

OFFERING MEMORANDUM

KFC

642 W Olive Ave, Porterville, CA 93257

Marcus & Millichap



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Activity ID #ZAG0110357

Marcus & Millichap

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BROKER OF RECORD

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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.

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
marcusmillichap.com

OFFERING SUMMARY

642 W OLIVE AVE



Listing Price
\$2,286,000



Cap Rate
5.25%



Price/SF
\$691.89

FINANCIAL

| | |
|--------------------|-------------|
| Listing Price | \$2,286,000 |
| NOI | \$120,000 |
| Cap Rate | 5.25% |
| Price/SF | \$691.89 |
| Rent/SF (Annually) | \$36.32 |

OPERATIONAL

| | |
|----------------------|------------------------|
| Lease Type | Absolute Net |
| Guarantor | Franchisee Guarantee |
| Lease Term | 15.0 |
| Rentable SF | 3,304 SF |
| Lot Size | 0.55 Acres (23,958 SF) |
| Year Built/Remodeled | 2006/2018 |



KFC

642 W Olive Ave, Porterville, CA 93257

INVESTMENT OVERVIEW

The subject property is located at 642 West Olive Avenue in Porterville CA. This KFC is a 3,304 square foot freestanding drive-thru building on a 0.55 acre parcel. This investment is a 15 year absolute triple net lease starting at the close of escrow operated/guaranteed by an experienced 145+ Store KFC Growth Approved Franchisee.

There are 8% increases every 5 years in primary term and continues in the (4) 5-year options to renew beyond primary lease term.

INVESTMENT HIGHLIGHTS

HIGH VOLUME STORE - 4.80% Rent vs. Sales

15 Year Absolute NNN Lease with (4) 5 Year Options

145+ Store Franchisee Lease Guarantee - KFC Franchisee of the Year Recipient





THE OFFERING

| | |
|---------------------|-------------|
| Price | \$2,286,000 |
| Capitalization Rate | 5.25% |
| Price/SF | \$691.89 |

PROPERTY DESCRIPTION

| | |
|------------------------|------------|
| Year Built / Renovated | 2006/2018 |
| Gross Leasable Area | 3,304 SF |
| Type of Ownership | Fee Simple |
| Lot Size | 0.55 Acres |

RENT SCHEDULE

| YEAR | ANNUAL RENT | MONTHLY RENT | RENT/SF | CAP RATE |
|-------------|-------------|--------------|---------|----------|
| Current | \$120,000 | \$10,000 | \$36.32 | 5.25% |
| Years 1-5 | \$120,000 | \$10,000 | \$36.32 | 5.25% |
| Years 6-10 | \$129,600 | \$10,800 | \$39.23 | 5.67% |
| Years 11-15 | \$139,968 | \$11,664 | \$42.36 | 6.12% |
| Option #1 | \$151,165 | \$12,597 | \$45.75 | 6.61% |
| Option#2 | \$163,258 | \$13,605 | \$49.41 | 7.14% |
| Option #3 | \$176,319 | \$14,693 | \$53.37 | 7.71% |
| Option #4 | \$190,424 | \$15,869 | \$57.63 | 8.33% |

LEASE SUMMARY

| | |
|-------------------------------|----------------------|
| Tenant | ACV, Inc. |
| Rent Increases | 8% Every 5 Years |
| Guarantor | Franchisee Guarantee |
| Lease Type | Absolute Net |
| Lease Commencement | Close of Escrow |
| Initial Lease Term | 15 Years Years |
| Renewal Options | (4) 5 Year Options |
| Term Remaining on Lease (Yrs) | N/A |
| Landlord Responsibility | None |
| Tenant Responsibility | Absolute NNN |

..... SECTION 1

01



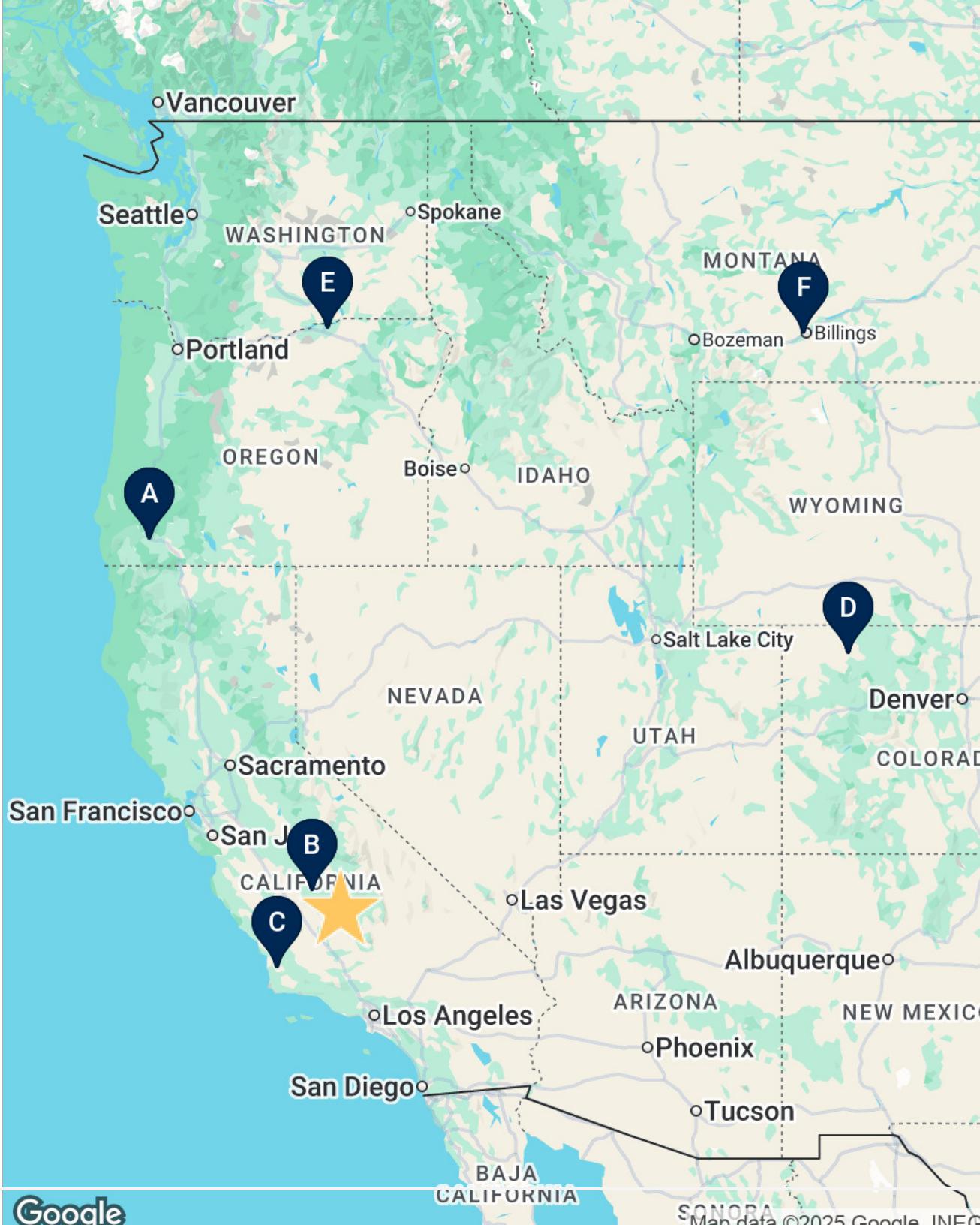
SALE COMPARABLES

[Sale Comps Map](#)
[Sale Comps Summary](#)
[Sale Comps](#)
[Demographics](#)

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SALE COMPS MAP

- ★ KFC
- A KFC
- B KFC
- C New KFC/Former Arby's
- D KFC & Taco Bell
- E KFC
- F KFC





SALE COMPS SUMMARY

| | Subject Property | Price | BLDG SF | Cap Rate | # of Units | Close |
|-----------------|--|--------------------|-----------------|--------------|------------|------------|
| | KFC 642 W Olive Ave Porterville, CA 93257 | \$2,286,000 | 3,304 SF | 5.25% | 1 | On Market |
| | Sale Comparables | Price | BLDG SF | Cap Rate | # of Units | Close |
| | KFC 280 NE Beacon Dr Grants Pass, OR 97526 | \$3,193,000 | 3,254 SF | 5.95% | - | 01/05/2026 |
| | KFC 412 N Redington St Hanford, CA 93230 | \$3,500,000 | 2,655 SF | 5.14% | - | 09/28/2023 |
| | New KFC/Former Arby's 2326 S Broadway Santa Maria, CA 93454 | \$4,800,000 | 3,256 SF | 5.00% | - | 11/01/2024 |
| | KFC & Taco Bell 707 W Victory Way Craig, CO 81625 | \$2,000,000 | 2,953 SF | 6.00% | - | 10/08/2025 |
| | KFC 450 N 1st St Hermiston, OR 97838 | \$1,756,098 | 2,545 SF | 6.15% | - | 11/18/2025 |
| | KFC 2223 Central Ave Billings, MT 59102 | \$1,519,247 | 3,160 SF | 5.53% | - | 11/18/2025 |
| AVERAGES | | \$2,794,724 | 2,971 SF | 5.63% | - | - |



SALE COMPS



KFC
642 W Olive Ave, Porterville, CA 93257

| | |
|----------------------|-------------|
| Listing Price: | \$2,286,000 |
| Cap Rate: | 5.25% |
| Lease Term: | 15.0 |
| COE Date: | On Market |
| Property Type: | Net Lease |
| Gross Leasable Area: | 3,304 SF |
| Price/SF: | \$691.89 |
| Lot Size: | 0.55 Acres |
| Year Built: | 2006 |



KFC
280 NE Beacon Dr Grants Pass, OR 97526

| | |
|---------------------------|-------------|
| Sale Price: | \$3,193,000 |
| Cap Rate: | 5.95% |
| Years Remaining On Lease: | 15.0 |
| COE Date: | 01/05/2026 |
| Property Type: | Net Lease |
| Gross Leasable Area: | 3,254 SF |
| Price/SF: | \$981.25 |
| Lot Size: | 0.95 Acres |
| Year Built: | 2001 |



KFC
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: | 0.75 Acres |
| Year Built: | 1997 |



New KFC/Former Arby's
2326 S Broadway Santa Maria, CA 93454

| | |
|---------------------------|-------------|
| Sale Price: | \$4,800,000 |
| Cap Rate: | 5.00% |
| Years Remaining On Lease: | - |
| COE Date: | 11/01/2024 |
| Property Type: | Net Lease |
| Gross Leasable Area: | 3,256 SF |
| Price/SF: | \$1,474.20 |
| Lot Size: | 0.6 Acres |
| Year Built: | 1992 |



D **KFC & Taco Bell**
707 W Victory Way Craig, CO 81625

| | |
|---------------------------|-------------|
| Sale Price: | \$2,000,000 |
| Cap Rate: | 6.00% |
| Years Remaining On Lease: | - |
| COE Date: | 10/08/2025 |
| Property Type: | Net Lease |
| Gross Leasable Area: | 2,953 SF |
| Price/SF: | \$677.28 |
| Lot Size: | 0.69 Acres |
| Year Built: | 1995 |



E **KFC**
450 N 1st St Hermiston, OR 97838

| | |
|---------------------------|-------------|
| Sale Price: | \$1,756,098 |
| Cap Rate: | 6.15% |
| Years Remaining On Lease: | - |
| COE Date: | 11/18/2025 |
| Property Type: | Net Lease |
| Gross Leasable Area: | 2,545 SF |
| Price/SF: | \$690.02 |
| Lot Size: | 0.48 Acres |
| Year Built: | 1987 |



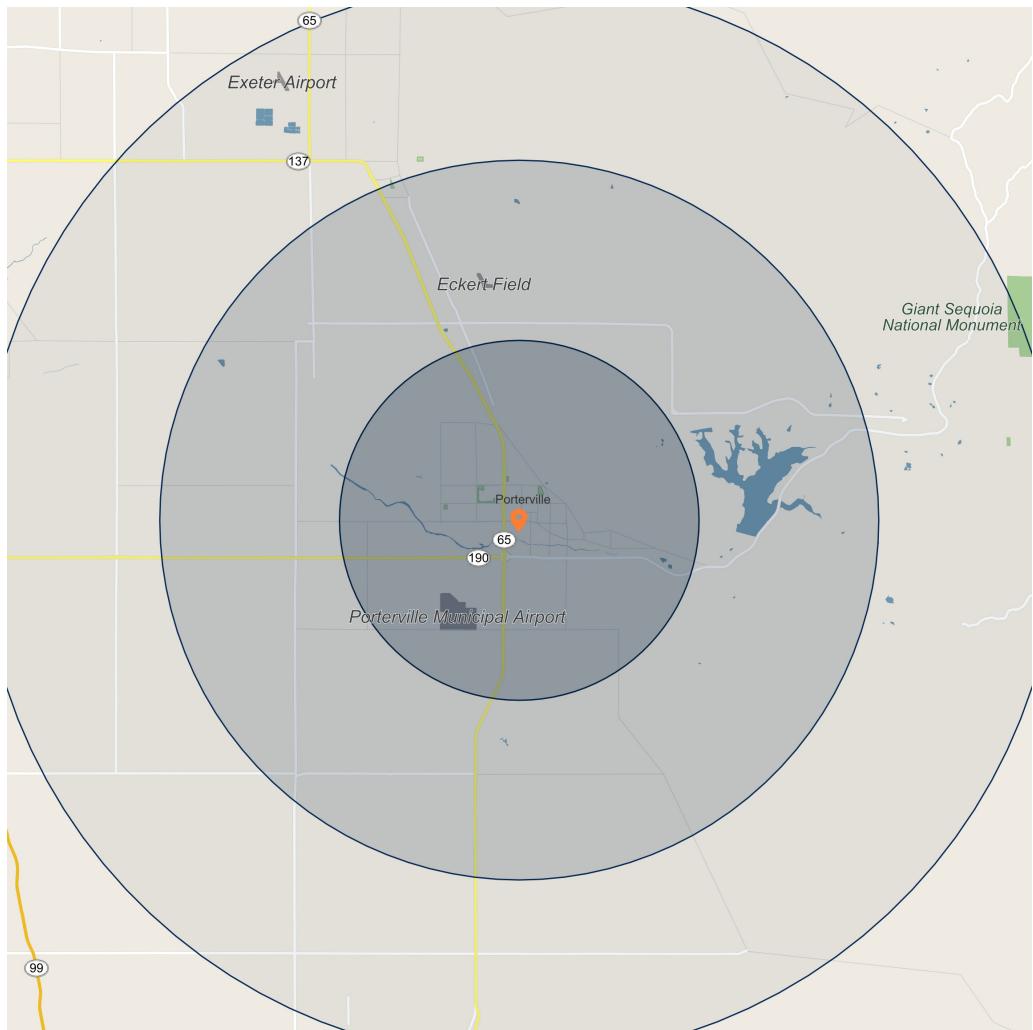
SALE COMPS



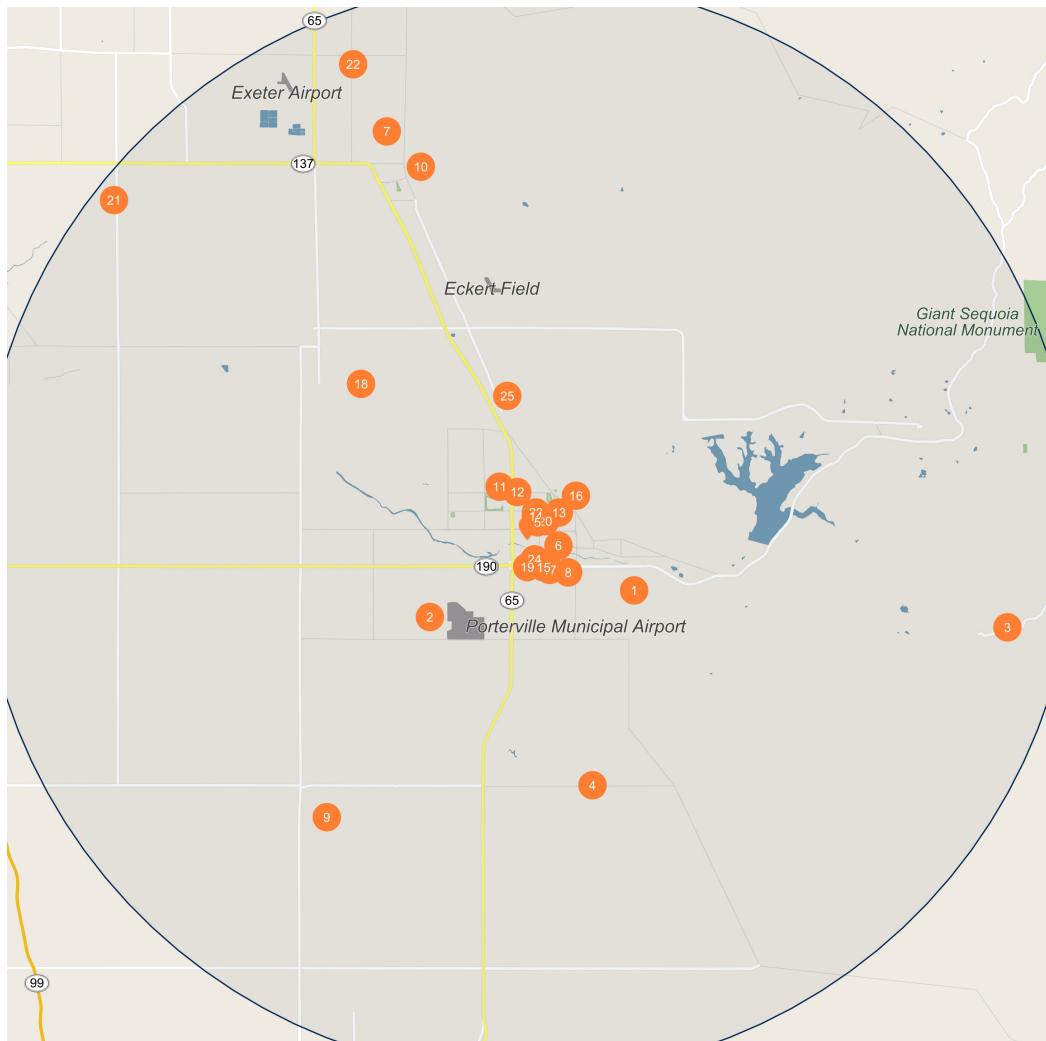
KFC

2223 Central Ave Billings, MT 59102

| | |
|---------------------------|-------------|
| Sale Price: | \$1,519,247 |
| Cap Rate: | 5.53% |
| Years Remaining On Lease: | - |
| COE Date: | 11/18/2025 |
| Property Type: | Net Lease |
| Gross Leasable Area: | 3,160 SF |
| Price/SF: | \$480.77 |
| Lot Size: | 0.47 Acres |
| Year Built: | 2003 |



| | 5 Miles | 10 Miles | 15 Miles |
|---------------------------------|-----------|-----------|-----------|
| POPULATION | | | |
| 2029 Projection | 77,332 | 100,447 | 119,899 |
| 2024 Estimate | 76,003 | 98,910 | 118,188 |
| 2020 Census | 75,362 | 98,405 | 118,052 |
| 2010 Census | 70,910 | 94,335 | 112,947 |
| HOUSEHOLD INCOME | | | |
| Average | \$76,039 | \$74,594 | \$74,927 |
| Median | \$59,995 | \$57,382 | \$57,676 |
| Per Capita | \$22,627 | \$22,105 | \$22,279 |
| HOUSEHOLDS | | | |
| 2029 Projection | 22,780 | 29,336 | 35,318 |
| 2024 Estimate | 22,302 | 28,762 | 34,672 |
| 2020 Census | 21,645 | 27,971 | 33,782 |
| 2010 Census | 20,201 | 26,457 | 31,773 |
| HOUSING | | | |
| Median Home Value | \$282,499 | \$281,885 | \$283,966 |
| EMPLOYMENT | | | |
| 2024 Daytime Population | 70,412 | 89,395 | 107,133 |
| 2024 Unemployment | 8.88% | 9.16% | 9.59% |
| Average Time Traveled (Minutes) | 26 | 27 | 28 |
| EDUCATIONAL ATTAINMENT | | | |
| High School Graduate (12) | 4.12% | 4.30% | 4.07% |
| Some College (13-15) | 31.82% | 32.09% | 33.04% |
| Associate Degree Only | 15.23% | 14.44% | 13.97% |
| Bachelor's Degree Only | 8.20% | 7.68% | 7.50% |
| Graduate Degree | 13.04% | 11.99% | 11.56% |



Major Employers

| | Employees |
|--|-----------|
| 1 California Dept Dvlpmntal Svcs-Porterville Developmental Ctr | 1,800 |
| 2 Eagle Mountain Casino-Tule River Tribe Gaming Auth | 950 |
| 3 Tule Rver Indian Trbal Council-Tule River Indian Tribe Cal | 658 |
| 4 Tuff Stuff Products-Tuff Stuff Products | 500 |
| 5 Sierra View Dst Hosp Leag Inc-Sierra View Medical Center | 417 |
| 6 California Dept Dvlpmntal Svcs-Porterville Dvlpmntal Ctr Thrif | 402 |
| 7 Champion Home Builders Inc-Champion | 398 |
| 8 Kern Community College Dst-Porterville College | 352 |
| 9 Touchstone Pistachio Co LLC | 250 |
| 10 Suntreat Pkg Shipg A Ltd Prtnr-Suntreat | 200 |
| 11 Walmart Inc-Walmart | 200 |
| 12 Apple Mid Cal II LLC-Applebees | 199 |
| 13 Cco Holdings LLC | 194 |
| 14 Sierra View Local Hospital Dst-Sierra View District Hospital | 183 |
| 15 Homeground Inc-Dennys | 175 |
| 16 Foster Poultry Farms | 160 |
| 17 Beckman Coulter Inc | 159 |
| 18 Bell-Carter Foods Inc | 158 |
| 19 Wescordon Incorporated-Valley Care Center | 150 |
| 20 Hacienda Care Center Inc-Sierra Valley Rehab Center | 145 |
| 21 College of Sequoias Foundation | 134 |
| 22 Waterman Valve LLC-Waterman Industries | 126 |
| 23 Porterville Dialysis Center-Porterville Hemodialysis | 124 |
| 24 Lowes Home Centers LLC-Lowes | 124 |
| 25 Exeter Packers Inc-Euclid Parking | 118 |

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