



ACTUAL SITE

KFC

**1195 NORTH BELSAY ROAD
BURTON, MICHIGAN 48509**

**OFFERING
MEMORANDUM**

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INVESTMENT OVERVIEW

KFC
BURTON, MICHIGAN

NAME	KFC
LOCATION	1195 North Belsay Road Burton, Michigan 48509
MAJOR CROSS STREETS	On N Belsay Rd, North of I-69
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$2,027,000
CAP RATE	5.65%
ANNUAL RENT	\$114,500
GROSS LEASEABLE AREA	2,150 SF
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	2019
LOT SIZE	±0.554 Acre*
LEASE EXPIRATION	July 31, 2039
OPTIONS	Two 5-Year Renewal Options

* According to City of Burton website

POINTS OF INTEREST

RETAIL | SHOPPING: Nearby retailers include Walmart Supercenter, The City of Burton has major retailers such as The Home Depot, Big Lots, ALDI, Dollar General, Family Dollar, JCPenney, Art Van Furniture, Staples, JOANN Fabrics, Dunham's Sports, Sally Beauty, Rite Aid,

HIGHER EDUCATION: 6 miles from University of Michigan-Flint (a public university offering over 100 undergraduate, and about 35 master's, doctoral and certificate programs with total enrollment of 7,532); 4 miles from Mott Community College (a public community college offering over 60 associate degrees & 40 pre-associate certificates with total enrollment of 6,298); 7 miles from Kettering University (a private cooperative education & experiential learning-based university offering bachelor's & master's degrees in STEM & business fields with total enrollment of 2,311)

HEALTH CARE: 7 miles from Hurley Medical Center (a 443-bed public non-profit hospital); 8.5 miles from McLaren Flint Hospital (a 378-bed tertiary teaching, non-profit hospital)

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)

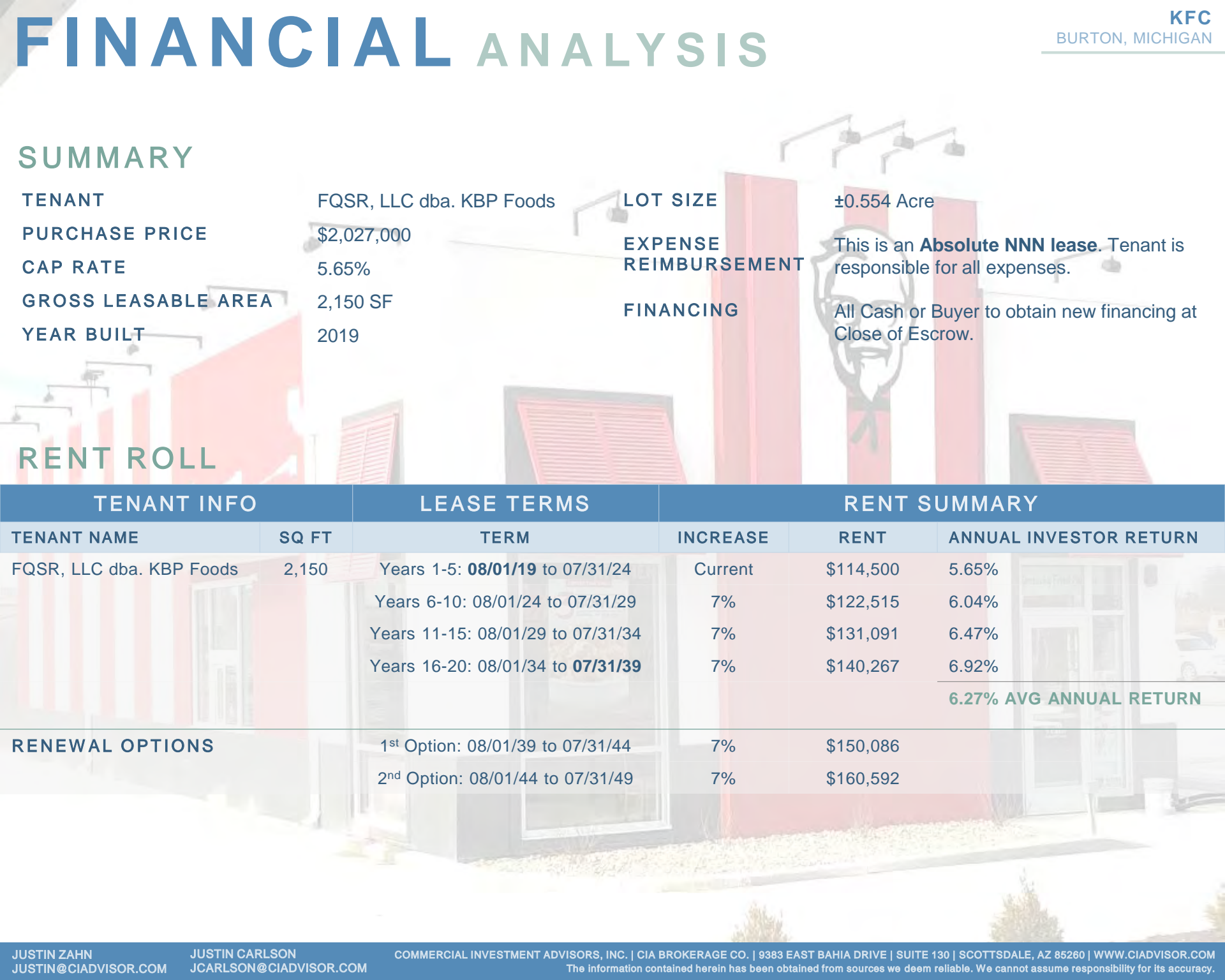
BRAND NEW CONSTRUCTION: New, High-Quality Build-to-Suit Construction of KFC's Newest "American Showman" Prototype in 2019

STRONG SALES PERFORMANCE: Sales are Currently Tracking to Hit an Attractive 7.99% Rent to Sales Ratio!

TRAFFIC COUNTS: Pad Site to Dollar Tree & Family Farm & Home (Adjacent to Walmart), North of I-69 (64,356 CPD) with Great Drive-By Visibility on N Belsay Rd where Traffic Counts Exceed 15,520 CPD!

2019 DEMOGRAPHICS: Total Population (5-MI): 93,927 | Average Household Income (1-MI): \$64,032





FINANCIAL ANALYSIS

KFC
BURTON, MICHIGAN

SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±0.554 Acre
PURCHASE PRICE	\$2,027,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.65%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	2,150 SF		
YEAR BUILT	2019		

RENT ROLL

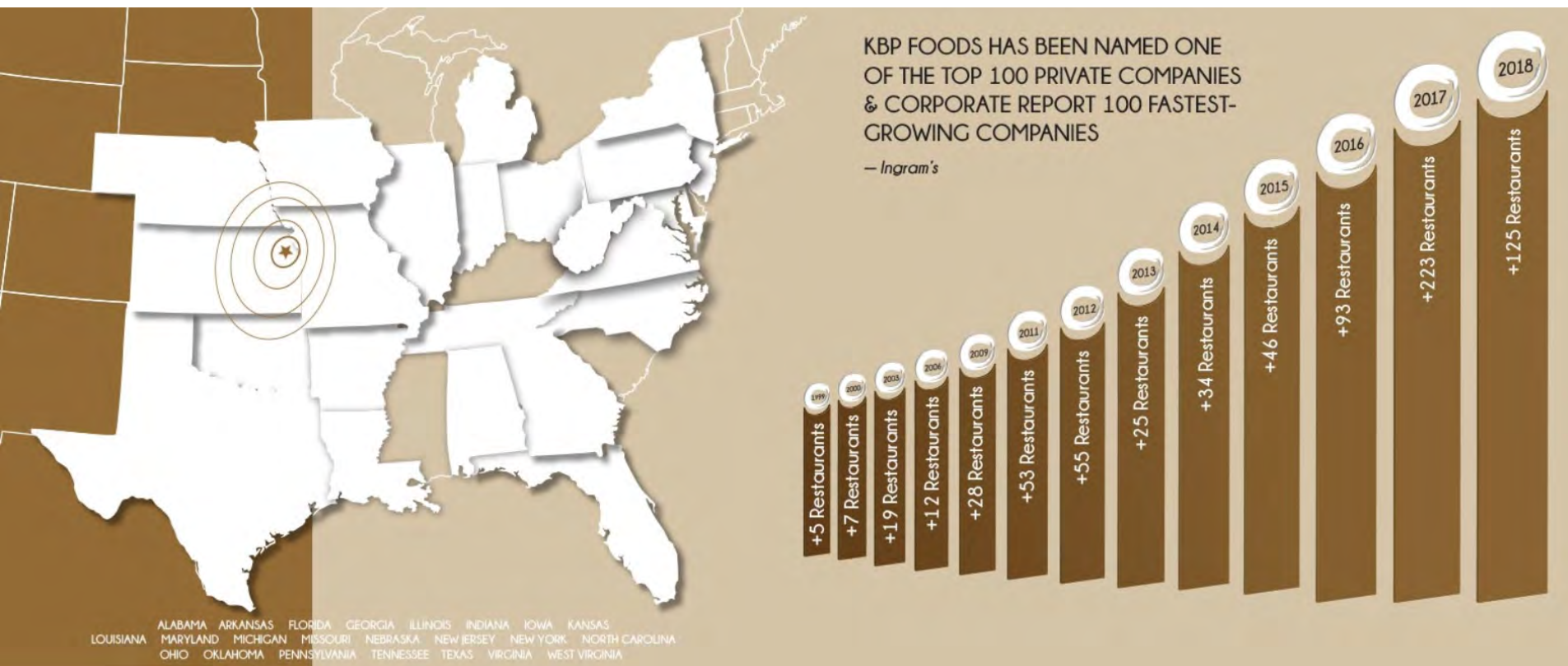
TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,150	Years 1-5: 08/01/19 to 07/31/24	Current	\$114,500	5.65%
		Years 6-10: 08/01/24 to 07/31/29	7%	\$122,515	6.04%
		Years 11-15: 08/01/29 to 07/31/34	7%	\$131,091	6.47%
		Years 16-20: 08/01/34 to 07/31/39	7%	\$140,267	6.92%
RENEWAL OPTIONS		1 st Option: 08/01/39 to 07/31/44	7%	\$150,086	
		2 nd Option: 08/01/44 to 07/31/49	7%	\$160,592	

TENANT OVERVIEW

KFC
BURTON, MICHIGAN



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 grow themselves personally, professionally and financially.

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



SITE PHOTOS ACTUAL

KFC
BURTON, MICHIGAN



AERIAL



KFC | BURTON, MICHIGAN

AERIAL ZOOMED OUT



KFC | BURTON, MICHIGAN

AERIAL CITY VIEW



KFC | BURTON, MICHIGAN

LOCATION OVERVIEW



Burton is a city in Genesee County, and a suburb of Flint, Michigan. Approximately 60 miles north of Detroit, Burton occupies an area of approximately 23.5 square miles. Originally organized as a township in 1856, the area was named after John Burton, a prominent local farmer.

The University of Michigan–Flint is a public, comprehensive urban university. It is one of the two University of Michigan satellite campuses. The campus has over 7,530 students and over 1,000 faculty and staff. The University of Michigan–Flint is rated as one of the best master's-level public universities in the Midwest. Flint offers over 100 undergraduate, and approximately 35 master's, doctoral and certificate programs.

There are three school districts; Bendle, Bentley and Atherton. They are located entirely within the City of Burton. Four additional districts, Carman-Ainsworth, Davison, Kearsley and Grand Blanc border the city and are partially located within the city limits. Mott Community College is a public community college offering over 60 associate degrees and 40 pre-associate certificates, with a total enrollment of 10,456 students.

McLaren Flint is a non-profit, 378-bed tertiary teaching hospital, located in Flint, Michigan. They employ over 2,900 people, with more than 600 medical professionals. McLaren is affiliated with the Michigan State University College of Human Medicine's Medical Residency Programs, including Family Medicine, Internal Medicine, General Surgery, Orthopedic Surgery and Radiology. McLaren also maintains a Hematology/Oncology Fellowship Program in partnership with Michigan State University and is sponsoring a Surgical Oncology Fellowship Program.

Hurley Medical Center is a teaching hospital serving Genesee, Lapeer and Shiawassee counties. Situated in Flint, Michigan, it is a 443-bed public non-profit hospital with over 3,000 employees. The emergency department is an ACverified Level I Trauma Center and Level II Pediatric Trauma Center. Hurley also has region's only Children's Hospital, Burn Unit, Neonatal Intensive Care Unit, Pediatric Intensive Care Unit, and Pediatric Emergency Department.

	2019 DEMOGRAPHICS		
	1-MI	3-MI	5-MI
TOTAL POPULATION	3,210	32,006	93,927
DAYTIME POPULATION	2,937	27,367	74,329
AVERAGE HOUSEHOLD INCOME	\$64,032	\$58,572	\$54,066

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