

OFFERING MEMORANDUM – TACO BELL

4837 N. Kickapoo St. | Shawnee, OK



Representative Image

SANDS INVESTMENT GROUP



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Exclusively Marketed By

Marianne Christian

Lic # 12244

206.915.9222 | DIRECT

marianne@SIGnnn.com

In Cooperation with JDS Real
Estate Services, Inc. Lic# 159684





INVESTMENT SUMMARY

OFFERING SUMMARY

PRICE	\$3,251,891
COST/ BUILDING SF	\$1,583.97
COST/ LAND SF	\$106.65
NOI	\$149,587*
CAP RATE	4.60%

*NOI and CAP are Based on May 2015 Rent Increase

PROPERTY SUMMARY

ADDRESS	4837 N. Kickapoo St. Shawnee, OK 74804
COUNTY	Pottawatomie
APN	0000-31-011-004-0-035-00
BUILDING AREA	2,053 SF
LAND AREA	30,492 SF

Sands Investment Group is pleased to present this NNN leased Taco Bell investment in Shawnee, Oklahoma.

The lease is structured as an Absolute Triple Net (NNN), whereby the tenant is responsible for Roof & Structure, as well as Property Taxes, Insurance, and CAM. The investment consists of a 2,053 SF single tenant, free standing building leased to Taco Bell on 30,492 SF of fee simple land. In 2013, the Shawnee Taco Bell reported over \$1.41 Million in sales, well above the national average of \$1.36 Million.

The location is operated by K-Mac, the largest Taco Bell franchisee, currently operating over 270 stores. This Taco Bell is situated as a retail pad to a Lowe's Home Improvement Center and along the Kickapoo St. Retail Corridor. It is also located less than half a mile from the Shawnee Mall and a quarter of a mile from the I-40 on and off-ramp with freeway visibility signage.

The tenant, K-Mac Enterprises, Inc. has recently signed a new 15 Year Lease that commenced on May 1, 2014. The term has built-in rent increases of 1% annually in the initial term, and also throughout the four 5-year option periods.



INVESTMENT HIGHLIGHTS

- Single Tenant Absolute Triple Net (NNN) Investment.
- Brand New 15 Year Lease Commenced May 2014 with Annual Rental Increases
- Excellent Location on a Signalized Corner, Out-Parcel to a Lowe’s and Along a Busy Retail Corridor
- K-mac, Enterprises, Inc. is a Well Established, Strong Franchise (270 Stores in Multiple States)
- Taco Bell Pole Sign is Visible from I-40 (25,000 VPD)
- Optimal Demographics with Over 33,000 Residents Within a Five Mile Radius and 14,000 Vehicles Along Kickapoo St. Daily

DEMOGRAPHICS 1 - MILE 3 - MILE 5 - MILE

POPULATION ESTIMATE 2,338 18,987 33,848

AVERAGE H.H. INCOME \$52,462 \$52,870 \$48,906

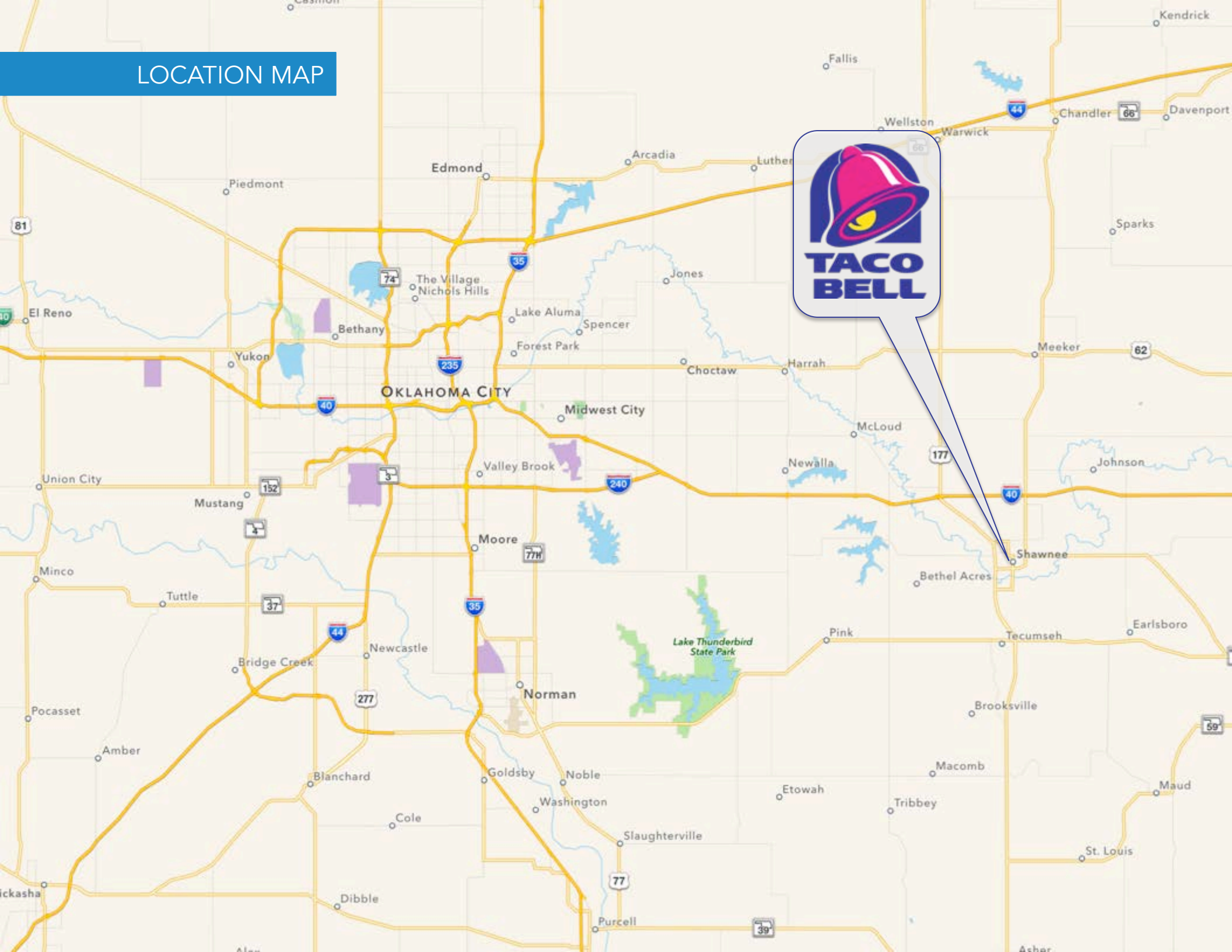
TRAFFIC COUNT Kickapoo St. I-40

VEHICLES PER DAY 14,000 25,000

Traffic count recorded by ESRI



LOCATION MAP



AERIAL MAP



NS410 Rd

N Kickapoo St

3E

RETAIL MAP

Wendy's CATO® radioshack
DOLLAR TREE SALLY BEAUTY SUPPLY
KFC Payless

TACO BELL

K MCDONALD'S

IHOP RESTAURANT

Waffle & Pancake Pkwy
Waffle & Pancake

TSC TRACTOR SUPPLY CO

LOWE'S

RED LOBSTER AERO AMERICAN EAGLE OUTFITTERS
Buckle Justice maunces
rue21 JO-ANN
Dillard's JCPenney
KOHL'S ROSS
Toys R Us Walmart SUPERCENTER
Walgreens - claire's
BUFFALO WILD WINGS 's MCDONALD'S BUENO Taco Bueno
SBARRO Foot Locker SHOE DEPT.
HIBBETT SPORTS at&t

BURGER KING

STAPLES STARBUCKS
POPEYES BRAUM'S

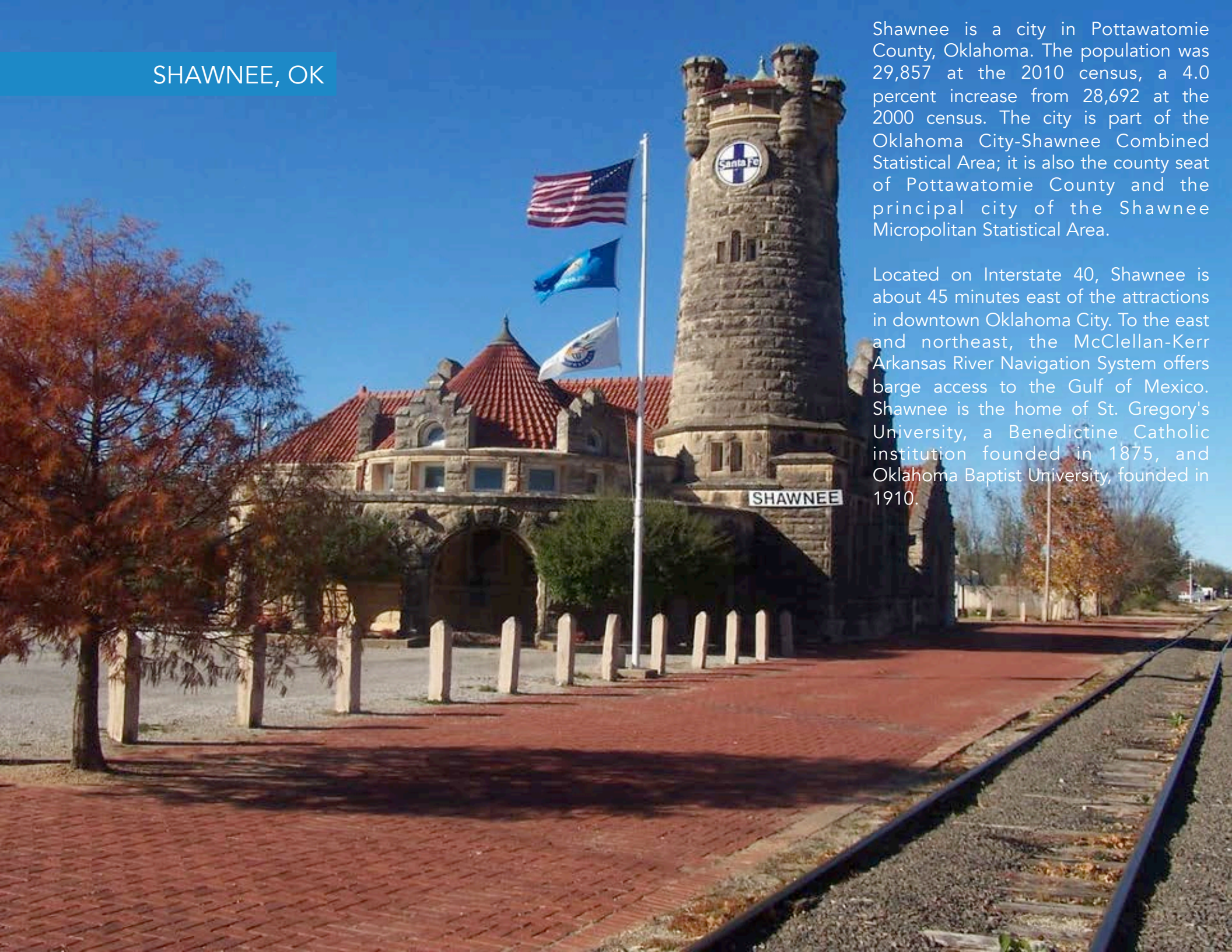
WHATABURGER

Qdoba SONIC
McALISTERS DELI

CVS pharmacy

SUPERCUTS
SUBWAY PLAY IT AGAIN SPORTS

SHAWNEE, OK



Shawnee is a city in Pottawatomie County, Oklahoma. The population was 29,857 at the 2010 census, a 4.0 percent increase from 28,692 at the 2000 census. The city is part of the Oklahoma City-Shawnee Combined Statistical Area; it is also the county seat of Pottawatomie County and the principal city of the Shawnee Micropolitan Statistical Area.

Located on Interstate 40, Shawnee is about 45 minutes east of the attractions in downtown Oklahoma City. To the east and northeast, the McClellan-Kerr Arkansas River Navigation System offers barge access to the Gulf of Mexico. Shawnee is the home of St. Gregory's University, a Benedictine Catholic institution founded in 1875, and Oklahoma Baptist University, founded in 1910.



TENANT SUMMARY

Taco Bell is an American chain of fast-food restaurants based in Irvine, California. A subsidiary of Yum! Brands, Inc., they serve a variety of Tex-Mex foods including tacos, burritos, quesadillas, nachos, other specialty items, and a variety of "value menu" items. Taco Bell serves more than 2 billion customers each year in more than 6,500 restaurants mostly in the U.S., more than 80 percent of which are owned and operated by independent franchisees.

Yum! Brands, Inc. or Yum! is an American fast food company. A Fortune 500 corporation, Yum operates the licensed brands Taco Bell, KFC, Pizza Hut, and WingStreet worldwide. Prior to 2011, Yum! also owned Long John Silver's and A&W Restaurants.

Based in Louisville, Kentucky, it is the world's largest fast food restaurant company in terms of system units—more than 40,000 restaurants around the world in over 125 countries. In 2013, Yum!'s global sales totaled more than US\$13 billion.

K-MAC Enterprises is a leading operator of Taco Bell and KFC quick-service restaurants, with more than 270 locations. The company's restaurants, franchised from YUM! Brands, are located mostly in Arkansas, as well as in Missouri, Oklahoma, and Texas. It also owns and operates a small number of buffet-style family steak houses franchised from Golden Corral. K-MAC was founded in 1964 by Ken McGruder. Connecticut-based private equity firm Olympus Partners acquired the business in 2005.

LEASE ABSTRACT

LEASE SUMMARY

LEASE TERM	14+ Years Remaining
TENANT	Taco Bell
PREMISES	A building of approximately 2,053 SF in Shawnee, OK
LEASE COMMENCEMENT	05/01/2014
LEASE EXPIRATION	04/30/2029
RENEWAL OPTIONS	4 x 5-Year
INCREASE DATE	05/01/2015
INCREASE	1% Annually
LEASE TYPE	Absolute NNN Fee Simple
INSURANCE	Paid by Tenant
MAINTENANCE & REPAIRS	Paid by Tenant
PROPERTY TAXES	Paid by Tenant
ROOF & STRUCTURE	Paid by Tenant
UTILITIES	Paid by Tenant

ESTIMATED OPERATING INFORMATION

GROSS POTENTIAL RENT	\$149,587*
EXPENSE REIMBURSEMENT	<u>NNN</u>
EFFECTIVE GROSS INCOME	\$149,587
LESS EXPENSES	<u>NNN</u>
NET OPERATING INCOME	\$149,587

* NOI Based on May 2015 Rent Increase



RENT ROLL

TENANT NAME	SIZE		ANNUAL RENT			LEASE TERM				
	SQUARE FOOTAGE	% OF TOTAL	ANNUAL BASE RENT	RENT / SF	% OF TOTAL	INCREASE DATES	RENTAL INCREASE	LEASE BEGIN	LEASE END	OPTIONS
Taco Bell	2,053	100%	\$149,587*	\$72.86	100%	Annually	1%	05/01/14	04/30/29	(4) x 5 Year
TOTAL / WTD AVG	2,053	100%	\$149,587	\$72.86	100%					

*Annual Rent as of May 2015



CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.





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