



ACTUAL SITE

KFC
948 SOUTH CLINTON STREET
DEFIANCE, OHIO 43512

OFFERING MEMORANDUM

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In Association with Ohio Designated Broker:

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INVESTMENT OVERVIEW

KFC
DEFIANCE, OHIO

KFC

LOCATION	948 South Clinton Street Defiance, Ohio 43512
MAJOR CROSS STREETS	S Clinton St & Cedar St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$2,430,000
CAP RATE	5.35%
ANNUAL RENT	\$130,000
GROSS LEASEABLE AREA	±2,764 SF
RENTAL ESCALATIONS	7% Every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT REMODELED	1969 2017
LOT SIZE	±0.64 Acre
LEASE EXPIRATION	June 30, 2041
OPTIONS	Two 5-Year Renewal Options

POINTS OF INTEREST

SHOPPING | ENTERTAINMENT: Defiance has major retailers such as Walmart Supercenter, Hobby Lobby, Dollar General, Kohl's, Ashley HomeStore, Lowe's Home Improvement, Menards, Dollar Tree, Dunham's Sports, Marshalls, Maurices, Big Lots, Joann Fabrics, Aaron's, Shoe Dept., Pet Supplies Plus, Goodwill, Harbor Freight Tools, Tractor Supply Co., Family Farm & Home, Kroger, Meijer, ALDI, Chief Supermarket, NAPA Auto Parts, AutoZone, Advance Auto Parts, O'Reilly Auto Parts, Walgreens, Rite Aid, AT&T, Verizon (Cellular Sales), Cricket Wireless, etc.

HIGHER EDUCATION: 2 miles from Defiance College (an independent, liberal-arts based institution offering 40+ undergraduate programs of study, education & business with approximately 800 students)

HEALTH CARE: 2 miles from ProMedica Defiance Regional Hospital - (61 beds), and 2 miles from Mercy Health - Defiance Hospital (a general medical & surgical hospital with an 8-bed emergency center, and 17 patient rooms/23 beds)

INVESTMENT HIGHLIGHTS

LEASE: Brand New 20-Year Absolute NNN Lease with Attractive 7.00% Rental Escalations Every 5 Years!

TENANT: KBP Foods (the Largest KFC Franchisee in the U.S.) **Operates ±755 Locations in 30 States** (19% of Locations in the U.S. System) **and will Generate Sales in Excess of \$950 Million in 2021** (FQSR, LLC is the Tenant on the Lease, Encompasses All Restaurant Locations)

SEASONED SALES LOCATION | RECENT REMODEL: High Volume Location - Successfully Open & Operating for Decades with an Attractive 7.50% Rent to Sales Ratio! Recently Remodeled to KFC's Newest "American Showman" Prototype in 2017 - Showing Tenant's Commitment to the Location!

TRAFFIC COUNTS: Great Drive-By Visibility on S Clinton St where Traffic Counts Exceed 10,430 CPD!

2020 DEMOGRAPHICS: Total Population (5-Mi): 22,181 | Average Household Income (1-Mi): \$82,309

LOW UNEMPLOYMENT RATE: Ohio's Rate at 4.7% - National Rate at 6.1% (Bureau of Labor Statistics April 2021)



FINANCIAL ANALYSIS

SUMMARY

TENANT	FQSR, LLC dba. KBP Foods	LOT SIZE	±0.64 Acre
PURCHASE PRICE	\$2,430,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	5.35%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	±2,764 SF		
YEAR BUILT REMODELED	1969 2017		

RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,764	Years 1-5: 06/28/21 to 06/30/26	Current	\$130,000	5.35%
		Years 6-10: 07/01/26 to 06/30/31	7.00%	\$139,100	5.72%
		Years 11-15: 07/01/31 to 06/30/36	7.00%	\$148,837	6.12%
		Years 16-20: 07/01/36 to 06/30/41	7.00%	\$159,256	6.55%
		5.94% AVG ANNUAL RETURN			
RENEWAL OPTIONS		1st Option: 07/01/41 to 06/30/46	7.00%	\$170,403	
		2nd Option: 07/01/46 to 06/30/51	7.00%	\$182,332	

TENANT OVERVIEW

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DEFIANCE, OHIO



KBP Foods* operates **±755 restaurants in 30 states** and has Regional Vice Presidents in every major geographical region. The Corporate Office and Restaurant Support Center are located in Overland Park, Kansas.



The success KBP Foods has had with growth through acquisition is directly correlated to diligent selection criteria, prudent and responsible capital structure and industry leading operational talent. Ultimately giving their people significant opportunity to grow themselves personally, professionally and financially.

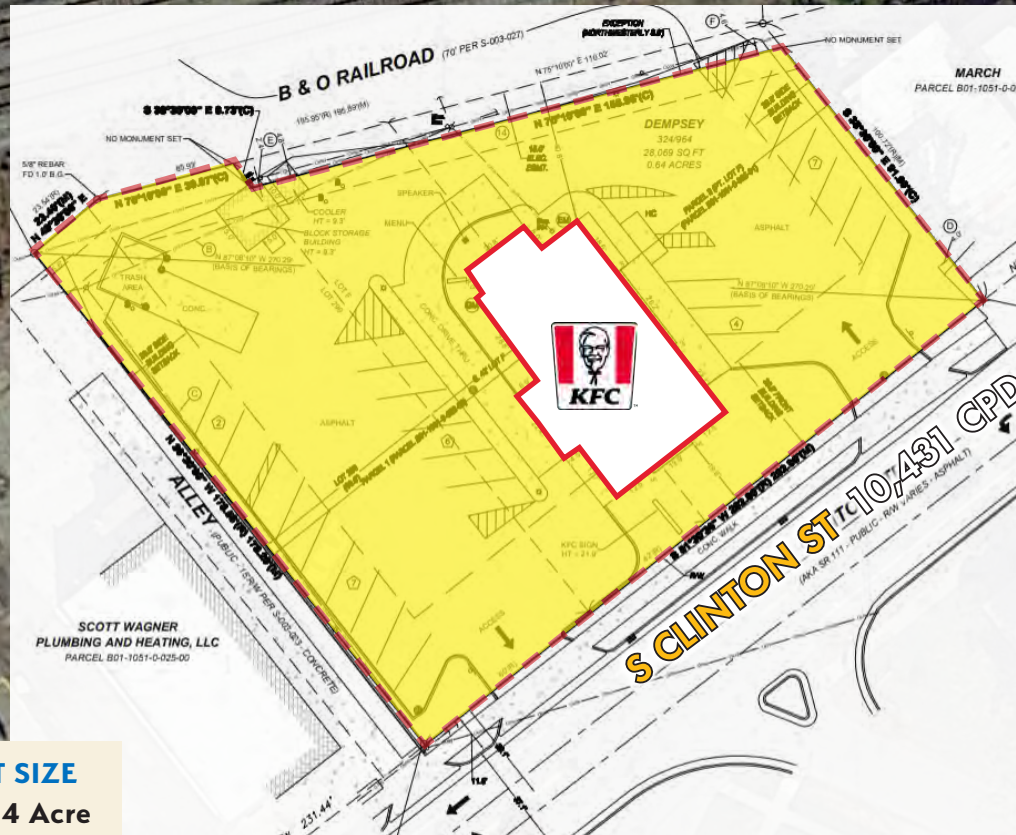
You can find out more about the Tenant by visiting their website: <https://kbp-foods.com/>

* Tenant on lease is FQSR, LLC and encompasses all KFC restaurant locations.



STORY OF KBP FOODS

SITE PLAN



LOT SIZE
±0.64 Acre
GLA
±2,764 SF

KFC | DEFIANCE, OHIO

The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

DEFIANCE



KFC | DEFIANCE, OHIO

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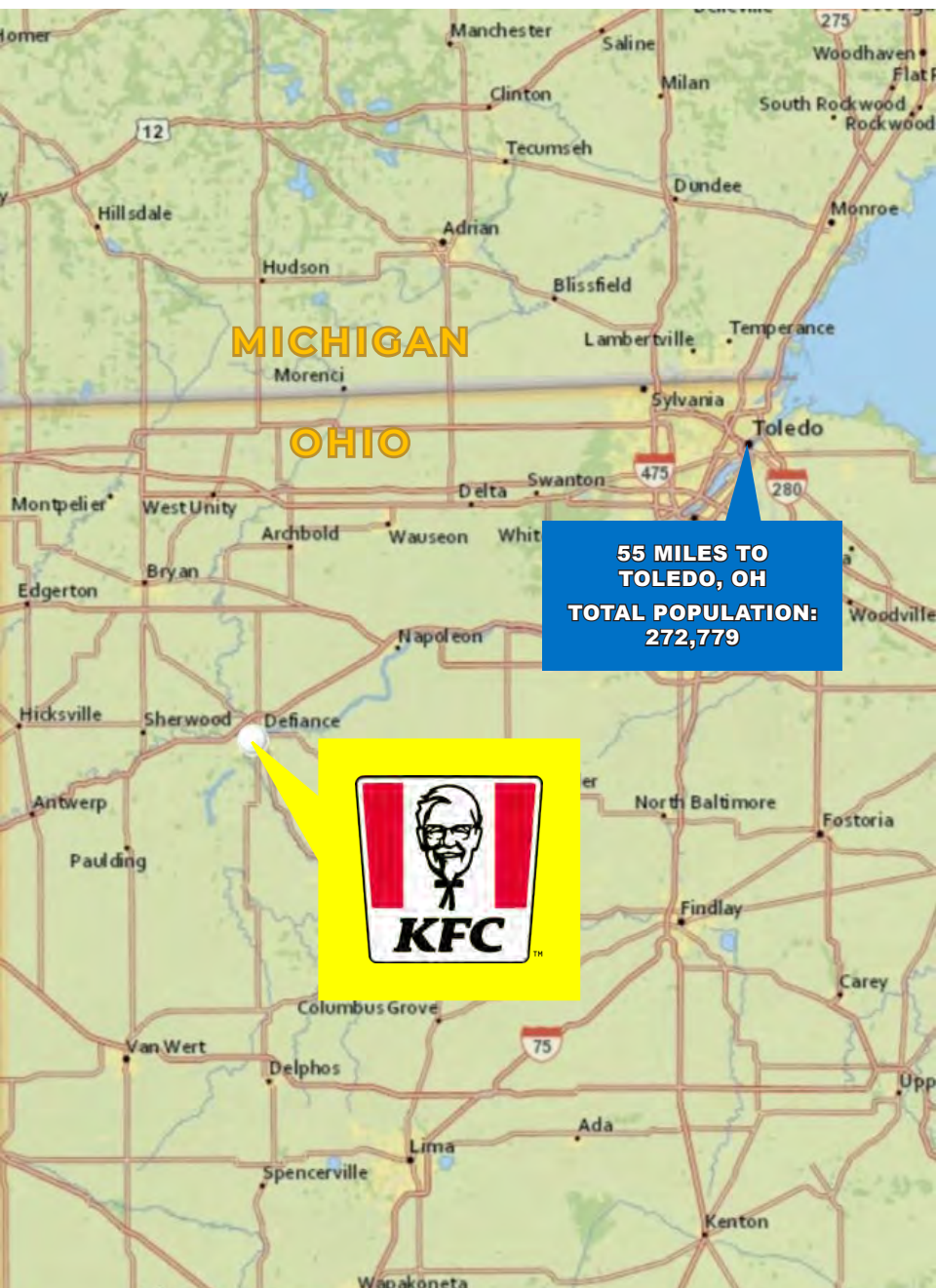
DEFIANCE CITY VIEW



KFC | DEFIANCE, OHIO

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LOCATION OVERVIEW



Defiance is a city in and the county seat of Defiance County, Ohio. The city is centrally located at the Northwest corner of Ohio at the confluence of the Auglaize and Maumee Rivers between Lima and Toledo, Ohio with Ft. Wayne, IN of equal distance of approximately 45 miles. With the on-going Fort to Port project that will connect Defiance with a 4 lane freeway to Toledo and Ft. Wayne, the safety and travel time between these cities will greatly be enhanced. The city has a total area of 12.13 square miles

Global companies like **General Motors Corp.**, **Johns Manville** and **Parker-Hannifin** call Defiance County home. Local firms including **Defiance Metal Products**, **APT Manufacturing Solutions** and others are at the heart of an established industrial base that keeps Defiance County working. Other manufacturing companies in Defiance include **GT Technologies**, **Spyker Mfg.** (cabinet maker), **B & B Molded Products**, **Mayville Engineering Co.** (metal fabricator), **DECKED Ohio**, etc.

GM Powertrain Defiance Foundry manufactures cylinder block & cylinder head castings for Inline 4, V6 and V8 engines used in a variety of Chevrolet, Buick, GMC and Cadillac vehicles. GM state economic impact is \$59,615,114 (2020 state wages) with 520 employees.

Defiance College is an independent, liberal arts college affiliated with the United Church of Christ. The campus includes eighteen buildings and access to the 200-acre Thoreau Wildlife Sanctuary. Defiance College features programs in the divisions of: arts and humanities; business, education and social work; and natural science, applied science and mathematics with approximately 800 students.

The City of Defiance is served by two major hospitals: **Defiance Regional Medical Center** and **Mercy Health – Defiance Hospital**.

2020 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	5,764	18,301	22,181
Daytime Demographics Age 16+	5,506	18,407	20,538
Population Median Age	37.3	38.8	39.3
Average Household Income	\$82,309	\$79,315	\$81,464

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By accepting this Marketing Brochure you agree to release Commercial Investment Advisors, Inc. | CIA Brokerage Company hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of any property.

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