



WITH DRIVE THRU

403 HIGHWAY 71 N, MENA, ARKANSAS

SINGLE TENANT ABSOLUTE NNN INVESTMENT OPPORTUNITY





EXCLUSIVELY MARKETING BY

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TABLE OF CONTENTS

4

INVESTMENT SUMMARY

OFFERING SUMMARY | INVESTMENT HIGHLIGHTS

7

PROPERTY OVERVIEW

AERIALS | SITE PLAN | LOCATION MAP

12

AREA OVERVIEW

DEMOGRAPHICS

14

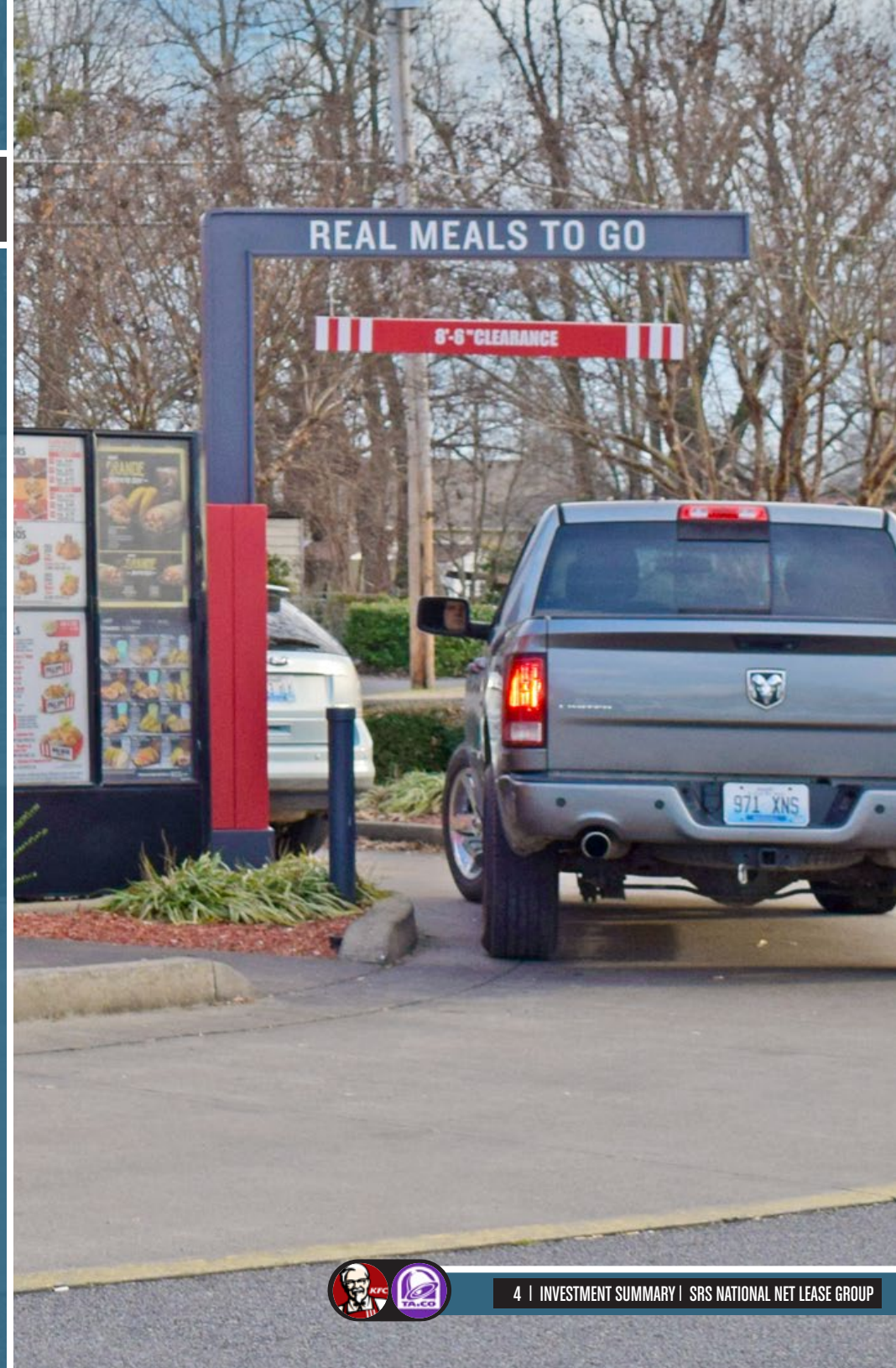
FINANCIALS

RENT ROLL | BRAND PROFILE

INVESTMENT SUMMARY

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/Taco Bell, investment property located in Mena, AR. The tenant, Southwest Arkansas Foods, Inc. (4-unit entity), 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 and is absolute NNN with zero landlord responsibilities.

The KFC/Taco Bell is strategically situated along U.S. Highway 71, the primary thoroughfare traveling through Mena with 17,000 vehicles passing by daily. The asset has increased visibility due to its large pylon sign and excellent highway frontage. The KFC/Taco Bell is positioned directly across from a 24-hour Walmart Supercenter, which helps promote crossover shopping to the subject property. Other nearby national/credit tenants include Walgreens, Family Dollar, AutoZone, McDonald's, and more, further increasing consumer draw to the trade area. In addition, the site is within close proximity to Mena Regional Health System Hospital (65 beds), providing a direct consumer base to draw from. The 5-mile trade area is supported by a population of nearly 10,000 residents with an average household income of more than \$49,000.



OFFERING SUMMARY

OFFERING

PRICING:	\$1,410,000
NET OPERATING INCOME:	\$83,162
CAP RATE:	5.90%
GUARANTY:	Personal (5-Year) & Franchisee (4-Unit Entity)
TENANT:	Southwest Arkansas Foods, Inc.
LEASE TYPE:	Absolute NNN
LANDLORD RESPONSIBILITIES:	None

PROPERTY SPECIFICATIONS

RENTABLE AREA:	2,702 SF
LAND AREA:	1.09 Acres
PROPERTY ADDRESS:	403 Highway 71N, Mena, AR 71953
YEAR BUILT:	1986
PARCEL NUMBER:	6000-02298-0000 & 6000-02303-0000
OWNERSHIP:	Fee Simple (Land and Building)



INVESTMENT HIGHLIGHTS

BRAND NEW 20-YEAR SALE LEASEBACK | PERSONAL & FRANCHISEE GUARANTY | RENTAL INCREASES

- The tenant (4-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

ABSOLUTE NNN | FEE SIMPLE OWNERSHIP | ZERO LANDLORD RESPONSIBILITIES

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for an out-of-state, passive investor

MAJOR THOROUGHFARE | DRIVE-THRU EQUIPPED | LARGE PYLON SIGN

- Strategically situated along U.S. Highway 71, the main thoroughfare traveling through Mena with 17,000 vehicles passing by daily
- The site is equipped with drive-thru, providing ease and convenience for customers
- On average, stores with drive-thrus have higher sales than those without
- Excellent visibility due to its large pylon sign

ACROSS FROM 24-HOUR WALMART SUPERCENTER | NEAR MENA REGIONAL HEALTH SYSTEM HOSPITAL (65-BEDS)

- Directly across from a 24-hour Walmart Supercenter, which helps promote cross-over shopping to the subject property
- Other nearby national/credit tenants include Walgreens, Family Dollar, AutoZone, McDonald's, and more
- Increases consumer draw to the trade area
- Close proximity to Mena Regional Health System Hospital (65 beds), providing a direct consumer base to draw from

HEALTHY DEMOGRAPHICS IN 5-MILE TRADE AREA

- Nearly 10,000 residents and 6,000 employees support the trade area
- More than \$49,000 average household income



PROPERTY OVERVIEW



PARCEL MAP



ACCESS

U.S. Highway 71 & 59/ State Highway 88 & 8:..... 2 Access Points



TRAFFIC COUNTS

U.S. Highway 71 & 59/ State Highway 88 & 8:..... 17,000 Cars Per Day
Morrow Street S/ State Highway 8:..... 7,100 Cars Per Day



IMPROVEMENTS

There is approximately 2,702 SF of existing building area.



PARKING

There are approximately 33 parking spaces on the owned parcel.
The parking ratio is approximately 12.21 stalls per 1,000 SF of leasable area.



YEAR BUILT

1986



PARCEL

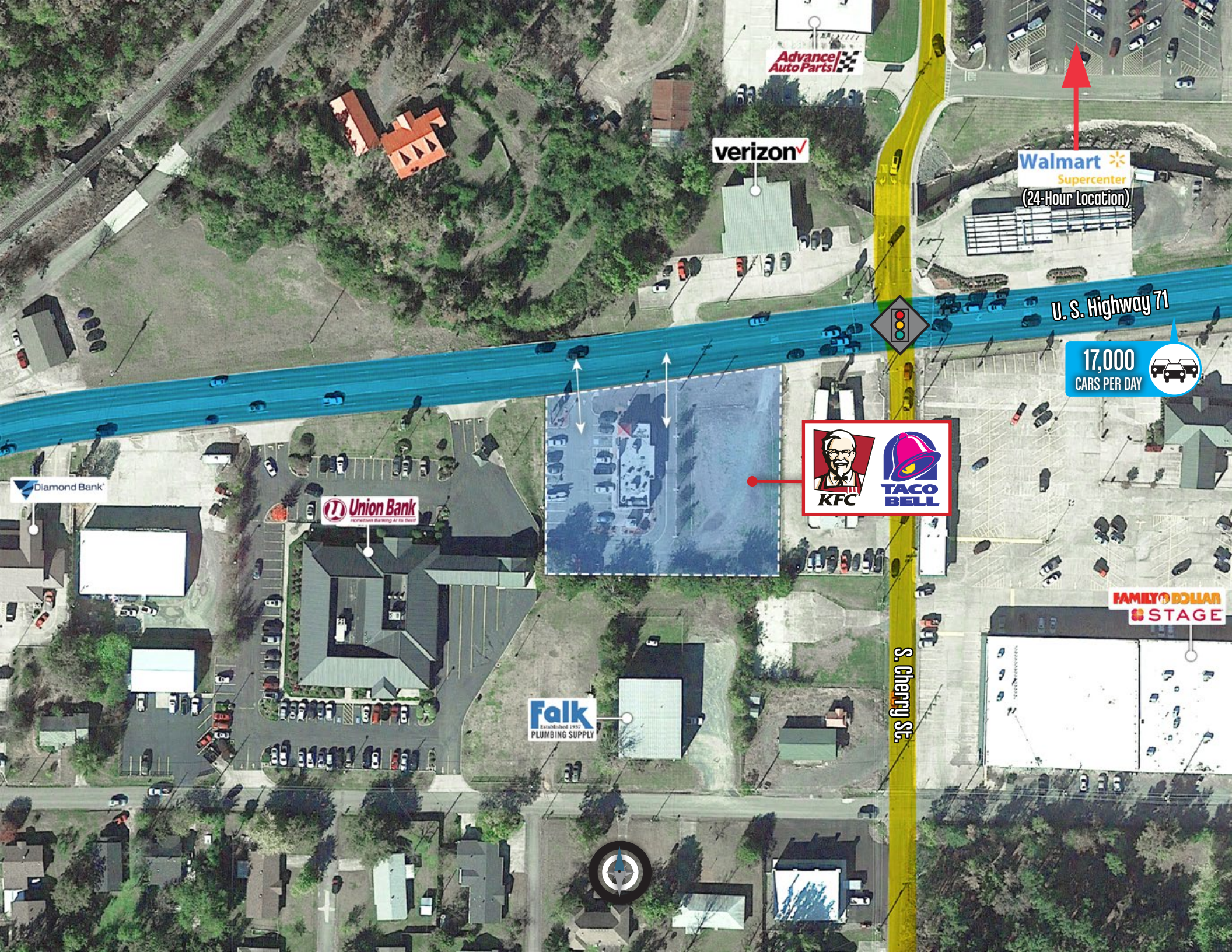
Parcel Number: 6000-02298-0000 & 6000-02303-0000
Total Acres: 1.09 Total Square Feet: 47,550 SF



ZONING

Commercial





Advance
Auto Parts

verizon

Walmart
Supercenter
(24-Hour Location)

U.S. Highway 71

17,000
CARS PER DAY



Diamond Bank

Union Bank
Member Since 1911

Falk
Established 1911
PLUMBING SUPPLY

S. Cherry St.

FAMILY DOLLAR
STAGE





Rich Mountain
Community College

(24-Hour Location)



Mena Regional
Health System
(65-Beds)



17,000
CARS PER DAY

MINER'S A & B TIRE



State Highway 8



7,100
CARS PER DAY

Mena High School



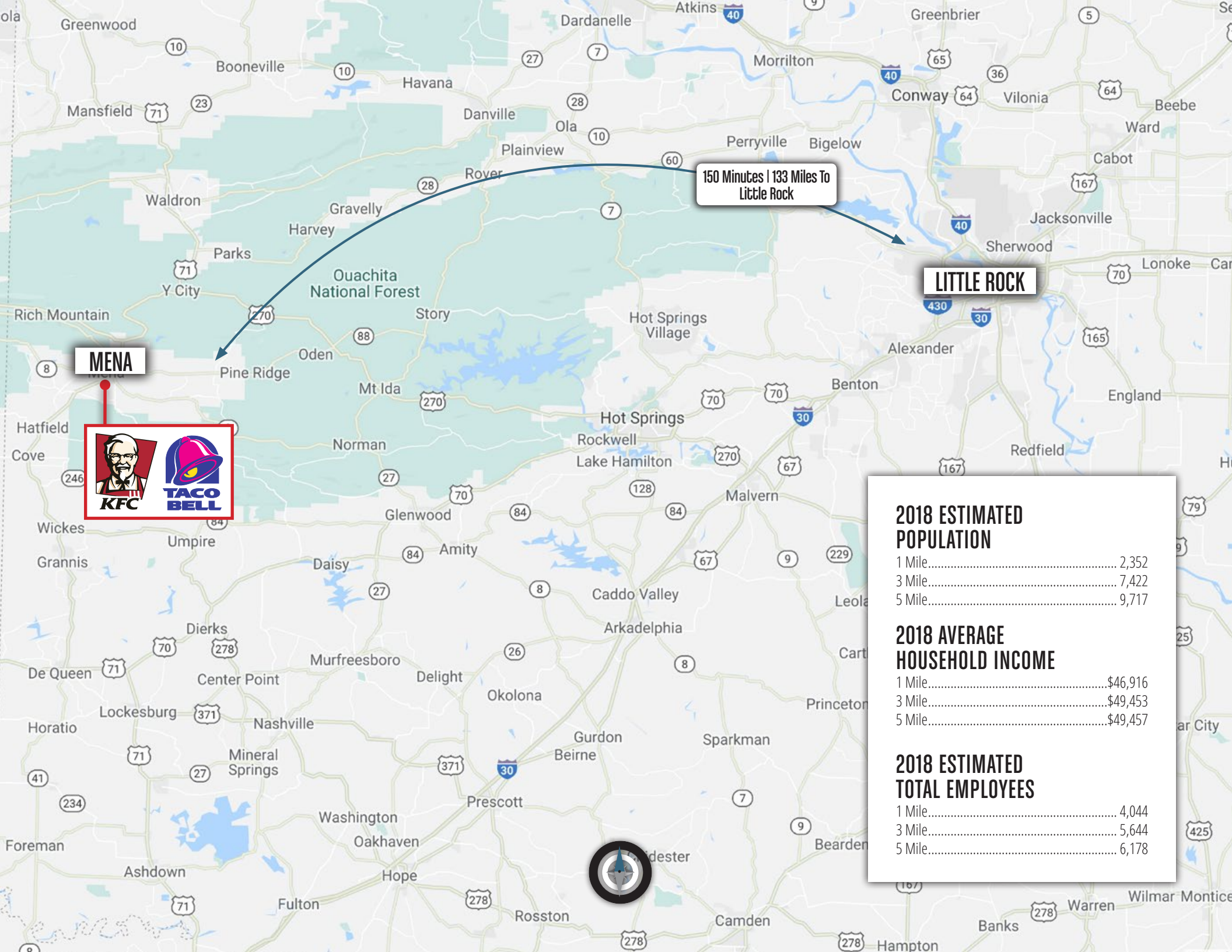
88 71 59 8 17,000 VPD

PLYON SIGN



MYERS CRUIZZERS
DRIVE-IN





150 Minutes | 133 Miles To
Little Rock

LITTLE ROCK

MENA



2018 ESTIMATED POPULATION

1 Mile.....	2,352
3 Mile.....	7,422
5 Mile.....	9,717

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$46,916
3 Mile.....	\$49,453
5 Mile.....	\$49,457

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	4,044
3 Mile.....	5,644
5 Mile.....	6,178

AREA DEMOGRAPHICS



Mena, Arkansas

Mena is a city in Polk County, Arkansas, United States. It is also the county seat of Polk County. The City of Mena had a population of 5,615 as of July 1, 2018.

Mena is included in the Ark-La-Tex socio-economic region. Surrounded by the Ouachita National Forest, Mena is a gateway to some of the most visited tourist attractions in Arkansas.

Mena was founded in the late nineteenth century as a railroad town in western Arkansas. Situated amid the Ouachita National Forest and surrounded by noteworthy state parks and trails, the city is now something of a tourist destination, though it also has a diversified economy based upon agriculture and manufacturing.

The Museum of the Red River and Bob Burns Museum are some of the museums one can visit in Mena. The Blythe's Museum and Crater of Diamond State Park Museum are also worth visiting. The city also has several churches and libraries. There are many parks that offer a range of recreational facilities such as Cossatot River State Park, Janssen Park, and Lee McMillian Memorial Park. Golfers can enjoy their leisure time at the Lions Club Golf Course. The Northside Shopping Center is also a popular tourist haunt. Mena also hosts the Hamfest, Lum, and Abner Festival and the Mountain Fest every year.

Rich Mountain Community College and Mountain View School of Cosmetology offer opportunities for higher education at Mena. Other colleges and universities in the area are Westark College, Henderson State University, and Arkansas Tech University. One can avail air transport from Fort Smith Regional Airport.

Polk County is a county located in the U.S. state of Arkansas. As of July 1, 2017, the population was 20,118. The county seat is Mena. Polk County is Arkansas's 48th county, formed on November 30, 1844, and named for James Polk, President of the United States. It is an alcohol prohibition or dry county.



AREA DEMOGRAPHICS



DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2018 Estimated Population	2,352	7,422	9,717
2023 Projected Population	2,314	7,296	9,553
2010 Census Population	2,411	7,601	9,956
2018 Estimated Households	1,015	3,201	4,103
2023 Projected Households	997	3,142	4,027
2010 Census Households	1,047	3,299	4,229
2018 Estimated White	92.75%	93.22%	93.35%
2018 Estimated Black or African American	0.77%	0.63%	0.63%
2018 Estimated Asian or Pacific Islander	1.57%	1.29%	1.30%
2018 Estimated American Indian or Native Alaskan	1.96%	1.86%	1.84%
2018 Estimated Other Races	0.85%	0.69%	0.70%
2018 Estimated Hispanic	3.78%	3.27%	3.34%
2018 Estimated Average Household Income	\$46,916	\$49,453	\$49,457
2018 Estimated Median Household Income	\$34,145	\$36,826	\$36,952
2018 Estimated Per Capita Income	\$20,634	\$21,401	\$21,205
2018 Estimated Total Businesses	353	505	562
2018 Estimated Total Employees	4,044	5,644	6,178



RENT ROLL

		LEASE TERM		RENTAL RATES							
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCR.	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Southwest Arkansas Foods, Inc.	2,702	COE	Year 20	Year 1	-	\$6,930	\$2.56	\$83,162	\$30.78	Absolute NNN	4 (5-Year)
(dba KFC/Taco Bell)				Year 6	8%	\$7,485	\$2.77	\$89,815	\$33.24		8% Incr. at beg.
(Personal Guaranty)				Year 11	8%	\$8,083	\$2.99	\$97,000	\$35.90		of each option
(Franchisee Guaranty)				Year 16	8%	\$8,730	\$3.23	\$104,760	\$38.77		

FINANCIAL INFORMATION

Price:\$1,410,000
 Net Operating Income:\$83,162
 Cap Rate:5.90%
 Lease Type:Absolute NNN

PROPERTY SPECIFICATIONS

Year Built:1986
 Rentable Area:2,702 SF
 Land Area:1.09 Acres
 Address:403 Highway 71N, Mena, AR 71953

For financing options and loan quotes, please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.



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 21,000 KFC outlets in more than 130 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



TACO BELL CORPORATION

Taco Bell Corporation is the world's leading Mexican-inspired quick service restaurant (QSR) brand. The company was founded in 1954 and is headquartered in Irvine, California. It also has restaurants in China; and Saskatoon, Canada. Taco Bell Corp. operates as a subsidiary of Yum! Brands, Inc. Taco Bell serves made-to-order and customizable tacos and burritos and other specialties with bold flavors, quality ingredients, breakthrough value, and best-in-class customer service to over 40 million customers weekly across the globe. There are currently more than 450 Taco Bell restaurants across 26 countries outside of the United States.

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





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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