



REPRESENTATIVE PHOTO

KFC | Yuma, AZ

Offering Memorandum

MONTGOMERY
REALTY ADVISORS

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Investment Highlights

Montgomery Realty Advisors is pleased to offer for sale a new 20-year absolute NNN lease KFC investment located in Yuma, AZ. The subject property has consistently generated strong store sales and has been operating as a KFC restaurant for over 20 years. The property is scheduled to be remodeled to KFC's new prototype demonstrating the Tenant's long term commitment to the site. The lease contains a strong personal guaranty from the operator. The property is situated on densely populated corridor in Yuma and benefits from strong traffic counts (22,000 VPD).

Purchase Price:
\$2,083,000

Cap Rate:
5.00%



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BRAND NEW 20-YEAR SALE LEASEBACK

New 20-year absolute NNN lease with 10% rental increases every five (5) years through the primary term and renewal option periods

STRONG STORE SALES

The subject property is a top performing store for the Tenant, and is generating sales well above KFC system average

LONGSTANDING PROVEN LOCATION

The subject property has been operating as a KFC restaurant for over 20 years and is a seasoned location having demonstrated strong sales performance during this period of operation

REMODEL SCHEDULED

The Tenant is investing significant capital to have the subject property re-imaged to KFC's latest prototype (American Showman), demonstrating the Tenant's long term commitment to the site

Lease Abstract

Brand:	Kentucky Fried Chicken (KFC)
Building Address:	1950 South 4th Avenue, Yuma, AZ
Tenant:	Noble Pursuit, LLC (Personal Guaranty)
Building SF:	Approx 1,734 SF
Land Area:	Approx 0.46 Acres

Rent Commencement	August 29, 2017
Lease Term:	20 years
Annual Rent:	\$104,138
Rent Increases:	10.0% every Five (5) years
Renewal Options:	Four (4), Five (5) year options
Expenses:	Absolute NNN

Rent Schedule

Years 1-5	\$104,138
Years 6-10	\$114,552
Years 11-15	\$126,007
Years 16-20	\$138,607
Years 21-25 (Option 1)	\$152,468
Years 26-30 (Option 2)	\$167,715
Years 31-35 (Option 3)	\$184,487
Years 36-40 (Option 4)	\$202,935



Market Overview

Yuma, AZ is located in the southwestern corner of the state and is the county seat of Yuma County. The 2010 census states a population of approximately 93,000 residents in Yuma, and 85,000 retirees call Yuma their winter residence.

The major employers are the Marine Corps Air Station, Yuma Proving Ground, Yuma Regional Medical Center, Datepac, Yuma School District, Yuma County, City of Yuma, and the U.S. Border Patrol.

Attractions include the Colorado River, historic downtown, Kofa Mountain Range and wildlife refuge, Martinez and Mittry Lakes, and the Algodones Dunes. An annual rodeo takes place in February along with the Yuma County Fair.

Yuma has a minor league ballpark that is home to the Yuma Desert Rats and home of the Arizona Winter League. Many additional local sports exist in the area including the Arizona Men's Rugby League.



Tenant Overview

KFC Corporation

Founded more than 65 years ago and based in Louisville, Kentucky, KFC Corporation is the franchisor of the world's most popular chicken restaurant chain, KFC.



There are over 20,500 KFC outlets in more than 125 countries and territories worldwide, serving in excess of 12 million customers per day.

KFC is a part of Yum! Brands, Inc. ("Yum!"), the parent company for iconic restaurant brands - KFC, Taco Bell and Pizza Hut - with nearly 44,000 restaurants in more than 135 countries and territories worldwide.

Yum! is publicly traded on the New York Stock Exchange (Ticker: YUM) with a market capitalization in excess of \$26 billion as of September 1, 2017.

Noble Pursuit, LLC

Noble Pursuit, LLC ("Noble Pursuit") is a Southern California-based KFC restaurant operator run by a former executive of The Pillsbury Company and General Mills; Noble Pursuit is strategically focused on the operation and expansion of world-class, high performing KFC restaurants in select Southern California and Arizona markets.



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Demographics

POPULATION	1-Mile	3-Mile	5-Mile
Total Population)	76,210	48,613	28,437
Total Households	21,223	15,109	12,371

INCOME	1-Mile	3-Mile	5-Mile
Median Household Income	\$38,251	\$48,572	\$50,354
Average Household Income	\$50,744	\$64,784	\$62,551



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