

TACO BELL

220TH AVE. & US 10-R25, REED CITY, MI 49677

15-YEAR SALE LEASEBACK - EXPERIENCED 47 UNIT OPERATOR





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A photograph of a Taco Bell restaurant at night, with the building and its illuminated sign visible in the background. The image is overlaid with a dark blue gradient.

01

PROPERTY OVERVIEW



LEASE HIGHLIGHTS

- **15-YEAR SALE LEASEBACK** – Long term sale leaseback opportunity commencing at the Close of Escrow. The 15-year base term is followed by Four, 5-Year options to extend, demonstrating the tenants long term commitment to the site.
- **ZERO LANDLORD RESPONSIBILITIES** – The current lease is Absolute NNN, which means the tenant is responsible for taxes, insurance, CAM, and maintenance making this investment completely passive.
- **ATTRACTIVE RENT INCREASES** – The lease is subject to 10% rent increases every 5 years throughout the base term and option periods, providing an excellent hedge against inflation.
- **FRANCHISEE OVERVIEW - BELLS AND BIRDS, INC.**
 - **EXPERIENCED LOCAL OPERATOR** – Bells and Birds, Inc, is an experienced Michigan based quick service restaurant operator with over 30 years of experience in the Yum! Brands system.
 - **STRONG 47 UNIT GUARANTEE** – The lease is guaranteed by 47 units.
 - **GROWING OPERATOR** – Bells and Birds, Inc. is a growing operator with multiple locations under development.
 - **TOP 5 RESTAURANT BRAND** – Taco Bell is a top performing brand ranking as the 4th most popular restaurant chain nationwide, with sales exceeding \$15 billion in 2023.



±2,892 SF
GLA



±1.60 AC
LOT SIZE

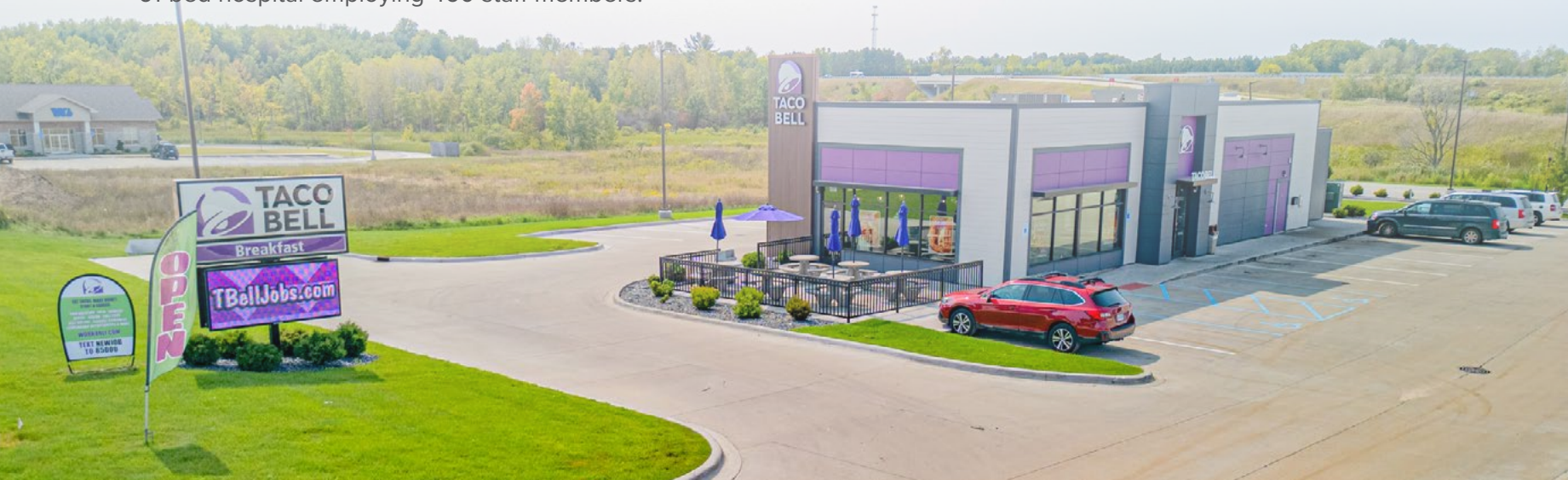


2020
YEAR BUILT

TACO BELL LOCATION OVERVIEW

LOCATION HIGHLIGHTS

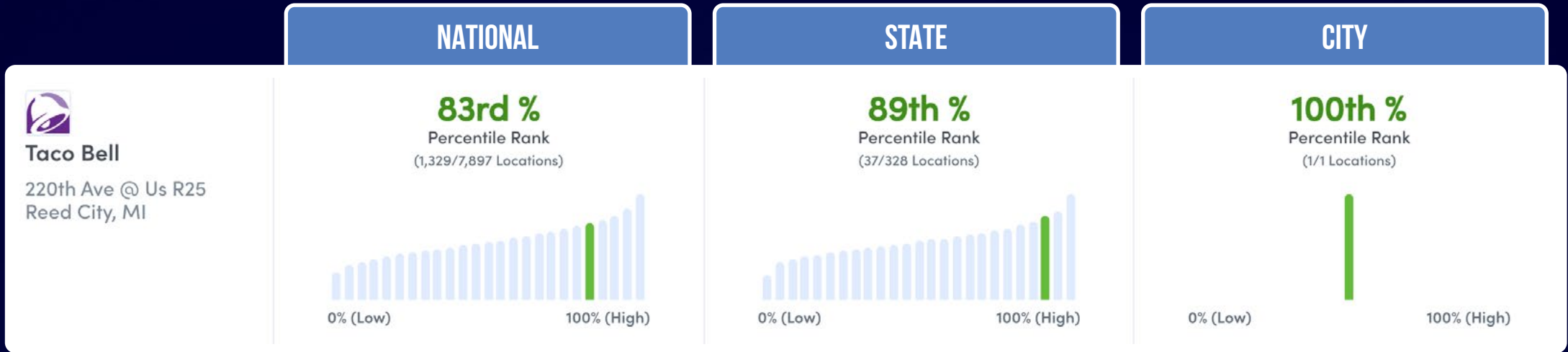
- **HIGH FOOT TRAFFIC COUNTS** – According to Alpha Maps, location ranks in the top 83rd percentile for Taco Bell's nationwide, seeing over 32,000 monthly visitors.
- **US HWY 131 OFF RAMP VISIBILITY** – Location benefits from excellent visibility along the US Hwy 131 off ramp, additionally benefitting from a large easily visible pylon sign.
- **ADJACENT TO WESCO GAS STATION EXPANSION** – The adjacent Wesco gas station is currently undergoing expansion, adding a 17-foot addition to the building along with additional fuel pumps and parking spots. According to PlacerAI, this gas station ranks in the top 90th percentile for gas station & convenience stores nationwide, enhancing foot traffic within the immediate trade area.
- **TRAVEL HUB - IMMEDIATE PROXIMITY TO US HWY 10 & US HWY 131 (25,000+ VPD)** – Location benefits from its immediate proximity to US Hwy 10 & US Hwy 131. These roadways provide convenient access to surrounding towns and act as major travel arteries throughout Western Michigan.
- **EXTREMELY LIMITED COMPETITION** – Limited competition within immediate trade area, providing a consistent and growing local customer base. The next closest Taco Bell location is over 13 miles away.
- **AFFLUENT DEMOGRAPHICS** – The average HH income within a 5-mile radius exceeds \$68,858 showcasing a strong and robust local economy. Within a 5-mile radius of the property there are over 5,600 residents.
- **PROXIMITY TO COREWELL HEALTH REED CITY HOSPITAL** – Less than 1-mile from Corewell Health Reed City Hospital, a 61-bed hospital employing 460 staff members.



TACO BELL EXTERIOR PHOTOS



PERCENTILE RANKINGS



LOCATION VISITS



* Source: AlphaMap



02

FINANCIAL OVERVIEW

TACO BELL FINANCIAL OVERVIEW



\$2,342,130
LIST PRICE



6.10%
CAP RATE



NNN
LEASE TYPE



\$809.87
PRICE PSF



±15
YEARS REMAINING





TACO BELL LEASE ABSTRACT

TENANT SUMMARY

Tenant	Taco Bell
Lease Guarantor	Bells and Birds, Inc. (47 Units)
Lease Expiration Date	15 Years From COE
Lease Term Remaining	±15 Years
Annual Rent	\$142,870.00
Rent Increases	10% Every 5 Years
Option Periods	Four, 5-Year Options
Lease Type	NNN
Parking Lot / CAM	Tenant Responsibility
Property Tax	Tenant Responsibility
Insurance	Tenant Responsibility
Roof/Structure	Tenant Responsibility
Insurance	Tenant Responsibility
Roof/Structure	Tenant Responsibility

ANNUALIZED OPERATING DATA

Years	Monthly Rent	Annual Rent	Rent Increases	Cap Rate
Years 1-5	\$11,905.83	\$142,870.00	10.00%	6.10%
Years 6-10	\$13,096.42	\$157,157.00	10.00%	6.71%
Years 11-15	\$14,406.06	\$172,872.70	10.00%	7.38%
Option 1	\$15,846.66	\$190,159.97	10.00%	8.12%
Option 2	\$17,431.33	\$209,175.97	10.00%	8.93%
Option 3	\$19,174.46	\$230,093.56	10.00%	9.82%
Option 4	\$21,091.91	\$253,102.92	10.00%	10.81%



REED CITY
± 1.4 MILES

US HWY 10



S 220TH AVE

US HWY 131
± 18,100 VPD

1962
YEAR FOUNDED

55K+
NO. OF LOCATIONS

\$2.0B
2023 REVENUE

TACO BELL TENANT & FRANCHISE SUMMARY

Taco Bell, the renowned fast-food chain, has experienced phenomenal growth since its inception. Founded by Glen Bell in 1962 in Downey, California, Taco Bell has become a global icon of Mexican-inspired cuisine, serving up a diverse menu of tacos, burritos, nachos, and more. With its innovative approach to fast food, Taco Bell has consistently expanded its presence, capturing the taste buds of millions worldwide. Through strategic marketing campaigns and a commitment to affordability, Taco Bell has carved out a unique niche in the fast-food industry, appealing to a broad demographic of customers.

FRANCHISEE OVERVIEW - BELLS AND BIRDS, INC.

Bells & Birds, Inc. is one of the franchise corporations managed by Northland Investments. It operates independently, focusing on managing franchise locations for well-known quick-serve brands such as Taco Bell, KFC, and Long John Silver's. Bells & Birds, Inc. contributes to the network of over 65 restaurant locations across the Midwest, with its franchise operations primarily based in Michigan, Indiana, and Ohio. Northland Investments serves as the office management company for multiple restaurant franchise corporations, including Mariane Inc., Bells & Birds, Inc., 7 Bells LLC, and Blaze Midwest, Inc. Collectively, these corporations manage over 65 franchise locations across the Midwest.



The background is a dark, blue-tinted photograph of a parking lot. In the foreground, there is a grassy slope. In the middle ground, there is a paved area with a circular feature, possibly a storm drain or a small pond. In the background, there are several tall light poles and some buildings. A large, semi-transparent white '00' is overlaid in the center of the image.

00

AREA OVERVIEW

ECONOMY

Small businesses are essential to Reed City’s economy, with many family-owned operations providing services and goods to the community. Additionally, the city’s strategic location along U.S. Route 131 makes it a favorable spot for logistics and transportation industries. Economic development initiatives in recent years have focused on attracting new businesses while maintaining the city’s traditional industries. This combination of sectors helps sustain the town’s workforce and contributes to the stability of Reed City’s economy.

Tourism in Reed City, Michigan, is centered around its scenic natural beauty and outdoor recreational opportunities. The city is a popular destination for visitors who enjoy exploring the extensive network of trails, including the Pere Marquette and White Pine Trails, which are ideal for biking, walking, snowmobiling, and cross-country skiing. The area’s numerous lakes and rivers offer excellent fishing, boating, and kayaking, making it a draw for water sports enthusiasts.

REED CITY, MI

Reed City, located in Osceola County, Michigan, is a small, closeknit community with a population of around 2,400 people. Nestled in the north-central part of the state, Reed City offers a quiet, rural lifestyle with easy access to outdoor activities such as hiking, fishing, and hunting. The town serves as a hub for local agriculture and is known for its proximity to both the Pere Marquette and White Pine Trails, attracting outdoor enthusiasts year-round. Reed City has a rich history tied to the lumber industry, and its charming downtown area is filled with locally owned shops and restaurants, preserving the small-town atmosphere. Its location at the intersection of U.S. Route 131 and U.S. Route 10 makes it a convenient stop for travelers and connects residents to larger cities like Big Rapids and Cadillac.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2024 Estimate	1,235	4,242	6,264
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2024 Estimate	455	1,721	2,514
INCOME	1-MILE	3-MILE	5-MILE
Average HH Income	\$81,992	\$79,684	\$80,428

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **220th Ave & US-10 R25, Reed City, MI 49677** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

OFFERING MEMORANDUM



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SALE LEASEBACK

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REAL ESTATE INVESTMENT SERVICES