



ACTUAL SITE

**KFC**  
426 FOXHALL AVENUE  
KINGSTON, NEW YORK 12401

OFFERING  
MEMORANDUM

Represented by:  
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**COMMERCIAL INVESTMENT ADVISORS, INC.**  
**CIA BROKERAGE COMPANY**

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In Association with New York Licensed Broker:  
Andrew T. Knight | New England Commercial Brokerage, Inc. | NY License # 10311206075



# INVESTMENT OVERVIEW

KFC  
KINGSTON, NEW YORK

|                        |  |
|------------------------|--|
| NAME                   | KFC  |
| LOCATION               | 426 Foxhall Avenue<br>Kingston, New York 12401 |
| MAJOR CROSS STREETS    | Foxhall Ave & Albany Ave                       |
| TENANT                 | FQSR, LLC dba. KBP FOODS                       |
| PURCHASE PRICE         | \$1,855,000                                    |
| CAP RATE               | 5.50%  |
| ANNUAL RENT            | \$102,000                                      |
| GROSS LEASEABLE AREA   | 1,889 SF                                       |
| RENTAL ESCALATIONS     | 7% every 5 Years                               |
| LEASE TYPE             | Absolute NNN                                   |
| OWNERSHIP              | (Building & Land) Fee Simple                   |
| YEAR BUILT   REMODELED | 2010*   2018                                   |
| LOT SIZE               | ±0.474 Acre                                    |
| LEASE EXPIRATION       | October 31, 2039                               |
| OPTIONS                | Two 5-Year Renewal Options                     |

\* According to Ulster County Assessor website

## POINTS OF INTEREST

### RETAIL | SHOPPING | ENTERTAINMENT

Kingston has major retailers such as Walmart Supercenter, Sam's Club, Target, Burlington, Kohl's, Lowe's Home Improvement, The Home Depot, Dicks' Sporting Goods, Best Buy, Bed Bath & Beyond, Marshalls, Ollie's Bargain Outlet, PetSmart, Petco, JOANN Fabrics, Michaels, HomeGoods, Barnes & Noble, ULTA Beauty, DSW, Party City, Five Below, ALDI, ShopRite, Family Dollar, Planet Fitness, NCG Cinema

### HEALTH CARE

1 mile from Health Alliance Hospital Broadway Campus (150 beds);  
1.5 miles from Health Alliance Mary's Avenue Campus (150 beds)

## INVESTMENT HIGHLIGHTS

**LEASE:** Brand New 20-Year Absolute NNN Lease with Attractive 7% Rental Escalations every 5 Years

**TENANT:** **KBP Foods** (the largest KFC franchisee in the U.S.) Operates **720+ Locations in 23 States** (17% of Locations in U.S. System) and **will Generate Sales in Excess of \$800 Million in 2019** (FQSR, LLC is the Tenant on the Lease, Encompasses All Restaurant Locations)

**STRONG SALES PERFORMANCE | RECENT REMODEL:** Successfully Open & Operating Since 2010 with an **Attractive 8.07% Rent to Sales Ratio!** Recently Remodeled to KFC's Newest "American Showman" Prototype in 2018 – Showing Tenant's Commitment to the Location!

**TRAFFIC COUNTS:** Great Visibility on Albany Avenue where Traffic Counts Exceed 25,680 CPD!

**2019 DEMOGRAPHICS (5-MI):** Total Population: 48,191 | Average Household Income: \$72,700



## SUMMARY

|                               |                          |                              |  |
|-------------------------------|--------------------------|------------------------------|--|
| <b>TENANT</b>                 | FQSR, LLC dba. KBP Foods | <b>LOT SIZE</b>              | ±0.474 Acre  |
| <b>PURCHASE PRICE</b>         | \$1,855,000              | <b>EXPENSE REIMBURSEMENT</b> | This is an <b>Absolute NNN lease</b> . Tenant is responsible for all expenses. |
| <b>CAP RATE</b>               | 5.50%                    | <b>FINANCING</b>             | All Cash or Buyer to obtain new financing at Close of Escrow.                  |
| <b>GROSS LEASABLE AREA</b>    | 1,889 SF                 |                              |  |
| <b>YEAR BUILT   REMODELED</b> | 2010   2018              |                              |  |

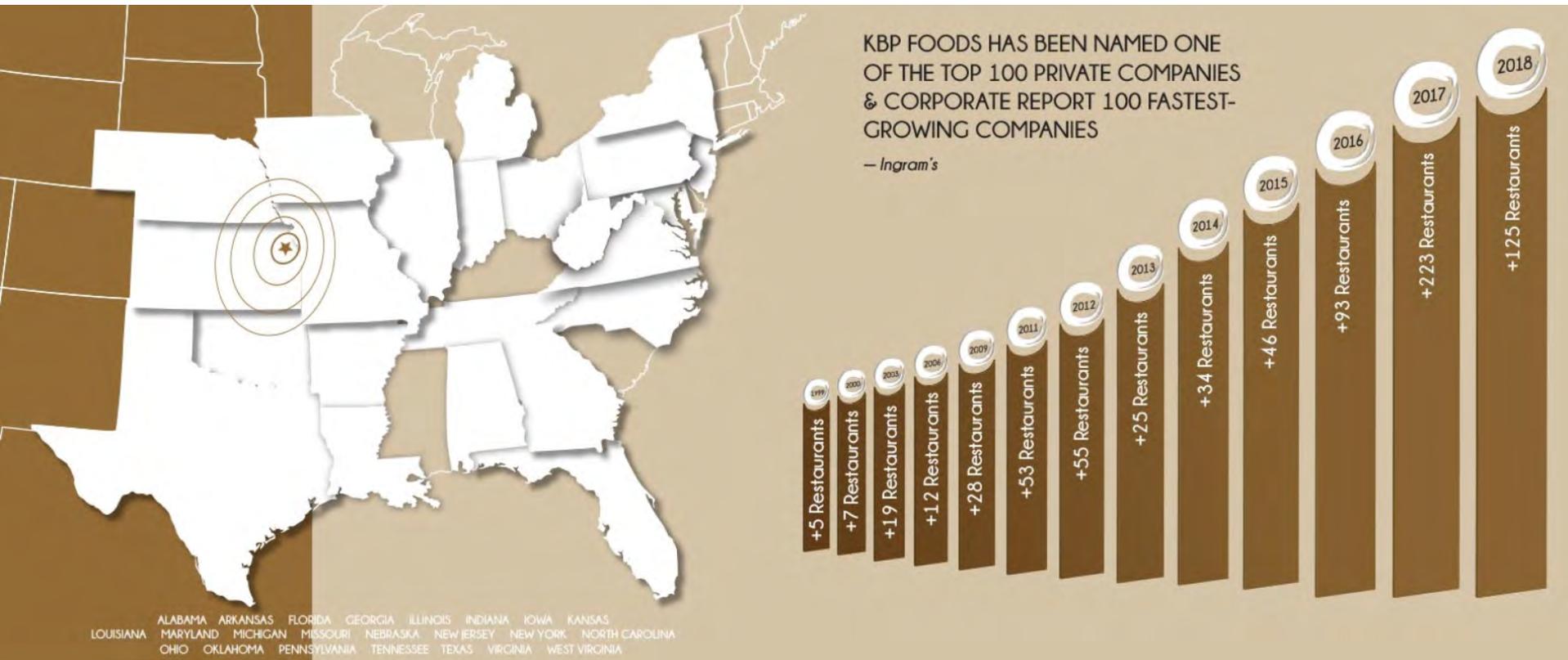
## RENT ROLL

| TENANT INFO              |       | LEASE TERMS                                  |          | RENT SUMMARY |                                |
|--------------------------|-------|--|----------|--------------|--------------------------------|
| TENANT NAME              | SQ FT | TERM   | INCREASE | RENT         | ANNUAL INVESTOR RETURN         |
| FQSR, LLC dba. KBP Foods | 1,889 | Years 1-5: <b>10/11/19</b> to 10/31/24       | Current  | \$102,000    | 5.50%                          |
|                          |       | Years 6-10: 11/01/24 to 10/31/29             | 7%       | \$109,140    | 5.88%                          |
|                          |       | Years 11-15: 11/01/29 to 10/31/34            | 7%       | \$116,780    | 6.30%                          |
|                          |       | Years 16-20: 11/01/34 to <b>10/31/39</b>     | 7%       | \$124,954    | 6.74%                          |
|                          |       |  |          |              | <b>6.10% AVG ANNUAL RETURN</b> |
| <b>RENEWAL OPTIONS</b>   |       | 1 <sup>st</sup> Option: 11/01/39 to 10/31/44 | 7%       | \$133,701    |                                |
|                          |       | 2 <sup>nd</sup> Option: 11/01/44 to 10/31/49 | 7%       | \$143,060    |                                |

# TENANT OVERVIEW



KBP Foods operates **720+ restaurants in 23 states** and has Regional Vice Presidents in every major geographical region. The Corporate Office and Restaurant Support Center are located in Overland Park, Kansas.



The success KBP Foods has had with growth through acquisition is directly correlated to diligent selection criteria, prudent and responsible capital structure and industry leading operational talent. Ultimately giving their people significant opportunity to grow themselves personally, professionally and financially.

You can find out more about the Tenant by visiting their website: <http://www.kbp-foods.com/>



# SURVEY



**LOT SIZE**  
±0.474 Acre

**GLA**  
1,889 SF

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# AERIAL



**DOLLAR GENERAL**

FOXHALL AVE 9,564 CPD



ALBANY AVE 16,121 CPD



**DUNKIN'**



BIRCHWOOD VILLAGE  
189 UNITS



**Safelite**  
AutoGlass



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# AERIAL ZOOMED OUT



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# AERIAL CITY VIEW



KFC | KINGSTON, NEW YORK

# LOCATION OVERVIEW



**Kingston** is a city in and the county seat of Ulster County, New York. It became New York's first capital in 1777, and was burned by the British on October 13, 1777, after the Battles of Saratoga. It is 91 miles north of New York City and 59 miles south of Albany. The city's metropolitan area is grouped with the New York metropolitan area by the United States Census Bureau. Kingston has three recognized area neighborhoods. The Downtown Rondout Waterfront District is renowned for its lively marinas, award-winning restaurants, eclectic shops, art galleries and a charming waterside promenade. Along the Broadway corridor, Kingston's Midtown District features storefronts, restaurants and local businesses. Highlights include Ulster Performing Arts Center; Kingston's award-winning brewery, Keegan Ales; and the newest addition to the cultural scene, Cornell Street Studios. In the Uptown Stockade District, Revolutionary-era stone buildings and National Historic Landmarks are nestled alongside an ever-growing array of contemporary restaurants, galleries, music venues and boutiques. The Farmers Market bustles with happy shoppers and offers a fine selection of seasonal Hudson Valley grown goods.

Residents of the city and surrounding areas are served by the two hospital campuses of HealthAlliance of the Hudson Valley, a 300-bed healthcare system: **HealthAlliance Hospital: Broadway Campus** **HealthAlliance & Hospital: Mary's Avenue Campus**. HealthAlliance is part of the Westchester Medical Center Health Network, a 10-hospital, 1,700-bed Hudson Valley-wide healthcare system. The 10 hospitals sit on 8 campuses spanning 6,200 square miles of the Hudson Valley. They employ more than 12,000 people and have nearly 3,000 attending physicians. There are multiple urgent care sites, private practice offices and laboratories in the city and surrounding area.

**The Kingston City School District** is located at the scenic gateway to the Catskill Mountains and is the home to approximately 6,400 Kingston City School District students. The district covers 98 square miles. KCSD includes seven K-4 elementary schools, two Grade 5 - 8 middle schools, and Kingston High School.

| 2019 DEMOGRAPHICS        |          |          |          |
|--------------------------|----------|----------|----------|
|                          | 1-MI     | 3-MI     | 5-MI     |
| TOTAL POPULATION         | 11,059   | 33,018   | 48,191   |
| DAYTIME POPULATION       | 10,072   | 31,639   | 45,945   |
| AVERAGE HOUSEHOLD INCOME | \$56,722 | \$65,756 | \$72,700 |

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