

ABSOLUTE NET (NNN) CHURCH'S CHICKEN

Sapulpa, OK

JAMESCAPITAL
ADVISORS



James Capital Advisors

Marketing Package

Church's Chicken

2 N Mission St, Sapulpa, OK 74066

PROPERTY INFO

Tenant	Church's Chicken
Street Address	2 N Mission St
City	Sapulpa
State	OK
Zip	74066
APN	1630-007-000-00-0-14
GLA	2,234 SF
Lot Size	.52 AC
Year Built	1985/2018

FINANCIAL SUMMARY

Purchase Price	\$1,025,146
Cap Rate	7.69%
Net Operating Income	\$78,820.90
Price / SF	\$458.88
Rent / SF	\$34.86

CONTRACT INFORMATION

Listing Agent	Ryan Sobel
Phone Number	(424) 325-2613



INVESTMENT HIGHLIGHTS

Brand New 2018 Remodel

This Church's Chicken was remodeled to reflect the company's brand new 2018 store prototype.

Long-Term Absolute-Net (NNN) Lease

There are nearly 9 years remaining on the Absolute-Net (NNN) lease with zero landlord responsibilities and four (4) five-year options to renew.

Attractive Rental Increases

The lease offers 1.25% annual increases, providing an investor with an excellent hedge against inflation.

Experienced, Strong and Growing Operator

The lease is guaranteed by KNM Holdings, LLC - a 20-unit operating entity

James Capital Advisors

The Offering

Church's Chicken

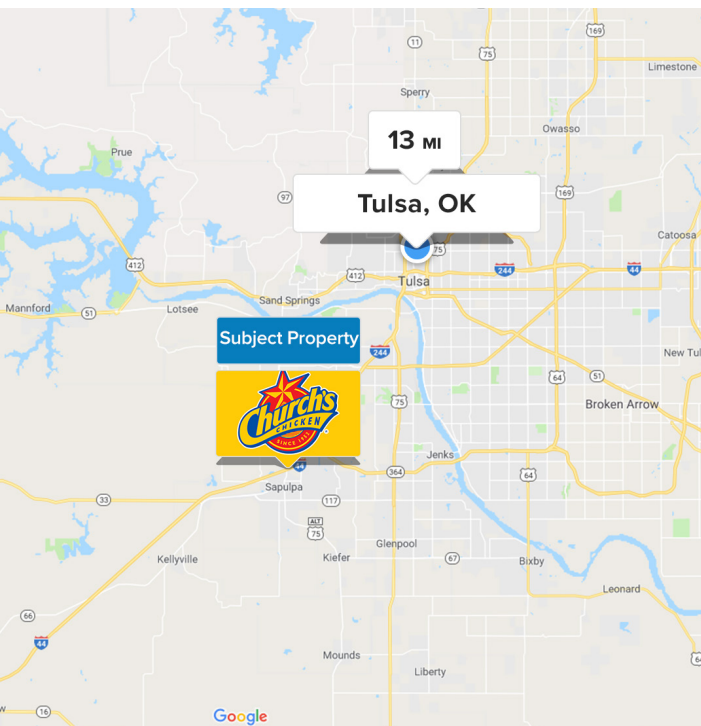
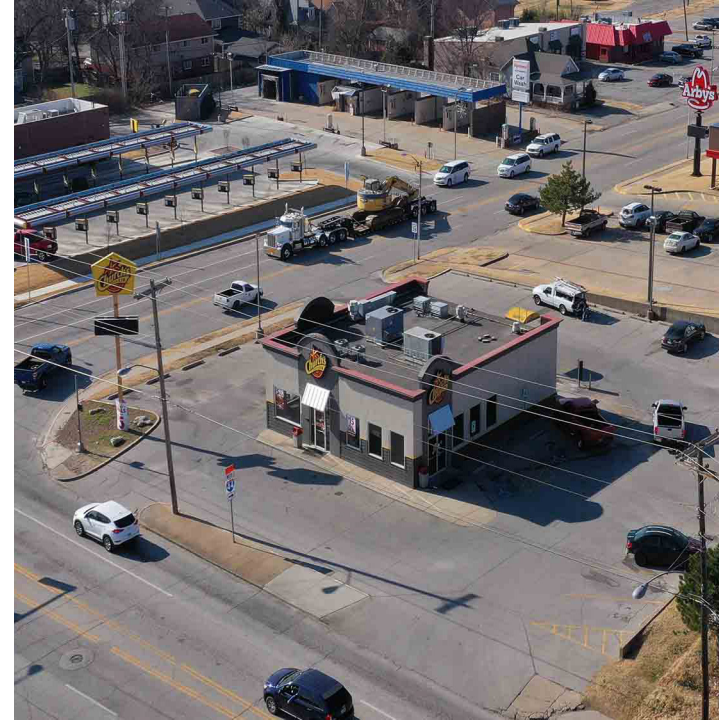
2 N Mission St, Sapulpa, OK 74066



LEASE SUMMARY

Lease Type	Absolute-Net (NNN)
Type of Ownership	Fee Simple
Original Lease Term	20 Years
Commencement Date	June 1, 2008
Lease Expiration	May 31, 2028
Term Remaining	9 Years
Increases	1.25% Annual
Options	Four (4) Five-Year
ROFR / ROFO	Yes - ROFR

Real Estate Taxes	Tenant Responsible
Insurance	Tenant Responsible
Repairs & Maintenance	Tenant Responsible
✔ Zero Landlord Responsibilities	
Lease Guarantor	Franchisee
Company Name	KNM Holdings, LLC
Ownership	Private
Years in Business	13
Number of Locations	20



INVESTMENT HIGHLIGHTS

Hard Signalized Corner

The subject property sits at a hard signalized corner and is located directly across the street from Sapulpa Junior and Senior High School.

Growing Population

The population in the surrounding area has grown by nearly 9% since 2010 and is expected to rise over 4% by 2023.

High Site-Level Visibility

Located across from N Mission Street and E Dewey Ave, this property gets visibility from over 20,000 vehicles per day.

Neighboring Schools

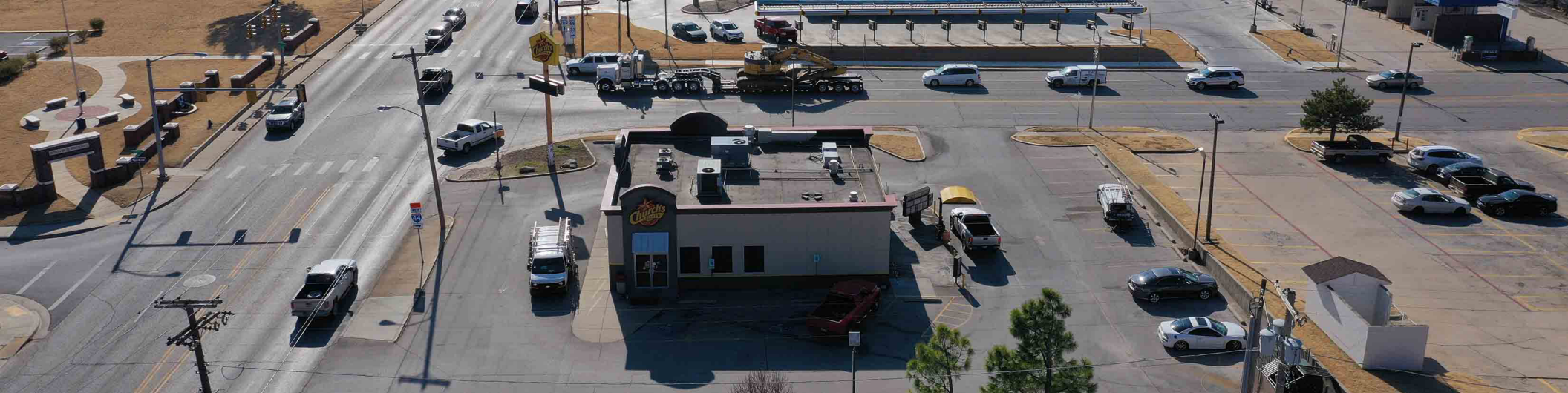
This property is within a mile from Holmes Park Elementary School, Sapulpa Junior and Senior High School and Sapulpa Middle School.

James Capital Advisors

Lease Summary

Church's Chicken

2 N Mission St, Sapulpa, OK 74066



RENT SCHEDULE

	PERIOD	ANNUAL RENT	MONTHLY RENT	INCREASE	RENT / SF	CAP RATE
6/1/2019 - 5/31/2020	Base	\$78,820.90	\$6,568.41	1.25%	\$34.86	7.69%
6/1/2020 - 5/31/2021	Base	\$79,806.19	\$6,650.52	1.25%	\$35.28	7.78%
6/1/2021 - 5/31/2022	Base	\$80,803.74	\$6,733.65	1.25%	\$35.72	7.88%
6/1/2022 - 5/31/2023	Base	\$81,813.78	\$6,817.82	1.25%	\$36.17	7.98%
6/1/2023 - 5/31/2024	Base	\$82,836.46	\$6,903.04	1.25%	\$36.62	8.08%
6/1/2024 - 5/31/2025	Base	\$83,871.91	\$6,989.33	1.25%	\$37.08	8.18%
6/1/2025 - 5/31/2026	Base	\$84,920.31	\$7,076.69	1.25%	\$37.54	8.28%
6/1/2026 - 5/31/2027	Base	\$85,981.81	\$7,165.15	1.25%	\$38.01	8.39%
6/1/2027 - 5/31/2028	Base	\$87,056.59	\$7,254.72	1.25%	\$38.49	8.50%
6/1/2028 - 5/31/2029	1st Option	\$88,144.79	\$7,345.40	1.25%	\$38.97	8.60%
6/1/2029 - 5/31/2030	1st Option	\$89,246.60	\$7,437.22	1.25%	\$39.46	8.71%

ABOUT THE BRAND

Brand History

Church's Chicken was founded in 1952 in San Antonio, Texas by George W. Church. The company quickly expanded and by the 1960s Church's Chicken operated over 100 restaurants in seven states.

Brand Overview

Church's Chicken is an American-based chain of fast food restaurants that specializes in fried chicken, boneless wings, buttery biscuits and many other favorite menu items.

For more than 60 years, Church's Chicken has been through many products, advertising campaigns and new-looks, but the quality of the company's chicken has never wavered.

Church's Chicken is proud to operate over 1,650 locations in 29 states and 23 global markets and the company is poised for continued growth.

COUNTRIES	GLOBAL LOCATIONS	SYSTEM-WIDE SALES
23	1,650+	\$1.2 Billion



RECENT NEWS

The Real Deal Returns in 2018

Back by popular demand, Church's Chicken brings back its ground-breaking \$5 Real Big Deal.

International Sales Reach \$300 Million

The company hit over \$300 million in international sales in 2011.

Over One Billion in Global Sales

In 2006, Church's Chicken exceeded one billion dollars in global sales.

50 Years of Operating

Church's Chicken celebrated its 50th anniversary in 2002.

Church's Chicken Goes International

Church's Chicken expanded into international markets in 1979 when the company opened its first restaurant in Vancouver, Canada.

SAPULPA, OK

Sapulpa, Oklahoma

Sapulpa is a progressive and growing community located just 15 miles from Tulsa. Sapulpa provides all the benefits of a large city with the friendliness and charm of a small town.

Tourist Stop Along the Mother Road

Located in the heart of Route 66, Sapulpa benefits from its location and travelers from the west and southwest stopping through the city to reach Tulsa.

Ideal Business Climate

Businesses in Sapulpa benefit from less taxation, incentives and the city's prime central location. Sapulpa's cost of doing business and its location create a desirable environment for business.

Sapulpa Main Street Program

In 1990, Sapulpa became an official Main Street community and since then over \$15.5 million has been invested into downtown revitalization projects.



LOCATION OVERVIEW

Tulsa, Oklahoma

Tulsa, the “Oil Capital of the World”, is the second largest city in the state of Oklahoma. Tulsa attracts many visitors with its various historic museum and art deco architecture.

Commitment to Economic Development

In 2015, Tulsa renewed its expiring Vision 2025 sales tax for economic development, community enrichment, capital improvements and education for \$884.1 million.

Projected Economic Development

Tulsa is an entrepreneurial hub and offers a strong environment for job creation and start-ups. In 2017, Mayor G.T. Bynum set the course to fund 80% of 37 economic development projects by 2022.

Tulsa Remote

Seeking to draw in workers from the tech sector, Tulsa launched a special program to entice young professionals to move to the city with grants.



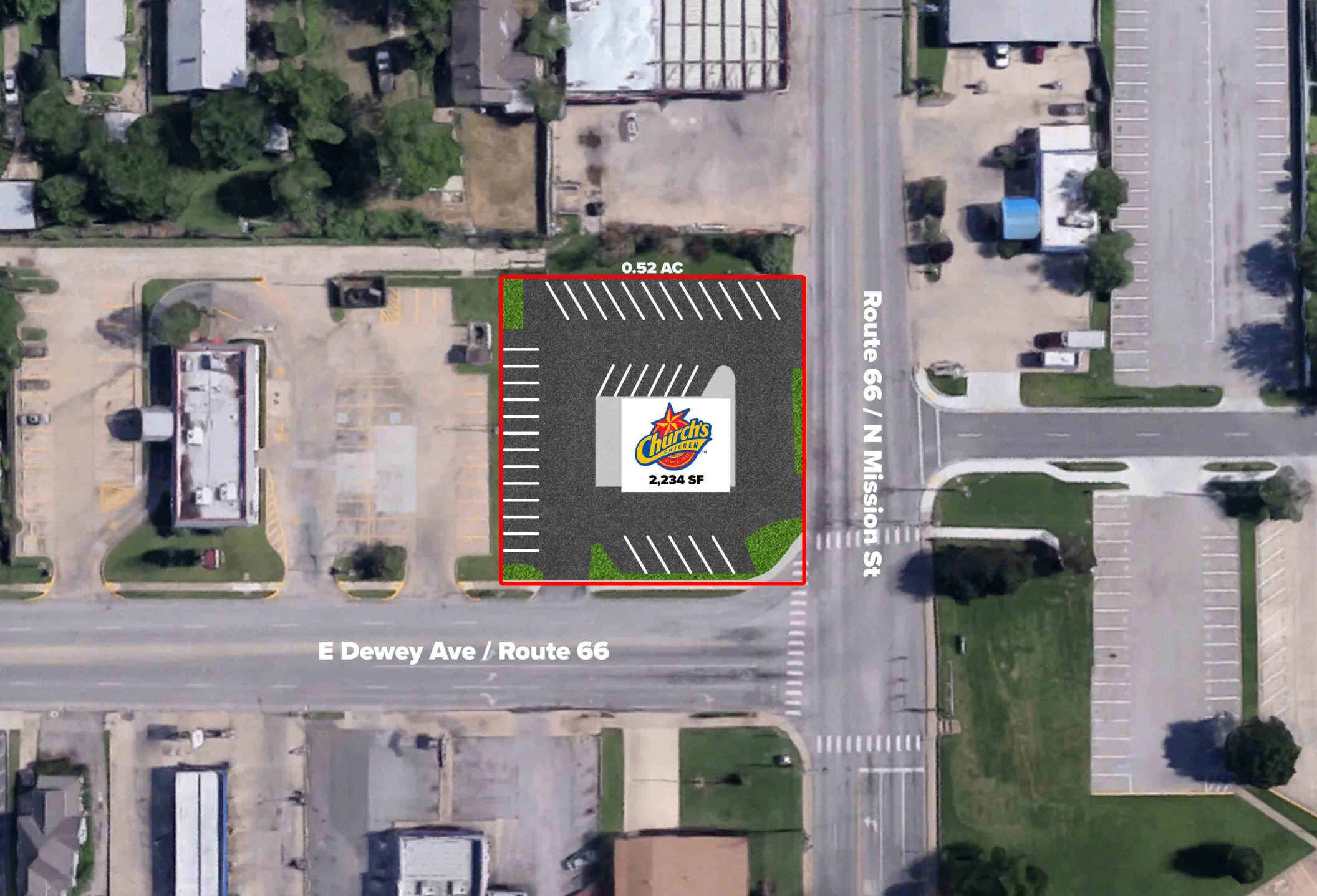
James Capital Advisors

Location Overview

Church's Chicken

2 N Mission St, Sapulpa, OK 74066





0.52 AC

2,234 SF

Route 66 / N Mission St

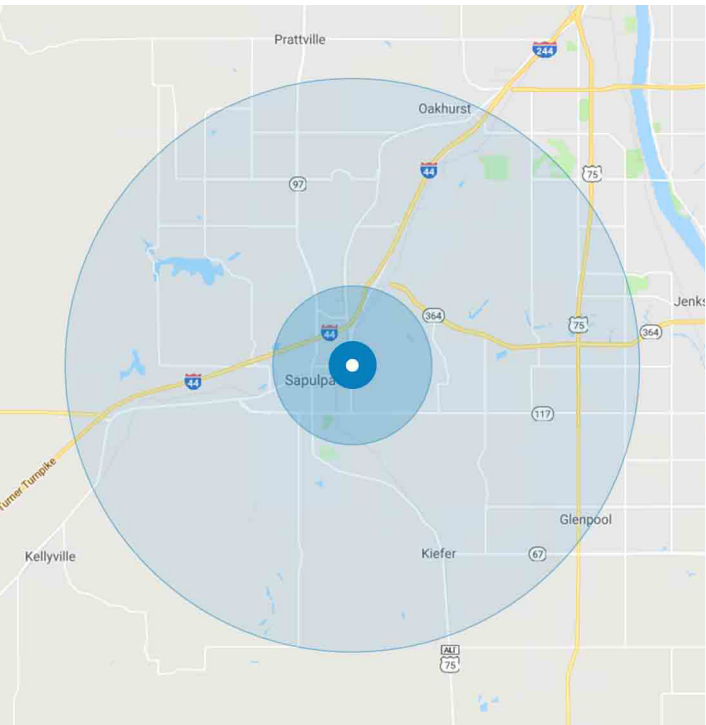
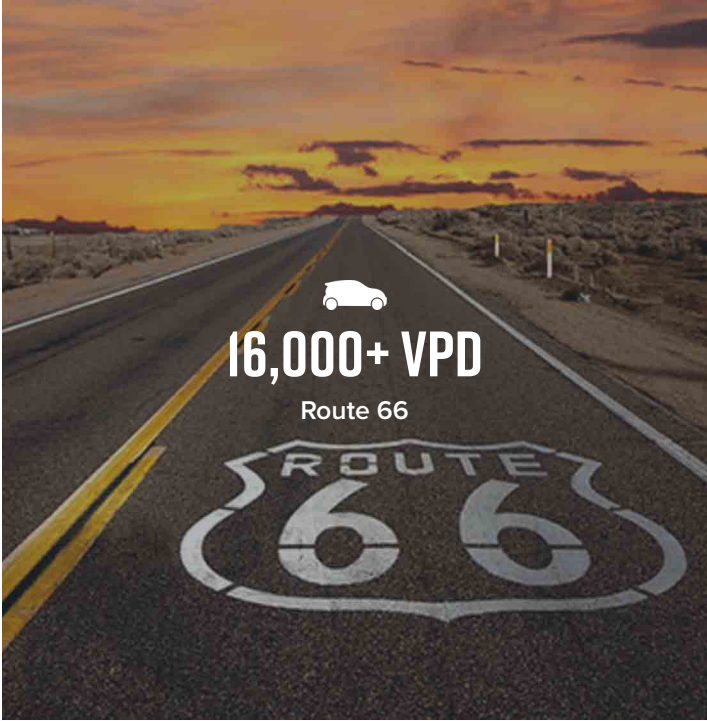
E Dewey Ave / Route 66

DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE	10 MILE
2023 Projection	6,283	21,224	35,678	176,507
2018 Estimate	6,283	21,049	34,968	169,433
2010 Census	6,530	20,956	33,106	155,713
Growth 2018 - 2023	0.00%	0.83%	2.03%	4.18%

Tourist Stop Along the Mother Road

Located in the heart of Route 66, Sapulpa benefits from its location and travelers from the west and southwest stopping through the city to reach Tulsa.



HOUSEHOLDS	1 MILE	3 MILE	5 MILE	10 MILE
2023 Projection	2,473	8,207	13,484	69,906
2018 Estimate	2,473	8,144	13,220	67,048
2010 Census	2,573	8,132	12,535	61,489
Growth 2018 - 2023	0.00%	0.77%	2.00%	4.26%

HOUSEHOLDS				
Avg. HH Income	\$47,875	\$57,630	\$65,694	\$72,957
Med. HH Income	\$34,852	\$41,511	\$51,342	\$52,752

DISCLAIMER

The information contained in this Marketing Brochure has been obtained from sources believed to be reliable, but the accuracy or completeness of the information contained therein cannot be guaranteed. James Capital Advisors, Inc. & Jessica Dearnley (“Broker”) has not, and will not, verify any of this information, nor has Broker conducted, nor will it conduct, any investigation regarding these matters. Broker makes no representations, guarantees, or warranties of any nature about the accuracy or completeness of any information provided. The information provided in this brochure is in no way a substitute for a thorough due diligence investigation by Buyer. Broker has made no investigation of, and has made no representations, guarantees, or warranties of any nature, with regard to income and expenses for this property nor the future financial performance of the property. In addition, Broker has made no investigation of, and has made no representations, guarantees, or warranties as to the size and square footage of the property, the presence of any contaminating substances at the property, the physical condition of the property or compliance with any State, Local or Federal regulations. In addition, Broker has made no investigation of, and has made no representations, guarantees, or warranties of any nature, with regard to the financial condition or future financial condition of any tenants, nor any future plans or intentions of tenants with regard to the continued occupancy of the property. All parties are aware that Broker has no affirmative obligation to conduct a due diligence examination of the property for any Buyer. Any and all projections or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. Therefore, Broker assumes no legal responsibility for accuracy or completeness of this information, and expressly disclaims all representations, guarantees, or warranties related thereto.

The value of the property to any Buyer depends on numerous factors that must be evaluated by Buyer and Buyer’s legal, tax, construction, and financial advisors. Buyer and Buyer’s advisors should conduct a thorough, independent investigation of the property to determine its suitability for Buyer’s intended usage. This investment, as with all real estate investments, carries a substantial risk. As such, Buyer and Buyer’s legal and financial advisors are strongly advised to request and review all legal and financial documentations related to the property and tenants.

A tenant’s past performance is not a guarantee of future performance. The lease rate stated for some properties may be based on a tenant’s projected sales with little or no record of actual performance or comparable rents for the area in question. Returns are in no way guaranteed. Tenants may fail to pay the rent or property taxes or any other tenant obligations under the terms of the lease or may default under the terms of such lease. Regardless of tenant’s history of performance, and/or any lease guarantors and/or guarantees, Buyer is responsible for conducting Buyer’s own investigation of all matters related to any and all tenants and lease agreements. Broker is not, in any way, responsible for the performance of any tenant or for any breach or default by any tenant of any terms of any lease agreement related to the property. Further, Buyer is responsible for conducting Buyer’s own independent investigation of all matters related to the value of the property, including, but not limited to, the value of any long-term leases. Buyer must carefully evaluate the possibility of tenants vacating the property or breaching their leases and the likelihood and financial impact of being required to find a replacement tenant if the current tenant should default and/or abandon the property. Buyer must also evaluate Buyer’s legal ability to make alternate use of the property in the event of a tenant abandonment of the property.

CONFIDENTIALITY

This Marketing Brochure and the information contained within, is propriety and strictly confidential. It is intended to be used only by the party receiving it from Broker. It should not be made available to any other person or entity without the express written consent of Broker.

RELEASE

This Marketing Brochure has been prepared to provide basic, unverified information for prospective purchasers. By accepting this Marketing Brochure, the recipient agrees to release and hold harmless Broker from any claim, demand, liability or loss arising out, or relating in any way, to the information contained in this Marketing Brochure and from Buyer’s investigation of the property. In no event shall James Capital Advisors, Inc. or Broker be liable to any party for any direct, indirect, special, incidental, or consequential damages of any kind whatsoever arising out of the use of this Marketing Brochure or any information contained herein.

NON-ENDORSEMENT

Broker is not affiliated with, endorsed by or sponsored in any way by any tenant or lessee identified in this Marketing Brochure. The presence of any entity’s logo or name is not intended in any way to indicate affiliation, sponsorship or endorsement by said entity of Broker.

James Capital Advisors

Disclaimer

Church’s Chicken

2 N Mission St, Sapulpa, OK 74066

CONTACT INFORMATION

Ryan Sobel

Senior Associate

(424) 325-2613

Ryan@JamesCapitalAdvisors.com

CA RE Lic. 02005465

Luka Stankovic

Associate

(424) 325-2616

Luka@JamesCapitalAdvisors.com

CA RE Lic. 01908103

Jessica Dearnley

Broker of Record

(479)200-5532

Jdearnley@flakeandkelley.com

OK RE Lic #: 170787

Flake & Kelley Northwest, LLC

Springdale, AR

CORP. Lic #: 157117



James Capital Advisors

Contact Information

Church's Chicken

2 N Mission St, Sapulpa, OK 74066