

KFC

814 N Riverside Dr, Española, NM 87532



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A photograph of a KFC restaurant building with a blue semi-transparent overlay. The building has red vertical accents and a large sign on the left showing the KFC logo. The text "KFC" and "WORLD FAMOUS CHICKEN" is visible on the building's facade. The blue overlay covers the central portion of the image, containing text and a logo.

BROKER OF RECORD

Sarbinoff, Ryan

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License: 20675

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success.

Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

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SECTION 1

Executive Summary

OFFERING SUMMARY

INVESTMENT HIGHLIGHTS

REGIONAL MAP

RETAILER MAP

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OFFERING SUMMARY



Listing Price
\$2,000,000



Cap Rate
6.00%



Price/SF
\$716.59

FINANCIAL

Listing Price	\$2,000,000
Down Payment	100% / \$2,000,000
NOI	\$120,000
Cap Rate	6.00%
Price/SF	\$716.59
Rent/SF	\$3.58

OPERATIONAL

Lease Type	Absolute Net
Guarantor	Local or Regional Franchisee
Lease Expiration	01/01/2040
Rentable SF	2,791 SF
Lot Size	1.5 Acres (65,340 SF)
Year Built/Remodel	1990/2023



KFC

814 N Riverside Dr, Española, NM 87532

INVESTMENT OVERVIEW

The subject property is located at 814 North Riverside Drive in Espanola NM which is 25 miles north of Santa Fe NM. This investment is a new Absolute NNN 15 Year Lease with one of the largest KFC Franchisees in the Nation which won 2023 Franchisee of the Year honors. The store sales are well above national KFC AUV. The Subject Property Lease is guaranteed by 130+ Stores. The Lease provides for long term stability with 8% increases every 5 years and there are (4) 5 Year Renewal Options after the primary 15-year lease term.

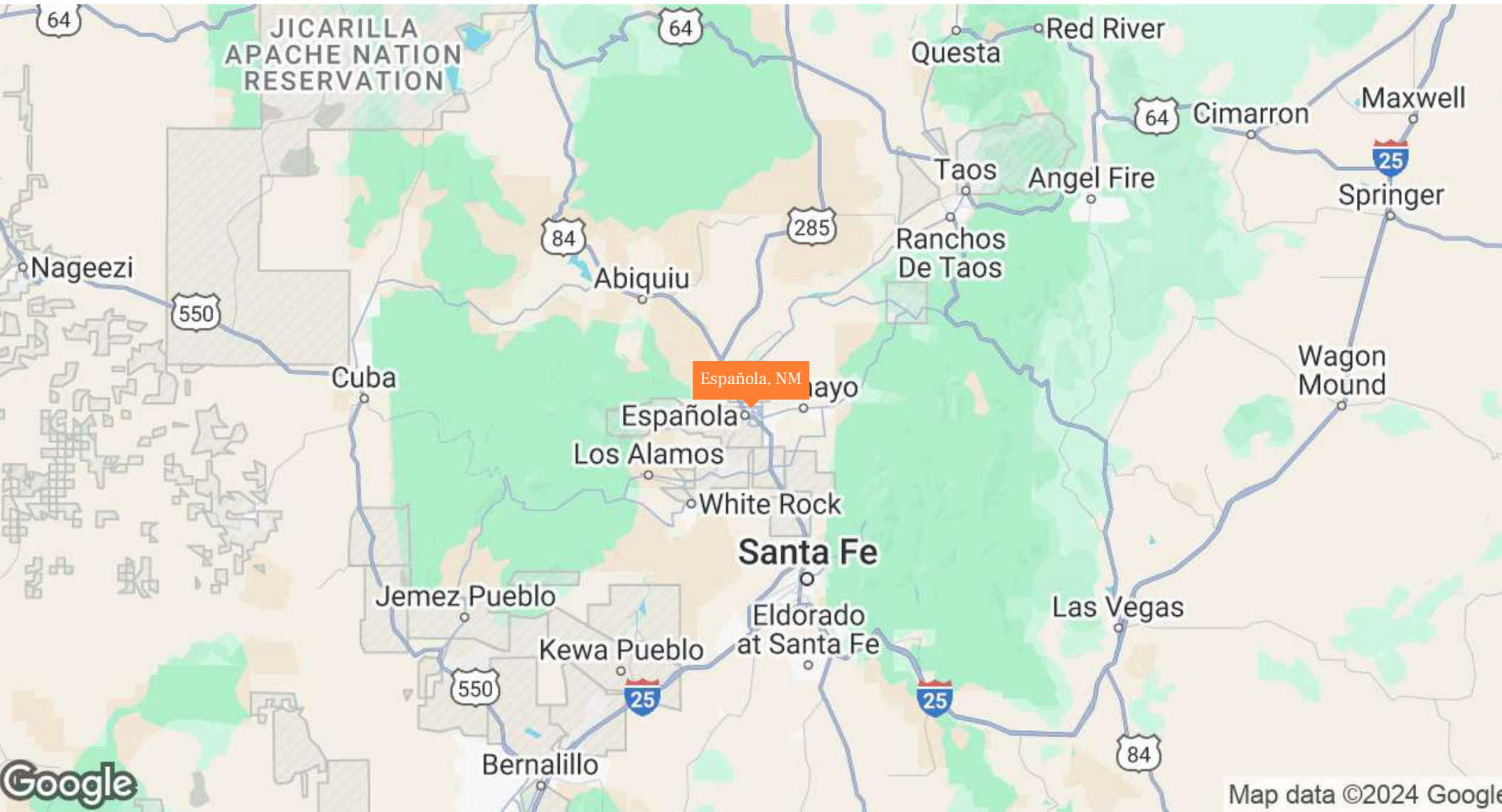
INVESTMENT HIGHLIGHTS

New 15 Year Absolute NNN Lease signed at Close of Escrow

130+ Stores Guarantee the Subject Property Lease - 2023 KFC Franchisee of the Year

Above National KFC Average Sales Volume - 6% Rent vs Sales Ratio

REGIONAL MAP // KFC





SECTION 2

Financial Analysis

FINANCIAL DETAILS

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THE OFFERING	
Price	\$2,000,000
Capitalization Rate	6.00%
Price/SF	\$716.58

PROPERTY DESCRIPTION	
Year Built / Renovated	1990/2023
Gross Leasable Area	2,791 SF
Type of Ownership	Fee Simple
Lot Size	1.50 acres

LEASE SUMMARY	
Tenant	KFC
Rent Increases	8% Increases Every 5 Years
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	Close of Escrow
Initial Lease Term	15 Years from COE Years
Renewal Options	(4) 5 Year Options
Term Remaining on Lease (Yrs)	15 Years
Landlord Responsibility	None
Tenant Responsibility	Absolute NNN

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$120,000	\$10,000	\$43.00	6.00%
Year 1-5	\$120,000	\$10,000	\$43.00	6.00%
Year 6-10	\$129,600	\$10,800	\$46.43	6.48%
Year 11-15	\$139,968	\$11,664	\$50.15	7.00%
Renewal Option #1	\$151,165	\$12,597	\$54.16	7.56%
Renewal Option #2	\$163,258	\$13,605	\$58.49	8.16%
Renewal Option #3	\$176,319	\$14,693	\$63.17	8.82%
Renewal Option #4	\$190,424	\$15,869	\$68.23	9.52%

SECTION 3

Sale Comparables

SALE COMPS MAP

SALE COMPS SUMMARY



CAP RATE CHART

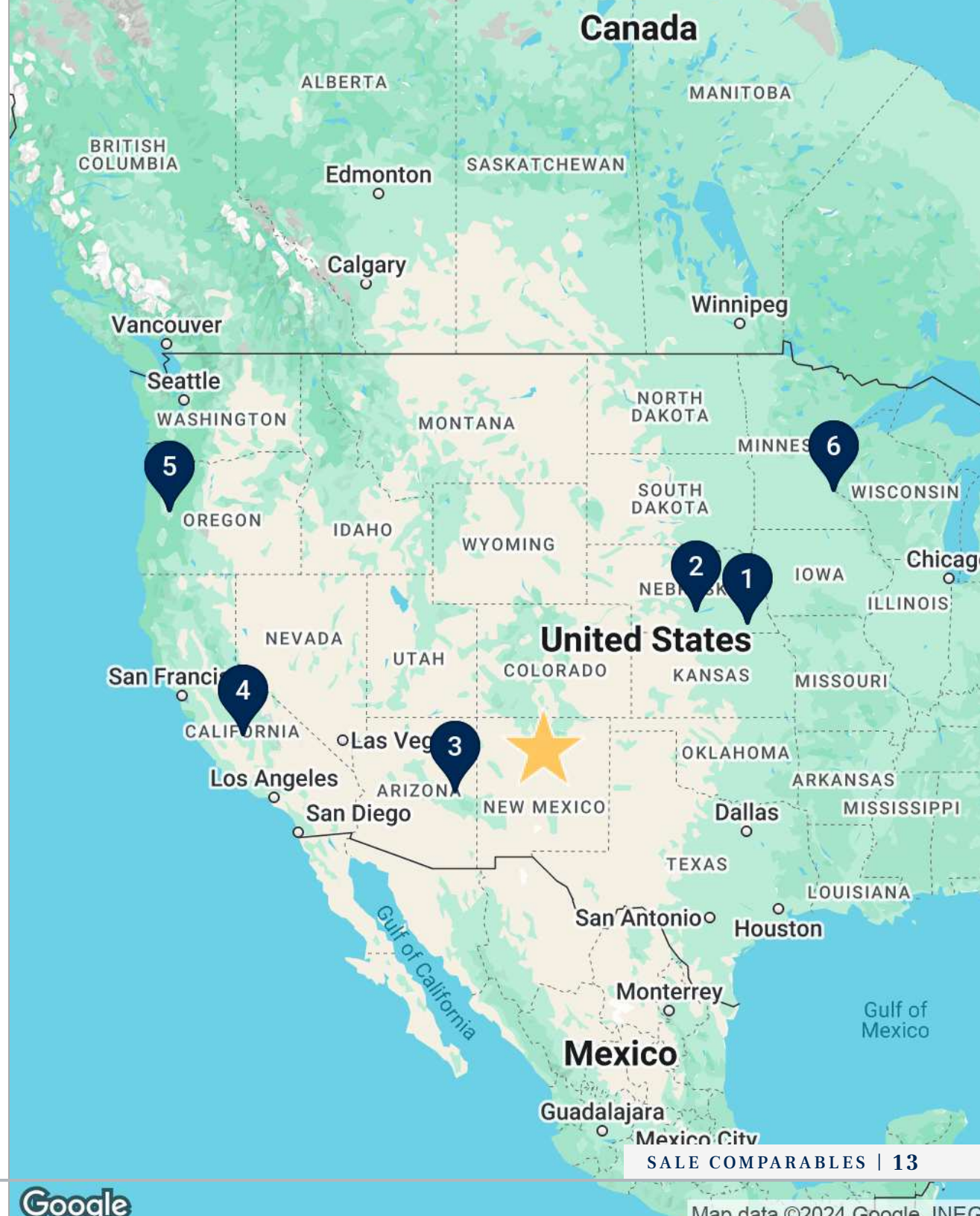
SALE COMPS

DEMOGRAPHICS




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SALE COMPS MAP

-  KFC
-  1 KFC - SAME TENANT AS SUBJECT PROPERTY
-  2 KFC - SAME TENANT AS SUBJECT PROPERTY
-  3 KFC - SAME TENANT AS SUBJECT PROPERTY
-  4 KFC - SAME TENANT AS SUBJECT PROPERTY
-  5 KFC - SAME TENANT AS SUBJECT PROPERTY
-  6 KFC - SAME TENANT AS SUBJECT PROPERTY



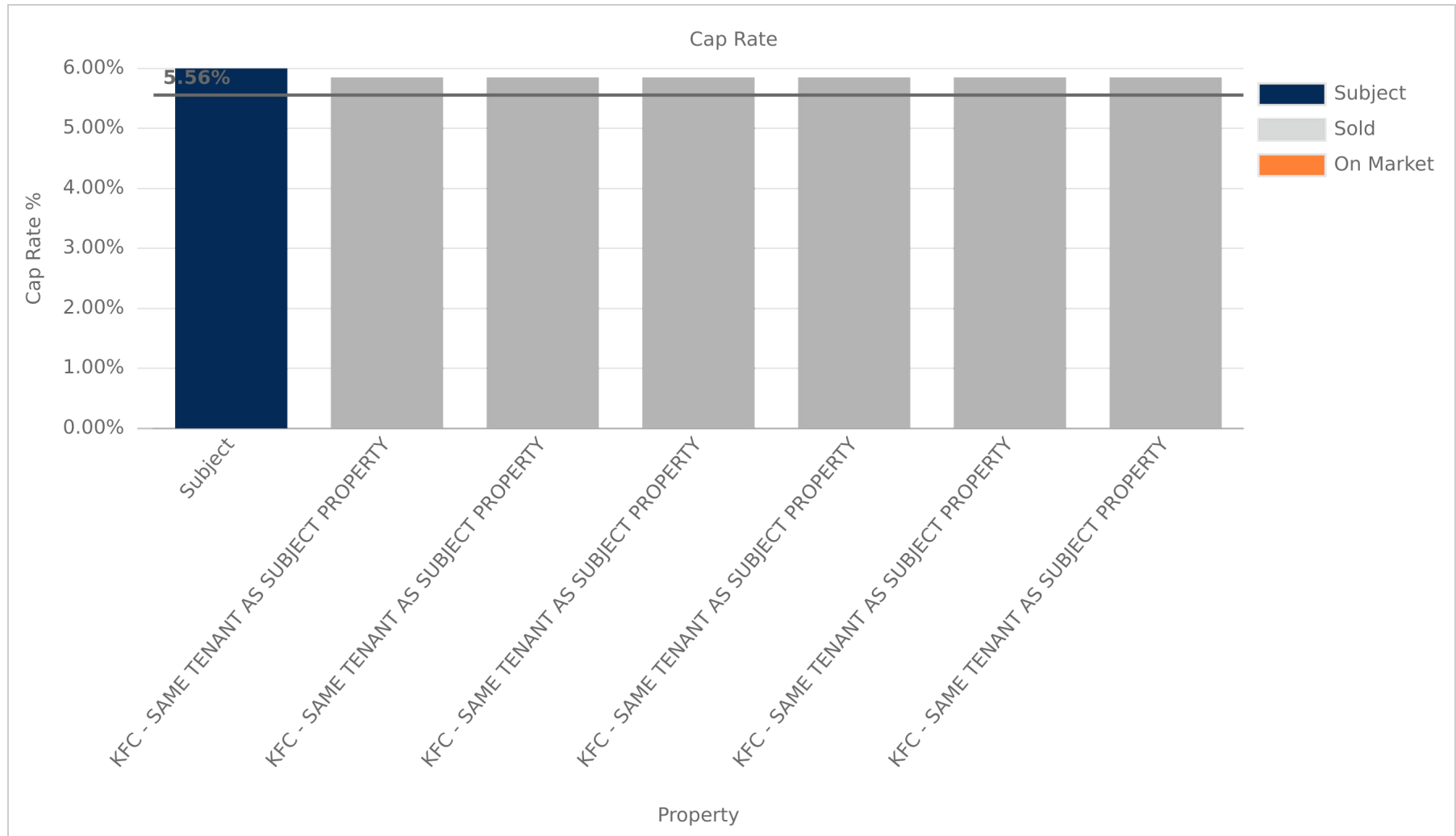
SALE COMPS SUMMARY // KFC

	SUBJECT PROPERTY	PRICE	BLDG SF	CAP RATE	# OF UNITS	CLOSE
	KFC 814 N Riverside Dr Española, NM 87532	\$2,000,000	2,791 SF	6.00%	1	On Market
	SALE COMPARABLES	PRICE	BLDG SF	CAP RATE	# OF UNITS	CLOSE
	KFC - SAME TENANT AS SUBJECT PROPERTY 1316 North 6th Street Beatrice, NE 68310	\$1,026,000	2,404 SF	5.85%	-	09/29/2023
	KFC - SAME TENANT AS SUBJECT PROPERTY 217 East 25th Street Kearney, NE 68847	\$1,837,300	2,984 SF	5.99%	-	05/01/2024
	KFC - SAME TENANT AS SUBJECT PROPERTY 180 N White Mountain Rd Show Low, AZ 85901	\$3,000,000	2,554 SF	5.17%	-	01/11/2024
	KFC - SAME TENANT AS SUBJECT PROPERTY 412 N Redington St Hanford, CA 93230	\$3,500,000	2,655 SF	5.14%	-	09/28/2023
	KFC - SAME TENANT AS SUBJECT PROPERTY 2575 Olympic St Springfield, OR 97477	\$3,100,000	2,960 SF	5.08%	-	08/11/2023

KFC // SALE COMPS SUMMARY

SUBJECT PROPERTY	PRICE	BLDG SF	CAP RATE	# OF UNITS	CLOSE
KFC - SAME TENANT AS SUBJECT PROPERTY 1726 Vermillion St Hastings, MN 55033	\$2,360,000	2,500 SF	6.10%	-	09/09/2024
AVERAGES	\$2,470,550	2,676 SF	5.56%	-	-

CAP RATE CHART // KFC





★ **KFC**
814 N Riverside Dr, Española, NM 87532

Listing Price:	\$2,000,000
Cap Rate:	6.00%
Lease Expiration:	01/01/2040
COE Date:	On Market
Property Type:	Net Lease
Gross Leasable Area:	2,791 SF
Price/SF:	\$716.59
Lot Size:	1.5 Acres
Year Built:	1990



1 **KFC - SAME TENANT AS SUBJECT PROPERTY**
1316 North 6th Street Beatrice, NE 68310

Sale Price:	\$1,026,000
Cap Rate:	5.85%
Years Remaining On Lease:	-
COE Date:	09/29/2023
Property Type:	Net Lease
Gross Leasable Area:	2,404 SF
Price/SF:	\$426.79
Lot Size:	-
Year Built:	1984

SALE COMPS // KFC



2 KFC - SAME TENANT AS SUBJECT PROPERTY
217 East 25th Street Kearney, NE 68847

Sale Price:	\$1,837,300
Cap Rate:	5.99%
Years Remaining On Lease:	-
COE Date:	05/01/2024
Property Type:	Net Lease
Gross Leasable Area:	2,984 SF
Price/SF:	\$615.72
Lot Size:	-
Year Built:	1978



3 KFC - SAME TENANT AS SUBJECT PROPERTY
180 N White Mountain Rd Show Low, AZ 85901

Sale Price:	\$3,000,000
Cap Rate:	5.17%
Years Remaining On Lease:	-
COE Date:	01/11/2024
Property Type:	Net Lease
Gross Leasable Area:	2,554 SF
Price/SF:	\$1,174.63
Lot Size:	-
Year Built:	1985



4 KFC - SAME TENANT AS SUBJECT PROPERTY
412 N Redington St Hanford, CA 93230

Sale Price:	\$3,500,000
Cap Rate:	5.14%
Years Remaining On Lease:	-
COE Date:	09/28/2023
Property Type:	Net Lease
Gross Leasable Area:	2,655 SF
Price/SF:	\$1,318.27
Lot Size:	-
Year Built:	1997



5 KFC - SAME TENANT AS SUBJECT PROPERTY
2575 Olympic St Springfield, OR 97477

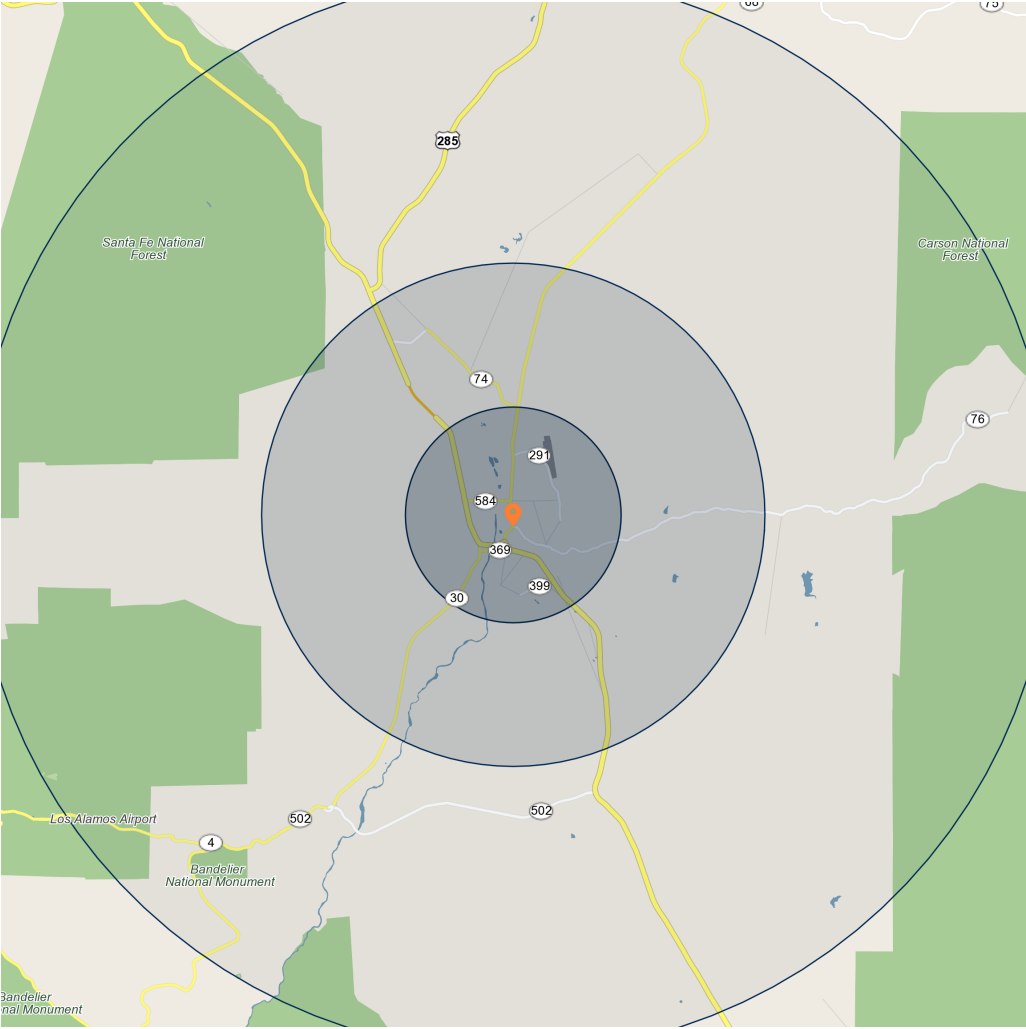
Sale Price:	\$3,100,000
Cap Rate:	5.08%
Years Remaining On Lease:	-
COE Date:	08/11/2023
Property Type:	Net Lease
Gross Leasable Area:	2,960 SF
Price/SF:	\$1,047.30
Lot Size:	-
Year Built:	2002

SALE COMPS // KFC



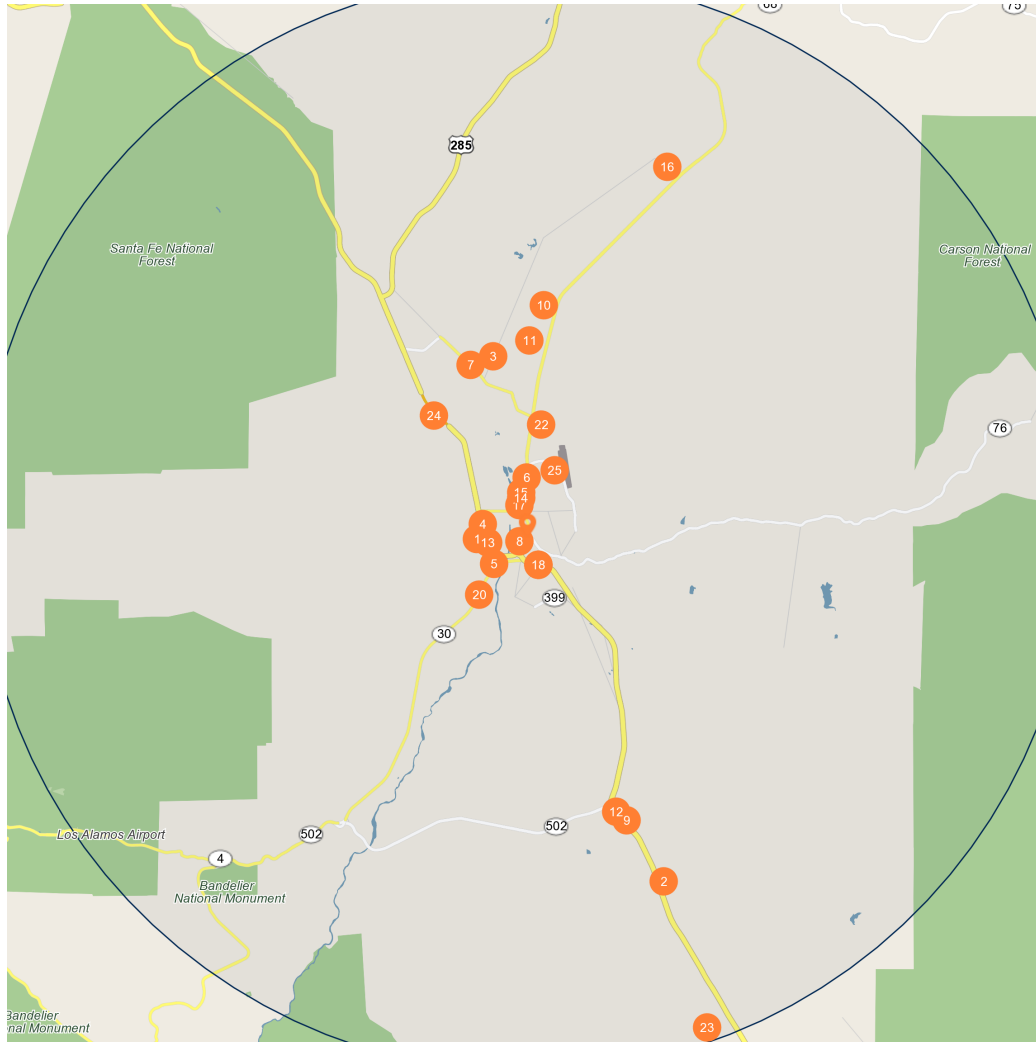
6 KFC - SAME TENANT AS SUBJECT PROPERTY
1726 Vermillion St Hastings, MN 55033

Sale Price:	\$2,360,000
Cap Rate:	6.10%
Years Remaining On Lease:	-
COE Date:	09/09/2024
Property Type:	Net Lease
Gross Leasable Area:	2,500 SF
Price/SF:	\$944.00
Lot Size:	-
Year Built:	2023



	3 Miles	7 Miles	15 Miles
POPULATION			
2028 Projection	16,389	28,631	52,236
2023 Estimate	16,123	28,072	51,372
2020 Census	16,382	28,541	52,630
2010 Census	16,229	28,187	51,209
HOUSEHOLD INCOME			
Average	\$61,071	\$62,774	\$88,783
Median	\$44,249	\$46,571	\$60,092
Per Capita	\$25,049	\$25,578	\$36,525
HOUSEHOLDS			
2028 Projection	6,749	11,711	21,583
2023 Estimate	6,602	11,416	21,114
2020 Census	6,520	11,252	20,841
2010 Census	6,309	10,903	20,093
HOUSING			
Median Home Value	\$189,587	\$195,095	\$238,063
EMPLOYMENT			
2023 Daytime Population	12,919	19,497	36,266
2023 Unemployment	6.23%	5.82%	4.97%
Average Time Traveled (Minutes)	28	30	29
EDUCATIONAL ATTAINMENT			
High School Graduate (12)	31.94%	31.83%	27.83%
Some College (13-15)	24.14%	25.16%	23.89%
Associate Degree Only	8.40%	8.89%	8.17%
Bachelor's Degree Only	10.91%	10.63%	13.54%
Graduate Degree	7.96%	7.50%	13.94%

DEMOGRAPHICS // KFC



Major Employers		Employees
1	Presbyterian Healthcare Svcs-Espanola Therapy Center	1,375
2	Buffalo Thunder Inc-Hilton	300
3	Tsay Corporation	300
4	Northern New Mexico College	280
5	Orecul Inc	269
6	Windstream Communications LLC	264
7	Tsay/Ferguson-Williams LLC	250
8	Santa Clara Development Corp-Santa Clara Hotel	231
9	Pueblo of Pojoaque	200
10	Santa Maria El Mirador-Knights of Templar	200
11	Delancey Street Foundation	170
12	Pojoaque Gaming-Cities of Gold Casino	150
13	City of Espanola	135
14	Lowes Home Centers LLC-Lowes	130
15	Walmart Inc-Walmart	129
16	El Centro Family Health-Embudo Clinic	124
17	Espanola Mercantile Company-Rico Construction	120
18	Allied Tire Sales Inc-Allied Tires & Service	118
19	New Mxico Dept Military Affairs-New Mexico Nat Guard Armory	109
20	Pueblo of Santa Clara-Santa Clara Tribal Police Dept	100
21	Addus Healthcare Inc	97
22	Ohkay Casino	81
23	Puganini Towa Golf Course-Towa Golf Resort	75
24	Jemez Mountains Elc Coop Inc	71
25	Santa Maria El Mirador	70