

PIZZA HUT

20-Year NNN Lease

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



677 Main St - Bridgeport, OH 43912

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Investment Highlights

PRICE: \$645,438 | CAP: 4.75% | RENT: \$30,658



About the Investment

- ✓ Long-Term, 20-Year Absolute Triple Net (NNN) Lease that Commenced on February 22, 2022
- ✓ 1.75% Rental Increases Annually Starting Year Seven (7)
- ✓ Six (6), Five (5)-Year Tenant Renewal Options, Bringing the Potential Lease Term to 50 Years
- ✓ Franchisee Guarantee from SFR XI Holdings, LLC – Approximately 120+ Units
- ✓ Certain principals of the selling entity, including but not limited to Glen Kunofsky and Nicoletti DePaul, are Exclusive Listing Agents and part fee-simple owners of the property. See back page for full disclosure.

About the Location

- ✓ Positioned in Strong Retail Artery | Family Dollar, CVS Pharmacy, Riesbeck's, Dollar General, Big Lots, Aaron's, Burger King, Dairy Queen, Subway, KFC, and Many More
- ✓ Several Academic Institutions Within Close Proximity | Most Notably Wheeling University And West Virginia Northern Community College | Over 2,150 Students Enrolled
- ✓ Strong Demographics | Population Exceeds 53,000 Individuals within a Five-Mile Radius
- ✓ Strong Traffic Counts | Over 13,220 And 32,160 Vehicles Per Day Along Main Street and Interstate 70, Respectively

About the Brand / Tenant

- ✓ Pizza Hut, a subsidiary of Yum! Brands, Inc., is the largest restaurant chain in the world specializing in the sale of ready-to-eat pizza products.
- ✓ The brand has a longstanding history with the first Pizza Hut opening in Wichita, KS. Within a year, the first franchise unit was opened.
- ✓ As of December 31, 2021, there were 18,381 Pizza Hut locations around the world.
- ✓ SFR XI Holdings, LLC is the 11th largest Pizza Hut franchisee, operating 120+ locations across Ohio, West Virginia, Pennsylvania, and Indiana.



Representative Photo



Financial Analysis

PRICE: \$645,438 | CAP: 4.75% | RENT: \$30,658



PROPERTY DESCRIPTION

Property	Pizza Hut
Property Address	677 Main St
City, State ZIP	Bridgeport, OH 43912
Building Size (SF)	3,687
Lot Size (AC)	0.55
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$645,438
CAP Rate	4.75%
Annual Rent	\$30,658

LEASE SUMMARY

Property Type	Net Leased Quick Service Restaurant
Tenant / Guarantor	SFR X Holdings, LLC / SFR XI Holdings, LLC (120+ Units)
Original Lease Term	20 Years
Lease Commencement	February 22, 2022
Lease Expiration	February 28, 2042
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.75% Annually, Starting Year Seven (7)
Options to Renew	Six (6), Five (5)-Year Options

RENT SCHEDULE

Lease Year(s)	Start Date	End Date	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	2/22/2022	2/28/2023	\$30,658	\$2,555	-
Year 2	3/1/2023	2/29/2024	\$30,658	\$2,555	-
Year 3	3/1/2024	2/28/2025	\$30,658	\$2,555	-
Year 4	3/1/2025	2/28/2026	\$30,658	\$2,555	-
Year 5	3/1/2026	2/28/2027	\$30,658	\$2,555	-
Year 6	3/1/2027	2/29/2028	\$30,658	\$2,555	-
Year 7	3/1/2028	2/28/2029	\$31,195	\$2,600	1.75%
Year 8	3/1/2029	2/28/2030	\$31,741	\$2,645	1.75%
Year 9	3/1/2030	2/28/2031	\$32,296	\$2,691	1.75%
Year 10	3/1/2031	2/29/2032	\$32,861	\$2,738	1.75%
Year 11	3/1/2032	2/28/2033	\$33,436	\$2,786	1.75%
Year 12	3/1/2033	2/28/2034	\$34,022	\$2,835	1.75%
Year 13	3/1/2034	2/28/2035	\$34,617	\$2,885	1.75%
Year 14	3/1/2035	2/29/2036	\$35,223	\$2,935	1.75%
Year 15	3/1/2036	2/28/2037	\$35,839	\$2,987	1.75%
Year 16	3/1/2037	2/28/2038	\$36,466	\$3,039	1.75%
Year 17	3/1/2038	2/28/2039	\$37,105	\$3,092	1.75%
Year 18	3/1/2039	2/29/2040	\$37,754	\$3,146	1.75%
Year 19	3/1/2040	2/28/2041	\$38,415	\$3,201	1.75%
Year 20	3/1/2041	2/28/2042	\$39,087	\$3,257	1.75%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Pizza Hut located at 677 Main St, Bridgeport, OH 43912. The site will consist of roughly 3,687 rentable square feet of building space on estimated 0.55-acre parcel of land. The Pizza Hut is subject to a 20-year absolute triple-net (NNN) lease that commenced on 2/22/2022. The initial annual rent will be \$30,658 and is scheduled to increase by one-and-three-quarters percent (1.75%) annually starting year seven (7) of the base term and continuing through six (6), five (5)-year renewal periods.



Concept / Tenant Overview

About Pizza Hut

Pizza Hut is an American restaurant chain and international franchise, known for pizza and side dishes. It is now corporately known as Pizza Hut, Inc. and is a subsidiary of Yum! Brands, Inc., the world's largest restaurant company.

The first Pizza Hut restaurant was opened in 1958 in Wichita, Kansas, and within a year, the first franchise unit was opened. Today, Pizza Hut is the largest restaurant chain in the world specializing in the sale of ready-to-eat pizza products. Pizza Hut operates in 103 countries and territories throughout the world. Pizza Hut currently operates 18,000+ units in over 100 countries. 97 percent of Pizza Hut units are franchised.

Pizza Hut operates in the delivery, carryout and casual dining segments around the world. Outside of the U.S., Pizza Hut often uses unique branding to differentiate these segments. Additionally, a growing percentage of Pizza Hut's customer orders are being generated digitally.

Pizza Hut recently revamped their menu, adding five new toppings, six sauces, 10 crust flavors (like "honey Sriracha" and "ginger boom boom"), and even health-conscious "Skinny Slice" pizzas.

About SFR XI Holdings, LLC

SFR XI Holdings, LLC is the 11th largest Pizza Hut franchisee, operating 124 Pizza Hut restaurants and the underlying real estate for 58 locations in four contiguous, business-friendly states: Ohio, West Virginia, Pennsylvania, and Indiana.



General Information

Founded	1958
Website	www.pizzahut.com
Number of Locations	18,000+

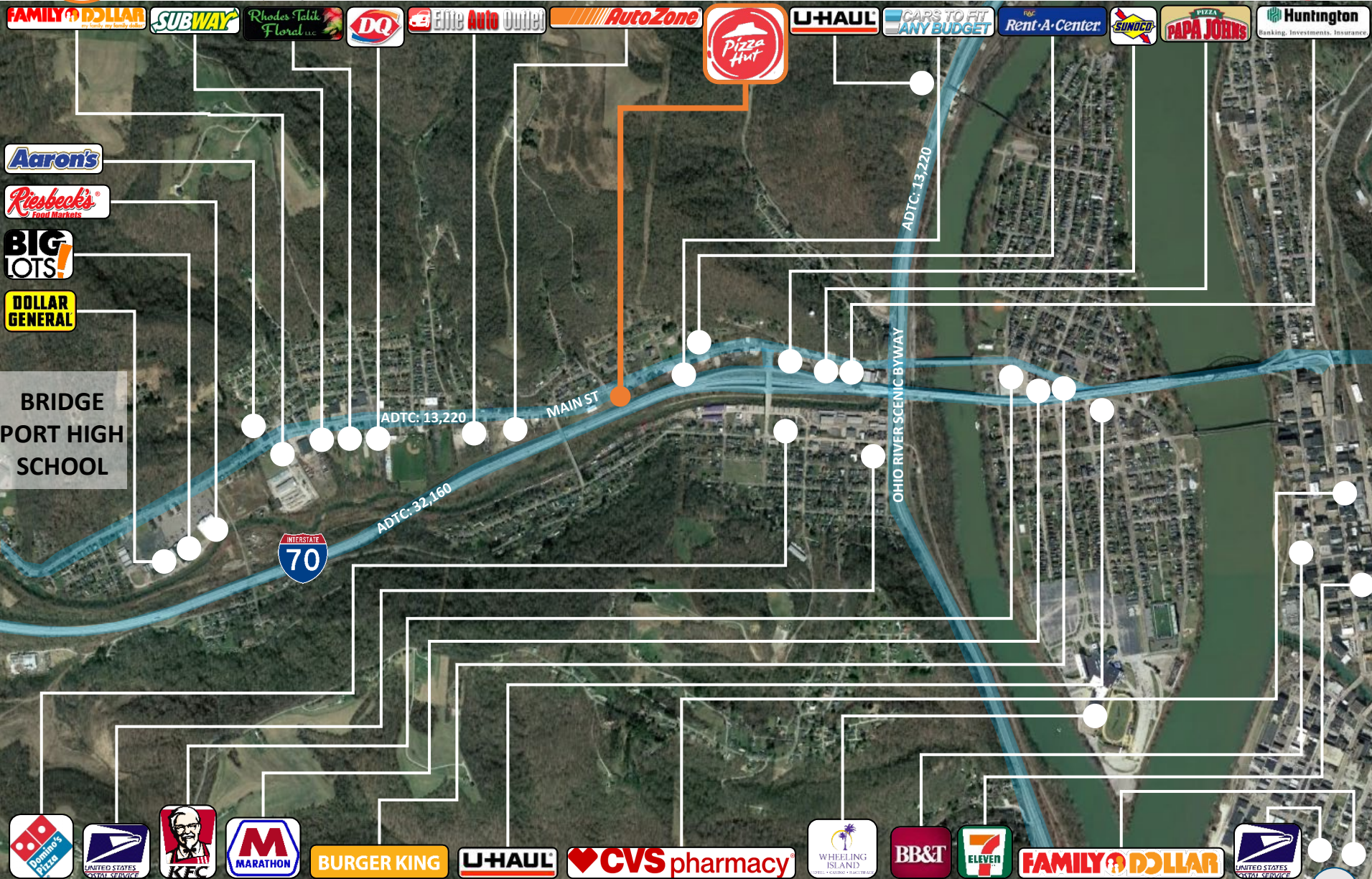


Representative Photo



Surrounding Area

Property Address: 677 Main St - Bridgeport, OH 43912





Location Overview

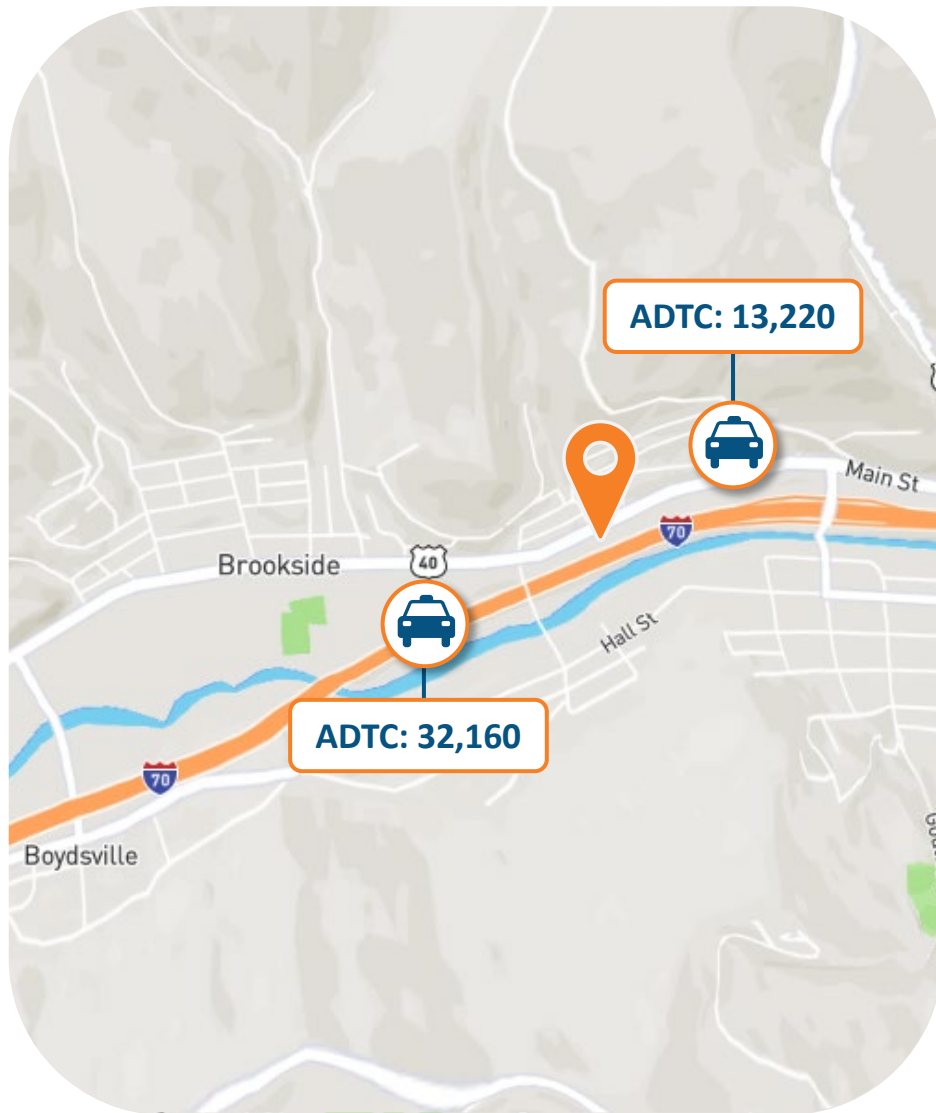
Property Address: 677 Main St - Bridgeport, OH 43912



The Pizza Hut property is situated on Main Street, which boasts average daily traffic counts of 13,220 vehicles. Main Street runs parallel to Interstate 70, which brings an additional 32,160 vehicles into the immediate area on average daily. There are more than 23,570 individuals residing within a three-mile radius of the property and more than 49,380 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a dense retail corridor consisting of national and local tenants, large shopping centers, and academic institutions, all within close proximity of this property. Major national tenants in the area include: Family Dollar, CVS Pharmacy, Riesbeck's, Dollar General, Big Lots, Aaron's, Burger King, Dairy Queen, Subway, KFC and more. This Pizza Hut also benefits from its close proximity to Wheeling University, West Virginia Northern Community College, Bridgeport High School, and Madison Elementary School. These schools have a combined enrollment of over 3,200 students.

Wheeling is a city in Ohio and Marshall counties in the U.S. state of West Virginia. Located almost entirely in Ohio County, of which it is the county seat, it lies along the Ohio River in the foothills of the Appalachian Mountains. Wheeling was where the creation of West Virginia was planned, and it was the first capital of the new state. Due to its location along major transportation routes, including the Ohio River, National Road, and the B&O Railroad, Wheeling became a manufacturing center in the late nineteenth century. Wheeling's major industries now include healthcare, education, law and legal services, entertainment and tourism, and energy.





Property Photos





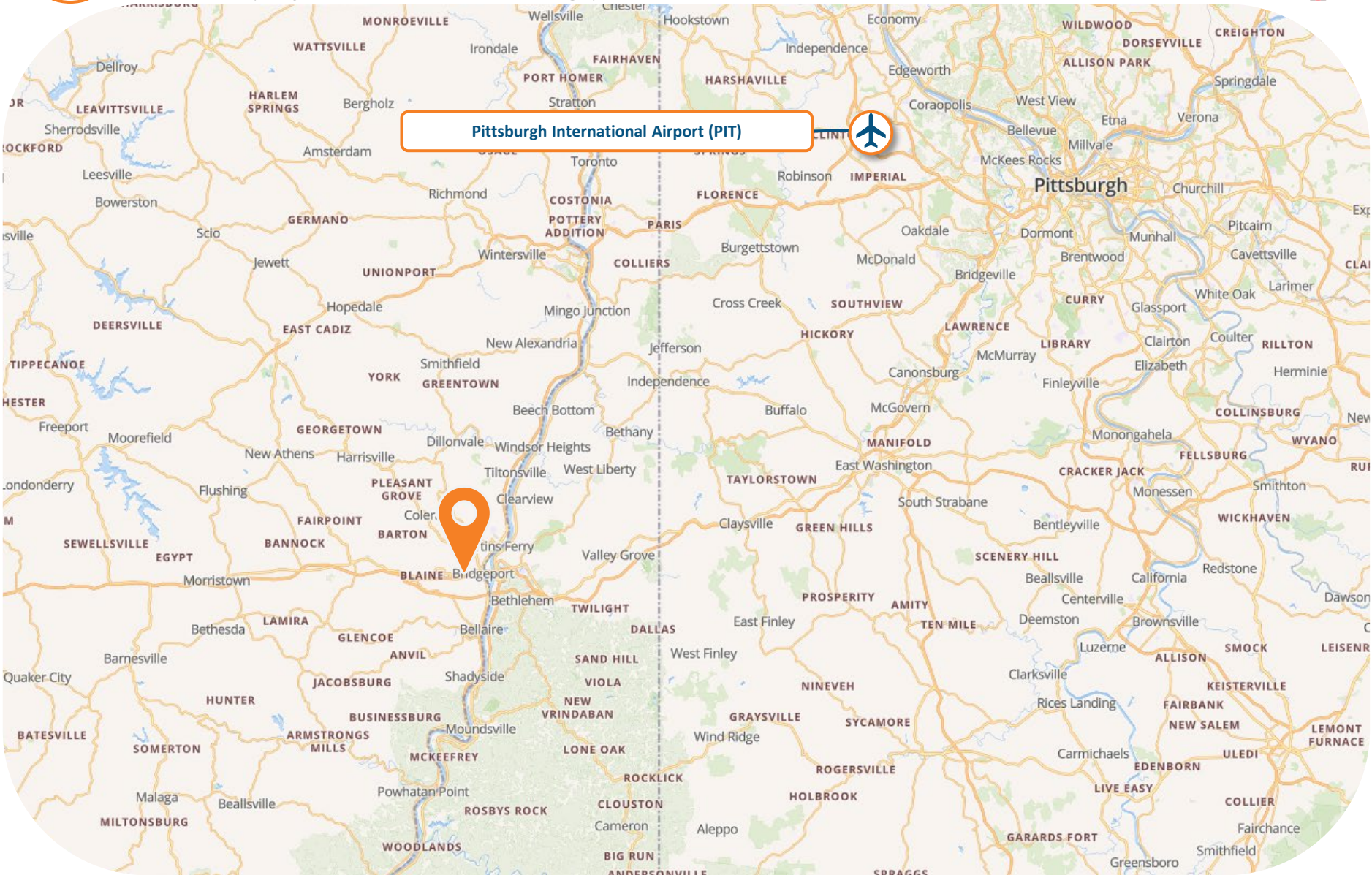
Surrounding Area Photos





Local Map

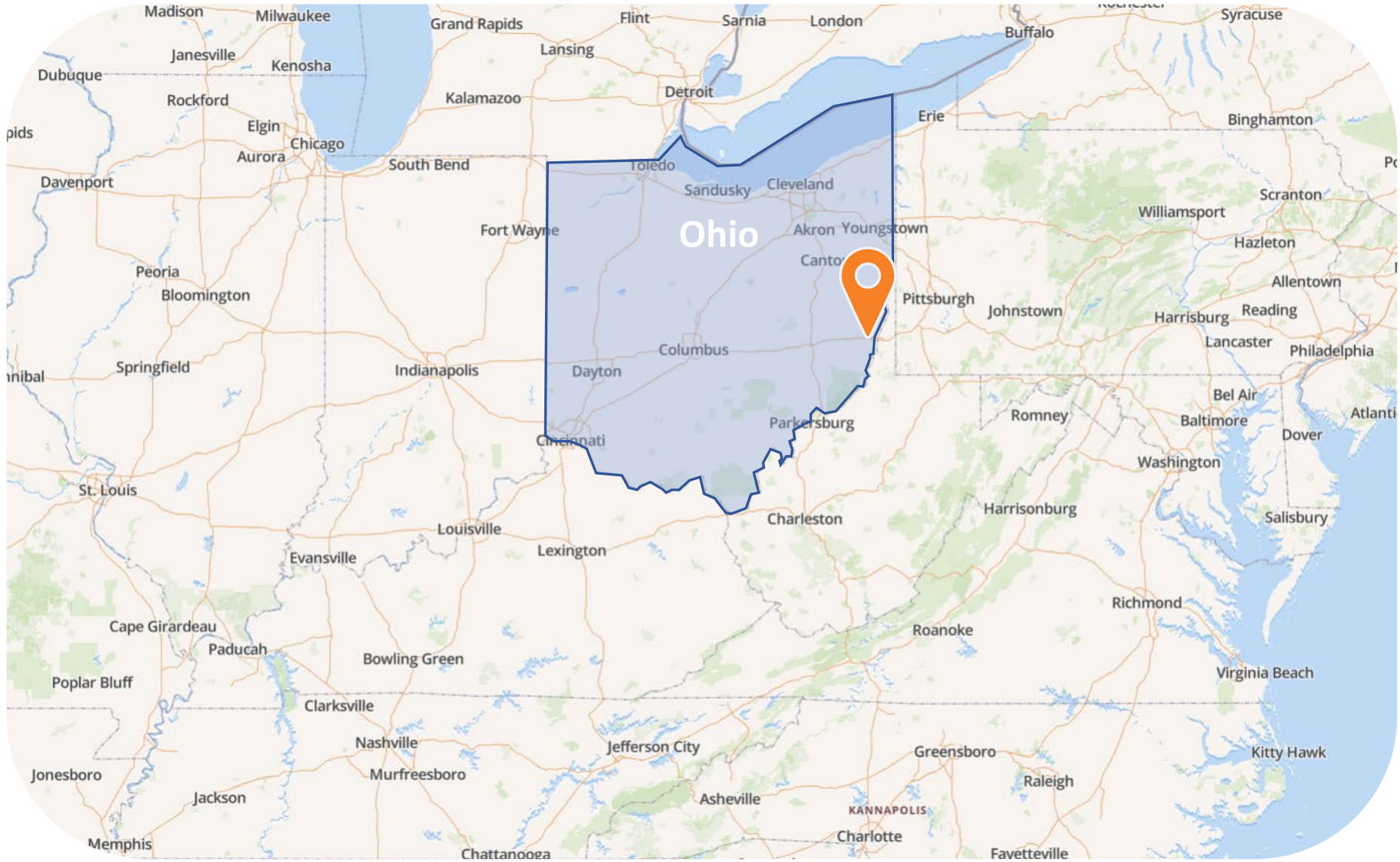
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Regional Map

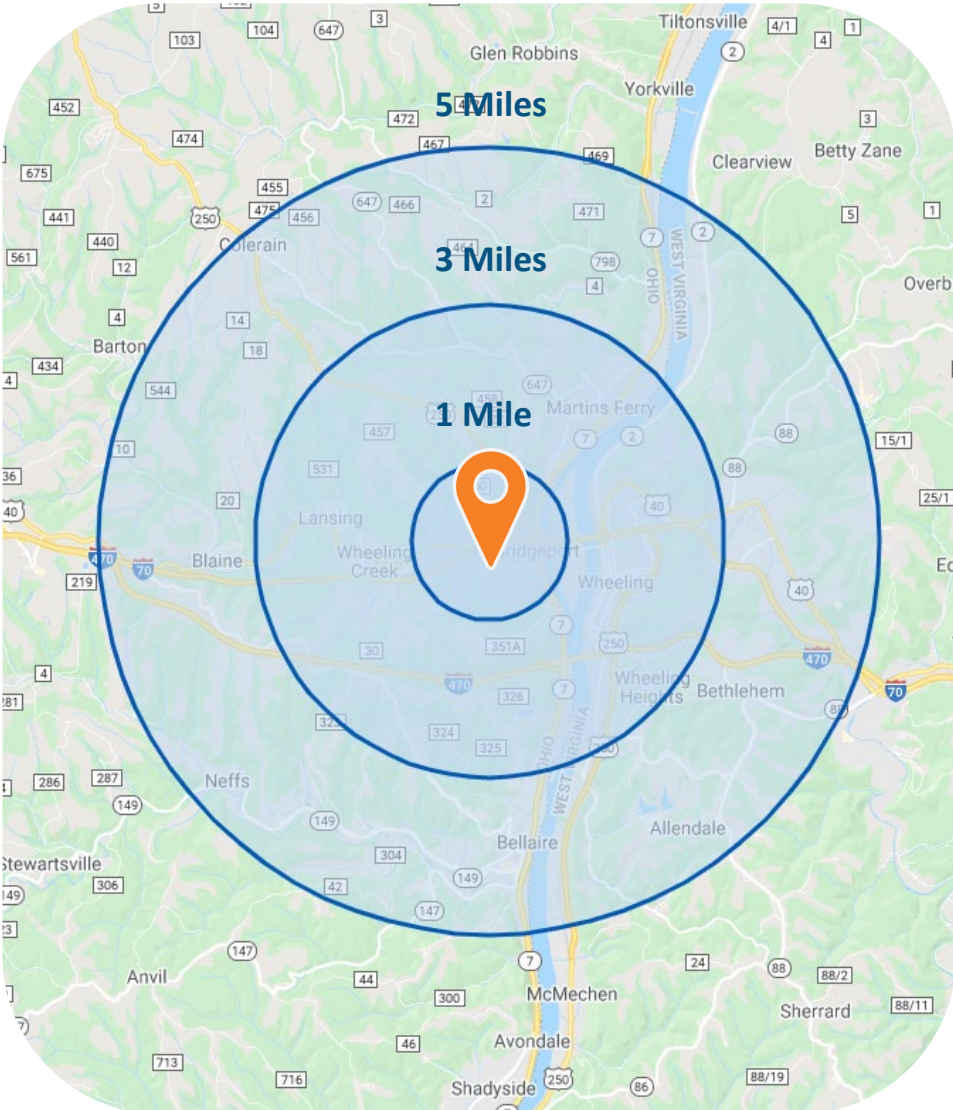
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Demographics

Property Address: 677 Main St - Bridgeport, OH 43912



POPULATION TRENDS

2010 Population	3,608	24,419	53,003
2021 Population	3,501	23,572	49,380
2026 Population Projection	3,445	23,171	48,151

POPULATION BY RACE (2021)

White	3,116	21,013	45,526
Black	225	1,567	2,152
American Indian/Alaskan Native	8	68	111
Asian	15	127	328
Hawaiian & Pacific Islander	1	5	5
Two or More Races	136	791	1,257
Hispanic Origin	21	284	594

HOUSEHOLD TRENDS

2010 Households	1,569	11,003	23,318
2021 Households	1,533	10,675	21,817
2026 Household Projection	1,512	10,497	21,279

AVERAGE HOUSEHOLD INCOME (2021)

MEDIAN HOUSEHOLD INCOME (2021)

HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

< \$25,000	377	3,401	5,932
\$25,000 - 50,000	552	3,296	6,054
\$50,000 - 75,000	266	1,687	3,610
\$75,000 - 100,000	165	915	2,173
\$100,000 - 125,000	44	549	1,466
\$125,000 - 150,000	69	330	1,018
\$150,000 - 200,000	22	270	809
\$200,000+	37	226	756



Market Overview

Property Address: 677 Main St - Bridgeport, OH 43912



Pittsburgh is a city in the state of Pennsylvania and the county seat of Allegheny County. A population of 302,971 residents live within the city limits as of the 2020 US Census, making it the 68th-largest city in the U.S. and the second-most populous city in Pennsylvania, behind Philadelphia. The Pittsburgh metropolitan area is the anchor of Western Pennsylvania; its population of 2.37 million is the largest in both the Ohio Valley and Appalachia, as well as the second-largest in Pennsylvania. Pittsburgh is located in the southwest of the state, at the confluence of the Allegheny River and the Monongahela River, forming the Ohio River. Pittsburgh is known both as "the Steel City" for its more than 300 steel-related businesses and as the "City of Bridges" for its 446 bridges. The city also features 30 skyscrapers and two inclined railways.

Aside from steel, Pittsburgh has led in the manufacturing of other important materials — aluminum and glass — and in the petroleum industry. Additionally, it is a leader in computing, electronics, and the automotive industry. After the deindustrialization of the mid-20th century, Pittsburgh has transformed into a hub for the health care, education, and technology industries. Pittsburgh is a leader in the health care sector as the home to large medical providers such as University of Pittsburgh Medical Center (UPMC). The area is home to 68 colleges and universities, including research and development leaders Carnegie Mellon University and the University of Pittsburgh. Google, Apple Inc., Bosch, Facebook, Uber, Nokia, Autodesk, Amazon, Microsoft and IBM are among 1,600 technology firms generating \$20.7 billion in annual Pittsburgh payrolls. The area has served as the long-time federal agency headquarters for cyber defense, software engineering, robotics, energy research and the nuclear navy. The nation's fifth-largest bank, eight Fortune 500 companies, and six of the top 300 U.S. law firms make their global headquarters in the area, while RAND Corporation (RAND), BNY Mellon, Nova, FedEx, Bayer, and the National Institute for Occupational Safety and Health (NIOSH) have regional bases that helped Pittsburgh become the sixth-best area for U.S. job growth.

In 2015, Pittsburgh was listed among the "eleven most livable cities in the world". The Economist's Global Liveability Ranking placed Pittsburgh as the most or second-most livable city in the United States in 2005, 2009, 2011, 2012, 2014 and 2018. The region is a hub for Leadership in Energy and Environmental Design and energy extraction.

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