

Core Infill Los Angeles Location
15 Years Remaining on Lease
Recently Renovated
137,000 Cars Per Day at Intersection

Kentucky
Fried Chicken **TACO
BELL**

5220 W Centinela Ave.
Los Angeles, CA



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Investment Summary





Investment Summary

The NKF Retail Capital Markets team is pleased to present the opportunity to acquire an exceptionally well-positioned single tenant, dual-branded, NNN KFC & Taco Bell in the heart of one of the most densely populated trade areas in Los Angeles County with 247,035 people within a 3-mile radius. KFC & Taco Bell have over fifteen (15) years remaining on their current term with two (2), five (5) year options to extend and attractive 15% increases during years eight (8), thirteen (13) and eighteen (18) of the current term, as well as each of the option periods.

The subject property consists of a highly visible KFC & Taco Bell located in the center of Centinela Ave between La Cienega Boulevard and La Tijera Boulevard in the city of Los Angeles. The property is surrounded by best-in-class tenants including a Chick-fil-A, Burger King, Marshalls, future Del Taco and a high-tech grocer. The tenant has a long historical presence and signed a new 20-year term in 2016, showing their continued commitment to this location.

KFC & Taco Bell offers investors the rare opportunity to acquire a newly remodeled, highly coveted single tenant NNN asset in a very dense trade area in Southern California. The attractiveness of this asset is its 'Main and Main' location and product type, as well as the stability associated with long-term, financially viable, tenant.





Investment Highlights

Predictable Income Stream & NNN Lease

- KFC & Taco Bell are on a single NNN lease
- KFC & Taco Bell self-maintains their parcel
- Predictable income stream with above-average rental increase of 15% during years eight (8), thirteen (13) and eighteen (18) of the current term, as well as each of the option periods

Long Term Commitment to Location

- Over 15 years remaining lease with two (2), (5) five-year options to extend with 15% rental increases
- The tenant has been at this location since 1979 and recently executed a new 20-year term in 2016 showing their continued, long-term commitment to this location

Dense and Highly Trafficked Trade Area

- Dense trade area with over 247,035 and 810,721 people within a 3 & 5-mile radius respectively
- Higher than average household incomes boasting \$95,674 and \$92,065 within a 3 & 5-mile radius respectively
- Located along the primary retail arterial in Los Angeles with complementary tenants such as Marshalls, Burger King, Chick-fil-A, Jersey Mike's, and Dunkin'
- Located at the intersection of La Cienega Blvd, La Tijera Blvd, and Centinela Ave, three primary arterials connected to the 405 Freeway

Free & Clear of Existing Debt

- Property is being offered free and clear of existing debt, allowing an investor to acquire all cash or cash to new loan
- Ideal 1031 opportunity with limited management responsibilities and no near-term capital requirements



Marshall's

2 Story
Professional Office



S. La Tijera Blvd.

Continental Ave.

La Cienega Blvd.

High Tech
Grocer







LAX
Los Angeles
World Airports

Marina Del Rey

Venice

Santa Monica

Pacific Palisades

Playa Vista

CINEMARK
The Best Seat In Town

Westfield

Culver City

90

405

CVS pharmacy

Marshall's

ROSS
DRESS FOR LESS

petco

Ralphs

BURGER KING

KFC

Chick-fil-A

High Tech
CreditGrocer

La Cienega Blvd.

S La Tijera Blvd.

Centinella Ave.

LISTING TERMS

Price



\$5,920,000

NOI



\$201,250

Cap Rate



3.40%

Offered GLA



2,087 SF

Offered Land



0.24 Acres

Year Built



1979



Area Overview





Area Overview

The city of Los Angeles is the most populous city in California. Located on a broad basin in Southern California, the city is surrounded by vast mountain ranges, valleys, forests, beautiful beaches along the Pacific Ocean, and nearby desert. Los Angeles is an important center of culture, medicine, agriculture, business, finance, energy, aerospace, science, food processing, media, international trade, and tourism. International tourists regard Los Angeles as most famous for "Hollywood," but a long-running trend in favor of outsourcing of film and television production has critically undermined the sector to the point where entertainment and media employ only about 120,000 people in the entire metro area (and most of them work in Burbank or Culver City, not Hollywood). Many major motion picture deals and premieres still occur in Los Angeles, but the vast majority of those films are actually shot elsewhere. However, some post-production, editing, promotion, distribution, and archiving work still occurs in Los Angeles. In addition, L.A. remains a major center for production of television shows and television commercials, as well as music recordings.

Traffic Counts

La Cienega Blvd.



69,081
Cars/Day

Centinela Ave.



32,000
Cars/Day

DEMOGRAPHICS

Within 5 Miles

Population



819,969

Daytime Population



341,943

Average HH Income



\$94,744

Median Age



35.9

Families



182,750

Homeowners



108,404



sears ★ macy's
Albertsons
CINEMARK
WELLS FARGO
STAPLES

Downtown Los Angeles

USC



THE HOME DEPOT

Ralphs
Bank of America
CVS pharmacy
petco
CHASE
Jamba Juice
ROSS
DRESS FOR LESS
Bath & Body Works
WELLS FARGO
FRIDAYS

KFC

HURGER KING

Chick-fil-A

DEL TACO
& Future Shops

High Tech Grocer

Spectrum

Centinela Ave.

2 Story Professional Office

Marshalls

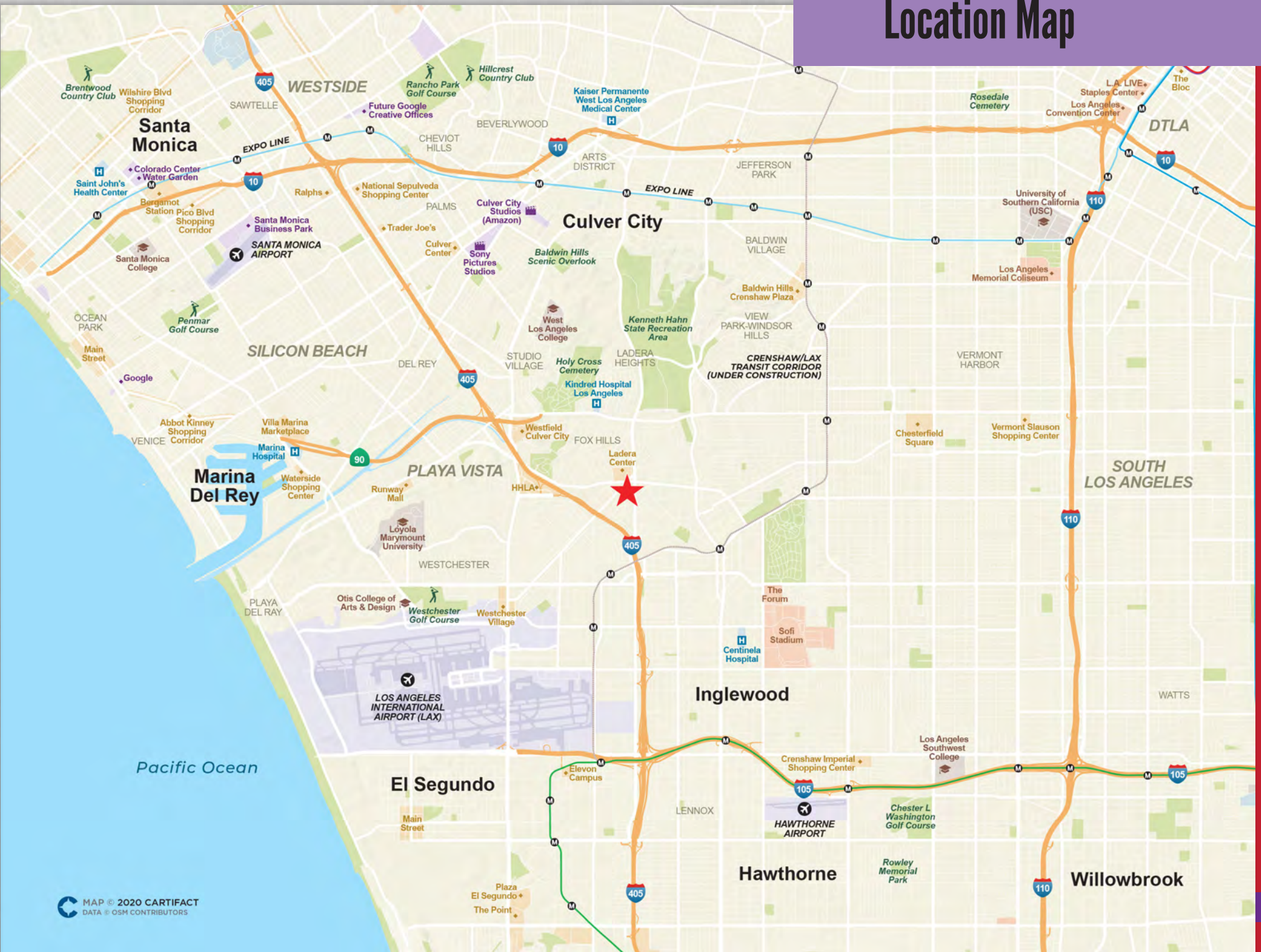
La Cienega Blvd

99¢ only
CHUCK E. CHEESES
Polo Loops

Amenities Map



Location Map



Property Description





Property Description

The subject property is an exceptionally well-located, dual branded, KFC & Taco Bell on the center of Centinela Avenue between La Cienega Boulevard and La Tijera Boulevard in the city of Los Angeles.

The property is located within a brand new 80,000 square foot shopping center scheduled for completion in the winter of 2020. The building area is approximately 2,087 square feet with co-tenants such as Burger King, Chick-fil-A, Jersey Mike's, Dunkin', Marshalls, and a new state-of-the-art grocer.

This highly trafficked intersection of La Cienega Blvd and Centinela Ave is a top-performing retail pocket in Los Angeles evidenced through the well-curated mix of home goods, grocery and specialty retailers along La Tijera Blvd. With a population of over 247,035 and 810,721 people within a 3 & 5-mile radius respectively, the higher than average household incomes boast over \$95,674 and \$92,065 within a 3 & 5-mile radius respectively.

PROPERTY HIGHLIGHTS

Offered GLA



2,087 SF

Year Built



1979

Offered Land



0.24 Acres

Zoning



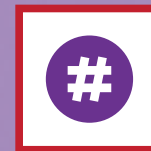
LAC2

Occupancy



100%

APN



4103-002-016



Parcel Map



Site Plan



Tenant Overview







COMPANY SUMMARY

Headquarters



Miami, FL

Founded



1954

Number of Restaurants



+17,800

Stock Symbol



YUM

Revenue



\$5.49B

Operating Cash Flow



\$1.22B

KFC Overview

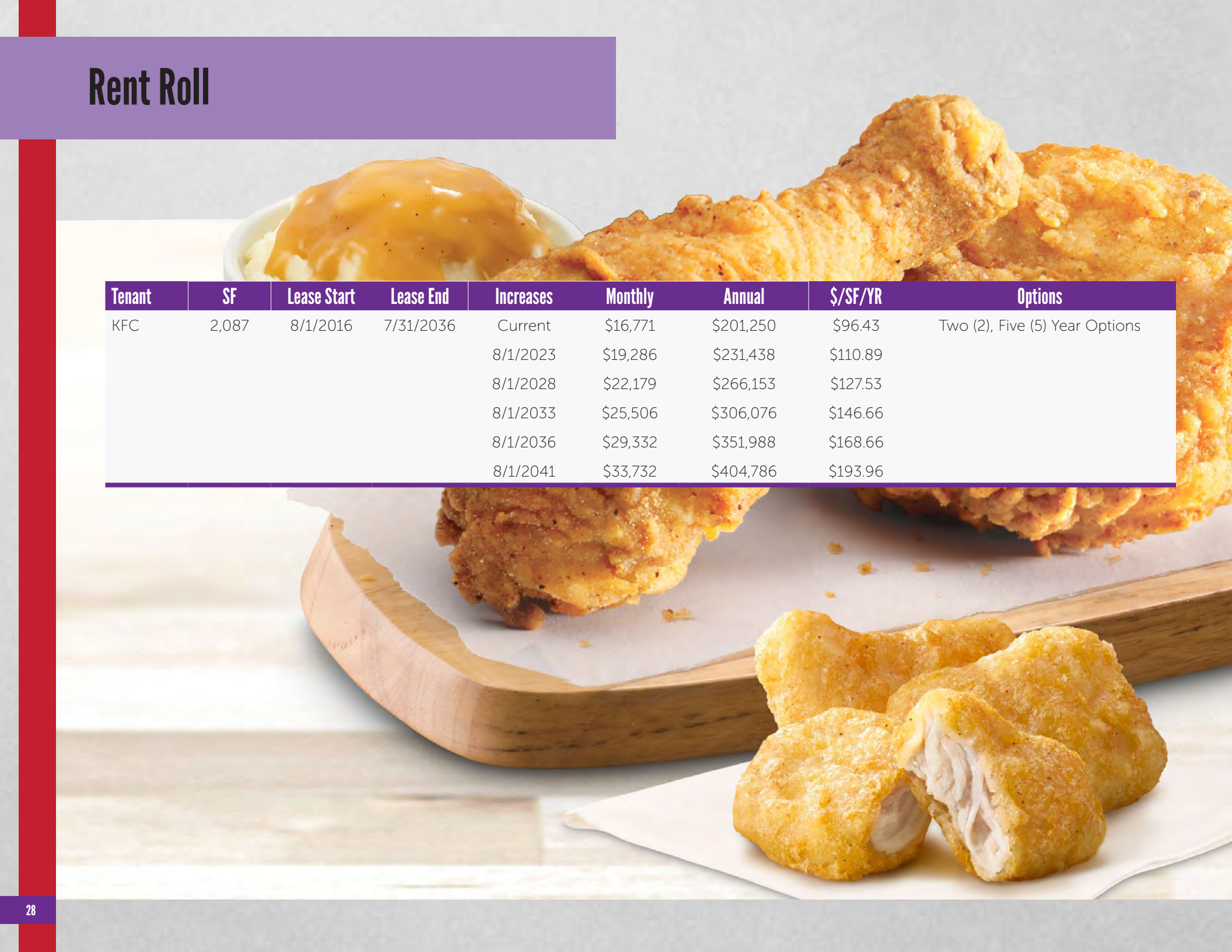
KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. It all started with one cook who created a soon-to-be world-famous recipe more than 70 years ago, a list of secret herbs and spices scratched out 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. We're at over 23,000 KFC outlets and more than 140 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.



Taco Bell Overview

Taco Bell is an American fast food chain known for its inventive, often whimsical, Mexican-inspired menu items. Along with KFC and Pizza Hut, Taco Bell is owned by Louisville, Kentucky-based Yum! Brands and serves 42 million customers a week at nearly 7,000 restaurant locations worldwide. Founded in California in 1962, the brand has maintained a steady presence in the American consciousness, in part because of its popular advertising campaigns—like the iconic 1990s ads featuring a taco-hungry chihuahua and 2005's "Good to Go" slogan that accompanied the launch of the Crunchwrap Supreme.

Rent Roll



Tenant	SF	Lease Start	Lease End	Increases	Monthly	Annual	\$/SF/YR	Options
KFC	2,087	8/1/2016	7/31/2036	Current	\$16,771	\$201,250	\$96.43	Two (2), Five (5) Year Options
				8/1/2023	\$19,286	\$231,438	\$110.89	
				8/1/2028	\$22,179	\$266,153	\$127.53	
				8/1/2033	\$25,506	\$306,076	\$146.66	
				8/1/2036	\$29,332	\$351,988	\$168.66	
				8/1/2041	\$33,732	\$404,786	\$193.96	

Lease Abstract

Tenant	KFC
Lease Commencement	8/1/2016
Lease Expiration	7/31/2036
Options	Two (2), Five (5) Year Options
Building Size	2,087 SF
Lot Size	10,491 SF
Rent Schedule	
Current	\$201,250
8/1/2023	\$231,438
8/1/2028	\$266,153
8/1/2033	\$306,076
Increase Schedule	15% in years 8, 13, and 18
Option 1 (8/1/2036)	\$351,988
Option 2 (8/1/2041)	\$404,786
Option Increase Schedule	15% at each option
Property Taxes	TT shall pay its pro rata share of Real Estate Taxes
TT Liability Insurance	TT shall, at TT's expense, obtain and keep in force during the term of this Lease a Commercial General Liability policy of insurance protecting LL and TT (as an additional named insured) against claims for bodily injury, personal injury and property damaged. Single limit coverage in an amount not less than \$2,000,000 per occurrence with an annual aggregate not less than \$5,000,000.
TT Property Insurance	TT shall, at TT's expense, either by separate policy or by endorsement to a policy already carried, maintain insurance coverage on all of TT's Trade Fixtures and other personal property in, on, or about the Premises similar in coverage to that carried by TT's under Paragraph 8.3 of Lease.
CAM	NNN
Utilities	TT shall pay Utilities directly to utility providers



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