

# TACO BELL STNL INVESTMENT

524 East Lake Mead Pkwy., Henderson, NV 89015

±2,900 SF SINGLE-TENANT LONG-TERM ABSOLUTE NNN LEASED ACQUISITION

AVAILABLE  
For Sale



## Offering Overview

**WEST Commercial Investment Property Advisors** of MDL Group, as exclusive listing broker, is pleased to offer for sale a **±2,900 SF Absolute NNN Long-Term Leased Taco Bell in Henderson, NV** located within a **Qualified Opportunity Zone** just off the high-traffic Boulder Highway/Lake Mead Parkway corridors minutes from the rejuvenated Downtown Henderson, Dignity Health Hospital, new Cadence Master-Planned Community, upscale Lake Las Vegas community, and multiple schools/major parks providing numerous demand generators. The property is leased to a multi-location operator, has **ZERO** Landlord responsibilities, a long-term lease providing stable cash flow, upside with fixed increases, and multiple extension options.

To receive further detailed information please click the button below:

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## Offering Snapshot



**\$3,995,000**

Sale Price



**4.0%**

Cap Rate



**15+ Years**

Lease Term

## Investment Summary

<b>Absolute NNN Rent:</b>	\$160,600 (01.01.2023 - 12.31.2027)
<b>Rental Increases:</b>	10% every 5 years
<b>Extension Options:</b>	4 x 5yr at FMV - not lower than prior term
<b>Property Size:</b>	±2,900 SF
<b>Site Size:</b>	±0.60 AC
<b>Zoning:</b>	Neighborhood Commercial (CN)
<b>Year Built:</b>	2004
<b>Parcel Number:</b>	179-08-412-003

Please ensure that tenant at property is not contacted or disturbed and all property tours shall be scheduled in advance through MDL Group.



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# Investment Highlights



## Absolute NNN Leased – ZERO landlord responsibility

- Tenant responsible for all expenses of operation, maintenance, repair, and replacement of Property
- Tenant responsible for payment of property taxes
- Tenant to maintain insurance on Property



## Multi-location operator – parent company DRG with 232 locations

- Parent company [Diversified Restaurant Group](#) owns 232 Taco Bell and Arby's locations in CA, NV, MO, and KS
- Majority of holdings are Taco Bell (216) which includes 63 Taco Bell NV restaurants acquired in 2015 from Las-Cal and additional 18 locations developed including the Taco Bell Cantina on the Las Vegas Strip – the highest volume restaurant in the brand
- As major franchisees in Taco Bell system, principals are board members of Taco Bell Foundation



## Southeast Las Vegas/Henderson submarket high-traffic location

- Situated in Qualified Opportunity Zone just east of high traffic Boulder Hwy. (24K VPD) / E. Lake Mead Pkwy. (38K VPD) at signalized intersection at Burkholder Blvd. on outbound/going-home side of road
- Nearby uses and demand generators include:
  - WalMart and Albertsons anchored retail centers,
  - St. Rose de Lima Dignity Health Hospital
- ±2,200 AC newly developed [Cadence Master-Planned Community](#)
- Historic redeveloped [Downtown Henderson](#)
  - Upscale [Lake Las Vegas](#) community; and
  - Numerous schools and major parks



## Long-term 15yr+ lease with 10% fixed increases every 5 years + extension options

- Original lease commenced 1/1/2004 and in 11/2017 Tenant extended term 20 years
- Lease provides healthy 10% fixed increases every 5 years
- Tenant has 4 x 5 extension options at greater of FMV or most current rent



## New debt opportunity allows buyer to maximize returns

- Property should be readily financeable with 15+ year remaining lease term, seasoned tenancy, strong multi-location operator, and renewal options providing strong security for lender
- Buyer can take advantage of historically low interest rates resulting in positive leverage and favorable cash-on-cash returns



## Robust Las Vegas economy and tourism market driving visitation

- Las Vegas economy continues to recover with unemployment improving to 5.0% as of March 2022 from a peak of over 33% in April 2020 and trending back towards recent 20 year low of 3.5%
- Las Vegas Case-Shiller housing index continues to show robust demand for housing with pricing setting a new peak of 274 in February 2022 recovering from a low of 90 in March 2012 and surpassing prior 2006 peak of 235
- Visitor volumes are quickly improving from COVID lows and long-term gaming/tourism metrics are all showing continued improvement with over \$5B of ongoing and expected Strip/Resort Corridor developments in the next 2-3 years delivering over 7,600 rooms with 800k sf of convention space

## Area Map



## Lease Summary

<b>Landlord/Owner:</b>	Moraga Group LLC, a California corporation		
<b>Tenant:</b>	SSB East Lake Mead and Burkholder, LLC		
<b>Property Size:</b>	2,900 SF bldg. – 27,600 SF land		
<b>Effective Date:</b>	3/23/2003		
<b>Lease Commencement:</b>	1/1/2004 (e)		
<b>Lease Term:</b>	12/31/2037		
<b>Lease Type:</b>	Absolute Triple Net – Tenant responsible for all expenses of operation, maintenance, and repair of Premises		
<b>Remaining Rental Schedule:</b>	1/1/2018-12/31/2022	\$12,166.67/mo	\$146,000/yr
	1/1/2023-12/31/2027	\$13,383.33/mo	\$160,600/yr +10% every 5yr
	1/1/2028-12/31/2032	\$14,721.67/mo	\$176,660/yr +10% every 5yr
	1/1/2033-12/31/2037	\$16,193.83/mo	\$194,326/yr +10% every 5yr
<b>Extension Options:</b>	4 x 5y at greater of FMV Rent or rent from prior term		
<b>Payment of Property Taxes:</b>	Tenant directly responsible for payment.		
<b>Repair and Maintenance:</b>	Tenant shall maintain in good condition and make all repairs and replacements as needed.		
<b>Utilities:</b>	Tenant will pay all costs for water, gas, and electric and other utilities used or consumed		
<b>Property Insurance:</b>	Tenant at its sole cost and expense shall maintain all insurance on Property		
<b>Estoppel, Subordination and Non-Disturbance:</b>	Tenant will execute SNDA. Upon fifteen (15) business days' notice the parties shall execute an Estoppel Certificate specifying certain elements of lease		

MDL Group makes no representations as to the accuracy or legal sufficiency of the information contained herein. The parties are recommended to consult the respective Lease Agreement, Assignment, and any Amendments available for review under the Due Diligence-Tier 2 folder in CREXi to make its own determination.

## Tenant Profile



[Click for Website](#)

### Franchisee Operator

Diversified Restaurant Group (DRG) founder, David Grieve, got his start in the real estate business. In 1992, David founded A&C Ventures — a private real estate investment firm now based in Sonoma, CA. It wasn't until 2006, after many years of building a successful real estate company, that David met their President, SG Ellison who collectively have created one of the largest quick service franchisees in the nation growing from 30 locations in 2012 to 232 locations in California, Nevada, Missouri, and Kansas which include 216 Taco Bell restaurants and 16 Arby's restaurants – 18 of which they developed (including the flagship Las Vegas Strip Cantina – the highest volume restaurant in the system) and 61 of which were remodeled. DRG is one of the top Taco Bell franchisees and its Principals David and Kathleen Grieve are on the board of the Taco Bell Foundation (the charitable organization of the Taco Bell Corporation) along with other members of top franchisees. Their original entry into Nevada was in 2015 through the acquisition of 63 Taco Bell restaurants from Las-Cal Corporation under the entity Silver State Bell.



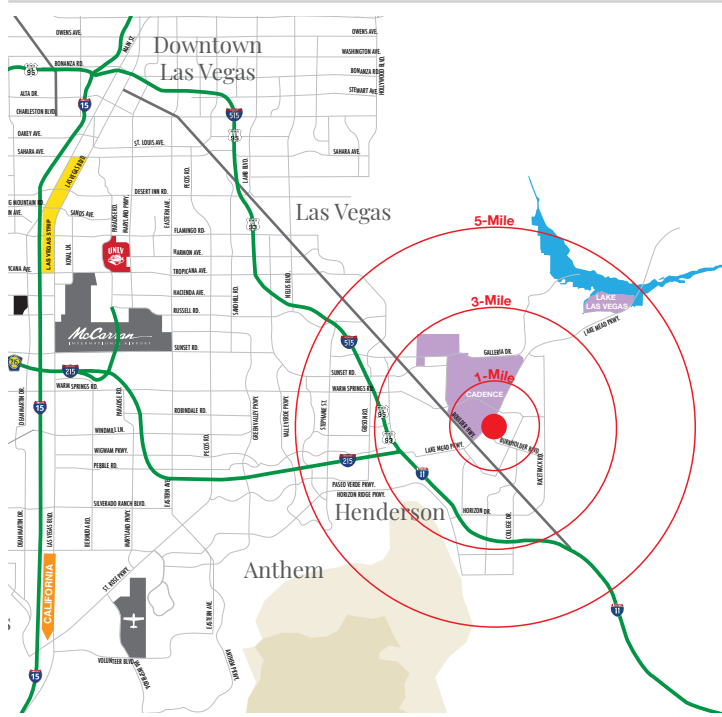
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### Taco Bell Corporation

Taco Bell Corp., a subsidiary of Yum! Brands, Inc. (NYSE: YUM), is the nation's leading Mexican-inspired quick service restaurant (QSR) brand. From breakfast to late night, Taco Bell serves made-to-order and customizable tacos and burritos, among other craveable choices, and is the first QSR restaurant to offer American Vegetarian Association (AVA)-certified menu items. 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. The brand encourages its fans to "Live Más" and connects with them through sports, gaming and new music via its Feed The Beat® music program. Taco Bell also provides education opportunities and serves the community through its nonprofit organization, the Taco Bell® Foundation™, and connects fans with their passions through programs such as the Live Más Scholarship program. In 2016, Taco Bell was named as one of Fast Company's Top 10 Most Innovative Companies in the World.



## Area Map



## Demographics

Demographics	1 mi	3 mi	5 mi	LVMSA
2021 Population	14,233	77,167	178,040	2,305,737
2021 Households	5,038	28,206	65,816	841,184
Average Household Income	\$53,150	\$85,320	\$91,332	\$84,730
Owner Occupied Housing Units	41.7%	63.3%	58.4%	50.6%
Median Home Value	\$232,746	\$352,897	\$369,401	\$361,862
Median Population Age	32.7	33.2	33.5	37.3
Race/Ethnicity-White	68.7%	77.7%	75.1%	53.9%
Race/Ethnicity-Black	9.7%	5.2%	5.9%	12.9%
Race/Ethnicity-Hispanic Origin	24.5%	18.4%	18.5%	32.4%

[Click to View Full Demographic Report](#)

## Las Vegas Market Overview

At a population of over 2.3 million people, the Las Vegas area has established itself as a legitimate major market over the past decade. After just healing from the effects of the Great Recession and having all 2019 tourism metrics nearing or exceeding record levels, Las Vegas then faced another major challenge in 2020 with the significant impact to travel and tourism from COVID. This resulted in 2020 tourism volume less than half of 2019 levels, however year-end 2021 tourism levels demonstrated significant pent-up demand and YTD 2022 is even stronger. Although the market has a long way to go to return to 2019 levels, the market is already on pace to do so and the recovery is now expected to be significantly quicker than originally expected as indicated by 2021 as compared to 2019 and 2020 in the chart on the right:

From 2016-2021 Las Vegas saw the completion of \$13.4B of projects which included numerous renovations/rebrandings of existing resorts, expansion of convention facilities at multiple resorts, completion of the 22,000 seat T-Mobile Arena and the 65,000 seat Allegiant Stadium (Las Vegas Raiders/UNLV), a \$3B 750k sf expansion of the Las Vegas Convention Center District, completion of the \$150M Las Vegas Ballpark (LV Aviators), and the opening of the \$4.3B 3,500 room Resorts World Las Vegas – the first new resort to open in Las Vegas since 2010.

Looking ahead at projects delivering in 2022 and beyond, even after the COVID disruptions there are still over \$5B in projects underway which will deliver over 7,600 new hotel rooms, over 800k square feet of new convention space, and numerous non-gaming amenities. Notable projects include the MSG Sphere at The Venetian, and Durango Station Casinos Resort.

Las Vegas is now back on a strong path to recovery and much like the trajectory we saw following the Great Recession, this readjustment will be fueled by organic and sustainable growth with increasing tourism, visitor volume, and convention activity. The LVCVA is actively seeking new ways to promote Las Vegas and make sure visitors know it is safe to visit Las Vegas, still just as much fun, and **Las Vegas is BACK!**

	2021	2019	2020
Visitor Volume	32.2M	-24% ▼	69% ▲
Avg. Hotel Occupancy	67%	-22% ▼	24% ▲
Avg. Daily Room Rate	\$137	4% ▲	14% ▲
RevPAR	\$92	-22% ▼	81% ▲
Gaming Revenue	\$11.45B	11% ▲	75% ▼



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