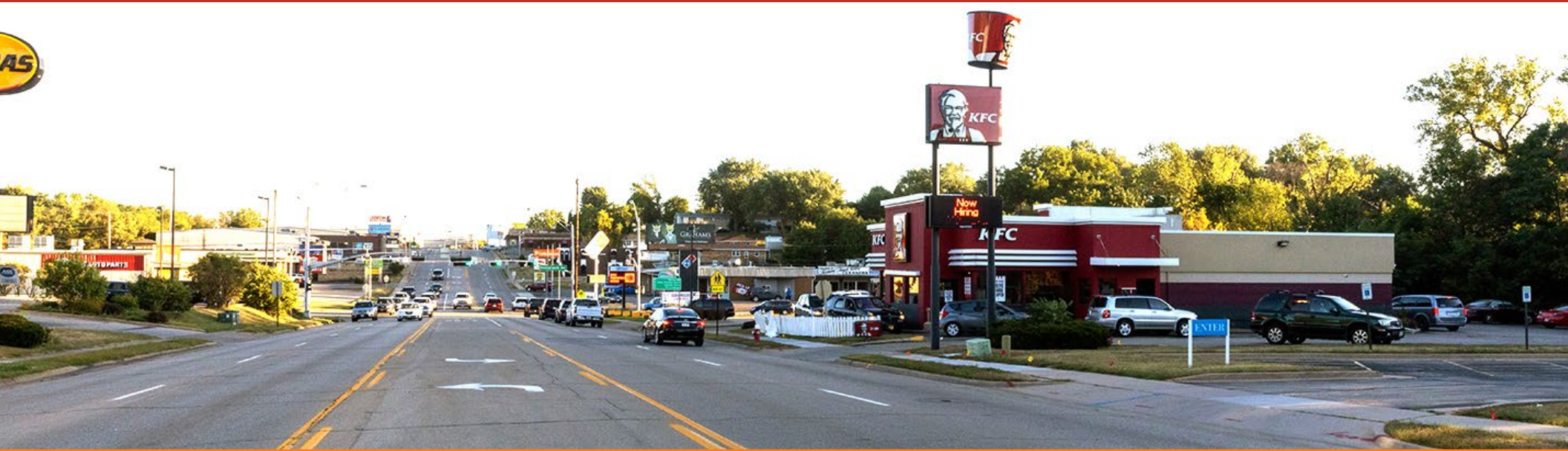




ACTUAL PHOTO

1725 JOHN F. KENNEDY RD, DUBUQUE, IA 52002

Marcus & Millichap



INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this KFC Fast Food Restaurant located in Dubuque, Iowa. At closing, the tenant will sign a 15-Year Absolute NNN Lease with 7.5 percent increases in rent every five years. Midwest Medical Center is located about 20 minutes from this property and serves the tri-state area. This property is located in the popular Midwest tourist city of Dubuque and is four minutes from The National Mississippi River Museum and Aquarium which hosts over 175,000 visitors per year. Also nearby is Dubuque Arboretum and Botanical gardens with 56-Acres and 13,000 plants and sees thousands of visitors each year. Another popular tourist site near this property is Mathias Han House, a 19th Century Mansion with over 11,000 visitors each year. Retailers in the immediate area include Verizon, Walmart Super Center and Cricket Wireless.

Dubuque is an Iowa City on the Mississippi River and lies at the junction of Iowa, Illinois and Wisconsin. The population exceeds 57,882.

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 22,621 locations globally in 136 countries as of December 2018. The chain is a subsidiary of Yum! Brands, a restaurant company that also owns the Pizza Hut, Taco Bell, and WingStreet chains.

INVESTMENT HIGHLIGHTS

- KFC Absolute NNN 15-Year Lease with 7.5% Increases Every 5 Years in the Base Term and Options
- Fast Food Restaurant with Drive Thru Component Situated in between Stephen Hempstead High School and Hoover Elementary School
- Nearby Loras College with Student Enrollment of 1,528 Students
- Dubuque is the Main Commercial, Educational, Industrial and Center for this Mississippi Area
- Dubuque is ranked as the 22nd Fastest Growing Economy in the United States.
- KFC is considered an Essential Tenant

THE OFFERING

KFC
1725 JOHN F. KENNEDY ROAD
DUBUQUE, IOWA 52002



PROPERTY DETAILS

| | |
|----------------------|------------------------|
| Lot Size | 40,075 SF (0.92 Acres) |
| Rentable Square Feet | 2,894 SF |
| Price/SF | \$544.82 |
| Year Built | 1975 |

FINANCIAL OVERVIEW

| | |
|-------------------|--------------------|
| List Price | \$1,576,699 |
| Down Payment | 100% / \$1,157,699 |
| Cap Rate | 5.15% |
| Type of Ownership | Fee Simple |

PROPERTY RENT DATA

| RENT INCREASES | MONTHLY RENT | ANNUAL RENT |
|------------------------------------|------------------|--------------------|
| 11/01/2020 - 10/31/2025 (CURRENT) | \$6,767 | \$81,200 |
| 11/01/2025 - 10/31/2030 | \$7,274 | \$87,290 |
| 11/01/2030 - 10/31/2035 | \$7,820 | \$93,837 |
| 11/01/2035 - 10/31/2040 (OPTION 1) | \$8,406 | \$100,875 |
| 11/01/2040 - 10/31/2045 (OPTION 2) | \$9,037 | \$108,440 |
| 11/01/2045 - 10/31/2050 (OPTION 3) | \$9,714 | \$116,573 |
| 11/01/2050 - 10/31/2055 (OPTION 4) | \$10,443 | \$125,316 |
| Base Rent (\$28.06 / SF) | | \$81,200 |
| Net Operating Income | | \$81,200.00 |
| TOTAL ANNUAL RETURN | CAP 5.15% | \$81,200 |

LEASE ABSTRACT

| | |
|------------------------------|--|
| Tenant Trade Name | KFC |
| Tenant | Franchisee |
| Ownership | Private |
| Guarantor | Franchisee Guarantee (FMI Group 64 Units) |
| Lease Type | NNN |
| Lease Term | 15 Years |
| Lease Commencement Date | 11/01/2020 |
| Rent Commencement Date | 11/01/2020 |
| Expiration Date of Base Term | 10/31/2035 |
| Options | Four Five-Year Options |
| Increases | 7.5% Increases every 5 Years during Base Term and Option Periods |
| Term Remaining on Lease | 15 Years |
| Property Type | Net Leased Restaurant |
| Landlord Responsibility | None |
| Tenant Responsibility | All |
| Right of First Refusal | Yes |









ABOUT

KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. It all started with one cook who created a soon-to-be world-famous recipe more than 70 years ago, a list of secret herbs and spices scratched out on the back of the door to his kitchen. That cook was Colonel Harland Sanders, of course, and now KFC is the world's most popular chicken restaurant chain, specializing in that same Original Recipe® along with Extra Crispy™ chicken, home-style sides and buttermilk biscuits. There are over 22,621 KFC outlets in more than 136 countries and territories around the world. And you know what? There's still a cook in a kitchen in every last one of them, freshly preparing delicious, complete family meals at affordable prices owned stores.



| | |
|---------------------|--|
| NAME | Kenstucky Fried Chicken |
| HQ | Louisville, Kentucky |
| NUMBER OF LOCATIONS | 21,000+ |
| WEBSITE | www.kfc.com |



Franchise Management Inc. is one of the largest restaurant franchisees in North America. They currently own and operate more than 360 Pizza Hut, KFC, Taco Bell, Panera Bread, Robin's Donuts and Convenience Store businesses across 18 different provinces and states. With presence in Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland, Vermont, New Hampshire, Massachusetts, Mississippi, Louisiana, Arkansas, Wisconsin, Illinois, Iowa and Nebraska, FMI is proud to employ over 7000 people. All operations are administered from their Support Center in Woodstock, New Brunswick.

In the early 90s, the company (later named FMI) was formed as a management company to administer a small number of local businesses. Over time, that focus has evolved to growing and supporting a portfolio of successful businesses, relevant within their respective trade areas across North America.

WEBSITE

www.fmigroup.ca

INDUSTRY

Restaurants

LOCATIONS

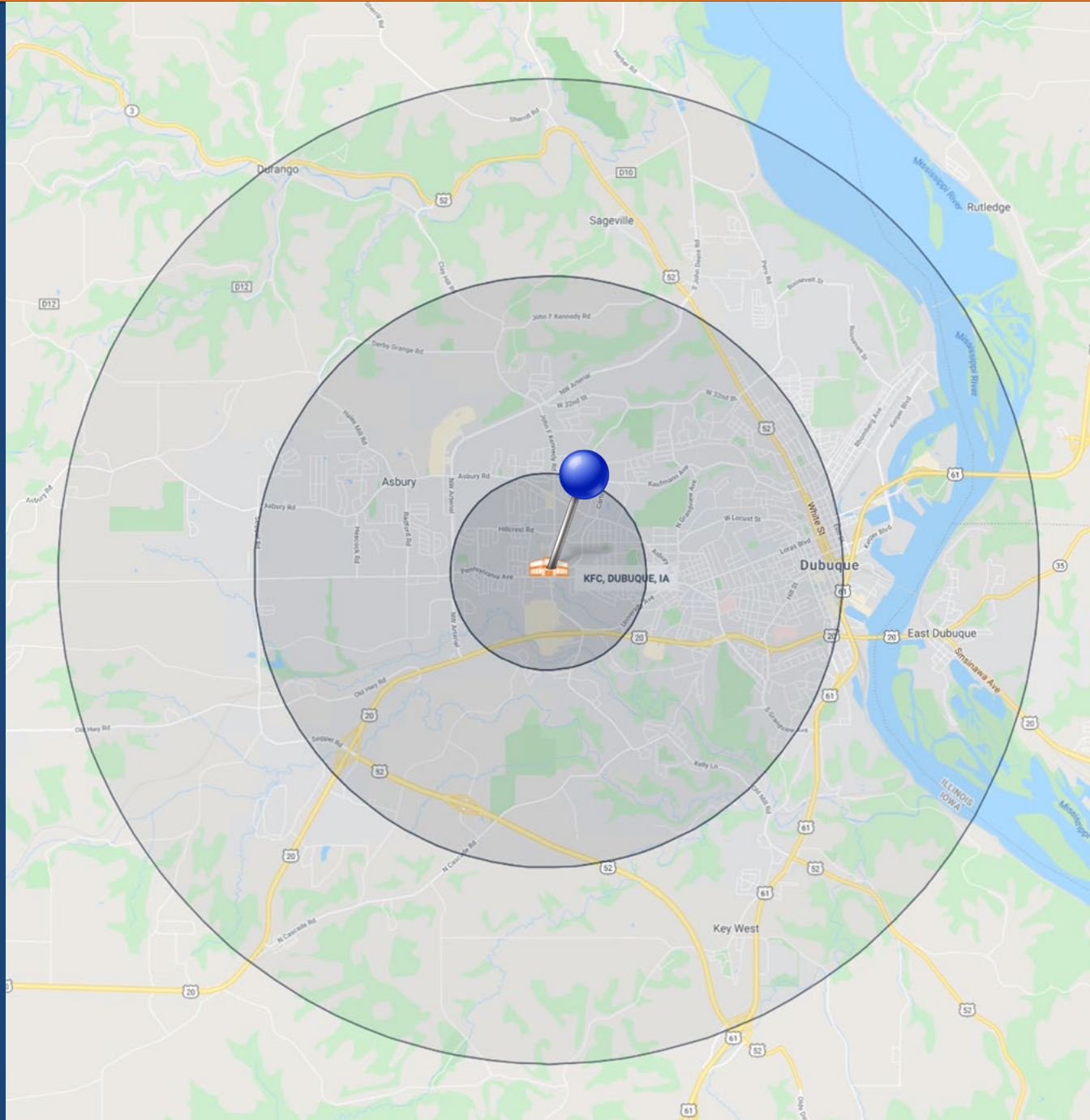
360+

HEADQUARTERS

Woodstock, New Brunswick (Canada)



| | 1 Miles | 3 Miles | 5 Miles |
|-----------------------------|-----------|-----------|-----------|
| POPULATION | | | |
| 2025 Projection | 10,707 | 56,402 | 75,706 |
| 2020 Estimate | 10,353 | 54,946 | 73,617 |
| 2010 Census | 9,824 | 52,955 | 70,847 |
| 2000 Census | 9,426 | 51,408 | 68,987 |
| INCOME | | | |
| Average | \$71,881 | \$79,798 | \$79,829 |
| Median | \$59,340 | \$61,817 | \$61,305 |
| Per Capita | \$34,260 | \$33,221 | \$33,211 |
| HOUSEHOLDS | | | |
| 2025 Projection | 5,101 | 23,264 | 31,208 |
| 2020 Estimate | 4,854 | 22,399 | 30,019 |
| 2010 Census | 4,500 | 21,211 | 28,416 |
| 2000 Census | 4,025 | 19,951 | 26,662 |
| HOUSING | | | |
| 2020 | \$151,094 | \$171,235 | \$169,008 |
| EMPLOYMENT | | | |
| 2020 Daytime Population | 16,415 | 73,858 | 93,568 |
| 2020 Unemployment | 1.94% | 3.35% | 3.54% |
| 2020 Median Time Traveled | 15 | 16 | 16 |
| RACE & ETHNICITY | | | |
| White | 92.14% | 88.77% | 90.42% |
| Native American | 0.25% | 0.64% | 0.55% |
| African American | 2.15% | 5.17% | 4.35% |
| Asian/Pacific Islander | 3.38% | 1.86% | 1.47% |



GEOGRAPHY: 5 MILE



POPULATION

In 2019, the population in your selected geography is 73,617. The population has changed by 6.71% since 2000. It is estimated that the population in your area will be 75,706.00 five years from now, which represents a change of 2.84% from the current year. The current population is 48.95% male and 51.05% female. The median age of the population in your area is 38.56, compare this to the US average which is 38.21. The population density in your area is 935.38 people per square mile.



HOUSEHOLDS

There are currently 30,019 households in your selected geography. The number of households has changed by 12.59% since 2000. It is estimated that the number of households in your area will be 31,208 five years from now, which represents a change of 3.96% from the current year. The average household size in your area is 2.32 persons.



INCOME

In 2019, the median household income for your selected geography is \$61,305, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 59.20% since 2000. It is estimated that the median household income in your area will be \$73,178 five years from now, which represents a change of 19.37% from the current year.

The current year per capita income in your area is \$33,211, compare this to the US average, which is \$34,935. The current year average household income in your area is \$79,829, compare this to the US average which is \$90,941.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 90.42% White, 4.35% Black, 0.55% Native American and 1.47% Asian/Pacific Islander. Compare these to US averages which are: 69.84% White, 12.88% Black, 0.20% Native American and 5.75% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 2.85% of the current year population in your selected area. Compare this to the US average of 18.38%.



HOUSING

The median housing value in your area was \$169,008 in 2019, compare this to the US average of \$221,068. In 2000, there were 18,822 owner occupied housing units in your area and there were 7,841 renter occupied housing units in your area. The median rent at the time was \$373.



EMPLOYMENT

In 2019, there are 46,164 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 56.68% of employees are employed in white-collar occupations in this geography, and 43.14% are employed in blue-collar occupations. In 2019, unemployment in this area is 3.54%. In 2000, the average time traveled to work was 16.00 minutes.

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