



TACO BELL

TACO BELL MERCER, PENNSYLVANIA (YOUNGSTOWN MSA/MAHONING VALLEY)

OFFERING MEMORANDUM

\$1,588,000 | 6.10% CAP RATE

- » Long-Term Absolute NNN Lease with 1.5% Annual Rental Increases
- » No Landlord Management
- » Operated by Leading Yum! Brands Franchisee
- » High-Traffic Location with Immediate Freeway Access
 - » 12,018 AADT at the Intersection of Leesburg Grove City Road and Campbell Boulevard
 - » Immediate Access to Interstate 79 (23,724 AADT)
- » Adjacent to Grove City Premium Outlets
 - » One of the Country's Top 20 Outlet Centers
 - » Over 6 Million Visitors Per Year
 - » Draws Shoppers from Out-of-State and Canada
- » Strong Retail Market Catering to Local and Tourist Traffic
- » Features Dedicated Drive-Thru



ACTUAL SITE

INVESTMENT SUMMARY

ADDRESS	9 Campbell Boulevard, Mercer, Pennsylvania	
PRICE	\$1,588,000	
CAP RATE	6.10% return	
NOI	\$96,758	
TERM	20 years, with 15 years remaining	
RENT COMMENCEMENT	July 2014	
LEASE EXPIRATION	July 3034	
	1.5% annual rental increases	
RENTAL INCREASES	YEAR Current-Jul. 2034 Aug. 2034-Jul. 2039 (Option 1) Aug. 2039-Jan. 2044 (Option 2)	RENT 1.5% yearly rental increases 1.5% yearly rental increases 1.5% yearly rental increases
YEAR BUILT	2014	
BUILDING SF	2,536 SF	
PARCEL SIZE	1.01 acres (44,030 SF)	
LEASE TYPE	Absolute NNN, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot	

LONG-TERM ABSOLUTE NNN LEASE

- » Long-term lease, with 15 years remaining in initial term, plus one five-year option and one 54-month option
- » No landlord management, providing an ideal investment for an out-of-area investor
- » Operated by a leading Yum! Brands franchisee, with Taco Bell, Long John Silver, Kentucky Fried Chicken, and A&W stores in 12 states throughout the South and Northeast regions of the U.S.
- » Rare annual rental increases, providing an excellent hedge against inflation

HIGH-TRAFFIC LOCATION WITH IMMEDIATE FREEWAY ACCESS

- » Strategically located on at the intersection of Campbell Boulevard and Leesburg Grove City Road, with excellent visibility and access to 12,018 vehicles per day directly in front of the property
- » Leesburg Grove City Road provides immediate access to Interstate 79 (23,724 AADT)

STRONG RETAIL MARKET CATERING TO LOCALS AND TOURISTS

- » Within walking distance of Grove City Premium Outlets, one of the country's top 20 outlet centers
- » Grove City Premium Outlets is the region's premiere shopping destination, with over 130 brand-name stores, including one of the Pittsburgh Steelers' official team stores
- » The outlet mall draws more than 6 million shoppers every year; many visitors are from out-of-state or from Canada and come to Grove City Premium Outlets to take advantage of Pennsylvania's lack of sales tax on clothing
- » Taking advantage of out-of-area travelers, the property is directly adjacent to a 90-room Hampton Inn & Suites and near Holiday Inn Express (60 rooms), Candlewood Suites (75 rooms), TownePlace Suites by Marriott (96 rooms), and several other hotels
- » Near large schools and employers, including Grove City College, one of the nation's finest small liberal arts schools, with 2,461 students and 167 employees



ACTUAL SITE



GROVE CITY COLLEGE
(2,461 students and 167 employees)

GROVE CITY COUNTRY CLUB

TOWNEPLACE SUITES[®]
BY MARRIOTT
(96 rooms)

Columbia
dressbarn
Talbots
TOMMY HILFINGER

THE NORTH FACE
Bath & Body Works
GUESS FACTORY STORE
new balance
vf OUTLET

PACSUN zumiez
Hartstrings Kids Apparel Center
Christopher & Banks
Levi's OUTLET STORE
AMERICAN EAGLE OUTFITTERS

Eat'n Park

Timberland

McDonald's

Wendy's

Interstate 79
(23,724 AADT)

Best Western
(60 rooms)

BLACKOUT BURGER BAR

Brooks Brothers
ANN TAYLOR
CALVIN KLEIN

sunglass hut
Nike Factory Store
FAMOUS footwear OUTLET
NAUTICA

POLO RALPH LAUREN FACTORY STORE
J. CREW
JOHNSTON & MURPHY FACTORY STORE
chico's
AÉROPOSTALE
SKECHERS OUTLET
LUCKY * BRAND

TACO BELL

Hampton Inn & Suites
(90 rooms)

Leesburg Grove City Road
(12,018 AADT)

GROVE CITY AIRPORT

Holiday Inn Express
(74 rooms)

TIMBER CREEK
TOP 10 TRAILS

CANDLEWOOD SUITES
(75 rooms)

GROVE CITY PREMIUM OUTLETS



POLO RALPH LAUREN
FACTORY STORE

J. CREW

JOHNSTON & MURPHY
FACTORY STORE

chico's

AÉROPOSTALE

SKECHERS
OUTLET

LUCKY # BRAND

THE NORTH FACE

GUESS
FACTORY STORE

Bath & Body Works

new balance

vf
OUTLET

PACSUN zumiez

Hartstrings.
Kids Apparel Center

Christopher & Banks

Levi's
OUTLET STORE

AMERICAN EAGLE
OUTFITTERS

sunglass hut

Nike
NikeFactoryStore

FAMOUS
footwear
OUTLET

NAUTICA

Columbia

dressbarn

Talbots

TOMMY
HILFINGER

GROVE CITY
PREMIUM
OUTLETS

TOWNEPLACE
SUITES®
BY MARRIOTT
(96 rooms)

SportClips
HAIRCUTS

Leesburg Grove City Road
(12,018 AADT)

Timberland

Brooks Brothers
ANN
TAYLOR
CALVIN KLEIN

Wendy's

Best
Western
(60 rooms)

BLACKOUT BAR
BAR

HOSS'S
FAMILY
STEAK & SEA

TIMBERCREEK
SUITES

CANDLEWOOD
SUITES
(75 rooms)

Eat'n Park

TACO BELL

Hampton
Inn & Suites
(90 rooms)

Holiday Inn
Express
(74 rooms)

GROVE CITY
AIRPORT

Interstate 79
(23,724 AADT)

Microtel
Inns & Suites

Leesburg Grove City Road
(12,018 AADT)

TIMBER CREEK
TAP & TABLE

CANDLEWOOD
SUITES
(75 rooms)

Holiday Inn Express
(74 rooms)

GROVE CITY AIRPORT

Hampton Inn & Suites
(90 rooms)

SportClips
HAIRCUTS

BLACKOUT BURGER
BAR
EST. 2017

Wendy's



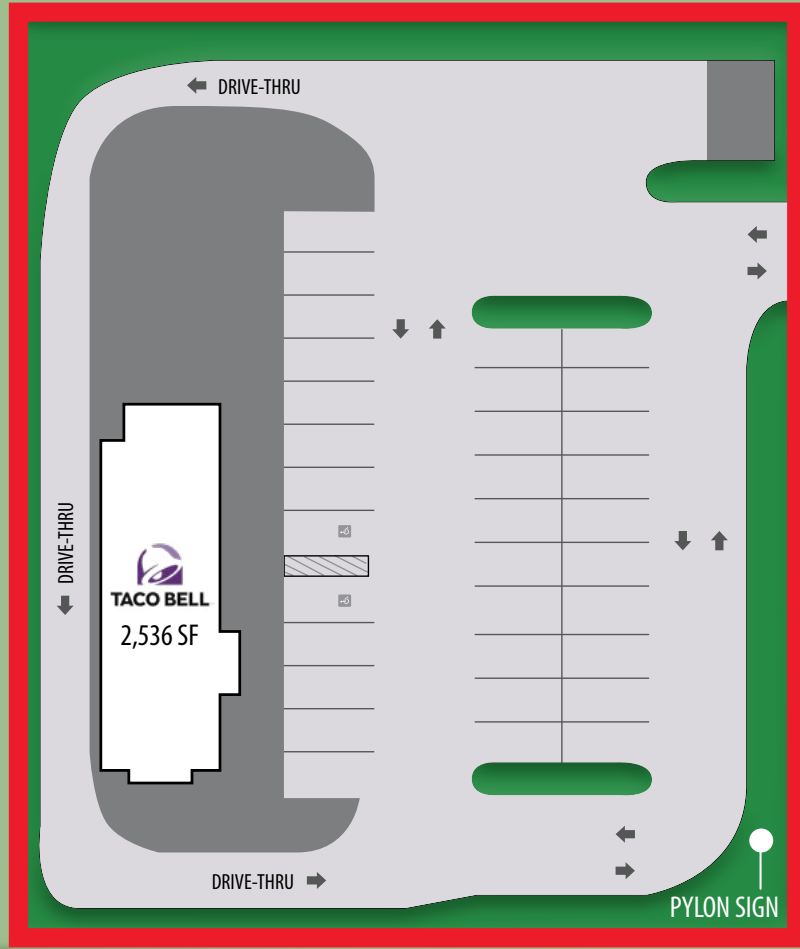
TACO BELL

TOWNEPLACE SUITES
BY MARRIOTT
(96 rooms)

HOSS'S
FAMILY
STEAK & SEA

Best Western
(60 rooms)

SITE PLAN



CAMPBELL BOULEVARD



PRIMO AUTO WASH

LEESBURG GROVE CITY ROAD

TENANT SUMMARY



Taco Bell Corp.—a subsidiary of the world’s largest restaurant company, 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, burritos, and other craveable choices. Taco Bell proudly serves over two billion customers each year in 6,577 restaurants across the nation, as well as through its mobile, desktop, and delivery ordering services. Overseas, Taco Bell has over 495 restaurants, with plans to add 2,000 more restaurants internationally within the next decade. In 2016, Taco Bell was named as one of Fast Company’s Top 10 Most Innovative Companies in the World.

A Fortune 500 corporation, Yum! Brands, Inc. operates the licensed brands Taco Bell, KFC, and Pizza Hut worldwide, with over 48,000 restaurants in more than 140 countries and territories.

The franchisee for the subject property is Charter Foods, Inc., a Yum! Brands franchisee headquartered in Morristown, Tennessee. Charter Foods operates Taco Bell, Long John Silver, Kentucky Fried Chicken, and A&W stores in 12 states throughout the South and Northeast regions of the U.S. The company is one of the fastest growing Yum! Brands franchisees in the country.

For more information, please visit www.tacobell.com.

OWNERSHIP	Yum! Brands, Inc.	LOCATIONS	7,072
REVENUE	\$2.1B	HEADQUARTERS	Irvine, CA

LEASE ABSTRACT

TENANT	Charter Foods North, LLC	
ADDRESS	9 Campbell Boulevard, Mercer, Pennsylvania	
RENT COMMENCEMENT	July 2014	
LEASE EXPIRATION	July 3034	
RENEWAL OPTIONS	One (1) five (5) year option and one (1) fifty-four (54) month option	
RENTAL INCREASES	YEAR Current-Jul. 2034 Aug. 2034-Jul. 2039 (Option 1) Aug. 2039-Jan. 2044 (Option 2)	RENT 1.5% yearly rental increases 1.5% yearly rental increases 1.5% yearly rental increases
REAL ESTATE TAXES	Tenant is responsible for all taxes.	
INSURANCE	Tenant is responsible for all insurance.	
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance and repair, including roof, structure, and parking lot.	
MAINTENANCE BY LANDLORD	None	
RIGHT OF FIRST REFUSAL	None	

PROPERTY OVERVIEW

LOCATION

The property is strategically located on at the intersection of Campbell Boulevard and Leesburg Grove City Road, with excellent visibility and access to 12,018 vehicles per day directly in front of the property. Leesburg Grove City Road provides immediate access to Interstate 79 (23,724 AADT). The property is located in a strong retail area and is within walking distance of Grove City Premium Outlets, one of the country's top 20 outlet centers. Grove City Premium Outlets is the region's premiere shopping destination, with over 130 brand-name stores, including Coach, J. Crew, The North Face, Under Armour, Michael Kors, Nike, Tommy Hilfiger, Vera Bradley, White House Black Market, and one of the Pittsburgh Steelers' official team stores. The outlet mall draws more than 6 million shoppers every year; many visitors are from out-of-state or from Canada and come to Grove City Premium Outlets to take advantage of Pennsylvania's lack of sales tax on clothing. Because of this, a number of hotels are located in the area, and the property is directly adjacent to a 90-room Hampton Inn & Suites and near Holiday Inn Express (60 rooms), Candlewood Suites (75 rooms), TownePlace Suites by Marriott (96 rooms), and several other hotels. In addition to Grove City Premium Outlets, other sites that drive traffic in the area include recreational attractions, like Grove City Country Club's 18-hole golf course, and large schools and employers like Grove City College, rated as one of the nation's finest small liberal arts schools, with 2,461 students and 167 employees.

ACCESS

Access from Campbell Boulevard

TRAFFIC COUNTS

Leesburg Grove City Road: 12,018 AADT
Interstate 79: 23,724 AADT

PARKING

33 parking stalls, including two (2) handicap stalls

YEAR BUILT

2014

NEAREST AIRPORT

Pittsburgh International Airport (PIT)



33
PARKING
STALLS



2014
YEAR BUILT



12K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
PITTSBURGH
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Mercer is a borough in and the county seat of Mercer County, Pennsylvania. Located 23 miles northeast of Youngstown and 56 miles north of Pittsburgh, Mercer is located near the Pennsylvania/Ohio border and is included in the Youngstown-Warren-Boardman, OH-PA Metropolitan Statistical Area (MSA), also known as the Mahoning Valley. Mercer County is strategically positioned in western Pennsylvania midway between Pittsburgh, Erie, Chicago, and New York City at the junction of Interstates 79, 80, and 376, offering unique location advantages for business and industrial development. Mercer County is the ideal location for businesses seeking access to the largest business and consumer markets in North America. Low cost of living, low land costs, a workforce known for its strong work ethic, abundant recreation areas, and proximity to metropolitan areas create a phenomenal quality of life which makes Mercer County a remarkable world-centered community in which to live, work, and play.

The Youngstown-Warren-Boardman metropolitan area, typically known as the Mahoning Valley, is a metropolitan area in Northeast Ohio and Western Pennsylvania, with the city of Youngstown, Ohio at its center. Due to the MSA's central location, this area has a strong commuter interchange with Cleveland and Pittsburgh and their metropolitan areas. Key sectors of the Youngstown MSA's economy include the automotive, education, food, building supplies, transportation, telecommunications, steel, aluminum, and textile industries.

The 44-county combined Northeast Ohio and Western Pennsylvania region is home to over 8.3 million people. The area remains one of the largest economic regions in the U.S. and continues to be a leader in key industries. The region's economic drivers include a leading heritage in advanced manufacturing; world-renowned healthcare and educational institutions; fast-paced growth in professional, scientific, and technical services; a strong entrepreneurial base with local assistance programs; and exponential growth in college-educated residents.

- » Mercer County is home to both the world's largest off-price fashion store and one of the country's top 20 outlet centers, Grove City Premium Outlets, which is located next to the subject property. Grove City Premium Outlets draws more than 6 million shoppers every year from Pennsylvania, Ohio, New York, and Canada.
- » Mercer County's proximity to major airports in Pittsburgh, Akron, and Cleveland—as well as additional regional air facilities located in Youngstown, Greenville, Grove City, Venango, and Erie—provides global access to worldwide markets.

MAJOR EMPLOYERS IN YOUNGSTOWN MSA

OF EMPLOYEES

GENERAL MOTORS CORPORATION	3,600
MERCY HEALTH PARTNERS	3,000
YOUNGSTOWN STATE UNIVERSITY	2,079
YOUNGSTOWN AIR RESERVE BASE	1,792
MAHONING COUNTY	1,700
STEWART VALLEY CARE HEALTH SYSTEM	1,600
ALORICA	1,300
TRUMBULL COUNTY	1,280
INFOCISION MANAGEMENT	1,050
VXI GLOBAL SOLUTIONS	1,050



DEMOGRAPHIC PROFILE

2018 SUMMARY	5 Miles	10 Miles	15 Miles
Population	15,366	49,428	118,305
Households	5,111	16,762	45,062
Families	3,380	10,783	29,439
Average Household Size	2.35	2.42	2.41
Owner Occupied Housing Units	3,702	11,951	33,017
Renter Occupied Housing Units	1,409	4,811	12,045
Median Age	35.2	35.9	41.5
Average Household Income	\$69,147	\$67,919	\$65,699

2023 ESTIMATE	5 Miles	10 Miles	15 Miles
Population	15,115	48,916	116,373
Households	4,998	16,588	44,344
Families	3,293	10,580	28,790
Average Household Size	2.36	2.41	2.40
Owner Occupied Housing Units	3,664	11,918	32,777
Renter Occupied Housing Units	1,334	4,669	11,566
Median Age	36.1	36.9	42.3
Average Household Income	\$80,206	\$78,413	\$75,444

