



8090 COLLEGE STREET

Beaumont, TX 77707

Retail
Investment Opportunity

Offering Memorandum



MATTHEWS™

EXCLUSIVELY LISTED BY



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TX Disclaimer

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PROPERTY OVERVIEW

KFC

8090 College Street Beaumont, TX 77706



INVESTMENT HIGHLIGHTS

Property Highlights

- Dark KFC asset listed for \$1,119,467 yielding an attractive 8.25% cap rate. Sum of future cash flow payments exceeds list price of the investment.
- Long-Term Lease with approximately 11.25 years of primary term remaining
- Built-In Rental Growth featuring two 10% rent escalations scheduled for August 2027 and August 2032
- Absolute NNN Lease Structure ensuring zero landlord responsibilities for a truly passive investment
- Personal Guaranty & 50-Unit Guaranty from franchisee, ensuring rents payments are made & on time.
- Highly Functional Dark QSR Asset offering 2,835 SF with a drive-thru component and 34 parking spaces, ideal for future backfill flexibility
- The tenant ceased operations in April 2026 and is still obligated under all terms and conditions of the lease agreement.
- Positioned on College Street with 25,800 VPD, the property is surrounded by national brands including McDonald's, Sonic, Chick-fil-A, Starbucks, Raising Cane's, and Jack in the Box
- Beaumont is a legacy energy market with a long-standing industrial backbone driven by oil and petrochemical activity, resulting in a consumer base with high demand for fast food concepts
- Residential construction in Southeast Texas is booming, ranking as the region's second-fastest-growing industry, driven by industrial job gains and younger homebuyers
- Strong Daytime Population Drivers positioned near West Brook High School with 2,400 students
- Proximity to Regional Transportation just 1.8 miles from Beaumont Municipal Airport
- Located less than a mile from Beaumont Train Station, a key transit hub driving consistent foot traffic
- Robust Demographics with over 104,000 residents within a 5-mile radius and an average household income exceeding \$74,000



8090 College Street
Beaumont, TX 77706

±2,835 SF
GLA

2002
Year Built

±25,800
Vehicles Per Day

Absolute NNN
Lease Type



PROPERTY OVERVIEW

Property Details

Property Address	8090 College Street
City	Beaumont
State	TX
Zip	77707
GLA (SF)	±2,835
Lot (AC)	±0.85
Lot (SF)	±37,026
Year Built	2002
APN	042450-000-007200-00000
Zoning	LI
Parking Spaces	34
Parking Ratio (per 1,000)	12
# Drive-Thrus	1
Building Type	Built to Suit
Vehicles Per Day	25,800



Property Demographics

Population	1-Mile	3-Mile	5-Mile
Current Year Estimate	6,149	36,359	83,042
Households	1-Mile	3-Mile	5-Mile
Current Year Estimate	2,425	14,383	33,932
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$85,042	\$118,206	\$99,851

FINANCIAL OVERVIEW

KFC

8090 College Street Beaumont, TX 77706



FINANCIAL SUMMARY

\$1,119,467

List Price

8.25%

Cap Rate

\$395

Price Per SF



Lease Overview

Tenant	KFC
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Rent	\$92,356
Lease Guarantor	Personal Guaranty & Delect Foods, LLC (50-Units)
# Units	15 Units
Lease Commencement Date	8/1/2017
Lease Expiration Date	8/1/2037
Original Lease Term	20 years
Term Remaining	11.25 Years
Options	Three, 5-Year Options
Rent Increases	10% Every 5
LL Responsibilities	None

FINANCIAL OVERVIEW

Annualized Operating Data

Term	Start	End	Monthly Rent	Annual Rent	RPSF	Increases	Yield
Current: Year 9	-	8/1/2027	\$7,696	\$92,356	\$32.58	-	8.25%
Year 10-15	8/2/2027	8/1/2032	\$8,466	\$101,592	\$35.83	10%	9.08%
Year 15-20	8/2/2032	8/1/2037	\$9,313	\$111,751	\$39.42	10%	9.98%
Average	-	-	\$8,492	\$101,900	\$35.94	10%	9.10%



 **West End Crossing Apartments**
±256 Units



 **Vincent Middle School**
±637 Students



 **Kingstown West II**
Housing Complex

 **Amelia Elementary**
±539 Students



Subject Property



10 De Mayo

College St ± 25,800 VPD





College St ± 25,800 VPD

TENANT OVERVIEW

Year Founded
1930

Headquarters
Louisville, Kentucky

Ownership Status
Yum! Brands, Inc.

Employees
820,000+

Locations
30,000+

Credit Rating
BB+ (S&P)

Annual Revenue
\$34.45 Billion



Tenant Overview

KFC (Kentucky Fried Chicken) is one of the world's premier quick-service restaurant brands, known for its signature fried chicken and strong franchise model. As a subsidiary of Yum! Brands, KFC combines deep consumer recognition, consistent global expansion, and growing same-store sales to deliver reliable cash flow. Its brand strength, menu innovation, and operating leverage in digital and international markets make it a compelling tenant for retail or net-lease property investors.

Why Invest in KFC?

- Strong Global Scale & Brand Recognition: With 30,000+ locations across more than 145+ countries, KFC is among the top-performing fast-food chains in terms of international penetration and recognition.
- Proven Franchise Model / Stable Cash Flow: Over 98-99% of KFC restaurants are franchised, providing steady royalty and lease-type income, limiting the capital required from the parent company for unit operations.
- Growth via International and Emerging Markets: Significant expansion in China, Middle East, Africa, and Asia contributes to system sales growth. Strong same-store sales growth in many international markets.
- Digital / Same-Store Sales Momentum: Recent earnings show solid same-store sales growth and expansion of digital & delivery channels, increasing recurring revenue streams.
- Operational Efficiencies & Real Estate Appeal: Net lease / NNN leasing often used for many KFC franchise locations. Long-term leases, strong brand, and frequent store openings contribute to landlord appeal.
- Credit Position & Up-Side in Rating: Although ratings are speculative grade (BB+ / Ba2), Yum! Brands' size, cash flow from franchises, and consistent performance keep risk relatively managed and point toward possible credit improvements.

MARKET OVERVIEW

KFC

8090 College Street Beaumont, TX 77706



BEAUMONT, TX

Market Demographics



104,545
Total Population (5-Mi)

\$55,000
Median HH Income

41,535
of Households (5-Mi)

54%
Homeownership Rate

Local Market Overview

Beaumont, Texas serves as a key economic hub for Southeast Texas, positioned along the Interstate 10 corridor between Houston and Lake Charles. The city benefits from its strategic proximity to major petrochemical refining complexes and the Port of Beaumont—one of the busiest ports in the United States by tonnage. This industrial foundation has supported steady population stability and a diverse employment base, particularly in energy, logistics, and manufacturing sectors. The area's cost of living remains well below the national average, making it attractive for both residents and employers seeking affordability without sacrificing access to critical infrastructure.

The local economy is further supported by healthcare, education, and government services, with major institutions such as CHRISTUS Southeast Texas Health System and Lamar University contributing to workforce development and regional stability. Lamar University, a Carnegie-classified doctoral research institution located in Beaumont, enrolls more than 17,000 students across undergraduate and graduate programs. The university spans over 290 acres and is recognized for strong engineering, business, and healthcare-related programs that align closely with the region's industrial and workforce needs. Beaumont's accessibility to Houston—approximately 85 miles west—enhances its appeal as a secondary market with connectivity to a major metropolitan economy. Ongoing infrastructure investment, including port expansion and energy-related development, continues to position Beaumont as a resilient and strategically important market within the Gulf Coast region.

Economic Drivers

Beaumont's economy is fundamentally anchored by its position within one of the largest refining and petrochemical corridors in the United States. The city benefits from immediate access to the Port of Beaumont, a critical logistics hub for military cargo and commercial goods, as well as connectivity to Interstate 10 and key rail networks. Energy production and refining remain dominant forces, supported by a strong industrial base and a growing presence in logistics and distribution. Additionally, healthcare and higher education institutions provide economic stability and workforce development, contributing to long-term regional resilience.

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 8090 College Street, Beaumont, TX, 77706 ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews™. is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™., the property, or the seller by such entity.

Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Buyer/Tenant/Seller/Landlord Initials

Date