

OFFERING MEMORANDUM



Abs. Net
Lease Type

6+ Years
Term Remaining

KENTUCKY FRIED CHICKEN

2018
Renovated

3,882
Total GLA

1701 N Jackson Street, Tullahoma, Tennessee 37388

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Nashville, TN
76-Miles

Cookeville, TN
80-Miles

Murfreesboro, TN
44-Miles

Knoxville, TN
187-Miles

**SUBJECT
PROPERTY**

Chattanooga, TN
83-Miles

Huntsville, AL
60-Miles

Dalton, GA
106-Miles



TULLAHOMA
MUNICIPAL AIRPORT

SITE

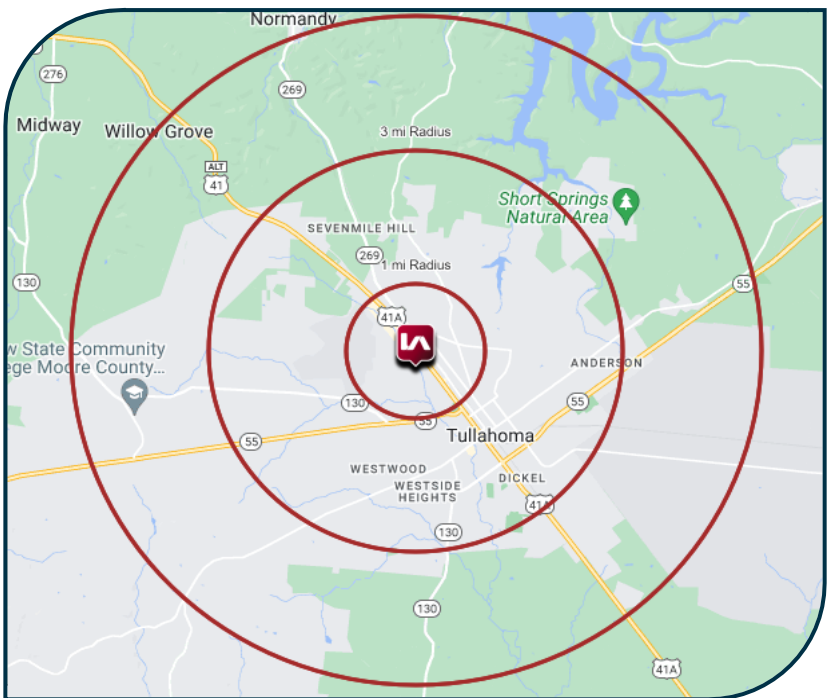
Tullahoma City Schools

Buyer must verify all information and bears all risk for any inaccuracies. Loan information does not represent real or actual debt quotes but serves as an example of approximate terms of a loan. Any purchaser is expected to experience a variety of debt terms and the burden of such is on a prospective purchaser.



POPULATION	1 MILES	3 MILES	5 MILES
Estimated Population (2024)	2,962	20,366	25,100
Projected Population (2029)	3,288	21,551	26,513
Census Population (2020)	2,850	19,752	24,354
Census Population (2010)	2,542	18,287	22,668

DAYTIME DEMOGRAPHICS	1 MILES	3 MILES	5 MILES
Total Businesses	335	1,032	1,089
Total Employees	4,956	11,583	12,339
Company Headquarter Businesses	14	36	38
Company Headquarter Employees	421	1,100	1,275
Employee Population per Business (to 1)	14.8	11.2	11.3
Residential Population per Business (to 1)	8.8	19.7	23.1



OCCUPATION	1 MILES	3 MILES	5 MILES
Occupation Population Age 16 Years or Over	1,405	9,755	12,126
Occupation Total Males	24.1%	15.2%	14.4%
Occupation Total Females	23.3%	21.5%	21.7%
Management, Business, Financial Operations	15.7%	17.3%	16.9%
Professional, Related	17.3%	16.4%	17.1%
Service	-	0.2%	0.2%
Sales, Office	8.3%	8.0%	8.6%
Farming, Fishing, Forestry	11.2%	21.4%	21.2%
Construction, Extraction, Maintenance	64.7%	53.1%	53.1%
Production, Transport, Material Moving	35.3%	46.9%	46.9%
White Collar Workers	1,405	9,755	12,126
Blue Collar Workers	24.1%	15.2%	14.4%

HOUSEHOLDS	1 MILES	3 MILES	5 MILES
Estimated Average Household Income (2024)	\$93,302	\$90,310	\$92,480
Estimated Median Household Income (2029)	\$73,308	\$63,085	\$65,045

EDUCATION	1 MILES	3 MILES	5 MILES
Adult Population (25 Years or Over)	2,167	14,231	17,623
Elementary (Grade Level 0 to 8)	2.6%	2.3%	2.3%
Some High School (Grade Level 9 to 11)	5.6%	7.0%	6.6%
High School Graduate	25.5%	33.4%	34.4%
Some College	20.3%	21.1%	20.8%
Associate Degree Only	6.6%	7.8%	7.9%
Bachelor Degree Only	22.6%	15.9%	16.5%
Graduate Degree	16.8%	12.4%	11.6%

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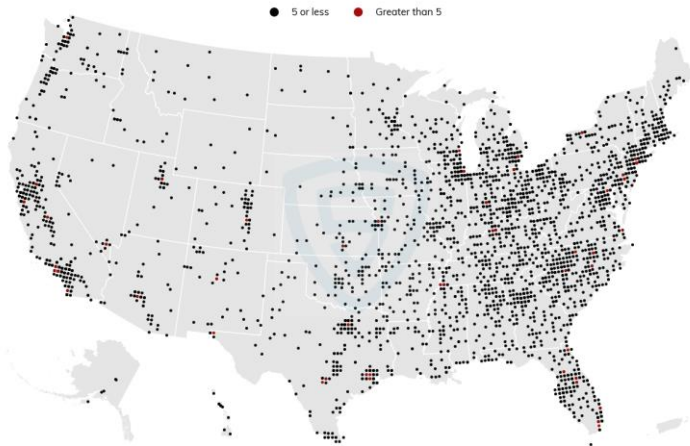
Kentucky Fried Chicken (KFC) is a globally renowned fast-food restaurant chain specializing in fried chicken. Founded by Colonel Harland Sanders in 1952 in North Corbin, Kentucky, KFC has grown into one of the largest fast-food chains in the world, with thousands of locations across more than 150 countries.

KFC's menu is centered around its famous Original Recipe fried chicken, made with a secret blend of 11 herbs and spices. The company also offers a variety of other chicken-based products, including crispy chicken tenders, wings, sandwiches, and wraps, as well as sides like mashed potatoes, coleslaw, and biscuits.

Known for its iconic red and white branding and Colonel Sanders mascot, KFC emphasizes a welcoming and family-friendly dining experience. Many locations offer dine-in, takeout, and drive-thru options to accommodate customer preferences.

In addition to its traditional menu offerings, KFC has adapted to changing consumer preferences by introducing healthier options, such as grilled chicken, and experimenting with new flavors and limited-time menu items to keep its offerings fresh and exciting.

Overall, KFC's success is attributed to its flavorful and craveable chicken products, strong brand recognition, and commitment to providing convenient and satisfying dining experiences for customers around the world.



KFC restaurant locations in the USA
Each grid point covers 10-mile radius with at least one location
Source: ScrapeHero.com

It's
finger lickin'
good



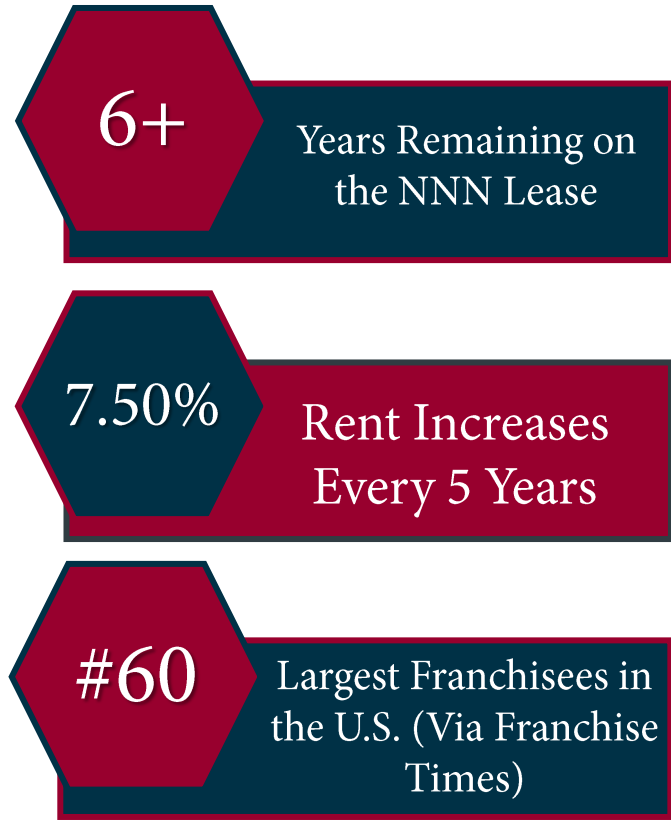
JRN Inc, headquartered in Columbia, Tennessee, was founded by John R. Neal - After college, Neal worked

in the George P. Morris Rent-All business in Nashville. His close friendship with the Massey family involved him in the corporate leadership of Kentucky Fried Chicken after Jack C. Massey and John Y. Brown purchased KFC from Colonel Harland Sanders in 1964. He was the KFC Corporation Senior Director of Franchising from 1961-1970. He became a KFC franchisee in 1970 founding JRN, Inc. and moved to Columbia, TN. Headquartered at the State Bank of Tennessee in Columbia, JRN owns and operates over 175 quick service restaurants branded as KFC, Taco Bell, Pizza Hut and Long John Silver's in 11 states and is ranked in the Top 50 US franchise restaurant companies.

Lee & Associates is pleased to present the Single Tenant Net Leased KFC located at 1701 N Jackson Street in Tullahoma, Tennessee. The property consists of an approximately 3,882 square-foot building and is situated on approximately 1.07 acres. The building was built in 1988 and renovated in 2006 and 2018.

KFC has six (6) years, and eleven (11) months left on their original 20-year lease term. KFC also has four (4), five (5)-year renewal options remaining. The lease is absolute-net (NNN), guaranteed by JRN Inc. the 60th largest franchisee in the U.S. according to Franchise Times. The current NOI is \$79,738 with 7.5% increases every five (5) years.

The property is located off N Jackson Street, which see over 25,000 vehicles per day. The subject property is located in the middle of a very dense retail corridor in Tullahoma. There are multiple national retailers near the property such as, Kroger, Publix, Walmart, Lowe’s, and just about every QSR. The property is located at the main entrance to the Tullahoma Regional airport. The Tullahoma market has strong 5-mile demographics with over 25,000 residents and an average household income of \$92,480.



- 6+** Years Remaining on the NNN Lease
- 7.50%** Rent Increases Every 5 Years
- #60** Largest Franchisees in the U.S. (Via Franchise Times)

HIGHLIGHTS:



6 Years 11 Months Remaining on the Absolute-Net (NNN) Lease



3,882 Square Feet Building | 1.07 +/- Acre Parcel



Built in 1988 | Renovated in 2006 & 2018



Strong Franchisee Guarantee (1,000+ Units)



#60 Largest Franchisee in the U.S. (Via Franchise Times)



7.50% Rent Increases Every 5 Years (Next Bump in 2026)



Located near Major National Retailers: Kroger, Publix, Walmart and more



Located directly of N Jackson Street with 25,000+ VPD



Five(5), Five(5) Year Options to Renew



Strong Demographics: 20,000+ Pop. With \$90,000+ AHHI | within 5-Miles

PROPERTY SUMMARY

Property Address	1701 N Jackson Street
City State Zip	Tullahoma, TN 37388
County	Coffee County
Year Built	1988
Complete Remodel	2006 2018
Gross Square Feet	3,882 Sq. Ft.
Lot Size	1.07± Acres

INVESTMENT SUMMARY

Purchase Price	<u>\$1,329,000</u>
CAP Rate	<u>6.00%</u>
Annual Rent	<u>\$79,738</u>
Price / SF	\$342.35
Rent / SF	\$20.54

LEASE SUMMARY

Guarantor	Franchisee: JRN Inc.
Guarantor's Stores	175 Units
Lease Commencement	September 10, 2011
Lease Expiration	September 9, 2031
Term Remaining	6 Years & 11 Months
Rent Increase	7.5% Every 5 Years
Renewal Options	Four (4), Five (5)-Year Renewal Options
Lease	<u>Absolute-Net (NNN)</u>
ROFR	Yes

RENT SCHEDULE

Term	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current – 9/9/2026	\$79,738	\$6,645	\$20.54	6.00%
9/10/2026 – 9/9/2031	\$85,718	\$7,143	\$22.08	6.45%
Option 1	\$92,147	\$7,679	\$23.74	6.93%
Option 2	\$99,058	\$8,255	\$25.52	7.45%
Option 3	\$106,487	\$8,874	\$27.43	8.01%
Option 4	\$114,474	\$9,540	\$29.49	8.61%



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