



REPRESENTATIVE PHOTO

KFC
921 CLINTON STREET
ARKADELPHIA, ARKANSAS 71923

OFFERING
MEMORANDUM

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In Association with Arkansas Licensed Broker:
Robert E. Begley, Jr. | Lockwood Realty, LLC | AR License # PB00068219



INVESTMENT OVERVIEW

KFC
ARKADELPHIA, ARKANSAS

NAME	KFC
LOCATION	921 Clinton Street Arkadelphia, Arkansas 71923
MAJOR CROSS STREETS	On Clinton St, West of S 6 th St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$1,130,000
CAP RATE	5.75%
ANNUAL RENT	\$65,000
GROSS LEASEABLE AREA	2,874 SF
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
LOT SIZE	±0.586 Acre
LEASE EXPIRATION	July 31, 2039
OPTIONS	Two 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | SHOPPING: The City of Arkadelphia has major retailers such as Walmart Supercenter, Brookshire's, Atwoods, Ivan Smith Furniture, Dollar Tree, Family Dollar, Aaron's, Rent-A-Center, Stage, Verizon Authorized Retailer, AT&T Store, Cricket Wireless, Hibbett Sports, NAPA Auto Parts, O'Reilly Auto Parts, AutoZone, Walgreens, Sherwin Williams, GameStop, McDonalds, Burger King, Wendy's, Sonic Drive-In, Arby's, Subway, Chicken Express, Dunkin' Donuts, Baskin Robbins, etc.

HIGHER EDUCATION: Less than 1 mile from Henderson State University (a public liberal arts university offering more than 65 undergraduate & graduate programs with a total enrollment of over 2,830); 1 mile from Ouachita Baptist University (a private liberal arts college offering 60 academic programs in 7 academic schools with a total enrollment of over 1,660)

HEALTH CARE: 2.5 miles from Baptist Health Medical Center-Arkadelphia (a 25-bed general medical and surgical facility)

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)

SEASONED LOCATION | PENDING REMODEL

Successfully Open & Operating for Decades with an Attractive 7.00% Rent to Sales Ratio! Slated for Remodel by YE 2020 – Showing Tenant's Commitment to this Location!

DEMOGRAPHICS (5-MI)

Total Population: 11,141 | Average Household Income: \$46,966



FINANCIAL ANALYSIS

KFC
ARKADELPHIA, ARKANSAS

SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±0.586 Acre
PURCHASE PRICE	\$1,130,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.75%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	2,874 SF		

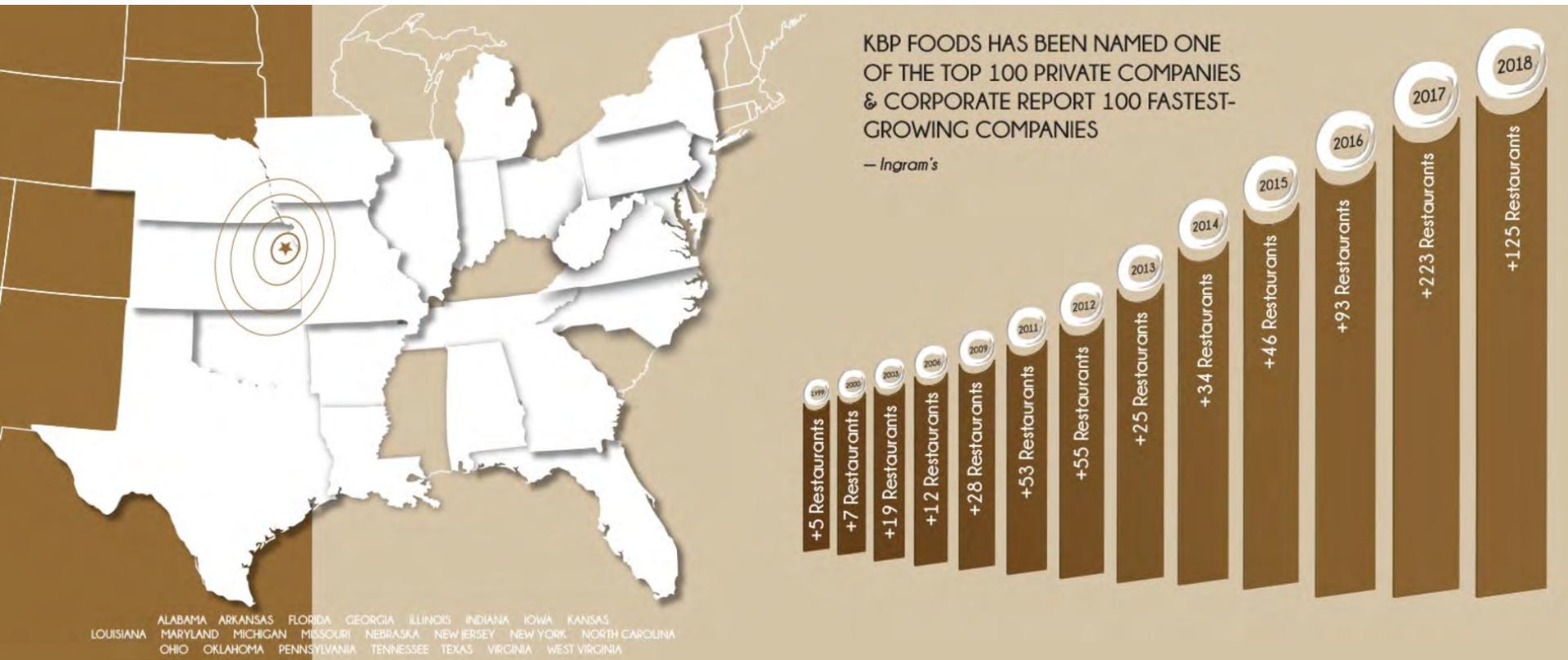
RENT ROLL

TENANT INFO		LEASE TERMS		RENT SUMMARY	
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,874	Years 1-5: 08/01/19 to 07/31/24	Current	\$65,000	5.75%
		Years 6-10: 08/01/24 to 07/31/29	7%	\$69,550	6.15%
		Years 11-15: 08/01/29 to 07/31/34	7%	\$74,419	6.59%
		Years 16-20: 08/01/34 to 07/31/39	7%	\$79,628	7.05%
6.38% AVG ANNUAL RETURN					
RENEWAL OPTIONS		1 st Option: 08/01/39 to 07/31/44	7%	\$85,202	
		2 nd Option: 08/01/44 to 07/31/49	7%	\$91,166	

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/>



AERIAL



KFC | ARKADELPHIA, ARKANSAS

AERIAL CITY VIEW



DESOTO
BLUFF
TRAIL



HENDERSON
STATE UNIVERSITY
2,832 STUDENTS

OUACHITA
BAPTIST UNIVERSITY
1,660 STUDENTS

BAPTIST HEALTH
MEDICAL CENTER
25 BEDS

Brookshire's SUBWAY
Burger King Auto Zone Ivan Smith FURNITURE
SHOE sensation DUNKIN' DONUTS BR
The UPS Store STAGE

J. ED PEAKE
ELEMENTARY
299 STUDENTS

ARKADELPHIA
SENIOR HIGH
518 STUDENTS



Walmart

Walgreens

LM GOZA
MIDDLE SCHOOL
418 STUDENTS

ATWOODS
Ranch & Home



Chicken EXPRESS

CELLULARSALES

DOLLAR TREE GameStop
cricket HIBBETT SPORTS
P&C WESTERN SIZZLIN



LOUISA PERRITT
PRIMARY SCHOOL
341 STUDENTS

splast

ARKADELPHIA
MUNICIPAL
AIRPORT

KFC | ARKADELPHIA, ARKANSAS

LOCATION OVERVIEW



Arkadelphia is a city in Clark County, Arkansas. The city is situated on the west bank of the Ouachita River at the foothills of the Ouachita Mountains, with a total area of 7.1 square miles. Arkadelphia is located along Interstate 30, a connector between coast-to-coast Interstates 40 and 20. The city is on the Union Pacific rail system and the Amtrak line. Major factors in Arkadelphia's economy are Education and Manufacturing. The manufacturing sector consists of **Alumacraft Boat Co.**, **Danfoss Scroll Technologies**, **Georgia Pacific** and **Siplast**.

Siplast is a manufacturer of roofing and waterproofing solutions founded in 1979. They are a top employer in Arkadelphia. The company's roof system accessories include metal roof perimeter systems, adhesives and primers, asphalts, fasteners and sealants. It offers its products through sales representatives in the United States, Canada and internationally.

Henderson State University is a public liberal arts university founded in 1890. They have a student enrollment of 2,832. The school offers business, arts and sciences programs as well as a teacher's college, honors college and graduate school. **Ouachita Baptist University** is a private liberal arts college with the Ouachita River forming the eastern campus boundary. They have an enrollment of 1,660 students. Both the athletics programs are NCAA Division II.

The Arkadelphia School District is a public school district that serves over 2,500 students in their three elementary schools, middle and high school. The school district supports families with education facilities and educators from early childhood through secondary education. The Arkadelphia Promise is a program to increase the college-going rate of students by providing scholarships and guidance.

2019 DEMOGRAPHICS			
	1-MI	3-MI	5-MI
TOTAL POPULATION	6,548	10,472	11,141
POPULATION GROWTH 2010-2019	8.41%	0.99%	0.35%
DAYTIME POPULATION	5,086	8,476	9,094
HOUSEHOLD GROWTH 2010-2019	8.92%	-1.89%	-2.51%
AVERAGE HOUSEHOLD INCOME	\$38,367	\$46,011	\$46,966

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