



PIZZA HUT

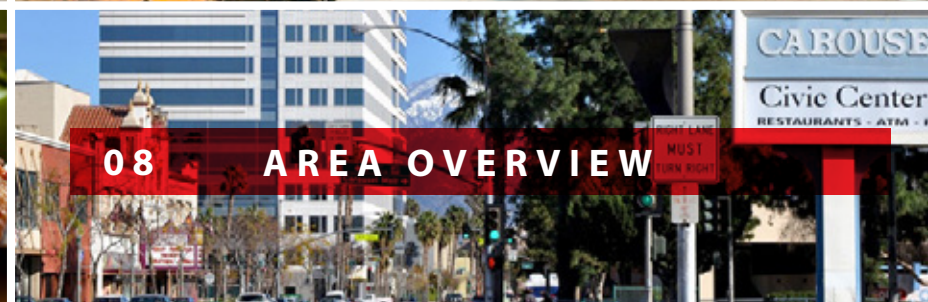
398 W BASE LINE ST
SAN BERNARDINO, CA 92410

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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LISTED BY:

JEFF MILLER, MBA

ASSOCIATE

JEFF.MILLER@MATTHEWS.COM

DIR 424.220.7263

MOB 817.239.1566

LIC # 02013110 (CA)

KYLE MATTHEWS

CHAIRMAN & CEO

LICENSE NO: 1469842 (CA)



Investment Highlights

Great Demographics

- Over 157,000 people in a 3 mile radius and 360,000 people in a 5 mile radius
- Expected population growth over 6% in the area over the next 5 years with over 7% growth from 2010 to 2017
- Located on a hard signalized corner with 30,000 VPD on W Base Line Street and less than half a mile away from Interstate 215 which has over 115,000 VPD
- Less than 1 mile from downtown San Bernardino

Investment Grade Tenant within Strong Retail Corridor

- American West Restaurant Group (AWRG) is the largest Pizza Hut franchisee in California, operating approximately 300 Pizza Hut QSRs in the greater Los Angeles Area
- Other retail in the area includes: 7-Eleven, Smart & Final, Dollar Tree, Home Depot, Popeyes, Jack in the Box, Church's Chicken, Walgreens, O'Reilly Auto Parts, Goodyear, ARCO, AutoZone, McDonald's



Pizza Hut

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Annualized Operating Data

	Monthly	Annual	Rent PSF	Cap Rate
12/1/2018 - 11/30/2024	\$3,056.75	\$36,681	\$32.72	4.75%
12/1/2024 - 11/30/2029	\$3,362.43	\$40,349	\$35.99	5.23%
Option 1	\$3,698.67	\$44,384	\$39.59	5.75%

Tenant Summary

Tenant Trade Name	Pizza Hut
Type of Ownership	Fee Simple
Lease Guarantor	American West Group
Lease Type	NNN
Gross Leasable Area	±1,121 SF
Roof / Structure	Tenant Responsible
Parking Spaces	± 8 Surface Spaces
Original Lease Term	13 Years
Lease Expiration	11/30/2029
Term Remaining	±10.58 Years
Increases	10% Every 5 Years

Investment Summary

» PROPERTY ADDRESS	398 W Base Line St San Bernardino, CA 32410
» OFFERING PRICE	\$772,232
» NOI (YEAR 1)	\$36,681
» CAP RATE (YEAR 1)	4.75%
» TOTAL BUILDING AREA	±1,121 SF
» TOTAL LAND AREA	±0.14 Acres (5,885 SF)



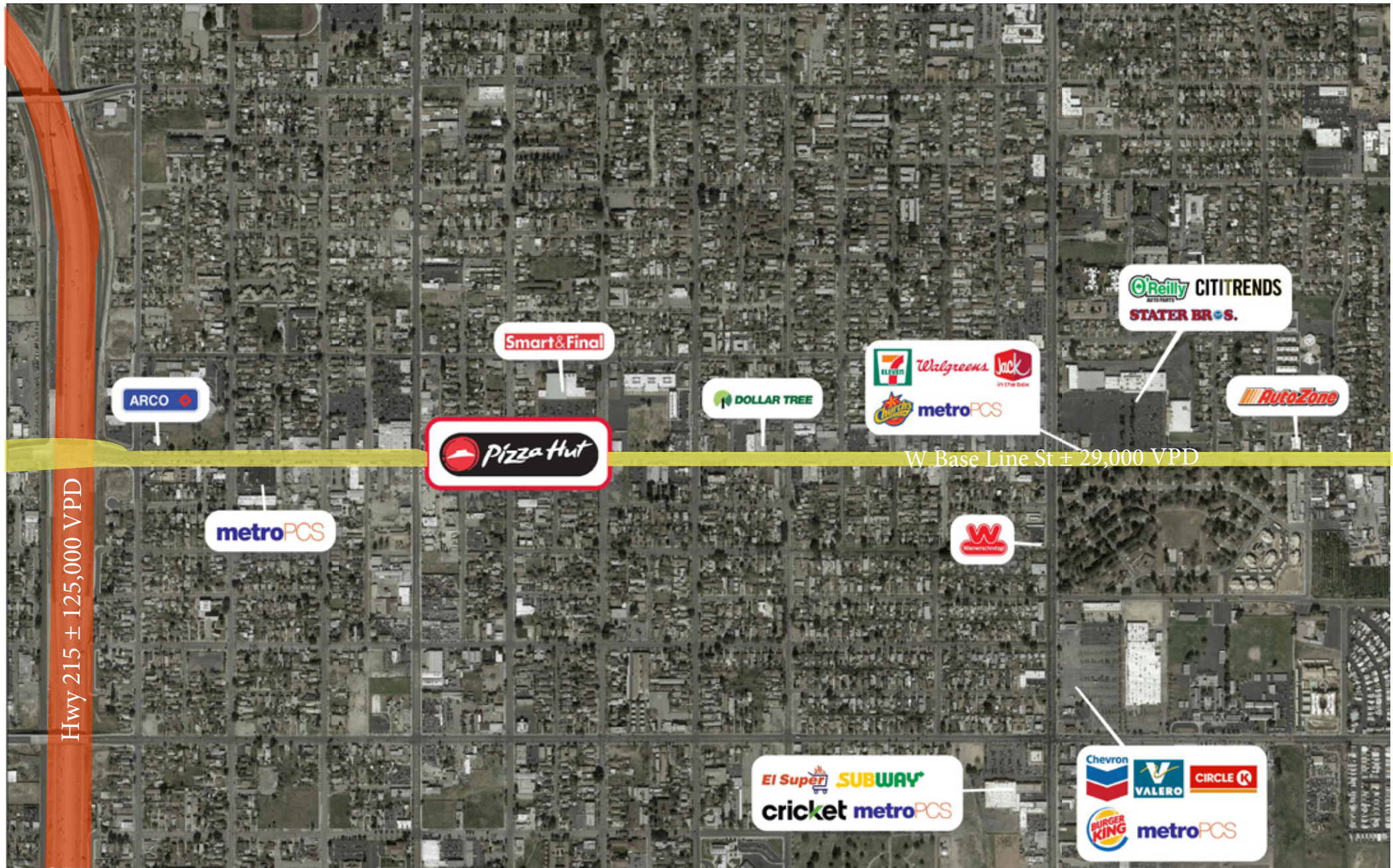
Tenant Overview

» Company Name	» Year Founded	» Headquarters
Pizza Hut	1979	Plano, TX
» Ownership	» Industry	» No. of Employees
Public	Restaurants	±300,000

Pizza Hut, Inc. operates a chain of pizza restaurants in the United States and internationally. Pizza Hut offers pizzas, pastas, wings, and drinks, as well as sides and desserts, such as stuffed pizza rollers, breadsticks, cheese sticks, baked desserts, and cinnamon sticks. The company also offers catering services. In addition, Pizza Hut franchises its restaurants. Further, it provides online ordering. The Company was founded in 1979 and is based in Plano, Texas. Pizza Hut, Inc. operates as a subsidiary of Yum! Brands, Inc. Pizza Hut is split into several different restaurant formats; the original family-style dine-in locations; storefront delivery and carryout locations; and hybrid locations that offer carry-out, delivery, and dine-in options. Many full-size Pizza Hut locations offer a lunch buffet, with "all-you-can-eat" pizza, salad, breadsticks, and pasta. Additionally, Pizza Hut has a number of other business concepts that are different from the store type; Pizza Hut "Bistro" locations are "Red Roofs" which offer an expanded menu and slightly more upscale options.

American West Group

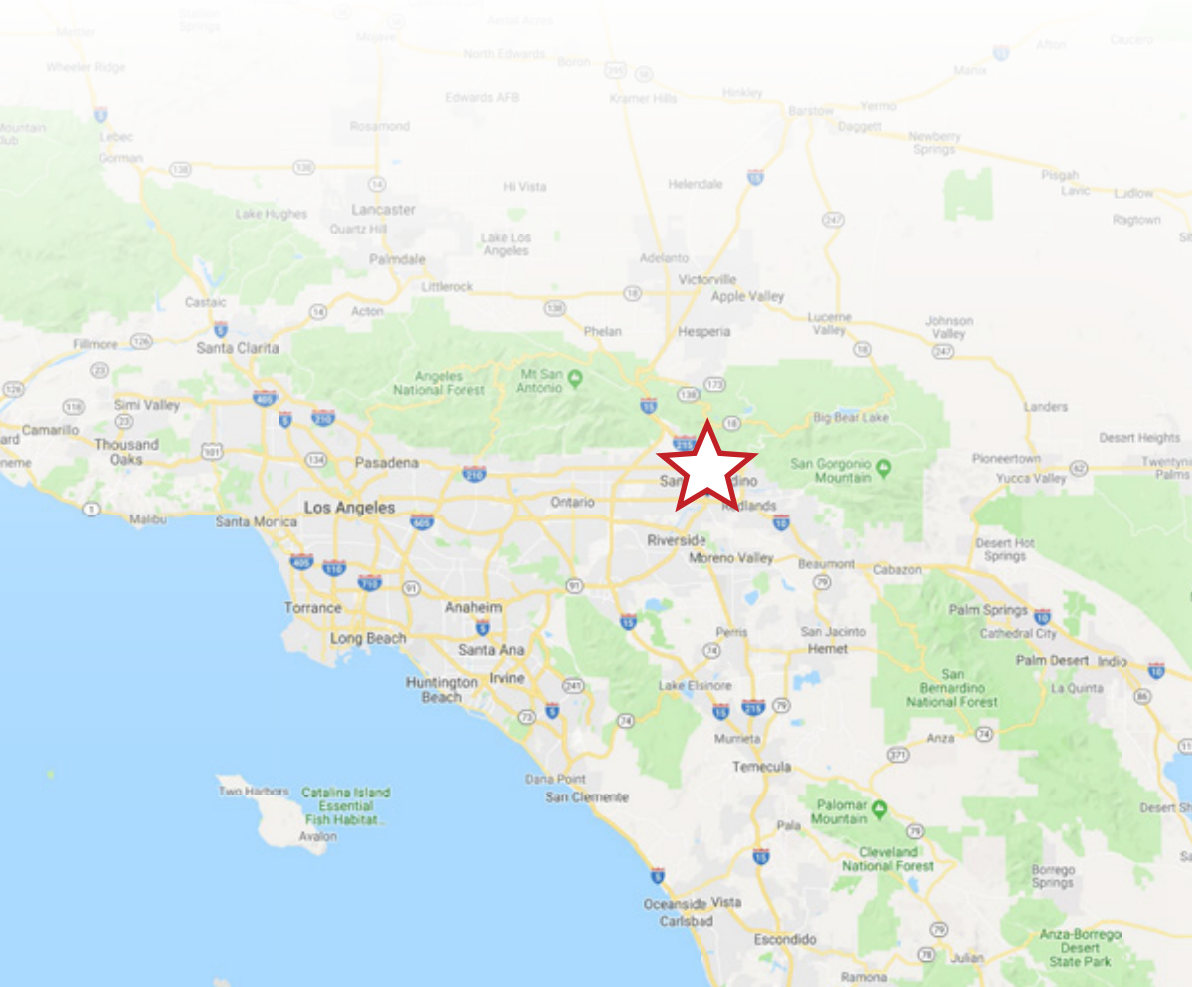
American West Restaurant Group ("AWRG") is the largest Pizza Hut franchisee in California and Utah and the third largest in the United States. AWRG operates approximately 300 Pizza Hut quick service restaurants ("QSRs") in greater Los Angeles across five contiguous counties: central Los Angeles, Riverside, San Bernardino, Ventura, North Orange County, and metropolitan Salt Lake City. Its leading position in Southern California gives it the ability to control local marketing initiatives in its markets. Approximately 90% of AWRG's units are highly efficient, modern delivery/carryout units that generate strong unit-level economics.





San Bernardino, CA

San Bernardino is the county seat of San Bernardino County, often referred to as the “Inland Empire.” California State University, San Bernardino is located in the northwestern part of the city. The city is the 17th largest in the state and is home to numerous diplomatic missions for the Inland Empire. The governments of Guatemala and Mexico have also established their consulate in downtown San Bernardino. Government, retail, and service industries dominate the economy of San Bernardino.



Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2010 Census	29,819	149,297	343,879
2019 Estimate	31,443	155,156	357,525
2024 Projection	32,567	159,570	367,749

HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2010 Census	7,993	40,509	94,281
2019 Estimate	8,366	41,731	97,153
2024 Projection	8,642	42,793	99,650

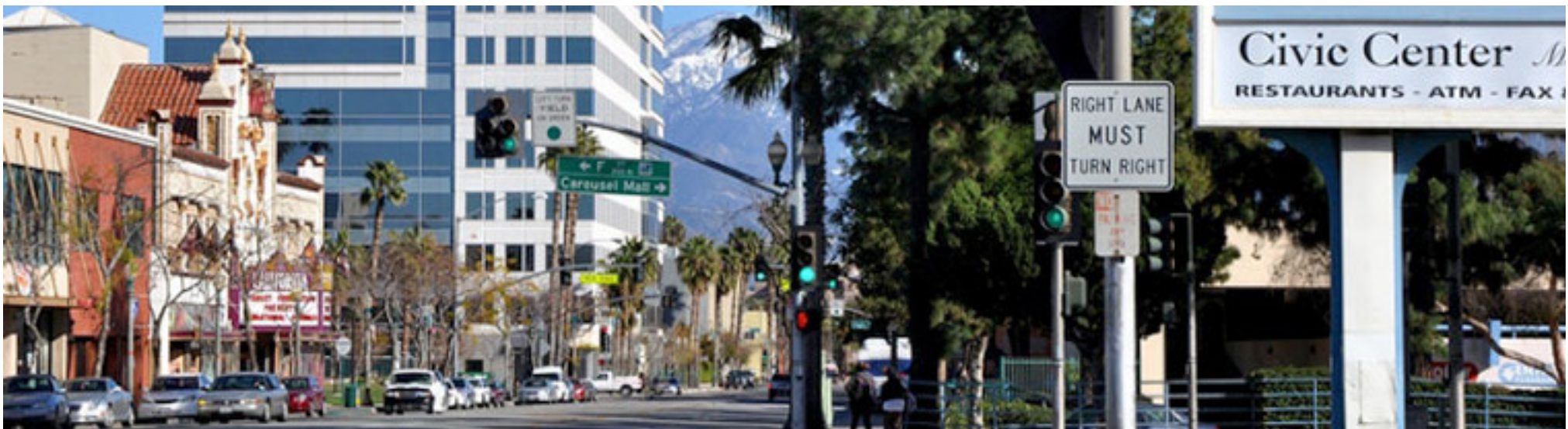
INCOME	1 - MILE	3 - MILE	5 - MILE
Average HH Income	\$37,646	\$48,521	\$57,709



EVENTS & ATTRACTIONS

The San Bernardino National Forest has been ranked the number one attraction on TripAdvisor. Spanning a total of 154,000-acres, this national monument consists of thirty miles of the world-famous Pacific Coast National Scenic Trail. This area is perfect for camping, hiking, hunting, horseback riding, photography, wildlife viewing, and even skiing. The forest is the fifth national monument in the Pacific Southwest Region, and the fourth national monument to be co-managed by the Forest Service.

Today, The San Bernardino National Forest serves as southern California's outdoors year-around recreation destination. Visitors can drive the Rim of the World Scenic Byway and Palms to Pines Scenic Byways to view the monument from a different vantage point.





Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Pizza Hut** located at **398 W Base Line St San Bernardino, CA 92410** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This 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 Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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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 detrimental to the interest of the Seller.

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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 this Offering Memorandum.



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