

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity



17 Years Remaining | Annual Rental Increases | 200+ Unit Guarantor



42485 E. Morgan Avenue

PENNINGTON GAP VIRGINIA

ACTUAL SITE



EXCLUSIVELY MARKETED BY



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NATIONAL NET LEASE

Principal Broker: David Wirth, SRS Real Estate Partners-Northeast, LLC | VA License No. #0225198340







SITE OVERVIEW



PROPERTY PHOTOS



PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$960,000
Net Operating Income	\$72,000
Cap Rate	7.50%

PROPERTY SPECIFICATIONS

Property Address	42485 E. Morgan Avenue Pennington Gap, Virginia 24277
Rentable Area	2,304 SF
Land Area	0.63 AC
Year Built / Remodeled	1980 / 2017
Tenant	Tasty Hut of VA, LLC dba Pizza Hut
Guaranty	Tasty Hut, LLC (200+ Unit Operator)
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Term	17 Years
Increases	1.50% Annual Increases
Options	4 (5-Year)
Rent Commencement	12/1/2024
Lease Expiration	11/30/2041

RENT ROLL & INVESTMENT HIGHLIGHTS



Tenant Name	Square Feet	LEASE TERM		RENTAL RATES				
		Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options
Pizza Hut	2,304	12/1/2024	11/30/2041	Year 1	-	\$6,000	\$72,000	4 (5-Year)
(Franchisee)				Year 2	1.50%	\$6,090	\$73,080	
				Year3	1.50%	\$6,181	\$74,176	
1.50% Increases Throughout Initial Term & Options Thereafter								

New 17-Year Lease | Tasty Hut, LLC - Strong Operator | Annual Rental Increases | Options to Extend

- The tenant, Tasty Hut, LLC, has entered into a brand new 17 year lease with 4 (5-year) options to extend, demonstrating their commitment to the site
- Tasty Restaurant Group, LLC is an experienced QSR franchisee with over 450 restaurants strong across 23 states operating under six iconic brands: Pizza Hut, Burger King, Dunkin', Baskin-Robbins, Kentucky Fried Chicken and Taco Bell brands
- The lease features annual rental increases of 1.50% throughout initial term and option periods, generating NOI and hedging against inflation

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

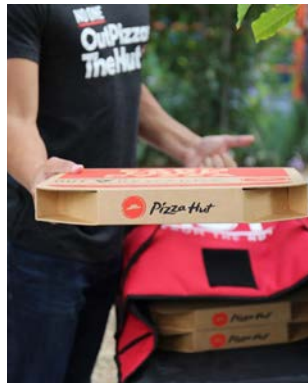
Signalized, Hard Corner | Strong National/Credit Tenant Presence | Excellent Visibility & Access | Nearby School & Hospital

- The subject property is located at the signalized, hard corner intersection of E Morgan Ave and U.S. Hwy 421 which combined average 16,300 VPD
- Nearby national/credit tenants include Food City, O'Reilly Auto Parts, Dollar Tree, Family Dollar, Taco Bell, and many more
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure to the site
- The site has excellent visibility via significant street frontage and a large pylon sign with multiple points of ingress/egress
- Furthermore, the asset is in close proximity to Pennington Middle School (287 students) and Lee County Community Hospital (12 beds), further increasing consumer traffic to the immediate trade area

Strong Demographics in 5-mile Trade Area

- More than 8,000 residents and 2,000 employees support the trade area
- \$52,120 average household income

BRAND PROFILE



PIZZA HUT

pizzahut.com

Company Type: Subsidiary

Locations: 19,000+

Parent: Yum! Brands

2024 Employees: 40,000

2024 Revenue: \$7.55 Billion

2024 Net Income: \$1.49 Billion

2024 Assets: \$6.72 Billion

Credit Rating: S&P: BB+

Pizza Hut, a subsidiary of Yum! Brands, Inc. (NYSE: YUM), was founded in 1958 in Wichita, Kansas and since then 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. Today, Pizza Hut continues leading the way in the digital and technology space with over half of transactions worldwide coming from digital orders. Pizza Hut is committed to providing an easy pizza experience – from order to delivery – and has Hut Rewards, the Pizza Hut loyalty program that offers points for every dollar spent on food any way you order. Hut Rewards is open to U.S. residents 18+. A global leader in the pizza category, Pizza Hut operates more than 19,000 restaurants in more than 100 countries. Through its enormous presence, Pizza Hut works to unlock opportunity for its team members and communities around the world.

Source: blog.pizzahut.com, finance.yahoo.com



TASTY RESTAURANT GROUP

tastyrg.com

Locations: 450+

Tasty Restaurant Group LLC (TRG) is founded on the vision that great brands need great teams to lead and deliver exceptional service and quality to guests. TRG is focused on all the details that make a brand great and ensure its long-term growth. Tasty Restaurant Group's attention is on the single-minded approach to deliver exemplary service, care and value-add to everyone we encounter while improving the restaurants, developing new ones, and expanding through acquisitions. With a focus on talent development, friendly guest experiences, and community engagement TRG provides the support to be best in class while meeting the operating and financial objectives of the restaurants.

Tasty Restaurant Group, LLC, an affiliate of Triton Pacific Capital Partners is headquartered in Dallas, TX, and operates over 450 restaurants strong across 23 states operating under six iconic brands: Pizza Hut, Burger King, Dunkin', Baskin-Robbins, Kentucky Fried Chicken and Taco Bell brands.

PROPERTY OVERVIEW



LOCATION



Pennington Gap, Virginia
Lee County

ACCESS



E. Morgan Avenue: 1 Access Point
Bobcat Circle: 1 Access Point

TRAFFIC COUNTS



E. Morgan Avenue: 11,000 VPD
Woodway Road/U.S. Highway 421: 5,300 VPD

IMPROVEMENTS



There is approximately 2,304 SF of existing building area

PARKING



There are approximately 40 parking spaces on the owned parcel.
The parking ratio is approximately 17.36 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 23E-(31)-45
Acres: 0.63
Square Feet: 27,443

CONSTRUCTION



Year Built: 1980
Year Renovated: 2017

ZONING



Commercial

LOCATION MAP

2024 Estimated Population

1 Mile	962
3 Miles	3,534
5 Miles	8,450

2024 Average Household Income

1 Mile	\$63,612
3 Miles	\$53,251
5 Miles	\$52,120

2024 Estimated Total Employees

1 Mile	982
3 Miles	1,610
5 Miles	2,098

KNOXVILLE, TN
98 miles

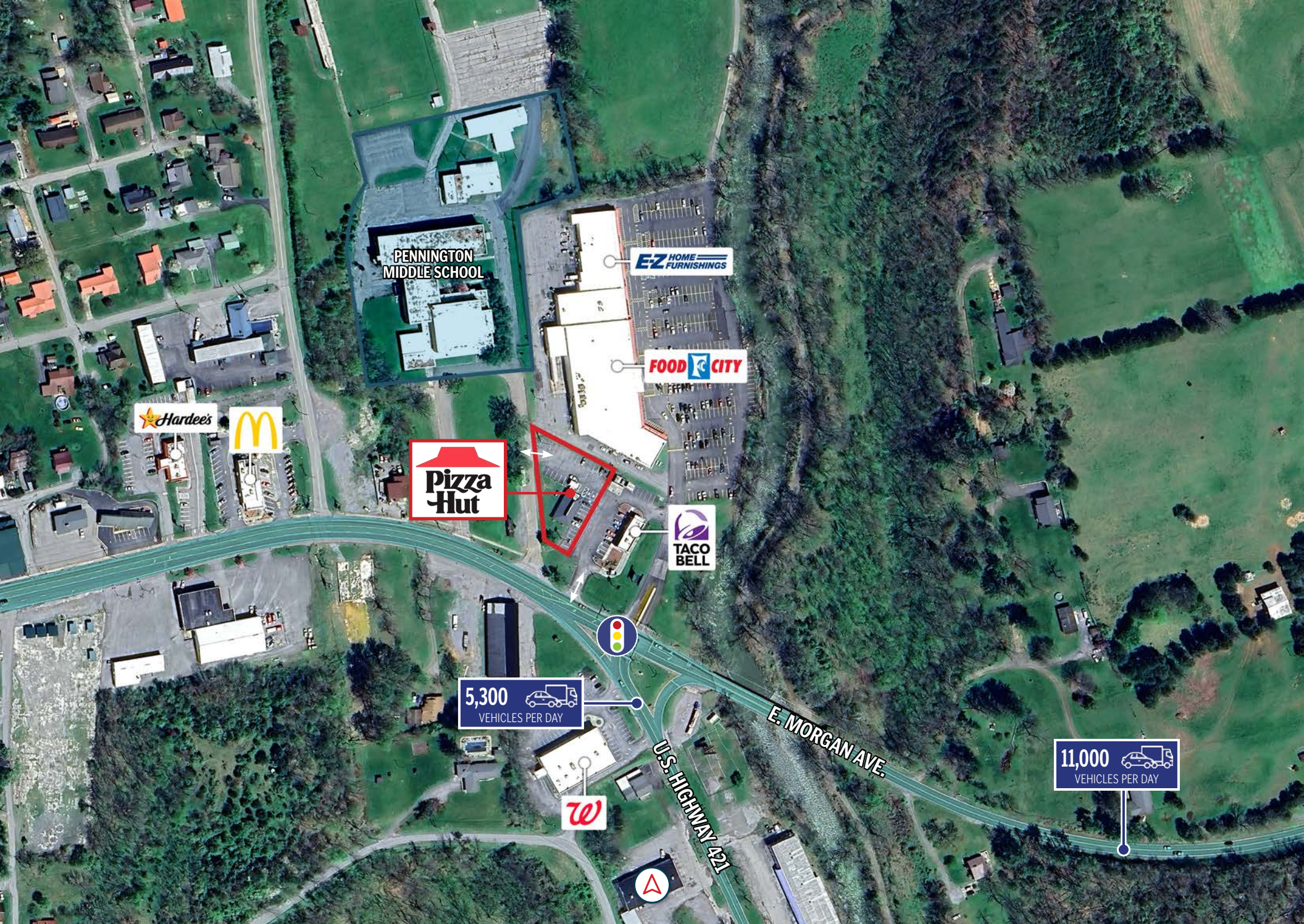
GREENEVILLE, TN
71 miles

Pizza Hut

1 Mile	962
3 Miles	3,534
5 Miles	8,450

1 Mile	\$63,612
3 Miles	\$53,251
5 Miles	\$52,120

1 Mile	982
3 Miles	1,610
5 Miles	2,098









	1 Mile	3 Miles	5 Miles
Population			
2024 Estimated Population	962	3,534	8,450
2029 Projected Population	922	3,497	8,324
2024 Median Age	43.6	44.5	41.2
Households & Growth			
2024 Estimated Households	461	1,539	3,006
2029 Projected Households	450	1,535	2,971
Income			
2024 Estimated Average Household Income	\$63,612	\$53,251	\$52,120
2024 Estimated Median Household Income	\$31,857	\$32,217	\$34,261
Businesses & Employees			
2024 Estimated Total Businesses	85	150	197
2024 Estimated Total Employees	982	1,610	2,098



PENNINGTON GAP, VIRGINIA

Pennington Gap, Virginia is a small town located in the southwestern corner of the state, within Lee County. It’s known as “where Virginia begins” by locals, being close to the Tennessee and Kentucky borders.

The town has many amenities such as Pennington Lumber Company for building materials, store-brand pharmacy services from McPeak’s Pharmacy, and a range of medical care options at Lee County Hospital.

There are plenty of outdoor activities to enjoy, such as hiking and fishing, that provide an escape from the hustle and bustle of city life. With its beautiful scenery, vibrant culture and friendly people, Pennington Gap is the perfect place for people looking for a slower paced lifestyle in a peaceful mountain setting.

Pennington Gap, Virginia, is served by the Lee County Public Schools system. The town hosts two public schools: Elk Knob Elementary School and Pennington Middle School. The closest major airport to Pennington Gap, Virginia is Tri-Cities Regional Airport (TRI / KTRI). This airport is in Blountville, Tennessee and is 58 miles from the center of Pennington Gap, VA.

Lee County is the westernmost county in the U.S. Commonwealth of Virginia. Lee County’s estimated 2025 population is 21,541. Its county seat is Jonesville. Lee County shares Cumberland Gap National Historical Park with Kentucky and Tennessee. Attractions listed in the park include Hensley’s Settlement, the Pinnacle Overlook, the Sand Cave, and the White Rocks overlooking the towns of Ewing and Rose Hill in Virginia. The Lee County School System operates eleven schools, including two high schools and one technical school.



THE EXCLUSIVE NATIONAL NET LEASE TEAM

of SRS Real Estate Partners

300+

TEAM
MEMBERS

25+

OFFICES

\$5B+

TRANSACTION
VALUE

company-wide
in 2024

600+

CAPITAL MARKETS
PROPERTIES

SOLD
in 2024

\$2.5B+

CAPITAL MARKETS
TRANSACTION

VALUE
in 2024

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