What is a

Triple Net Lease Investment?

A real estate strategy built around stable income, long-term leases, and minimal landlord responsibilities.

Triple Net (NNN) lease investments involve purchasing commercial properties that are leased to a single tenant under a long-term lease where the tenant is responsible for paying property taxes, insurance, and maintenance costs—on top of base rent.

This structure provides investors with predictable income, reduced expenses, and fewer management responsibilities.

As a result, triple net lease investments offer stability and passive income with fewer day-to-day demands on the owner.

For investors, this creates the potential for consistent cash flow and long-term appreciation—with lower operational complexity compared to other real estate strategies.

How Triple Net Investments Differ From Traditional Real Estate Ownership

Traditional Real Estate Ownership	Triple Net (NNN) Lease Investing
Owner responsible for many property expenses	Tenant pays most property expenses
More frequent leasing and tenant turnover	Long-term lease commitments
Greater management involvement	Limited management responsibilities
Variable operating costs	More predictable operating costs
More day-to-day oversight	Passive ownership structure

VS.

Why Many Investors Choose Triple Net Lease Investments

Triple Net (NNN) lease investments are often valued for their simplicity, stability, and long-term income potential.

Unlike many traditional real estate investments, where owners are responsible for day-to-day operations and property expenses, NNN leases are structured so that tenants typically handle taxes, insurance, and maintenance. This can create a more predictable ownership experience while reducing many of the responsibilities associated with actively managing real estate.

For investors seeking passive income, long-term lease stability, and exposure to institutional-quality commercial real estate, NNN investments can offer a compelling balance of income and simplicity.

KEY BENEFITS THAT DRIVE INVESTOR APPEAL

Predictable Income

Long-term leases and contractual rent obligations can provide consistent cash flow and improved income visibility.

Reduced Management Responsibilities

Tenants generally oversee property expenses and day-to-day operations, limiting landlord involvement.

Long-Term Lease Stability

Many NNN leases extend 10–20 years or longer, often with renewal options and built-in rent increases.

Established Tenants

Properties are frequently leased to national retailers, healthcare providers, industrial operators, and other established businesses.

Simplified Ownership

The combination of durable leases and reduced operational demands can make NNN investments easier to own than many traditional property types.

What Drives Risk in a NNN Investment?

Unlike property types that rely on operations and occupancy, NNN investments are more dependent on the tenant.
That's why we focus on the factors that matter most to protect income and preserve long-term value.

KEY FACTORS INVESTORS EVALUATE INCLUDE:

Tenant Financial Strength

The tenant's ability to meet its lease obligations over the long term is the foundation of income reliability.

Lease Structure

Longer lease terms, tenant responsibilities, and rent escalations can provide greater income visibility and stability.

Property Location

Strong locations support tenant success and future leasing flexibility, helping protect long-term property value.

Business Stability

The long-term outlook for the tenant's business and industry influences the durability of income.

Triple Net (NNN) Asset Classes We Invest In

FOUR DISTINCT PROPERTY TYPES. ONE COMMON GOAL.

We focus exclusively on recession-resilient asset classes located in markets with strong, underlying demand drivers. These are properties that people and businesses rely on—regardless of economic conditions. By investing in essential real estate in high-need areas, we aim to deliver stable income and long-term value, even in uncertain times.

Each property type plays a unique role in a diversified portfolio, offering essential services, resilient demand drivers, and long-term income potential.

1. Healthcare

Outpatient medical buildings, surgery centers, dialysis centers, and other healthcare facilities leased to experienced providers.

- Defensive, needs-based demand
- Long-term tenant relationships
- Recession-resistant performance

2. Industrial

Distribution centers, warehouses, manufacturing, and logistics properties leased to national and global companies.

- E-commerce and supply chain tailwinds
- Strategic locations near major markets
- Low landlord responsibilities

3. Essential Retail

Grocery-anchored centers, pharmacies, dollar stores, and necessity-based retail leased to creditworthy tenants.

- Necessity-based tenant demand
- Long-term lease structures
- Consistent rent growth potential

4. Convenience Stores

Convenience stores and gas stations with strong brands and proven operational histories.

- High-quality, creditworthy tenants
- Visible, high-traffic real estate
- Strong operating performance

Areas We Evaluate When Reviewing a Triple Net Lease Investment

A great investment starts with great fundamentals. Our team takes a disciplined, long-term approach—digging into the details that matter most to protect your capital and support consistent income.

We evaluate each opportunity across six key areas to help ensure the property, lease, tenant, and market all align for long-term success.

Tenant Quality

We evaluate the tenant's financial strength, operating history, and ability to meet lease obligations over the long term.

Lease Structure

We review lease length, renewal options, rent increases, guarantees, and other provisions that support income durability.

Property Quality

We assess location, physical condition, replacement value, and long-term relevance of the real estate.

Income Stability

We analyze rent coverage ratios, tenant operating performance, and the sustainability of cash flow.

Market Outlook

We review demographic trends, local economics, barriers to entry, and competitive supply.

Sponsor Quality

We evaluate experience, execution history, asset management capabilities, and alignment with investors.

General Disclosure:

All investing involves risk of loss of some or all principal invested. Past performance is not indicative of future performance. There can be no guarantee that any investment or strategy will achieve its stated objectives. Speak to your tax and/or financial professional prior to investing. Securities and advisory services through Emerson Equity LLC, member FINRA and SIPC and a registered investment adviser. Emerson is not affiliated with any other entity identified herein.

Real Estate / 1031 Risk Disclosure:

- **There is no guarantee** — that any strategy will be successful or achieve investment objectives.
- **Potential for property value loss** — All real estate investments have the potential to lose value during the life of the investments.
- **Change of tax status** — The income stream and depreciation schedule for any investment property may affect the property owner's income bracket and/or tax status. An unfavorable tax ruling may cancel deferral of capital gains and result in immediate tax liabilities.
- **Potential for foreclosure** — All financed real estate investments have potential for foreclosure.
- **Illiquidity** — These assets are commonly offered through private placement offerings and are illiquid securities. There is no secondary market for these investments.
- **Reduction or Elimination of Monthly Cash Flow Distributions** — Like any investment in real estate, if a property unexpectedly loses tenants or sustains substantial damage, there is potential for suspension of cash flow distributions.
- **Impact of fees/expenses** — Costs associated with the transaction may impact investors' returns and may outweigh the tax benefits.
- **Stated tax benefits** — Any stated tax benefits are not guaranteed and are subject to changes in the tax code. Speak to your tax professional prior to investing.