



**TACO  
BELL™**

**169 US Hwy 17**

East Palatka, FL 32131

**Retail  
Investment Opportunity**

Offering Memorandum



**MATTHEWS™**

# Exclusively Listed By

## Point of Contact



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# MATTHEWS™





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# Property Overview

**Taco Bell**

169 US Hwy 17 | East Palatka, FL 32131



# Investment Highlights

## Property Highlights

- **Absolute NNN Lease:** 15-year absolute triple-net lease with approximately 8.5 years remaining on the primary term; tenant assumes full responsibility for all expenses, including roof, structure, and maintenance, minimizing landlord obligations.
- **Large Franchisee:** Lease guaranteed by U.S. Leader Restaurants, Inc., a well-capitalized and experienced Taco Bell franchisee with a strong operational history.
- **Institutional-Grade Tenant:** Occupied by Taco Bell, one of the nation's leading quick-service restaurant (QSR) brands, operating over 8,200 locations across the U.S.
- **Modern Construction:** Built in 2019, the property features Taco Bell's current prototype design with drive-thru capabilities, enhancing operational efficiency and throughput.
- **Structured Rent Increases:** 10% rental escalations every five years, including during option periods, provide predictable and growing income streams.
- **Long-Term Income Security:** Approximately ±8.5 years of remaining primary lease term with five (5) additional five-year renewal options, offering durable cash flow and tenant retention potential.
- **Fee Simple Interest:** Ownership includes both land and improvements, ensuring full control of the asset and long-term investment security.
- **High-Visibility Location:** Strategically located along U.S. Highway 17, a key north-south arterial in East Palatka, offering strong visibility and easy access.
- **Established Retail Trade Area:** Located within a thriving retail corridor anchored by national tenants such as Walmart, Publix, and Tractor Supply Co., supporting consistent consumer traffic.
- **Regional Market Anchoring:** Serves as a primary retail destination for Putnam County, benefiting from a combination of stable employment centers and daily commuter activity.
- **Demographically Stable Market:** Draws from a solid residential base and benefits from proximity to the St. Augustine and Jacksonville MSA, supporting long-term tenant performance.
- **Drive-Thru Facility:** Features a modern drive-thru layout consistent with evolving QSR demand trends, supporting sales volume and operational resilience.





**Hiawatha Condominiums**  
Condo Complex

**Memorial Bridge**

**BW Best Western**

**Capital City Bank**



**Eastgate Square**

**HITCHCOCK'S**  
MARKETS  
*Always fresh. Always friendly.*

**FAMILY DOLLAR**

**East Palatka Fruit Market**



**McDonald's**

**TACO BELL**

**Subject Property**

± 34,000 VPD



**POPEYES**

**169 US Hwy 17**  
East Palatka, FL 32131

**±2,720 SF**

GLA

**2019**

Year Built

**±34,000**

Vehicles Per Day

**NNN**

Lease Type

**±1.31 AC**

Lot Size



# Financial Overview

Taco Bell

169 US Hwy 17 | East Palatka, FL 32131



# Financial Summary

**\$2,435,616**

List Price

**6.10%**

Cap Rate

**2019**

Year Built

**±1.31 AC**

Lot Size

## Property Details

Tenant Trade Name	Taco Bell
Type of Ownership	Fee Simple
Lease Guarantor	U.S Leader Restaurants, Inc
Lease Type	Abs NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	15 Years
Lease Commencement Date	06/5/2017
Rent Commencement Date	09/28/2019
Lease Expiration Date	09/28/2034
Term Remaining on Lease	±8.5 Years
Increases	10% Increase Every (5) Years & Each Option Period
Options	Five, 5-Year Options

## Annualized Operating Data

	Monthly Rent	Annual Rent	Increases	Cap Rate
3/31/2020 - 4/1/2025	\$11,255.50	\$135,066	-	5.46%
<b>3/31/2025 - 4/1/2030 (Current)</b>	<b>\$12,381.05</b>	<b>\$148,572.60</b>	<b>10%</b>	<b>6.10%</b>
3/31/2030 - 4/1/2035	\$13,619.16	\$163,429.86	10%	6.71%
2035 - 2040 (Option 1)	\$14,981.07	\$179,772.85	10%	7.38%
2040 - 2045 (Option 2)	\$16,479.18	\$197,750.13	10%	8.12%
2045 - 2050 (Option 3)	\$18,127.10	\$217,525.14	10%	8.93%
2050 - 2055 (Option 4)	\$19,939.80	\$239,277.66	10%	9.82%
		<b>Rental Increases</b>	<b>60%</b>	

# Tenant Overview

Year Founded  
1962

Headquarters  
Irvine, California

Ownership Status  
Yum! Brands, Inc.

Employees  
±175,000

Locations  
8,200+

Annual Revenue  
\$15.9 Billion



## Tenant Overview

Taco Bell is a globally recognized quick-service restaurant brand specializing in Mexican-inspired menu items like tacos, burritos, quesadillas, and nachos. Founded in 1962 by Glen Bell in Downey, California, the chain rapidly expanded through franchising and later became part of Yum! Brands—leveraging scale and shared infrastructure to fuel growth. Headquartered in Irvine, California, the brand now operates over 8,200 restaurants worldwide across more than 30 countries, serving more than two billion customers annually. Its long standing brand equity, value-oriented positioning, and innovation in menu and formats make Taco Bell an appealing tenant with broad consumer appeal and franchisor-backed stability

## Why Invest in Taco Bell?

- **Extensive Global Scale & System Size:** With more than ±8,200 locations and presence in over ±30 countries, Taco Bell delivers substantial market coverage and economies through franchising alignment.
- **Strong Brand Equity & High Consumer Engagement:** Serving over two billion customers annually, the brand enjoys a powerful cultural resonance and customer demand rooted in innovation and value.
- **Stable Parent Company Support:** As a Yum! Brands subsidiary, Taco Bell benefits from corporate resources, financial backing, supply chain strength, and strategic oversight.
- **Consistent Financial Performance:** With estimated annual revenues approaching \$15.9 billion, the brand contributes meaningful earnings and growth within Yum! Brands' portfolio.
- **Franchising-Driven Model with Resilient:** Over 90–94% of restaurants are franchised, ensuring stable royalty income and lower direct operating risk for investors.

# Franchise Overview



## Franchise Overview

U.S. Leader Restaurants, Inc. (operating through affiliated entities including US Leader Restaurants Opco, LLC) is a well-established multi-unit quick-service restaurant franchise operator with a concentrated presence throughout the Florida market. Since its founding in 1991, the company has built a strong regional operating platform centered around Taco Bell restaurants, supported by experienced leadership and institutional franchise expertise. Acquired in 2006 by Southern Bell Holdings, LLC, the organization has benefited from expanded capital resources and operational scale, allowing it to strengthen its footprint across key Florida trade areas. The company is recognized for operating modern, high-throughput Taco Bell prototypes with strong drive-thru capabilities, positioning the portfolio to capitalize on evolving consumer demand trends favoring convenience-oriented dining formats.

Year Founded  
1991

Taco Bell Operations  
19 Restaurants

Headquarters  
Miami, FL

Parent Company  
Southern Bell Holdings, LLC

Headquartered in Miami, Florida, U.S. Leader Restaurants maintains deep operational roots throughout the Orlando DMA and broader Florida market. The company operates 19 Taco Bell locations strategically distributed across Central Florida, North Florida, and coastal trade corridors, including Orlando, Winter Park, Winter Springs, Apopka, Minneola, Tavares, Callahan, East Palatka, Green Cove Springs, Crawfordville, and Quincy. The portfolio primarily consists of freestanding corporate-guaranteed assets designed to Taco Bell's modern prototype standards.

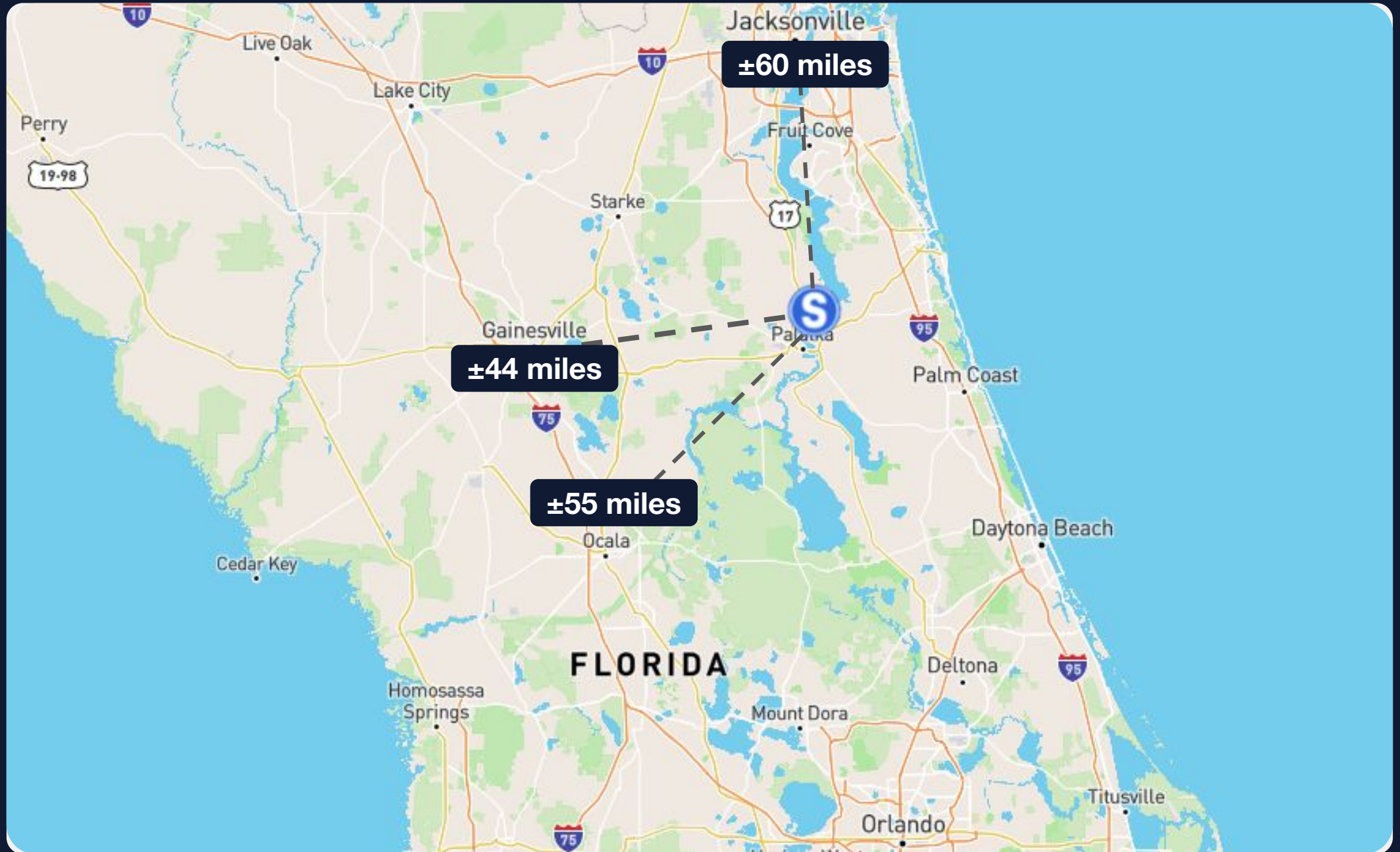
The organization is led by an experienced executive team with extensive quick-service restaurant expertise. CEO and President Kara Nordstrom oversees operations alongside equity partner and COO Fred "Tony" Capley, a more than 30-year restaurant industry veteran who previously worked directly for Taco Bell Corporation before transitioning to franchise ownership and operations. This institutional operating experience contributes to the company's disciplined execution and long-standing franchise relationship.

U.S. Leader Restaurants also benefits from the broader scale and diversification of its parent ownership group, Southern Bell Holdings, LLC, which maintains restaurant interests throughout the Southeast across multiple nationally recognized brands, including Taco Bell, Popeyes Louisiana Kitchen, and Burger King. Collectively, the broader platform encompasses more than 170 restaurant locations, providing operational synergies, management depth, and enhanced purchasing and development capabilities.

# Market Overview

**Taco Bell**

169 US Hwy 17 | East Palatka, FL 32131



# East Palatka, FL

## Market Demographics



**1,536**  
Total Population

**\$72,153**  
Median HH Income

**81%**  
Homeownership Rate

**550**  
Employed Population

**85%**  
High School Graduation

**39.3**  
Median Age

**\$157,800**  
Median Property Value

## Local Market Overview

East Palatka occupies a strategic location just east of the City of Palatka along the St. Johns River corridor, tied to regional transport arteries and rooted in both rural and small-town character. Its geography blends water frontage, woodlands, and modest development, giving it a semi-rural feel while still being adjacent to a more structured urban core. The community is anchored by local agricultural activity (including the county’s state farmers’ market and fairgrounds), which provides a cultural and economic core that draws from the surrounding county region.

The neighborhood composition reflects a blend of tight-knit residential neighborhoods and small commercial nodes, with retail and service businesses catering to day-to-day local needs rather than destination shopping. East Palatka’s proximity to Palatka enables it to benefit indirectly from the broader commercial and industrial base of the micropolitan area—whether through workforce flows, spillover housing demand, or local business linkages. The transportation network—especially U.S. Route 17 and intersecting state roads—gives East Palatka visibility and connectivity, albeit within a low-density context.

## Property Demographics

POPULATION	1-MILE	3-MILE	5-MILE
Five-Year Projection	908	8,497	23,553
Current Year Estimate	879	8,224	22,746
2020 Census	898	8,384	22,906
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
Five-Year Projection	382	3,368	9,427
Current Year Estimate	370	3,259	9,106
2020 Census	378	3,322	9,175
INCOME	1-MILE	3-MILE	5-MILE
Average Household Income	\$86,543	\$51,591	\$48,940

# Economic Drivers | Gainesville, FL MSA

**Gainesville benefits from a stable income base and strong regional connectivity as a leading employment and innovation hub in North Central Florida.**

**Located along I-75 and key state routes, Gainesville offers efficient access across North Central Florida.**

## Economic Drivers

Gainesville's economy is anchored by higher education, healthcare, research, and innovation. The University of Florida and its medical affiliates drive regional growth, supported by public institutions, tech startups, and local services. Active public investment and partnerships continue to diversify the city's economic base.

## Primary Industries

- Higher Education & Research
- Healthcare & Medical Services
- Technology & Innovation
- Public Sector & Government

## Top Employers

- University of Florida
- UF Health / Shands Hospital
- Alachua County Public Schools / Local Government
- Publix (regional distribution / retail)

## Recent Developments

- The City maintains an active "Development Projects" dashboard tracking mixed-use, residential, and commercial projects in review or approved.
- Butler Plaza, Gainesville's largest retail center, continues to expand with new anchors and redevelopment aligned with evolving retail trends.

**\$21.82B+**

Regional Gross Domestic Product

**±44 Miles**

Distance to Downtown East Palatka, FL



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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **169 US Hwy 17, East Palatka, FL, 32131** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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