

Colliers

KFC/Taco Bell

1544 NC Highway 56, Butner, NC 27522

Offering Memorandum



Accelerating success.

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Offering Procedure

Offers should be submitted in the form of a standard non-binding Letter of Intent, which can be provided by the broker, and must specify the following:

- Price (Call for pricing guidance)
- Length of Inspection Period
- Length of Closing Period
- Amount of earnest money deposit at execution of a Purchase and Sale Contract
- Amount of additional deposit upon expiration of Inspection Period

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Executive Summary

The Twist Capital Team of Colliers is pleased to offer for sale, to qualified investors, the opportunity to acquire this KFC - Taco Bell location in Butner, North Carolina.

The property is situated in the Butner neighborhood with a balanced mix of retail, commercial and residential properties. Positioned on Butner Creedmoor Road, the property benefits from high traffic and visibility with its exposure on a major east-west arterial thoroughfare and exposure from Interstate 85.

The asset presents an excellent investment with no landlord responsibilities and Net Operating Income (NOI) of \$114,938.

Investment Summary

Tenant	KFC - Taco Bell
Address	1544 NC 56, Butner, NC
Asking Price	\$2,704,423
NOI	\$114,938
Cap Rate	4.25%



Absolute NNN Investment

Lease Guarantor	185-Unit Luihn VantEdge Partners
Lease Commencement	March 20, 2019
Lease Expiration	March 31, 2039
Renewal Options	Two 5-year options
Rent Increases	10% every 5 years

Rent Schedule

	Period	Annual Rent	Monthly Rent
Initial Term	3/20/19 - 3/31/24	\$114,938.04	\$9,578.17
Initial Term	4/1/24 - 3/31/29	\$126,431.88	\$10,535.99
Initial Term	4/1/29 - 3/31/34	\$139,075.08	\$11,589.59
Initial Term	4/1/34 - 3/31/39	\$152,982.60	\$12,748.55
Option 1	4/1/39 - 3/31/44	\$168,280.80	\$14,023.40
Option 2	4/1/44 - 3/31/49	\$185,108.88	\$15,425.74



Property Details

Address	1544 NC 56 Butner, NC
Tenant	KFC - Taco Bell
Building Type	Storefront Retail
Year Built	1984, renovated in 2017
Type of Ownership	Fee Simple
Stories	One
Gross Leasable Area	2,599 SF
Lot Size	1.0 Acres



Investment Highlights

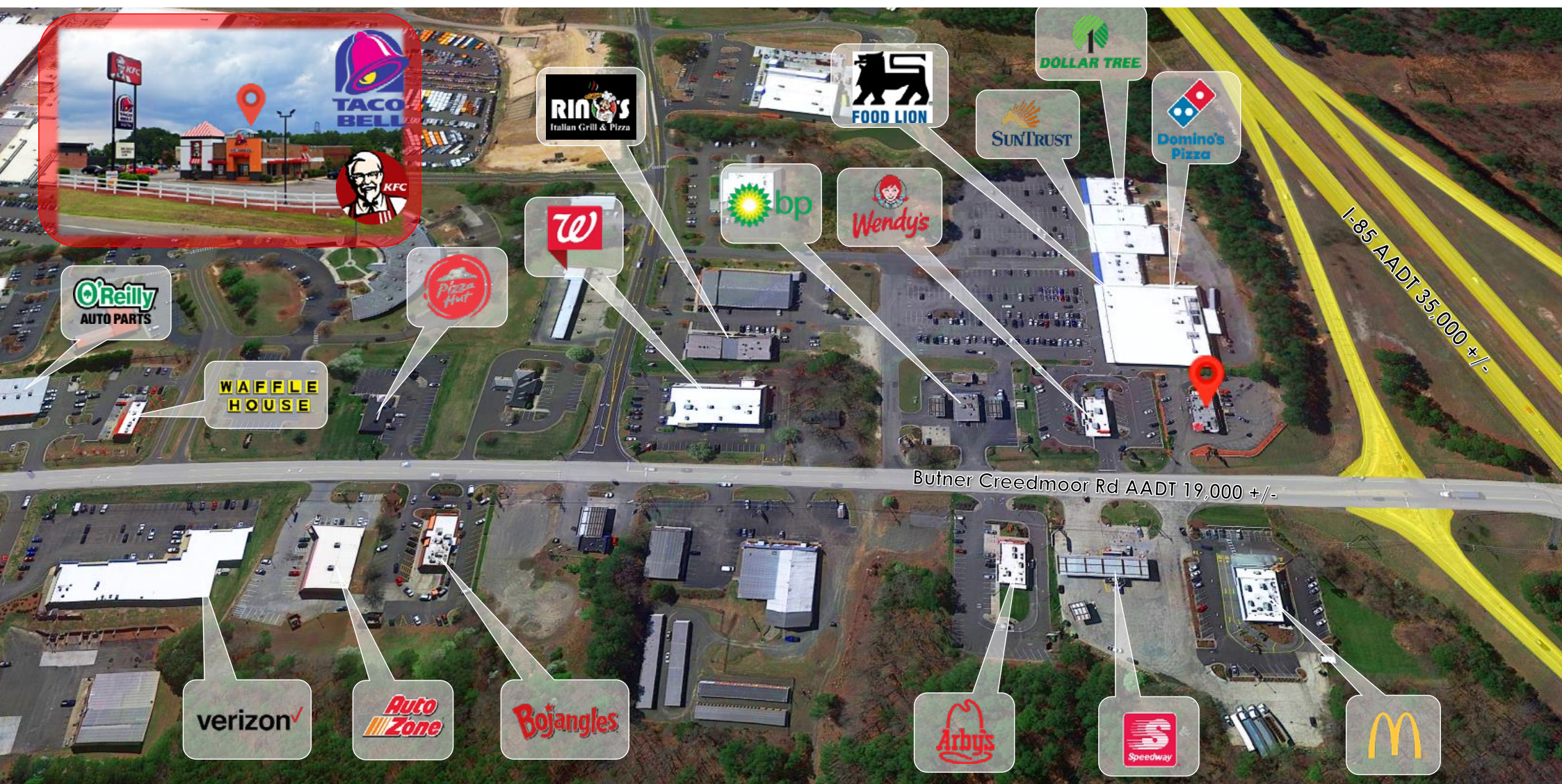
- Long-term absolute NNN lease
- Zero landlord responsibilities
- 10% rent increase in two years
- Exceptional real estate fundamentals
- Located at the intersection of I-85 & NC-56
- World-class 185-unit Luhn VantEdge Guarantor
- 10% Rent increases every 5 years
- Low rent-to-sales ratio

KFC - Taco Bell, Butner, NC | Colliers

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Retailer Map Overview



Property Image



Property Image



Property Image



Tenant Profile | Luihn VantEdge Partners



Luihn VantEdge Partners (LVE) is a franchisee of Yum! Brands with over 170 restaurants in North Carolina, South Carolina, Virginia, Florida and Arizona. Luihn VantEdge Partners (LVE) has been growing ever since Allan and Donna founded Luihn Foods in 1966. What started as an opportunity to supplement his teaching income and support their family of four children has blossomed into a prosperous and growing business still rooted in those original family values.

The first KFC franchise they purchased in the mountains of North Carolina has evolved into a multi-branded business with over 170 locations in five states: North Carolina, South Carolina, Virginia, Florida, and Arizona. Focused always on the future, in 1993 Luihn Foods pioneered the Two-in-One concept between KFC and Taco Bell and has been involved in testing various other co-branding opportunities. Now with Allan's son, CEO Jody Luihn, LVE is focused on aggressive plans for future expansion in high growth markets. In 2020, the Luihn family selected family office VantEdge to partner as Luihn VantEdge Partners on a major recapitalization with a goal of doubling in scale over the next five years.

From the beginning staff of one store to over 3,000 employees today, each employee continues to make a difference. LVE enjoys providing talented employees with a forum that allows advancement and in which they can express their ideas and creativity. This combination of talent, ambition, focus and innovation continues to propel LVE forward to a success-filled future.

Through the growth that success brings and the change that accompanies it, LVE has remained true to its beginnings. To this day, the business that was built on family has not lost its roots.



more than
185
locations



Over
3,000
Employees in U.S.



Celebrating over
50
Years in business

Tenant Profile | KFC Corporation



KFC Corporation

1441 Gardiner Lane

Louisville, KY 40213

www.kfc.com

KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. It all started with one cook who created a soon-to-be world-famous recipe more than 70 years ago, a list of secret herbs and spices scratched out on the back of the door to his kitchen. That cook was Colonel Harland Sanders, of course, and now KFC is the world's most popular chicken restaurant chain, specializing in that same Original Recipe® along with Extra Crispy™ chicken, home-style sides and buttermilk biscuits. There are over 24,100 KFC outlets in more than 145 countries and territories around the world. And you know what? There's still a cook in a kitchen in every last one of them, freshly preparing delicious, complete family meals at affordable prices. KFC (Kentucky Fried Chicken) is an American fast food restaurant retailer famous for their "Finger Lickin' Good!", fried chicken and comfort foods. Founded by Harland Sanders, he began by feeding hungry travelers in 1930. Sanders spend the next nine years perfecting his secret blend of 11 herbs and spices, as well as the basic cooking technique they still use today.

KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. They're at over 24,000 KFC outlets and more than 145 countries and territories around the world.

Tenant Facts



±\$4.6
Billion (2021)
Revenue



±800K
Employees



24,104
Locations
Worldwide



145
Countries

Tenant Profile | Taco Bell



Taco Bell

1 Glen Bell Way
Irvine, CA 92618

www.tacobell.com

Taco Bell is an American-based chain of fast food restaurants serving customers a variety of craveable and affordable Mexican-inspired tacos. Founded in 1962 by Glen Bell, in Downey, California, has grown to be a culture-centric, lifestyle brand.

Taco Bell Corporation, based in Irvine, CA, operates over 7,000 restaurants that serve more than 40 million customers each week in the U.S and Internationally.

PepsiCo purchased Taco Bell in 1978, and later spun off its restaurants division as Tricon Global Restaurants, which later changed its name to Yum! Brands.

Tenant Facts



±\$1.89
Billion (2021)
Revenue



±40K
Employees



40M
Customers
Worldwide

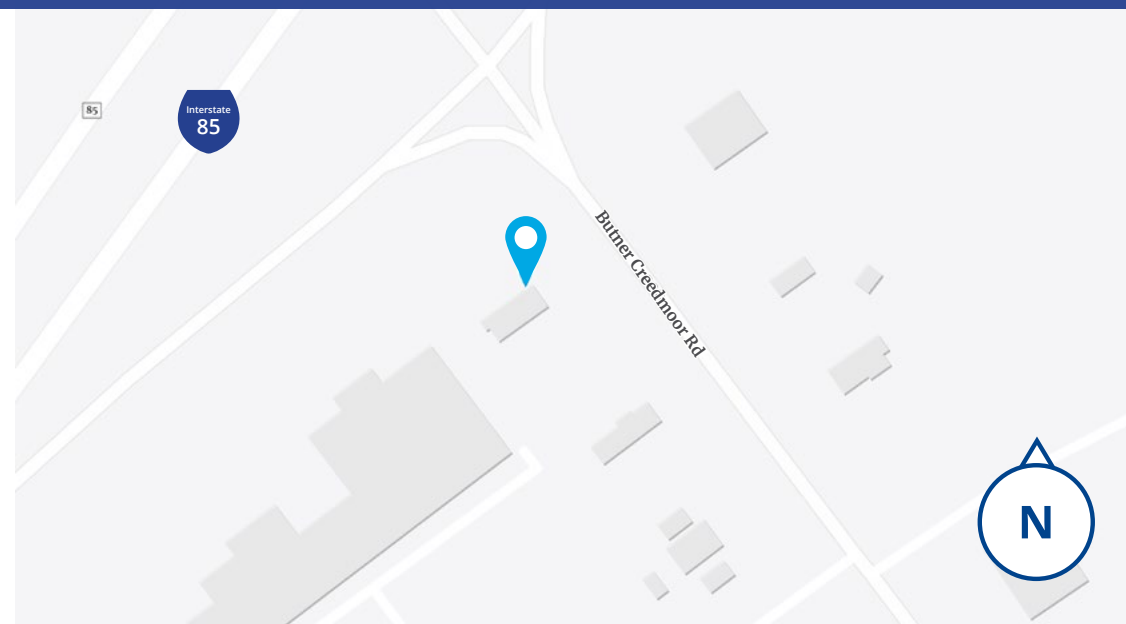
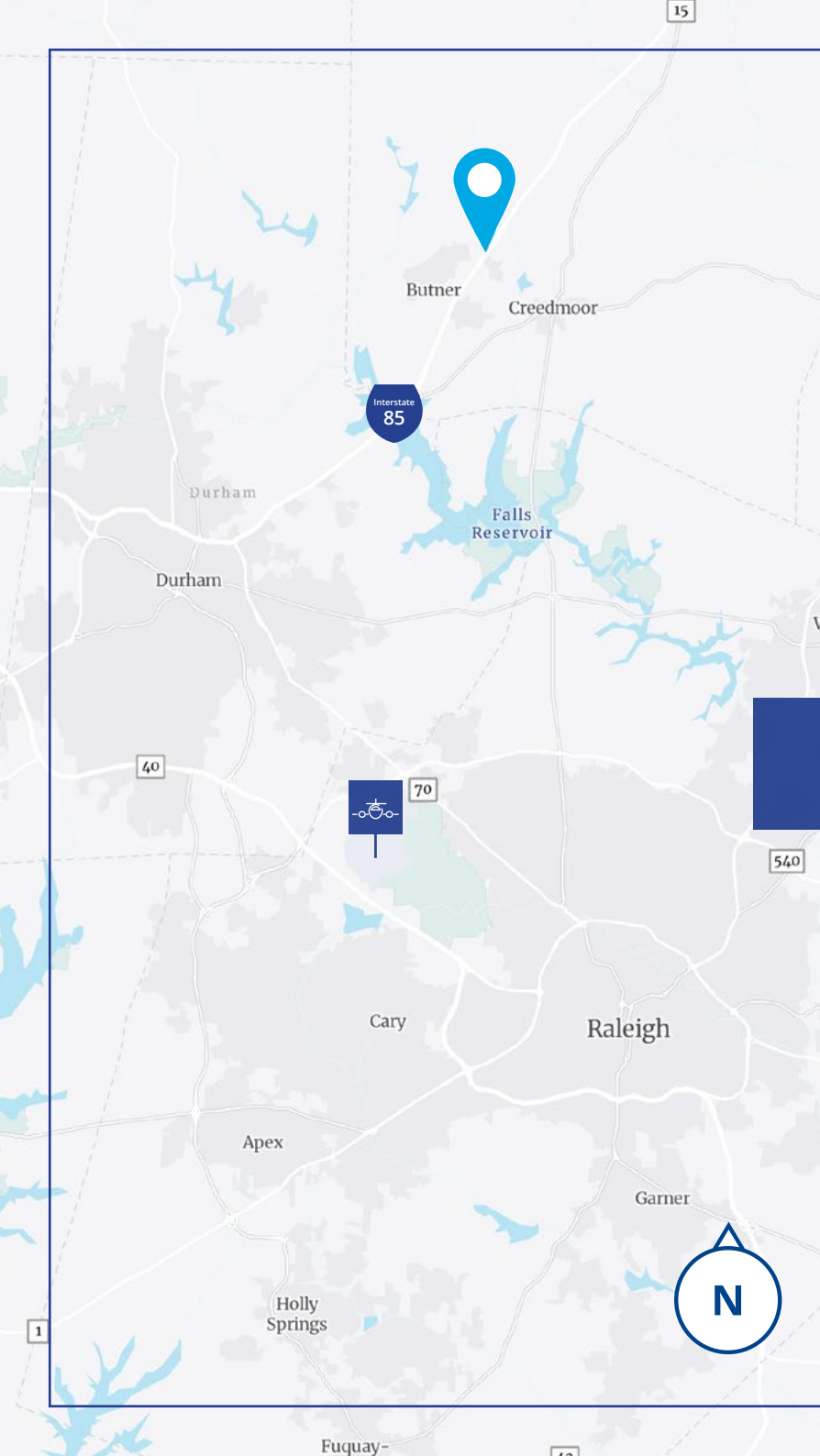


7,000
Total
Locations

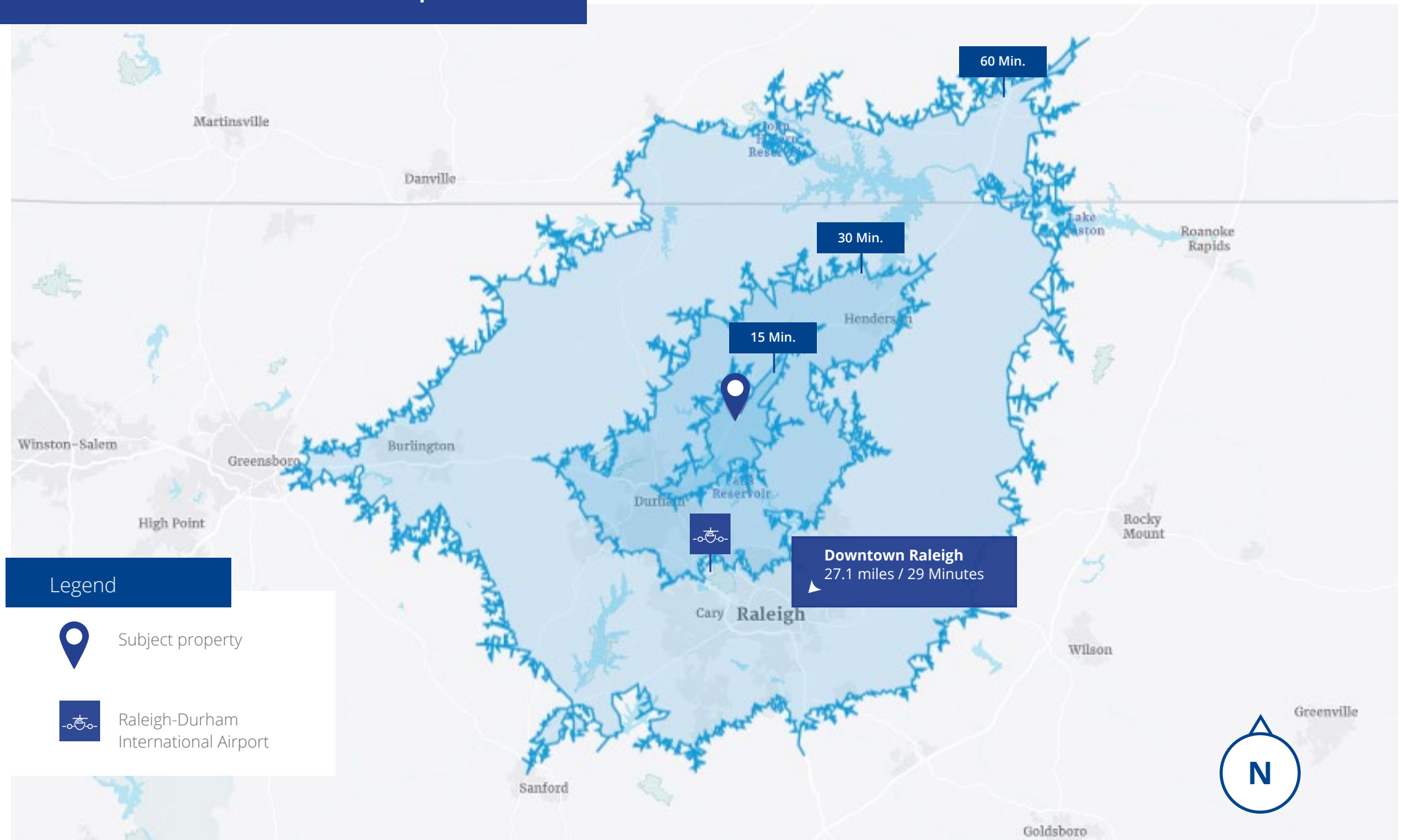
Location Overview

The Subject Property is located in the suburb town of Butner, NC. Located 16 miles east of Oxford, 13 miles southwest of Durham, Butner is easily accessible by Interstate 85. Raleigh-Durham International Airport is to the 26 miles to the south and the city of Raleigh is 28 miles southwest of the property. Situated on Butner Creedmoor Road / NC 56, it provides direct access between both towns of Butner, NC and Creedmoor, NC.

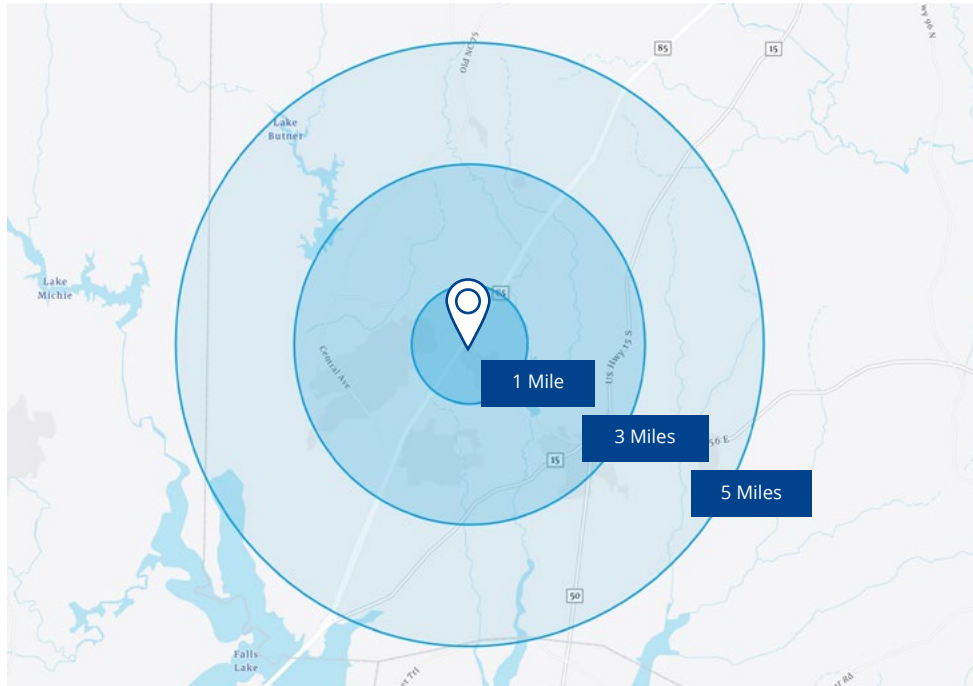
Local Street Map View



Drive Time Map



Demographic Overview



Snapshot: 5 Mile Radius



22,971
Total Population
in 2022



6,748
Total Households in
2022



\$82,528
Average Household
Income in 2022

Population	1 Mile	3 Miles	5 Miles
2022 Population	1,313	10,380	22,971
2027 Population	1,363	10,587	23,482
2022-2027 Annual Rate	0.75%	0.40%	0.44%
2022 Median Age	40.7	39.6	39.0

Households	1 Mile	3 Miles	5 Miles
2022 Total Households	417	3,657	6,748
2027 Total Households	438	3,759	6,976
2022-2027 Annual Rate	0.99%	0.55%	0.67%
2022 Average Household Size	2.98	2.53	2.65

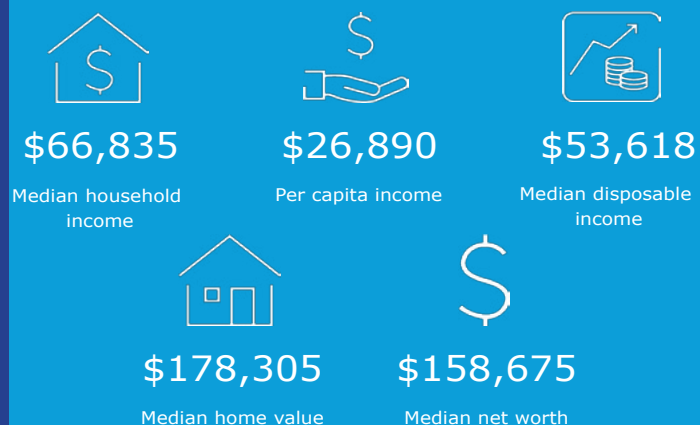
Median Household Income	1 Mile	3 Miles	5 Miles
2021 Median Household Income	\$78,466	\$66,052	\$66,835
2027 Median Household Income	\$84,385	\$77,415	\$78,269
2022-2027 Annual Rate	1.47%	3.23%	3.21%

Average Household Income	1 Mile	3 Miles	5 Miles
2022 Average Household Income	\$92,260	\$81,764	\$82,528
2027 Average Household Income	\$105,524	\$93,956	\$95,636
2022-2027 Annual Rate	1.75%	1.00%	2.00%

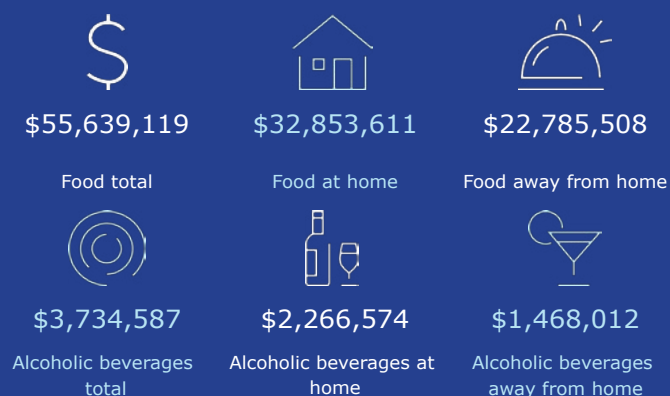


Consumer Expenditures - 5 mile radius

Wealth & income



2019 Annual food & alcohol spending



Annual household goods spending



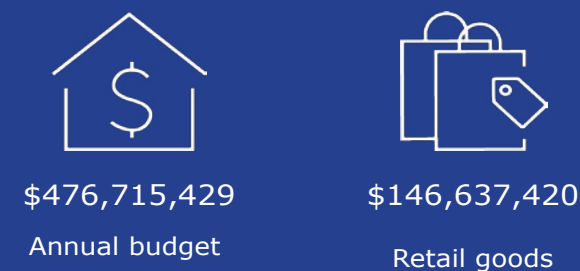
Annual entertainment/recreation spending



Annual transportation spending



Annual spending total



Market Overview



Photo credit: www.butnenc.org

Butner Overview

The Town of Butner is in the southwestern section of Granville County in North Carolina and just minutes from Durham, the “City of Medicine.” Recently, Butner ranked number 10 in the State of North Carolina for “Most Diverse Suburbs” by Niche.com and is home to more than 8,500 residents. Butner benefits from small town living in addition to its proximity to the Research Triangle, named after the three prestigious universities of Duke, UNC Chapel Hill and North Carolina State University.

Butner has a highly skilled workforce, with nearly 30 percent of the population having an Associate degree or higher. Butner has a diverse workforce with 37 percent of employees in the manufacturing industry followed by 21.5 percent of employees

in the services industry and 14.6 percent of employees in the retail trade industry. Butner is filled with a diverse, skilled workforce and growing population which is expected to persist throughout the remainder of 2022 and into 2027.

Highlights

- Vibrant community that takes pride in commercial and industrial development
- Butner Gateway, 50-acres designated for public parks and recreation to help guide growth and development
- Indoor and outdoor athletic facilities
- Fishing and boating activities on Lake Holt
- Game lands for use by bow hunters, walking trails and open space for residents and visitors alike.



The Research Triangle is the nickname for the metropolitan area in the Piedmont region of North Carolina anchored by the cities of Raleigh and Durham and the town of Chapel Hill. It is home to three major research universities: North Carolina State University, Duke University, and the University of North Carolina at Chapel Hill.

The Triangle is home to more than 2.1 million people across sixteen counties. The region’s growing high-technology community includes such companies as IBM, Lenovo, SAS Institute, Cisco Systems, NetApp, Red Hat, EMC Corporation and Credit Suisse First Boston. It is also consistently ranked in the top three in the US with concentration in life science companies. Some of these include GlaxoSmithKline, Biogen Idec, BASF, Merck & Co., Novo Nordisk, Novozymes, and Pfizer.



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