



STNL DRIVE-THRU RESTAURANT INVESTMENT OPPORTUNITY
WITHIN HOME DEPOT ANCHORED COMMUNITY CENTER
SIGNAL HILL (LONG BEACH), CA



FARISLEE
Investments

NATIONAL SINGLE-TENANT
NET LEASE ADVISORS

PROUD PARTNER
XTEAM
RETAIL ADVISORS



JACK-IN-THE-BOX | SIGNAL HILL, CA

801 E. Spring Street, Signal Hill, CA

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\$3,700,000
Asking Price

3.92%
In-Place Cap Rate

Absolute NNN Ground Lease

Ease of Management

THE OFFERING

Faris Lee Investments is pleased to present the rare opportunity to acquire the leased fee interest (land) in a freestanding, corporate guaranteed, absolute NNN ground leased Jack-in-the-Box, located within the dominant Home Depot anchored community center in Signal Hill (Long Beach), CA. The property has 10 years of remaining lease term with 2 (5-year) options to extend, with 10% increases every 5 years throughout the potential 20 years of term. This provides an investor long term security and stability, and hedges against inflation well into the future. Additionally, this absolute NNN ground lease structure is ideal for a 1031 exchange investor, providing zero landlord responsibilities and ease of management for an investor.

Jack-in-the-Box: Publicly traded company: (NASDAQ: JACK), fiscal 2017 revenue of \$1.55 Billion, fiscal 2017 net income of \$135.33 Million, Fiscal 2017 Equity of \$388.03 and over 2,245 locations throughout 21 states and Guam.

LOCATION SUMMARY

Jack-in-the-Box is located within the Signal Hill Gateway community center, which is home to an unparalleled tenant roster of top industry anchor and daily-needs tenants including Home Depot, Starbucks, Chipotle, In-N-Out, Petco, Dollar Tree and Ross, driving extremely high crossover foot traffic to the subject property. The property enjoys excellent signage, street frontage along California Avenue and East Spring Street, and multiple monument signs visible from one of the busiest freeways in Southern California, I-405 (333,800 VPD). The Property is also within close proximity to Long Beach Memorial Hospital, which has more than 450 beds. The city of Signal Hill is adjacent to Long Beach, which is the seventh largest city in California. With over 5,000 residential units planned or under construction, Downtown Long Beach has become one of Southern California's prime real estate markets. It is also a major industrial port, ranked second-busiest in the U.S. and tenth-busiest in the world. Some of Southern California's best attractions can be found just a few miles from the area, including the Aquarium of the Pacific, the Queen Mary Oceanliner, and Disneyland. Signal Hill Gateway benefits from its position in one of the most affluent and densely populated areas in Southern California. Over 596,600 people with an average income of over \$86,000 reside within 5 miles of the property and the high-income areas of Rancho Palos Verdes and Belmont Shore are just a short drive from the center.

HIGHLIGHTS

NATIONAL / CREDIT TENANT | STRONG BRAND RECOGNITION

» Jack in the Box

Company Type:	Public (NASDAQ: JACK)
Fiscal Year-End:	September
Locations:	2,245
2017 Revenue:	\$1.55 Billion
2017 Net Income:	\$135.33 Million
2017 Assets:	\$139.27 Million
2017 Equity:	\$388.03 Million

LONG TERM / ABSOLUTE NNN GROUND LEASE - 10 YEARS

- » 10 year lease term remaining with 2 (5 year) options to extend. Potential for 20 years of term
- » Long term security and stability for the investor
- » Jack in the Box has occupied at this proven location since 2009 (10 years)

FIXED RENTAL INCREASES

- » 10% rental escalations every 5 years throughout the initial term and option periods.
- » Increases return on investment
- » Hedges against inflation

EASE OF MANAGEMENT | ABSOLUTE NNN GROUND LEASE

- » No landlord responsibility
- » Tenants are responsible for Taxes, CAM, Insurance, Roof and Structure maintenance
- » Ideal investment for a passive or out-of-state investor

CLOSE PROXIMITY AND EASE OF ACCESS TO MAJOR TRAFFIC DRIVERS

- » Under one mile from Long Beach International Airport - Over 2.1 Million passengers annually
- » Under half of a mile from Long Beach Memorial Medical Center - 453 Beds and 2,000+ daily employees

IRREPLACEABLE SOUTHERN CALIFORNIA URBAN INFILL LOCATION | STRONG DEMOGRAPHICS

- » Located in the densely populated and highly affluent area of Signal Hill (Long Beach) - **291,000+ permanent residents in a three mile radius of the property**
- » Over 10,500 businesses and 101,600 employees in a three mile radius
- » Surrounded by some of the most affluent communities in Southern California, including Rancho Palos Verdes and Belmont Shore
- » Signalized, Hard Corner positioning near the intersection of Atlantic Avenue (combined 36,000 VPD)
- » Convenient access from one of the busiest freeways in California, **I-405 (333,800 VPD)**

OUTPARCEL PAD TO POWER CENTER

- » Jack-in-the-Box front Home Depot, Ross, Petco and Dollar Tree
- » Other co-tenants include: Starbucks, In-n-out, Applebee's, Sprint and Bank of America (ATM)



in the box®

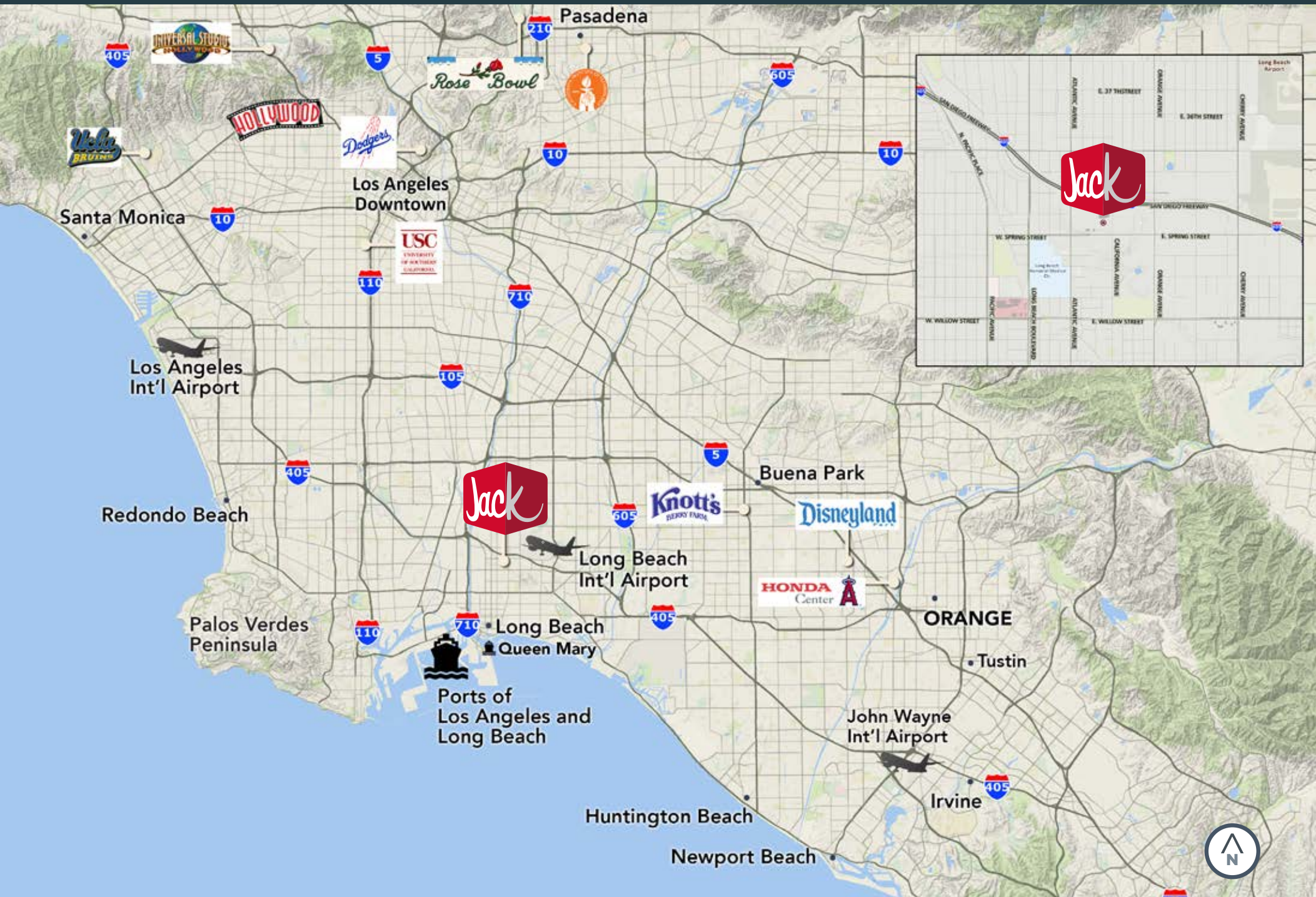


PROPERTY OVERVIEW

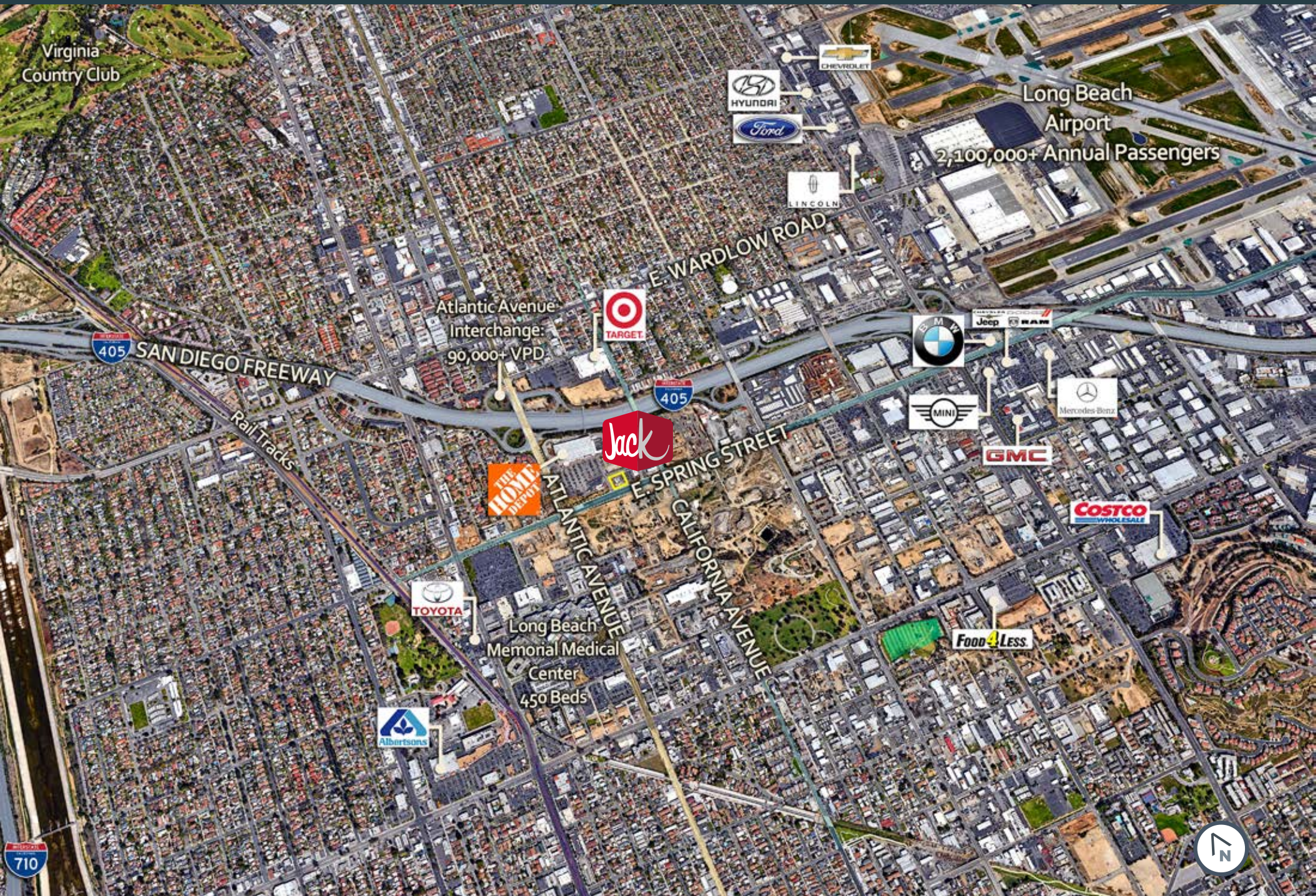
LONG BEACH/SIGNAL HILL, CA



LOCATION MAP



AERIAL VIEW





CO-TENANTS





PROPERTY OVERVIEW

PROPERTY SPECIFICATIONS

Rentable Area:	2,400 SF	Zoning:	Commercial General
Land Area:	0.63 Acres (27,284 SF)	Ownership:	Leased Fee (Land)
Year Built:	2008		

Address: 801 E. Spring Street, Signal Hill, CA 90755

Access: There are four (4) access points, two (2) along E. Spring St. and two (2) along California Ave.

Parking: There are approximately 18 dedicated parking stalls on the owned parcel. The parking ratio is approximately 9.39 parking stalls per 1,000 SF of leasable area.

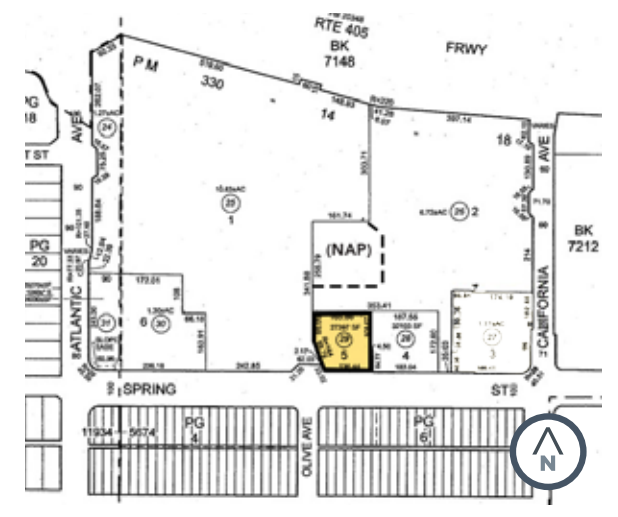
TRAFFIC COUNTS (COSTAR 2018)

	Vehicles Per Day
E. Spring Street & Atlantic Ave.	36,000
California Ave. & E. Spring Street:	19,000
405 Freeway:	333,800

PARCEL NUMBERS

PARCEL	ACRES	SF
7207-024-029	0.63	27,284

PARCEL MAP





AREA OVERVIEW





Fast Facts

Signal Hill, CA is located approximately 2 miles north Long Beach, the seventh-largest city in California, situated on San Pedro Bay, south of Los Angeles, in Los Angeles County. With over 5,000 residential units planned or under construction, Downtown Long Beach has become one of Southern California's prime real estate markets. It is also a major industrial port, ranked second-busiest in the U.S. and tenth-busiest in the world. Some of Southern California's best attractions can be found just a few miles from the area, including the Aquarium of the Pacific, the Queen Mary Oceanliner, and the Long Beach Theater.

Long Beach is home to several highly-ranked colleges and universities:

Cal State - Long Beach (CSULB)

Founded in 1949, CSULB is the third largest campus of the 23-school CA State University system (CSU). CSULB has been recognized as one of "America's Best Value Colleges" by the Princeton Review.

Long beach City College

Long Beach City College, established in 1927, is the only community college serving the cities of Long Beach, Lakewood, Signal Hill, and Santa Catalina Island. Student population was 24,739 in Fall 2016.



Economic Highlights

A number of top companies operate large facilities in the Long Beach/Signal Hill area.

Mercedes-Benz

Regional West Coast Office with 1.1 MM SF on 52 acres will be the home of MBUSA's Vehicle Preparation Center, Western Region Sales Operations and Mercedes-Benz Academy Offices.

Boeing

650,000+ SF Office/Industrial Boeing is shifting nearly 1,600 new jobs to the Long Beach Facility by 2020.

Virgin Galactic

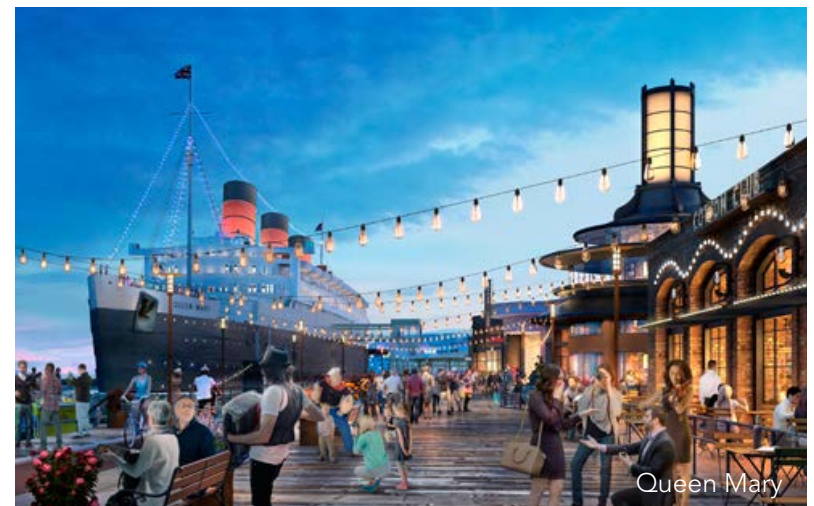
Virgin Galactic has built a new 150,000 SF manufacturing facility that will house design and manufacturing of the company's small satellite launch vehicle: LauncherOne.

Rubbercraft

122,000+ SF of industrial/office. Three years ago private equity firm Industrial Growth Partners bought its parent firm: Sanders Holdings Inc.

MAJOR EMPLOYERS

Long Beach Unified Schools
Long Beach City College
CSU Long Beach
Boeing
Southern California Edison
Spectrum Communications
Aquarium of the Pacific
Costco
Crane
Alliance Spacesystems



Queen Mary

LONG BEACH/SIGNAL HILL, CA FAST FACTS



474,741

POPULATION ESTIMATE (2017)



37%

PREDICTED JOB GROWTH OVER THE NEXT 10 YEARS



1.37%

RECENT JOB GROWTH



6.3%

HOME APPRECIATION IN THE LAST YEAR



34

MEDIAN AGE



\$85,600

AVERAGE HOUSEHOLD INCOME IN 5 MILE RADIUS

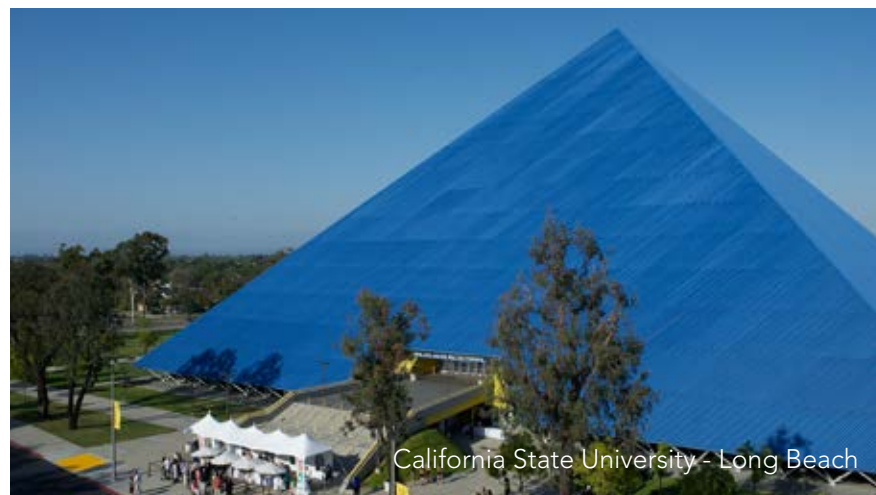


30 Minutes

AVERAGE COMMUTE TIME



Aquarium of the Pacific



California State University - Long Beach

DISTANCE FROM SIGNAL HILL:



2 Miles

LONG BEACH



15 Miles

DOWNTOWN LA



15 Miles

ORANGE COUNTY



90 Miles

SAN DIEGO

Signal Hill, CA (rol3.sitesusa.com)	1 Mile	3 Mile	5 Mile
2018 Estimated Population	22,376	291,067	596,657
2023 Projected Population	22,812	295,297	604,633
2010 Census Population	21,766	284,309	584,340
2000 Census Population	21,816	286,319	579,134
Projected Annual Growth 2018 to 2023	0.4%	0.3%	0.3%
Historical Annual Growth 2000 to 2018	0.1%	0.1%	0.2%
2018 Median Age	37.4	33.6	35.2
2018 Estimated Households	8,023	95,776	207,557
2023 Projected Households	8,403	100,032	216,691
2010 Census Households	7,660	91,699	199,359
2000 Census Households	7,382	90,646	198,005
Projected Annual Growth 2018 to 2023	0.9%	0.9%	0.9%
Historical Annual Growth 2000 to 2018	0.5%	0.3%	0.3%
2018 Estimated White	37.1%	35.8%	43.2%
2018 Estimated Black or African American	16.1%	15.0%	14.2%
2018 Estimated Asian or Pacific Islander	22.0%	18.6%	15.8%
2018 Estimated American Indian or Native Alaskan	0.6%	0.8%	0.7%
2018 Estimated Other Races	24.2%	29.8%	26.1%
2018 Estimated Hispanic	36.1%	47.4%	42.8%
2018 Estimated Average Household Income	\$88,477	\$72,622	\$86,272
2018 Estimated Total Businesses	2,273	10,572	21,715
2018 Estimated Total Employees	23,900	101,612	231,946
2018 Estimated Employee Population per Business	10.5	9.6	10.7
2018 Estimated Residential Population per Business	9.8	27.5	27.5



PRICING ANALYSIS

SITE PLAN



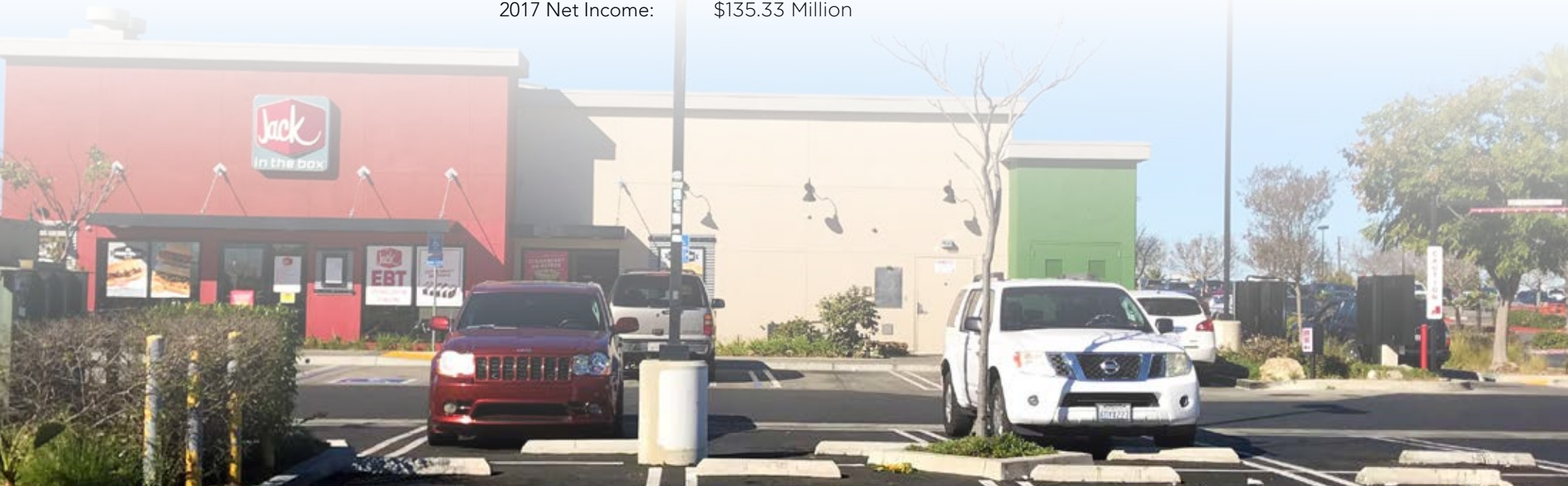
Tenant	Size (SF)	Current Monthly Rent	Monthly Rent \$/SF	Current Annual Rent	Annual Rent \$/SF	Increase Date	Increase	Rental Increases				Recovery Type	Lease Start	Lease Expires	Lease Options
Jack in the Box (Ground Lease)	2,400	\$12,100	\$5.04	\$145,200	\$60.50	Feb-2024	10%	Monthly Rent	Monthly \$/SF	Annual Rent	Annual \$/SF	Absolute NNN Ground Lease	2/26/2009	2/25/2029	2 (5-Year) Option 1: \$14,641/mo. Option 2: \$16,105/mo.



JACK IN THE BOX

Jack in the Box is a hamburger chain, which offers a selection of products, including classic burgers such as, Jumbo Jack burgers, and new product lines, such as Buttery Jack burgers, and its Brunchfast menu. It also offers tacos, regular and curly fries, specialty sandwiches, salads and real ice cream shakes, among others. It also allows its guests to customize meals, as well as order any product at any time of the day or night, including breakfast items. The Company's Jack in the Box QSRs also have the concept of drive-in restaurants. Its Jack in the Box restaurants have seating capacities, ranging from 20 to 100 people. As of April 15, 2018, Jack in the Box operated 2,245 locations in 21 states and Guam.

Company Type:	Public (Nasdaq JACK)	2017 Equity:	\$388.03 Million
2017 Employees:	16,600+	2017 Revenue:	\$1.55 Billion
2017 Net Income:	\$135.33 Million		



Financial Information**Price:** \$3,700,000Lease Type: Absolute NNN Ground Lease

Tenant is responsible for taxes, insurance CAM, roof and structure

Property Specifications**Rentable Area:** 2,400 SF**Land Area:** 0.63 Acres**Year Built:** 2008**Address:** 801 E. Spring Street, Signal Hill, CA 90755**Parcel Numbers:** 7207-024-029**Ownership:** Leased Fee (Land)**Tenant:** Jack in the BoxOperating Information

	<u>Current</u>	<u>Feb-2024</u>
Gross Potential Rent	\$145,200	\$159,720
Plus Recapture	NNN	NNN
Effective Gross Income	<u>\$145,200</u>	<u>\$159,720</u>
Less Expenses	(NNN)	(NNN)
Net Operating Income	\$145,200	\$159,720

Cap Rate:	3.92%	4.32%
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**HIGH-PERFORMING IN-FILL ABSOLUTE NNN GROUND LEASE INVESTMENT OFFERING
SIGNAL HILL (LONG BEACH), CA**



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