



KFC

Durham, NC

**Property
was Recently
Remodeled,
Completed in
Jan 2021**



**New, 20-Year NNN Sale-
Leaseback, Commencement
Upon Close of Escrow**



**8% Rental Increases Every 5
Years Throughout Base Term
and Option Periods**



**Four Miles from Duke
University with More Than
15,000 Students**



**Parent Company Owns and
Operates 169 Restaurants in
5 States**

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As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.



Overview

511 Horton Road, Durham, North Carolina 27704

Price:	\$1,455,000
Cap Rate:	5.50%
Rentable Square Feet:	2,552
Annual Rent:	\$80,000
Price PSF:	\$570.14
Land Area:	.508 Acres
Year Built/Remodeled:	1976 / 2021

Lease Summary

Tenant:	KFC
Website:	www.KFC.com www.Luihnfood.com
Lease Guarantor:	Luihn VantEdge Partners, LLC
Lease Type:	NNN
Lease Term:	20 Years
Option Periods:	4, 5-Year Options
Rent Increases:	8% Every 5 Years
Roof & Structure:	Tenant
Commencement:	Close of Escrow
Lease Expiration:	20 Years from COE

KFC 20-Year, NNN Sale Leaseback

- New, 20-Year Triple Net (NNN) Sale-Leaseback
- Property was Recently Remodeled, Completed in January 2021
- Tenant Did Not Seek Rent Relief During Covid-19, and They Didn't Take Any PPP Money or Loans
- Four, Five-Year Renewal Options with Eight Percent Rent Increases Every Five Years Throughout Base Term and Option Periods
- Lease Commencement Upon Close of Escrow
- Strong Franchisee: Luihn VantEdge Partners, LLC Owns and Operates 169 Restaurants Throughout AZ, FL, NC, SC and VA
- Part of the Raleigh-Durham-Chapel Hill Metro Area with Nearly 2.3 Million People

Rent Schedule

Base Term	Annual	Rent PSF	Cap Rate
Lease Years 1-5:	\$80,000	\$31.35	5.50%
Lease Years 6-10:	\$86,400	\$33.86	5.94%
Lease Years 11-15:	\$93,312	\$36.56	6.41%
Lease Years 16-20:	\$100,776	\$39.49	6.93%

Option Periods	Annual	Rent PSF	Cap Rate
Option 1, Years 21-25:	\$108,839	\$42.65	7.48%
Option 2, Years 26-30:	\$117,546	\$46.06	8.08%
Option 3, Years 31-35:	\$126,950	\$49.75	8.73%
Option 4, Years 36-40:	\$137,106	\$53.72	9.42%

Traffic Counts & Surrounding Area

- Located Between North Duke Street and North Roxboro Street, with a Combined Daily Traffic Count of 51,000 Vehicles
- Two Miles from Interstate 85 with a Daily Traffic Count of Approx. 84,000 Vehicles
- Average Household Income in Three Miles is \$75,887
- Surrounding National Retailers Include Lowe's, Staples, Food Lion, Home Depot, Costco Wholesale, Badcock Home Furniture, Rent-A-Center, Burlington, Advance Auto Parts, AutoZone, Starbucks, McDonald's, Taco Bell, CVS, Circle K, Shell and Many More
- One Half Mile from Durham Technical Community College Duke Street North Campus and Six Miles from the Main Campus, with a Total Enrollment of More Than 19,600 Students
- Less Than Two Miles from Duke Regional Hospital – Located in Durham with 369 Beds and Over 500 Physicians on the Medical Staff
- Four Miles from Duke University, One of the Wealthiest Private Universities in America with More Than 15,000 Students
- Six Miles from North Carolina Central University with More Than 8,000 Students

Part of the Raleigh-Durham-Chapel Hill Metro

- 16 Miles from Chapel Hill and 28 Miles from Raleigh, the State Capital
- Raleigh-Durham-Chapel Hill Metro Area has a Population of Nearly 2.3 Million People
- The Metro is Projected to Add Nearly 261,000 People Over the Next Five Years
- The Number of Technology and Scholarly Institutions Around Durham, Raleigh and Chapel Hill Make the Area Known as the Research Triangle

*1/2 Mile from
Durham Technical
Community
College with
19,600+
Students*

*4 Miles from
Duke University
with More
Than 15,000
Students*



Representative Photo

**KFC**

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 22,621 KFC outlets in more than 136 countries and territories around the world. And there's still a cook in a kitchen in every last one of them, freshly preparing delicious, complete family meals at affordable prices owned stores. KFC's parent company is Yum! Brands, Inc. has over 50,000 restaurants in more than 150 countries and territories primarily operating the company's restaurant brands – KFC, Pizza Hut and Taco Bell – global leaders of the chicken, pizza and Mexican-style food categories. The Company's family of brands also includes The Habit Burger Grill, a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. In 2019, Yum! Brands was named to the Dow Jones Sustainability North America Index and in 2020, the company ranked among the top 100 Best Corporate Citizens by 3BL Media.

Luihn Companies, Inc. was founded in 1966. Recently the CEO and President of Luihn Companies, Inc., Jody Luihn partnered with Paul Edgerley and Terry Matlack of VantEdge Partners to form Luihn VantEdge Partners, LLC. Luihn VantEdge Partners, LLC is a franchisee of Yum! Brands operating 169 restaurants throughout Virginia, North Carolina, South Carolina, Florida and Arizona, with over 4,200 talented employees.

The strength of Luihn VantEdge Partners is its leadership. The company and its officers have been the recipients of numerous awards for their sales and contribution to the brands with which they come in contact. Officers of the company continue to be leaders, taking part in franchise advisory councils, helping to shape the future of the various company brands and act as a strong voice for franchisees everywhere. This strong voice is backed by a wealth of talent. Luihn VantEdge Partners provides its 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 Luihn VantEdge Partners forward to a success-filled future. Through the growth that success brings and the change that accompanies it, Luihn VantEdge Partners remains true to Luihn Companies' beginnings. To this day, the business that was built on family has not lost its roots.

**Jody Luihn, Partner, CEO & President**

Jody Luihn operated his family's business, Luihn Companies, since 1983, until the merger with VantEdge Partners. He has served on various Taco Bell and KFC boards, including FRANMAC, the KFC and Taco Bell Beverage Committee, and KFC - NCAC (National Council and Advertising Cooperative).

Jody is quite active with the KFC & Taco Bell brands in franchisee leadership roles. He has been the FRANMAC President for Taco Bell three terms as well as continuing to serve on numerous Yum! Brands committees. Jody is consistently recognized by Yum! Brands for his contributions to the franchise system. Jody has been a recipient of Taco Bell's highest award, the Glen Bell award, as well as a recipient of "The Think Outside The Bun" award.

Paul Edgerley, Partner

Paul Edgerley is a co-founder and managing Director of VantEdge Partners. He previously served as a Managing Director at Bain Capital from 1990 until his retirement in January 2016. Since his retirement, he continues to serve as a Senior Advisor to Bain Capital and several of Bain's portfolio companies. During his time at Bain Capital, Paul played a senior leadership role in the firm, co-leading the private equity business, overseeing the firm's expansion into Asia and serving as the head of the firm's investment committee. Paul also co-led more than 30 investments in the industrial, technology, consumer and business service industries, investing more than \$5 billion with average returns in excess of three times the money invested. During Paul's tenure, Bain Capital grew assets under management from \$150 million to \$75 billion.

Paul currently serves as a director and chairman of the board of New York Stock Exchange-listed sensor and controls manufacturer Sensata Technologies. He also serves on the Board of Directors of Hero MotoCorp, India's largest motorcycle manufacturer; hand and power tool supplier APEX Tool Group; and automotive part suppliers FTE Automotive and TI Automotive. Paul has also served on the board of directors and executive committee of the Boston Celtics since 2002. In addition, Paul serves on the boards of Bluemont Group, a Dunkin Donuts franchisee; Vitaligent, a Jamba Juice franchisee; Altitude, an aero parts roll up; and AS Roma on behalf of VantEdge.

Terry Matlack, Partner

Terry Matlack is co-founder and Managing Director of VantEdge Partners. He is also a managing director of Tortoise Capital Advisors, an investment company he co-founded with partners in 2002. Tortoise Capital manages four NYSE-listed closed-end funds, open-end funds, private funds and separate accounts for institutional and individual investors primarily focused on the energy sector. Terry serves on the board of each of the closed-end funds and on the board of Tortoise Investments, a holding company affiliated with Tortoise Capital that owns several investment firms managing assets in fixed income securities, both taxable and tax exempt. The company currently has more than \$21 billion under management.

Prior to joining Tortoise Capital, he was a partner at Kansas City Equity Partners, a private equity firm based in Kansas City. He serves on the U.S. Bank Kansas City Regional Market Board and the Executive Council of Kansas State University's College of Business.



27,000 Daily

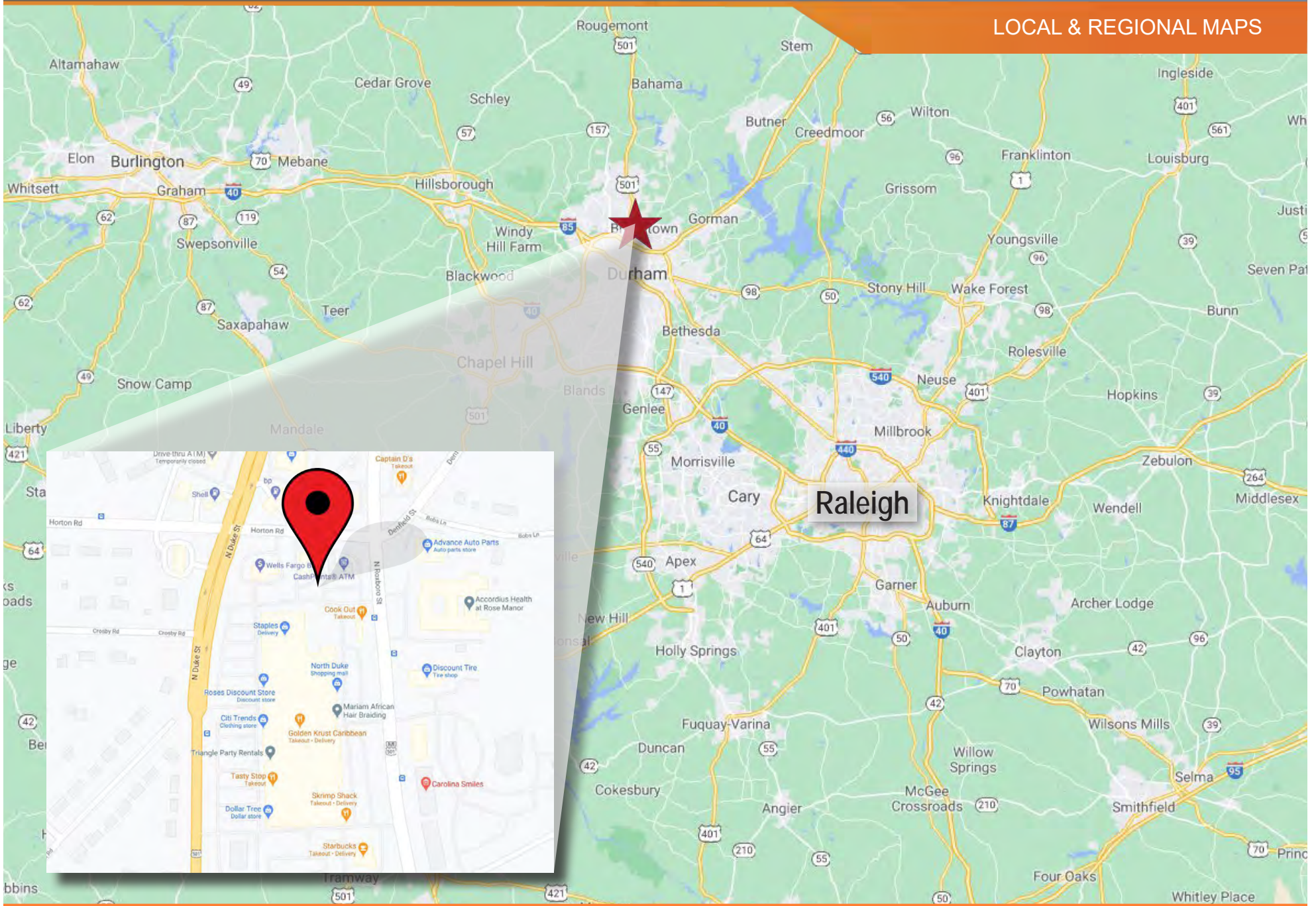
24,000 Daily

Durham Tech Community College has 19,600+ Students

Durham Regional Hospital
DUKE UNIVERSITY HEALTH SYSTEM



LOCAL & REGIONAL MAPS



RALEIGH OVERVIEW

The Raleigh-Durham-Chapel Hill metro is located in the north-central portion of North Carolina where the North American Piedmont and Atlantic Coastal Plain regions join. The area is approximately two hours west of the Atlantic Ocean and four hours east of the Appalachian Mountains. The metro is composed of 11 counties: Wake, Durham, Johnston, Chatham, Orange, Franklin, Harnett, Vance, Granville, Lee and Person.

The market has a population of nearly 2.3 million people, almost half of whom live in Wake County. Raleigh, home to the state capitol, is the most populous city in the metro with approximately 464,000 citizens. Durham is the second largest with 268,000 residents.

METRO HIGHLIGHTS



HIGHLY SKILLED WORKFORCE

Numerous world-renowned colleges and universities are located in the metro and contribute to an educated labor pool.



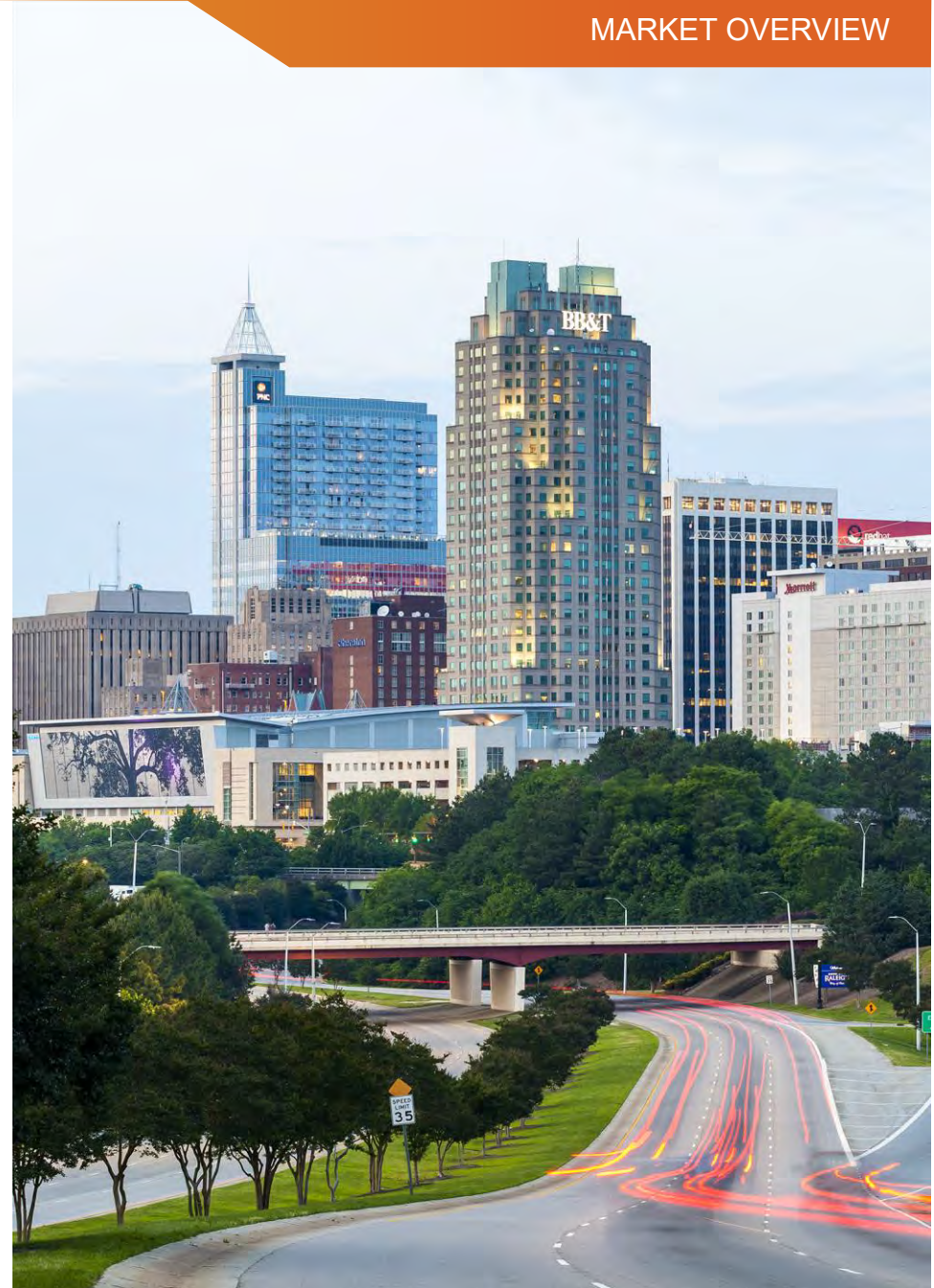
AFFORDABLE COST OF LIVING

A metro median home price of roughly \$296,000 is lower than many other East Coast communities and the annual median household income of \$75,000 is well above that of the U.S.



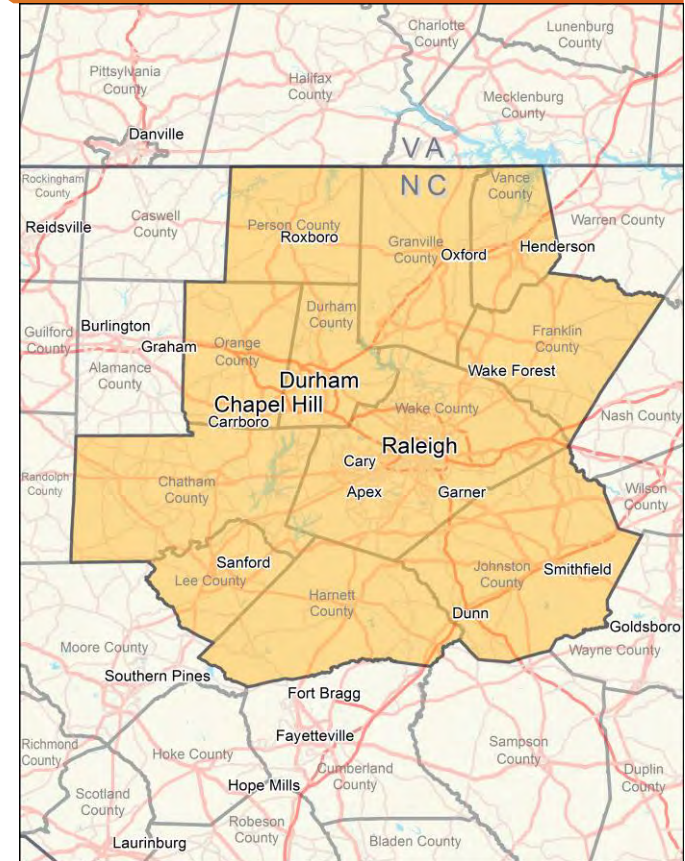
HIGH-TECH EMPLOYMENT

The Research Triangle Park attracts and fosters high-tech and biotechnology firms.

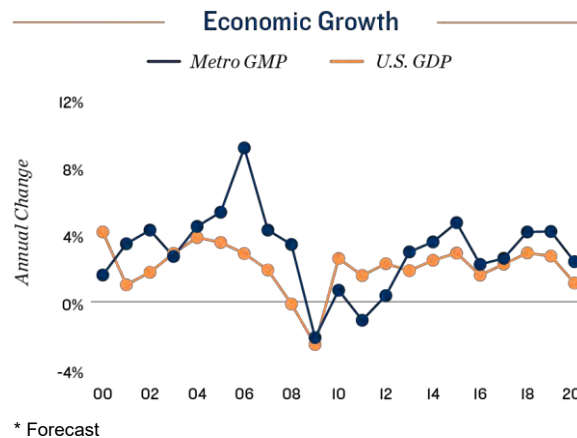


ECONOMY

- Primary to the Raleigh-Durham-Chapel Hill economy is the Research Triangle Park (RTP), spanning 7,000 acres and home to more than 300 global companies that employ roughly 50,000 salaried employees.
- In addition to a thriving life-sciences sector, the metro is home to one of the fastest-growing CleanTech clusters, with a host of companies focused on smart grid technologies, electric vehicles and renewable energy.
- The metro ranks high in tech jobs, partially attributed to three Tier 1 universities: Duke University, North Carolina State University and University of North Carolina at Chapel Hill.



MAJOR AREA EMPLOYERS
Duke University and Health System
IBM Corp.
WakeMed Health and Hospitals
Cisco Systems Inc.
UNC Rex Healthcare
SAS Institute Inc.
GlaxoSmithKline
Harris Teeter
Wells Fargo
Blue Cross Blue Shield of North Carolina



SHARE OF 2019 TOTAL EMPLOYMENT

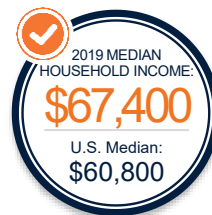
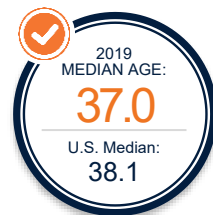




DEMOGRAPHICS

- The metro is projected to add nearly 261,000 people over the next five years, which will result in the formation of 107,000 households.
- A median home price of \$287,000 allows 60 percent of households to own their homes, on par with the national level.
- Roughly 41 percent of people age 25 and older hold a bachelor's degree; among these residents, 16 percent have also earned a graduate or professional degree.

2019 Population by Age



QUALITY OF LIFE

Situated on rolling hills between the Atlantic coast beaches and the Appalachian Mountains, the Raleigh-Durham-Chapel Hill region provides a wide variety of outdoor activities. Sports enthusiasts follow the Atlantic Coast Conference rivalry among the University of North Carolina, Chapel Hill, North Carolina State and Duke. Also, the NHL's Carolina Hurricanes play in Raleigh and minor league baseball is represented by the Durham Bulls and the Carolina Mudcats. The region also provides many cultural opportunities, such as the Carolina Theater, Carolina Ballet, North Carolina Symphony and NC Opera. Venues include the Durham Performing Arts Center, the Time Warner Cable Music Pavilion at Walnut Creek and the Raleigh Amphitheatre and Festival Site.



SPORTS



EDUCATION



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL



MEREDITH
COLLEGE

Duke
UNIVERSITY



ARTS & ENTERTAINMENT



NASHER
MUSEUM OF ART AT DUKE UNIVERSITY

DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	8,508	50,856	117,656
2020 Population	9,318	57,514	136,229
2025 Population	9,768	61,064	145,302
2020 Male Population	4,217	26,918	66,537
2020 Female Population	5,101	30,596	69,692
2020 Median Age	33.5	37.1	34.6

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	0.3%	0.4%	0.5%
Asian	2.4%	2.7%	4.9%
Black	46.9%	39.8%	37.0%
Hawaiian/Pacific Islander	0.4%	0.2%	0.1%
White	29.4%	43.5%	44.2%
Other	16.7%	10.3%	10.5%
Multi-Race	3.9%	3.0%	2.9%
Hispanic Ethnicity	23.3%	16.2%	17.3%
Not of Hispanic Ethnicity	76.7%	83.8%	82.7%

HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2010 Avg Household Income	\$47,199	\$61,061	\$59,707
2020 Avg Household Income	\$54,014	\$75,887	\$75,346
2025 Avg Household Income	\$61,377	\$87,184	\$86,826
2010 Med. Household Income	\$36,486	\$43,324	\$40,563
2020 Med. Household Income	\$40,498	\$52,096	\$48,719
2025 Med. Household Income	\$45,486	\$60,186	\$56,290
2010 Per Capita Income	\$18,601	\$25,319	\$24,266
2020 Per Capita Income	\$21,297	\$31,333	\$30,346
2025 Per Capita Income	\$24,232	\$36,162	\$35,191

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	3,316	20,922	46,302
2020 Households	3,630	23,562	53,209
2025 Households	3,816	25,159	57,385



Click to View in
Google Maps

Or in Google
Street View



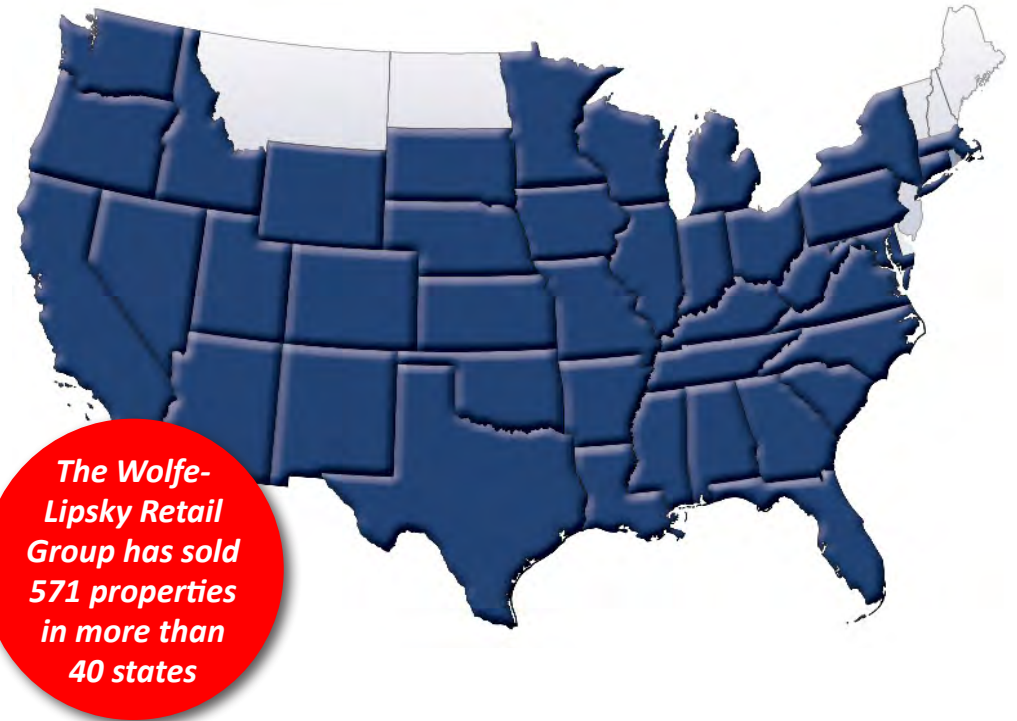
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WOLFE-LIPSKY RETAIL GROUP

The Wolfe-Lipsky Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling 571 separate commercial properties with a market value exceeding \$1.65 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe-Lipsky Retail Group or to view all of our available listings, visit www.WolfeRetailGroup.com



About Marcus & Millichap

With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.

Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.

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SPECIAL COVID-19 NOTICE: All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)