

# TACO BELL / KFC

**LEASE GUARANTEED BY THE LARGEST KFC FRANCHISEE IN THE U.S. - 840+ UNIT GUARANTY**  
**ABSOLUTE NNN LEASE WITH 2% ANNUAL RENT INCREASES**

» **STRONG UNIT PERFORMANCE - WELL ABOVE AUV**

» **HARD CORNER IN FRONT OF A NEWLY EXPANDED/REBUILT PUBLIX GROCERY STORE**

12276 HWY 231 431 N, MERIDIANVILLE, AL 35759



OFFERING MEMORANDUM

Marcus & Millichap



The information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2023 Marcus Millichap

# Executive Summary

12276 HWY 231 431 N, Meridianville, AL 35759

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$3,043,800</b>
Cap Rate	6.50%
Building Size	3,507 SF
Net Cash Flow	6.50% \$197,847
Year Built	2001
Lot Size	0.92 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	FQSR, LLC dba KBP Foods
Guarantor	FQSR, LLC (840+ Unit Franchisee Guaranty and Subsidiary of KBP Brands, a 1,000+ Unit Operator
Lease Commencement Date	December 10, 2014
Lease Expiration Date	December 31, 2034
Lease Term Remaining	Approximately 10 Years
Rental Increases	2% Annually
Renewal Options	4, 5 Year Options
Right of First Refusal	None

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1/1/2025 – 12/31/2025	\$197,847.00	6.50%
1/1/2026 – 12/31/2026	\$201,803.94	6.63%
1/1/2027 – 12/31/2027	\$205,840.02	6.76%
1/1/2028 – 12/31/2028	\$209,956.82	6.90%
1/1/2029 – 12/31/2029	\$214,155.96	7.04%
1/1/2030 – 12/31/2030	\$218,439.07	7.18%
1/1/2031 – 12/31/2031	\$222,807.86	7.32%
1/1/2032 – 12/31/2032	\$227,264.01	7.47%
1/1/2033 – 12/31/2033	\$231,809.29	7.62%
1/1/2034 – 12/31/2034	\$236,445.48	7.77%

<b>Base Rent</b>	<b>\$197,847</b>
<b>Net Operating Income</b>	<b>\$197,847</b>
<b>Total Return</b>	<b>6.50% \$197,847</b>



HUNTSVILLE EXECUTIVE AIRPORT

DOLLAR GENERAL

MERIDIANVILLE CHURCH OF CHRIST

O'Reilly AUTO PARTS

M&M AUTO CLINIC

REED'S FARMERS MARKET

Publix

REDSTONE FEDERAL CREDIT UNION

MIDAS

USA STORAGE CENTERS

CIRCLE K

LONGSTANDING EXISTING PUBLIX DEMOLISHED AND REBUILT TO A BRAND NEW LARGER FORMAT STORE - SCHEDULED TO REOPEN IN Q4 2024

KFC TACO BELL

CVS pharmacy

URGENT CARE

Jack's

MAVIS DISCOUNT TIRE

MADISON COUNTY CO-OP

431 26,513 CPD





**MERIDIANVILLE  
MIDDLE SCHOOL**

**NORTH PARKWAY  
AUTO SALVAGE**



**BENTLEY  
AUTO CITY**

**URGENT CARE**

**Publix**

**MADISON COUNTY CO-OP**



**LONGSTANDING EXISTING PUBLIX DEMOLISHED  
AND REBUILT TO A BRAND NEW LARGER FORMAT  
STORE - SCHEDULED TO REOPEN IN Q4 2024**



**DOLLAR GENERAL**



**MERIDIANVILLE  
CHURCH OF CHRIST**

**431 26,513 CPD**



# Property Description



## INVESTMENT HIGHLIGHTS

- » 10 Years Remaining on Absolute Triple-Net (NNN) Lease - Drive Thru Location
- » 2% Annual Increases with Multiple Renewal Options
- » Located On Interstate 431 (26,513+ Cars Per Day)
- » Average Household Income Exceeds \$113,000 in the Immediate Area
- » Within a 20-Minute Drive of Downtown Huntsville and The University of Alabama at Huntsville
- » Lease Guaranteed by the Largest KFC Franchisee in the U.S (840+ Unit Guaranty)
- » Over 2,000 Residents in the Immediate Area
- » Strong Unit Performance, Well Above AUV
- » Hard Corner in Front of a Newly Expanded/Rebuilt Publix Grocery Store



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2028 Projection	3,708	16,546	32,586
2023 Estimate	2,797	13,576	28,479
Growth 2023 - 2028	32.61%	21.88%	14.42%

### Households

2028 Projections	1,451	6,240	12,414
2023 Estimate	1,091	5,099	10,817
Growth 2023 - 2028	33.05%	22.38%	14.77%

### Income

2023 Est. Average Household Income	\$113,371	\$112,528	\$104,779
2023 Est. Median Household Income	\$91,425	\$90,672	\$84,696

# Tenant Overview



**IRVINE, CA**  
Headquarters



**TACOBELL.COM**  
Website



**7,500+**  
Locations



**YUM! BRANDS**  
Parent Company

Taco Bell Corp., a subsidiary of Yum! Brands, Inc., (NYSE: YUM), is the nation's leading Mexican-inspired quick serve restaurant (QSR). Taco Bell serves made-to-order and customizable tacos, burritos, and specialties such as the exclusive Doritos Locos Tacos, gourmet-inspired Cantina Bell Menu and lower calorie Fresco Menu. Reported sales show that on average, Taco Bell serves 40 million customers every week, and each unit generates \$1.5 million in annual sales. Annual revenue system-wide exceeds \$6.9 billion each year.

## FRANCHISEE: KBP BRANDS (FQSR, LLC)

KBP Brands ("KBP") is one of the Top 100 Private Companies and Corporate Report 100 Fastest Growing Companies. Across its three brands, KBP operates 1,000+ restaurants in 28 states with 15,000+ employees. The company ranked #3 in Nation's Restaurant News' list of Top 100 Growth in U.S. Food Service Revenue, among many other industry and growth accolades over the years. FQSR, LLC is a brand of KBP and is the largest KFC franchisee in the U.S. with 840+ locations in 28 states. Other brands of KBP include KBP Bells, LLC (a 47-unit Taco Bell entity) and KBP Inspired, LLC (a 117-unit Arby's entity).

To learn more, visit <https://kbpbrands.com/our-brands/>



**LOUISVILLE, KENTUCKY**  
Headquarters



**KFC.COM**  
Website



**26,000+**  
Locations



**YUM! BRANDS**  
Parent Company

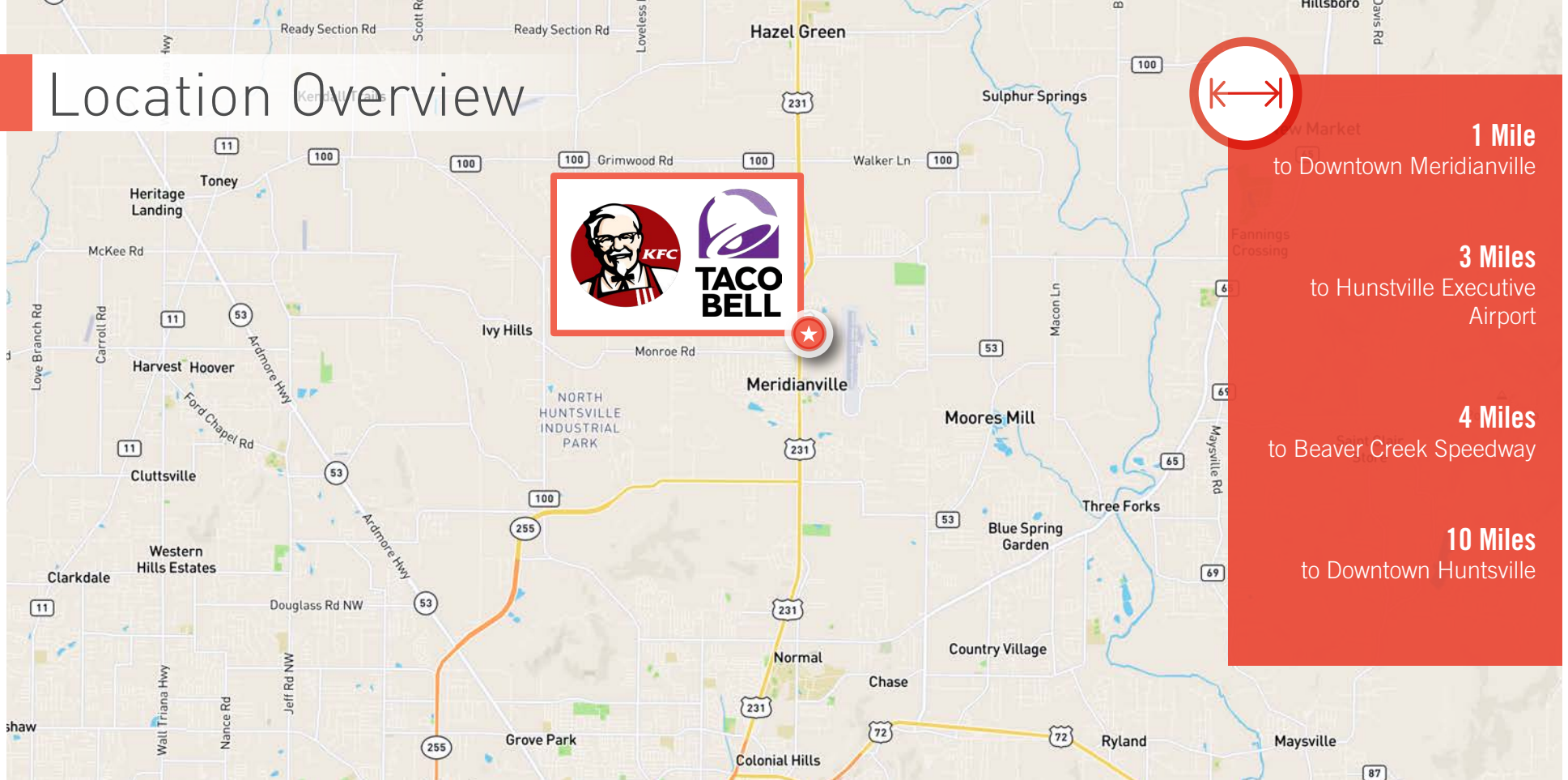
KFC is a global chicken restaurant brand with a rich, decades-long history of success and innovation. Colonel Harland Sanders created the original chicken recipe and founded the KFC brand more than 90 years ago. Today, over 800,000 team members are employed in more than 26,000 restaurants in over 145 countries and territories around the world. KFC believes in making chicken the right way, by using quality ingredients and freshly preparing them by hand every day. KFC is always evolving through digital innovation and building new restaurants with franchise partners.

# Property Photos





# Location Overview



Meridianville is an unincorporated community and census-designated place (CDP) in Madison County, Alabama, United States, and is included in the Huntsville–Decatur combined statistical area. As of the 2020 census, the population of the CDP was 8,209. It is the third largest community in Madison County by population after Huntsville and Madison.

The small community has many outdoor activities, from bird watching to fishing and kayaking. Residents enjoy the quiet atmosphere and peacefulness that comes with living in a rural area. The local schools provide excellent education, and there

are plenty of nearby attractions for dining, shopping, and entertainment. Many people appreciate the convenience of being close to big cities like Huntsville, yet still having the benefit of living in a less populated area with ample opportunity for relaxation. With its close proximity to great natural scenery, Meridianville is an ideal place to call home. Medium-large metro area set in the mountains and valleys of the Southeast region. Primary industries include aerospace and technology. Also known as a college town. - Located in north Alabama, 100 miles north of Birmingham and 110 miles south of Nashville, Tennessee.

# [ exclusively listed by ]

**Eddie Greenhalgh**  
Alabama Broker of Record  
205 510 9200  
License #: 000088298-0

#### NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. 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.

#### CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.