

TACO BELL/KFC - 800+ UNIT GUARANTOR

561 EAST 3RD STREET, JACKSON, GEORGIA



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

561 East 3rd Street, Jackson, GA 30233

FINANCIAL SUMMARY

Price	\$2,016,600
Cap Rate	6.0%
Building Size	2,163 SF
Net Cash Flow	6.0% \$120,996
Year Built	1992
Lot Size	0.76 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	FQSR, LLC
Guarantor	FQSR, LLC
Roof & Structure	Tenant Responsible
Lease Commencement Date	February 2, 2012
Lease Expiration Date	February 29, 2032
Lease Term Remaining	9 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 - 2/28/2027	\$120,996.00	6.00%
3/1/2027 - 2/29/2032	\$133,095.60	6.60%
Renewal Options	Annual Rent	Cap Rate
Option 1	\$146,405.16	7.26%
Option 2	\$161,045.68	7.99%

Base Rent	\$120,996
Net Operating Income	\$120,996
Total Return	6.0% \$120,996





14,900 CPD
EAST 3RD STREET





ZAXBY'S
WAFFLE
HOUSE
DAIRY QUEEN

DOWNTOWN
JACKSON

JACKSON-BUTTS
COUNTY LIBRARY

Badcock & more.
HOME FURNITURE

BURGER
KING

UNITED STATES
POSTAL SERVICE

CVS
pharmacy

10,400 CPD
COVINGTON ST

UnitedBank

KFC
TACO BELL

McDonald's

BUTTS COUNTY
MEDICAL CENTER

Little
Caesars

14,900 CPD
EAST 3RD STREET

bp

COMING SOON

wf
World Finance



Property Description



INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Lease with 9 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**
- » 61,557 Residents within a 10-Mile Radius - Atlanta MSA
- » **Situated Along Jackson's Primary Thoroughfare (East 3rd Street/Highway 23), with 25,300+ Cars/Day at the Nearby Intersection of East 3rd Street and Covington Street**
- » Surrounded by National Retailers - Piggly Wiggly, CVS, McDonald's, Burger King, Family Dollar, Pizza Hut, and More
- » **Average Household Income Exceeds \$82,000 in the Surrounding Area**
- » Located Half a Mile from Downtown Jackson
- » **Within an Hour Drive of Downtown Atlanta and Hartsfield-Jackson International Airport**



DEMOGRAPHICS

3-miles

5-miles

10-miles

Population

2027 Projection	7,749	13,003	64,931
2022 Estimate	7,772	12,872	61,557

Daytime Population

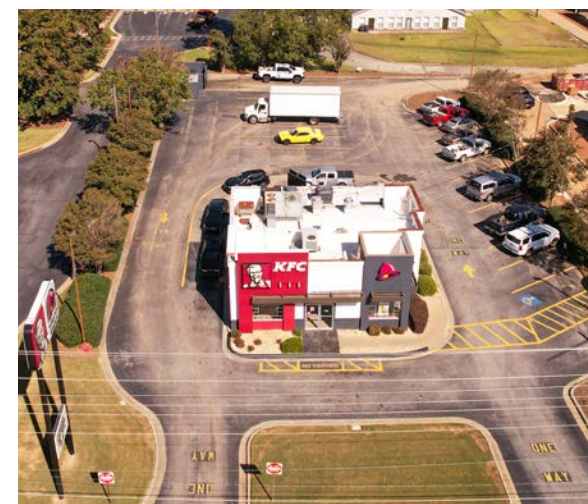
2022 Estimate	9,058	12,751	41,913
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Households

2027 Projection	2,861	4,702	22,156
2022 Estimate	2,853	4,636	20,921

Income

2022 Est. Average Household Income	\$57,593	\$60,871	\$82,600
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Tenant Overview



Louisville, KY **Yum! Brands** **26,000+** **kfc.com**

Headquarters Parent Company Locations 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.



Irvine, CA **Yum! Brands** **7,500+** **tacobell.com**

Headquarters Parent Company Locations Website

Taco Bell Corp., a subsidiary of Yum! Brands, Inc., (NYSE: YUM), is the nation's leading Mexican-inspired quick serve restaurant (QSR). Taco Bell serves made-to-order and customizable tacos, burritos, and specialties such as the exclusive Doritos Locos Tacos, gourmet-inspired Cantina Bell Menu and lower calorie Fresco Menu. Reported sales show that on average, Taco Bell serves 40 million customers every week, and each unit generates \$1.5 million in annual sales. Annual revenue system-wide exceeds \$6.9 billion each year.

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. KFC, Taco Bell, and Pizza Hut are global leaders of their industries. 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.

FRANCHISEE: KBP BRANDS – The franchisee of the subject KFC/Taco Bell property, KBP Brands (d/b/a FQSR, LLC), is an 800+ unit operator of KFC and Taco Bell.

Property Photos



Location Overview



Located in historic Butts County, 40 miles south of Atlanta, Jackson is a city rich in history and culture. Jackson is full of historic homes, big city amenities, small-town charm, and a vibrant downtown area. The city is a frequent filming location for a number of television shows, including Netflix's *Stranger Things*. Jackson is minutes away from outdoor recreation areas, including Jackson Lake, Indian Springs State Park, and High Falls State Park.

ATLANTA METROPOLITAN AREA

With an overall population of 5.9 million throughout the 29-county metro area in northwestern Georgia, Atlanta is the ninth-largest Metropolitan Statistical Area in the United States. Due to few natural barriers to limit development, tremendous population growth over the past decade expanded the metro's borders, thus

increasing the metro's population. Over the next few years, the region is expected to add over 290,000 residents. Meanwhile, Mercedes-Benz Stadium has been a catalyst for redevelopment in the urban core of Atlanta. New projects in the downtown and midtown sections of the city present a vast array of housing, entertainment, and retail opportunities.

Metro Atlanta is recognized as an international gateway city and is considered to be an emerging Tier 1 technology hub and the established economic engine of the Southeast. The city's thriving economy and job base, coupled with its high quality of life and low cost of living, make it an ideal destination to draw educated talent from the region's major universities. Atlanta has a heavy concentration of corporate headquarters, with 15 Fortune 500 firms located in the city.

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