

KFC 2412 RYAN STREET LAKE CHARLES, LOUISIANA 70601

OFFERING MEMORANDUM

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COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

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In Association with Louisiana Licensed Broker: ian Brockman | Bang Realty, Inc. | LA License # BROK.0995684990-ASA CIA commercial investment a d v i s o r s

INVESTMENT OVERVIEW

NAME

TENANT

CAP RATE

LOCATION

MAJOR CROSS STREETS

PURCHASE PRICE

ANNUAL RENT

GROSS LEASEABLE AREA

RENTAL ESCALATIONS

LEASE TYPE

OWNERSHIP

YEAR BUILT

LOT SIZE

LEASE EXPIRATION

OPTIONS

KFC

2412 Ryan Street Lake Charles, Louisiana 70601

On Ryan St, North of I-210

FQSR, LLC dba. KBP FOODS

\$1,579,000

5.35%

\$84.500

2.150 SF

7% every 5 Years

Absolute NNN

(Building & Land) Fee Simple

2018

±0.781 Acre

July 31, 2039

Two 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | SHOPPING: Nearby retailers include Walmart, Target. Sam's Club, Kohls, Dillard's, Dick's Sporting Goods, Best Buy, Petco, JCPenney, Marshalls, Ross Dress for Less, Dollar Tree, Office Depot, Books-A-Million, Walgreens, Cinemark; 4 miles from Academy Sports + Outdoors, Lowe's Home Improvement, The Home Depot, Ashley HomeStore, Conn's Home Plus, Michaels, Old Navy, PetSmart, etc.

HIGHER EDUCATION: 2 miles from McNeese State University (a public university offering 80-degree programs in 8 colleges & divisions with total enrollment of 7,649); 4 miles from SOWELA Technical Community College (offering associates, diploma programs, certified awards & workforce programs with total enrollment of 3,347)

HEALTH CARE: One mile from CHRISTUS Ochsner St. Patrick Hospital (230 beds); Less than 2 miles from Lake Charles Memorial Hospital (314 beds)

INVESTMENT HIGHLIGHTS

LEASE: Brand New 20-Year Absolute NNN Lease with Attractive 7% Rental Escalations every 5 Years

TENANT: KBP Foods (the largest KFC franchisee in the U.S.) Operates 720+ Locations in 23 States (17% of Locations in U.S. System) and will Generate Sales in Excess of \$800 Million in 2019 (FQSR, LLC is the Tenant on the Lease, Encompasses All Restaurant Locations)

BRAND NEW CONSTRUCTION: New, High-Quality Build-to-Suit Construction of KFC's Newest "American Showman" Prototype in 2018

STRONG SALES PERFORMANCE: Sales are Currently Tracking to Hit an Attractive 7.48% Rent to Sales Ratio!

TRAFFIC COUNTS: Great Drive-By Visibility on Ryan St (LA 385 Hwv) where Traffic Counts Exceed 17.750 CPD!

DEMOGRAPHICS (5-MI): Total Population: 97,130 | Average

Household Income: \$59,984



FINANCIAL ANALYSIS

SUMMARY

TENANT

PURCHASE PRICE

CAP RATE

GROSS LEASABLE AREA

YEAR BUILT

FQSR, LLC dba. KBP Foods

\$1,579,000

5.35%

2,150 SF

2018

LOT SIZE

±0.781 Acre

EXPENSE

REIMBURSEMENT

FINANCING

This is an **Absolute NNN lease**. Tenant is responsible for all expenses.

All Cash or Buyer to obtain new financing at Close of Escrow.

RENT ROLL

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TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,150	Years 1-5: 08/01/19 to 07/31/24	Current	\$84,500	5.35%
ORIGINAL E		Years 6-10: 08/01/24 to 07/31/29	7%	\$90,415	5.73%
		Years 11-15: 08/01/29 to 07/31/34	7%	\$96,744	6.13%
		Years 16-20: 08/01/34 to 07/31/39	7%	\$103,516	6.56%
					5.94 % AVG ANNUAL RETURN
		NOV MRING			
RENEWAL OPTIONS		1st Option: 08/01/39 to 07/31/44	7%	\$110,762	
		2 nd Option: 08/01/44 to 07/31/49	7%	\$118,516	

TENANT OVERVIEW



KBP Foods operates **720+ restaurants in 23 states** and has Regional Vice Presidents in every major geographical region. The Corporate Office and Restaurant Support Center are located in Overland Park, Kansas.



The success KBP Foods has had with growth through acquisition is directly correlated to diligent selection criteria, prudent and responsible capital structure and industry leading operational talent. Ultimately giving their people significant opportunity to growth themselves personally, professionally and financially.

You can find out more about the Tenant by visiting their website: http://www.kbp-foods.com/



INTERIOR PHOTOS ACTUAL LAKE CHARLES, LOUISIANA

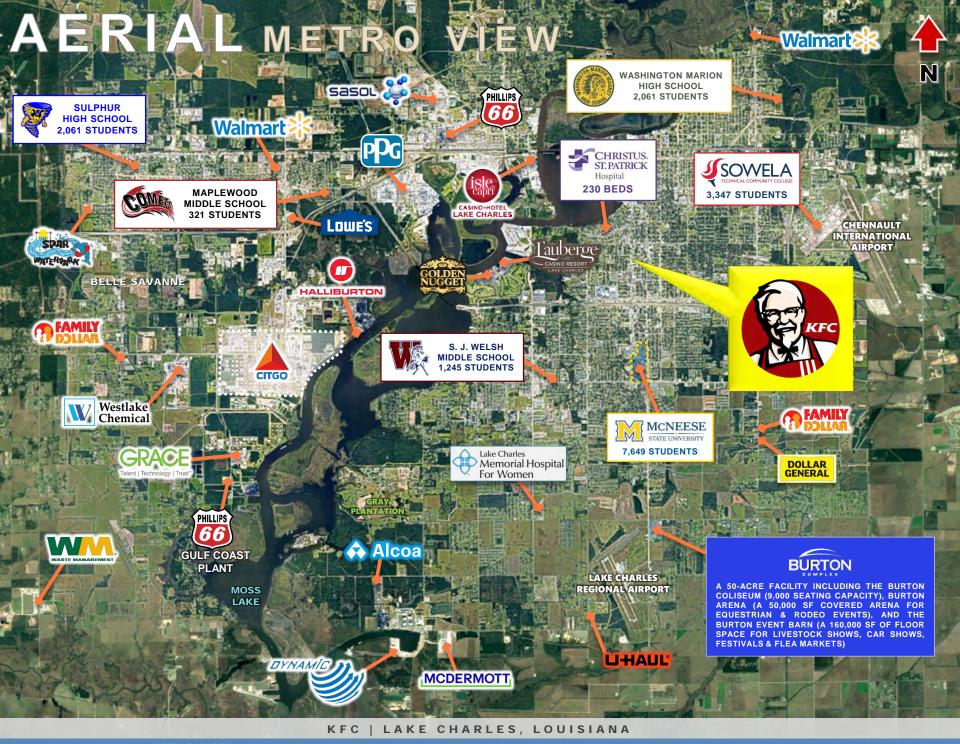












LOCATION OVERVIEW



Lake Charles is the fifth-largest incorporated city in Louisiana, located on Lake Charles, Prien Lake and the Calcasieu River. Founded in 1861 in Calcasieu Parish, it is a major industrial, cultural and educational center in the southwest region. Lake Charles is the principal city of the Lake Charles Metropolitan Statistical Area, having a population of 202,040. Several petrochemical plants and an oil refinery are located nearby along the Calcasieu Ship Channel. Turner Industries, Westlake Chemical Corporation and Citgo each employ over 1,000 engineers. Other industrial companies include PPG Industries, Phillips 66, Sasol and W. R. Grace.

McNeese State University, located on a 121-acre campus lined with oak trees in the heart of Lake Charles, is a four-year public university. McNeese was founded in 1939 and named after educator John McNeese. It offers over 80 majors, and includes the colleges of Business, Education, Engineering and Engineering Technology, Liberal Arts, Nursing, Science, Honors College and the Doré School of Graduate Studies. University of Louisiana System is one of the largest employers in the area, providing over 4,500 jobs and have over 7,649 students enrolled.

Calcasieu Parish School Board (CPSB) is a school district based in Lake Charles. It is the 5th largest district in Louisiana. They serve over 32,271 students across all of the schools and employ over 4,885 academic staff.

Lake Charles has the **biggest casino market** in the state of Louisiana. The **L'Auberge du Lac Casino Resort** is a 242-acre, 26-story hotel in Lake Charles. It has nearly 1,000 guest rooms, as well as a casino, golf course, spa and meeting center. They employ over 2,400 people and regularly draws 400,000 visitors a month. A second casino, **The Golden Nugget**, is a 242-acre waterfront casino resort next to L'Auberge du Lac. The resort features 1038 guest rooms and suites housed in a 22-story tower, an 18-hole golf course, 30,000 square feet of meeting space, more than a dozen dining and bar options, a private beach, marina, spa & salon, retail corridor and expansive 24-hour casino floor.

2019 DEMOGRAPHICS							
	1-MI	3-MI	5-MI				
TOTAL POPULATION	9,842	58,340	97,130				
POPULATION GROWTH 2010-2019	7.69%	1.36%	6.98%				
DAYTIME POPULATION	8,674	48,182	80,703				
HOUSEHOLD GROWTH 2010-2019	8.22%	1.24%	6.95%				
AVERAGE HOUSEHOLD INCOME	\$47,637	\$52,758	\$59,984				

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