

OFFERING MEMORANDUM ABSOLUTE NNN KFC



KFC IN PRIME LOCATION NEAR DOWNTOWN CHICAGO
EXCELLENT DEMOS WITH 10% RENT INCREASES EVERY 5 YEARS

7445 S Stony Island Ave, Chicago, IL 60649

Marcus & Millichap
LIMON NET LEASE GROUP



SUBJECT PROPERTY

KFC

± 3,000 SQ. FT. GLA

± 0.21 ACRE LOT



495,047 POPULATION
WITHIN 5 MILES (2022)



SUBJECT PROPERTY

KFC

± 3,000 SQ. FT. GLA

± 0.21 ACRE LOT



\$58,270 AVG. HH INCOME

WITHIN 5 MILES (2022)

SUBJECT PHOTOS • ABSOLUTE NNN KFC





PROPERTY ADDRESS:
7445 S STONY ISLAND AVE,
CHICAGO, IL 60649



NOI

\$44,252



GLA

±3,000

SQ. FT.



APPROX. LOT SIZE

±0.21

ACRES

Marcus & Millichap
LIMON NET LEASE GROUP

FINANCIAL SUMMARY • PRICING

Property Name	KFC
Property Address	7445 S Stony Island Ave, Chicago, IL 60649
Price	\$800,000
Cap Rate	5.53%
Year Built	2003/2017

LEASE SUMMARY

Tenant	KFC
Guaranty	KBP Brands
Parcel	20-25-131-00(6)(7)(8)
Lease Type	Absolute NNN (Building) Ground Lease (Parking Lot)
Landlord Responsibility	None
Commencement Date	10/1/2017
Lease Term	10 Years
Term Remaining	Over 4 Years
Options	3 x 5 Years
Increases	10% Every 5 Years

RENT SCHEDULE

YEAR (OPTIONS*)	ANNUAL RENT	MONTHLY RENT	CAP RATE
1-5	\$44,252	\$3,688	5.53%
6-10*	\$48,677	\$4,056	6.08%
11-15*	\$53,545	\$4,462	6.69%
16-20*	\$58,899	\$4,908	7.36%

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INVESTMENT HIGHLIGHTS • KFC | CHICAGO, IL



Subject is a Prime 3,000 Square-Foot KFC on a 0.21-Acre Lot with Drive-Thru, Ample Parking, Pylon Signage, Easy Ingress/Egress, and Strategically Located on a Signalized Intersection



Absolute NNN Lease with a 10-Year Base Term, 5 Years Remaining, and Zero Landlord Responsibility 10% Rental Increases Every 5 Years, 3 x 5-Year Options



Robust Traffic Counts on 1600 E (53,843) and Sits Half a Mile from the Stony Island Metro Station (Source: LandVision, CoStar, 2015)



Tenant KBP Brands Currently Operates 799 Restaurants (660 KFCs & 139 Taco Bells) in 28 States and has Surpassed One Billion Dollars in Annual Revenue



Well Established Retail Corridor | Nearby National Retailers Include: Aldi, White Castle, Taco Bell, Popeyes, Save A Lot, Burger King, Dollar Tree, Starbucks, Dunkin', and More



Affluent Community with an Average Household Income of Over \$58,270 within Five Miles of the Subject Asset, as of 2022



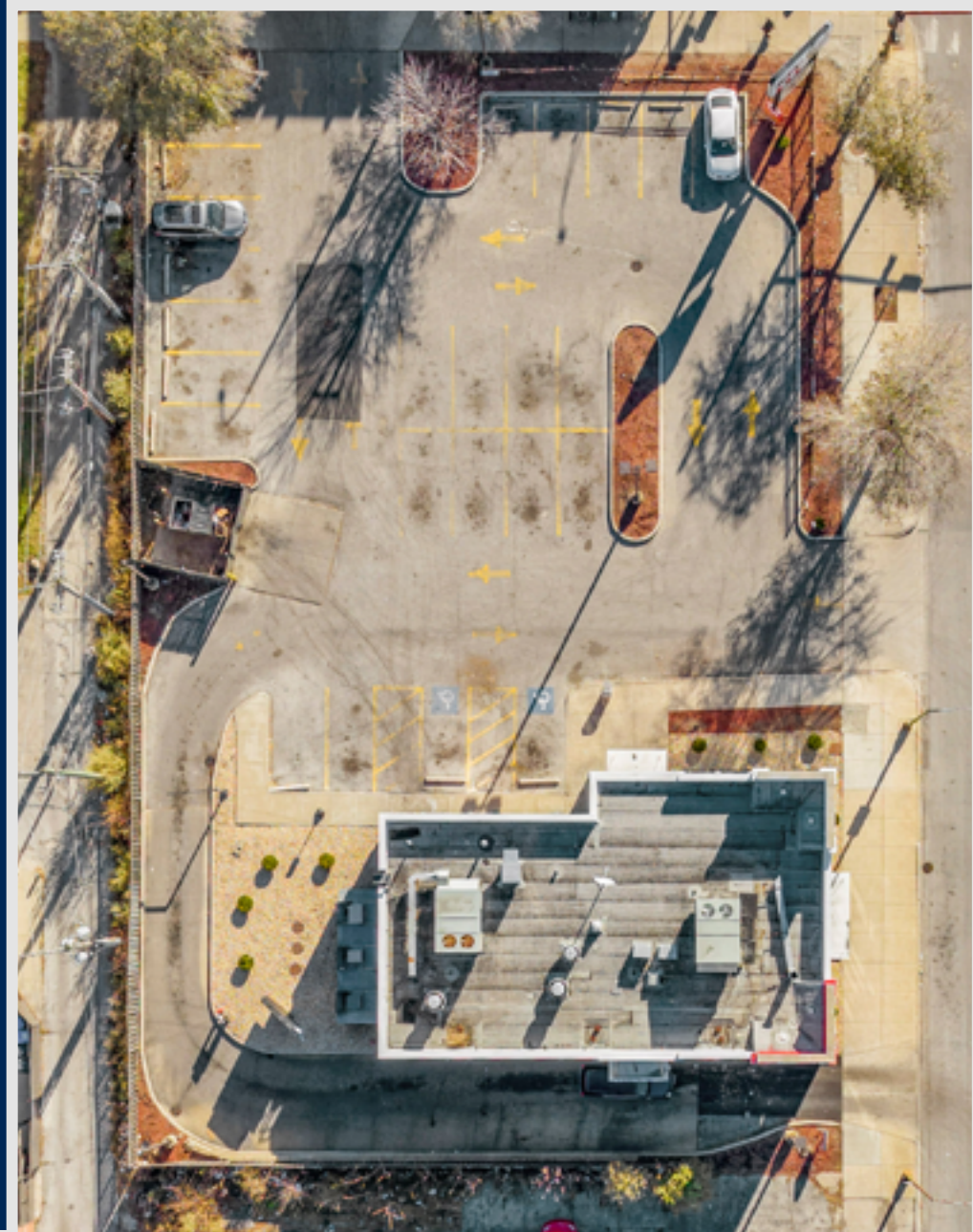
Subject is Eight Miles from Chicago Midway International Airport, Serving Over 20 Million Passengers Annually (flychicago.com)



Parks and Outdoor Recreational Facilities Nearby Include: Oak Woods Cemetary, Jackson Park, Midway Plaisance Park, South Shore Beach, Rainbow Beach Park, and More



Subject is Nine Miles from Downtown Chicago with a Population of 2.7 Million



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DEMOGRAPHICS



2022 5-MILE AVERAGE
HOUSEHOLD INCOME
APPROX. \$58,270



2022 5-MILE POPULATION
APPROX. 495,047



2022 5-MILE HOUSEHOLDS
APPROX. 198,511

1 MILE

3 MILES

5 MILES



2022 5-MILE DAYTIME POPULATION
APPROX. 395,304



AREA POPULATION

	1 MILE	3 MILES	5 MILES
2010 Population Census	38,987	246,427	515,619
2022 Population Estimate	37,382	236,608	495,047
2027 Population Projection	36,413	231,551	484,015
2022 Daytime Population	25,927	206,208	395,304

AREA HOUSEHOLDS

	1 MILE	3 MILES	5 MILES
2010 Households	16,047	102,181	199,467
2022 Households Estimate	15,888	101,977	198,511
2027 Households Projection	15,667	101,059	196,674
2022 Average HH Size	2.3	2.3	2.4

AREA INCOME

	1 MILE	3 MILES	5 MILES
Median HH Income	\$35,029	\$36,393	\$37,155
Per Capita Income	\$22,961	\$25,230	\$23,571
Average HH Income	\$53,823	\$57,843	\$58,270

Source: Marcus & Millichap Analytics, U.S. Census Bureau (2022)

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SOURCE: MARCUS & MILLICHAP ANALYTICS,
U.S. CENSUS BUREAU



**102 MILES FROM
MILWAUKEE, WI**

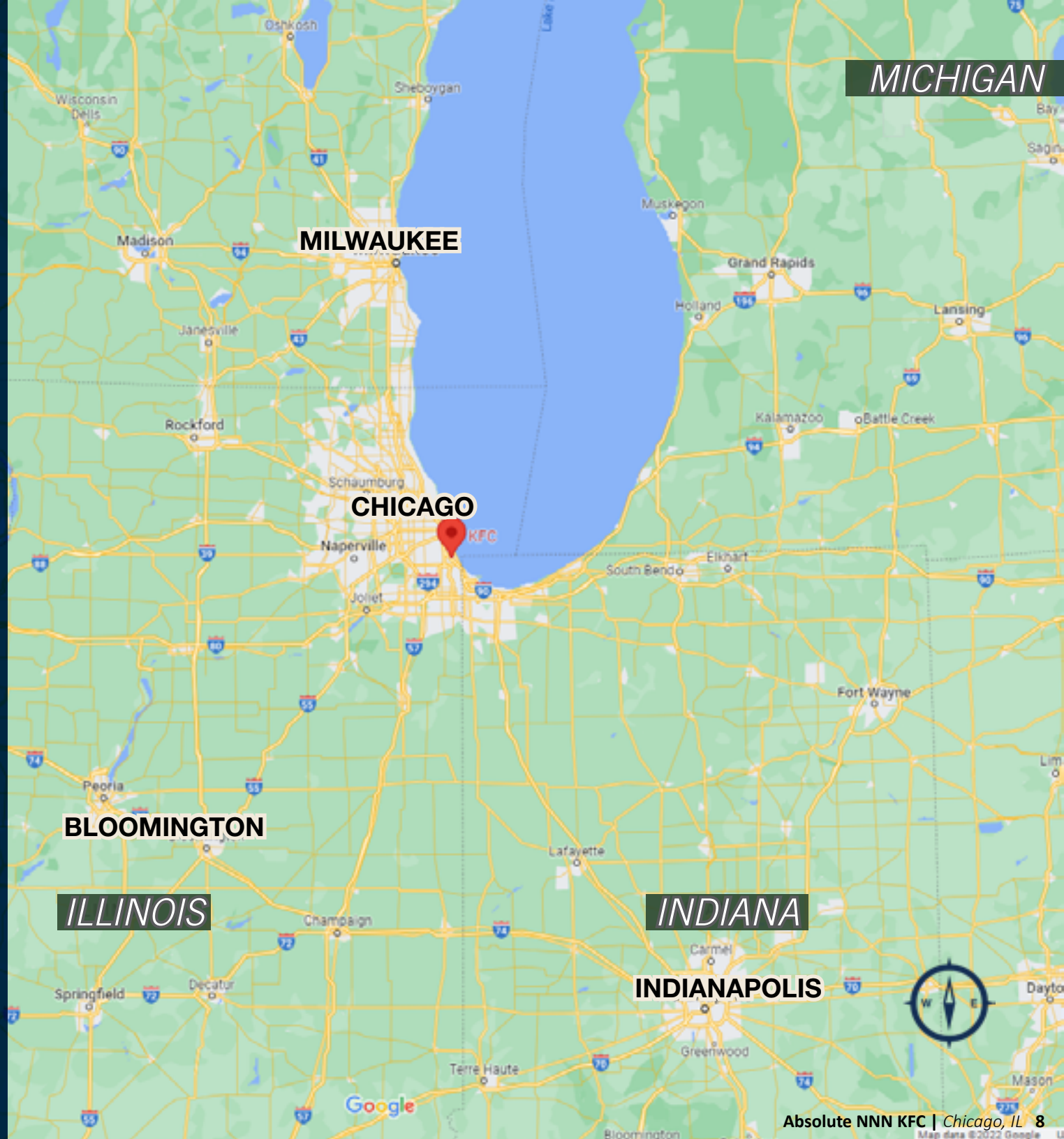
172 MILES FROM
INDIANAPOLIS, IN



8 MILES

**TO CHICAGO MIDWAY
INTERNATIONAL AIRPORT**
20+ MILLION ANNUAL PASSENGERS

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TENANT OVERVIEW

KFC KBP BRANDS

ABOUT THE FRANCHISEE:

KBP Brands is a KFC and Taco Bell franchisee with over 20 years experience in the KFC system. They own and operate 800 locations in 26 states. In 2021, they passed over \$1 Billion in revenue.

ABOUT KFC:

Kentucky Fried Chicken (KFC) is a fast food restaurant chain that specializes in fried chicken and is headquartered in Louisville, Kentucky, United States. It is one of the world's largest restaurant chains with over 25,000 locations in 147 countries and territories. The company is a subsidiary of Yum! Brands, a restaurant company that also owns the Pizza Hut and Taco Bell chains. KFC was founded by Harland Sanders, an entrepreneur who began selling fried chicken from his roadside restaurant in Corbin, Kentucky, during the Great Depression. Sanders identified the potential of the restaurant franchising concept, and the first "Kentucky Fried Chicken" franchise opened in Utah in 1952. KFC popularized chicken in the fast food industry, diversifying the market by challenging the established dominance of the hamburger. By branding himself as "Colonel Sanders", Harland became a prominent figure of American cultural history, and his image remains widely used in KFC advertising. KFC was one of the first fast food chains to expand internationally, opening outlets in Canada, the United Kingdom, Mexico, and Jamaica by the mid-1960s. The chain continued to expand overseas and in 1987 KFC became the first Western restaurant chain to open in China. The chain has since expanded rapidly in China, which is now the company's single largest market.



BY THE NUMBERS

BB

**CREDIT RATING
(S&P)**

Ba3-

**CREDIT RATING
(MOODY'S)**

25,000+

**WORLDWIDE
LOCATIONS**

34%

**GROWTH IN
REVENUE IN 2021**

1952

**YEAR
FOUNDED**

\$5.7B

**IN COMPANY
REVENUE**

820K

**EMPLOYEES
WORLDWIDE**

**Numbers as of Q3 2021*

Sources: Walgreensbootsalliance.com, Walgreens.com, Forbes.com

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METRO OVERVIEW

CHICAGO, ILLINOIS

Chicago-Naperville-Elgin is one of the largest metros in the nation. The Chicago-land area is bounded to the east by Lake Michigan, expands over a 5,000-square-mile region in northeastern Illinois and extends into Wisconsin and Indiana. The metro houses 9.5 million people and comprises 14 counties. The city of Chicago contains 2.7 million residents. The greatest growth during the past 20 years occurred in the western portion of the region. In recent years, however, businesses have been relocating back into the city to attract young workers, supporting the development of high-rise residential and office towers in downtown Chicago.

The metro has one of the biggest economies in the nation, and is buoyed by its distribution, finance, manufacturing operations and growing high-tech sectors. The number of corporate headquarters in Chicago is second only to New York City. There are 35 Fortune 500 companies based locally. The Chicago metro employs 4.6 million workers in an array of industries, including the growing tech and logistics sectors. The area is a major global tourist and convention destination. Typically, more than 50 million people visit the metro annually and support approximately 500,000 jobs in the leisure and hospitality sector. Although suppressed during the pandemic, visitations and employment are improving. Large tech firms, such as Amazon and Google, attract a wide array of startup companies. The workforce is considered one of the most diverse and well trained among major United States metros.

The Chicago metro has something to offer to each of its residents and visitors, whether it is legendary blues and jazz music, cultural and educational venues, professional sports, dining, entertainment, shopping or recreational amenities. The Chicago area's relative affordability is largely due to its lower housing costs. The median home price is significantly less than in other cities of its size and is below that of many smaller cities, including Seattle and Denver. Cultural activities and artistic venues underpin the metro's cosmopolitan lifestyle. The region is home to various well-known museums, including the world-class Field Museum, Shedd Aquarium, the Museum of Science and Industry, the Art Institute of Chicago and Adler Planetarium. The theater scene rivals the world's best, and troupes, dance companies, symphony orchestras and music venues abound. Chicago is also home to the upcoming Obama Presidential Center, which broke ground in September 2021.



FACTS & FIGURES

7.5M CHICAGO POPULATION (2021)

40% ILLINOIS RESIDENTS IN SUBURBS OF CHICAGO

3 INTERNATIONAL AIRPORTS

35 FORTUNE 500 COMPANIES

29 MILES OF SHORELINE ON LAKE MICHIGAN

50M VISITORS TO THE AREA ANNUALLY

**Numbers as of March 2022
Sources: Marcus & Millichap Analytics, Bureau of Labor & Statistics,
US Census Bureau*

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STEVEN WEINSTOCK
LIC.# 471.011175

ACTIVITY ID:

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