



SINGLE TENANT NET LEASE INVESTMENT

TACO BELL

CALUMET CITY, IL

ABSOLUTE NET GROUND LEASE

Representative Photo



CORPORATE
GUARANTEE

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EXECUTIVE SUMMARY

CBRE is pleased to offer this corporate absolute NNN leased Taco Bell (BBB) in Calumet City, Illinois (Chicago MSA). The Lease has over 9.5 years of term remaining, includes a below market rent, has 10% rental bumps every five years and has zero landlord responsibilities through the primary term and the four 5-year option periods.

The property is a ±3,029 SF single story building on ±0.93 acres of land located in Calumet City, Illinois. Taco Bell is an outparcel to the 160,000-square-foot River Oaks Plaza West Shopping Center which is anchored by Marshalls, Ross Dress for Less, Petco, Party City and Big Lots. The site is across the street from the 1.3-million-square-foot River Oaks Center regional mall. River Oaks is the largest enclosed shopping mall in the south suburbs of Chicago and the seventh largest mall in the metropolitan area.



Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois

INVESTMENT SUMMARY

Offering Price:	\$1,110,000	
Cap Rate:	6.0%	
NOI:	\$66,550	
Lease Structure:	Ground lease	
Parcel Size:	±0.930 acres	
Approximate Building Size:	±3,029 square feet	
Tenant:	Windy Landings, Inc. [1]	
Rent Commencement:	June 15 ,2004	
Lease Expiration:	June 30, 2024	
Rent:	Years 1-5:	\$55,000
	Years 6-10:	\$60,500
	Years 11-15:	\$66,550
	Years 16-20:	\$73,205
Lease Options:	Four 5-year options with 10% rent increases every 5 years	
Option Rent:	Years 21-25:	\$80,526
	Years 26-30:	\$88,578
	Years 31-35:	\$97,436
	Years 35-40:	\$107,179
Landlord Responsibilities:	None	

[1] In June of 2010 Windy Landings, Inc. entered into an agreement with Taco Bell Corp to acquire 24 stores including this location. Pursuant to Article 22 of the Lease, Taco Bell of America, Inc. remains the corporate guarantor of the Lease. Please see Lease Abstract in the back of this Offering Memorandum.

THE MARKET: Retail Corridor Satellite

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INVESTMENT HIGHLIGHTS

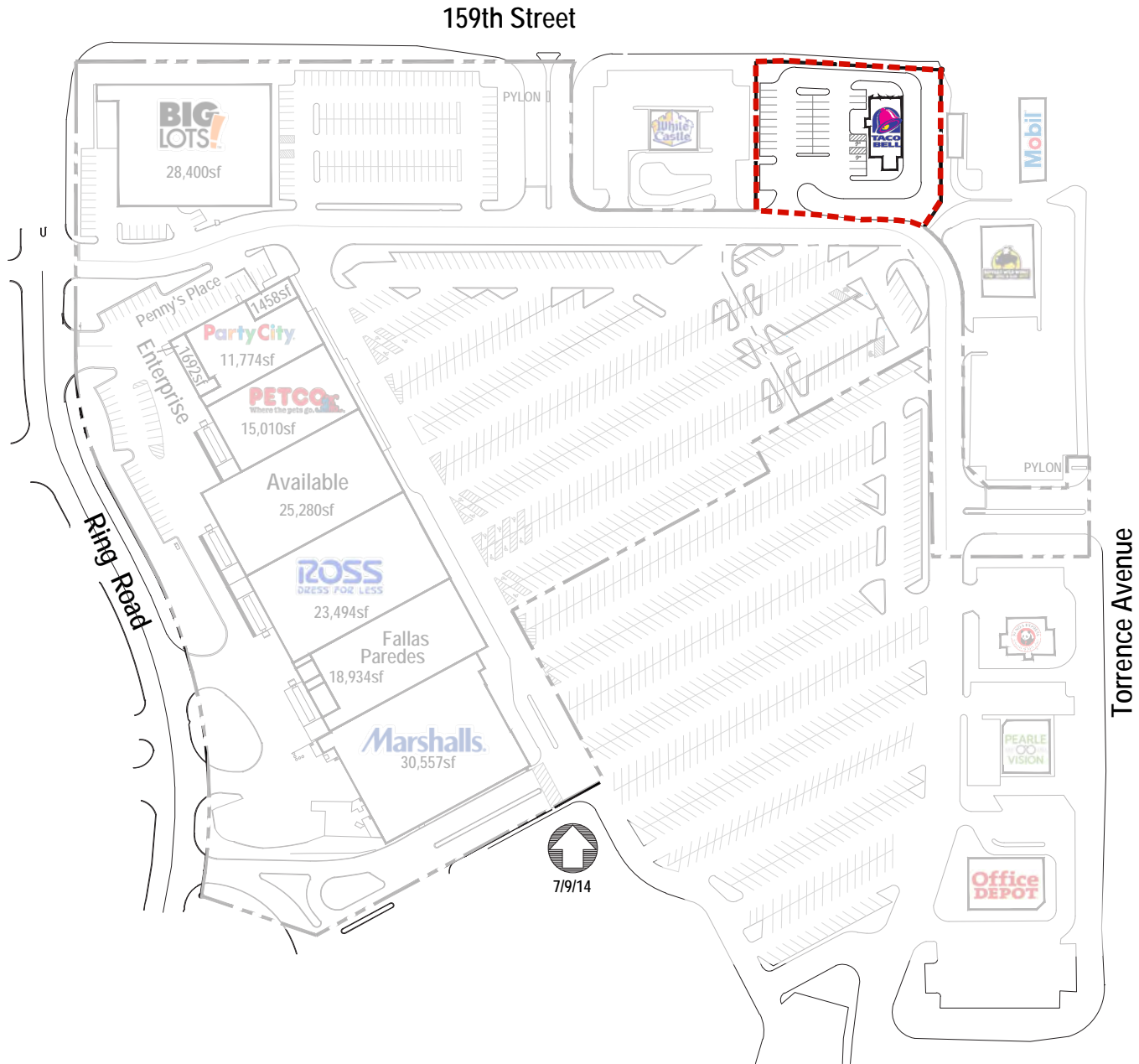
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- **Long Term Absolute Net Ground Lease** – This is an original 20-year absolute NNN ground lease with 9 years and 10 months of term remaining. There are zero landlord responsibilities.
- **Corporate Guaranty** – This lease is fully guaranteed by Taco Bell of America, a wholly owned subsidiary of Yum! Brands, Inc. Yum! Brands, Inc., (NYSE: YUM), which has a Standard and Poor’s Credit rating of BBB, is one of the world’s largest restaurant companies with over 40,000 restaurants in more than 125 countries and territories. Yum! Brands is ranked #216 on the FORTUNE 500 list with revenues of more than \$13 billion and in 2014.
- **Strong Co-Tenancy** – The asset sits at the hard corner outparcel to the 160,000-square-foot River Oaks Plaza West Shopping Center which is anchored by Marshalls, Ross Dress for Less, Petco, Party City and Big Lots.
- **Regional Draw** - The site is across the street from the 1.3-million-square-foot River Oaks Center regional mall. River Oaks is the largest enclosed shopping mall in the south suburbs of Chicago and the seventh largest mall in the metropolitan area.
- **Strong Demographics** – There are more than 257,000 people residing within 5 miles of the restaurant with an average household income of approximately \$41,000. Traffic counts immediately in front of the restaurant average 28,500 vehicles per day on 159th Street.



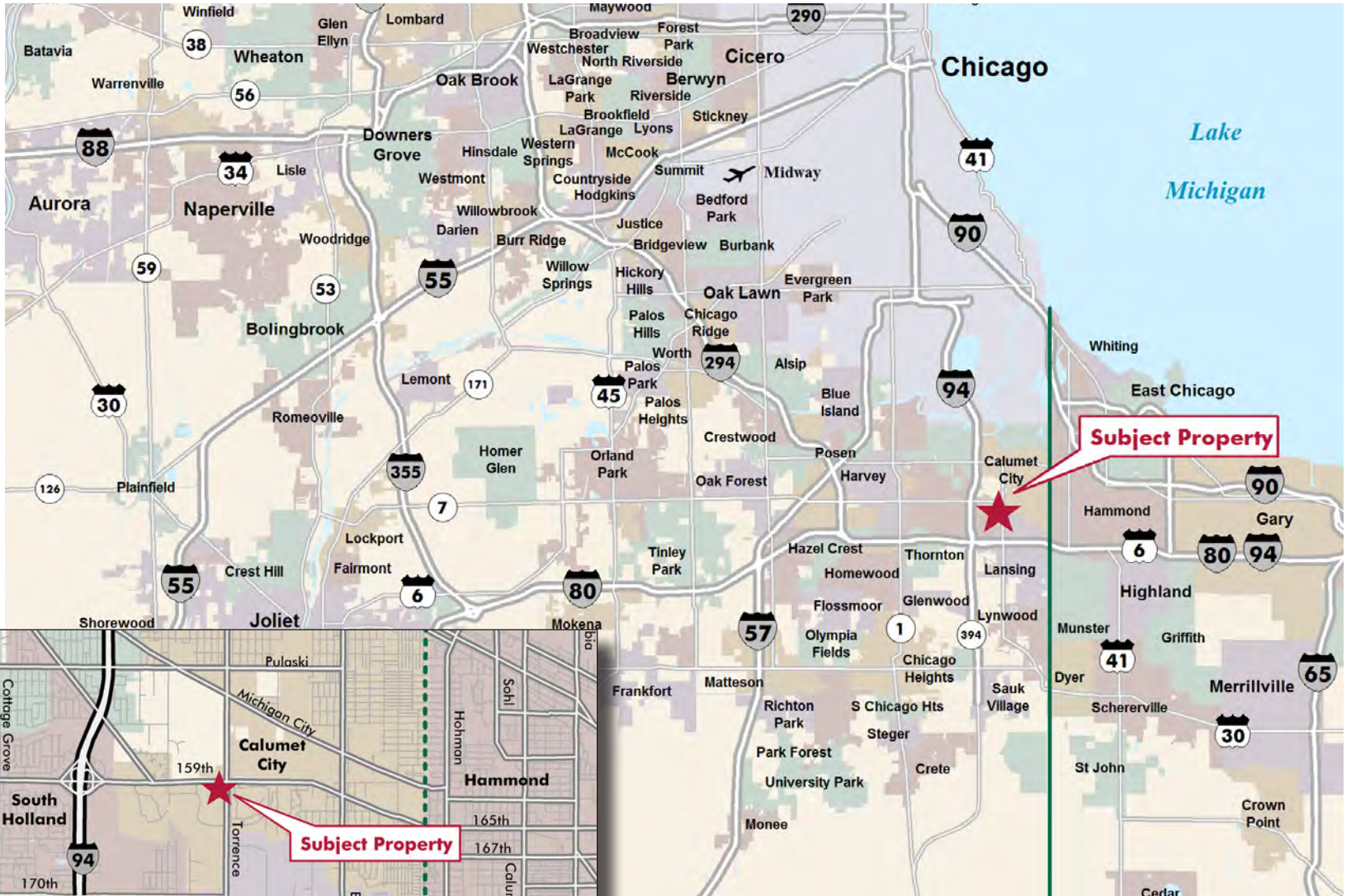
SITE PLAN

Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois



REGIONAL & LOCATOR MAPS

Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois



THE TENANT

Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois

About Taco Bell

Taco Bell is the #1 Mexican fast-food chain in the US with more than 5,900 locations. About 20% of the restaurants are company-operated, the rest are franchised. Taco Bell features a wide range of Mexican-style menu items including tacos, burritos, quesadillas, salads, and nachos. Taco Bell restaurants can be found operating as free-standing units and as quick-service kiosks in places like shopping malls and airports. There are also some 240 locations in a dozen countries outside the US.



About Parent Company YUM! Brands, Inc.

Founded in 1997 and headquartered in Louisville, KY, Yum! Brands, Inc. operates, develops, franchises, and licenses a portfolio of restaurants. The company consists of six operating segments including YUM Restaurants China, YUM Restaurants International, Taco Bell US, and KFC US. Its three restaurant concepts, KFC, Pizza Hut, and Taco Bell, are the global leaders of the chicken, pizza and Mexican-style food categories. Yum! Brands has become a truly global company with nearly 70% of profits coming from outside the U.S. In 2013, Yum! Brands opened on average five new restaurants daily outside the U.S.



NYSE:	YUM
Fortune 500 Ranking:	216
Standard & Poor's Rating:	BBB/Stable
2013 Sales:	\$13 billion
Total Employees:	539,000



LEASE ABSTRACT

Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois

Tenant	Windy Landings, Inc.	
Premises	±3,029 square feet	
Lease Term	June 15, 2004 - June 30, 2024	
Rent Commencement	June 15 ,2004	
Lease Extensions	Four 5-year options	
Annual Base Rent	Years 1-5:	\$55,000
	Years 6-10:	\$60,500
	Years 11-15:	\$66,550
	Years 16-20:	\$73,205
Option Rent	Years 21-25:	\$80,526
	Years 26-30:	\$88,578
	Years 31-35:	\$97,436
	Years 36-40:	\$107,179
Tenant Responsibilities	Roof and structure	
Landlord Responsibilities	None	
Tenant Assignment & Sublease	<p>Tenant may assign and sublease without Landlord’s consent to any affiliate, franchisee of Taco Bell. Tenant may assign without Landlord’s consent provided: (1) the assignee assumes obligations of lease; (2) Tenant remains responsible for all payments; (3) assignee continues to operate the LP as a fast food restaurant; (4) Landlord is advised in writing of assignment. If Tenant wishes to assign for a use other than fast food style restaurant, and items 1 & 2 are met, Landlord shall not unreasonably withhold consent. (Article 22)</p>	
Go Dark Right	<p>Tenant shall not be obligated to continuously operate its business and shall not be in default. If the Leased Premises remains closed for 180 consecutive days, Landlord may, w/in 30 days after such 180 day period, terminate lease. Such termination shall be effective 60 days after notice to Tenant, unless Tenant reopens then Landlord’s notice of termination shall be null & void. Tenant may remain closed for 180+ days and Landlord may not terminate lease if Tenant is closed to (1) restore & repair Leased Premises after a casualty; (2) remodel, scrape, rebuild, renovate or otherwise modify Leased Premises; (3) obtain an assignee/sublessee for the Leased Premises. If the Leased Premises does not open when (1), (2) or (3) can be reasonably be achieved, then Landlord may terminate lease and such termination shall be effective 60 days after Tenant receives notice. Landlord shall reimburse Tenant for the unamortized cost of Tenant Improvements. (Article 36)</p>	

AERIAL VIEW

Taco Bell • 1501 River Oaks Drive • Calumet City, Illinois



© 2006 Pictometry (07/30/2006)

Boundaries are approximate

Flood Zone Disclosure

According to FEMA Community Map Panel 17031C 0756J dated August 19, 2008, the property is located in Flood Zone X, an area of minimal flooding, usually depicted as above the 500-year flood level.

THE MARKET: Calumet City Overview

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Calumet City is south suburb of Chicago, located in Cook County, approximately 20 miles south of downtown, with a current population of 36,500. Calumet City is strategically located just south of the city of Chicago and borders the Indiana-Illinois state line. The city has excellent highway access to I-94/I-80 and is minutes from Interstates 294, 57 and 55, providing access to Chicago and Chicago's northwest and western suburbs.

Calumet City's business community serves not only its residents, but also the hundreds of thousands who reside within a 15-mile radius that make Calumet City shopping districts their destination. The subject Taco Bell is situated as an outparcel to River Oaks West, a 162,000-square-foot community center that is home to Marshalls, Ross, Big Lots, Petco and Party City. Sam's Club, Shoe Carnival and Shoppers World are located directly south of this center. Directly across Torrence Avenue to the east is River Oaks Center, the largest enclosed mall in the Chicago south suburbs. The mall contains more than 1.3 million square feet, and is anchored by JCPenney and Macy's. Joining these anchors are 150 stores and food retailers. The mall is owned by Washington Prime Group, Inc.

South of River Oaks Center on the east side of Torrence is another prominent center called The Landings. Tenants at The Landings include CitiTrends, Pier 1 Imports, TJ Maxx, Walmart, Anna's Linens, Ultra Foods, Burlington Coat Factory, Forman Mills and Dollar Tree. Located across Torrence from The Landings is Home Depot and Sports Authority.

1501 River Oaks Drive Calumet City, IL

	1 Mile	3 Miles	5 Miles	
POPULATION	2014 Estimated Population	5,173	122,822	257,794
	2019 Projected Population	5,216	121,295	255,311
	2010 Census Population	5,137	124,421	260,540
	2000 Census Population	5,231	128,786	272,388
	Growth 2010-2014	0.70%	-1.29%	-1.05%
	Growth 2014-2019	0.84%	-1.24%	-0.96%
	2014 Estimated Median Age	47.79	36.93	35.80
	2014 Estimated Average Age	45.35	37.66	37.05
HOUSEHOLDS	2014 Estimated Households	2,600	45,020	93,433
	2019 Projected Households	2,641	44,569	92,936
	2010 Census Households	2,562	45,486	93,898
	2000 Census Households	2,499	48,165	99,342
	Growth 2010-2014	1.49%	-1.03%	-0.50%
	Growth 2014-2019	1.58%	-1.00%	-0.53%
	2014 Est. Average Household Size	2.01	2.69	2.73
INCOME	2014 Est. Median Household Income	\$39,326	\$43,378	\$41,172
	2019 Proj. Median Household Income	\$41,294	\$45,437	\$43,042
	2000 Cen. Median Household Income	\$38,377	\$43,038	\$40,758
	2014 Est. Average Household Income	\$49,868	\$53,873	\$52,338
	2014 Estimated Per Capita Income	\$25,062	\$19,747	\$18,969
HOUSING	2014 Estimated Housing Units	2,799	49,968	104,855
	2014 Estimated Occupied Units	2,600	45,020	93,433
	2014 Estimated Vacant Units	199	4,948	11,422
	2014 Est. Owner Occupied Units	1,389	29,782	60,502
	2014 Est. Renter Occupied Units	1,211	15,238	32,930
	2014 Est. Median Housing Value	\$113,585	\$127,760	\$121,897
	2014 Est. Average Housing Value	\$131,814	\$139,353	\$139,043

Source: Nielsen

CONFIDENTIAL MEMORANDUM & DISCLAIMER

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The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the

purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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- A. Listing Agent through George Good, Bob Mahoney, Rich Frolik, Christian Williams, Derrick Almassy and Mike Kaider are acting as Agent(s) of the Seller of the Property, and
- B. Any information given by Prospective Purchaser to Listing Agent may be disclosed to the Seller.

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