



ACTUAL SITE

**KFC**  
200 RICHMOND STREET  
PAINESVILLE, OHIO 44077  
(CLEVELAND MSA)

## OFFERING MEMORANDUM

Represented By:

JUSTIN ZAHN

[justin@ciadvisor.com](mailto:justin@ciadvisor.com)

COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE COMPANY

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260

480.214.5088 – Office | [www.ciadvisor.com](http://www.ciadvisor.com)

Represented By:

JUSTIN CARLSON

[jcarlson@ciadvisor.com](mailto:jcarlson@ciadvisor.com)

In Association with Ohio Designated Broker:

**Branen L. Weade | Weade Realtors & Auctioneers, LLC**

[blweade@sbcglobal.net](mailto:blweade@sbcglobal.net)

OH License # BRK.2010000364

**CIA**  
commercial  
investment  
advisors

# INVESTMENT OVERVIEW

KFC  
PAINESVILLE (CLEVELAND MSA), OHIO

## KFC

LOCATION	200 Richmond St Painesville, Ohio 44077
MAJOR CROSS STREETS	On Richmond St, West of W Jackson St
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$1,680,000
CAP RATE	5.00%
ANNUAL RENT	\$84,000
GROSS LEASEABLE AREA	±2,334 SF
RENTAL ESCALATIONS	7% Every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT   REMODELED	1992   2017
LOT SIZE	±0.47 Acre
LEASE EXPIRATION	June 30, 2041
OPTIONS	Two 5-Year Renewal Options

## POINTS OF INTEREST

**SHOPPING | ENTERTAINMENT:** Major retailers in Painesville include Tractor Supply Co., Dollar General, Dollar Tree, Family Dollar, Save-A-Lot, Giant Eagle, Marc's Stores, Rent-A-Center, Aaron's, Pet Supplies Plus, Advance Auto Parts, AutoZone, O'Reilly Auto Parts, NAPA Auto Parts, Walgreens, Rite Aid, CVS, Planet Fitness; neighboring Mentor has retailers such as Walmart Supercenter, Sam's Club, Target, Meijer, Home Depot, Lowe's Home Improvement, Menards, Kohl's, Bed Bath & Beyond, Big Lots, HomeGoods, Five Below, Ulta Beauty, Gabe's, Ollie's Bargain Outlet, Goodwill, ALDI, Ace Hardware, ABC Supply Co., Atlas Cinemas, etc.

**HIGHER EDUCATION:** 1 mile from Lake Erie College (a 4-year private liberal arts college offering various majors, minors & special programs with 1,160 students)

**HEALTH CARE:** 5 miles from TriPoint Medical Center (a general medical & surgical hospital with 344 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:** Successfully Open & Operating for Decades with an Attractive 7.65% 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 Richmond St, West of Jackson St where Traffic Counts Exceed 22,370 CPD!

**2021 DEMOGRAPHICS (5-MI):** Total Population: 73,433 | Average Household Income: \$87,152

**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	±0.47 Acre
PURCHASE PRICE	\$1,680,000	EXPENSE REIMBURSEMENT	This is an <b>Absolute NNN lease</b> . Tenant is responsible for all expenses.
CAP RATE	5.00%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	±2,334 SF		
YEAR BUILT   REMODELED	1992   2017		

## RENT ROLL

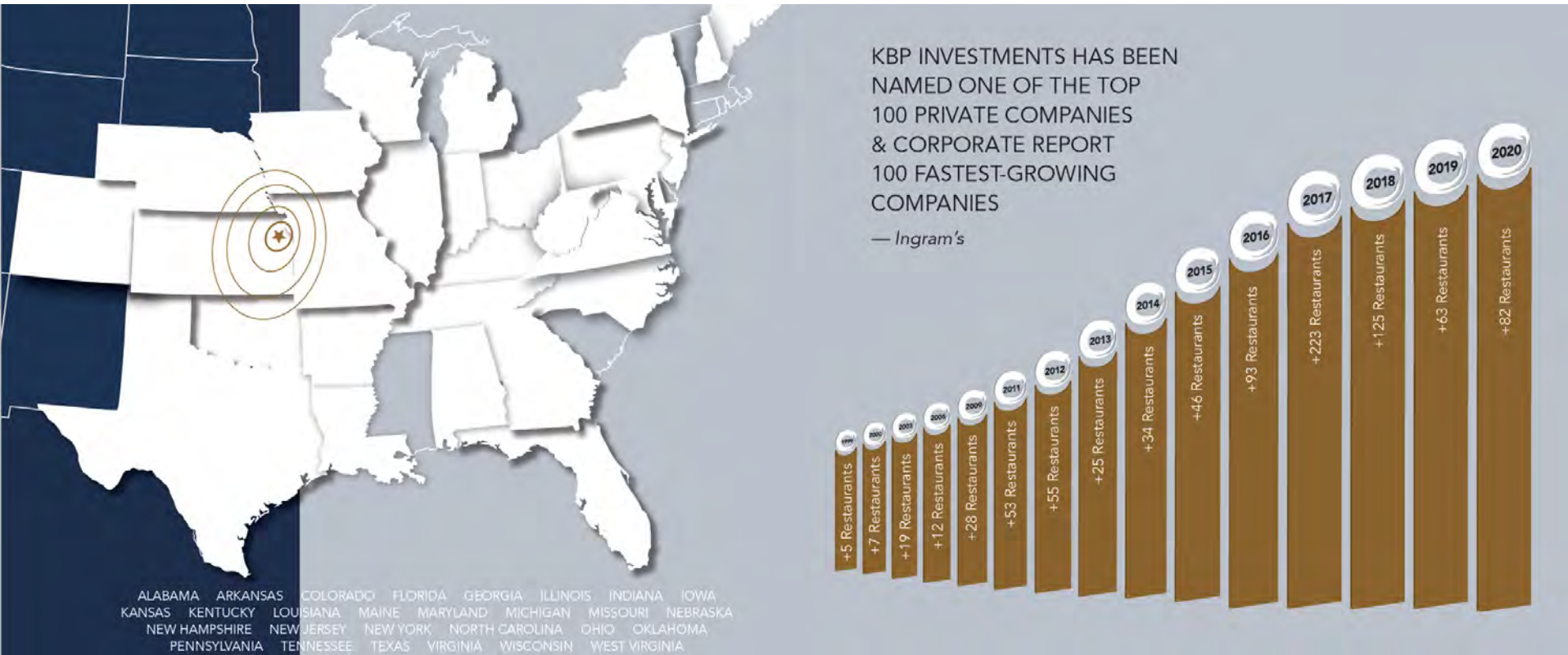
TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,334	Years 1-5: <b>06/28/21</b> to 06/30/26	Current	\$84,000	5.00%
		Years 6-10: 07/01/26 to 06/30/31	7.00%	\$89,880	5.35%
		Years 11-15: 07/01/31 to 06/30/36	7.00%	\$96,172	5.72%
		Years 16-20: 07/01/36 to <b>06/30/41</b>	7.00%	\$102,904	6.13%
		5.55% AVG ANNUAL RETURN			
RENEWAL OPTIONS		1st Option: 07/01/41 to 06/30/46	7.00%	\$110,107	
		2nd Option: 07/01/46 to 06/30/51	7.00%	\$117,814	

# TENANT OVERVIEW

KFC  
PAINESVILLE (CLEVELAND MSA), 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.

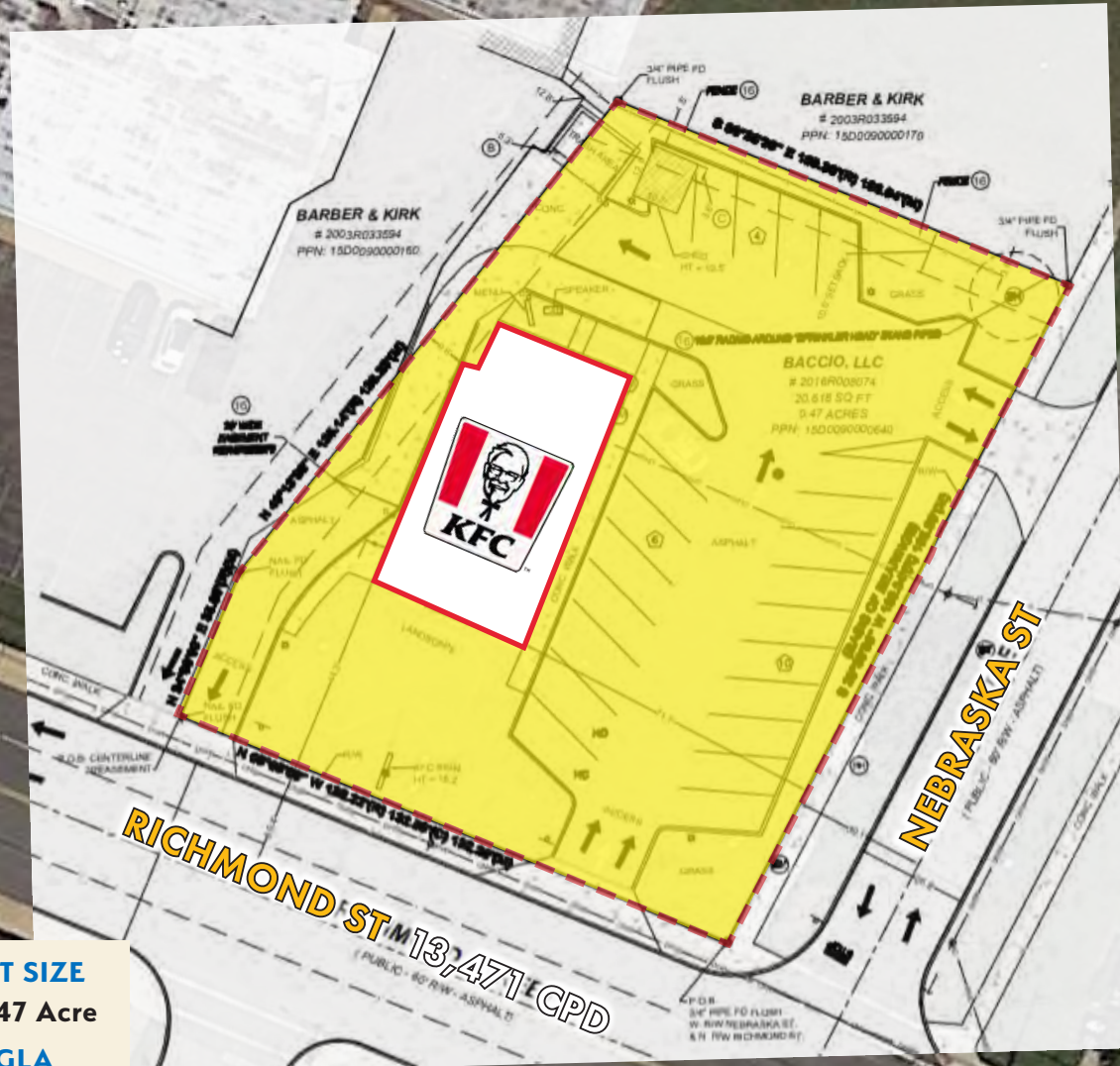
You can find out more about the Tenant by visiting their website: <https://kbp-foods.com/>

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





# SITE PLAN



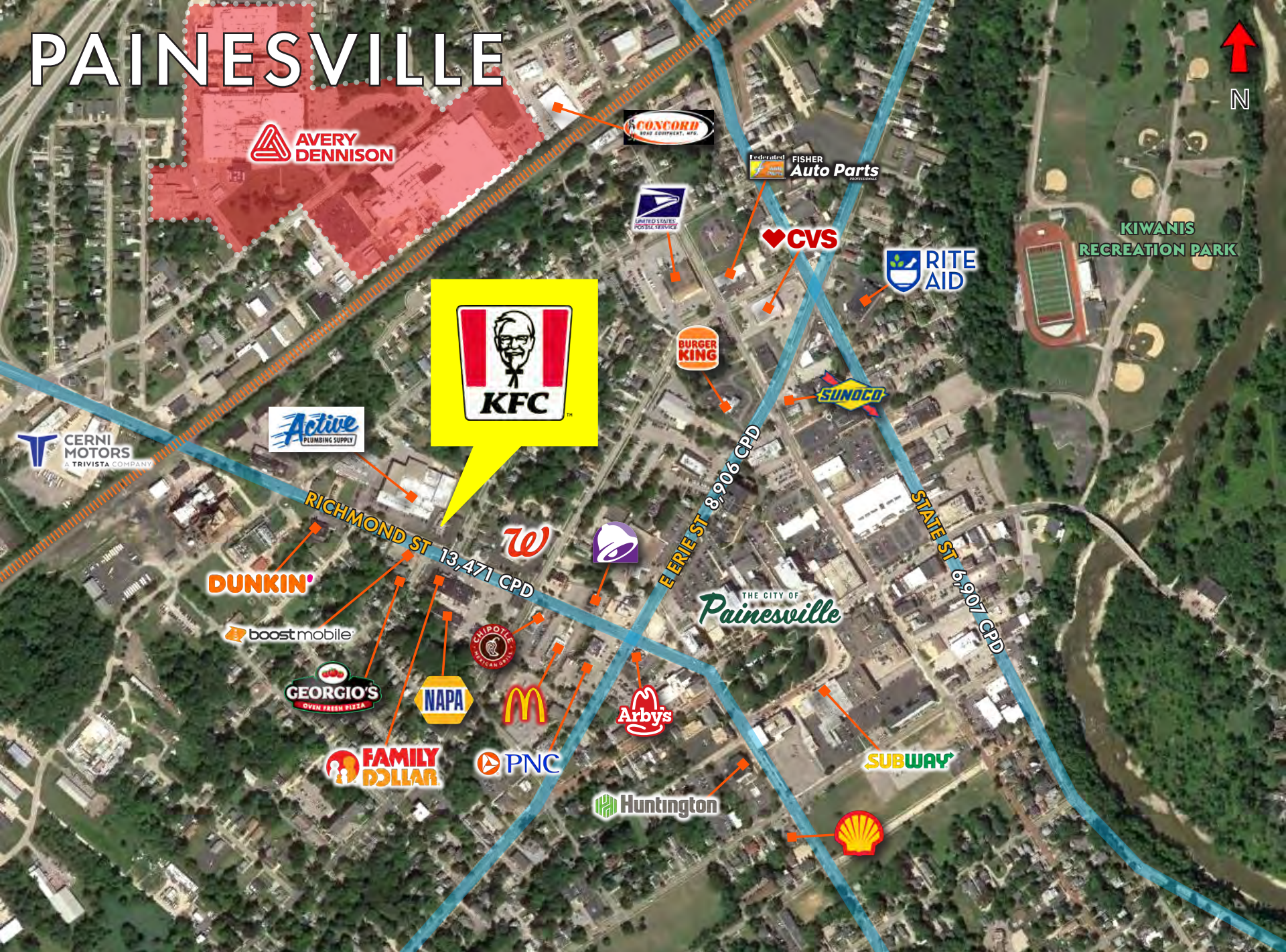
**LOT SIZE**  
±0.47 Acre  
**GLA**  
±2,334 SF

KFC | PAINESVILLE (CLEVELAND MSA), OHIO

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



# PAINESVILLE



KFC | PAINESVILLE (CLEVELAND MSA), OHIO

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



**LAKE ERIE**



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



# PAINESVILLE METRO VIEW



KFC | PAINESVILLE (CLEVELAND MSA), OHIO

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



# LOCATION OVERVIEW



**Painesville** is the county seat of Lake County, located along the Grand River, about 27 miles northeast of Cleveland. The city has a total area of 7.01 square miles.

The largest employers are the city government, county government, and the public school systems. Other notable employers include a number of high-tech manufacturing companies:

- 1) **Avery Dennison** specializes in label making, specialty paper, vinyl film casting.
- 2) **Mar-Bal Corp.** specializes in thermoplastics manufacturing, injection molding, finishing.
- 3) **Lubrizol** is a specialty chemical & petrochemical company - among its product in the gelling agent used to make hand sanitizer. (350 employees)
- 4) **AeroControllex** is a manufacturer of control valves, pumps & control assemblies for industries including aerospace, marine & nuclear power generation.
- 5) **Guyer Precision, Inc.** is a contract manufacturer of high-precision computer numerical control machined parts for automotive, aerospace & other industries.
- 6) **Eckart America** (Eckert's Ink & Manufacturing & Graphic Arts Center) produces patented pigments for paints & coatings, graphic arts, pyrotechnical & other industries.
- 7) **Meritec** manufactures high-performance electrical & electronic interconnect embedded systems & connectors for aerospace, defense, automotive & medical device industries.

**Cleveland** is a port city that is connected to the Atlantic Ocean via the Saint Lawrence Seaway. The city's economy relies on diversified sectors such as manufacturing, financial services, healthcare, biomedical, and higher education. The Gross Domestic Product (GDP) for the Greater Cleveland was \$135 billion in 2019.

## 2021 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	11,052	40,432	73,433
Labor Population Age 16+	8,537	32,034	59,459
Population Median Age	29.4	36.3	40.6
Average Household Income	\$58,429	\$75,178	\$87,152



# CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Commercial Investment Advisors, Inc. | CIA Brokerage Company has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations 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, Purchaser 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 Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

**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.**

## FOR MORE INFORMATION:

### JUSTIN ZAHN

Vice President

O +1 480 718 5555

C +1 402 730 6021

justin@ciadvisors.com

### JUSTIN CARLSON

Senior Investment Advisor

O +1 480 214 5089

C +1 480 580 8723

jcarlson@ciadvisors.com

### BRANEN L. WEADE

Designated Broker

OH License # BRK.2010000364

