



**KFC**

**3040 DIXIE HIGHWAY | ERLANGER, KY 41018**

**OFFERING MEMORANDUM**



## LISTED BY

### KYLE MATTHEWS

Broker of Record

(866) 889-0550

[listings@matthews.com](mailto:listings@matthews.com)

Lic No. 221925 (KY)



## TABLE OF CONTENTS

<b>4</b>	EXECUTIVE OVERVIEW	<b>6</b>	FINANCIAL OVERVIEW
<b>8</b>	TENANT OVERVIEW	<b>12</b>	AREA OVERVIEW



3040 DIXIE HIGHWAY | ERLANGER, KY 41018

OFFERING MEMORANDUM

# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- Long-term lease with  $\pm 16.5$  years remaining
- Next year's scheduled rental increase (12/31/23) will immediately increase expected rate of return to 4.87%
- Established Location - Continuous Operations since 1971
- Absolute NNN Investment with Zero Landlord Responsibilities – Great for out of state Investors
- Existing drive through operations and essential business labeling provide security against pandemic concerns

## IDEAL RETAIL FAST FOOD RESTAURANT LOCATION:

- Located off of Interstate 25
- Excellent visibility and consistent traffic counts
- Strong demographics with over 148,000 residents in a 5-mile radius
- Great retail synergy with surrounding tenants such as Taco Bell, Burger King, McDonald's and many others
- Close Proximity to Dixie Heights High School

## TOP TIER BRAND AND REPUTABLE OPERATOR:

- Kentucky Fried Chicken is one of the most recognizable Fast Food concepts in the World
- KBP operates 820 locations in 30 states with annual sales in excess of \$1 Billion
- Property is Leased to KBP Foods which is the largest KFC Franchisee in the US









# FINANCIAL OVERVIEW



**\$1,942,362.64**  
LIST PRICE



**4.55%**  
CAP RATE



**\$88,377.48**  
NOI

## BUILDING INFO

Address	3040 Dixie Highway, Erlanger, KY 41018
Square Footage (GLA)	±1,703 SF
Lot Size (AC)	±0.34 AC
Year Built	2016
Drive Thru	Yes
Number of Stories	1



## TENANT SUMMARY

Tenant Name	Kentucky Fried Chicken
Ownership	Fee Simple
Lease Guarantee	KBP Foods LLC
Lease Type	NNN
Roof, Structure, Park	Tenant Responsibility
Term Remaining	±16.5 Years
Original Lease Term	20 Years
Lease Expiration Date	12/31/2038
Increases	7% Increase every 5 Years
Options	Two, 5-Year Options

## ANNUALIZED OPERATING DATA

Lease Schedule	Monthly	Annual	Annual Rent PSF
CURRENT - 12/31/23	\$7,366.67	\$88,400.04	\$42.10/SF
1/01/24 - 12/31/28	\$7,882.34	\$94,588.04	\$45.04/SF
1/01/29 - 12/31/33	\$8,434.10	\$101,209.21	\$48.19/SF
1/01/34 - 12/31/38	\$9,024.49	\$108,293.85	\$51.57/SF
OPTION 1: 1/01/39 - 12/31/43	\$9,656.20	\$115,874.42	\$55.18/SF
OPTION 2: 1/01/44 - 12/31/48	\$10,332.14	\$123,985.63	\$59.04/SF

## FINANCING INQUIRIES

For financing options, reach out to :

PATRICK FLANAGAN

patrick.flanagan@matthews.com

+1 (214) 550-0277



## TENANT OVERVIEW



### KFC

» **Company Name**

KFC

» **Year Founded**

1952

» **Headquarters**

LOUISVILLE, KY

» **Ownership**

PUBLIC

» **Parent Company**

YUM! BRANDS

» **Website**

WWW.KFC.COM

Founded more than 65 years ago and based in Louisville, Kentucky, KFC Corporation is the franchisor of the world's most popular chicken restaurant chain, KFC. There are over 24,000 KFC outlets in more than 150 countries and territories worldwide, serving in excess of 12 million customers per day. KFC is a part of Yum! Brands, Inc. ("Yum!"), the parent company for iconic restaurant brands - KFC, Taco Bell and Pizza Hut – with nearly 52,000 restaurants in more than 150 countries and territories worldwide. Yum! is publicly traded on the New York Stock Exchange (Ticker: YUM) with a market capitalization in excess of \$40.7 billion to date.

### STRATEGY

Franchising has allowed YUM! Brands to expand its worldwide presence through a far-reaching network of local operators, eliminating much of the expense involved in building such a large restaurant chain. In exchange for royalties and franchise fees, each franchisee is allowed to use the company's branding and other intellectual property. YUM! Brands maintain food quality consistency throughout its chain by centralizing where the restaurants buy food items.













SILVERLAKE  
SHOPPING CENTER

Kroger

Great Clips

White Castle

Garzelli's

noo! clax

DOLLAR GENERAL

YOUR CHOICE  
WHOLESALE

DOLLAR TREE

car  
TIRE & AUTO

Huntington

Dyke Industries, Inc.  
Since 1886

HALMA  
HOLDINGS INC.

Wendy's

Walgreens

McDonald's

TACO BELL

BURGER KING

Sake Bomb  
SUSHI

CIRCLE K

DONATOS PIZZA  
Every piece is important.

THORNTONS

KFC

DIXIE HEIGHTS  
HIGH SCHOOL

DIXIE HWY.  
± 27,000 vpd



# AREA OVERVIEW

CINCINNATI MSA

## DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2022 Estimate	7,740	68,239	148,940
2010 Census	7,450	64,880	141,219
Growth 2010-2022	3.89 %	5.18 %	5.47 %
HOUSEHOLD	1 Mile	3 Mile	5 Mile
2022 Estimate	3,341	27,467	59,571
2010 Census	3,195	25,862	56,061
Growth 2010-2022	4.59 %	6.2 %	6.26 %
INCOME	1 Mile	3 Mile	5 Mile
2022 Est. Average Household Income	\$93,602	\$92,882	\$86,918

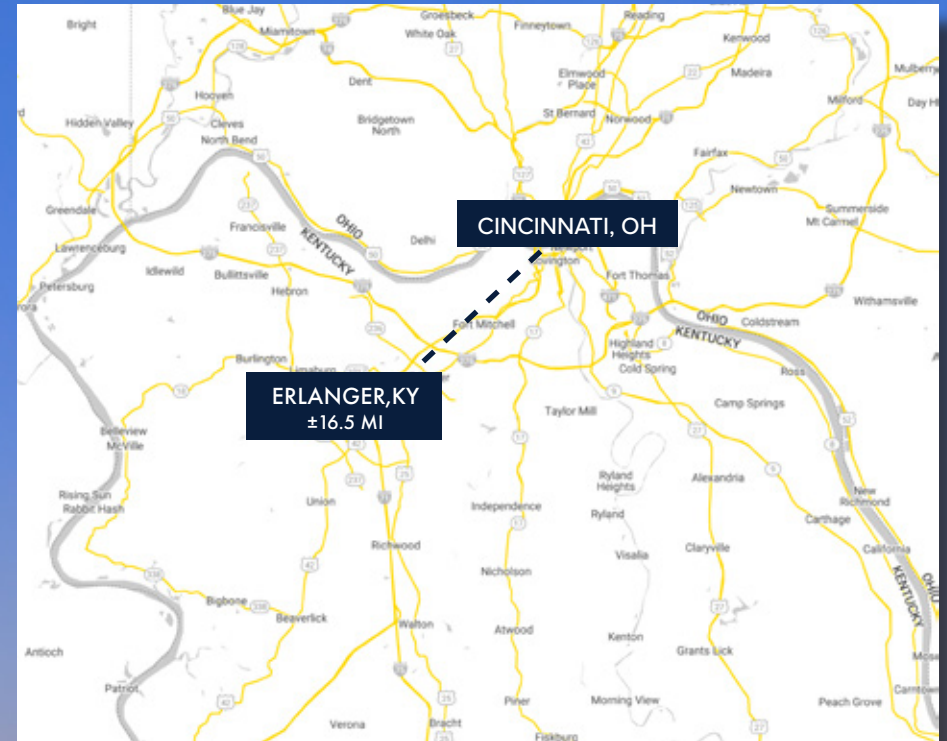
## ERLANGER, KY

Erlanger is at the heart of the Greater Cincinnati-Northern Kentucky metropolitan region. We are located at the juncture of two interstate highways, I-71/75 and I-275. In addition, we are five minutes away from the Cincinnati-Northern Kentucky International Airport, which is one of the busiest and most highly rated airports in the United States. The Cincinnati region, including Northern Kentucky, is home to a skilled and educated young workforce. With prominent public and private academic centers such as Northern Kentucky University, Xavier University, University of Cincinnati, Miami University, Thomas More University and Gateway Community & Technical College, our region is teaming with talent. Each year, more than 393,000 students graduate within a 200-mile radius of Northern Kentucky and more than 1.1 million adults live within a 30-minute commute of Northern Kentucky. (Source: JobsEQ)



## CINCINNATI, OH

Cincinnati, located in southwestern Ohio on the Ohio River, is the third-largest city in the state. The Cincinnati MSA has a population of around 2.2 million people and is home to several Fortune 500 companies such as Procter & Gamble, Kroger, and Fifth Third Bank. The city is a major tourist destination as it features a variety of attractions, festivals, shopping destinations, and sporting events. It is also home to the University of Cincinnati, the second-largest university in Ohio. With a low cost of living and a low unemployment rate, many people have moved to the Cincinnati area and it has also become a hot spot for many corporations.





## ECONOMY

Metropolitan Cincinnati has the twenty-eighth largest economy in the United States and the seventh-largest in the Midwest, after Chicago, Minneapolis, Detroit, St. Louis, Indianapolis, and Cleveland. It currently has the fastest-growing Midwestern economic capital based on percentages. The gross domestic product for the region was \$152.6 billion as of 2020. The median home price in Cincinnati is \$182,000. The cost of living in Cincinnati is 9% below the national average and the unemployment rate is also below the average at 3.7%.

Cincinnati has recently become a younger, more educated city with a fast-growing economy exceeding most other cities in the country. The study was done by taking a twice-a-year economic snapshot of the Greater Cincinnati economy and finding the city is not aging as fast as the rest of the country and the population's education level is on the rise. This has caused a growth in the economy with it now being 2 percent above its pre-recession level.

CINCINNATI MUSEUM



CINCINNATI ART MUSEUM



ROEBLING SUSPENSION BRIDGE



CINCINNATI ZOO



GREAT AMERICAN BALL PARK







## EVENTS

Cincinnati hosts lots of events and festivals throughout the year. P&G, one of the city's biggest employers, hosts the Cincinnati Music Festival. Held each summer at the Paul Brown Stadium, the Cincinnati Music Festival has been named one of the top music festivals of the summer by Newsweek Magazine. Over 80,000 people attend the three days of performances by popular musicians in hip hop, R&B, jazz, and soul music each year. Cincinnati also hosts Asian Food Fest, where Asian cuisine and culture are celebrated annually at The Banks. Visitors can enjoy entertainment from the Asian communities in Cincinnati and cuisines from a variety of countries including Vietnam, the Philippines, Malaysia, and many others. The city also hosts Cincy Blues Fest, where local and national blues acts perform on the Schmidlapp Event Lawn in Smale Riverfront Park overlooking the Ohio River.



## UNIVERSITY OF CINCINNATI

The University of Cincinnati is a public institution with an undergraduate enrollment of 35,498 and a total enrollment of 46,388 making it the second-largest university in Ohio and one of the 50 largest in the United States. The school offers hundreds of programs of study including graduate degrees in business, law, and engineering, but the university is known for its highly ranked fine arts and health master's programs.

The University of Cincinnati contributes greatly to the statewide economy. The university has a regional economic impact of around \$4.2 billion annually. By these measures, the University of Cincinnati does better than any of the other state universities and any other university.

**#3** BEST COOPERATIVE EDUCATION

**#64** BEST PUBLIC COLLEGES

**#30** BEST COLLEGE OF PHARMACY





## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **KFC** located at **3040 Dixie Highway, Erlanger, KY 41018** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.





# KFC

3040 DIXIE HIGHWAY | ERLANGER, KY 41018

OFFERING MEMORANDUM

LISTED BY

KYLE MATTHEWS

Broker of Record

(866) 889-0550

[listings@matthews.com](mailto:listings@matthews.com)

LIC # 221925 (KY)

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES