

TACO BELL™

2945 Bay Rd, Saginaw, MI 48603

15-Year Sale-Leaseback | Healthy Rent to Sales



Exclusively Listed By

Point Of Contact

**Hudson DeJean**

Associate Vice President

(602) 218-5242

hudson.dejean@matthews.com

License No. SA704485000 (AZ)

**Haidyn DeJean**

Senior Associate

(602) 946-4862

haidyn.dejean@matthews.com

License No. SA706736000 (AZ)

**Alex DeSoto**

FVP & Director

(602) 898-8499

alex.desoto@matthews.com

License No. SA705467000 (AZ)

**Simon Assaf**

Senior Vice President & Director

(949) 873-0275

simon.assaf@matthews.com

License No. BR663663000 (AZ)

Matthew Fitzgerald | Broker of Record | Broker Lic. No. 6502432668 (MI) | Firm Lic. No. 6505432273 (MI)



Table of Contents

03	Property Overview
09	Financial Overview
10	Tenant Overview
13	Market Overview



Property Overview



\$2,561,000

List Price

±1.42 AC

Lot Size

Absolute NNN

Lease Type

5.50%

Cap Rate

±2,333 SF

GLA

2023

Year Built

Tenant & Location Highlights

- **Strong-Performing Location with Healthy Rent-to-Sales Ratio** — Unit sales support a strong rent coverage ratio, indicating a healthy margin of safety for the operator.
- **15-Year Sale-Leaseback with Long-Term Commitment** — A new 15-year primary term from the Close of Escrow signals operator confidence in the site and provides a long runway of contractual income with Four, 5 Year Options to follow.
- **10% Rental Increases Every 5 Years** — Built-in rent growth throughout the primary term providing a hedge against inflation and supports steady NOI appreciation over the hold period.
- **Absolute Triple Net (NNN) Lease** — Zero landlord responsibilities, Tenant is responsible for taxes, insurance, CAM, and all structural/roof/parking lot maintenance.
- **Experienced, Multi-Unit Operator (30+ Years in Yum! Brands System)** — Leased to 7 Bells, LLC (±14 Units), an established Taco Bell franchisee with a concentrated, Michigan-based portfolio, reflecting deep familiarity with local market dynamics and a proven track record of operational success throughout the state.
- **2023 Construction** — Newer construction Drive Thru location reducing near-term capital expenditure risk and demonstrating a modern prototype for the brand.
- **Strong Brand Affiliation** — Taco Bell is one of the top-performing QSR brands in the country, backed by Yum! Brands (NYSE: YUM), one of the largest restaurant companies globally.
- **Signalized Intersection** — Located at a signalized intersection of Shattuck Rd. and Bay Rd. with a combined traffic count of ±38,200 VPD ensuring consistent visibility and drive-thru convenience within one of the Great Lakes Bay Region's busiest commercial arteries.
- **Located Within the Region's Dominant Retail & Demand Generator Trade Area** — The property sits directly along the same corridor as Fashion Square Mall, the largest and most dominant enclosed mall in the Great Lakes Bay Region, anchored by JCPenney, and Macy's, with over 800,000 square feet of retail and 100+ tenants, alongside national co-tenants including Lowe's, Walmart, Home Depot, Target, Best Buy, Kohl's, Starbucks, Red Lobster, and Chipotle, driving consistent daily cross-shopping traffic. Saginaw Valley State University, with approximately 6,900 students, sits three miles away, adding a further layer of steady, non-seasonal demand.

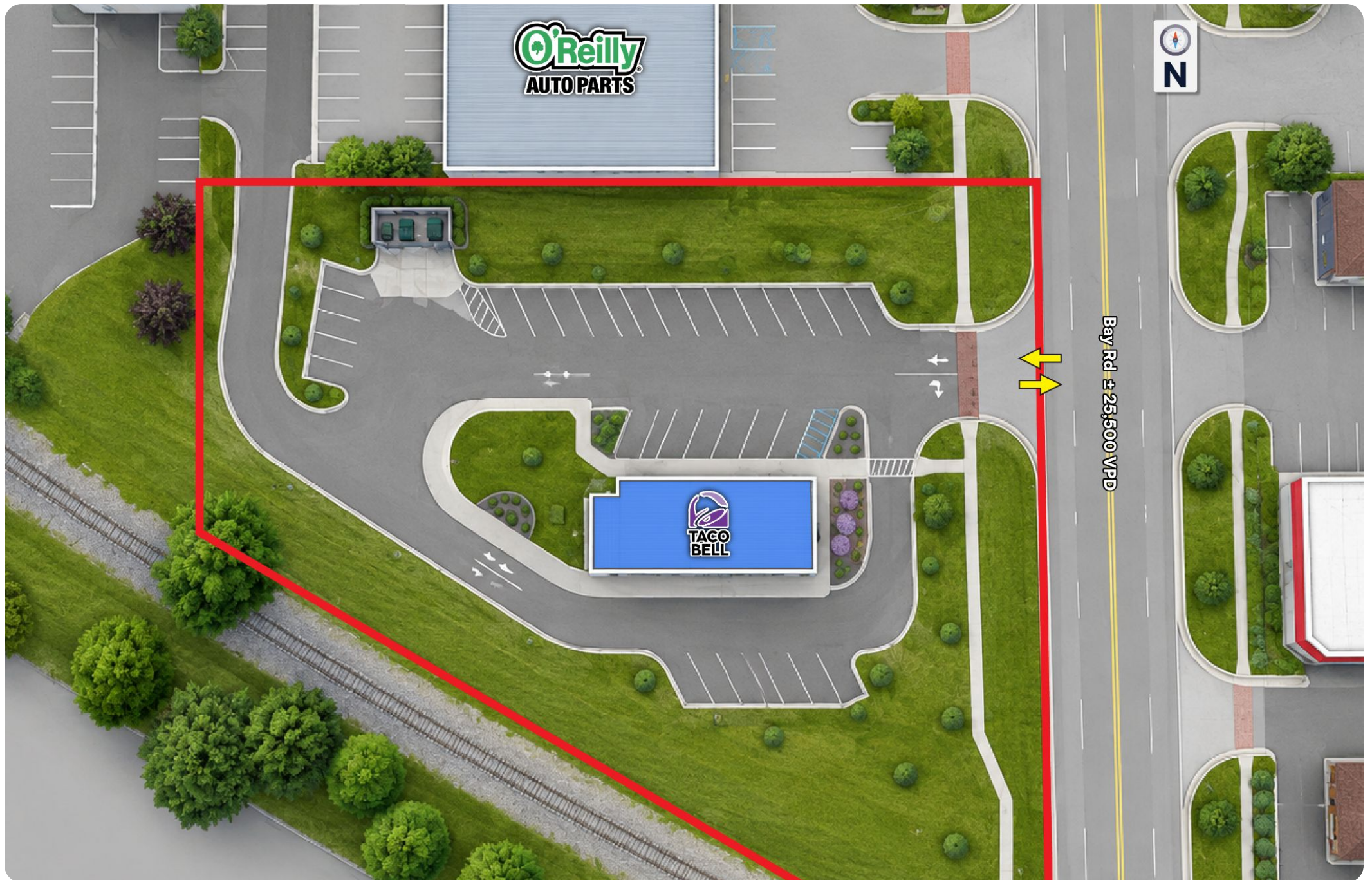
Aerial Map



Aerial Map



Site Plan



Property Photos



Financial Overview

2945 Bay Rd, Saginaw, MI 48603



Financial Overview

\$2,561,000

List Price

5.50%

Cap Rate

2023

Year Built

±38,200 VPD

Bay Rd & Shattuck Rd

\$140,874

NOI



Tenant Summary

Brand Name	Taco Bell
Tenant	7 Bells, LLC (±14 Units)
Original Lease Term	15 Years from the Close of Escrow
Rent Increases	10% Every 5-Years
Option Periods	Four, 5 Year Options
Reports Sales	Yes
Lease Type	Absolute Triple Net (NNN)
Parking Lot / CAM	Tenant Responsibility
Property Tax	Tenant Responsibility
Insurance	Tenant Responsibility
Roof/Structure	Tenant Responsibility

Annualized Operating Data

	Monthly Rent	Annual Rent	Increases
Years 1 - 5	\$11,739.54	\$140,874.51	-
Years 6 - 10	\$12,913.50	\$154,961.96	10%
Years 11 - 15	\$14,204.85	\$170,458.16	10%
Option 1	\$15,625.33	\$187,503.97	10%
Option 2	\$17,187.86	\$206,254.37	10%
Option 3	\$18,906.65	\$226,879.81	10%
Option 4	\$20,797.32	\$249,567.79	10%

Tenant Overview

Year Founded
1962

Headquarters
Irvine, California

Ownership Status
Yum! Brands, Inc.

Employees
±175,000

Locations
8,500+

Annual Revenue
\$15.9 Billion

TACO BELL™

Tenant Overview

Taco Bell is a globally recognized quick-service restaurant (QSR) brand specializing in Mexican-inspired cuisine, widely known for its value-oriented menu, innovation in product offerings, and strong cultural relevance among younger consumers. As a flagship brand within Yum! Brands, Inc.,

Taco Bell has established a dominant presence in the fast-food sector, supported by a highly franchised business model, consistent unit-level performance, and an adaptive marketing strategy that emphasizes digital engagement and menu innovation.

Why Invest in Taco Bell?

- **Experienced Franchise Operator** – 7 Bells, LLC is an established Taco Bell franchisee with extensive restaurant operating experience.
- **Backed by a Leading Brand** – Benefits from the strength and recognition of the Taco Bell and Yum! Brands franchise system.
- **Proven Operating Platform** – Operates under a standardized franchise model designed for consistent performance.
- **Strong Consumer Demand** – Supported by Taco Bell's loyal customer base and value-oriented menu.
- **National Marketing Support** – Leverages Taco Bell's digital platforms, advertising, and ongoing menu innovation.

Franchisee Overview

7 Bells, LLC

Taco Bell Store Count
±14 Locations

Headquarters
Houghton Lake, MI

Franchisee of
Yum! Brands, Inc. (NYSE: YUM)

Tenant Overview

7 Bells, LLC is a privately held, multi-brand quick-service restaurant franchise operator serving communities throughout Michigan. As an affiliate of Northland Investments, Inc. and Bells and Birds, Inc., the company has established a strong regional presence through the ownership, development, and operation of nationally recognized restaurant brands, including Taco Bell, KFC, Long John Silver's, and A&W. With more than three decades of operating experience, 7 Bells has demonstrated a consistent commitment to strategic expansion, modern restaurant development, and long-term investment in underserved Midwestern markets.

In recent years, the company has accelerated its growth through new ground-up developments and redevelopment projects, including the introduction of Taco Bell and KFC restaurants in communities such as Cheboygan, Bad Axe, and Williamsburg, Michigan. As a franchisee of Yum! Brands, 7 Bells benefits from one of the world's largest restaurant franchising systems while maintaining experienced local ownership and operations focused on long-term market growth.

Investment Strengths

- Experienced multi-brand QSR franchise operator with over 30 years of operating history
- Long-standing franchise relationship with Yum! Brands
- Active developer of new ground-up restaurants and redevelopment projects
- Strong regional market knowledge across Michigan
- Diversified portfolio of nationally recognized restaurant concepts

Current Marketing Strategy

7 Bells leverages the national marketing, digital ordering platforms, loyalty programs, and promotional campaigns of Taco Bell and KFC while pursuing continued growth through strategic new-store development, restaurant modernization, and expansion into underserved Michigan markets.

Taco Bell In The News



Inside Taco Bell's Aggressive Strategy To Double Profits, Reach \$3 Million AUV, And Surpass 10,000 Units

Taco Bell has launched an ambitious plan to significantly boost its financial performance and global presence. The strategy aims to double profits, achieve an average unit volume (AUV) of \$3 million, and expand beyond 10,000 locations worldwide. Key components of this plan include innovative menu offerings, enhanced digital ordering systems, and targeted marketing campaigns designed to resonate with a diverse customer base. By focusing on these areas, Taco Bell seeks to strengthen its market position and drive substantial growth in the coming years.

qsr magazine.com



Why Owning The Tech Stack Is The Key To Yum!'s Future

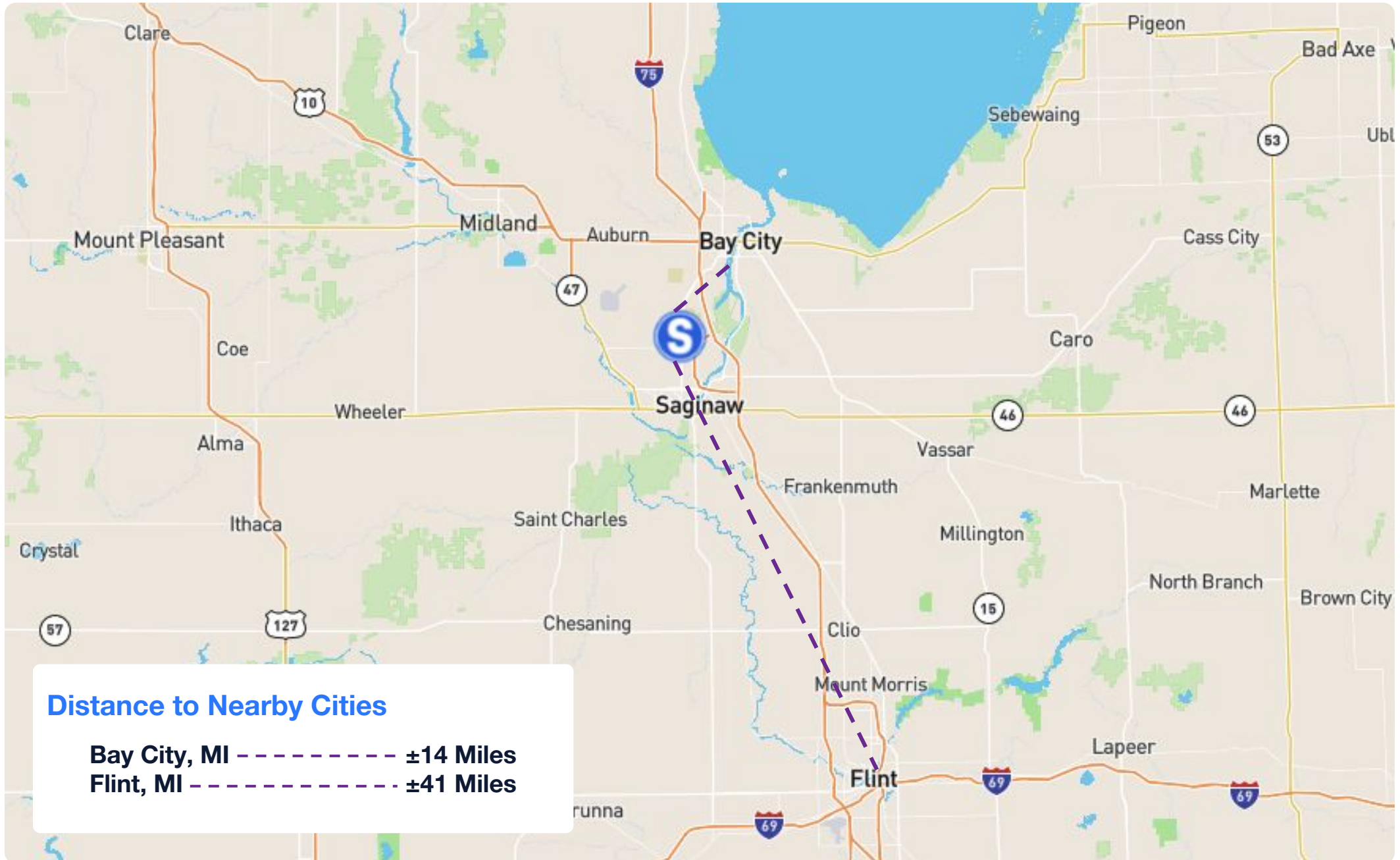
Yum! Brands, the parent company of Taco Bell, KFC, Pizza Hut, and Habit Burger & Grill, has introduced "Byte by Yum!", a cutting-edge, AI-driven technology platform. This proprietary system integrates various essential functions—such as online and mobile ordering, point of sale, kitchen and delivery optimization, menu management, inventory, and labor management—into a unified tech suite. The implementation of Byte aims to enhance digital transactions, improve order accuracy, streamline operations, and boost overall customer satisfaction across all its restaurant brands.

qsr magazine.com



Market Overview

2945 Bay Rd, Saginaw, MI 48603



Saginaw, MI

Market Demographics

43,536

Total Population

3.5%

Retail Vacancy



Local Market Overview

Saginaw serves as the primary retail hub for Michigan's Great Lakes Bay Region, drawing consumers from Saginaw, Bay, Midland, and surrounding rural communities. While the market has experienced modest population declines over the past decade, it continues to benefit from its role as the region's dominant shopping destination, supported by stable healthcare, education, manufacturing, and government employment. Retail activity is concentrated along the Bay Road/Tittabawassee Road corridor, where national retailers, restaurants, and entertainment uses create the area's strongest commercial node.

Retail fundamentals remain healthy due to limited new construction and steady tenant demand for well-located space. National discount retailers, grocery anchors, quick-service restaurants, and service-oriented tenants continue to drive leasing activity, while redevelopment has largely focused on infill and outparcel opportunities rather than large-scale speculative development. The area's affordability and relatively low occupancy costs provide attractive opportunities for investors seeking stable cash flow in a mature Midwestern retail market.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Current Year Estimate	58,972	104,180	157,600
Households	3-Mile	5-Mile	10-Mile
Current Year Estimate	25,910	45,234	67,703
Income	3-Mile	5-Mile	10-Mile
Average Household Income	\$83,886	\$79,233	\$84,799

MATTHEWS™

Exclusively Listed By

Point Of Contact

Hudson DeJean

Associate Vice President

(602) 218-5242

hudson.dejean@matthews.com

License No. SA704485000 (AZ)

Haidyn DeJean

Senior Associate

(602) 946-4862

haidyn.dejean@matthews.com

License No. SA706736000 (AZ)

Alex DeSoto

FVP & Director

(602) 898-8499

alex.desoto@matthews.com

License No. SA705467000 (AZ)

Simon Assaf

Senior Vice President & Director

(949) 873-0275

simon.assaf@matthews.com

License No. BR663663000 (AZ)

Matthew Fitzgerald | Broker of Record | Broker Lic. No. 6502432668 (MI) | Firm Lic. No. 6505432273 (MI)

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 2945 Bay Rd, Saginaw, MI, 48603 ("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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
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.

Matthews™. is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™., the property, or the seller by such entity.

Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.