



ACTUAL SITE

**KFC**

2221 EAST MAIN STREET  
UVALDE, TEXAS 78801

OFFERING  
MEMORANDUM

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In Association with Texas Licensed Broker:  
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**CIA**  
commercial  
investment  
advisors



# INVESTMENT OVERVIEW

KFC  
UVALDE, TEXAS

NAME	KFC
LOCATION	2221 East Main Street Uvalde, Texas 78801
MAJOR CROSS STREETS	On E Main St, East of N 4 <sup>th</sup> St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$2,580,000
CAP RATE	5.00%
ANNUAL RENT	\$129,000
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	±0.851 Acre
LEASE EXPIRATION	July 31, 2039
OPTIONS	Two 5-Year Renewal Options

## POINTS OF INTEREST

**RETAIL | SHOPPING:** Nearby retailers include Walmart Supercenter, Hobby Lobby, H-E-B, Bealls, Tractor Supply Co., Ace Hardware, Dollar General, Dollar Tree, Hibbett Sports, Rent-A-Center, Petsense, Sally Beauty, Walgreens, O'Reilly Auto Parts, AutoZone, Cricket Wireless, AT&T Store, etc.

**HIGHER EDUCATION:** 2 miles from Sul Ross State University Rio Grande College – Uvalde (an upper-level center offering courses leading to bachelor's & master's degrees (2,137 students). The Uvalde campus is headquartered for academic support services & student services, as well as the Southwest Texas Junior College (1,120 students) – MRGC's partner institution)

**HEALTH CARE:** Half a mile from Uvalde Memorial Hospital (a 62-bed licensed acute care facility with inpatient and outpatient care, diagnostic imaging, emergency department, medical and surgical care)

## 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! Well Above National Average!

**TRAFFIC COUNTS:** Across the Street from Hobby Lobby Shopping Center with Great Drive-By Visibility on E Main St (US Rte 90) where Traffic Counts Exceed 27,610 CPD!

**2019 DEMOGRAPHICS:** Total Population (5-MI): 19,561 | Average Household Income (1-MI): \$58,514



# FINANCIAL ANALYSIS

## SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±0.851 Acre
PURCHASE PRICE	\$2,580,000	EXPENSE REIMBURSEMENT	This is an <b>Absolute NNN lease</b> . Tenant is responsible for all expenses.
CAP RATE	5.00%	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: <b>08/01/19</b> to 07/31/24	Current	\$129,000	5.00%
		Years 6-10: 08/01/24 to 07/31/29	7%	\$138,030	5.35%
		Years 11-15: 08/01/29 to 07/31/34	7%	\$147,692	5.72%
		Years 16-20: 08/01/34 to <b>07/31/39</b>	7%	\$158,031	6.13%
RENEWAL OPTIONS		1 <sup>st</sup> Option: 08/01/39 to 07/31/44	7%	\$169,093	
		2 <sup>nd</sup> Option: 08/01/44 to 07/31/49	7%	\$180,929	

KFC | UVALDE, TEXAS

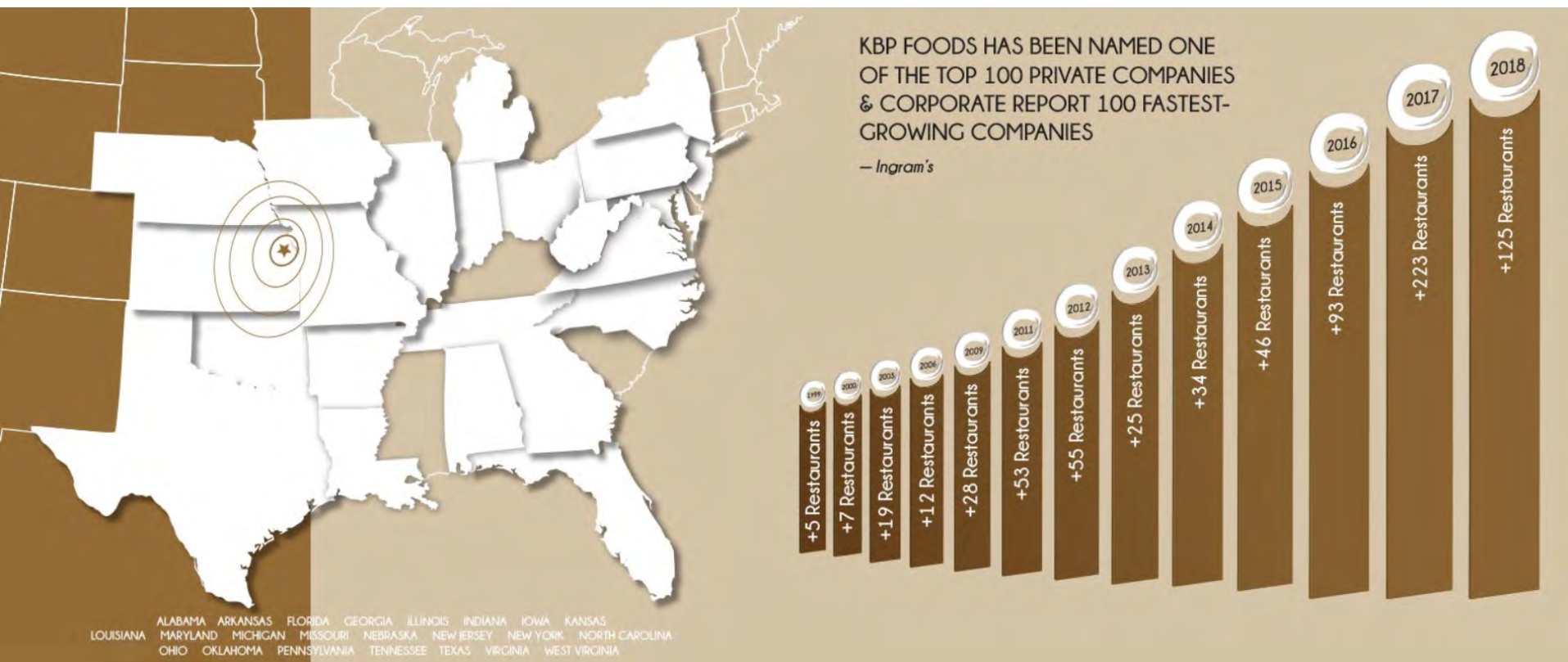


# TENANT OVERVIEW

KFC  
UVALDE, TEXAS



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/>





# FACING NORTH



KFC | UVALDE, TEXAS





# FACING NORTHEAST

BEALLS  
petsense  
HIBBETT  
SPORTS  
HOBBY LOBBY  
RAC  
Rent-A-Center

Texas  
Home Furnishings

THE VERANDA  
ASSISTED LIVING

BAKER  
RENTALS

ACE  
Hardware

Hampton  
by HILTON

Holiday Inn  
Express  
AN IHG HOTEL

FORUM 6  
THEATER

Walmart  
DOLLAR TREE  
CAFO  
SHOE DEPT.  
cricket  
GNC  
AT&T  
MURPHY USA  
Applebees  
SALLY BEAUTY

UVALCO  
SUPPLY

FENCE SUPPLY  
STORE

AutoWorld  
UVALDE

MG  
BUILDING MATERIALS



E MAIN ST  
27,618 CPD



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# FACING SOUTHWEST

DOWNTOWN  
UVALDE



UVALDE  
HIGH SCHOOL  
1,409 STUDENTS



DALTON  
ELEMENTARY  
607 STUDENTS



Uvalde  
Memorial  
Hospital

62 BEDS



WHATABURGER



Kwik Kar



Brownstone  
APARTMENT HOMES

152 UNITS



E MAIN ST  
27,618 CPD



Texas  
Home Furnishings



KFC | UVALDE, TEXAS





# AERIAL



cricket CMO SALLY  
SHOE DEPT. GNC BEAUTY

**H** Holiday Inn Express  
AN IHG® HOTEL

FORUM 6  
THEATER

UVALCO  
SUPPLY



Uvalde Memorial  
Hospital  
62 BEDS

stripes

AT&T

MURPHY  
USA

Ford

DOLLAR  
TREE

Walmart

Applebee's  
GRILL + BAR

Hampton  
by HILTON

BAKER  
RENTALS

CHRYSLER  
Jeep  
DODGE  
RAM

HOBBY LOBBY **SNAP FITNESS** 24-7  
sears HOMETOWN STORE HIBBETT FASTENAL  
SPORTS  
BEALLS **Rent-A-Center** petsense  
Texas Home Furnishings **CIRCLE K** Billy Bob's HAMBURGERS

DQ

6  
Days Inn  
by Wyndham

GOLDEN  
CHICK

NAPA

Jack  
in the box

SONIC

TSC TRACTOR  
SUPPLY CO

BURGER  
KING

Wendy's McDonald's  
TACO BELL Pizza Hut

**U** DALTON  
ELEMENTARY  
607 STUDENTS

**U** UVALDE  
HIGH SCHOOL  
1,409 STUDENTS

**U** MORALES JUNIOR  
HIGH SCHOOL  
668 STUDENTS

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# AERIAL CITY VIEW



**SR** **SUL ROSS**  
The FRONTIER University of Texas  
**2,137 STUDENTS**

GARNER FIELD  
AIRPORT

**SWTJC**  
Southwest Texas  
Junior College  
**1,120 STUDENTS**



**GRANADA APARTMENTS**  
100 UNITS

**PEERLESS**  
EQUIPMENT

**TSC**  
**TRACTOR SUPPLY CO.**

**W**  
FIREWORKS

**Walmart**

**EXXON**

**Dickies**

**DOLLAR TREE**

**H-E-B**

**U**  
**ROBB**  
ELEMENTARY  
630 STUDENTS

**QT**  
QuikTrip

**BEALLS** **HOBBY LOBBY**  
**petsense**  
**HIBBETT** **RAC**  
SPORTS Next-A-Center

*Walgreens*

**FAMILY DOLLAR**

**Auto Zone**

**Fireworks**

**Dominos**  
Pizzeria

**U**  
**ANTHON**  
ELEMENTARY  
721 STUDENTS

**U**  
**FLORES**  
MIDDLE SCHOOL  
643 STUDENTS

**U**  
**BENSON**  
ELEMENTARY  
339 STUDENTS

UVALDE COUNTY  
**FAIRPLEX**  
EVENT VENUE & SHOW ARENA

**EXXON**

**UNION PACIFIC**

KFC | UVALDE, TEXAS



# LOCATION OVERVIEW



**Uvalde** is a city in and the county seat of Uvalde County, Texas. Uvalde was founded by Reading Wood Black in 1853, as the town of Encina. In 1856, when the county was organized, the town was renamed Uvalde after Spanish governor Juan de Ugalde and was chosen as county seat. The town is located at the crossroads of the nation's two longest highways, U.S. 90 and U.S. 83. Uvalde is known as the Honey Capital of the World and is famous for its beautiful trees.

**Uvalde Consolidated Independent School District** is the public-school district in Uvalde. Uvalde CISD consists of 1,093 square miles in Uvalde, Real and Zavala counties. Located in the city of Uvalde are two secondary campuses; Uvalde High School and Morales Junior High. There are five elementary campuses; Anthon, Batesville, Dalton, Flores, and Robb. The district has a total enrollment of over 4,700 students.

**Uvalde Memorial Hospital** was founded as a Hospital Authority in 1949. UMH is a 62-bed acute care, not-for-profit Hospital, governed by a seven-member board of directors. UMH services a five-county region with a population of approximately 45,000 people. The hospital employs 17 physicians and over 100 RN's and administration staff.

**Aviation Museum of Texas at Garner Field** is located at the Uvalde Municipal Airport in one of the original hangars built for Garner Army Air Field, a World War II primary training base. The museum preserves the local and regional history of aviation and displays memorabilia and aircraft from WWII.

**Sul Ross State University Rio Grande College – Uvalde** is a upper-level center offering courses leading to bachelor's & master's degrees with total enrollment of 2,137. The Uvalde campus is headquartered for academic support services & student services, as well as the **Southwest Texas Junior College** (MRGC's partner institution) with total enrollment of 1,120.

2019 DEMOGRAPHICS			
	1-MI	3-MI	5-MI
TOTAL POPULATION	3,579	17,189	19,561
POPULATION GROWTH 2010-2019	1.24%	6.63%	5.12%
DAYTIME POPULATION	2,980	13,890	15,470
HOUSEHOLD GROWTH 2010-2019	0.76%	6.34%	4.93%
AVERAGE HOUSEHOLD INCOME	\$58,514	\$56,508	\$53,711



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