



KFC
17585 LAKESHORE BOULEVARD
CLEVELAND, OHIO 44119

OFFERING MEMORANDUM

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CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

KFC
CLEVELAND, OHIO

KFC

LOCATION	17585 Lakeshore Boulevard Cleveland, Ohio 44119
MAJOR CROSS STREETS	Lakeshore Blvd & Marcella Rd
TENANT	FQSR, LLC dba. KBP FOODS
PURCHASE PRICE	\$1,642,000
CAP RATE	4.75%
ANNUAL RENT	\$78,000
GROSS LEASEABLE AREA	±2,770 SF
RENTAL ESCALATIONS	7% Every 5 Years
LEASE TYPE	Absolute NNN
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT REMODELED	1984 2017
LOT SIZE	±0.87 Acre
LEASE EXPIRATION	June 30, 2041
OPTIONS	Two 5-Year Renewal Options

POINTS OF INTEREST

SHOPPING | ENTERTAINMENT: Major retailers within the 5-mile vicinity include Home Depot, Burlington, Dollar Tree, Dollar General, Family Dollar, Save-A-Lot, ALDI, Marc's Stores, Dave's Markets, Rent-A-Center, Aaron's, Hibbett Sports, CitiTrends, O'Reilly Auto Parts, AutoZone, Walgreens, Atlas Cinemas, etc.

HIGHER EDUCATION: 8 miles from Case Western Reserve University (a private research university with 11,874 students); 9 miles from Cleveland State University (a public research university with 15,648 students)

HEALTH CARE: 1 mile from Cleveland Clinic - Euclid Hospital (a general medical & surgical hospital with 371 registered beds)

CLEVELAND PUBLIC LIBRARY - MEMORIAL-NOTTINGHAM: Less than half a mile from the subject property, a 79,575 SF building offering free Wi-Fi, public computers with internet access & a 3D printer - open 6 days a week.

CLEVELAND METROPARKS: Half a mile from the subject property, Euclid Creek is a popular urban oasis for picnicking, fitness & other recreational opportunities in a natural setting. Euclid Beach Park features 650' beach with shaded picnic areas, a scenic observation pier & a reservable pavilion. Scenic overlooks & a wide variety of plant species can be seen along Villa Angela Park's boardwalk that leads out to a fishing pier & the 900' sand beach.

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 7.51% 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 Lakeshore Blvd where Traffic Counts Exceed 8,040 CPD!

2021 DEMOGRAPHICS (5-MI): Total Population: 176,124 | Average Household Income: \$55,477

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	±0.87 Acre
PURCHASE PRICE	\$1,642,000	EXPENSE REIMBURSEMENT	This is an Absolute NNN lease . Tenant is responsible for all expenses.
CAP RATE	4.75%	FINANCING	All Cash or Buyer to obtain new financing at Close of Escrow.
GROSS LEASABLE AREA	±2,770 SF		
YEAR BUILT REMODELED	1984 2017		

RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
FQSR, LLC dba. KBP Foods	2,770	Years 1-5: 06/28/21 to 06/30/26	Current	\$78,000	4.75%
		Years 6-10: 07/01/26 to 06/30/31	7.00%	\$83,460	5.08%
		Years 11-15: 07/01/31 to 06/30/36	7.00%	\$89,302	5.44%
		Years 16-20: 07/01/36 to 06/30/41	7.00%	\$95,553	5.82%
		5.27% AVG ANNUAL RETURN			
RENEWAL OPTIONS		1st Option: 07/01/41 to 06/30/46	7.00%	\$102,242	
		2nd Option: 07/01/46 to 06/30/51	7.00%	\$109,399	

TENANT OVERVIEW

KFC
CLEVELAND, 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
±0.87 Acre

GLA
±2,770 SF

KFC | CLEVELAND, OHIO

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

LOT SIZE
±0.87 Acre

GLA
±2,770 SF

KFC | CLEVELAND, OHIO

FACING NORTHEAST



KFC | CLEVELAND, OHIO

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FACING NORTHWEST

EUCLID BEACH CLUB
252 UNITS



MEMORIAL-NOTTINGHAM LIBRARY
A 79,575 SF building offering free Wi-Fi, public computers with internet access & a 3D printer - open 6 days a week.

LAKE ERIE



Euclid Creek is a popular urban oasis for picnicking, fitness & other recreational opportunities in a natural setting. Euclid Beach Park features 650' beach with shaded picnic areas, a scenic observation pier & a reservable pavilion. Scenic overlooks & a wide variety of plant species can be seen along Villa Angela Park's boardwalk that leads out to a fishing pier & the 900' sand beach. Wildwood Park/Marina has a boat launch providing access to Lake Erie, offering daily fishing charters, diving trips & tours.



LAKESHORE BLVD 8,044 CPD

283

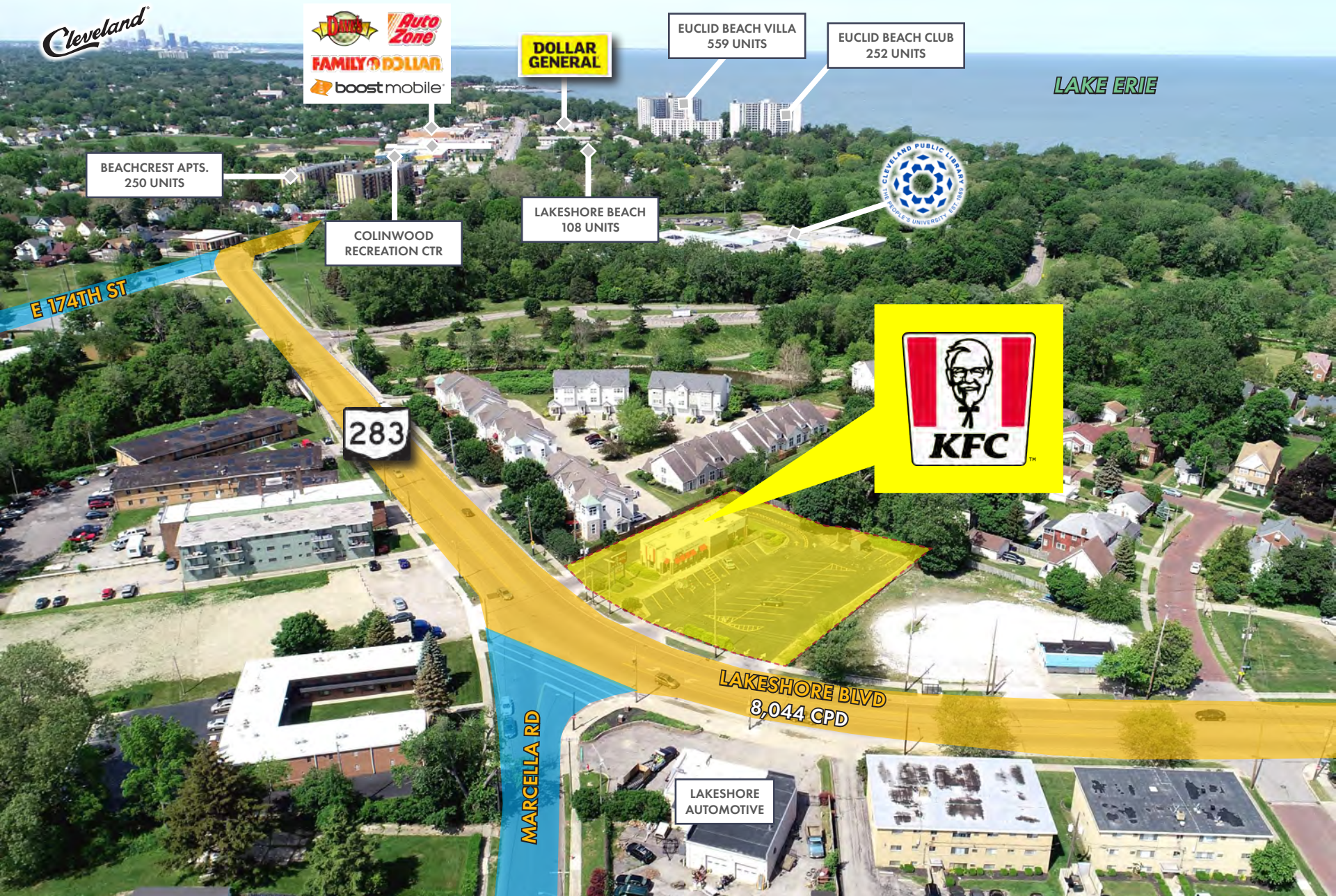
LAKESHORE
AUTOMOTIVE

MARCELLA RD

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FACING SOUTHWEST



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CLEVELAND

LAKE ERIE



Cleveland Metroparks

EUCLID CREEK RESERVATION
CONSISTS OF EUCLID PARK BEACH,
VILLA ANGELA PARK & WILDWOOD
PARK/MARINA THAT RUNS ALONG THE
LAKE ERIE SHORELINE.



MEMORIAL-NOTTINGHAM LIBRARY
A 79,575 SF BUILDING OFFERING FREE WI-
FI, PUBLIC COMPUTERS WITH INTERNET
ACCESS & A 3D PRINTER - OPEN 6 DAYS A
WEEK.

DOLLAR GENERAL

COLINWOOD
RECREATION CTR

BEACHCREST
APARTMENTS
250 UNITS



Dave's

HUMPHREY
PARK



ST. JOHN NOTTINGHAM
LUTHERAN CHURCH
CONGREGATIONAL, EDUCATIONAL,
& COMMUNITY MINISTRIES



ST. JOHN NOTTINGHAM
ELEMENTARY SCHOOL
165 STUDENTS



OLIVER H PERRY
ELEMENTARY
276 STUDENTS

NORTHCOAST
AUTO

LAKESHORE
AUTOMOTIVE

NEFF RD 6,847 CPD

LAKESHORE BLVD 8,044 CPD



Lakeshore
Intergenerational School
203 STUDENTS



Huntington



FIFTH THIRD BANK

LA SALLE

KeyBank

save
a lot

7
ELEVEN

LAKELAND FWY
122,314 CPD

E 185TH ST 9,945 CPD



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CLEVELAND ZOOMED OUT

LAKE ERIE



DOLLAR GENERAL

University Hospitals
EUCLID HEALTH CENTER

Cleveland Clinic
Euclid Hospital
371 BEDS

E EUCLID
HIGH SCHOOL
2,145 STUDENTS

V Villa Angela-St. Joseph
HIGH SCHOOL
Faith. Family. Future.
438 STUDENTS

E ARBOR
ELEMENTARY
552 STUDENTS

DOLLAR GENERAL

PINNACLE ACADEMY
752 STUDENTS

BELLA
ACADEMY OF EXCELLENCE
316 STUDENTS

BROOK
CROMPTON

**LINCOLN
ELECTRIC**

**FAMILY
DOLLAR**

**Auto
Zone**

**LifeStorage
Solutions**

MID-AMERICA
STAINLESS

H.C. STARCK
INC

WHITCRAFT
CLEVELAND

CT HERMO-TEC
INSULATION

LAKELAND FWY | I-90 | OH-2 122,314 CPD

Jergens
MANUFACTURING EFFICIENCY

**HANNAH-GIBBONS
STEM SCHOOL**
253 STUDENTS

**Talan
Products Inc.**

E EUCLID CENTRAL
MIDDLE SCHOOL
745 STUDENTS

E CHARDON HILLS
ELEMENTARY
509 STUDENTS

**Greater Cleveland
Food Bank**

**CSX
INTERMODAL**

TEAM WENDY

DYNAMIC

NE SPORTS
PLANT

**Snap-Rite
Manufacturing, Inc.**

KFC | CLEVELAND, OHIO

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LOCATION OVERVIEW



Cleveland is a major city in Ohio, and the county seat of Cuyahoga County. It is located along the southern shore of Lake Erie, across the U.S. maritime border with Canada and approximately 60 miles west of the Ohio-Pennsylvania state border. Cleveland anchors the **Greater Cleveland Metropolitan Statistical Area** and the **Cleveland-Akron-Canton Combined Statistical Area**. 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.

The city is also home to the corporate headquarters of many large companies such as Aleris, American Greetings, Applied Industrial Technologies, Mettler Toledo, Cleveland-Cliffs, Inc., Parker Hannifin, Eaton, Forest City Enterprises, Heinen's Fine Foods, Hyster-Yale Materials Handling, KeyCorp, Lincoln Electric, Medical Mutual of Ohio, NACCO Industries, Nordson, OM Group, Parker-Hannifin, PolyOne, Progressive, RPM International, Sherwin-Williams Company, Steris, Swagelok, Things Remembered, Third Federal S&L, TransDigm Group, Travel Centers of America and Vitamix. NASA maintains a facility in Cleveland, the Glenn Research Center. Jones Day, one of the largest law firms in the U.S., was founded in Cleveland.

The Cleveland Clinic is the largest private employer in the city of Cleveland and the state of Ohio, with a workforce of over 50,000 as of 2019. Cleveland's healthcare sector also includes University Hospitals of Cleveland, MetroHealth medical center, and the insurance company Medical Mutual of Ohio. Cleveland is also noted in the fields of biotechnology and fuel cell research, led by Case Western Reserve University, the Cleveland Clinic, and University Hospitals of Cleveland. The city is among the top recipients of investment for biotech start-ups and research.

The Port of Cleveland serves as the premier international multimodal trade hub on the Great Lakes and the gateway to America's Heartland. The Port provides a critical connection between Northeast Ohio and the global economy. The Port of Cleveland gives shippers a competitive advantage by providing access to faster door-to-door transit time; an all-water seaway route directly into U.S. heartland; reduced congestion; ample capacity; and half of U.S. households & manufacturing plants within an 8-hour drive. 20,273 jobs and \$3.5 billion in annual economic activity are tied to the roughly 13 million tons of cargo that move through Cleveland Harbor each year.

2021 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	13,612	67,533	176,124
Labor Demographics Age 16+	11,260	55,084	143,484
Population Median Age	42.8	40.5	40.3
Average Household Income	\$47,171	\$50,777	\$55,477

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