



Representative Photo



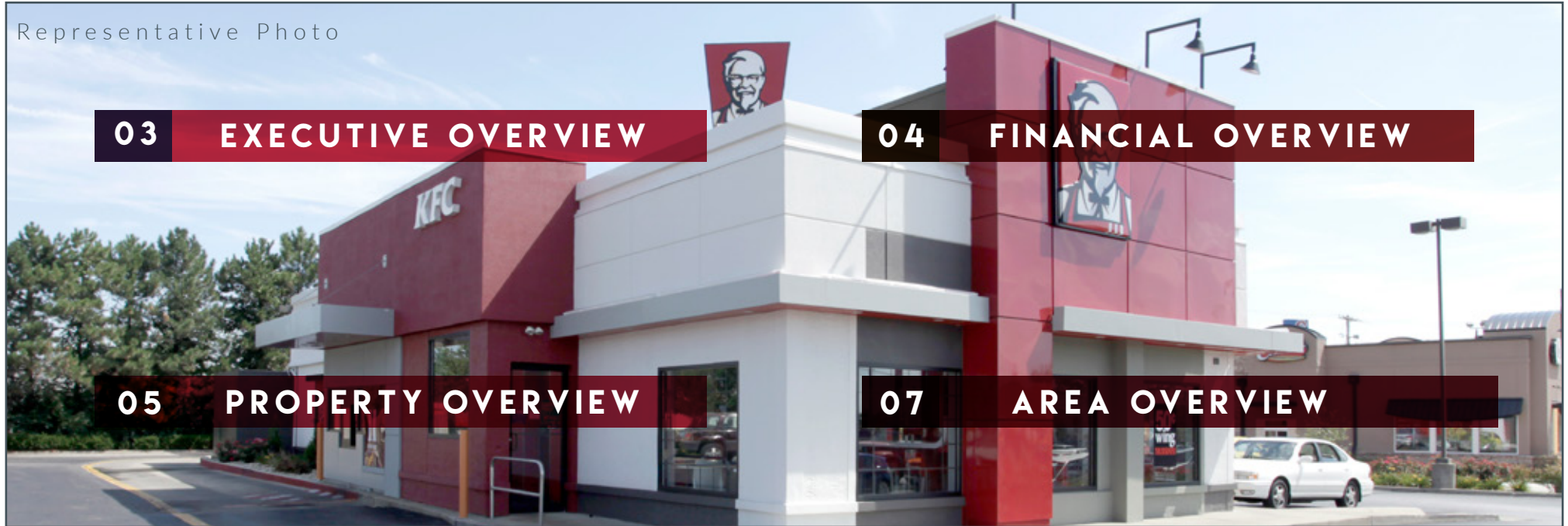
3704 W Washington St  
**INDIANAPOLIS | IN**

**MATTHEWS™**  
REAL ESTATE INVESTMENT SERVICES

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# TABLE OF CONTENTS

Representative Photo



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## INVESTMENT HIGHLIGHTS

- » **Long-Term Passive Income** – ±9 years remain on an absolute NNN Lease with zero landlord responsibilities. Tenant pays for insurance, utilities, taxes, CAM, and maintains all facets of the site.
- » **Strong Corporate Signature** - KFC Corporation is the largest fast food chicken chain in the world and guarantees the full term of the lease.
- » **Hedge Against Future Inflation** - Rental increases of 10% every 5 years provide increasing cashflow over the initial term of the lease, as well as in the option periods.
- » **Recently Renovated Building** - Tenant remodeled the store in 2018 to meet the brand's new KFC American Showman concept.
- » **Low Rent per SF** - KFC Corporation is only paying \$20/SF annually, keeping the tenant's occupancy cost low and providing the landlord the flexibility to increase rent, should the opportunity to retenant the property present itself in the future.
- » **Indianapolis is the 16th largest city in the U.S. and one of the fastest growing Metropolitan Statistical Area's in the Midwest**, with the population projected to increase by more than 26% by 2050.
- » **Strong Traffic Counts** – More than 22,000 vehicles drive by this property every day.
- » **Nearby Airport** - Property sits less than 3 miles from the Indianapolis International Airport, ranked as the #1 airport in North America for 6 straight years by Airports Council International.
- » **Nearby Commercial Tenants** – Include McDonald's, Wendy's, Rally's, Subway, O'Reilly Auto Parts, White Castle, Advance Auto Parts, Pizza Hut, Steak 'n Shake, Phillips 66, Long John Silver's and more.

# FINANCIAL OVERVIEW



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## INVESTMENT SUMMARY

» OFFERING PRICE	\$898,000
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» NOI	\$44,900
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» CAP RATE	5.00%
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» TOTAL BUILDING AREA	± 2,245 SF
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» TOTAL LAND AREA	± 0.80 Acres
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## ANNUALIZED OPERATING DATA

Term	Rent	Cap Rate	Options
Current - 8/31/2023	\$44,900	5.00%	
9/1/2023 - 8/31/2028	\$49,390	5.50%	
9/1/2028 - 8/31/2033	\$54,329	6.05%	Option 1
9/1/2033 - 8/31/2038	\$59,762	6.66%	Option 2
9/1/2038 - 8/31/2043	\$65,738	7.32%	Option 3

## TENANT SUMMARY

Tenant Trade Name	KFC
Type of Ownership	Fee Simple
Lease Type	NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	10 Years
Lease Commencement Date	9/11/18
Lease Expiration Date	8/31/28
Years Remaining	±9 Years
Options	Three, 5-Year Options



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## THE OFFERING

### PROPERTY NAME KFC

Property Address 3704 W Washington St  
Indianapolis, IN 46241

### SITE DESCRIPTION

Number of Stories	One
Year Built/Remodeled	1990/2018
GLA	± 2,245 SF
Lot Size	± 0.80 AC (± 34,848 SF)
Type of Ownership	Fee Simple
Landscaping	Professional

## TENANT OVERVIEW

Founded more than 65 years ago and based in Louisville, Kentucky, KFC Corporation is the franchisor of the world's most popular chicken restaurant chain, KFC. There are over 20,500 KFC outlets in more than 125 countries and territories worldwide, serving in excess of 12 million customers per day. KFC is a part of Yum! Brands, Inc. ("Yum!"), the parent company for iconic restaurant brands - KFC, Taco Bell and Pizza Hut - with nearly 44,000 restaurants in more than 135 countries and territories worldwide. Yum! is publicly traded on the New York Stock Exchange (Ticker: YUM) with a market capitalization in excess of \$26 billion as of September 1, 2017.

### STRATEGY

Franchising has allowed YUM! Brands to expand its worldwide presence through a far-reaching network of local operators, eliminating much of the expense involved in building such a large restaurant chain. In exchange for royalties and franchise fees, each franchisee is allowed to use the company's branding and other intellectual property. YUM! Brands maintain food quality consistency throughout its chain by centralizing where the restaurants buy food items.











# AREA OVERVIEW

## DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2024 Projection	8,580	74,270	208,496
2019 Estimate	8,513	73,188	204,115
2010 Projection	8,272	71,599	195,568
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2024 Projection	3,083	28,259	84,034
2019 Estimate	3,064	27,899	82,145
2010 Projection	3,000	27,438	78,064
INCOME	1 - MILE	3 - MILE	5 - MILE
2019 Est. Average Household Income	\$41,263	\$45,571	\$56,379





## INDIANAPOLIS, IN

Indianapolis is the capital and most populated city in Indiana. It is the economic and cultural center of the Indianapolis MSA, and is the 34th most populated MSA in the nation. The city covers 368 square miles, making it the 16th largest city in the US. The area is known for its one-of-a-kind culture with six distinct culture districts. Indianapolis stays true to its history and savors its historically significant neighborhoods. These districts include Broad Ripple Village, Canal and White River State Park, Fountain Square, Indiana Ave, Mass Ave, and Wholesale. Whether you are looking for sports, arts, dining, or excitement, Indianapolis has something for everyone.

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## ECONOMY

As of 2017, the three Fortune 500 companies in the area are Anthem, Inc, Eli Lilly, and Simon Property Group. Biotechnology, life science, and healthcare have played a major role in Indianapolis' economy. The North American headquarters for Roche Diagnostics and Dow AgroSciences are located in the city. Eli Lilly and Company have become the largest private employer in the city with over 11,000 workers.

The city is also home to the second largest FedEx Express hub in the world. Indianapolis' location and extensive highway make the city an important logistics center. Indianapolis International Airport is ranked the sixth busiest U.S. airport by air cargo transport.

The hospitality industry is also an increasingly vital sector for the area. Indianapolis is in its fourth year of record growth, generating \$4.9 billion dollars in the hospitality industry. Convention centers have also brought in profits with the Indiana Convention Center and Lucas Oil Stadium being two of the most popular sites for tourism.



## TOURISM

Tourism and hospitality is an increasingly vital sector of the Indianapolis economy. The Indiana Convention Center is connected to 12 hotels and 4,700 hotel rooms, the most of any U.S. convention center. Beyond the conventions, there are many other reasons for visitors to visit Indianapolis. The city is home to dozens of annual festivals and events showcasing and celebrating Indianapolis culture. Notable events include the "Month of May" (a series of celebrations leading to the Indianapolis 500), Circle City IN Pride, Indiana Black Expo, Indiana State Fair, and Historic Irvington Halloween Festival.

From the legendary Indianapolis 500 to the Pacers and the Colts, the city offers ample opportunities to view professional and amateur sporting events, take part in athletic events and visit sports museums. At the Indianapolis Motor Speedway and Hall Of Fame Museum, you can tour the famous track or visit the museum dedicated to automobiles and auto racing. Other sporty museums include the NCAA Hall of Champions. To get in on some of the action, visitors can head to SportZone which features six acres of indoor athletic facilities the whole family will enjoy.





## CONNECTIVITY

Indiana will soon be adding on an additional 235,000 SF onto the Indiana Convention Center, along with 1,400 + rooms that will be connected to the center with the two Hilton-affiliated branded towers. The convention center expansion will include a 50,000-square-foot ballroom (the state's largest), 30,000 square feet of meeting rooms, and 40,000 square feet of pre-function space. A new Signia Hilton tower will stand 38 stories tall, offering 814 rooms, a sleek addition to the city skyline, and expansive views of downtown from a top-level sky bar. This project is expected to be finished in late 2022.

### INDIANA CONVENTION CENTER



## URBAN EXPANSION

One of Indianapolis' attractions is the White River State Park which will soon be even more accessible by visitors and locals. A development plan for a 100-acre site is in the works. This site will sit just a short 10-minute walk away from the convention district and will be prepared to accommodate a mix of uses. The new Waterside Development will enhance the city's waterfront location. There will be more than 58 miles of the White River flowing through the city and connecting more than 60 points of interest with this new development.

### WATERSIDE DEVELOPMENT



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## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **KFC** located at **3704 W Washington St, Indianapolis, IN 67218** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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**BROKER OF RECORD**

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