

KFC | ABSOLUTE NNN LEASE

1 0 4 N o r t h P i k e S t r e e t , G r a f t o n , W V 2 6 3 5 4



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5831 Lancefield Drive, Huntington Beach, CA 92649

DRE #00841876

PURCHASE PRICE | \$1,695,000 | CAP RATE | 5.8%

Net Operating Income:	\$98,286
Price Per Square Foot:	\$253.71
Lease Extension Date:	4/23/2018
Lease Expiration Date:	4/30/2038
Lease Type:	NNN
Rent Increases:	5%/5 years
Options:	(2): 5 Years
Guarantor:	KBP Foods
Rentable Square Feet:	2,862 SF
Lot Size:	0.32 Acres
Year Built/Remodeled:	2008/2017



ADDRESS:

104 North Pike Street, Grafton, WV 26354

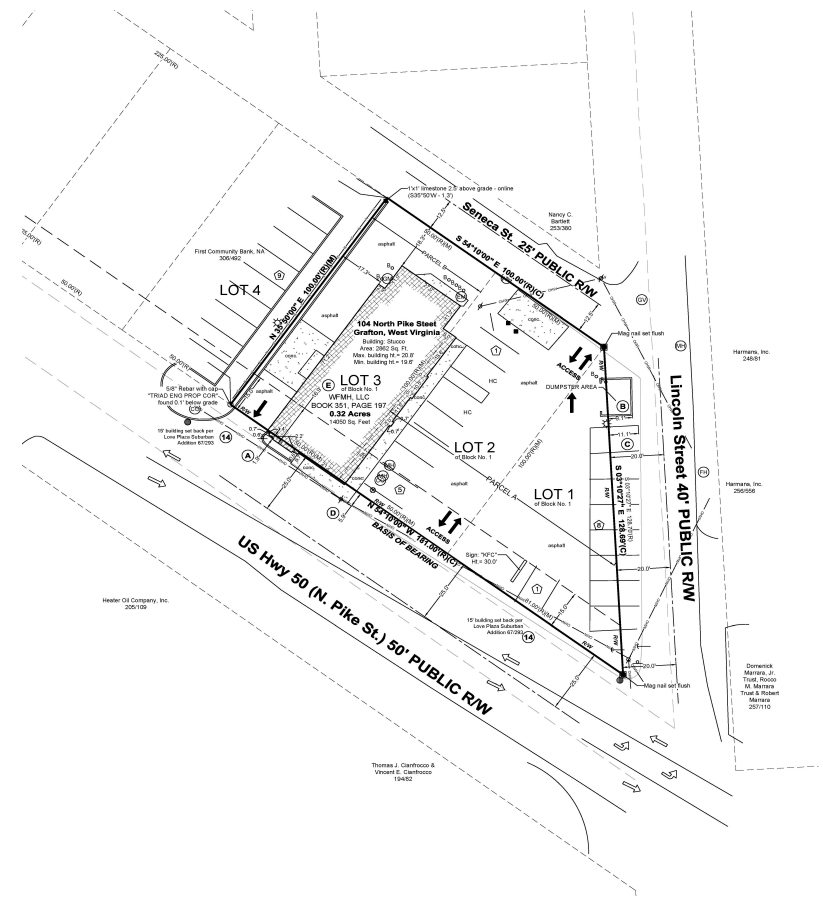
The original 20 year absolute NNN lease commenced in 2018 after the tenant remodeled their the restaurant to the latest "American Showman Prototype". KBP Foods (the largest KFC franchisee in the U.S.) operates 840 locations in 28 states (20% of locations in KFC's U.S. system) and will generate sales in excess of \$1 Billion Dollars in 2023 (FQSR, LLC is the tenant on the lease, encompasses all restaurant locations). This KFC has successfully operated since 2008 with an attractive 7.65% Rent-to-Sales Ratio. Situated just off the hard corner with high drive-by visibility on the Main East/West thoroughfare (North Pike Street) where traffic counts exceed 11,820 CPD.



OVERVIEW

INVESTMENT OVERVIEW

The subject property is a 2,862 square foot QSR restaurant with drive through lane on 0.32+/- acres. This KFC location was originally purchased by the tenant and built the KFC 2008. After successfully operating this location for 20 years, the tenant up graded the property to the latest prototype KFC. The location is situated just off the hard corner of Graften's highest volume intersections at North Pike Street (turns into Northwestern Turnpike 50) and Victory Avenue. This KFC serves the general community of the City of Grafton. The subject offering represents an ideal opportunity for a 1031 exchange buyer or a "passive" investor to attain the fee simple ownership of this KFC.



14.4+/- YEARS REMAINING ON PRIMARY TERM

ABSOLUTE NNN LEASE

- KFC Tenant is very Landlord friendly.
- Timely monthly rent paid via wire transfer.

STRONG KFC FRANCHISEE - Operates 20% of U.S. KFC locations.

2 FIVE YEAR OPTIONS (5% RENT INCREASES EVERY 5 YEARS)

STRATEGIC INVESTMENT OFFERING A LONG TERM SECURITY OF CASH FLOW

RENT ROLL

TENANT INFO		LEASE TERMS		CURRENT RENT	RENT INCREASES		OPTIONS	LEASE TYPE
TENANT NAME	SQUARE FEET	COMMENCEMENT DATE	LEASE EXPIRATION	ANNUAL BASE RENT	DATE	ANNUALLY		LEASE TYPE
FQSR, LLC	2,862 S.F.	4/23/2018	4/30/2038	\$98,286.00	Yr. 6-10: 5/1/2023	\$98,286.00	(2: 5 Yr) Options	NNN
					Yr. 11-15: 5/1/2028	\$103,194.00		
					Yr. 16-20: 5/1/2033	\$108,354.00		
					5% Rent Increases every 5 years			

Notable Lease Terms: This is a True triple net lease wherein the Tenant pays all property taxes, insurance and maintenance on the property directly. There is no landlord involvement in any expense. There is no reduction or abatement of rent in the event of damage to the property and Tenant is 100% responsible for damage or casualty repairs. Tenant has a 10 day right of first refusal to purchase the property. Tenant reports location sales limited to once per year upon landlord's request. Tenant pays rent via wire transfer.

HIGHLIGHTS

STRONG GUARANTEE AND SITE COMMITMENT

KFC, an essential business and a recession proof Tenant. The operating entity for KBP Foods is FQSR, LLC; the operations running over 800 locations in 28 states. KBP Foods is the largest KFC franchisee with at least 20% of KFC locations for YUM BRANDS. Yum! Brands, Inc. is an American multinational fast food corporation listed on the Fortune 1000. Yum! operates the brands KFC, Pizza Hut, Taco Bell, and The Habit Burger Grill.

GREAT COMMUNITY LOCATION

This KFC is the only quick serve chicken restaurant in the area. The location is just off the primary intersection for North Pike Street becoming the Northwestern Turnpike at Victory Avenue. Nearby is Autozone, McDonald's, Goodwill, Walgreens, NAPA Auto Parts, Pizza Hut, Dollar General, Cricket, Gomart, Dollar Tree, Subway, Truist Bank and First Community Bank.

ABSOLUTE NNN LEASE | ZERO LANDLORD RESPONSIBILITIES

Tenant pays for the property taxes, insurance and maintains all aspects of the premises. There are no Landlord expenses for the property. KFC is responsible for all damages and casualty repairs, if any. There is no rent abatement for any reason. Tenant pays rent via wire transfer Ideal, management free investment for a passive investor.

INTRINSIC REAL ESTATE VALUE

The site is just one parcel off the signalized intersection of North Pike Street and Victory Avenue. This location is on the east side from downtown Grafton. This is one of the primary retail locations for the City of Grafton. Many single family and multi-family homes in the immediate area.





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LOCATION
AERIAL





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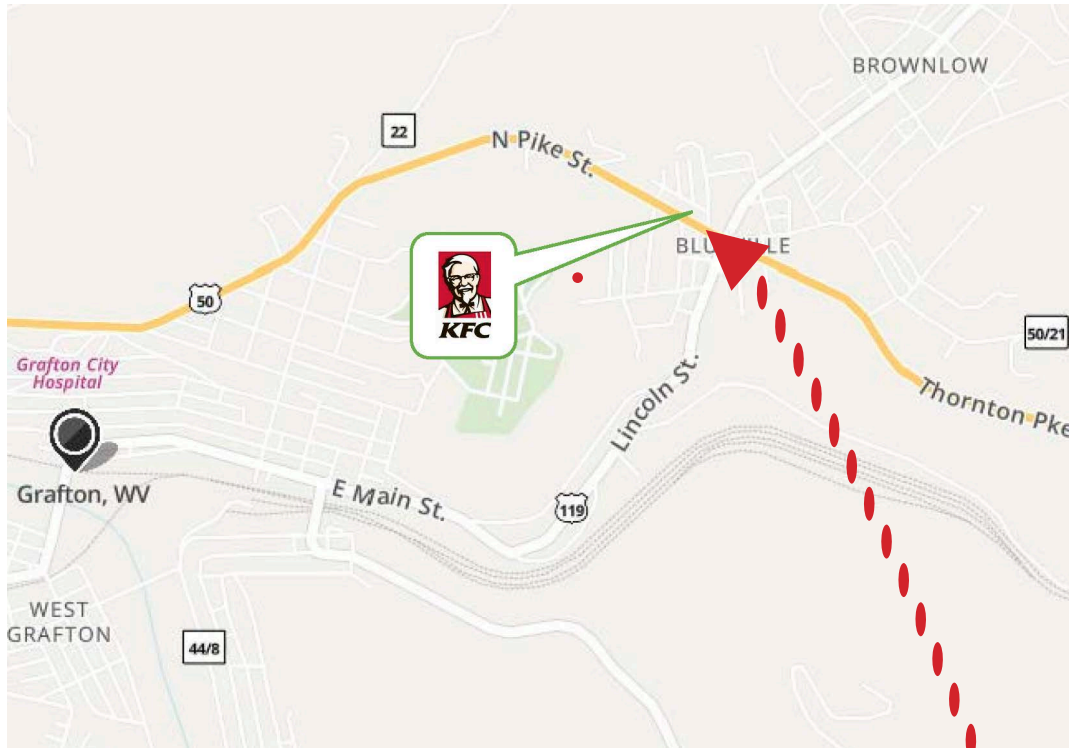
LOCATION AERIAL



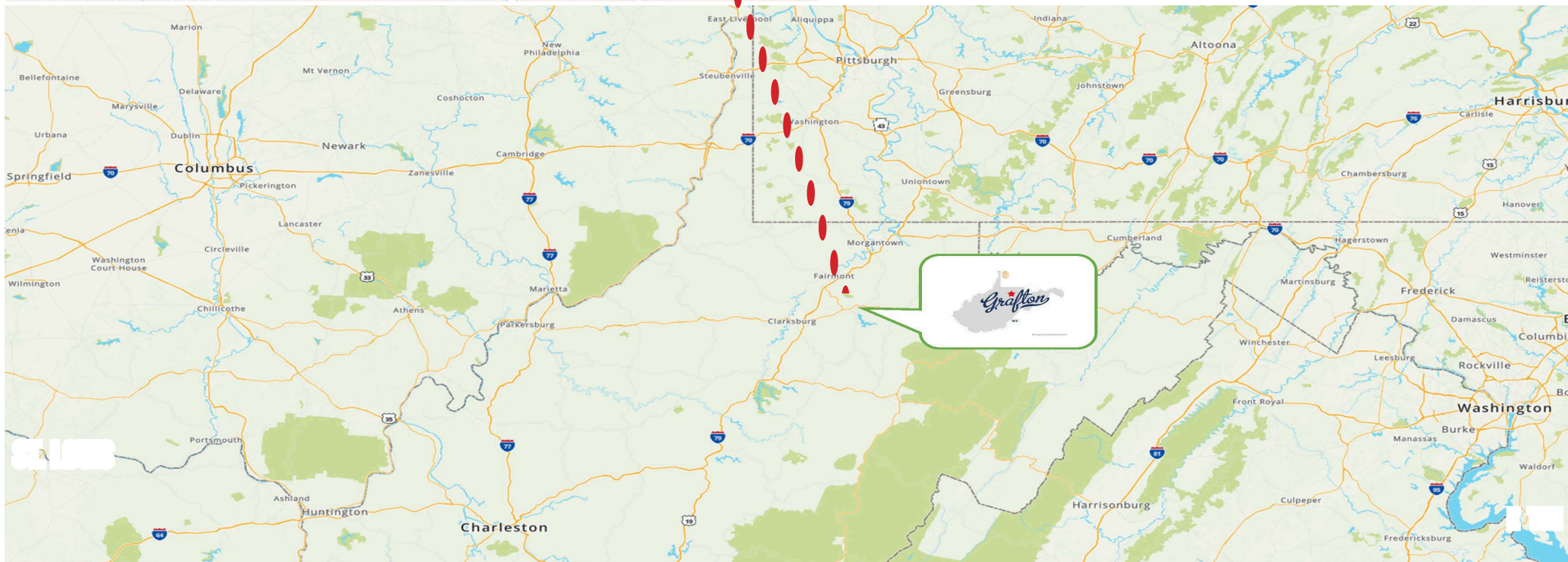


LOCATION

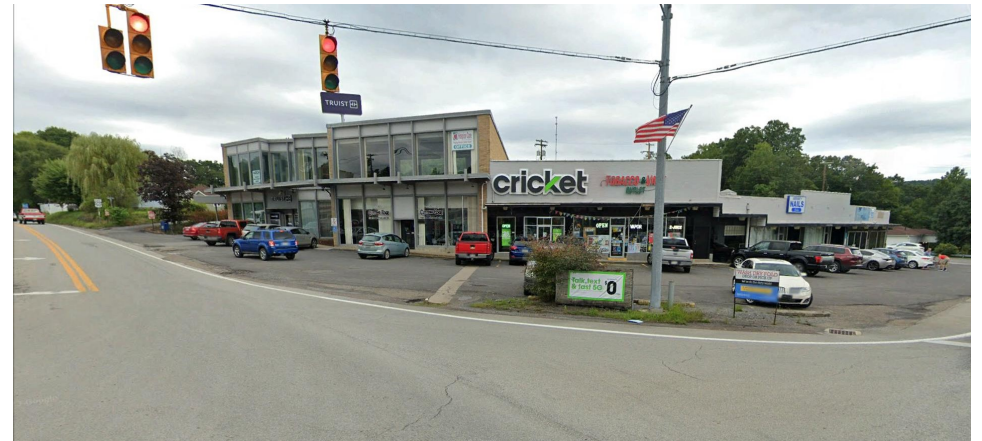
PROPERTY LOCATION



The KFC is located in Grafton, WV, the county seat for West Virginia's Taylor County. Mother's Day was founded on May 10, 1908 by Anna Jarvis of Grafton and is home to the International Mother's Day Shrine. The specialty of Taylor County, WV is in it's Mining, Quarrying, Oil, Gas Extraction, Utility Production and tourism. The City of Grafton in Taylor County is located in northeast West Virginia next to Pennsylvania, Virginia and Washington DC. Grafton is 100 miles to Pittsburg to the north, 31 miles east of Morgantown, WV and 125 miles east of Charleston. The City of Grafton and Taylor County lie next to the north-western slopes of the Applachian Mountains, providing recreation and tourism with areas such as Tygart Lake State Park, Pleasant Creek Wildlife Management Area and Valley Falls State Park.



NEIGHBORING BUSINESSES



TENANT OVERVIEW



ABOUT THE TENANT



KBP Foods have been KFC Franchisees for over 20 years. Based in Overland Park, KS, KBP Foods has approximately 12,000 employees and operates 800+ KFC and dual-branded KFC Restaurants in more than 28 states. KBP Foods has a strong history of growing through both aggressive acquisition and development, and looks to continue this trend in the future. KBP Foods is a franchisee founded on four core values and the entrepreneurial spirit of ownership that comes from a foundation of authenticity, a commitment to people, a commitment to the business, and continuous effort. Since its founding in 1999 starting with a modest 5 restaurants located in Colorado, the group has quickly blossomed into the 800+ unit operator they are today with restaurants in 28 different states.

