

KFC & TACO BELL

201 ANGELA STREET PAOLA, KANSAS 66071

OFFERING MEMORANDUM

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COMMERCIAL INVESTMENT ADVISORS, INC. CIA BROKERAGE COMPANY

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In Association with Kansas Designated Broker: Jessica Zahn Gibson | CIA Brokerage Company | KS License # 226485 CIA commercial investment a d v i s o r s

INVESTMENT OVERVIEW

NAME

TENANT

MAJOR CROSS STREETS

KFC & TACO BELL

1997 | 2019

LOCATION 201 Angela Street Paola, Kansas 66071

SEC of Angela St & Baptiste Dr

FQSR. LLC dba. KBP FOODS

PURCHASE PRICE \$1,480,000

CAP RATE 5.00%

ANNUAL RENT \$74.000

GROSS LEASEABLE AREA 3,822 SF

RENTAL ESCALATIONS 7% every 5 Years

LEASE TYPE Absolute NNN

OWNERSHIP (Building & Land) Fee Simple

YEAR BUILT | REMODELED

LOT SIZE ±1.03 Acres

LEASE EXPIRATION February 29, 2040

OPTIONS Two 5-Year Renewal Options

POINTS OF INTEREST

RETAIL | ENTERTAINMENT | RESTAURANTS: Across the street from Walmart Supercenter; nearby retailers include Price Chopper. Dollar General, Family Center Farm & Home, Rent-A-Center, Do It Best Hardware, Verizon, Cricket Wireless, NAPA Auto Parts, O'Reilly Auto Parts; nearby restaurants include Applebee's, McDonald's, Burger King, Taco Bell, Arby's, Sonic Drive-In, Pizza Hut, Subway, Dunkin' Donuts, Dairy Queen

PUBLIC EDUCATION: Less than half a mile from Paola High School - Grades 9-12 (615 students), Paola Middle School - Grades 6-8 (469 students), Sunflower Elementary – Grades 3-5 (419 students); less than 1 mile from Cottonwood Elementary – Grades PreK-2 (471 students)

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 739+ Locations in 23 States (18% of Locations in U.S. System) and will Generate Sales in Excess of \$825 Million in 2020 (FQSR, LLC is the Tenant on the Lease, **Encompasses All Restaurant Locations)**

SEASONED LOCATION | RECENT REMODEL: Successfully Open & Operating for Decades with an Attractive 6.47% Rent to Sales Ratio! Fully Remodeled in 2019 to the Latest American Showman Prototype – Showing Tenant's Commitment to this Location!

CONCEPT: RARE Dual Branded KFC/Taco Bell Concept (Grandfathered In) Offering the Best of YUM Brands Under One Roof!

TRAFFIC COUNTS: Large ±1.03-Acre Parcel Conveniently Positioned Across from a Walmart Supercenter where Traffic Counts Exceed 8,460 CPD

2019 DEMOGRAPHICS (5-MI): Total Population: 8,238 | Average Household Income: \$70,712



This is an Absolute NNN lease. Tenant is

FINANCIAL ANALYSIS

SUMMARY

TENANT FQSR, LLC dba. KBP Foods LOT SIZE ±1.03 Acres

PURCHASE PRICE \$1,480,000 EVENCE This is on Abo

CAP RATE 5.00% REIMBURSEMENT responsible for all expenses.

GROSS LEASABLE AREA 3,822 SF FINANCING All Cash or Buyer to obtain new financing at

EXPENSE

YEAR BUILT | REMODELED 1997 | 2019 Close of Escrow.

TACO BELL

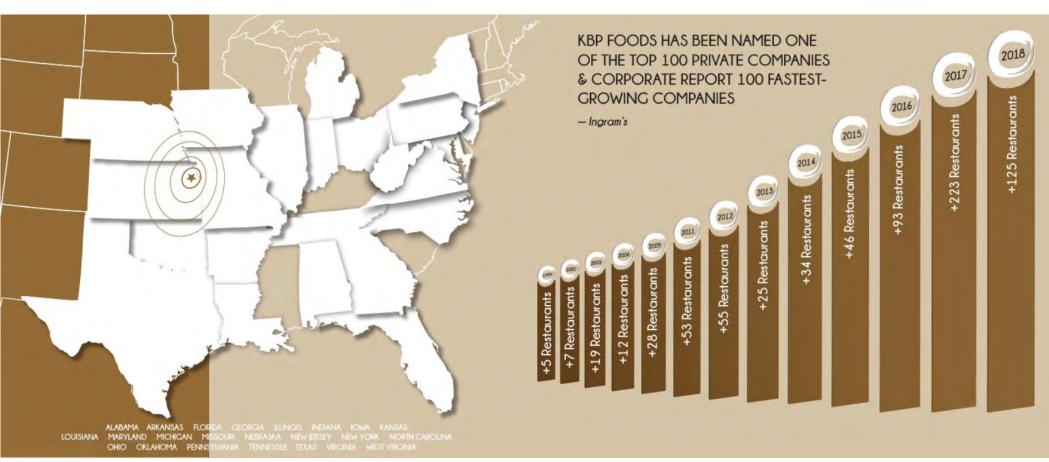
RENT ROLL

TENANT INFO		RENT SUMMARY		
SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
3,822	Years 1-5: 02/05/20 to 02/28/25	Current	\$74,000	5.00%
	Years 6-10: 03/01/25 to 02/28/30	7%	\$79,180	5.35%
	Years 11-15: 03/01/30 to 02/28/35	7%	\$84,723	5.72%
	Years 16-20: 03/01/35 to 02/29/40	7%	\$90,653	6.13%
				5.55% AVG ANNUAL RETURN
malle	1st Option: 03/01/40 to 02/28/45	7%	\$96,999	
	2 nd Option: 03/01/45 to 02/28/50	7%	\$103,789	
		3,822 Years 1-5: 02/05/20 to 02/28/25 Years 6-10: 03/01/25 to 02/28/30 Years 11-15: 03/01/30 to 02/28/35 Years 16-20: 03/01/35 to 02/29/40 1st Option: 03/01/40 to 02/28/45	SQ FT TERM INCREASE 3,822 Years 1-5: 02/05/20 to 02/28/25 Current Years 6-10: 03/01/25 to 02/28/30 7% Years 11-15: 03/01/30 to 02/28/35 7% Years 16-20: 03/01/35 to 02/29/40 7%	SQ FT TERM INCREASE RENT 3,822 Years 1-5: 02/05/20 to 02/28/25 Current \$74,000 Years 6-10: 03/01/25 to 02/28/30 7% \$79,180 Years 11-15: 03/01/30 to 02/28/35 7% \$84,723 Years 16-20: 03/01/35 to 02/29/40 7% \$90,653

TENANT OVERVIEW



KBP Foods* operates 739+ 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/

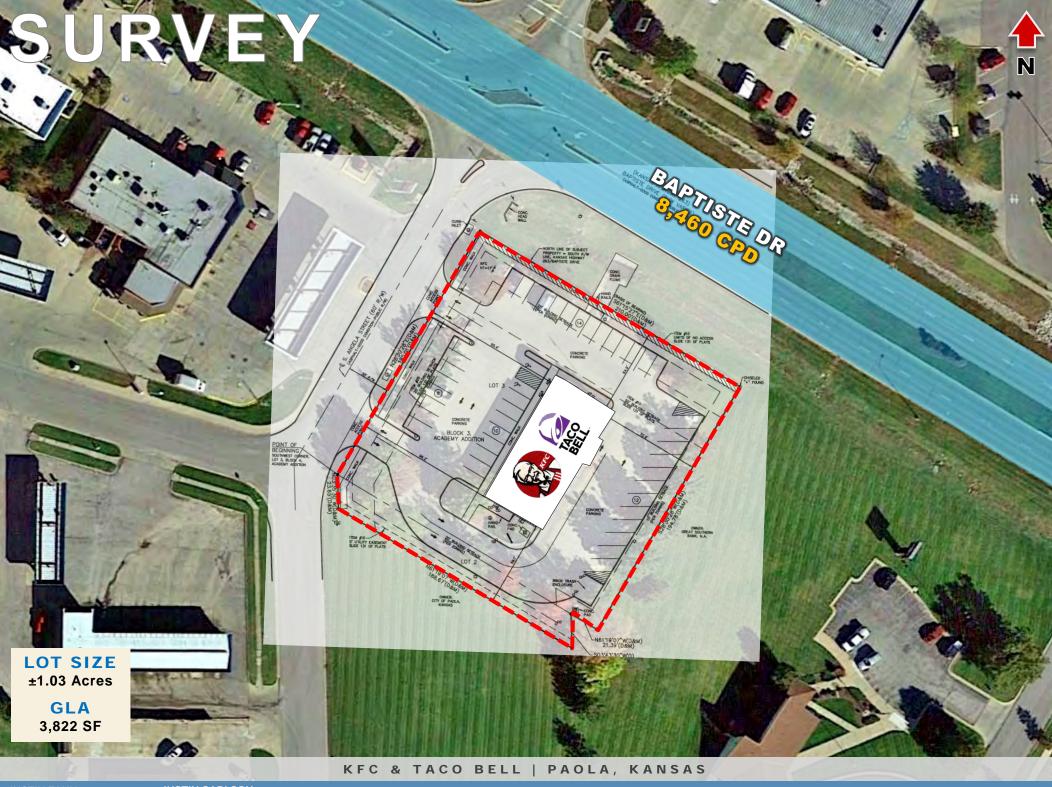
* Tenant on lease is FQSR, LLC and encompasses all KFC restaurant locations.



SITE PHOTO

ACTUAL INTERIOR







JUSTIN ZAHN JUSTIN CARLSON



LOCATION OVERVIEW



Paola is a charming community with 150 years of history. It is located twenty minutes south of the Kansas City metropolitan area on US Highway 169 in Miami County, one of the fastest growing counties in Kansas. Paola is the largest city in Miami County and is the county seat. Paola offers residents and visitors several choices for shopping, entertainment and recreation. Also, there is water recreation and camping at Lake Miola, a contemporary Aquatic Center in Wallace Park, the Swan River Museum, the Miami County Historical and Genealogical Society and a variety of events held at the Paola Community Center.

In addition to the historic downtown, Paola boasts a business district along the Baptiste Drive corridor. Here you will find everything to stock your pantry at the Price Chopper or at the Wal-Mart Supercenter. This district offers many solutions for your household and farm needs, a good selection of restaurants and all other necessities of daily life -banks, insurance, real estate and automobile sales & service.

Miami County Medical Center (MCMC) is a 39-bed hospital and offers a 24-hour emergency care center staffed by certified emergency professionals. MCMC is a not-for-profit medical center and has a network of practicing providers specializing in several areas of medicine. The hospital serves four counties through Olathe Medical Center, Miami County Medical Center, the 40 family care and specialty clinics of Olathe Health Physicians and a roster of more than 300 physicians and 2,500 employees.

Paola County School District, USD 368, offers education to children in grades K-12 with some education opportunities for adults as well. The district has 3 elementary schools, Paola Middle and High school, and Paola Adult Education Center. The district has a total enrollment of over 2,000 students.

	2019 DEMOGRAPHICS						
		1-MI	3-MI	5-MI			
-	TOTAL POPULATION	3,272	6,534	8,238			
[DAYTIME POPULATION	3,080	6,138	7,787			
1	AVERAGE HOUSEHOLD INCOME	\$62,876	\$66,065	\$70,712			

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