

# SINGLE TENANT

ABSOLUTE NNN  
INVESTMENT  
OPPORTUNITY



W/ DRIVE-THRU

FULTON  
MISSISSIPPI







## EXCLUSIVELY MARKETING BY

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NATIONAL NET LEASE GROUP







# INVESTMENT SUMMARY

## KFC - FULTON, MISSISSIPPI

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 guaranteed, drive-thru equipped, Kentucky Fried Chicken, investment property located in Fulton, MS. The tenant, North Tennessee Foods, LLC., will execute a brand new 20-year sale leaseback at the close of escrow with 4 (5-year) option periods to extend. The lease will feature 8% 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. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management-free investment opportunity for an out of state investor.

The subject site is located near Interstate 22 (20,000 VPD), the major thoroughfare running from Birmingham to Memphis. The site is equipped with a drive-thru, providing ease and convenience for consumers. The KFC is ideally located near a 24-Hour Walmart Supercenter and other notable tenants include AutoZone Auto Parts, Dollar General, McDonald's, Wendy's, Pizza Hut, and more. The site serves approximately 7,400 residents with an average household income of \$59,000 located within a 5-mile radius.

### OFFERING

Pricing:	\$1,004,000
Net Operating Income:	\$56,754
Cap Rate:	5.65%
Guaranty:	Personal (5-Year) & Franchisee
Tenant:	North Mississippi Foods, LLC (6-Unit Entity)
Lease Type:	Absolute NNN
Landlord Responsibilities:	None

### PROPERTY SPECIFICATIONS

Rentable Area:	3,127 SF
Land Area:	1.03 Acres
Property Address:	413 Interchange Drive, Fulton, MS 38843
Year Built:	2009
Ownership:	Fee Simple (Land and Building)



## INVESTMENT HIGHLIGHTS

### Brand New 20-Year Sale Leaseback | Personal & Franchisee Guaranty | Rental Increases

- The tenant (5-unit entity) will execute a brand new 20-year sale leaseback at the close of escrow with 4 (5-year) options to extend
- 8% rental increases every 5 years throughout the initial term and at the beginning of each option period
- The lease is personally guaranteed by the operator for 5 years and franchisee guaranteed by North Mississippi Foods, LLC

### NNN Lease | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for all CAM, insurance, and taxes
- No landlord responsibilities

### Major Thoroughfare | Drive-Thru Equipped

- Located near the Interstate 22 (20,000 VPD), the major thoroughfare running from Birmingham to Memphis
- The site is equipped with a drive-thru, providing ease and convenience for consumers

### Nearby 24-Hour Walmart Supercenter | Retail Corridor With National Tenants

- The KFC is ideally located near a 24-Hour Walmart Supercenter and other notable tenants include AutoZone Auto Parts, Dollar General, McDonald's, Wendy's, Pizza Hut, and more
- Increases consumer draw to the subject trade area

### Local Demographics In 5-Mile Trade Area

- Nearly 7,400 residents and over 3,800 employees support the trade area
- \$59,000 average household income





FERGUSON

First American  
National Bank

fred's  
Pharmacy

ANYTIME  
FITNESS

Holiday Inn  
Express & Suites

Fidelity  
National  
Loans, Inc.  
Your Local Loans

Days Inn  
BY WYNDHAM

O'Reilly  
AUTO PARTS



SONIC

AutoZone

STATE FARM  
INSURANCE

First American  
National Bank

Walmart  
Supercenter

at&t

CAFO

SHOE DEPT.

Pizza  
Hut



Wendy's

20,000  
CARS PER DAY



Interstate 22 / U.S. Highway 78

Piercer Town Rd.

State Highway 25

Itawamba Attendance  
Center

Itawamba Agriculture  
High School

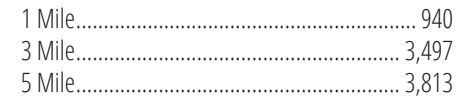






PYLON SIGN







# AREA DEMOGRAPHICS



## DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2018 Estimated Population	643	4,697	7,360
2023 Projected Population	662	4,773	7,444
2010 Census Population	589	4,473	7,117
2018 Estimated Households	209	1,562	2,603
2023 Projected Households	215	1,587	2,630
2010 Census Households	195	1,505	2,543
2018 Estimated White	95.87%	82.22%	85.93%
2018 Estimated Black or African American	2.18%	14.31%	11.13%
2018 Estimated Asian or Pacific Islander	0.78%	1.11%	0.84%
2018 Estimated American Indian or Native Alaskan	0.62%	0.21%	0.31%
2018 Estimated Other Races	1.09%	0.83%	0.92%
2018 Estimated Hispanic	2.18%	1.68%	1.88%
2018 Estimated Average Household Income	\$73,041	\$58,594	\$58,768
2018 Estimated Median Household Income	\$57,274	\$41,541	\$42,697
2018 Estimated Per Capita Income	\$28,436	\$23,115	\$23,109
2018 Estimated Total Businesses	76	316	356
2018 Estimated Total Employees	940	3,497	3,813







**KFC**

**KFC**



★ ★ ★  
*Col. Harland Sanders*  
**ORIGINAL RECIPE**  
SINCE 1952



# RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM				RENTAL RATES				RECOVERY TYPE	OPTIONS
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF		
North Mississippi Foods, LLC dba KFC (Personal Guaranty - 5 Year) (Franchisee Guaranty)	3,127	COE	20 Years	Year 1	-	\$4,730	\$1.51	\$56,754	\$18.15	Absolute NNN	4 (5-Year)
				Year 6	8%	\$5,108	\$1.63	\$61,294	\$19.60		8% Incr. at beg.
				Year 11	8%	\$5,516	\$1.76	\$66,198	\$21.17		of each option
				Year 16	8%	\$5,958	\$1.91	\$71,494	\$22.86		

## FINANCIAL INFORMATION

Price: .....\$1,004,000  
 Net Operating Income: .....\$56,754  
 Cap Rate: .....5.65%  
 Lease Type: .....Absolute NNN

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# 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







# 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







## 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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