



**PEGASUS**  
INVESTMENTS



ACTUAL PROPERTY

# Single Tenant 100% NNN Taco Bell Chicago Metro with 26 Year Operating History

7949 Calumet Avenue, Munster, Indiana 46321





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# PEGASUS INVESTMENTS



TARGET



DOLLAR TREE

Great Clips



SALLY BEAUTY SUPPLY

STAPLES

**SUBJECT**



Munster Med-Inn  
Skilled Nursing and Rehabilitation



Franciscan HEALTH



FIFTH THIRD BANK



Wendy's



BOSTON MARKET  
Home Style Meals



STATE FARM INSURANCE

hair cuttery



T-Mobile



AT&T



BURGER KING

Calumet Ave. (34,379 VPD)



Panera BREAD





**LOW IN PLACE RENT CREATES AN OPPORTUNITY TO  
REALIZE SUBSTANTIAL LONG TERM UPSIDE**



**ACTUAL PROPERTY SHOWN**

**NO OPTIONS REMAINING – Rare combination of long term lease security  
with the benefit of being able to substantially increase rents in the future.**



## EXECUTIVE SUMMARY

Pegasus Investments, as exclusive investment sales advisor to Seller, is pleased to offer for sale a single tenant Taco Bell drive-thru located at 7949 Calumet Avenue in Munster, Indiana (Chicago MSA). The Property is subject to a 100% absolute triple net (NNN) lease (fee simple ground lease, building not included). The 20-year firm lease term features 10% rent increases every 5 years with the next increase occurring in October 2022. The Property has been occupied by Taco Bell since 1991 and at the expiration of the original lease term (2012) Taco Bell extended its lease for an additional 20 years, which demonstrates its success and long term commitment to the site. Furthermore, the tenant has no remaining options, which creates a unique opportunity for the landlord to capture significant upside at the end of the current term. The operator is a strong local franchisee, Shamrock TBC, Inc., which has 24 stores across the greater Chicago MSA. Shamrock has been part of the Yum! Brands restaurant group since 1994.

The Property is located along Calumet Avenue (35k cars/day), a major north/south thoroughfare with immediate on/off ramp access to I-94 (187k cars/day and primary interstate to downtown Chicago). The Property sits as an outparcel to the Calumet Center anchored by Target, Staples and Dollar Tree. The property is surrounded by leading national retailers including the two other outparcels which are occupied by Wendy's corporate and Fifth Third Bank. Munster, Indiana is part of the 9<sup>th</sup> most populous MSA in the country and benefits from its close proximity to downtown Chicago (30 minute commute) and low taxes relative to adjacent Illinois counties. The property is located in an infill area with 105,000 residents within a 3-mile radius and an average household Income of \$69,089/year.



CALUMET AVE - 34,379 CARS/DAY



River Oaks Center / Calumet Center

SITUATED IN THE HEART OF THE MAIN RETAIL CORRIDOR IN A DENSE, INFILL LOCATION



(187,000 VPD)

ILLINOIS INDIANA

James B. Eads Elementary



Subject Property

Riverside Park



Franciscan HEALTH

STAPLES



FIFTH THIRD BANK



Broadmoor Avenue

Sprint  
 FIVE GUYS  
 BURGERS and FRIES  
 MATTRESS FIRM  
 FIREHOUSE SUBS



Ridge Road



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## Investment Highlights

- **Long Term Seasoned NNN Lease.** After successful operations at this location for over 26 years, the tenant entered into a new, 20-year lease term in 2012 demonstrating its optimism for the future of this location. There are currently 15 years of firm term remaining with no further options to extend.
- **Significantly Below Market Rent.** Surrounding comparable tenants are paying over 25% more than the current rent. Compared with other Taco Bells located within the Top 10 MSA, the subject property has very low rent of only \$71,500/year. Upon expiration, there is an opportunity to significantly increase rent.
- **Outparcel To High Performing Target.** The subject property sits as an outparcel to a high performing Target, Dollar Tree and Staples center. The adjacent Wendy's is also a high performing location.
- **Strong Chicago Based Operator.** Shamrock TBC Inc. operates 24 Taco Bells in the Greater Chicago area. The company has been a franchisee in the Yum! Brands system since 1994.
- **26-Year Proven Occupancy.** Unlike most other long-term leased QSR properties currently being offered for sale, the subject property offers the unique combination of a proven, successful 27-year track record.

## INVESTMENT HIGHLIGHTS

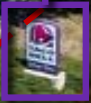
- 15 Years Of Term Remaining
- Well Below Market Rent
- 26 Year Proven Occupancy
- Recent 20 Year Lease Renewal
- Strong Franchise Operator
- 30 Minutes from Chicago CBD
- Strong Target Outparcel
- Fronting ~35,000 cars/day
- Dedicated Pylon
- Drive-Thru Zoning







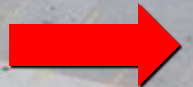
Calumet Ave.  
(34,379 VPD)



**TREMENDOUS VISIBILITY AND ACCESS PLUS AMPLE  
PARKING PROVIDE STRONG REAL ESTATE INTRINSICS**



**TARGET**





## Pricing Summary

<b>Purchase Price:</b>	\$1,590,000
<b>Cap Rate:</b>	4.50%
<b>Net Operating Income:</b>	\$71,500 (NNN)
<b>Gross Leasable Area:</b>	~1,953 SF
<b>Lot Size:</b>	0.72 Acres
<b>Parcel Number:</b>	
<b>Year Built:</b>	1991
<b>Address:</b>	<a href="#">7949 Calumet Avenue</a> <a href="#">Munster, IN 46321</a> [ <a href="#">Google Maps</a> ]

## Lease Summary

<b>Tenant:</b>	Shamrock TBC, Inc. (24 units)
<b>Lease Commencement:</b>	July 30, 1991
<b>Current Expiration:</b>	September 30, 2032
<b>Term Remaining:</b>	15 years
<b>Renewal Options:</b>	None
<b>Lease Structure:</b>	100% NNN Ground Lease (land only)
<b>Annual Rent:</b>	\$71,500
<b>Rent Increases</b>	10% every 5 years
<b>Next Rent Increase:</b>	October 2022
<b>Landlord Maintenance:</b>	None





## Location Highlights

- **Strong Retail Corridor.** The subject property is located just off I-94 (187k cars/day) with surrounding national retailers including Target, Staples, Wendy's, Burger King, Panera Bread, Fifth Third Bank, AT&T, Chipotle and more.
- **Strong Demographics.** Surrounding 3-mile demographics of \$69k+ average incomes and population in excess of 104k prove the strong market that the subject property sits in.
- **Chicago MSA.** The subject property is located 30 minutes south of Downtown Chicago. Munster is the upper-middle class bedroom community of Chicago that is located in Indiana.
- **High Traffic Counts.** The subject property has frontage along Calumet Avenue, which has average traffic of 34k cars/day. A dedicated pylon on the southwest corner of the parcel is readily identifiable from Calumet Avenue, helping draw traffic to the site.
- **Multiple Points of Access.** The subject property benefits from five (5) distinct points of access, between the Target/Staples center and adjacent national retail outparcels.
- **Signalized Intersection.** The subject property is located at the signalized intersection granting access to the center

## LOCATION HIGHLIGHTS

- Strong Retail Corridor
- Fronting ~35,000 cars/day
- Chicago MSA
- Strong Target Outparcel
- Just Off I-94 (187k Cars/Day)
- \$69k+ Incomes (3-Mile)
- 104k+ Population (3-Mile)
- Signalized Intersection
- Great Visibility & Access
- Dedicated Pylon





**THE ORIGINAL LEASE COMMENCED IN 1991 – THE TENANT  
SIGNED A NEW 20-YEAR EXTENSION IN 2012**



**Long term historical operating history – 26 Years  
The original Taco Bell lease was signed in July of 1991**





Lake Michigan

AERIAL

Gary Chicago Int'l Airport

Woodmar

Donald E. Gavitt Middle/High School



Hammond

(187,000 VPD)



Riverside Park

Subject Property



Calumet Ave. (34,379 VPD)



hair outtry



SITUATED IN THE HEART OF THE MAIN RETAIL CORRIDOR IN A DENSE, INFILL LOCATION

Munster



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## Taco Bell

**Taco Bell** is a subsidiary of Yum! Brands (NYSE: YUM) and the nation's leading Mexican-style quick service restaurant serving more than 2 billion customers each year in more than 6,500 stores employing 175,000+ throughout the U.S. Founded in California in 1962 by Glen Bell, Taco Bell recently celebrated its 50<sup>TH</sup> anniversary with the launch of the Live Mas brand campaign, the Doritos Locos Taco, and the introduction of the Cantina Bell Menu. In 2009, they were ranked #6 on the QSR 50 list, and in 2013 they were named Ad Age "Marketer of the Year," and reached over \$1 billion in sales of Doritos Locos Tacos. Outside of the U.S., Yum! Brands has nearly 300 Taco Bell units in 20 countries, excluding Yum! China and India Divisions.

## Shamrock TBC Inc.

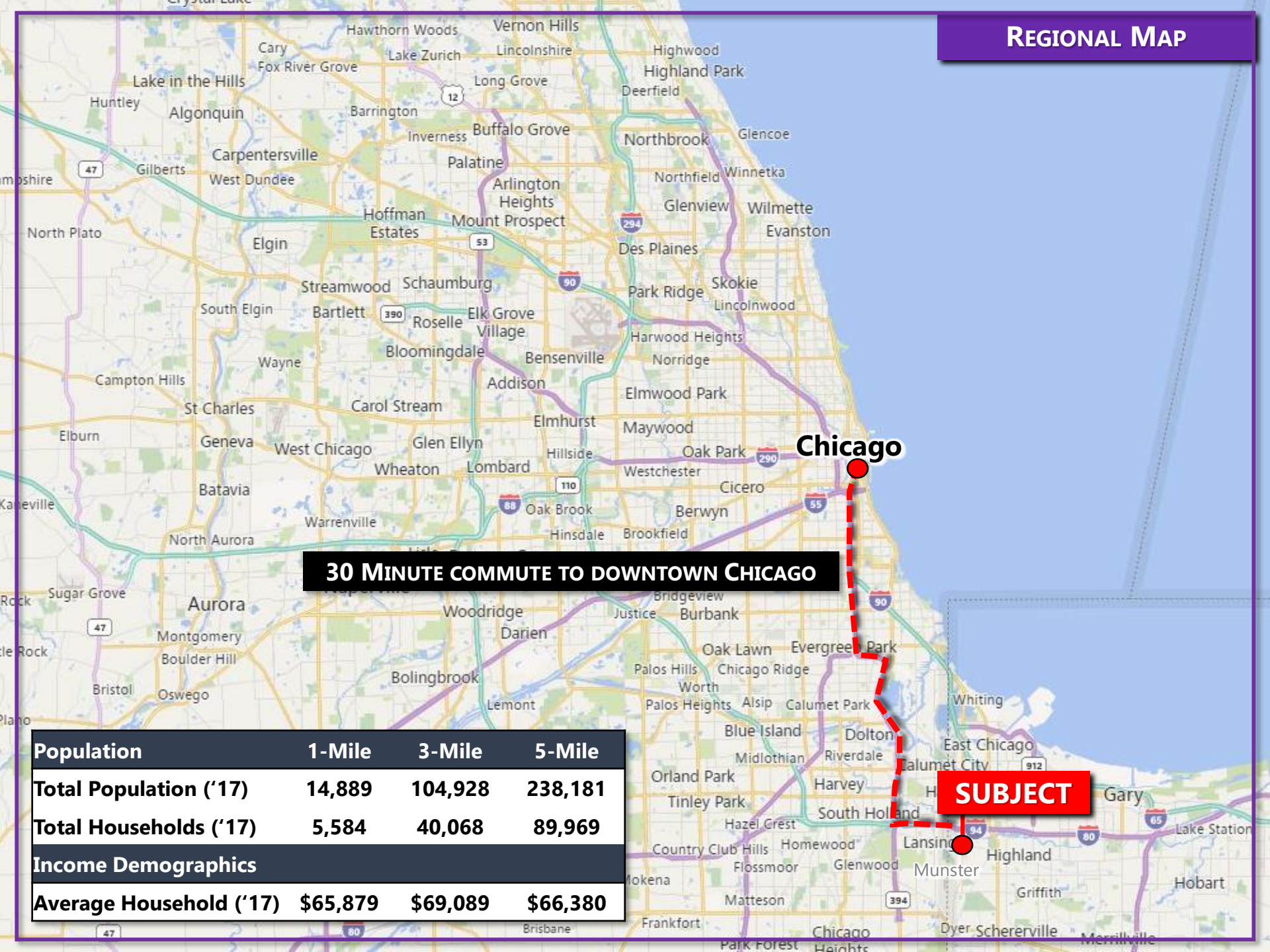
**Shamrock TBC Inc.** is the operator of the Taco Bell at the subject property. Shamrock TBC Inc. operates 24 Taco Bells in the Greater Chicago area. The company has been a franchisee in the Yum! Brands system since 1994. In 2012, Shamrock signed a 20 year lease extension for this location.

[\*Click Here to Visit Taco Bell's Website\*](#)

[\*Click Here to Visit Shamrock's Website\*](#)



# REGIONAL MAP



## 30 MINUTE COMMUTE TO DOWNTOWN CHICAGO

Population	1-Mile	3-Mile	5-Mile
<b>Total Population ('17)</b>	<b>14,889</b>	<b>104,928</b>	<b>238,181</b>
<b>Total Households ('17)</b>	<b>5,584</b>	<b>40,068</b>	<b>89,969</b>
<b>Income Demographics</b>			
<b>Average Household ('17)</b>	<b>\$65,879</b>	<b>\$69,089</b>	<b>\$66,380</b>

**SUBJECT**



## About Pegasus Investments

Pegasus Investments is a boutique commercial real estate investment and advisory firm based in Los Angeles, CA. Specializing in retail shopping centers, single tenant net leased and multifamily properties throughout the United States, Pegasus has consistently delivered on its 29 year reputation of providing high quality, white glove service throughout all stages of the investment sales process. Pegasus provides its clients, which include high net worth private investors, family trusts, private & public REIT's, local and regional developers and syndicators with advisory services encompassing underwriting, market research, investment sales and asset management. Pegasus continues to set the bar for high quality, boutique investment sales brokerage and advisory by relying on its industry-leading talent which include experienced institutional and private sector investors.

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