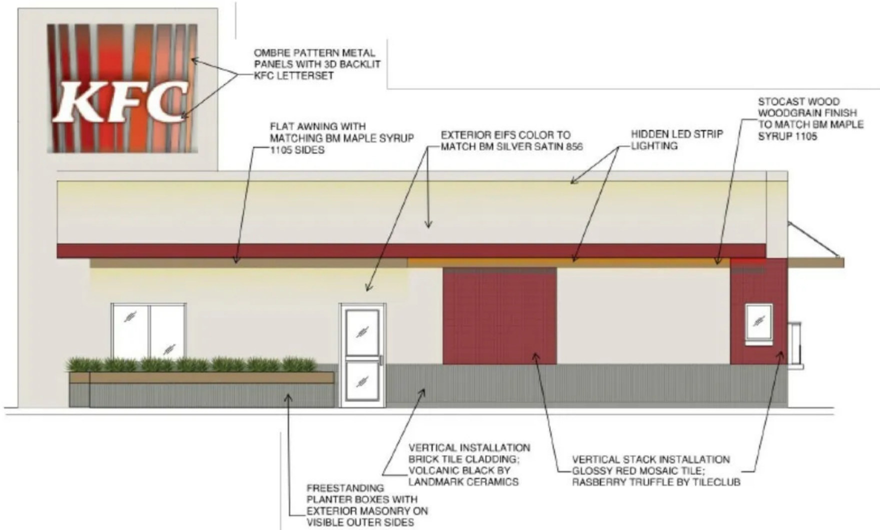
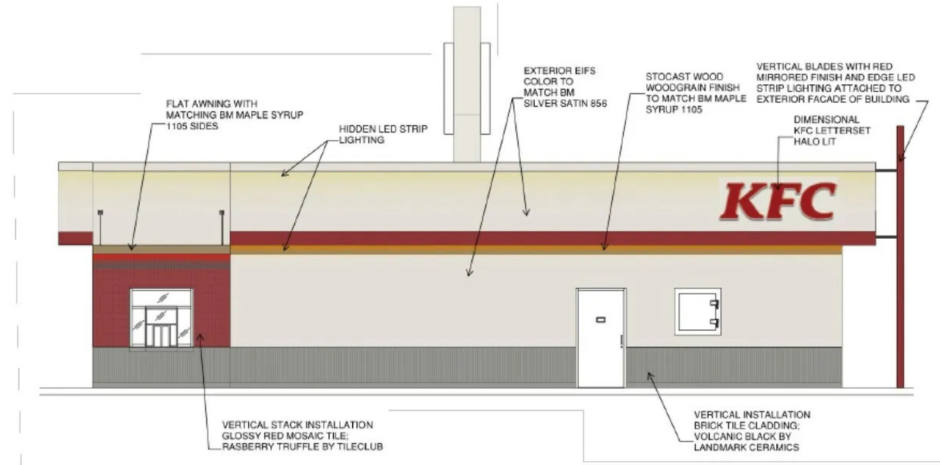


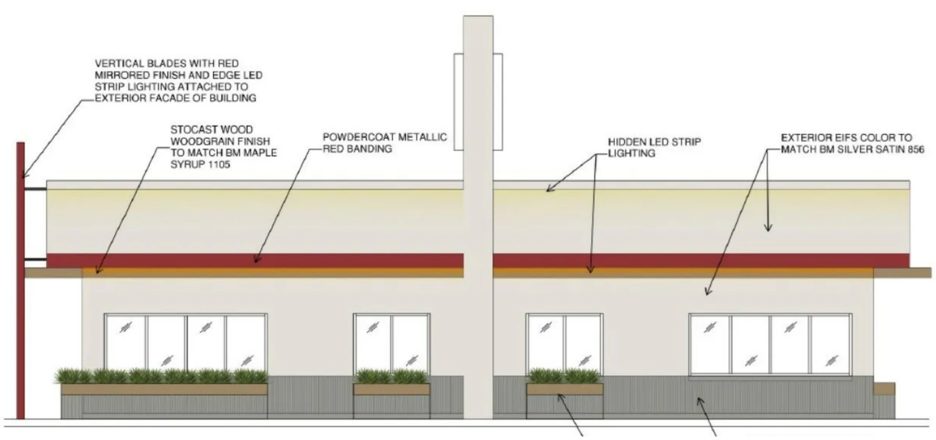


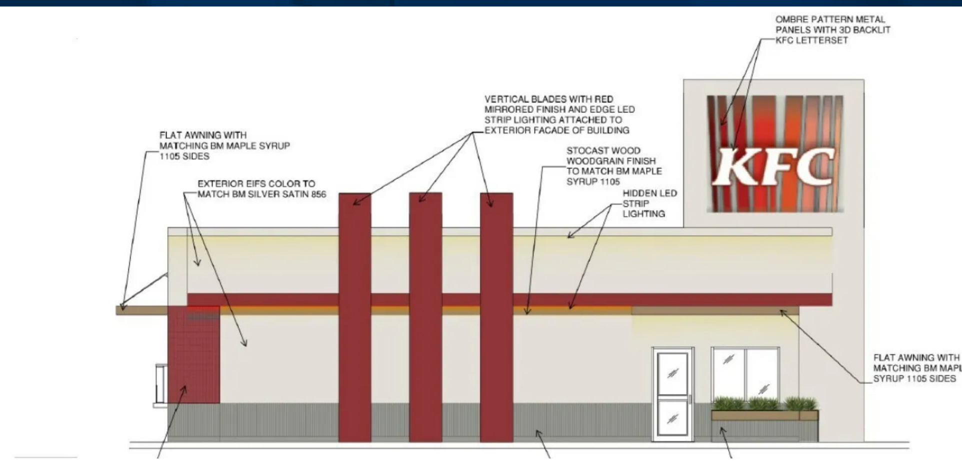
OFFERING MEMORANDUM

KFC

1120 University Ave W, Saint Paul, MN 55104

Marcus & Millichap





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Activity ID #ZAH0110287

1120 UNIVERSITY AVE W

EXCLUSIVELY LISTED BY

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Marcus & Millichap

1120 UNIVERSITY AVE W

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Marcus & Millichap

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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 Lease 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 Lease 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 Lease property.

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
marcusmillichap.com

OFFERING SUMMARY

1120 UNIVERSITY AVE W

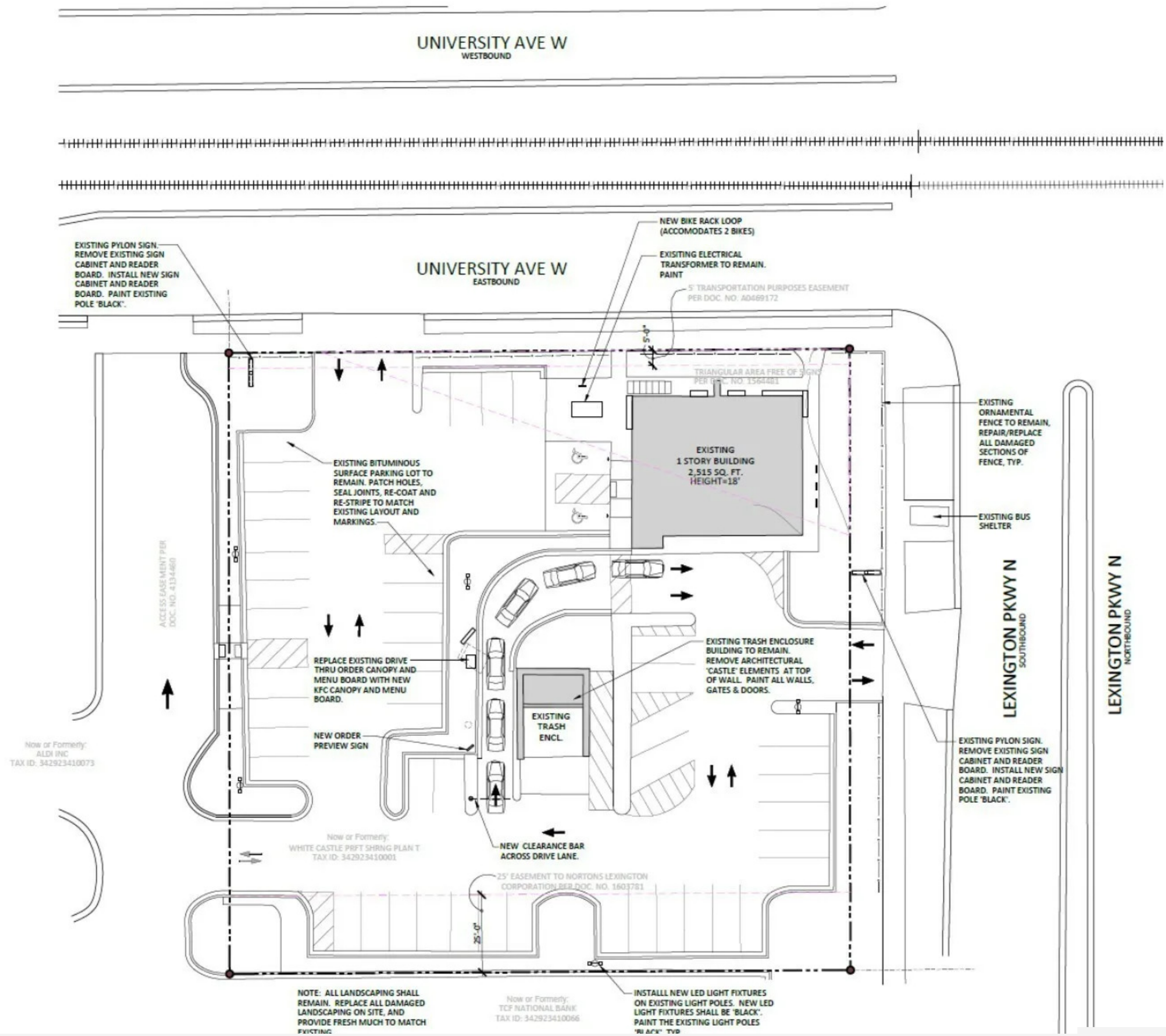
Listing Price	Cap Rate	Price/SF
$3,217,000	**5.75%**	**$644.69**

FINANCIAL

Listing Price	$3,217,000
NOI	$185,000
Cap Rate	5.75%
Price/SF	$644.69

OPERATIONAL

Lease Type	Absolute Net
Guarantor	Franchisee Guarantee
Lease Term	15.0
Gross SF	4,990 sf (includes basement)
Lot Size	0.91 Acres (39,639 SF)
Year Built	1983/2026



UNIVERSITY AVE W
WESTBOUND
UNIVERSITY AVE W
EASTBOUND
EXISTING PYLON SIGN. REMOVE EXISTING SIGN CABINET AND READER BOARD. INSTALL NEW SIGN CABINET AND READER BOARD. PAINT EXISTING POLE 'BLACK'.
NEW BIKE RACK LOOP (ACCOMODATES 2 BIKES)
EXISITING ELECTRICAL TRANSFORMER TO REMAIN. PAINT
5' TRANSPORTATION PURPOSES EASEMENT PER DOC. NO. A0469172
5'-0"
TRIANGULAR AREA FREE OF SIGNS PER DOC. NO. 1564481
EXISTING 1 STORY BUILDING 2,515 SQ. FT. HEIGHT=18'
EXISTING ORNAMENTAL FENCE TO REMAIN, REPAIR/REPLACE ALL DAMAGED SECTIONS OF FENCE, TYP.
EXISTING BUS SHELTER
EXISTING BITUMINOUS SURFACE PARKING LOT TO REMAIN. PATCH HOLES, SEAL JOINTS, RE-COAT AND RE-STRIPE TO MATCH EXISTING LAYOUT AND MARKINGS.
ACCESS EASEMENT PER DOC. NO. 4134460
LEXINGTON PKWY N
SOUTHBOUND
LEXINGTON PKWY N
NORTHBOUND
REPLACE EXISTING DRIVE THRU ORDER CANOPY AND MENU BOARD WITH NEW KFC CANOPY AND MENU BOARD.
EXISTING TRASH ENCLOSURE BUILDING TO REMAIN. REMOVE ARCHITECTURAL 'CASTLE' ELEMENTS AT TOP OF WALL. PAINT ALL WALLS, GATES & DOORS.
EXISTING TRASH ENCL.
NEW ORDER PREVIEW SIGN
EXISTING PYLON SIGN. REMOVE EXISTING SIGN CABINET AND READER BOARD. INSTALL NEW SIGN CABINET AND READER BOARD. PAINT EXISTING POLE 'BLACK'.
Now or Formerly: ALDI INC TAX ID: 342923410073
Now or Formerly: WHITE CASTLE PRFT SHRNG PLAN T TAX ID: 342923410001
NEW CLEARANCE BAR ACROSS DRIVE LANE.
25' EASEMENT TO NORTONS LEXINGTON CORPORATION PER DOC. NO. 1603781
25'-0"
NOTE: ALL LANDSCAPING SHALL REMAIN. REPLACE ALL DAMAGED LANDSCAPING ON SITE, AND PROVIDE FRESH MUCH TO MATCH EXISTING.
Now or Formerly: TCF NATIONAL BANK TAX ID: 342923410066
INSTALLL NEW LED LIGHT FIXTURES ON EXISTING LIGHT POLES. NEW LED LIGHT FIXTURES SHALL BE 'BLACK'. PAINT THE EXISTING LIGHT POLES 'BLACK', TYP.

KFC

1120 University Ave W, Saint Paul, MN 55104

INVESTMENT OVERVIEW

The subject property is located at 1120 University Avenue West in St. Paul MN. This new KFC is a 4,990 (including basement) square foot freestanding drive-thru building on a 0.91 acre parcel. This investment is a 15 year absolute triple net lease starting at the close of escrow operated/guaranteed by an experienced 145+ Store KFC Growth Approved Franchisee. There are 8% increases every 5 years in primary term and continues in the (4) 5-year options to renew beyond primary lease term.

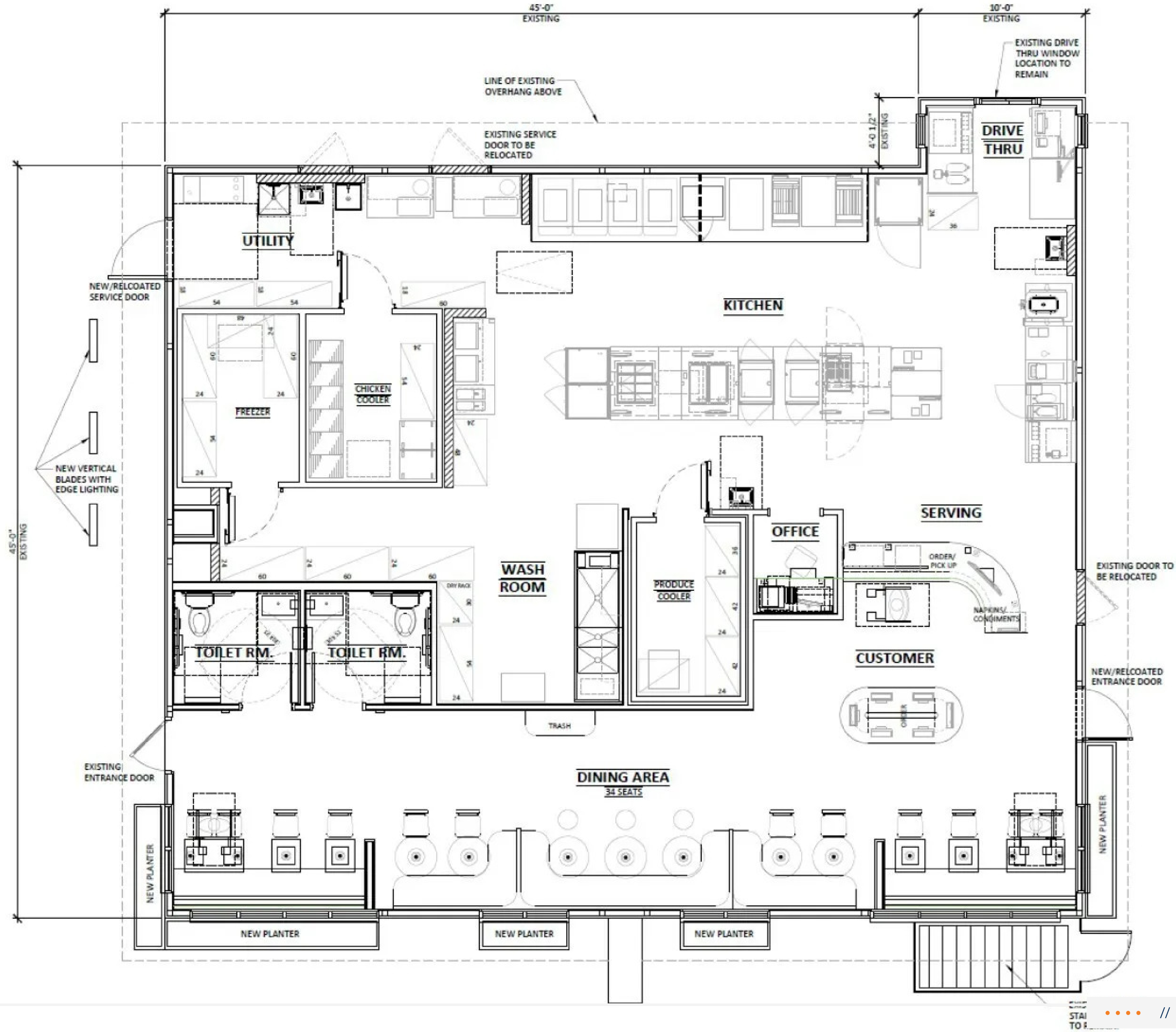
KFC is rolling out a brand overhaul that includes an expanded menu and modernized branding and restaurant designs.“The brand is set to open a new generation of spaces designed for hospitality, not just efficiency, with environments that feel more dynamic and adapt throughout the day to meet different occasions,” the fried chicken chain announced in a recent news release detailing the revamp.“The first expressions of these newly designed spaces include an open-concept design in McKinney, Texas, reinterpreting the brand’s heritage with modern energy, expected to open late summer.”The prototype eatery will be called Open House, KFC President Catherine Tan-Gillespie told Restaurant Business.

INVESTMENT HIGHLIGHTS

New 15 Year Absolute NNN Lease Commences at the Close of Escrow

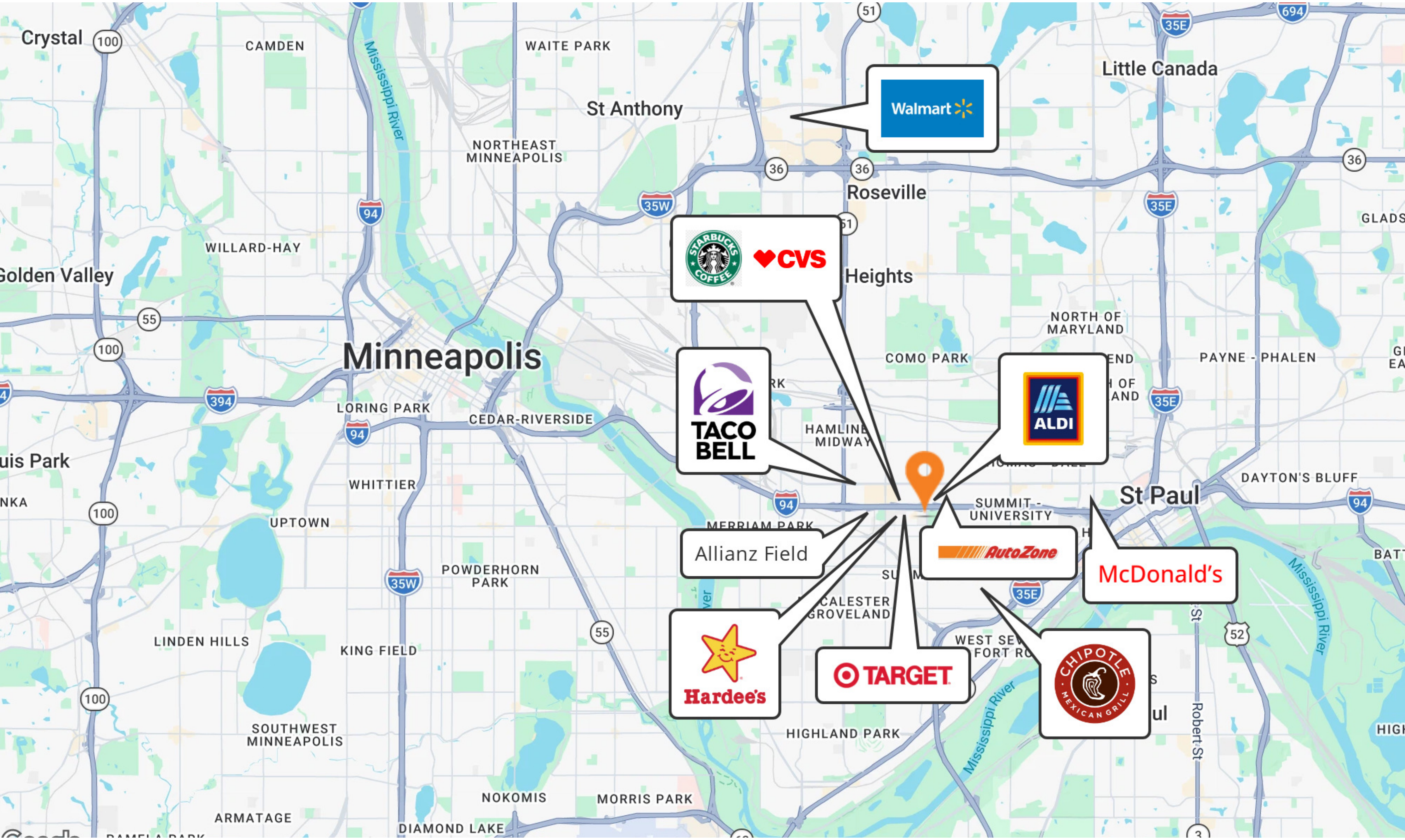
Brand New 2026 Remodel to Newest KFC Prototype "Open House Design" - 2nd Store in USA

145+ Store Franchisee Lease Guarantee


45'-0" EXISTING
10'-0" EXISTING
EXISTING DRIVE THRU WINDOW LOCATION TO REMAIN
LINE OF EXISTING OVERHANG ABOVE
EXISTING SERVICE DOOR TO BE RELOCATED
4'-0 1/2" EXISTING
DRIVE THRU
UTILITY
NEW/RELOCATED SERVICE DOOR
KITCHEN
FREEZER
CHICKEN COOLER
NEW VERTICAL BLADES WITH EDGE LIGHTING
45'-0" EXISTING
SERVING
OFFICE
WASH ROOM
PRODUCE COOLER
ORDER/ PICK UP
EXISTING DOOR TO BE RELOCATED
NAPKINS/ CONDIMENTS
TOILET RM.
TOILET RM.
DRY RACK
CUSTOMER
NEW/RELOCATED ENTRANCE DOOR
TRASH
EXISTING ENTRANCE DOOR
DINING AREA
34 SEATS
NEW PLANTER
NEW PLANTER
NEW PLANTER
NEW PLANTER
NEW PLANTER
NEW PLANTER

KFC

RETAILER MAP



KFC

FINANCIAL DETAILS

THE OFFERING	
Price	$3,217,000
Capitalization Rate	5.75%
Price/SF	$644.69

PROPERTY DESCRIPTION	
Year Built / Renovated	1983/2026
Gross Leasable Area	4,990 SF
Type of Ownership	Fee Simple
Lot Size	0.91 Acres

LEASE SUMMARY	
Tenant	Argonaut Minnesota Ventures Inc.
Rent Increases	8% Increases Every 5 Years
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	Close of Escrow
Initial Lease Term	15 years
Renewal Options	(4) 5 Year Renewal Options
Term Remaining on Lease (Yrs)	15 Years
Landlord Responsibility	None
Tenant Responsibility	Absolute NNN

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	$185,000	$15,417	$37.07	5.75%
Year 1-5	$185,000	$15,417	$37.07	5.75%
Year 6-10	$199,800	$16,650	$40.04	6.21%
Year 11-15	$215,784	$17,982	$43.24	6.71%
Renewal Option 1	$233,046	$19,421	$46.70	7.24%
Renewal Option 2	$251,690	$20,974	$50.44	7.82%
Renewal Option 3	$271,825	$22,652	$54.47	8.45%
Renewal Option 4	$293,571	$24,464	$58.83	9.13%

KFC

SALE COMPS MAP

SALE COMPS MAP

★ KFC

A KFC

B KFC

C KFC

D KFC

E KFC

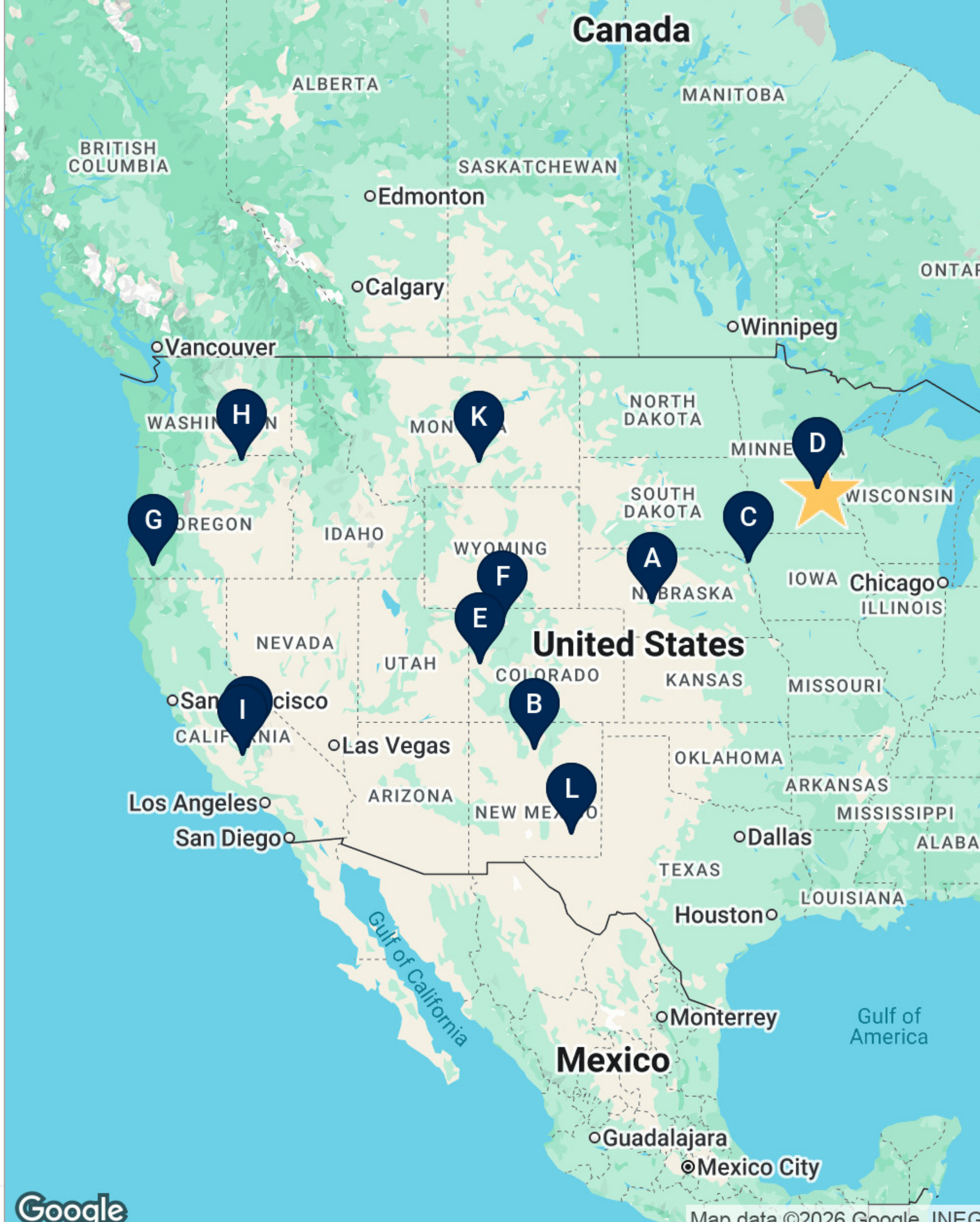
F KFC & Taco Bell

G KFC

H KFC

I KFC

J KFC

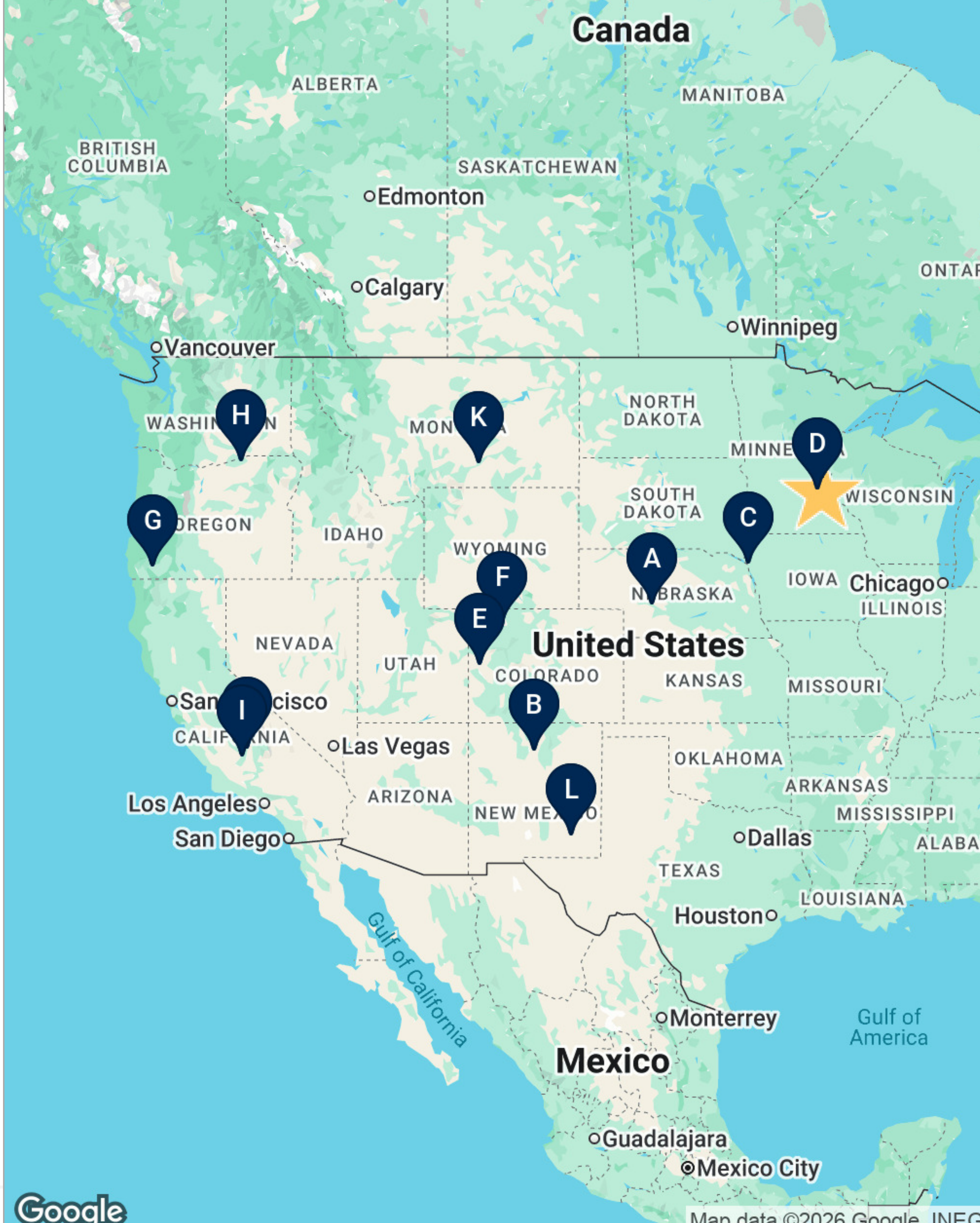


KFC

SALE COMPS MAP

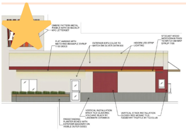
K 2223 Central Ave

L KFC/Taco Bell - Top Performing Unit - ~5% Rent/Sales Ratio



KFC

SALE COMPS SUMMARY

	SUBJECT PROPERTY	PRICE	BLDG SF	CAP RATE	CLOSE
	**KFC** 1120 University Ave W Saint Paul, MN 55104	$3,217,000	4,990 SF	5.75%	On Market

	SALE COMPARABLES	PRICE	BLDG SF	CAP RATE	CLOSE
	**KFC** 220 S Jeffers St North Platte, NE 69101	$1,721,000	4,354 SF	6.10%	02/07/2025
	**KFC** 814 N Riverside Dr Española, NM 87532	$1,920,000	2,791 SF	6.25%	04/15/2025
	**KFC** 1500 Hamilton Blvd Sioux City, IA 51103	$1,700,000	3,078 SF	5.88%	04/20/2026
	**KFC** 100 W Lake St Minneapolis, MN 55408	$2,528,000	2,425 SF	6.25%	04/17/2025
	**KFC** 1111 North Ave Grand Junction, CO 81501	$1,803,000	2,945 SF	6.10%	05/06/2025
	**KFC & Taco Bell** 707 W Victory Way Craig, CO 81625	$2,000,000	2,953 SF	6.00%	10/08/2025
	**KFC** 280 NE Beacon Dr Grants Pass, OR 97526	$3,193,000	3,254 SF	5.95%	02/03/2026

KFC

SALE COMPS SUMMARY

	SUBJECT PROPERTY	PRICE	BLDG SF	CAP RATE	CLOSE
	**KFC** 450 N 1st St Hermiston, OR 97838	$1,756,098	2,545 SF	6.15%	11/18/2025
	**KFC** 812 Cecil Ave Delano, CA 93215	$1,963,636	3,007 SF	5.50%	05/20/2026
	**KFC** 642 W Olive Ave Porterville, CA 93257	$2,286,000	3,304 SF	5.25%	07/07/2026
	**2223 Central Ave** Billings, MT 59102	$1,519,247	3,160 SF	5.53%	11/18/2025
	**KFC/Taco Bell - Top Performing Unit - ~5% Rent/Sales Ratio** 1412 W Main St Artesia, NM 88210	$1,815,000	2,120 SF	6.29%	03/20/2026
	AVERAGES	$2,017,082	2,995 SF	5.94%	-

KFC

MARKET OVERVIEW

MINNEAPOLIS-ST. PAUL

The Minneapolis-St. Paul metro comprises 16 counties in the southeastern portion of central Minnesota. The metro has a population of more than 3.8 million people and covers 6,364 square miles. Nearly 1,000 of Minnesota's 10,000 lakes are within the metro, along with the Mississippi, Minnesota, and St. Croix rivers. The Twin Cities of Minneapolis and St. Paul straddle the Mississippi River and encompass the seven core counties of the region. The most populous is Hennepin County with almost 1.3 million residents. With roughly 433,000 residents, Minneapolis is the city with the most residents in the state. St. Paul, the capital city, follows, with approximately 303,000 people. The metro's average annual temperature is one of the lowest of the U.S. major markets. Bloomington's Mall of America is the largest shopping mall in the Western Hemisphere.

METRO HIGHLIGHTS

DIVERSE ECONOMIC BASE

Key industries in the Twin Cities include food production and delivery, information technology, biomedical technology, retail, finance, and logistics.

MAJOR AIR TRAVEL HUB

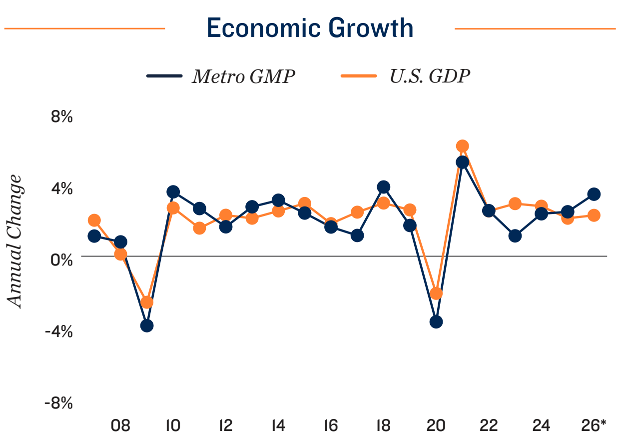
Minneapolis-St. Paul International Airport handled over 36 million passengers in 2025. It serves both passenger travel and air freight and is a major hub for Delta Air Lines and FedEx.

ABUNDANCE OF HIGHER EDUCATION

More than 20 colleges and universities are located throughout the metro, providing a highly educated workforce. The strong enrollment at these institutions also produces demand for housing, goods, and services.

ECONOMY

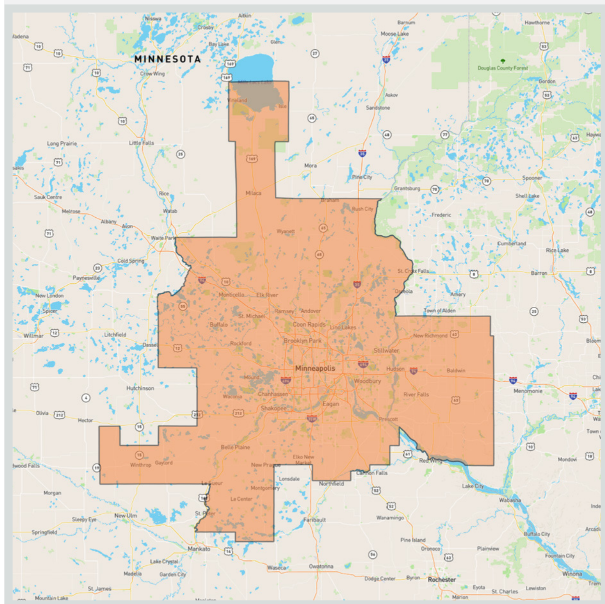
- The metro's diverse economic base includes more than a dozen Fortune 500 companies, such as Target Corp., Land O'Lakes, Best Buy, 3M Company, U.S. Bancorp, and General Mills.
- Medical institutions, including the University of Minnesota and the nearby Mayo Clinic in Rochester, underpin a growing biomedical research and development sector.
- Minneapolis, with its strong financial base, houses the Ninth Federal Reserve District, which oversees Montana, North Dakota, South Dakota, Minnesota, and parts of Wisconsin and Michigan.



* Forecast

MAJOR AREA EMPLOYERS

- Target Corp.
- University of Minnesota
- Allina Health
- Fairview Health Services
- CentraCare Health System
- Wells Fargo
- 3M Co.
- UnitedHealth Group, Inc.
- HealthPartners
- U.S. Bancorp



SHARE OF 2026 TOTAL EMPLOYMENT

10% *MANUFACTURING*

17% *TRADE, TRANSPORTATION, AND UTILITIES*

13% *GOVERNMENT*

19% *EDUCATION AND HEALTH SERVICES*

7% *FINANCIAL ACTIVITIES*

15% *PROFESSIONAL AND BUSINESS SERVICES*

5% *CONSTRUCTION*

9% *LEISURE AND HOSPITALITY*

1% *INFORMATION*

4% *OTHER SERVICES*

Note: Figures are rounded to nearest whole percentage point

KFC

MARKET OVERVIEW

DEMOGRAPHICS

- The metro will add over 105,000 people through 2029, resulting in approximately 48,000 new households and increased housing demand.
- Incomes above the national average contribute to a home-ownership rate of approximately 66 percent.
- Roughly 44 percent of the population older than 25 holds at least a bachelor's degree, including about 16 percent with a graduate degree.

QUALITY OF LIFE

The growing urban region is home to six major professional sports teams: the Minnesota Vikings, the Minnesota Twins, the Minnesota Timberwolves, the Minnesota Lynx, the Minnesota Wild, and the Minnesota United. College sports are enjoyed at the University of Minnesota — Twin Cities and St. Thomas campuses. The metropolitan area is noted for its vast array of cultural amenities that contribute to a high quality of life, including orchestras, art museums, and gardens. Strong arts education is supported by the Minneapolis College of Art and Design, the Children's Theatre Company, MacPhail Center for Music, and the Perpich Center for Arts Education. A two-hour drive from the metro, Duluth provides boating and fishing vacation opportunities for Twin Cities residents.

SPORTS

Baseball | **MLB** | Minnesota Twins

Football | **NFL** | Minnesota Vikings

Basketball | **NBA** | Timberwolves

EDUCATION

- University of Minnesota
- Hamline University
- University of St. Thomas
- Macalaster College

ARTS & ENTERTAINMENT

- Minneapolis Institute of Art
- Guthrie Theatre
- Orpheum Theatre
- Walker Art Center

QUICK FACTS

POPULATION
3.8M
Growth 2025-2030*
2.8%

HOUSEHOLDS
1.5M
Growth 2025-2030*
3.2%

MEDIAN AGE
39
U.S. Median:
40

MEDIAN HOUSEHOLD INCOME
$104,500
U.S. Median:
$78,200

** Forecast*

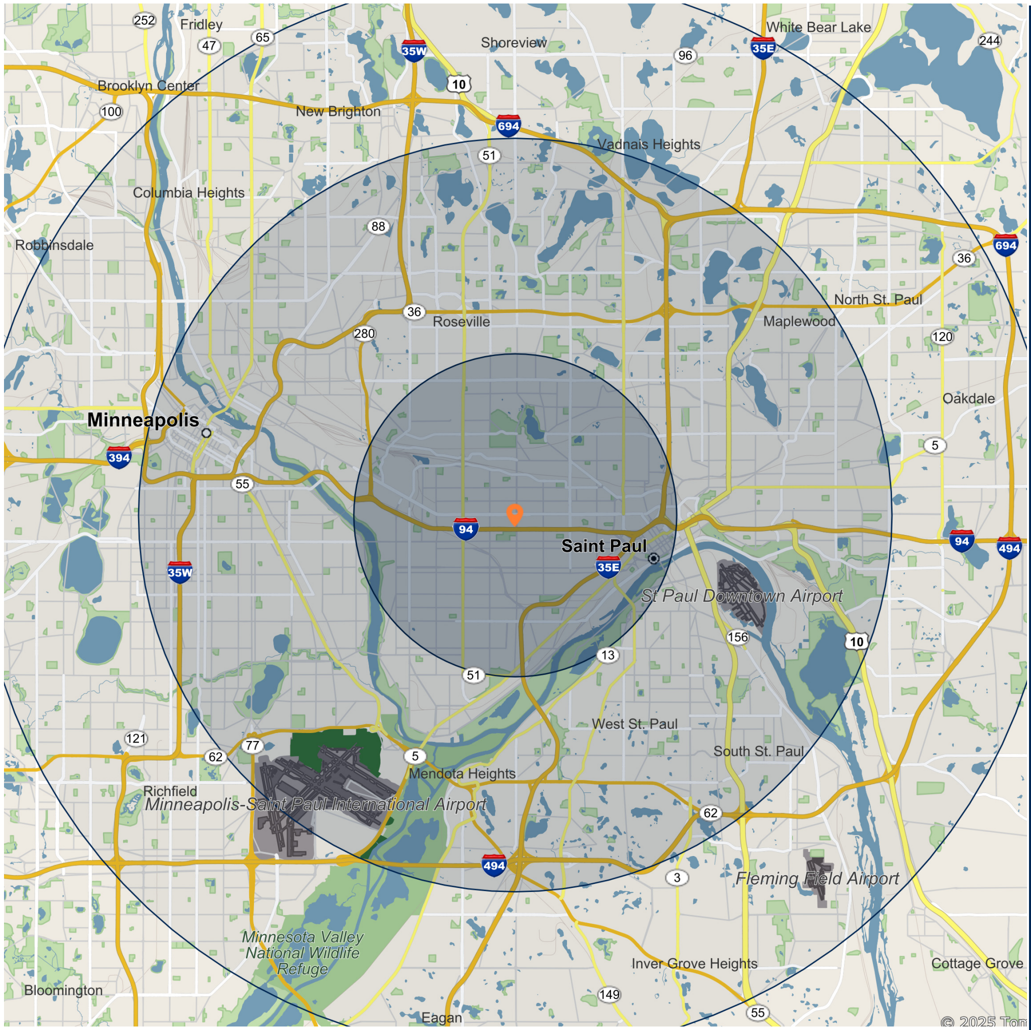
2026
Population by Age

6%	*0-4 years*
20%	*5-19 years*
6%	*20-24 years*
28%	*25-44 years*
24%	*45-64 years*
16%	*65+ years*

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

KFC

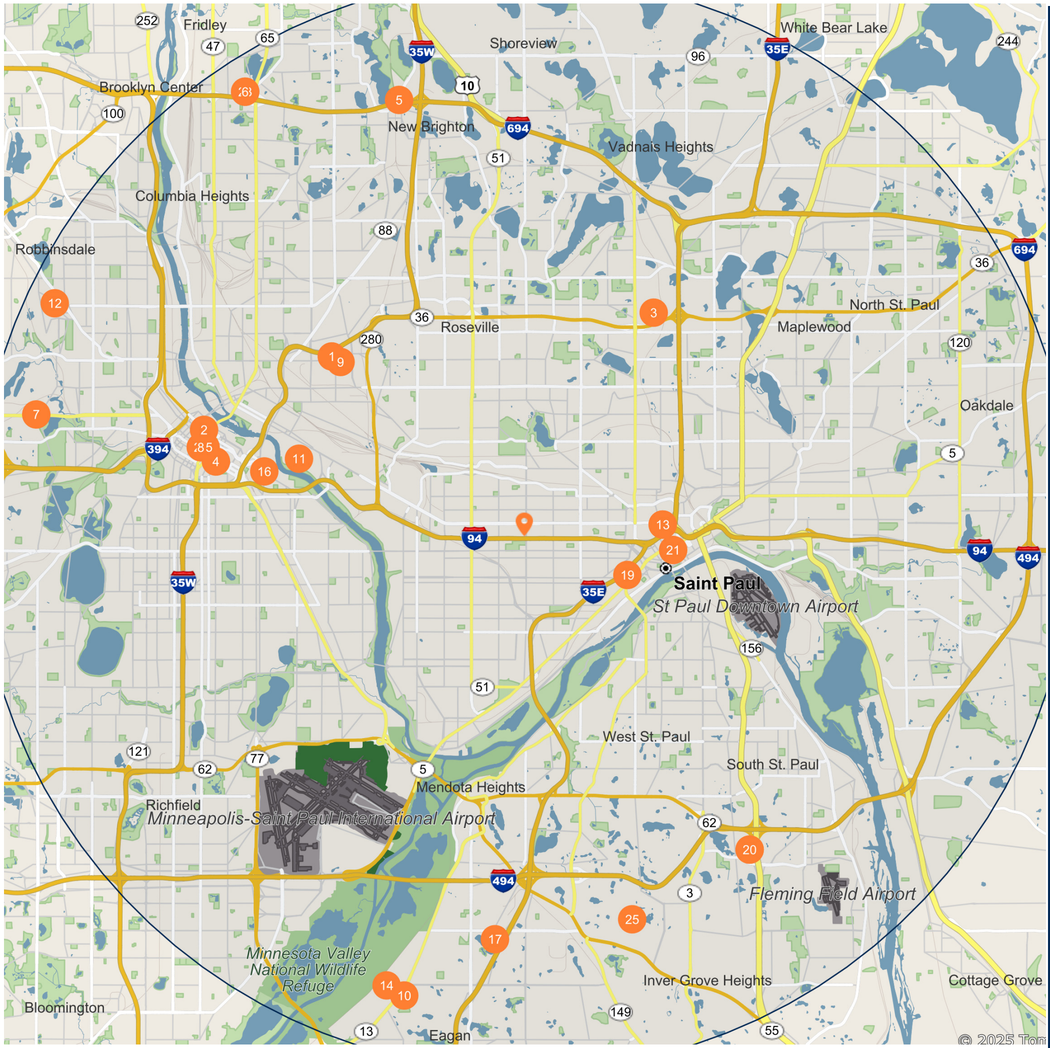
DEMOGRAPHICS



POPULATION	3 Miles	7 Miles	10 Miles
2030 Projection	174,748	756,395	1,252,066
2025 Estimate	171,736	742,104	1,227,271
2020 Census	171,838	739,179	1,221,370
2010 Census	159,766	669,115	1,111,171
HOUSEHOLD INCOME			
Average	$102,935	$98,040	$105,541
Median	$79,552	$77,343	$84,963
Per Capita	$45,788	$43,787	$46,069
HOUSEHOLDS			
2030 Projection	76,991	333,003	546,353
2025 Estimate	75,257	324,706	532,555
2020 Census	71,966	308,980	506,376
2010 Census	66,249	275,789	459,298
HOUSING			
Median Home Value	$325,677	$313,272	$322,944
EMPLOYMENT			
2025 Daytime Population	242,419	1,068,993	1,585,836
2025 Unemployment	2.41%	2.77%	2.74%
Average Time Traveled (Minutes)	23	24	24
EDUCATIONAL ATTAINMENT			
High School Graduate (12)	1.45%	1.67%	1.59%
Some College (13-15)	20.32%	22.43%	23.42%
Associate Degree Only	10.27%	11.57%	11.81%
Bachelor's Degree Only	6.66%	7.79%	8.19%
Graduate Degree	50.75%	46.16%	45.83%

KFC

DEMOGRAPHICS



	Major Employers	Employees
1	Rise Baking Artisan Bread LLC-	17,438
2	Ecmc Group Inc-	8,300
3	St Jude Medical SC Inc-	6,000
4	Hennepin Healthcare System Inc-Hennepin County Medical Center	4,500
5	API Group De Inc-Honeywell Authorized Dealer	4,340
6	Medtronic Inc-Medtronic	4,300
7	Compass Group USA Investments-	4,224
8	Baker Tilly Us LLP-Baker Tilly	3,622
9	United Parcel Service Inc-UPS	3,500
10	Aware Integrated Inc-Stella	3,400
11	Compass Group USA Invstmnts In-Caribou Coffee	3,379
12	North Memorial Health Care-North Memorial Medical Center	3,300
13	Regions Hospital-	3,088
14	Bcbsm Inc-Blue Cross and Blue Shield	3,000
15	Hennepin County-	3,000
16	Compass Group USA Invstmnts In-Caribou Coffee	2,957
17	Blue Cross Blue Shield ND-Noridian Medicare	2,951
18	Regions Hospital Foundation-FAMILY PHYSICIAN HEALTH CENTER	2,900
19	United Hospital Incorporated-Radiation Therapy Center	2,900
20	Cenex Inc-Cenex	2,500
21	Securian Financial Foundation-	2,500
22	Capella University Inc-	2,500
23	Medtronic Usa Inc-	2,500
24	CHS Inc-CHS	2,445
25	Thomson Rters Applications Inc-	2,414

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