

# SINGLE TENANT ABSOLUTE NNN

Investment Opportunity



WALMART SUPERCENTER OUTPARCEL | APPROXIMATELY 14 YEARS REMAINING | OPTIONS TO EXTEND



1819 West Highway 40

**VERNAL UTAH**

REPRESENTATIVE PHOTO



## EXCLUSIVELY MARKETED BY



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NATIONAL NET LEASE





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Brand Profile

## INVESTMENT SUMMARY



SRS National Net lease Group, LP is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, Pizza Hut investment property located in Vernal, Utah. The tenant, Pizza Hut has approximately 14 years of initial term remaining with 4 (5-year) options to extend, demonstrating their commitment to the site. The operator, Grand Mere Restaurant Group, operates over 140 locations and is the leading Pizza Hut franchisee. The lease features 1.50% annual rental increases throughout the initial term and the option periods, steadily growing NOI and hedging against inflation. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management free investment opportunity for a passive investor.

The Pizza Hut is located at the signalized, hard corner intersection of US Highway 191 and W 1000 Street with a combined 8,300 vehicles passing by daily. US Highway 191, is the major retail thoroughfare serving the city of Vernal. The Pizza Hut is an outparcel to a 193,000+ SF Walmart Supercenter anchored center. The asset is adjacent to Vernal Towne Center, a 140,000+ SF center that features national/credit tenants such as T.J. Maxx, Ross, Petco, Joann Fabric and Crafts, Ulta Beauty, and more. The property is in the center of a primary retail corridor with other nearby national/credit tenants including a Lowe's Home Improvement, Jimmy John's, Anytime Fitness, McDonald's, Dollar Tree, Taco Bell, and more, further increasing consumer traffic to the site. The 5-mile trade area is supported by a population of over 28,200 residents and 10,100 employees with an average household income of \$91,290.

# OFFERING SUMMARY



## OFFERING

<b>Price</b>	\$1,330,000
<b>Net Operating Income</b>	\$79,817
<b>Cap Rate</b>	6.00%
<b>Lease Signature</b>	Franchisee (Grand Mere Restaurant Group)
<b>Tenant</b>	GMRG ACQ 1, LLC dba Pizza Hut
<b>Lease Type</b>	Absolute NNN
<b>Landlord Responsibilities</b>	None

## PROPERTY SPECIFICATIONS

<b>Rentable Area</b>	3,185 SF
<b>Land Area</b>	0.76 Acres
<b>Property Address</b>	1819 West Highway 40 Vernal, Utah 84078
<b>Year Built</b>	1995
<b>Parcel Number</b>	05:080:0033
<b>Ownership</b>	Fee Simple (Land & Building Ownership)

## INVESTMENT HIGHLIGHTS



### **14 Years Remaining | Options To Extend | Scheduled Rental Increases**

- Grand Mere Restaurant Group (140+ locations) operates the site
- Approximately 14 years remaining with 4 (5-year) option periods to extend
- The lease features annual 1.50% annual rental increases throughout the initial term and option periods

### **Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities**

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

### **Outparcel to a Walmart Supercenter | Vernal Towne Center | Dense Retail Corridor**

- The Pizza Hut is an outparcel to a 193,000+ SF Walmart Supercenter anchored center
- The asset is adjacent to Vernal Towne Center, a 140,000+ SF center that features national/credit tenants such as T.J. Maxx, Ross, Petco, Joann Fabric and Crafts, Ulta Beauty, and more
- The property is in the center of a primary retail corridor with other nearby national/credit tenants including a Lowe's Home Improvement, Jimmy John's, Anytime Fitness, McDonald's, Dollar Tree, Taco Bell, and more, further increasing consumer traffic to the site
- Strong tenant synergy promotes crossover shopping to the subject property

### **Strong Demographics In 5-Mile Trade Area**

- More than 28,200 residents and 10,100 employees support the trade area
- \$91,290 average household income



# PROPERTY OVERVIEW



## LOCATION



Vernal, Utah  
Uintah County

## ACCESS



U.S. Highway 40 & 191: 1 Access Point  
W. 1000 S: 1 Access Point

## TRAFFIC COUNTS



U.S. Highway 40 & 191: 8,300 VPD

## IMPROVEMENTS



There is approximately 3,185 SF of existing building area

## PARKING



There are approximately 27 parking spaces on the owned parcel.  
The parking ratio is approximately 8.48 stalls per 1,000 SF of leasable area.

## PARCEL



Parcel Number: 05:080:0033  
Acres: 0.76  
Square Feet: 33,267

## CONSTRUCTION



Year Built: 1995

## ZONING



CP2 - City Planned Commercial



W. 1000 S

VERNAL MARKETPLACE






MOUNTAIN AMERICA







U.S. HIGHWAY 40&191



8,300  VEHICLES PER DAY

VERNAL TOWNE CENTER





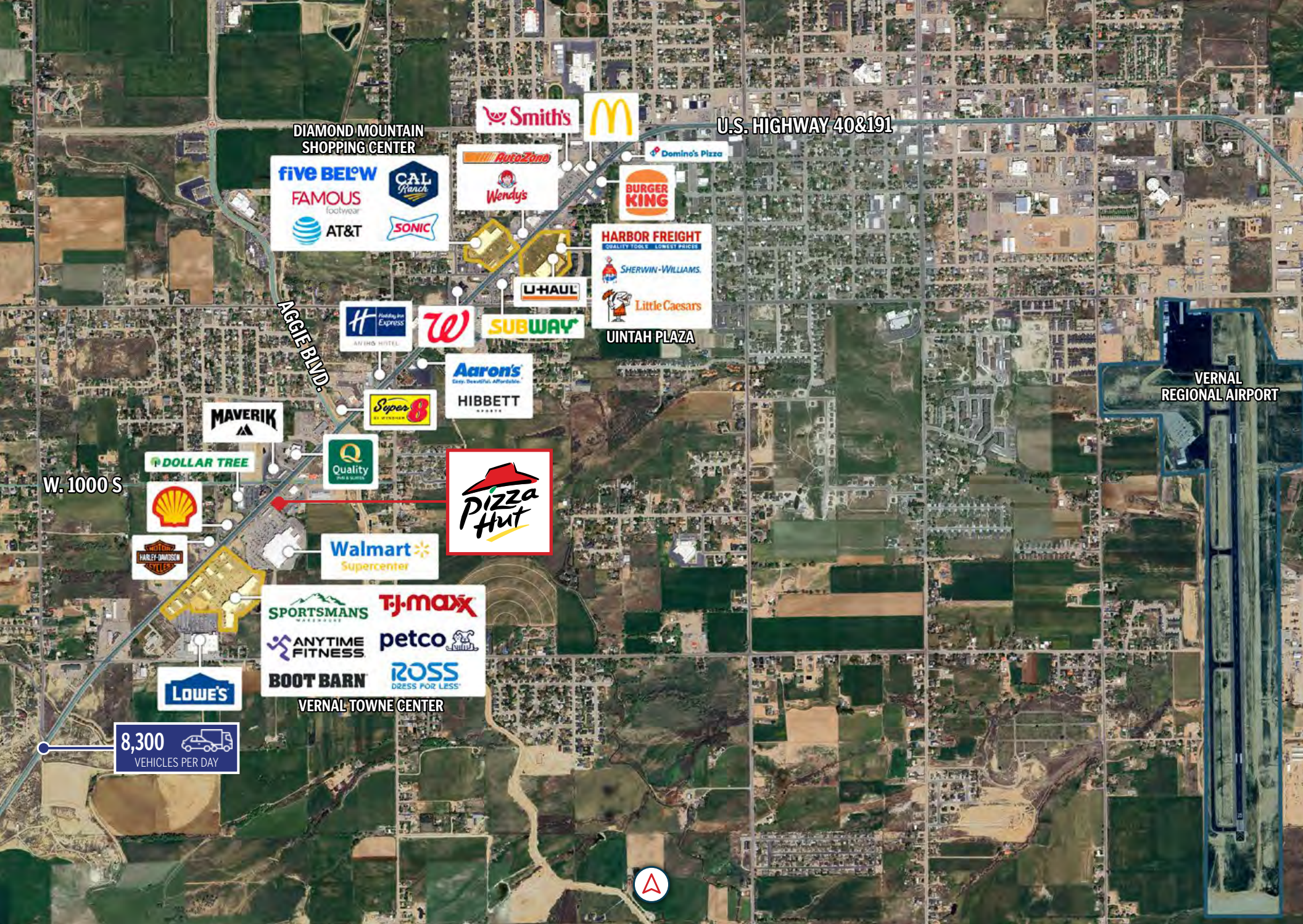
  









DIAMOND MOUNTAIN SHOPPING CENTER

U.S. HIGHWAY 40&191

five BELOW  
FAMOUS footwear  
AT&T  
CAL Ranch  
SONIC

Smith's  
McDonald's  
AutoZone  
Domino's Pizza  
Wendy's  
BURGER KING

HARBOR FREIGHT  
SHERWIN-WILLIAMS  
U-HAUL  
Little Caesars

AGGIE BLVD.  
HILTON Garden Inn  
W  
SUBWAY  
UINTAH PLAZA

Aarons  
Days, Beautiful, Affordable  
HIBBETT  
SPORTS

MAVERIK

Super 8

DOLLAR TREE

Quality  
MOTEL & SUITES

Pizza Hut

W. 1000 S

SHELL

Walmart  
Supercenter

HARLEY-DAVIDSON  
STYLES

SPORTSMAN'S  
T.J. MAXX

ANYTIME FITNESS  
petco

LOWE'S

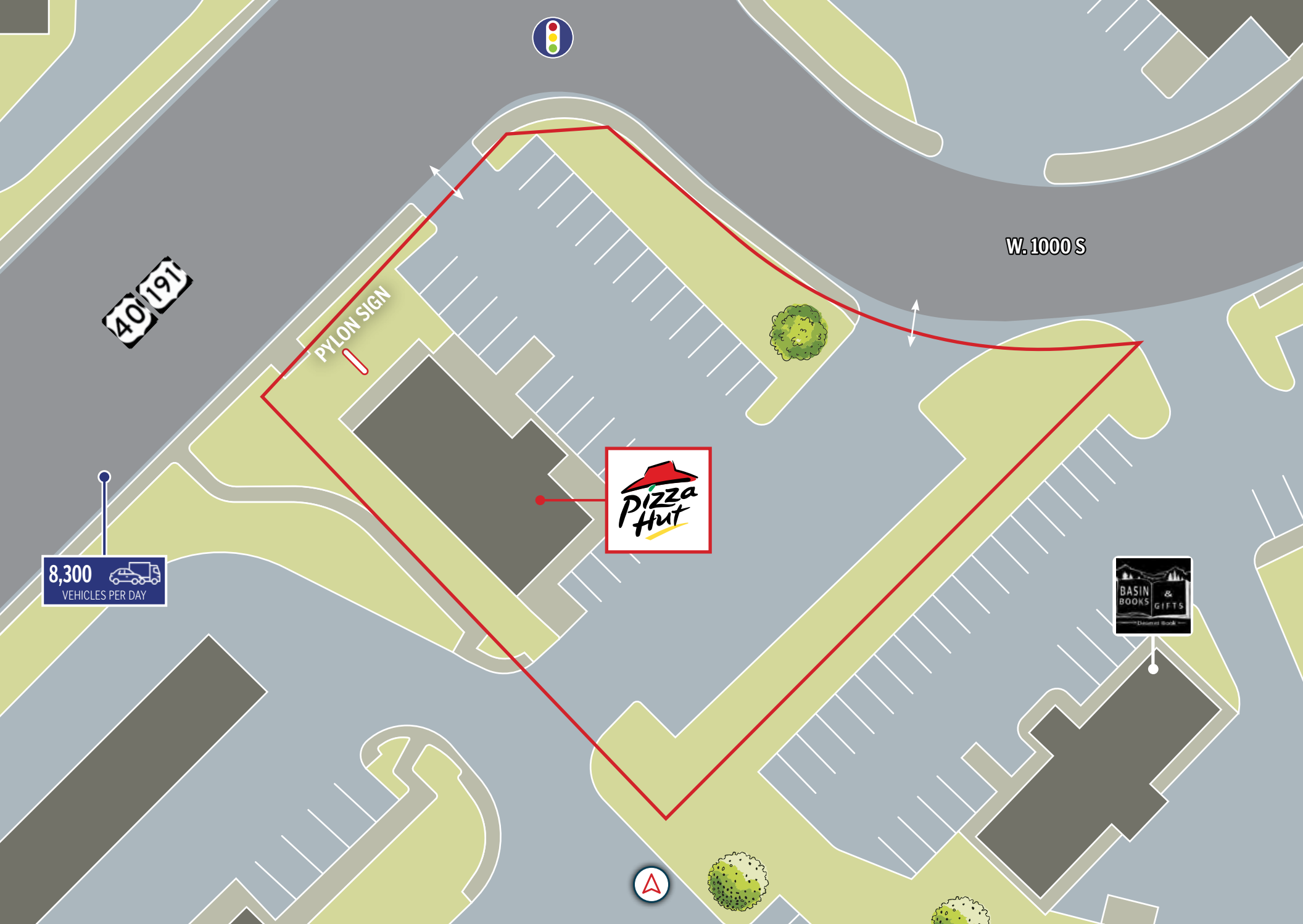
BOOT BARN  
ROSS  
DRESS FOR LESS

VERNAL TOWNE CENTER

8,300  
VEHICLES PER DAY

VERNAL REGIONAL AIRPORT





8,300  
VEHICLES PER DAY

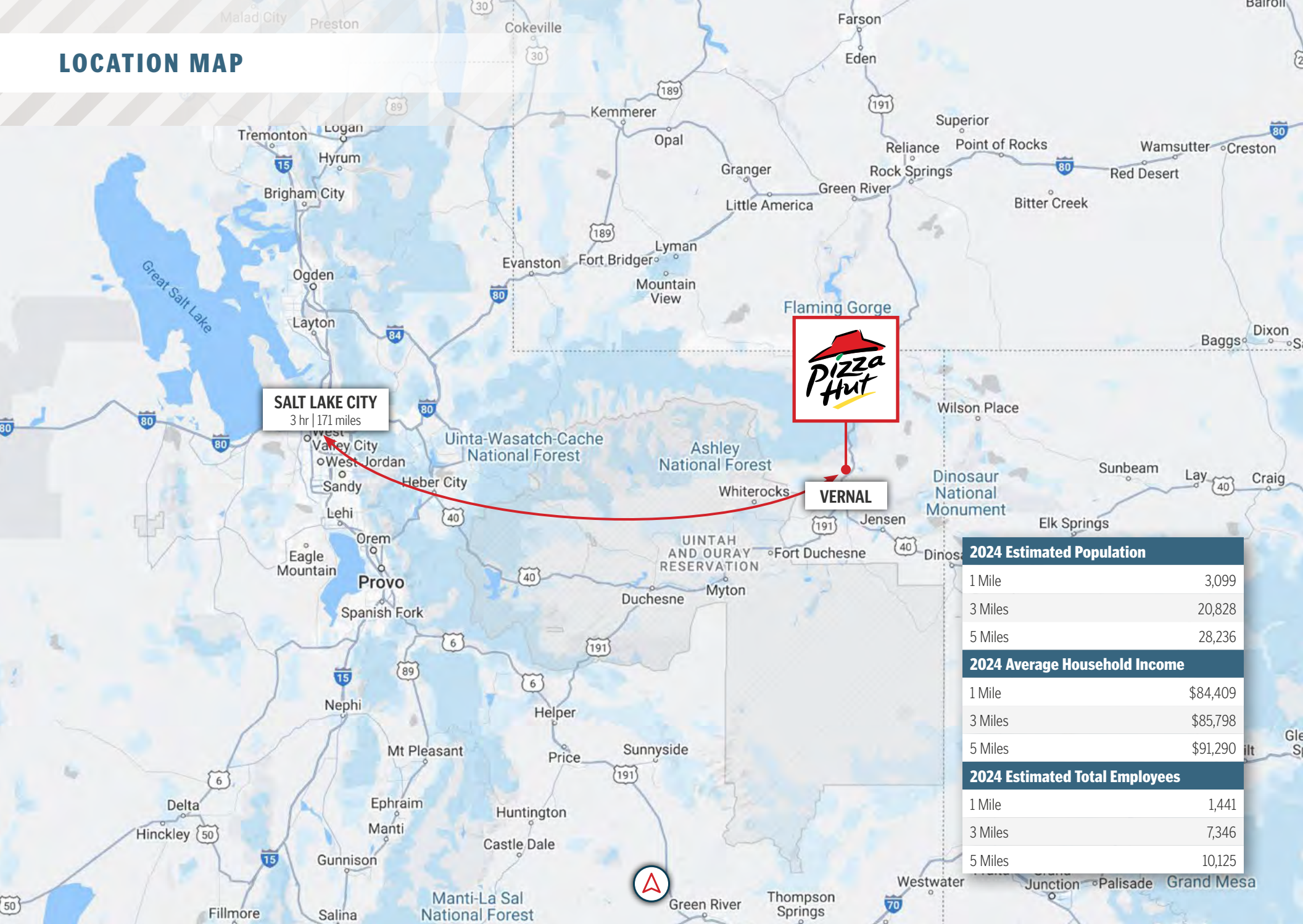
W. 1000 S

40191

PYLON SIGN



# LOCATION MAP



**SALT LAKE CITY**  
3 hr | 171 miles

**VERNAL**



2024 Estimated Population	
1 Mile	3,099
3 Miles	20,828
5 Miles	28,236
2024 Average Household Income	
1 Mile	\$84,409
3 Miles	\$85,798
5 Miles	\$91,290
2024 Estimated Total Employees	
1 Mile	1,441
3 Miles	7,346
5 Miles	10,125



## VERNAL, UTAH

Vernal, Utah, in Uintah County, is located 113 miles E of Provo, Utah (center to center) and is 245 miles W of Denver, Colorado. Vernal is the county seat and largest city in Uintah County. The City of Vernal had a population of 10,911 as of July 1, 2024.

Vernal's economy is based on extracting natural resources, including petroleum, natural gas, phosphate, and uintaite (more commonly known as gilsonite). This has led to the establishment of branch offices of companies such as Halliburton and Schlumberger. Tourism also plays a role in Vernal's economy due to the town's roots in the Old West and being a large site of ancient dinosaur fossils. Vernal and the surrounding area are popular among outdoor enthusiasts as they are situated near plentiful spots for fishing, fly fishing, hunting, and other outdoor activities.

Vernal offers spectacular beauty, impressive vistas, Fremont Indian Art, Jurassic Era Fossils and views of some of the earth's oldest rock formations. The area is also rich in the arts, with the Uintah Arts Council providing year-round cultural events including the Community Concert Series and the popular Outlaw Trail Theater. Vernal also hosts one of the largest PRCA rodeos in the United States. Held each July, the Dinosaur Roundup Rodeo has been voted one of the best outdoor rodeo's for several years. While staying in Vernal one can pay a visit to the Dinosaur National Monument, Western Heritage Museum, Daughters of Utah Pioneers Museum, and Thorne Museum and Studio. The Red Fleet State Park, Steinaker State Park, Wild Waters, and Utah Field House of Natural History State Park are also nearby. The city is home to many churches such as the Kingsbury Community Church, Vernal Christian Church, Assembly of God Church, and Saint James Catholic Church. It also hosts the Uintah County Fair every year in the month of August.

Higher education can be pursued through Mesa State College, Brigham Young University, and Utah Valley State College. Vernal is along an east-west federal highway, U.S. Route 40, and a north-south federal highway, U.S. Route 191. The closest major airport to Vernal, Utah is Vernal Regional Airport. This airport is 3 miles from the center of Vernal, UT.

# AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
<b>Population</b>			
2024 Estimated Population	3,099	20,828	28,236
2029 Projected Population	3,089	21,482	29,088
2010 Census Population	2,758	17,684	23,883
Historical Annual Growth 2010 to 2020	0.99%	1.17%	1.19%
<b>Households &amp; Growth</b>			
2024 Estimated Households	1,035	7,382	9,800
2029 Projected Households	1,060	7,823	10,366
2010 Census Households	856	5,862	7,838
Projected Annual Growth 2024 to 2029	0.48%	1.17%	1.13%
Historical Annual Growth 2010 to 2020	1.65%	1.65%	1.60%
<b>Race &amp; Ethnicity</b>			
2024 Estimated White	91.03%	90.93%	91.86%
2024 Estimated Black or African American	0.32%	0.40%	0.34%
2024 Estimated Asian or Pacific Islander	0.42%	0.70%	0.61%
2024 Estimated American Indian or Native Alaskan	2.87%	2.71%	2.31%
2024 Estimated Other Races	4.90%	3.57%	3.14%
2024 Estimated Hispanic	11.52%	10.45%	9.42%
<b>Income</b>			
2024 Estimated Average Household Income	\$84,409	\$85,798	\$91,290
2024 Estimated Median Household Income	\$74,637	\$67,417	\$73,120
2024 Estimated Per Capita Income	\$29,253	\$30,671	\$31,809
<b>Businesses &amp; Employees</b>			
2024 Estimated Total Businesses	157	801	1,101
2024 Estimated Total Employees	1,441	7,346	10,125



# RENT ROLL



Tenant Name	Square Feet	LEASE TERM		RENTAL RATES							
		Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
GMRG ACQ 1, LLC dba Pizza Hut	3,185	TBD	1/31/2039	Current	-	\$6,651	\$2.09	\$79,817	\$25.06	Abs. NNN	4 (5-Year)
(Franchisee Signature)				2/1/2026	1.50%	\$6,751	\$2.12	\$81,014	\$25.44	1.50% Annual Increases Throughout Options	
				2/1/2027	1.50%	\$6,852	\$2.15	\$82,229	\$25.82		

1) Tenant has a 15-Day Right of First Refusal (ROFR) 1.50% Annual Rental Increases Thereafter Throughout the Remainder of the Term

## FINANCIAL INFORMATION

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**FOR FINANCING OPTIONS AND LOAN QUOTES:**  
Please contact our SRS Debt & Equity team at [debtequity-npb@srsre.com](mailto:debtequity-npb@srsre.com)



## PIZZA HUT

**pizzahut.com**

**Company Type:** Subsidiary

**Locations:** 19,500+

**Parent:** Yum! Brands

**2023 Employees:** 35,000

**2023 Revenue:** \$7.08 Billion

**2023 Net Income:** \$1.60 Billion

**2023 Assets:** \$6.23 Billion

**Credit Rating: S&P:** BB+

Pizza Hut, a subsidiary of Yum! Brands, Inc. (NYSE: YUM), was founded in 1958 in Wichita, Kansas, and is a global leader in the pizza category with more than 19,500 restaurants in 110 markets and territories. The brand has earned a reputation as a trailblazer in innovation with the creation of icons like Original Pan and Original Stuffed Crust pizzas. In 1994, Pizza Hut pizza was the very first online food order, and today Pizza Hut continues leading the way in the digital and technology space with over half of transactions worldwide coming from digital orders. Leveraging its global presence, Pizza Hut works to positively impact its people, the communities it serves and the environment through commitments across three priority areas: More Equity, Less Carbon and Better Packaging.

Source: [blog.pizzahut.com](https://blog.pizzahut.com), [finance.yahoo.com](https://finance.yahoo.com)



## GRAND MERE RESTAURANT GROUP

[gmrestaurantgroup.com](http://gmrestaurantgroup.com)

**Locations:** 140+

In October 2017, the Company acquired 23 underperforming Pizza Hut restaurants in Kansas and Missouri. Utilizing a playbook developed by Victor over 25+ years working in a variety of roles at many different companies, Grand Mere transformed the management and store-level culture of its first stores, which resulted in a significant and rapid operational and financial turnaround. Capitalizing on these early successes, the Company grew rapidly and very quickly became a leading operator in Pizza Hut.

Since then the Company has grown to become a leading franchisee in the system with over 140 stores, \$135 Million in revenue and 3,000+ employees.

Its restaurants are top performers in the Pizza Hut system across nearly all operational and financial metrics. Its founders and operational leaders are considered go-to tactical and strategic leaders across all facets of the system.







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CAPITAL  
MARKETS

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TEAM  
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**25+**

OFFICES

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RETAIL  
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company-wide  
in 2023

**510+**

CAPITAL MARKETS  
PROPERTIES

SOLD  
in 2023

**\$2.2B+**

CAPITAL MARKETS  
TRANSACTION

VALUE  
in 2023

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