



ACTUAL SITE

KFC

**102 WEST MCCOY BOULEVARD
TOMAH, WISCONSIN 54660**

**OFFERING
MEMORANDUM**

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INVESTMENT OVERVIEW

KFC
TOMAH, WISCONSIN

NAME	KFC
LOCATION	102 West McCoy Boulevard Tomah, Wisconsin 54660
MAJOR CROSS STREETS	NWC of W McCoy Rd & N Superior Ave
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$1,927,000
CAP RATE	5.50%
ANNUAL RENT	\$106,000
GROSS LEASEABLE AREA	3,532 SF
RENTAL ESCALATIONS	7% every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT REMODELED	1974* 2017
LOT SIZE	±1.11 Acres
LEASE EXPIRATION	September 30, 2039
OPTIONS	Two 5-Year Renewal Options

* According to Phase I Environmental Site Assessment Report

POINTS OF INTEREST

RETAIL | SHOPPING | ENTERTAINMENT: Pad site to a Walmart Supercenter; nearby retailers include ALDI, Dollar Tree, Family Dollar, Ace Hardware, Tractor Supply, Slumberland Furniture, Maurices, Goodwill, Advance Auto Parts, O'Reilly Auto Parts, NAPA Auto Parts, U.S. Cellular, Sears Hometown Store, Marcus Cinema, Anytime Fitness

PUBLIC EDUCATION: Tomah has 10 public schools (7 elementary, 1 middle school, a high school, an alternative school and a Montessori Public Charter School) within the 8-mile vicinity with total enrollment of over 3,000

HEALTH CARE: 2 miles from Tomah VA Medical Center (271 beds); 3 miles from Tomah Memorial Hospital (25 beds)

FORT MCCOY

9 miles from the Subject Property – a U.S. Army installation is home to 86th Training Division, 88th Regional Support Command, Wisconsin Military Academy & Wisconsin State Patrol. For fiscal year 2018, a total of 2,469 personnel worked at Fort McCoy with a total economic impact exceeds \$1.135 billion.

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)

SEASONED LOCATION | RECENT REMODEL: Successfully Open & Operating for Decades with an Attractive 8.06% Rent to Sales Ratio – Recently Remodeled to KFC's Newest "American Showman" Prototype in 2017 – Showing Tenant's Commitment to the Location!

TRAFFIC COUNTS | LARGE PARCEL: Positioned on a Large ±1.11-Acre Lot (Pad Site to a Walmart Supercenter) Located on Hard Corner at Signalized Intersection where Traffic Counts Exceed 22,000 CPD!

2019 DEMOGRAPHICS: Total Population (5-MI): 13,307 | Average Household Income (1-MI): \$75,213



FINANCIAL ANALYSIS

SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±1.11 Acres
PURCHASE PRICE	\$1,927,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.50%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	3,532 SF		
YEAR BUILT REMODELED	1974 2017		

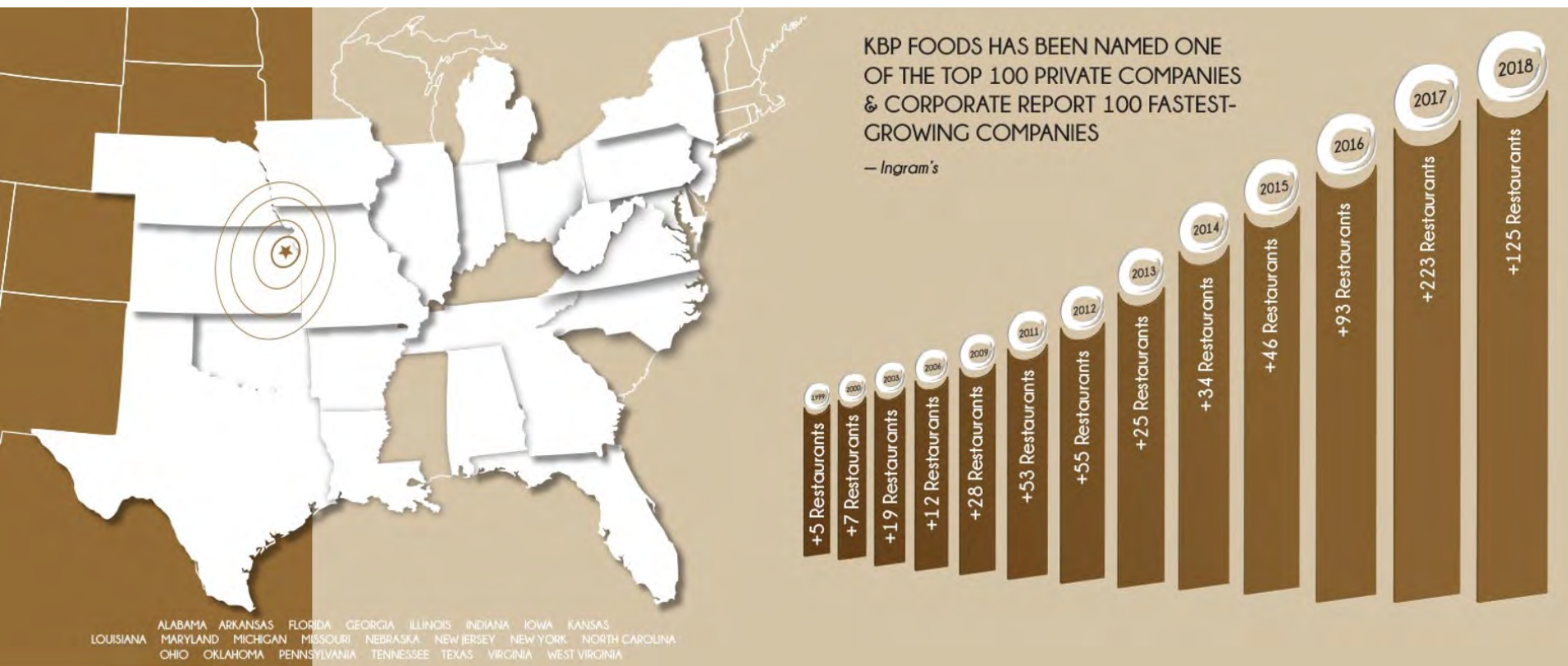
RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	3,532	Years 1-5: 09/23/19 to 09/30/24	Current	\$106,000	5.50%
		Years 6-10: 10/01/24 to 09/30/29	7%	\$113,420	5.89%
		Years 11-15: 10/01/29 to 09/30/34	7%	\$121,359	6.30%
		Years 16-20: 10/01/34 to 09/30/39	7%	\$129,855	6.74%
RENEWAL OPTIONS		1 st Option: 10/01/39 to 09/30/44	7%	\$138,944	
		2 nd Option: 10/01/44 to 09/30/49	7%	\$148,670	

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/>



SURVEY



E MCCOY BLVD 14,100 CPD

N SUPERIOR AVE 7,900 CPD

LOT SIZE
±1.11 Acres

GLA
3,532 SF

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

AERIAL



KFC | TOMAH, WISCONSIN

AERIAL CITY VIEW



KFC | TOMAH, WISCONSIN

LOCATION OVERVIEW




Tomah is a city in Monroe County in central Wisconsin, where Interstates 90 and 94 divide. Tomah is located on the South Fork of the Lemonweir River, a main tributary of the Lemonweir River, which is a large tributary of the lower Wisconsin River. The city has a total area of 7.86 square miles. The City of Tomah has three Industrial Parks. Due to Tomah's location, midway between Milwaukee and Minneapolis and where the state's interstate system divides, it provides for a prosperous industrial development environment. Distribution facilities and statewide trucking firms enjoy the advantages Tomah has to offer.

Tomah is served by the **Tomah Area School District**, which has more than 3,000 students. The district administers seven elementary, 1 middle school, a high school, an alternative school and a Montessori Public Charter School. Tomah Area School District is a part of the Mississippi Valley Conference. The school's athletic teams are known as the Timberwolves.

Major employers in Tomah include: **Allied Cooperative** (farming); **Band Box Cleaners & Laundry, Inc.** (laundry service), **Cardinal Glass Industries** (glass industry), **Coveris High Performance Packaging** (plastic fabrication company), **Covia** (sand plant), **Festival Foods** (grocery store), **Gerke Excavating** (construction company), **Hi-Crush Proppants** (sand & gravel supplier), **Meca Sportswear** (apparel manufacturer), **Mill Haven Foods** (food manufacturer), **Ocean Spray** (processing plant), **Smart Sand** (sand plant), **Toro** (distribution service), **Usemc** (general contractor) & **Walmart** (department store & distribution center).

Fort McCoy is a United States Army installation on 60,000 acres between Sparta and Tomah, Wisconsin. Since its creation in 1909, the post has been used primarily as a military training center. A part of Fort McCoy is also used by the Wisconsin State Patrol as a training facility. The population consists of 1,300 military and 2,800 civilians working on the installation, with an average daily student population of 3,900 military and 200 civilians. There are 800 military dependents and a retiree population of 143,000 served by Fort McCoy.

	2019 DEMOGRAPHICS		
	1-MI	3-MI	5-MI
TOTAL POPULATION	557	9,065	13,307
POPULATION GROWTH 2010-2019	2.58%	2.44%	0.82%
DAYTIME POPULATION	492	7,759	11,558
HOUSEHOLD GROWTH 2010-2019	2.80%	2.57%	0.84%
AVERAGE HOUSEHOLD INCOME	\$75,213	\$60,236	\$63,493

Fort McCoy's total economic impact exceeds \$1.135 billion during fiscal year 2018

Apr 12, 2019 - Fort McCoy's **total economic impact for fiscal year (FY) 2018 was an estimated \$1.135 billion**, close to the \$1.18 billion reported for FY 2017, garrison officials announced. The data was compiled by Fort McCoy's Plans, Analysis and Integration Office. Workforce payroll, operating costs, and other expenditures totaled \$283.7 million for FY 2018 compared to \$294.8 million for FY 2017.

A total of 2,469 personnel worked at Fort McCoy in FY 2018 - 1,466 civilians, 505 military, and 498 contract employees.

Approximately 75 percent of the workforce lives within Monroe County. The total FY 2018 workforce payroll for civilian and military personnel was \$158.3 million.

FY 2018 operating costs of \$110.1 million included utilities, physical plant maintenance, repair and improvements, new construction projects, purchases of supplies and services, as well as salaries for civilian contract personnel working at Fort McCoy.

Other expenditures accounted for \$15.4 million and covered \$506,995 in payments to local governments (including land permit agreements, school district impact aid, etc.) as well as \$14.8 million in discretionary spending in local communities by service members at Fort McCoy for training.

Fort McCoy supported training for 148,733 personnel in FY 2018, which ran from Oct. 1, 2017, to Sept. 30, 2018. The training population included reserve- and active-component personnel from throughout the military.

Fort McCoy Garrison Commander Col. Hui Chae Kim said in November 2018 the installation continues to follow its motto as the "Total Force Training Center." "We truly are a Total Force Training Center," Kim said. "We are the premier Army Reserve garrison installation that continues to advance our training facilities and support the warfighter to be more lethal. And that's how I continue to see it. "Training is priority No. 1," he said. "We have the high level of transient training and a great emphasis on (supporting) training as well as constantly improving our training land and ranges, which are state of the art. We continue to take what we have in World War II wood, and we upgrade it and we advance and modernize. It's just fantastic what's going on here."

A gross multiplier index (GMI) of 4.0 was used to determine the overall effect of the expenditures in the local economy. The GMI measures the number of times a dollar turns over within a region and was developed by the University of Wisconsin-La Crosse.

Located in the heart of the upper Midwest, Fort McCoy is the only U.S. Army installation in Wisconsin. The installation has provided support and facilities for the field and classroom training of more than 100,000 military personnel from all services each year since 1984.

Learn more about Fort McCoy online at <https://home.army.mil/mccoy>, on Facebook by searching "ftmccoy," and on Twitter by searching "usagmccoy."

(Article prepared by the Fort McCoy Public Affairs Office.)



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