

KFC 510 NORTH WEBSTER STREET TAYLORVILLE, ILLINOIS 62568

OFFERING MEMORANDUM Represented by: JUSTIN ZAHN Represented by: JUSTIN CARLSON jcarlson@ciadvisor.com

COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260 480.214.5088 – Office | www.ciadvisor.com

In Association with Illinois Licensed Broke s R. Tarrant | Tarrant & Harman Real Estate and Auction | Illinois License #47101667



INVESTMENT OVERVIEW

NAME	KFC
LOCATION	510 North Webster Street Taylorville, Illinois 62568
MAJOR CROSS STREETS	On N Webster St, North of Park St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$2,602,000
CAP RATE	5.65%
ANNUAL RENT	\$147,000
GROSS LEASEABLE AREA	4,666 SF
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT REMODELED	1989 2006
LOT SIZE	±0.57 Acre
LEASE EXPIRATION	September 30, 2039
OPTIONS	Two 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | SHOPPING | ENTERTAINMENT

Pad site to Wright's Furniture & Flooring Shopping Center; nearby retailers include Walmart Supercenter, Kroger, ALDI, Gordmans, Family Dollar, Dollar Tree, Dollar General, Ace Hardware, True Value, Do It Best, Aaron's, Maurices, Walgreens, CVS Pharmacy, O'Reilly Auto Parts, AutoZone, NAPA Auto Parts, Glik's, AT&T

HIGHER EDUCATION

Less than 3 miles from Lincoln Land Community College – Taylorville (offering basic nurse assistant, construction occupations & welding programs)

HEALTH CARE

Less than 1 mile from Taylorville Memorial Hospital (25- bed critical access 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 <u>will Generate Sales in Excess of \$800 Million in 2019</u> (FQSR, LLC is the Tenant on the Lease, Encompasses All Restaurant Locations)

SEASONED LOCATION | PENDING REMODEL: High Volume Location that has been Successfully Open & Operating Since 1989 with an <u>Attractive 8.04% Rent to Sales Ratio – Slated for Remodel by YE</u> <u>2020</u> – Showing Tenant's Commitment to the Location!

TRAFFIC COUNTS: Great Drive-By Visibility on N Webster St where Traffic Counts Exceed 14,130 CPD!

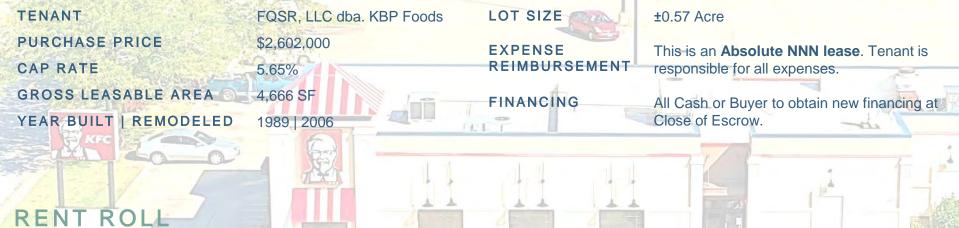
2019 DEMOGRAPHICS (5-MI): Total Population: 14,915 | Average Household Income: \$61,543



JUSTIN ZAHN JUSTIN@CIADVISOR.COM

FINANCIAL ANALYSIS

SUMMARY



TENANT INFO		LEASE TERMS	RENT SUMMARY			
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN	
FQSR, LLC dba. KBP Foods	4,666	Years 1-5: 09/24/19 to 09/30/24	Current	\$147,000	5.65%	
		Years 6-10: 10/01/24 to 09/30/29	7%	\$157,290	6.04%	
		Years 11-15: 10/01/29 to 09/30/34	7%	\$168,300	6.47%	
		Years 16-20: 10/01/34 to 09/30/39	7%	\$180,081	6.92%	
					6.27% AVG ANNUAL RETURN	
RENEWAL OPTIONS	1	1 st Option: 10/01/39 to 09/30/44	7%	\$192,687		
		2 nd Option: 10/01/44 to 09/30/49	7%	\$206,175		
1		/				

KFC | TAYLORVILLE, ILLINOIS

JUSTIN ZAHN JUSTIN@CIADVISOR.COM JUSTIN CARLSON JCARLSON@CIADVISOR.COM

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.



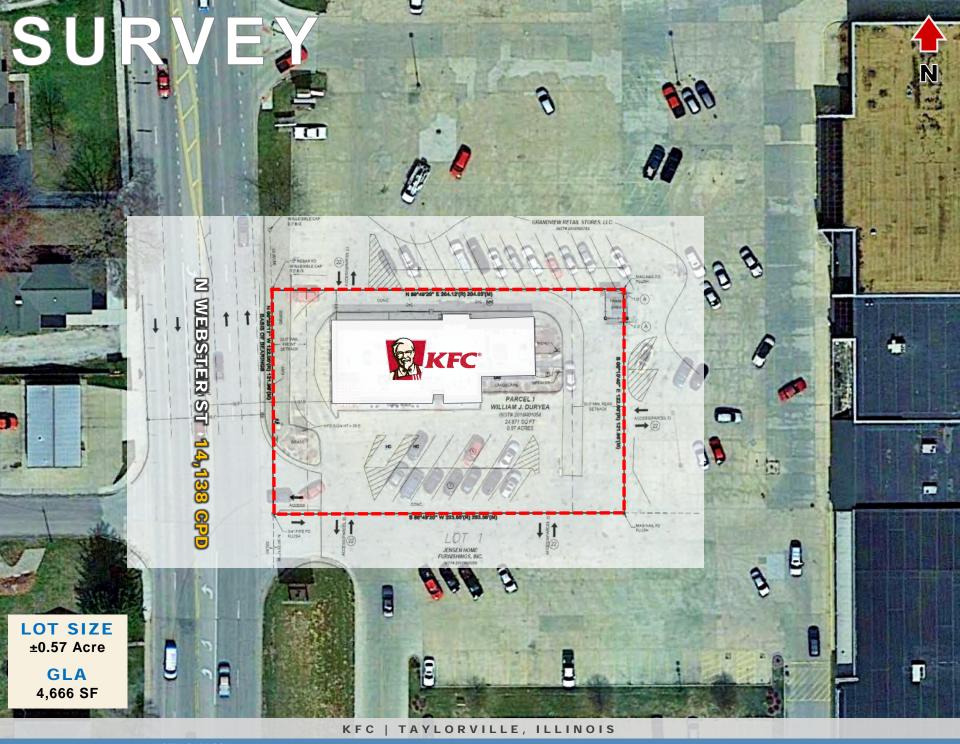
The success KBP Foods has had with growth through acquisition is directly correlated to diligent selection criteria, prudent and responsible capital structure and industry leading operational talent. Ultimately giving their people significant opportunity to growth themselves personally, professionally and financially.

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



STORY OF KBP FOODS

JUSTIN ZAHN JUSTIN@CIADVISOR.COM JUSTIN CARLSON JCARLSON@CIADVISOR.COM



JUSTIN ZAHN JUSTIN@CIADVISOR.COM

JUSTIN CARLSON JCARLSON@CIADVISOR.COM

FACING NORTHEAST



JUSTIN CARLSON JUSTIN@CIADVISOR.COM JCARLSON@CIADVISOR.COM

JUSTIN ZAHN



KFC | TAYLORVILLE, ILLINOIS

JUSTIN ZAHN JUSTIN@CIADVISOR.COM JUSTIN CARLSON JCARLSON@CIADVISOR.COM

FACING SOUTHWEST

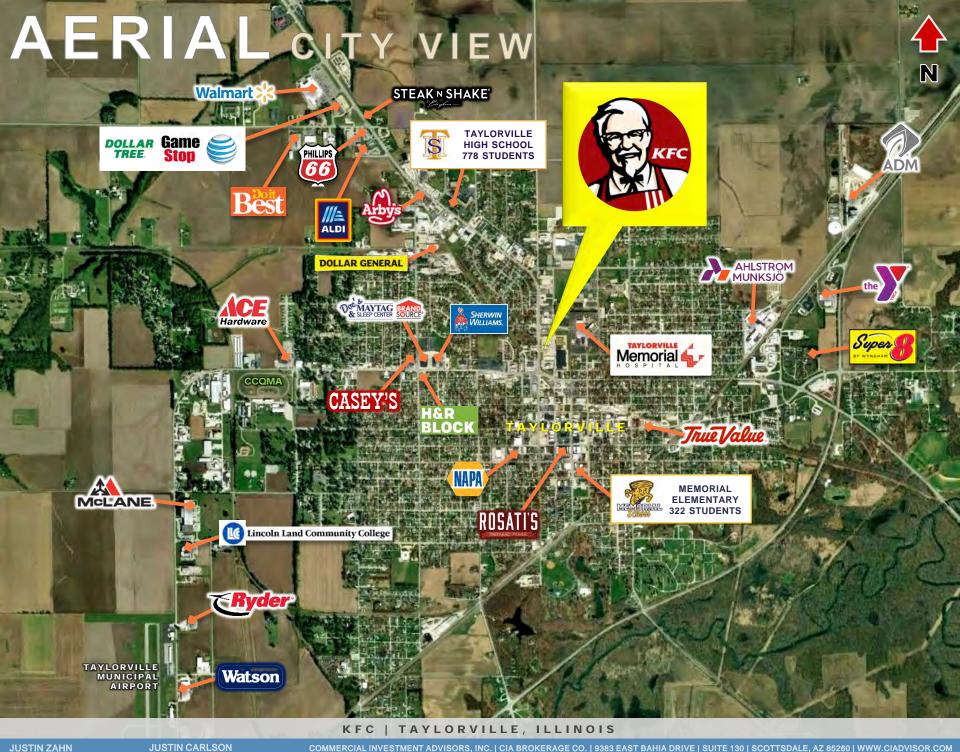


JUSTIN ZAHN JUSTIN@CIADVISOR.COM JUSTIN CARLSON JCARLSON@CIADVISOR.COM



KFC | TAYLORVILLE, ILLINOIS

JUSTIN ZAHN JUSTIN@CIADVISOR.COM JUSTIN CARLSON JCARLSON@CIADVISOR.COM



JUSTIN ZAHN JUSTIN CARLSON JUSTIN@CIADVISOR.COM JCARLSON@CIADVISOR.COM

LOCATION OVERVIEW



Taylorville is a city in and the county seat of Christian County, Illinois. The population was 10,650 in 2017, making it the county's largest city. Taylorville is served by Illinois Route 29, 48 and 104. Taylorville is a wonderful city in central Illinois – in the heart of Abraham Lincoln country – only thirty miles from Springfield. With many lakes among its borders, Christian County is a boater's paradise. Camping, fishing, swimming and hiking are some of the many activities that will keep you going from sunrise to sunset. Combined with the 15-mile Lincoln Prairie Trail, there is something for every outdoor lover. Taylorville has the conveniences of a larger city, yet has a nice historic downtown area, many tree-lined brick streets, quaint neighborhoods, expanding commercial and industrial developments, great schools, and friendly citizens.

Taylorville Memorial is a critical access hospital providing healthcare services for the residents of Taylorville and Christian County since 1906. It is a 25-bed facility, and the county's largest employer, with over 425 employees and 90 doctors. Currently, the Phase 1 construction (25 new patient rooms, outpatient services, therapy services, laboratory, pharmacy, specialty clinic & central utility plant) is scheduled to be completed in early Winter 2020. The Phase 2 (food services, administrative offices & conference rooms) is scheduled to be completed in Winter 2021.

Other companies in Taylorville include: Ahlstrom Filtration (paper mill), Alexander Lumber Co., R.P. Lumber Co., AFT Manufacturing (sheet metal contractor), Watson Foods (food products supplier), Illini Metal Works, Design Corrugating Co., Pro-Shot Products, ADM Grain Co., McLane Distribution Center, GSI Group (farm equipment supplier), B&R Construction, PBI Ready Mix Concrete Supplier, etc.

2019 DEMOGRAPHICS							
	1-MI	3-MI	5-MI				
TOTAL POPULATION	9,666	11,403	14,915				
DAYTIME POPULATION	8,372	10,058	12,913				
AVERAGE HOUSEHOLD INCOME	\$52,268	\$55,607	\$61,543				

JUSTIN ZAHN JUSTIN@CIADVISOR.COM

JCARLSON@CIADVISOR.COM

CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Commercial Investment Advisors, Inc. | CIA Brokerage Company has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees. Purchaser is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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.

FOR MORE INFORMATION:

JUSTIN ZAHN

Vice President O +1 480 718 5555 C +1 402 730 6021 justin@ciadvisor.com

JUSTIN CARLSON

Senior Investment Advisor O +1 480 214 5089 C +1 480 580-8723 jcarlson@ciadvisor.com

TRAVIS R. TARRANT

Associate Broker O +1 618 974 9259 travis@tarrantandharman.com

