Net Lease to Taco Bell with 13 Years Remaining
 - Scheduled Rental Escalations within Primary Term & Throughout Options
 - Highly Profitable Location with Sustainable Rent to Sales Ratio
- Irreplaceable Bay Area Infill Location within Dense & Affluent East Bay Market
 - Strong Intrinsic Value in Market Where Demand for Real Estate Far Exceeds Supply
- Excellent Access and Visibility on Vasco Road directly off Interstate 580
 - AADT of 33,918 On Vasco Road
 - Immediately off Interstate 580, one of the most heavily trafficked commuter routes in the Bay Area – 162,100 AADT
- Dense, Affluent Demographics within 1 Mile Radius
 - Median Home Value of \$805,273
 - Average Household Income of \$176,482
- Total Daytime Population of 443,928 within 15 Miles of Site
- Prominent Location Less than 1.5 Miles from Lawrence Livermore National Laboratory and Less than 3 Miles from Sandia National Laboratories
 - Technological Hub & Academically Engaged Community
 - Many Highly Skilled Workers Come to the Region to Work at the Two Labs
- Approximately 35 Miles from Downtown San Jose and 45 Miles from San Francisco



PRICE

\$4,490,000

3.50% CAP Rate

Location

The property is located at 6005 Preston Avenue in Livermore, California.

Lot Size

Approximately 0.71 acres or 30,927 square feet.

Improvements

A 2,618 square foot building featuring a drive-thru component for **Taco Bell**.

Year Built/Renovated

1999 / 2019

Parking

There is ample parking available on site.

Lease

Leased to **Taco Bell** for 20 years from September 2, 2014 through August 31, 2034. There are three (3) five-year options to renew the lease. Rent is to increase by 8% in every five years throughout the primary term and at the start of each option period. The lease is absolute NNN with tenant responsible for all taxes, insurance, and maintenance, including roof & structure.

Net Annual Income

Year		Annual Rent	Return
Years 1-5		\$134,667.00	
Years 6-10	Current	\$145,479.24	
Years 11-15	Capitalized	\$157,117.58	3.50%
Years 16-20		\$169,686.99	3.78%
Years 21-25	(Option 1)	\$183,261.94	4.08%
Years 26-30	(Option 2)	\$197,922.90	4.41%
Years 31-35	(Option 3)	\$213,756.73	4.76%

Financing

This property will be delivered free and clear of permanent financing.



TACO BELL™

Taco Bell is a quick-service restaurant chain specializing in Mexican-style food products, including tacos, burritos, quesadillas, salads, and nachos, with approximately 7,363 locations worldwide. The brand's restaurants are largely franchised, with more than 350 franchise operators in the U.S., and is ranked #4 in Entrepreneur magazine's Franchise 500. The brand is a subsidiary of **YUM! Brands, Inc. (NYSE: YUM)**, which also operates the brands KFC, Pizza Hut, The Habit Burger Grill, and WingStreet.

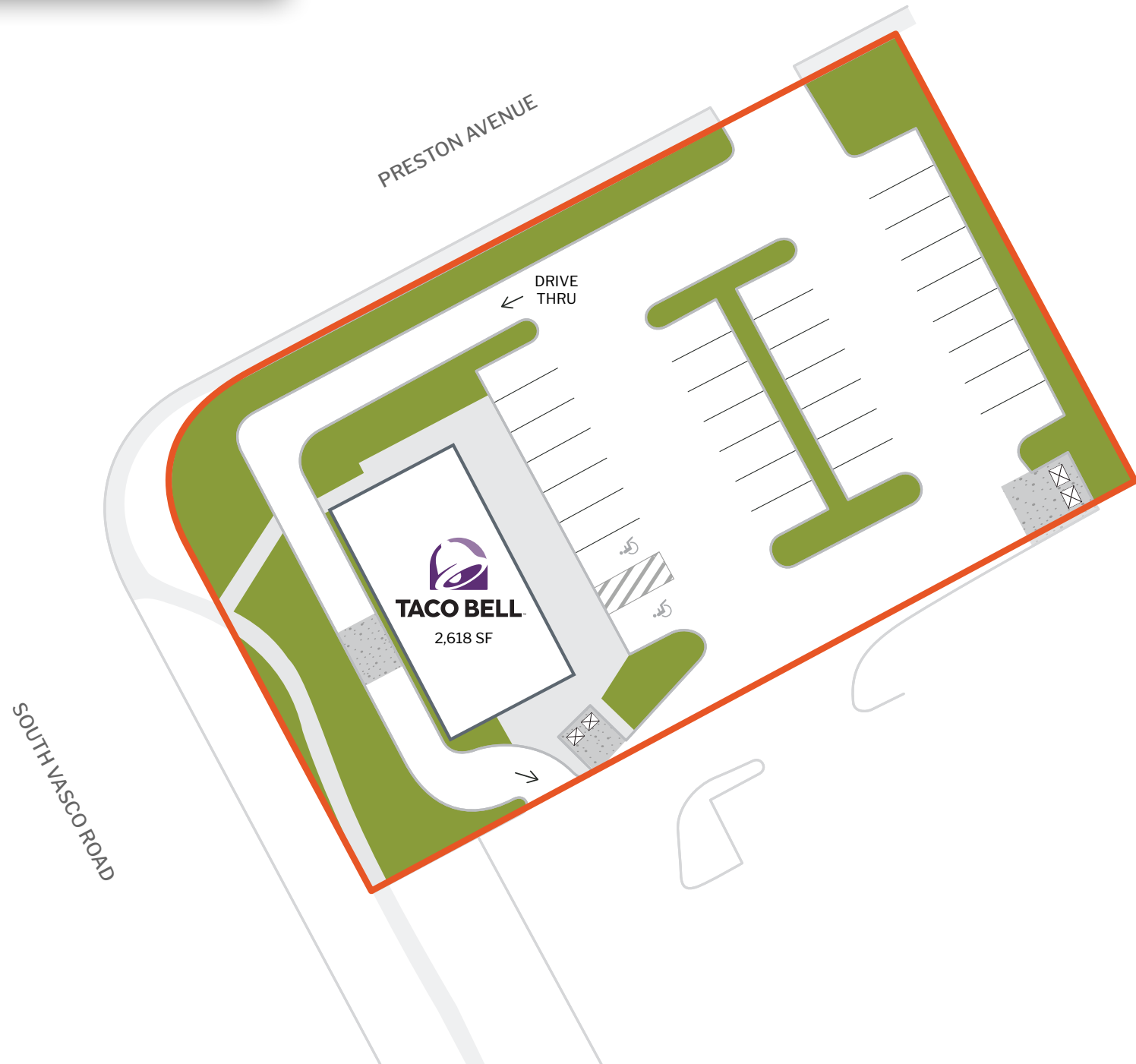
For 2019, YUM! Brands, Inc. reported revenue of \$5.60 billion, net income of \$1.29 billion, and Taco Bell system-wide sales of \$11.78 billion, a 9% increase year-over-year. For the third quarter of 2020, YUM! Brands, Inc. reported revenue of \$1.45 billion, net income of \$283 million, and \$501 million in revenue attributable to the Taco Bell division, all of which represent year-over-year increases relative to the third quarter of 2019, despite the COVID-19 pandemic.

Golden Gate Bell, LLC, the lease entity, is the largest Taco Bell franchisee in California and among the largest Taco Bell franchisees in the U.S., operating 85 Taco Bell locations, primarily in Northern California. The tenant experiences robust, sustainable sales at this location.

Financial information about the tenant is available to qualified buyers.

Golden Gate Bell, LLC, is the largest Taco Bell Franchisee in California with 85 locations,

SITE PLAN



AERIAL



(162,100 AADT)



Vasco Rd (33,918 AADT)

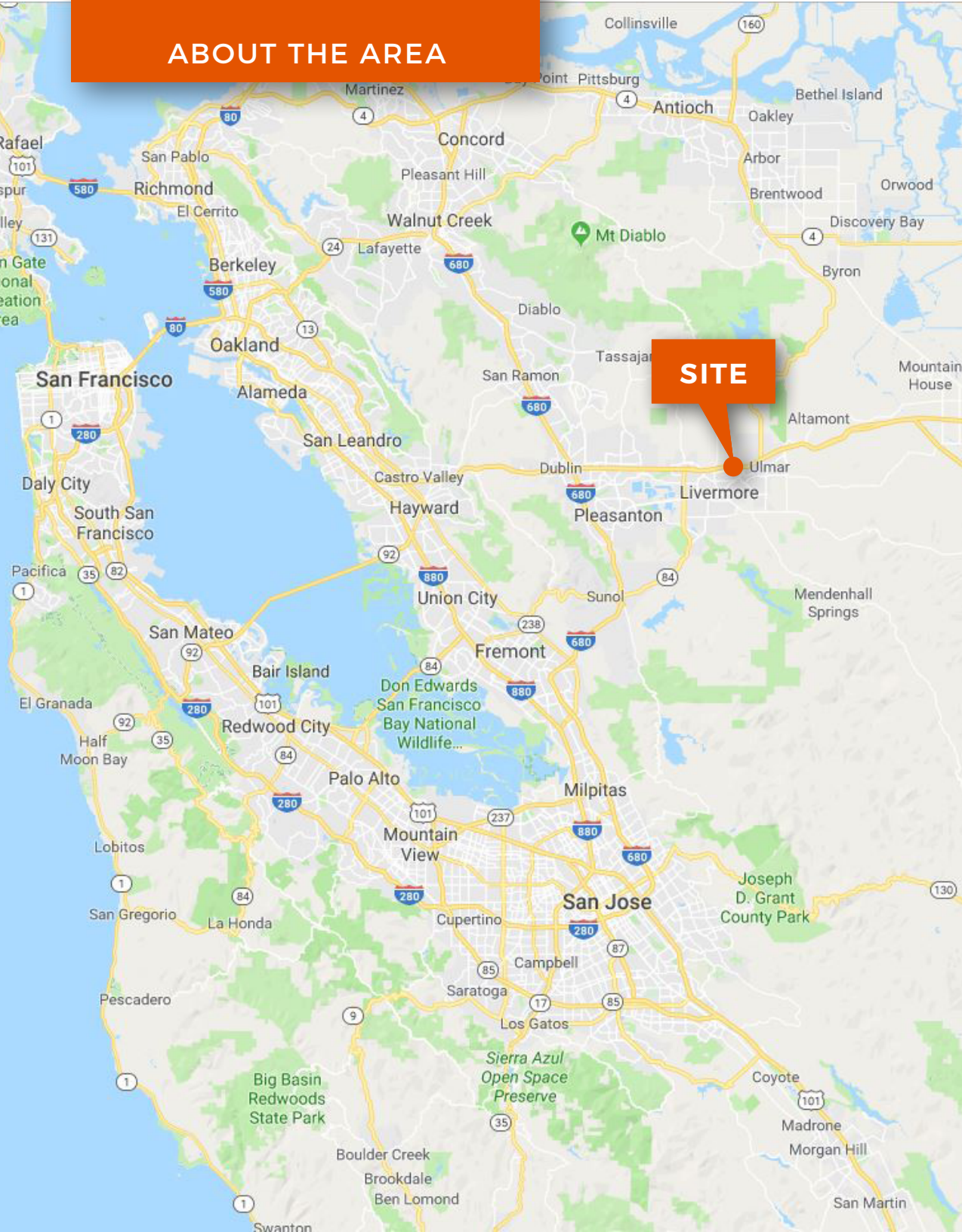


Ming's Garden

City Pizza & Kabob House



ABOUT THE AREA



General Overview

Livermore is the eastmost city in the San Francisco Bay Area and the gateway to the Central Valley. It is a part of Alameda County and the most populous city in the Tri-Valley. Livermore's heritage includes historic vineyards and a tradition of ranching and agriculture. The City continues to expand its wine-making industry and is home to nineteen wineries, a general aviation airport, and three golf courses. The Livermore area is also home of two DOE National Laboratories. The laboratories are known worldwide, and attract significant attention both for their scientific research and for their major roles in developing the United States nuclear arsenal.

The largest employer in Livermore is the Lawrence Livermore National Laboratory (LLNL), a federally funded research and development center funded by the Department of Energy which is operated by a limited liability consortium named Lawrence Livermore National Security, LLC (LLNS), a joint venture company of Bechtel National, the University of California, BWX Technologies, URS, and Battelle. The lab is the location of the IBM Sequoia supercomputer. The lab was the co-discoverer of new superheavy elements 113, 114, 115, 116, 117, and 118. The chemical element with atomic number 116 was given the name livermorium, after the laboratory, in 2012.

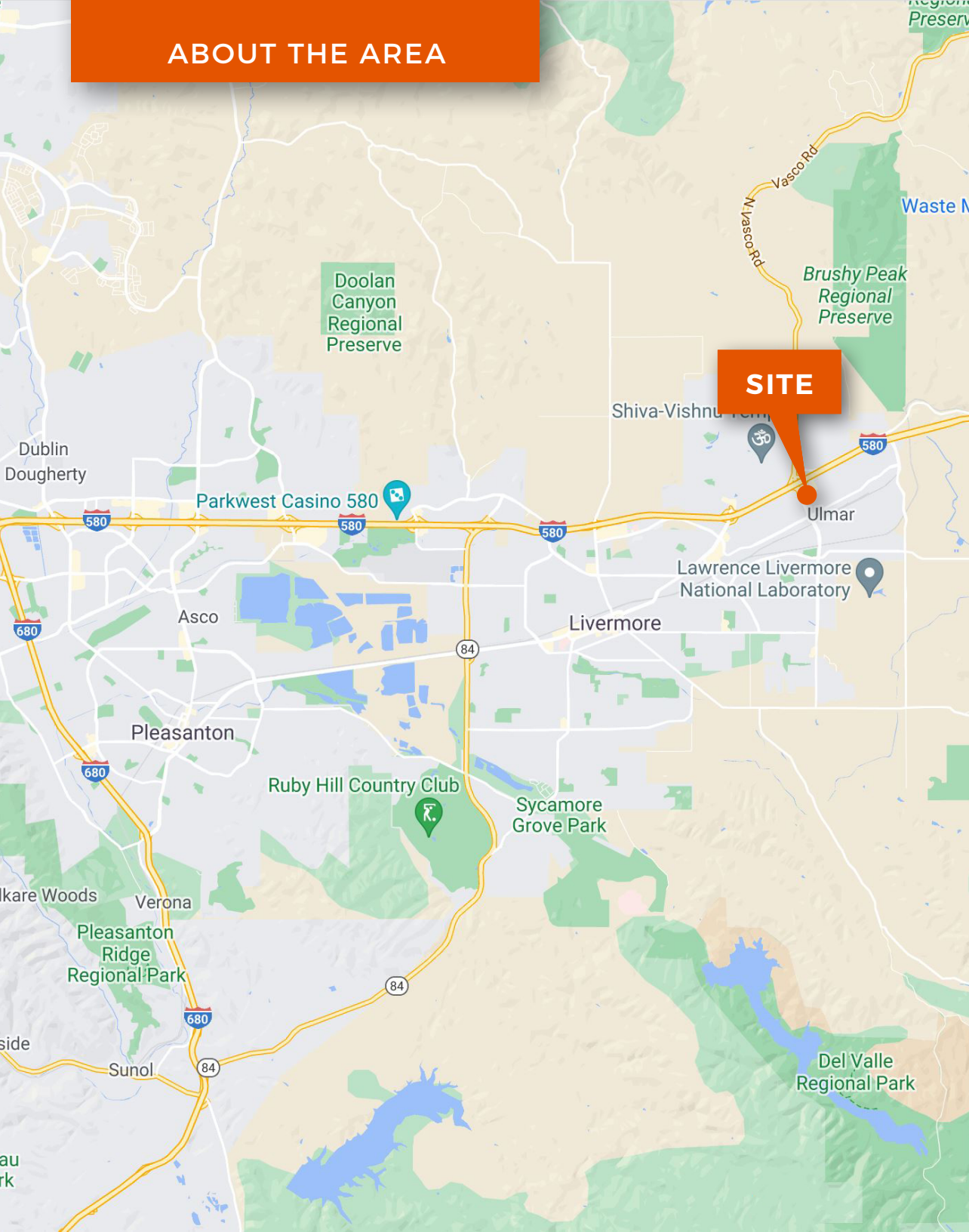


Major San Francisco Bay Area Companies

The San Francisco Bay Area region is best known as a hotbed of high-tech innovation, and is home to a plethora of major companies. Fortune 1000 companies headquartered in the region include Adobe, Alphabet Inc, the parent company of Google, Apple, Facebook, Hewlett-Packard, Intel, Cisco, eBay, Applied Materials, Netflix, Oracle, NVIDIA, Tesla, Symantec, Visa, Electronic Arts, Salesforce, Advanced Micro Devices, Agilent Technologies, Intuit, Juniper Networks, KLA Tencor, Lam Research, LSI Logic, Marvell Semiconductors, National Semiconductor, NetApp, VMware, Western Digital Corporation, Xilinx, Yahoo, and more. Other notable companies with significant presence in the region include Amazon.com, Microsoft, LinkedIn, Twitter, Uber, Yelp, Youtube, Asus, Atari, Broadcom, Dell, E*Trade, Fujitsu, IBM, Hitachi, Infosys, Nokia, Panasonic, PayPal, GoPro, Genentech, Charles Schwab Corporation, Gilead Sciences, Groupon, Pixar, Samsung, Siemens, SolarCity, TiVo, Qualcomm, SAP, Sony, Sun Microsystems, Square, Mozilla, McAfee, Logitech, SurveyMonkey, and Zynga. The region benefits from extensive presence of venture capital firms and investors, further fueling the growth and concentration of high-tech startups.



ABOUT THE AREA



Site Information

The subject property is prominently situated directly off heavily trafficked Interstate 580 (162,100 AADT) at Vasco Road (33,918 AADT). The property underwent an extensive interior and exterior remodel in 2019 including expanded outdoor patio seating, new exterior paint and signage, full interior remodel with new furniture, and upgraded drive-thru. The site benefits from dense, affluent demographics with a total daytime population of 443,928 within 15 miles of the site and a population of 84,776 within a 5 mile radius. Average household income within 1 mile of the site is \$176,482, with 67% of households in the surrounding area earning more than \$100,000 annually. Median home value within a 1 mile radius exceeds \$805,273.

The property benefits from a prominent location in close proximity to multiple corporate offices, industrial facilities, shopping centers, and more. Most notably, the site is located less than 1.5 miles from Lawrence Livermore National Laboratory and less than 3 miles from Sandia National Laboratories, drawing many highly skilled workers from around the country and employing approximately 7,900 employees.

In addition, the property is located in close proximity to the Kaiser Permanente Regional Distribution Center, employing nearly 1,000 workers.

DEMOGRAPHICS



6005 Preston Ave | Livermore, CA 94551



2021 POPULATION

84,776



AVG. HOME VALUE

\$875,414



AVG. HOUSEHOLD INCOME

\$176,482

Population Summary

	1 Mile	3 Miles	5 Miles
2010 Total Population	7,365	39,538	77,755
2021 Total Population	8,956	43,145	84,776
2026 Total Population	9,336	44,539	87,417
2021-2026 Annual Rate	0.83%	0.64%	0.62%
2021 Total Daytime Population	11,193	51,372	91,175

Average Household Income

2021	\$176,482	\$169,440	\$165,640
2026	\$199,902	\$190,551	\$185,875

Average Home Value

2021	\$833,855	\$875,414	\$873,746
2026	\$955,836	\$991,252	\$984,688

Major Employers in Livermore

of Employees

Lawrence Livermore National Laboratory	7,909
Kaiser Foundation Hospitals	787
US Foods	640
Comcast	596
City of Livermore	451
Livermore Area Recreation Park District (LARPD)	450
Activant	307
Harris Rebar	273
Topcon	255
Costco	244



Putnam Daily

Partner
415.445.5107
putnam@preservewc.com
CA RE License #01750064

Lindsey Snider

Vice President
415.906.2887
lindsey@preservewc.com
CA RE License #01443387

Michael Maffia

Managing Partner
415.373.4060
mike@preservewc.com
CA RE License #01340853

PRESERVE
WEST
CAPITAL

