



ACTUAL SITE

KFC

**700 WEST 7TH AVENUE
CORSICANA, TEXAS 75110**

**OFFERING
MEMORANDUM**

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In Association with Texas Licensed Broker:
Paul Blackburn | Blackburn Properties | TX License # 376821

CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

KFC
CORSICANA, TEXAS

NAME	KFC
LOCATION	700 West 7 th Avenue Corsicana, Texas 75110
MAJOR CROSS STREETS	On W 7 th Ave, West of S 15 th St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$2,019,000
CAP RATE	5.15%
ANNUAL RENT	\$104,000
GROSS LEASEABLE AREA	±2,150 SF
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	2018
LOT SIZE	±0.915 Acre
LEASE EXPIRATION	July 31, 2039
OPTIONS	Two 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | SHOPPING

Nearby retailers include H-E-B Grocery, Super 1 Foods, Dollar General, Harbor Freight Tools, O'Reilly Auto Parts, AutoZone, ; The City of Corsicana has major retailers such as Walmart Supercenter, The Home Depot, Tractor Supply Co., Atwoods Ranch & Home, Ashley HomeStore, Bealls, Brookshire's, Dollar Tree, Family Dollar, ALDI, etc.

HIGHER EDUCATION

2 miles from **Navarro College Corsicana** (a two-year accredited community college that offers 28 degrees & professional with total enrollment 574)

HEALTH CARE

Less than 3 miles from **Navarro Regional Hospital** (a 162-bed licensed acute care facility with inpatient and outpatient care, diagnostic imaging, emergency department, medical and surgical care, wound care and a sleep study center)

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 8.50% Rent to Sales Ratio!

TRAFFIC COUNTS: Great Drive-By Visibility on W 7th Ave where Traffic Counts Exceed 19,850 CPD!

DEMOGRAPHICS (5-MI): Total Population: 26,676 | Average Household Income: \$57,490



FINANCIAL ANALYSIS

SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±0.915 Acre
PURCHASE PRICE	\$2,019,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.15%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	2,150 SF		
YEAR BUILT	2018		

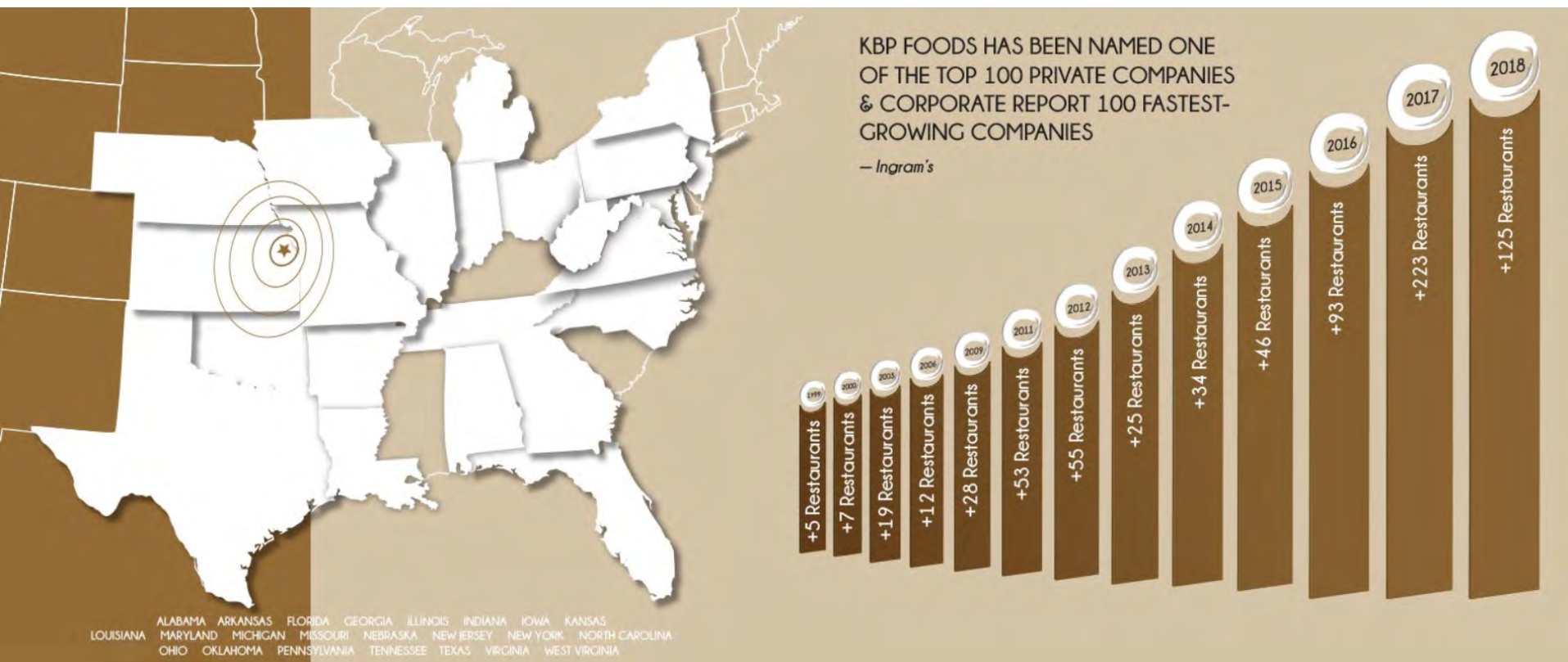
RENT ROLL

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	\$104,000	5.15%
		Years 6-10: 08/01/24 to 07/31/29		7%	\$111,280	5.51%
		Years 11-15: 08/01/29 to 07/31/34		7%	\$119,070	5.90%
		Years 16-20: 08/01/34 to 07/31/39		7%	\$127,404	6.31%
RENEWAL OPTIONS		1 st Option: 08/01/39 to 07/31/44		7%	\$136,323	
		2 nd Option: 08/01/44 to 07/31/49		7%	\$145,865	

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 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
CORSICANA, TEXAS



FACING NORTH



KFC | CORSICANA, TEXAS

FACING EAST



**DOWNTOWN
CORSICANA**



31
TEXAS
W 7TH AVE
19,856 CPD

KFC | CORSICANA, TEXAS

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The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

FACING WEST



KFC | CORSICANA, TEXAS



AERIAL

 **DRANE
INTERMEDIATE**
428 STUDENTS

Super 1 Foods
A Discount Pharmacy

 **VERABANK**

RAC
Rent-A-Center
GAMEXCHANGE
cricket
DOLLAR GENERAL

sears
HOMETOWN STORE
 **Little Caesars**

 **Armstrong
McCall.**
TITLEMAX

 **Habitat
for Humanity**

 **AT&T**
 **cicis**
BEYOND PIZZA

H-E-B

31
TEXAS

W 7TH AVE 19,856 CPD



 **Chevron**

GOLDEN CHICK

LA MICHOCANA
MEAT MARKET

 **TACO BELL**

SUBWAY

 **O'Reilly
AUTO PARTS**

 **CVS**

COLLIN STREET BAKERY

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AERIAL ZOOMED OUT

AERIAL CITY VIEW



KFC | CORSICANA, TEXAS

LOCATION OVERVIEW



Corsicana is a city in and the county seat of Navarro County, Texas. It is located on Interstate 45, around 58 miles south of downtown Dallas. The population was 23,770 at the 2010 census.

Corsicana is the location where oil was first discovered, west of the Mississippi River, thus establishing the city as an industrial and commercial center. Corsicana became the first Texas oil boom town, and one of Texas' wealthiest cities. Today's economy no longer relies on oil and gas. **Russell Stover Chocolates**, which is a distributor of jellies, chocolates, cookies and cupcakes, is one of the largest employers in the area with over 650 employees. Other large employers in the area include **Collin Street Bakery**, **Guardian Industries**, **Corsicana Bedding**, **Kohl's Distribution Center**, **Home Depot**, and **Trinity/Mother Francis Health System**. There are several 24/7 pharmacies, grocery stores and chain department stores scattered about the town. College Park Mall is an enclosed shopping mall which primarily houses a Beall's clothing store. Additionally, a 24-hour **Walmart Supercenter** is located on the southwestern edge of the town.

Navarro College is a two-year accredited, state-supported community college consisting of a main campus nestled in a historic town in Corsicana, Texas. They have branches in Waxahachie, Midlothian, Mexia, and Online. The five-campus college offers associate degrees, certificates and professional education programs, with a total student enrollment of 9,230 (Corsicana Campus has 574 students).

Navarro Regional Hospital is the community healthcare provider. It is a 162-bed licensed acute care facility, with inpatient and outpatient care, diagnostic imaging, emergency department, medical and surgical care, wound care and a sleep study center. The hospital offers cardiac rehab, physical and speech therapy, an outpatient surgery center, digital mammography and a 64-slice CT scanner with the area's most current diagnostic equipment. There are 51 doctors and a full team of healthcare professionals.

	2019 DEMOGRAPHICS		
	1-MI	3-MI	5-MI
TOTAL POPULATION	9,979	23,115	26,676
POPULATION GROWTH 2010-2019	14.89%	0.64%	-0.24%
DAYTIME POPULATION	7,580	18,488	21,665
HOUSEHOLD GROWTH 2010-2019	16.61%	0.47%	-0.37%
AVERAGE HOUSEHOLD INCOME	\$49,455	\$55,242	\$57,490

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BY ACCEPTING THIS MARKETING BROCHURE YOU AGREE TO RELEASE COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE COMPANY HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF ANY PROPERTY.

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Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Buyer/Tenant/Seller/Landlord Initials

Date