OFFERING MEMORANDUM · ABSOLUTE NNN LEASE INVESTMENT

Taco Bell

Absolute NNN | Wayland, Michigan

1158 W Superior Street
Wayland, MI 49348 · Allegan County

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Investment Highlights

Executive Summary

Flocke and Avoyer Commercial Real Estate and Encore Real Estate Investment Services, as exclusive advisors, are pleased to present the opportunity to purchase for sale 1158 W Superior St.; a single tenant Taco Bell property located on a high traffic corridor.

Located immediately off the US-131 interchange, the property benefits from exceptional visibility and convenient access within Wayland's primary retail corridor. The site is surrounded by a strong concentration of national and regional retailers, including Harding's Market, McDonald's, Burger King, and Jimmy John's, creating a strategic commercial destination that serves both local residents and interstate travelers.

Price	$2,877,506
NOI	$158,263 (12.1.26)
Cap Rate	5.50%
Total Leaseable SF	±2,000 SF
Remaining Term	±10 Years

Corporate Franchise Covenant

Tenant operates under a Taco Bell Corp. Franchise Agreement.

Established Operating History

Lease in place since December 2016.

Absolute NNN — Zero Landlord Duties

Tenant bears all costs: taxes, insurance, maintenance, and parking. Landlord simply collects rent.

Dominant QSR Brand

Taco Bell is one of the most recognized quick-service restaurant brands globally with thousands of U.S. locations.

Built-In Rent Growth

Fixed 10% rent bumps every 5 years with current annual rent of $158,263 growing to $280,372 by 2056 — without any negotiation required.

Term Potential Through 2061+

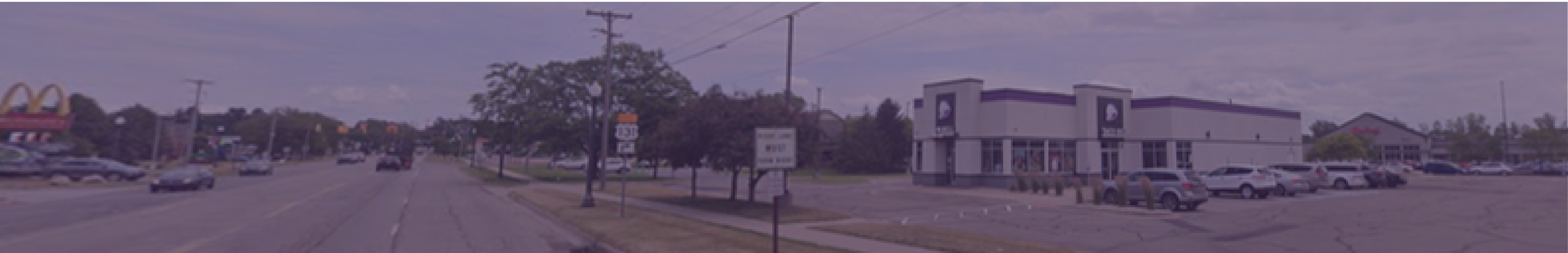
Five consecutive 5-year renewal options give the tenant the ability to remain through 2061, supporting a decades-long investment horizon.

INVESTMENT SUMMARY

Property at a Glance

Lease Type	Building Size	Land Area	Year Built
Absolute NNN	2,000 SF	1.38 Acres	2000
Zero landlord obligations	Freestanding restaurant	Fee simple ownership	Freestanding pad site

Lease Start	Primary Expiry	Rent Bumps	Options
Dec 2016	Dec 2036	10% / 5 Yrs	5 × 5 Years
20-year primary term	~10 years remaining	Fixed escalations	Max term: 45 years



Rent Schedule & Escalation Summary

Period	Monthly Rent	Annual Rent	Notes
Dec 2016 – Nov 2021	$10,899.67	$130,796	Primary Term
Dec 2021 – Nov 2026 *CURRENT*	$11,989.61	$143,875	Primary Term
Dec 2026 – Nov 2031 ◀	$13,188.57	$158,263	Primary Term
Dec 2031 – Nov 2036	$14,507.42	$174,089	Primary Term
Dec 2036 – Nov 2041	$15,958.16	$191,498	Option 1
Dec 2041 – Nov 2046	$17,553.98	$210,648	Option 2
Dec 2046 – Nov 2051	$19,309.38	$231,713	Option 3
Dec 2051 – Nov 2056	$21,240.32	$254,884	Option 4
Dec 2056 – End of Term	$23,364.35	$280,372	Option 5

NNN STRUCTURE

Responsibilities & Property Description

TENANT PAYS — ALL EXPENSES

- ✓ Real estate taxes and assessments
- ✓ All utilities (water, gas, electric)
- ✓ Roof, structure, and foundation repairs
- ✓ HVAC, plumbing, and electrical systems
- ✓ Parking lot, landscaping, and signage
- ✓ All maintenance and repairs

PROPERTY DETAILS

Address	**1158 W Superior Street, Wayland, MI 49348**
County	**Allegan County, Michigan**
Store No.	**20821 / 33043**
Building	**2,000 SF Freestanding QSR**
Land	**1.38 Acres — Fee Simple**
Year Built	**2000**
Permitted Use	**Restaurant (QSR) — Drive-Thru Operations**
Landlord Responsibilities	**None**

KNOW YOUR NEIGHBORS

Market Landscape

Tenant Profile & Lease Detail

LEASE TERMS

Lease Type	Absolute Net-Net-Net (NNN)
Commencement	December 21, 2016
Primary Expiration	December 31, 2036
Extension Options	Five (5) × 60-Month Options
Option Notice	180 Days Prior to Term Expiration
Rent Escalations	10% Every 5 Years (from Dec 2021)
Holdover Rent	125% of Last Month's Rent
Right of First Offer	Tenant ROFO — 10-Day Exercise Window
Governing Law	State of Michigan

TACO BELL

Taco Bell is a **globally recognized QSR brand** *with approximately* **9,000 locations worldwide.** *Backed by Yum! Brands, the company continues to expand its international footprint while maintaining* **one of the largest** *restaurant networks in the United States.*

TENANT OVERVIEW

Border Foods, Inc. — Taco Bell Franchisee

LOCATIONS	EMPLOYEES	STATES	FOUNDED
254+	~7,500	10	1986
Taco Bells across 10 states	Across all locations	MN, WI, MI, IA, IL, SD & more	40 years in operation

COMPANY PROFILE

Border Foods, Inc.

BORDER FOODS
A TACO BELL FRANCHISEE

Family-owned. People-first. One of the largest Taco Bell franchisees in the nation.

HQ	**New Hope, Minnesota**
Structure	**Family-owned, no private equity**
CEO	**Aaron Engler (2025–present)**
Founders	**Jeff & Lee Engler (1986)**
Franchisor	**Taco Bell Corp. / Yum! Brands**
Ranking	**Top 3 privately-held TB franchisees**

Top 3 Private Franchisee in the Nation

Border Foods is one of the largest privately-held Taco Bell franchisees in the U.S. with 254+ locations across 10 states — entirely family-owned with no private equity or outside investors.

40-Year Operating Track Record

Founded in 1986 by brothers Jeff and Lee Engler, the company has operated continuously for nearly 40 years, growing from a small regional operator to a national-scale franchisee.

Glen Bell Award Recipient

Border Foods has received the Glen Bell Award — the highest honor in the Taco Bell system — recognizing it as one of Taco Bell Corp.'s most trusted and high-performing franchise partners.

Innovation Partner for Taco Bell Corp.

Border Foods serves as a preferred test market for Taco Bell corporate new product launches (Rapid Innovation Tests), including the nationally recognized Taco Bell Defy concept in Brooklyn Park, MN.

Wayland, Michigan — Allegan County

CITY POPULATION	MED. HH INCOME	MEDIAN AGE	HOME VALUES
~4,558	$74,464	34.2	$242K
Growing 0.6% annually	City; Township $91,383	Young, active consumer base	Median (2024)

LOCATION & DEMOGRAPHICS

Location	US-131 Exit 64, NE Allegan County
Distance to GR	~30 min south of Grand Rapids
Distance to Kzoo	~40 min north of Kalamazoo
Highway Access	Direct US-131 freeway access
ADT — US-131 Freeway	39,973 vehicles/day
ADT — W Superior	11,151 vehicles/day
Population Growth	+13.6% since 2000, growing faster than 70% of similar cities
Owner-Occupied	No
Median Age	34.2 years — younger than Michigan avg (40.2)
HH Income	$74,464 median (2024)

Captive Highway Corridor

Located at US-131 Exit 64, the only full interchange serving Wayland. All northbound and southbound highway traffic exits directly past this pad site. There is no bypass.

Halfway Between Two MSAs

Wayland sits equidistant between the Grand Rapids MSA (~1.1M population) and Kalamazoo-Portage MSA (~270K). This location captures both commuter traffic and regional pass-through demand.

Younger-Than-Average Population

Median age of 34.2 vs. Michigan's 40.2 — a meaningfully younger consumer base than other indexes on QSR visits, directly supporting Taco Bell's core demographic.

Growing Community, Low Costs

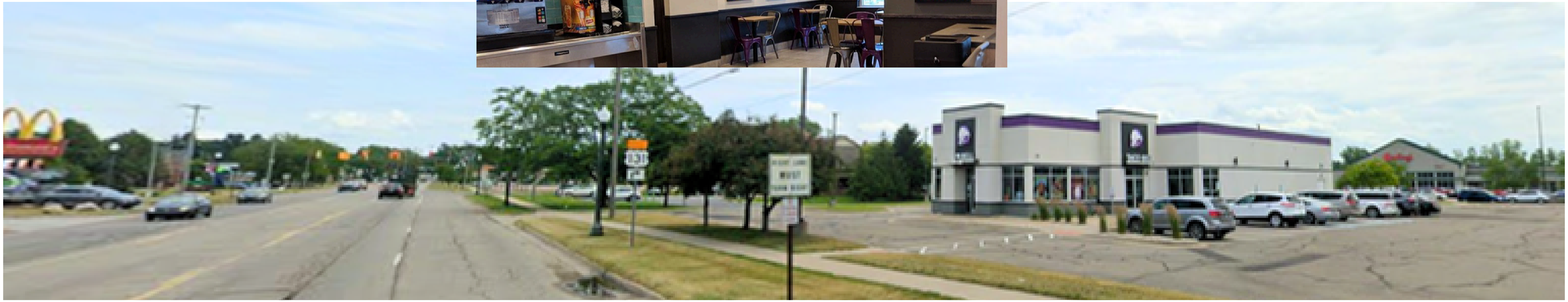
Population has grown 13.6% since 2000 and continues expanding at 0.6% annually.

Michigan Main Street Community

Wayland was designated a Michigan Main Street Community, reflecting ongoing civic investment in downtown revitalization and long-term quality-of-life improvements that support retail retention.

Property Photos

Acquire a nationally recognized brand location with ***strong consumer demand*** *and* ***established operations.***



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