KFC 8716 VETERANS MEMORIAL PKWY, O'FALLON (ST. LOUIS), MISSOURI

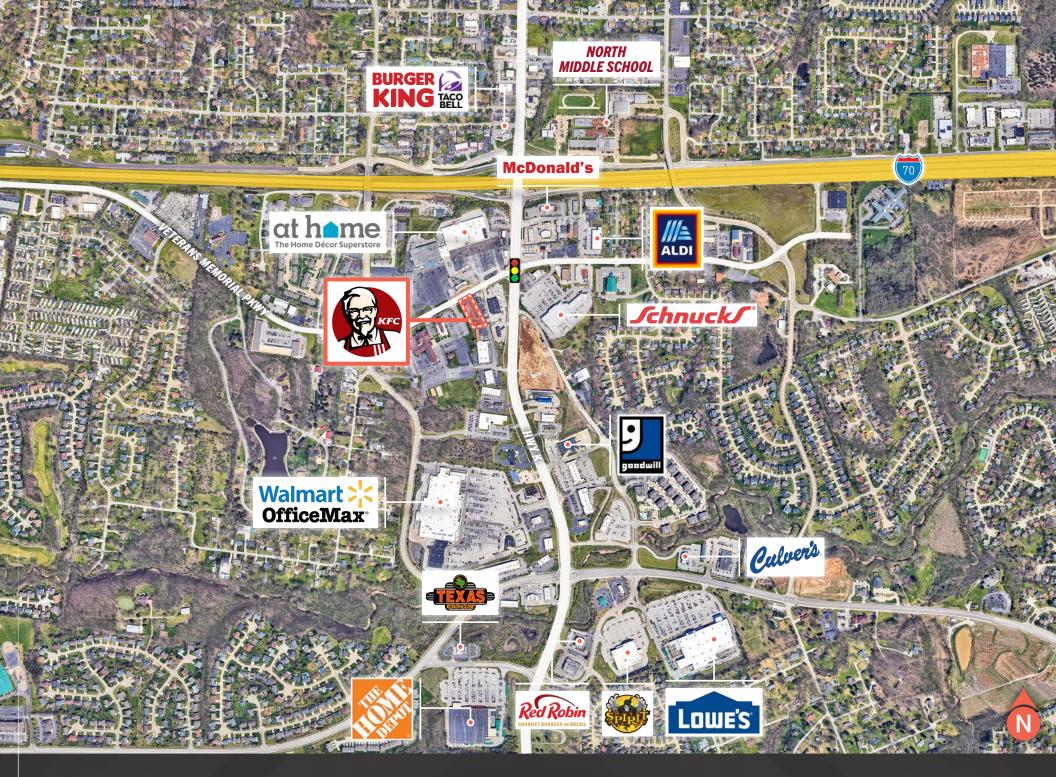


OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

8716 Veterans Memorial Pkwy, O'Fallon (St. Louis), MO 63366

FINANCIAL SUMMARY	
Price	\$2,357,900
Cap Rate	4.75%
Building Size	2,497 SF
Net Cash Flow	4.75% \$112,000
Year Built	2016
Lot Size	0.79 Acres
LEASE SUMMARY	
Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	FQSR, LLC
Guarantor	FQSR, LLC
Roof & Structure	Tenant Responsible
Lease Commencement Date	December 23, 2020
Lease Expiration Date	December 31, 2040
Lease Term Remaining	18 Years
Rental Increases	10% Every 5 Years
Renewal Options	2, 5 Year Options
Right of First Refusal	None

ANNUALIZED OPERATING DATA			
Lease Years	Annual Rent	Cap Rate	
Current - 12/31/2025	\$112,000.00	4.75%	
1/1/2026 - 12/31/2030	\$123,200.00	5.23%	
1/1/2031 - 12/31/2035	\$135,520.00	5.75%	
1/1/2036 - 12/31/2040	\$149,072.00	6.32%	
Renewal Options	Annual Rent	Cap Rate	
Option 1	\$163,979.20	6.95%	
Option 2	\$180,377.12	7.65%	
Base Rent		\$112,000	
Net Operating Income		\$112,000	
Total Return		4.75% \$112,000	







Property Description

**** ** INVESTMENT HIGHLIGHTS

- » Absolute Triple-Net (NNN) Lease with 18 Years Remaining Drive Thru Location
- » Franchisee and Lease Guarantor is an 800+ Unit Operator of KFC and Taco Bell Over
 - \$1 Billion in Sales
- » 10 Percent Rental Increases Every Five Years
- » 156,066 Residents within a Five-Mile Radius St. Louis MSA
- » Population and Households Projected to Increase Six to Seven Percent in the Immediate Area by 2027
- » Dense Retail Corridor Surrounding Retailers Include At Home, Schnucks, ALDI,
 Walmart, Lowe's, The Home Depot, McDonald's, and Goodwill
- » Immediately Off the I-70, Providing a Direct Route to Downtown St. Louis
- » More Than 41,600 Cars/Day at the Intersection of Veterans Memorial Parkway and Highway K
- » Average Household Income Exceeds \$119,000 within a Five-Mile Radius

	1-mile	3-miles	5-miles
Population			
2027 Projection	9,336	87,157	165,725
2022 Estimate	8,781	83,097	156,066
Growth 2022 – 2027	6.32%	4.89%	6.19%
Households			
2027 Projection	3,641	32,145	61,301
2022 Estimate	3,390	30,336	57,061
Growth 2022 – 2027	7.42%	5.96%	7.43%
Income			
2022 Est. Average Household Income	\$97,299	\$110,303	\$119,154
2022 Est. Median Household Income	\$75,275	\$90,043	\$94,646



Tenant Overview





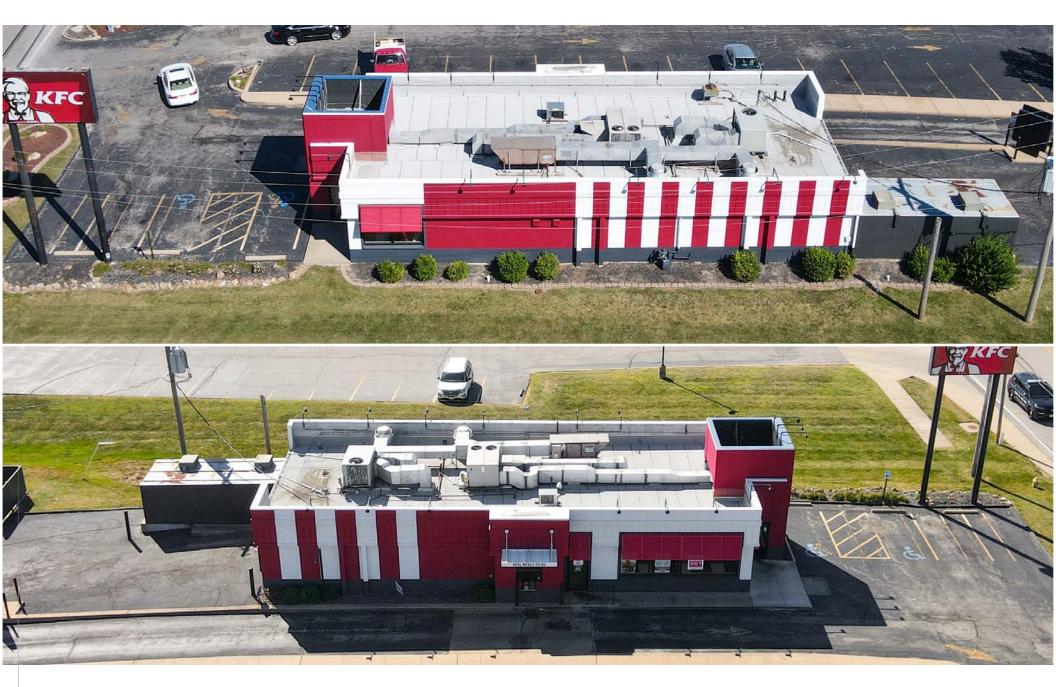
Louisville, KentuckyYum! Brands26,000+1930www.kfc.comHeadquartersParent CompanyLocationsFoundedWebsite

KFC is a global chicken restaurant brand with a rich, decades-long history of success and innovation. Colonel Harland Sanders created the original chicken recipe and founded the KFC brand more than 90 years ago. Today, over 800,000 team members are employed in more than 26,000 restaurants in over 145 countries and territories around the world. KFC believes in making chicken the right way, by using quality ingredients and freshly preparing them by hand every day. KFC is always evolving through digital innovation and building new restaurants with franchise partners. The franchisee of the subject KFC property, KBP Brands (d/b/a FQSR, LLC), is an 800+ unit operator of KFC and Taco Bell.

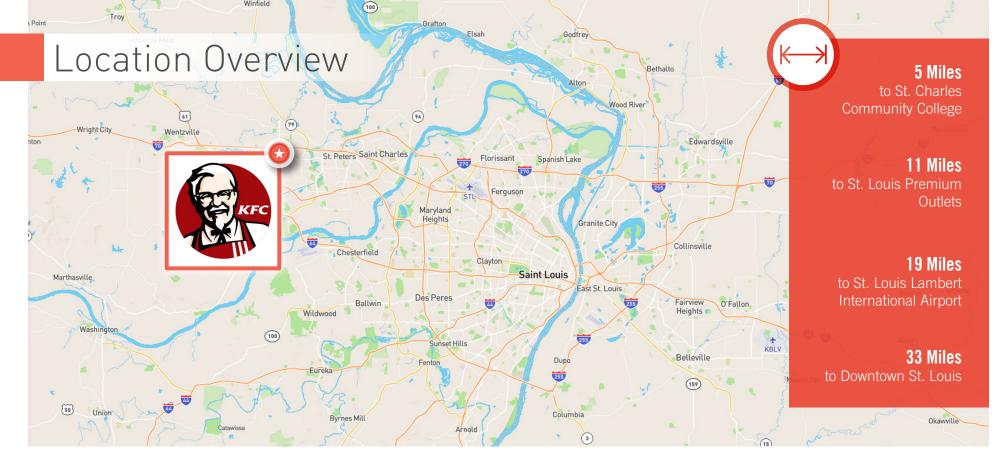
PARENT COMPANY: YUM! BRANDS

Yum! Brands (NYSE: YUM) operates a system of over 53,000 restaurants in 155 countries and territories under the company's concepts: KFC, Taco Bell, Pizza Hut, and The Habit Burger Grill. The Company's KFC, Taco Bell, and Pizza Hut brands are global leaders of the chicken, Mexican-style food, and pizza categories, respectively. The focus of Yum! Brands is to build the world's most loved, trusted, and fastest-growing restaurant brands in partnership with the best franchise operators in the business.

Property Photos



MARCUS & MILLICHAP



Located along Interstates 64 and 70 between Lake St. Louis and St. Peters in St. Charles County, Missouri, O'Fallon is a city home to over 91,000 residents. Part of the St. Louis metropolitan statistical area, O'Fallon is the largest of suburb of St. Louis, as well as the largest municipality in St. Charles County and the seventh-largest in Missouri. O'Fallon was ranked #1 on SmartAssets 2022 list of "Most Livable Cities in the U.S." and was listed as one of Missouri's "best places to start a business" by WalletHub in 2022.

The Greater St. Louis area is the 20th largest in the country, and home to more than 2.8 million residents along with the headquarters of ten Fortune 500 companies: Express Scripts, Emerson Electric, Monsanto, Reinsurance Group of America, Centene, Graybar Electric, and Edward Jones Investments. St. Louis boasts a diverse economy with strengths in service, manufacturing, trade, transportation, and tourism. Some examples of major companies that have either headquarters or significant corporate operations in the city include: Ameren Corporation, Peabody Energy, Nestlé Purina PetCare, Anheuser-Busch, Wells Fargo Advisors, Stifel Financial, Spire, Inc., MilliporeSigma, FleishmanHillard, Square, Inc., U.S. Bank, Anthem BlueCross and Blue Shield, U.S. Department of Agriculture, National Geospatial-Intelligence Agency.

The city has much to offer, with two major research universities in the area – Saint Louis University and Washington University in St. Louis. The Washington University School of Medicine is affiliated with Barnes-Jewish Hospital, the fifth largest hospital in the world.

[exclusively listed by]

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