

SINGLE TENANT

ABSOLUTE NNN INVESTMENT OPPORTUNITY



W/ DRIVE-THRU

MEMPHIS TENNESSEE





EXCLUSIVELY MARKETING BY

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KFC



★ ★ ★
Col. Harland Sanders
ORIGINAL RECIPE
SINCE 1940

ANY SIZE
SOFT DRINK
1

INVESTMENT SUMMARY

MEMPHIS, TENNESSEE

SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, personal and franchisee guaranteed, drive-thru equipped, Kentucky Fried Chicken, investment property located in Memphis TN. The tenant, Memphis Foods, LLC, will execute a brand new 20-year at the close of escrow with 4 (5-year) option periods to extend. The lease will feature 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation. The lease is personally guaranteed by the operator for 5 years and is absolute NNN with zero landlord responsibilities.

The subject property is strategically located along Elvis Presley Blvd. (24,800 VPD), a major north/south commuter thoroughfare traveling through Memphis. KFC also features a large pylon sign, increasing visibility to passing consumers. Nearby national/credit tenants include ALDI, Nike, Walgreens, CVS, Family Dollar, Dollar General, and more, increasing consumer draw to the trade area. Additionally, the site is positioned directly next to Graceland, Elvis Presley's former estate that brings 650,000 visitors a year, providing a direct consumer base to draw from. The 5-mile trade area is supported by a population of over 156,000 residents with an average household income of \$44,557.

OFFERING

Pricing:	\$992,507
Net Operating Income:	\$57,069
Cap Rate:	5.75%
Guaranty:	Personal (5-Year) & Franchisee (23-Unit Entity)
Tenant:	Memphis Foods, LLC
Lease Type:	Absolute NNN
Landlord Responsibilities:	None

PROPERTY SPECIFICATIONS

Rentable Area:	2,395 SF
Land Area:	0.64 Acres
Property Address:	3623 Elvis Presley Boulevard, Memphis, TN 38116
Year Built:	1988
Ownership:	Fee Simple (Land and Building)



INVESTMENT HIGHLIGHTS

Brand New 20-Year Lease | Personal & Franchisee Guaranty | Rental Increases

- New 20-year personal & franchisee guaranteed lease with 4 (5-year) options to extend
- Lease features 10% rental increases every 5 years throughout initial term at beginning of each option period
- The lease is personally guaranteed by the operator for 5 years

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for all CAM, insurance, taxes, and maintains all aspects of the premises
- Zero landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor

Major Thoroughfare | Excellent Visibility | Drive-Thru Equipped

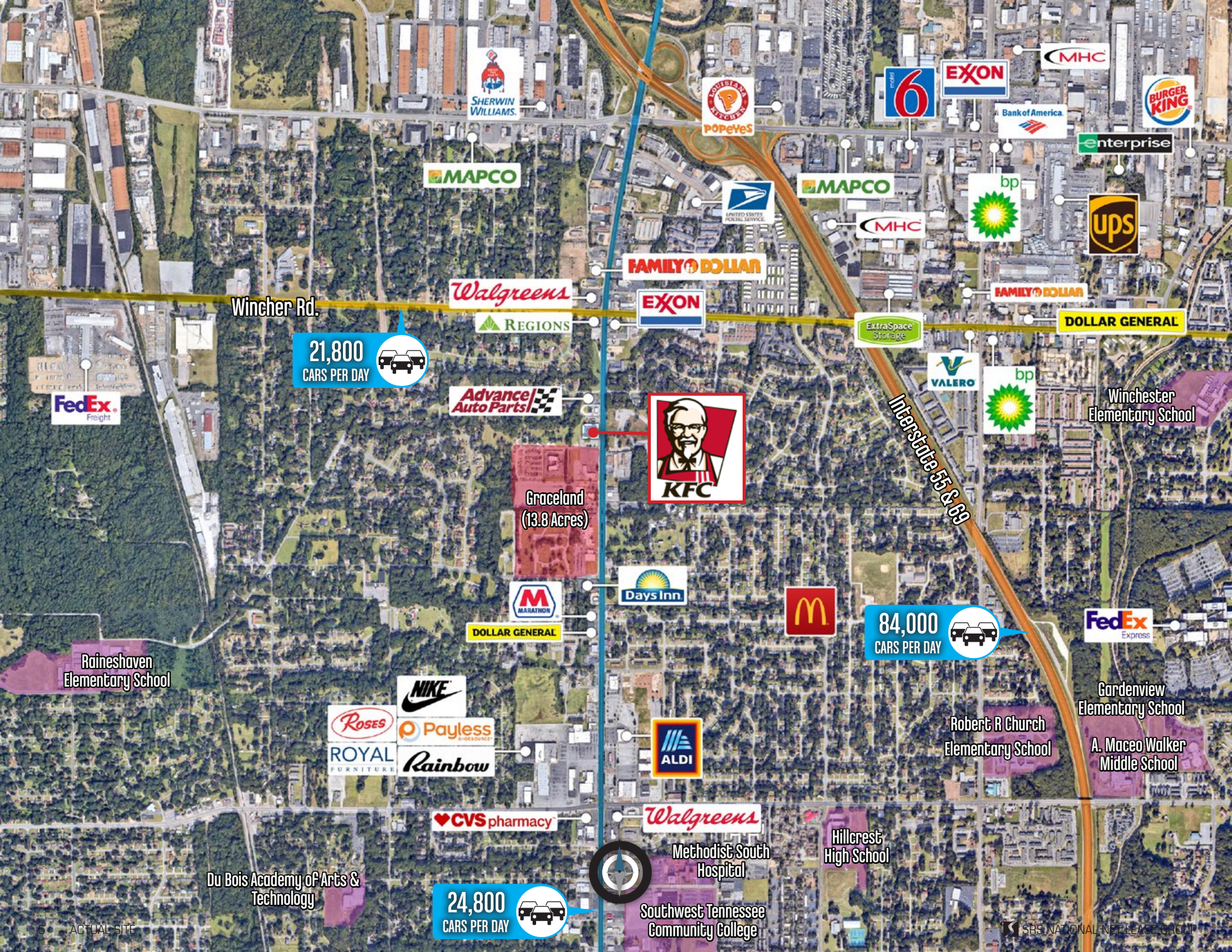
- Strategically located along Elvis Presley Blvd. (24,800 VPD), a major north/south commuter thoroughfare traveling through Memphis
- The site is equipped with a drive-thru, providing ease and convenience for customers and has excellent visibility due to its large pylon sign

Retail Corridor With Nearby National/Credit Tenants

- Nearby national/credit tenants include ALDI, Nike, Walgreens, CVS Pharmacy, Family Dollar, Dollar General, and more
- Increases consumer draw to the subject trade area and promotes crossover shopping

Adjacent to to Elvis Presley's Graceland (650,000 Annual Visitors) | Strong Demographics In 5-Mile Trade Area

- Ideally positioned next to Graceland, Elvis Presley's former estate/tourist destination which includes a 450-room hotel and a 7,000-person concert and event venue (650,000 annual visitors)
- Over 156,000 residents and nearly 93,000 employees support the trade area
- \$44,557 average household income



Wincher Rd.

21,800
CARS PER DAY



Graceland
(13.8 Acres)

Interstate 55 & 69

84,000
CARS PER DAY



24,800
CARS PER DAY



Du Bois Academy of Arts & Technology

Southwest Tennessee Community College

Hillcrest High School

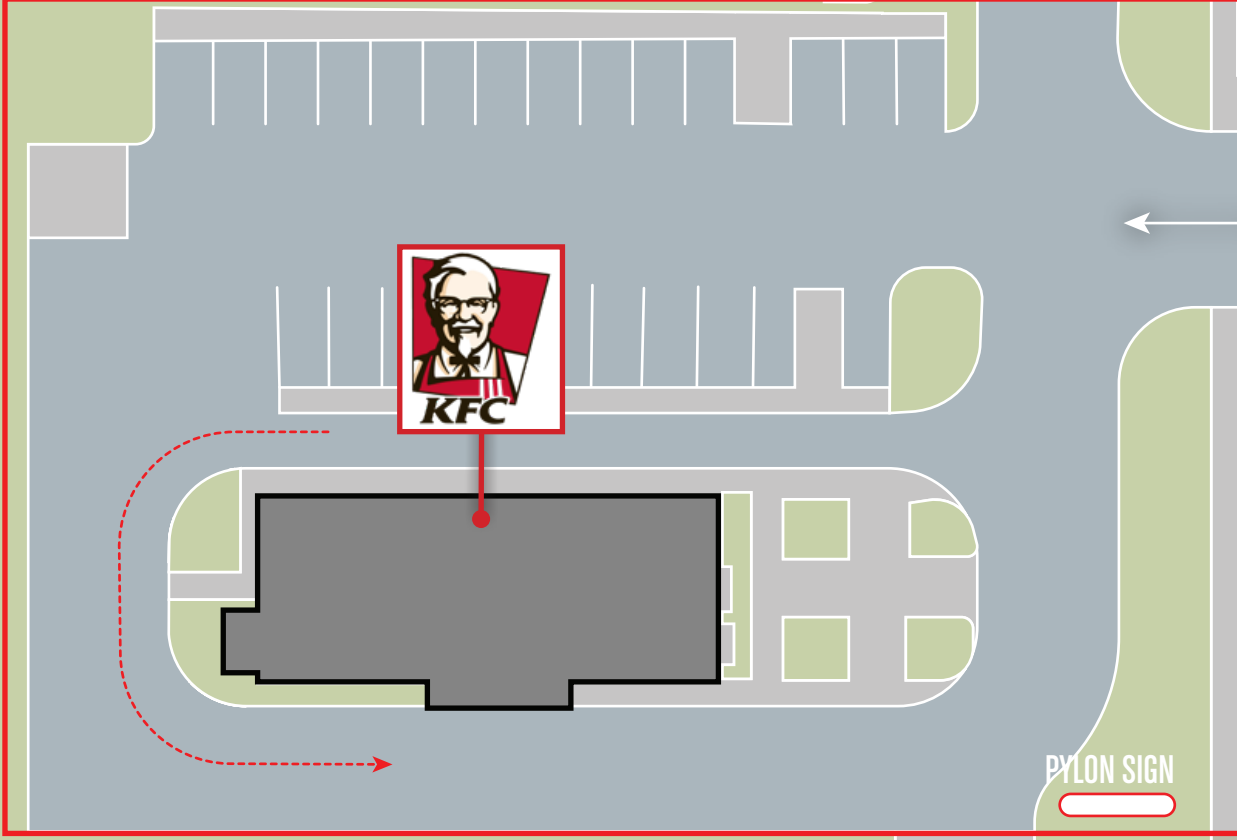
Robert R Church Elementary School

Gardenview Elementary School

A. Maceo Walker Middle School

Winchester Elementary School

Raineshaven Elementary School



ELVIS PRESLEY BLVD. - 324,800 VPD



2018 ESTIMATED POPULATION

1 Mile.....	8,546
3 Mile.....	57,557
5 Mile.....	156,196

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$56,936
3 Mile.....	\$47,569
5 Mile.....	\$44,557

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	4,077
3 Mile.....	37,598
5 Mile.....	92,980

AREA DEMOGRAPHICS



DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2018 Estimated Population	8,546	57,557	156,196
2023 Projected Population	8,604	57,811	157,158
2010 Census Population	8,610	57,536	156,057
2018 Estimated Households	3,146	21,327	57,666
2023 Projected Households	3,168	21,451	58,050
2010 Census Households	3,169	21,190	57,372
2018 Estimated White	3.68%	2.27%	5.93%
2018 Estimated Black or African American	92.80%	94.70%	90.61%
2018 Estimated Asian or Pacific Islander	0.12%	0.12%	0.15%
2018 Estimated American Indian or Native Alaskan	0.16%	0.17%	0.15%
2018 Estimated Other Races	2.26%	1.61%	1.70%
2018 Estimated Hispanic	3.04%	2.37%	2.76%
2018 Estimated Average Household Income	\$56,936	\$47,569	\$44,557
2018 Estimated Median Household Income	\$40,854	\$34,689	\$32,106
2018 Estimated Per Capita Income	\$21,056	\$17,853	\$16,630
2018 Estimated Total Businesses	276	2,024	4,496
2018 Estimated Total Employees	4,077	37,598	92,980





KFC



Col. Sanders' Original Recipe
ORIGINAL RECIPE
SINCE 1954

MADE BY HAND

RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM				RENTAL RATES					
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Memphis Foods, LLC (dba KFC) (Personal Guaranty) (Franchisee Guaranty)	2,395	COE	20 Years	Year 1	-	\$4,756	\$1.99	\$57,069	\$23.83	Absolute NNN	4 (5-Year)
				Year 6	10%	\$5,231	\$2.18	\$62,776	\$26.21		10% Incr. at beg.
				Year 11	10%	\$5,754	\$2.40	\$69,053	\$28.83		of each option
				Year 16	10%	\$6,330	\$2.64	\$75,959	\$31.72		

FINANCIAL INFORMATION

Price:\$992,507
 Net Operating Income:\$57,069
 Cap Rate:5.75%
 Lease Type:Absolute NNN

PROPERTY SPECIFICATIONS

Year Built:1988
 Rentable Area:2,395 SF
 Land Area:0.64 Acres
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OPERATOR PROFILE



FOWLER FOODS, INC.

Fowler Foods, Inc. started out as a single KFC store in 1965. Today it operates 73 KFC's, 1 Taco Bell, and 15 dual concept KFC/Taco Bell locations across 7 seven states. The company plans to build another 9 locations to their portfolio by the end of 2021.

Of their current portfolio, 86 locations are in the newest American Showman design, which modernizes KFC stores with a cleaner and bolder look that emphasizes its signature red and white stripes. The majority of these locations were remodeled by the operator in 2017. Since KFC U.S. rolled out the remodeling program or 're-colonization' in 2015, the brand has experienced same-store sales growth.

7
STATES

89
LOCATIONS

1,800
EMPLOYEES

73
LOCATIONS



15
DUAL CONCEPT
LOCATIONS



1
LOCATION



BRAND PROFILE

KFC CORPORATION

KFC Corporation, also known as Kentucky Fried Chicken, operates a chain of chicken restaurants in the United States and internationally. The company provides sandwiches, sides, desserts, drinks, sauces, fill ups, buttermilk biscuits, and other products; big box meals, popcorn nuggets, and kid's meals; and chicken products, including chicken hot wings, chicken sandwiches, and fried chicken products. There are over 22,000 KFC outlets in more than 135 countries and territories around the world. The company also franchises its restaurants. KFC Corporation was founded in 1952 and is based in Louisville, Kentucky. KFC Corporation operates as a subsidiary of Yum! Brands.

Company Type:	Subsidiary
Parent:	Yum! Brands
2017 Employees:	60,000
2017 Revenue:	\$5.88 Billion
2017 Net income:	\$1.34 Billion
2017 Assets:	\$5.31 Billion
Credit Rating:	S&P: BB





SRS

NATIONAL NET LEASE GROUP

SRS GLOBAL STATS



1000+
PROPERTIES CURRENTLY
REPRESENTED



600+
CLIENTS REPRESENTED
IN 2016



\$2.6B*
TRANSACTION VALUE



20+
OFFICES



250+
BROKERS,
PROFESSIONALS,
AND STAFF



#1
LARGEST REAL ESTATE FIRM
EXCLUSIVELY DEDICATED TO
RETAIL SERVICES IN NORTH AMERICA

*STATISTICS ARE FOR 2017.

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