

KFC

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



OFFERING MEMORANDUM

Marcus & Millichap



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BURGER KING
TACO BELL

NORTH MIDDLE SCHOOL

McDonald's



at home
The Home Décor Superstore



Schnucks



Walmart OfficeMax

Culver's



Red Robin
GOURMET BURGERS and BEERS



LOWE'S



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





**NORTH
MIDDLE SCHOOL**



McDonald's



 **100,300 CPD**
INTERSTATE 70



LION'S CHOICE



32,700 CPD
HWY K

8,960 CPD
VETERANS MEMORIAL PKWY





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**



DEMOGRAPHICS

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, Kentucky

Headquarters

Yum! Brands

Parent Company

26,000+

Locations

1930

Founded

www.kfc.com

Website

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



Location Overview

A map of the St. Louis, Missouri area. A red star icon marks the location of a KFC restaurant in the northwestern part of the city. A red-bordered square inset shows a close-up of the KFC logo. A red double-headed arrow icon is positioned in the upper right corner. A red sidebar on the right side of the map lists distances to various landmarks.

Distance	Destination
5 Miles	to St. Charles Community College
11 Miles	to St. Louis Premium Outlets
19 Miles	to St. Louis Lambert International Airport
33 Miles	to Downtown St. Louis

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.

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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