



ACTUAL PHOTO

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Kentucky Fried Chicken / Taco Bell Restaurant with drive thru located 8242 Little Road in New Port Richey, Florida. New Port Richey is a beautiful Florida city located along the Gulf of Mexico and only 35 miles from Tampa. New Port Richey has a booming population of over 16,223 and is considered part of the Tampa Bay Area, a popular tourist destination with major attractions, recreation, sports and culture. New Port Richey is included in the Tampa-St. Petersburg-Clearwater Florida Metropolitan Statistical Area with a population of over 3,142,663 people.

This KFC/Taco Bell is located less than ten minutes from Morton Plant North Bay Hospital with 154 Beds and twelve minutes from Keiser University with over 17,490 Enrolled Students in over 100 Degree Programs. A short drive from this property is a brand-new collection of townhomes called Lennar at Ventana at Waters Edge. This brand Lennar built community consists of a collection of 190 new townhomes with close proximity to the Gulf Coast's beautiful beaches and premier shopping at Tampa's Premier Outlets. These state-of-the-art townhomes are quickly selling out.

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 24,000 locations globally in 145 countries and territories. The chain is a subsidiary of Yum! Brands, a restaurant company that also owns the Pizza Hut, Taco Bell, and WingStreet chains.

Value Foodservices LLC operates and owns stores in the quick-service restaurant industry. VFS currently owns and operates 50 Kentucky Fried Chicken restaurants, some of which are co-branded restaurants with Taco Bell and Pizza Hut. VFS plans to own and operate several hundred restaurants over time. VFS is owned by Blackburn Partners, LLC, a private equity firm.

INVESTMENT HIGHLIGHTS

- KFC / Taco Bell Long Term Absolute NNN Lease
- Strong Intrinsic Value: 3,104 Square Foot Drive Thru Restaurant on a 1.69 Acre Parcel Of Land
- Hard Corner Signalized Intersection: Traffic Counts Exceed 56,000+ Vehicles Per Day
- Located next to a busy Lowe's Home Improvement Center and across the street from a Kohl's and Home Depot
- Located in booming New Port Richey, Florida included in Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area Population 3,142,663
- Less than ten Minutes from Morton Plant North Bay Hospital With 154 Beds and twelve minutes from Keiser University with 17,490 Enrolled Students in 100 Degree Programs
- Kentucky Fried Chicken is World's Second Largest Restaurant Chain (Measured by Sales) after McDonald's with 24,000 Locations Globally in 145 Countries and Territories
- Florida is a No Income Tax State

THE OFFERING

KFC / Taco Bell
 8242 Little Road
 New Port Richey, Florida 34654



PROPERTY DETAILS

Lot Size	73,616 SF (1.69 Acres)
Rentable Square Feet	3,104 SF
Price/SF	\$1,231.90
Year Built	2005

FINANCIAL OVERVIEW

List Price	\$3,823,844
Down Payment	100% / \$3,823,844
Cap Rate	4.50%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
07/01/2021 - 06/30/2024	\$14,339	\$172,073
07/01/2024 - 06/30/2027	\$15,343	\$184,118
07/01/2027 - 06/30/2030	\$16,417	\$197,007
07/01/2030 - 06/30/2033	\$17,566	\$210,797
07/01/2033 - 06/30/2036	\$18,796	\$225,553
07/01/2036 - 06/30/2039	\$20,112	\$241,341
07/01/2039 - 06/30/2042 (Option 1)	\$21,520	\$258,235
07/01/2042 - 06/30/2044 (Option 1)	\$23,026	\$276,312
07/01/2044 - 06/30/2045 (Option 2)	\$23,026	\$276,312
07/01/2045 - 06/30/2048 (Option 2)	\$24,638	\$295,654
07/01/2048 - 06/30/2049 (Option 2)	\$26,362	\$316,349
07/01/2049 - 06/30/2051 (Option 3)	\$26,362	\$316,349
07/01/2051 - 06/30/2054 (Option 3)	\$28,208	\$338,494
07/01/2054 - 06/30/2057 (Option 4)	\$30,182	\$362,188
07/01/2057 - 06/30/2059 (Option 4)	\$32,295	\$387,542
Base Rent (\$55.44 / SF)		\$172,073
Net Operating Income		\$172,073.00

LEASE ABSTRACT

Tenant Trade Name	KFC
Tenant	Franchisee
Ownership	Private
Guarantor	Franchisee Guarantee (50 Units)
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	03/01/2019
Rent Commencement Date	03/01/2019
Expiration Date of Base Term	06/30/2039
Options	Four Five-Year Options
Increases	7% Increases every 3 Years during Base Term and Option Periods
Term Remaining on Lease	18+ Years
Property Type	Net Leased Restaurant
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	No

TOTAL ANNUAL RETURN CAP 4.50% \$172,073











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 24,000 KFC outlets in more than 145 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	22,000+
WEBSITE	www.kfc.com



Taco Bell Corp., a subsidiary of Yum! Brands, Inc., (NYSE: YUM), is the nation’s leading Mexican-inspired quick service restaurant. Taco Bell serves made to order and customizable tacos, burritos, and specialties such as the exclusive Doritos® Locos Tacos, gourmet inspired Cantina Bell® Menu and lower calorie Fresco Menu. The company encourages customers to “Live Más,” both through its food and in ways such as its Feed the Beat® music program and nonprofit organization, the Taco Bell Foundation for Teens. Taco Bell and its more than 350 franchise organization have nearly 7,072 restaurants across the United States that proudly serve more than 40 million customers every week.

NAME	Taco Bell
OWNERSHIP	Public
FOUNDED	1962
HQ	Irvine, CA
SALES	\$1.988 billion (2018)
NUMBER OF LOCATIONS	7,000+ (30 countries)
NUMBER OF EMPLOYEES	210,000 team members across the nation
CREDIT RATING	BBB
WEBSITE	www.tacobell.com



Value Foodservice LLC (“VFS”)

Jon Blob, CEO of VFS, has secured significant funding from BlackBern Partners and MidCap Financial to launch this business

- VFS is launching with the initial acquisition of 50 KFC units and plans to grow to several hundred units in the coming years
- BlackBern, a NYC private equity firm, has committed \$30 million of equity to VFS to fund growth and acquisitions
- MidCap Financial, a division of Apollo Global Management, has committed a low amortization, \$17 million Senior Debt Facility, which they plan to increase as we grow
- VFS will be heavily equity capitalized with modest leverage (~2.5x Debt / Adj. EBITDA)
- BlackBern/Midcap have committed \$20 million+ of incremental capital post the acquisition of the first 50 KFC units
- VFS has been through a year+ vetting process with KFC Corporate, in order to become an approved franchisee, having come to an agreement with them on our capital structure, development plan and management team

BlackBern Partners Announces KFC Franchisee Acquisition

BlackBern Partners Acquires 50 Kentucky Fried Chicken Restaurants To Launch New QSR Platform With Jon Blob

NEW YORK (PRWEB) FEBRUARY 25, 2021

BlackBern Partners LLC has partnered with existing management and CEO Jon Blob to form Value Foodservice LLC (“VFS”). Earlier this week, VFS completed its acquisition of 50 Kentucky Fried Chicken restaurants. VFS plans to build a quick-service restaurant (“QSR”) business with several hundred units.

Mr. Blob has nearly twenty-years of experience in the restaurant industry. As a QSR owner/operator, he has consistently been ranked as a top-tier franchisee. VFS benefits from his broad experience in restaurant investing, development and operations.

Jon Blob commented, “We take a people-first approach to how we think about the restaurant business. This starts with our team members. Our first priority is to make sure our team members are well supported, feel respected and see opportunities for professional growth. We believe that if we take care of our team members and give them the tools to succeed, they will take care of our customers. I am thrilled to be working with KFC, Yum! Brands, and the VFS management team, to deliver an outstanding customer experience.”

Jason Young, Partner at BlackBern added, “We are excited to be working with Jon, KFC and Yum! Brands to build our QSR franchisee business. We think there is considerable value in building substantial scale QSR systems. That value should be reflected in more opportunities for our team members, a better customer experience, and a faster growing base of well-maintained restaurants. VFS is capitalized to support this growth both with newly built restaurants and through additional unit acquisitions. We are particularly excited about the future of working with Yum! Brands.”

“We are thrilled to welcome Jon, Jason and the BlackBern and VFS teams to the KFC and Yum! Brands family,” said Brian Cahoe, Chief Development Officer for KFC U.S. “BlackBern’s commitment to growth through this acquisition and its KFC development agreement reinforces the strength of our franchising opportunity. We are confident their people-first approach, strong investment capabilities and personal connection to the brand will yield tremendous success and continued growth going forward.”

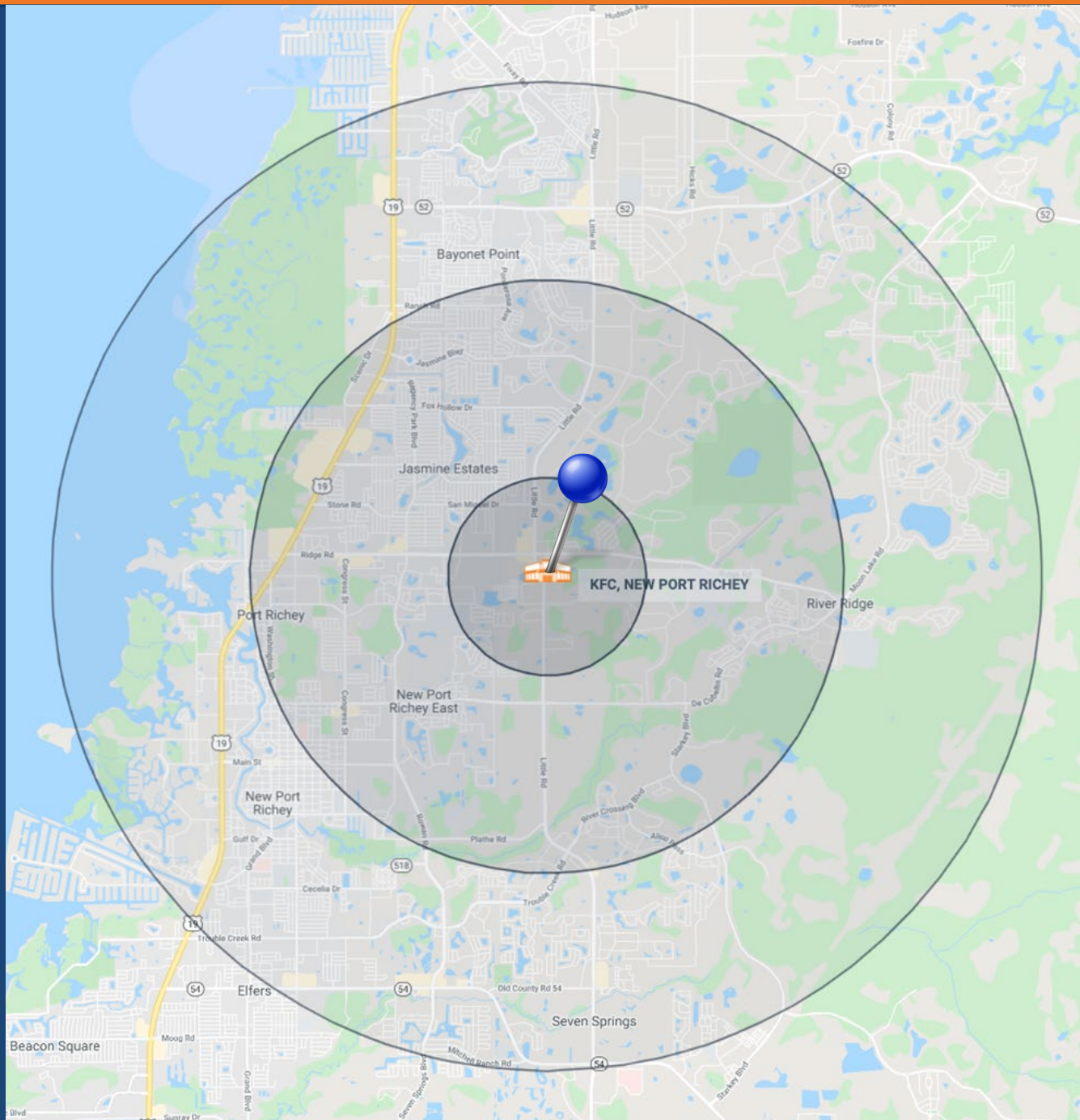
About BlackBern Partners:

BlackBern Partners LLC invests in mature operating companies in the lower middle market, partnering with management teams that have a proven track record of success and providing capital to realize organic growth and acquisition opportunities.

About VFS:

Value Foodservices LLC is a newly formed entity created to own, operate and acquire stores in the quick-service restaurant industry. VFS currently owns and operates 50 Kentucky Fried Chicken restaurants, some of which are co-branded restaurants with Taco Bell and Pizza Hut. VFS plans to own and operate several hundred restaurants over time.

	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	5,215	66,171	152,145
2020 Estimate	5,075	64,294	148,098
2010 Census	4,634	58,093	133,418
2000 Census	3,927	56,015	126,642
INCOME			
Average	\$54,371	\$52,813	\$55,433
Median	\$40,442	\$41,229	\$41,930
Per Capita	\$25,251	\$23,001	\$24,761
HOUSEHOLDS			
2025 Projection	2,425	28,825	68,138
2020 Estimate	2,354	27,887	65,865
2010 Census	2,132	24,980	58,856
2000 Census	1,902	25,395	57,224
HOUSING			
2020	\$134,146	\$130,839	\$138,238
EMPLOYMENT			
2020 Daytime Population	7,023	60,510	135,312
2020 Unemployment	5.03%	4.45%	4.45%
2020 Median Time Traveled	31	31	31
RACE & ETHNICITY			
White	87.35%	88.47%	89.62%
Native American	0.03%	0.05%	0.06%
African American	4.06%	3.24%	2.70%
Asian/Pacific Islander	1.70%	1.55%	1.64%



GEOGRAPHY: 5 MILE



POPULATION

In 2020, the population in your selected geography is 148,098. The population has changed by 16.94% since 2000. It is estimated that the population in your area will be 152,145.00 five years from now, which represents a change of 2.73% from the current year. The current population is 48.02% male and 51.98% female. The median age of the population in your area is 47.40, compare this to the US average which is 38.21. The population density in your area is 1,887.62 people per square mile.



HOUSEHOLDS

There are currently 65,865 households in your selected geography. The number of households has changed by 15.10% since 2000. It is estimated that the number of households in your area will be 68,138 five years from now, which represents a change of 3.45% from the current year. The average household size in your area is 2.23 persons.



INCOME

In 2020, the median household income for your selected geography is \$41,930, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 38.14% since 2000. It is estimated that the median household income in your area will be \$46,102 five years from now, which represents a change of 9.95% from the current year.

The current year per capita income in your area is \$24,761, compare this to the US average, which is \$34,935. The current year average household income in your area is \$55,433, 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: 89.62% White, 2.70% Black, 0.06% Native American and 1.64% 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 12.20% 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 \$138,238 in 2020, compare this to the US average of \$221,068. In 2000, there were 45,312 owner occupied housing units in your area and there were 11,912 renter occupied housing units in your area. The median rent at the time was \$452.



EMPLOYMENT

In 2020, there are 41,265 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 57.10% of employees are employed in white-collar occupations in this geography, and 42.73% are employed in blue-collar occupations. In 2020, unemployment in this area is 4.45%. In 2000, the average time traveled to work was 31.00 minutes.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

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