



NET LEASE INVESTMENT OFFERING



**KFC (GROUND LEASE) CHICAGO MSA**  
*1060 S BARRINGTON ROAD*  
*STREAMWOOD, ILLINOIS 60107*





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## EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant ground leased KFC property located within the Chicago MSA in Streamwood, Illinois. The KFC features a new 20-year lease with 8.5% escalations every 5 years. The tenant has been operating here since 2001 and has recently extended the primary lease term by 20 years emphasizing their commitment to the location. The parking lot was replaced in 2020 and the tenant has also confirmed that they will be remodeling the property within the next 24 months.

The 2,635 square foot KFC benefits from its location along South Barrington Road (34,300 VPD) which is a primary north – south thoroughfare. The property is well positioned in Westview Center Shopping Mall with retailers such as Walmart, Dollar Tree, Tony's Fresh Market, DD's Discounts (Ross Dress for Less), Chuck E Cheese, and LA Fitness. Other retailers within the shopping center include Andigo Credit Union, Taco Bell, Portillo's Hot Dogs, Chase Bank, Jiffy Lube, and Dunkin'. There are 125,819 people living within 3 miles and over 250,000 people living within 5 miles of the property. Amongst the area's very dense population, the average annual household income within 5 miles is \$108,547.

The KFC ground lease expires on June 14, 2041 and features four 5-year renewal options. KFC, also known as Kentucky Fried Chicken, is an American fast food restaurant chain headquartered in Louisville, Kentucky, that specializes in fried chicken. It is the world's second-largest restaurant chain (as measured by sales) after McDonald's, with 22,000+ locations globally in 136 countries. The chain is a subsidiary of Yum! Brands, a restaurant company that also owns the Pizza Hut, Taco Bell and WingStreet chains. The property is leased to Streamwood Chicken Inc, a 9 store operator in the Chicagoland Area.





## INVESTMENT HIGHLIGHTS

- Located within the Chicago MSA
- Recent 20-year lease extension emphasizing the tenants commitment to the location
- NNN ground lease – no landlord responsibilities
- 8.5% escalations every 5 years
- Four 5-year renewal options
- Long operating history since 2001
- Well positioned in Westview Center Shopping Mall with big name retailers such as Walmart, Dollar Tree, Tony's Fresh Market, DD's Discounts (Ross Dress for Less), Chuck E Cheese, and LA Fitness
- Other retailers within the shopping center include Andigo Credit Union, Taco Bell, Portillo's Hot Dogs, Chase Bank, Jiffy Lube, and Dunkin'
- There are 125,819 people living within 3 miles of the property with an average household income in excess of \$100,000 annually





## PROPERTY OVERVIEW

|                          |                          |
|--------------------------|--------------------------|
| Price:                   | \$1,130,435              |
| Cap Rate:                | 5.75%                    |
| Lease Commencement Date: | 6/15/2001                |
| Lease Expiration Date:   | 6/14/2041                |
| NOI:                     | \$65,000                 |
| Renewal Options:         | Four 5-year              |
| Rental Escalations:      | 8.5% every 5 years       |
| Lease Type:              | NNN – Ground Lease       |
| Tenant:                  | Streamwood Chicken Inc.* |
| Year Built:              | 2001                     |
| Building Size:           | 2,635 SF                 |
| Land Size:               | 0.78 Acres               |

*\*Part of a 9-store operator and guaranteed with 2 other KFC locations*







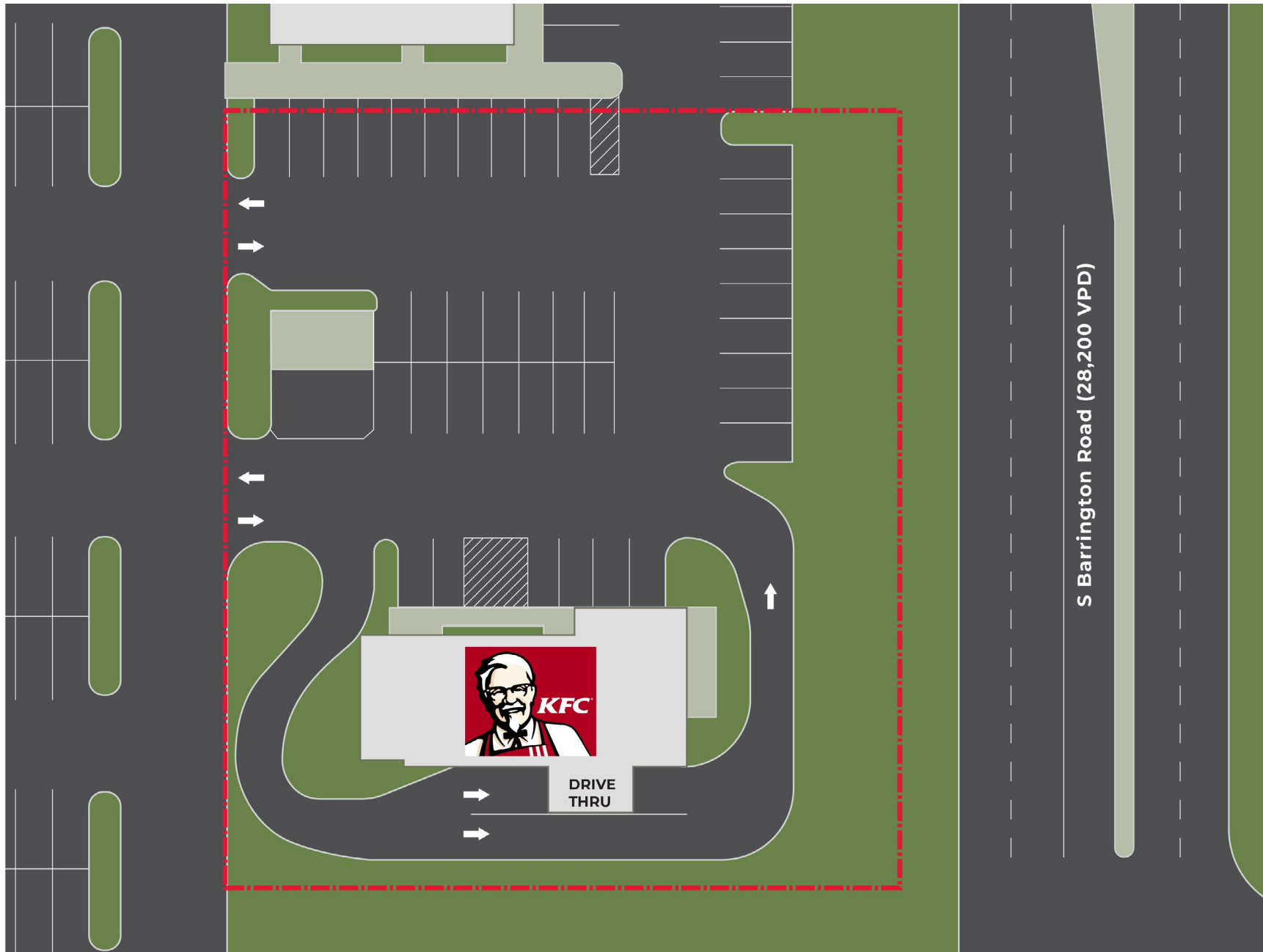


















## DEMOGRAPHICS

### POPULATION

|                   | 1-Mile | 3-Mile  | 5-Mile  |
|-------------------|--------|---------|---------|
| Total Population: | 19,280 | 125,819 | 254,036 |
| Total Households: | 5,783  | 43,342  | 92,006  |

### INCOME

|                           | 1-Mile   | 3-Mile    | 5-Mile    |
|---------------------------|----------|-----------|-----------|
| Average Household Income: | \$77,803 | \$82,666  | \$86,800  |
| Median Household Income:  | \$93,594 | \$102,942 | \$108,547 |





## VILLAGE OF STREAMWOOD, ILLINOIS

Streamwood is a village in Cook County, Illinois, United States. The population was 39,858 at the 2010 census. It is a northwest suburb of Chicago, and is a part of the Chicago metropolitan area. Streamwood is one of the three communities that make up the so-called “Tri Village” area, along with Bartlett and Hanover Park. Streamwood was first incorporated as a village on February 9, 1957.





## **CITY OF CHICAGO, ILLINOIS**

Chicago is the most populous city in the Midwestern United States and the third most populous city in the United States with 2,700,000 residents. Chicago is the county seat of Cook County, the second largest county in the United States. The Chicago MSA is the third most populated metropolitan area in the United States with 9,580,567 residents. The MSA covers over 1,300 square miles and six counties. Chicago has many nicknames, the best-known being the Windy City.

The Chicago metropolitan area is home to the corporate headquarters of 57 Fortune 1000 companies, including Boeing, McDonald's, Motorola, Discover Financial Services and United Airlines. Chicago is a major hub for industry, telecommunications and infrastructure and O'Hare International Airport is the second busiest airport in the world in terms of traffic movement.

The metro is a major financial center in North America, and is home to the largest futures exchange in the United States, the CME Group. Chicago is third in the world on the Global Financial Centers Index which ranks the competitiveness of financial centers based on people, business environment, market access, infrastructure and general competitiveness. As of 2016, Chicago had the third largest gross metropolitan product in the United States at \$630.3 billion.

The city of Chicago also hosts 12 Fortune Global 500 companies and 17 Financial Times 500 companies. The city claims one Dow 30 company: aerospace giant Boeing, which moved its headquarters from Seattle to the Chicago Loop in 2001. Two more Dow 30 companies, Kraft Foods and McDonald's are in the Chicago suburbs, as are Sears Holdings Corporation and the technology spin-offs of Motorola. The headquarters of United Continental Holdings, are in the United Building and its operations center and its United Airlines subsidiary are in the Willis Tower in Chicago.

In 2014, Chicago attracted 50.17 million domestic leisure travelers, 11.09 million domestic business travelers and 1.308 million overseas visitors. These visitors contributed more than \$13.7 billion to Chicago's economy. Upscale shopping along the Magnificent Mile and State Street, thousands of restaurants, as well as Chicago's eminent architecture, continue to draw tourists. The city is the United States' third-largest convention destination. A 2011 study by Walk Score ranked Chicago the fourth most walkable of fifty largest cities in the United States.

[www.cityofchicago.org](http://www.cityofchicago.org)





## KFC

KFC, also known as Kentucky Fried Chicken, is an American fast food restaurant chain headquartered in Louisville, Kentucky, that specializes in fried chicken. It is the world's second-largest restaurant chain (as measured by sales) after McDonald's, with 22,000+ locations globally in 136 countries. The chain is a subsidiary of Yum! Brands, a restaurant company that also owns the Pizza Hut, Taco Bell and WingStreet chains.

KFC was founded by Colonel Harland Sanders, an entrepreneur who began selling fried chicken from his roadside restaurant in Corbin, Kentucky, during the Great Depression. Sanders identified the potential of the restaurant franchising concept, and the first "Kentucky Fried Chicken" franchise opened in Utah in 1952. KFC popularized chicken in the fast food industry, diversifying the market by challenging the established dominance of the hamburger. By branding himself as "Colonel Sanders", Harland became a prominent figure of American cultural history, and his image remains widely used in KFC advertising to this day. However, the company's rapid expansion overwhelmed the aging Sanders, and he sold it to a group of investors led by John Y. Brown Jr. and Jack C. Massey in 1964.

KFC's original product is pressure-fried chicken pieces, seasoned with Sanders' recipe of 11 herbs and spices. The constituents of the recipe represent a notable trade secret. Larger portions of fried chicken are served in a cardboard "bucket", which has become a well-known feature of the chain since it was first introduced by franchisee Pete Harman in 1957. Since the early 1990s, KFC has expanded its menu to offer other chicken products such as chicken fillet sandwiches and wraps, as well as salads and side dishes such as French fries and coleslaw, desserts, and soft drinks.

|                      |  |
|----------------------|--|
| Website:             | <a href="http://www.KFC.com">www.KFC.com</a> |
| Number of Locations: | 22,000+                                      |
| Headquarters:        | Louisville, Kentucky                         |
| Parent Company:      | Yum! Brands                                  |
| Parent Stock Symbol: | YUM (NYSE)                                   |





## CONFIDENTIALITY & DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

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The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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