



Long-Term NNN Lease | Strong Affluent Demographics: \$98,000 AHHI within 5 Miles



In Association with Scott Reid & ParaSell, Inc. | A Licensed Pennsylvania Broker #RB069068

OFFERING MEMORANDUM
PITTSBURGH, PENNSYLVANIA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



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TACO BELL

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OFFERING SUMMARY

LOCATION

Taco Bell
121 Costco Drive
Pittsburgh, PA 15205



OFFERING SUMMARY

Price:	\$2,459,000
Net Operating Income (NOI):	\$104,500
Capitalization Rate:	4.25%
Price per Square Foot:	\$594
Net Rentable Area:	4,140
Year Built:	2006 (Approx.)
Lot Size (Acres):	2.04
Ownership:	Fee Simple Land (Tenant on Ground Lease)

LEASE TERMS (1)

Tenant (2)	Charter Central, LLC
Rent Commencement:	February 10, 2019
Lease Expiration:	February 28, 2044
Remaining Lease Term:	22 Years
Lease Type:	NNN GL
Roof & Structure:	Tenant Responsible
Monthly Rent (3):	\$8,708
Annual Rent:	\$104,500
Rental Increases:	10% Every 5 Yrs
Renewal Options:	One 4.5-Year @ 10%

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.

(2) Charter Central, LLC is a subsidiary of Charter Foods, Inc. which operates over 200 Taco Bell restaurants in 13 states. See tenant profile for details.

(3) Based on 3/1/24 rent increase.



TACO BELL | Quick Facts

7,427

NUMBER OF LOCATIONS
IN 31 COUNTRIES

#4

TOP 500 CHAINS
- RESTAURANT BUSINESS

\$11.7B

TOTAL ANNUAL
REVENUE IN 2020

INVESTMENT HIGHLIGHTS

- **Long-Term NNN Lease with 22 Years Remaining:** Tenant is responsible for all costs, repairs, and maintenance, including roof & structure
- **Operated by Charter Foods, an Experienced Franchisee with over 200 Taco Bell Locations**
- **Strong Retail Corridor:** Outparcel to Costco and ALDI with national tenants such as IKEA, Macy's, Home Goods, TJ Maxx, Marshalls, Fine Wine, Dick's Sporting Goods, Dollar Tree, Joann Fabrics, Guitar Center, IHOP, Valvoline, Goodwill, and many more
- **Less than 1-Mile from the Pittsburgh FedEx Ground Headquarters, which Employs Approximately 3,000 People**
- **Proven Location with Excellent Access:** Located less than 1-mile from Interstate 376 (80,000+ CPD) and the Route 60/376 interchange with an estimated 97,000+ CPD
- **10 Minutes from the Pittsburgh International Airport and Less than 20 Minutes from Downtown Pittsburgh**
- **Strong Affluent Demographics:** Average household income within a 5-mile radius is over \$98,000 per year






PROMINENTLY LOCATED AT SIGNALIZED ENTRANCE TO COSTCO
AND LESS THAN 1 MILE FROM FEDEX GROUND HEADQUARTERS


VALVOLINE ALSO
AVAILABLE FOR
PURCHASE




SITE PLAN / PARCEL MAP



NET RENTABLE AREA
4,140 SF





PARKING
±50 SPACES





YEAR BUILT
2006

Taco Bell
121 Costco Drive
Pittsburgh, PA 15205

- 

SUBJECT PROPERTY
- 

NOT A PART
- 

PROPERTY PARCEL
- 

AVAILABLE FOR PURCHASE
- APN: 413-M-40



AERIAL OVERVIEW

DEMOGRAPHICS

Population:

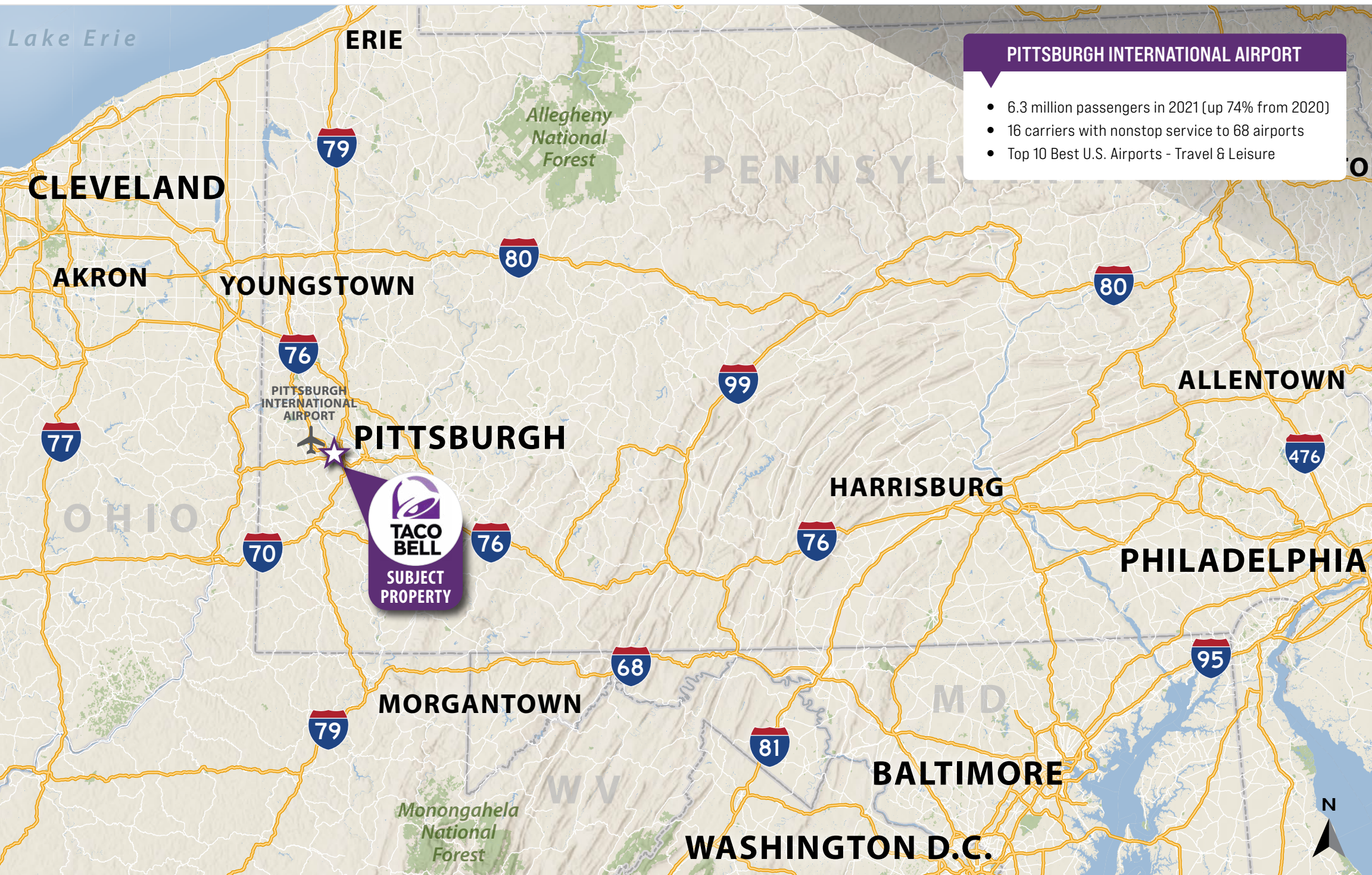
1-Mile Radius	8,694
3-Mile Radius	83,990
5-Mile Radius	196,959

Household Income:

1-Mile Radius	\$84,443
3-Mile Radius	\$95,647
5-Mile Radius	\$98,198



REGIONAL MAP



PITTSBURGH INTERNATIONAL AIRPORT

- 6.3 million passengers in 2021 (up 74% from 2020)
- 16 carriers with nonstop service to 68 airports
- Top 10 Best U.S. Airports - Travel & Leisure



TENANT PROFILE



TACO BELL

Taco Bell is the nation's leading Mexican-inspired quick service restaurant, operating in over 30 countries around the world. There are currently 7,700+ Taco Bell locations that serve over 42 million customers weekly, primarily within the United States. The division generated \$13.2 billion in global sales in 2021. The year 2021 included teaming up with Beyond Meat to create an innovative new plant-based protein that will

be tested in the next year. Taco Bell chose to team up with Beyond Meat as a category leader with a proven track record of attracting younger customers. Although Taco Bell has long been a destination for vegetarians, this will be the brand's first foray into plant-based meat in the U.S.

Taco Bell is a subsidiary of Yum! Brands, a company with more than 54,000 restaurants in 150 countries and territories. Yum! is ranked #478 on the Fortune 500 with revenues of over \$6.4 billion in 2021 systemwide sales, and is recognized as one of the Aon Hewitt Top Companies for Leaders in North America. The Company's restaurant brands – KFC, Pizza Hut, and Taco Bell – are the global leaders of the chicken, pizza, and Mexican-style food categories. Worldwide, the Yum! Brands system opens over 12 new restaurants per day on average, making it a leader in global retail development. Worldwide system sales grew 13% excluding foreign currency translation, with KFC at 16%, Taco Bell at 13%, and Pizza Hut at 6%. Yum! added a record 4,180 gross units during the year contributing to 6% unit growth.

#5

World's Most Admired Companies

Fortune Magazine (2021)

#4

The QSR 50

QSR Magazine (2020)

#4

Fastest Growing Quick-Service Restaurant Chains

QSR Magazine (2020)

Company Type:

Public (NYSE: YUM)

Locations:

7,791 (54,000+ Yum! Locations)

Website:

www.tacobell.com

CHARTER FOODS

Charter Foods, Inc. Charter Foods, Inc. is one of the fastest growing franchisees, owning and operating restaurants under the Taco Bell, Long John Silver's and KFC brands throughout the south and northeast regions of United States. Charter Foods was founded in 1998 and is based in Morristown Tennessee.

Charter Foods operates approximately 206 Taco Bell restaurants. They are broken into 3 operating entities, separated geographically, with Charter Central, LLC operating approximately 60 Taco Bells as of 2018.

Locations: ±200

www.charterfoodscareers.com



Taco Bell Accelerates International Growth as Chain Aims for \$20 Billion in Annual Sales

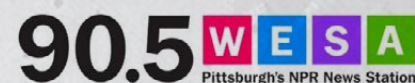
By Amelia Lucas | February 15, 2022

Taco Bell is accelerating its growth outside the U.S., opening 25% of its international restaurants in just the last two years.

The Yum Brands chain announced Tuesday that it opened its 100th restaurant in Spain. The chain said it's on track to build 1,000 international units, although it did not share a timeline to reach that goal. At the end of 2020, about 8% of Taco Bell's 7,427 restaurants were located outside the U.S.

In its home market, Taco Bell has built a strong following of loyal fans, who even get married at its Las Vegas location. Fans include vegetarians, whose vocal disappointment in menu cuts helped bring back its potato options last year. Still, the chain's U.S. business took longer than Yum's other two large brands, KFC and Pizza Hut, to bounce back from the pandemic. The loss of late-night and morning demand hurt Taco Bell sales.

[CLICK FOR ARTICLE](#)



Pittsburgh Ranks #2 for the Growth of its 'Creative Class,' and the Boom may be Just Beginning

By An-Li Herring | March 4, 2022

In another sign of Pittsburgh's status as one of the nation's emerging tech centers, the region ranked second among major metropolitan areas for the growth of its "creative class" over the previous decade, according to a study released last month.

Between 2010 and 2019, Pittsburgh experienced a 6.5 percentage-point jump in the share of workers employed in knowledge, professional, artistic, and cultural occupations, the research found. Only San Francisco performed better on the same metric.

In terms of the absolute footprint of its creative class, Pittsburgh placed 18th among metro areas whose populations exceed one million people.

[CLICK FOR ARTICLE](#)

AREA OVERVIEW

Pittsburgh MSA

- 2.6 million people; \$165.2 billion in Gross Metropolitan Product
- 2nd most popular city for millennial homebuyers; 12.8% growth of millennial population from 2010-2018, outpacing the national average
- Four major interstate highways: I-70, I-76 (PA Turnpike), I-79 and I-80
- Over 1,300 miles of freight railway, 3 Class 1 railroads: CSX, Norfolk Southern, and Bessemer & Lake Erie, 2 intermodals: CSX Pittsburgh Intermodal Rail Terminal and Norfolk Southern
- 2nd-largest and 3rd-busiest inland port in the U.S.; 22 River Terminals throughout the Region

ECONOMY

- Major employers include: UPMC Health System (27,600 employees), Highmark Health (13,800), University of Pittsburgh (11,900), PNC Bank (9,500), BNY Mellon (7,000), and Carnegie Mellon University (6,100)
- 11 advanced industry sectors driving the region's talent growth; recent expansions include: Amazon [voice recognition], Argo AI, Duolingo, Facebook, Honeywell, Microsoft, and Zoom
- Fast-growing and startup economy, nearly 500 Pittsburgh companies attracted \$3.8B in investment over the past 10 years
- 88 colleges and universities, including University of Pittsburgh and Carnegie Mellon University; 234,000+ students in the region and 45,000 grads annually including 12,000 technology degrees and certificates
 - 21% increase in tech talent labor pool since 2013; 33% workers hold 4+ year degree
- Selected to host the premier meeting of the U.S.-EU Trade and Tech Council and the Global Manufacturing and Industrialization Summit in 2022
- **Pittsburgh International Airport** - Serves 62 destinations nonstop, extensive air cargo facilities with direct runway access; named "Top 10 Domestic Airport in 2019" by Travel + Leisure and named J.D. Power Top 10 Medium Size Airport in North America
- **Nexii** - Teamed up with actor and Pittsburgh native Michael Keaton to build a new sustainability manufacturing plant slated to open in the summer of 2022
- Robotics and life sciences recently received a record \$150 million grant to fund a new robotics center and advanced manufacturing institute and a \$100 million grant to create BioForge



CITY OF PITTSBURGH



PITTSBURGH INTERNATIONAL AIRPORT



UNIVERSITY OF PITTSBURGH MEDICAL CENTER



\$165.2 Billion in Gross Domestic Product

DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2024 Projection	8,779	85,941	207,444
2019 Estimate	8,694	83,990	196,959
2010 Census	8,490	80,600	181,646
2000 Census	9,112	79,201	167,113
Growth 2010-2019	2.40%	4.21%	8.43%
Growth 2019-2024	0.98%	2.32%	5.32%
HOUSEHOLDS			
2024 Projection	3,958	38,212	88,291
2019 Estimate	3,893	37,123	83,595
2010 Census	3,733	35,038	76,168
2000 Census	3,921	33,866	69,930
Growth 2010-2019	4.29%	5.95%	9.75%
Growth 2019-2024	1.67%	2.93%	5.62%
2019 EST. POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	7,066	71,123	161,053
Black or African American Alone	455	4,250	13,610
American Indian and Alaska Native Alone	17	151	374
Asian Alone	483	4,241	11,916
Native Hawaiian and Other Pacific Islander Alone	2	25	98
Some Other Race Alone	420	2,100	4,510
Two or More Races	247	2,015	4,977
2019 EST. POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	986	6,055	12,774
Not Hispanic or Latino	7,708	77,935	184,185
2019 EST. AVERAGE HOUSEHOLD INCOME			
	\$84,443	\$95,647	\$98,198

PITTSBURGH SNAPSHOT



196,959
POPULATION (5-Mile)



117,996
DAYTIME POPULATION (5-Mile)



8.43%
POPULATION GROWTH (5-Mile, 2010-2019)



\$98,198
AVERAGE HOUSEHOLD INCOME (5-Mile)



\$245,647
AVERAGE HOME VALUE (1-Mile)



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\$9 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



GLOBEST. INFLUENCERS
in retail & net lease sales



NATIONWIDE REACH
retail & investors across the U.S.



\$2.6 BILLION IN RETAIL SOLD
over 500 transactions in last 36 mos.