



# PIZZA HUT & WING STREET GROUND LEASE

1732 N. BARRON STREET, EATON, OH 45320

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## EXCLUSIVELY LISTED BY:

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## INVESTMENT SUMMARY

List Price:	\$660,000
Current NOI:	\$36,300.00
Average NOI:	38,720.00
Initial Cap Rate:	5.5%
Average Cap Rate:	5.86%
Land Acreage:	0.96
Year Built	2005
Building Size:	3,600 SF
Price PSF:	\$183.33
Lease Type:	NNN Ground
Lease Term:	15 Years

## INVESTMENT OFFERING

Fortis Net Lease is pleased to present a Pizza Hut/Wing Street restaurant located at 1732 N. Barron Street in Eaton, OH. The fifteen year NNN ground lease requires no landlord responsibilities and has two, five year options remaining with ten percent rent increases at each option. The first option was exercised in 2015 extending the lease until December 31, 2025.

The subject property is strategically located on an outparcel to a Walmart retail center just north of downtown Eaton. The surrounding area has over 33,000 residents within ten miles. The median home value within ten miles is over \$134,000 and the average household income is over \$67,000. Surrounding retail tenants include Dollar Tree, Kroger, Tractor Supply Co., AutoZone, Dollar General, Walmart, Burger King and KFC.

The subject offering represents an ideal opportunity for a 1031 exchange buyer or a “passive” investor to attain the fee simple ownership of a Pizza Hut/Wing Street restaurant.



**PRICE** \$660,000



**CAP RATE** 5.5%



**LEASE TYPE** NNN Ground



**TERM** 15 Years

## INVESTMENT HIGHLIGHTS

- 3,600 SF Free Standing Pizza Hut & Wing Street Restaurant
- NNN Ground Lease | No Landlord Responsibilities
- Tenant Recently Exercised First Renewal Option Early
- 6+ Years Remaining on Current Lease Term
- 10% Rent Bump Occurs in January of 2021
- Experienced Operator & Guarantor
- Incredibly Low Rent Ensures Long Term Occupancy
- Situated on an Outparcel to a Walmart Retail Center
- 14,700+ VPD | Local Retail Corridor Just North of Downtown Eaton

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## FINANCIAL SUMMARY

INCOME		PER SF
<b>Gross Income</b>	<b>\$36,300</b>	<b>\$10.08</b>
EXPENSE		PER SF
<b>Gross Expenses</b>	-	-
<b>NET OPERATING INCOME</b>	<b>\$36,300</b>	<b>\$10.08</b>

## PROPERTY SUMMARY

Year Built:	2005
Lot Size:	0.959 Acres
Building Size:	3,600 SF
Construction:	Wood Frame
Zoning:	Commercial
Frontage:	137' on N Barron St.
Parking:	50 Surface Spaces
Traffic Counts:	14,700+ VPD on N Barron St.

## LEASE SUMMARY

Tenant:	Pizza Hut & Wing Street
Lease Type:	NNN Ground
Primary Lease Term:	15 Years
Annual Rent:	\$36,300
Rent PSF:	\$10.08
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	August 1, 2005
Lease Expiration Date:	December 31, 2025
Lease Term Remaining:	6+ Years
Rent Bumps:	10% at Each Option
Renewal Options:	Two, Five Year Options Remaining
Lease Guarantor:	Peru Pizza Co., a division of Daland (Owner/Operator of 106+ Locations)
Tenant Website:	www.pizzahut.com

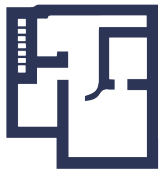


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TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	RENT PER SF/YR
Pizza Hut & Wing Street	3,600	August 1, 2005	December 31, 2020	\$36,300	100.0	\$10.08
		January 1, 2021	December 31, 2025	\$39,930		\$11.09
		January 1, 2026	December 31, 2030	\$43,923		\$12.30
		January 1, 2031	December 31, 2035	\$48,315		\$13.42

<b>Totals/Averages</b>	<b>3,600</b>			<b>\$36,300</b>		<b>\$10.08</b>
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TOTAL SF  
3,600



TOTAL ANNUAL RENT  
\$36,300



OCCUPANCY RATE  
100%



AVERAGE RENT/SF  
\$10.08



NUMBER OF TENANTS  
1

Option 1: January 1, 2021-December 31, 2025 Was Exercised in 2015

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## OVERVIEW

Company:	Pizza Hut
Founded:	1958
Subsidiary:	Yum! Brands
Ownership:	Public Company
Headquarters:	Plano, TX
Website:	<a href="http://www.pizzahut.com">www.pizzahut.com</a>

## TENANT HIGHLIGHTS

- We have more than 18,000 restaurants and 350,000 team members in more than 100 countries.
- In 2018, Pizza Hut became the official sponsor of the NFL and kicked off the \$5 Lineup with intense focus on value.
- Pizza Hut celebrated its 60th birthday in 2018 all while continuing its commitment to ensuring every customer has a Hot, Fast and Reliable experience around the globe.

## RENT SCHEDULE

YEARS	ANNUAL RENT	MONTHLY RENT	\$ INCREASE	% INCREASE
2005-2020	\$36,300.00	\$3,025.00		
Option 1 *	\$39,930.00	\$3,327.50	\$3,630.00	10.00%
Option 2	\$43,923.00	\$3,660.25	\$3,993.00	10.00%
Option 3	\$48,315.00	\$4,026.25	\$4,392.00	10.00%

\*Exercised In 2015

## COMPANY BACKGROUND

Pizza Hut®, a subsidiary of Yum! Brands, is the world's largest pizza company, specializing in the pizzas you never have to settle for – Pan Pizza, Thin 'N Crispy® Pizza, Hand-Tossed Style Pizza and Stuffed Crust Pizza. Pizza Hut began 57 years ago in Wichita, Kansas, and today is an iconic global brand that delivers more pizza, pasta and wings than any other restaurant in the world. A true innovator in the pizza category, we were not only the first to provide America with Pan Pizza, but we were also the first ever online purchase.

We began building delivery carryout units in 1988 and today it is the fastest growing part of our business. With Delivery, our strategy is to take advantage of our existing scale and quickly grow the brand in both developed and emerging markets. Our Express business – found in shopping malls, large retail chains, travel centers and on military bases – is the clear leader in the U.S. and we are growing it internationally. Dine-In has always been at the heart of our business. We are building vibrant casual dining Pizza Hut restaurants in many international markets and offer a “Pizza and More” menu strategy. We have also developed a new sub-brand in the U.S. called WingStreet®, making Pizza Hut the first big American chain to deliver chicken, sides and complete chicken dinners.

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Pizza Hut & Wing Street  
Ground Lease



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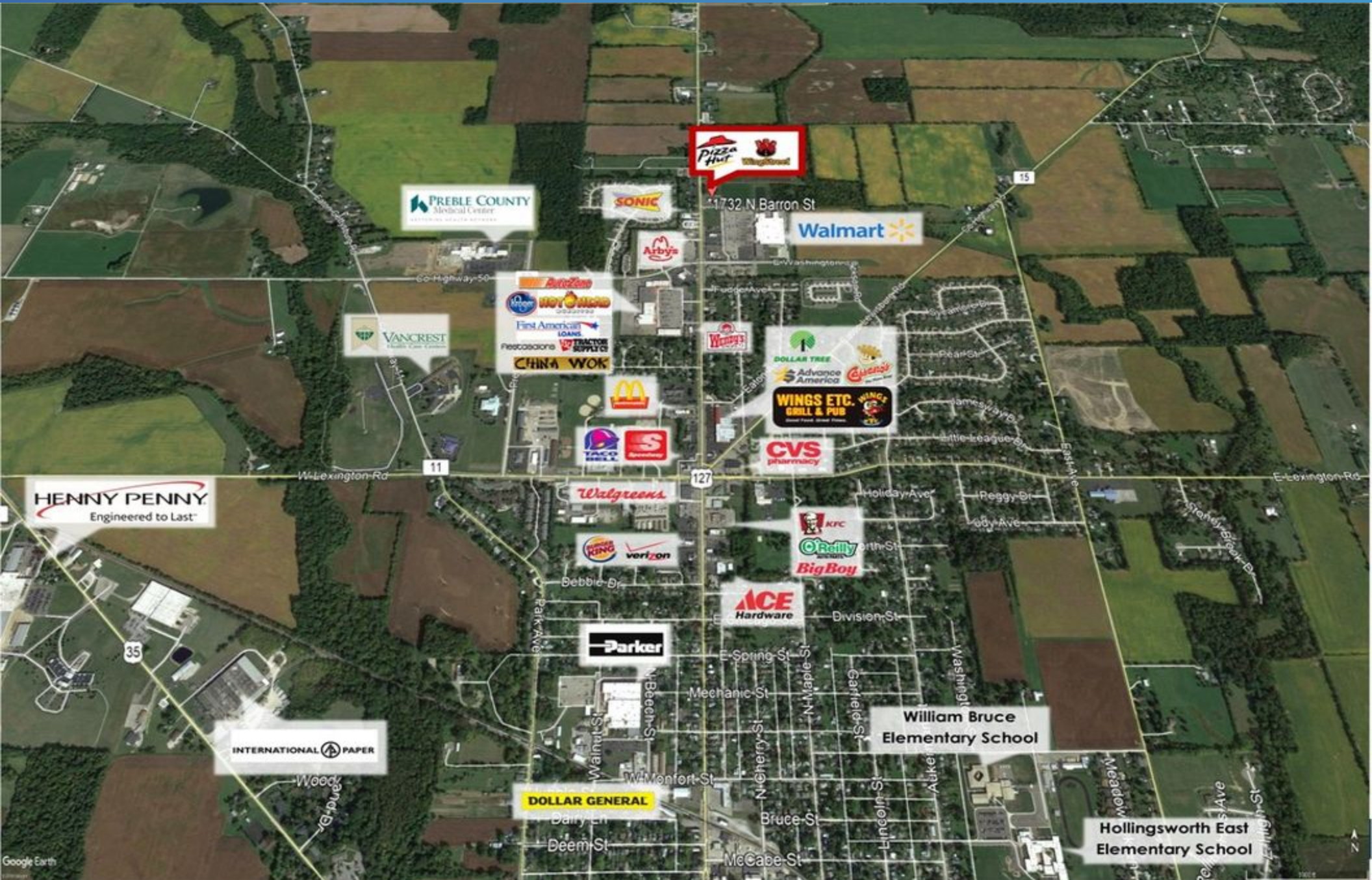
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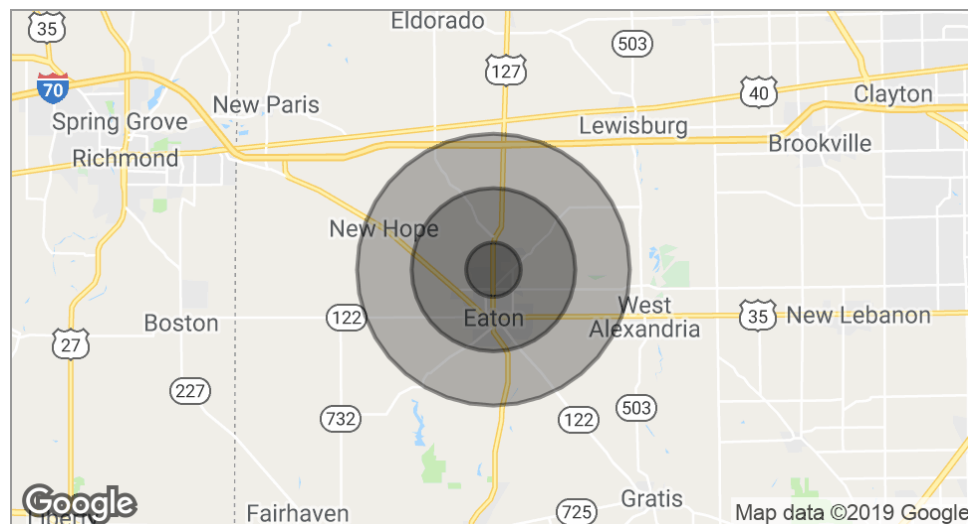


★ Designed by TownMapsUSA.com

Eaton is a city in and the county seat of Preble County, Ohio, United States. The population was 8,407 at the 2010 census. Eaton was platted in 1806. The village derives its name from Gen. William Eaton (1764–1811), the U.S. Consul at Tunis, who led a diverse army in a harrowing march from Egypt to Tripoli to meet the U.S. Naval forces. In addition to the city of Eaton and the county of Preble, various streets in Eaton (Barron, Decatur, Israel, Wadsworth, and Somers) were named in honor of heroes of the First Barbary War and the Second Barbary War.

Eaton is geographically located in the center of Preble County, Ohio, 35 miles west of Dayton, Ohio and 18 miles southeast of Richmond, Indiana and six south of Interstate 70. Eaton is the center of activity associated with agriculture and manufacturing.

POPULATION	3 MILES	5 MILES	10 MILES
Total Population 2018	9,921	11,984	33,092
Average Age	41.10	41.30	41.00
Average Household Size	2.4	2.4	2.5
HOUSEHOLDS & INCOME	3 MILES	5 MILES	10 MILES
Total Households	4,036	4,838	12,807
Average HH Income	\$59,600	\$61,473	\$67,455
Median House Value	\$118,466	\$125,587	\$134,413





TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

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