



PAD to SPROUTS



• 15-YEAR LEASE • ABSOLUTE NNN • RAPIDLY EXPANDING TRADE AREA •



In Association with JDS Real Estate Services, Inc. | A Licensed Oklahoma Broker #170255

OFFERING MEMORANDUM
YUKON, OKLAHOMA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

YUKON, OKLAHOMA

TABLE OF CONTENTS:

Offering Summary	3
Investment Highlights	4
Lease Summary	6
Site Plan / Parcel Map	7
Aerial Overview	9
Regional Map	10
Tenant Profile	11
Area Overview	12
Demographics	15

EXCLUSIVELY LISTED BY:

Jeremy McChesney
Executive Vice President
jmcchesney@higrea.com
844.585.7671

Ed Hanley
President
ehanley@higrea.com
844.585.7677



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

OFFERING SUMMARY

KFC



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

LOCATION

KFC

1301 S. Garth Brooks Boulevard

Yukon, OK 73099

OFFERING SUMMARY

Price:	\$2,036,000
Current Net Operating Income (NOI):	\$110,000
Current Capitalization Rate:	5.40%
Net Rentable Area:	2,318
Year Built:	1999
Lot Size (Acres):	0.48

FINANCING SUMMARY

All Cash or Cash to New Financing

(Contact Hanley Investment Group for Further Details)





- **Single Tenant Net Leased KFC:**
 - Recently extended 15-year lease speaking to the success of the tenant and location
 - Absolute NNN lease structure with no Landlord maintenance responsibilities offering passive investment and ease of ownership
 - 7.5% rental increases throughout the primary term and options offering a hedge against inflation
 - Two 5-year options to renew, offering 25 years of total lease term
- **Rapidly Expanding Trade Area:** The 1-mile trade area grew by 32% from 2000-2010 and is expected to grow by an additional 12% by 2024
- **Well Positioned:** Off Highway 270 along Garth Brooks Boulevard with average daily traffic volumes exceeding 19,000 vehicles per day; large monument signage visible from Highway 270
- **Recently Remodeled / Pride of Ownership Asset:** Remodeled to KFC's latest pro-type demonstrating the operator's commitment to the location



NOT A PART

LEASE SUMMARY (1)

Tenant:	KFC (Ampex Brands of OKC, LLC)	Renewal Options:	7.5% Every 5 years
Lease Commencement:	September 1, 2019	Property Taxes:	Two 5-Year Options with 7.5% Increases
Lease Expiration:	August 31, 2034	Insurance:	Tenant Responsibility
Lease Type:	NNN	Common Area Maintenance:	Tenant Responsibility
Net Operating Income:	\$110,000	Repairs & Maintenance:	Tenant Responsibility
Net Rentable Area:	2,318	Roof & Structure:	Tenant Responsibility
		Roof and Structure:	Tenant Responsibility

NOTES

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.

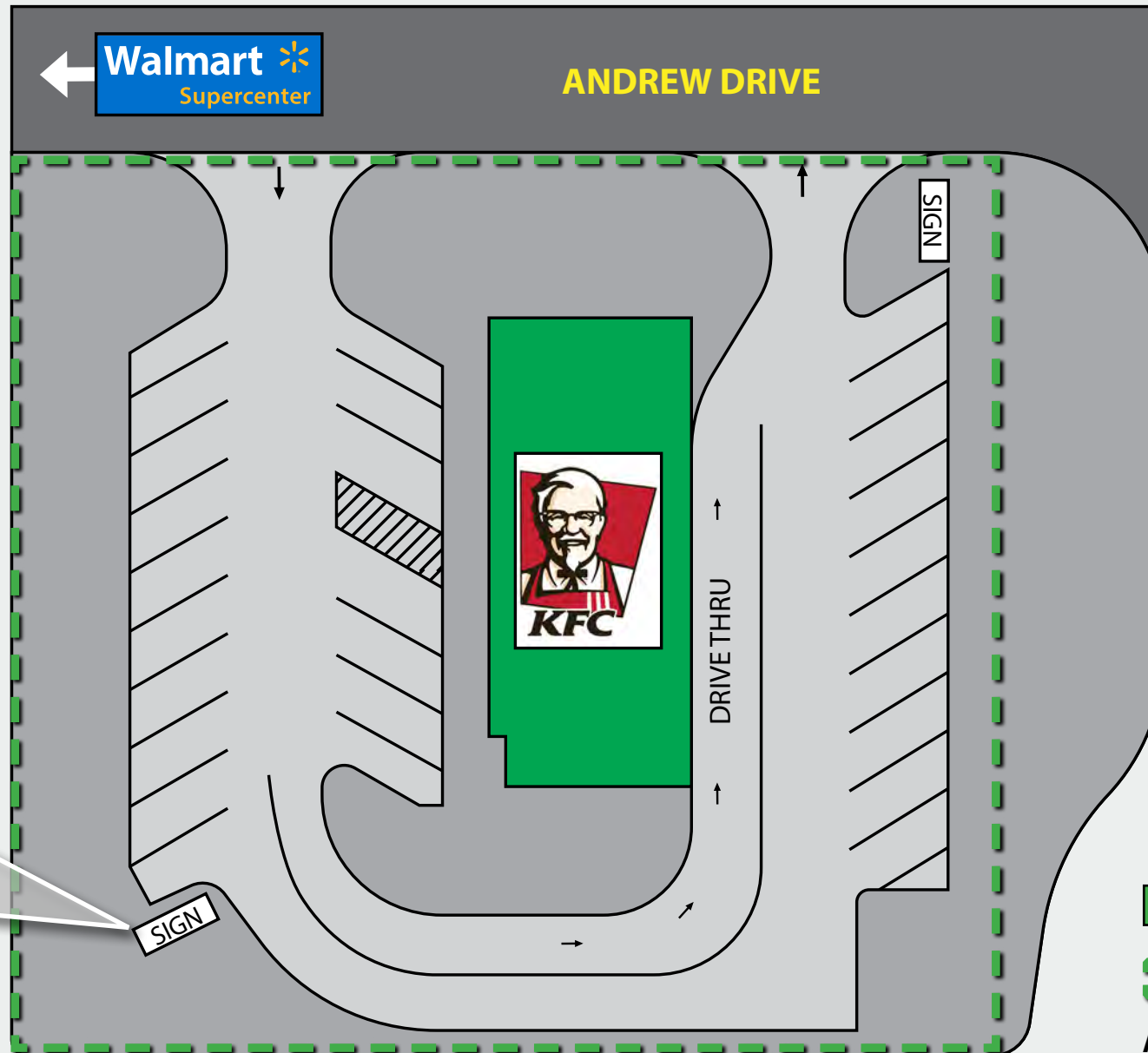


SITE PLAN / PARCEL MAP

KFC



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



- SUBJECT PROPERTY**
- PROPERTY PARCEL**

APN: 090020958





CHISHOLM CENTER

NOT A PART



KFC



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS





TENANT PROFILE

KFC



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



KFC Corporation, also known as Kentucky Fried Chicken, operates a chain of chicken restaurants in the United States and internationally. Headquartered in Louisville, Kentucky the company is the world's most popular chicken restaurant chain and provides sandwiches, sides, desserts, drinks, sauces, buttermilk biscuits, and other products; big box meals, popcorn nuggets, and kid's meals; and chicken products, including chicken hot wings, chicken sandwiches, and fried chicken products. The company franchises its restaurants and has more than 21,000+ restaurants in more than 130 countries. It was one of the first American fast food chains to expand internationally, doing so in the mid-1960s; today, it is one of the fastest growing retail brands, both in emerging and developed markets alike. KFC is the second largest restaurant chain in the world, behind McDonald's.

KFC Corp. operates as a subsidiary of Yum Brands, Inc., a restaurant company that also owns Pizza Hut, Taco Bell, and WingStreet chains. Yum! Brands, Inc. generated \$49 billion in system sales in 2018 across 48,000 global restaurants. The company is 98% franchised, and 2018 was a record year for opening eight gross new restaurants per day.

KFC utilizes more than 18 food innovation teams throughout the world working on new products, and menu innovation is credited with driving the company's global sales momentum. During Q1 of 2019, Yum Brands' KFC division delivered system sales growth of 9%. There was 6% growth in their worldwide system sales for 2018. YUM stock has gained about 22% over the last year.

Though KFC is "Finger Licking' Good" and "Always Original" campaign, several innovative new products were added to the menu in 2018 such as the Dunked Burger and Chicken & Waffles. In August, KFC teamed with Beyond Meat to reveal the Beyond Fried Chicken test at one location in Atlanta. The results were staggering, with KFC selling more of the meatless "chicken" in 5 hours than it typically sells of popcorn chicken in a week.

Ampex Brands of OKC, LLC: Formed in 2005, by Tabbassum Mumtaz, Ajay Dhillon, and Ray Wilia when the company acquired 18 Long John Silver's restaurants in Texas, Arkansas, and Louisiana. In 2006 the company added 8 locations in Texas and Oklahoma. In 2008, they acquired 44 LJS/A&W restaurants in the North Texas and Tulsa/Oklahoma City markets which made the company one of the largest LJS franchisees in the country. In 2010, the company acquired 54 KFC multi-brand restaurants in the metro Dallas market. In 2011, 35 KFC multi-brand restaurants were acquired in the metro Chicago market. Ampex currently operates 128 Pizza Hut units, 218 KFCs, 38 Taco Bells, 68 Long John Silver's, and 49 Tim Hortons stretching across 15 states.

- **#2 Largest Restaurant Chain in the World**
- **#1 Most Popular Chicken Chain in the World**

Company Type: Public (NYSE: YUM)

Locations: 21,000+

Website: www.kfc.com



Yukon, Oklahoma

- Community located 16 miles west of Oklahoma City in Canadian County, Oklahoma
- 40,476 population
 - 4.6% estimated population growth from 2018-2023
- **Czech Festival of Yukon** - Annual festival celebrating the heritage of Czech immigrants with dancing, music, and more; drawing 50,000+ attendees each year

ECONOMY

- Diversified economy with major contributions from education, health services, and retail trade
 - Top employers are Yukon Public Schools, Walmart Super Center, Integris Canadian Valley Hospital, City of Yukon, and Redlands Community College
- \$81,739 average household income (AHHI) vs. \$59,039 U.S. AHHI
- 2,711 companies comprise the local economy
- 3.5% unemployment rate verse 3.7% U.S. unemployment rate

DEVELOPMENTS

- **Redstone Intermediate School** - \$25 million, 120,000 square foot school; under construction
- **Avid Hotel** - \$9 million, 96-room, 46,000 square foot hotel; opened 2019
- **Crest Foods** - Plans to construct a 90,000 square foot market; bringing 175 new jobs to the area; planned

TRANSPORTATION

- Famed Route 66 dissects the city
- Stretch your legs at a Route 66 themed park, uncover unique aspects of American history and wax nostalgic at a 50s themed diner
- Interstate 40 runs east-west just south of the city, allowing for a quick 20-minute connection to Oklahoma City

City of Yukon Highlights

\$81,739
AVERAGE
HOUSEHOLD INCOME

4.6%
PROJECTED
POPULATION GROWTH

\$25M
REDSTONE
INTERMEDIATE SCHOOL
DEVELOPMENT



Oklahoma City MSA

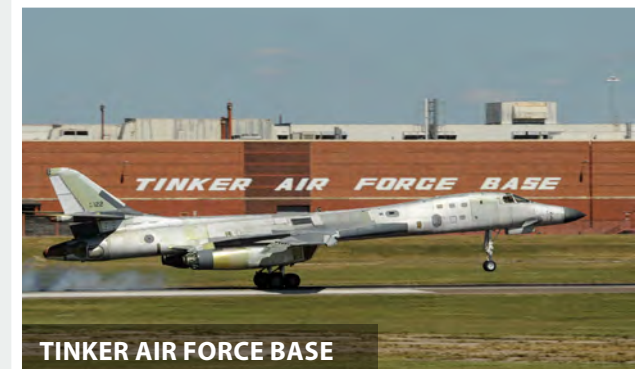
- Capitol and largest city in Oklahoma; the metropolitan area consists of 7 counties
- 1.4+ million population in metropolitan area
- Known as the "Sooner State" and appreciated for its cowboy culture and 350 days of sunshine per year

ECONOMY

- Aviation, aerospace, bioscience, energy, and logistics make up the largest employment and economic impact sectors
 - \$20.4 billion economic impact and \$5.3 billion wages for the state created by the energy industry
- Kellogg and General Motors have manufacturing facilities in the area
- Paycom, Hobby Lobby, Sonic, and American Fidelity are headquartered in the city
- Tinker Air Force Base is the 2nd largest military air depot in the country and the largest single-site employer in the state
- The Boeing Company, AT&T, Dell, Hertz, and UPS boast large regional presence
- \$5.5 billion pledged for capital investments by five of the most active drillers in the state; expected to create 30,000 energy jobs, 165,000 indirect jobs, and millions in state revenue

DEVELOPMENTS

- **Core to Shore** - \$2 billion, redevelopment to relocate Interstate 40, which will expose a large swath of land south of downtown that the old highway had blocked from public view; planned
- **Convention Center** - \$288 million, 200,000 square foot exhibit hall, 30,000 square foot ballroom, and 45,000 square feet of additional meeting space; under construction
- **Omni Hotel** - \$241 million, 18-story convention center hotel; 605 rooms; under construction
- **Scissortail Park** - 70-acre park extending the core of downtown to the Oklahoma River; under construction
- **Driving Forward** - \$892 million capital expansion and improvement project for the major turnpikes and new toll roads in the greater metropolitan area; construction began in 2016 and is expected to be completed in 2021



\$288M

**CONVENTION CENTER
DEVELOPMENT**

#2

**LARGEST MILITARY AIR
DEPOT IN THE COUNTY**

1.4M

**OKLAHOMA CITY MSA
POPULATION**

\$20.4B

**ENERGY INDUSTRY
ECONOMIC IMPACT**

Oklahoma City MSA

- **Will Rogers Airport** - \$89 million terminal project; four new airline gates, upgrades to security checkpoint, lounges, and an international screening area; under construction
- **Oklahoma Contemporary Arts Center** - \$30 million facility offering expanded space for exhibitions, performances, and educational programming; under construction

TRANSPORTATION

- The MSA has a major transportation network with more than 2,400 miles of highway and interstate; the largest freeways in the city are Interstate 35, Interstate 40, and Interstate 44
- **Will Rogers Airport** - Region's major commercial airport; 8 commercial carriers comprise 72 departures each day
 - 2018 saw the 2nd straight record year with 4.3 million passengers

EDUCATION

- **University of Oklahoma** - Public research university; \$1.5 billion endowment; 21,000+ students
- **Oklahoma State University** - Public research institution; \$900+ million endowment; 24,649 students

TOURISM

- 17,150+ hotel rooms accommodate 7.5+ million visitors per year
- Professional sports teams include the Oklahoma City Thunder (NBA), Oklahoma City Dodgers (triple-A baseball), and Oklahoma City Energy (United Soccer League)
- "The Horse Show Capital of the World"
 - Home to more equine events than any other city in the world
 - Venue of choice for more than a dozen top national and world championship horse shows
- The annual Festival of the Arts attracts 750,000 visitors and 140+ artists from across the nation



4.3M

**ANNUAL PASSENGERS AT THE
WILL RODGERS AIRPORT**

2.4K

**MILES OF HIGHWAY
IN THE MSA**

7.5M

**OKLAHOMA CITY MSA
ANNUAL VISITORS**

750K

**FESTIVAL OF THE ARTS
ANNUAL VISITORS**

Population

	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
2024 Projection	7,333	46,213	76,666
2019 Estimate	6,538	41,568	68,470
2010 Census	4,884	33,691	51,983
Growth 2019-2024	12.16%	11.17%	11.97%
Growth 2010-2019	33.87%	23.38%	31.72%
2019 Population Hispanic Origin	419	2,857	5,446

Households

2024 Projection	2,882	17,025	28,300
2019 Estimate	2,588	15,424	25,432
2010 Census	1,981	12,773	19,621
Growth 2019 - 2024	11.36%	10.38%	11.28%
Growth 2010 - 2019	30.64%	20.75%	29.62%
Owner Occupied	1,747	11,781	18,799
Renter Occupied	841	3,643	6,633
2019 Avg Household Income	\$84,529	\$86,541	\$83,351
2019 Med Household Income	\$64,580	\$70,188	\$67,524

2019 Population by Race:

White	5,860	35,764	57,930
Black	58	782	1,626
Am. Indian & Alaskan	260	1,667	2,776
Asian	47	1,404	2,844
Hawaiian & Pacific Island	15	92	108
Other	297	1,859	3,186
U.S. Armed Forces:	3	55	126

2019 Households by Household Inc:

<\$25,000	425	1,958	3,405
\$25,000 - \$50,000	600	3,175	5,239
\$50,000 - \$75,000	517	3,180	5,573
\$75,000 - \$100,000	387	2,607	4,308
\$100,000 - \$125,000	203	1,615	2,734
\$125,000 - \$150,000	137	1,110	1,514
\$150,000 - \$200,000	124	921	1,351
\$200,000+	195	859	1,307

CONFIDENTIALITY AGREEMENT

KFC



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

Neither Owner nor Broker nor any of their respective officers, Agents or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Marketing Package or any of its contents, and no legal commitment or obligation shall arise by reason of the Marketing Package or its contents. Analysis and verification of the information contained in the Marketing Package is solely the responsibility of the prospective buyer, with the Property to be sold on an as is, where-is basis without any representations as to the physical, financial or environmental condition of the Property.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

EXCLUSIVELY LISTED BY:

Jeremy McChesney
Executive Vice President
jmcchesney@higrea.com
844.585.7671

Ed Hanley
President
ehanley@higrea.com
844.585.7677

In Association with JDS Real Estate Services, Inc. | A Licensed Oklahoma Broker #170255



\$6+ BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



TOP BROKERAGE GLOBALLY
in investment sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.