

# KFC Restaurant

117 Lakeview Drive, Madison Heights, Virginia 24572



## SINGLE TENANT INVESTMENT OFFERING

- THIRTEEN+ YEARS OF REMAINING TERM
  - ABSOLUTE NET LEASE
- OPERATOR - JRN, INC (150+ LOCATIONS)
  - SCHEDULED RENT INCREASES
- ATTRACTIVE PRICE POINT UNDER \$1.25M
  - LYNCHBURG VIRGINIA SUBURB

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**In conjunction with:**

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Gentry Commercial Real Estate, Inc.

VA License - 0225033997

**The Silver Group**

1050 Northgate Drive #500

San Rafael, CA 94903

[www.thesilver-group.com](http://www.thesilver-group.com)

**Purchase Price: \$1,246,667**

**Initial Cap Rate: 6.0%**

## Lease Terms:

- **Approximately 13 3/4 Years of Primary Term**
- **ABSOLUTE NET LEASE**
- **Scheduled rent increase of 7.5% every 5 years**
- **Four x 5 year renewal options**

**Rent Start Date: December 10, 2012**

## Annual Rent Schedule:

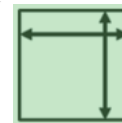
\$69,600	Years 1 - 5	
<b>\$74,820</b>	<b>Years 6 - 10</b>	<b>(+7.5%)</b>
\$80,431	Years 11 - 15	(+7.5%)
\$86,464	Years 16 - 20	(+7.5%)

## Option Rent Schedule:

\$92,949	Years 21 - 25	(+7.5%)
\$99,920	Years 26 - 30	(+7.5%)
\$107,414	Years 31 - 35	(+7.5%)
\$115,470	Years 36 - 40	(+7.5%)



The subject property is a single tenant **KFC Restaurant** located in Madison Heights, Virginia. The Property consists of a freestanding ± 3,500 sf retail building, with drive through window, on ± 17,119 of land at 117 Lakeview Drive. The operator is JRN, Inc., one KFC's largest franchisees operating more than 150 locations. Madison Heights is located on the north side of the James River, across from the city of Lynchburg (pop. 81,000). KFC is situated between **Arby's** and **La Carreta** restaurants in front of **Seminole Plaza (Big Lots, Central Virginia Credit Union, Papa John Pizza & Rebirth Church)**. Nearby traffic generators include **Food Lion Supermarket, Lowe's Home Improvement, Walmart Supercenter, CVS Pharmacy, Tractor Supply, Dollar General, Dollar Tree, Goodwill, Advance Auto, AutoZone, O'Reilly Auto, Sheetz, Murphy Express, Speedway, Biscuitville, Dairy Queen, Hardee's, McDonalds, Pizza Hut, Taco Bell, Wendy's, Bank of James Madison Heights, BB&T Bank, Carter Bank, SunTrust Bank, Wells Fargo and US Post Office.** The 2018 Rent to Sales ratio was 7%. *KFC - Madison Heights is an ideal property for a passive investor seeking long term, reliable cash flow.*



Land Area: ± 0.393 Acres (± 17,119 SF)  
Building Area: ± 3,500 SF w/ drive thru



Population: 52,027 5 miles  
Average HH Income: \$48,705 3 miles

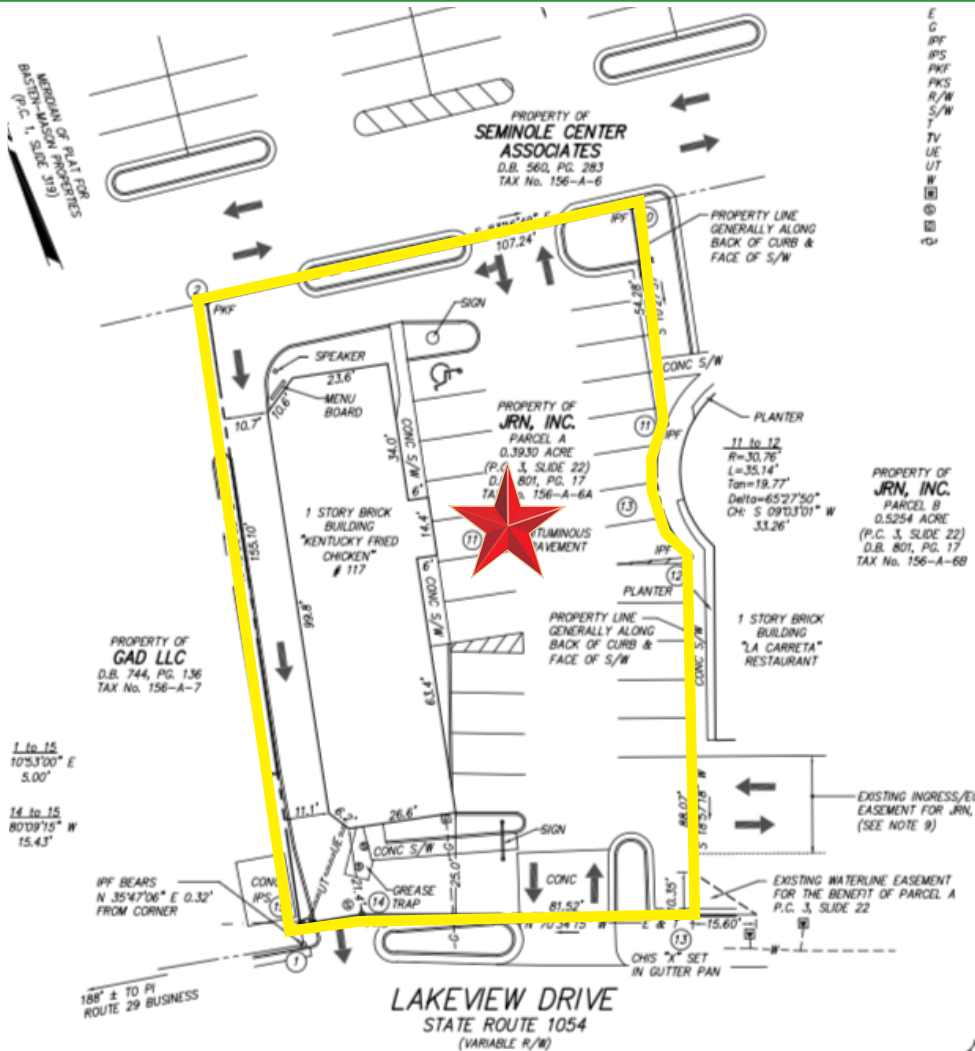
The information contained herein has been received from sources we believe to be reliable, but we have made no independent investigation of the accuracy or completeness and make no representation thereto. The above is subject to errors, omissions, or withdrawal from the market. EXCLUSIVELY LISTED IN CONJUNCTION WITH BERKADIA



# Site Plan -

# KFC Restaurant

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## Regional Map -

## KFC Restaurant

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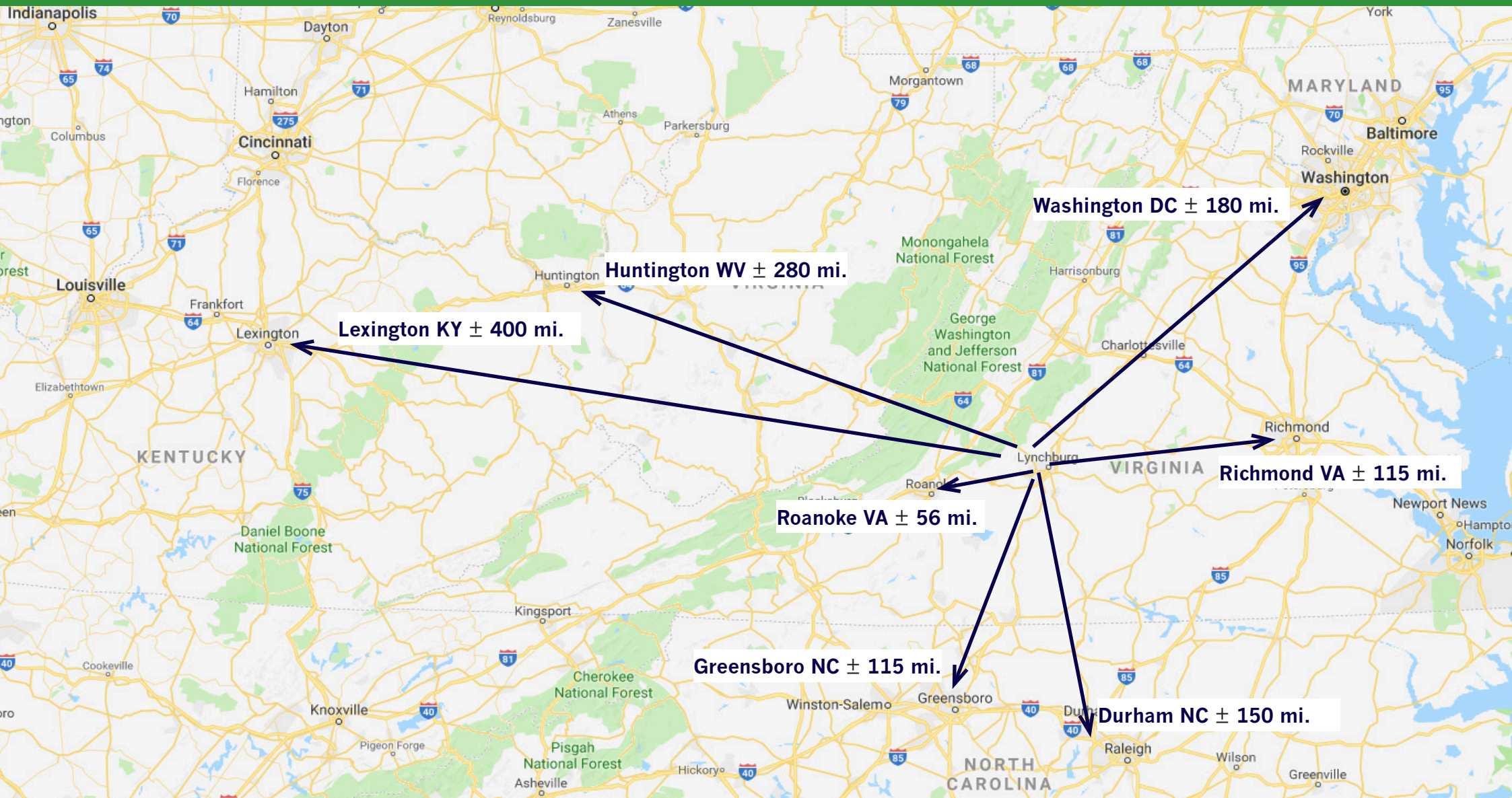




## Driving Distances -

## KFC Restaurant

117 Lakeview Drive, Madison Heights, Virginia 24572



## ABOUT THE TENANT

**JRN, Inc.**

**2108 System Sales: Approx. \$200 million**

**2108 Net Worth: Approx. \$35.4 million**

**Operating 165 locations (per Franchising.com)**



JRN, Inc. is one of the larger franchise operators of KFC restaurants in the United States. At the beginning of 2018, the Company operated 154 locations in Alabama, Florida, Georgia, Indiana, Missouri, Illinois, Kentucky, North Carolina, South Carolina, Tennessee and Virginia. JRN also operates several other YUM Brands restaurants. During 2017 and 2018, JRN renewed and extended franchise agreements with KFC and Taco Bell for 10 to 20 additional years. John R. Neal's close friendship with the Massey family involved him with the corporate leadership of Kentucky Fried Chicken after Jack Massey and John Brown purchased KFC from Colonel Harland Sanders in 1964. He became Director of Franchising from 1967-1970. In 1970, John Neal became a franchisee and founded JRN, Inc. in 1970. Mr Neal passed away in 2018 and the company is now headed by son, Tyrone Neal.

## ABOUT THE AREA



Madison Heights is a city in Amherst County, near the geographic center of the Commonwealth of Virginia and has a population of 11,285 residents. It is part of the Lynchburg Metropolitan Statistical Area, the fifth largest in Virginia with a population of approximately 260,320.

Lynchburg features a skilled labor force, low unemployment rate and below average cost of living. Of Virginia's larger metropolitan areas, Forbes Magazine ranked Lynchburg the 5th best place in Virginia for business (2006), with Virginia being the best state in the country for business. Industries within the Lynchburg MSA include nuclear technology, pharmaceuticals, education and material handling. A diversity of small businesses with the region has helped maintain a stable economy and minimized the downturns of the national economy. Madison Heights is on the northern banks of the James River. Liberty University in nearby Lynchburg, is the largest Christian university with an enrollment of 75,000 students. Significant area employers include Liberty University (8,000 employees), Centra Health (7,000), BWXT Power Generation (2,500), Framatome Nuclear Power (2,000), City Public Schools (1,500), Genworth Financial (1,200), Abbott Labs (400), Fleet Pharmaceuticals (400), Frito-Lay, Inc. (400), GLAD Manufacturing (300) and Teva Pharmaceuticals (300).



## Demographic Snapshot Comparison Report for KFC, 117 Lakeview Dr, Madison Heights, VA, 24572:

	1 mile(s)	3 mile(s)	5 mile(s)
Population: 2018A			
<b>Total Population</b>	<b>1,910</b>	<b>21,275</b>	<b>52,027</b>
Female Population	52.34%	51.32%	52.99%
Male Population	47.66%	48.68%	47.01%
Population Density	607	752	662
Population Median Age	40.0	39.6	35.7
Employed Civilian Population 16+	733	8,193	20,601
% White Collar	51.5%	48.3%	52.7%
% Blue Collar	48.5%	51.7%	47.3%
Total Q2 2018 Employees	1,061	11,643	30,642
Total Q2 2018 Establishments*	108	930	2,031
Population Growth 2000-2010	1.18%	-2.98%	-1.13%
Population Growth 2018A-2023	-0.94%	0.12%	0.43%
Income: 2018A			
<b>Average Household Income</b>	<b>\$48,803</b>	<b>\$48,705</b>	<b>\$56,266</b>
Median Household Income	\$36,654	\$35,900	\$37,441
Per Capita Income	\$21,718	\$20,155	\$23,564
Avg Income Growth 2000-2010	22.29%	25.77%	28.04%
<b>Avg Income Growth 2018A-2023</b>	<b>19.84%</b>	<b>16.00%</b>	<b>14.60%</b>
Households: 2018A			
Households	850	8,431	20,491
Average Household Size	2.32	2.34	2.33
Hhld Growth 2000-2010	0.18%	0.51%	-0.78%
Hhld Growth 2018A-2023	0.26%	1.56%	1.45%
Housing Units: 2018A			
Occupied Units	850	8,431	20,491
% Occupied Units	91.46%	88.41%	90.90%
% Vacant Housing Units	8.54%	11.59%	9.10%
Owner Occ Housing Growth 2000-2010	-2.26%	-4.51%	-6.29%
Owner Occ Housing Growth 2000-2023	-6.28%	-4.93%	-5.00%
Owner Occ Housing Growth 2018A-2023	0.17%	1.29%	1.48%
Occ Housing Growth 2000-2010	0.18%	0.51%	-0.78%
Occ Housing Growth 2010-2023	-1.25%	4.07%	4.23%
Occ Housing Growth 2018A-2023	0.26%	1.56%	1.45%
Race and Ethnicity: 2018A			

